



The Future of Functional Food and Beverages in Asia Pacific

September 2023

INTRODUCTION

Scope

Key findings

UNDERSTANDING ASIAN CONSUMERS' HEALTH PRIORITIES

Identify key need states that lead to functional health and wellbeing opportunities

Achievement of health goals varies by market, due to different definitions

A broad view of how current need states are addressed through food and beverages in Asia

Need to match functional ingredients with consumers' health goals

PHYSICAL NEED STATES

Physical need states are primarily focused on immune support and energy boosting

Immunity: Well-established immune support health claims present in both food and drinks

Bottled water is the leading category for immune support health claims

Case study: C-vitt 0% sugar widens product portfolio beyond immune boosting ingredients

Pre/probiotics are focal to immune support but also applies to multiple need states

Case study: I'm Alive Kombucha jellies extend fermentation into confectionery

Energy: Beverages with energy claims continue to appeal to consumers in Asia Pacific

Case study: Red Bull Energy Soda launched to appeal to young consumers

Case study: Vitaday functional vitamin energy water serves to recharge consumers

Protein is a key ingredient in energy restoration and refuel

Case study: Heal Nutrition continues its expansion into food with breakfast protein bars

Case study: Amul's protein series launch for buttermilk and lassi positioned for energy

Hydration: More brands enter as consumers regard hydration as a top health priority

Case study: Indonesian sports drinks brand Isoplus launches coconut water variant

Case study: Danone launches an electrolyte drink in China

Case study: Kirin Plasma appeals to consumers with new functional ingredient LC-Plasma

Memory: A need to expand functional products beyond the senior age group

Rising concerns of memory issues call for a need to penetrate more categories and formats

Case study: Memberry milk positions itself as healthy and flavourful

EMOTIONAL AND MENTAL NEED STATES

Emotional and mental need states span across cognition/focus to mood modulation

Relaxation and sleep: A shift from less-preferred ingredients towards functional indulgence

Tea is traditionally known for its strong health claims in relaxation

Case study: Greenfields Extra targets younger consumers with feel-good vibes

GABA has a growing reputation for mood/sleep enhancement

Case study: Mengniu continues to broaden its range of sleep aid dairy products with NOPA

Focus and clarity: Great opportunities for beverage functionality

Case study: Sappe Keaf CBD water seeks to enhance brain focus and concentration

Case study: Shine+ nootropic energy drink appeals to enhance mental performance

CONCLUSION

Immune support, energy boosting products set to lead health claims

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Pricing remains a key challenge for food and beverage products with health claims

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Learning from the Japanese market: Ease consumers' selection challenges

Case study: Leading convenience store chain in Japan sells snacks with chrono-nutrition

Case study: Yoghurt giant Yakult gains further with its new brand offering triple functionality

Recommended actions to leverage the need states framework in Asia Pacific

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