Sustained Energy Release: From Product to Claim

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Introduction

- The functional foods market
- Sport vs. energy products
- Products and claims
- What is the consumers understanding
Functional Food Consumption

Source: Leatherhead Food Research MI
Functional Food Market by Health Outcome

Source: Leatherhead Food Research MI
Sport Vs Energy Drinks

Sports drinks 22%

Energy drinks 78%
Sports and Energy Product Claims

Sports/Energy product launches within the last year, by claim

Source: Mintel GNPD
Global Sales Distribution

Global Sports Performance and Energy Products

- Dominance of the US, with USD17.73bn:
  - The widespread popularity of sports drinks and supplements
  - Many industry leaders have headquarters in the US
  - Sports and energy drinks account for 77% of US market, 17% share taken by supplements

- Europe sales at 15%, equivalent to USD6.45bn
  - Energy drinks sector around 90% of total market
  - Sales remain limited in some European countries

Source: Leatherhead Food Research MI
Sport and Energy Products

www.leatherheadfood.com
In 2010, global sales of sports and energy drinks amounted to an estimated 20 billion litres in volume terms, up by nearly 38% compared with 2006.

**KEY TRENDS**

The global market for sports drinks is coming under increasing pressure from coconut water, which is marketed as a more natural alternative with similar health benefits.

Global sales of coconut water are believed to be worth up to USD500m, with US sales poised to double if present trends persist.

Lifestyles have generally become healthier, activities such as walking, running/jogging, cycling and swimming remain the most popular forms of exercise.

Sports foods and supplements sector remains limited in size. This is especially true amongst women and older consumers, with many doubting the health claims and efficacy offered by sports nutrition products.
Coconut Water

Pure and Natural ... more potassium than one banana!

Rich in potassium, magnesium, sodium, calcium; zero cholesterol or added sugar
Ingredients

Caffeine
Guarana
Ginseng
Chia
Taurine
Arginine
Glucuronolactone
Creatine
Chia Seeds

Sharp rise in the number of new product introductions containing Chia seed.

Mostly used in snack and bakery products but also in juice drinks.
Coincidence?

New Product Launches Containing Chia Seeds 2000-2012 (to date)

Running bestseller published in 2009

Largest rise in NPD in countries where the book is popular!
Learning From Athletes

Carbohydrate consumption before, during, and after exercise has a direct relationship with exercise performance

Muscle glycogen stores or blood glucose are depleted during exercise, at a rate determined by the intensity and duration of exercise.

Along with dehydration this causes tiredness and reduces physical performance.

Different foods have different physical structures and this consequently affects the rate at which they are digested, absorbed and delivered. The rates at which foods are broken down therefore play an important role for our ability to perform.
Glycaemic Index

• Glycaemic Index (GI), is a quantitative assessment of food based on the rate at which they release glucose into the bloodstream.
• GI is expressed as a ranking between 0 and 100 in response to an equivalent carbohydrate portion of a reference food (white bread or glucose).

**High GI** foods are characterised by a fast release of carbohydrate and higher blood glucose levels, providing a quick source of energy.

**Lower GI** value are associated with slow carbohydrate release (and absorption) and thus blood glucose increases will be less dramatic. These result in a more sustained source of energy.

Glycaemic responses depending on carbohydrates nature and the extent to which they have been processed.
Energy Products
Claims

Sustained energy release
• No specific guidance

Glucose claims
• Reduction of blood glucose rise after consumption of a food or meal rich in digestible carbohydrate

Physical performance claims
• Specific outcomes:
  Muscle repair
  Muscle fatigue
  Muscle glycogen stores
  Time trial
  Endurance
  Weight lifted
Consumer Understanding
Consumer Survey

1,193 respondents

Gender

- Male
- Female

Age

Source: SenseReach, Leatherhead Food, 2012
Consumer Survey

Amount of Exercise

- At least once a day
- Twice a week - Most days
- Hardly ever - Once a week
- Never

Varied amount of exercise within population studied
## Consumer Understanding

### “Sustained energy release”

<table>
<thead>
<tr>
<th>Poor</th>
<th>Moderate</th>
<th>Good</th>
</tr>
</thead>
<tbody>
<tr>
<td>149</td>
<td>741</td>
<td>303</td>
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</tbody>
</table>

### “Improved glucose control”

<table>
<thead>
<tr>
<th>Poor</th>
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<th>Good</th>
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</thead>
<tbody>
<tr>
<td>674</td>
<td>411</td>
<td>108</td>
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</tbody>
</table>

### “Improved physical/exercise performance”

<table>
<thead>
<tr>
<th>Poor</th>
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<td>352</td>
<td>642</td>
<td>199</td>
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</table>
Sustained Energy Release

“slow energy release”
“low GI”
“blood sugar levels don’t spike or drop”

“replace energy used in exercise”

“Food products that keeps you feeling full”
Glucose Control

“steady control of sugar levels in the blood”
“preventing sudden spikes and troughs in blood sugar”
“Low glycemic index”

“It is related to diabetes”

“control intake of cakes biscuits for sugar content”
Improved Physical/Exercise Performance

“physical performance is improved”
“more stamina”
“making more effort to exercise”
“food or drink that can improve a previously obtained level of fitness”

“I would be suspicious of such a comment to a product!”

“By eating certain foods and good training, stamina and physical strength is possible as is weight control”
## SWOT

### STRENGTHS
- Expand user base by increasing consumption as a *lifestyle* product
- *Healthy* profile of sports nutrition products fits well with current health and wellness trends

### WEAKNESSES
- Cynicism regarding the **health claims** and efficacy
- Relatively immature market in many parts of the world
- Price premium is unattractive
- **Caffeine** carries negative health perceptions

### OPPORTUNITIES
- Growing demand for:
  - *Natural* sports nutrition products
  - Low/no/reduced **sugar** products whilst maintaining functionality
  - *Healthy* ingredients, such as chia
- Increased consumer interest in health and wellness and importance of diet will present further opportunities

### THREATS
- **regulation** within the sports nutrition industry as far as health claims are concerned
- As **consumer diets** continue to improve, it is possible that the need for specifically-tailored sports nutrition products will diminish
Conclusion

1. **Broadening the Appeal**
   Manufacturers face two particular challenges in this area
   - Overcome perceptual barriers in taking the product
   - Convince consumers that the products are capable of improving aspects of physical performance

2. **Energy and pick-me-up drinks**
   Success is attributed to their widespread appeal to consumers as an alternative to other soft drinks

3. **Sports for Everyone**
   Preference towards informal exercise (i.e. walking, cycling)

4. **The Growing Demand for Natural**
   Natural products ability to survive in this market place will be determined by the confidence that consumers have in the ability of the product to live up to its claims.
Thank you for your time

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