



*Satisfying Consumer Demand for **Functional Foods** with Immune Health Benefits*



Consumer sentiment is focused more strongly than ever on proactively preserving health—both physical and mental, and immune health is increasingly seen as the foundation. Appetite is growing for products, like functional foods that support immune health and overall well-being, facilitating opportunities for manufacturers to provide innovative products to meet demand.

- In a survey of roughly 7,500 consumers in six countries, 79 percent of the respondents said they believe that wellness is important, and 42 percent consider it a top priority. In fact, consumers in every market researched reported a substantial increase in the prioritization of wellness over the past two to three years.¹
- People tend to view health in a more integrated way now, with greater focus on areas such as fitness and nutrition, and physical and mental health. Reflecting such shifts, the global wellness market is estimated to be worth more than \$1.5 trillion USD with annual growth of 5-10% forecast.²
- Immune system support, in particular, is on consumers' minds. Six in ten (58%) of global consumers surveyed by Kerry, the makers of Wellmune®, cited immune health as their top reason for purchasing healthy lifestyle products.³

This white paper takes a look at the way consumers are using functional foods and provides insights into:

- Global and regional trends in functional food markets
- Opportunities to create functional products that meet consumer demand for immune health and other wellness benefits



PERCENTAGES OF CONSUMERS TAKING ACTION TO IMPROVE HEALTH AND WELL-BEING, BY WELLNESS TYPE⁴



¹ McKinsey & Company, The future of wellness, 2021

² McKinsey & Company, Feeling good: The future of the \$1.5 trillion wellness market, April 8, 2021

³ Kerry Global Consumer Survey, Digestive & Immune Health, 2021

⁴ Innova Database, Innova Lifestyles & Attitudes Survey 2020

Consumers see foods as a convenient way to help maintain their immune health. But what are they looking for?

Kerry's 2021 Global Consumer Survey found that in every region worldwide, the percentage of respondents who stated they had used or considered using immune health products over the past six months (70% globally) had increased since 2019.⁵ With immune health at the top of consumers' list of benefits, formulating with a research-backed ingredient like yeast beta glucans can help manufacturers meet growing demand for innovative foods that help consumers meet their wellness goals.

EATING WITH A PURPOSE



- In the rapidly-cycling global food market, **for every trend, there is a counter-trend**. For instance, plant-based dairy products are big, but so are dairy products with added beneficial ingredients, like beta glucans, DHA, omega-3s, prebiotics and choline – an essential nutrient for brain development.⁹ Formulating foods that align with trends and counter-trends can result in opportunities for manufacturers to create innovative foods with multiple benefits that meet consumer demand.
- **Support for need states**—physical and mental—is in demand, with consumers saying that, in addition to immune health, healthy bones, digestive health, heart health and improved energy are reasons for purchasing healthy lifestyle products.¹⁰

TOP REASONS FOR PURCHASING HEALTHY LIFESTYLE PRODUCTS¹¹



In addition to physical health, support for emotional and cognitive health is important to consumers as well. A recent survey notes that 55% of consumers in the market to improve their mental well-being are likely to opt for a functional food or drink as a means of doing so.¹² **Positioning immune health benefits alongside consumer demand for support for complimentary need states creates opportunities to formulate 'hybrid' functional products with these benefits.**

^{5,7,8,10,11} Kerry Global Consumer Survey, Digestive & Immune Health, 2021

⁶ Innova Trends Survey 2020, Innova Health & Nutrition Survey 2020

⁹ U.S. News and World Report, Top 10 Trends for 2020, December 2019

¹² FMCG Gurus, 2020



Trending around the world

Across global markets, several key trends are emerging alongside the growing demand for immune support to satisfy an appetite for clean, healthy functional foods tailored to individual needs—but with a focus on comfort.

- **Functionalism** – 71% expressed a desire for products that provide nutrition or benefit the way the body functions; for example, products with added functional ingredients, those high in protein, or superfoods.¹³
- **New traditionalism: protein-enriched, plant-based, and dairy** – Dairy and alternative dairy products are a natural fit in emerging protein-enriched and plant-based spaces, and these benefits pair well with the addition of immune support.

Top Products For Consumers Who Have Bought In The Category In The Last 6 Months

And Would Also Be Interested In Purchasing If They Contained Ingredients Which Promoted Immune Support Benefits.¹⁴



Yogurt

47%



Dairy

45%



Alternative dairy

43%

- **Comfort snacking, but with a twist** – The 'healthy indulgence' trend has created opportunities to provide better-for-you foods with immune health benefits. Examples include frozen yogurt enriched with beta glucans for immune support.



¹³ Innova Health & Nutrition Survey 2020

¹⁴ Kerry Global Consumer Survey, Digestive & Immune Health, 2021

Trend: Personalized Functional Nutrition

64% of global consumers say they have found more ways to tailor their life and the products they buy to their individual style, beliefs and needs. With consumers increasingly seeking personalized benefits, opportunities abound for creating products that align to growing demand for supporting overall well-being.

PERCENTAGE OF CONSUMERS IN ASIA PACIFIC, THE MIDDLE EAST AND AFRICA (APMEA) THAT SAY THEY ARE INTERESTED IN FOOD AND DRINK PRODUCTS THAT ARE CUSTOMIZED TO MEET INDIVIDUAL NUTRITIONAL NEEDS.¹⁵



Kerry's 2021 research notes that over 70% of consumers in Asia are users of or have considered using healthy lifestyle products with immune health benefits.¹⁶

Growing products with specifically targeted benefits include:

- **Snack bars:** As many as three-quarters of consumers in APMEA find functional bars with benefits like protein appealing, while more than half say they'd like to see snack bars fortified with benefits for customized health needs.¹⁷
- **Confectionary:** Ever-popular with consumers in this region, 74% in Asia Pacific, and 62% in Middle East and Africa report eating or purchasing confectionary. 28% of consumers (Asia Pacific) and 14% (Middle East and Africa) report eating or purchasing functional/ medicinal confectionary. **And over 60% of consumers in these regions say they feel functional confections are 'healthy', creating market potential for confectionary with the benefits consumers want.¹⁸**

FORMULATION EXAMPLE

Chocolate with Wellmune® adds immune support to chocolate's natural antioxidant properties.



In another example of this trend, **consumers in Europe also want differentiated and personalized solutions, with 89% saying that they are interested in food and drink products that are customized to meet individual nutritional needs.**¹⁹ Understanding the importance of personalized options to consumers can help manufacturers create innovative foods that help meet their health goals.

PERCENTAGE OF CONSUMERS IN EUROPE THAT ARE USERS OR CONSIDERS OF HEALTHY LIFESTYLE PRODUCTS WITH IMMUNE HEALTH BENEFITS.²⁰



Growing products in this region include:

- **Snack bars:** 54% of European consumers choose snack bars with functional ingredients customized for need states.²¹
- **Cereals** Research shows that 63% of consumers in Europe are likely to turn to cereal and bread on at least a weekly basis. Cereal remains a staple of the European diet, offering a mixture of health, convenience and indulgence.²²

FORMULATION EXAMPLE

Organic cold milled flaxseed with black elderberry, yeast beta glucan, vitamins C, D3 and zinc.



Understanding the importance of personalized options to consumers can help manufacturers create innovative foods that help meet their health goals, including demand for benefits that support immune health.

^{19,21} FMCG Gurus: Snack Trends in 2021, January 2021

²⁰ Kerry Global Consumer Survey, Digestive & Immune Health, 2021

²² FMCG Gurus: Fresh Bakery – European Overview, March 2020

Trend: Clean label

With 63% of global consumers surveyed noting that they have been more attentive to the ingredient listings on food and drink products that they buy, the majority say they want food and beverage products to be free from ingredients that are deemed to be detrimental to health. But what does 'clean' mean to consumers? The top 5 answers vary.²³

WHAT DOES 'CLEAN LABEL' MEAN TO YOU?²⁴






Increasing consumer focus on healthy, 'free-from' options that maintain a sense of comfort can be a perfect opportunity to add healthy benefits, like support for immune health, with ingredients that meet these "clean label" requirements and are backed by research.

A key trend in North America, clean label is growing across all food categories, **with 58% of consumers believing nutritional labeling could be made simpler.**²⁵

As well, Kerry's 2021 research notes that over 70% of consumers in North America are users or considers of healthy lifestyle products with immune health benefits.²⁶ With increased consumer focus on nutrition labeling and the benefits conferred by a product, there is opportunity to further enhance the healthiness of these products by adding functional benefits.

Kerry's 2021 global consumer research found that worldwide, consumers' top considerations when evaluating an immune health product include:²⁷

-  Did my own research on ingredient and product benefits
-  The benefits explained and supported on the packaging
-  Have seen research or scientific data claims for the product

^{23,24} FMCG Gurus, Snack Trends in 2021, June 2021

²⁵ FMCG Gurus, 2021

^{26,27} Kerry Global Consumer Survey, Digestive & Immune Health, 2021





Trend: Comfort Snacking

Worldwide, growing product categories include dairy and non-dairy yogurts and chilled desserts, as well as snacks, driven by consumers' desire to both eat more healthfully and to enjoy an indulgent treat. In some regions, nearly as many consumers (72%) are attempting to eat and drink more healthfully as are buying more comfort food (63%).²⁸

TOP FOOD CATEGORIES FOR IMMUNE HEALTH BENEFITS²⁹

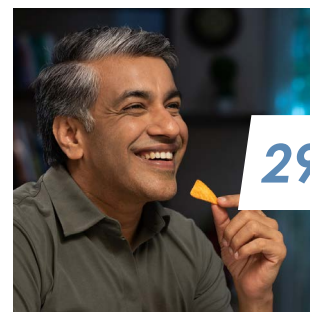
(% who have bought in the category in the last 6 months and who would also be interested in purchasing if they contained ingredients which promoted immune support benefits)



Spoonable yogurts



**Snack bars
(including granola
and nutritional)**



**Sweet and savory
snacks**

- **60% of global consumers** say that they turn to yogurts to boost their health,³⁰ creating opportunities to add immune health benefits.
- Functional snacks are a growing category, with nearly half of consumers saying they are interested in snacks that provide customized benefits, like support for immune health.³¹

FORMULATION EXAMPLE

Clean-label protein popcorn snack fortified with science-backed Wellmune® for immune support



Functional snacks fortified with benefits like support for immune health can help consumers meet their wellness goals with convenient, satisfying options.

^{28,31} FMCG Gurus, Snack Trends in 2021, June 2021

²⁹ Kerry Global Consumer Survey, Digestive & Immune Health, 2021

³⁰ FMCG GURUS: Dairy Trends in 2021

Helping consumers meet their wellness goals

"Adding yeast beta glucans to your wellness routine is an easy, specific, and proactive step to help support the health of your immune system."

Kellie Anderson, [A Woman of Style and Substance](#)

"Busy lifestyles, stress, travel and other contributing factors mean we could all do with a helping hand to stay on top of our immune health game. Wellmune provides that helping hand."

Sara McCleary, [Belly Rumbles](#)

"There's a lot of science to back Wellmune up, so it's more than just a fad."

Maureen Fitzgerald, [Wisconsin Mommy](#)

With the rapid expansion in the global functional food market across many categories, helping manufacturers provide benefits consumers can understand can make it easier to choose the products that best meet their needs. Wellmune®, Kerry's science-backed yeast beta glucan, can help manufacturers create personalized products that align with emerging consumer trends, like support for clean label, better-for-you foods, and those that provide multiple benefits.

Wellmune is backed by over a dozen published, peer-reviewed clinical studies. In clinical research, Wellmune has been shown to help:



Improve general immune health



Maintain overall physical health



Protect against the harmful effects of stress



Promote healthy energy levels and mental clarity

Wellmune provides immune health benefits for inclusion in a wide range of everyday foods, beverages and supplements. From breakfast items like cereals and granolas to snacks like bars and crisps to healthy smoothies and ice creams with a touch of 'permissible' indulgence, Wellmune can help manufacturers cater to global demand and niche markets alike.

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