
Economic Impact on Wellness Trends

Q1 2022 Summary Report



Background and Methodology

Evergi™ Conversations:

Social listening data from Twitter and Instagram posts utilizing keywords related to wellness. Posts are tagged by product type and subtype, medical conditions, ingredients, need states, and associated keywords.

Evergi™ Consumers:

Survey fielded quarterly online with 5,530 US consumers age 21+. This wave was fielded in February 2022. This is a general population survey, census balanced on age, gender, and geography.

Evergi™ integrates consumer surveys, social listening, expert analysis, and more in a single platform to create a 360-degree view of emerging wellness attitudes and trends.

With in-depth **survey data** integrated with social media, users can filter and get answers on:

- Consumer Demographics
- Consumer Attitudes and Behaviors on Diet, Shopping, Exercise, and more
- Brand Affinities
- Usage and Interest on a broad range of products and functional ingredients

Our **social listening** dashboard is explicitly created for the emerging wellness industry. Identify the products, brands, and topics consumers are talking about to drive a stronger go-to-market.

Consumer Survey Methodology

- Fielded quarterly online with 5,000 US consumers age 21+
- We use third-party panel providers to field the survey with a general population audience, which is census balanced on age, gender, and geography

Social Listening Methodology

- We collect Twitter and Instagram posts utilizing keywords related to wellness
- Posts are tagged by product type and sub-type, medical conditions, ingredients, need states, and associated keywords

Health Continuum

- Each product or ingredient is assessed for a “*fall-off point*”, where we see a large penetration drop between segments or income levels. The “*fall-off*” point is mapped for both consumer segment and income

Scorecards

- Each product is assessed on the health continuum, Evergi consumer data, search history, and social communications

What's happening in the Wellness Market?

Inflation and the economic downturn have been **shrinking the wellness market**. The number of fully immersed consumers in the wellness market who are inclined to explore and willing to spend money has decreased

- They're continuing to focus their attention and spend on more basic needs like Exercise and Sleep

This decline in those willing to experiment in the wellness industry has **led to a decline in some promising categories** that were previously growing, like Plant-based and Sustainability

Life, post-pandemic, is just starting to become **more discernible** for consumers—some lasting impacts may be here to stay

Some promising growth is seen in categories like **Alternative Milks** and **Plant-based or On-the-go snacks**

Exercise behaviors have increased and **shifted further away from training** for a goal vs. exercising for general fitness and mental health

Middle- to lower-income accessible categories are ripe for innovation, given existing economic hardships, and demonstrate promising areas for exploration

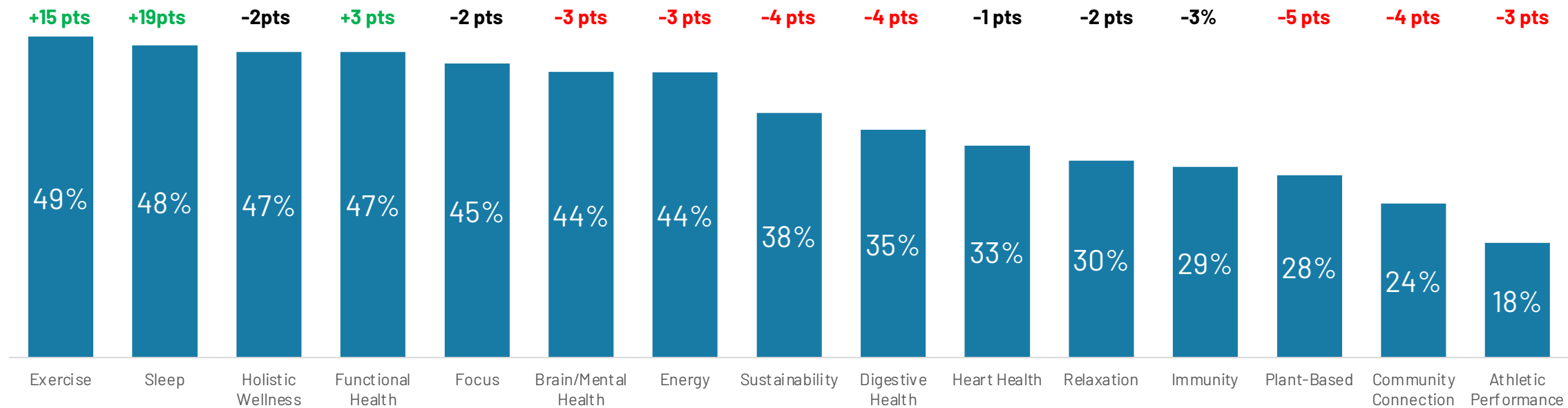




**Economic downturn
shrinking Wellness market**

Consumers continue to shift towards more “*basic*” and less expensive health needs—Exercise, Sleep, and Functional Health all continue to grow as Sustainability, Mental Health, and Plant-based decline

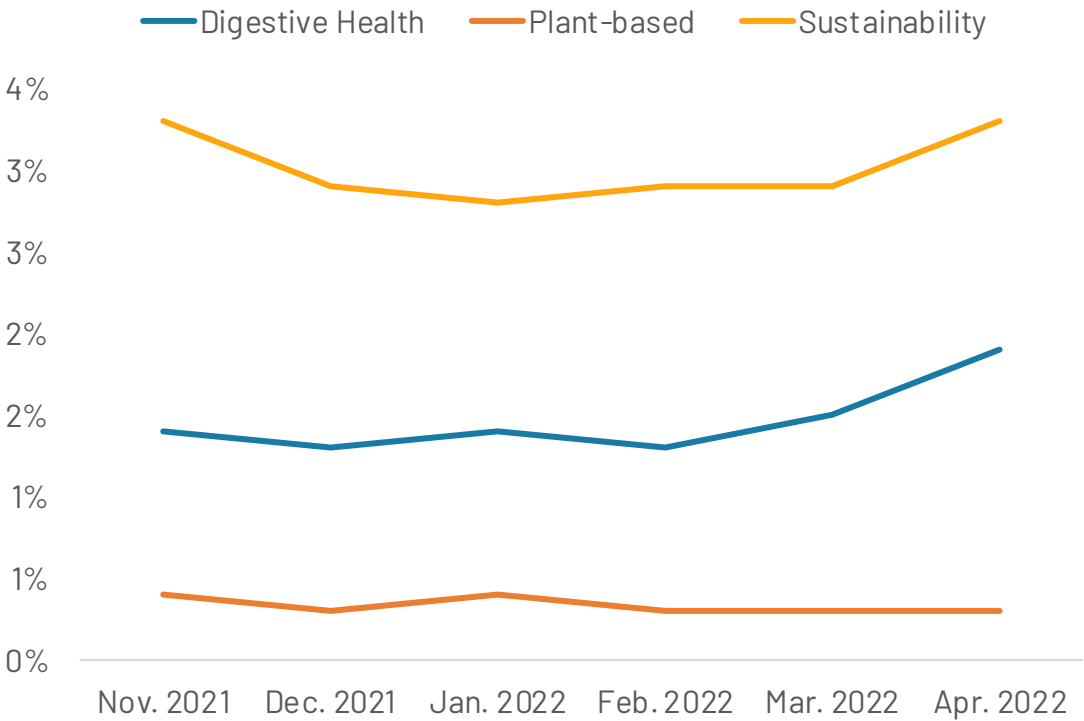
EVERGI WELLNESS NEED STATES
(W1 2022 vs. W3 2021)



Social Listening on Need States, gives some indication that Digestive Health and Sustainability are beginning to rebound

- Plant-based social conversations continue to show a slow decline as we enter Q2
- Good news for Sustainability and Digestive Health as they begin to rise in April

**SOCIAL LISTENING:
EVERGI NEED STATES/TOPICS**



Money continues to grow as a main stressor among American consumers as the economy continues to constrict

- Consumers are increasingly stressed, with 69% reporting a stress level of 3 or higher
- Money is generally a top cause of stress, and with 6pt growth within the past 6 months

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Additionally, attitudes around the ability/desire to pay more, which showed some weakness at the end of Q4, continue to decline

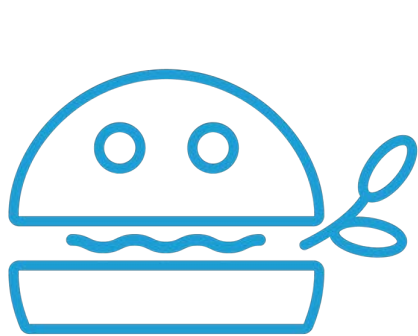
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**Economy put the breaks
on promising categories**

Need States, like Plant-based and Sustainability, that had been showing growth in early 2021, have begun to decline in step with the economy



Plant-based
Down -5%



Brain/Mental health
Down -3%



Digestive health
Down -4%



Sustainability
Down -4%

Adaptogens and Functional Mushroom growth has stalled, likely due to the cost for such items

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**Post Pandemic impact
more salient**

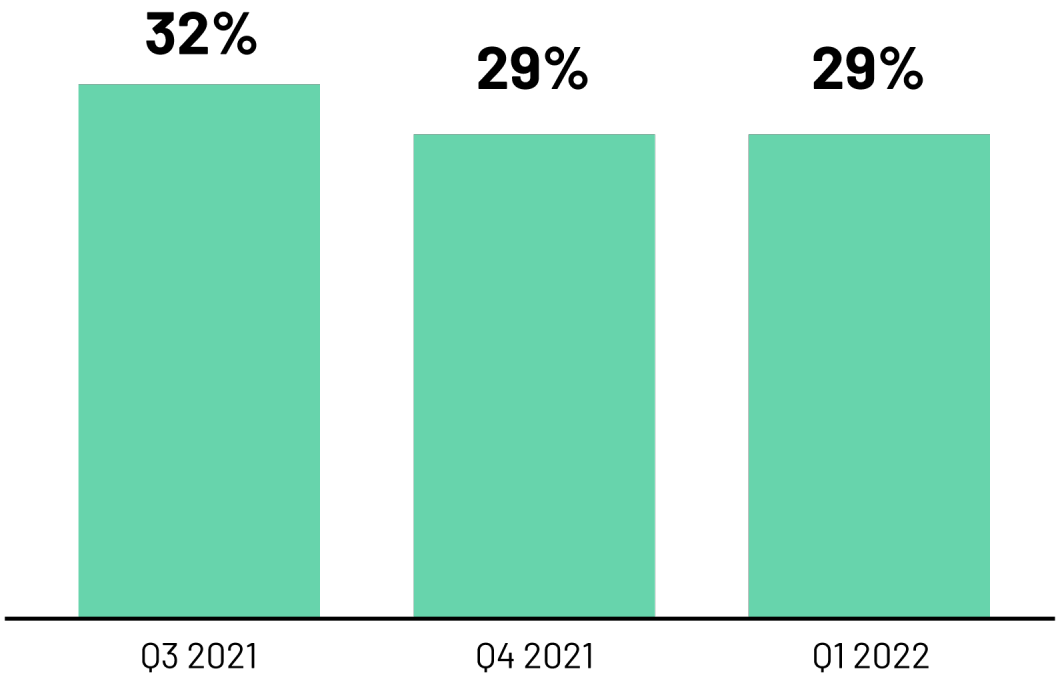
COVID as a major stressor has decreased, but its impact is still very much at play

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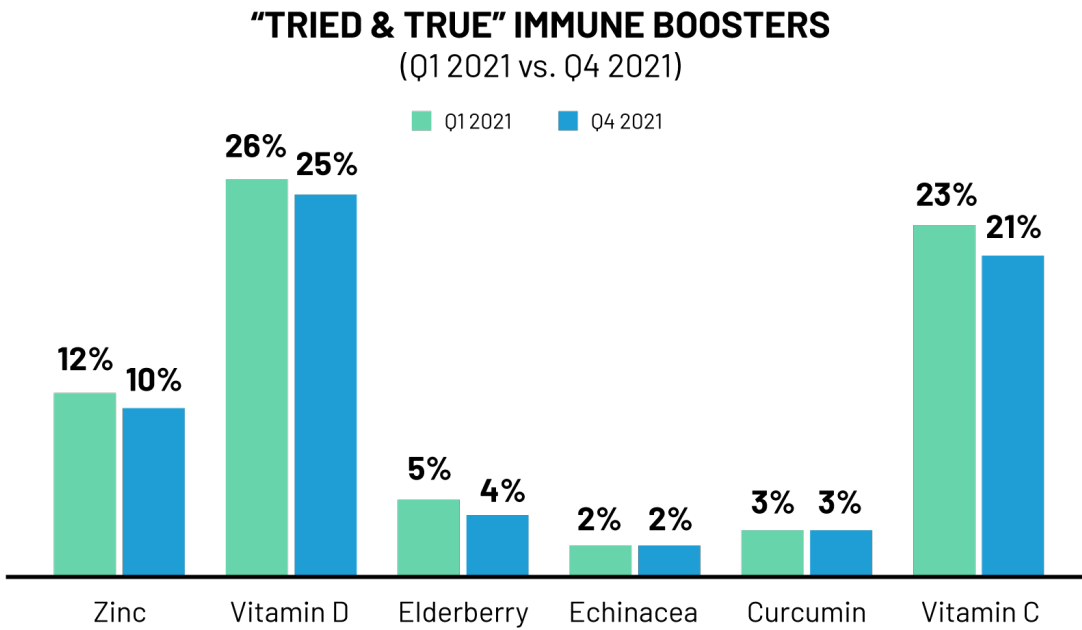
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Focus on finding products to build Immunity has continued to decline

Immunity need state has begun to decline among American consumers, after holding steady through 2021.



Consumers report using alternative medicine less for Immunity purposes (-3pts since Q3 2021)—“*tried and true*” immunity boosters are still seeing growth, perhaps indicating they just aren’t seeking other products outside this basic list



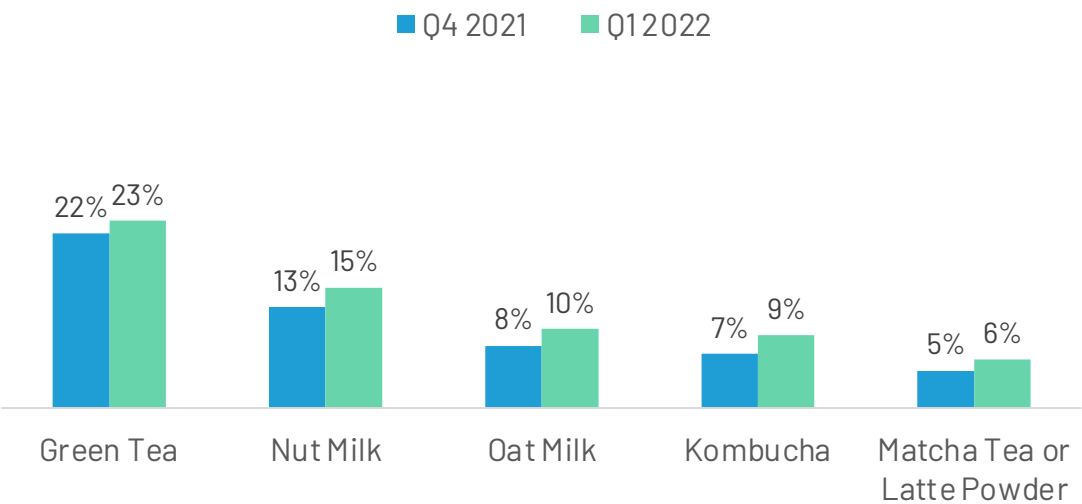


**Promising areas of growth
across categories**

Some beverage categories, like Green Tea and Alternative Milk, continue to see growth in 2022

- Green Tea and Matcha powders have seen growth the last two quarters consecutively, and product innovation both at retail in and in food service have continued to increase in this area
- Kombucha has rebounded, after a small drop in Q4 2021
- Alternative milks, like Nut Milk and Oat Milk have continued to increase penetration

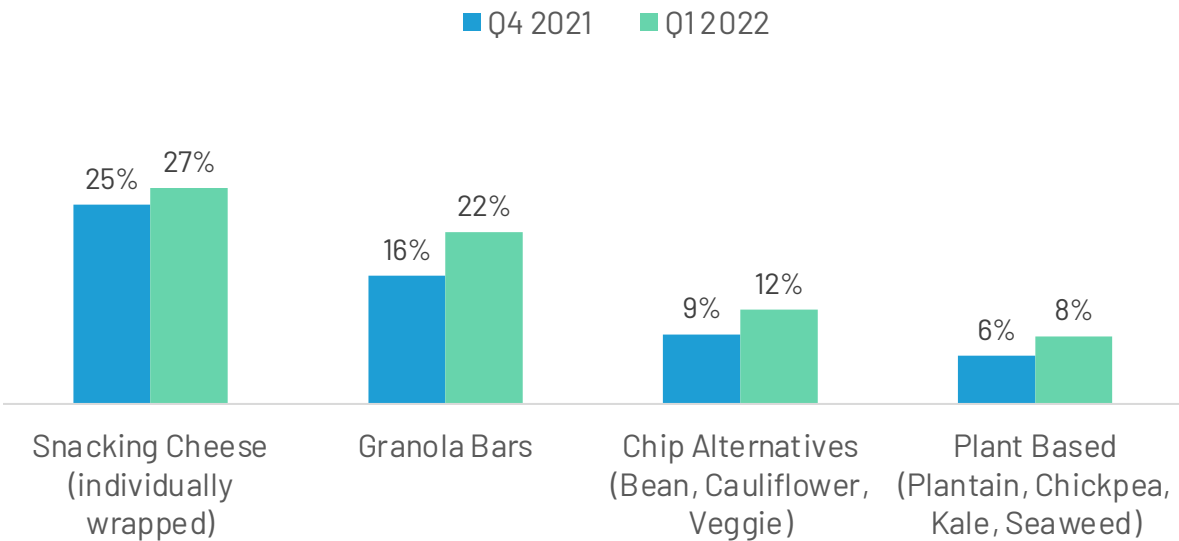
BEVERAGES GROWING



The Snacks and Bars category has grown this quarter, with plant-based snacking showing the strongest growth

- On the go snacks, like cheese and Granola bars are on the rise, possibly due to more out-of-home work and life activities post-Covid
- Although we’re seeing softness in other plant-based foods, snacks are continuing to strengthen—these snacks tend to not cost substantially more than their regular snack counterparts and may be easy for cash-strapped consumers to fit into their budgets

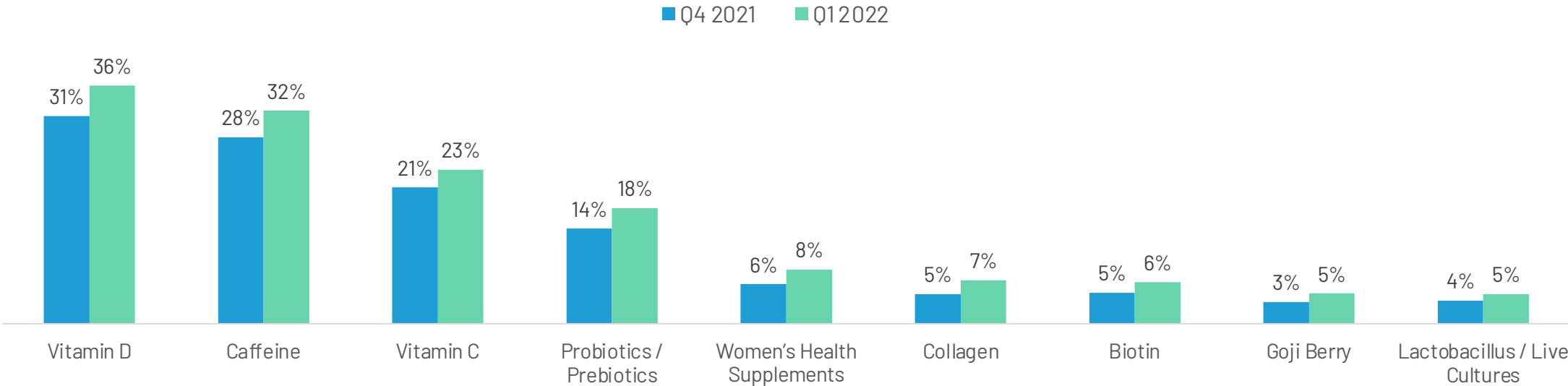
SNACKS & BARS GROWING



More “*tried and true*” supplements and additives are seeing growth during the economic slow down

- Ingredients and supplements like Vitamin D, Caffeine, Vitamin C, probiotics, and live cultures are seeing strong growth this quarter
- Ingredients like Collagen, Biotin and Goji Berries are also enjoying growth this quarter

SUPPLEMENTS & INGREDIENTS GROWING





**Exercise shifts further
from training**

The Exercise Need State has been on a tear in the past 6 months, but the focus has shifted further from training and more toward general wellbeing

Half of American consumers find themselves in the Exercise need state, up +15% in the past 6 months.

Using Exercise as a specific wellness tactic has increased +9% over the past 3 months.

However, training for something specific is on the decline. The COVID virtual race/marathon trend has waned, indicating that they did seem to motivate people to train and feel more athletic during social distancing.

- **I'm an athlete** down 15% vs. 6 months ago (30% to 25%)
- **I'm training for something** down 16% (22 vs. 18)
- **Fitness tracker app** down 8% (21 vs. 18)



74%

Exercise for
Mental Health

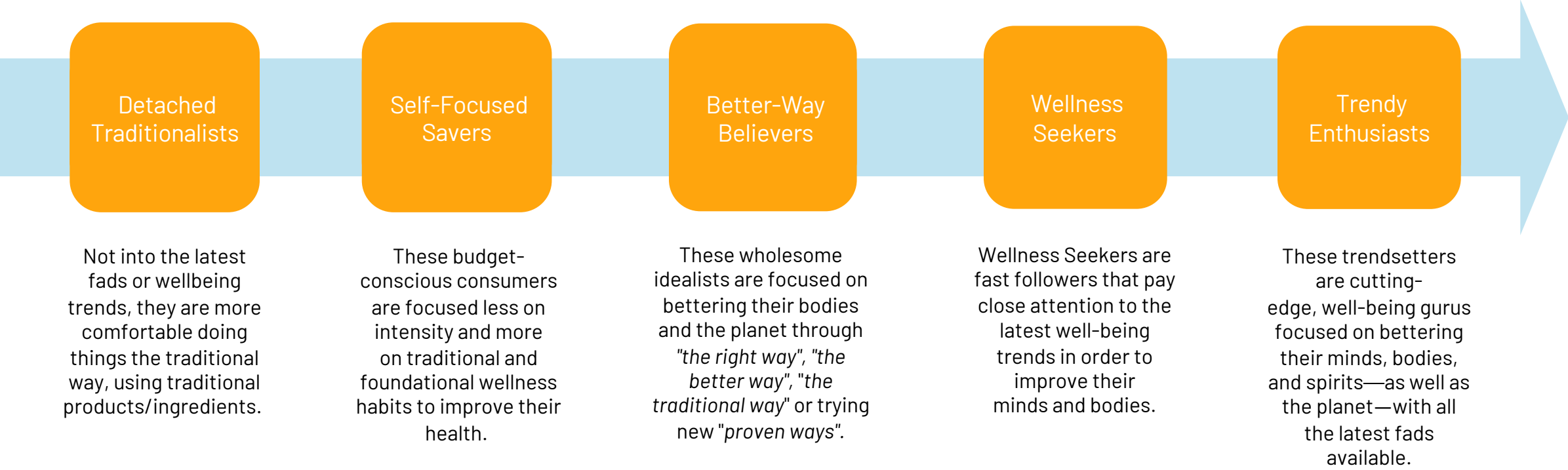
53%

Exercise 3+
times a week
(up from 48% in Q4 2020)



Categories accessible to middle- to lower-income individuals are ripe for innovation

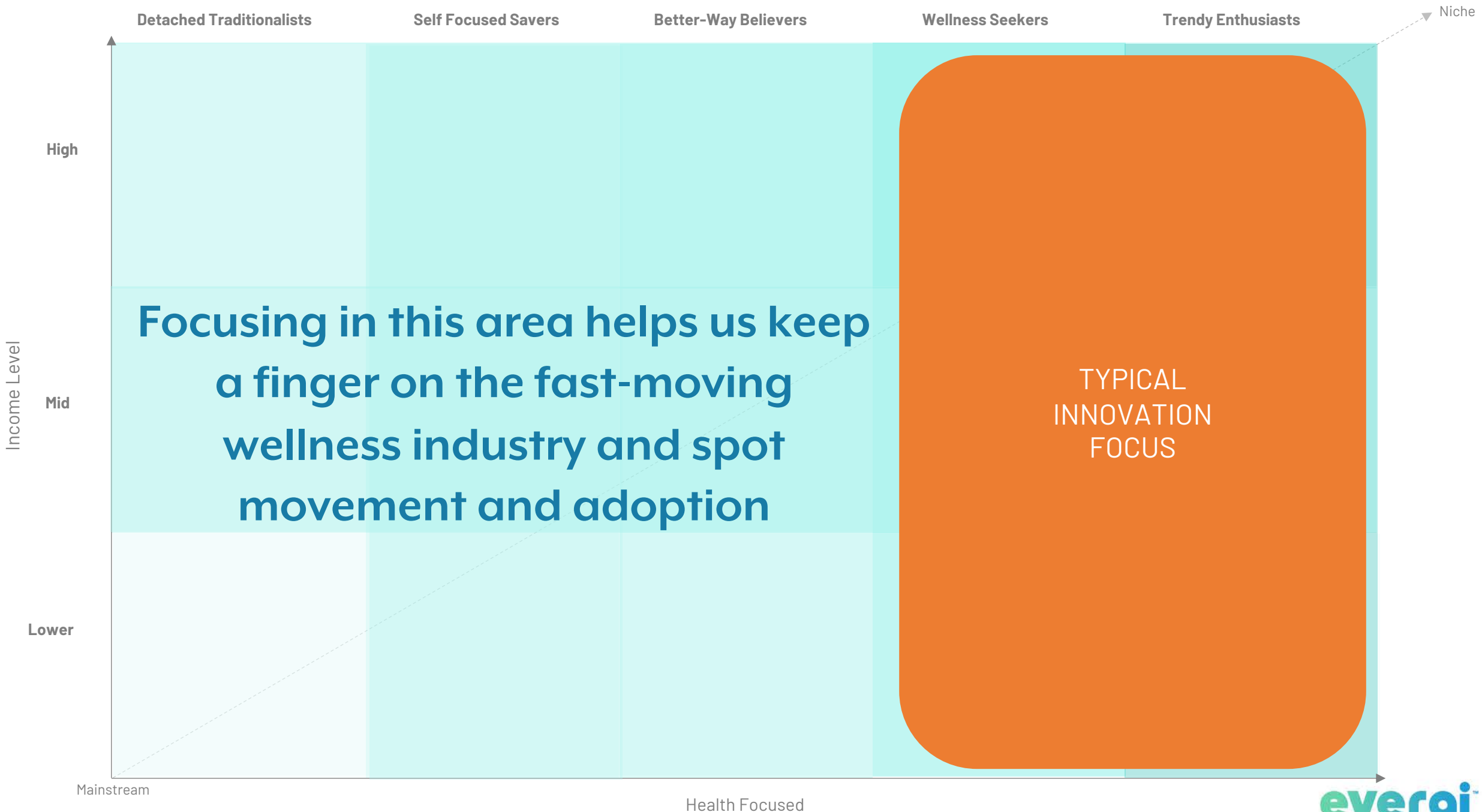
Our Wellness segments can be considered a health continuum, with the Trendy Enthusiasts leading the way





Income is another important dimension for understanding innovation as it indicates consumers' ability or willingness to pay

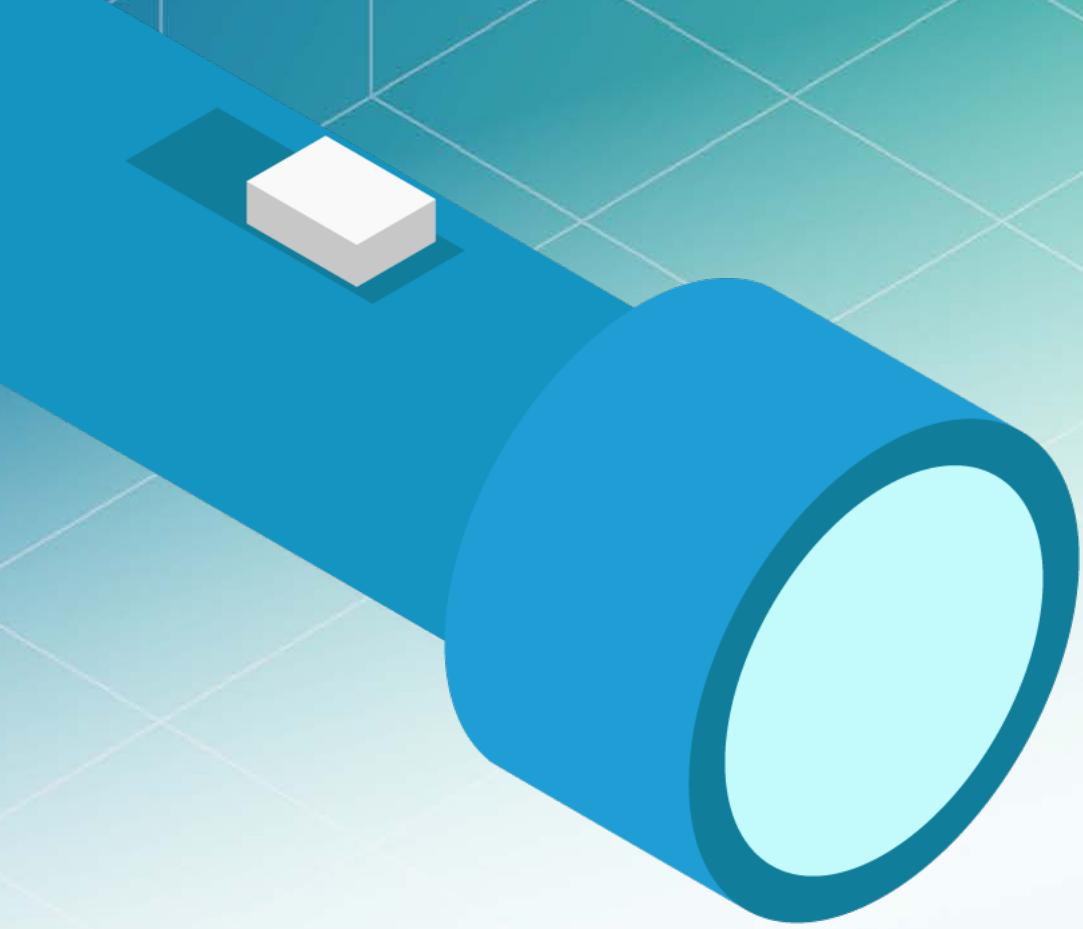






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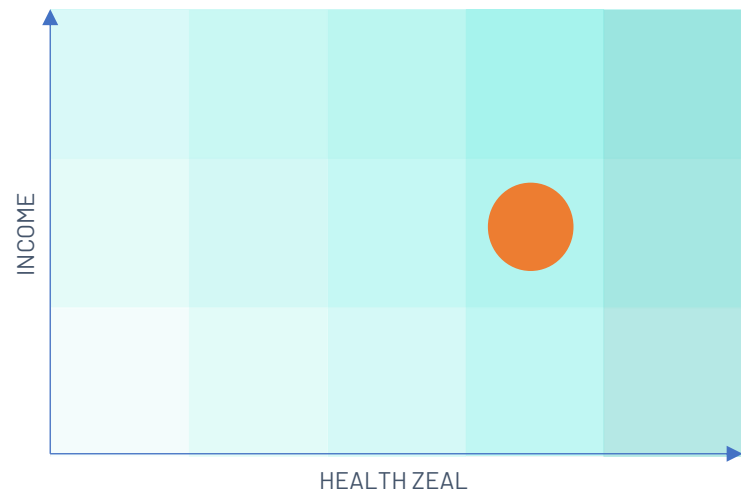
Product Highlights

- Energy / Granola Bites
- Sports Gummies/Jellybeans
- Ashwagandha
- Curcumin
- Prebiotic Soda
- CBD/Hemp Extract
- Nutrient Infused Coffee
- Energy Shots

Energy & Granola Bites



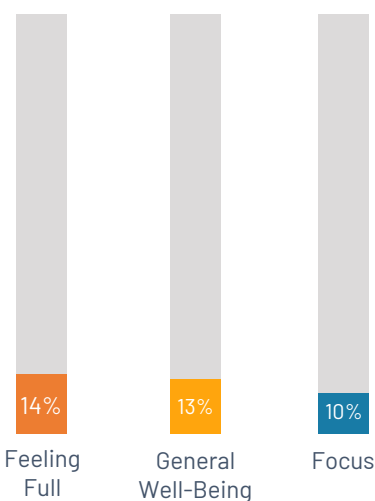
HEALTH CONSCIOUS, MID INCOME CONSUMERS



STILL HOT, GROWTH RATE SLOWING



DESIRED EFFECTS

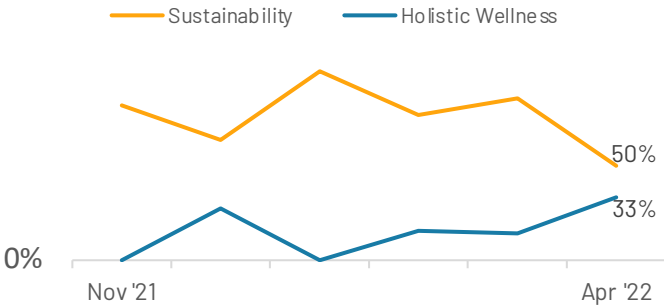


HIGH LEVELS OF SEARCH AND SEO SATURATED

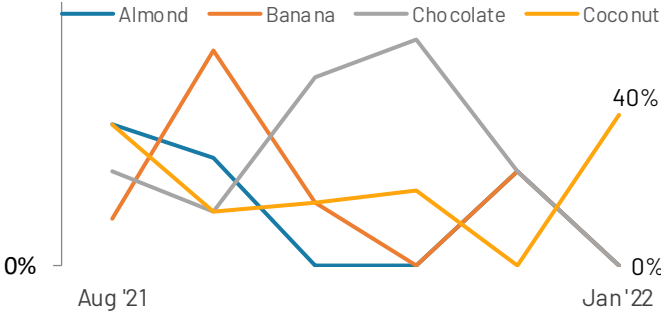


SOCIAL INSIGHTS

Topics Mentioned



Flavors Mentioned



Awake Chocolate Bites



Bean Pops

Sports Gummies and Jellybeans



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Prebiotic Sodas



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CBD/Hemp Extract (as an ingredient)



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Nutrient Infused Coffee



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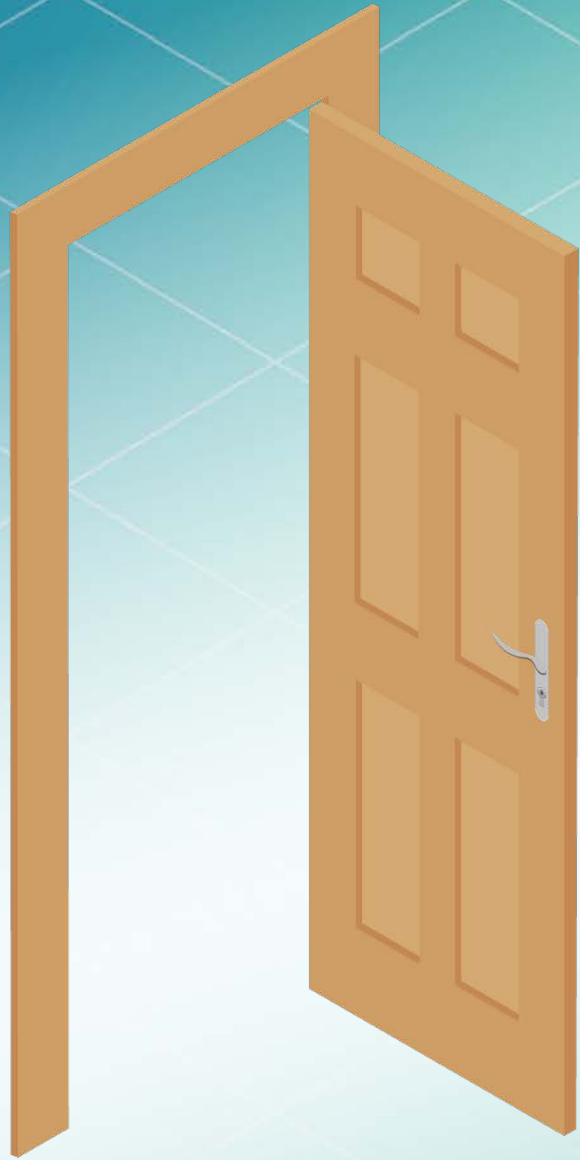
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Energy Shots



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Freshman Class:

New Entrants in the Evergi
Wellness Survey



Ingredients

- Camu Camu
- Chlorophyll
- Winter Cherry
- Postbiotics
- Irish Moss
- Valerian Root



Plant Based Foods

- Plant-based Chicken Alternative
- Plant-based Bacon
- Plant-based Meat Burgers
- Plant-based Meat Sausages
- Plant-based Fish Alternatives



Vitamins & Supplements

- 5-HTP (5-Hydroxytryptophan)
- GABA(Gamma-Aminobutyric Acid)
- Mushroom Supplements
- SAM-e (S-Adenosyl methionine)

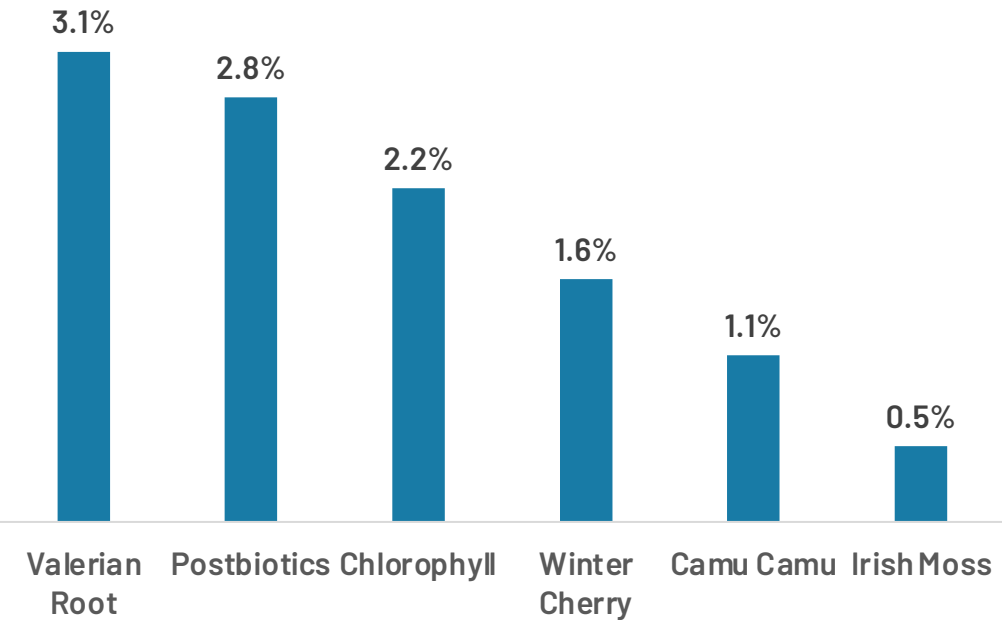


Beverages

- Aloe Water
- Coconut Water
- Low Alcohol Spirits
- Non-Alcoholic Spirits

New Ingredients

- Valerian root has been claimed to impact the GABA receptors in the brain that control fear and anxiety
- Postbiotics are intended to lessen issues in the gut, like IBS—although they can be purchased in supplement form, they exist naturally in foods like Kefir, Kimchi, and Cottage cheese
- Found in plants and taken as a supplement, Chlorophyll is said to have immune-boosting qualities and detoxifying properties
- Winter Cherry, also known as Ashwagandha, is often found in skincare products and is said to have rejuvenating and restorative effects on the skin
- Camu Camu contains strong antioxidants that may help fight inflammation and reduce blood sugar levels
- Irish Moss is purported to help control blood sugar and support heart health



Product Innovation



Gaia Herbs
Valerian Root
Tincture



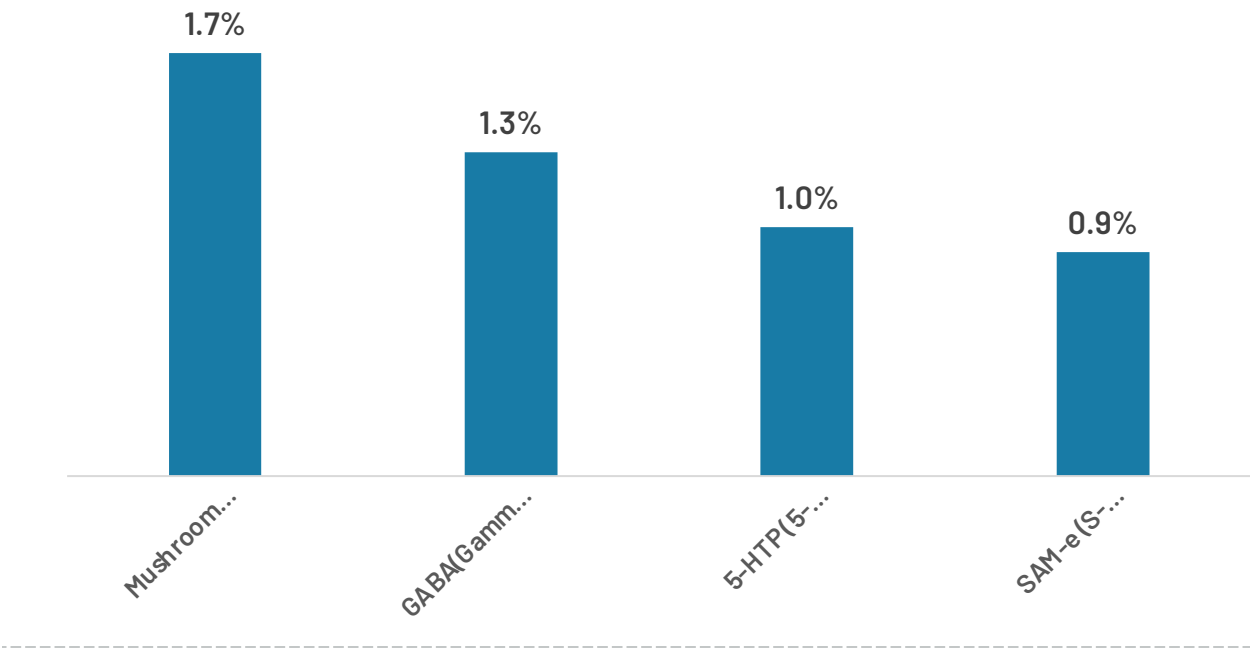
Ritual
Synbiotic+
Capsules



FGO Camu
Camu Powder

New Vitamins & Supplements

- The friendly Functional Mushroom group is purported to help with everything from immunity to sleep
- Natural Amino Acid, GABA, is said to work as a neurotransmitter for your brain to relieve stress, anxiety and fear
- 5-HTP is a dietary supplement that is said to raise the serotonin levels in the brain to help with sleep, mood and anxiety
- SAM-e is a natural compound found in the body that regulates and induces hormones and maintains cell performance



Product Innovation



Om
Mushroom Blend
Capsules



Big Spoon CBD
Tincture with GABA



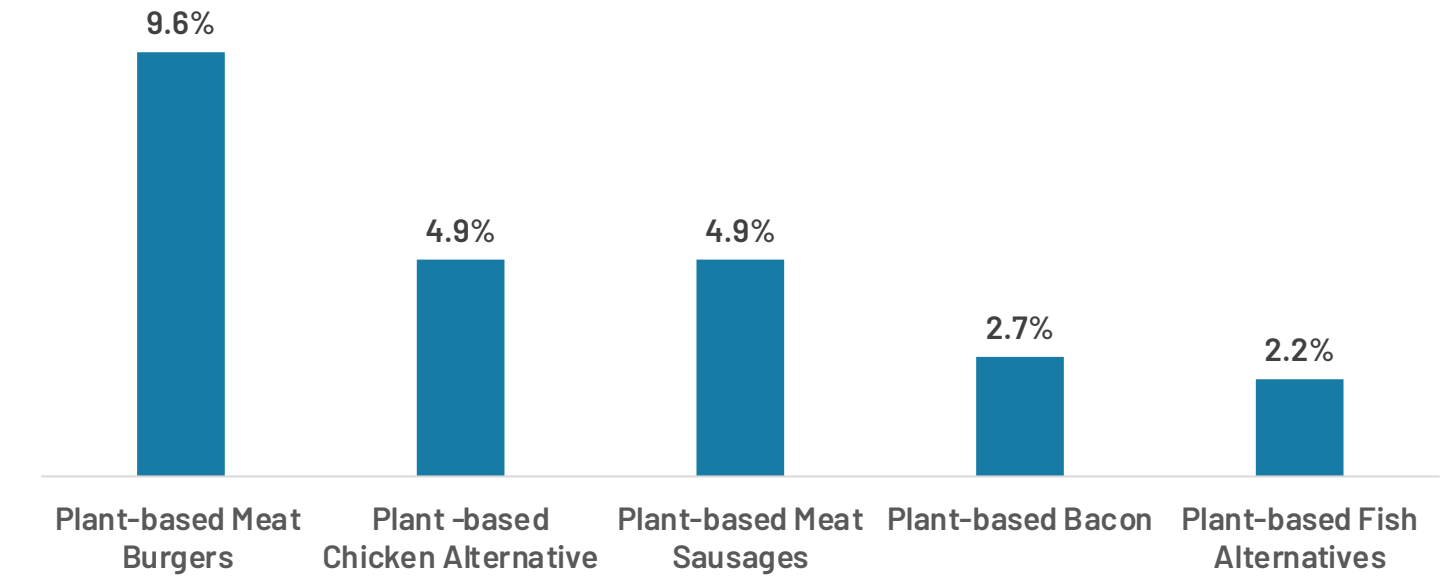
Slim Sweets
with 5-HTP

Bonafide

Bonafide Sam-e
patented formula
acquisition

Plant-based Foods

- The Plant-based need state may have briefly paused its rocket growth during the pandemic, but new entrants continue to hit the market
- This quarter we broke out some Plant-based meats that were previously grouped and added a few that have seen recent innovation in the recent months



Product Innovation



Unreal Deli
Plant based Deli Slices



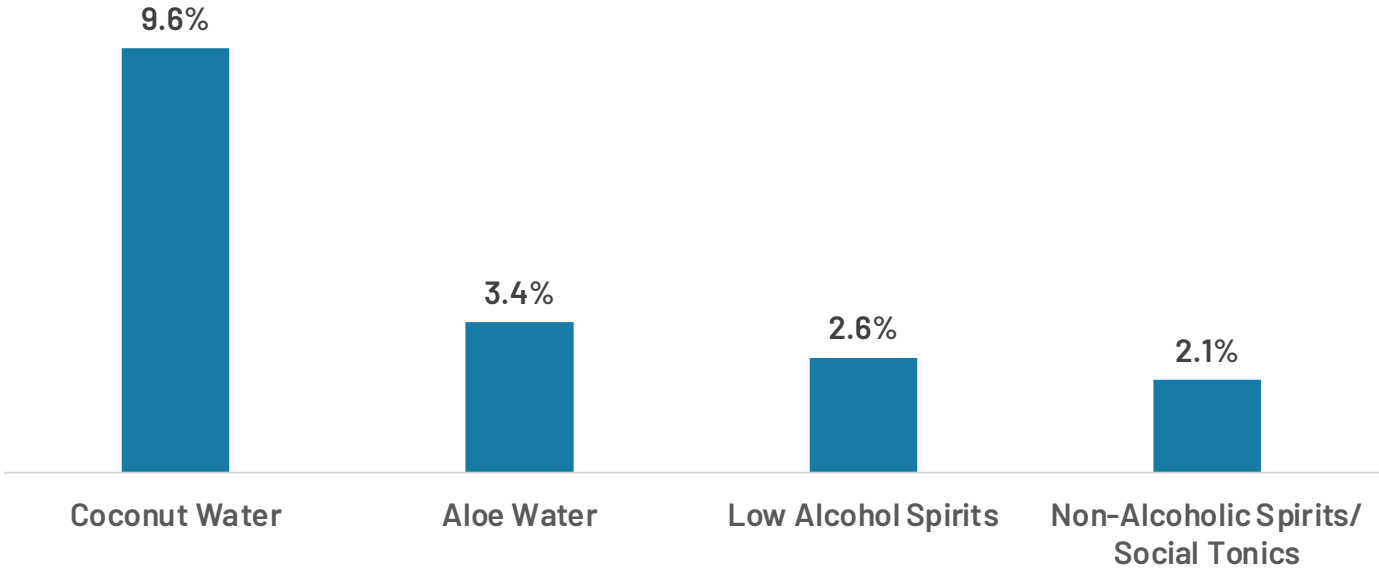
Kvaroy Arctic Salmon
Hot Dogs



Hooray
Plant-based Bacon

New Beverages

- We felt that Coconut and Aloe water both deserved to be watched; they’ve been around for a while, and some exciting innovations have been coming their way. We can’t wait to see how they move throughout the year.
- Low- and no-alcohol social drinks have been tearing things up, with the “California sober” movement on the rise. We’ve added more dimensions to our Evergi categories to better track what exactly is driving the growth.



Product Innovation



Once Upon a Coconut
Sparkling Coconut
water w/Energy



Simplee
Aloe Vera
Food Supplement



Bota Box Breeze
Low Alcohol Wine

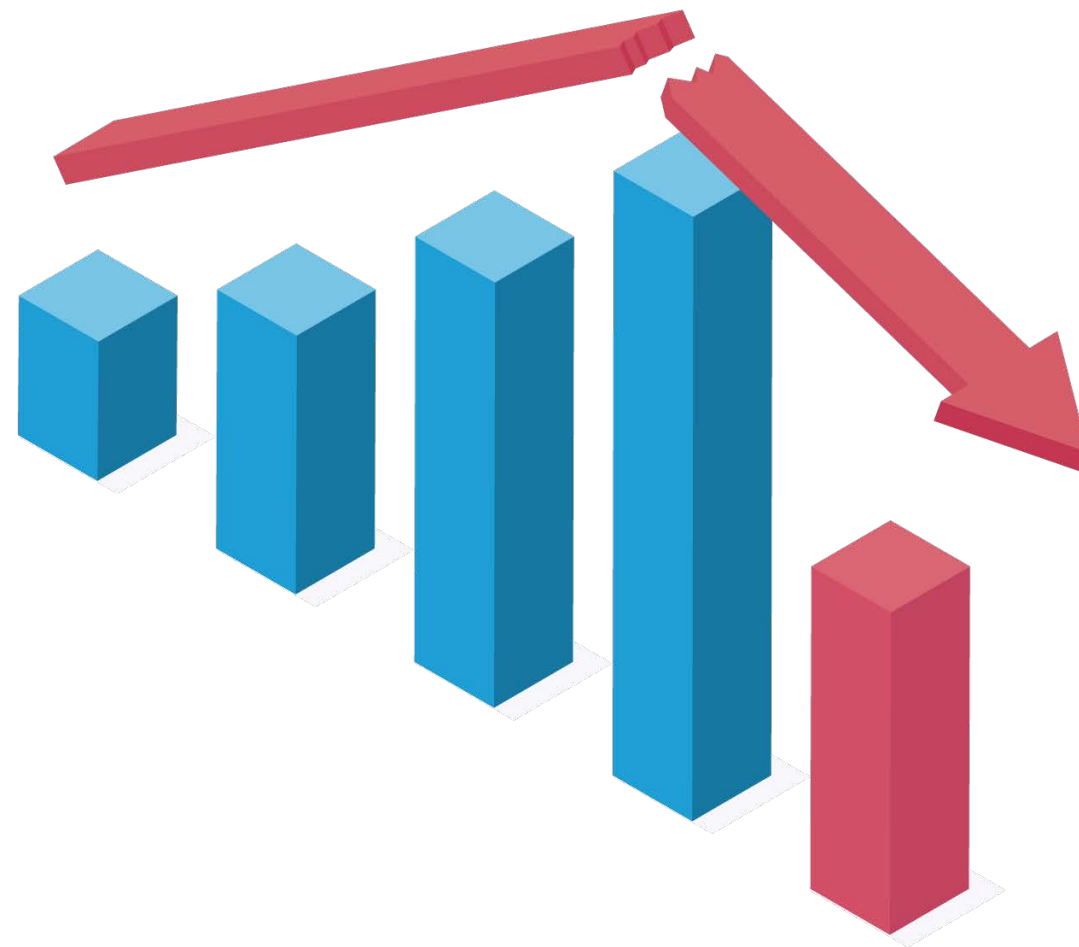


Curious Elixirs
Adaptogen
Non-alcoholic drinks

Summary

The wellness market is taking a financial hit during the economic recession, with fewer consumers willing to explore and spend in some previously promising, growing areas

- **Focus your innovation** in the areas that consumers see as **essential** and are willing to invest more energy and money into, like **Sleep and Exercise**, to help economy-proof your innovation pipeline.
- **Declining or stalling specialty categories**, like Plant-based foods and sustainability plays, **are not out of play, just paused**. They seem ready to soar when the economy comes back, and people have more money to explore.
- **Middle- to lower-income accessible categories are ripe for innovation**, given more challenging economic forces, and show promising areas for exploration. Consider focusing innovation on these categories that have yet to show weakness during this economic downturn.



Brightfield Group is the leading research firm for emerging categories including CBD, cannabis, and wellness. By integrating multi-source data with AI and research expertise into our cross-comparable data lake, we uncover robust insights as new markets develop. Since 2015, we have helped Marketing, Innovation, and Insights leaders drive customer-centric strategies on their next big idea.

Learn more at evergi.com

