

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



The sugar and alternative sweeteners category reached almost \$5 billion in 2014, representing growth of only 3% from 2009-14. Sugar's negative impact on health has impaired growth; however, honey represents the category sweet spot and is indicative of the future natural direction of the market.

## This report looks at the following areas:

- Negative health perceptions impacting sales
- · Difficult to identify natural sugar substitutes
- Sweetener types causing consumer confusion

This report builds on the tabletop sweetener analysis presented in Mintel's Sugar and Sweeteners – US, September 2014, as well as the September 2013, 2012, and December 2011 reports of the same title.

## BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

+61 (0) 2 8284 8100

EMAIL: reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market



Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

#### Table of Contents

#### Overview

What you need to know

Definition

#### **Executive Summary**

#### The issues

#### Negative health perceptions impacting sales

Figure 1: Total US retail sales of Sugar and Alternative Sweeteners, by segment, 2009-14

#### Difficult to identify natural sugar substitutes

Figure 2: Sugar substitutes considered natural, by gender, February 2015

#### Sweetener types causing consumer confusion

Figure 3: Select Attitudes toward sugar and sweeteners, February 2015

#### The opportunities

#### Natural positioning can help boost sales

Figure 4: Select Attitudes toward sugar and sweeteners, by generation, February 2015

#### Hispanics, households with children key demographic groups

Figure 5: Select Attitudes toward sugar and sweeteners, by Hispanic origin, February 2015

## Make product information easily accessible

Figure 6: Select Attitudes toward sugar and sweeteners, February 2015

What it means

## The Market - What You Need to Know

Honey is the category sweet spot

Opportunity for further private label growth

Health concerns, lack of product information hurting sales

#### Market Size and Forecast

## Sugar and sweetener sales to remain relatively stable

Figure 7: Total US sales and fan chart forecast of sugar and alternative sweeteners, at current prices, 2009-19

Figure 8: Total US sales and forecast of sugar and alternative sweeteners, at current prices, 2009-19

Figure 9: Total US sales and forecast of sugar and alternative sweeteners, at inflation-adjusted prices, 2009-19

#### Market Breakdown

#### Sugar fueling majority of category declines

Figure 10: Total US retail sales of Sugar and Alternative Sweeteners, by segment share, 2014

Figure 11: Total US retail sales of Sugar and Alternative Sweeteners, by segment, 2009- 14

#### Private label options can help retailers grow sales

Figure 12: Total US retail sales of Sugar and Alternative Sweeteners, by channel, at current prices, 2009-14

#### Natural sales driven by products with agave, stevia

Figure 13: Natural supermarket sales of selected products\* with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending 2/24/13 and 2/22/15

BUY THIS REPORT NOW VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094



Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

#### Market Factors

#### Sugar and honey production, prices on the rise

Figure 14: US honey production and imports, 2001-14

#### Impact on consumer health

Figure 15: Percent of people aged 20 or older who are healthy weight, overweight, or obese, 2009-12

#### Sugar substitutes' household usage on the decline

Figure 16: Use of sugar and sugar substitutes/artificial sweeteners, October 2009 - December 2014

Figure 17: Use of sugar and sugar substitutes/artificial sweeteners, November 2013 – December 2014

### Key Players - What You Need to Know

#### Nearly all companies experience sales declines

Natural, low-calorie positioning resonates with consumers

Additional natural alternatives go mainstream

#### Manufacturer Sales of Sugar and Alternative Sweeteners

#### Category leaders struggle to grow sales

#### Manufacturer sales of sugar and alternative sweeteners

Figure 18: MULO sales of sugar and alternative sweeteners, by leading companies, rolling 52 weeks 2014 and 2015

### What's Working?

### Skinny, natural resonating with consumers

Figure 19: MULO sales of Stevia in the Raw, 52 weeks ending Jan. 25, 2015

Figure 20: MULO sales of Truvia, 52 weeks ending Jan. 25, 2015

Figure 21: MULO sales of other sugar substitutes, 52 weeks ending Jan. 25, 2015

#### Honey sees sweet success

Figure 22: MULO sales of Aunt Sue Honey, 52 weeks ending Jan. 25, 2015

Figure 23: MULO sales of Busy Bee Honey, 52 weeks ending Jan. 25, 2015

## What's Struggling?

#### Several sugar substitutes face declines

Figure 24: MULO sales of Sweet'N Low, 52 weeks ending Jan. 25, 2015

Figure 25: MULO sales of Equal, 52 weeks ending Jan. 25, 2015

## Sugar declines across the board

Figure 26: MULO sales of C&H sugar, 52 weeks ending Jan. 25, 2015

Figure 27: MULO sales of private label sugar, 52 weeks ending Jan. 25, 2015

## Focus on tradition not enough to boost syrup sales

Figure 28: MULO sales of Karo, 52 weeks ending Jan. 25, 2015

Figure 29: MULO sales of Mrs. Butterworth's, 52 weeks ending Jan. 25, 2015

#### What's Next?

### More natural alternatives go mainstream

Raw is the new natural?



VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094



Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 30: Percentage of Sugar and Alternative Sweeteners product launches with a raw claim, 2010-14

The Consumer - What You Need to Know

Sugar use not slowing

More natural sweeteners needed

Households with children shifting away from sugar substitutes

Confusion about sweetener types, need for more product information

Sugar Types Used

Despite health concerns, sugar is top sweetener

Figure 31: Sugar types used in past month, by generation, February 2015

Figure 32: Sugar types used in past month, by generation, February 2015

Sugar Substitutes Used or Seen

Baseline awareness of newer sugar substitutes

Figure 33: Sugar substitutes used or seen in past month, February 2015

Figure 34: Sugar substitutes used or seen in past month, Any use, by generation, February 2015

Sugar Substitutes Considered Natural

Agave considered most natural

Figure 35: Sugar substitutes considered natural, by gender, February 2015

**Sweetened Products** 

Consumers paying more attention to food and beverages sugar content

Figure 36: Attention paid to sugar/sweeteners as an ingredient, February 2015

Figure 37: Pepsi True, TV ad, November 2014

Older generations less likely to look at sugar content

Figure 38: Attention paid to sugar/sweetener as an ingredient, select products, by generation, February 2015

Purchase Factors

Calorie content most important for sugar substitute purchases

Figure 39: Factors when purchasing sugar/sugar substitutes, February 2015

Millennials look for organic claims, added nutrition

Figure 40: Select factors when purchasing sugar substitutes, by Millennials, February 2015

Behaviors Related to Sugar and Sugar Substitutes

Households with children limiting sugar substitute use

Figure 41: Select Sugar/Sugar Substitutes Behaviors, by presence of children in household, February 2015

Households with children see value in natural positioning

Figure 42: Select Sugar/Sugar Substitutes Behaviors, by presence of children in household, February 2015

Figure 43: Select Sugar/Sugar Substitutes Behaviors, by generation, February 2015

Attitudes toward Sugar and Sugar Substitutes

Consumer confusion, lack of information about sweeteners

Figure 44: Select Attitudes toward sugar and sweeteners, by Hispanic origin, February 2015

BUY THIS REPORT NOW VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094



Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

#### Universal health concerns impacting perceptions

Figure 45: Select Attitudes toward sugar and sweeteners, by generations, February 2015

#### Packaging color nearly as influential as brand

Figure 46: Select Attitudes toward sugar and sweeteners, by presence of children in household, February 2015

#### **Consumer Segmentation**

Figure 47: Sugar and alternative sweetener clusters, February, 2015

Group one: Super Sweet Group two: Naturally Sweet Group three: Simply Sweet Cluster methodology

### Appendix - Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

Consumer survey data

Abbreviations and terms

Abbreviations

#### Appendix - Market

Figure 48: Total US retail sales and forecast of sugar and alternative sweeteners, by segment, at current prices, 2009-19

Figure 49: Total US retail sales of sugar and alternative sweeteners, by segment, at current prices, 2012 and 2014

Figure 50: Total US retail sales and forecast of sugar, at current prices, 2009-19

Figure 51: Total US retail sales and forecast of syrups and molasses, at current prices, 2009-19

Figure 52: Total US retail sales and forecast of sugar substitutes, at current prices, 2009-19

Figure 53: Total US retail sales and forecast of honey, at current prices, 2009-19

Figure 54: Total US retail sales of sugar and alternative sweeteners, by channel, at current prices, 2009-14

Figure 55: Total US retail sales of sugar and alternative sweeteners, by channel, at current prices, 2012 and 2014

Figure 56: US supermarket sales of sugar and alternative sweeteners, at current prices, 2009-14

Figure 57: US sales of sugar and alternative sweeteners through other retail channels, at current prices, 2009-14

Figure 58: Natural supermarket sales of candy and individual snacks with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 59: Natural supermarket sales of carbonated beverages with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 60: Natural supermarket sales of cold cereals with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 61: Natural supermarket sales of energy bars and gels with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 62: Natural supermarket sales of frozen desserts with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 63: Natural supermarket sales of RTD tea and coffee, with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 64: Natural supermarket sales of refrigerated juices and functional beverages with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 65: Natural supermarket sales of refrigerated juices and functional beverages with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015 Figure 66: Natural supermarket sales of refrigerated juices and functional beverages with alternative sweeteners, by type of sweetener, at current prices, rolling 52 weeks ending Feb. 24, 2013 and Feb. 22, 2015

Appendix - Key Players





Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 67: MULO sales of sugar, by leading companies, rolling 52 weeks 2014 and 2015

Figure 68: MULO sales of syrups and molasses, by leading companies, rolling 52 weeks 2014 and 2015

Figure 69: MULO sales of sugar substitutes, by leading companies, rolling 52 weeks 2014 and 2015

Figure 70: MULO sales of honey, by leading companies, rolling 52 weeks 2014 and 2015

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094 Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100