Lower-calorie foods and beverages dramatically boosted revenue at 16 food and beverage companies that account for nearly $100 billion in annual sales

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Lower-calorie products are driving a disproportionate share of the sales growth for many of the U.S.’s largest food and beverage companies, according to a newly released Hudson Institute study, *Lower-Calorie Foods and Beverages Drive Healthy Weight Commitment Foundation Companies’ Sales Growth*.

Commissioned by the Healthy Weight Commitment Foundation (HWCF), the study analyzed the 2006-2011 U.S. product and sales data of 16 member companies (including Coca-Cola Co., General Mills, Kellogg, Kraft Foods, Nestle USA, and PepsiCo). Hudson researchers found that lower-calorie products (classified using two different established nutrition standards) accounted for 82 percent of combined sales growth. In all, sales of lower-calorie food and beverages at these companies increased more than $1.25 billion – over four times the growth of higher-calorie fare. These companies had combined U.S. annual sales of $97 billion at grocery stores, drug stores and mass merchandisers.

The release of these findings follows an announcement by HWCF that their member companies fulfilled their commitment -- to reduce 1.5 trillion calories in food and beverages sold in the U.S. -- three years earlier than planned in connection with First Lady Michelle Obama’s Partnership for a Healthier America.

“The Hudson study shows that food and beverage companies are making progress in meeting burgeoning consumer demand for lower-calorie products,” says Hank Cardello, director of Hudson Institute’s Obesity Solutions Initiative, who led the study. “There is now a fundamental business reason to do so. The food companies that get this are acting in their shareholders’ best interests – not just in consumers’ best interests. A crucial way to accelerate a decline in the national obesity rate is to show food companies where the growth is.”

Hudson researchers examined Nielsen ScanTrack data, which captures sales data on point-of-sales purchases through barcodes, to analyze the dollar sales for the food and beverage products sold by HWCF member companies. Using information from the package labels and online sources, Hudson then categorized each product as “lower-calorie” or “higher-calorie,” based on specified calorie limits.
The criteria followed guidelines from the Children’s Food & Beverage Advertising Initiative and the University of Minnesota Nutrition Coordination Center developed for a previous Hudson study. For example, to be considered a lower-calorie item, cereal and snack bars could not exceed 150 calories.

Click here to read a copy of the full report. Infographic Lower Calorie Foods Drive Sales may be found here.

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