

“Functional Food-A Food for Health:-Current trends and future in India”

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Abstract:

From last two decades, functional food became the topic of considerable interest of both the customers as well as manufacturer. India's nutrition industry generating huge revenue which is consistently increasing day by day. There are so many instances occurred which tells the potential benefits and major challenges associated with functional foods through scientific literary, researchers research reports, papers, and media etc. This industry also creates huge employment as well as additional income source from the operation, production and supply chain activities. It has a great potential in the Indian market as India is the second largest populous country in the world.

In this article current trend in functional foods and future prospective in Indian market has been analysed.

Key Words: - Functional Food, Current Trends, Nutritional Science, Foods & Beverages, Nutritional Effect etc.

Introduction:-

Functional food concept though it is new to India and people yet to accept it fully, but it has its history as this concept often considered to having invented and emerged in Japan during 1980's. In many European countries Coca-Cola actually considered as a functional in the very beginning of the twentieth century.

In current situation and recent development, it has been observed that nutritional science backing the Functional foods. Nutritional science gains so much importance in the recent few years, hence world experiencing lot of research and development in the foods and beverages which claims health benefits.

In India also gradually nutritional food becoming popular and gaining more demand from various age groups as well as from various places. This research paper highlights the history of Functional food in India, its current trend and future prospects for this industry.

A food can be regarded as functional “if it is satisfactorily demonstrated to affect beneficially one or more target functions in the body, beyond adequate nutritional effects...” (Diplock et al., 1999). These effects have usually been well defined, such as lowering blood cholesterol levels or strengthening bones, and these effects can be measured by physiological measures, but the consumer is rarely able to verify these health effects directly based on his or her own experience.

India witnessing change in every field right from the demography to economy. Same change happens to see in people's life style, food habits. People are becoming more health conscious and due to greater media coverage for healthy and nutritious food, health care issues, consumers are giving more importance to nutrition food. Due to its potential benefits like its role in prevention of many diseases and health problems it becomes the buzz word today. As well as food manufacturers also changing their mind set and coming with different advanced food ingredients, technology coupled with better understandings of specific nutrient properties have increased the innovative nutritive products by manufacture. Market shows a consistent rise in recognition of potential role of functional foods in reducing the health risk and helping to increase health

quality. So the food which is having health benefits that traditional nutrients are often called functional food. Globally functional food became the fastest growing and multibillion dollar industry so it occupies the market here in India too with the same pace.

Objectives:-

Objectives of the study are as follows

- I. To study current market position of Functional food in India.
- II. To Study current functional food trend in India.
- III. To identify the future prospects for functional food in India

Research Methodology

Current study is based on the explorative study where the facts are explored on the basis of secondary data. Qualitative research methodology used to collect the data.

Research Technique: - Qualitative Research Method

Data: - Secondary Data used in the study to make the inferences.

Sources of the data: - Sources of the secondary data were earlier research papers, Websites, government reports, newspapers, books, journals etc.

Data was majorly collected from the research work done by the various researchers in India and across the world related to functional food. Those literatures undergone through extensive review and through these review inferences are drawn.

Literature Review:-

A food can be regarded as functional “if it is satisfactorily demonstrated to affect beneficially one or more target functions in the body, beyond adequate nutritional effects...” (Diplock et al., 1999). The concept of functional foods has become popular, first in Japan and later in other

countries, including U.S (Hasler, 2000). India's population is large and predominantly young; as the younger generation moves toward middle age and income increases, the need to maintain and/or establish a healthy diet will drive functional food consumption increasingly higher. (Kotilainen, L. (2006). With its strong tradition of healthy eating, India ranks among the top ten nations in buying functional foods (Watson, 2006). India has a large share of the international functional food market, and exports products to the far-east, south-east, west and Middle East Asia as well as to parts of North Africa and the EU. However, India's major export destination is the USA and Japan (Patwardhan et al., 2005). The government is active in the development of the functional foods industry. According to Ministry of Food Processing Industries representative, the Ministry has mandated to develop and promote the food processing sector including functional foods, throughout the country. It conducts seminars, workshops and training programs; and runs a financing scheme, providing grants-in-aid to the food processing companies that want their manufacturing/processing units certified to meet safety standards such as HACCP and ISO (Japan Development Institute, 2006). The philosophy of food as a medicine is not a new concept. 'Food as medicine' holds true only if it is consumed in right quality and quantity. Thus, evolved food, and nutrient consumption dose based recommended guidelines to limit and encourage certain foods such as with low in animal fat, salt (5g/d), sugar (<10%en) while encouraged fruits and vegetables (>400g/d) for the prevention of chronic disease.(Nutt foods Spectrum, 2017)

❖ **Current Trend of Functional Food in Indian Market:-**

The size of the Indian functional food and beverage market was between Rs. 46 billion and Rs. 49 billion in 2014-15, and it was growing at 14-15 per cent. Although it is at a nascent stage and less than one per cent of the global functional food and beverage market, the key trends are functional yoghurt, fortified biscuits and bread, fortified breakfast cereals, fortified edible oil and functional gum. (Anurag More, Mumbai, 2016)

The functional foods in the Indian market include products like fruits, vegetables, energy drinks, fortified juices with or without preservatives, breakfast cereals, fresh dairy products,

confectionary, and fiber rich foods - all imparting the desired health benefits and physiological changes. These products contain functional ingredients such as prebiotics, probiotics, omega fatty acids fortified foods, phytoestrogens, soy, gluten and whey proteins. (Manish Sharma, 2013)

❖ **Suppliers of the Functional Foods in Indian Market:-**

Main Actors	Companies	Functional Products
Multinational food companies with a broad product range.	Nestle, Danone, Unilever, Kellogg, Pepsico, Yakult, Danone, Perfetti van Melle	Probiotic Yoghurt/Dahi, Snacks, Energy Drinks, Breakfast Cereals, Confectionary
Pharmaceutical and/or dietary products producing companies.	GSK, Amway, Ranbaxy	Malted Food, Supplements, Fortified products.
National “category leaders”.	Amul, Dabur, ITC, Britannia, Parle	Dairy Products, Fruits & Vegetable Juices, Biscuits
Small and medium-sized companies (SMEs) of the food industry.	Heritage Foods, Ruchi Soya, Mother Dairy	Soya Milk, Dairy, Oils
Retail companies.	Reliance Wellness, Apollo Pharmacy, Patanjali	Sweetners, Cereals, Energy Drinks, Ayurvedic & Herbal Products

Since the mid of new millennium, there is a new wave engulfing the Indian Food industry – ‘Health Consciousness’. The food and related industry players are adapting to the health, nutrition, safety and wellness positioning so as to have a competitive edge by providing a healthier alternative. Several multinational food companies (like Nestle, Unilever, Kellogg, and PepsiCo) have introduced Functional Food products in the Indian market. Nestle, the market leader in the infant food, instant coffee, noodles and condensed milk categories, has launched several healthy brand extensions (MAGGI Vegetable Multigrainz Noodles for MAGGI Noodles; Probiotic Dahi and Slim Dahi for Dahi). Kellogg, which enjoys a healthy 60 per cent share in the INR 4 billion cereal market in India, has also introduced functional breakfast cereals like Kellogg’s Special K to reduce weight and Extra Muesli Nut, Almond & Honey variants.

The National “category leaders” have a strong hold in the Indian food market and are in leadership positions in many food categories. Over the years, they have developed novel and reverse engineering R&D capability utilizing which they are able to roll out new and modified product variants to ward off the competition. For example AMUL entered the ice cream market in 1996 and by 2001 it achieved the leadership position, primarily because of its wide distribution network, value for money pricing and reverse engineering based R&D capability to replicate the existing Hindustan Unilever, an Indian subsidiary of Unilever, brand like Kwality Walls. Today Amul Ice Cream has achieved 38% share against 9% market share of Hindustan Unilever making it 4 times larger than its closest competitor and is only company to have launched probiotics ice cream in the Indian market (Sodhi, 2004). Similarly the biscuit market is dominated by the Indian players like Britannia, Parle and ITC who are building the portfolio of functional biscuits like Britannia Nutrigo; ITC’s Sunfeast Marie Light Oats; Parle Actifit Digestive Marie.

Globalization of the nutraceutical and functional foods industries presents significant challenges to stakeholders, not the least of which is the regulatory variance between countries active in the marketplace. Hence, when any new participant wants to enter the Indian nutraceuticals market, it is very important to comply with the regulatory framework, so that the business is run smoothly.

Findings :-

- Indian market is having tremendous potential for functional foods products.
- Metro cities and urban part of the India is having more demand for functional foods.
- Most consumers are aware of the health benefits of foods. Only 35 per cent are aware of the term nutraceuticals.
- Functional drinks and juice are two of the fastest-growing sub-categories within the beverage market
- Innovation remains a key factor that has helped brands in consolidating their position in the fiercely competitive functional beverage market
- The study indicates that beliefs about the nutrition and health link, current purchasing and consumption patterns, and positive attitude towards functional foods significantly affected willingness to pay.

Conclusion:-

Urbanization and globalization are the most influencing factors for rise in demand of functional foods in India. Consumers look more healthy products rather than unhealthy irrespective of its price especially it has been observed in Urban consumers.

It is the wish of all people to live healthy. It is natural that people's focus is shifting from medical treatment for sickness to a positive approach for prevention of diseases to stay healthy. In order to prevent diseases and be healthy, new food products, which have been proven by the human trials to be effective to prevent diseases, should gradually penetrate the society. This will improve quality of life of all people.

Functional foods, as one of the solution, are being introduced by the food marketers in various categories like dairy products, edible oils and breakfast cereals. The market is growing at a fast pace and presents a tremendous growth opportunity for food companies. But for achieving consumer acceptance in long run, the marketers would have to focus on studying the consumer expectations, judicious product development, efficient distribution and effective communication.

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