MARCH 2019

Unexpected Health Insights for the Food and Beverage Industry

A Suzy Study

Unexpected Health Insights for the Food and Beverage Industry

Background and Objectives

It wasn't too long ago that the stereotypical health food nut was a punchline in popular culture; now, healthy eaters are quickly becoming one of the fastest-growing consumer demographics in the food and beverage market. The 2019 Nestlé industry report forecasts that interest in healthy, plant-based meals is expected to increase this year, particularly as the semi-vegetarian (or "flexitarian") diet continues to take hold. A recently published Nielsen article also claims that superfoods, no-sugar-added foods, and other "purposeful ingredients" are currently driving retail growth in the U.S. as of 2018.

Suzy set out to determine how health-conscious and non-health-conscious consumers view the food they buy for themselves and their families

However, although more and more consumers are consciously choosing healthier options for themselves when buying food, there's a much larger subset of the population who want to be healthy but who feel that they lack the drive, knowledge, or resources to do so responsibly. With this in mind, Suzy set out to determine how health-conscious and non-health-conscious consumers view the food they buy for themselves and their families, as a way of uncovering what potential demand there could be for products that appeal to both or either group.

Methodology

Healthy Respondents

Non-Healthy Respondents

Participants in this online survey were screened into two groups: those who self-identify as choosing to live a healthy lifestyle and follow a strict and regimented diet (hereafter referred to as "healthy consumers"), and those who like the idea of living a healthy lifestyle but currently do not do anything to support it ("non-healthy consumers"). These two groups were then asked both multiple-choice and open-ended questions about their diets, shopping habits, and interest in current and upcoming food trends.

In total, 500 healthy consumers and 500 non-healthy consumers of equal gender ratios responded to the survey. All participants are verified members of Suzy's panel of over 1.17 million consumers, whose identities have been confirmed by one of our third-party KYC partners.

Because the survey is not based on a probability sample, no estimate of theoretical sampling error can be calculated.

KEY FINDING #1

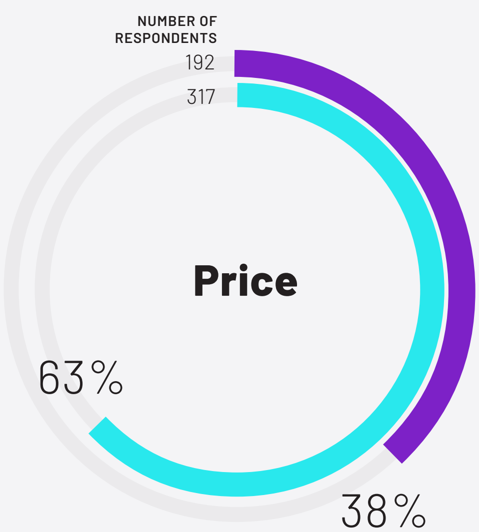
Money Matters To Everyone, Healthy or Not

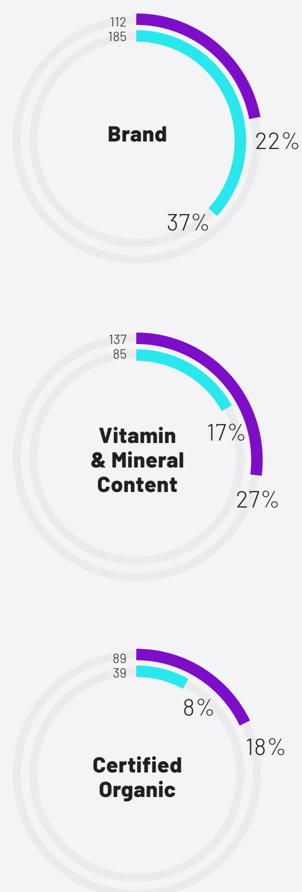
Conventional wisdom would suggest that healthy consumers are willing to spend more on higher quality items, and while that technically holds true, it's not the whole story.

Food costs are actually the biggest determinant in making purchase decisions for both healthy and non-healthy consumers alike, although not quite at the same level; just over six in ten non-healthy consumers cite price as the most important factor they consider when grocery shopping, compared to four in ten of healthy consumers (for whom there was a more varied distribution of concerns).

Chart 01

What are your top 3 concerns when purchasing packaged food & beverage items?





Healthy Respondents
TOTAL PARTICIPANTS: 500

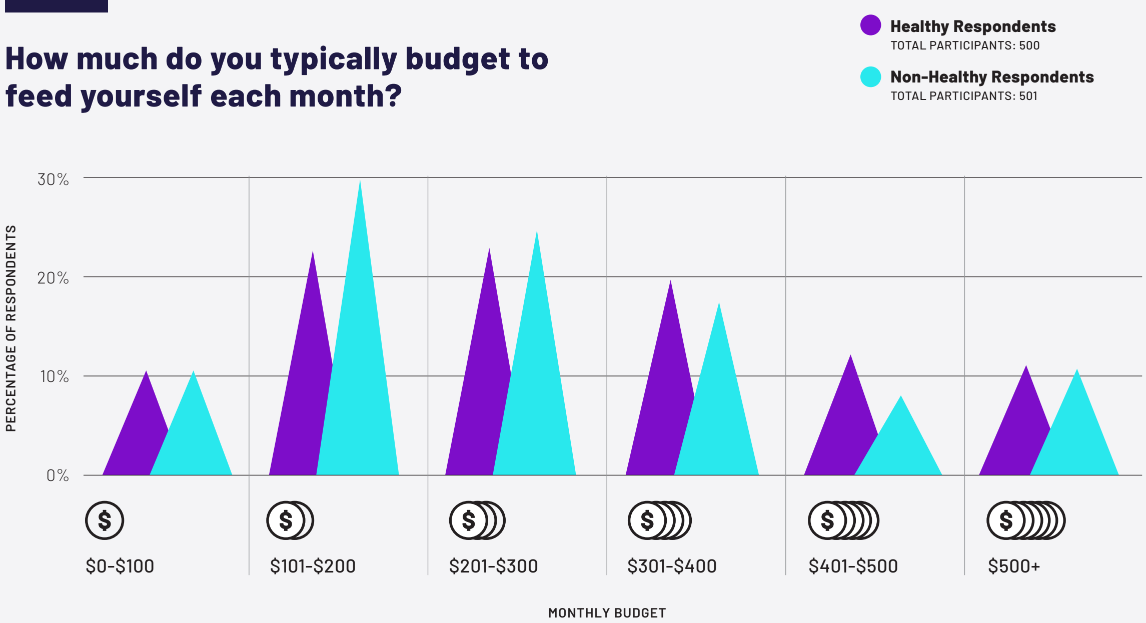
Non-Healthy Respondents
TOTAL PARTICIPANTS: 501

KEY FINDING #1
(continued)

Healthy consumers also plan to spend up to $100 more on food per month than non-healthy consumers, who themselves typically budget only between $101 and $200 per month.

Chart 02

How much do you typically budget to feed yourself each month?



Pricing priorities also differ along gender lines for non-healthy consumers; **women who do not choose to follow a healthy lifestyle are about 26% more likely to factor in food price than men who are similarly not health-conscious.**

Chart 03

What are your top 3 concerns when purchasing packaged food & beverage items? (By Gender / Non-Healthy Participants Only)

	Women TOTAL PARTICIPANTS: 251	Men TOTAL PARTICIPANTS: 250	Difference
Price	76%	50%	+26% Women
Brand	34%	40%	+6% Men
Fat Content	20%	11%	+9% Women
Protein Content	14%	26%	+12% Men
Certified Organic	2%	13%	+11% Men
Amount of Cholesterol	9%	16%	+5% Men

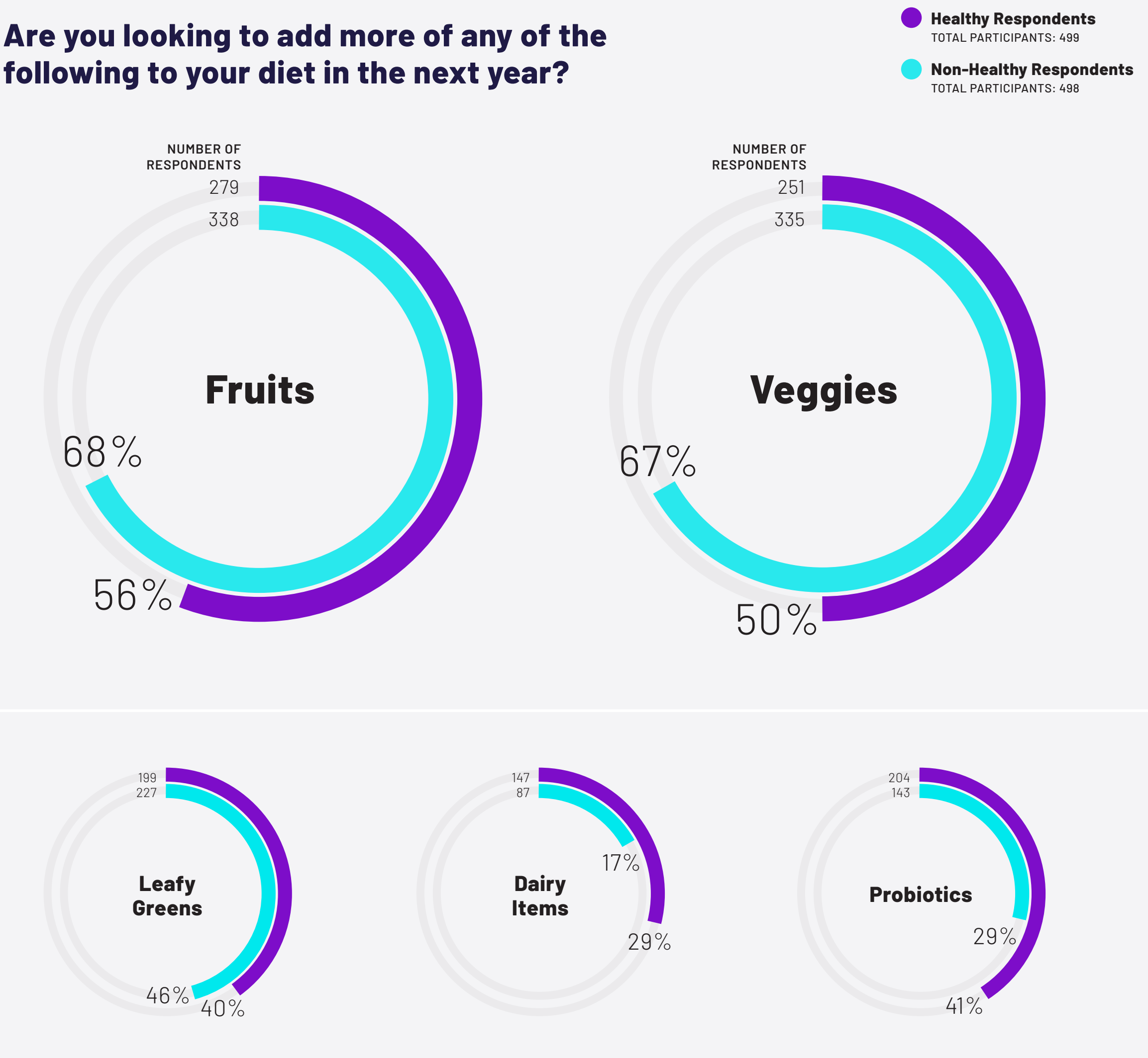
KEY FINDING #2

"Healthy" Eaters Seek Fewer Natural Products Than You'd Think

Both healthy and non-healthy consumers are most interested in incorporating more fruit into their diet over the next year. However, only non-healthy consumers—67%, to be exact—are similarly interested in including more vegetables in their diet. **Non-healthy consumers are also about 6% more interested in adding leafy greens to their diets than healthy consumers are.**

Chart 04

Are you looking to add more of any of the following to your diet in the next year?



KEY FINDING #2
(continued)

Again, gender also divides the priorities of non-healthy consumers, albeit in a way that unexpectedly conforms to prominent cultural stereotypes about the eating habits of men and women;

Male consumers are at least 10% more interested in adding poultry, meat, or fish into their diet over the next year, and female consumers are 17% more interested in adding veggies.

Chart 05

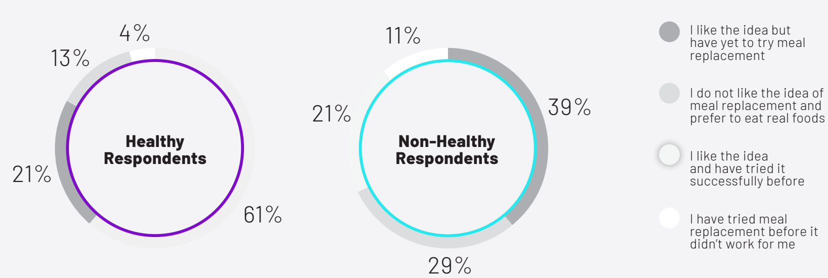
Are you looking to add more of any of the following to your diet in the next year? (By Gender / Non-Healthy Participants Only)

	Women TOTAL PARTICIPANTS: 250	Men TOTAL PARTICIPANTS: 248	Difference
Veggies	76%	59%	+17% Women
Leafy Greens	54%	37%	+17% Women
Fruit	73%	63%	+10% Women
Poultry	18%	29%	+11% Men
Red Meat	13%	28%	+15% Men
Dairy Items	12%	23%	+11% Men

The popular practice of meal replacement—products that are intended to provide the nutritional benefit of a full meal in a more convenient format, like shakes or bars—also factors into healthy consumers' diets. On average, 61% of healthy consumers have successfully tried meal replacements, compared to 21% of non-healthy consumers; **furthermore, one in three non-healthy consumers actively dislike the idea of meal replacements and prefer to eat "real" foods.**

Chart 06

What are your thoughts on meal replacement drinks/food as an alternative to helping you stay healthy?



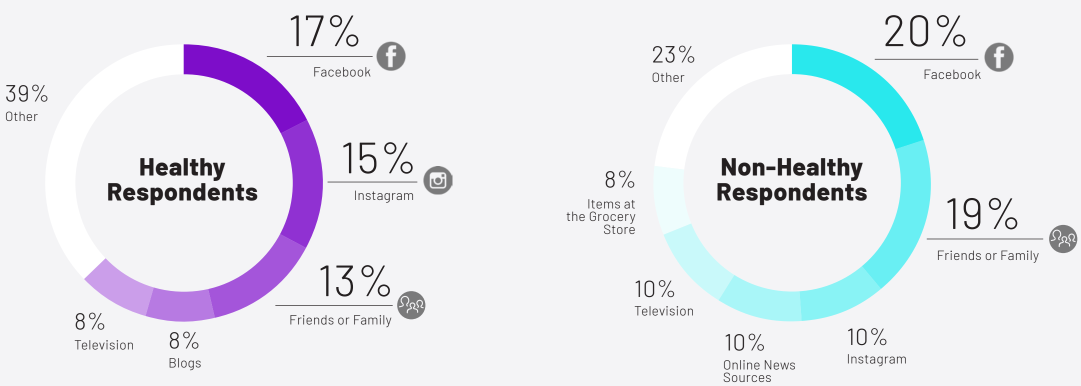
KEY FINDING #3

Social Media is the Best Tool For New Trends

Regardless of their interest in health, all of our respondents said that they are most likely to hear about the latest in healthy food trends from their friends, family, or from social media outlets, especially Facebook. The non-healthy consumers, however, leaned a little more heavily on their friends and family, whereas the healthy-consumers tended to cite Instagram higher overall.

Chart 07

Where are you more likely to hear about the latest in healthy food trends first?



Breaking it down once again by gender, female non-healthy consumers were also just a little more likely to hear about food trends from Facebook and Instagram, and male non-healthy consumers were 7% more likely to hear about them from traditional news sources like the *Wall Street Journal* or the *New York Times*.

Chart 08

Where are you more likely to hear about the latest in healthy food trends first?

(By Gender / Non-Healthy Participants Only)

	Women TOTAL PARTICIPANTS: 242	Men TOTAL PARTICIPANTS: 250	Difference
Friends or Family	20%	19%	+1% Women
Facebook	23%	16%	+7% Women
Instagram	11%	8%	+3% Women
Twitter	1%	3%	+2% Men
Traditional News Sources	0%	7%	+7% Men

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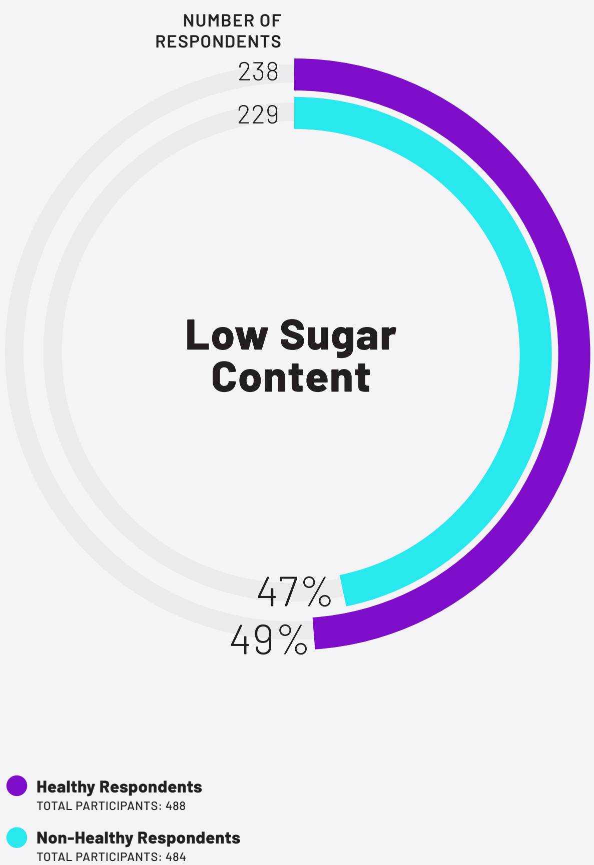
KEY FINDING #4

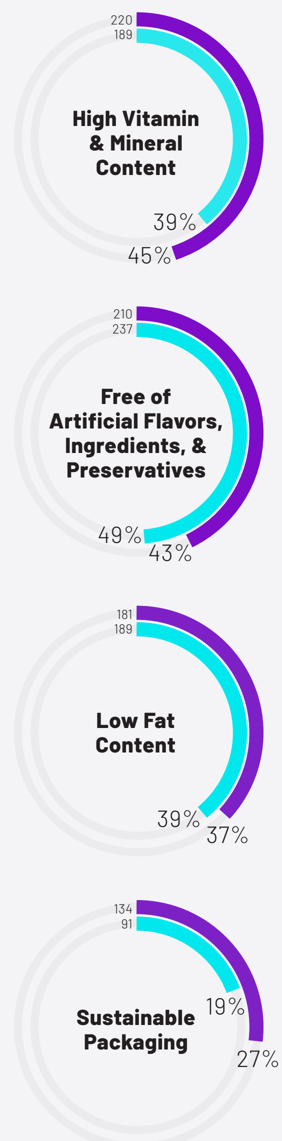
"Healthy" Means Different Things to Different Consumers

When asked what a packaged food or beverage product *needs* to have to be considered healthy, both healthy and non-healthy consumers chose "low sugar content" and products that are "free of artificial flavors, ingredients, and/or preservatives." However, non-healthy consumers were also likely to bring up "low fat content," whereas healthy consumers cited products that are "high in vitamins and mineral content."

Chart 09

In your mind, which of the following attributes listed below are NEEDED for a packaged food/bev product to be considered healthy for you?
Please select all that apply.





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KEY FINDING #4
(continued)

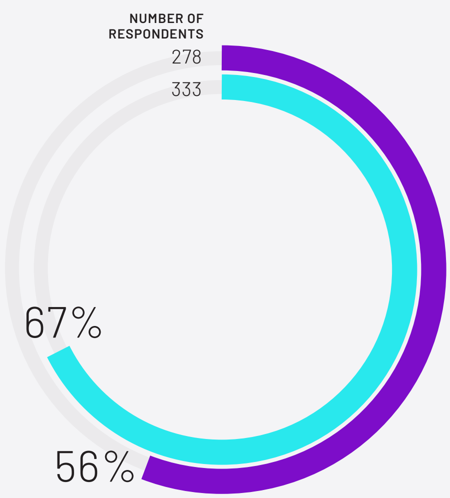
(It's also interesting to note that neither group was particularly interested in the ethicality or sustainability of their food purchases. Among healthy consumers, only 27% of respondents consider sustainable packaging to be necessary for a food to be considered healthy.)

However, when both these consumer groups were given a hypothetical choice between two different kinds of packaged food items—specifically, between all-natural foods with higher fat, sugar, and calories and artificially-made foods with lower fat, sugar, and calories—non-healthy consumers were actually 11% more likely to choose natural or whole foods than healthy consumers were.

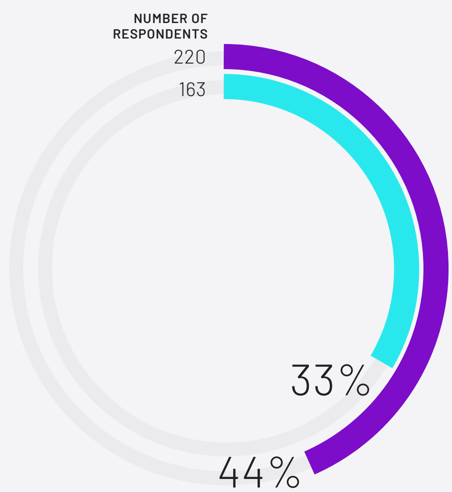
Chart 10

When purchasing food items, would you rather...

Purchase items that are all natural & whole ingredients (with higher calorie/sugar/fat content)



Purchase items that are low calorie/sugar/fat but made with preservatives & artificial ingredients



Healthy Respondents
TOTAL PARTICIPANTS: 498

Non-Healthy Respondents
TOTAL PARTICIPANTS: 496

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KEY FINDING #5

Consumer Opinions

Suzy also asked all survey participants to describe, in their own words, the rationale behind their decision to follow or not to follow a healthy lifestyle. Below is a small sample of responses, which prove useful in understanding how both groups of consumers define healthy eating in the first place.

"For me it is important to live a healthy life, because **over time I have felt better than normal,** I stress less and I have felt very productive."

MALE, 30, IOWA

"**I like to eat when I'm hungry and have a craving**. I can't do that with a healthy lifestyle."

MALE, 32, MONTANA

"It's important because I have children and I certainly want to watch them grow up and also see some grandkids someday!"

FEMALE, 27, NORTH CAROLINA

"I have tried in the past to put some changes into effect in my family **but was met with resistance** (ie: food didn't taste good, children refused to eat, time consuming, etc.), and I would end up making them something different anyway."

FEMALE, 42, MICHIGAN

"It is important for me, but **I just don't have the energy to focus on it.** I always fail at swapping out foods for something healthier—healthy food is often nasty and less filling."

FEMALE, 34, INDIANA

"**I'll live longer,** be able to move around easily and comfortably, be able to take care of myself, [and] accomplish tasks."

FEMALE, 30, WASHINGTON

- **Healthy Respondents**
- **Non-Healthy Respondents**

Conclusions and Recommendations

Marketing that focuses attention towards health-conscious consumers doesn't automatically exclude non-healthy consumers; there isn't as large a gulf between the two groups as one might think.

Given that current health and wellness trends often focus on whole, natural foods over artificially-made, low-calorie products, then even consumers who don't feel prepared to expend energy on "healthy eating" can be considered prime target audiences for certain upcoming food and beverage innovations—provided, of course, that those products are affordable, convenient, and flavorful.

Ultimately, the food industry should not be worried about alienating consumers who don't cite healthy living as one of their primary goals; these types of customers will be more than happy to jump on the clean-living bandwagon if the products are appealing enough.

About Suzy

Founded in 2017, Suzy is an on-demand consumer insights platform that connects companies directly to their target audience to get real-time feedback on any business decision, big or small.

Powered by a panel of more than one million consumers, Suzy drives some of the biggest brands in the world to validate essential decisions, better understand their customers, increase conversions, and improve growth.

Our granular custom targeting parameters empower you to rapidly test everything from messaging to pricing, package design, product concepts, innovation ideas, and much more. It's like having a focus group in your pocket – one that lands you an average of 300 responses in under 60 minutes. With Suzy, the voice of your consumers is just a click away. Learn more at **www.suzy.com.**

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