



Health and Wellness – A new Market Offering

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Abstract - Consumer is demanding healthy convenience food and start looking at food like a medicine. Consumer is now more proactive about what to eat and demanding healthy ingredients. Food companies are now witnessing this growing trend as consumer shifting from junk foods to healthy convenience foods. Many companies are now adapting to these shifts and many more are still considering it. This paper evaluates how consumer, changes in preference leads to food companies to change their offerings.

Keywords: Health, Wellness, Convenience Food, Market

1 INTRODUCTION

In today's era, a consumer is incredibly dynamic and it's very complex to understand the psychology of a consumer as his behavior is affected by many influencing factors. Thus, it is an important task of the marketer to study the behavior of consumers in order to improve their marketing strategies and campaign effectively to reach their target audience. Consumer involvement refers to how involved a person is in the decision making process and it depends upon the individual and personal choice. It has a crucial effect on the behavior of a consumer. Take an example of food and beverage industry, the preferences of an Indian consumer are affected by four enablers i.e. product, price, quality and income. In addition, quality of a product is judged by four parameters such as sensory, health, process and convenience.

Food consumption patterns are changing all over the world. Over the last decade, people have become more health conscious. Due to the growing awareness related to health and wellness and increase in the lifestyle disease. Now-a-days people are following the preventive rather than a curative approach. "eat healthy and live healthy" is today's mantra of healthy life. Healthier food has gradually entered into the Indian market and gaining market share as consumers are inclined towards eating nutritional food to manage the body mass index. On the other hand, it is also helping in preventing lifestyle problems such as obesity, diabetes, cardiac arrest and the accumulation of bad cholesterol level. In a country like India with diverse culture, the food and consumption patterns can be described in two ways: Firstly, in rural areas people do not get proper diet and nutrition and suffer from malnutrition and secondly, people in urban areas in India usually suffer from lifestyle disease like obesity, diabetes, hypertension and heart disease.

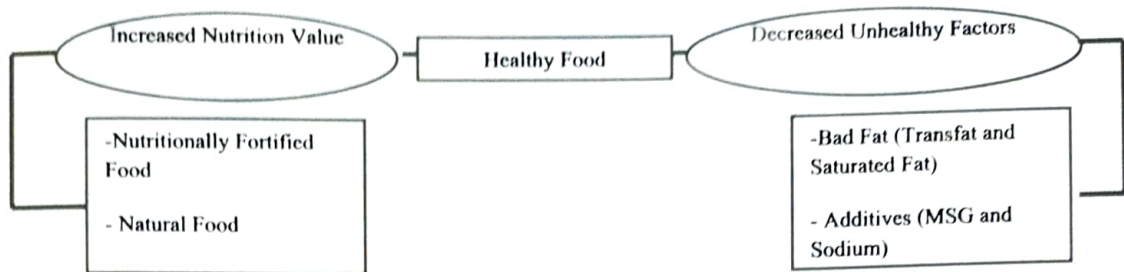


Figure 1 Classification of healthy Food
Source: Lee et al., 2011

Demand for healthier (please see the classification for health food in figure 1), natural and less processed ingredients is increasing and consequently the manufacturers and marketers are adapting to this trend by developing new products considering the latest trend. So, one can state that there is a shift in the thinking and perception of a consumer towards health and wellness (people are back to basic) this momentum has pushed food manufacturers to make hard core changes throughout their productline and depth before distribution.

II NEED FOR THE RESEARCH/AIM

According to Obesity Foundation India, "Obesity is due to an individual taking in more calories than they burn over an extended period of time. These "extra" calories are stored as fat. Although there are several factors that can lead to this energy imbalance in obese individuals, the main contributors are behavior, environment and genetics". India is the third most obese countries in the world and nowadays, 3% of Indians are overweight (Mail Today, 2014).

If ate only occasionally, even a deep-fried French- fry, butter dipped parantha, cheese burst pizza and cream whipped ice-cream shakes, will not lead the consumer to obesity. Traditionally, customer has made decisions based on conventional drivers such as taste and price. However, now these days a customer is now a 'problem customer' in technical terms a problem customer is not a "problem" but he/she is more educated, learnt, knowledgeable and know what he/she eats and purchase.

It's a prime responsibility of the companies to promote healthy food as well change their offerings from junk to healthy. They should self check the nutritional content in the food and advertise food responsibly.

The objectives of conducting this research are

1. To understand the shift in the taste, choices, preferences, attitudes of an Indian customer from junk to healthy food.
2. To study how companies or a manufacturer responsively adapt the change in their product offering to marketing communication.

III LITERATURE REVIEW

India is the country of diversity in culture and so in food, in ancient India, people use to eat great millet, pearl millet, finger millet, kodo millet, Porridge just to name a few. However, as the time progress more and more women started working, splitting of big families into nuclear, increase in the option of offerings in food, penetrating of fast food joints, increase in the dining out culture leads to increase in the dependency on the Can food. However, these days many people especially youths are now shifting their choices from eating junk food to eat healthy. Increase in awareness related to the ill effects of eating junk and what it did to your body, increase in the health related problems such as growing cases of diabetes, gastric issues. Whereas, on the other hand, many health and wellness lobbies such as gym centers, yoga, aerobics are disseminating lots of information related to the longer negative effects on the human body.

Research clearly shows that your body responds accordingly to what you eat. The 'Responsibility Deal' was launched in England in March 2011 under Public Private Partnership (PPP) to tackle the lifestyle changes as people are eating and drinking more and in anticipation they are not exercising to burn the extra calories. The Government engages the private sector and NGO partners in efforts to address public health objectives with specific focus on food, alcohol, physical activity, health at work, or behaviour change.

According to report published by Deloitte published in 2015 surveyed on 5000 respondents across the nation found that 49% respondents influence by traditional drivers and 51% respondents influenced by evolving drivers. Whereas,

the gap between respondents are only 2%, but still it shows that most of the participants are inclined towards evolving drivers. Hwang and Lorenzen (2008) analyzed that restaurant clientele showed the most optimistic attitude toward a low-calorie food and were willing to pay even more when nutrition information was provided. According to Nielsen's Global health and wellness report (2015) included 30,000 participants, around 88% consumers state that they tend to pay more to get 'healthy food' (claim to boost health and weight loss) on their plate that.

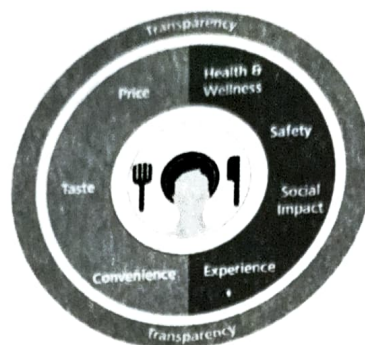


Figure 1.1: Traditional and evolving drivers
Source: Deloitte Food Value Equation Survey (2015)

Schroder and McEachern (2005) investigated the fast-food purchasing behaviour of the young class of UK with reference to McDonald's and Kentucky Fried Chicken (KFC) and concluded that Ready-To-Eat had perceived as convenient but unhealthy and therefore Ready-to-eat companies can no longer rely on convenience as USP unless the implications of same on consumers health is given equal importance.

IV RESEARCH METHODOLOGY

The study is purely based on the secondary data only which is collected through online magazines, journals, published reports and newspaper. This study is descriptive in nature as this research describes the characteristics and behaviour of consumers.

V TRANSITION IN INDIA AND OTHER COUNTRIES- FROM BACK TO BASICS

The Indian Food law, The Food Safety and Standards (Packaging and Labeling) Regulations, 2011, notified by the FSSAI, mandated by law to appear on food packages, includes information on the amount (per serving) or nutritional facts per 100 gm or 100ml or per serving of the product of saturated fat, cholesterol, energy value in Kcal, protein dietary fiber and other major nutrients, and provides nutrient reference values as a percentage of daily values (Ministry of health and family welfare, 2011).

Due to the change in the attitude and preferences of the consumer, Coca-Cola Company in India has seen a 4% slump in their sales. As consumers, are increasingly opting for healthy drinks over fizzy drinks such as juice and milk based drinks. It increasingly pressurizes the multinational companies (MNCs) to cut the sugar levels in all of its aerated drinks. Strategies are formed at various levels to win back the trust of those people who are moving towards maintaining a healthy lifestyle.

The company is now planning to use Stevia a natural sweetener instead of sugar in its fizzy drinks, soon they also offer Sprite Zero and also reduce sugar in Fanta. Reducing sugar is clearly a noble indication, but that does not make it healthy. Whereas, on the other hand rival company PepsiCo pledge to cut their sugar content as well as the salt across it's all the product lines (The Economic Times, 2016). Increase in awareness related to wellness most of the healthcare companies are now offering wellness programs. Startup company Portea Medical under the name of PorteaActiv offers end to end health, fitness programs, lifestyle solutions, offering customized wellness programs in their Business to Business (B2B) segment and also source food and deliver to their fitness and wellness program subscriber.

According to a report published in Nielsen's survey conducted in 2015 on 30,000 participants, 88% consumers state that they tend to pay more to get healthy foods on their plate that claim to boost health and weight loss. According to

Deng (2009) in order to alter the image from a junk food restaurant to nutritious food restaurant, McDonald designed a new project “Happy Exercise And Love Touch Health” (HEALTH), in partnership with World Health Organisation (WHO), nutritionists, local communities, fitness centers and various media channels. The purpose of this campaign is to attract those who are health-oriented and to transform the behavior of the existing consumers (takes only junk food) to change their lifestyle by buying balanced meal.

Nestle India, also changed its marketing communication message from convenience food to healthy food and also offers Oats and Aatanoodles to those who want to eat Maggie, but would like to avoid due to refined wheat flour (Maida). Recently, Nestle Maggie came in a bad light due to the presence of Monosodium Glutamate (MSG) and lead. The lead concentration in Maggie was 17.2 parts per million (ppm), nearly seven times the permissible limit (the permissible limit of lead ranges between 0.01 ppm and 2.5 ppm, was found in the noodles) Hindustan Times, 2015. Nestle not only lost its sales and market in India due to a temporary ban, but also lost its trust among the loyal consumer.

An article published in Bloomberg (2015), Tyson Foods (USA), McDonald’s major supplier revealed plans to stop using human antibiotics important to human medicine in its chickens by the end of 2017. Similarly the food chain of Chipotle’s Mexican Grill restaurants, has started using of non-GMO corn and also switched its cooking oil from soybean oil to GMO-free sunflower oil and rice bran oil.

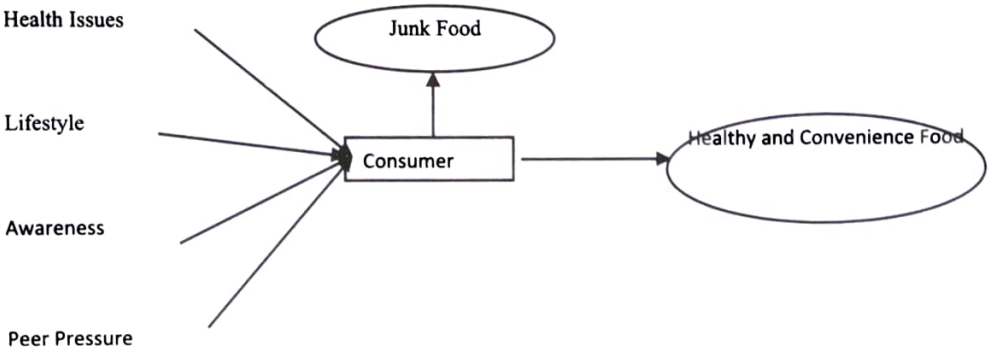


Figure 3: Drivers of consumer preference

Food manufacturers have started making initiatives to the change, by replacing artificial ingredients with natural one. For example: In Dairy and juice category, there is an influx of probiotic, mineral fortified, zero fat and high fiber variants. Oatmeal is one of the likings of health conscious consumer and many more variants of oatmeal has been served such as Saffola peppy tomato, Saffola masala oats, Saffola classic, Saffola masala oats veggies twist. MTR also experimenting with their breakfast offering and now offers MTR Upma ready mix, masala upma mix, upma breakfast cup. Similarly, many Indian food giants now offer whole wheat pastas, pizzas, multigrain breads and low sugar desserts to tap the segment of health conscious consumers.

Nestle USA, also removed artificial flavours in their two product categories (1) Baby Ruth and (2) the Butterfinger which means Nestle has to reformulate 75 recipes for their 250 products. Nestle has started using natural colours instead of artificial food colouring, to get an orange hue in the middle of a Butterfinger, which is usually made by combining Yellow 5 and Red 40. Now Nestle use ‘annatto’ which is a natural colorant comes from the seeds of the fruit of the Achiote tree (Boscamp, 2015). The market for healthy food tends to grow at a faster pace only because of increasing awareness and the drastic shift in the lifestyle of the urban consumer. Trends in food consumption like diet which people follow to improve their health condition, health and convenience related concerns as well as the use of natural and nutritional ingredients need to penetrate the market further to bring about a paradigm shift within the product and consumption landscape.

Some more examples are given in Table 1:

Table 1: Company and their healthy offering

| Company Name | Their Offering |
|--------------|---|
| Nestle | Introduced slim and real fruit yoghurts and ban artificial colors |
| Dabur | Launched health based yoghurt drink(real active) |

| | |
|--------------------|--|
| Kellogg's | Positioned different products according to the requirements of different demographic segments. |
| Patanjali ayurveda | Launched Amla candies, AmlaMurraba and many more |
| Yakult's | Probiotic drink |
| Subway | Cuts artificial colourand antibiotics |

As in Indian market, consumers are focusing on health and wellness products and have become very much particular about their food eating habits. This change has led to many manufacturers to focus on health and wellness products and in this concern they are making amendments in ingredients, packaging and labeling of products to ensure the Indian consumer that they are not misleading or making any false claims.

CONCLUSION

Therefore, one can state that health and wellness is an integral part of a sustainable future and it is significant for people to be healthy both physically and mentally. Companies should focus more on research and development and innovation for continuous growth. Companies will get success, if they follow a culture, which promotes the use of consumer insights to create new product categories. This research clearly indicates that most of the companies are going towards the healthy way and reducing their use of artificial colouring and preservatives in their food offering and as well welcoming the shift of consumer choices from eat junk to eating healthy.

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