



SUGAR REDUCTION

The Voice of the Consumer 2019 • TREND INSIGHT REPORT

Living a healthier lifestyle is top of mind for consumers and reducing their overall sugar intake is a key way they're looking to get there. It's a top concern voiced by consumers of all demographics. To dive into the topic deeper, we've commissioned a nationwide survey to see what consumers are saying. What we've discovered: 56% of consumers are consuming less sugar than they did a year ago and 73% are interested in "no added sugar claims." We also have the details on how exactly consumers are changing their habits, from avoiding high-calorie beverages to omitting table sugar to seeking specific label claims. Let's explore some powerful purchase drivers and of course, — opportunities for you — because even behind this consumer movement, life is sweet.

TASTE REMAINS KEY

Consumers have always wanted it all—and by that we mean “have their cake and eat it too.” Who wouldn’t love if sugar didn’t have calories and didn’t contribute to unwanted weight gain, cause cravings and affect health conditions like diabetes? But in reality, it does all that, so finding the right balance to live a healthy lifestyle can be challenging. Our research shows that consumers are looking to reduce sugar intake and looking for natural alternatives to sweeten their foods. All this with the ultimate expectation that foods & beverages still must taste good.

Weighing all the options when you are deciding on specific items to stock the pantry, is no easy task. We asked consumers what’s more important as it relates to food and beverage purchases. When asked to choose between grams of sugar per serving and both price and taste, our consumers stated that taste and price are more important than grams of sugar per serving. These top purchase drivers will continue to dictate consumer purchases as they try to find a happy medium between taste and health.



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“So what’s driving consumers to buy either a full sugar, no added sugar or no/low/reduced sugar product? It really still boils down to, does the product taste good?”

Lynn Dornblaser, Director, Innovation & Insight, Mintel

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56%

OF CONSUMERS SAY THEY ARE CONSUMING LESS SUGAR THAN ONE YEAR AGO.

42%

OF CONSUMERS WOULD LIKE TO REDUCE THE AMOUNT OF SUGAR THEY CONSUME.

CUTTING BACK

While 56% of the consumers we surveyed are consuming less sugar than they were one year ago, only 42% of consumers are stating they would like to cut back. Weight loss is the primary reason consumers are cutting their overall intake of sugar according to 50% of consumers surveyed. Only 15% of consumers are reducing their sugar intake for specific health conditions and 10% for increased energy. There are many ways that consumers can cut back, but the top action consumers have taken is to drink water instead of caloric beverages with 73% of consumers selecting this action.

WEIGHT LOSS

IS THE PRIMARY REASON CONSUMERS ARE REDUCING THEIR OVERALL SUGAR INTAKE



Top Actions to Reduce Overall Sugar Intake

73%	Drinking water instead of caloric beverages
57%	Eliminating certain foods/beverages
36%	Using the Nutrition Facts Panel to choose foods/beverages with less sugar
35%	No longer adding table sugar to foods/beverages
32%	Reducing the number of calories I consume each day

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WHAT'S BEING ELIMINATED?

We asked consumers what foods and beverages are being reduced and/or eliminated from their diets since reducing their overall sugar intake. The categories that rose to the top should be no surprise — they are in fact the categories that contain the most sugar.





INCREASE IN NEW PRODUCTS WITH A SUGAR-FREE CLAIM FROM 2017-2018.

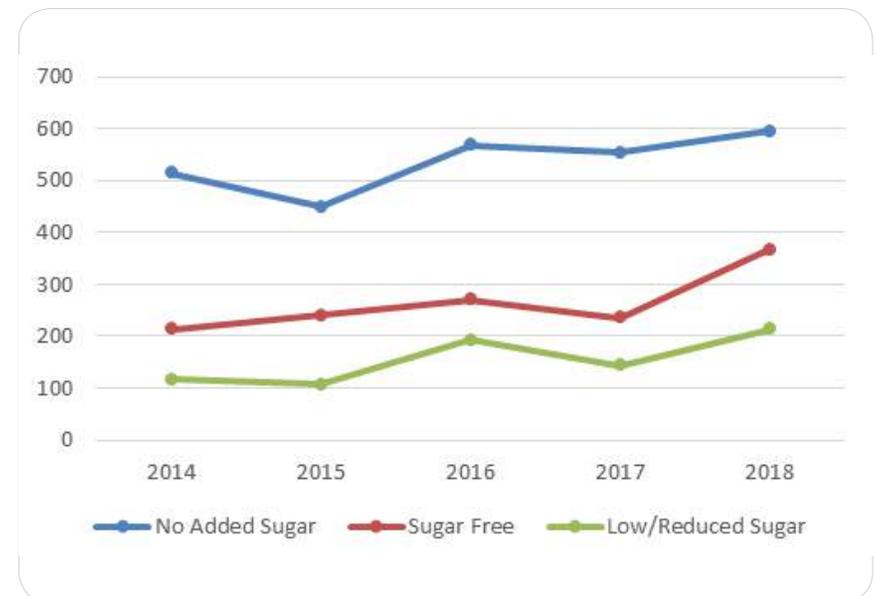
SUGAR REDUCTION/ELIMINATION CLAIMS

According to a recent Mintel survey, 74% of consumers agree that a healthy diet should be low in sugar and there is definitely an array of products for them to choose from. Since 2014, there has been 4,668 new products introduced with a sugar reduction/elimination claim in north America. The no-added sugar claim has the most new products, but we are seeing greater growth in products with a sugar-free claim. The top categories with new products and a sugar reduction/elimination claims include:

1. Juice
2. Snack/Cereal/Energy Bars
3. Fruit Snacks
4. Meal Replacement Beverages
5. Flavored Water



New Products with Sugar Reduction/Elimination Claims



SOURCE: Mintel GNPD



OF CONSUMERS STATED THAT THE “NO SUGAR ADDED” CLAIM IS IMPORTANT.

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NO ADDED SUGAR

As the nutrition facts panel on products are changing, consumers are becoming more aware of newly available details such as added sugars. The claim of “no added sugar” is starting to pop up as a front-of-pack claim. As consumers begin to dig a little deeper, it is influencing their overall purchasing decisions of products. 63% of consumers surveyed stated, “I will re-think purchasing the product now that I know the grams of added sugar.” We predict this new addition is going to affect consumer loyalty to products they have purchased and consumed for a long time.

Having the “no added sugar” claim may seem like a great way to help consumers understand what is being added to products but can also be a bit confusing because it doesn’t address *total* sugar. According to a recent Mintel survey, 57% of consumers say that is misleading for a food product that is high in naturally occurring sugar to be labeled as “no added sugar.” This may cause consumers to be a little more skeptical and dig a little deeper to uncover the actual amounts of sugars in the products they consume.



That’s It. Apple & Fig Fruit Bar

10 g Sugar; 0 g Added Sugar

Consumer Perception

- Purchase Intent: 39%
- Natural Rating: 79%
- Heathy Rating: 80%

CONSUMER QUOTE: “It looks tasty and somewhat different with the apple and figs combination.” Female, Midwest, 55+



Zeigler’s Mango, Citrus, Carrot, Fruit & Veggie Juice Blend

35 g Sugar; 0 g Added Sugar

Consumer Perception

- Purchase Intent: 29%
- Natural Rating: 66%
- Heathy Rating: 73%

CONSUMER QUOTE: “Has healthy and tasty mix of fruits and veggies - sounds very healthy.” Female, Northeast, 35-54



Two Good by Light & Fit Mixed Berries Flavored Greek Yogurt

2 g Sugar; 0 g Added Sugar

Consumer Perception

- Purchase Intent: 57%
- Natural Rating: 62%
- Heathy Rating: 72%

CONSUMER QUOTE: “I love the low sugar content.” Male, Northeast, 35-54

THE TAKEAWAYS

From our research we have learned that the majority of consumers want to decrease their sugar consumption. Many are well on their way with this personal initiative since 56% are consuming less sugar now than one year ago. We also know that taste and price are more important than the overall grams of sugar in food and beverages. This speaks to the opportunity for food and beverage brands to capitalize on this trend. The opportunity IS taste. The sugar reduction quest is a personal one for consumers. If your product provides an enjoyable experience while also helping consumers achieve their health goals — you secure your spot in their pantries. What's more, reformulating existing products to reduce sugar, while maintaining your signature taste is an opportunity to expand and retain your existing consumer base.

SOURCES

- FONA Proprietary National Consumer Sugar Survey, 2019
- Mintel Reports: Sugar and Alternatives Sweeteners Report, December 2018
- Mintel: Consumer Trends in Sweeteners, February 2019
- Mintel GNPD
- Mintel Purchase Intelligence
- Baking Business

YOU DESERVE MORE. LET'S GET STARTED.

What does true partnership look like? You deserve a flavor partner ready to turn these trends into the tangible.

Let FONA's market insight and research experts get to work for you. Translate these trends into bold new ideas for your brand. Increase market share and get to your "what's next." Our technical flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. Let's mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

From concept to manufacturing, we're here for you — every step of the way. Contact our sales service department at [630.578.8600](tel:630.578.8600) to request a flavor sample or chat us up at www.fona.com/contact-fona/

