

Hyper active

Additives in yogurt will make an already healthy category even more so.

By Bob Phillips

Yogurt has always held a prime spot in the portfolio of good-for-you food. Today, with Americans growing increasingly aware of what they're putting in their bodies, it's no surprise that yogurt makers are ratcheting things up a bit, adding ingredients to make yogurt an even more healthful proposition for consumers and especially retailers.

All yogurt contains bacteria. While that may sound anything but healthy, not all bacteria are bad. Not unlike cholesterol, there are "good" and "bad" bacteria.

"What's going on in the gut is interesting," explains Michael Neuwirth, senior director of public relations for the Dannon Co., based in White Plains, N.Y. "The more good bacteria you have in there, the less chance the bad bacteria can colonize or pass through into your system. So one of the best ways to keep the bad guys out is to have more good guys in."

Yogurt is helpful for the digestive system, because it contains lactobacteria, which promotes the growth of intestinal-friendly bacteria in the colon. In January, however, Dannon introduced Activia, the first yogurt on the U.S. market to contain the probiotic organism *bifidus regularis*, which is clinically proven to help naturally regulate the digestive tract.

"Bad bacteria—bacteria that can make you sick—penetrate the epithelium (cells lining the stomach and intestines) and can enter into your bloodstream," continues Neuwirth. "So keeping the intestinal lining happy and healthy with good bacteria is a key part of gastrointestinal health, and part of immune system functioning. It's not commonly known that 70 percent of your immune system resides in

your intestines."

The product helps to reduce the long intestinal transit time—the time it takes food to pass through the digestive system—by up to 40 percent, particularly among women and the elderly. According to Neuwirth, the brand has already reached about 90 percent penetration as measured by ACV (all-commodity volume). "It's been enthusiastically received by retailers and consumers, and is being distributed everywhere food is sold," he says.

Dannon Activia is available in four-ounce four-, eight-, and 16-packs; carries suggested retail tags of \$2.49, \$4.49, and \$6.49, respectively; and comes in



Strawberry, Vanilla, Blueberry, Peach, Prune, and Mixed Berry flavors.

"Americans are increasingly looking to food for benefits beyond basic nutrition," notes Juan Carlos Dalto, president and c.e.o. of Dannon. "Probiotics do just this, while accelerating growth in the already expanding yogurt category."

According to ACNielsen data, the yogurt category grew by 6.1 percent in supermarkets with \$2 million or more in annual rings for the 52-week period ending March 25. Overall the category

has grown 11.2 percent over the past four years. Yogurt shakes and drinks have grown an impressive 321 percent over that period, but still only account for 14.3 percent of total yogurt sales. Today the category represents just over \$3 billion in the supermarket channel.

The success of Activia might encourage other probiotic products to enter the marketplace, which would be great for retailers: For its digestive benefits to be realized, Activia must be eaten daily for 14 consecutive days.



A growing number of yogurt manufacturers, including Dannon and Stonyfield Farm, are adding ingredients to enhance consumers' health.

"We're seeing it as an incremental opportunity," observes Neuwirth. "We're not only bringing new consumers in, we're also increasing consumption among already loyal yogurt consumers. Frequency of consumption is an important aspect of Activia's profile, and that's good news from a category growth perspective."

According to Neuwirth, the U.S. yogurt market is virtually untapped compared with mature marketplaces in other parts of the world, such as Europe. "Yogurt consumption in the U.S. is about seven pounds per capita per year," he says. "In more developed countries it's anywhere from eight to 10 times that."

In this regard, the category could be

poised for the kind of explosive growth seen by bottled water over the past decade.

Something fishy

Another product on the market that offers benefits beyond those traditionally associated with yogurt is Stonyfield Farm YoBaby Plus Fruit & Cereal Yogurt with DHA, or docosahexaenoic acid, an essential fatty acid that the body needs for normal growth and development.

Historically the main source of DHA was fatty fish such as salmon, anchovies, and sardines. However, fish consumption has decreased dramatically in the past 50 years, resulting in a major DHA dietary deficiency during a child's developmental years.

"We've added DHA to our YoBaby Plus Fruit & Cereal Yogurt to provide parents with a tasty and convenient way to help their babies and toddlers consume this essential nutrient," explains Gary Hirshberg, president of the Londonderry, N.H.-based company.

Available in Strawberry/Banana and Raspberry/Pear flavors, the stir-and-serve product has 17 milligrams of DHA per 100 calories—the same amount normally found in breast milk. YoBaby Plus additionally contains six live active cultures, including *L. reuteri*, which helps inhibit the growth of harmful bacteria and other organisms in a child's digestive system.

Two other yogurt products marketed by Boucherville, Que.-based Danone Canada, Danino and Cardiva, also contain DHA. Both are currently marketed only in Canada, but they're worth watching closely: Activia was introduced to the Canadian marketplace a year before its entry into the States. ■

