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Introduction of New Food Products With Voluntary Health- and Nutrition-Related Claims, 1989-2010

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What Is the Issue?

Voluntary health- and nutrition-related claims by food companies were present on 43.1 percent of new products introduced in 2010. Health- and nutrition-related claims such as “low fat,” “low cholesterol,” or “high fiber” potentially influence consumer purchases and can lead companies to reformulate their less healthy products to qualify for the claims; hence, it is important to understand food companies’ adoption of these claims.

This study tracks health- and nutrition-related claims on new U.S. food and beverage products from 1989 to 2010 and delineates the claims by product category and type of claim. Over the 2009 to 2010 period, we also evaluate sales and average nutrient content of all new food and beverage products carrying at least 1 of the top 10 health- and nutrition-related claims from 2010.

What Did the Study Find?

The percentage of food products making health- and nutrition-related claims fell between 1989 and 2001, while the number of claims per product increased. The overall percentage decrease in claims followed the Nutrition Labeling and Education Act (NLEA) of 1990, which was implemented in 1993/1994. The act made the Nutrition Facts label mandatory and established rules for the use of voluntary health- and nutrition-related claims on food and beverage products, such as those related to low/no fat, low/no cholesterol, and high fiber. This suggests that the NLEA may have led to reductions in overall claim usage by preventing non-qualifying products from using specific claims. In addition, the number of claims per product increased from 2.0 in 1989 to 2.2 in 2001. This suggests that the NLEA did not undermine the competitive process, but may have contributed to its expansion by establishing a credible means of disclosing health and nutritional characteristics.

From 2001 to 2010, health- and nutrition-related claims became an increasingly important feature of new product introductions. Health- and nutrition-related claims per product continued to increase, from 2.2 in 2001 to 2.6 in 2010, which suggests that competition between companies continued to result in a more complete representation of the health and nutritional attributes of their products. A proliferation of new products with claims appealing to weight-conscious consumers over 2001 to 2010 reflects growing awareness of obesity-related problems and educational campaigns targeting obesity. Claims related to gluten, antioxidants, and omega-3 ranked among the leading health- and nutrition-related claims by 2010. Growing consumer demand for food products that contribute to overall health beyond basic nutrition may have provided manufacturers with incentives to supply and promote these products. The largest increase in health- and nutrition-related claims over 2001 to 2010 was for “no gluten,” followed by “no trans fats.” The growth in “no trans fats” claims came as companies responded to new food labeling regulations that required disclosure of

the trans fats content, and public communications that gave prominence to limiting trans fatty acids. For new food products introduced in 2009 and 2010, sales and nutritional quality of those products carrying health- and nutrition-related claims exceeded that of all new food products.

How Was the Study Conducted?

This report relies primarily on data from the Product Launch Analytics database, developed by the Datamonitor Group. We used the database to track new products carrying health- and nutrition-related claims from 1989 to 2010. Datamonitor's field research team collected information across 20 elements for each new product in the database, including brand, product category (e.g., snacks, cereal, and dairy), package size, ingredients, and most common marketing messages or claims made on packages. The team also provided a qualitative product description. We used Mintel's Global New Product Database (Mintel GNPD) to compare the nutritional profile of new products with health- and nutrition-related claims to all new products over 2009 to 2010. We used data provided through a partnership between Mintel and Symphony IRI (formerly Information Resources, Inc., or IRI) to compare sales of new products in Mintel GNPD over the same period.