

Super Foods: Camu Camu in Peru

"Superfoods" is a new term attributed to physician Steven Pratt¹ who used it as a title for his book in 2003. He pointed out that there are certain types of foods that are beneficial to human health beyond the conventional nutritional values. Although there is no legal or technical definition, the term "superfoods" has become a trendy topic. A Google search yields more than six million results.² Superfoods promise an ideal goal sought by many consumers: a product that improves life expectancy and also combats increasing obesity that developed countries, like the United States, are facing.³ Superfoods originated in Japan in the 1980s. Health authorities recognized that an increased life expectancy should be accompanied by improved quality of life for the expanding elderly population. Also, health care costs could be controlled through the consumption of healthy food.⁴ Superfoods are a dynamic product within a larger market, called the function foods market. According to Health Canada:

A functional food is similar in appearance to, or may be, a conventional food that is consumed as part of a usual diet, and is demonstrated to have physiological benefits and/or reduce the risk of chronic disease beyond basic nutritional functions, i.e. they contain bioactive compounds.⁵

Functional foods and beverages account for roughly \$40 billion of U.S. retail sales.⁶ For the past decade, several products have been showcased in the market with emphasis on their nutritional properties. For example, Oprah Winfrey and Dr. Oz raised the antioxidant properties of acai berries.⁷ Supermodel Miranda Kerr explained her consumption of maca powder along with noni juice and acai berry powder⁸ as part of her daily diet. In global terms, Japan is the leading market for these products, followed by the United States. The functional food and drink market is outpacing the conventional food and drink market in terms of global growth by about 4 percent per year, according to a Leatherhead Food Research report from June 2011.⁹ The fastest growing category within the functional foods market are beverages.

However, in spite of its growth, this segment suffers from a high rate of product failure for newcomers; as

many as 80 percent of product launches fail to catch on due to inadequate marketing, consumer, and trade education.¹⁰

THE POTENTIAL OF NATIVE PRODUCTS: CAMU CAMU

Camu camu (*Myrciaria dubia*) is a small tree or shrub that grows in the Amazon regions of Peru. It typically grows in the flooded areas near the river. Its fruit contains high levels of natural vitamin C, ranging from 1,500 to 2,000, and in some exceptional cases 3,130 mg of ascorbic acid per 100 grs of fresh pulp.¹¹ To put this into context, camu camu contains up to 30 times more vitamin C than an orange. (An interesting video about this fruit can be found at www.youtube.com/watch?v=CYCUDy0ljGc.¹²) In addition to its antioxidative power, this fruit has proven to have anti-inflammatory properties,¹³ making it effective at promoting a healthy diet. Other key properties include astringent, anti-viral, emollient, and nutritive properties, and it contains natural beta-carotene, calcium, iron, niacin, phosphorus, protein, riboflavin, thiamin, and the amino acids valine, leucine, and serine.¹⁴ Camu camu has the potential to be used as a dietary supplement as well as for functional beverages such as Coca Cola's Minute Maid "Camu Camu & Vitamin" drink in Japan¹⁵ and the Super Fruits Mix variety of the Fanta brand that includes a blend of camu camu with other fruits like pomegranate, mango-steen, and white grape.¹⁶ Companies in the natural ingredients sector are starting to capitalize on the potential of camu camu as a "super-fruit." An example of this trend comes from Navitas Naturals, a U.S. company that started with maca (another Peruvian ingredient) and now sells a range of 25 products, all of which are functional foods. (To see camu camu's possible uses in food

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you can take a look at www.youtube.com/watch?v=nun5oIFXj94&feature=related.)

UNDERSTANDING MARKET BARRIERS

Although accessing international markets is not an easy path for “superfoods,” success also has its complications. Even when a superfood, like camu camu, is known in its country of origin, it is not necessarily easily accepted in other countries. The following are examples of market access barriers that represent a challenge for making camu camu a bigger star. The same rules apply to any other exotic food.

U.S. Market

When entering the U.S., all products for human consumption must have an FDA authorization for the commercialization of that product. The FDA’s website provides for an interesting compilation of warning letters regarding compliance or misclassification of products.¹⁷ The main barrier occurs when marketing the product: If a company which wants to sell the product makes health claims, it must request permission to sell the product as a drug with all paperwork and information that comes with that request (such as scientific support). However, if the company sells it as a food, or eventually as a dietary supplement under the Dietary Supplement Health and Education Act of 1994 (DSHEA),¹⁸ then permissions are handled on a different basis.

Camu camu is currently sold in the U.S. as a dietary supplement in the form of liquid concentrate, extract in capsules, juices, powder, as well as in chocolate bars and shakes.

The European Union Market

Camu camu is considered a novel food in the European Union according to Regulation EC258/97, which states the following: *Foods and food ingredients that have not been used for human consumption to a significant degree in the EU before 15 May 1997 are “novel foods” and “novel food ingredients.”*¹⁹ The above statement covers all exotic foods coming from countries with a rich biodiversity. This regulation represents a considerable challenge to any company that wants to sell novel foods or beverages in any EU country. It must present a dossier of the product in its specific presentation with supporting evidence of its safety. The cost of preparing a novel food dossier ranges between US\$390,000 and US\$780,000,²⁰ a sum unattainable for small businesses. The novel food regulation does not cover uses of specific ingredients or products such as camu camu as a dietary supplement. The latter category is monitored under Directive 2009/39/EC. Firms need to recognize that:

- The role of governments to assure safety for their citizens, as well as the prevention of false claims, is getting stronger.

- Consumers are increasingly informed. The Internet has become not only a good source of information but also a place where many people can find reports or scientific support to any health.
- The “newer” the product in a market, the more it will have to support its properties with sufficient evidence or historical record of usage. Many products are based on tradition and use by the native population for centuries.

NAVITAS NATURALS’ BET ON FUNCTIONAL FOOD

Navitas is the Latin word for “energy” and “zest.” According to its founder, Zach Adelman, this word embodies the company spirit of bringing ancient power foods to the modern consumer, and also how consumers feel after consuming these products.

Back in 2003, Incan nutritional wisdom was an unexpected discovery for Adelman. His first encounter was with maca, an Andean tuber that grows in the high-altitude regions of the Peruvian Andes. The promise of its nutritional value and properties made it a commercial success.

The company began to grow rapidly. To remain true to its vision, it searched the world for functional foods that have been used by traditional cultures for both medicinal and nourishment purposes. Many of these foods have been consumed for thousands of years.

New additions were like cacao nibs, goji berries, and incan berries by 2005. Increasing demand grew the product range to 26 over the past five years. Camu-camu did not go unnoticed. Navitas added the miraculous superfruit to its products list in 2010 and named it “Camu Powder.”

In July 2011, the company launched a healthy snacks line, combining the power of all superfoods within their product range with camu camu as part of one combination: the *Citrus Chia Power Snack*, along with chia seeds, maca, and lucuma superfoods, as well as apricot, raisin, cashew, and coconut flakes.

Navitas started in a tiny facility on Hamilton Drive in Novato, California, back in 2003, but the steady growth forced it to move to larger quarters in Pamaro Way in the same city in 2011. The firm achieved GMP/HACCP third-party certifications in 2009.²¹

Nowadays, Navitas Naturals imports foods from Peru (maca, camu camu, lucuma, yacon, and cacao), Colombia (incan berries), Brazil (acai), China (goji berries), Mexico (chia seeds), and Turkey (mulberries), while expanding its sales throughout North America. Distribution channels not only include retailers like Whole Foods or Mrs. Green’s in the U.S., but also dietary supplement stores like Manna Foods or Canadian National Nutrition.

IDENTIFYING A STRATEGY

It is important to note that with the increasing demand for healthy foods, consumers are also seeking products with special certifications, such as organic, that ensure truly natural products. Functional foods comprise most often these types of products, as well as fairtrade products, which adds social sustainability into the equation.



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Navitas Naturals' strategy to capitalize on the functional foods market is clearly aligned with the company's philosophy:

- Provide high-quality superfoods.
- Special certifications as a differentiation element: Organic, Raw, Fairtrade, and Kosher.
- Social responsibility approach.
- Consumer education in order to sustain market growth. As an example, the company took advantage of Internet tools such as YouTube to spread the company's story and values with short videos about its products.²²
- Mostly Wild Crafted (as an added-value feature).

Navitas' mission is *"to provide premium organic functional foods that increase energy and enhance health."*²³ Along with a healthy lifestyle comes also the responsibility of buying from local businesses to give back to the communities providing these resources. "An essential part of our mission is to create economic opportunities among indigenous people in developing countries," says Zach. The company's support of native agriculture helps to expand the development of global organic farming practices and economic development among indigenous people by increasing demand for the health-enhancing foods they produce. Thus the firm creates a virtuous cycle for suppliers, consumers, and itself.

QUESTIONS FOR DISCUSSION

1. If no immediate change regarding the Novel Food Regulation (EU) is foreseen, what could be an alternate use of camu camu?
2. What brand strategy is Navitas following to "adapt" camu camu to the U.S. market?
3. Would you recommend that Peru use the same brand strategy Navitas is using in the U.S. and in other international markets?
4. Amazon Herbs follows in the U.S. camu camu. Would you recommend this strategy to other American importers of camu camu?
5. What international marketing strategy would you recommend to Peru in order to promote camu camu in the North American market?