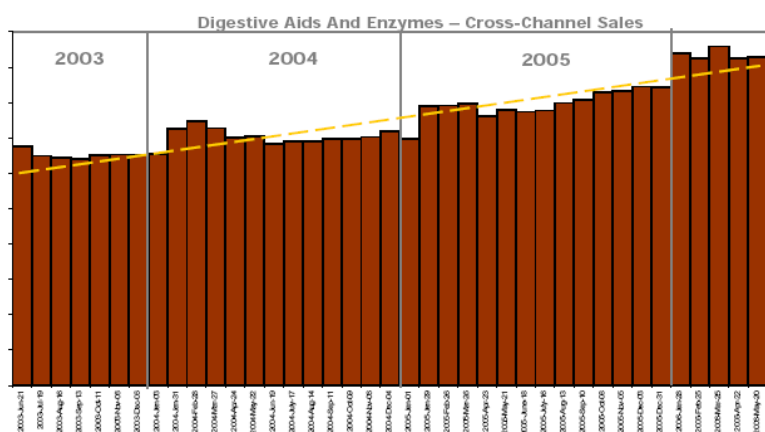




Trends in Digestive Aids and Enzymes

The growing Digestive Aids and Enzymes category is an important one to watch. The health concerns driving its sales are very common in the US and are increasing steadily, but subcategory dynamics and consumer purchase behavior vary considerably by channel.

Constipation is the most common gastrointestinal complaint in the US. It prompts about 2 million doctor visits each year, but most sufferers treat themselves without seeking medical helpⁱ. Sales of those products addressing the Constipation Health Concern have risen 22% across channels, up to \$102.7M in the current 52-week periodⁱⁱ. More than 9.5 million Americans experience Indigestion, and the Health Concern drove sales of at least \$95M across channelsⁱⁱⁱ. Irritable Bowel Syndrome currently affects an estimated 40 million people in the US, and was responsible for \$63M in sales in the same period.



SPINS' Digestive Aids and Enzymes category, defined as single and combination nutrients and/or herbs taken to support digestive health, is on a 3-year upward sales trend, with percentage growth rates much greater than those in the overall Supplements segment. In the 52-week period ending 8/12/06, cross-channel Digestive Aids and Enzymes sales totaled \$355M, an increase of 16% over the prior year (SPINSscan Natural and Conventional channels).

Currently, the most growth in Digestive Aids and Enzymes is generated in Natural Supermarkets and Drug Stores.

[Chart: Channel Share and Dollar Sales \(PDF\)](http://www.spins.com/assets/pdf/digestivehealth_channelshare.pdf)

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Average price points for digestion products are nearly twice as high in the Natural Channel than in the Conventional Channel, bringing in a considerably bigger ring at the register for each item. SPINSscan Natural and Conventional data also indicate that the small number of brands that are selling across channels generate more than half of total dollar sales in the category.

Although the category is seeing strong growth in both the Natural Supermarket and Conventional FDM channels, its channel dynamics vary a great deal by subcategory and ingredient. One way in which sales rankings of the Digestive Aids and Enzymes subcategories differ is that Enzyme products lead in FDM, while Probiotics are at the top of the Natural Channel.

[Chart: Dollar Sales and Rank by Category/Subcategory \(PDF\)](http://www.spins.com/assets/pdf/digestivehealth_subcategorysales.pdf)

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The top four brands in the Conventional Channel tend to cluster around digestive disorders associated with lactose intolerance and food-induced gas, with the majority of top-performing items

being lactase enzymes. In the Natural Channel, the top brands come from digestive subcategories, and acidophilus products dominate.

SPINS analysts have identified a number of interesting marketing and product development trends in the Digestive Aids and Enzymes marketplace as a whole.

Functional Foods

Consumers can increasingly find products that address their needs for Digestive Aids and Enzymes outside of the supplement aisle through functional foods. These products are defined as foods that have an herb or other nutrient added for a particular health benefit. Examples of functional foods that incorporate probiotics include Kefir, yogurt, milk and dairy-alternative products. Those products incorporating fiber include cookies, crackers, and even orange juice.

Digestive Flora in support Immune Health

Beyond addressing digestive health, food and supplement manufacturers are also starting to market digestive flora products for immune health. These products nourish the digestive tract with beneficial flora and enzymes to help prevent bacterial and viral infections, and to keep the body's defense system healthy. They promote overall good health through proper digestion, nutrient absorption, and elimination.^{iv}

Enhanced Delivery Formulas

Manufacturers are also offering enhanced delivery formulas for Digestive Aids and Enzymes. Through methods similar to enteric coating, they have developed capsules that allow their contents to survive the trek through the digestive tract and release in the small intestine where the probiotics can adhere to the digestive walls and populate.

Full Spectrum Digestive Aid Products

Full spectrum digestive aid products are formulated to address digestion issues through an assortment of ingredients. These products include antioxidant fruit extracts such as pomegranate and blueberry, or digestive herbs like turmeric and ginger.

Growing consumer interest in Digestive Aids and Enzymes offers interesting growth opportunities across channels, departments, and categories. With strong sales and broad new product development, the category has proven to be one of the more dynamic and promising in the Food and Supplements industries.

For more information on the sales performance of Digestive Aids and Enzymes, contact SPINS at 415.957.4400 or info@spins.com.

About SPINS

SPINS was founded in 1995 as the first company to offer Natural Products sales data to the industry. Today, it is the premier provider of industry reporting and consulting services for this rapidly expanding sector. SPINS' comprehensive offering includes retail measurement services, content-based reporting, consumer information and consulting services. Learn more at www.spins.com.

ⁱ <http://digestive.niddk.nih.gov/statistics/statistics.htm#specific>

ⁱⁱ SPINSscan Natural and Conventional channels, 52 weeks ending 8/12/06

ⁱⁱⁱ SPINSscan Natural and Conventional channels, 52 weeks ending 8/12/06

^{iv} Sales performance information for these products is available through SPINS' ingredient reporting. Contact us for more information.