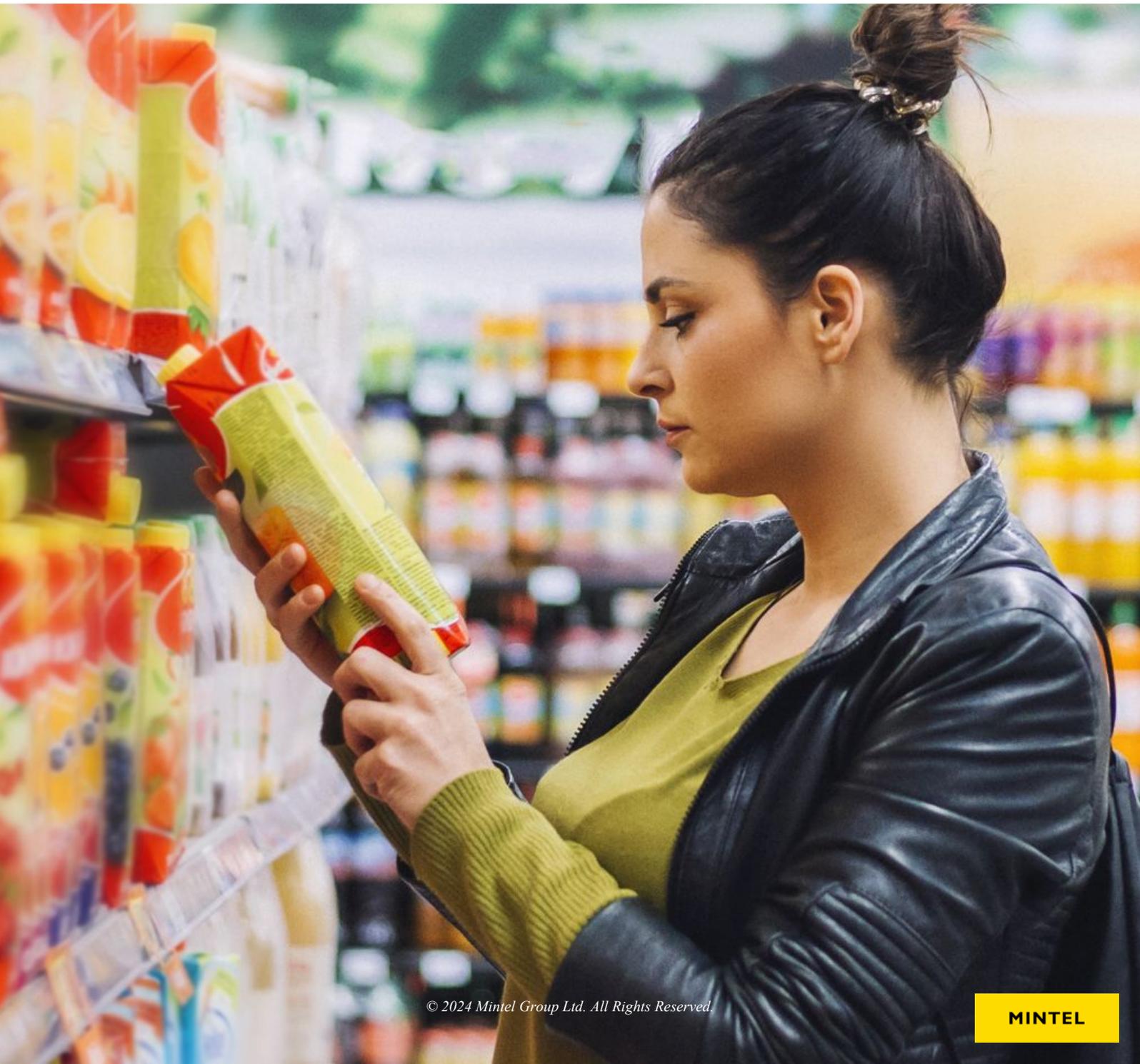


# ATTITUDES TO FUNCTIONAL FOOD & DRINK – INDIAN CONSUMER – 2021

Consumers' pursuit of holistic wellbeing means they see good value in food and drink products offering functional benefits. Building trust is key to drive usage.



Rushikesh Aravkar,  
Associate Director -  
Consumer Reports South  
APAC - Food & Drink



# Report Content

## EXECUTIVE SUMMARY

- What you need to know
- Mintel's perspective

### Market context

- COVID-19 has prioritised healthy eating for consumers
- Building trust is the key to sustain growth of functional food and drinks
- Eye health is an unexplored category

### What consumers want and why

- Consumers want: functional food and drinks chock-full of value
- Consumers want: holistic health benefits
  - Graph 1: select benefits consumers find appealing when choosing a food and drink product, 2021
- Consumers want: targeted products according to their demographic needs
- Consumers want: trust and transparency

### Opportunities

- Provide all-around health benefits through a variety of ingredients
- Create products specifically targeting eye health
  - Graph 2: food, drink launches with eye health claims, top 10 ingredients, 2016-20
- Offer scientifically substantiated benefits and proof of efficacy
- Reinvent taste and format to excite senses
- Traditional ingredients create familiarity

### The impact of COVID-19 on functional foods and drink

- The outlook for the Indian functional foods and drink
- The marketing mix – 4Ps
- The marketing mix – 4Ps
- Positive outlook for functional food and drinks

## KEY TRENDS

- What you need to know

### Global trends and how they are playing out in India

- Economic slowdown is changing the way consumers shop
  - Graph 3: spending priorities, 2021

# Attitudes to Functional Food & Drink – Indian Consumer – 2021

---

- Focus on preventive health creates an opportunity for functional food and drink
- Stress is a growing concern around the world
- Increased screen time is leading to poor sleep quality
- 2020: the year our eye health deteriorated
- Add value with personalised solutions

## Key drivers

- An awakened Indian consumer
  - Graph 4: agreement with select statements about COVID-19, 2021
- Focus on healthy living is on the rise; more is expected of food and beverages than ever before
- Start-ups and mainstream brands are exploring new ways to make functional food and drink convenient to consumers
- Potential for functional claims to grow in mainstream categories
  - Graph 5: share of launches with functional claims, by category, 2019-21
- COVID-19 and economic downturn has adversely impacted consumer nourishment paving the way for brands to innovate
- Functional food and drink will play an important role in caring for consumers' mental wellbeing
- Indian consumers are researching the product before they buy it

## CONSUMER INSIGHTS

- What you need to know
- What is functional food and drink?

### Functional ingredients and the Indian consumer

- Millennials are taking a more proactive approach to their health
  - Graph 6: increase in health-related activities in the last 12 months, by age, 2021
- Younger Millennials, especially working women, are the most ingredient-savvy users
  - Graph 7: functional ingredients in food and drink products – aware and consumed, by age, 2021
- In pursuit of managing the double burden of office work and house work, working women become ingredient experts
  - Graph 8: functional ingredients in food and drink products – aware and consumed, by gender and employment, 2021
- Millennials are aware users, but price is a concern
- Innovate with less-common functional ingredients to improve accessibility and drive usage
  - Graph 9: select statements about experiences with ingredients in food and drink products, 2021
- Functional food and drink enjoy great appeal, but there is scope to further expand the market
- Engaging with Gen Z is crucial to make the category future-proof
  - Graph 10: awareness of select ingredients in food and drink products, by age group, 2021
- The functional power of caffeine is often underplayed
- Protein remains the most sought-after feature in food and drink purchase
  - Graph 11: top three important factors when buying food and drink products – any rank, 2021

## Added health benefits of interest

- Energy, digestive health and immune support are the most sought-after functionalities from food and drink
  - Graph 12: health benefits sought in food and drink products, 2021
- Innovate beyond the obvious – potential exists for bone, cognitive health and eye health
  - Graph 13: functional and fortified food & drink launches, by functional claims, 2019-21
- Food formats outrank drinks as a route to functionality
  - Graph 14: added health benefits that would appeal to consumers when choosing a food and drink product, 2021
- Energy claims appeal to Millennials
  - Graph 15: added health benefits consumers find appealing when choosing a food and drink product, by age, 2021
- Pair energy claims and eye health benefits in food formats to extend reach to seven in 10 consumers
- Drinks that combine energy provision with digestive and relaxing benefits are the most appealing
- Busy routines drive employed consumers to look for relaxing products
- Eye health claims are not fully explored in mainstream categories
  - Graph 16: food & drink launches with eye-health related claims, by sub-category, 2019-21
- Antioxidants will help boost the focus on eye health especially for older consumers
  - Graph 17: awareness of antioxidants in food and drink products, by age, 2020

## Important factors impacting functional food/drink choices

- Address the knowledge gap for functional ingredients and their benefits
- Transparency of product benefit claims is vital to maintain trust for the older consumers
  - Graph 18: agreement with select statements, by age group, 2021
- Trust is crucial for functional food and drink
  - Graph 19: factors encouraging trials of new functional food and drink products, 2021
- Premiumise naturalness for the affluent older consumers
- Position functional food as a complete meal for the older consumers
- SEC B are strong believers in efficacy but price is an issue
  - Graph 20: agreement with statement "foods/drinks that claim health benefits usually deliver on what they promise, by socio-economic groups, 2021
- Make functional food and drinks appealing for taste buds
  - Graph 21: agreement with select attitudes to functional food and drink, 2021

## MARKET APPLICATIONS

- Opportunities: key areas of focus

### Create awareness to build trust and drive usage

- Call out key functional ingredients and explain their benefits
- Offer scientifically substantiated benefits and proof of efficacy
- Nutrilite B Natural ABC "nutribev" promotes links with science and nature

- Traditional medicine can boost functional claim credibility

## Support new wellness priorities

- Create products specifically targeting eye health & the protection against blue light
- Brands can incorporate eye-protective antioxidants: lutein and zeaxanthin
  - Graph 22: food, drink launches with eye health claims, top 10 ingredients, 2016-20
- Grow mature categories with eye health benefits
- Support for screen-bound lifestyles highlighted on pack
- Boost cognitive performance and address mental fatigue
- Tackle specific requirements for brain boosting
- Consumers are seeking stress relief and relaxation
- Dual benefits: stress reduction and immune system support
- Emerging ingredients to help cope with stress and anxiety
- Look into mood-enhancing ingredients that support improvement of sleep

## Extend functional claims to mainstream categories

- Potential for functional claims to grow in snacks, dairy and juices
  - Graph 23: share of launches with functional claims, by category, 2019-21
- Satisfy consumers' basic requirements for taste
- Use snacks as a medium to deliver fruit and vegetable intake requirement
- Leverage the demand for immune support to promote usage of prebiotics and probiotics
- Beyond drinks, extend caffeine's usage in food
- Expand energy boost benefits from energy drinks into more 'food-like' categories
- A variety of dairy formats can deliver on eye health functionality
- Call out functional ingredients front and centre of the pack

## Use traditional ingredients

- Hero the Indian herbs
- Condiment-inspired products give consumers the power to create functional food or drink
- Innovate with teas to provide relaxation
- Blend taste and tradition for women
- Effective communication explains functional benefits

## APPENDIX

- Report definition
- Consumer survey methodology

# About Mintel India Consumer

Access our reports now and we'll tell you how major trends are affecting India. We also hone in on the regional differences from socio-economic groups to demographics such as age, gender and household composition. We research consumers in Metro and Tier 1 to 3 cities across the 4 main regions and in 6 local languages.

In each report, we're analysing the trends and the innovations, the behaviours and the influencers of consumers across India. Our local expert analysts then examining the primary research and consumer data and translating it into what it means for you.

- ✔ Find out what Indian consumers want, what they need and what influences their purchasing decisions.
- ✔ Understand the Indian market and see how it fits into wider trends on a local and global level.
- ✔ Take advantage of the gaps and opportunities that exist today, tomorrow and beyond.

## How Mintel Indian Consumer will help your business grow:

01

Segment consumers across India according to their regional and demographic differences so you can target them more effectively.

02

Analyse the latest trends and innovations and see how they fit at a local level to identify opportunities for your next big idea.

03

See action-oriented summaries to understand an area quickly or investigate the data to get an in-depth understanding of your market.

## BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00\*

[store.mintel.com](https://store.mintel.com)

Americas: +1 (312) 932 0400  
China: +86 (21) 6032 7300  
Germany: +49 (0) 211 3399 7411  
India: +91 22 4445 1045  
Singapore: +65 6653 3600  
Thailand: +66 2 821 5122  
UK: +44 (0) 20 7606 4533

\*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

MINTEL

### Disclaimer

This is marketing intelligence published by Mintel. The consumer research exclusively commissioned by Mintel was conducted by an Indian licensed market survey agent ([See Research Methodology for more information](#)).

### Terms and Conditions of use

Any use and/or copying of this document is subject to Mintel's standard terms and conditions, which are available at <http://www.mintel.com/terms>

If you have any questions regarding usage of this document please contact your account manager or call your local helpdesk.

### Published by Mintel Group Ltd

[www.mintel.com](http://www.mintel.com)

### Help desk

UK	+44 (0)20 7778 7155
US	+1 (312) 932 0600
Australia	+61 (0)2 8284 8100
China	+86 (21) 6386 6609
India	+91 22 4090 7217
Japan	+81 (3) 6228 6595
Singapore	+65 (0)6 818 9850