



Getting Ahead of the Curve: Saturated Fat

By Dr. A. Elizabeth Sloan

Saturated fat is the new leader in the fat avoidance market. Two-thirds (67%) of Boomers, 66% of Gen Xers and 46% of Gen Yers are reducing/avoiding saturated fats, vs. 63%, 61% and 49%, respectively, for trans fats, according to the Hartman Group’s 2010 “Reimagining Health and Wellness” report.

Eight in 10 (79%) shoppers believe that saturated fats are bad; 77% trans fats, reports the Food Marketing Institute’s (FMI) 2010 “U.S. Grocery Shopper Trends” survey. Moreover, in unaided questioning, low in saturated fat is now the 4th most important component of healthy eating cited by 22% of consumers, ranking right behind vegetables, fruits and limiting processed foods per Mintel’s 2009 “Attitudes Towards Food: Weight and Diet” report.

With the 2010 Dietary Guidelines Advisory Committee recommending a reduction of saturated fat from <10% of calories to <7% and replacement of saturated fat with more unsaturated alternatives, the opportunity for prod-

ucts with a low saturated fat profile will grow larger still.

Sales of foods/beverages touting a fat-related claim hit more than \$46 billion in mass channels in 2009 excluding Wal-Mart per the Nielsen Co.; those with a specific fat claim, e.g., no trans fat, \$14.8 billion. More than one-third (37%) of grocery shoppers bought more lower-fat products in 2010 than last year reports FMI. One in five (17%) of the best-selling new foods/drinks in 2009-10 had a lower in fat claim, according to SymphonyIRI’s “2010 Pacesetter Report.”

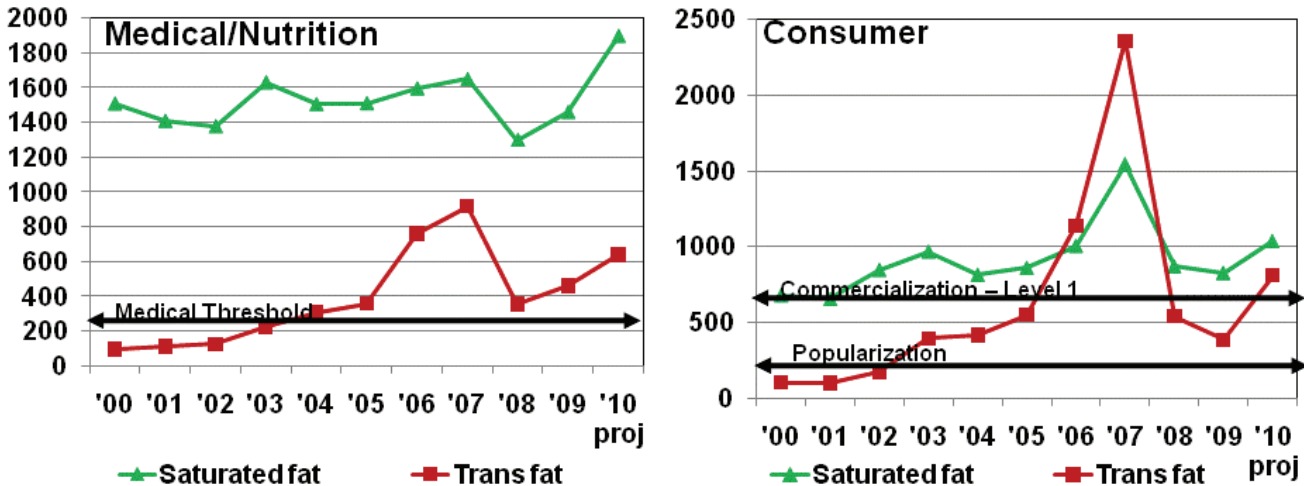
Market Potential

According to Sloan Trends’ TrendSense model, saturated fat has overtaken trans fat as the most important fat issue in the mass market. When FDA mandated trans fat labeling in 2006, both trans and saturated fat enjoyed an enormous jump in Consumer Counts and marketability, with Consumer Counts for trans fat outpacing saturated fat.

However, after a peak in Medical Counts for trans fat in 2006-07 correlating to the Institute of Medicine/FDA decision to eliminate trans fats, research activity has fallen off, resulting in lower level Consumer Counts, which caused trans fat to fall out of the mass market or Commercialization Phase in 2008 and 2009, clearly losing some of its momentum. On the other hand, Medical Counts for saturated fat have continued to build throughout the decade, and are now pushing saturated fat ahead of trans in terms of its mass-market appeal.

Like other market categories, the fat category is segmenting into individual components. When looking at the Nutrition Facts Label, Americans are focusing on total fat less often—62% in 2010 vs. 69% in 2009, re-

Sloan Trends TrendSense™ : Saturated Fat vs. Trans Fat



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* Although there are many factors that go into determining consumer trends, measuring how medical/nutrition activity levels have risen over the past decade, as well as some of the key milestones that have occurred and how these issues have been understood and embraced by the public are essential in predicting the sustainability of the Consumer trend line.

ports The International Food Information Council (IFIC). The number of shoppers looking for low fat health claims fell 5 points from 51% in 2009 to 46% in 2010 and 4 points for trans fat, down from 48% to 44%, per FMI.

Growth Opportunities

- The type of fat/oil is the most looked for item on the ingredient listing (IFIC, 2010).
- 70% of those aged 50+ are avoiding saturated fat; 96 million Americans are aged 50+ (HealthFocus, 2009).
- 38% of those aged 65+ are on a low fat diet, 31%, 50-64, 17% younger (IRI MedProfiler, 2009).
- Fast food operators ranked “low fat” menu items on their list of hot menu trends for 2010; (National Restaurant Assn., 2009).
- One-third look for low fat alternatives in restaurants (Technomic, Inc. 2010).
- 6 in 10 households with children are practicing a healthy eating strategy; eating more low fat dairy foods and low trans fat foods ranked just below eating more fruits, vegetables and whole grains (FMI, 2009).
- The Am. Academy of Pediatrics has mandated that pediatricians perform a blood lipid profile on children as early as age 2 if they have a family history of heart disease but not later than age 8.
- 81 million Americans have some form of cardiovascular disease (AHA, 2010).
- The risk of stroke is 2-4 times higher in diabetics, the death rate from heart disease 2-4 times; there are 1.5 million new cases of diabetes per year (Am. Diabetes Assn.).
- 28% of consumers believe that calories from fats are most likely to cause weight gain (IFIC, 2010).

Functional Foods & Beverages

It's time for food manufacturers to check their oil and to begin reducing—and touting—the lower saturated fat content of products. Many popular oils are comparatively higher in saturated fats (e.g., palm oil vs. canola or safflower). Hidden saturated fats will clearly become an issue.

On the positive side, consumers are opting for healthier oils. The Hartman Group's report found that 66% of Boomers, 58% of Gen Xers and 40% of Millennials were trying to get more olive oil in their diet; one-quarter (23%) more vegetable oil. Healthier premium oils are of particular interest to those 55+, the #1 buyer of gourmet cooking oils according to NAFST.

Snacks and fried food remain critical targets for lower saturated fat foods; 56% want lower fat snacks; 37% of parents want lower fat snacks for their children, accord-

ing to SymphonyIRI's “2010 SnaxPo” presentation. With 49% of all consumers cooking more from “scratch” than they did in 2009, healthier cooking oils will become a hotly contested market segment. Most important, low-income consumers (HH income <\$35K)—who are estimated to deliver \$115 billion in incremental food CPG sales in the next 10 years and are heavy users of cooking oils—are also avoiding unhealthy fats. Half (48%) are looking for lower fat and 53% no trans fats alternatives, according to SymphonyIRI's “2010 Low Income Report.” Sales of store brands carrying a specific fat claim reached \$561 million in 2009 per Nielsen, up 53%.

References furnished upon request.

About the author: Dr. A. Elizabeth Sloan is president of Sloan Trends, Inc., Escondido, CA, which is a consulting firm that offers trend-tracking and predictions, strategic counsel and business-building ideas for food, supplement and pharmaceutical marketers. Each month she will provide analysis and discuss opportunities of a particular market being covered in a given issue.

SLOAN TRENDS' TRENDSENSE is a 15-year-old trend tracking system, which identifies and quantifies trends as well as predicts the optimal timing, sustainability and life-cycle stage of ingredients, terms, product opportunities and related market issues.

The model displays medical and consumer “activity levels” based on a comprehensive analysis of five critical sources of information—consumer, trade and competitive, legal and regulatory and media coverage. The resulting charts give insight into the market's changing health issues and concerns, the ingredients that are up-and-coming and those that have just about run their course, as well as what health claims, marketing messages and products will bring your company the most success.

- **Emerging Phase** = Trends begin to appear on the radar screen. Companies should begin to collect literature and market details for those that exhibit continual growth and that might be of interest.
- **Popularization Phase** = Medical/Nutrition crossover to consumer media and marketplace; opportunity for niche or specialty markets. Marketers/manufacturers should begin a detailed evaluation of the supporting marketing and scientific data and determine if this term/trend offers a good strategic fit and is appropriate to pursue. Appropriate product development procedures should be undertaken.
- **Commercialization Phase** = Mass-market ready. Mainstream consumers have a significant degree of familiarity with the term/trend and there is opportunity for competitive advantage by getting out ahead of the competition or by providing a unique and highly innovative product positioning for success.