IDENTIFYING KEY CONSUMER TRENDS IN WEIGHT MANAGEMENT

EWA HUDSON
GLOBAL HEAD OF HEALTH AND WELLNESS RESEARCH

FOOD MATTERS LIVE, NOVEMBER 2014
CONSUMER ATTITUDES TOWARDS WEIGHT LOSS AND OBESITY

PERFORMANCE OF WEIGHT MANAGEMENT FOOD AND DRINKS

WEIGHT MANAGEMENT – LATEST TRENDS

CAN STEVIA REVERSE OBESITY?
Extra Weight Creates Extra Health Risks

- Stretch marks, cellulites
- Depression
- Sleep apnoea
- Certain types of cancer
- Complications with pregnancy, birth defects
- Gout, osteoarthritis
- Digestive disorders
- Cardiovascular disease
- Diabetes

Extra Weight Creates Extra Health Risks

IDENTIFYING THE KEY CONSUMER TRENDS IN WEIGHT MANAGEMENT, FOOD MATTERS LIVE 2014
CONSUMER ATTITUDES AND OBESITY

53% CONSUMERS INVOLVED ON WEIGHT MANAGEMENT PROGRAMME

48% ACTIVELY CONTROL THEIR WEIGHT

23% ON A FORMAL DIET

Euromonitor International Survey
Obesity: From the Problem of the Rich to the Problem of the Poor

In the UK alone the cost of obesity and type II diabetes is estimated at approximately £29 billion a year.
Overweight and Obese Populations Set to Grow Twice as Fast in Emerging Markets

Growth of the 10 Largest Overweight and Obese Populations in Developed versus Emerging Markets

The battle between the Governments and food companies is only beginning as health systems will be unable to cope with the strains of diseases caused by obesity.
Promote SUGAR, FAT AND CARBS REDUCTION

Cut down the size 100 KCAL

Reformulate by stealth GRADUAL SUGAR AND FAT REDUCTION

COMPANY STRATEGIES
CONSUMER ATTITUDES TOWARDS WEIGHT LOSS AND OBESITY

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**Weight Management the Second Largest Health Trend Globally**

*Global Retail Sales in 2014, US$ billion, fixed exchange rates*  

<table>
<thead>
<tr>
<th>Health Trend</th>
<th>Retail Sales (US$ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Wellbeing</td>
<td>419</td>
</tr>
<tr>
<td>Weight Management</td>
<td>158</td>
</tr>
<tr>
<td>Digestive Health</td>
<td>77</td>
</tr>
<tr>
<td>Energy Boosting</td>
<td>35</td>
</tr>
<tr>
<td>Oral and Respiratory Health</td>
<td>23</td>
</tr>
<tr>
<td>Endurance</td>
<td>21</td>
</tr>
<tr>
<td>Bone and Joint Health</td>
<td>18</td>
</tr>
</tbody>
</table>

- Food Intolerance: 12  
- Cardiovascular Health: 7  
- Immune Support: 2.5  
- Urinary Tract Health: 0.83  
- Brain Health and Memory: 0.48  
- Beauty From Within: 0.37  
- Vision Health: 0.01
Development of Weight Management 2014: USA Versus India

USA

- Dairy
- Ready Meals
- Meal Replacement
- Sweet and Savoury Snacks
- Bakery
- Canned/Preserved Food
- Chilled Processed Food
- Bottled Water
- Carbonates
- Ice Cream
- Frozen Processed Food
- Confectionery
- SDC
- Concentrates
- RTD Tea
- others

India

- Dairy
- Meal Replacement
- Carbonates
- Others

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Many of the Expanding Middle-classes in Emerging Markets See Consumption of Processed Food as a Marker of Affluence

IDENTIFYING THE KEY CONSUMER TRENDS IN WEIGHT MANAGEMENT, FOOD MATTERS LIVE 2014

Retail Sales of Global Weight Management Developed Markets 2009-2019

- Other Drinks
- Carbonates
- Other Food
- Sauces
- Confectionery
- Ready Meals
- Meal Replacement
- Dairy

US$ bn, constant prices, fixed 2014 exchange rates

Retail Sales of Global Weight Management Emerging Markets 2009-2019

- Other Drinks
- Carbonates
- Other Food
- Sauces
- Confectionery
- Ready Meals
- Meal Replacement
- Dairy

US$ bn, constant prices, fixed 2014 exchange rates
Emerging Markets Remain Under Catered For Despite Galloping Obesity and Diabetes Rates

Per Capita Spending on Weight Management in Developed Versus Emerging Markets

- **2009-2014**
  - Developed Markets
  - Emerging Markets

- **2014-2019**
  - Developed Markets
  - Emerging Markets

US$
NH to be The Real Winner in Developed Markets Perceived Healthier than Highly Refined Food

Health and Wellness Global Performance 2014

**Functional Food Set to Lead by 2019**
Retail Sales of HW by Type
retail Sales (US$ billion, constant, fixed ex rate)

Forecast

- Fortified/Functional Naturally Healthy
- Better For You (BFY)
- Organic
- Food Intolerance

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Weight Management – Fashion Driven

- 1950’ Eat fat!
- 1960’ Zero calorie!
- 1970’ Sweeteners don’t taste good...
- 1980’ Yoyo effect
- 1990’ New Millennium
- 2000’ Weight loss programmes
- 2010’ Food Intolerance?
- 2020’ Online tools

• Functional Ingredients
• Fat burning
• Satiety?
• 2010’
• Stevia
• Proteins
• Natural
• My Fitness Pal

IDENTIFYING THE KEY CONSUMER TRENDS IN WEIGHT MANAGEMENT, FOOD MATTERS LIVE 2014
Consumers Say No to Empty Calories
Carbonates Seen as The Culprits in the Rise Of Obesity
But Consumers Are Falling In Love With Good Carbs

- Brown: Wholegrain
- Black: Black Rice
- Red: Bulgar

- Gluten and wheat free: Teff
- Amaranth
- Quinoa
- High Protein: Kamut
- Barley
- Spelt
- Wheat free but not gluten free: Oats

- High fibre, Beta glucans: Polenta

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Minimising Sugar and Calorie Intake High on Consumers Agenda - Rise of Diet Carbonates

Consumers remain sceptical over the health properties of carbonates and artificial high intensity sweeteners. Search for natural alternatives is on.
But Products Perceived as Natural or Offering Specific Health Benefits Resonate Better With Consumers
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STEVIA AT THE FOREFRONT OF NEW PRODUCT LAUNCHES
Carbs Need to Work Harder Than Ever
Protein-rich, Non-fat Alternatives for Breakfast and in Between Meals

- Confectionery, Switzerland, 2013
- Yoghurt, US, 2013
- Fromage frais, Norway, 2014
- Flavoured Milk Drinks, South Korea, 2013
### 20%-30% Reduction in Sugar Content Could Put To Halt Obesity (AoS)

|----------------------------------------|--------------------------|-----------------------------------|-------------------------------------------------|-------------------------------------|
### Natural High Intensity Sweeteners Such as Stevia and Monk Fruit

Supported by Consumer Education Could be the Solution

<table>
<thead>
<tr>
<th>Product</th>
<th>Country</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ketchup</td>
<td>Sweden</td>
<td>2012</td>
</tr>
<tr>
<td>Confectionery</td>
<td>Switzerland</td>
<td>2013</td>
</tr>
<tr>
<td>Jam</td>
<td>Denmark</td>
<td>2013</td>
</tr>
<tr>
<td>Soup</td>
<td>Finland</td>
<td>2013</td>
</tr>
<tr>
<td>Jellies</td>
<td>Chile</td>
<td>2013</td>
</tr>
<tr>
<td>Table sauce</td>
<td>Australia</td>
<td>2014</td>
</tr>
<tr>
<td>Cereals</td>
<td>Chile</td>
<td>2013</td>
</tr>
<tr>
<td>Yoghurt</td>
<td>US</td>
<td>2013</td>
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<tr>
<td>Yoghurt</td>
<td>US, NL</td>
<td>2013, 2014</td>
</tr>
<tr>
<td>Fromage frais</td>
<td>Norway</td>
<td>2014</td>
</tr>
<tr>
<td>Protein Bar</td>
<td>Austria</td>
<td>2012</td>
</tr>
<tr>
<td>Activia</td>
<td>Hungary</td>
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THANK YOU FOR LISTENING

Q&A

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