



The Dietary Supplement Consumer of Tomorrow



Setting the Stage for Supplement Growth



The complexity of pandemic experiences has propelled consumers to reevaluate and refocus their health and wellness routines across all aspects of their lifestyles. As a result, over 60% of global consumers are planning to improve their overall health and wellness over the next 12 months¹.

With a renewed focus on the fundamentals of health, consumers are now more motivated than ever to make positive lifestyle changes and begin new habits. Consumers are actively seeking out functional solutions to support their holistic health and wellness goals, including adding nutritional supplements to their daily regimen.

THE TOTAL GLOBAL DIETARY SUPPLEMENTS MARKET REVENUE WAS \$76 BILLION IN 2020 WITH AN ANTICIPATED CAGR OF 2.4% DURING 2021-2026²

What will it take to attract and retain the dietary supplement consumer of tomorrow? ADM shares some of the top consumer motivations and identifies key opportunities to drive new category trial and retention.



79%

of U.S. consumers say taking supplements is important to their overall health³



67%

of global consumers say they will continue to use nutritional supplements over the next 12 months¹



49%

of all nutritional supplement users say that they would be willing to increase spend on nutritional supplements¹

Personalized Solutions

Consumers are actively seeking solutions that target their specific health and wellness needs. From individual health factors to personal histories and experiences, each person defines health and wellness differently. One thing they may have in common is greater awareness of the concept of holistic health. Among the fastest-growing segments in supplements are stress, mood and sleep support, which all play key factors in emotional well-being and are connected to overall health. In fact, 75% of global consumers say they recognize the link between cognitive health and good overall health⁴. Additionally, 51% of global consumers are planning to improve their cognitive or mental health over the next 12 months⁵. Supplements that may help support restorative sleep, balanced mood, normal immune function, weight management and skin health will be increasingly popular.



55%

of global consumers seek out health claims that suit their individual needs¹



up to 75%

of U.S. dietary supplement users are looking for personalized products, directly suited to their needs³



59%

of global consumers find the idea of nutrition genetic testing appealing; of those, **64%** would be willing to use nutrition genetic testing⁶



73%

(up from 54% in 2018) of global consumers say they suffer from feelings of stress and **72%** (up from 50% from 2018) say they suffer from difficulty sleeping⁷



53%

of global consumers who suffer from high or extreme stress feel that when they wake up, they often still feel tired⁸

TOP HEALTH CONCERNS CONSUMERS SEEK TO ADDRESS WITH SUPPLEMENTS¹



66%

Immunity



57%

Energy



54%

Cognitive & Mental Health



50%

Heart Health



49%

Digestive Health



Flexible, Convenient Formats

The consumer experience is a key factor in purchasing behavior and brand loyalty. Consumers searching for health-forward products want a wide range of delivery forms that fit with their lifestyle, are convenient and easy to take, and taste great. Manufacturers are launching formats that appeal to different age demographics, from children through older adults.

FOR EXAMPLE, 43% OF GLOBAL SUPPLEMENT CONSUMERS FIND IT DIFFICULT TO SWALLOW TABLETS AND CAPSULES¹.

Plus, 33% of global supplement consumers find it inconvenient to establish a routine of taking the products¹. Innovative convenient formats can overcome these challenges, from fortified drinks and sparkling waters to gummies, chewing gums, powders, drops and stick packs.



1 in 4

global supplement users would like to see supplements in different forms¹



54%

of global supplement consumers prefer supplements that offer multiple benefits in one product¹



39%

of global consumers report easy to consume supplements are important¹



66%

of global supplement consumers report using capsules and tablets, followed by jellies and gummies (27%)¹

CAGR GROWTH IN DIETARY SUPPLEMENT NEW PRODUCT LAUNCHES, 2016-2020



20.2%

Chew/Gummy



10.9%

Tablet



8.6%

Powder



6.7%

Liquid



6.7%

Lozenge

Source: Mintel GNPD, 2016-2020

Clean and Sustainable

Today's consumers care about the environment and sustainability and seek brands that share similar values and practices. Applying the concept "good for me, good for the earth," many shoppers prefer to choose products with clean and clear labels and sustainability credentials. Although clean label has no single definition, research finds 76% of supplement users prioritize products that are 100% natural or free from artificial ingredients¹. Product developers with ingredient suppliers that focus on sustainable sourcing will be well-positioned to meet this ongoing trend. Additionally, 70% of global consumers say they will be more attentive to natural ingredient claims because of COVID-19⁵, and 46% of global supplement consumers say natural ingredients are important¹. The wellness space is ripe for opportunity to provide products that tout closer-to-nature ingredients like plants and functional botanicals.



49%

of non-supplement users are concerned about the amount of artificial ingredients¹



43%

of global supplement users say plant-based ingredients are important to their purchasing decisions¹



40%

of global supplement consumers say natural ingredients are important¹

ONE IN THREE U.S. SUPPLEMENT USERS ARE SEARCHING FOR CLEAN LABEL BENEFITS WHEN PURCHASING DIETARY SUPPLEMENTS³

- 33%** prefer supplements from natural sources
- 32%** want supplements that are free from allergens
- 32%** search for supplements without preservatives
- 31%** say avoiding artificial colors and flavors is very important

CAGR GROWTH IN DIETARY SUPPLEMENT NEW PRODUCT LAUNCHES BY PRODUCT CLAIMS, 2016-2020



34.6%
Plant-Based



10.0%
Organic



53.8%
Free From*

*Free from added/artificial colors, flavors or preservatives
Source: Mintel GNPD, 2016-2020

A Proactive Approach to Wellness

Consumers are looking for functional ingredients and more natural options to support health concerns. When considering nutritional supplements, 59% of current supplement users want to see scientific evidence supporting supplement efficacy¹. To gain consumer attention and earn trust, supplements must be able to deliver on safety and effectiveness. There's a growing desire among consumers to see and understand safety claims as well as the research behind supplements they might purchase.

IN FACT, PRODUCT SAFETY CLAIMS ARE IMPORTANT TO 50% OF GLOBAL CONSUMERS¹.

Additionally, clinically demonstrated benefits are important to 73% of supplement users¹. Solutions backed with in vivo, pre-clinical and clinical research, as well as regulatory guidance, will excel in this market.



75%

of global consumers will make greater attempts to stay healthier as a result of Covid-19⁵



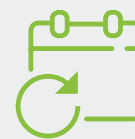
61%

of global supplement consumers take them to improve their overall health & wellness¹



55%

of global consumers look for active ingredients they recognize¹



1 in 4

people worldwide take a dietary supplement daily or almost every day⁸



Functional and Fun

People want to enjoy their supplement experience in the same manner as they do the foods and beverages they eat and drink every day. In addition to functional nutritional benefits, they desire convenience as well as enjoyment of the eating experience. In many instances, consumers are reaching for more mindful indulgences that are both delicious and deliver better-for-you ingredients.

IN FACT, 64% OF GLOBAL CONSUMERS SAY IT'S OKAY TO ENJOY INDULGENT TREATS AS PART OF A HEALTHY DIET⁹.

This idea of purposeful indulgence also applies in the supplement space, given

58% OF GLOBAL SUPPLEMENT CONSUMERS SAY IT'S IMPORTANT FOR SUPPLEMENTS TO TASTE GOOD¹.



With this duality of consumer needs for both taste and functionality, dietary supplements and functional foods are converging. Formulators can reach a new supplement audience with delivery formats that blur the lines of functional, enjoyable and fun. Gummies, a long-standing industry staple, and brands are now exploring other confectionery formats, such as chocolate and chewing gum. Using a combination of science backed ingredients such as prebiotics, probiotics, postbiotics, botanicals and plant extracts deliver added functional benefits. Plus, combining these functional ingredients with attractive colors and flavors can help elevate dietary supplements from a daily chore into something consumers enjoy repeating.



63%

of supplement users believe supplement flavors could be improved¹



41%

of current supplement users research new flavors for different types of supplements¹

LEVERAGING FLAVORS & COLORS THAT CONSUMERS ASSOCIATE WITH FUNCTIONAL OFFERINGS



Immune Function Supporting Supplements

Flavors: Citrus, Berry

Colors: Orange, Yellow, Red



Relaxation & Sleep Supporting Supplements

Flavors: Lavender, Chamomile

Colors: Purple, Blue



Brain/Cognitive Supporting Supplements

Flavors: Tea, Mint

Colors: Green, Orange

Meeting the Needs of the Dietary Consumer of Tomorrow

THE CHALLENGE FOR MANUFACTURERS

Developing new products in this evolving category is far from simple. Manufacturers will need state-of-the-art nutraceutical ingredients backed by clinical science. They will need deep formulation and prototyping expertise. And lastly, they will need the production capabilities to ensure their finished product has great flavor, color and texture—in a convenient and affordable format consumers will enjoy.



THE END-TO-END SOLUTION FROM ADM

As a global leader in nutrition, ADM works with health and wellness brands as an end-to-end partner. In fact, we are the only company able to empower them every step of the way, from concept to commercialization of new dietary supplement products. Only ADM offers proven nutraceutical ingredients, as well as expertise in formulation, prototyping, flavor modulation, and production, all under one roof.

BENEFIT FROM OUR DOSAGE FORMAT EXPERTISE



Capsules



Tablets



Gummies



Powders



Sachets/
Stick Packs



RTD's



Shots



Energy Drinks



Bars



How ADM Elevates Dietary Supplement Solutions

FUTURE-FORWARD NUTRITION FUELED BY CUTTING-EDGE SCIENCE

A leader in nutrition and macronutrients, we have the structure and scale to ensure end-to-end reliability and efficiency. You can trust our vertically integrated supply chain to deliver what you need, when you need it.

We strive to offer the most effective, naturally occurring, traceable, and clean ingredients available.

Our advanced microbiome solutions, BPL1™ and postbiotic heat-treated BPL1™, are proprietary, award-winning strains with targeted, clinically studied benefits. BPL1™ is ideal for capsules, tablets, and sachets, however BPL1™ Postbiotic is ideal for any format as there are no stability issues.

Our functional botanicals include proprietary and standardized plant extracts. Authentic, traceable and sustainable, they offer targeted and broad health and wellness benefits, substantiated by clinicals. Top botanical extracts supporting dietary supplements are Acerola, Green Tea, Black Tea, Guarana, Yerba Mate, and White Tea. In addition, all of our alternative protein sources such as rice, wheat, soy and pea can help you meet the demands of consumers seeking accessible nutrition via nutrient-dense, delicious whole foods to support holistic health.

Other top plant-based ingredients sourced from nature with dietary supplement applications include our Novasoy® soy isoflavone concentrates, our heart-healthy Onavita™ flaxseed oil, and Fibersol®, our premier line of soluble prebiotic fibers.

Let's Collaborate.

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BPL1® is a trademark registered for Biopolis S.L. in the EU.

¹FMCG Gurus, Exploring the Impact of Nutritional Supplements, September 2020

²Euromonitor International, World Category Dynamic 2020

³Natural Marketing Institute, U.S. Supplements/OTC/Rx Database Report 2020

⁴The Hartman Group "Health & Wellness Report", March 2021

⁵FMCG Gurus, How Has COVID-19 Changed Consumer Behavior, March 2021

⁶FMCG Gurus, Personalized Nutrition: New Opportunities When Targeting Health-Conscious Consumers, February 2021

⁷FMCG Gurus, Sleep and Stress Management Global Report, January 2021

⁸Euromonitor International, Health and Nutrition Survey, fielded January to February 2020

⁹FMCG Gurus, Top Ten Trends for 2021, January 2021

¹⁰ADM Outside VoiceSM, September 2021