



Eleventh Edition

Health & Wellness Trends Report



strategic solutions for people, planet and profit®

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Introduction

Natural Marketing Institute (NMI) is pleased to present its 2010 *Health and Wellness Trends Report*® (HWTR), our comprehensive report on the health and wellness marketplace and its consumers, now with eleven years of data based on extensive research of the U.S. general population. Nine chapters, *Health and Wellness Consumer Segments, Sales, Health Drivers, Healthy Eating, A Generational View Of Health, Functional Opportunities and Healthy Ingredients, Eco-friendly: Sustainable to Organic, Shopping for Health, and Economic Impact* provide almost 200 pages of data and commentary to the reader. Every page offers unique insight with the presentation of charts, graphs, or tables, accompanied by analysis and commentary on associated market elements and key opportunities. Included are trended views of the general population as well as views of specific opportunistic groups such as generations, health condition managers, and integrated category users among others. We're confident that you'll find much "food for thought" here as you consider how these trends will affect your business over the next few years and we hope this report will continue to be a valuable reference tool as well as "good read" to our many supporters.

This year's report begins with a review of nutrition industry sales. In 2009, a recessionary year, we saw a general 5% increase in sales across all categories with the largest increase among general merchandising products including household cleaners, pet foods, and organic clothing, linens, and flowers — all emerging categories within the wellness marketplace.

Market and consumer attitudinal changes, driven by the recession were reviewed across the U.S. population in a segmentation adjustment analysis. This analysis began with a review of over 300 attitudinal and behavioral measures to understand how consumer groups have changed. We saw stability in attitudes, but a reduction in size of the leading health segment, WELL BEINGS, which we begin to examine in Chapter One and which you will see throughout the report. These early adopting, market influencers have and will continue their strong involvement across healthy products and services. As seen in Chapters 8 and 9, *Shopping for Health* and *Economic Impact*, they've changed some shopping habits which may be advantageous for mainstream retailers.

Introduction (continued)

Another significant segment for the industry, the MAGIC BULLETS, grew in size as more consumers, pressed by time and other demands, are looking for easy ways to stay healthy. This group became much more as their name implies, relying on supplements, OTC and even prescriptions — in general pills — to stay healthy rather than food. The FENCE SITTERS, as will be seen, have become very opportunistic. While they vacillate in their actions, attitudinally this group of middle-America families is much more health driven and they are looking for brands and retailers to help them stay healthy.

An overriding theme can be seen across the 2010 HWTR and particularly within Chapters Three and Four, *Health Drivers* and *Healthy Eating*; that is, the return of personal responsibility. In general, consumers have taken on more responsibility for their health as a means of control in an uncertain world. Across each segment of the population, each driven by their level of knowledge and individual beliefs, we've seen positive changes in the personal desire for health and the personal actions taken to manage their health. Even the EAT, DRINK & BE MERRYS, those driven by taste and emotional gratification are increasing some of their healthy behaviors. While marketers once feared that consumers would walk away from healthy products and services due to a tight economy, in fact, most remained stable or increased their healthy activity to avoid more costly healthcare.

Chapter Five provides an overview of health condition management from the viewpoint of generational differences in how we manage health to levels of concern for the prevention of disease. While Boomers and Matures certainly experience more serious conditions as they age, it is noteworthy that both Generation Y and X have adopted significant interest in avoiding certain conditions which ties to their health drivers and eating habits. This would include the adoption of functional ingredients as examined in Chapter Six. Opportunities abound for marketers who present plausible product and brand platforms with supporting evidence to an increasingly open-minded consumer base.

Introduction (continued)

Chapter Seven provides an overview of eco-friendly and sustainable activities among consumers. Key information is contained here across organic, its value to consumers and understanding of key issues. In comparison to “natural” marketplace opportunities, we provide the reader with succinct data and commentary that will affect the future of these two categories.

This eleventh edition of the HWTR is an essential tool for opportunity analysis, new product development, marketing communications, and overall strategic planning as it seeks to analyze the many changes across consumers and the marketplace. NMI’s most comprehensive report on health and wellness, the HWTR, will assist ingredient suppliers, manufacturers, brands, retailers, healthcare providers and others in understanding the interrelationship between influences, attitudes and behaviors as they seek to find the “white space” in the marketplace.

Thank you for your interest in NMI’s *Health and Wellness Trends Report* and support of this important research. Please let us know if we can answer any additional questions you may have. NMI’s trended data can be analyzed across custom groups and topics to fit your specific needs. Please contact NMI for details.

Healthy regards,

Maryellen Molyneaux
President and Managing Partner
Natural Marketing Institute (NMI)

Health & Wellness Trends Database® Methodology

Health & Wellness Trends Database®

- ❖ Most comprehensive data available on health and wellness; based on attitudes, behavior and product usage within the world of health and wellness across 90+ product categories and 20 shopping channels
- ❖ Annual consumer research among U.S. general population adults and primary grocery shoppers
- ❖ Currently 11 years of trended data: 1999 through 2009, inclusive; a total of 30,000+ consumers in the database
- ❖ Nationally representative sample of the U. S. population statistically valid at 95% confidence level to +/- 1.2%
- ❖ 2009 survey was conducted on-line among 5,607 general population consumers; 4,553 primary grocery shoppers are also identified
- ❖ Utilization of a leading on-line research firm

Table of Contents

Page #		Page #	
1	Table of Contents	40	Healthy Lifestyle Drivers Where Condition Managers Index High Against GP
5	Introduction	41	Top Methods of Achieving a Healthy Lifestyle
9	Executive Summary	42	Lesser Methods Used for Achieving a Healthy Lifestyle
13	Definitions	43	Methods of Achieving a Healthy Lifestyle: Segments Index High Against GP
15	Database Methodology	44	Methods of Achieving a Healthy Lifestyle: Condition Managers Index High Against GP
16	Chapter 1: Consumer Segments: Who is Buying Now	45	Means of Promoting Overall Health
17	NMI's Health and Wellness Consumer Segments	46	Stress Management – A Significant Health Driver
18	2009 Health & Wellness Segmentation Update	47	Reducing the Effects of Stress Through Initiating Use of Specific Food & Beverages
20	WELL BEINGS Summary	48	Desire for Energy– A Significant Health Driver
21	WELL BEINGS at a Glance	49	Energy and Stress Managers Differences In Healthy Lifestyle Modalities
22	FOOD ACTIVES Summary	50	Avenues to Increase Energy
23	FOOD ACTIVES at a Glance	51	Usage of Alternative Healthcare
24	MAGIC BULLETS Summary	52	Interest in a Healthcare Plan with Alternative Healthcare Options
25	MAGIC BULLETS at a Glance	53	Exercise Habits and Importance by Segment
26	FENCE SITTERS Summary	54	Exercise: Frequency and Attitudes
27	FENCE SITTERS at a Glance	55	Influencers and the Influenced
28	EAT, DRINK & BE MERRYS Summary	56	Influencing Healthy Lifestyles
29	EAT, DRINK & BE MERRYS at a Glance	57	Sources of Influence On Healthy and Natural Product Usage and Purchase
30	Demographic Profiles of Health and Wellness Segments	58	Sources of Influence On Healthy and Natural Product Usage Among WELL BEINGS
31	Chapter 2: Industry Sales Review	59	Websites Visited
32	U.S. Health and Wellness Industry Sales	60	Social Websites Visited by Generation
33	Projected Five-Year Health and Wellness Industry Growth	61	Magazine Readership
34	Chapter 3: Health Drivers	62	Chapter 4: Healthy Eating
35	Consumer Interest in Managing Their Own Health	63	Perceived Connection Between Diet and Health
36	Importance of a Healthy Balanced Lifestyle	64	The Connection Between Diet and Health Among Segments
37	Importance of a Healthy Balanced Lifestyle by Consumer Segment	65	The Life Dynamics of Healthy Eating
38	Drivers of Maintaining a Healthy Lifestyle	66	Eating Healthy Can Be a Challenge
39	Drivers of Maintaining a Healthy Lifestyle: WELL BEINGS	67	Pursuit of Health: Taste Barrier

Table of Contents

Page

Chapter 4: Healthy Eating (continued)

68	Emotional Barriers to Health
69	Pursuit of Health: Expense Barrier
70	Impact of the Food Pyramid Guidelines
71	Food & Beverage Label Monitoring
72	Items on Label Checked Most Often
73	Food Selection Criteria
74	Food/Beverage Purchase Criteria Changes
75	Addition and Avoidance
76	Consumers Desire More and Less From Their Foods
77	A Short List: Minimal Ingredients
78	Avoidance of Fats
79	Low Sodium Food/Beverage Usage Patterns
80	Avoidance of High Fructose Corn Syrup
81	Monitoring Sugar Content
82	Usage of Low and No-Sugar Products
83	Types of Sweeteners Used Regularly
84	Usage of Sugar “Substitutes” - Trended
85	Consumers Becoming Increasingly Concerned About Artificial Sweeteners
86	Low Glycemic Products: Awareness and Usage
87	Avoidance of Ingredients Related to Allergies
88	The Perceived Link Between Preservatives, Pesticides and Food Allergies
89	Avoidance of Toxins
90	Dairy, Meat and Poultry: Free from Hormones, Antibiotics, and Harm
91	Degrees of Vegetarianism
92	Snacking as Part of Healthy Living
93	At-Home Eating Patterns
94	Eating Out More of a Health Challenge

Page

Chapter 5: A Generational View of Health

95	Chapter 5: A Generational View of Health
96	Self Motivation Toward Health
97	Drivers of Health: Matures Driven by Traditional Methods
98	Reliance on Advances in Medical Science
99	Healthy Eating Provides a Sense of Control
100	Food Intake Monitoring
101	Foods with a Specific Health Claim
102	The Impact of Specific Health Claims on Food Purchase
103	Health Management Through Food Selection
104	Seeking Ways to Manage Inflammation
105	Immune System and Disease Prevention Connection
106	Initiation of Specific Product Usage to Promote Immunity
107	Health Condition Management
108	Health Condition Management vs. Concern Over Prevention
109	Consumers Currently Suffering from Digestive Issues
110	Arthritis/Joint Conditions: Prevention and Management
111	Product Usage in the Prevention and Treatment of Lack of Energy
112	Product Usage in the Prevention and Treatment of the Negative Effects of Stress
113	Product Usage in the Prevention and Treatment of Osteoporosis/Bone Health Issues
114	Weight Management Methods
115	Use of Internet Tools for Weight Management
116	Connection of Exercise and Illness
117	Interest in Alternative Methods as Part of Health Insurance Plan
118	Chapter 6: Functional Opportunities & Healthy Ingredients
119	Increases in Healthy Choices Over Past Year
120	Use of Supplements
121	The Value of Supplementation for Health Assurance
122	Supplementation and Fortified/ Functional Foods/Beverages

Table of Contents

Page

Chapter 6 (continued)

123	The Blurring of Supplements and Food
124	Fortified/Functional Food/Beverage Use
125	Functional and Fortified Food and Beverage Use by Segment
126	Drivers of Functional/Fortified Food Use
127	Drivers of Functional/Fortified Foods/Bevs Compared to Vitamins/Minerals
128	Drivers of Fortified/Functional Food Use: Users Indexed Against GP
129	Specific Health Claim and Clinical Research
130	Food and Beverages for Treatment and Prevention
131	Boomers and Matures are Instrumental in Driving Functional Growth
132	Functional Foods as “Medicine”
133	Willingness to Pay a Premium for Functional/Fortified Foods/Beverages
134	Fortified and Functional Food “Overdose” Concerns are Low
135	Awareness of Emerging Ingredients is Growing
136	Store Merchandising of Enriched and Fortified Foods
137	Disconnect Exists Between Ingredients and Benefits
138	Association of Omega 3 and Plant Sterols with Heart Health
139	Association of Probiotics with Digestive Health
140	Understanding of Primary Benefit of Specific Nutrients
141	Benefits Associated with Omega 3
142	Benefits Associated with Plant Sterols
143	Benefits Associated with Vitamin D
144	Fiber Usage and Consumer Dynamics
145	High-Fiber Food and Beverage Usage Patterns
146	Use of Whole Grain Foods/Beverages - Trended
147	Adding Whole Grains to Diet
148	Adding Protein to the Diet
149	Food Use for Weight Management

Page

Chapter 7: Eco-Friendly: Sustainable to Organic

150	Chapter 7: Eco-Friendly: Sustainable to Organic
151	Consideration of Environment in Maintaining a Healthy Lifestyle
152	Consideration of Environment in Maintaining a Healthy Lifestyle - Segment Indexes
153	Consideration of Environmental Health & Sustainability on Purchase Decision
154	Environmental Impact on Purchase Decision
155	Adopters and Influencers of Environmentally-Friendly Products
156	Importance of Sustainable Agriculture
157	Importance of Sustainable Agriculture by Health & Wellness Segments
158	Willingness to Pay a Premium for “Green Products” by Health & Wellness Segments
159	Perception that Personal Environmental Responsibility is Too Difficult by Generation
160	Importance of Natural/Organic Food/Bev Consumption in Maintaining a Healthy Lifestyle
161	Consumption of Natural/Organic Food/Bevs in Maintaining a Healthy Lifestyle
162	Overall Organic Product Category Usage
163	Usage of Eco-Focused Categories
164	Organic Category Cross Usage
165	Increased Organic Category Usage Across Segments
166	Segments Using Organic Categories for Less than One Year
167	Primary Drivers to Organic
168	Health and Environment as Initial Drivers of Organic Food Usage
169	Benefits of Organic Foods & Beverages Compared to Non-Organic
170	Growth of Importance of Organic Attributes
171	Credibility Challenges of Organic Foods & Beverages
172	Clarity of Organic Food & Beverage Benefits
173	Confusion Between Natural and Organic
174	Barriers to Organic Food and Beverage Purchase
175	Support of Local Community Helps to Drive Organic Produce Use
176	Buying “Local” vs. Buying Organic
177	Comparison of Domestic Organic Ingredients to Global Sources

Table of Contents

Page

Chapter 7 (continued)

178	Trust Issues of Mainstreaming Organic Brands and Retailers
179	Willingness to Pay a Premium for Organic
180	Usage of Eco-Focused Personal Care
181	Impact of Corporate Social Responsibility on Purchase
182	The Impact of Socio-Ecological Labeling on Purchase Decision
183	Chapter 8: Shopping for Health
184	Shopping Channels for Healthy and Natural Goods
185	Shopping Pattern Changes During a Recession Economy
186	Shopping Channel Compound Annual Growth Trends 2004-2009
187	NMI Segment Shopping Channel Patterns
188	Total Retail Channel Shopping Behavior Across NMI Segments
189	Annual Basket Ring Dollars per Household across Channel by Segment
190	Internet Shopping 1999-2009
191	Internet Shopping by Generation and Household Income
192	Internet Shopping Behaviors by Generation and Household Income
193	Healthy Internet Shopping Behaviors by NMI Segment
194	Price as a Purchase Decision Driver Shows Growth
195	Price-Driven Purchase Decision Among NMI Segments
196	Importance of “Competitive Price” When Selecting Foods/Beverages
197	The Perception of Store Brands vs. National Brands
198	Preference for National, Local or Store Brands
199	Brand Loyalty and Trial
200	Value of Nutritional Shelf Tags
201	New Product Adoption
202	Primary Grocery Shoppers - Gender Changes
203	Healthy and Natural Product Purchase at Local Farm/ Farmer's Market
204	Locally-Sourced Food/Beverage Usage
205	Importance of “Local” Merchandising

Page

206	Local vs. Organic
207	Economic Impact on Shopping Behavior Among Natural Channel Shoppers
208	Chapter 9: Economic Impact
209	Change In Economic Impact of Lifestyle & Grocery Shopping
210	Economic Impact on Lifestyle & Grocery Shopping
211	Economic Impact on Amount of Groceries Purchased
212	Economic Impact on Food Selection: Health vs. Price
213	Economic Impact on Food Selection: Health vs. Price – By Health & Wellness Segments
214	Economic Impact on Consumer Shopping Behavior
215	Change in Brand Loyalty Versus Cost Savings
216	Brand Loyalty vs. Cost Savings – By Age and Income
217	Brand Loyalty vs. Cost Savings – By Health & Wellness Segments
218	Usage of Store Brand Products – 3 Year Trend
219	Comparison of Store Brands to National Brands
220	Usage of Store Brand Products
221	Change in Money Saving Behaviors Due to Economic Downturn
222	Coupon Influence on Purchase Decision
223	Economic Impact on Purchase Channel
224	Change In Economic Impact on Purchase Channel
225	Reduction in Item Specific Specialty Purchases Due to Economic Slowdown
226	Economic Impact on Natural & Organic Food Usage – By Health & Wellness Segments
227	Change in Organic Purchase Due to Economic Downturn - Organic Users
228	Economic Impact on Supplement Compliance
229	Economic Impact on Supplement Purchase
230	New Users vs. Long Term VMHS Users in Current Economy
231	Comparison of Supplement Brands to Cost Savings
232	Supplement Brand Loyalty vs. Cost Savings
233	Change in Natural/Organic Personal Care Purchase Due to Economic Downturn
234	Economic Impact on “Green” Purchases
235	Economic Impact on Charitable Donations

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