

Sweet Alternatives

Safety concerns about artificial sweeteners and health concerns about HFCS offer natural sweeteners companies an opening to increase their market share.

Industry experts estimate that the market for sweeteners substitutes will grow to 1.1 billion by 2010. Since epidemic rates of diabetes and obesity are correlated with the increases sugar consumption, many consumers are seeking alternatives to refined sugar in an effort to prevent these debilitating conditions.

Unfortunately, this has led consumers to rely on artificial sweeteners to reduce their intake of sugar, carbohydrates, and calories, as demonstrated by Splenda's growth of more than 50 percent in the

2000-6 period. However the current growth of organics suggests that customers are more likely to be receptive to new options.

The controversial safety concerns about the use of artificial sweetener provides opportunities for natural sweeteners companies and retailers to compete for this market share. It's imperative for retailers to educate the public and raise awareness if the natural sweeteners options that will help consumers make better choices for their health and generate more sales.

This is good for retailers because natural sweeteners alternatives have higher profit margins. On average, they command an estimated 30-40 percent, while refined sugar produces a paltry 2 percent, according to Pauline McKee, Director of Marketing for Wholesome Sweeteners, Inc. This is logical, considering that refined sugar is considered a loss leader and runs about 89 cents per 1-lb. bag, while organic raw sugar costs approximately \$2.50 for a 1.5lb bag. Many customers are willing to pay more for an organic product that not only tastes better, but will lead to better tasting baked goods, especially for company and during the holidays, McKee adds.

Retail and consumer education are key to profits. Natural sweetener companies provide consumer information explaining how their products can often achieve better, healthier results than artificial sweeteners. Free point-of-sale items are available to help retailers, potentially

boosting sales by providing recipe cards and educational product content in newsletters and sales fliers.

Also, product in-store positioning in important. "Natural sweeteners should be in line with the sugars," says McKee. The only

exception is stevia, because its current FDA approval as a dietary supplement requires retailers to market stevia in other sections of the store such as the dietary supplement aisle.

With more than one-third of consumers nationwide finding natural sweeteners as appealing as Mintel's Sugar and Sweeteners' June 2006 US study, are you prepared to benefit from this by offering the sweeteners mentioned as the sweetener of choice for your customers?

Lisa Jobs is author of "Sensational Stevia Desserts.: Her book is available at Nutri-Books, Integral Yoga, TID and Baker and Taylor or the publisher directly at 610-265-7102. Visit her site for more information on stevia – www.healthylifestylepublishing.com Jobs is also a contributing author of "101 Great Ways to Improve your health" with Julian Whitaker, Joseph Mercola, et. Al. She is currently working on another book project dealing with natural sweeteners.

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