



Qualitative Consumer Research

Mini Focus Groups Concordix Product Taste Testing

Final report May 15, 2012

Prepared For: NYS International

ConCordix®

a product by the Vitux group vitux

Table of contents

Nature of Findings	3
Objectives	4
Methodology	5
Detailed Findings	
1. Product Tasting: Children (3-8 years old)	6
2. Product Tasting: Moms	11
Purchase intent (based on taste test by mom & child)	
Expectations of compliance	
3. Cursory: The Omega 3 Dietary Supplement Category	24
Current Attitudes and Behaviors	
Levels of Awareness: Benefits to Children	
Place of Purchase	
Summary and Recommendations	34

Nature of findings

The results obtained from these interviews should not be interpreted as statistically representative of the population as the process involved discussions with a relatively small sample of respondents (n=32 Moms and 32 kids).

They do, however, provide valuable insights into the issues discussed and the responses should be seen as suggestive of options within the target groups explored.

The questions were exploratory and the findings are directional.

Research learning objectives

Primary Learning Objectives:

- Taste-testing of product: young children – do they like it?
- Taste-testing of product: Mother
 - Expected compliance by child*
- Purchase intent
 - Purchase intent of product based on taste test by self & child*
 - Key factors influencing purchase intent – drivers and barriers*

Cursory (Top-line) Learning Objectives:

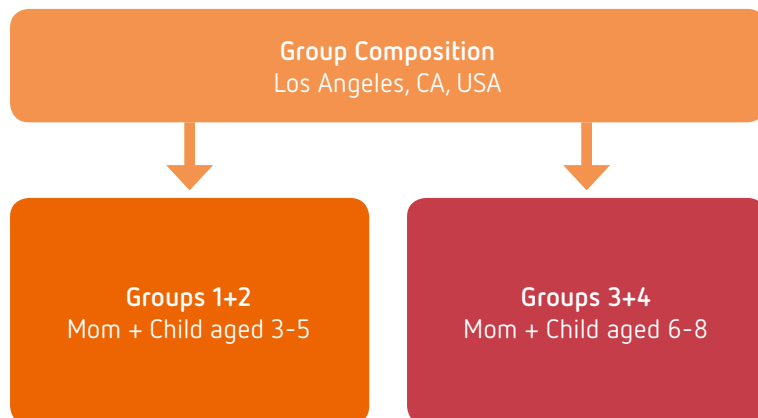
- Category attitudes and behaviors (Omega 3 Dietary Supplements)
 - Levels of awareness/perceptions surrounding benefits of Omega3 for children
 - Purchase behavior
 - Channel(s) and stores of choice for category*
 - Why are they shopping there?*

Methodology

On May 9 2012, 4 mini focus groups were conducted among consumers in Los Angeles, California. Each focus group was approximately 30 minutes in length.

For each group, 10 duos of mother and child were recruited for 8 duos to show, and a total of 32 moms and 32 children participated.

Participants received a \$75 cash incentive for their time. There was also a \$25 'lottery' draw held 15 minutes prior to each group, to encourage timely arrival of recruits.



Additional Recruiting Specifications:

- At least one adult in household is employed full time
- Mom is principal grocery shopper for the household
- Household income ranges from \$30K-\$150K+
- No vegan or vegetarian dietary restrictions
- No food allergies, incl. to fish and beef
- Moms must at least once/week give at least one of the following to their child: Omega3 or fish oil, vitamin D, multi-vitamin
- Moms aged 22 years +
- Children mix of females and males



1. Product Tasting

Children

(aged 3-8 years old)

Product Tasting: Children

- On the whole, the insights are highly positive: the majority (78% = 25 of 32) of children claimed to either like or love the product.
- They were each provided one to taste, with the option of having another one. Most asked their moms for a second one, indicating enjoyment of the taste as well as suggesting compliance.
- Younger (3-5) year olds appear to show significant enthusiasm:
 - 88% (14 of 16) liked/loved it, of whom the majority, 10 children, claimed to 'love' it
 - Only 2 out of the 16 3-5 year olds in the study said they disliked the product due to it's 'slimy' texture, and none said they 'hate' it.
 - Like/love of the product appears to be driven by an enjoyable taste, pleasant bubble-gum or candy-like smell and 'fun' appearance (shape and color).



"She's trying to talk me into giving her a third one." (mom)

"She said it had a funny after taste... She had both of them though." (mom)

"I thought it was delicious!"

"It tastes good."

"I like it the big much!"

"I like it...it tastes like bubble gum."

"It's scrumptious!"

"It was yummy...it tasted kind of like orange and kind of looked like a fish."

Product Tasting: Children

- Amongst the older 6-8 year olds, the overall results appear positive, however slightly less so in comparison to the younger children:
 - 11 of 18 (61%) liked or loved it
 - Only 4 of the 18 disliked it, and 1 claimed to 'hate' it
 - Most liked the flavor and smell, however claimed to only 'like' it rather than 'love' it driven primarily by the "slippery" texture.
 - Those who did not like it said it tasted strange, and/or did not like the texture.



"I liked it.... Didn't love it because it was kind of hard to eat because it was slippery."

"I liked it this much because you can swallow it if you don't like it but of course I loved it. And tutti frutti flavors."

"I liked it because it tastes like candy."

"It was yummy because it tasted kind of like orange and kind of looked like a fish.

"It tasted funny."

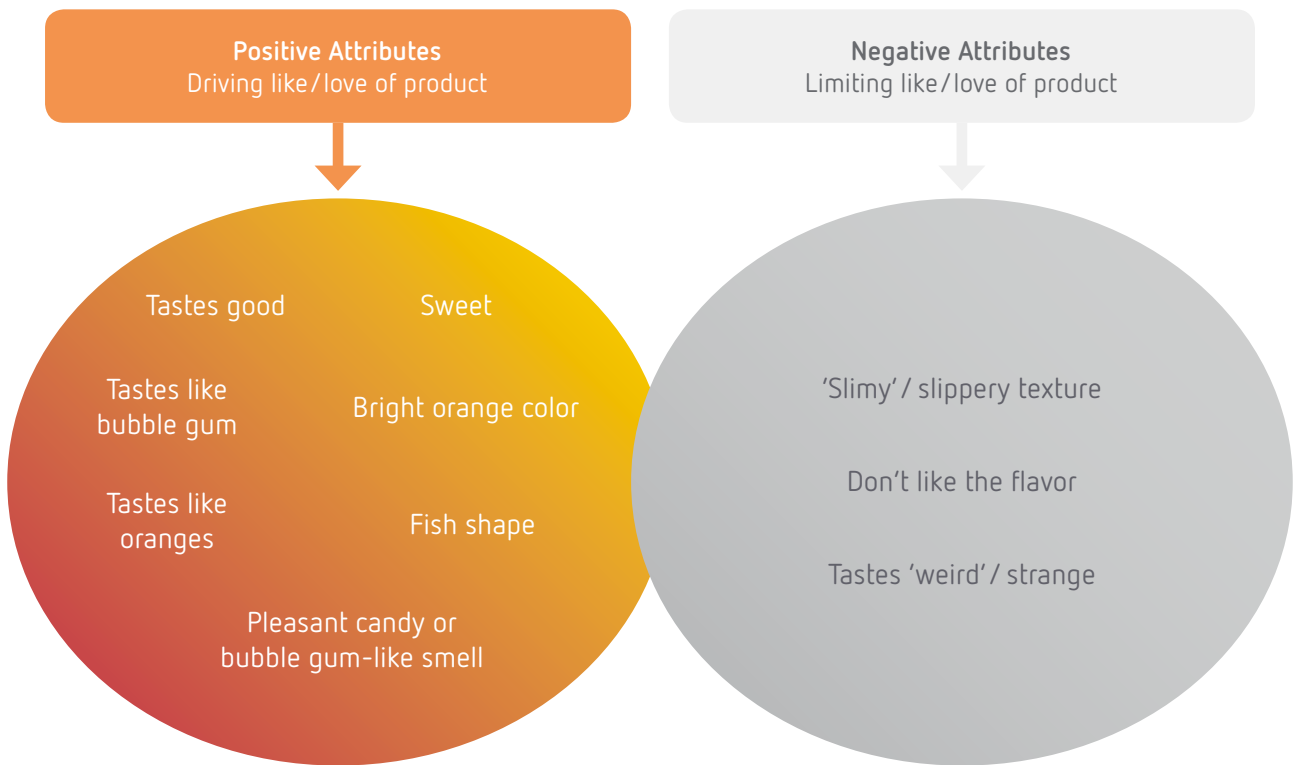
"It was good. I like the smell."

"I liked it. It just had a lot of flavor and it was orange..."

"I didn't like it...it's too slippery and I don't like the taste."

Product Tasting: Children

The attributes children claim to like appear to largely outweigh those they dislike, since the majority claim to overall like or love the product.



Product Tasting: Children

– Summary of results

The below table summarizes the findings in a quantitative format, however note this was a **qualitative** study with a relatively small sample size.

	Love	Like	Dislike	Hate
Group 1: Aged 3-5	3	3	2	
Group 2: Aged 3-5	7	1		
Group 3: Aged 6-8	3	2	2	1
Group 4: Aged 6-8	3	3	2	
Totals	16	9	6	1

25 of 32 = 78%
Love or Like



1. Product Tasting

Moms

- Tasting Results
- Purchase Intent based on tasting
- Expectations of Compliance

Product Tasting: Moms

- Overall, moms tend to exhibit less enthusiasm during the taste test in comparison to their children, however majority deem the product 'good enough', even those who 'disliked' it during the tasting.
- The absence of rejection by most, despite a lack of wide-spread fondness for the consumption experience, is driven by several factors, including:
 - Recognition that this is a dietary supplement – thereby minimizing expectations of appealing taste, texture etc.
"You don't expect a vitamin to taste like candy..."
 - Expectation that Omega 3 dietary supplements on the whole tend not to have enjoyable taste, format, smell and/or texture
 - Perceived health benefits of the product concept appear to offset most moms' limited enjoyment of eating it = benefits seen to outweigh sensory drawback
- As such, despite not necessarily actively enjoying the flavor/texture of this product, most deem it at minimum 'tolerable' to eat, and many see it as an improvement vs. other Omega 3 products in general.



Product Tasting: Moms

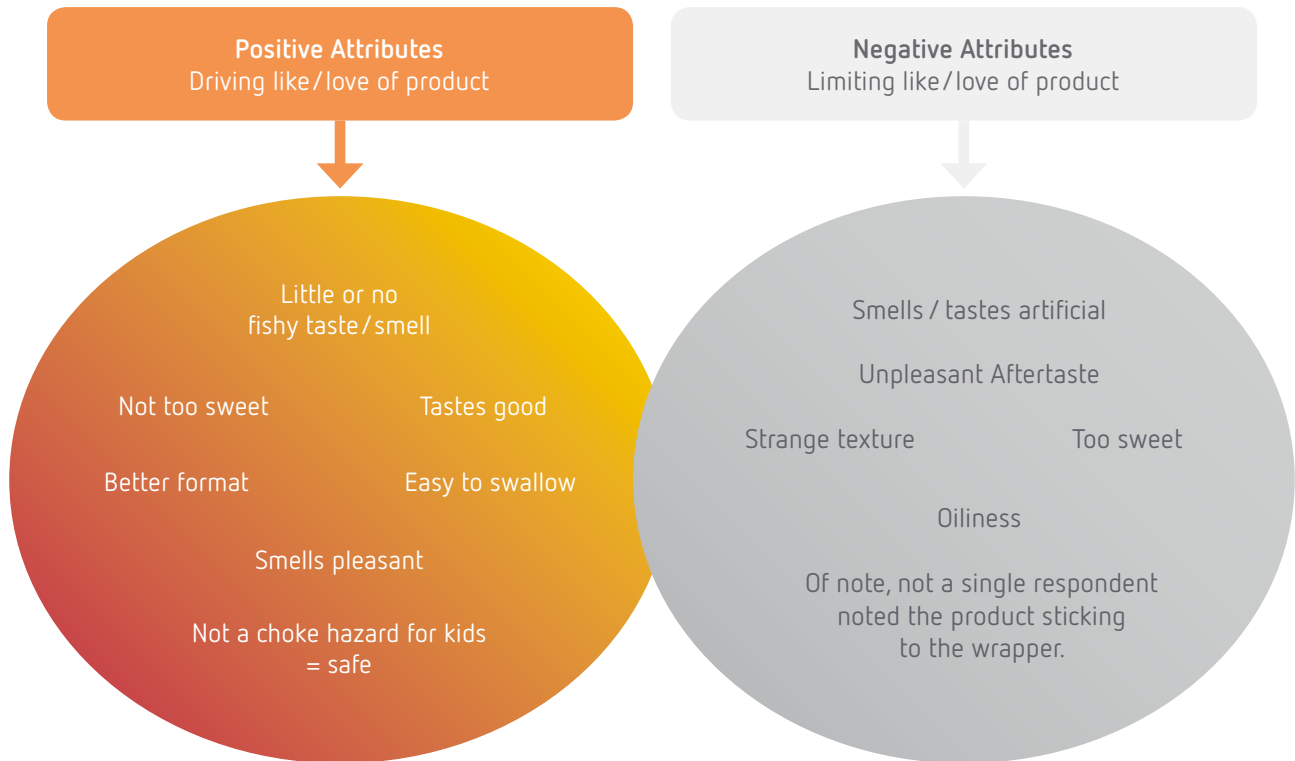
Drivers of taste appeal amongst many moms include the following:

- Pleasant, non-fishy smell
- Enjoyable taste/smell (to some)
- Taste not too sweet (like many gummy vitamins)
- Some deem the fishy taste minimal or fully eliminated
- Easy to swallow means option to limit tasting it = no need to chew. Also eliminates choke hazard with children and enables those who can't chew to take it.
- Preferred format and texture over large pills/capsules, oil or chalky supplements

Factors limiting taste appeal of the product to moms tend to include:

- An unpleasant or strange aftertaste
- Unusual texture of the product
- Too sweet (to some)
- Oiliness tends to be expected and generally accepted due to health benefits associated with Flax Seed Oil, however a few claim it is not appealing to eat
- Artificial smell and/or flavor a disconnect to some = a healthy natural product is not expected to mirror the taste/smell of unhealthy, sugary, artificial candies/gums.

Product Tasting: Moms



Product Tasting: Moms

– Summary of results

The below table summarizes the findings in a quantitative format, however note this was a qualitative study with a relatively small sample size.

	Love	Like	Dislike	Hate
Group 1	2		5	1
Group 2		4	4	
Group 3		6	2	
Group 4	1	6	1	
Totals	3	16	12	1

19 of 32 = 59%
Love or Like

Product Tasting: Moms

– Summary of results

"I'd say that I more than liked but not loved. I'd be able to take it every day. There is an after taste that kind of lingers and it's in your nose, but it's bearable more than other pills where you have that fish."

"...I kind of have to wipe my fingers which isn't a huge problem because there are so many benefits. Fish oil pills are very pungent and this masked that entirely. It smelled great to me and I liked it a lot."

"It was fine. I tried the chalky vitamins and I don't know how to eat them, they're awful. I would prefer this. It's smaller and it slides right in."

"I liked it. It reminded me of a little bit like bubble gum and it was easy to swallow. If you're having issues and need to get the vitamin down you, I would say yeah. Especially if you're having any kind of health issue and having a hard time getting supplements down."

"It reminded me of a gummy worm. But then once you kind of chewed it, I chewed and swallowed it, it did leave an after taste and I didn't care for it too much. It was okay."

"The texture. I guess it would have been better if I swallowed it. But to taste it, it's almost to where once you chew it, it's kind of slimy."

"I dislike it. I very quickly tasted the fish oil. I love fish and salmon but I can taste fish. Not quite as tasty."

"I didn't love it. I was able to tolerate it..."

"For me it tasted like Juicy Fruit, the gum, and it's kind of weird. I don't chew Juicy Fruit, I don't think it's a healthy flavor. Fish oil doesn't bother me at all... If I take a vitamin that's good for me, I don't expect it to taste great. That's not a deal breaker for me, but the fact that it tastes like something artificial, the connection between Juicy Fruit and this is bothersome to me. I don't care if it tastes like iron or metal or fish oil, but not candy."

Product Tasting: Moms

– Summary of results

"I can tolerate it. I'm not too crazy about it, but it's not like I don't like it. I like that it's soft enough because she has a younger sister who is 2 years old, and they can both share it in these things, they can both benefit. If it's soft, she won't choke on this. It would go down smoothly. I'm not too crazy about the oiliness, though."

"I chewed mine. I liked it but the fish oil was noticeable. I don't know if it's there or not. It's not like I couldn't take it, but you could taste the fish oil. My oldest wouldn't take it. It's too slimy."

"I didn't love it, and I noticed also that it wasn't as sweet as the other ones."

"It's just not my texture. But she seemed to like it better than the gummy bears and I like it better because it wasn't too sweet."

"The smell for me is very strong and it's artificial, and it does smell like Bazooka gum..."

"I liked it. I like the smell of it. The initial taste was pretty good, but there was a weird little after taste. I don't know if that was the flaxseed oil, but I did notice that after it went down."

"I like the smell. The taste wasn't that bad..."

"I liked it. When I was chewing I thought it was kind of like Jell-O, but as I was chewing I got that after taste. It was almost a fish oil kind of thing. I think you have to get used to it. I'd say I liked it."

"The after taste was weird and the texture was strange... It smells so tutti frutti; you don't expect the after taste."

"I enjoyed that initial smell but I did get the after taste too."

Purchase Intent (post-tasting)

Of note, for the purpose of this study, discussion around purchase intent was based primarily on the taste test by both child and mom. The product concept was briefly explained, however was not evaluated nor discussed in detail.

As such, a deeper exploration of factors influencing purchase intent is recommended to better understand how various elements (positioning, price, packaging, etc...) impact/drive/limit motivation to buy.

Prior to tasting, the product was described/introduced as follows:

- What you're about to taste is an Omega 3 supplement.
- It was made in Norway, and contains no artificial colors or flavors.
- It also contains Vitamin D and is coated with Flax Oil for an extra boost of Omegas and to make it easy to swallow.
- It is chewable and tutti frutti flavored.

Purchase Intent (post-tasting)

- Overall, purchase intent for the child following the taste tests tends to be strong: 25 out of 32 would buy = 78% (same as ratio of children who liked/loved it).
- There appears to be a direct correlation of intent to buy it for the child, as long as the child reacted favorably to the tasting = as such, based on taste-testing alone, an expectation of compliance is a strong driver of purchase intent.

"She likes it, so I'd buy it for her because I know she'll take it."

"I'd buy it, yes, it's healthy and he seemed to liked it."

"I'd buy it for him. It would take one try and if he liked it, I'd continue to buy it."

"My son doesn't eat any kind of fish or hardly any protein, so I worry the multivitamin isn't cutting it. If I could buy this to supplement... I would definitely want him to have something extra, like this. He liked it so I know he'd take it."

"If he liked it, I'd give it to him. If he didn't, I wouldn't make him do it again. I'd find other ways..."

Purchase Intent (post-tasting)

- In addition to compliance, additional key factors mentioned (unaided) which appear to drive purchase intent for their children include the following:
 - Due to a gummy-like texture and sweet, fruity taste, there is a general perception this product is intended for children.
 - Some sweetness without it being too much like a candy = this appears to be perceived as an advantage over other children's gummy vitamins which many deem stick to teeth, are too sugary, too sweet, and too much like candy.
 - Easy to swallow means it is safe for young kids to take.
 - Those already aware of Omega 3's benefits to children tend to recognize this as an ideal and hassle-free way to get their children to take it (since most kids liked it).
 - Many of those learning for the first time of benefits of Omega 3 for children's health during group discussions voiced strong interest in the product.

"We use gummy vitamins, those are very sweet. These are not sweet at all compared to those. I like these for kids..."

"I feel like it's safe for the kids. The softness and texture of it would be safer."

"It's the perfect mixture of everything. I've had vitamins I've bought that were sweet and they wanted to eat them like candy. So this is perfect..."



Purchase Intent (post-tasting)

- Based on top-line discussions during the groups, barriers to purchase intent include:
 - If the child did not like it during tasting
 - Lack of awareness of benefits of Omega 3 Dietary Supplements, especially specific to children.
 - Some note their child eats fish, eggs and other sources of Omegas regularly thus deem such a supplement unnecessary.
 - Preference for lower-priced/'less fancy' alternatives which offer better value.
 - Assumption their child's multi-vitamin contains everything they require.

"I wouldn't buy an omega-3 for my children.... they get a balanced diet, they're not lacking in anything right now. They're taking a multivitamin as a supplement and that would be good enough."

"For us it's value vs. everything else. If it comes in that same container, I'm going to go for the other brand that Costco sells this many Gummy Vites and it's the same price."

- Although majority perceive this is primarily intended for children, some claim they would buy it for themselves and/or for their household due to it's health benefits, safe and easy format, swallowability and, to some, also taste appeal.
- Of note, a lemon-flavored version may enhance taste appeal to adults as it is expected to be less sweet.



Expectations of Compliance (Child)

- On the whole, the majority of moms of children across the 3-8 year old range tend to expect compliance and no resistance from their child if they were to give them this supplement daily, based on the children's positive reaction to the taste test.
 - Of note, moms of the minority of kids who did not like the product expect their child would likely resist taking it, and so they (moms) would rather opt to give their child something else that they actually liked.
- Expectations of compliance appear further strengthened by the fact that most of the kids asked their mothers to give them a second tasting sample (which was optional).
- Some noted (unprompted) they would give it to their other children as well to try, however some these consumers also voiced the assumption their older children may not necessarily like the taste/texture and thus may be less compliant than the younger kids.

"She said she likes it...She would still eat it probably if I kept giving it to her."

"She was trying to get the third one from me.... She clearly likes it."

"My older one....he might not like the gooey stuff."



Expectations of Compliance (Self)

- With regards to compliance for themselves, those who do not strongly dislike the product taste (majority) tend to note it is something they could get used to, and it's 'tolerable' enough to take daily to reap the health benefits.
- Furthermore, many note they do not like the taste/format/side effects of other Omega 3 supplements and as such, this would be a more palatable alternative.

"I'd say that I more than liked but not loved. I'd be able to take it every day. There is an after taste that kind of lingers and it's in your nose, but it's bearable more than other pills where you have that fish."

"Rather this than those capsules of omega oils. They last and you burp them up for hours after. I would rather take that than one of those."

"I prefer this (format) because I'm already taking horse pills that are calcium and vitamin D and all this stuff. When I finally get to my Flintstone's grape vitamin, I'm excited to have something I can chew instead of getting my gag reflex irritated."





3. Top-line / Cursory

The Omega3 Dietary Supplement Category

- Current Perceptions
- Levels of Awareness: Benefits to Children
- Place of Purchase

Top Line: Category - Overview

- On the whole, while seemingly half of the respondents claim to currently buy Omega3 Dietary Supplements for their household, many are not currently giving it to their children.
- Brands (unaided) mentioned as purchased, include:
 - For adults: Kirkland (Costco brand), Nature's Choice, Carlson's, Nordic Naturals, Trader Joe's store brand, CVS Store brand
 - For kids: Gummy Vites, Little Critters, Yummy Kids
- In households where both adults and children are taking Omega 3, they tend to have a format specific to kids (gummy-like), and another for the adults (capsules/tablets/oil).
 - Of note, as captured earlier, many do not like the current Omega 3 formats they are taking (fish oil or large capsules/pills), and react favourably to the taste test, deeming this product more pleasant and easier to take, and also ideal for both children and adults – thereby eliminating the need to buy different products for various family members.

"I didn't even know that they had them in chewables... They're awesome."

Top Line: Category

- Majority of consumers who buy vitamins/supplements for their children buy daily multivitamins, in a chewable, gummy-like format.
- Furthermore, amongst the vast majority, there is a general perception that the multivitamin is providing their kids with everything they need.
- It was evident throughout the group discussions, that there is currently very limited awareness amongst consumers of the benefits of Omega 3s for children's health.
 - Although there is a positive, healthy halo perceived to surround Omega 3s, the majority are unable to articulate it's specific health benefits to children nor adults.
 - Some recall having to take fish oil as children themselves, understanding it was for their health but not necessarily knowing the exact nature of those health benefits.
- As such, the limited awareness of Omega 3s benefits to children, combined with the belief by some that their child gets all the Omegas they need through a balanced diet, appear to be the key barriers to current purchase of the category.

Top Line: Category

Awareness and Perceptions

- The most commonly (though infrequently) mentioned benefit of Omega 3s to children is aiding with brain development.
 - Many moms note their doctor recommended they take Omega 3s during pregnancy to aid with the baby's brain development.
 - Some note their pediatrician has recommended it for their child (post-pregnancy), to also aid with their brain development.

"When I was pregnant it was for brain development and then also for your heart. That's why I take them. But as far as kids, I haven't really looked.."

"My doctor has always encouraged omega-3 for brain development. Eventually I learned to find other means, easier ways for kids to actually eat it..."

- Word of mouth appears to be secondary sources of information, from friends or family members.

"I have another friend who has four kids with really bad eczema and a couple of them are allergic to certain kinds of fish but they can take certain supplements and it seems to help with their skin a little bit too."

"From what little I understand, it's supposed to be really good for attention and focus, for your neurology. I've had friends whose kids had trouble with stuttering who took omegas in a certain combination at a certain dose and they're kids are not stuttering anymore..."

Top Line: Category Awareness and Perceptions

- For adults, aiding in heart health and lowering cholesterol are the most widely noted benefits.
- Upon learning of benefits of Omega 3s for children throughout the discussions, there appears to be a shift in attitudes and majority voice interest in purchasing it for their kids moving forward, especially due to the fact that this product is appealing to children thus suggesting compliance.
 - One respondent summed it up well:

"I feel like I should be buying omega-3 now after this discussion."

"Information for me would be beneficial. Hearing that the supplement for the brain and that, even the eczema because my daughter has eczema. That really entices me. The ADHD is great for many children.."

"They should stress the brain development thing... We want to know what it's going to be good for, what it's targeting other than the multivitamin. The flavor and all that, as long as they like it."

"I don't know the exact benefits, but I understand that kids won't eat as much eggs or fish..."

Top Line: Category Place of Purchase

- Consumers tend to buy vitamins and supplements for their household across a variety of channels, including Mass, Grocery, Drug, Club and online.
 - Costco, Target and Wal-Mart tend to be mentioned most often as their store of choice, preferred due to lower prices as well as proximity to their home.
 - Ralphs, Trader Joes and Kmart are also mentioned by some as their preferred or occasional store, also due to low prices.
 - Whole Foods and Sprouts are the store of choice for a minority – those who claim these carry more natural products, a better selection of brands and better quality vitamins/supplements.
 - A few claim to buy vitamins online, due to competitive prices and the convenience of not having to physically go into a store

"...I go there because of price and Wal-Mart is two blocks away from me."

"Costco for price and size..."

"You can find them at regular stores but we go to Sprouts and Rainbow Anchors and Whole Foods. The ones we buy aren't available everywhere so I have to go shopping for those."



Top Line: Category

Place of Purchase

- As such, PRICE appears to be the key driver of choice when it comes to store selection, with convenience (proximity to one's home and also the ability to buy other items while there) being a strong secondary criteria.
 - Additional frequently noted considerations include: variety of flavors available, larger pack sizes/quantity, selection of brands, quality of the store brand.
- Most tend to buy the various vitamins and supplements for their household at the same store, as it meets their top criteria of low prices and convenience.
- However, some (a minority) claim to visit different stores for various vitamins and supplements, depending on overall value offering and/or the variety of flavors/brands available at the various stores.



Top Line: Category Additional Learnings

- 'Made in Norway' as part of the product positioning platform appears to have a positive halo, as noted (unprompted) by numerous respondents:
 - Perceived as higher quality overall because it's from Europe.
 - Provides assurance that the source of origin (fish) is pure and not toxic – not from Japan or China.
 - European products are expected to be chemical and additive free, thus purer/healthier.

"I think there is a belief that things from Europe are somehow better, or from Sweden. You think these places are little more health conscious."

"They tend not to use colors and that's something we avoid. If it's from Norway, it's probably not with the toxic colors in it."

"If it looks cool or hip or Norway, I love Norway. That's such a great country..."





Summary and Strategic Recommendations

Summary & Recommendations

- The product tested very well with children: 78% (25 of 32) like or love the product. Slightly more positive results among younger 3-5 year olds vs. 6-8 year olds. Most asked for a second (optional) sample.
- Moms recognize the product is a dietary supplement rather than a candy, and generally deem it both acceptable, and an improvement vs. other Omega 3 formats (oil, large capsules, etc) despite less enthusiasm vs. their children and despite some dislike of texture, flavor and/or sweetness. 59% liked it, and only 1 of the 32 'hated' it.

Of note: the oiliness of the product was effectively turned into positive when positioned as an added health benefit and aid to make swallowing it easier through a coating of Flax Seed Oil. If communicated effectively, this may set expectations and thus minimize dislike of oiliness.

- Based on taste test by both child and mom, purchase intent among mothers for their children is very high at 78%, reflective of the ratio of children who like the product.
- Moms of those who liked the product expect their child would be compliant & would happily take a dose daily.
This expectation of compliance is a strong driver of purchase intent by moms.

Consider sampling as a marketing tactic (in store, on pack, etc) to minimize risk associated with purchase (risk being non-compliance and wasted money), and also for moms to get immediate reassurance their child likes the product and thus will be likely to take it.

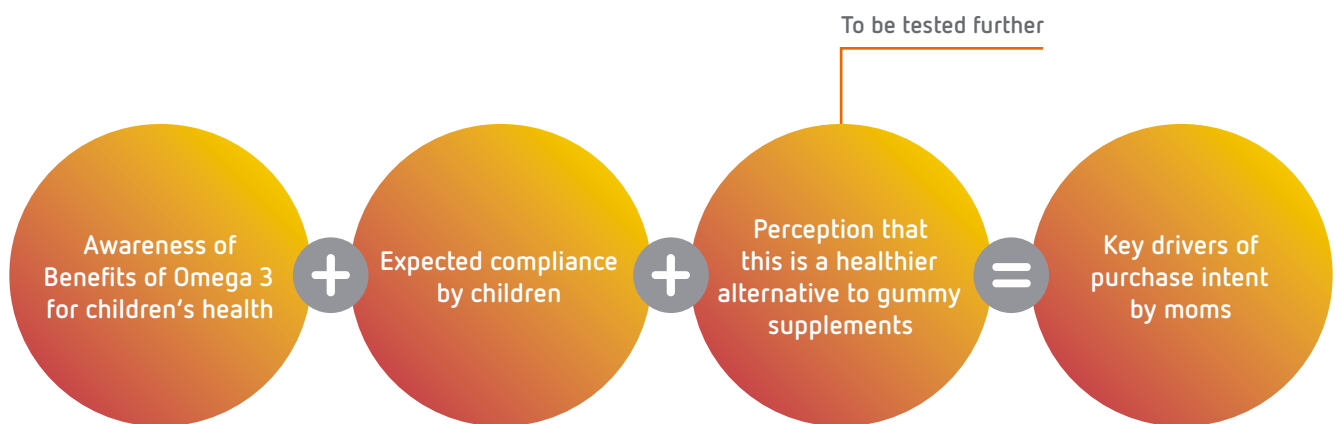
Summary & Recommendations

- Awareness of benefits of Omega3 to children's health appears to be limited. However, most moms voiced strong purchase intent upon learning of these benefits.

Building awareness of these health benefits is crucial for this product's success. Consider educating the target consumer through credible and influential sources such as Pediatricians/Family doctors, Pharmacists, etc.

Sampling (in store or via mailer) may also be used as an occasion to educate moms on the benefits of Omega 3s for children, to differentiate this product vs. competing ones, and to drive purchase intent on impulse through collateral and/or an informative sampler.

- The (unprompted) perception that this product is just sweet enough for children to like but does not resemble gummy candy (not sticky, not as sugary) appears to be a clear point of difference and an advantage versus other children's supplements = optimal balance that makes mom & child content. It is recommended that a positioning concept whereby this insight is leveraged is further tested.



Summary & Recommendations

- The most common factors limiting purchase intent for the child include the child not liking it during tasting (leading to expectations of non-compliance), a general lack of awareness of benefits of Omega 3 specific to children, and a belief by many their kids get enough Omegas through diet alone => moms need to be given a compelling reason to buy it.

This insight reinforces the importance of a consumer marketing strategy which focuses on:

- *building awareness of the category 's benefits through educating moms*
- *establishing the brand as The Omega 3 product children will like (back it up with sampling)*

- Additional recommendations/considerations:

It is recommended that an array of factors impacting the purchase decision, other than taste, be explored in future research, which may include the following: the decision-making process, level of active ingredients, positioning, pricing, packaging format and graphics, perceptions of competing brands, awareness of , and relative relevance of the various benefits of Omega 3, consumer's willingness to trade off on price/value for health and/or sensory benefits, etc.

'Made in Norway' should be further evaluated as a communication element as it appears to add a halo of 'healthy' and 'high quality' to the product.

Further explore additional flavor options, such as lemon, to target adult taste buds. Less sweetness appears to be the preference among adults. Alternately, consider positioning the tutti frutti product as 'ideal for the entire family' and reinforce the fact that it can be swallowed whole (i.e. no need to prolong the taste.)

