

## MSU Product Center

*For Agriculture and Natural Resources*

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### **Sucralose – Selective opportunities**

#### **Market drivers that provide many opportunities**

- There are **selective** opportunities for sucralose and sucralose products that appeal to the demand drivers of **convenience**, **ethnicity**, and **indulgence**.

#### **Specific opportunities**

- Sucralose is processed from sugar. In the minds of most consumers this is considered a natural product. This makes sucralose more desirable than most manufactured sugar substitutes.
- Rising rates of obesity and the increase incidence of diabetes will increase the demand for sugar substitutes. Sucralose is well suited to take advantage of this trend.
- Many food products are sweetened with sugar or High Fructose Corn Syrup. There are a wide range of beverages and food products that can be sweetened with sucralose. This also presents a wide range of opportunities.
- The high rates of diabetes in some ethnic groups present opportunities to appeal to the demand driver of ethnicity. Labels in more than one language also present opportunities to appeal to this demand driver.
- Increased availability of sucralose and sucralose products could be used to appeal to convenience.
- Indulgence products that currently use sugar could also use sucralose.

#### **New Product examples**

- The Global New Products Database has tracked only 7 new product introductions in sucralose for direct home consumption since 2000. This may be due to the ownership of patents; difficulty in processing sucralose into easy to use products or the fact that sucralose is primarily used for manufactured food and beverage products.
- McNeil Consumer Products, Splenda Sugar Blend for Baking, sucralose and sugar blend.
- HealthySweet, Inc. Baking Sweetener Mix, contains soluble fiber and is low in carbs, designed to promote healthier digestion and boost calcium absorption, sold in health food stores.
- McNeil Consumer Products, Splenda, Brown Sugar Blend, blend of sucralose and brown sugar, with half the calories, sugar and carbohydrates of brown sugar.

#### **Special issues**

- This market is still developing. There are opportunities.
- There may be potential to sell the product in health food stores and gourmet stores. However, there are still opportunities to develop products that can be sold in grocery stores and mass merchandisers.
- U.S. sugar producers are not the low cost producers of the raw product of sucralose. This may put them at a competitive disadvantage in the long run.

#### **Key to success**

- Consider alternative marketing channels such as health food stores and gourmet stores. Develop easy to use sucralose products for baking and other purposes.
- The primary demand driver for sucralose is wellness. Products will have to appeal to wellness in addition to the other demand drivers.

#### **Sources**

Mintel. Sugar and Sweeteners.

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