

Old fashioned cod liver oil boosting UK supplements market

19/10/2004 - **Fish oils, and particularly cod liver oil, are proving to be the mainstay of the UK's dietary supplements market, providing growth in a market where profits are continually eroded by price competition.**

The entire fish oils category generated retail sales worth £96.5 million (€139m) in 2003, compared to £94 million for multivitamins and £25 million for calcium and minerals, shows a new Euromonitor report.

Overall, growth in fish oils was a major factor in the 1.5 per cent increase in supplement sales: fish oils expanded by £4 million during the period, while overall sector growth came to £3 million, demonstrating the decline in other products.

The strong performance of fish oils in 2003 has been driven by positive press coverage, including a BBC documentary that espoused the virtues of fish oil consumption for brain development, and the maintenance of a healthy brain for children and adults.

But new product development has also played a role in the growth in this sector, suggests Adrienne Crossley, OTC research manager at Euromonitor.

"The media is important but there has been a lot of innovation, making the offering more fragmented. Flavours are really important for the taste of fish oil supplements," she told NutraIngredients.com. "Equazen, for example, has a fruity flavoured fish oil."

Cod liver oil has also benefited from its long-standing reputation. *"Cod liver oil is so popular and has such entrenched consumption in the UK, compared to other markets where other fish oils are predominant,"* added Crossley.

"It is also an accessible product, and not as 'faddy' as herbals like ginkgo, giving it advantages when positioned for older consumers."

Cod liver oil was one of a number of dietary supplements to address age-related complaints, and has found rising demand among ageing baby boomers, seeking supplements whose reputations have been built up through word of mouth and media coverage.

But while the long-established cod liver oil segment makes up the majority of fish oil sales - £90 million of the total – and is seeing growth of 4.4 per cent, the market remains heavily concentrated, with more than half owned by Merck brand Seven Seas.

Potential for new entrants could lie with other fish oils, such as halibut oil, which saw sales increase by almost 7 per cent in 2003, albeit from a low base.

“Companies need to try to attract the current fish oil consumers but also differentiate,” added Crossley.

Other fish oils are forecast to grow by 0.5 per cent in constant terms over the coming years to 2008, while cod liver oil growth will be at 0.2 per cent.

“There is so much price discounting in the UK market that a lot of products are forecast to decline. The forecast growth for fish oils is comparably good,” she noted.

For more information on the report, OTC Healthcare in the UK, contact [Euromonitor](#).