

Why Ashwagandha means business in Europe

Contents

| | |
|--|----|
| Rediscovering ashwagandha | 3 |
| A plant with potential | 4 |
| Growing market potential | 5 |
| Consumer credibility | 6 |
| Why KSM-66? | 8 |
| Case study. | 9 |
| Opportunities and best practices | 11 |

Why Ashwagandha means business in Europe

REDISCOVERING ASHWAGANDHA

The modern world can be a stressful place, and consumers are increasingly aware that hectic, on-the-go lifestyles can take a toll on physical and mental wellbeing. As a result, more and more consumers are looking for natural solutions to help them better manage their lives and boost their overall health. The traditional practice of Ayurveda offers the ideal solution – the herbal extract ashwagandha. In use for over 3,000 years, ashwagandha is attracting growing interest because of its clinically-backed benefits in addressing modern ailments. It is adaptogenic, which means it can help to stabilise physiological processes in the body that may be out of balance.

Studies¹ have shown it can decrease cortisol levels in people under chronic stress, restore healthy adrenal function, and normalise the nervous system. This makes it a highly attractive natural ingredient for functional foods and supplements that target consumers with stress-related conditions such as anxiety, sexual dysfunction and insomnia. KSM-66 Ashwagandha ticks several other boxes. It meets growing market demand for clean labels, and KSM-66 can also be added to certified organic products – another key growth sector.

There are challenges, of course. Ashwagandha does not yet enjoy mainstream recognition as a safe, efficacious and versatile herb in all European markets, and consumer awareness could be strengthened. But the market opportunities are there. Backed up by clinical trials, KSM-66 has already made significant inroads into products and supplements on the European market that target sporting performance, cognitive health, and sexual and reproductive issues. Market conditions would certainly appear conducive to further growth.



A PLANT WITH POTENTIAL

Ashwagandha (*Withania somnifera* Dunal) is a small, woody shrub that belongs to the nightshade (Solanaceae) family. Taking about seven months to reach full harvest potential, it grows well in the dry arid drought-tolerant soil found in its native India. It can also be found in some parts of Asia, Africa and the Mediterranean.

The plant first appeared in the traditional Indian medical practice of Ayurveda and was used to enhance the movement of mind and body, an Ayurvedic principle known as *vata*. The root has historically been used to treat a range of internal conditions, from constipation and insomnia to nervous breakdown. This would have been crushed into a paste and mixed with water and consumed in beverage format. This tonic would also have been considered a diuretic, aphrodisiac and stimulant capable of raising metabolism. The bitter leaves were primarily used topically, and for use in fever and painful swellings.²



Most current research has focused on the therapeutic effects of the root extract, and the plant has been recognised as having a range of potential applications. These now include cutting cortisol levels and stress and building muscle. Such broad applicability has made ashwagandha a focal point of industry interest.

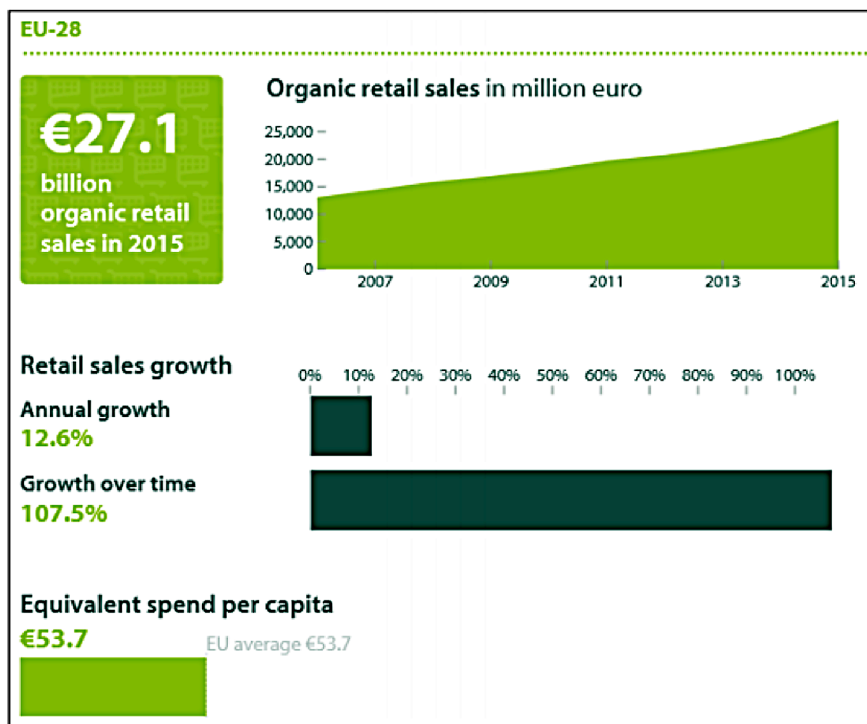
At the technical level, this potential comes from the wealth of phytochemicals contained in the plant. Besides flavonoids, choline, fatty acids, amino acids and a number of different sugars, the ashwagandha root also contains withanolides, a group of at least 300 naturally occurring steroids that have been shown to have medicinally interesting properties. So far, more than 140 withanolide compounds specific to ashwagandha root have been isolated, and there may well be more. The range of natural plant compounds – some of which will likely act in synergistic fashion – suggests that “full spectrum” root preparations like KSM-66 are the most efficient means of ensuring that no beneficial effects are lost.

GROWING MARKET POTENTIAL

While herbal ingredients growth has to date centred on the US market, the European market is increasingly being seen as an untapped opportunity, according to the UK's Ministry of Foreign Affairs.³ It notes that Germany and France are the region's market leaders - in 2015 German consumers spent 1.15 billion euro on self-medication herbal medicinal products – while growth rates have been high in Eastern Europe. Poland is the key market here, worth over 600 million euro.⁴

Organics is another growth sector, with most demand for organic ingredients comes from food supplements manufacturers.⁵ According to data provided by the Research Institute for Organic Agriculture FiBL, organic imports into the EU increased from 590 million euro in 2011 to 1 640 million euro in 2015.⁶ Supply chain case studies confirm that farm-gate and retail prices are higher for organic supply chains compared with the equivalent conventional chains.

Organic retail market in the EU ⁷



Source: <http://www.ifoam-eu.org/sites/default/files/ifoamvis-package/index.html>

CONSUMER CREDIBILITY

In order to capitalise on market opportunities, manufacturers and suppliers need one vital ingredient: credibility. Consumers demand evidence and validation of the claims they see on products, as well as clarity. Through investment in clinical studies, KSM-66 has the science to back up its claims. KSM-66 is the ashwagandha extract with the most extensive set of randomized, double-blind placebo-controlled research studies. Priority is placed on publication of results in peer-reviewed journals that are indexed in PubMed, a database maintained by the US National Library of Medicine.



Kartikeya Baldwa,
Ixoreal Biomed

Kartikeya Baldwa, director of Ixoreal Biomed, explains:

“Ashwagandha has been advocated for a wide range of applications by practitioners and traditional texts. However, for many of these applications, there is inadequate supporting evidence in modern scientific literature. Ixoreal has been a significant force in bringing a rigorous clinical lens to many of these claims.”

With its scientific credibility, clean label potential and organic certification, KSM-66 Ashwagandha is well placed to help manufacturers bring new products onto the market that tap into a number of important trends.

• No stress

Nearly 4 out of 15 people in Europe are affected by anxiety and depression every year, if all forms are included.⁸ A major source of stress is work-related, leading to lost working days. Work-related stress is most often reported by workers between 40-54 years old. Moreover, 31% of the Western European population have reported difficulty sleeping.

Ashwagandha has been used for years to relieve stress, and this is now backed up by science. A 2012 study using KSM-66 found that high-concentration, full-spectrum ashwagandha extract can safely and effectively improve an individual's resistance towards stress.⁹

• Get active!

The sports nutrition market has significantly broadened out in recent years. Globally, the market for sports supplements is expected to grow by 9.1% annually from 2014 to 2020.¹⁰ The high protein trend has been instrumental in this development, giving rise to an array of hybrid products that appeal to consumers of all ages aspiring to lead active lifestyles. Many hybrid sports nutrition products attempt to appeal to mainstream consumers by listing ingredients with natural-sounding ingredients.

This is where ashwagandha has a key advantage. The bulk of sports supplements are still based on non-natural ingredients¹¹ and many herbal ingredients do not have scientifically proven benefits. Studies have shown the efficacy of ashwagandha root extract in enhancing cardiorespiratory endurance in athletic adults. Data confirmed a "significant improvement" in the physical and psychological health of the study subjects by the end of 12 weeks.¹² This study using KSM-66 also demonstrated the muscle strengthening, exercise tolerance and lipid-lowering potential of ashwagandha, along with improved quality of sleep. "Findings of this study suggest that ashwagandha root extract improves the cardiovascular dynamics ... and also brings an improvement in quality of life in healthy adults".¹³



Another study reported that ashwagandha is associated with increases in muscle mass and strength and suggests that supplementation may be useful in conjunction with a resistance training programme.¹⁴

• Cognitive function

By 2050, around 30% of the European population is estimated to be 65 and older.¹⁵ As Europe's population continues to age, demand for natural remedies that promise to stave off, halt or even reverse neurological and cognitive decline will become ever more popular. This is something that has been anticipated for a while, and products marketed as improving brain and memory power have been gaining traction.



A pilot study¹⁶ recently evaluated the efficacy and safety of KSM-66 Ashwagandha in improving memory and cognitive functioning in adults with mild cognitive impairment. After eight weeks, the study found that the ashwagandha treatment group demonstrated significant improvements compared with the placebo group in both immediate and general memory. The study concluded that ashwagandha "may be effective in enhancing both immediate and general memory in people with MCI as well as improving executive function, attention, and information processing speed".

• Sexual health

Sexual dysfunction is often linked to stress and can have a profound negative impact on an individual's quality of life. More and more consumers are increasingly willing to give natural treatments a try, which creates a credible market opportunity for ashwagandha.

A recent clinical study¹⁷ examined whether high-concentration ashwagandha root extract (as KSM-66) could reduce female sexual dysfunction (FSD), which can result in reduced libido and pain during intercourse. These symptoms are largely due to neurovascular or hormonal imbalances. Results suggested that "ashwagandha root extract could be useful for the treatment of FSD ... the lack of adverse effects suggests that the extract is safe to consume". Furthermore, a 2013 clinical study¹⁸ reported a 167% increase in sperm count and a 57% increase in sperm motility after 90 days, for those receiving ashwagandha (as KSM-66). Improvements in the placebo-treated group on the other hand were minimal.

WHY KSM-66?

There are a number of factors as to why KSM-66 Ashwagandha extract stands out.

- Each batch contains at least 5 % withanolides, naturally occurring steroids that have been shown to have medicinally interesting properties
- The extract is derived from a water-based extraction process that removes any bitter aftertaste
- KSM-66 is therefore not restricted to capsule and tablet format but can be added to a wide range of foods and beverages without negatively affecting flavour
- Inspections and validation at Ixoreal Biomed are done throughout the transportation process including at the extraction facility
- The extract is tested for bioactive substances before being packaged into drums for export out of India



KSM-66 can now be found in a wide range of delivery forms, including chocolates, beverages, gums, energy drinks, energy shots, functional waters, meal powders and of course capsules, tablets and soft gels. New delivery formats are possible due to KSM-66's neutral taste.



Tom Johnsson,
Medicine Garden

CASE STUDY

BELIEVE IN YOUR PRODUCT AND MAKE THE INGREDIENT YOUR BRAND

Verifiable credibility and belief in your product are the secret ingredients to achieving market success with KSM-66 says Tom Johnsson, founder of Swedish supplements distributor Medicine Garden.

After over 30 years in the nutraceuticals business Johnsson knows what works; scientifically-supported ingredients that deliver real benefits for consumers. Medicine Garden's recent launch of a range of KSM-66 supplements shows what can happen when you get your strategy right.

Tom Johnsson (Medicine Garden) explains:

"I have a passion for finding clinically documented products that can contribute to people's lives in a meaningful way. I've spent decades in this business and was getting fed up with promises that could not be held up. What first drew my attention to ashwagandha was its credibility, and as time went on I became more and more impressed by what I saw."

Laying foundations

Medicine Garden launched its KSM-66 product line in October 2017, but not before everything was put in place. The company invested heavily in print advertising and social media.

Tom Johnsson (Medicine Garden) explains the strategy:

"But before the ads hit the magazines we had educated the retailers and built up high expectations that we knew we could deliver on. This meant that health shops were very enthusiastic and felt involved in the launch - recommending and promoting the product."

This meant that retailers knew the product, the science behind the product and felt proud to sell it. An interesting aspect of Medicine Garden's roll-out of its KSM-66 supplements has been its focus on health food shops rather than online channels. Around 300 shops in Sweden stock KSM-66, which means tight distribution and brand loyalty.



According to Tom Johnsson (Medicine Garden):

“Other suppliers look at us and think we're crazy, as everyone without exception is trying to get out of health food and into broad distribution. We are the opposite. The reason for this is that KSM-66 is so well documented and so open to good storytelling that we wanted real ambassadors – the health food stores - who really believe in the product.”

This investment meant that Medicine Garden hit the ground running; in only three weeks KSM-66 became the number one selling health food store supplement in Sweden. A position it has kept.

Clear messaging

Medicine Garden also streamlined its message to focus on how KSM-66 can tackle stress. In its first ad, the company explained the link between stress and cortisol levels.

Tom Johnsson (Medicine Garden) says that:

“When you level that out the body starts to heal. For us this was an extremely important point as it underlined that KSM-66 is not miracle; it is the ingredient's active components that help your body to rest and recover. And crucially these claims are supported by clinical studies. We haven't built up expectations that we cannot support.”

Another key point is that Medicine Garden have made KSM-66 the product, Johnsson adds:

“Most suppliers aren't interested in building up the KSM brand; they don't go into the science and see how effective it is on their own. They mix it with other ingredients to produce a propriety blend, which I understand, but this is the difference with us. We decided to push the brand and the clinical proven product. We know we are open to competition, but we believe in the product and have honest pricing. We have loaded our company name with a lot of positive emotions, which helps us to create loyal consumers.”



OPPORTUNITIES AND BEST PRACTICES

- Herbal / traditional ingredients is a growth market. The sector amounted to €6.2 billion in value sales in the EU in 2017, up by nearly €1 billion compared to 2012. By 2022, annual value sales in the region are predicted to reach €7.6 billion.
- A natural ingredient that decreases cortisol levels in people under chronic stress has enormous market potential. Stress-related conditions such as anxiety, sexual dysfunction and insomnia are modern ailments that affect more and more people.
- KSM-66 provides manufacturers and suppliers with a credible ingredient that is backed up by science. Consumers increasingly demand evidence and validation of the claims they see on products, as well as clarity.
- The sports nutrition market has significantly broadened out in recent years and studies have efficacy of ashwagandha root extract in enhancing cardiorespiratory endurance in athletic adults.
- Building your brand around the strengths of ashwagandha KSM-66 means you have a clear message that resonates with the modern consumer.
- Europe's ageing population means that ashwagandha's proven benefits in cognitive health and active lifestyles are increasingly relevant.

The information provided here was compiled with due care and up to date to the best of our knowledge on publication.

You can find more information about KSM-66 Ashwagandha and the European market in the following white papers:

- Ashwagandha: Navigating European regulations
- Ashwagandha: The right ingredients for success in Europe



Sources

- ¹ A prospective, randomized double-blind, placebo-controlled study of safety and efficacy of a high-concentration full-spectrum extract of ashwagandha root in reducing stress and anxiety in adults, *Indian Journal of Psychological Medicine*, July 2012
- ² <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3252722/>
- ³ <https://www.cbi.eu/market-information/natural-ingredients-health-products/trends/>
- ⁴ <https://www.cbi.eu/market-information/natural-ingredients-health-products/trends/>
- ⁵ <https://www.cbi.eu/market-information/natural-ingredients-health-products/trends/>
- ⁶ https://www.eca.europa.eu/Lists/ECADocuments/BP_ORGANIC_FOOD/BP_ORGANIC_FOOD_EN.pdf
- ⁷ https://www.eca.europa.eu/Lists/ECADocuments/BP_ORGANIC_FOOD/BP_ORGANIC_FOOD_EN.pdf
- ⁸ <http://www.euro.who.int/en/health-topics/noncommunicable-diseases/mental-health/data-and-resources>
- ⁹ A prospective, randomized double-blind, placebo-controlled study of safety and efficacy of a high-concentration full-spectrum extract of ashwagandha root in reducing stress and anxiety in adults, *Indian Journal of Psychological Medicine*, July 2012
- ¹⁰ <https://www.nutraingredients.com/Article/2016/01/26/Global-sports-supplement-market-to-reach-12.4-billion-in-2020>
- ¹¹ <https://www.cbi.eu/market-information/natural-ingredients-health-products/trends/>
- ¹² Efficacy of Ashwagandha (*Withania somnifera* [L.] Dunal) in improving cardiorespiratory endurance in healthy athletic adults, *Ayu Journal* Jan – Mar 2015
- ¹³ Efficacy of Ashwagandha (*Withania somnifera* [L.] Dunal) in improving cardiorespiratory endurance in healthy athletic adults, *Ayu Journal* Jan – Mar 2015
- ¹⁴ Examining the effect of *Withania somnifera* supplementation on muscle strength and recovery: a randomized controlled trial, *Journal of the International Society of Sports Nutrition*, Nov 2015
- ¹⁵ <https://www.cbi.eu/market-information/natural-ingredients-health-products/trends/>
- ¹⁶ Efficacy and Safety of Ashwagandha (*Withania somnifera* (L.) Dunal) Root Extract in Improving Memory and Cognitive Functions, *Journal of Dietary Supplements*, November 2017
- ¹⁷ Efficacy and Safety of Ashwagandha (*Withania somnifera*) Root Extract in Improving Sexual Function in Women: A Pilot Study, *BioMed Research International*, 2015
- ¹⁸ Clinical Evaluation of the Spermatogenic Activity of the Root Extract of Ashwagandha (*Withania somnifera*) in Oligospermic Males: A Pilot Study, *Evidence-Based Complementary and Alternative Medicine*, 2013.