

‘Cross-category health’:

How your CPG brand can harness the new holistic health trend

July 2022

Introduction

'Cross-category health'

Health and wellness have always been important to consumers, but the pandemic has caused interest in this topic to flourish. If you've become more aware of your physical and mental health recently, you're not alone. Many of us have. In fact, 4 in 10 of our bees have changed their health and wellness behaviours since COVID-19 began*.

"One of the leading themes shaping trends for the coming year is consumers' desire to nourish their whole selves, and many are taking a proactive approach to their holistic health and wellness"

Jennifer Zhou, Senior Director of Product Marketing at ADM NA



According to McKinsey, the global wellness market is valued at more than \$1.5 trillion and is expected to grow at an annual rate of 5-10%.

Health is also proving to be a key driver of choice during the cost of living crisis. While many consumers are cutting back, others are buying more of certain categories and 'to improve health' is the second biggest reason for these increased purchases, behind 'it's essential'.

As a result, the rising consumer interest in this space presents huge growth opportunities for brands. However, a clear strategy is vital to navigate this increasingly saturated market.

***Streetbees Global Hot Topics Dashboard
SAMPLE SIZE 107,082**

So, how are consumers actually engaging with health and wellness in their daily lives and what does this mean for your brand? In this report, we'll investigate four of the key behavioural dimensions within the holistic health trend this year, and will share the emerging growth opportunities we've identified for food, beverage, alcohol, beauty and personal care CPG brands.

But before we start, a quick word on our approach. 4.5 million "bees" (consumers) around the world use our app to share their consumption moments with us. We collect 1.5 million moments every month in real-time and in their own words, with photos and videos, to get a qualitative in-the-moment view at quantitative scale.

Let's dive in and take a look at how each of these four behavioural dimensions are currently shaping the lives of consumers and their choices.



Who are the bees?

Our bees are 4.5 million mobile app users around the world who share details about their emotions, behaviours, purchasing decisions and more with us.

They share experiences using their own words, photos and videos, at the moment of consumption to give us insight that's rich with context and emotion.

4 in 10

**of our bees have changed their
health and wellness behaviours
since COVID-19 began**

The rise of 'conscious' consumption

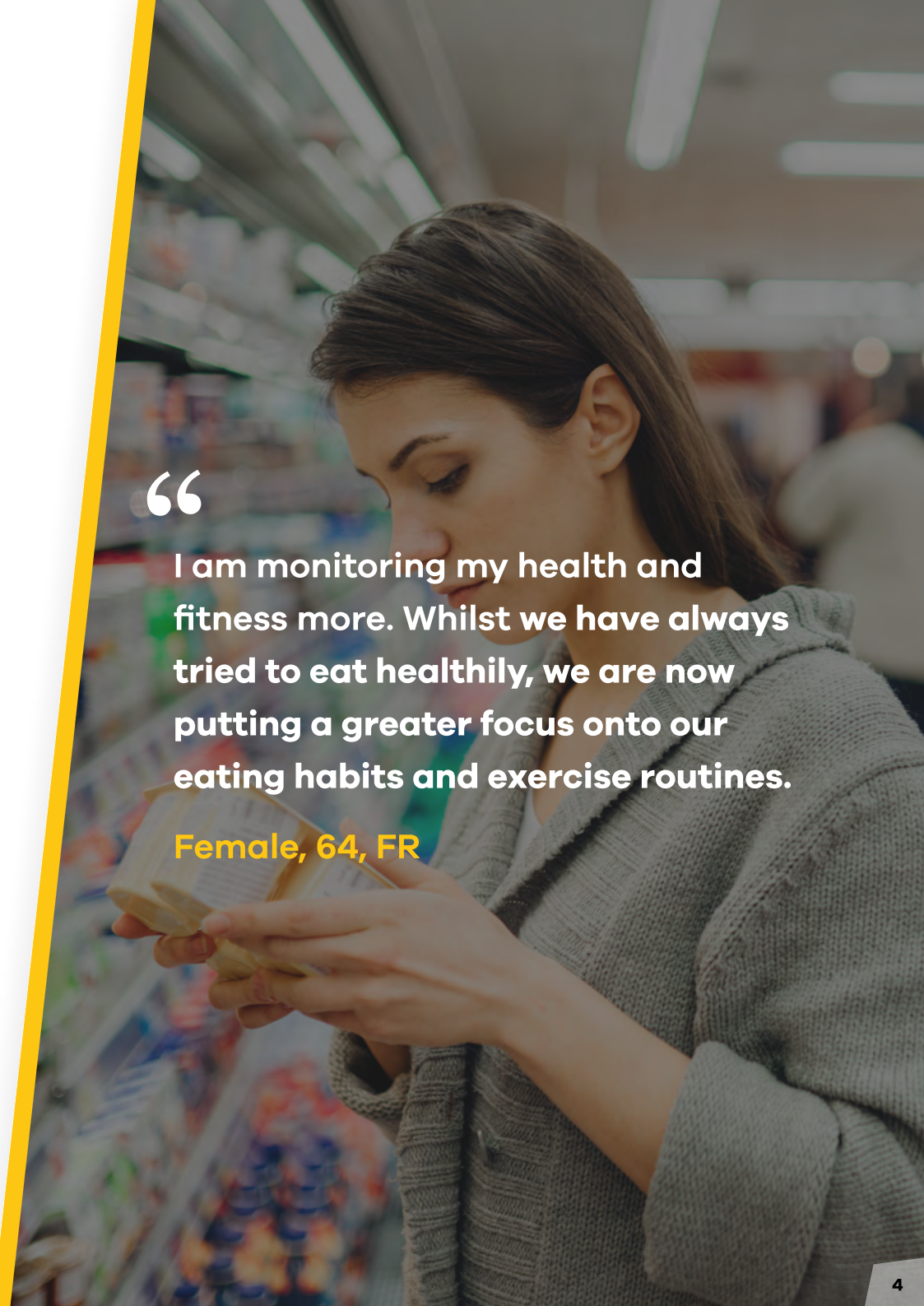
We're becoming more and more aware of the way our lifestyle impacts our mind and body, particularly the things we choose to consume. In fact, our bees have told us that maintaining a balanced and nutritious diet has increased in importance to them (5% in Q2 2021 to 9% in Q4 2021) and they're making more of a conscious effort to use and consume healthier products.

According to the British Nutrition Foundation, 64% of UK consumers now check nutritional information on food labels when grocery shopping. Our data has also shown that more consumers are actively looking for certain product attributes when deciding what to buy and are consciously opting for items which are low in sugar (43% 2021 vs. 32% 2020), low in calories (34% 2021 vs. 25% 2020) and low in alcohol (20% 2021 vs. 1% 2020)*.

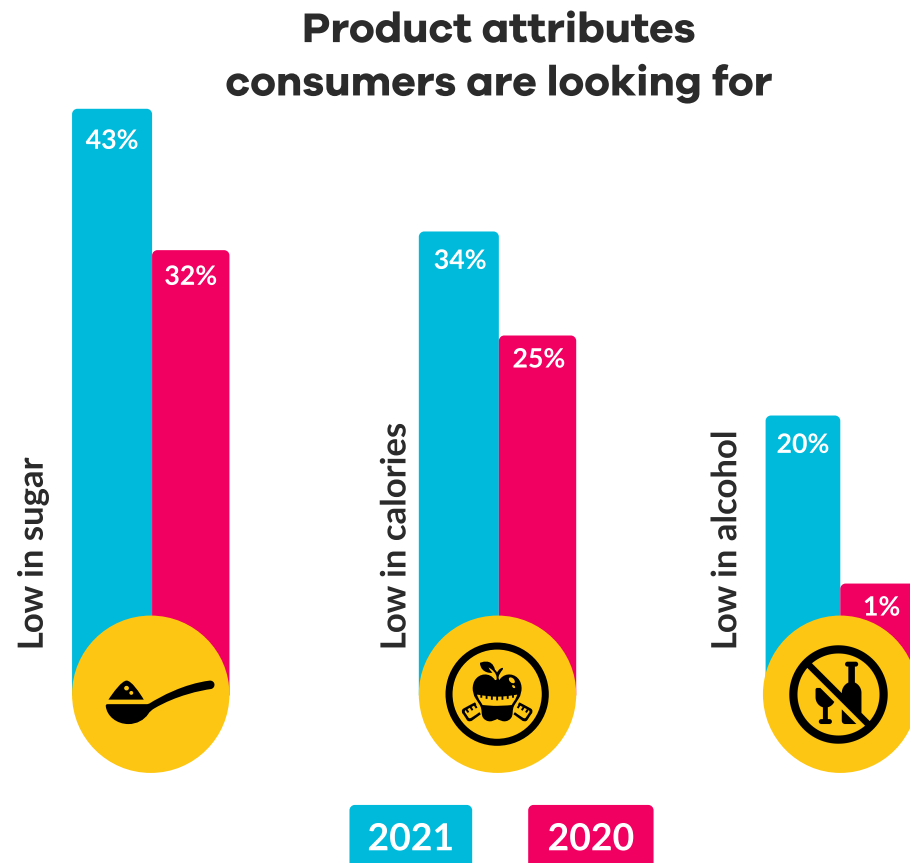
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I am monitoring my health and fitness more. Whilst we have always tried to eat healthily, we are now putting a greater focus onto our eating habits and exercise routines.

Female, 64, FR



New [regulations](#) around the promotion of unhealthy items will also hit medium and large retailers in the UK later this year, as part of the government's strategy to tackle obesity.



*Streetbees Global Hot Topics Dashboard
SAMPLE SIZE 95,864

Promotions on food and drinks that are high in fat, sugar and salt (HFSS) will be restricted from October 2022 and multibuy promotions, such as 'buy one get one free' or '3 for 2' offers, will be phased out. So this conscious effort to consume healthier goods has become a priority not just for consumers, but also for the government.

Let's look at a category example in the alcohol industry to see how your brand can appeal to health-conscious consumers and what you can learn from existing players in the field.

Streetbees Spotlight

Streetbees will be tracking attitudes towards obesity and nutritional values to see how this impacts consumer choices in-the-moment. To find out more, click below.

FIND OUT MORE

CATEGORY SPOTLIGHT

'Conscious' drinking



Today, 24% of UK adults don't drink. When you look at Gen Z specifically, that shoots up to a whopping 30%. The "sober curious" trend is continuing to rise, and consumers are looking for alcohol alternatives to improve their physical and mental health. In fact, the proportion of drinkers who consider themselves health-conscious rose from 23% in 2020 to 42% in 2021.

As a result, low/no alcohol is booming. The market is expected to grow by 34% in the next two years and low/no alcohol purchases among our bees in the UK have risen from 8% in 2021 to 14% in 2022 so far.

24%

of UK adults
don't drink



30%

of Gen Z don't
drink



"I wanted a low alcohol beer, given that I have work tomorrow so I'm up early."

Male, 37, UK

"It's made with natural juice and it's low in alcohol, so it gets you tipsy pretty fast with no hangover the next day."

Female, 45, US



So, how can brands grow in this 'conscious' low/no space?

GROWTH OPPORTUNITIES FOR ALCOHOL BRANDS

1 Innovate with low/no wines and spirits

Beer is the king of low/no and brands are yet to innovate across other alcohol categories. Consider gaining further insight on the demand for less-explored low/no alternatives, like rum or gin. From 2020 to 2021, social media mentions of low/no gin and low/no rum increased by 66% and 42% respectively, so these new alternatives are starting to drum up attention.

Creating an all-encompassing low/no menu across beers, spirits, wines and cocktails could present an opportunity to expand appeal. Encourage consumers to try your new innovations with sample deals or bundles e.g. bundling a small low/no sample with a standard alcohol purchase to minimise the risk of having to 'buy and try' a whole bottle.



Brand spotlight: Let's get into the 'spirit'

Pourwell is the world's first subscription club for discovering alcohol-free spirits. Every month, members receive a full size alcohol-free spirit, along with mixers, cocktail ingredients and healthy treats.

"I've almost bagged a very big project and I wanted to have a low alcoholic drink to celebrate, as I have a long day ahead of me tomorrow."

Female, 60, IN



Brand spotlight: Use your ima-gin-ation

Fungtn is an alcohol-free craft beer brand, harnessing functional mushrooms to deliver hangover-free beer that contributes positively to your mind and body.



"The ingredients are simple - it's fermented with purified water and yeast. It has health benefits and contains more vitamins than other drinks. The alcohol content is also not very high."

Female, 59, CN

2 Highlight the long-term wellness benefits of low/no

There are many downsides to drinking alcohol, so low/no is a great opportunity to reinforce the upsides of moderating it. All things 'wellness' have been shaken up during the pandemic, but it's clear the importance of taking care of ourselves has stuck. Rather than championing low/no as a temporary way to improve health, highlight the ingredient-led benefits in the long-term, such as the fermented aspects and their benefits for gut health.

Our machine learning algorithm identified '**Me Time Treat**' as a demand space where low/no over-indexes - a space all about rewarding yourself and finding a moment of relaxation after a long day. Consumers are looking to unwind and low/no options offer a guilt-free reward - a treat you love that loves you back - so there's a real opportunity to grow share here by championing this.

'Me', not 'we'

The whirlwind of emotions we've all experienced over the past two years isn't showing signs of slowing down, with the onset of rising living costs, political unrest, and war. In a world where things feel increasingly out of our control, many of us are actively seeking things that boost our sense of wellness. We're seeing consumers look "inward" with their in-the-moment motivations. In other words, they're increasingly prioritising themselves when purchasing products.

In fact, many consumption occasions are now being used as a mood-enhancing experience. Something we can directly influence. A constant we can control. For example, internal motivators, like mood and wellbeing, are rising in importance for men in grooming occasions. 16% of our male bees told us that a desire to boost their mood was the key driver behind their



grooming moments at the beginning of 2022, compared to only 6% at the end of 2021*.

For this category example, let's dive into the world of food and drink to uncover opportunities for growth in the 'me', not 'we' space.

16%

of our male bees told us that a desire to boost their mood was the key driver behind their grooming moments at the beginning of 2022, compared to only 6% at the end of 2021*.

***Streetbees GO Personal Care Dashboard
US and BR**

CATEGORY SPOTLIGHT

Self care through 'healthy treats'

The concept of self-care has received increased attention in recent years. At its essence, it's about prioritising yourself in a specific moment. For some, this is about actively opting for a healthy choice to put their body's needs first, or about indulging in something that makes them feel better emotionally. For others, it's both!

You might assume 'healthy' is the opposite of 'treat', but the two are no longer mutually exclusive. As more consumers seek to look after themselves physically and emotionally, all-out decadence is making way for guilt-free indulgence and 'healthy treats' that taste good *and* do good. In fact, 1 in 4 of the snack choices made by consumers in 2021 were driven by a desire for something healthy and indulgent e.g. satisfying a sweet tooth with something sugar-free*.

***Streetbees GO Snacks & Treats Dashboard
- IN, UK, US, CN & FR.**



"I'm trying to cut down on sugar and this bar of chocolate has no added sugar without sacrificing too much in terms of taste. My mood could also be better, so I feel like indulging myself with a little treat."

Female, 37, UK



"I wanted to indulge myself with something sweet. I also like to drink this apple juice to refresh myself and because it's healthy."

Female, 23, FR

So, how can brands grow in this 'healthy treat' space?

GROWTH OPPORTUNITIES FOR FOOD AND DRINK BRANDS

1 Incorporate mood-boosting ingredients into snacks

Indulging in something is often a go-to when we want to feel better. In fact, 56% of consumers have been purchasing comfort food more regularly since COVID hit. Snacking occasions have also seen huge growth in the last six months, due to the rise in working from home. However, indulgence must serve a purpose to justify permissibility in this new health-conscious world.

As such, there's a real opportunity for brands to increase market share by extending the role of mood in snacking. Consider incorporating ingredients with mood-boosting benefits, such as vitamin B6, magnesium, iron and serotonin. Complement self-care moments with snacks that target specific moods, like 'calm' and 'happy'.



Brand spotlight: It's a move in the 'bite' direction

[Eat Gold Organics](#) offers a line of functional 'Chocolates for Adults', including 'Be Happy', which features goji berries and adaptogen-rich mushrooms.

"I bought them yesterday and I was waiting for my morning break today to have one. A little treat during the working day helps to keep me going and keeps me mentally focused."

Female, 53, UK



Brand spotlight: How to find inner 'tranquili-tea'

London Nootropics coffee is made purely from natural ingredients and is blended with adaptogens to provide extra functional benefits. The brand featured on Dragon's Den and has created a range of high-quality coffees to help you flow through your day.



"I wanted something hot this morning and I love the taste of coffee. The decaffeinated Nescafé Gold coffee doesn't have any caffeine and the calcium from the skimmed milk also makes it a healthy option."

Male, 48, ES

2 Explore temperature as an innovation space for healthy beverages

Hot drinks aren't fully leveraged in the health space, as many of the 'healthy' drinks on the market are cold in temperature, including juices, smoothies and protein shakes. However, our bees consider hot tea to be a particularly healthy drink and hot drinks are also said to improve digestion and relieve stress. Explore opportunities in the 'hot and healthy' space with benefits for both physical and mental health.

Our beverage dashboard has identified that the **'Morning Habits'** demand space is particularly relevant here. This space has grown steadily since Q2 2021, and is all about starting the day off right with a beverage you enjoy, that's also good for you.

Consumption of tea and coffee, for example, which are considered healthy, due to their natural benefits, and a treat, due to the added milk and sugar, has grown here.

'Less is more'

When we were forced to spend more time at home during lockdown, we were also forced to confront our lifestyles and our possessions. We began to see how much we've accumulated over the years—and how much of it is actually unnecessary. You weren't alone if you found yourself asking questions like “what was I spending all of my money on before this?”, “what can I cut back on?” and “do I really need this?”.

As we come to terms with COVID and the rising cost of living, many of us are becoming more intentional about what we want to bring back into our lives. What commitments do we want back? What purchases do we want to continue making? What do we want to stop consuming? As a result, many consumers are cutting back, and we're seeing this across all of our CPG dashboards. On our product purchasing index, entertainment, for example, has fallen from -6 in 2021

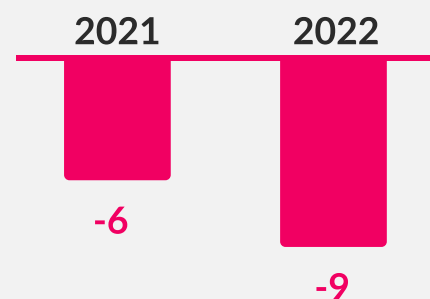


to -9 in 2022 so far*. You've undoubtedly heard about the huge drop in subscriptions to streaming services like Netflix. In fact, research shows that 1.5 million people in the UK cancelled streaming subscriptions in the first quarter of 2022, which is just one example of our move to a 'less is more' mindset.

Let's take a look at a BPC category example to see how this is impacting beauty and skincare regimes and how brands can grow share on the increasingly simplified bathroom shelf.



Spending on entertainment is falling



1.5m

cancelled streaming subscriptions in Q1 2022

CATEGORY SPOTLIGHT

Ingredient-led beauty and skincare

Since the pandemic began, consumers have had more time to pay attention to their health, including their skin health. They're taking the time to understand and invest in what their skin needs, with fewer steps and more focused routines. As a result, we've seen the rise of 'skintellectualism' and 'skinimilism'.

Gen Z are the defining example of this skin-first generation. Self-educated and knowledge-hungry, they're interested in the ingredients and the science behind the products they use and are constantly seeking tutorials and product information online.

From a market lens, consumers in Asia & MENA (Middle East and North Africa) are particularly drawn to natural ingredients and plant-based extracts. While in Europe and the US, Vitamin C and collagen are trending as top ingredients.



"Glycolic acid toner gives the skin a bright and glowy complexion and minimises pores. My lactic acid face serum reduces skin impurities, and my caffeine night serum removes skin pigmentation and dark circles"

Female, 22, KSA



"I'm using this Charcoal Mask to deeply cleanse my facial skin by digging deep into my pores and removing the dirt and excess oil to make my facial skin feel cleaner, look brighter and have a more revitalised complexion."

Male, 31, UK

So, how can brands grow in this simplified space?

GROWTH OPPORTUNITIES FOR BPC BRANDS

1 Focus on a 'hero' benefit in your messagings

Focus on calling out 'hero' ingredients and benefits in your messaging, rather than generic features. Being known for specific 'hero' products or ingredients will help you stand out in this hugely saturated market. 'Hero' products that also get picked up by online influencers have the power to drive awareness to a whole new cohort of consumers.

To grab a space on this new simplified shelf, focus on calling out 'hero' ingredients and benefits in your messaging, rather than generic features. Being known for specific 'hero' products or ingredients will help you stand out in this hugely saturated market. This is further elevated by social media, as 'hero' products that get picked up by online influencers have the power to drive awareness to a whole new cohort of consumers.



Brand spotlight: It was gone in a 'lash'

Glossier stands for simplicity and the brand focuses on creating easy-to-use essentials that form the backbone of your routine. They've created simple skincare sets that prove you don't need a long routine to achieve great looking skin and their FutureDew serum went viral on social media, causing a huge spike in sales.

"I like to apply The Inkey List Vitamin C Cream to help with the scarring from my past acne and pimples and the hyper pigmentation on my skin."

Male, 20, UK



*Streetbees GO Skincare Dashboard - UK, US & CN.

Brand spotlight:

We same, we saw, we contoured

ILIA is a skin-centric makeup brand and is a favourite among Gen Z consumers, focusing on simple, multi-use, on-the-go makeup products. Their potent formulas are designed with active levels of skincare ingredients that shield skin from environmental stressors.



"I'm looking for multi-tasking makeup, like serums and tighteners, and I want things that look very natural and light. Things that make my skin glow instead of looking dry."

Female, 56, UK

2 Innovate with hybrid beauty products

'Skintellectualism' and 'skinimalism' are both driving a trend towards hybrid beauty products. Skintellectuals want to maximise the time their skin is benefiting from skincare, whilst minimalists want multi-tasking products to streamline their routines. In fact, our beauty dashboard has detected an increase in demand for makeup products that actually benefit the skin, so there's a real opportunity for brands to appeal to both 'skintellectuals' and 'skinimalists' with hybrid / multi-use products.

Whilst we've seen a lot of hybrid concealers and foundations due to their close links with skincare, we're starting to see hybrid mascaras, lipsticks and eye shadows enter the field. SPF would be a great way to break into this category, as the proportion of our bees in the US who looked for makeup with SPF protection jumped from 43% in Q1 2021 to 61% in Q1 2022*. Consider introducing SPF lipsticks or face mists to provide protective touch-ups throughout the day.

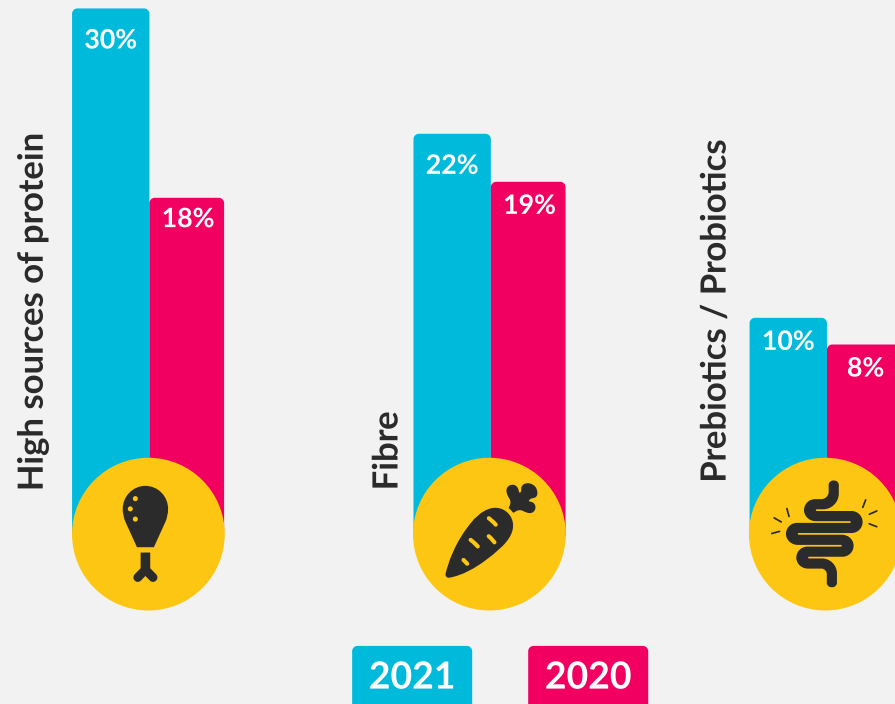
Purposeful choices

Consumer expectations of CPG products are rising. As a result, we're seeing increased demand for products that serve a purpose beyond their 'basic' function. Foods that provide added nutritional benefits. Drinks that give you an extra boost of energy. Shampoos with added ingredients to promote hair growth. We're increasingly driven by micro-needs and this is giving way to a desire for functional products that meet these needs with specific ingredients. In fact, the global functional food and beverage market is projected to grow from \$281.14 billion in 2021 to \$529.66 billion in 2028 at a CAGR of 9.5%.

Among our bees, we've seen a jump in the proportion who are actively seeking out foods and beverages with high sources of protein (30% 2021 vs. 18% 2020), fibre (22% 2021 vs. 19% 2020) and prebiotics/probiotics (10% 2021 vs. 8% 2020)*.



What our bees are actively seeking out in food and drink



*Streetbees Global Hot Topics Dashboard.
Sample Size 107,078

Research by [Hartman](#) also found that at least half of adult consumers claimed to use functional food (58%) or beverage (56%) solutions to treat or prevent a specific condition in 2020 and this is increasing. When it comes to food, they tend to look for help with energy, weight management, digestion, and cardiovascular conditions. Whereas, energy, bone/joint health, and immunity are more in-demand among beverages.

Let's dig into a category example to see how brands are meeting this need for enhanced products and what opportunities there are for you to grow in this space.

CATEGORY SPOTLIGHT

Functional food and drink

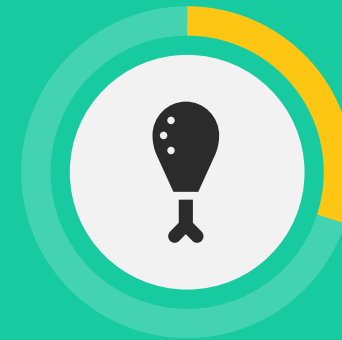
As brands seek ways to stand out among the competition, food and drink that tastes great and delivers on a range of wellness and performance benefits— specifically immunity, mood-enhancement, and cognitive function— will dominate. Flavours that emphasise the presence of functional ingredients will also play a significant role in shaping this holistic experience.

In the beverage space, fresh, fragrant flavours like hibiscus, lavender, and orange blossom are being combined with botanical elements. When it comes to functional foods, protein is playing a huge role in improving bone health, maintaining weight loss and boosting energy. In fact, protein has transitioned from a “niche body-building supplement” to a “mainstream must-have” and 30% of our bees told us they’re actively seeking it out in their diets right now*.



“I try to have this drink at least once a day because it contains biotin. I struggle with hair regrowth and I've learned that biotin can help prevent/solve my hair loss problem. ”

Female, 45, US



30% of our bees told us they’re actively seeking protein in their diets

***Streetbees GO Food Dashboard - UK, CN & IN.**



"I'm trying to be healthier and boost my immunity and future health. These are great, and taste lovely. This was also on special offer in the supermarket."

Female, 57, UK



"It's a healthy protein boost, which still tastes like a refreshing carbonated drink!"

Male, 58, UK

So, how can brands grow in this functional space?

GROWTH OPPORTUNITIES FOR FOOD AND DRINK

1 Leverage the desire for more 'homemade' drinks

As our bees are becoming more ingredient-aware and are looking for drinks with specific functional benefits, they're increasingly favouring 'homemade' options. This means they have more control over what goes into the drink. In fact, the proportion of our bees who are making beverages at home increased from 42% in Q2 2021 to 52% in Q4 2021.

Leverage this trend by exploring 'drink-kits' for at-home occasions. We can already see this booming in the alcohol industry with at-home 'cocktail kits', but there's a real opportunity for healthy beverage brands to incorporate a 'homemade' element into their offering. Consider 'shots' that can be added to juices or smoothies or functional tea bags tailored to specific benefits.



Brand spotlight: This drink is soda-lightful

JOYÀ offers a line of functional make-at-home drinks using natural adaptogens to support our body's immune system. The range includes 'instant elixir blend' powders to add to drinks, which you can filter by benefit on the website to find your perfect option.

*Streetbees GO Beverages Dashboard - FR, DE, IT, ES & UK.

"I want to be living a healthy life, so I used frozen fruit to make my own smoothie. I didn't want to have something artificial. This smoothie only has natural sugars and it has lots of fibre."

Female, 19, US



Brand spotlight:

Whatever oats your boat

Unilever is partnering with food-tech company, **ENOUGH**, on a range of new plant-based meat products with high-quality protein. The technology uses a unique zero-waste fermentation process to produce a plant-based protein containing all essential amino acids, as well as being high in dietary fibre.



"Chickpeas are rich in essential vitamins and fibre and help improve my digestion. They also have a high content of protein and offer a variety of health benefits, so I like to include them in my diet."

Female, 36, IN

2 Innovate with plant-based proteins

With an increased demand for protein and a rise in the number of people adopting a plant-based diet, there's a real opportunity for brands to grow share by innovating with plant-based proteins. The recent promotion of plant-based alternatives has actually fuelled consumers' interest in getting enough protein and the right proteins in their diets.

To win in this space, innovate with plant-based ingredients as a healthier source of added protein. Consider highlighting the 'energising' benefits of plant-based proteins to appeal to these consumers too. These proteins take longer to break down in the body, providing a longer-lasting energy source for the day, which is perfect for a wake-me-up morning snack. This puts them in good standing to compete with the likes of multivitamins, a category where messaging focuses heavily on day-to-day energy.

Conclusion

While 2022 continues to feel a little uncertain in the wake of all that's happening in the world right now, there are lots of opportunities for brands to grow.

We have a wealth of data to help us understand how consumer attitudes and behaviours are changing and these shifts are opening new doors for businesses like yours.

By tailoring your strategy towards these emerging trends, and taking advantage of these growth opportunities, you can get closer to your consumers and to hitting your business goals.



Streetbees GO - Always on. Always insightful. Always actionable.

Ready to find out more? Streetbees GO delivers consumer closeness and new growth opportunities to global brand teams in the food, beverage, alcohol & beauty and personal care industry.

Explore

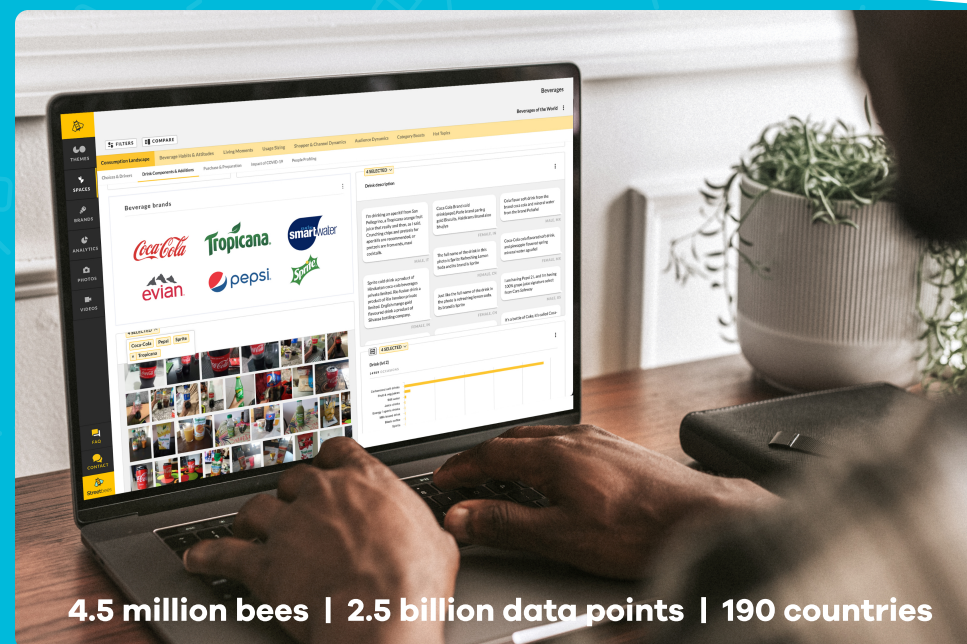
Streetbees GO connects brands to the lives of consumers with incredible depth of context and emotion. Always-on dashboards provide you with in-the-moment insights from consumers, in their own words, to help you make the right decision every time.

Understand

With insight from 4.5m engaged consumers, you need clarity. We use machine learning to turn billions of pieces of unstructured, chat-based language into an execution tool that informs your next brilliant decision. We're not interested in generalities, so we get as granular as you need.

Act

Take the right action at the right time - and never miss a growth opportunity! We share the truth of consumers' lives, so you can refine marketing campaigns, develop new products, extend critical categories and strengthen retailer relationships.



4.5 million bees | 2.5 billion data points | 190 countries



Category Development



Brand Growth



Hot Topics



Demand Spaces

MARKET LEADING BRANDS USE STREETBEES TO UNLOCK GROWTH



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