



# How to Take Advantage of the Growing Vegetarian Supplement Market

Supplement manufacturers, marketers and distributors can significantly improve ROI by supporting their brands with purely vegetarian capsules.

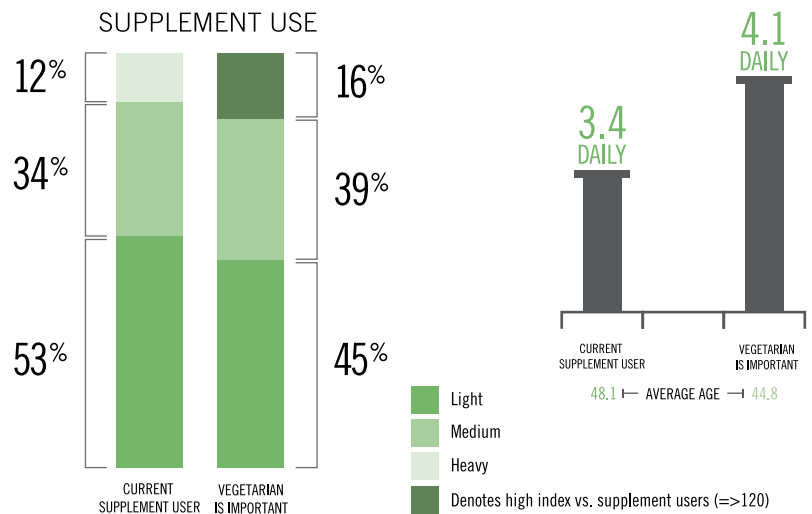
# Consumer demand fuels the vegetarian supplement market.

Vegetarian-aware consumers are demanding purely vegetarian products in record numbers. And experts say they tend to buy three times more supplements than other shoppers. Their purchasing patterns indicate they are loyal to specific brands (54%) and purchase supplements for specific health claims (63%).<sup>2</sup> With nearly a quarter of all Americans looking for—and willing to pay more for—animal-free or vegetarian supplements, this group’s strong buying power cannot be ignored.

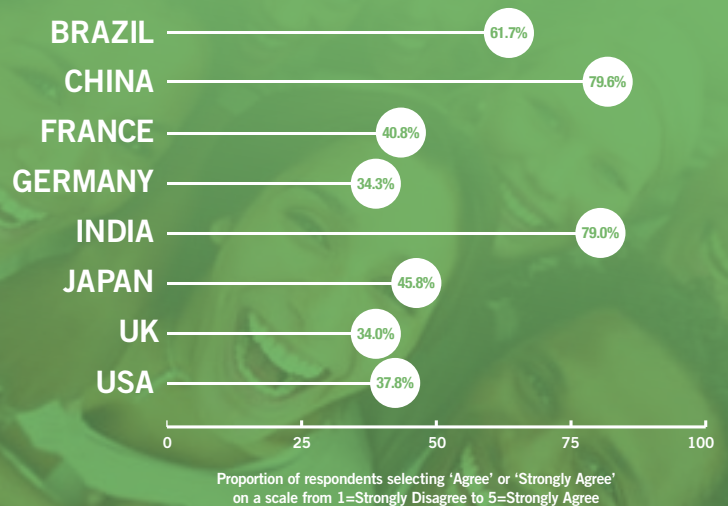
Not only is the vegetarian-aware group among the heaviest users of supplements, their numbers are growing steadily. Today in the United States, 35% of supplement users say that a vegetarian source is important when choosing a supplement—up from 26% in 2006.<sup>1</sup> And European consumers are even more serious about vegetarian capsules, with over 45% more likely to purchase a supplement if they knew it was a vegetarian, plant-based capsule.<sup>2</sup>

Today, vegetarian options in capsules are exciting and varied based on what product developers want to accomplish. Pullulan capsules have a crystal clear finish and are eligible for “made with organic” language in the United States and are naturally ideal for the most discerning vegetarian customer. Beautiful HPMC capsules now come in a wide variety of colors with truly gelatin like performance. They have true pH and ionic independence so they give gelatin-like delivery but in a vegetarian offering. And in Europe, they’re eligible for organic labeling. There are also vegetarian capsules designed to protect ingredients, providing acid-resistance without the need for coatings and chemicals—something vegetarian consumers would prefer. So given the dietary needs of vegetarian-aware supplement users, adding vegetarian capsules to your product mix is a perfect way to grow your customer base and capture more market for your next big idea.

## SUPPLEMENT USAGE IS HIGHER AMONG VEGETARIAN CONSUMERS.<sup>1</sup>



## MORE GLOBAL CONSUMERS ARE WILLING TO PAY EXTRA FOR NATURAL PRODUCTS.<sup>3</sup>



# Defining the vegetarian consumer.

According to research, approximately 6–8 million U.S. adults follow vegetarian or vegan diets.<sup>4</sup> While it's true that these numbers represent a small percentage of the overall population, studies show that the number of adult consumers who are reducing their consumption of animal-based products is steadily increasing. It's these consumers that manufacturers are increasingly targeting with better-tasting products, attractive packaging and product variety.

They know that today's supplement consumers are young, health-conscious and informed, and they're displaying an increased interest in organic and natural products. Among vegetarian supplement consumers, 54% are brand loyal to the supplements they use, regularly purchasing the same brands.<sup>1</sup> This demographic also takes more supplements per day than the average population.

The vegetarian-aware group is also willing to pay more for vegetarian products. Globally, more than 50% of consumers are willing to pay a premium price for a natural product, while more than 48% will pay more for organic products.<sup>3</sup>

## Integrity counts

Consumers are also increasingly concerned about the integrity of the food products they purchase. Specifically, 14% of consumers surveyed in March 2013 rated the traceability of food and drink as important, compared with only 6 percent in December 2012.<sup>5</sup>

### Vegetarian-aware consumers:

- » Take more supplements than the general public.  
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- » Prefer to buy supplements that make specific health claims.  
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- » Have a greater interest in preventing and treating specific conditions with supplements.  
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- » Are brand loyal and regularly purchase those same brands.  
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- » Choose supplement brands based on effectiveness, safety and reliability ratings.



<sup>1</sup> Natural Marketing Institute, Supplement/OTC/Rx Database (SORD) Overview, November 2011  
<sup>2</sup> Capsugel Non-Animal Portfolio Survey, US, UK, Germany, France, & Italy, February 2012  
<sup>3</sup> Euromonitor Annual Study 2011 – Green Influences  
<sup>4</sup> Vegetarian Resource Group/Harris Interactive poll (VRG, 2009)  
<sup>5</sup> Conducted by Mintel in December 2012 and in March 2013 among 1,500 British consumers

# Capsugel's purely vegetarian portfolio.

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As the worldwide leader in vegetarian capsules used in supplements, Capsugel calls on more than 100 years of experience to develop premium plant-based capsule products. With the largest plant-based portfolio in the market, Capsugel offers four capsule options specifically designed to appeal to different sectors of the vegetarian supplement market. Every Capsugel capsule is Kosher, preservative-free, non-GMO, gluten-free and certified by the Vegetarian Society.

Capsugel has also established the Capsule Supplier Selection and Qualification Program to ensure that critical suppliers are routinely certified and to guarantee all hard capsules meet the highest standards for quality, traceability and integrity.



## VCaps® Capsules

As the best-selling vegetarian capsule in the world, Vcaps® capsules are firmly established as a consumer favorite. They are made from heat-resistant, physically stable polymer and are suitable for moisture-sensitive ingredients.

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## VCaps® Plus Capsules

Vcaps® Plus capsules are the world's fastest-growing vegetarian capsule. They offer a high-gloss, attractive appearance with an array of color options. Their shiny surface reinforces a feel of 'high-end' swallowability, and they dissolve just like gelatin for fast-release performance. Vcaps Plus capsules contain just two components: plant-based HPMC and water. They are a globally acceptable premium vegetarian capsule, and in Europe they are approved for use with organic ingredients.

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## Plantcaps™ Capsules

Plantcaps™ capsules are the ideal supplement option for discerning healthy lifestyle consumers. Made from pullulan (a naturally-fermented tapioca product), Plantcaps capsules offer the best oxygen barrier properties of any vegetarian capsule material, and organic label language is allowed in the U.S., when filled with organic ingredients.

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## DRcaps™ Capsules

DRcaps™ capsules combine the benefits of Vcaps® capsules with an added delay in disintegration. They protect dietary supplement ingredients from stomach acidity, releasing fully at an intestinal pH of 6.8 without the use of coatings. Not only do they eliminate the cost and complexity of adding acid-resistant properties during manufacturing, DRcaps capsules also mask taste and minimize the risk of bad aftertaste.



# As the market grows, your brand can too.

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With health-conscious supplement consumers taking over the market, it's time to be proactive. You'll capture an increasing section of your target market with each new variety of purely vegetarian capsules you offer. From acid-resistant capsule options to fast-disintegrating delivery solutions, the market for specialized vegetarian supplements is expanding daily. The demand is there. Create the supply.



After all—it's **your** bottom line.

To learn more about how your business can take advantage of the growing vegetarian supplement market, visit [capsugel.com](http://capsugel.com).



Vcaps® Plus, Vcaps®, DRcaps™ and Plantcaps™ are certified by the Vegetarian Society and are certified vegan by Vegan Action/Vegan Awareness Foundation.