

Trends in sugar consumption: an evolution that poses new challenges

Paris, July 28, 2017 - *Alcimed, a consulting company specializing in innovation and the development of new markets, examined the context of sugar consumption and the development prospects it entails for manufacturers.*

A concern of the public authorities...

The prevalence of chronic diseases such as obesity, diabetes or cardiovascular disease is of great concern for the public authorities. Given the role of nutrition in the emergence and management of these health issues, awareness campaigns have been conducted, mainly focusing on salt and fat. Today, the debates are turning towards sugar consumption. The WHO recommends a sugar intake of 50 g/day but in practice, sugar consumption around the world remains much higher: **around 85 g/day in France; 95 g/day for the British; and up to 125 g/day in the USA.**

Many national organizations have engaged in consumer guidance and recommend threshold limits. This measure is already in place in Anglo-Saxon countries; in the United Kingdom the recommended daily amount of sugar is precisely defined according to age (30 g/day for children aged 11, etc.); in the United States, guidelines were introduced quite late, with the FDA (Food and Drug Administration) only aligning its position with the WHO recommendations in 2015-2016. In France, the PNNS (National Nutrition and Health Plan), introduced in 2001, offers rather vague recommendations on sugar intake: "limit consumption while remaining indulgent".

...which also affects manufacturers

Although guidelines have been issued and measures have been put in place to help consumers make the right choices, sugar consumption is on the rise¹. Indeed, the added sugars (present in sauces, ready meals or fruit juices) have impacted the taste and choices of consumers for sweet products that remain widely sold. However, there is also a demand for less sweet products. A paradox thus seems to exist between what the consumer likes and what the consumer wants, placing the industrial world in front of an evolutionary challenge.

Manufacturers are therefore faced with three types of challenges:

- The main challenge, of a technical nature, is related to the reformulation of products and the incorporation of sweeteners.
- A second, marketing challenge, involves changing the perception of sweeteners and other alternatives, mainly through consumer education measures (labels).
- Finally, a regulatory challenge arises, evident in particular through the taxation of sweet products, such as the example of the "soda tax", already in force in several countries, and about to be introduced in France².

Existing alternatives to address the technical challenge

A wide variety of alternative approaches have been developed to address the technical challenge: in general, several products are needed to compensate for the loss of the different functions of sugar (sweetener, bulking agent, texturizing agent, coloring agent, etc.). The decrease in sugar content, therefore, remains complex to reconcile with the trend towards a short and simple list of ingredients.

¹ www.wcrf.org

² <http://www.assemblee-nationale.fr/14/rap-info/i3868.asp>

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On the one hand, there are synthetic sweeteners: sucralose, aspartame or acesulfame K. Their sweetening power is well established but they pose technical problems during product formulation (presence of aftertaste, impact on texture). Moreover, in light of the debate over their health impact, they are met with a certain reservation from consumers expecting naturalness.

On the other hand, natural, industrial-scale alternatives, such as xylitol (birch bark extract, found in chewing gum), or stevia extracts (found in Coca Cola Life/Pepsi True) have already emerged. However, as they are still added ingredients, they do not meet the requirements for a clean label. Moreover, it is interesting to note that the avoidance of synthetic substances in favor of natural ones does not necessarily guarantee success. Coca Cola Life has already been withdrawn from the Australian and British markets, and does not seem to be penetrating the French market... While Coca Cola Zero (with aspartame and acesulfame K) has been successful since its launch, and continues to grow with a current range expansion³.

Finally, there is a new generation, driven mainly by start-ups, looking for new alternatives: for instance, brazzein, a protein with strong sweetening power, without any aftertaste, which originates from an endemic African plant. Others seek to compensate for the disadvantages of existing substitutes by balancing the aftertaste of stevia extracts with fungi or adding substances (fibers, dextrins) that limit the digestibility of nutrients.

However, these innovative solutions still have to overcome a set of technical and economic barriers before they can be launched on the market.

Despite a growing global sugar market, manufacturers must anticipate changes in consumer tastes and possible future regulatory constraints. A vast field of innovations is, therefore, opening up around sugar, which carries very high stakes, with many challenges presenting opportunities for start-ups and manufacturers to seize.

ABOUT ALCIMED- www.alcimed.com

Founded in 1993, ALCIMED is an innovation and new business consulting firm specialized in life sciences (healthcare, biotech, agri-food), chemicals, energy as well as in aeronautics, space, defense and public policy. Today ALCIMED works with major industrial groups, ETIs and SMEs, investment funds and institutional players. ALCIMED relies on a team of 180 highly-skilled individuals to help its clients in the exploration and development of their uncharted territories: New Technologies, Market Innovation, High-Growth Geographies, and Strategic Foresight. ALCIMED is headquartered in Paris and has offices in Lyon and Toulouse in France, as well as in Germany, Belgium, Switzerland, the United-States and Singapore.

Alcimed is a member of CroissancePlus and the ACI (Association des Conseils en Innovation).

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³ <http://bfmbusiness.bfmtv.com/mediaplayer/video/la-mise-au-net-coca-cola-reinvente-son-coca-cola-life-1501-736189.html>