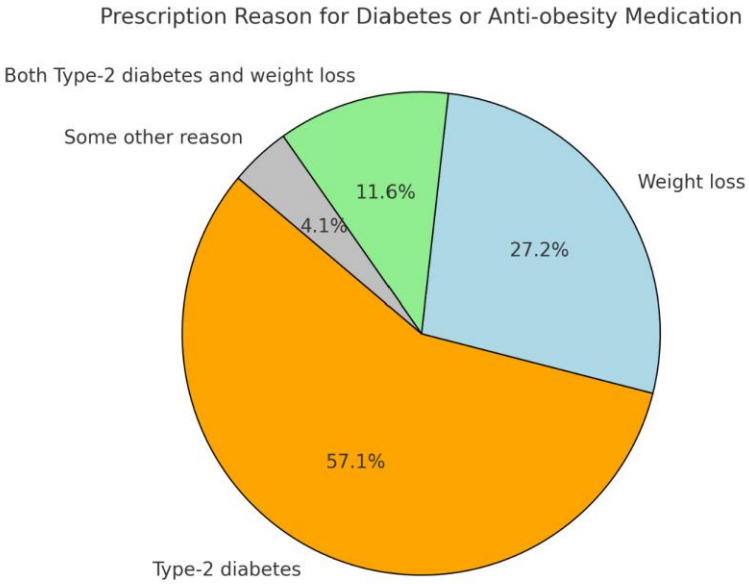
DALHOUSIE UNIVERSITY
AGRI-FOOD ANALYTICS LAB

Impact of GLP-1 Drugs on Consumer Eating Habits and Food Industry Trends

HALIFAX, March 26, 2024 — In recent years, the use of GLP-1 receptor agonists, such as **Ozempic**, has become increasingly prevalent in the management of type 2 diabetes and obesity.[1] Initially intended for treating type 2 diabetes, these drugs are now being used more frequently for weight loss. GLP-1 drugs have demonstrated promising results in improving glycemic control, promoting weight loss, and reducing cardiovascular risks. However, there is limited research on how Canadians perceive and utilize these medications in their daily lives.

To address this gap, a national survey was conducted in partnership with **Caddle**, a leading market research firm, to explore Canadians' perspectives on GLP-1 drugs. The survey gathered responses from 8,662 Canadians and aimed to understand the usage rate of GLP-1 drugs, the purposes for which they are used, and their impact on users' lives, particularly regarding their food choices.



GLP-1 Drug Use

The survey results indicate that about 10% of the adult population in Canada uses a GLP-1 type drug, like Ozempic. Based on these results, we estimate that between 900,000 and 1.4 million Canadians are currently using a GLP-1 drug. Results are consistent with those in the United States. JPMorgan researchers estimate that 30 million adults in the U.S. may be taking GLP-1 drugs by 2030.[2] Men's usage is slightly higher at 11% compared to females at 10%. Usage rates

[1] https://www.canada.ca/en/health-canada/services/drugs-health-products/drug-products/drug-shortages/information-consumers/supply-notices/ozempic.html
[2] https://www.jpmorgan.com/insights/global-research/current-events/obesity-drugs

are similar across generations, with millennials having the highest usage rate at 12%, followed by Gen Xs at 11%, and Baby Boomers and Gen Zs at 10%. Ontario has the highest usage rate at 13%, while Prince Edward Island has the lowest rate at 4%. Quebec is at 10%, and British Columbia is at 8%. Additionally, 79% of respondents have been using a GLP-1 drug for more than 3 months.

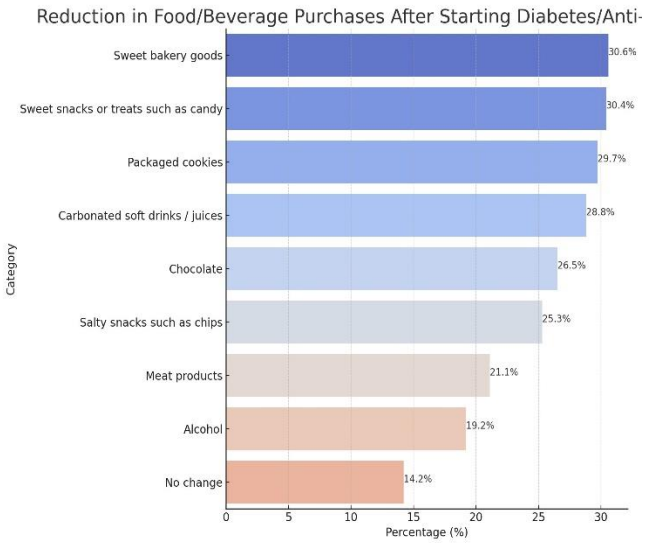
Reason For Usage

When asked about the reason for using a GLP-1 drug, 57.2% of respondents cited Type-2 Diabetes. A total of 27.2% of respondents claimed to use a GLP-1 drug strictly for weight loss, while 11.6% of respondents use these drugs for both Type-2 diabetes and weight loss.

Food Choices

Many speculate that GLP-1 drugs may impact the food industry over the long term, especially companies heavily relying on impulse-buy patterns and snacking. Among GLP-1 drug users, 45.5% reported eating less since starting to use the drug. Additionally, 21.6% of respondents who use GLP-1 drugs claimed to go out to restaurants less often, and 16.4% declared buying fewer groceries because of using a GLP-1 drug. Furthermore, 44.2% of users believed to have lost weight.

The survey also explored the types of food GLP-1 drug users have eaten less since starting to use the drug. Results showed that 30.6% of respondents ate less sweet bakery goods, 30.4% consumed fewer sweet treats and snacks such as candy, 29.7% ate fewer packaged cookies, and 28.8% drank fewer carbonated soft drinks. Additionally, 26.5% ate less chocolate, and 25.3% consumed fewer salty snacks like chips. Alcoholic consumption and purchases were also impacted, with 19.2% of respondents claiming to drink less alcohol since starting to use a GLP-1 drug. Finally, 14.2% of respondents reported no change at all in the food and drinks they consume.



The categories with the highest percentages are 'Sweet bakery goods', 'Sweet snacks or treats such as candy', and 'Packaged cookies'. This suggests that individuals on diabetes or anti-obesity medications are significantly reducing their intake of sugary and highly processed foods. Carbonated soft drinks/juices' also have a high reduction percentage. Given the association of these drinks with high sugar content and their link to obesity and diabetes, consumers appear to be mindful of their adverse health effects. 'Meat products' have a moderate reduction percentage, suggesting some awareness about the consumption of processed meats, which can be high in fats and preservatives.

A significant percentage of respondents reported buying less alcohol, which is notable as alcohol can contribute to calorie intake and impact blood sugar levels.

There remains a small percentage of respondents who reported no change in their purchasing habits, which could be due to various factors, including the severity of the condition, the effectiveness of the medication, or personal choice.

Analysis and Implications

For the restaurant sector, with the highest percentage of respondents reporting eating less, food service providers might consider offering size-based portion prices or menu options with health-related information that cater to individuals looking to reduce their caloric intake. The significant percentage of respondents who experienced weight loss may suggest a growing market for healthy, low-calorie, and low-carb food options. Restaurants and food service companies could expand their offerings to include such items.

The data indicates a reduction in both the purchase and consumption of alcoholic beverages at home. Liquor stores and bars might see a decline in sales. They may need to diversify their offerings or create marketing strategies that focus on quality over quantity.

A decrease in the consumption of non-alcoholic beverages could suggest that people are also becoming more mindful of their sugar intake from sources like sodas and juices. Retailers and restaurants could respond by offering more sugar-free or low-calorie drink options.

Reliance on impulse buying in the food industry will likely be lessened as usage of GLP-1 receptor agonists grows. There is a clear demand for products with reduced sugar, lower calories, and less processing. The food industry could innovate by offering more healthy alternatives. Manufacturers may consider reformulating existing products to reduce sugar, fat, and sodium content in response to consumer health concerns. Marketing strategies could be adjusted to highlight the health benefits of products, particularly for those that are naturally low in sugars and unhealthy fats.

In addition, providing more information about the nutritional content of products can help consumers make informed decisions. This could include clearer labelling and educational campaigns about the benefits of a healthy diet.

We also foresee the industry developing new product lines that cater to the needs of individuals with specific health concerns, like diabetes-friendly or weight-management foods, which could capture a growing market segment. Investing in research and development to better understand the needs of consumers with health conditions can lead to innovative products that are both health-conscious and palatable. Collaborating with healthcare providers and organizations to endorse products as part of a healthy lifestyle for those on diabetes or anti-obesity medication could improve brand trust and loyalty.

In essence, the food industry should continuously monitor such trends, as they often indicate broader shifts in consumer behaviour and can impact long-term product demand and development strategies.

Quote

From Dr. Sylvain Charlebois, Director of the Agri-Food Analytics Lab, Dalhousie University: *"As the use of GLP-1 drugs like Ozempic increases, we are seeing significant shifts in consumer food choices, particularly a reduction in the intake of sugary and highly processed foods. This trend has profound implications for the food industry, necessitating innovation and a move towards healthier, low-calorie, and low-carb alternatives. The industry must adapt to these changing consumer behaviours to meet the growing demand for health-conscious products."*

For more information and access to the full report, please visit https://www.dal.ca/sites/agri-food.html.

About the Agri-Food Analytics Lab

The Agri-Food Analytics Lab at Dalhousie University is a research unit dedicated to providing valuable insights into the food and agriculture sectors. Their interdisciplinary team of experts researches various aspects of the food supply chain, offering data-driven solutions to inform industry stakeholders and policymakers.

Methodology: The survey conducted in December 2023 had a total of 8,662 respondents. This number is both the weighted and unweighted total, indicating that each respondent was counted once in the analysis, and any adjustments made to ensure representativeness did not change the total count of respondents. The margin of error for the survey, assuming a 95% confidence level, is approximately 1.84%. This means that the results of the survey are expected to be within ±0.63 percentage points of what would have been obtained if the entire population had been surveyed, 95 times out of 100.

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