PRESS RELEASE

Keeping it 'real' mood & mind strategy

Consumers' interest in foods that help them manage stress or relax, boost mental wellbeing or focus has been sharpened by the effects of the coronavirus pandemic and the accompanying anxiety about what the future might bring.

More than a fifth of consumers claim to be eating foods to boost their mood and mental wellbeing, according to a *New Nutrition Business* survey of 4,800 consumers in Australia, Brazil, the US, Spain and the UK. Younger consumers are more actively looking for these benefits from foods than are older consumers (see images 1 and 2).

Increasingly, creative companies are responding to this demand and developing foods and beverages with added ingredients – nootropics and adaptogens – specifically designed to deliver a mood or mind benefit. But success is rare. Most such products don't perform well enough on taste or don't deliver a benefit that the consumer can feel – or at least think they can feel.

"It is a premium-priced and very high-risk area which is difficult for companies to navigate," says Julian Mellentin, author of a new Strategy Briefing on Nootropics & Adaptogens.

"The challenge of delivering a product that both tastes good and delivers a feel-the-benefit effect, and is convenient, has been a major barrier to success in this category," explains Mellentin, a food industry expert who is director of consultancy *New Nutrition Business*. "Coupled with that you need to select ingredients that could have credibility with the health-active consumer."

Mood & Mind benefits are connected strongly to everyday 'real foods'. Chocolate, for example, is used by many people to lift their spirits. Mushrooms are one class of ingredient which is increasingly finding success – and connects to consumers' desire for 'real' in a way that more science-sounding ingredients, such as l-theanine and GABA, cannot.

One of the brands creating success with mushrooms is California-based Mud Wtr, a powder for adding to beverages and foods. It has positioned itself as an alternative to coffee, for the many people who want a morning shot of energy but don't want caffeine. Mud Wtr's active ingredients include the mushrooms lion's mane, cordyceps and reishi.

US kefir market leader Lifeway is another company which has embraced the potential of mushrooms, using reishi and lion's mane in its oat kefir.

"We are likely to see a major push for mushroom ingredients in the next few years," explains Mellentin. "For example, Compass Pathways, a company marketing mushroom-derived psychedelics, successfully floated on the NASDAQ exchange in the US with a valuation of \$590 million. Backers of the company including PayPal co-founder Peter Thiel."

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"Investors are motivated by a growing body of science for mushroom," he adds.

In a concise and unique Strategy Briefing, Mellentin highlights, with brand case studies, the four strategies that companies are using in the emerging and high-risk area of nootropics and adaptogens. The report explains:

- Which ingredients to use, including a review of 17 ingredients and their benefits
- Which consumer benefits to target
- What social media reveals about which emergent ingredients and benefits are getting the most consumer attention.

NOTES FOR EDITORS

- 1. Nootropics are substances taken to improve cognitive function or mental performance, such as caffeine and l-theanine.
- 2. Adaptogens consist of plants, herbs and roots, many of which have traditional usage in Chinese or Ayurvedic medicine. Examples of adaptogens are panax ginseng, ashwagandha, cordyceps and reishi mushrooms.
- Editors can request comment or arrange an interview by contacting: North America - Dale Buss at <u>daledbuss@aol.com</u> or 248/953-2701 International - Mikaela Linden at <u>mikaela.linden@new-nutrition.com</u>
- 4. Nootropics & Adaptogens: Strategies and ingredients to deliver success in an emergent market is available to buy at <u>https://www.new-nutrition.com/nnbReport/display/241</u>.
- 5. Julian Mellentin is a consultant specialising in the international business of food, nutrition and health. He is director of New Nutrition Business, which provides expert consultancy services to agriculture, ingredient and branded product companies on all aspects of nutrition and health, from science to retail strategy, focusing on concrete, implementable strategies. New Nutrition Business' monthly publication provides case studies and analysis of success and failure in the global nutrition business and is used by companies in 42 countries. Find out more at <u>www.new-nutrition.com</u>.