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# The marketing tools used for health food products

## Definitions

**The marketing mix** is one of the most popular marketing tool used to describe different kinds of choices that organizations have to make in the whole process of bringing a product to market.

- ❖ set of controllable and strategic marketing tools that helps companies get desired results from target market through mixing them;
- ❖ is considered as a blend of ingredients, techniques and processes that marketing managers use to design marketing activities.
- ❖ a simplified model was elaborated (1960) of all the controllable marketing elements: the 4P's is probably the best known way of defining the marketing mix - Product; Place; Price and Promotion (marketing communication).

## Definitions

**Marketing mix** = an organizational function and set of processes to establish good relationship with customers, creating value for them and managing customer relationship so that it bring profit to the organizations and stakeholders.

- ✿ it has to be reviewed regularly, as certain elements will need to change as the product and its market grow, mature and adapt in an ever-changing competitive environment.
- ✿ a good marketing plan will create a balance and thorough picture of a company marketing strategies and will help a business food operator to define the marketing elements for successfully positioning its offer, to evaluate it and optimize the impact with the target market.

# The marketing mix



## General remarks

- ❖ **Food products** should be created and defined in direct relationship with the customer needs, that must be satisfied by its features (look, name/brand self-explanatory, different sizes and color, packaging, warranties and returns, etc).
- ❖ for herbal products, there are **very important those characteristics** that clearly differentiate them from other competitor's products (natural ingredients, unique formula, quality parameters, reasonable standardization, scientifically documented health benefits, product variety in targeting different consumer segments, etc).
- ❖ the products must be found in the most appropriate **place**. The distributing channels have to be right identified in relation to the buyers' behaviour and the product's availability in the distribution outlets (grocery, pharmacy, specialist boutique, supermarket, on line, direct sales via catalogue or personal selling, etc).

## General remarks

- ❖ **Multi Level Marketing** can also be used innovatively for health products marketing as it is being done currently by American companies such as Amway, HerbaLife, etc.
- ❖ **The coverage market** is also important, since the products must be available on the whole market, including semi-urban and rural markets, which can be primary focus in the case of herbal products.
- ❖ **Price** is a function of values that the brand offers (and depends on differential brand features and benefits as well as the product life cycle), but it could be also used as competitive advantage.
- ❖ The discounts, promotional offers or special kits have as result the increasing of the product attraction for the consumers, while payment period/credit terms seems to be important for the company's distributors and retailers.

## General remarks

- ❖ **The product promotion** by advertising (sampling, leaflets, on line, TV or radio, in press/news papers and magazines or on billboards, etc). has the most important impact on the target audience;
- ❖ Both **awareness campaigns** for usefulness of disease prevention measures and **medical promotion** proved to be highly beneficial for such products;
- ❖ Sometimes, the public relations campaigns are focused more directly on enhancing the image of the company in the eyes of stakeholders (potential investors, national control authorities);
- ❖ **Telemarketing services** through specialists who give various advices to the consumers may help (adding a premium image to the brand) to indirectly boost up the sales;
- ❖ **Internet and social forums** are also successfully used for health food brand promotion.

## General remarks

- 🍀 The first step to satisfy customers' needs is considering their cognitive structure and mental models which underline their involvement;
- 🍀 The concept of involvement has originated from social psychology and shows the importance of social issues in individuals' life.
- 🍀 Marketing mix and its components influence the medical doctors in prescribing the herbal products, increasing their involvement in presenting detailed information on them and recommending the best products in curing patients.

## Advantages of 7Ps marketing mix

- 🍀 **people** with certain skill sets have been found immensely beneficial (sales persons with additional training inputs on concerned health related subjects; physician, nursing or dietician's background to be involved in telemarketing).
- 🍀 the whole marketing **process** (taking into account its efficiency, speed, innovation and the IT interface) is also extremely important to focus on, but also on the **physical evidence**.
- 🍀 An interesting approach is Lauterborn's 4Cs which presents the elements of the marketing mix from the buyer's rather than the seller's perspective. It is made up of customer needs and wants (the equivalence of product), cost (price), convenience (place) and communication (promotion).

## Labelling, presentation and advertising of foodstuffs

- ☘ Due to the growing public interest in the relationship between diet and health and in the choice of an appropriate diet fit to individual needs, knowledge of the basic principles of nutrition and appropriate nutrition, labelling of foodstuffs was considered by European Community to contribute significantly towards enabling the consumer to make this choice.
- ☘ The principles for labelling a food product are laid down in Regulation (EU) no. 1169/2011. All provision for compulsory and optional labelling are set therein. According to art.7 (3): “food information shall not attribute to any food the property of preventing, treating or curing a human disease, nor refer to such properties”.

## Labelling, presentation and advertising of foodstuffs

- ✿ The labelling must be easy to understand, visible and legible;
- ✿ The compulsory particulars include: name under which the product is sold; list of ingredients (listed in descending order of weight and designated by their specific name); quantity of ingredients or categories of ingredients expressed as a percentage; net quantity; date of minimum durability; any special storage or condition of use; name or business name and address of the manufacturer or packager, or of a seller; instruction for use.
- ✿ Consumers should be able to access adequate information, in particular when purchasing foodstuffs by Internet or other means of distance selling.

## Labelling, presentation and advertising of foodstuffs

- ✿ The following must be included on the label: the sale description as “food supplement”; information about the category and amount of nutrients in relation to the recommended daily consumption and information about the percentage in relation to the nutrient reference value;
- ✿ The warning ‘Do not exceed the stated recommended daily dose’; a statement of the effect that food supplements should not be used as a substitute for the balanced and varied diet; a statement to the effect that the products should be stored out of the reach of children.
- ✿ Advertising, labelling or presentation of a food supplement must not include any mention stating or implying that a balanced and varied diet cannot provide appropriate quantities of nutrients in general.
- ✿ The manufacturer or food business operator is in charge of the food supplement’s marketability and had to ensure compliance with the food law provisions, including the field of advertising and labelling.

## Nutrition and health claims

- ❁ “Nutrition claim” means any representation and any advertising message which states, suggest or implies that a foodstuff has particular nutrition properties (such as: the product provides... or it contains...).
- ❁ When a nutrition claim appears on labelling, in presentation or in advertising, nutrition labelling shall be compulsory.
- ❁ Where nutrition claim is made for sugars, saturates, fibre or sodium, the information should refer both to the energy value and the amount of the nutrients.
- ❁ Nutrition labelling may also include the amounts of one or more of the following: starch, polyols, mono-unsaturated, poly-unsaturated, cholesterol, as well as minerals or vitamins which are present in significant amounts as defined in the Annex of the Directive 90/496/CE .

## Nutrition and health claims

- 🍀 A food supplement may be labelled with approved nutrition and health claims. Regulation (EC) no. 1924/2006 shall apply to nutrition and health claims made on commercial communications, whether in the labelling, presentation or advertising of foods to be delivered as such to the final consumer.
- 🍀 Communication on the health effects and benefits of botanical food supplements is essential for the consumer to understand the product' purpose in relation to a particular aspect of health maintenance, health optimisation or disease risk reduction, and how to use it.

## Nutrition and health claims

- ❁ Such information helps the consumer to make appropriate product choice. Under the claims rules that are applicable to all foodstuffs, such communications, whether on pack or in brochures or websites, are considered to be ‘health claims’ and therefore must be in conformity with the European regulation.
- ❁ Health claims should only be made for the nutrient, substance, food or food category for which they have been authorized, and not for the food product that contains them.
- ❁ Some flexibility of wording the claim is possible provided its aim is to help consumer understanding taking into account factors such as linguistic and cultural variations and the target population. Adapted wording must have the same meaning for the consumer as the authorized claim in the EU Register.

## Nutrition and health claims

- ✿ Any food business operator can use authorized health claims if the conditions of use and any applicable restrictions are respected. Non-authorized health claims should not be used. National authorities control the use of claims.
- ✿ Food supplements must not be labelled as medicinal products or be advertised with claims relating to healing or preventing diseases.
- ✿ Regulation 1924/2006/EC on nutrition and health claims made on foods has tightened the regulatory framework by introducing a process for the pre-approval health claims on European food products.

## Nutrition and health claims

- ❁ Several categories of health claims, including nutrient content claims, “generic” or well established health maintenance/optimisation claims, disease risk reduction claims and claims referring to children’s development and health.
- ❁ Each category of claims has its own rules, but all have the same underlying principle, that all health claims should be: capable of substantiation, based on generally accepted scientific evidence, well understood by the average consumer.
- ❁ The totality of the evidence will be taken into account and weighed as part of the comprehensive review, which will result in either the granting, or refusal of the claim (European botanical forum... )

## Nutrition and health claims

- 🍀 New claims are subject of an authorisation procedures. Applications for such health claims must be reviewed by the European Food Safety Agency (EFSA) and approved by the European Commission before they can be used on food products.
- 🍀 For botanicals, the claim dossier of data that will be submitted to EFSA must include: the plant part used, the relationship between the species and its contribution to health, the conditions of use, the nature of the substantiating evidence, the relevant references and an example of desired claim wording.

## Nutrition and health claims

- ❁ Claim substantiation should be carried out by review of “...the totality of available scientific data and by weighing the evidence”, which means not only *in vivo* data, but also other information, including epidemiological, traditional usage, observational and *in vitro* data which should be taken into account when assessing the strength of the evidence. Usually, scientific data include tests and clinical trials.
- ❁ The history of use is acceptable as evidence of safety under another branch of Regulation no. 178/2002 (food law): food ingredients (including botanicals) that can be shown to have been on the market in “reasonable quantity” prior to May 1997 do not have to be approved for use under the Novel Food Regulation no. 258/1997.

## Nutrition and health claims

- ❖ Condition of use provide important label information to ensure that the consumer uses the product correctly.
- ❖ The suggested amount of botanical that should be taken each day must be shown on the label and must be sufficient to ensure that the user can achieve the claimed health effect.
- ❖ Condition of use also include any warning statements that may be necessary to alert consumers to the possible unsuitability of a product for particular sections of the population (children or pregnant women, for example).



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## Nutrition and health claims

- ❁ In case of the 'reduction of disease risk claims', a very comprehensive dossier must be submitted to EFSA, which include many characteristics of the food or its constituents (composition, physical and chemical characteristics, manufacturing process, stability and bioavailability). Scientific data will form the basis for the substantiation of the claim, including studies in humans. Thus should be demonstrated that the claimed effect of the food/constituent is relevant to human health.
- ❁ For the authorization procedure for a new health claim, applicants must submit an application to the EU-country's competent authority that checks admissibility before transmitting it to EFSA. Within the context of authorization procedure, EFSA's Panel on Dietetic Products, Nutrition and Allergies (NDA) is responsible for verifying the scientific substantiation of the health claims. More guidance on the definition and classification of the scientific data for assessment of a health claim is available on the EFSA website (EU Food Health Claims.

[http://ec.europa.eu/food/safety/labelling\\_nutrition/claims/health\\_claims/index\\_en.htm](http://ec.europa.eu/food/safety/labelling_nutrition/claims/health_claims/index_en.htm)