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Getting Ahead of the Curve: Phytochemicals

By Dr. A. Elizabeth Sloan

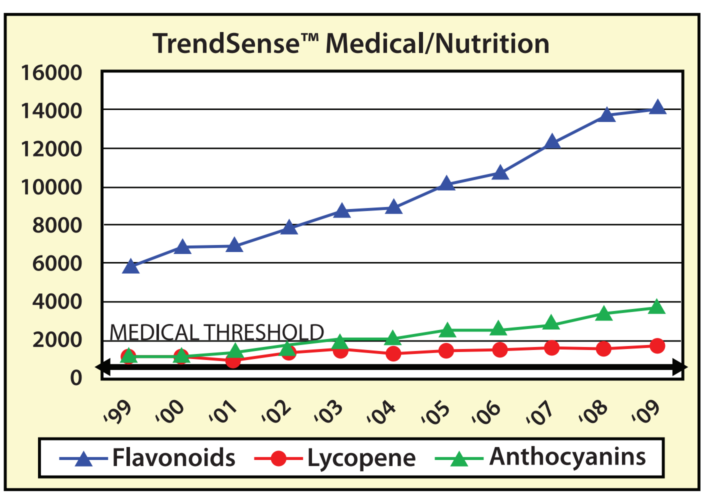
Without a doubt, naturally functional foods and whole food nutrition will be one of the strongest healthy product trends for the next 10 years—and phytochemicals, with their ability to deliver a bevy of health benefits naturally, will be at the core. Eight in 10 (79%) grocery shoppers believe that some foods naturally contain bioactive components that can help with current health problems. Consumers have long-preferred to get their health benefits naturally. About nine in 10 (88%) think it is very important to get their nutrients from foods that are naturally rich in vitamins/minerals vs. 67% who cite dietary supplements and 53% fortified foods.

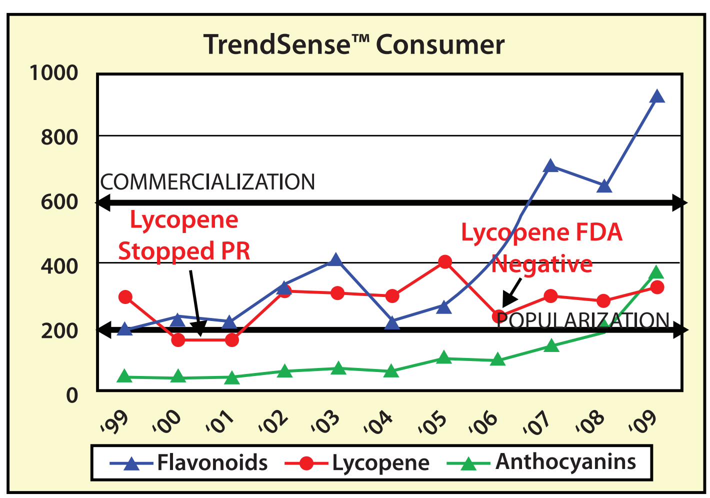
Market Potential

According to Sloan Trends TrendSense model, the term phytochemicals, collectively, reached mainstream status, or Commercialization, in 2008. At the same time, medical activity started to flatten, indicating that the category was beginning to segment into more specific phytochemicals (e.g., lutein, carotenoids, flavanoids, etc.). Not all phytochemicals are mainstreaming at the same rate, and some likely never will. As seen in the TrendSense charts, flavonoids—and polyphenols—continue to lead the way. Other phytochemicals still in their early stages—such as anthocyanins—have experienced a sharp rise in medical activity and are now perfectly positioned for growth in the specialty and health food channels, and among health conscious consumers. If Medical Counts continue at an accelerated pace, they should reach mainstream status in about 1.5-2 years.

Still others that have been incorporated into dietary supplements for some time, but have been affected by negative publicity and lack of promotional support, have yet to reach mainstream status, such as lycopene. Lycopene crossed into the Popularization Phase for the first time in 1998-99 when phytochemicals were getting media and government research support, and again in 2002. Research is escalating on phytochemicals and their health benefits and it is critically important to understand the strength, marketability and ordering of specific health benefits for each of these fast emerging ingredients.

TrendSense: Phytochemicals — The Next Wave Beyond Antioxidants





Source: Sloan Trends, Inc. 2009

** 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.*

Growth Opportunities

• Sales of food/beverages making a natural claim were up 10% to about $22 billion in food/drug/mass channels excluding Wal-Mart.

• 61% of people believe tea contains components that reduce the risk of disease; 56% that red wine contains phytochemicals that can protect against heart disease; and 50% that cocoa/dark chocolate contains antioxidants/phytochemicals that reduce risk of disease.

• 72% of North Americans say a serving of fruits/vegetables is "very/extremely important" to them on a label.

• According to Mintel's 2009 Functional Foods report, 55% of consumers are aware of phytochemicals, 8% say they seek phytochemicals in their functional foods and 7% in their functional beverages.

Functional Foods and Beverages: With half (51%) of Americans buying a food/beverage in the past year because of its antioxidant content and 80% a beverage because of a specific nutritional benefit, the potential for phytochemicals to deliver specific health benefits in foods naturally is enormous. In 2009, 49% chose orange juice, 45% cranberry, 42% green tea, 28% pomegranate juice, 23% red wine, 20% black tea, 19% yogurt drinks, 16% blueberry blend/juice and beverages with acai, goji, noni or mangosteen, 14% for their specific nutritional benefit according to Packaged Facts.

Blending naturally "high in" nutrient foods to obtain high-antioxidant products such as V-8 Fusion or combining foods naturally high in phytochemicals and nutrients such as Green Giant's Healthy Vision or Immunity Boost frozen vegetables is a smart strategy. Sports beverages that deliver electrolytes naturally through blending represent another new functional direction, as is adding naturally high nutrient/antioxidant/phytochemicals juices to yogurt and gums.

Marketers will be most successful if they focus on the end health benefits associated with these new classes of phytochemicals and specific foods rather than try to promote specific chemical names.

Dietary Supplements: Although superfruit supplement growth rates have slowed from the highs experienced a few years ago, superfruit-based pill and liquid-form supplements continued to enjoy success in 2008. According to *Nutrition Business Journal*, sales of the top-selling herbal supplement, noni juice, were down 1% to $270 million, but most other superfruit supplements experienced strong sales increases, including acai, up 196% to $90 million; mangosteen juice, up 8% to $210 million; goji juice, up 71% to $170 million; and green tea, up 1% to $140 million.

Other phytochemicals such as lutein for eye health are also gaining in popularization. With eye health the top growing health concern among consumers, according to HealthFocus, supplements such as Bausch & Lomb's PreserVision are enjoying unprecedented growth. According to the Natural Marketing Institute's 2008 Health and Wellness Trends Database, the top products/ingredients consumers reported they associate with eye health were lutein, vitamin E, antioxidants and lycopene.

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 lifecycle 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.