



The new normal in nutraceutical supplements

Top trends that will rule the dietary
supplement industry in 2021

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As we enter the cusp of a new age – that of many ‘new normals’, the world continues to witness unprecedented changes inflicted due to the COVID-19 pandemic. The crisis has taught the world several lessons, the most important being the need to maintain a healthy lifestyle and its critical role in disease prevention. Consumers worldwide are increasingly becoming aware of this fact and are taking necessary actions.

With highly evolving health trends and immunity taking centre stage, a tectonic shift in interest among consumers from reactive to proactive healthcare is largely evident. The crisis has reinstated the role of dietary supplements as a gateway to wellness. This shift in behaviour among consumers has been a distinct opportunity for the supplement industry to empower consumers engage in their own wellbeing and take control of their health. However, this soaring demand of supplements has also created tremendous pressure on the industry.



What's up for 2021?

2020 has been extraordinary in every sense. For dietary supplements it has been a record-breaking year. Consumer insight data from the Council for Responsible Nutrition on COVID-19 confirm significant increase in sales of dietary supplements.

According to the Nutrition Business Journal (NBJ), 2020 marked the highest growth in the nutritional supplement industry since 1997, with an estimated 12.1% increase for the year.

Although this exponential growth is expected to taper off, the industry is likely to continue witnessing a sustained lift in business in the coming years.

The approach of proactive healthcare is now gathering strong momentum worldwide. NBJ, data show that although the U.S. supplements market makes up nearly one-third of the global market and continues to remain the largest, Asia is now a rising region. The APAC countries now comprise 35% of the global supplements market. As more and more consumers globally are turning to dietary supplements in this time of crisis, the

responsibility on the supplement industry has increased manifold. This is also an opportunity for the industry to establish a relationship of trust and transparency with consumers by supplying quality products.

Supplement trends 2021

1. Immunity it is



3. No gut, no glory



2. Minding the mind

5. Coming clean and transparent



4. Winning ingredients



6. Personalising nutrition

1. Immunity it is

With the pandemic bringing the role of immune health into sharp focus, the anxiety stemming from it will continue to drive consumers' priority towards maintaining a healthy immunity system. According to the Innova Trends Survey 2020, nearly one-third of US consumers said their concern about immune health increased in 2020 vs. 2019. Market research data from Innova Insights demonstrate that between 2015 to 2019, launches featuring immune health claims rose at a CAGR of

13%. With the skyrocketing sales of supplements in 2020, this trend is expected to grow in the coming years. However, it is important that products claiming to boost the immune system are developed based on scientific evidence to benefit from this upward trend.

Although the nutraceutical industry is seeing a boom in the demand of functional food and beverages with immune boosting claim, dietary supplements still continue to lead.

Top categories as a percentage of food & beverage and supplement launches tracked with an immune health claim (Global, 2020 YTD)



48%

Supplements



20%

Baby & Toddler



11%

Sports Nutrition



6%

**Dairy & Dairy
Alternative**



5%

Soft drinks



3%

Hot drinks



2. Minding the mind

The United Nations Secretary-General António Guterres rightly stated, “The COVID-19 virus is not only attacking our physical health; it is also increasing psychological suffering. Even when the pandemic is brought under control, anxiety and depression will continue to affect people.” According to NBJ, stress and sleep supplements were growing at 1-4% in 2016-17, but 2018 and 2019 saw a substantial leap to 12%-18% sales growth. NBJ estimates a whopping 30% growth in 2020, with double-digit growth pegged for 2021 as well.

3. No gut, no glory

The pandemic has brought to light the need to approach health holistically. Consumers are increasingly growing aware of the significance of a healthy gut microbiome and its impact on the immune system. Studies have indicated that products targeting the microbiome help address specific metabolic conditions and issues such as weight management, immune system support and better emotional well-being.

According to Innova Top Ten Trends Survey 2020, 2 in 5 global consumers consider having a healthy gut most important to achieve immune health.

4. Winning ingredients

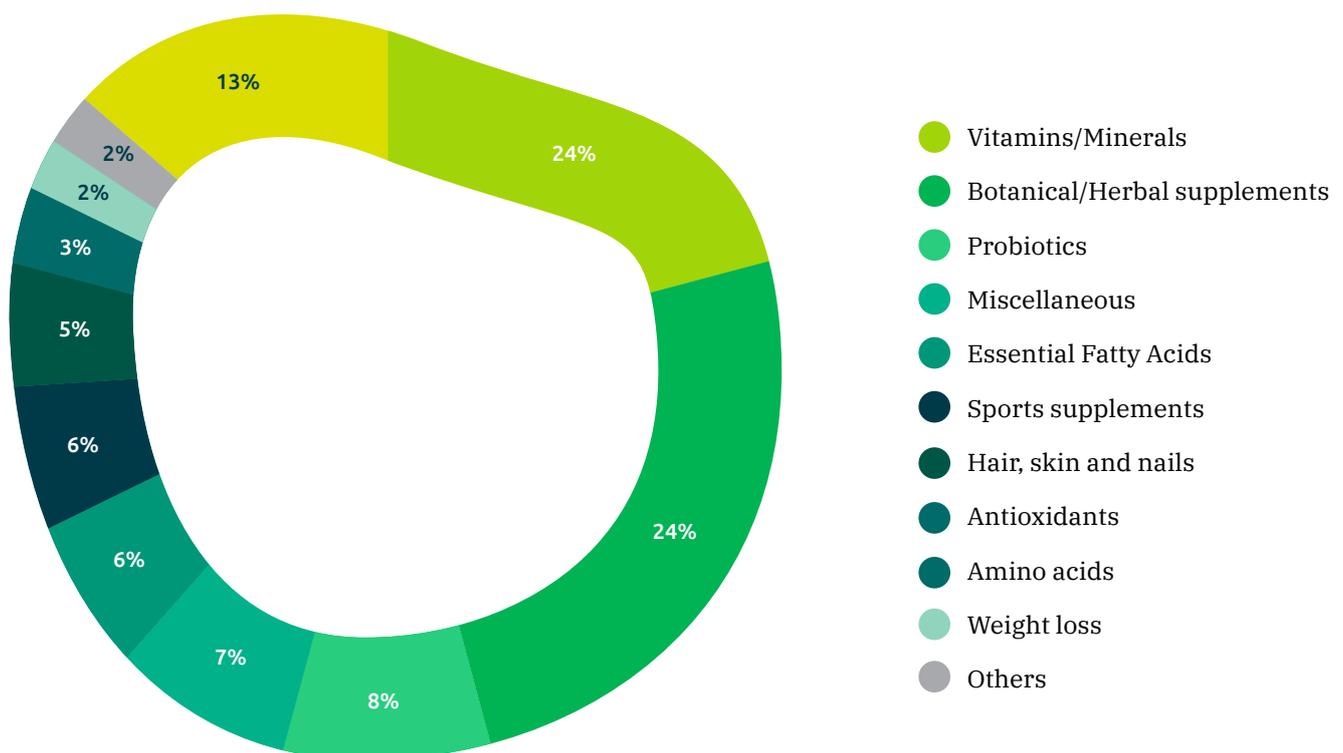
After vitamins and minerals, the ingredient category to record the highest number of supplement launches was botanicals and herbals followed by probiotics in 2019. This trend is expected to continue as consumers are increasingly turning toward herbal products and specialty supplements to manage their health. Natural ingredients like turmeric and ashwagandha are gaining high popularity, as adaptogens.

With consumers prioritising gut health, probiotics are also now in high demand in the supplement market. Probiotics have created a positive immune health image in the minds of many consumers.

A rising number of new product launches enriched with probiotics has been recorded by Innova Insights.

It can therefore be ascertained that the trend of probiotics will consequently continue to thrive.

Global supplement launches by ingredient type (2019)





5. Coming clean and transparent

85% of global consumers as per Innova Nutrition & Health Survey 2020 stated – “To me product information is of major importance. I want to know what the product contains.”

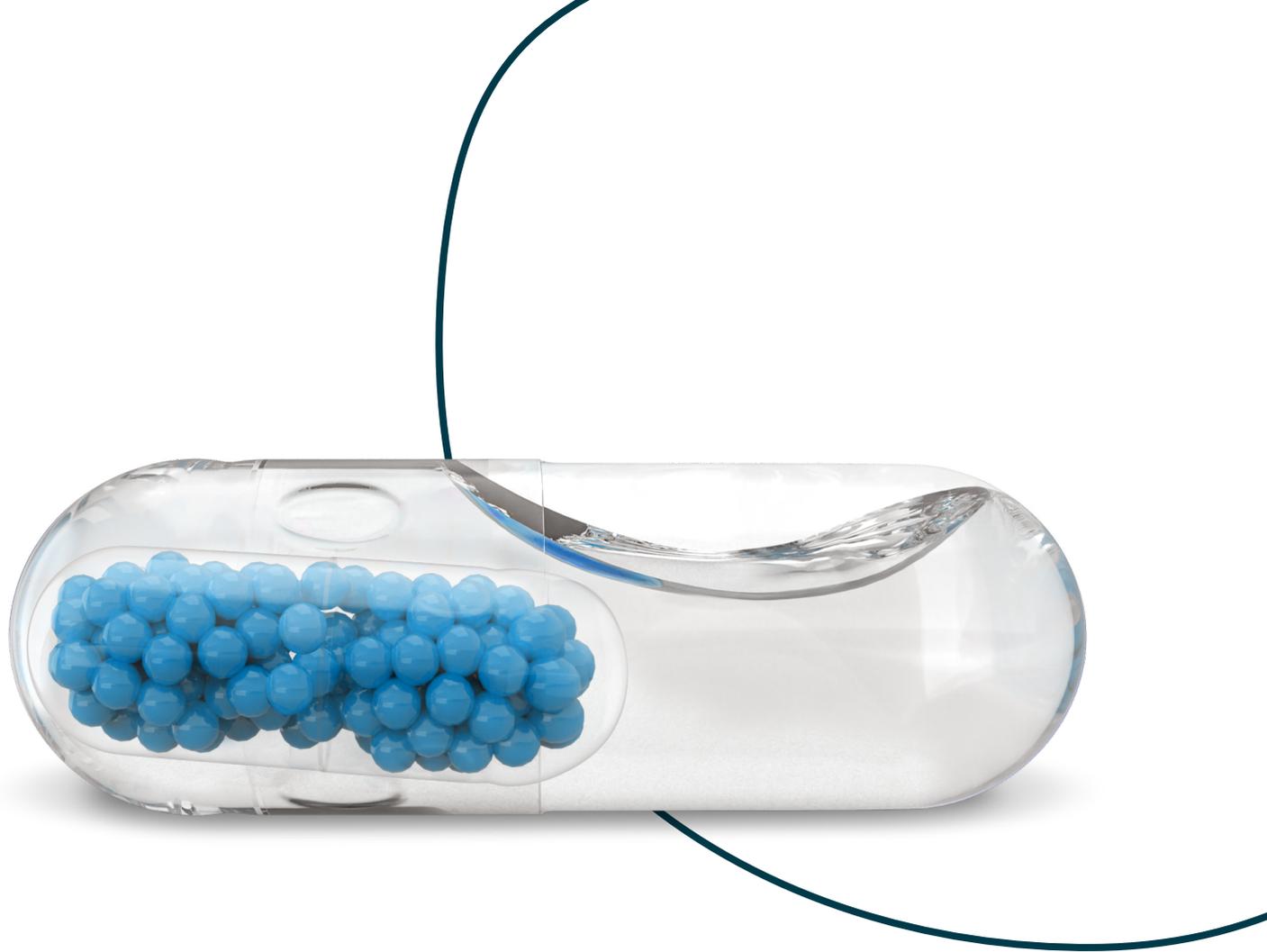
Brands are responding to consumer preferences for cleaner products by creating products that are natural, organic, and free from GMO, artificial additives, and preservatives. The clean label definition is fast expanding to include a confluence of trends. Claims related to human and animal welfare, increased focus on supply chain transparency, plant-based nutrition and sustainable sourcing are just a few examples of how the clean label trend is evolving to a broader definition.

In both Europe and North America, the plant-based revolution continues to gather pace alongside the growing preference toward more ethical and sustainable lifestyles. These ideas are increasingly becoming key pillars of trust under the clean label movement. In Asia, clean label product lines mainly focus on health driven factors, with no-additives or preservatives claims topping the list.

As food and supplement industries continue to evolve, many brands are increasingly taking up responsibility to create a better, greener, and healthier world. This however is not restricted only to ethical and sustainable operational practices but in

fact encompasses a whole gamut of efforts by which companies can contribute to making a meaningful difference and can also include human welfare missions.

However, **although a lot of supplement brands are working towards impacting and improving people’s lives positively, research indicates, that there is still a trust deficit among consumers.** A 2018 New Hope Network survey shows that only less than half of millennial consumers trust the supplement industry. This may be attributed to quality issues, overclaiming health benefits of supplements etc.



6. Personalising nutrition

Personalised nutrition is set to bring about a big revolution in healthcare as consumers are increasingly taking greater control of their wellbeing. They are on the lookout for customised solutions aimed at meeting their specific individual needs. With the use of advanced and sophisticated digital technology and flexible direct-to-consumer models, this trend can gain high impetus.

Learning from the past and looking to the future.

Mapping industry trends based on data is one thing; however, the real challenge lies in anticipating which ones are to stay and grow in the coming years. It is therefore important that each trend is assessed beyond consumer research using a holistic approach to understand if the current landscape is conducive to its growth or decline.

2020 has been an incredibly influential year in ways we probably have not even realised yet - from skyrocketing demand of supplements claiming immune, gut, and mental wellbeing to the revolution in plant-based nutrition, emphasised focus on transparency and far beyond. Every year ends on a learning note introducing some change, but 2020 particularly has propelled us to critically reimagine and relook at nutrition.

The time to act is now

As consumers globally are increasingly turning towards dietary supplements for preventative healthcare, general wellness and more, it is important that nutraceutical companies respond responsibly and consider it an opportunity to innovate in this space.

How can Vantage help you?

With our unique solutions, we have got you covered from product conceptualisation to commercialisation. Our offerings include:



End-to-end offerings

Right from product development to commercialization, we do it all. Our core offerings include product designing, feasibility assessment, formulation and development, stability studies, regulatory assistance, and commercial-scale manufacturing.



Liquid-filled hard capsules

These capsules are a perfect solution for encapsulating a natural active ingredient or a combination of such ingredients that often pose significant formulation challenges in a single dosage form. A vegetarian variant of this capsule is also available.



Speed-to-market

Our state-of-the-art manufacturing facility, well-equipped for liquid filling of hard capsules, coupled with our expertise in this area make it possible to scale-up quickly, which helps us to respond to rising market demand suitably and translates to shorter time-to-market.



Concept to counter service

Our concept-to-counter service is a one-of-a-kind offering that meticulously focuses on consumer needs. We partner with our customers to help them create products that are consistent with the latest trends and offer strong differentiation for their brands.

We work with a wide variety of ingredients for formulating dietary supplements to deliver the desired nutritional and functional benefits.



Amla



Ashwagandha



Astaxanthin



Bacopa extract



Black seed oil



Caffeine



Carthamus



Coenzyme Q10



Colostrum



Curcumin



Fish oil (EPA rich)



Flaxseed oil



L-Carnitine



Moringa



Neem



Sea-buckthorn oil



Spirulina



Tulsi



Turmeric oil



Vegetarian DHA

.....and much more

...or you can customise your own line of products with other ingredients singly or in combination.

We collaborate with our nutraceutical partners to launch products across various health categories.



Cognitive Health



Cardiovascular Health



Weight Management



Beauty



General Health



Bone/Joint Health



Immune Health



Sports Nutrition



Women's Health



Men's Health

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4. Supplement Business Report 2020, Nutrition Business Journal
5. Top Five Global Trends that will Shape the Food Industry in 2021; ADM
6. <https://www.adm.com/news/news-releases/top-five-global-trends-that-will-shape-the-food-industry-in-2021>



Vantage Nutrition

Vantage Nutrition is one of the first companies globally to offer unique solutions to nutraceutical brand owners seeking to introduce new products. We partner with our customers to help them create products that are consistent with the latest trends and offer strong differentiation for their brands.

Connect with us at

Email: sales@vantage-nutrition.com
Phone: + 91 75068 65522/91 22 7186 2362
www.vantage-nutrition.com

