



FUNCTIONAL FOOD & BEVERAGE AND SUPPLEMENTS 2020

Understand the health issues and concerns driving consumers' purchase and usage behaviors. Know the implications to more effectively engage with consumers and better navigate a new array of business challenges.

As more consumers adopt a food-as-medicine approach to health and wellness, The Hartman Group's *Functional Food & Beverage and Supplements 2020* report explores demand-side developments in this landscape, addressing consumer understanding and concerns regarding quality and sourcing, beliefs, and behaviors.

The fielding of this study coincided with the onset of the coronavirus pandemic. Realizing that the resulting anxiety along with stay-at-home orders would have profound effects on the results, a special chapter was devoted to the disruptive impacts on household routines and the pandemic's role as a catalyst for engagement with Health + Wellness, most notably in terms of the use of supplements and functional foods/beverages.

Key topic areas include:

- Functionality in context
- Consumer engagement and understanding
- Functional foods and beverages
- Supplements
- Special topic – COVID-19: systems under stress
- Implications and recommendations



ABOUT REPORT

What You Get: General report (PowerPoint and PDF) including executive summary and demographic data tables (Excel).

Release Date: June 2020

Report Length: 107 pages

Market Coverage: U.S. market

Report Price: **\$12,500 before July 30, 2020.** \$15,000 after July 30, 2020.

To purchase the report, please fill out the order form on the last page of this overview.

REPORT OVERVIEW

METHODOLOGY

- Integrated qualitative and quantitative methodologies
- **Quantitative:** A nationally representative online survey of n=2,367 U.S. adults (aged 18–74), conducted in April 2020. Results weighted to U.S. Census; balanced for age within gender, race/ethnicity, income, presence of children under 18 in household, and geographic division.
- **Qualitative:** Mobile ethnographies (5-day immersive engagement via a virtual platform). Follow-up interviews with select mobile qualitative participants.

EXECUTIVE SUMMARY

Functional Food & Beverage and Supplements is a new study from The Hartman Group. The study has its roots in both the long-running tracking study on Health + Wellness (most recent wave published in 2019) and the 2018 seminal Modern Beverage Culture study. This research was conceived to extend understanding of the important elements of the functional solutions space included in prior studies.

Impacts of the Coronavirus Pandemic

The fielding of this study coincided with the onset of the coronavirus pandemic. Realizing that the resulting anxiety along with stay-at-home orders would have profound effects on the results, a special chapter was devoted to the disruptive impacts on household routines and the pandemic's role as a catalyst for engagement with Health + Wellness, most notably in terms of the use of supplements and functional foods/beverages.

The 2019 Health + Wellness study highlighted rising anxiety as a primary health issue facing consumers. Confronted with the pandemic fear of contagion and faced with increased stress of daily life, it is not surprising that the issue of anxiety continues to be prominent. Routine activities such as work, shopping, dining out, and childcare have all been disrupted and have contributed to a national mood that feels generally anxious and uncertain.

Concerns around immunity and energy are also impacting how consumers gauge their health needs. Many consumers spoke to us about their search for support from supplements and other dietary enhancements. With shopping patterns disrupted and many items in short supply, there was worry about having enough of the right kinds of foods and supplements to last for an indefinite period of time.

TRUST IN COVID-19 INFORMATION SOURCES

90% of U.S. consumers say they completely/somewhat trust **DOCTORS/HEALTHCARE PROVIDERS**



COVID-19 PANDEMIC DRIVES INCREASED USAGE OF FUNCTIONAL SOLUTIONS

29% of U.S. consumers say they are consuming **MORE** functional foods and/or beverages

31% of U.S. consumers say they are taking **MORE** supplements

Source: Functional Food & Beverage and Supplements 2020 report, The Hartman Group

REPORT OVERVIEW

A LOOK INSIDE THE REPORT

FUNCTIONALITY IN CONTEXT

- Consumer attitudes and behaviors around functionality; shifting understandings shaping health and wellness culture
- Cultural influencers, scientific research, and recent health crises highlight interrelated challenges we face regarding food, health, and environment
- Long-term shifts in health and wellness culture and more recent influencers, information, and events form key narratives that take hold among consumers
- Consumer notions parse the functional products landscape—now a spectrum of solutions ranging from scientific to inherent
- Demand for functional benefits is driving sustained growth and reshaping the food, beverage, and supplements industries
- Format preference for adding functional ingredients to diet
- Conditions currently managing with any solution(s): supplements, functional foods/beverages, RX/OTC, exercise, other
- Mainstream benefits continue to evolve, reflecting our shifting values
- New functional benefit areas develop as consumers turn their attention to the body's most sensitive and complex systems: spotlight on cognitive health
- Attention to complex bodily systems often emerges as consumers explore connections to more mainstream benefits, seeking deeper understanding: spotlight on hormonal health
- Interest in emerging ingredients
- Health + Wellness orientation influences how consumers adopt and use wellness solutions like supplements and functional foods
- The Hartman Group's World of Health + Wellness segmentation (from the Core to the Periphery)
- Wellness-engaged consumers enact a holistic ideal in their approach to health, which includes exploring supplements and functional foods: spotlight on Core consumers
- Functionality in Context section summary

REPORT OVERVIEW

CONSUMER ENGAGEMENT & UNDERSTANDING

- Consumer paths to engagement reveal the roots of their approach to wellness—and a degree of fluidity as they seek functional solutions
- Solutions used for managing conditions
- Consumers embrace varied ways to incorporate functional solutions into their day, with interest in going beyond supplements to food and beverage: spotlight on bone/joint health
- Use of functional foods and supplements is often part of a comprehensive effort that brings complementary modalities into the picture
- Most have specific triggers for engagement with functional solutions as new concerns and constraints emerge in their lives
- Consumers scan and scrutinize an array of information sources—developing ideas and fluency along the way and triangulating trust
- Factors that play a role in the triggers that consumers encounter and their perspective on their journey from past to present
- Personal journey in focus: Millennials
- Triggers for deeper engagement with health and wellness
- Benefits/fortifications sought for children
- Interest in select attributes when choosing supplements and preferred select supplement format
- Consumers seek more tailored food, drink, and supplement solutions
- Consumer Engagement and Understanding section summary

FUNCTIONAL FOODS & BEVERAGES

- User profile: functional foods
- User profile: functional beverages
- Reasons for using functional foods/beverages
- Reasons interested in trying functional foods/beverages
- Reasons not to consume functional foods/beverages
- Attributes looked for when choosing functional foods/beverages
- How consumers interpret and evaluate functional foods and drinks
- Current use of/interest in functional foods

REPORT OVERVIEW

- Current use of/interest in functional beverages
- Benefits/fortifications sought in functional foods
- Benefits/fortifications sought in functional beverages
- Use of and interest in added functionality by food types
- Use of and interest in added functionality by beverage types
- Functionality in indulgent categories: contrasting consumer views
- Where purchased functional foods/beverages vs. where shopped in past 3 months
- Retailer spotlight
- Trust in functional food/beverage manufacturers
- Brand spotlight
- Functional Foods and Beverages section summary

SUPPLEMENTS

- User profile: supplements
- Reasons for taking supplements
- Reason interested in trying supplements
- Reasons not to take supplements
- Current use of/interest in supplements
- Consumers align supplementation to the needs of their bodies and overall health goals: general vs. targeted
- Attributes look for when choosing supplements
- Supplements currently taking
- Issue of taste and experience in supplements
- Where purchased supplements vs. where shopped in past 3 months
- Retailer spotlight
- Trust in supplement manufacturers
- Brand spotlight
- Supplements section summary

REPORT OVERVIEW

SPECIAL TOPIC – COVID-19: SYSTEMS UNDER STRESS

- Concerns in the age of COVID-19
- Trust in COVID-19 information sources
- Impacts of COVID-19 on household
- Changes in daily routines due to COVID-19
- How food works in a household has changed in many ways—and what is consumed is changing, too
- Heightened health concerns due to COVID-19
- Management of COVID-19 immunity concerns
- Supplements/Ingredients adding to boost immunity
- Impacts of COVID-19 on shopping
- Changes in shopping habits during pandemic
- Anticipated changes after threat has passed
- Observed changes in consumer sentiment coalescing into key themes
- COVID-19: Systems Under Stress section summary

IMPLICATIONS & RECOMMENDATIONS

- Covid-19 Impacts
- Exploration and Adoption of Functional Solutions
- Functional Foods and Beverages
- Supplements
- Ingredient Innovation Opportunities
- Portfolio and Marketing Modernization Opportunities



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A Hartman Group National Syndicated Research Report

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