October 2024

Wellness-Driven Choices in Grocery for 2025

Introduction

The ongoing drive towards health and wellness is continuously reshaping the food and beverage industry. Consumers, increasingly focused on their personal health goals, are seeking products that not only support their wellness objectives but also offer customisation to fit their unique dietary preferences. This growing demand for functional foods and personalised nutrition is influencing how grocery, dining, and takeaway sectors adapt to meet these expectations.

This Health and Wellness report draws on data from Vypr's **proprietary community of over 80,000 UK consumers** to offer key insights into these shifting behaviours. By analysing the preferences and attitudes of consumers across various age groups and sectors, we provide a comprehensive look at the trends shaping the market today; from the rise of nutritional transparency to the importance of convenience without compromising on health.

This report delivers practical insights, empowering key industry stakeholders to navigate consumer shifts proactively. We explore how brands can leverage personalisation, transparency, and emerging technologies to deliver offerings that resonate with health-conscious shoppers.

In the following sections, we'll explore the key trends driving the demand for customised nutrition, the importance of transparency in building consumer trust, and how the grocery, dining, and takeaway sectors are evolving to meet modern wellness priorities. This report serves as your guide to understanding and navigating the shifting dynamics of the health and wellness landscape.

In Brief

The food and beverage industries are undergoing a shift as consumers opt to prioritise health and wellness in their dietary choices. This move is not just about choosing healthier options; it also involves a growing interest in personalised nutrition, where food and beverages are tailored to individual health goals, dietary preferences and lifestyle choices.

Grocery Sector: Consumers, particularly the Millennial and Generation Z age groups, are consciously opting for more functional foods and beverages (a consumable product that has added physiological or psychological benefits) that address specific wellness concerns like heart and digestive health. Trust in scientific evidence and brand reputation are key elements in these decisions, with a strong preference for natural sources of added nutrients.

Customised Wellness: The food and beverage industries are adapting to meet the growing consumer demand for products that not only taste good but also support health and wellness goals, often in a customised, personal manner. This trend is reflected across the grocery, dining out and takeaway sectors.

Dining Out: While many consumers are not actively seeking functional ingredients in restaurants, there is an appetite for nutritional transparency and the option to personalise meals based on health needs. However, willingness to pay more for these benefits remains limited.

Takeaway: The takeaway sector faces similar trends, with consumers desiring healthier options that do not compromise on taste. Convenience remains a top priority, but there is a growing desire for nutritional information and healthier menu options.

This report delves into how the grocery, dine out and takeaway sectors are adapting to these evolving consumer preferences. By analysing consumer behaviour, attitudes and expectations, we aim to provide actionable insights for industry stakeholders looking to align with this new era of health-conscious consumption.

Grocery Sector:
The Rise of Functional Foods

The grocery sector is at the forefront of this health and wellness shift. Consumers, particularly those who exercise more than once a month, are gravitating towards easy access to functional foods that are fortified with additional nutrients and cater to individual health concerns.

Key findings include:

Frequency of Purchase: Regular exercisers and younger consumers (especially Gen Z and Millennials) are the most frequent purchasers of functional foods, with 42% of men all men consuming these products at least weekly.

Health Concerns: There is a gender and age-related divergence in health concerns addressed by functional foods. Men are more focused on heart health, while women and older consumers prioritise digestive health.

Key Purchase Factors: Scientific evidence, brand reputation and taste are crucial factors for consumers when choosing functional foods. However, price remains a significant barrier, with most consumers only willing to pay up to 10% more for these products.

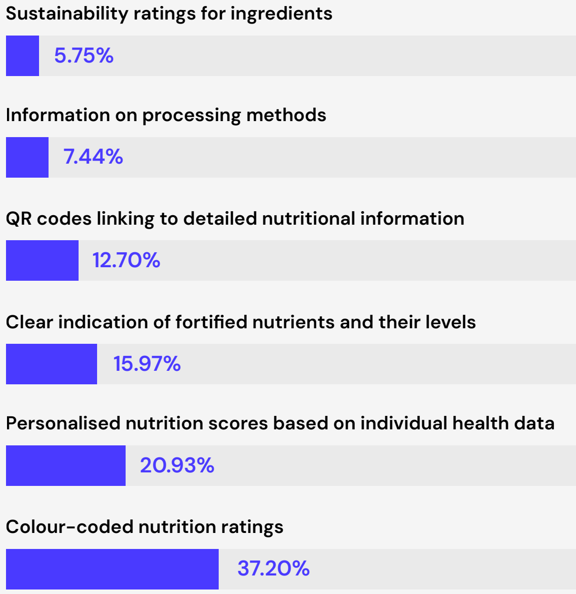
Trust and Transparency: Younger consumers are more likely to trust health claims made by these products, and there is a notable interest in organic certification among the younger demographic. However, scepticism grows with age, particularly among those over 45.

Change in Habits: Consumers who use food to fuel sporting activities have made the most change to their shopping habits in the past year, with 44% of those stating they have changed habits to focus more on consciously choosing healthier options in-store. Overall, the trend for choosing healthier products somewhat changed the consumers shopping experience with 50% of a naturally representative consumer group having changed the way they shop in the past year.

Labelling Elements: Calorie content along with vitamin and mineral breakdowns are the most important features to consumers for food labelling when shopping. Women are 33% more interested in the calorie content label than men. Those that exercise daily are 36% more likely to always read the nutrition labels with the macronutrient information being at the forefront of their needs.

Mental Health: Although mental health concerns don't directly influence grocery shopping decisions, over 40% of consumers expressed a desire for supermarkets to provide more information on how food and nutrition can impact mental health. This indicates a growing interest in educational initiatives within grocery settings.

Which of the following labelling innovations would you find most helpful?



Takeaway:
Convenience Meets Health

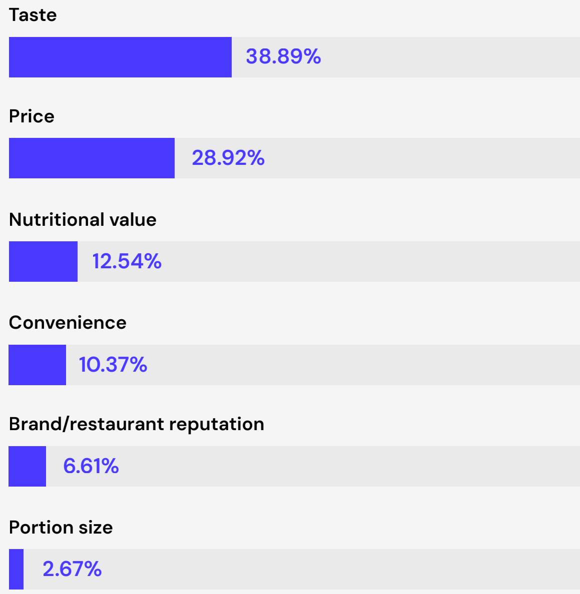
The takeaway sector is increasingly being challenged to balance convenience with health:

Healthier Choices: Consumers are beginning to expect healthier takeaway options that do not compromise on taste. This includes a desire for meals with functional ingredients — though like with dining out, there is a reluctance to pay a premium for these benefits.

Nutritional Transparency: There is a strong demand for clear and accessible nutritional information on takeaway menus. Consumers want to know what they are eating, with a preference for calorie and macronutrient details.

Innovation and Adaptation: The takeaway sector has a unique opportunity to innovate by offering customisable meals that cater to individual health goals, much like the dine out sector. The use of AI-driven personalisation tools could be a game-changer here, although consumer trust in these technologies is still developing.

Which of the following factors most influence your takeaway food choices?



Dining Out:
Navigating Nutritional Transparency

The dine out sector is slower to reflect this wellness trend, with many consumers not actively seeking functional ingredients when eating out. However, there are still important insights to consider:

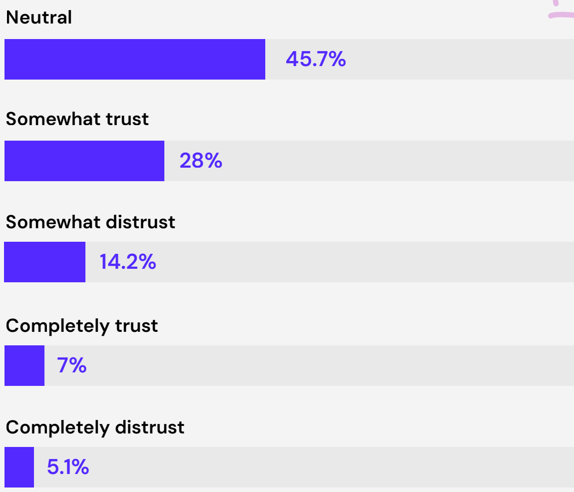
Consumer Interest: While 32% of consumers never look for functional ingredients when dining out, there is a growing interest in menu items that offer vitamins, minerals, and gut health benefits. Millennials show a higher interest in these options.

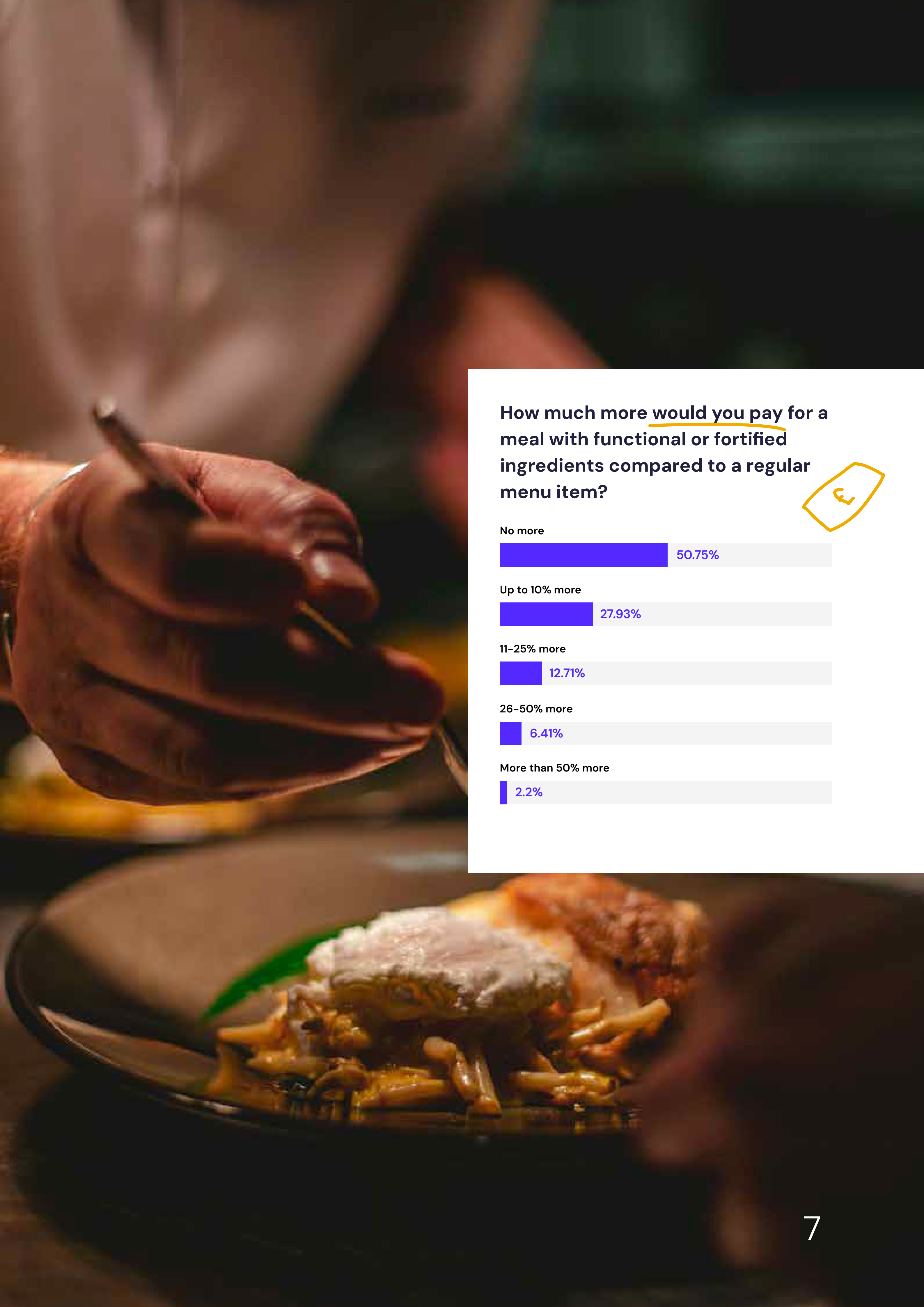
Willingness to Pay: Despite interest in healthier options, over 50% of consumers are not willing to pay more for functional benefits in restaurant meals, with women being more price sensitive.

Nutritional Information: Over half of consumers (60%) believe that it is important for restaurants to provide detailed nutritional information, with calorie content and allergen information being the most sought-after details. There is also a rising demand for macronutrient breakdowns, especially among younger diners.

Personalisation: Customisation is key, with 28% of consumers finding value in menu options that can be personalised, especially those over 45. However, only 46% are likely to follow personalised recommendations from restaurant staff.

To what extent do your trust health benefit claims made on restaurant menus?





How much more would you pay for a meal with functional or fortified ingredients compared to a regular menu item?

No more
50.75%

Up to 10% more
27.93%

11-25% more
12.71%

26-50% more
6.41%

More than 50% more
2.2%

Health and Wellness

In Summary

This section has uncovered significant insights into consumer preferences and industry adaptations in response to the growing demand for healthier food and beverage options. Key findings and strategic actions are summarised as follows:

1. **Increased Demand for Functional Foods:** There is a noticeable trend towards functional foods, especially among younger demographics like Millennials and Generation Z, who are choosing foods and beverages that support their health and wellness goals.

   Action Point: Continue to develop and expand the range of functional foods, ensuring these products are scientifically backed and effectively marketed to highlight their health benefits.

2. **Personalised Nutrition:** Customisation is becoming increasingly important, with consumers desiring products that cater specifically to their individual health needs.

   Action Point: Invest in technologies that enable personalisation of food and beverage products, and ensure that these custom options are accessible across all shopping platforms.

3. **Nutritional Transparency in Dining:** Consumers value transparency, particularly when dining out, expressing a need for detailed nutritional information to make informed choices.

   Action Point: Enhance menu labelling in restaurants to include comprehensive nutritional information, catering to health-conscious diners.

4. **Balancing Taste and Health:** While health attributes are critical, taste remains a paramount concern for consumers across all sectors.

   Action Point: Ensure that the health-oriented products maintain high taste quality to appeal to a broader audience.

Health and Wellness

Continued

5. **Integration of Technology:** Leveraging technology for personalised dietary recommendations and enhanced customer experiences is a growing trend.

   Action Point: Adopt advanced technologies such as AI to provide personalised dining experiences and to streamline the integration of health-based options in menus.

6. **Cost Considerations:** Although consumers are interested in healthier options, there is a noticeable sensitivity to price increases associated with these choices.

   Action Point: Strategically price products to balance affordability with perceived value, particularly in sectors where price sensitivity is more pronounced.

By focusing on these strategic areas, businesses can align more closely with consumer expectations and drive growth in a market that increasingly values health and wellness alongside taste and affordability.

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