Cracking the Microbiome Code

What is really driving market growth?

June 2026

NielsenIQ

Focus Areas

1. Understand the macro environment in FMCG

2. What are the consumer trends in the microbiome space:
    - Both what they “say” and what they are doing

3. Questions / Discussion

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Macro Economic Environment in FMCG

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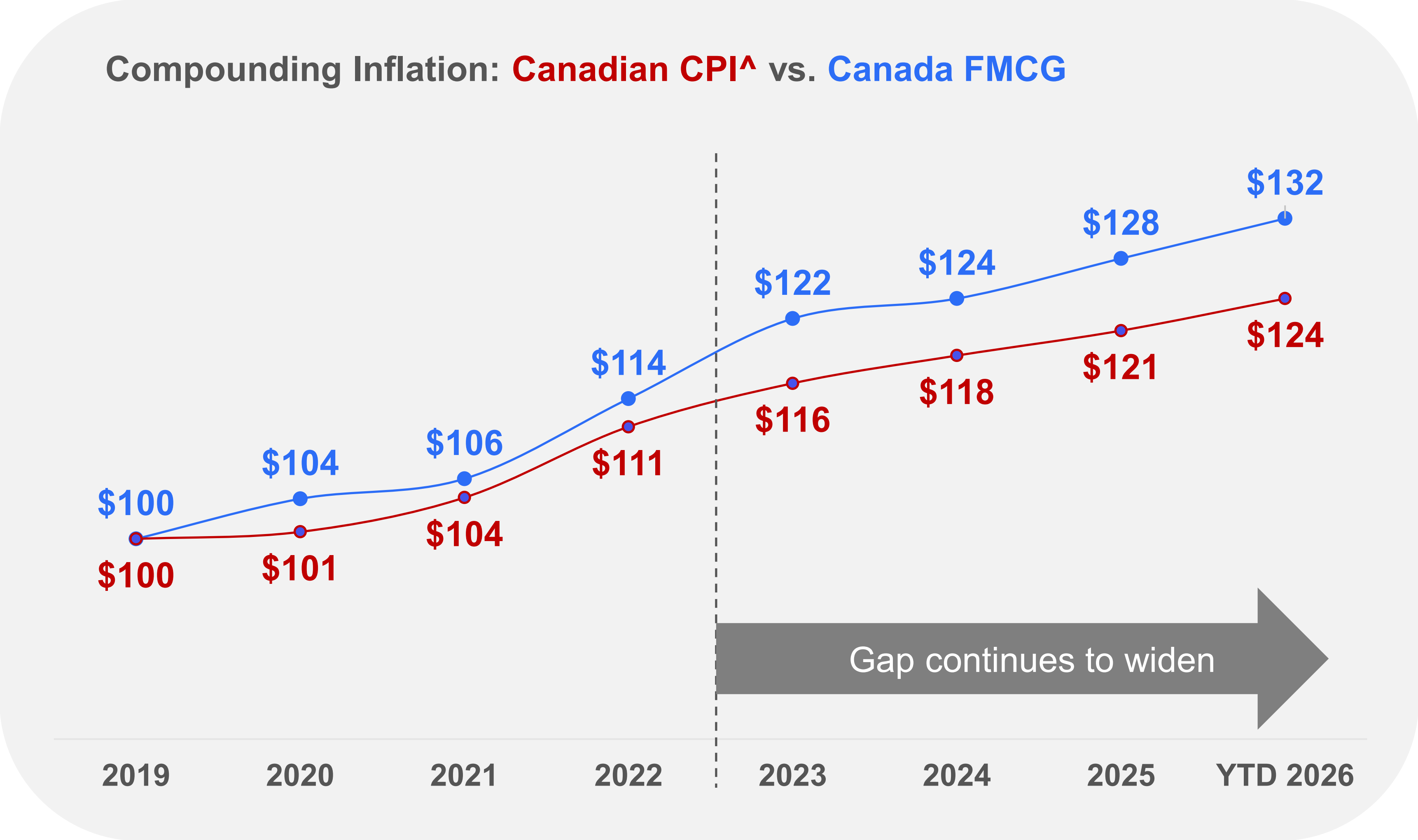
Big picture concerns—food, economy, war—*are on the rise*

Still, US is generally more positive than the rest of the world

		July 2025	% change vs last year	Global
1	Increasing food prices	14%	-6.1	15%
2	⬆ Economic downturn *(was #3 in 2024)*	11%	3.2	10%
3	⬆ Global conflict/War *(was #12 in 2024)*	11%	-6.9	14%
4	Political unrest	11%	3.2	5%
5	Increased housing costs	5%	-2.2	5%
6	⬆ Job security *(was #13 in 2024)*	5%	1.3	6%
7	⬇ Ability to provide basics *(was #2 in 2024)*	5%	-2.9	5%
8	⬇ Increasing utility bills *(was #6 in 2024)*	5%	-2.3	7%
9	⬇ Self/Family welfare/ Happiness *(was #8 in 2024)*	4%	-1.0	6%
10	⬇ Immigration *(was #7 in 2024)*	4%	-2.4	3%

Source: NIQ 2025 Consumer Outlook survey , Global, Note: In China, verbiage reflects the following: "Geopolitical uncertainty", "Economic environment"

FMCG inflation has increased at a faster rate than overall CPI



Consumers are spending +32% more for FMCG products than pre-pandemic

Compare that to overall living costs that increased +24%

Source: NielsenIQ, MarketTrack Canada All Channels Combined, Annual Periods – YTD 17 weeks to April 25, 2026 *Inflation: $ % Chg. less EQ Vol % Chg. ^CPI: Statistics Canada (Monthly Avg)

Rising inflation changes and new consumer realities

Shopping Behaviour

- Shop online / use home delivery
- Shop closer to home
- One-stop-shop / bulk buying

Value Focus

- Buy less expensive brands
- Shift to retailers with lower prices
- Stock-up when on promotion

Lifestyle Impact

- Spend more time at home
- Eat out less
- Reduce overall spending
- Drive less and use transit more

Banner Loyalty At Risk

12%
I shop at different stores more often

48%
I shop at same stores but less often

37%
No change in store choice

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Source: NIQ 2026 Rising Gas Prices Report – Total Canada Q: has higher gas prices influenced store choice

76% of Canadians are concerned about future health problems

6 Barriers hindering healthier life choices

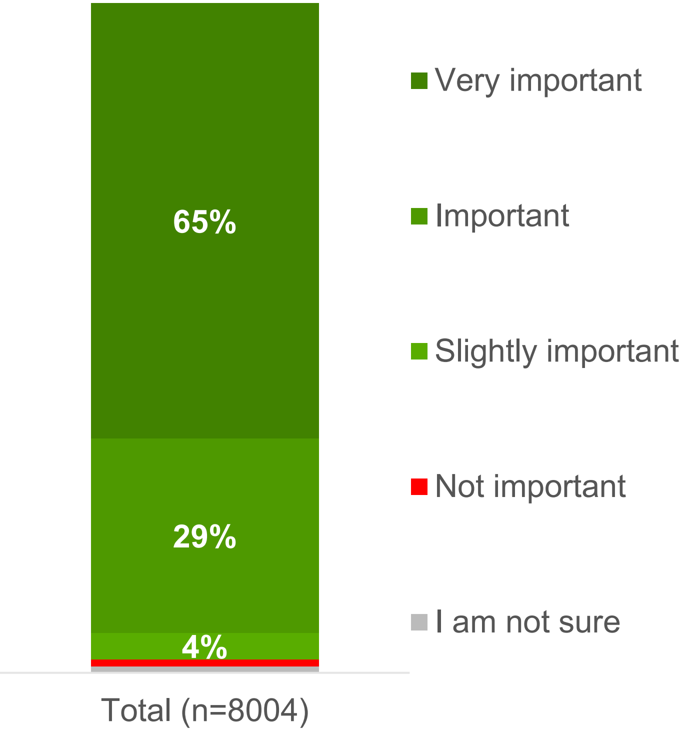
1	Cost	59%	Say healthier alternatives are too expensive
2	Motivation	28%	Don’t feel driven to make healthier choices
3	Time	24%	Don’t have time to make healthier choices
4	Availability	23%	Have difficulty finding healthier alternatives
5	Trust	19%	Don’t trust that the product will be effective
6	Guidance	16%	Product labeling is confusing/too complex

Source: NIQ’s 2025 Global Health & Wellness survey – Canada. 2025 Health & Wellness Report

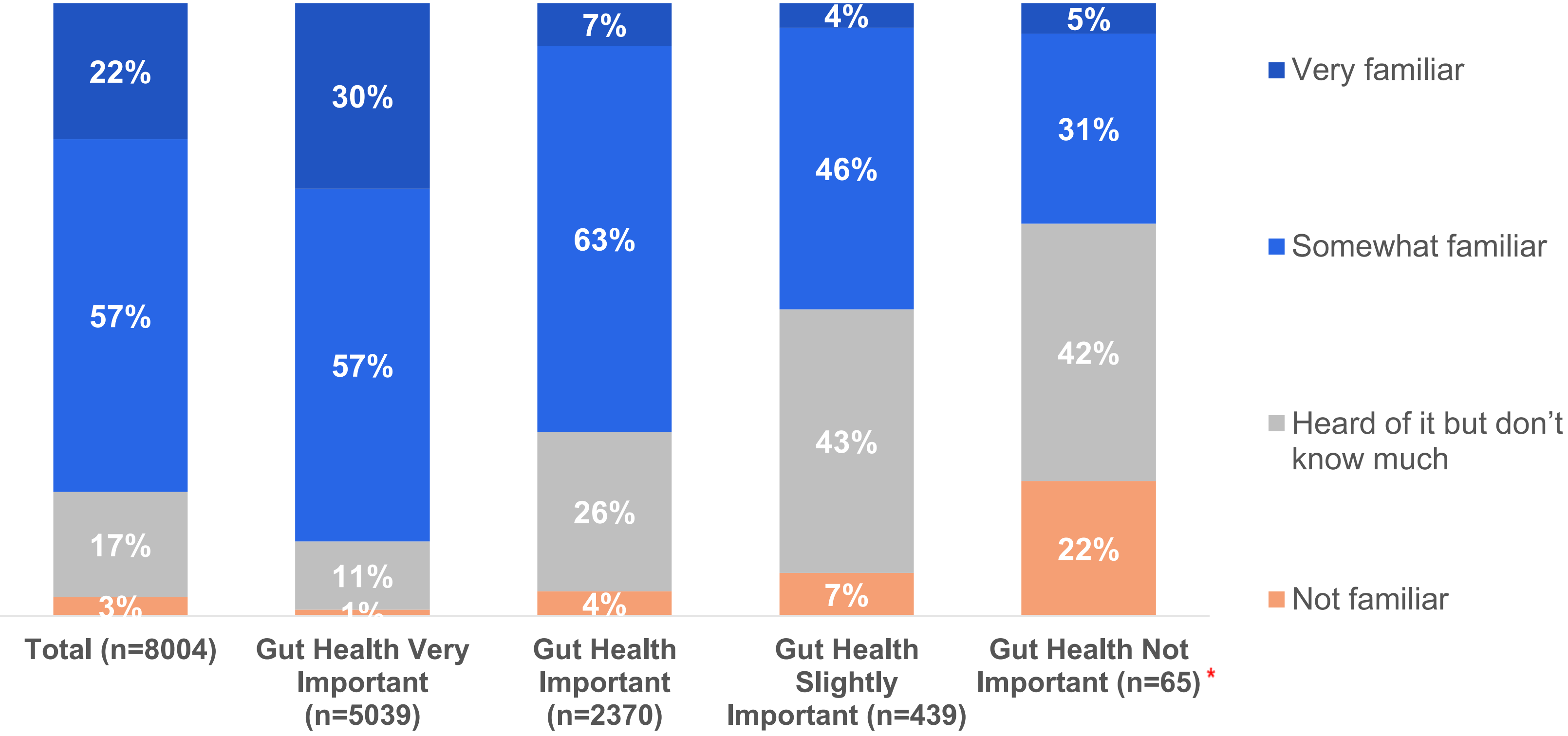
Understanding Gut & Microbiome Trends in FMCG

Gut health is viewed as highly important among most Canadians, and familiarity with gut health strongly correlates with stated importance

Importance of gut health



Gut-health familiarity by importance level

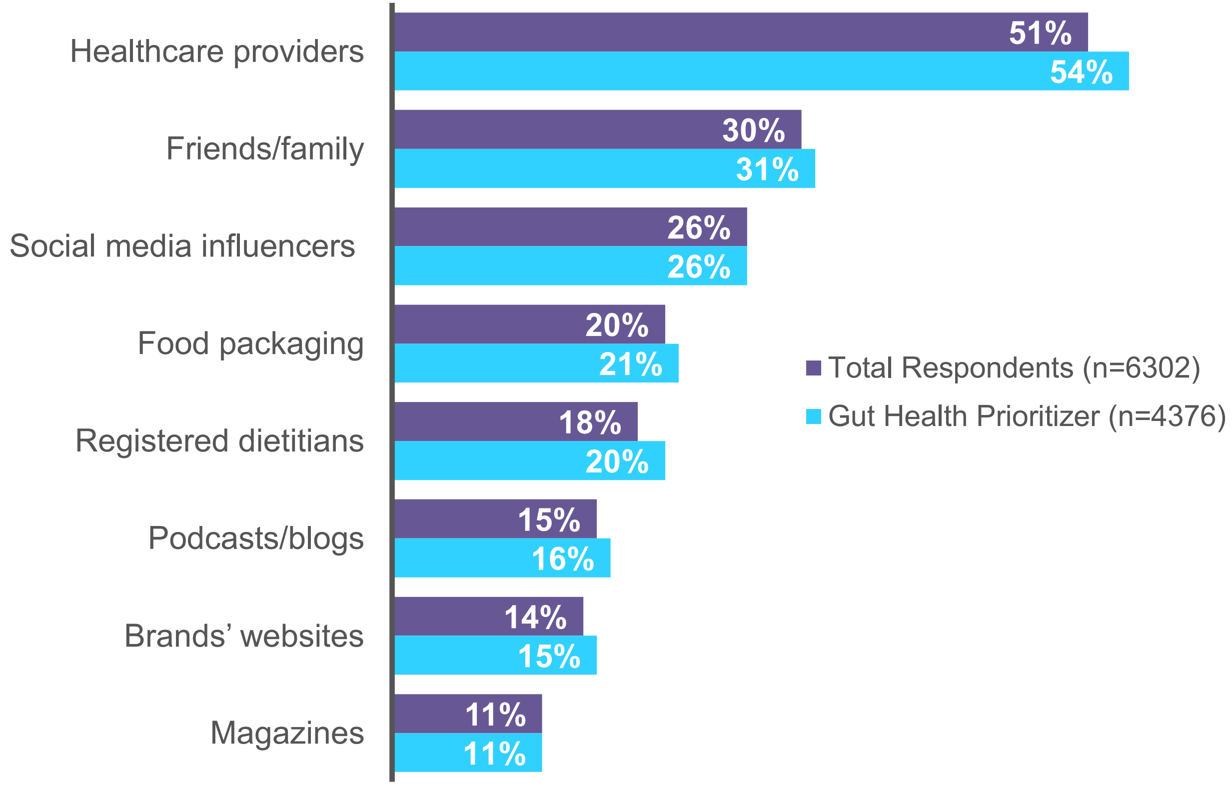


* Small sample size (n<100)

Source: NielsenIQ Gut Health Survey on Omnishopper Panel
Q4. How important do you believe gut health is to overall wellness? & Q5.How familiar are you with the concept of gut health? | n=8004

Healthcare providers are the primary source of gut-health information followed by friends/family and social media influencers

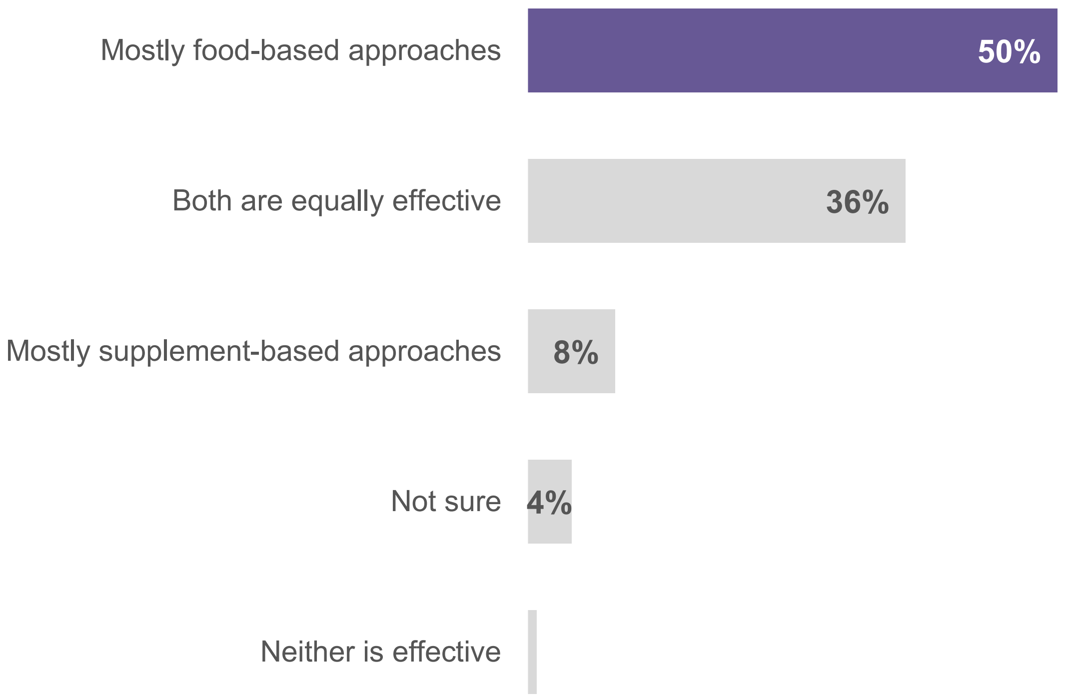
Primary sources of gut-health information



Source: NielsenIQ Gut Health Survey on Omnishopper Panel
Q27. Where do you primarily learn about gut health? (Select all that apply) | n=6302

Food is viewed as the most effective way to improve gut health

Food vs supplement effectiveness of improving gut health



Source: NielsenIQ Gut Health Survey on Omnishopper Panel
Q14. When it comes to improving gut health, which do you believe is more effective overall? | n=5533)

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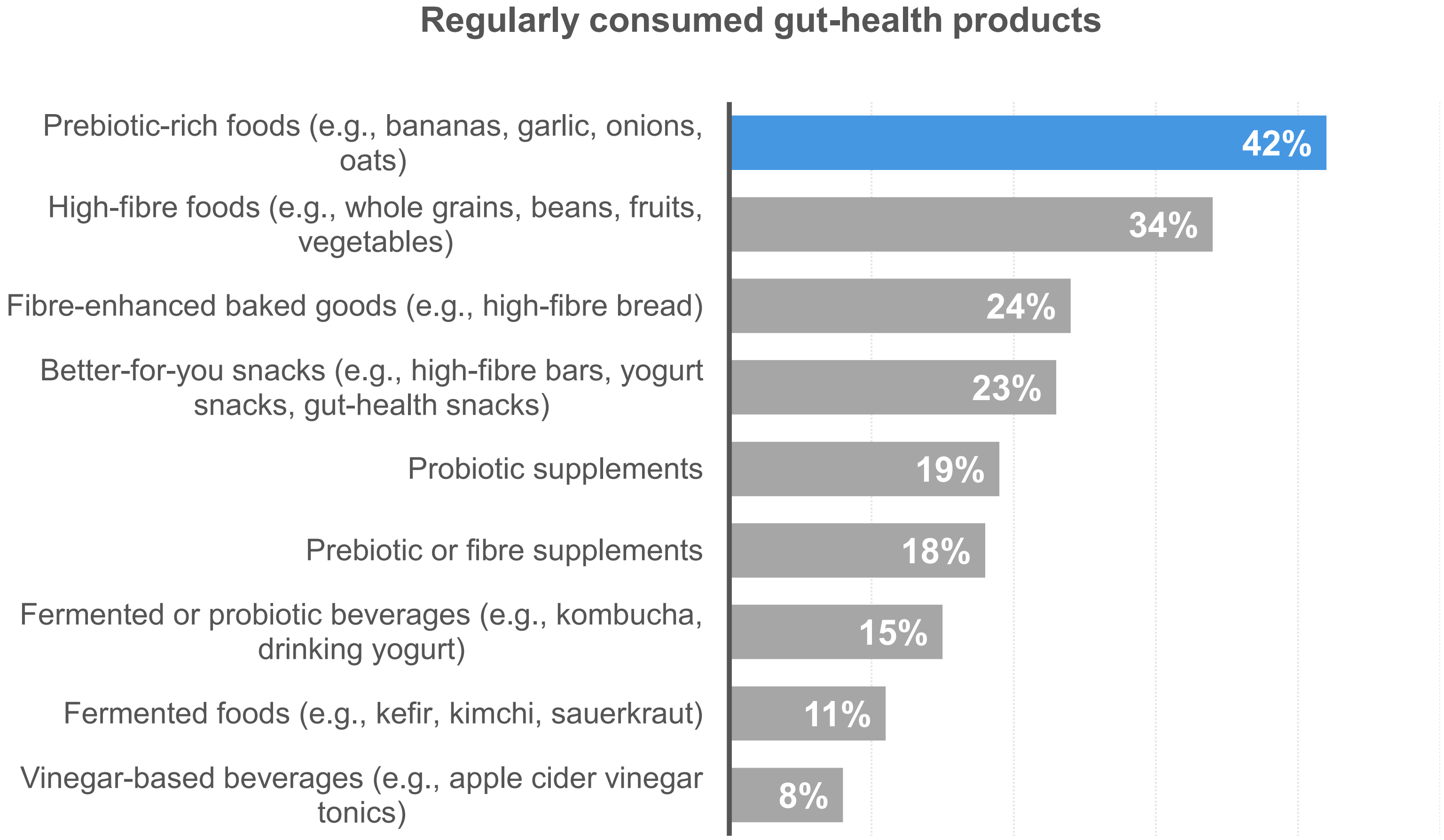
Prebiotic and high-fibre foods lead as the top regularly consumed gut-health products



Source: NielsenIQ Gut Health Survey on Omnishopper Panel
Q13. Which of the following foods or supplements do you or your family consume regularly? | n=5164

Sentiments vs Sales

Consumers say one thing, but what are they actually buying

Methodology: How do we get to the granular attribute data?

STATED ATTRIBUTES

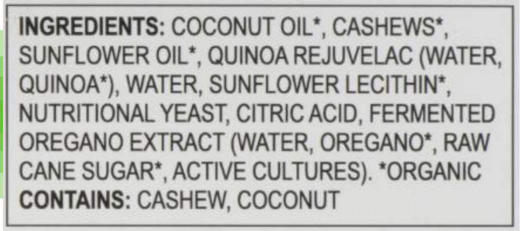
captures standardized attributes stated on the label across a set of products by analyzing marketing claims, warnings and third-party certifications

- USDA Organic
- WBE Canada
- Vegan
- CGLCC Certified LGBT+ Business

- Unsalted
- Organic
- Dairy-Free
- Cashew Product
- Non-GMO

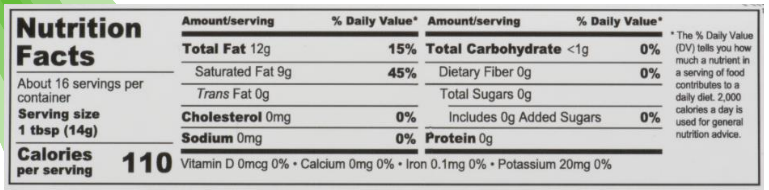
QUALIFIED ATTRIBUTES

uncovers attributes not physically stated on the label by analyzing nutrients and ingredients against regulations and standards



INGREDIENTS: COCONUT OIL*, CASHEWS*, SUNFLOWER OIL*, QUINOA REJUVELAC (WATER, QUINOA*), WATER, SUNFLOWER LECITHIN*, NUTRITIONAL YEAST, CITRIC ACID, FERMENTED OREGANO EXTRACT (WATER, OREGANO*, RAW CANE SUGAR*, ACTIVE CULTURES). *ORGANIC
CONTAINS: CASHEW, COCONUT

- Artificial Colour Free
- Salt Free
- Contains Natural Flavor
- Contains Sweeteners
- Plant Based



Nutrition Facts

About 16 servings per container
Serving size 1 tbsp (14g)
Calories per serving 110

Amount/serving	% Daily Value*	Amount/serving	% Daily Value*
Total Fat 12g	15%	**Total Carbohydrate** <1g	0%
Saturated Fat 9g	45%	Dietary Fiber 0g	0%
Trans Fat 0g		Total Sugars 0g	
Cholesterol 0mg	0%	Includes 0g Added Sugars	0%
Sodium 0mg	0%	**Protein** 0g	

Vitamin D 0mcg 0% • Calcium 0mg 0% • Iron 0.1mg 0% • Potassium 20mg 0%

* The % Daily Value (DV) tells you how much a nutrient in a serving of food contributes to a daily diet. 2,000 calories a day is used for general nutrition advice.

- Low Carbohydrate
- No Fiber
- Pescatarian Diet Friendly
- Free From Added Trans Fats
- Mediterranean Diet Friendly

Fibre and Digestive Health has not gained significant traction yet in Packaged Food & Bev Categories in Canada

Most fibre and digestive health related attributes are declining/flat/slow growth, except for Prebiotic Stated items

Declining	Flat	Growing
DIGESTIVE HEALTH STATED HIGH SOURCE OF FIBRE STATED HIGH SOURCE OF FIBRE QUALIFIED SOURCE OF FIBRE QUALIFIED CONTAINS PROBIOTIC STATED SOURCE OF FIBRE STATED	CONTAINS PROBIOTIC QUALIFIED CONTAINS PREBIOTIC QUALIFIED	***CONTAINS PREBIOTIC STATED*** VERY HIGH SOURCE OF FIBRE STATED

Source: NielsenIQ Product Insights Canada, National GB+DR+MM, Total Food & Bev Categories, L52 weeks W/E April 18th, 2026

The US is a different story… Gut Health & Microbiome-supporting products are growing significantly across FMCG

TOP 10 GUT HEALTH & ADJACENT ATTRIBUTES	*Total National (US)*				
	$ (M)	$ % Chg YA	$ % Chg 2YA	Tonnage % Chg YA	Tonnage % Chg 2YA
POSTBIOTIC STATED	52	49.5%	286.1%	37.5%	152.9%
COMPARATIVE FIBER STATED	122	22.8%	19.2%	9.5%	(9.6)%
CONTAINS PREBIOTIC GROUP STATED	8,354	12.1%	24.0%	5.0%	11.5%
CONTAINS PROBIOTIC GROUP STATED	8,329	10.4%	17.6%	4.7%	6.1%
PROVIDES ENERGY STATED	22,009	8.5%	12.2%	(0.8)%	(0.4)%
OVER 10G FIBER PER SERVING QUALIFIED	2,044	8.5%	11.3%	2.3%	1.7%
FIBER PRESENCE STATED	6,400	6.9%	10.6%	4.3%	(0.3)%
BRAIN HEALTH QUALIFIED	6,850	6.7%	10.9%	4.3%	7.0%
BRAIN HEALTH STATED	9,682	6.1%	10.6%	3.4%	6.0%
EXCELLENT SOURCE OF FIBER DISCLOSURE REQUIRED QUALIFIED	5,852	5.6%	14.5%	11.4%	20.9%

Source: NielsenIQ Retail Measurement Services (leveraging NIQ Product Insights), Total US xAOC, Latest 52 Weeks ending 05/16/26.

Prebiotics finding growth in a diverse set of categories

TOP 10 GROWING PREBIOTIC-CONTAINING CATEGORIES (>$10M)	*Total National (US)*				
	$ (M)	$ % Chg YA	$ % Chg 2YA	Tonnage % Chg YA	Tonnage % Chg 2YA
HBC COMBINATION PACKS	18	1,125%	331.3%	1,681%	532.0%
COFFEE	48	506.2%	990.1%	10.9%	441.7%
DEODORANT	16	264.4%	1.3%	301.9%	(12.3)%
BROTH	17	117.9%	420.3%	67.3%	159.3%
PIECE	195	84.1%	108.3%	61.7%	75.2%
ENERGY BEVERAGES	664	67.1%	116.5%	56.1%	91.4%
PIE FILLING	61	57.7%	98.8%	54.2%	89.2%
SNACK MIXES	105	56.3%	136.0%	90.7%	172.3%
POPCORN	14	53.3%	838.3%	35.7%	264.1%
CHILLED CEREAL	15	51.2%	293.7%	24.0%	89.2%

Other Facts

- Prebiotic-containing products are growing faster than the Total Store average in 120 Categories
  - 74 of the categories are growing double digits
- In the last 52wks, "Prebiotic Stated" claims have a growth rate that is 10pts higher than just "Prebiotic Qualified" alone

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Source: NielsenIQ Retail Measurement Services (leveraging NIQ Product Insights), Total US xAOC, Latest 52 Weeks ending 05/16/26.

Amazon driving disproportionate growth of Microbiome-supporting products

TOP 10 GUT HEALTH & ADJACENT ATTRIBUTES ON AMAZON	*Total Amazon National (US)*				
	$ (M)	**$ % Chg YA**	**$ % Chg 2YA**	**Tonnage % Chg YA**	**Tonnage % Chg 2YA**
POSTBIOTIC STATED	12	53.9%	72.7%	69.0%	71.0%
1G TO LESS THAN 2.5G FIBER PER SERVING QUALIFIED	2,753	37.7%	65.6%	24.9%	47.4%
GOOD SOURCE OF FIBER QUALIFIED	535	35.6%	57.4%	28.9%	41.2%
2.5G TO LESS THAN 5G FIBER PER SERVING QUALIFIED	1,054	32.7%	59.0%	30.0%	50.8%
CONTAINS PREBIOTIC GROUP STATED	1,586	31.2%	62.8%	20.0%	47.5%
EXCELLENT SOURCE OF FIBER STATED	201	29.0%	55.7%	22.9%	69.6%
BRAIN HEALTH QUALIFIED	907	28.0%	56.2%	23.1%	41.0%
5G TO LESS THAN 7.5G FIBER PER SERVING QUALIFIED	573	27.2%	58.0%	24.1%	56.0%
PROVIDES ENERGY STATED	3,253	27.0%	52.7%	6.3%	27.5%
FIBER PRESENCE STATED	1,349	26.2%	53.9%	29.4%	66.6%

Source: NielsenIQ Retail Measurement Services (leveraging NIQ Product Insights), Total Amazon 1P Total TA, Latest 52 Weeks ending 05/16/26.

Other Facts

- These trends tend to pop more in Ecomm, especially in Amazon
- FMCG products in Amazon are growing around 20% overall vs YA
- “Microbiome Stated”, “Brain Health Stated”, several other fiber attributes, and more are growing beyond the Total Store/FMCG average in Amazon too

Microbiome & Gut Health Moves From Niche to Mainstream: Focus Areas For Next Phase

What We See Now

- Economic pressure is building on consumers, yet the interest in gut health is persistent (and growing)
- Canadians and Americans are engaging with gut health differently so far – Canadians are currently getting what they need from whole foods, and Americans are increasingly getting it from across whole foods, packaged foods, and supplements
  - In fact, prebiotics specifically are finding their way into many dozens of categories, including ones you may not expect
- Ecomm is a key driver of growth among microbiome-supporting products in the US

What May Be Next

- As products proliferate and more consumers are exposed, simple and credible communication is critical:
  - Move to benefit-led storytelling grounded in the science:
    - *“Supports digestion”*
    - *“Helps keep your gut balanced”*
    - *“Naturally high in fiber”*
- Given the proliferation of apps like Yuka, expect consumers to start to differentiate more and more on the **quality of the product overall**, rather than the individual attributes (such as fiber, or other microbiome-supporting product attributes)
- Expect Canada to catch up a bit over the next 18-24 months, but regulatory and retail market differences will likely affect the growth trajectory vs US

Thank You! Questions?

For more, reach out:

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