# mNutrition

**The impact of smartphone apps on the nutrition industry**

**Market observation, March 2014**

**Strategy Paper**

**research2guidance**

# 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 ominipresent
- 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 4t h "Better Food for Better Life" symposium in Switzerland in September 2013*
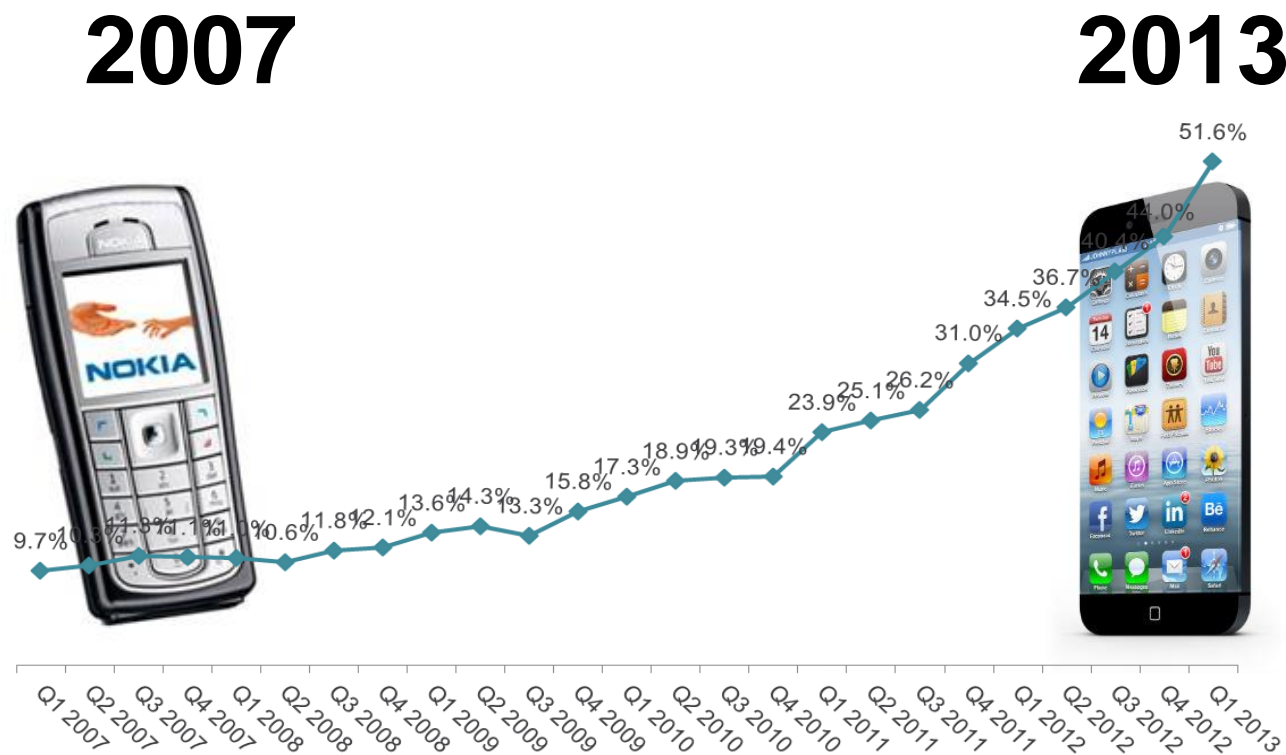
**Objective:**

- 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
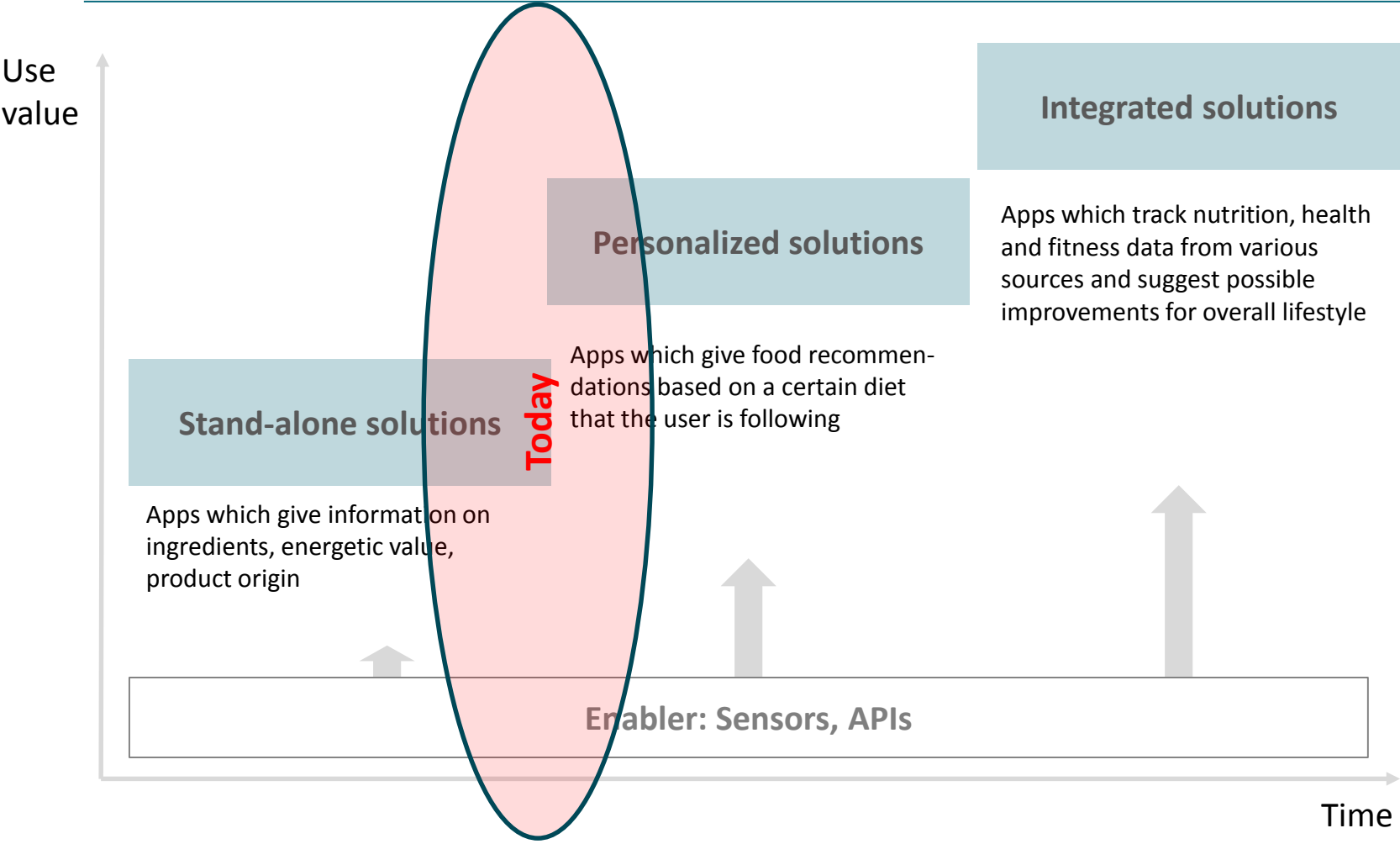
**Smartphone share of global mobile device shipments**



2007

2013

51.6%
44.0%
40.4%
36.7%
34.5%
31.0%
25.1% 26.2%
23.9%
19.3% 19.4%
18.9%
17.3%
15.8%
14.3%
13.6% 13.3%
12.1%
11.8%
10.6%
11.8% 11.1% 11.0%
9.7% 10.5%

Q1 2007 Q2 2007 Q3 2007 Q4 2007 Q1 2008 Q2 2008 Q3 2008 Q4 2008 Q1 2009 Q2 2009 Q3 2009 Q4 2009 Q1 2010 Q2 2010 Q3 2010 Q4 2010 Q1 2011 Q2 2011 Q3 2011 Q4 2011 Q1 2012 Q2 2012 Q3 2012 Q4 2012 Q1 2013

> In 2013 every 2nd phone shipped was a smartphone.
> At the same time, more than 250 million tablets have been sold in 2013.

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the app market specialists

# Nutrition apps will become increasingly personalized and integrated

**Stages of development for nutrition apps**

Use value

**Integrated solutions**

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

**Personalized solutions**

Apps which give food recommen-dations based on a certain diet that the user is following

**Today**

**Stand-alone solutions**

Apps which give information on ingredients, energetic value, product origin
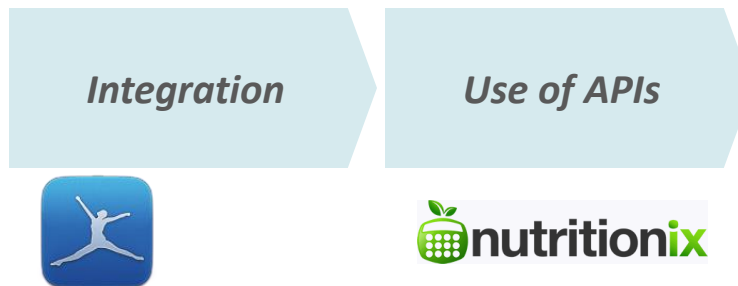
**Enabler: Sensors, APIs**

Time

# 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

| Input | Production | Processing | Delivery | Con-sumption |
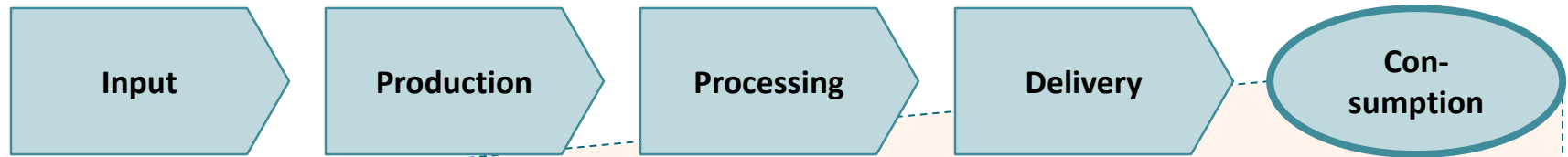
**Increased usage of mobile nutrition apps will have an impact on the behaviour of users as well as on their demands:**

**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.