

20 17 CATEGORY INSIGHT REPORT



Follow Your Gut: A Global Look at Digestive Health Products

Gut health is top of mind for consumers. They are thinking more carefully about it, and actively seeking products to feel better. As a result, trends in the digestive health space (healthcare products with digestive claims) are tracking more closely to food and beverage trends than ever before. The U.S. market for digestive products grew 12% 2012-2017. Let's take a look at opportunities in the space, including flavor offerings, the claims showing enormous growth, up-and-coming ingredients and innovation in forms and formats.

FIRST, FOOD AND BEVERAGE

Before diving into the digestive healthcare market, let's look at the food and beverage industry, since consumers are increasingly looking to what they eat and drink as "natural" ways to improve digestive health, including easing inflammatory bowel conditions and balancing friendly bacteria.

We see minerals, vitamins, herbs, fiber, amino acids, antioxidants, prebiotics and probiotics being incorporated in energy, sports and vegetable drinks, juices, yogurt, snacks and fermented products, such as the Millennial-favorite kombucha.

Technavio predicts such ingredients will drive global growth and lead the US functional (digestive) food/beverage market to a CAGR of almost 7% from 2017 to 2021. We will see many of these ingredients in the healthcare market throughout this report.

“Due to growing consumer understanding and interest, medicinal foods are rising in the natural food and beverage space, where functional ingredients rooted in the real world (as opposed to labs) are increasingly in demand.” —Kara Nielsen, Food Processing

GLOBAL PRODUCT LAUNCHES

The US and India are the top markets for digestive products. The US saw 572 new products on shelves over the reviewed time period and 526 products were launched in India. Germany is third with just shy of 300 digestive health products launched since January 2012.

Chinese launches of digestive products dropped 83% 2012-2016.

Looking at the top 10 countries for the full years of 2012-2016, we see two very different launch stories. Countries such as Germany (+64%), Italy (+52%), India (+18%) and the US (+12%) showed growth, while China (-83%), France (-75%), South Africa (-60%) Spain (-54%) and Vietnam (-47%) saw steep declines. Of the decliners, China has shown the most bounce back in 2017, going from 9 to 32 products as of September.

Number of Launches Jan. 2012-Sept. 2017

2012: 755	2016: 760
2013: 698	2017: 621
2014: 629	Total Sample 4,104
2015: 641	

FLAVOR

Unflavored/Plain is by far the most popular flavor for digestive healthcare products, tallying 2,685 launches since January 2012 (65%). Second place (mint) only appears in 119 new products. Lemon (+92%), Berry (+70%), Aloe (+67%), and Orange (+48%) are the flavors in the top 10 where we see the most growth from January 2012 through 2016. Aloe is found almost exclusively in Indian products, while the Germans have the market on Peppermint. Cherry, Berry and Orange are decidedly American flavors.

65% of digestive products are Unflavored/Plain, meaning a big opportunity.

Top 10 Flavor Components

Unflavored/Plain	Berry
Mint	Strawberry
Orange	Fruit
Lemon	Aloe Vera
Peppermint	Cherry



Phazyme Cherry Flavor Maximum Strength Gas & Acid Chews claim to be the strongest and number one doctor-recommended anti-gas medicine plus antacid. The product is formulated with 250 mg simethicone and 750 mg calcium carbonate, and is said to work in seconds. US June 2016



Ajiou Honey Lemon Flavored Enzyme Powder is said to help with bowel movements. It's made with a patented bee larva powder, patented royal jelly powder, and patented bird's nest extract. Taiwan January 2016



Superfoods Nature's Best Strawberry and Berries Flavor Food Supplement is formulated with herbal extracts of dandelion, birch, green tea and artichoke. It is said to use herbs for detox, well-being, slimming and anti-fluid retention. Greece June 2017

Spotted: 3 flavors seen for the first time for the time period in 2017

1. *Star Anise (with Licorice and Fennel)*
2. *Camu Camu (with Prune)*
3. *White Peach (with Goji)*

FLAVOR SPOTLIGHT: BIRD NEST

Swiftlets build nests with their saliva, which is said to be high in calcium, iron, potassium and magnesium. The nests have been harvested and eaten in Asia for hundreds of years.



Song Yen Bird's Nest Drink for Kids is an RTD supplement containing bird's nest that is said to help promote good health, the immune system, lung function, digestion for better appetite, healthy weight gain and a balanced metabolism. It is enriched with calcium and vitamin D to support healthy bones and teeth and has vitamin K2 to enhance calcium absorption. Vietnam July 2017

CLAIMS

Rising claims in the digestive product category reflect wider food and beverage trends. While dairy consumption declines and alternative milks go mainstream, digestive healthcare products with a Dairy Free claim rose 177% from January 2012 through September of this year, which includes a 2,000% increase from Q3 2016 to Q3 2017. And as animal and planet well-being continues to drive consumers, we see Environmentally Friendly Product claims rising +367% between 2012-2016; Vegan +177%; GMO- Free +172%; No Animal Ingredients +129%; and Environmentally Friendly Package +98%. Organic, Premium and Vegetarian also experienced solid gains.

Heart health is making an appearance in digestive products, as well. The Cardiovascular claim rose 51% with ingredients such as chia, nettle, calcium, LRC (said to be a heart healthy bacteria), folic acid, neem, psyllium husk, milk thistle oil, and lime powder called out as benefitting various aspects of cardiac health.

Top 10 Claims of Products with Digestive Claim

1. Botanical/Herbal
2. Other (Functional)
3. Low/No/Reduced Allergen
4. Gluten Free
5. No Additives/Preservatives
6. Immune System (Functional)
7. Vegetarian
8. All Natural Product
9. Low/No/Reduced Sugar
10. Cardiovascular (Functional)

INGREDIENT SPOTLIGHT: AQUAMIN

According to *Food Processing* magazine, emerging research shows Aquamin, a mineral derived from the cytoskeleton or red seaweed, can help “maintain a healthy digestive barrier in the stomach necessary to thwart chronic inflammation in the GI tract.”

Ireland’s Marigot company is studying Aquamin’s application in breads (including gluten-free formulations), ice cream, rice, pasta and cereal bars. While insignificant alone, the studied elements in Aquamin “work synergistically” with calcium and magnesium says Marigot’s commercial manager David O’Leary, inhibiting gut inflammation.

INGREDIENT SPOTLIGHT: ACTIVATED CHARCOAL

An Instagram star (especially in black cold pressed juices) and touted by the Bulletproof brand, various paleo and crossfit enthusiasts, and bloggers as a way to help with digestive health, reduce cholesterol, and remove other impurities from the body, the University of Utah warns there have been no substantive research studies into those supposed benefits. “There really isn’t any reliable evidence to support these claims,” said Amberly Johnson, Poison Information Specialist with the Utah Poison Control Center. “Activated charcoal should only be given in healthcare facilities.”



Nutrialimentos Black Chia Seeds are a source of Omegas 3 and 6, antioxidants, protein and fibers and can be added to juices, pastries, granola, yogurts and salads. This supplement is said to deliver the following benefits: regulate blood sugar levels; reduce cholesterol; improve cardiovascular health; improve digestion and colon health; reduce wrinkles; strengthen immune system; provide satiety; and help lose weight. Ecuador September 2017



Innergy Enzyme Botanical Enzyme Drink features an original, whole fruit fermentation formula. This 100% natural product is free from preservatives, colorings, flavors, artificial additives and added sugars. It contains phyto-nutrients from fruits, which are transformed into active enzymes with 96% high antioxidant activity. According to the manufacturer, this drink reduces fatigue, boosts energy, improves skin complexion, and aids the digestive system. Malaysia September 2017



Spectrum Essentials Organic Natural Caramel Vanilla Flavoured Warrior Vitality Blend with Chia, Maca & Cacao Nibs combines Fair-Trade certified ground chia and cacao nibs with maca root powder, known for its energy boosting quality, to create a nutritious caramel vanilla tasting supplement. The USDA Organic certified product is free from preservative and GMOs, and is kosher approved. It can be added to yogurts, smoothies, frozen yogurt and baked goods. US July 2017

FORM

While liquids, powders and tablets are still top forms for digestive products, the United States has carved out a niche for gummies, chews, bites and cubes: basically confection-inspired forms that aim to make a daily dose of digestive health more fun and tasty. And these fruity and chewy forms aren't just for kids. Adult digestive gummies are positioned for heartburn, delivering probiotics/prebiotics, and supporting metabolism, among others.

Other unique forms include gels/jellies packaged in single serving tubes (think Go-Gurt portable yogurt products) seen in Hong Kong and Germany, gums said to calm the stomach in Poland, Norway and Spain, and a massage spray for babies launched this year in France. We also noted single serve liquid shots of digestive aids, a form seen across the healthcare category.

BRAND SPOTLIGHT: SMARTYPANTS GUMMIES

In addition to being part of the gummy movement in healthcare, SmartyPants represents a variety of current trends seen across categories. They are focused on "premium, thoughtfully selected nutrients" delivered in a "delicious package" that save customers "money, time, and peace of mind." All SmartyPants products are non-GMO, allergen-free, and made with eco-friendly ingredients. They contain no synthetic colors or artificial flavors or sweeteners, and each batch is third-party lab tested for purity and potency. Purchases of Smarty Pants products support efforts by Vitamin Angels, as well as Turn the Tide (obesity) and Charity: Water (drinking water) around the world.



Müller Fig and Plum Jellies with Calcium are described as vegan dietary supplements that are rich in fiber. The product contains calcium that contributes to the normal energy metabolism, and supports the normal function of the digestive enzymes. It comprises fig, inulin, plum, tamarind and calcium citrate Hungary October 2016



Pranarôm Prana Organic Digestive Comfort Massage Spray contains 100% organic essential oils. It is designed to relieve agitation in babies or digestive discomfort. The product is suitable for babies weighing over three kilos and retails in a 15ml pack. France February 2017



Kiva Lemon Honey Cinnamon Daily Shots aid digestion. Free of added sugar, artificial flavors/colors and retails in a pack containing 5 x 40 ml vials. India September 2016

DIGESTIVE PRODUCTS FOR KIDS

400 digestive products launched globally since 2012 have been specifically targeted at children. The Children 5-12 claim has stayed steady with launch totals in the upper 30s and low 40s over the time period. Digestive products targeting Babies & Toddlers has declined from 34 in 2012 to only 15 as of September 2017. And the Teenagers claim is rarely seen in this category with only 1 product in the last two years.

<i>Claim</i>	<i># of Product Launches</i>
Babies & Toddlers 0-4	155
Children 5-12	239
Teenagers 13-17	6
Total	400

All Forms

Powder	Other
Liquid	Non-Ingested
Tablet	Capsules
Chew	

CHILDREN 5-12

Liquid forms are where we see the most growth over the studied time period. Liquid launches positioned for Children 5-12 rose 260%. While there weren't any chews in 2012, 6 hit the market the following year. Since then, however, the totals have declined with only 1 product in 2017 as of September. (Digestive-focused chews as a whole reached their high mark in 2014 with 28 new products and have since declined, tallying 17 new products as of September. The United States is the clear leader in this format.)

PROBIOTICS AND PREBIOTICS FOR CHILDREN

Probiotics and prebiotics are both important for developing and maintaining a healthy gut. According to Mintel, from June 2013 to May 2016, "43% of global probiotic-containing or yeast/ferments-containing healthcare products for children also contained a prebiotic ingredient." Fructo-oligosaccharides and inulin were the most common prebiotic ingredients found.

Chicory Root

Recent scientific studies published by Beneo show chicory root fibers (also known as inulin) “effectively support digestive health, regularity and well-being, making them an important area of focus for food and drink manufacturers” reports Anke Sentko, Beneo vice president of regulatory affairs.



Culturelle Kid Regularity Gentle-Go Formula is formulated with a gentle, unique blend of naturally sourced ingredients developed just for kids' digestive systems, such as: dietary fiber from inulin, a prebiotic vegetable fiber from chicory root and whole fruit kiwi, and Lactobacillus GG, the number one clinically studied probiotic strain in children. US May 2016



Nature's Way Restore Probiotic for Kids Chewable Tablets feature a fizzy berry flavor, and is described as packed with the natural flavor burst of blueberry and açai super fruits, plus a fruit tingle that is said to make taking probiotics a whole lot more fun. Each tablet contains three billion good bacteria plus a prebiotic. The supplement contains 100% natural fruit flavors and colors. Australia July 2015



Olly Kids Happy Tummy Digestive Supplement provides complete digestive support and features a just peachy flavor with other natural flavors. The product includes probiotics, a super boost of the good bugs to help keep little digestive systems in balance; prebiotics, which contains healthy fiber and peppermint, a soothing botanical that is traditionally used to support digestive health and calm little tummies. US May 2016



Ildong gQlab Kids Probiotics Supplement is formulated with applied patented quadruple coating technique, which enables live probiotics to safely reach intestines. Said to be specially designed for Korean guts, it contains seven different types of probiotics derived from Korean intestines, breast milk as well as plants. South Korea September 2015

CONCLUSION

Consumers aren't shy about digestive health. It is mainstream, with "natural" ingredients at the forefront of their minds. Product developers should be mindful of this desire for "ingredients rooted in the real world" when looking for ways to connect with consumers looking for digestive aids. A majority of gut-focused products are unflavored, leaving the door open for flavor innovation in the category. Rising claims in this market, such as Vegan and GMO-Free, reflect wider trends in the food and beverage industry and are worth a second look.

FONA CAN HELP!

From concept to manufacturing, we're here every step of the way. Contact our Sales Service Department at 630.578.8600 to request a flavor sample or visit www.fona.com.

SOURCES

Mintel Food and Drink

Mintel GNPD

<https://www.foodprocessing.com/articles/2017/ingredients-for-digestive-health/?start=1>

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