

## Functional Food - US - October 2004 (\$2995.00)

Functional foods have been around a long time, but making specific health claims for food and drink is a relatively new phenomenon. This report defines functional foods as those with added ingredients or an act of processing that allows manufacturers to make a specific health claim. This definition is not always a foolproof way to determine which products are included, it is not easy for manufacturers to meet government requirements for stating claims, and consumers have trouble understanding both claims that are made and how much of a product needs to be eaten to receive functional benefits.

Despite this lack of clarity, perhaps the strongest consumer trend in 1999-2004 (which will remain true for 2005-2009) is an interest in healthier lifestyles. The government has undertaken a major drive to combat obesity and diabetes that in turn is expected to lessen rampant health problems. Food and pharmaceutical companies have furthered the science of food and nutrition to the point that many new products are coming to market that claim to address a wide range of health issues. Consumers are hearing the government's message, and are accordingly seeking to modify their diets.

There are products for cancer prevention, diabetes management, increased heart health, and many other conditions. This report explores the impact of consumers' preoccupation with health and healthy living on the current stability and future health of this market, along with the counter-push being made by the marketplace's inherent skepticism about the functional claims made by these products. These competing forces are analyzed along with a host of other factors, including demographic trends, the potential onslaught of qualified health claims, and the way functional foods are likely to fit in with consumers' eating habits.

This report concludes that there is a very strong market for products that make added health claims, and interest is expected to remain high in 2004-2009. However, there has not yet been the confluence of proven claims/benefits, taste, price, and convenience that will drive functional food sales substantially higher.

Other Mintel reports of relevance include:

- Slimming Foods and Drinks - UK - October 2000
- Fruit Juice & Juice Drinks - US - February 2003
- Tea - US - June 2003
- Energy Drinks - US - July 2003
- Store Brand Drinks - US - October 2003
- Vending - US - December 2003
- RTD Non-carbonated Beverages - US - January 2004
- Smoothies - US - February 2004
- Yogurt Drinks - US - March 2004
- Energy Supplements - US - April 2004
- Low Carb - US - May 2004
- Consumer Choices in the Beverage Aisle - US - July 2004
- Non-alcoholic Beverages: Volume II - The Consumer - US - August 2004
- Functional Beverages - US - September 2004