

NEW ZEALAND

UNDERSTANDING COLLAGEN ACROSS MARKETS

A market research report looking at collagen in Australia, Germany, Japan, South Korea, the UK, and US.

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Introduction to this report

Background

This report was conducted in response to increased interest in collagen as an ingredient, as a finished product, and as a value-add to other finished products (including skin care and food and beverage). Collagen has been increasing in demand amongst consumers due to perceived health benefits. Collagen also has the potential for a strong sustainability story, as it often uses product that would traditionally be waste.

Methodology

This report was generated using desktop research, with NZTE subscriptions and publicly available data, and a primary consumer survey.

For detailed information about the key sources used in this report, please refer to page 3.

Purpose

The purpose of this report is to help customers operating in, or thinking about operating in, the collagen space to compare potential export markets. This report will aid their market selection process.

Limitations

Some of the information provided in this report was sourced from secondary data sources. Due to the nature of secondary data, all values and figures should be treated as indicative, rather than absolute. The latest information available at the time of research was used, however present values may differ. Sources and data availability vary across the markets.

Information on sources

Primary consumer survey
The consumer survey was conducted and sent out to a nationally representative sample of ~700 people per market in March/April 2022, excluding the bottom ~20% of household incomes. The markets covered are Australia, Germany, Japan, South Korea, USA and United Kingdom. The questions for the survey were devised to provide insight into consumer perceptions, preferences and purchase behaviour related to collagen and collagen products. Dynata was the platform used to conduct the survey.

The survey sample sizes for each market are as follows:

Australia	Japan	Germany	South Korea	USA	UK
726	**744**	**746**	**763**	**741**	**752**

With the sample sizes outlined, the consumer survey data in this report has a confidence interval of approximately 2-5% across each market. Significance testing has been calculated at a confidence level of 95%.

Euromonitor International
Euromonitor International is a leading independent provider of strategic market research that provides data & analysis on thousands of products & services globally.

Mintel Global New Products Database (GNPD)
Mintel GNPD covers 38,000 new product launches a month across 86 global markets. The platform displays images and detailed product information for launches in a wide array of categories. We can perform analysis of these product launches by market.

Pi Data Metrics
Pi Data Metrics is a tool that enables Google search trends to be tracked over time and by market.

UNComTrade and ITC
UNComTrade and ITC collate import, export and tariff data across markets using Harmonized System codes.

The six selected markets for this report

Six key markets have been selected for this report. These markets were chosen based on opportunity size and validated by consultation with people who have insights into collagen export.



- Australia



- Germany



- Japan



- South Korea



- United Kingdom



- United States

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Market opportunity

Delving into the size of the opportunity for vitamins and supplements, skin care, health and wellness food and beverages and collagen as an ingredient. Also included is trade information, including imports and tariffs, for two encompassing HS codes related to collagen.

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Consumer insights

Understanding consumer perceptions, preferences and purchase behaviour related to both collagen and health and wellness products. Additionally, looking into online consumer trends in the collagen space.

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Distribution channels and key players

Distribution dynamics for vitamins and supplements, skin care and health and wellness food and beverages. Insight into key collagen suppliers across select regions.

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Product landscape

Insight into new collagen products released in market, including category breakdown, companies innovating in this space and product examples.

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Case studies

A deep dive into three New Zealand companies operating in the collagen space. Looking into their collagen story, learnings and advice for other businesses in this area or looking to go into this area.

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SECTION 1

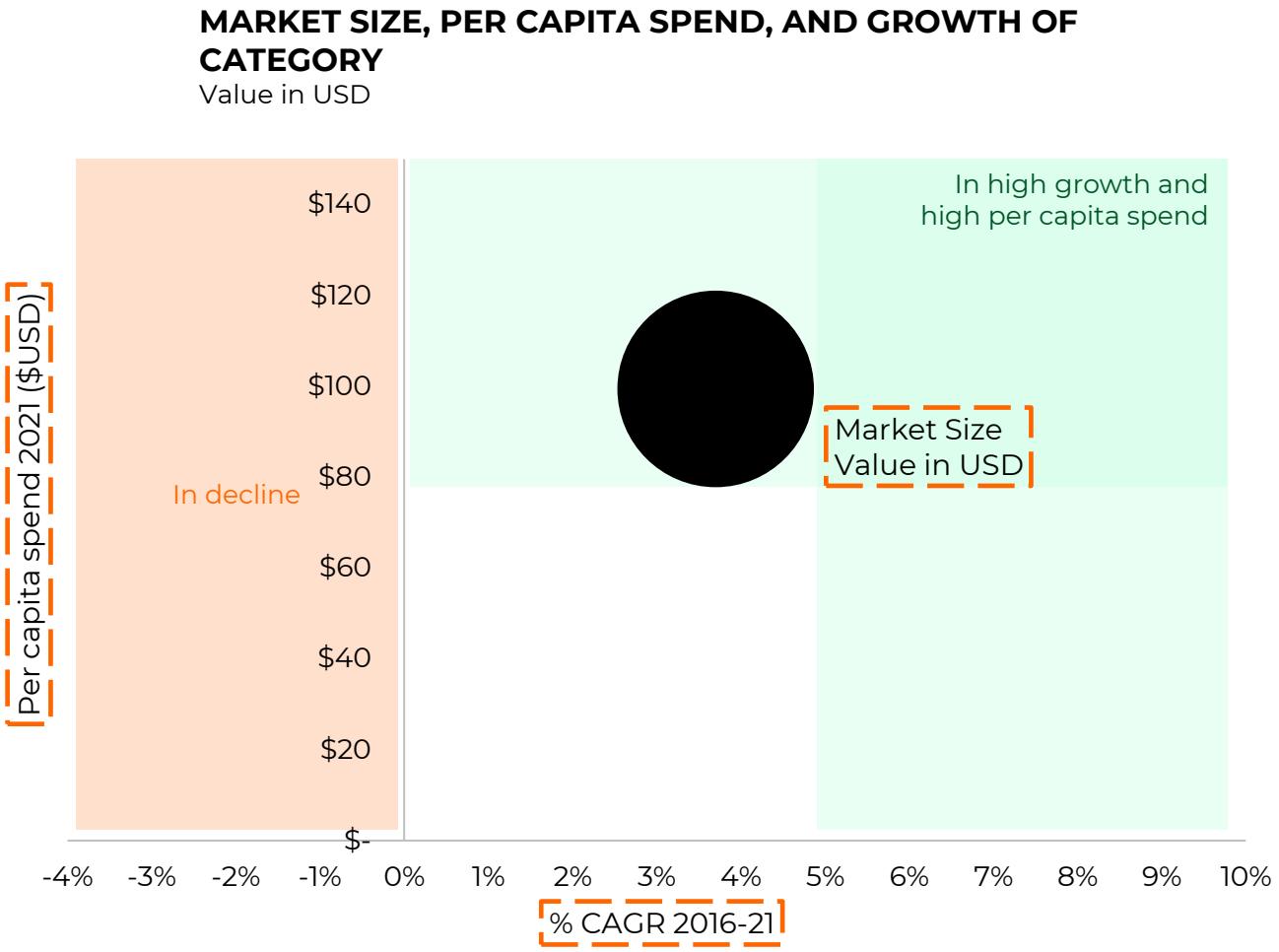
MARKET OPPORTUNITY

Guidance slide: bubble charts

The bubble charts over the next three slides look at categories across markets for market size, compound annual growth and per capita spend.

- The bubble size depicts the market size.
- Its vertical position tells us the spend per capita, meaning the higher the bubble appears on the chart the more that is spent per capita.
- The placement of the bubble horizontally tells us the compound growth of the category, the further right the bubble the higher the growth has been over the time period.

Ideally a market would be in high growth showing capacity for potential new products, and the per capita spend would be high, making it a market most likely to meet the premium cost of New Zealand products.



South Korea and the US are both high spend, high growth markets for vitamins and dietary supplements.

The USA is the largest market for vitamins and dietary supplements. It has a high per capita spend of $99 and a high growth over the period with a CAGR of 3.7%.

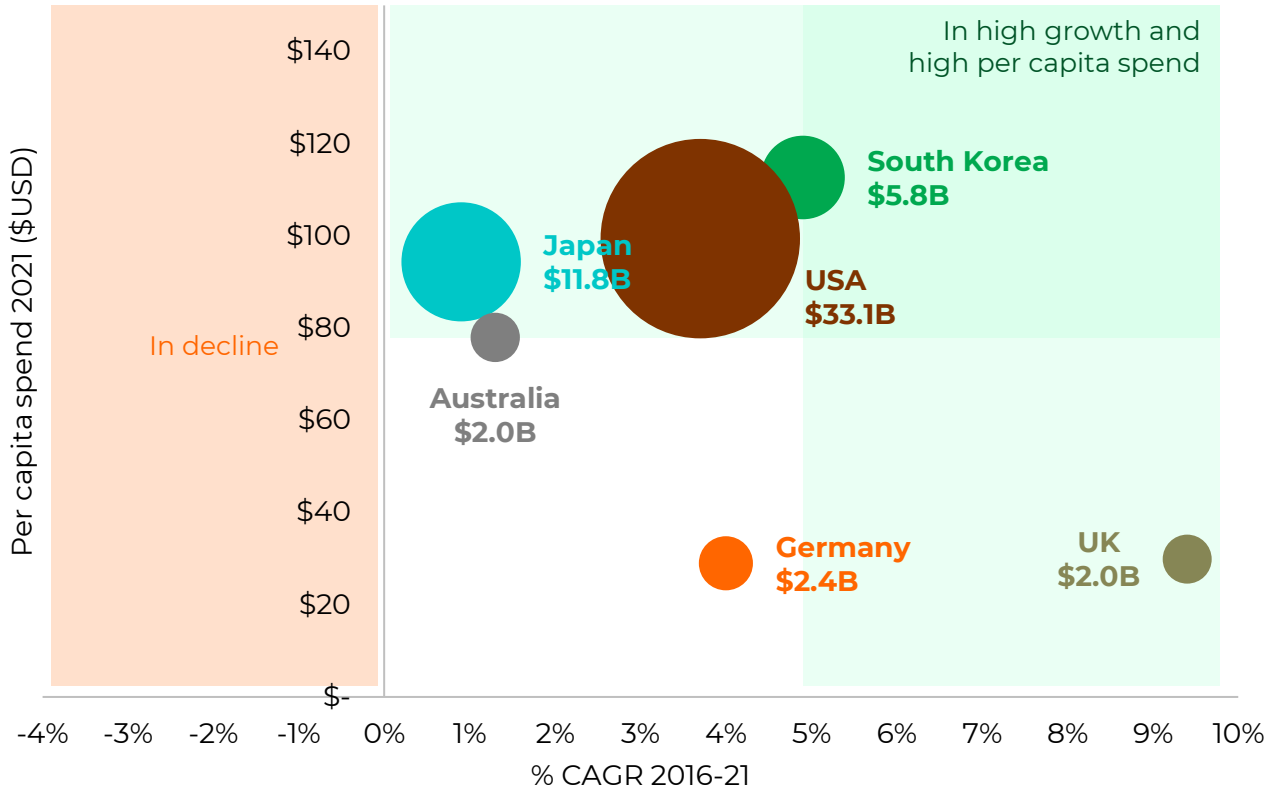
While South Korea has a smaller market size, the per capita spend is the highest at $112 and it has the second highest growth over the period with a CAGR of 4.9%.

Japan is the second largest market and has a high per capita spend of $94. However, the market has had the lowest growth over the period, with a CAGR of 1%. This may indicate a more mature market.

Despite a lower market size and per capita spend, the UK has the highest growth rate at 9.4%.

So what?
New Zealand exporters operating in the vitamins and supplements space could select more mature markets such as Japan, the US and South Korea in order to charge a premium and find a niche positioning. Alternatively, a growing market like the UK could provide early mover opportunities.

MARKET SIZE, PER CAPITA SPEND, AND GROWTH OF VITAMINS & DIETARY SUPPLEMENTS
Value in USD



Source: Euromonitor 2021 - Market Size Collagen (ingredient)

The US has the largest per capita spend for packaged health & wellness food & beverage products, closely followed by Australia.

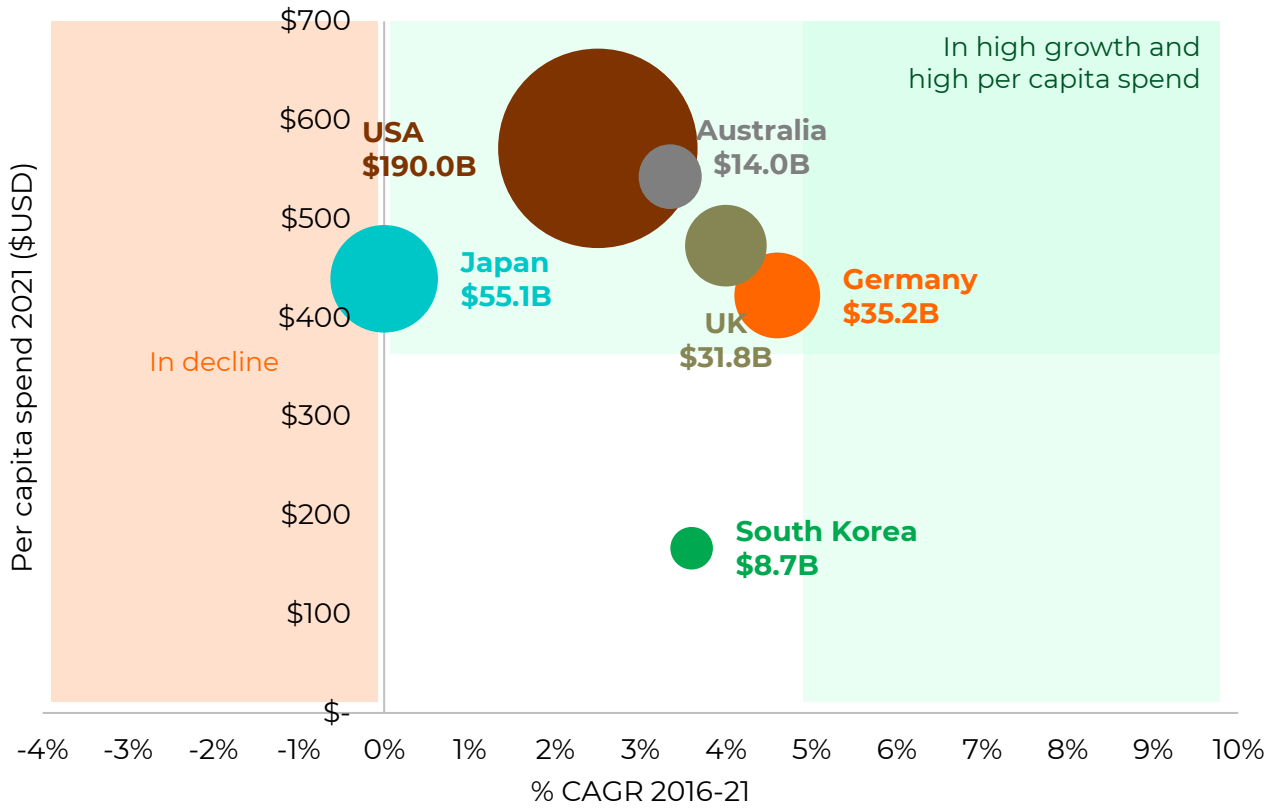
The USA is the largest market for health and wellness food and beverages and has a high per capita spend of $571.

Australia is the smallest market, but it has the second highest per capita spend for health and wellness food and beverage products at $546.

While Japan is the second largest market, it is the only market to show no growth over the period the six-year period, with a CAGR of 0% between 2016 and 2021.

So what?
For New Zealand businesses with collagen containing health food and beverages, the US, UK and Australia all represent an opportunity with high spend. Being a smaller market and close proximity to New Zealand, Australia could be a first market to consider before the larger and more geographically diverse US market or heading over to the UK.

MARKET SIZE, PER CAPITA SPEND, AND GROWTH OF HEALTH & WELLNESS FOOD & BEVERAGES (PACKAGED)
Value in USD



Source: Euromonitor 2021 - Market Size Health and Wellness Food and Beverages

Australia and the US have experienced high growth for the skin care segment, where Japan has had a decline.

The USA is the largest market for skincare and has experienced high growth over the six-year period, with a CAGR of 4.8% between 2016 and 2021.

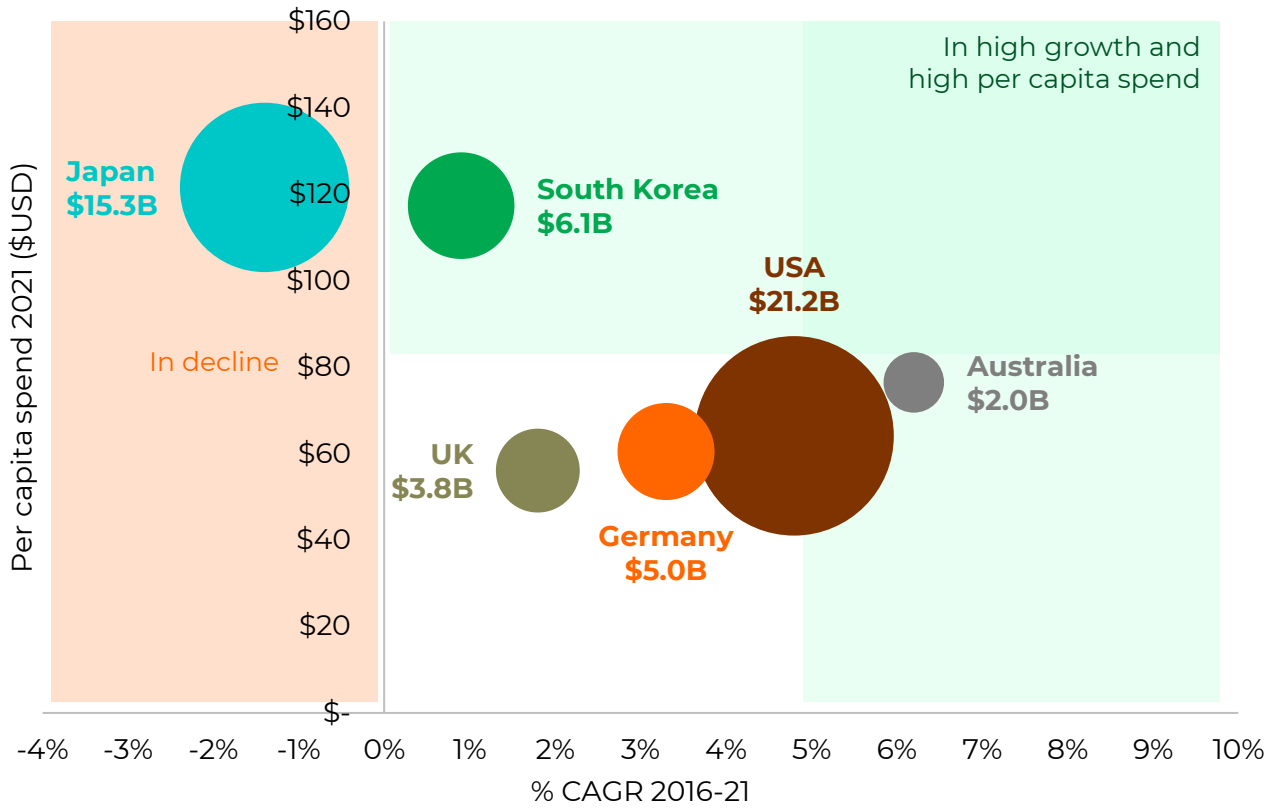
While Australia is the smallest market for skincare, it has experienced the most growth over the period, with a CAGR of 6.2%. It also has a high per capita spend at $76.

While Japan is the second largest skincare market with the highest per capita spend of $122, it is the only market which has been in negative growth over the period.

South Korea is the third largest skincare market with the second high per capita spend after Japan. The market is showing low growth over the period, with a CAGR of 0.9%.

So what?
Skin care brands that have a niche, premium positioning could consider the likes of Japan and South Korea, where spend is high but the market is relatively mature. Australia and the US are having growth in this category, which is another option to consider.

MARKET SIZE, PER CAPITA SPEND, AND GROWTH OF SKIN CARE
Value in USD



Source: Euromonitor 2021 - Market Size Skin Care



Euromonitor defines collagen as:

Collagen is the triple helix protein found in fibrous tissues in mammals, fish and plants including skin, tendons and cartilage. Main sources of collagen include fish and animal (mainly beef). Collagen is hydrolysed and added to beauty care products as a skin benefiting agent to prevent aging. Primarily collagen added to food is labelled as gelatin, and this is tracked as a separate ingredient. However, there might be cases where collagen specifically is used in food as a fortifier and specifically marketed as collagen for its skin benefiting properties.

Source: Euromonitor (2022)

By volume, the US has the largest market size for collagen as an ingredient.

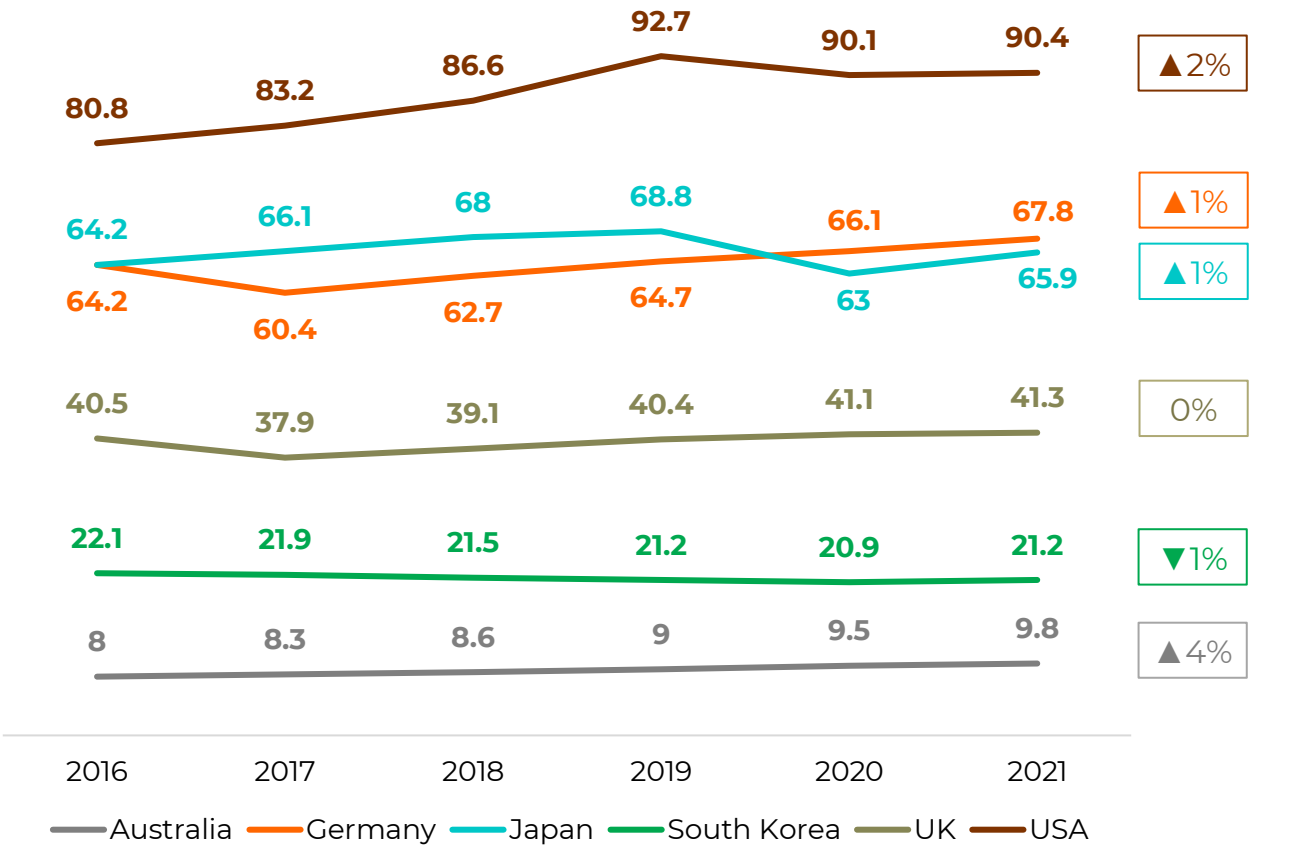
Collagen, as an ingredient, had a market size of 90.4 tonnes in the US in 2021. This is the largest of all countries around the world.

While Australia is the smallest market for collagen as an ingredient, it has had the largest growth over the six-year period, with a CAGR of 4% between 2016 and 2021.

So what?
Collagen ingredient suppliers that have the ability to deliver on a large scale could consider larger markets, such as the US and Germany. However, there is a smaller, but faster growing opportunity in Australia in this space.

COLLAGEN (INGREDIENT) MARKET SIZE 2021

Volume in tonnes
% CAGR 2017-21



Source: Euromonitor 2021 - Market Size Collagen (ingredient)

By volume, Japan and Germany have the largest market size for collagen as an ingredient in skin care.

Japan and Germany have the largest market size for collagen in skin care at just over 48 tonnes.

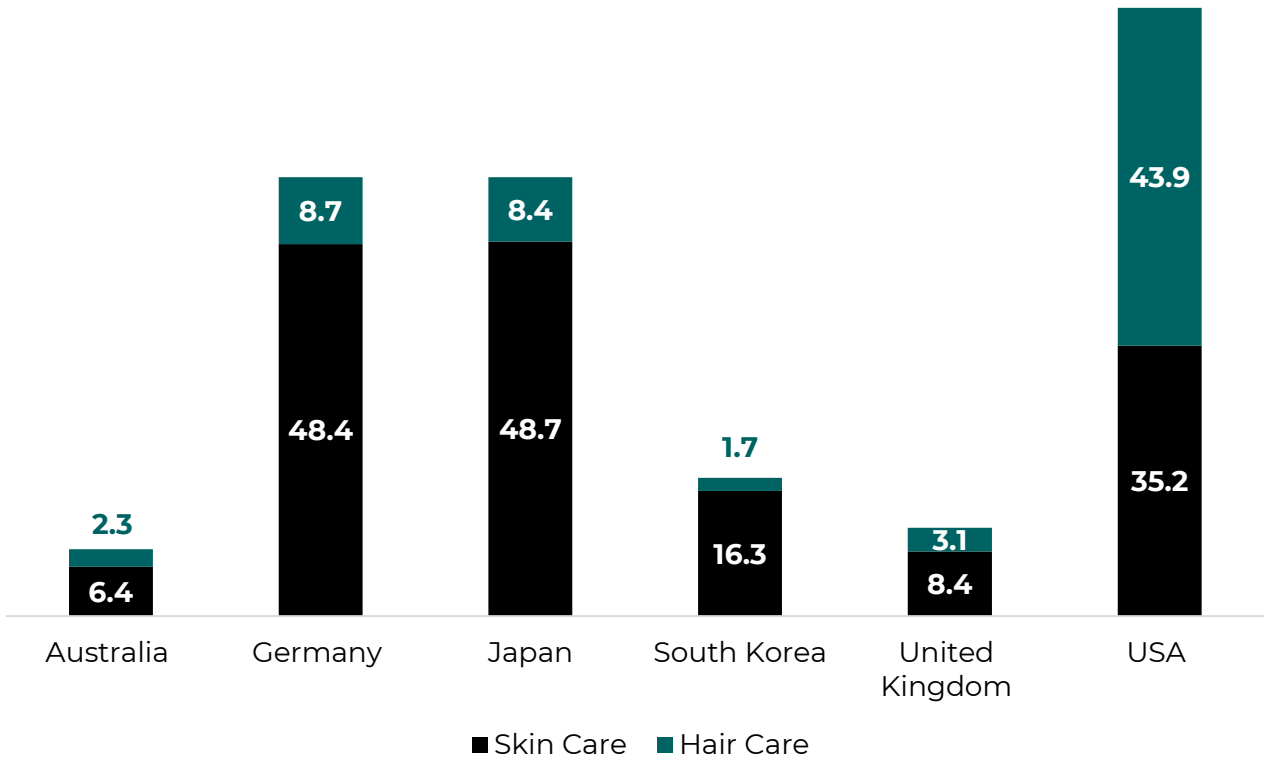
The USA has the largest total volume of collagen (ingredient) in beauty and personal care, with a larger volume in hair care than skin care.

In contrast, across all the other markets skin care is the dominant beauty and personal care category for collagen (ingredient).

Germany and Japan have the largest volume of collagen (ingredient) in skin care at just over 48 tonnes.

So what?
Collagen ingredient suppliers for personal care products would likely consider primarily targeting skin care brands across all markets, except the US. Targeting hair care and skin care brands in this market provides an opportunity.

COLLAGEN (INGREDIENT) IN BEAUTY AND PERSONAL CARE MARKET SIZE 2021
Volume in tonnes



Source: Euromonitor 2021 - Market Size Collagen (ingredient)

Key insights



USA and South Korea have high spend on vitamins & supplements, but the UK is growing.

The US and South Korea lead the way in terms of spend per capita and category growth. South Korea had a spend per capita of $133 USD in 2021, closely followed by the US with $99 USD spend per capita.

The US and South Korea have had growth of 4% and 5% respectively in this category, However, stand out growth comes from the UK, with a 9% CAGR since 2016.



High per capita spend for health food & beverages across most markets.

Across all of the six markets (but to a lesser extent, South Korea) there is a high spend per capita on the health and wellness food and beverages category.

The US leads the way on this, with a spend per capita of $572 USD in 2021. Australia was second highest with $546 USD. All of the markets, except Japan, show promising growth for this category.

Including collagen in health food and beverage products may provide opportunities.



The US has the largest market size for collagen (volume) but Australia is growing the fastest.

The volume market size for collagen as an ingredient in 2021 was 90.4 tonnes. At the lower end of the scale the market size for Australia was 9.8 tonnes. Despite this, Australia has shown the highest growth of the six markets since 2017.

The UK and South Korea are bigger markets than Australia, however the UK has shown no growth since 2017 and South Korea has in fact had negative growth.

The next four slides will explore the global trade of collagen using HS codes.

Harmonised System (HS) codes are an internationally standardised system of codes to classify traded products.

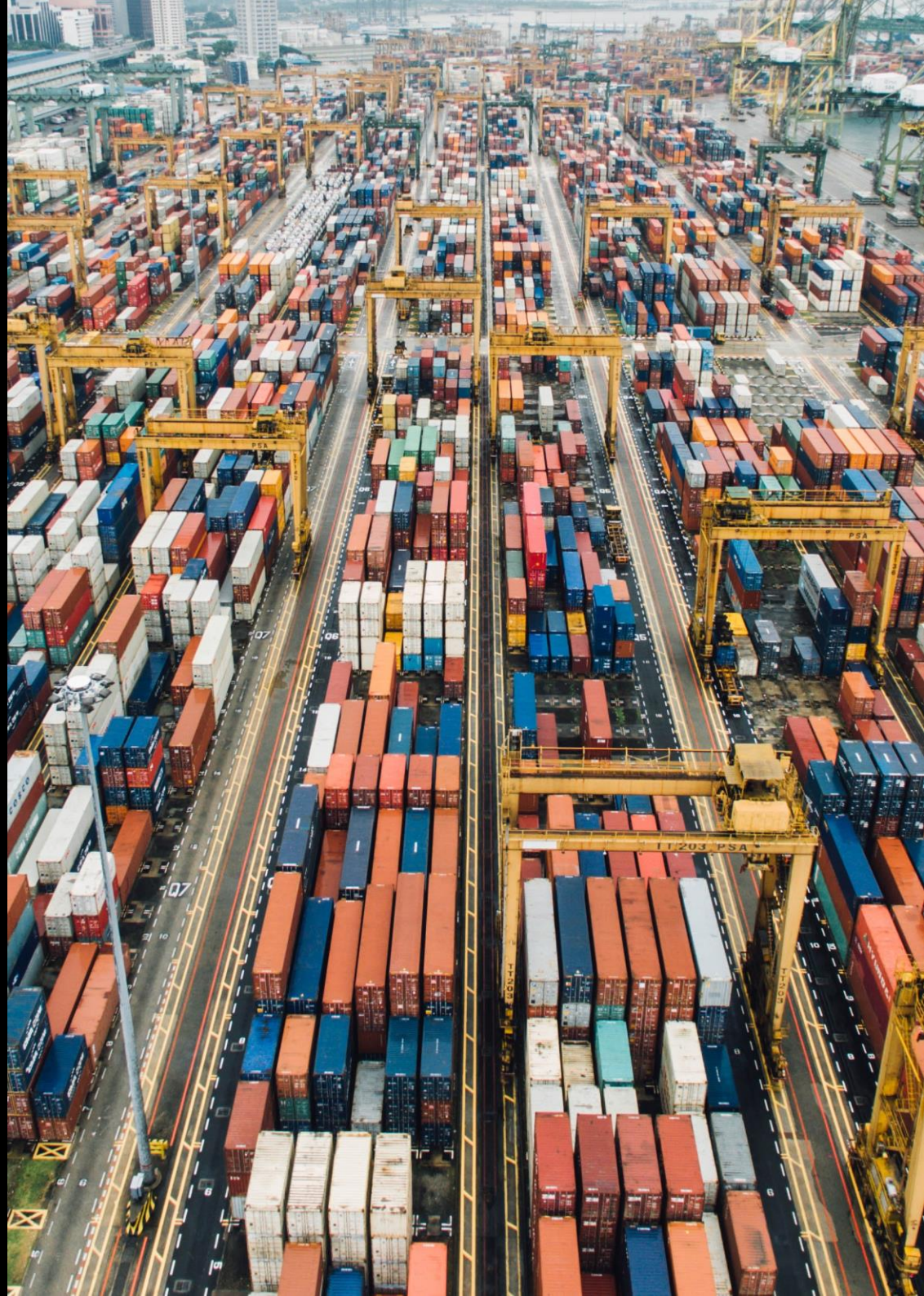
There are several HS codes that collagen and collagen containing products could fit within. The below two encompass some collagen products/ ingredients and are useful as proxy indicators.

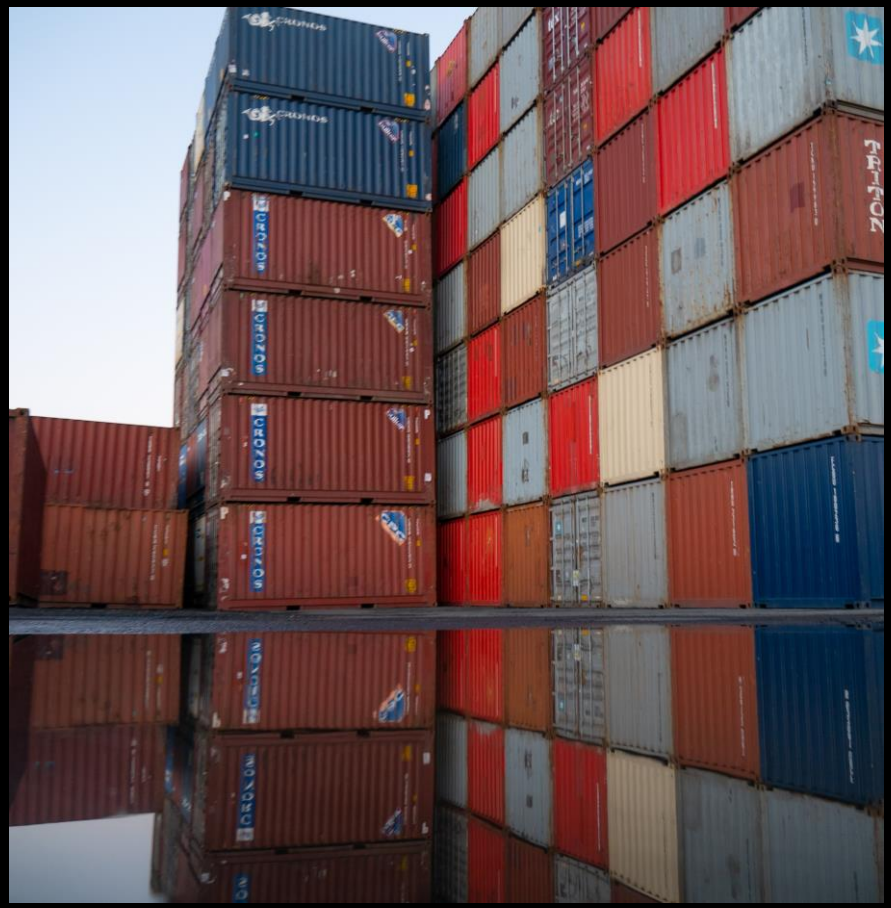
HS code 3504.00 encompasses collagen as a finished product:

Peptones and their derivatives; other protein substances and their derivatives n.e.c. or included, hide powder, whether or not chromed.

HS code 160300 encompasses collagen suppliers:

Extracts and juices; of meat, fish or crustaceans, molluscs or other aquatic invertebrates.





New Zealand has Free Trade Agreements in force around the world.

For details, go to the Free Trade Agreements section of the Ministry of Foreign Affairs and Trade (MFAT) website.

If your HS code is different to those contained in this report, you can use the Ministry of Foreign Affairs & Trade's Tariff Finder.

To learn more about using trade data, check out this article.

Australia had the largest growth of HS 3504.00 imports over the period 2017-20 at 34%.

The highest growth markets between 2017 and 2020 were Australia, South Korea and the USA.

In 2017, Japan was the largest importer but over the 2017-20 period it had the slowest growth rate of 5%. By 2018, the USA became the largest importer. In 2021 the USA imported $729M and Japan imported $336M.

South Korea has the highest import unit value, followed by Japan and Australia.

IMPORT UNIT VALUE

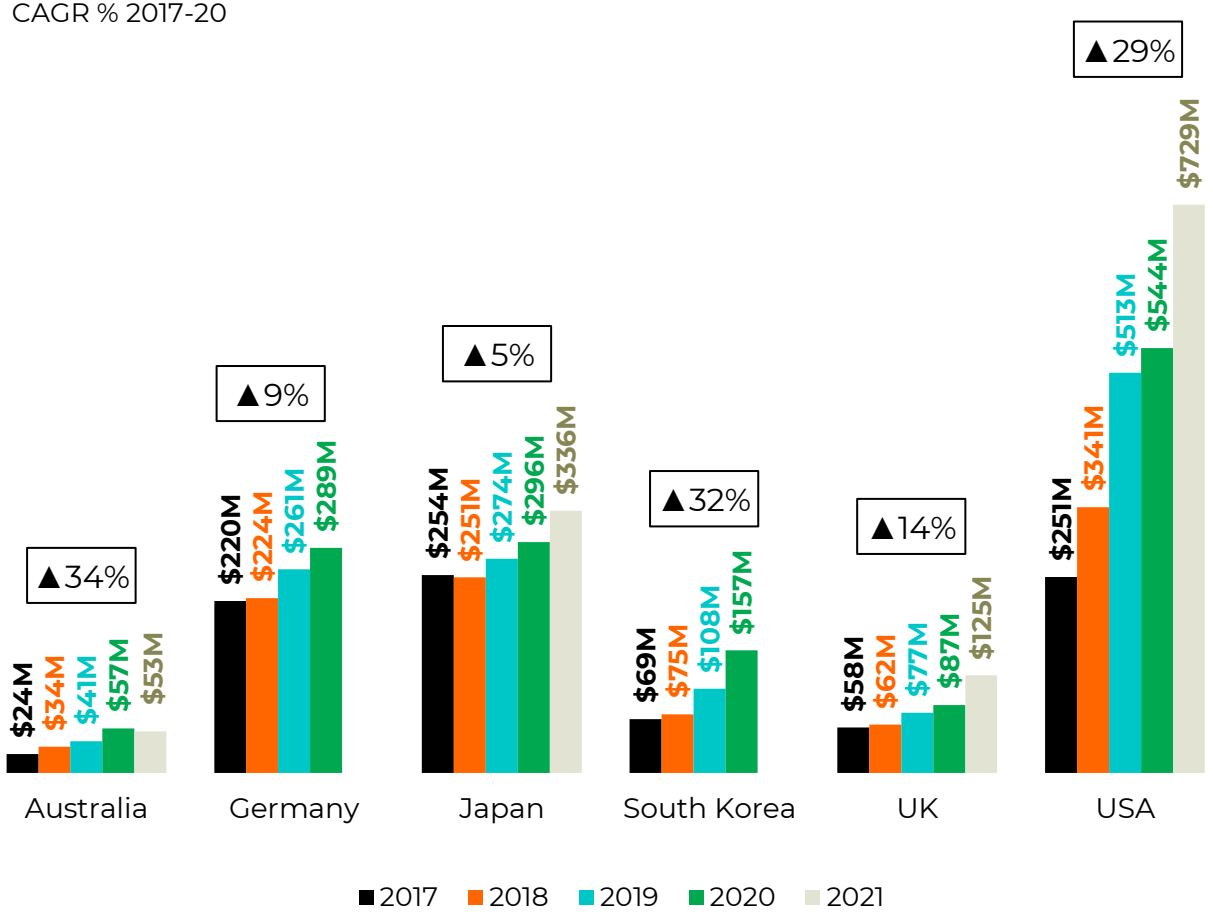
USD per KG



So what?
For companies with collagen as a finished product, look to the high growth markets of USA, South Korea and Australia. Japan could be harder to enter due to it being a more mature, established market.

GLOBAL IMPORTS OF HS 3504.00 (PEPTONES AND DERIVATIVES...)

Value in USD 2017-21
CAGR % 2017-20



Source: UNComTrade (2022) HS code:350400

*No Import Unit Value data available for Germany

Japan and the US have the largest value of imports of extracts/juices of meat and seafood, both were at $27 million USD in 2020.

Japan, closely followed by the US, has the highest import value of the HS code that encompasses collagen as an ingredient.

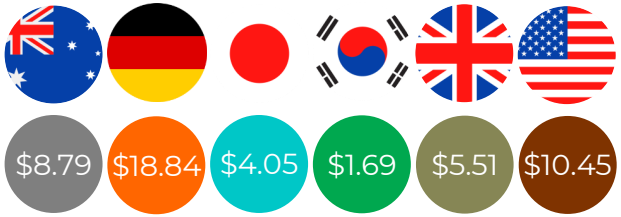
In 2020, Japan had the highest value of imports of this HS code, totaling almost $28 million USD.

Import value in the US has grown over the 5-year period, with a CAGR of 14% in this time.

Conversely, import value has decreased in Australia from $7.6 million USD in 2017 to $2.1 million USD in 2021, a CAGR of -41%.

IMPORT UNIT VALUE

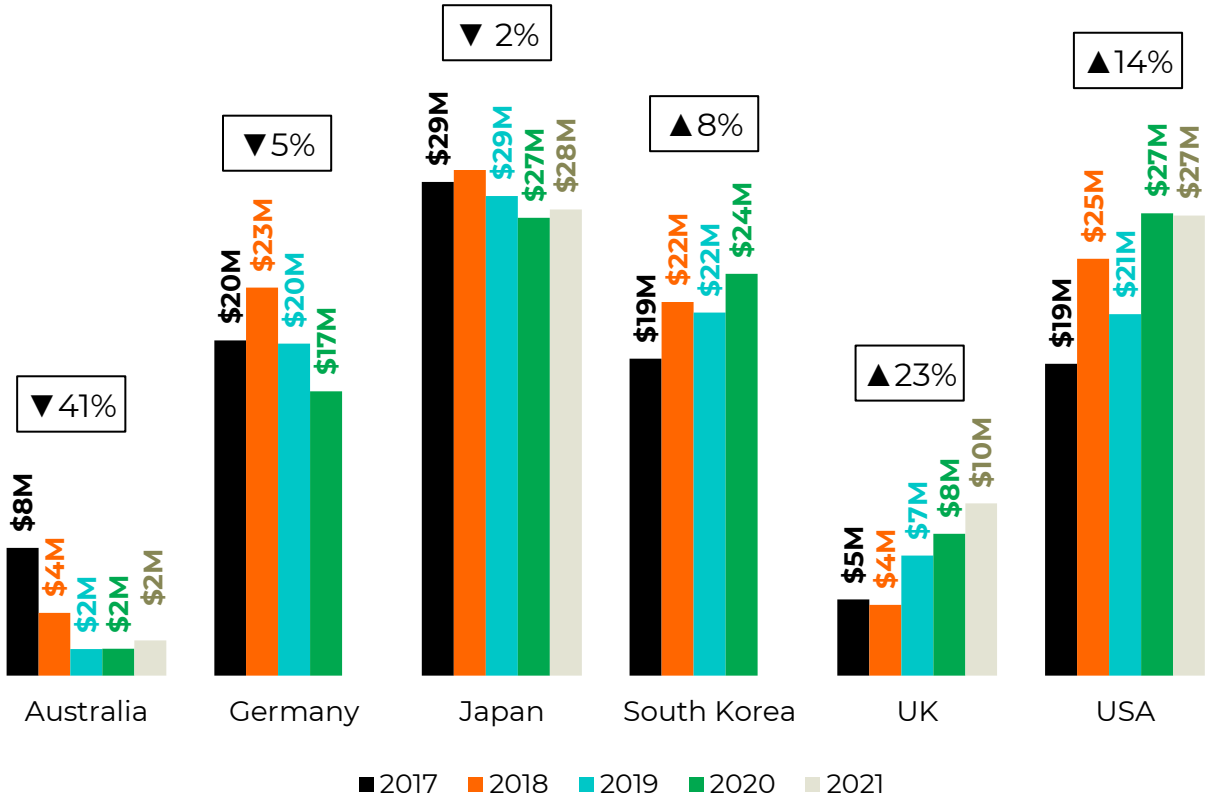
USD per KG



So what?
For any collagen suppliers, Japan, USA, South Korea and Germany would provide the biggest opportunity, but the UK could be the biggest emerging opportunity due to its high growth since 2017.

GLOBAL IMPORTS OF HS 1603.00 (EXTRACTS/JUICES OF MEAT AND SEAFOOD...)

Value in USD 2017-21
CAGR % 2017-20

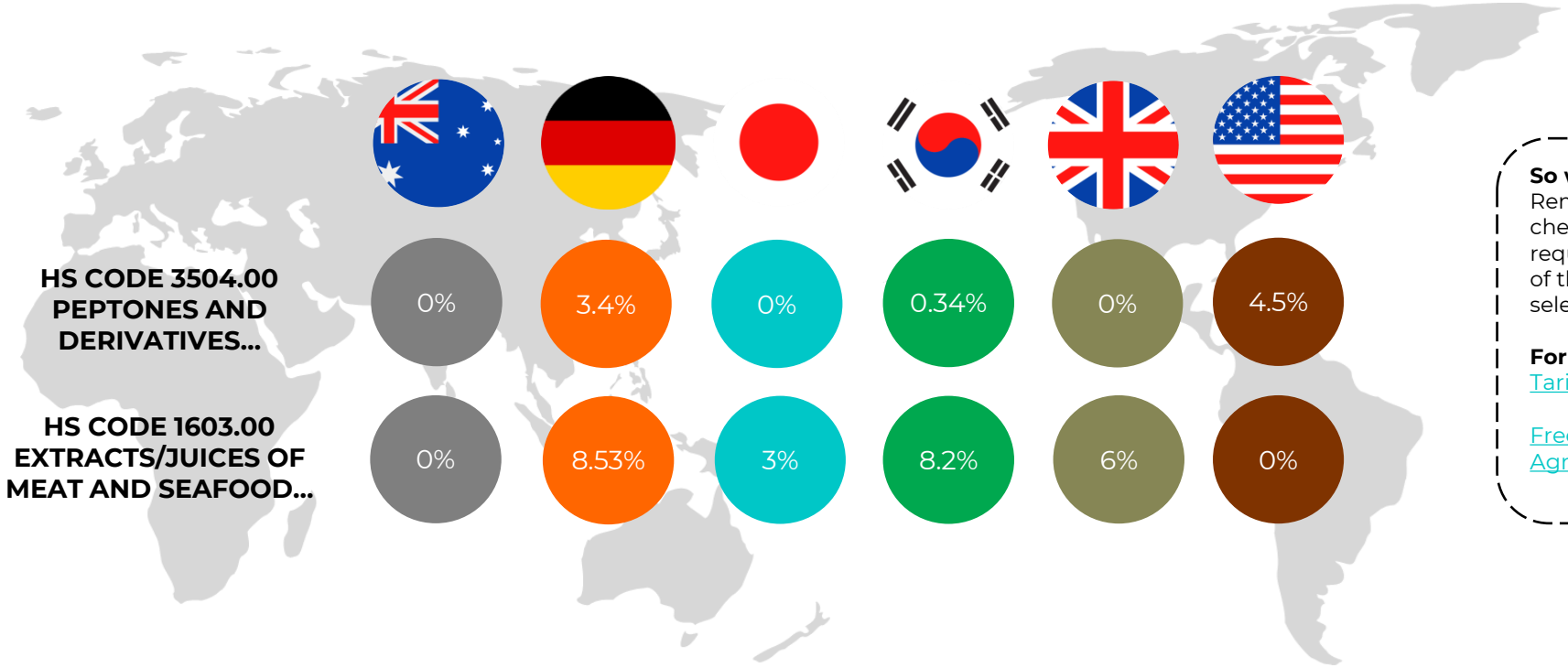


Source: UNComTrade (2022) HS code:350400

Australia is the only market that has a 0% tariff for both finished collagen products and collagen as an ingredient.

IMPORT TARIFFS OF PRODUCTS FROM NEW ZEALAND

% of Value March 2022



So what?
Remember to also check the regulatory requirements on top of the tariff for your selected market.

For more information
Tariff Finder

Free Trade Agreements section



Source: ITC Market Access Map (2022)

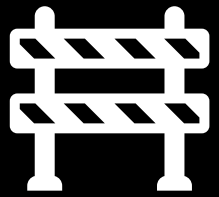
Key insights



The US has by far the largest import value of HS 3504.00 (peptones & derivatives).

In 2021, the total import value was $729 million USD. In comparison, the second largest was Japan with $336 million USD worth of imports.

Australia, although the smallest in total value of imports, has had the largest growth, totalling 34% growth from 2017 to 2020.



Australia has 0% tariffs for both HS 3504.00 and 1603.00.

When selecting a market, low tariff barriers are attractive. Australia presents 0% average tariffs for the two relevant HS codes in this report. However, further investigation may be required for detailed codes across the different markets.

SECTION 2

CONSUMER INSIGHTS



Consumer survey

NZTE conducted a online survey to ~700 consumers from each of the six markets with the following criteria:

- Aged 16 years and over
- Excluding bottom ~20% of household incomes

No other parameters were set around household income, family structure, ethnicity, number of people in household.

Exact sample sizes by market are below:

Australia	Japan	Germany	South Korea	USA	UK
726	**744**	**746**	**763**	**741**	**752**

With the sample sizes outlined, the consumer survey data in this report has a confidence interval of approximately 2-5% across each market. Significance testing has been calculated at a confidence level of 95%.

Awareness of collagen is highest in Australia, however, purchasing of collagen is highest in South Korea.

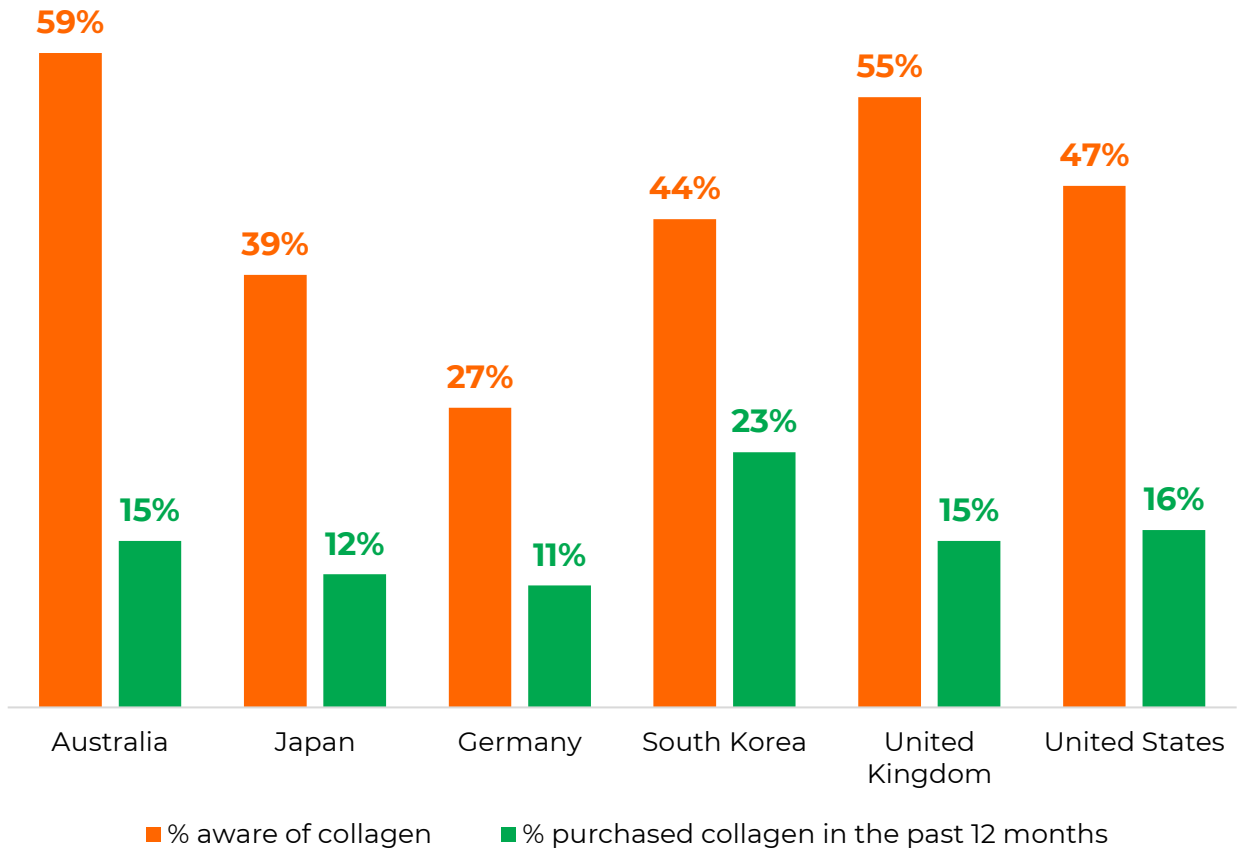
Consumers in Australia and the UK have the highest levels of awareness of collagen.

Although awareness is high in Australia and the UK, this does not necessarily translate to purchasing. Both of these markets had 15% of respondents say that they have recently purchased collagen.

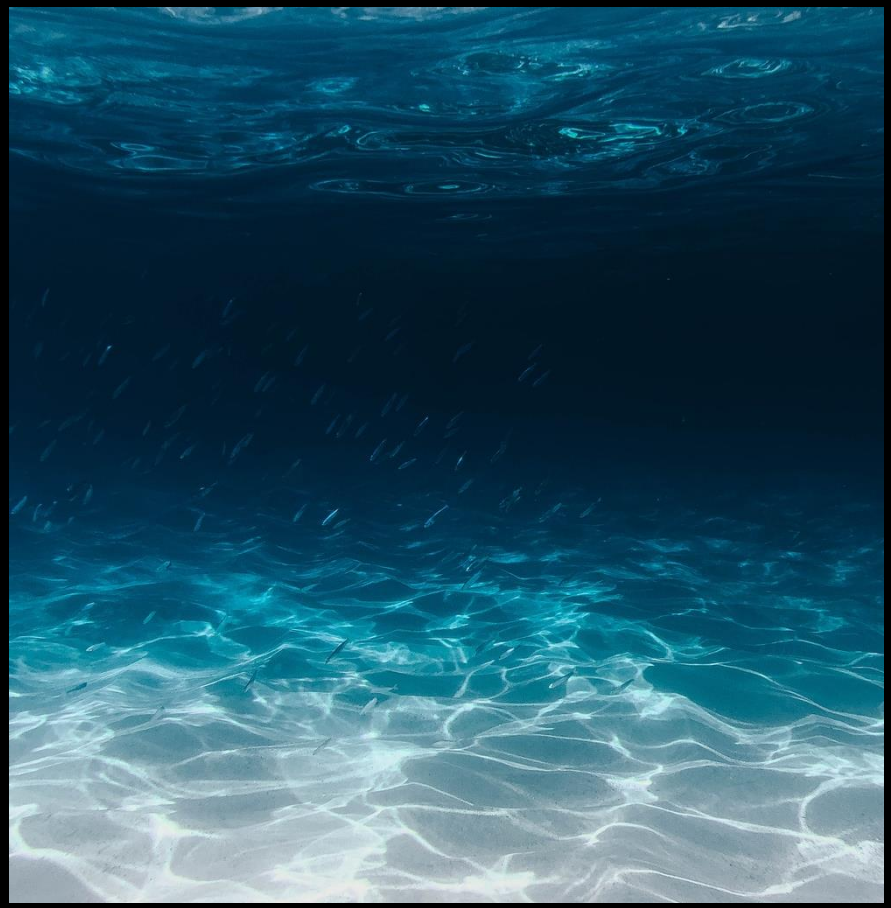
South Korea and the US sit in the middle, in terms of awareness. 44% of respondents said they were aware of collagen in South Korea and 47% in the US. Despite this, South Korea has much higher levels of purchasing (23%, the highest of the six markets).

So what?
Collagen product exporters that are considering Australia and the UK will benefit from high consumer awareness in these markets. However, focus on conversion to purchase is required via marketing. In South Korea, it may be easier to convert consumers to purchase.

AWARENESS VS. PURCHASING OF COLLAGEN BY MARKET
% of consumers



Source: NZTE, *Collagen Consumer Survey*, 2022.



The next three slides look at collagen types.

Consumers were asked which of the following types of collagen they are aware of and whether they would purchase any. Consumers could pick more than one option.

Marine: Fish and Other Sea Creatures

Bovine: Beef and Goat

Ovine: Sheep

Avian: Chicken and Turkey

Swine: Pig

Synthetic: Man-made

Vegan: Non-animal

*Vegan collagen with the same properties as animal collagen technically does not yet exist, any vegan collagen on the market is a collagen alternative.

* Information taken from interviews with collagen customers.

Consumers in the United Kingdom have the highest awareness of Marine and Bovine collagen.

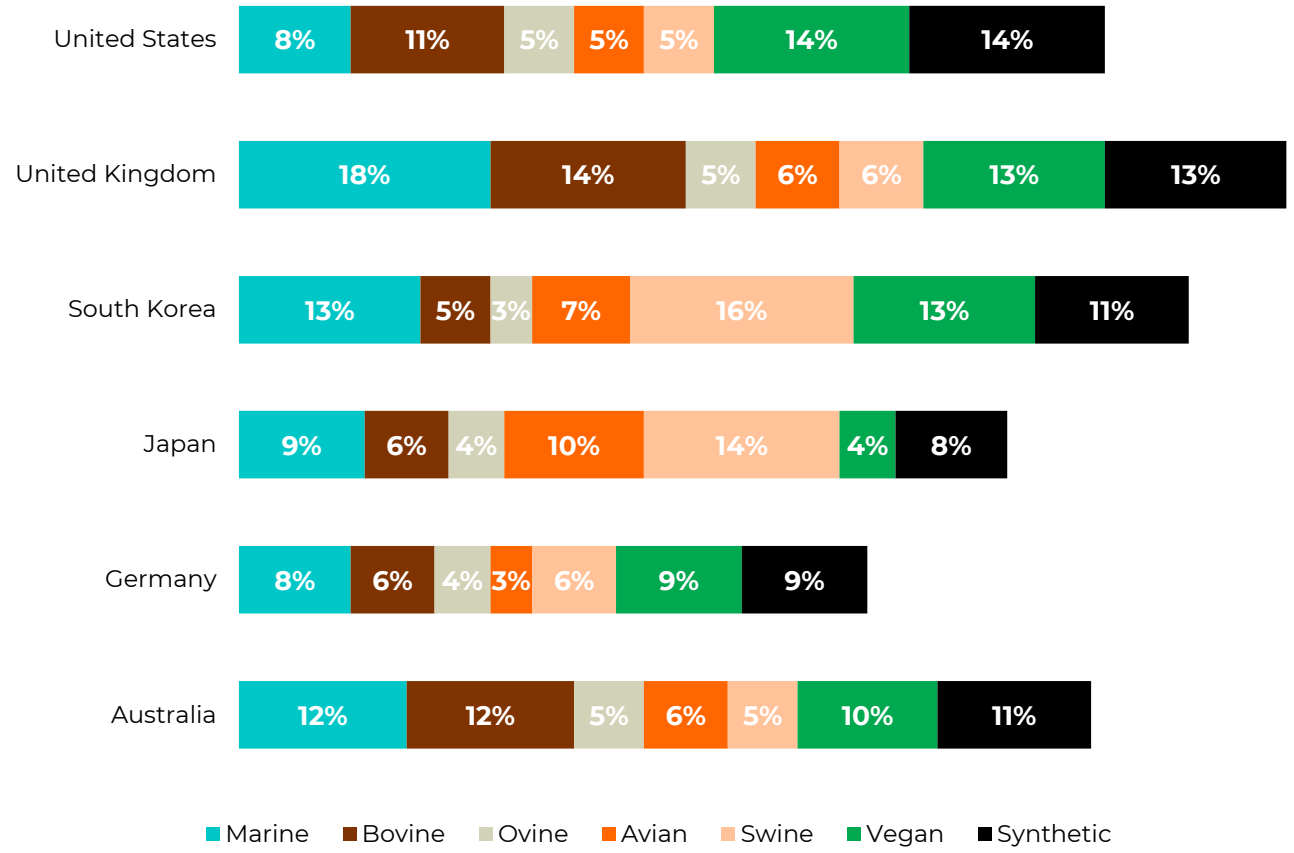
In comparison to the other markets, UK Consumers are the most aware of marine and bovine collagen.

Consumers in the US, UK and South Korea are also showing a high awareness of vegan and synthetic collagen.

South Korea and Japan have a high awareness of Swine collagen. However, the other markets are much less aware of this collagen form.

So what?
More investment in education would be required for different collagen types in different markets. For example, awareness of ovine collagen is extremely low across markets. Companies using or supplying ovine collagen would need to do more education than marine collagen brands.

AWARENESS OF DIFFERENT TYPES OF COLLAGEN
% of consumers



Source: NZTE, *Collagen Consumer Survey*, 2022.

A high proportion of consumers in South Korea indicated they would purchase marine collagen.

Marine collagen was selected as a popular type of collagen in South Korea and the United Kingdom.

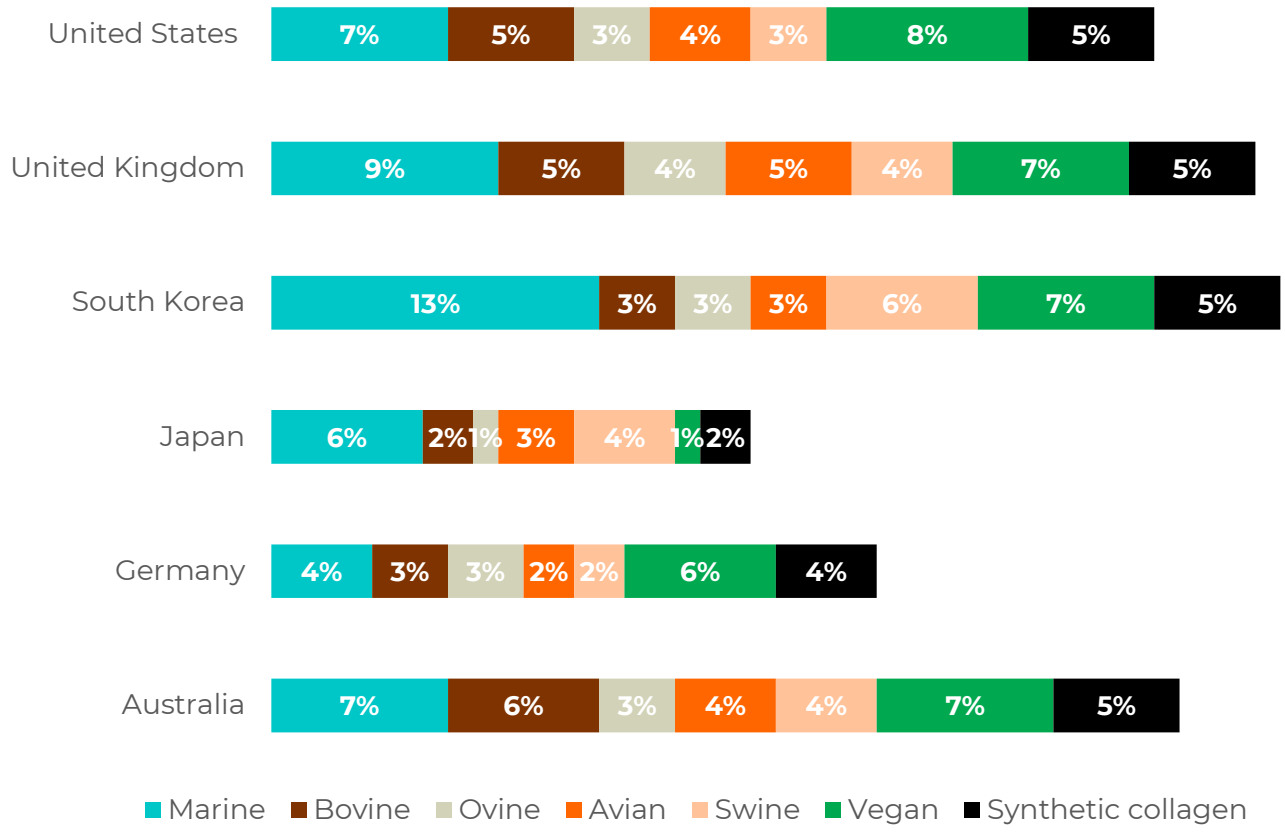
In South Korea, 13% of consumers indicated they would purchase marine collagen. This proportion is 9% in the United Kingdom, 7% in the United States and Australia, and 6% in Japan.

Vegan collagen was the next popular type consumers indicated they would purchase. It was the highest type the US at 8%. Followed by 7% in the UK, South Korea and Australia, and 6% in Germany.

While vegan collagen with the same properties as animal collagen may not exist, this shows a demand for vegan collagen alternatives.

So what?
The use of certain types of collagen may resonate with customers differently in each market. Vegan collagen would get a lot more traction in the US, compared to Japan. Marine collagen would be preferred in South Korea.

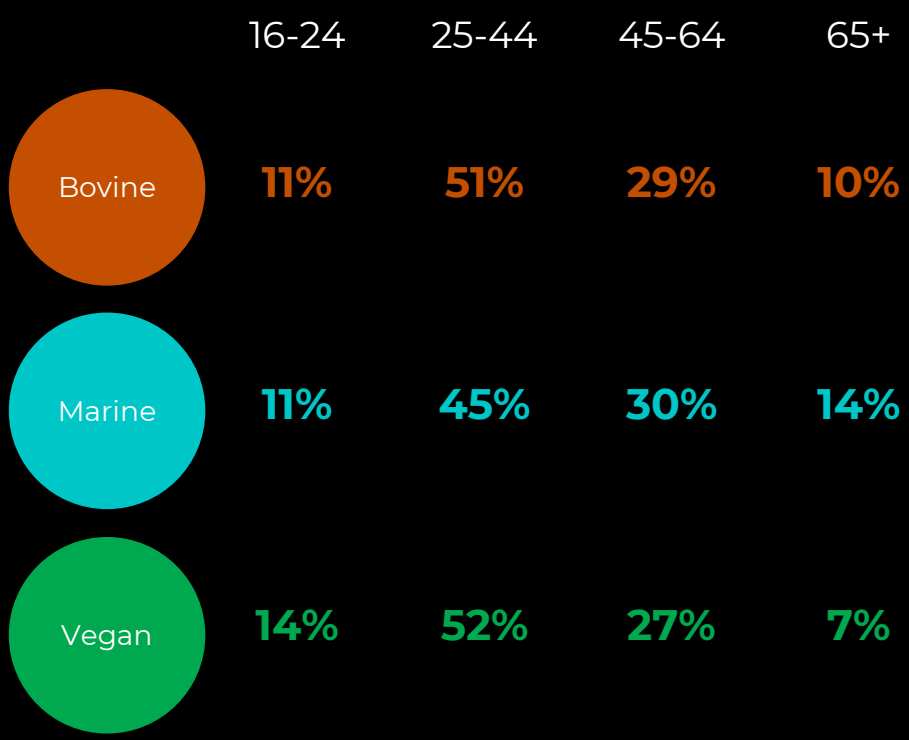
TYPES OF COLLAGEN CONSUMERS WOULD PURCHASE
% of consumers



Source: NZTE, *Collagen Consumer Survey*, 2022.

* this Information was sourced from conversations with collagen customers.

TYPE OF COLLAGEN CONSUMERS WOULD PURCHASE, BY AGE



Younger consumers are more interested in vegan collagen than marine or bovine collagen

Consumers aged 45-64 indicated they would purchase marine collagen only slightly more than vegan collagen. However, the 65+ age group had twice as much interest in purchasing marine collagen than vegan collagen.

So what?
Companies using or selling marine collagen have the opportunity to target older demographics, more so than bovine and vegan collagen.

Source: NZTE, *Collagen Consumer Survey*, 2022.



The next three slides look at collagen statements.

Consumers that are already aware of collagen, were presented a list of 14 collagen statements and were asked to select which statements they know to be true.

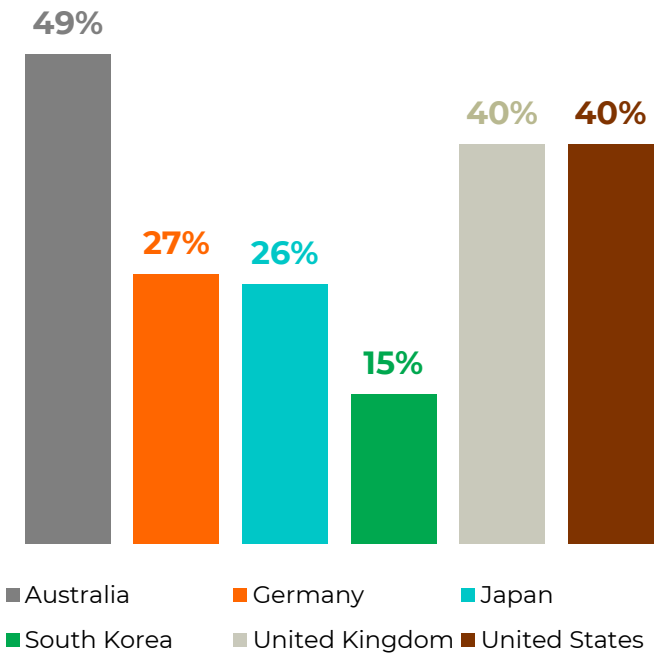
See Appendix 1 for the complete questions and data set.

*** Some statements may not be true.**

Source: NZTE, Collagen Consumer Survey, 2022.

I AM UNAWARE OF THE SCIENCE OF COLLAGEN

% of consumers out of the collagen aware





The US, UK and Australia are most unaware of the science of collagen.

Whereas in South Korea, Germany and Japan a much smaller proportion of consumers indicated they were unaware of the science of collagen. South Korea was the smallest, with only 7%.

So what?
Because each market has a different understanding of the science of collagen it is important to tailor your messaging. Talking about scientific terms in Australia, the UK and the US may not land as well as it would in South Korea.

Source: NZTE, *Collagen Consumer Survey*, 2022.

TOP 3 STATEMENTS CONSUMERS KNOW TO BE TRUE

% of consumers out of the collagen aware

	28% ▼	18%▼	15%▼
	38% ▲	24%▲	23%▲
	50%▲	25%▲	22%▲
	43% ▲	30% ▲	29%▲
	32% ▼	20%▼	16% ▲
	31% ▼	19%▼	18%▲

All markets were most aware that collagen is an animal source.

- Collagen can be sourced from animals
- There is a limit in the amount of collagen your body can absorb in a single day
- Vitamin C is required for collagen absorption
- Marine collagen is better for you than land animal collagen
- Collagen is good for your gut

So what?
When targeting consumers in each market, it is important to consider what consumers perceive to be true. For instance, in South Korea marine collagen would land better due to the perception that marine collagen is better for you. For more information on your consumer value proposition click here.

Source: NZTE, *Collagen Consumer Survey*, 2022.

The arrows indicate whether a % value is higher than the average across selected markets.

Consumers in South Korea are more aware of the true collagen statements.

South Korea, Japan and Germany ranked the highest for the awareness of true statements.

Consumers in South Korea were the most knowledgeable around the science of collagen: 29% of consumers understood that there is a limit in the amount of collagen your body can absorb per day; 28% understood that the size of the collagen molecule determines the degree of absorption; and 28% understood that vitamin C is required for absorption.

The statement around Dalton size was not well recognised, with an average of 6% awareness across the markets, with South Korea having the highest awareness at only 13%.

Similarly, while Japan had the highest awareness of hydrolysed collagen and peptides, it was still low at only 16%.

So what?
South Korea consumers will be most knowledgeable around the science of collagen. Be careful when using the terminology Dalton size, hydrolysed collagen, peptides and types of collagen, as consumers may lack an understanding of these terms in some markets.

COUNTRIES WITH A SIGNIFICANTLY HIGHER* AWARENESS OF TRUE STATEMENTS

% of consumers out of the collagen aware

COLLAGEN STATEMENTS	MARKET AVERAGE	MARKET WITH THE HIGHEST AWARENESS
Dalton size is the size of the collagen molecule	6%	**South Korea 13%**
The size of the collagen molecule determines the degree to which your body can absorb it	15%	**South Korea 28%**
There is a limit in the amount of collagen your body can absorb in a single day	21%	**South Korea 29%**
Vitamin C is required for collagen absorption	20%	**South Korea 28%**
Collagen can be sourced from animals	36%	**Japan 50%**
Hydrolysed collagen is collagen broken down into peptides	11%	**Japan 16%**
There are three main types of collagen (Group 1, Group 2, Group 3)	11%	**Germany 19%**

Source: NZTE, *Collagen Consumer Survey*, 2022.

*Significantly higher means 5% or higher than the average across selected markers.

Awareness of skin health benefits of collagen is strongest in Australia and comparatively the lowest in Germany.

Across all markets, skin health was the health benefit consumers mostly associated with collagen. The second most associated health benefit was anti-aging.

In comparison to the other main health benefits of collagen, gut health is not well recognised across all markets.

Overall, Australia had the highest awareness of the main health benefits associated with collagen.

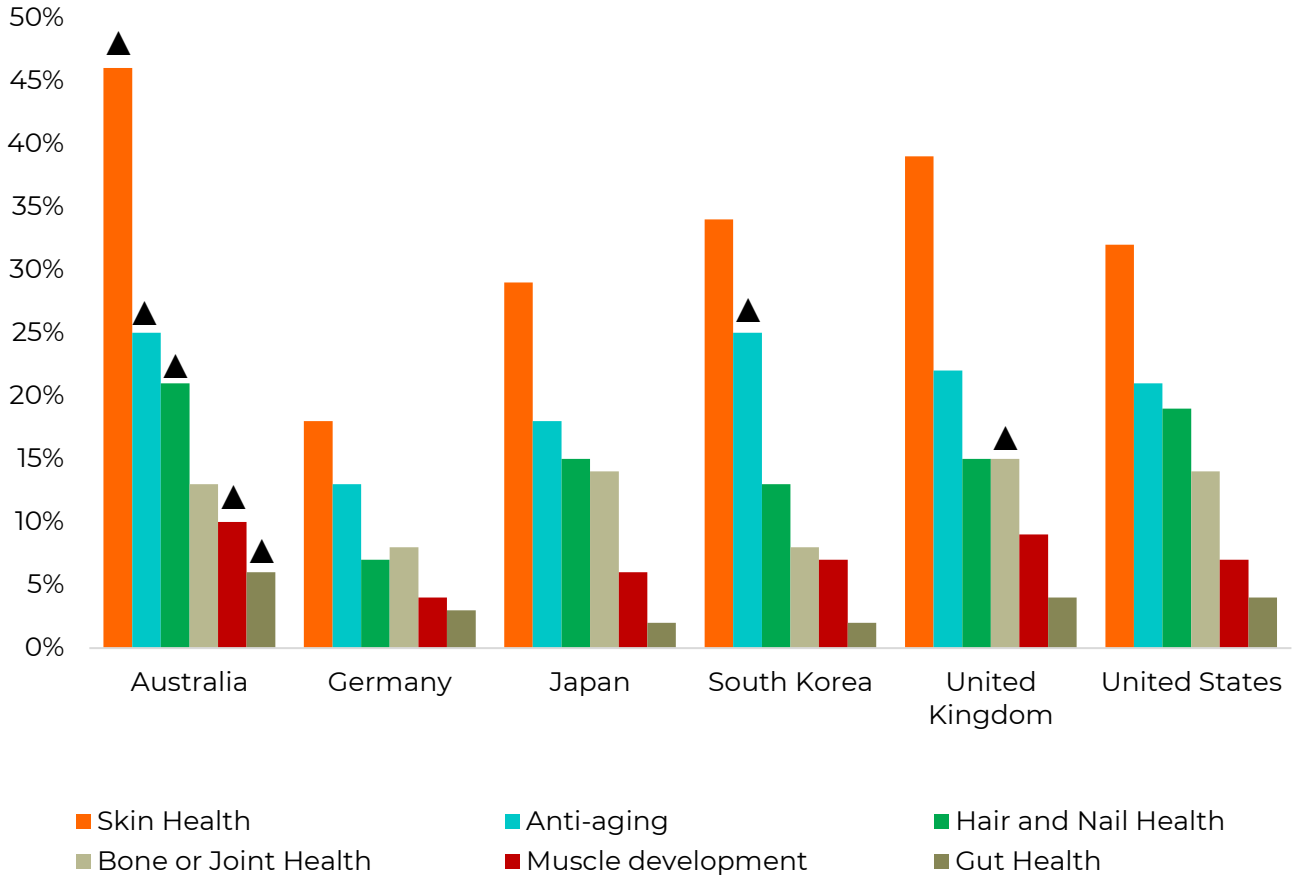
Germany had the lowest awareness of the main health benefits associated with collagen. More consumers in Germany associated bone or joint health as a benefit of collagen than hair and nail health.

Note: Although Germany has the lowest awareness of the health benefits of collagen, page 29 shows that only 27% of consumers in Germany are unaware of the science of collagen. We hypothesise that the lack of understanding in this market is in the health & wellness context or there was a limitation with the wording of the questions.

So what?
As skin health and anti-aging are the most important health benefits associated with collagen – its important to look at other points of difference that can separate you from competition. Learn more about brand positioning and differentiation here.

HEALTH BENEFITS CONSUMERS ASSOCIATE WITH COLLAGEN BY MARKET

% of consumers



Source: NZTE, *Collagen Consumer Survey*, 2022.

The arrow ▲ indicates which market/s ranked the highest awareness for each health benefit.

Across all markets, there is demonstrated awareness of the health benefits associated with collagen, particularly skin and anti-ageing.



“Good for bones and skin, is a protein that is natural in the body and forms bone and cartilage.”
- Survey respondent, United Kingdom

“[It is] used to improve and maintain skin elasticity.”
- Survey respondent, Australia





“Indispensable nutrition for women, supplementation is necessary because [collagen] decreases with aging.”
- Survey respondent, Japan

“Collagen is very important for the skin. Unfortunately, with age, less and less is made available by the body, so it should be [supplemented].”
- Survey respondent, Australia





“Anti-aging and improvement of skin wrinkles... But absorption rate is important.”
- Survey respondent, South Korea

“Seems to be important. Especially as you get older!”
- Survey respondent, USA



Source: NZTE, *Collagen Consumer Survey*, 2022.

Note: Translations have been used for Japan, South Korea and Germany.

Bone/joint health is the most appealing benefit in the UK, US and Australia, whereas skin health is more appealing in the other markets.

Consumers in the US and the UK find most health benefits associated with collagen more appealing that in the other four markets.

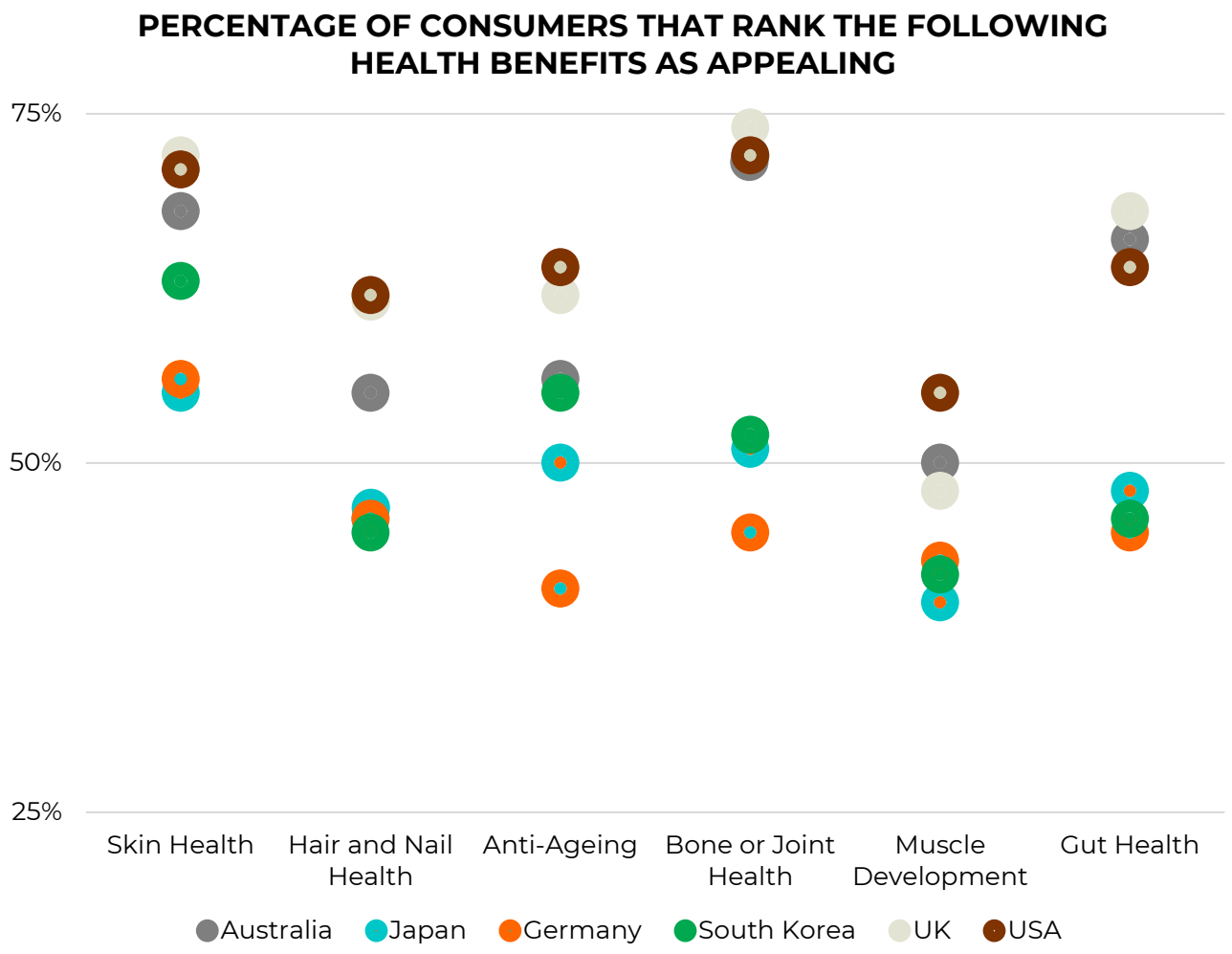
Bone/joint health is of particular interest in the US, UK and Australia with 72% (US and Australia) and 74% (UK) of consumers ranking this health benefit as appealing or very appealing.

Generally, consumers in Germany have shower lower interest in the health benefits associated with collagen.

Gut health is significantly more appealing to consumers in the UK, Australia and the US than in the other three markets.

Overall, the most appealing collagen-related benefit in Australia, the UK and the US is Bone/joint health. In Japan, Germany and South Korea it is skin health.

So what?
Ranking of health benefits should be used by New Zealand exporters to inform positioning and claims around their products. A collagen product in the UK could focus messaging around bone/joint health, whereas this may be less effective in Germany or South Korea.



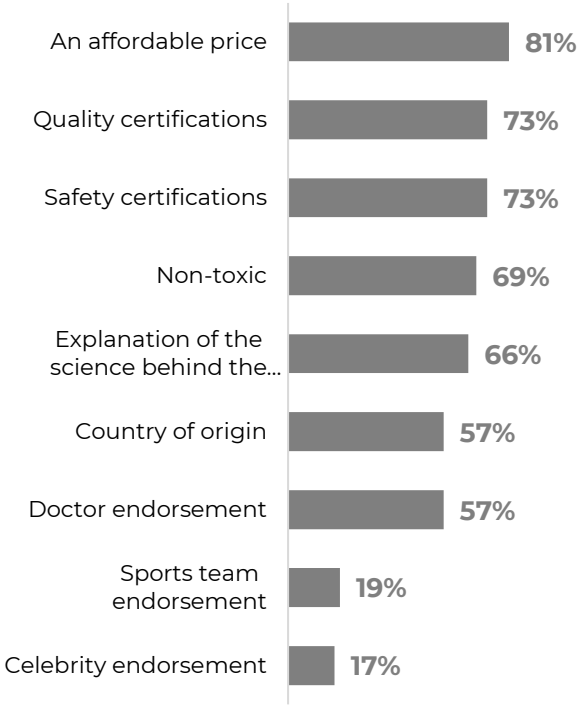
Source: NZTE, *Collagen Consumer Survey*, 2022.

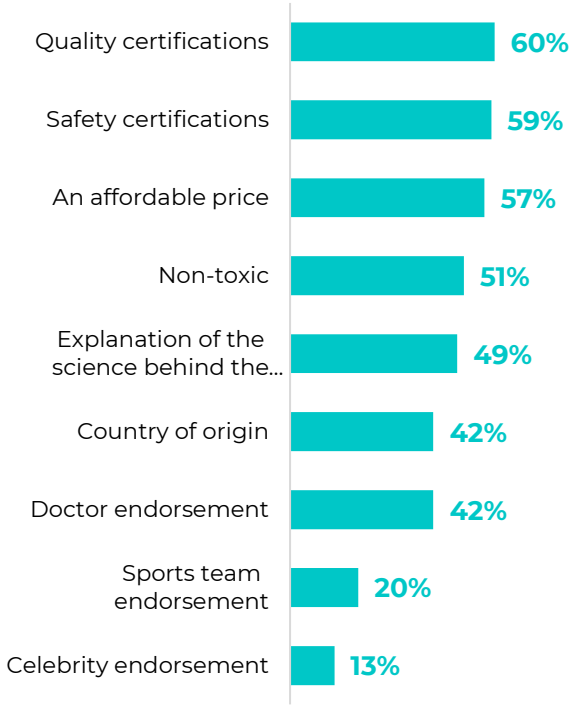
Affordability is much more important to Australian consumers than in Germany and Japan.

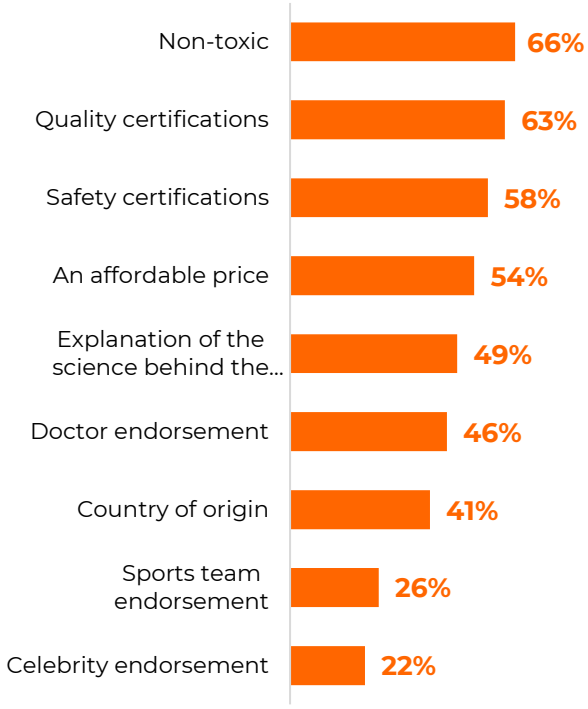
CONSUMERS THAT RANK THE FOLLOWING CONSIDERATIONS AS IMPORTANT/EXTREMELY IMPORTANT

% of all consumers

So what?
Look to see what quality and safety certifications are available in different markets as consumers value this. Investing time and resource into getting these would reap rewards. Learn about some internationally recognised sustainability certifications here.





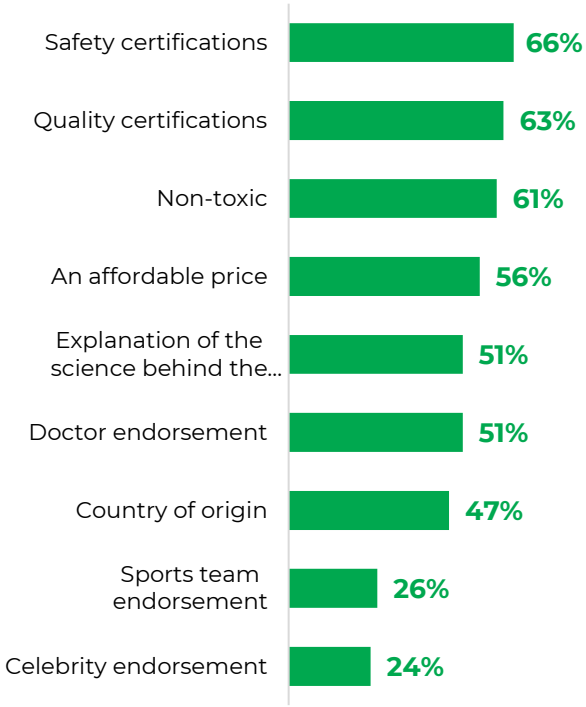


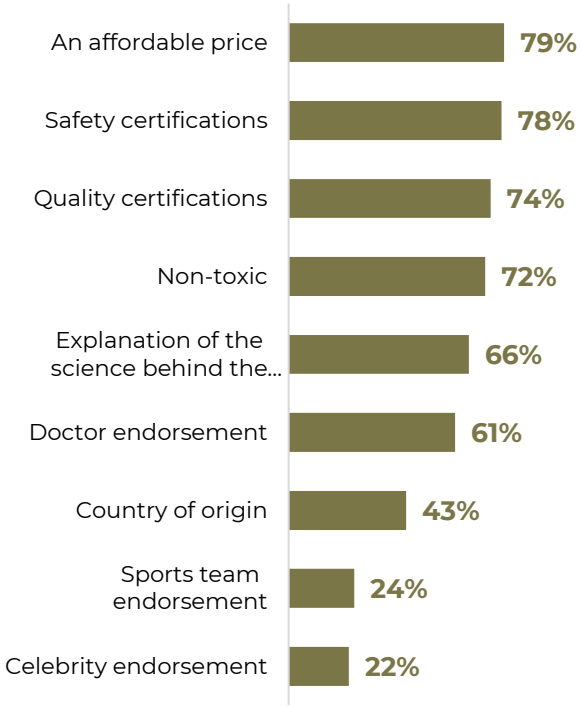
Source: NZTE, *Collagen Consumer Survey*, 2022.

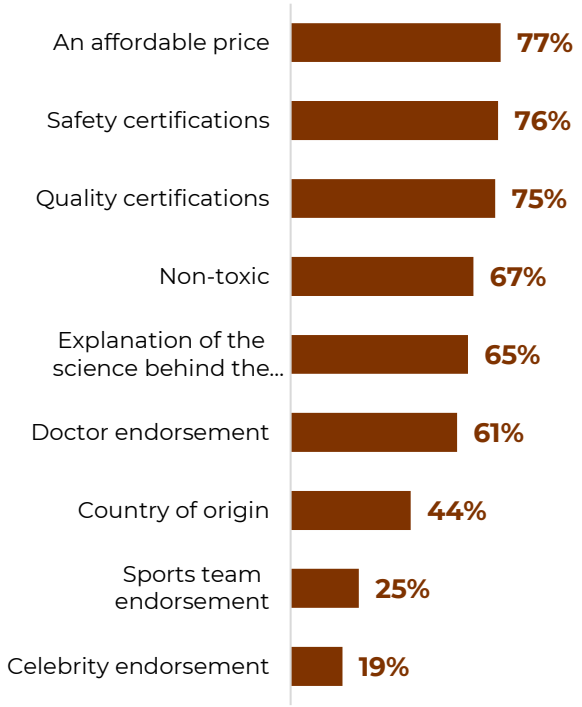
Doctor endorsement is most important in the UK and the US, compared to other markets.

CONSUMERS THAT RANK THE FOLLOWING CONSIDERATIONS AS IMPORTANT/EXTREMELY IMPORTANT
% of all consumers

So what?
Exporters should be particularly aware of their price points in Australia, UK and USA. Consumers value feeling as though they are getting value for money. Check out this article about pricing strategies and pricing for export.







Source: NZTE, *Collagen Consumer Survey*, 2022.

Consumers in Japan and South Korea are less concerned about sustainable/ethical considerations when compared to the likes of the UK and Australia.

CONSUMERS THAT RANK SUSTAINABLE/ETHICAL CONSIDERATIONS AS IMPORTANT/EXTREMELY IMPORTANT

% of all consumers

	Recyclable packaging	Sustainability certifications	Natural product	Support local suppliers	Fair trade	Animal welfare	Grass fed	Organic certifications	Free range
Australia	60% ▲	46% ▲	61% ▲	56% ▲	57% ▲	63% ▲	49% ▲	43% =	59% ▲
Germany	57% ▲	43% ▲	58% ▲	45% ▲	54% ▲	60% ▲	45% ▲	46% ▲	50% ▲
Japan	32% ▼	28% ▼	39% ▼	30% ▼	39% ▼	31% ▼	20% ▼	32% ▼	29% ▼
South Korea	48% ▼	43% ▲	51% ▼	39% ▼	42% ▼	43% ▼	37% ▼	46% ▲	39% ▼
UK	65% ▲	49% ▲	64% ▲	53% ▲	60% ▲	68% ▲	54% ▲	44% ▲	62% ▲
USA	48% ▼	43% ▲	56% ▲	43% ▼	44% ▼	56% ▲	46% ▲	45% ▲	47% ▼

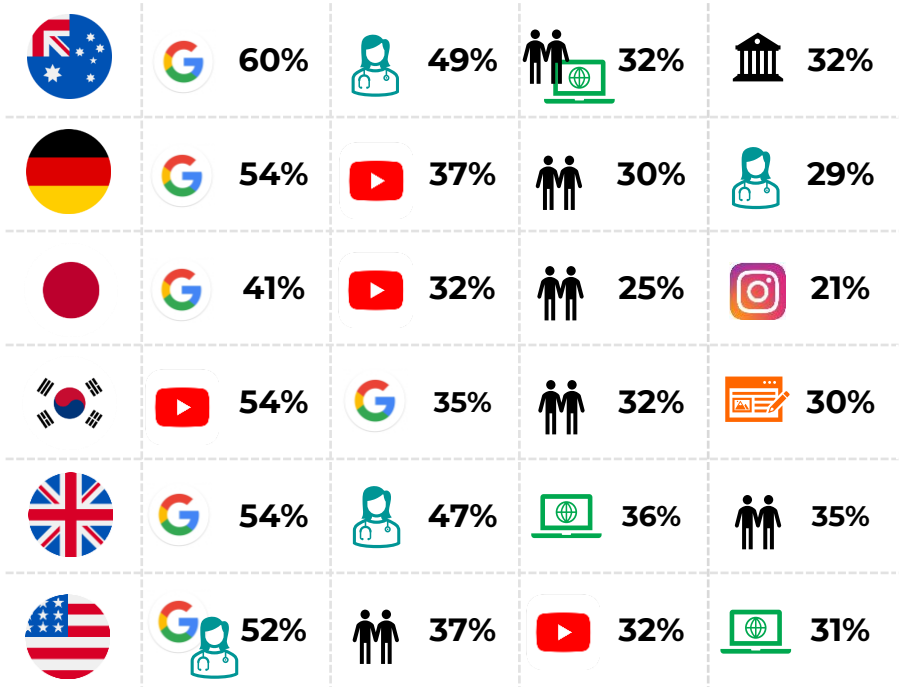
So what?
A high proportion of most markets rank sustainable and ethical considerations as important. Find out more on how to make your business more sustainable here.

Source: NZTE, *Collagen Consumer Survey*, 2022.

The arrows indicate whether a % value is higher than the average across selected markets.

WHERE CONSUMERS LOOK FOR INFORMATION ON SUPPLEMENTS, HEALTH AND WELLNESS FOOD AND BEVERAGES

% of all consumers



Google Search was the top information source for most markets.

- Google Search
- YouTube
- Health Professional Recommendations
- Friends/Family Recommendations
- Specialist Health and Wellness Websites
- Instagram
- Blogs
- Governmental or national health websites or regulators

So what?
Google is often the first place consumers look to for information. Search engine optimization is key for all markets. YouTube should be investigated as a channel in South Korea, Japan and Germany. For more information, there are SEO modules in the Digital Boost Course.

Source: NZTE, *Collagen Consumer Survey*, 2022.

Information Sources asked but not in top 4: Magazine (digital/print), Newspaper (digital/print), Facebook, TikTok, Pinterest, Reddit, KaKao (only in South Korea) and none of the above.

Key insights



Awareness doesn't translate to purchasing

Although awareness is high in Australia and the UK, this does not necessarily translate to purchasing. Both of these markets had 15% of respondents say that they have recently purchased collagen. Almost a quarter of respondents in South Korea say they have purchased some form of collagen in the last 12 months.



Demand for vegan high in most markets

Although vegan collagen may not be available. It ranked in the top two for nearly all markets (besides Japan) for respondents who mentioned what type of collagen they would take. Marine collagen was also the other popular choice ranking top two in all markets.



Key differences in what respondents valued

When we looked into sustainable and ethical considerations for each market their were key differences between respondents for what they ranked as their highest considerations. Japan and South Korea generally ranked lower in most categories compared to Australia and the UK.



SEO is important

Nearly all markets rank Google as their top way to find information about supplements. This means focusing on Search Engine optimisation is key. There were some differences in how else people found out information. With YouTube ranking 1st for South Korea and 2nd Japan and Germany.

Search tracking

Pi Data Metrics is a tool that enables Google search trends to be tracked over time and by market.

We set up over 100 collagen related key words in each market and tracked what people were searching in relation to collagen.

This enabled us to get a good idea of the number of times people were searching for collagen related terms and the types of collagen they were searching for.

This data provides an insight into online consumer trends relating to collagen in each market.



All markets besides South Korea have seen growth in searches year on year since 2019.

Collagen search trends are trending upwards and doubled for Australia, Germany, UK and the US.

All markets have seen growth in searches for collagen over the last three years since 2019. USA has the largest number of collagen related searches on Google with over 16 million in 2021. The United Kingdom has seen the largest growth, with a CAGR of 80% over the period.

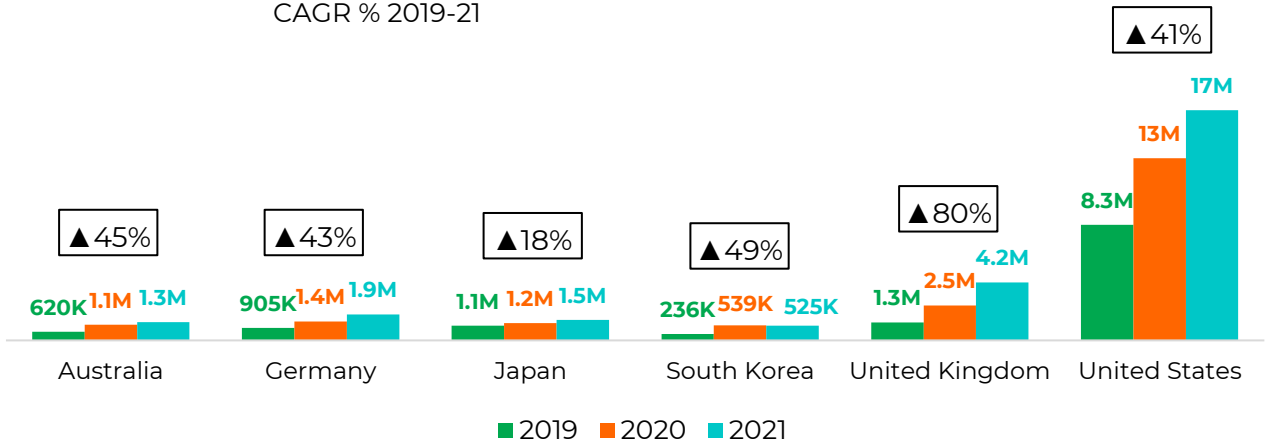
Whereas Japan has seen the least growth at CAGR 18%. Also, South Korea is the only market which has seen a dip in searches from 2020 to 2021. Both markets may be more mature and educated.

The UK, USA, and Australia have the highest number of Google searches per internet user. Its important to note that according to the respondents on the consumer survey (page 35) South Korea and Japan are less likely to seek for information on Google compared to Western countries.

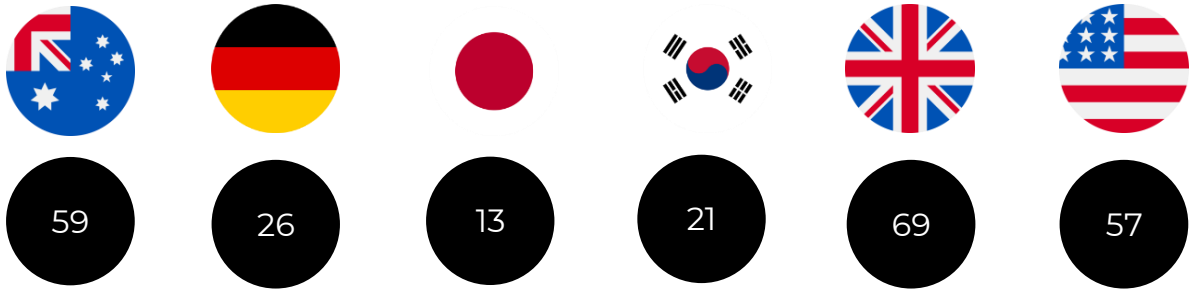
So what?
When considering an export market, it is important to understand how mature and knowledgeable that market is. In Japan and South Korea consumers are likely to be more educated and there is little room for market growth. This is the opposite for the other markets. For more information on customer experience using Google check out this article.

GOOGLE COLLAGEN SEARCHES BY MARKET

Number of searches 2019-21
CAGR % 2019-21



NUMBER OF GOOGLE COLLAGEN SEARCHES PER '000 INTERNET USERS, 2021

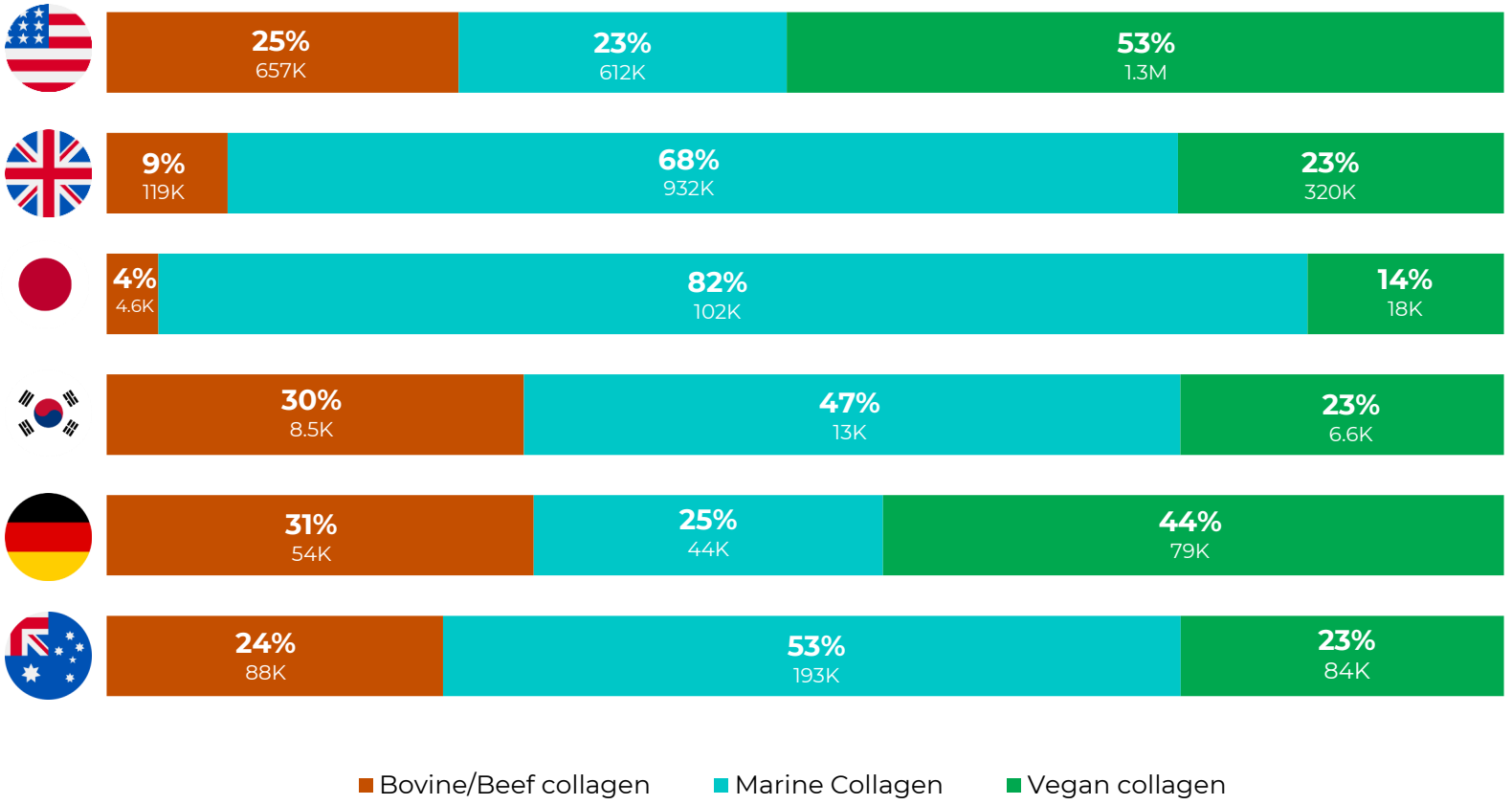


Source: Pi Data Metrics – pidatametrics.com, 2022.

“Marine collagen” is the most popular search term in the UK, Japan, South Korea and Australia. “Vegan collagen” is the highest searched term in the USA and Germany.

GOOGLE SEARCH TERMS FOR TYPES OF COLLAGEN 2019-2022

Number and %

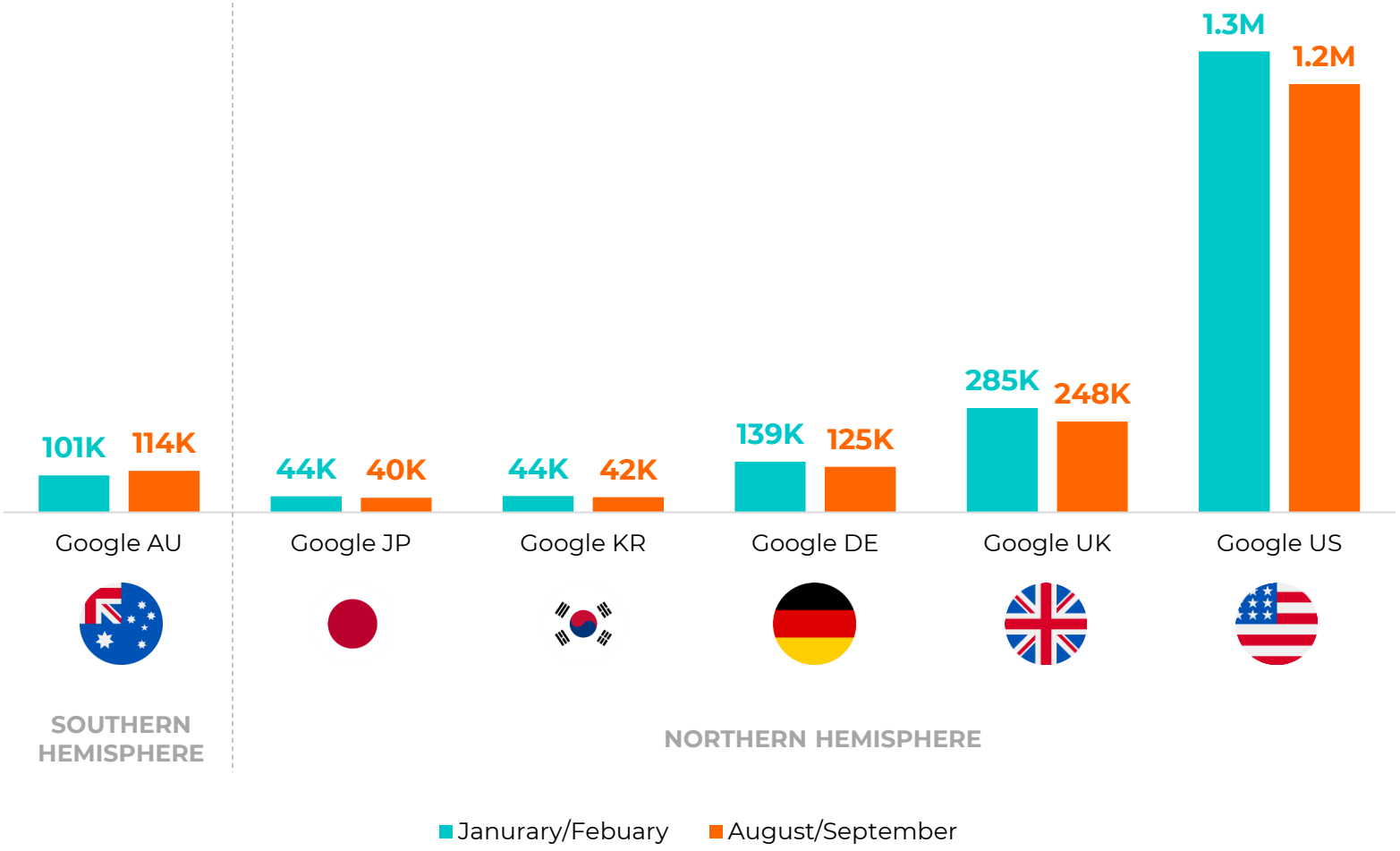


So what?
Marine collagen is the most searched type of collagen in Japan, UK, US and South Korea – If you do offer Marine collagen it might be important to call this out as consumers are looking for this.

Source: Pi Data Metrics – pidatametrics.com, 2022.

Across all six markets, collagen searches peak over the winter months of the year.

AVERAGE COLLAGEN GOOGLE SEARCHES: SUMMER VS WINTER 19-21



So what?
It is clear that on average there is a boost in searches during the winter months. Look to boost or promote when people are more likely to start searching. Brands could also design marketing materials to align with consumer needs during this time of year.

Source: Pi Data Metrics – pidatametrics.com, 2022.

Key insights

Japan and South Korea are mature markets

Japan and South Korea may be mature markets for collagen, as the growth of key word search is low.

The US, UK, Germany and Australia are still seeing high growth of key word search.

Vegan collagen search trends are popular in some markets.

Vegan collagen search trends are popular in the USA and Germany. Marine collagen is most popular in Australia, UK, South Korea and Japan. Bovine searches were minimal across all markets

Cold months bring an uptick in collagen searches.

There was clear growth in search terms in the winter months for collagen across all markets. Over the previous three years, the coldest vs. the hottest months had a different number of collagen related searches across the board.

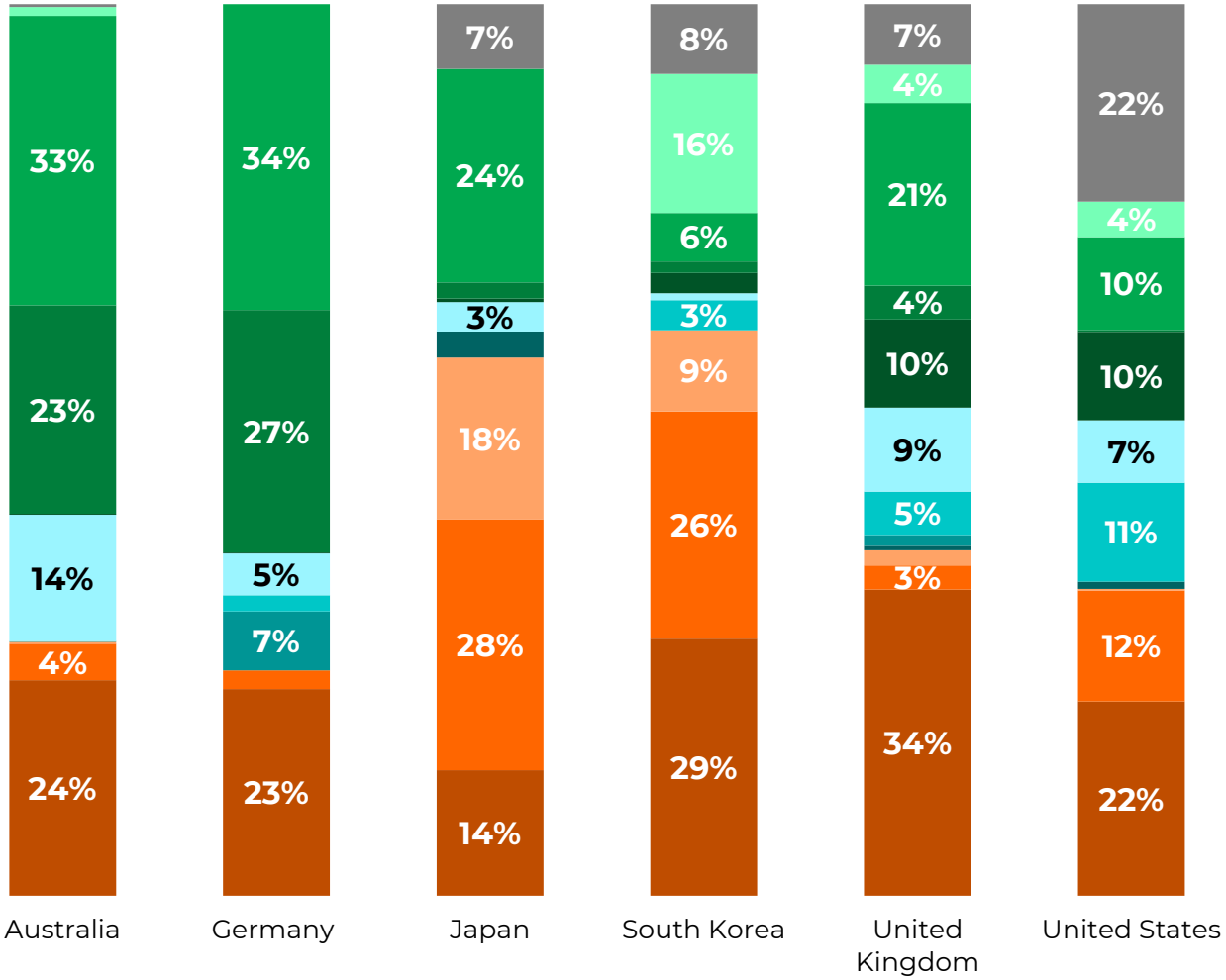
SECTION 3

DISTRIBUTION CHANNELS AND KEY PLAYERS

E-commerce is in the top three distribution channels across all selected markets except Japan for vitamins and dietary supplements.

DISTRIBUTION OF VITAMINS AND DIETARY SUPPLEMENTS BY MARKET IN 2021

% of VALUE



STORE-BASED

- Other
- Vitamins and Dietary Supplements Specialist Retailers
- Drugstores/parapharmacies
- Chemists/Pharmacies
- Healthfood shops
- Supermarkets
- Hypermarkets
- Discounters
- Convenience Stores

NON-STORE

- Home Shopping
- Direct Selling
- E-Commerce

So what?
When selling into Australia and Germany with a vitamin/supplement collagen product, consider drug stores and chemists. Direct selling is something to consider in Japan and South Korea. E-commerce is valid across all markets, but to a lesser extent in Japan. For more information on e-commerce and exporting, check out this link.

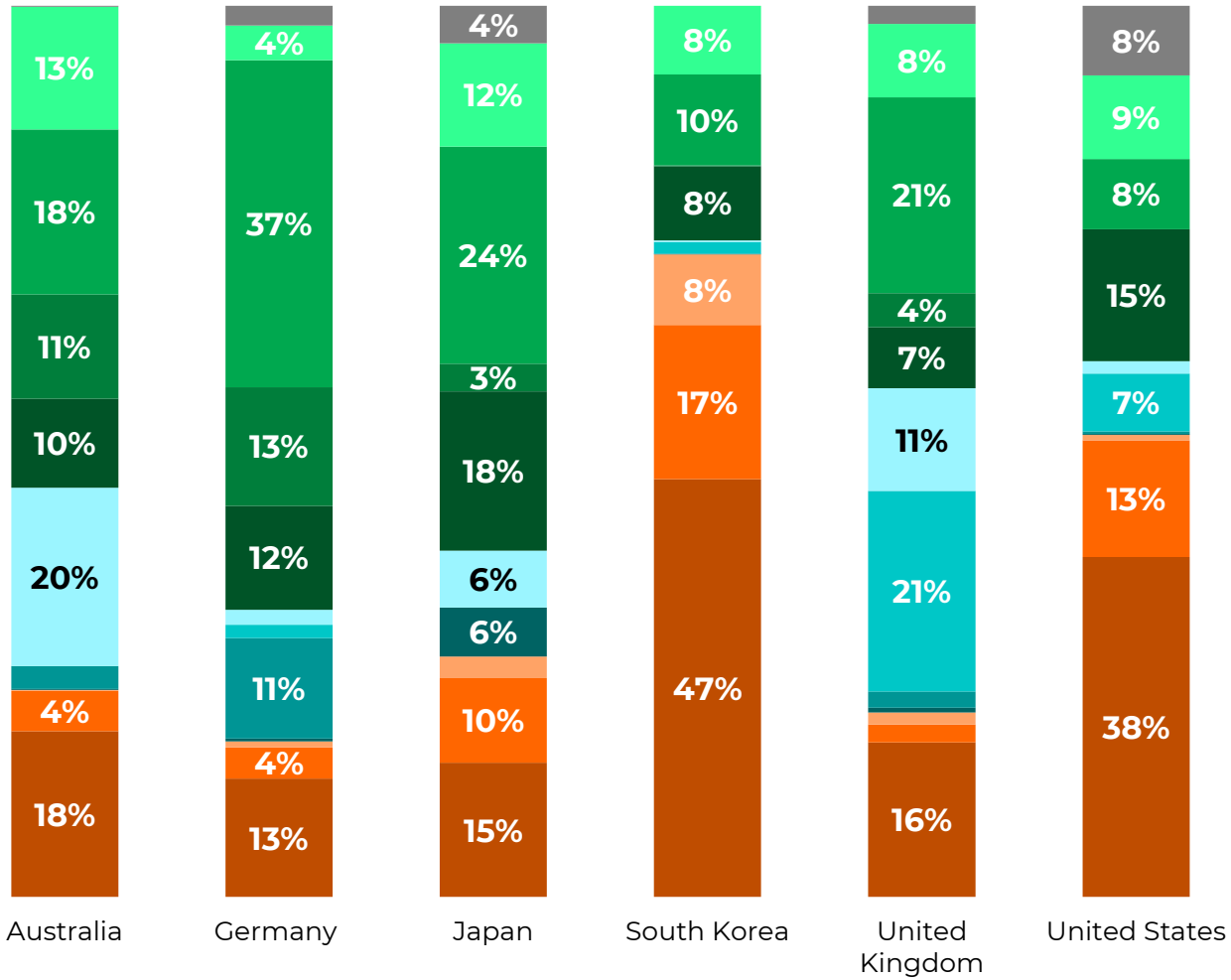
Source: Euromonitor 2022 - Distribution: Vitamins and dietary supplements

Only values higher than 3% are given a label in this graph

E-commerce is in the top three distribution channels across all selected markets in the skin care category.

DISTRIBUTION OF SKIN CARE IN 2021

% of VALUE



STORE-BASED

- Other
- Department Stores
- Drugstores/parapharmacies
- Chemists/Pharmacies
- Beauty Specialists
- Supermarkets
- Hypermarkets
- Discounters
- Convenience Stores

NON-STORE

- Homeshopping
- Direct Selling
- E-Commerce

So what?
E-commerce needs to be considered for skin care distribution in South Korea and the US. The same is applicable to drug stores in Germany. A market like Australia has a range of distribution options that may be decided based on product positioning.

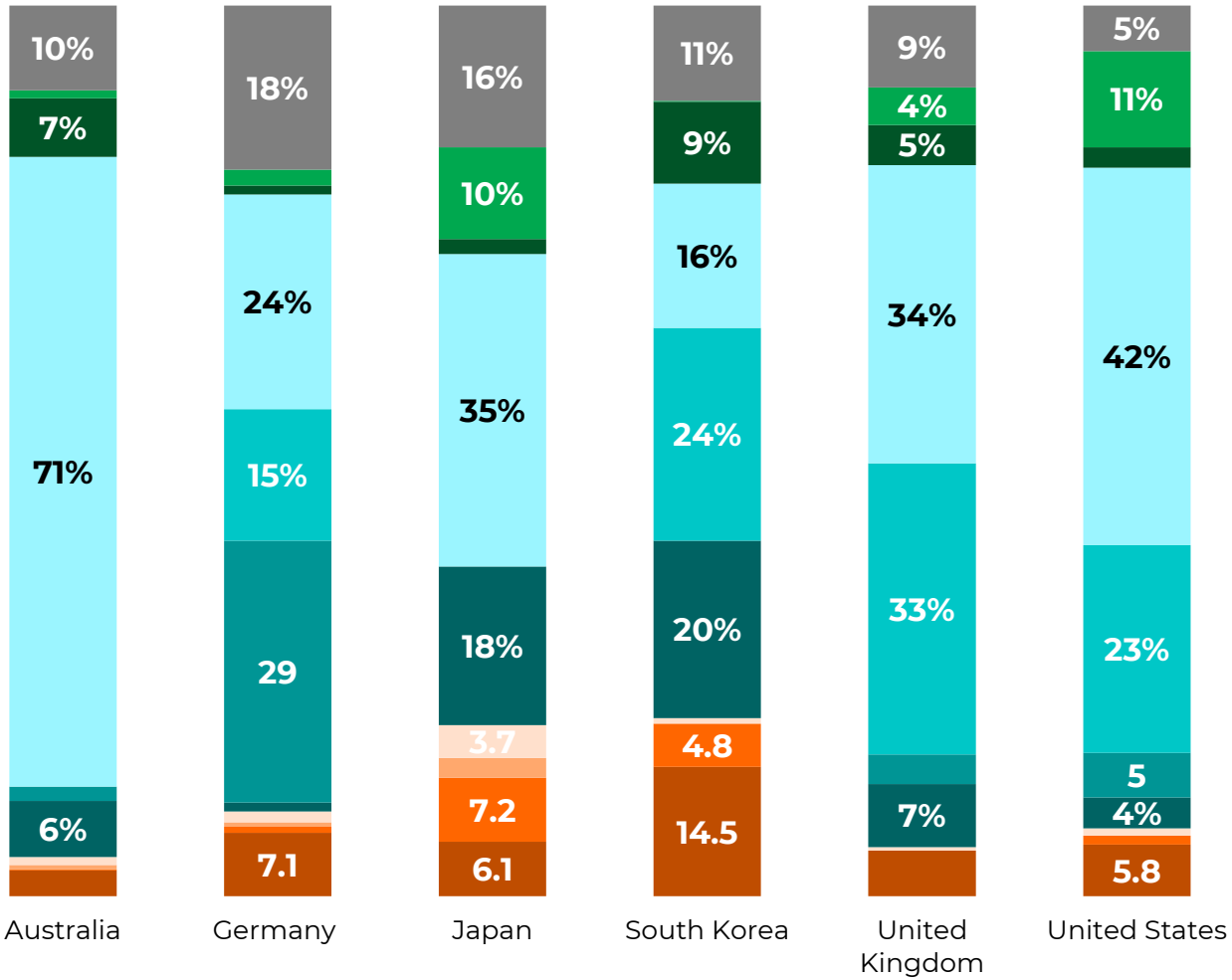
Source: Euromonitor 2022 - Distribution: Vitamins and dietary supplements

Only values higher than 3% are given a label in this graph

All six markets have supermarkets and/or hypermarkets as one of their top three distribution channels for health and wellness goods.

DISTRIBUTION OF HEALTH AND WELLNESS FOOD & BEVERAGES (PACKAGED) IN 2021

% of VALUE



STORE-BASED

- Other
- Non-Grocery Specialists
- Independent Small Grocers
- Supermarkets
- Hypermarkets
- Discounters
- Convenience Stores

NON-STORE

- Vending
- Homeshopping
- Direct Selling
- E-Commerce

So what?
Exporters in the health food and beverages space need to consider the supermarket channel in Australia. Across all of the other five markets, supermarkets, hypermarkets and/or discounters are important to consider for this category.

Source: Euromonitor 2022 - Distribution: Vitamins and dietary supplements

Only values higher than 3% are given a label in this graph

Key insights

TOP DISTRIBUTION CHANNEL ACROSS EACH SEGMENT

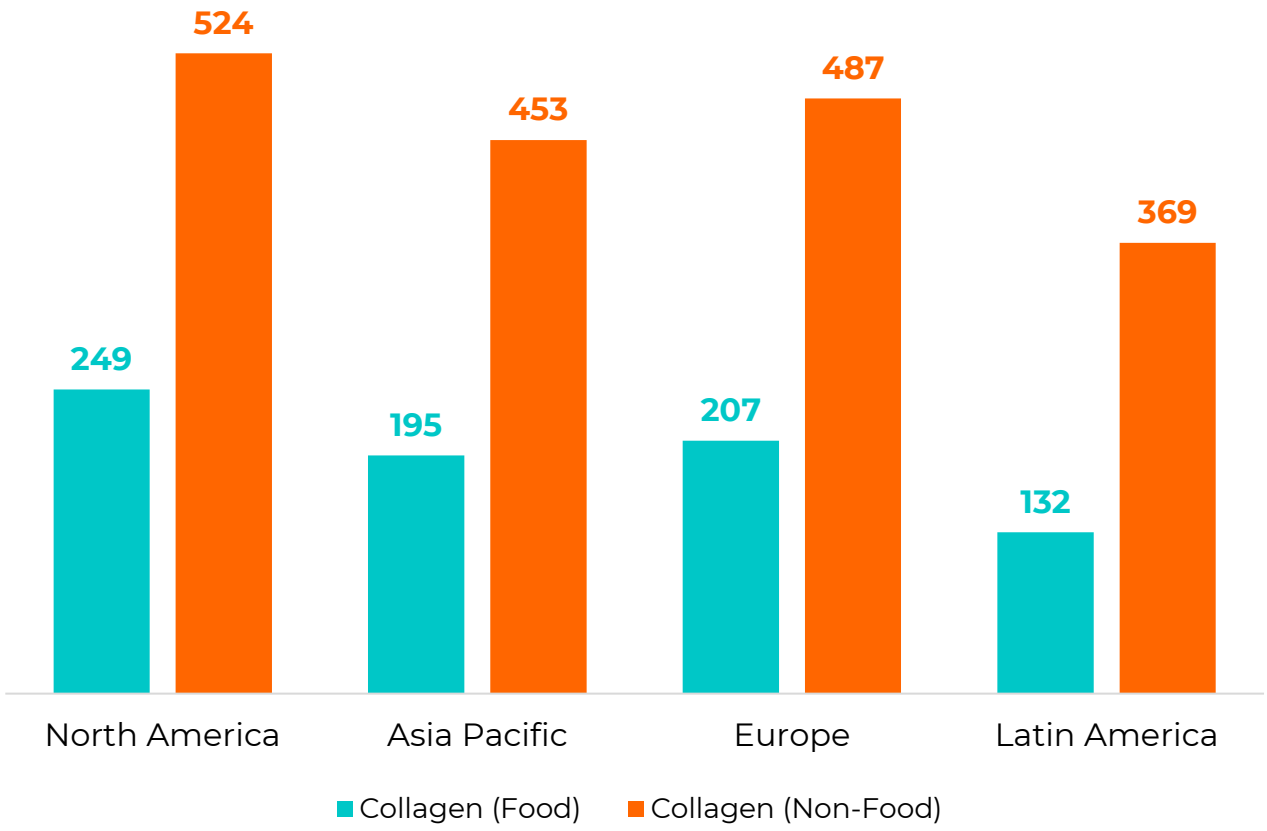
	VITAMINS & DIETARY SUPPLEMENTS	SKIN CARE	HEALTH AND WELLNESS FOD AND BEVERAGES
	Drug Store/ Parapharmacy	Supermarkets	Supermarkets
	Drug Store/ parapharmacy	Drug Store/ Parapharmacy	Discounters
	Direct Selling	Drug Store/ Parapharmacy	Supermarkets
	E-Commerce	E-Commerce	Hypermarkets
	E-Commerce	Hypermarkets	Supermarkets
	E-Commerce	E-Commerce	Supermarkets

South Korea and the United States both have E-Commerce as a top distribution channel for vitamins/dietary supplements and skin care.

Supermarkets and hypermarkets are a key distribution channel for health and wellness food and beverages.

There are a large number of collagen ingredient suppliers on the UL Prospectors database across four key regions.

NUMBER OF RECORDED COLLAGEN SUPPLIERS BY REGION AVAILABLE AND COLLAGEN TYPE



Links to supplier lists

North America:
Collagen (Food)
Collagen (Non-Food)

Asia Pacific:
Collagen (Food)
Collagen (Non-Food)

Europe:
Collagen (Food)
Collagen (Non-Food)

Latin America:
Collagen (Food)
Collagen (Non-Food)

So what?
Collagen ingredient suppliers should investigate their competitor suppliers in different regions. Understand your point of difference.

Companies looking for a collagen ingredient supplier should look into the different options available and weigh up factors such as quality and scientific backing.

Source: UL Prospector, 2022.

Note: Many food and non-food suppliers may crossover across regions. Region refers to availability of product in region.

Collagen ingredient suppliers are trading across different markets. For example, French company, Copalis sells their collagen into Asia Pacific.

COLLAGEN INGREDIENT SUPPLIER EXAMPLES, BY REGION AVAILABLE

North America



Biocell Technology |

Asia Pacific



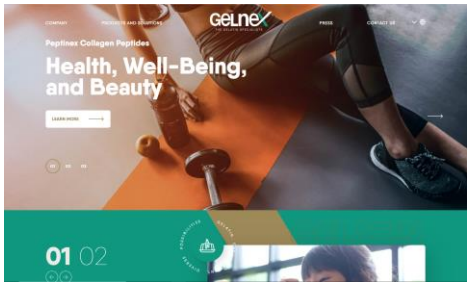
Copalis

Europe

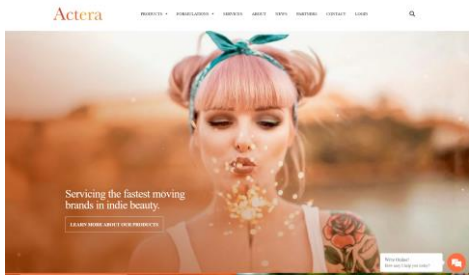


GELITA

Latin America



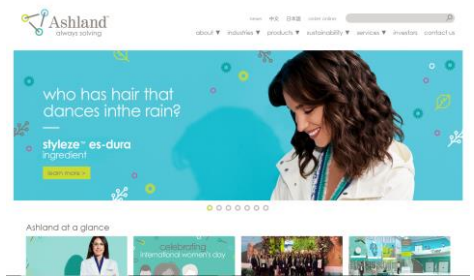
Gelnex



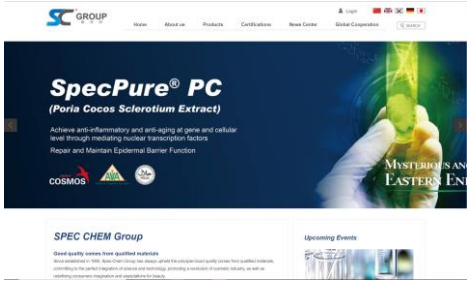
Actera Ingredients



Lipoid Kosmetik



Ashland



SpecChem Industry

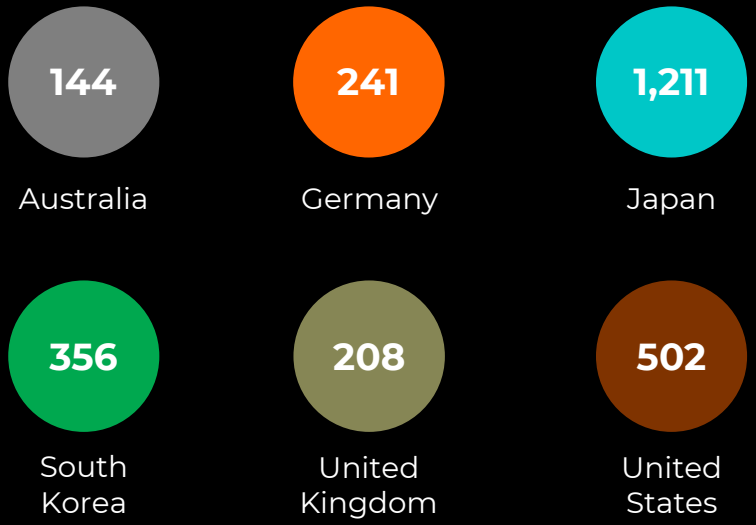
Source: UL Prospector, 2022.

Note: Region refers to availability of product in region.

SECTION 4

PRODUCT LANDSCAPE

Products recorded:



The following section is based on the following search via Mintel's Global New Products Database:

Search criteria:

Markets: US, UK, Australia, Japan, Germany, South Korea

Timeline: 2019-2021 (3 complete years)

Product ingredients:
Contains "collagen"

Product description:
Contains "collagen"

Note: Using product ingredients and description containing collagen removes products irrelevant to this project i.e. meat products where collagen is not used for functional benefit, or products that claim to boost collagen production but do not contain it as an ingredient.

While collagen is common in food & beverage products in Australia, it is most common in beauty & personal care in the other five markets.

In all markets, except for Australia, beauty & personal care makes up the majority of newly released collagen products.

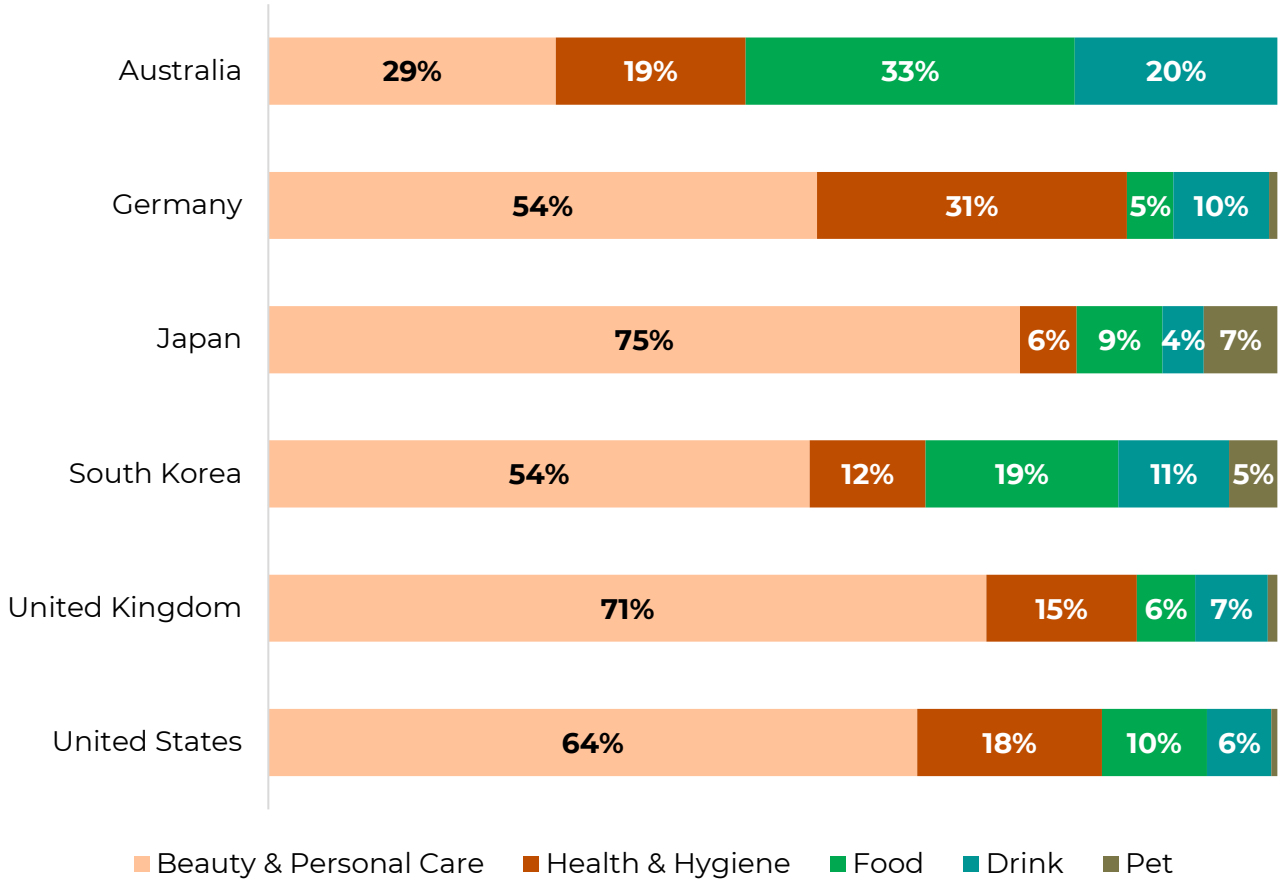
This is especially pronounced in the UK and Japan, where over 70% of products fell within this broad category.

In Australia, 33% of the products fell within the food category, as well as 20% in the drinks category. This shows that functional food and beverage products using collagen may land well in this market.

The health & hygiene category, which includes the likes of dietary supplements, makes up 31% of newly released collagen products in Germany, while just 6% in Japan.

So what?
Food and beverage brands that contain collagen have the opportunity to jump the trend of product innovation in this category in Australia. In a more niche space, pet food brands that contain collagen should consider Japan and South Korea.

NEW COLLAGEN PRODUCT LAUNCHES BY CATEGORY
% of total launches



Source: Mintel GNPD, 2022.

Across all six markets, skin care is one of the top three sub-categories for newly released collagen products.

COLLAGEN TOP 3 PRODUCT SUB-CATEGORIES

					
 **Skin care** 340 products	 **Skin care** 74 products	 **Healthcare** 74 products	 **Snacks** 40 products	 **Colour cosmetics** 505 products	 **Skin care** 124 products
 **Healthcare** 92 products	 **Colour cosmetics** 46 products	 **Skin care** 60 products	 **Skin care** 27 products	 **Skin care** 340 products	 **Hair products** 52 products
 **Colour cosmetics** 78 products	 **Healthcare** 31 products	 **Colour cosmetics** 57 products	 **Healthcare** 27 products	 **Confectionary** 82 products	 **Healthcare** 41 products

Source: Mintel GNPD, 2022.

Vital Proteins, which was acquired by Nestlé Health Science in early 2022, has released at least 23 new collagen products since 2019.

USA: COLLAGEN PRODUCTS

Top 3 companies innovating in collagen:

1. MAYBELLINE NEW YORK
   34 products
2. VITAL PROTEINS®
   23 products
3. J.cat Beauty Los Angeles
   16 products

Product examples:



Peppermint Mocha Collagen Creamer
Brand: Vital Proteins
Price: $15 USD
Category: Vitamins & Supplements > Powder
Relevant description: "...is made with bovine collagen peptides..."



Skin Gummies with Collagen and Biotin
Brand: 8 Greens
Price: $24 USD
Category: Vitamins & Supplements > Chew/Gummy
Relevant description: "...provide beauty and to give skin glow..."



Eye Mask & Lip Set
Brand: Lapcos
Price: $6.97 USD
Category: Skincare > Sets
Relevant description: "...enriched with collagen..."

So what?
Collagen exporters considering the US should be aware of competition from major global companies. Success in this market would entail finding a unique and compelling value proposition, as well as significant investment when entering a market.

Source: Mintel GNPD, 2022.

Global beauty giant, Maybelline, have been rapidly innovating in the collagen skincare space over the past few years.

UK: COLLAGEN PRODUCTS

Top 3 companies innovating in collagen:

1. MAYBELLINE NEW YORK
   25 products
2. it COSMETICS™
   14 products
3. ellipsis® Brands.
   11 products

Product examples:



Edible Cookie Dough Choc Chip DIY Mix
Brand: Locako
Price: £8.29
Category: Desserts & Ice Cream > Shelf Stable
Relevant description: "...keto product with added collagen..."



Collagen 1000mg with Vitamin C
Brand: H&B Beauty
Price: £7.99
Category: Vitamins & Supplements > Tablet
Relevant description: "...collagen is the protein that gives skin its structure and it declines with age."



Body Booster Mousse
Brand: Charles Worthington
Price: £6.99
Category: Hair Products > Hair Styling
Relevant description: "It is formulated with plumping collagen..."

So what?
Brands in the collagen space going into the UK should have knowledge of the rapid product innovation from market leaders, in order to understand competition and positioning.

Source: Mintel GNPD, 2022.

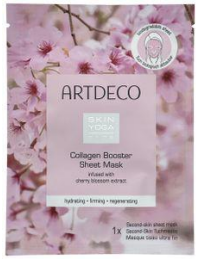
Nail polish brand, Essie, has released a number of products containing collagen, including nail treatments.

GERMANY: COLLAGEN PRODUCTS

Top 3 companies innovating in collagen:

1. it COSMETICS™ — 31 products
2. essie® — 17 products
3. Queisser PHARMA — 13 products

Product examples:



Sheet Mask
Brand: Artdeco
Price: €4.95
Category: Skincare > Face/neck care
Relevant description: "...moisturising sheet mask with collagen and cherry blossom extract..."



High Protein Semolina Pudding
Brand: Dr. Oetker
Price: €1.49
Category: Desserts & Ice Cream > Shelf Stable
Relevant description: "The fibre-rich pudding powder with milk protein and collagen..."



Açai, Guava & Ginger Flavour Collagen Protein Drink
Brand: Maluma Feel Good
Price: €0.84
Category: Nutritional & Meal Replacement Drinks
Relevant description: "...Collagen Protein Drink."

So what?
Some health supplement brands are innovating in the collagen space in Germany. This suggests demand from consumers that exporters could tap into. There is opportunity for early mover advantage as the market is less mature.

Source: Mintel GNPD, 2022.

There are a number of new products in Australia that add collagen to existing product forms, such as teas and protein bars.

AUSTRALIA: COLLAGEN PRODUCTS

Top 3 companies innovating in collagen:

1. vitaco
   7 products
2. krumbled FOODS
   6 products
3. HEALTH VITALITY
   6 products

Product examples:



Collagen Glow Gummies
Brand: Swisse Beauty
Price: $25 AUD
Category: Vitamins & Supplements > Chew/Gummy
Relevant description: "...collagen peptides from type I and III collagen..."



Celebrity Skin Collagen Beauty Loose Leaf Tea
Brand: Fusspot
Price: $29.95 AUD
Category: Tea > Loose
Relevant description: "...hydrolyzed collagen sourced from grass-fed, pasture-raised bovine hide..."



Protein Choc Fudge with Collagen
Brand: Slim Secrets by Sophie Monk
Price: $3.80 AUD
Category: Bakery > Cakes, Pastries & Sweet Goods
Relevant description: "...Choc Fudge with Collagen..."

So what?
There is an opportunity to sell into the trend towards health snacks that contain collagen in Australia. This builds on the drive towards health and wellbeing, as well as convenience.

Source: Mintel GNPD, 2022.

Kanebo, Kosé and Isehan have collectively released at least 428 collagen products in Japan since 2019. Rapid innovation is evident.

JAPAN: COLLAGEN PRODUCTS

Top 3 companies innovating in collagen:

1. Kanebo
211 products

2. KOSÉ
127 products

3. ISEHAN SINCE 1825
90 products

Product examples:



Grilled Chicken Dog Food
Brand: Inaba Petfood
Price: JPY 547
Category: Pet Food > Dog Food
Relevant description: "...collagen peptides for healthy skin..."



Tone Up Primer SPF 20 PA++
Brand: Kosé
Price: JPY 1100
Category: Colour cosmetics
Relevant description: "The fragrance-free formula is enriched with collagen..."



Green Apple Gummy
Brand: Kanro
Price: JPY 159
Category: Confectionary > Pastilles, Gums, Jellies & Chews
Relevant description: "...with collagen and vitamin C."

So what?
New Zealand exporters considering Japan with a more niche collagen product, such as confectionary and pet food, should consider Japan. This market has familiarity with these kinds of products.

Source: Mintel GNPD, 2022.

Etude have launched at least 20 new collagen products in South Korea over the period, including cleansers, sheet masks and serums.

SOUTH KOREA: COLLAGEN PRODUCTS

Top 3 companies innovating in collagen:

1. ETUDE
   20 products
2. TONYMOLY
   10 products
3. JL Ventures
   8 products

Product examples:



1000 Collagen Drink
Brand: Pulmuone It's Collagen
Price: KRW 2,900
Category: Juice Drinks > Fruit/Flavoured
Relevant description: "...0.62% low molecule fish collagen peptide..."



Strawberry Flavour Like Meal
Brand: NutritionLab
Price: KRW 24,000
Category: Nutritional & Meal Replacement Drinks > Powder
Relevant description: "...1% freeze-dried strawberries and fish collagen.



Cornflake Collagen Yam Tea
Brand: GNM Jayeonuipumgyeok
Price: KRW 14,900
Category: Nutritional & Meal Replacement Drinks > Powder
Relevant description: "...made with crispy and savoury cornflake, collagen, and Korean yam."

So what?
Exporters should consider the local flavour preferences and trends when selling a collagen product into South Korea.

Source: Mintel GNPD, 2022.

Key insights



Beauty & personal care makes up majority of new product releases in all markets except Australia.

In both the UK and Japan, over 70% of newly released collagen products fell within the beauty and personal care category. In Germany and South Korea this was 54% and 64% in the US. Comparatively, only 29% of collagen containing new product releases were in the beauty and personal care category in Australia.

The combined food and drinks categories made up 53% of products in Australia, with the top sub-category being snacks. Thus, functional food and beverages containing collagen may have a strong lead in in Australia.



Across all markets, major global brands are innovating in the collagen space.

Major beauty brands such as Maybelline and IT Cosmetics are releasing a large number of new products containing collagen. In the past three years, Maybelline releases 34 new collagen containing products in the US and 25 in the UK.

Additionally, Nestlé Health Science has just recently acquired collagen supplement brand Vital Proteins in early 2022.

SECTION 5

CASE STUDIES



We interviewed three New Zealand companies that are exporting collagen or are successful in the collagen space. Each company falls within a different collagen segment.

They have all been on a unique collagen journey, filled with many lessons and valuable insights; and are continuing to grow and evolve the collagen part of their business.

Collagen ingredient supplier:

OKAINS BAY SEAFOOD

Collagen as a finished product:

TWO ISLANDS

Collagen as an added ingredient:

BLUE FROG

OKAINS BAY SEAFOOD
Collagen Journey

Okains Bay Seafood's collagen journey began 25 years ago, when they started selling the otherwise wasted swim bladders to a local fish and chip shop at 20 cents per kilo. The swim bladder was then sold to the Asian food market where it would be dried, then rehydrated when used to make fish maw soup.

Over time the price of swimbladders steadily increased as their true value was recognised, eventually reaching today's price of $45 per kg.

RESPECT THE FISH

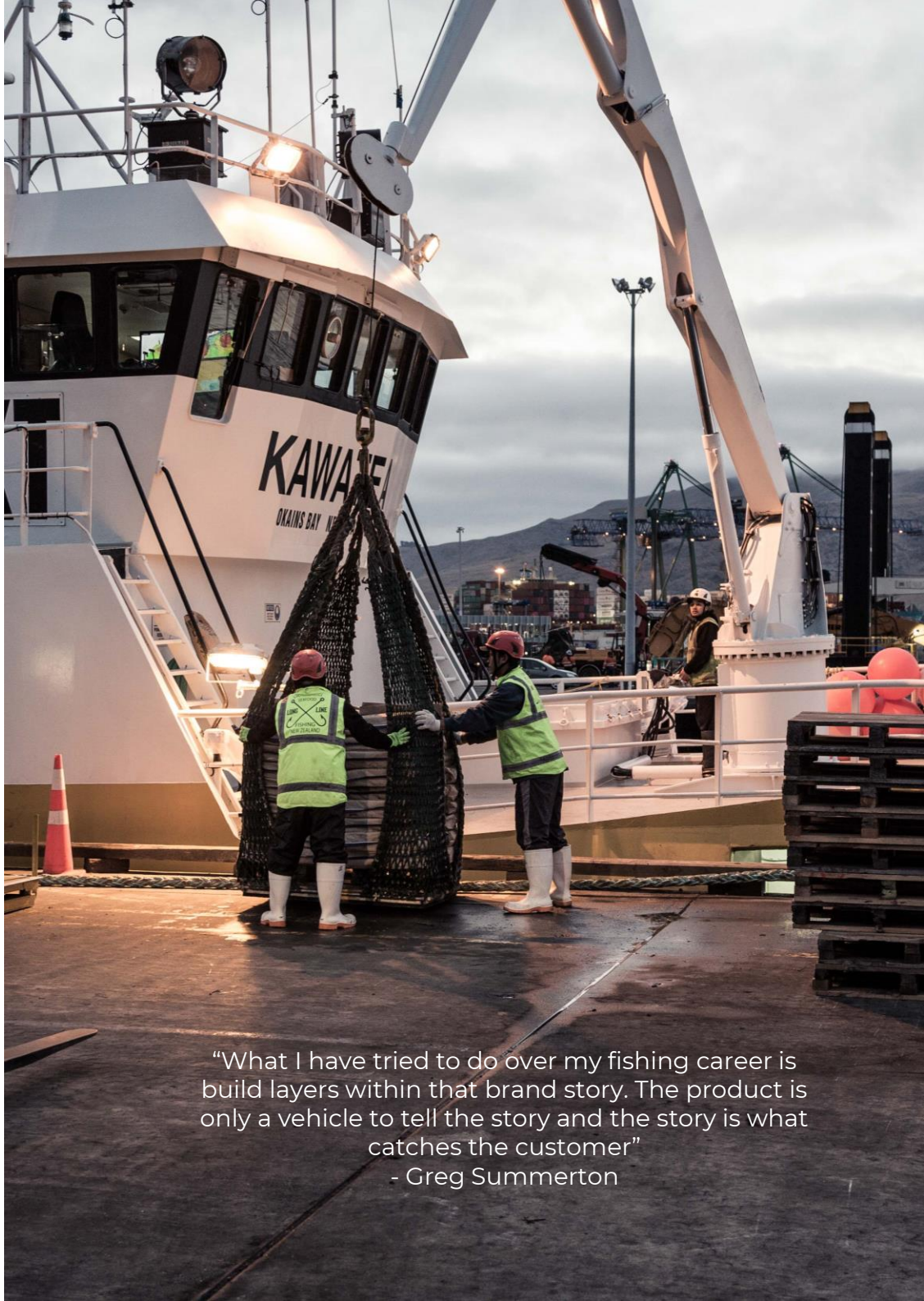
Okains Bay Seafood believes in utilizing as much of the fish they catch as possible. Extracting and selling the collagen in the skin and fish bladder was a part of their journey towards utilizing 100% of the fish. Their main catch species, Ling, is ideal for collagen extraction due to the scaleless skin and larger than average swim bladder.

BE INNOVATIVE

They recently started working with Plant and Food Research to create a "dried, hydrolysed, odorless, tasteless collagen powder" which is now ready to take to market.

BUILD A LAYERED BRAND STORY

Their advice to companies would be find your point of difference and build a strong, layered brand story. Okains Bay Seafood is built on the knowledge and tradition of founder Greg Summerton's whakapapa, and is rooted in the core principles of sustainability, longevity and innovation.



"What I have tried to do over my fishing career is build layers within that brand story. The product is only a vehicle to tell the story and the story is what catches the customer"
- Greg Summerton

TWO ISLANDS
Collagen Journey

Two Islands is a health and wellness company focused on women's health and beauty, with products ranging from protein powder to gut support and collagen. They started their collagen journey after noticing a gap in the New Zealand market for a high strength marine collagen. Their collagen products include beauty powders and individual sachets in a range of flavours, as well as capsules.

DIETARY SUPPLEMENT MARKET IS WELL REGULATED

The collagen has been well received amongst New Zealand consumers, and it is currently being exported to a small proportion of consumers in South Korea and Hong Kong. Australia and Canada have not been target-markets due to the high levels of regulation for dietary supplements. Their next step would be to enter the UK and more countries in Asia.

COLLAGEN IS A BUZZWORD

Their customer segment is broad, ranging from early 20s to the 60+ age group, with some individuals focused on health appearance and others concerned with their inner health.

They have realised that while many customers know the collagen buzzword, they lack a deeper knowledge of the science, which is why some consumers do not understand the reasoning of the price differences and may go for the cheaper alternative.

COLLAGEN IN THE BEAUTY INDUSTRY

Collagen has been solidified in the beauty space, which is why Two Islands have titled their collagen "Beauty Powder". However, the broader benefits to inner health have not been well formed among consumers.



BLUE FROG
Collagen Journey

Blue Frog specialises in high quality, tasty and functional cereals with a focus on gut health. They have a range of probiotic granola and porridge, as well as ‘keto’ and ‘grain free’ cereals.

COLLAGEN BENEFITS THE GUT

Blue Frog’s collagen journey began after spending two years visiting food expos in the USA and noticing the exponential rise in collagen. They realised that beyond the hair, skin and nails benefit of collagen the ingredient is great for gut health – a key focus of the company.

After deciding to create a collagen added product, they settled on using marine collagen due to the higher bio-availability. While there were no local ingredient suppliers, they found a supplier in France.

The cereal was created with 3 grams of collagen per serving. Currently, the cereal is their number three SKU. While they have received great feedback on the taste there has been no direct feedback on the functional benefit of collagen.

Their current export focus over the next two years will be Australia, with a plan to later target the west coast of the US or the UK markets.

MARINE IS AN ALLERGEN

Their advice for any company looking to add collagen is to remember that marine is an allergen and must be highlighted on the pack.

In the future they plan to move to a New Zealand bovine supplier, due to the benefits of sourcing locally and removing the allergy concerns of using marine.



“The ***Collagen Granola with Black Doris Plum, Almond and Coconut*** is made with Sustainable Marine to help support glowing skin, strong hair & nails AND improve your **gut health”**

Appendix 1:

	Below are a list of statements around collagen, please select the statement you know to be true.		Total	Market: Australia	Japan	Germany	South Korea	United Kingdom	United States
	Total		2024	426	287	205	337	411	358
TRUE	Hydrolysed collagen is a form of collagen broken down	%	11%	11%	11%	15%	13%	10%	10%
TRUE	Dalton size is the size of the collagen molecule	%	6%	4%	2%	6%	13%	5%	6%
	Collagen is a mood enhancer	%	9%	6%	6%	12%	14%	8%	11%
TRUE	There are three main types of collagen (Group 1, Group 2, Group 3)	%	11%	11%	7%	19%	12%	9%	11%
TRUE	The size of the collagen molecule determines the degree to which your body can absorb it	%	15%	11%	14%	15%	28%	13%	13%
TRUE	Hydrolysed collagen is collagen broken down into peptides	%	11%	10%	16%	11%	11%	11%	11%
TRUE	Collagen can be sourced from animals	%	36%	28%	50%	38%	43%	32%	31%
TRUE	There is a limit in the amount of collagen your body can absorb in a single day	%	21%	15%	25%	24%	29%	20%	19%
	20 grams of collagen is the daily recommended daily serve.	%	12%	8%	11%	19%	17%	11%	10%
TRUE	Vitamin C is required for collagen absorption	%	20%	18%	22%	23%	28%	15%	15%
	Calcium is required for collagen absorption	%	14%	12%	17%	18%	15%	13%	10%
	Marine collagen is better for you than land animal collagen	%	15%	7%	11%	18%	30%	16%	9%
TRUE	Collagen is good for your gut	%	16%	14%	15%	16%	18%	16%	18%
	Collagen improves endurance	%	15%	12%	17%	11%	19%	15%	17%
	I am unaware of the science of collagen	%	34%	49%	26%	27%	15%	40%	40%

Source: NZTE, *Collagen Consumer Survey*, 2022.

*Statements known to be true have been labelled in this appendix.

*This question has been filtered by the consumers who are aware of collagen.

Ngā mihi

NEW ZEALAND

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