Getting Ahead of the Curve: Consumers Seeking Specialty Nutritionals

Younger generations in particular are moving away from multivitamins and embracing specialty solutions.

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As the variety of supplements, functional foods, ingredients, and bioactives continue to diversify to meet an ever more sophisticated list of health/wellness issues, it's not surprising that consumers are beginning to worry if they're getting enough of the specialty nutritional ingredients they perceive important for their needs.

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While 20% of adults don't think they get enough basic vitamins/minerals, even more consumers—30% of gen Xers, 27% of millennials, and 24% of adults overall—don't believe they get enough specialty nutrients, according to FMI's 2018 U.S. Grocery Shopper Trends. Women (26% vs. 20% of men) are more likely to be concerned about their intake of specialty nutrients; one in five boomers and 16% of matures.

After vitamins/minerals, specialty supplements are the most used category of dietary supplements, taken by 51%; followed by herbals/botanicals (41%), sports nutrition (32%), and weight management supplements (20%), according to the Council for Responsible Nutrition's 2018 Consumer Survey on Dietary Supplements.

In 2018, Euromonitor projected the proportion of sales contributed by supplement nutrition drinks to the weight management/wellbeing/healthy category will grow from 15% of category sales in 2018 to 24% by 2023; conversely, sales of traditional, fortified meal replacement beverages will remain essentially flat at about 45% (see Figure 1).

Most important, consumers are most willing to pay a premium for options that offer "benefits beyond basic nutrition," (38%), up 2% vs. 2017. Consumers are also willing to pay more for "natural/organic solutions" (30%), per IRI's May 2018 Early View 2018 Food & Beverages. Millennials and gen X are most likely to pay the premium for these benefits.

Specialty Ingredients Gain Traction

Protein is used by 22% of consumers, omega-3 fatty acids 20%, probiotics 17%, green tea 16%, fiber 14%, and turmeric 14%. These are among the most taken supplements overall in 2018, per CRN. Those using a protein supplement increased 3% vs. 2017; turmeric up 5%. Use of melatonin supplements jumped 50% over the past five years. Turmeric sales are projected to reach $500 million by 2021, according to *Nutrition Business Journal* (*NBJ*), with a CAGR just above 10%.

And the future looks good as younger generations move away from multivitamins and embrace specialty solutions. For those aged 18-34, omega-3s were the most often used supplement last year, taken by 21%; followed by fiber 18%, probiotics 15%, and melatonin 9%, per CRN.

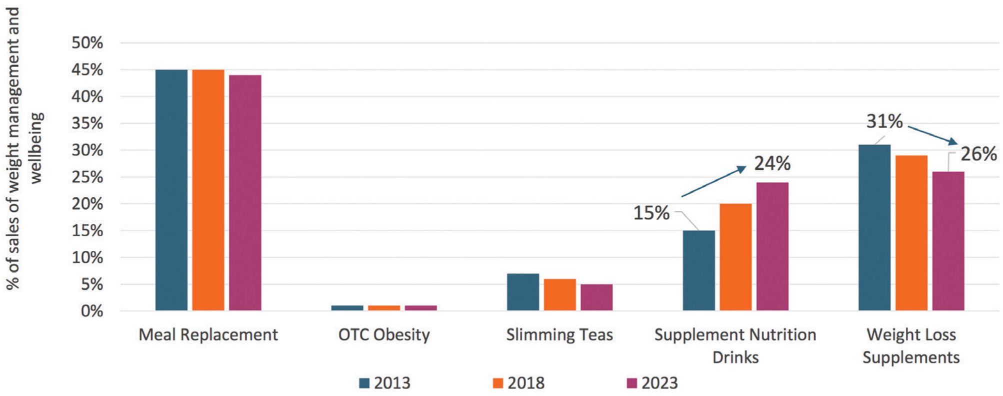
Among botanicals, young adults were most likely to use green tea (24%), cranberry (13%), ginseng (13%), milk thistle/garlic (each 10%), echinacea (9%), and turmeric/ginkgo (each 6%). Creatine supplements were taken by 12%; amino acids 11%, according to CRN's 2017 report.

Although their growth has slowed

to the low double digits last year, *NBJ* projected that probiotic supplements will reach $2.4 billion in sales, up 12% in 2018, and $3.1 billion by 2020. Omega-3 plant/animal oil supplements are expected to grow from $1.2 billion to just over $1.3 billion. Plant-based forms of these ingredients are a hot new trend. Bee products and marine ingredients are also expected to gain in importance.

With 37% of 18-34 year olds taking supplements to get more energy, 33% of those 35-54, and 21% of those 55 and older, per CRN, specialty ingredients that deliver on this goal, especially for long-term sustainable or time-released energy, will find a welcome market. Energy supplements are projected to reach nearly $2.5 billion by 2021, per *NBJ*.

FIGURE 1. WEIGHT MANAGEMENT AND WELLBEING: PERCENT SALES BY CATEGORY 2013/2018/2023



Source: Euromonitor International, November 2018

Nearly one third of those aged 35-54 cite immune health as their top reason for using supplements; vs. 25% of younger adults 18-34, and 21% over 55 years. Family, workplace focused, and on-the-go products will be among the lifestyle concerns in high demand.

With 70% of supplement users exercising regularly and 74% making an effort to get a good night's sleep, sports nutrition and sleep remain important specialty supplement segments.

Among those over age 55, 29% take a supplement for heart health and 31% for bone health. HealthFocus reported 38% of consumers want supplements to improve muscle health and strength. CDC's Musculoskeletal report confirmed that 10% of men over age 70 have osteoporosis.

Food Bioactives

According to IFIC's 2018 Food & Health Survey, 49% of consumers ranked cardiovascular health first, second, or third in terms of the benefits they would like to get from food/beverages; followed by weight control 39%, energy 36%, brain function 31%, muscle health/strength 25%, emotional/mental health 18%, and athletic performance 7%.

Fiber, protein, whole grains, nuts/seeds, green tea, omega-3s, healthy fats, probiotics, and plant-based protein top the list of specialty ingredients consumers want from food, according to Hartman Health & Wellness, 2017.

Half of consumers bought food in the past year they believed provides a natural medical benefit; 45% recognized foods as home remedies, according to IRI's February 2017 Top Trends in Fresh webinar.

According to Packaged Facts' November 2017 Nutrition Bars & Shakes, 24% of women buy shakes because they contain superfoods, 18% of men; 24% and 14%, respectively, buy bars to get superfoods.

Blueberries top the list of superfoods with 63% of consumers seeking them out when shopping for food; followed by avocado 60%, green tea 50%, kale 44%, cinnamon 44%, coconut oil 42%, ginger 40%, quinoa 36%, flax 34%, and turmeric 30%, per Label Insights' 2017 survey.

Turmeric, jackfruit, Manuka honey, erythritol, arrowroot powder, cumin seeds, ginger, and flaxseed were the most Googled inquiries about food with a function in 2017, according to Google. Functional mushrooms, matcha, ginger, yerba mate, moringa, acerola, and MCTs as natural sources of quick energy are also getting attention.

Herbals/Botanicals Gaining in Popularity

Herb/botanical supplements are projected to reach $8.3 billion in 2018, up 6% vs. 2017, per *NBJ*.

According to the American Botanical Council and SPINS, horehound, echinacea, cranberry, ivy leaf, turmeric, black cohosh, garcinia, green tea, ginger, and fenugreek were the best-selling herbal supplements in mass channels in 2017; turmeric, wheatgrass, barley, flaxseed/oil, aloe, elderberry, ashwaganda, milk thistle, maca, echinacea, and oregano in the natural channel.

Florals (e.g., lavender) are moving into the spotlight. Ginger, honey, cinnamon, coconut, hibiscus, lavender, elderflower, mint, cardamom, and chamomile are just a few of the botanicals being added to beverages for 2018, per Beverage Industry's 2018 Product Development Survey.

Collagen is the new superfood being added to beauty drinks, powders, and supplements to enhance skin, hair, and nails.

CRN reported that 49% of those aged 18-34 use a sports supplement, 36% protein powder, 23% energy drink/gels, 11% recovery drink/powder, 10% amino acids, and 10% creatine. With protein's considerable popularity, can specific amino acids, especially L-threonine and arginine, be far behind? *NW*