mNutrition
The impact of smartphone apps on the nutrition industry
Market observation, March 2014
Strategy Paper
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Management Summary mNutrition market outlook

The current market:
- The global smartphone market will grow to 3.45 bn mobile app users by 2017 – making mobile apps omnipresent
- Nutrition apps support the user in all steps of food handling – prerequisite is the automatic provision of food information through electronic identification and evaluation
- Currently, focus of major food companies with their apps is on games and entertainment (40% of apps by large food companies)
- Market leaders are specialized nutrition, health and fitness apps – often developed by small companies
- Best practices from successful nutrition apps show that they allow the user to personalize his food behaviour – from buying via preparing and analyzing and tracking it
- Sensors help to automate food recognition, analysis and the tracking of consumption behaviours and effects

The future market and the impact of the food value chain:
- By 2017 mNutrition apps will be fully personalized and integrated; nutrition apps will be omnipresent allowing the user to live according to his values
- Users expect full transparency of their food, want to be fully informed about their nutrition intake (calories, carbohydrates, gluten, additives) and will expect higher quality
- Consumer expectations have direct impact on all steps of the food value chain: from the chemical company who starts the process with seeds and fertilizers via farmers, food producers towards companies delivering foods, such as supermarkets and restaurant; they all will be confronted with high consumer expectation which can only be met by full integration across the value chain

Key questions for developers, large food companies, users:
- How can mNutrition apps support my / my companies values?
- With whom do we need to align with to provide a fully integrated service to the final consumer?
Scope and objectives of the mNutrition strategy paper

Scope:

- Focus on nutrition apps (international) from both small developers and large corporation
- Observation and analysis of nutrition apps in app store, newspapers, blogs, forums, etc.
- Discussion with selected experts
- *Presentation of parts of this paper at the 4th “Better Food for Better Life” symposium in Switzerland in September 2013*

Objective:

- Market observation of current situation of nutrition apps
- Ideas for future of nutrition apps – where is the market moving
- Impact of increased customer usage of nutrition apps on the total food value chain
- “Food for thought” on the future of the food market

Your Key Takeaways:

- Strategic view on how will apps change the way we buy, consume and analyse food
- Description and analysis of most popular nutrition apps (large food producers and best practices)
- Analysis of impact of nutrition apps on food market (from producer via distributor to consumer)
The number of smartphones and tablets is steadily increasing – offering new opportunities for mobile apps.

**Smartphone share of global mobile device shipments**

In 2013 every 2\(^{nd}\) phone shipped was a smartphone. At the same time, more than 250 million tablets have been sold in 2013.

Source: Gartner, IDC, NPD Displaysearch
Nutrition apps will become increasingly personalized and integrated.

**Stages of development for nutrition apps**

- **Stand-alone solutions**
  - Today
  - Apps which give information on ingredients, energetic value, product origin

- **Personalized solutions**
  - Apps which give food recommendations based on a certain diet that the user is following

- **Integrated solutions**
  - Apps which track nutrition, health and fitness data from various sources and suggest possible improvements for overall lifestyle

Enabler: Sensors, APIs

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On the following pages selected examples for best practices are described:

Best practice across people’s nutrition process:

- Buy
- Prepare
- Eat
- Analyze & Track

Best Practice from a technical perspective:

- Integration
- Use of APIs
Nutrition apps enable users to organize their food according to their values, requirements and personal likes – increasing the quality

Increased usage of mobile nutrition apps will have an impact on the behaviour of users as well as on their demands:

**Personalization:** Nutrition app allow users to personalize their consumption inside and outside; they can plan and order individual products or meals with their ingredients (included / excluded) in their size – according to their personal preferences. Through better information also more variety in product preferences can be expected.

**Transparency:** Users demand to know exactly where their food comes from, where and how it was produced and processes to consume according to their own values. They expect to track and trace all ingredients of their food.

**Information:** Users demand to obtain detailed and precise information on the food they consumer (calories, salt, carbohydrates, gluten, additives, etc.).

**Quality:** A desired side effect of increased personalization, transparency and information is the growing quality of food production and processing; users expect an increase in the quality of food they consume and they can track it.