

Controversial GLP-1 drug & its impact on retailers

There is a swift uptake of GLP-1 drugs, (Global Glucagon-Like Peptide 1) like Ozempic and Wegovy, in the United States, with a growing impact of them in the food and beverage sector.

So, what is a GLP-1 drug? The Cleveland Clinic website says, "GLP-1 agonists are medications that help lower blood sugar levels. There are many different types. And they're just one part of your treatment plan if you have Type 2 diabetes."

Though originally intended for the treatment of Type 2 diabetes, these GLP-1 medications have expanded into weight loss use. GLP drugs function by imitating the body's hormones responsible for controlling blood sugar levels and hunger cues. Through delayed gastric emptying and encouraging feelings of fullness, they can aid individuals to manage their weight effectively. GLP-1 drugs such as Ozempic appear to diminish the appeal of various food categories, including high-fat options like dairy and baked goods, as well as alcohol, tobacco and certain sweet foods.

According to MMR Research, "As if by magic, the emergence of GLP-1 medications is now disrupting what people desire – with an alarming downward pressure on sales." These medications are causing a significant change in consumer habits and buying patterns. There is a notable shift away from indulgent products. In short, GLP medications

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are shaping new expectations for how people are buying food."

The implications for the food sector are being analysed, along with strategies for food producers to adjust to changing consumer patterns. Lately, media attention surrounding ultra-processed foods has raised the idea that manufacturers, with the help of the market research industry, have unintentionally or purposefully taken advantage of the brain's pleasure pathways and encouraged excessive consumption of unhealthy foods.

According to results from a recent survey of 300 participants using the new obesity medications, calorie intake can be decreased by 20% to 30%

daily. A report by Circana, December 2024, said, "It's projected that 7% of the U.S. population will be taking GLP-1 medications such as Ozempic by 2035. If these medications continue to gain in popularity and accessibility, more consumers may alter their buying and consumption behaviour as they cut down their daily calorie intake."

Their widespread use is attributed to their proven clinical efficacy and the support of influential figures like Oprah Winfrey, Elon Musk and Whoopee Goldberg. Goldberg stated in an interview, "that she had lost the weight of 'almost two people' since starting Mounjaro," a GLP-1 medication approved to treat Type 2 diabetes. Recent Research and Markets research predicts that the worldwide GLP-1 market will experience a significant 29.6% compound annual growth rate until 2030.



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What is the effect of GLP-1 medications on consumers' purchasing habits?

Data from a Numerator study, January 2025, finds that approximately 15% of American households have a member taking GLP-1 medications, but only 7–8% of households consistently use these prescriptions.

However, among consistent users of GLP-1 medications, there is a noteworthy effect on grocery spending. Grocery expenditures decreased by an average of 6% for households with GLP-1 users, with higher-income households experiencing a larger decline of 9%.

The most affected categories due to this change in consumer habits are chips/salty snacks (declining by 11.1%) and sweet baked goods (declining by 6.7%). The use of GLP-1 medications is associated with diminished urges for these luxurious, high-calorie products, resulting in the greatest drops in these areas according to the Numerator study.

However, it is not readily available in South Africa. The South African Health Products Regulatory Authority (SAHPRA) states that “GLP1 agonists are NOT registered in South Africa for weight management.”

Europe it is cautioned against use for weight loss, “GLP-1 receptor agonists are not approved for, and should not be used for, cosmetic weight loss. Healthcare professionals should consider offering these people lifestyle advice instead,” reports The European Medicines Agency.

On the other hand, in America, “In 2021, the FDA approved the GLP-1 receptor agonist, sema-

glutide, known most commonly as Wegovy, as an aid in weight management and obesity.” (news.sanfordhealth.org)

The Numerator study also reveals a 12% decrease in fast food consumption among households due to GLP-1 users opting to miss breakfast and focusing on cooking more nutritious meals at home.

This highlights the significant influence that GLP-1 medications are having on consumer buying behaviour in both retail and foodservice markets. As the use of GLP-1 medication continues to rise, there is a growing trend towards foods and drinks that are both satisfying and flavourful while also low in sugar, carbohydrates, and calories.

Steps businesses can take to capitalise on these changing consumer patterns



As this GLP-1 phenomenon progresses, companies in the food and beverage industry need to adapt to changing preferences and adjust their product offerings accordingly.

Tailoring product development will cater to the changing preferences of this expanding consumer

group. By doing so, retailers can not only lessen the loss of income but also tap into new sources of income. It will be essential for brands to offer products that are satisfying and flavourful while also being low in calories, sugar and fat.

In developing products for GLP-1 users, food manufacturers are encountering fresh obstacles in reducing salt and fat content.

To cater to the dietary requirements of GLP-1 users, suppliers can create and advertise offerings that meet this new trend, including high-protein, low-calorie, and portion-controlled choices that promote fullness and support healthy blood sugar levels. Clean labelling showing healthier ingredients goes

a long way to put consumers at ease.

Acting promptly to demand for more health-oriented advancements in products from suppliers will give retailers a significant advantage in maintaining and claiming a larger portion of the market. **SR**