The U.S. Weight Loss & Diet Control Market
(14th Edition: April 2017)

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- **Status Report of U.S. Health Clubs Industry** - no. of facilities, type clubs, number of club members, recent trends, Industry receipts: 1993-2022 F, characteristics of club members, drop-out rates, members by type club, estd. share of clubs with diet programs. (IHRSA)
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- **Obamacare’s effects on commercial programs**, competitive disadvantage
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- **Sample income statement** for a typical commercial center: (expenses by type, profits)
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- **Avg. costs to acquire new customers**
- What commercial centers have in common, expansion of 1980s/contraction of 1990s 1982-88 diet franchise avg. revenues per unit, no. of centers/ sites operated by top chains.
- **Franchising**: status of, use as growth strategy, investment costs, profiles of Wt. Watchers, Jenny Craig franchises, why franchising may be less viable, commercial chains survival actions.

**Census Bureau Operating Ratios**: 2012, 2007, 2002 (Commercial diet centers/services) (no. of estabs., firms, receipts, receipts per estab., payroll as % sales, etc.)

- **Tables**
- Industry snapshot: no. of estabs., receipts, avg. per estab. & employee, payroll as % sales, etc.
- Employee sales/payroll productivity
- Establishments, by legal form (corporations, partnerships, sole proprietors)
- Market share for largest 4, 8, 20, 50 firms
- Ratios, by single vs. multi-unit firms
- Ratios, by receipts size of firms & establishments
- No. of diet centers, by state & region, avg. receipts per estab. By state
- No. of diet centers, by state, ranked by sales and avg. receipts per establishment
- 2013 no. of estabs. payroll, estd. receipts, by state, ranked (County Business Patterns)

**Other Tables**:
- 1982-2022 F commercial weight loss center revenues
- No. of U.S. weight control services (1991-2016)
Company profiles: in-depth company history, current status, how programs work, costs, franchise systems, 2009-2016 & historical revenues, new programs, strategies, address/website):

* Weight Watchers International  
* Jenny Craig  
* NutriSystem  
* Medifast  
* Health Management Group  
  (Diet Center, Physicians Wt. Loss)  
* Metabolic Research Centers

Online Dieting: Weight Loss Websites & Mobile Apps

- Nature of diet websites and nutrition services, how they work, status report/trends for: Sparkpeople.com, WeightWatchers.com, Diets In Review, Calories Count: advertising costs and new challenges, importance of search engine optimization.  
- Discussion: Is online dieting effective?  
- Traffic – who gets the most? - list of major diet websites, analysis of Alexa traffic rankings for top diet websites in 2017, effects on other diet companies/market  
- Profile of online dieter characteristics: Bestdietforme.com visitors by: sex, age, BMI, starting weight, medical conditions, budget, preferred program sites, interest in surgery and diet food home delivery, previous plans used, type food desired, readiness, exercise preferences, need for psych support. – annual metrics as 2005-2012  
- List of the top diet websites, parent co. name, address  
- Diet Apps – how big a threat to commercial chains? Why the threat is overblown, shortcomings of brick & mortar companies/what they can do to compete better.  
- Descriptions of top weight loss apps  
- My Fitness Pal – Company Profile

The Diet Soft Drinks & Artificial Sweeteners, Diet Food Markets

The Diet Soft Drinks Market
- Status Report 2016-17, why the slump continues, diet soft drinks as % total soft drinks, mkt. nature and historical growth, forecasts, demographics of consumers, diet’s share of all carbonated soft drinks (Beverage Industry, Beverage Digest).  
- Recent research studies could hurt, pricing, new sweeteners, packaging  
- Total soft drink retail $ sales, diet share of gallons/retail sales: 1989-2016, 2017-2022 forecast  
- 1989-2022 F diet soft drink $ sales  
- Table: Demographics of diet soft drink consumers, historical nature of the market.

The Artificial Sweeteners Market
- Status Report of the mkt., developments rebellion-high fructose corn syrup, Stevia, Sucralose, Splenda, consumer trend to avoid artificial ingredients, data from Calorie Control Council regarding use by consumers  
- Sweeteners by end use (% for soft drinks vs. tabletop sweeteners mkt.)  
- Description of major types (Aspartame, Neotame, Saccharin, Sucralose, Stevia, Acesulfame)  

Low-cal Diet Entrees & Low-carb Foods Market
- Mkt. Status Report, definition of “diet” foods, discussion of dinner entrees, the major brands, Consumers shift to fresh foods away from frozen, actions by food industry to spur sales  
- Trend toward eating more high protein foods  
- Marketdata mkt. size estimates for 1994 to 2022 F  
- Outlook and sales estim. For 2014-2016 $ volume for Lean Cuisine, Smart Ones, Healthy Choice  
- Low-cal “diet” entrees mkt. size: Healthy Choice, Wt. Watchers, Lean Cuisine retail sales, brands outlooks
The Low-carb Foods Market
- Analysis of no. of people using Atkins as diet plan, why the trend has faded but is not dead/some resurgence in low glycemic foods, Paleo Diet, popular diet books
- Low-cal **user demographics**: consumer use of low-cal foods/beverages: Calorie Control Council survey, most popular low-fat foods, top reasons people choose them

**Company Profile: Atkins Nutritionals**

The Meal Kits Delivery Market

Overview - Definition and nature of the market, types of meal delivery services, why demand exists, growth spurred by venture capital, market trends & issues (independent contractors), importance if Millennials, customer demographics, analysis of three market segments (dollar value 2015 & 2020F, major competitors and revenues, key metrics, recent developments: 1) Healthy/Fresh Foods/Meal Kits Delivery Market, 2) Diet Food Delivery Market, 3) Premium Meats & Desserts/Specialty Foods Mail Order Market. List of Competitors: Blue Apron, Plated, Hello Fresh, Munchery, Peach Dish, Sprig, others.

Retail Meal Replacements & Appetite Suppressants Market
- Definition/nature of meal replacements vs. over-the-counter (OTC) diet pills, ingredients being used today, new herbal products: coffee bean extract, HCG drops
- History/nature of mkt.- cyclical shifts from mid-1980s
- **User demographics**: no. and % of dieters using diet pills and meal replacements (Consumer Reports, Bestdietforme.com surveys: 2005-2012 data).
- Why growth outlook is strong for meal replacements, preferred by MDs, MLMs, commercial chains, why OTC diet pills mkt. still struggles for legitimacy
- Regulatory actions, FTC fines marketers (Acai berry, Lipozene, QuickTrim), waning of the Dr. OZ effect/warning on touting “miracle” products for weight loss, Hyroxycut’s fall
- Marketdata discussion of traditional/nontraditional distribution channels
- **Mkt. size/growth**: true size of the mkt. - why estimates differ widely
- NBJ estimates of diet pill & meal replacements $ and % sales, by distribution channels, discussion of multilevel firms (Advocare, Shaklee, Herbalife, Quixtar, Nu-Skin, EAS, Atkins)
- Marketdata estimates of growth for diet pills & meal replacements 2017-2022, demand factors.

**Tables:**
- Marketdata estimates of OTC diet pills, meal replacements, combined sales - 1981-2016
- Revised estimates of above markets, based on new NBJ research: 2005-2022 F
- Discussion of 2014-2016 market performance, 2017 outlook, 2022 forecasts

**Company profiles: Slim-Fast, Herbalife, Visalus Life Sciences** (revenues, strategies, product lines, marketing, Herbalife war with H. Ackman’s hedge fund, effect on other MLMs rapid rise and fall of Visalus)
Medically-Supervised Weight Loss Programs

Hospital & Clinic Chains Weight Loss Programs
- Types of plans offered (low-cost, moderate-cost plans, estd. no. of hospitals providing each, typical cost), Medicare new coverage
- Physician-based diet programs: diet drugs/other methods used, consumer attitudes, limitations, estd. no. MDs with a weight loss program – independents vs. affiliated with chains, medds used, typical cost of MD programs
- How Obamacare has provided a game-changing opportunity for MDs to add weight loss & counseling services via PAs, RDs, Nurses
- Profiles of a hospital-based weight loss program: Johns Hopkins
- Major Medical Chains: Lindora Clinics, Centers for Medical Weight Loss, Smart for Life Medi-Weightloss Clinics, Medical Weight Loss of Michigan, Nuviva, Dr. G’s, Let’s Lose, Thinique, JumpstartMD (in-depth company descriptions, plan costs, estimated revenues, no. of centers, franchising growth strategies, etc.)

Tables: Avg. revenues per site, avg. plan cost to patient, avg. income statement, start-up Costs for top 8 medical weight loss chains/franchises/licensors.

The Weight Loss (bariatric) Surgery Market
- Discussion of gastric bypass & lapband procedures, why demand grew strongly to 2007, status report, 2016 estimated surgeries, 2017 & 2022 forecasts, costs per surgery by type payor, pros/cons, who qualifies, effect of Obamacare on coverage by 25 state exchanges
- Surgery mkt. smaller than thought – better data from government/AHRQ data proves 2009-2012 decline, revisions of prior estimates based on ASMBS estimates
- Surgery utilization and outcomes, mean cost per surgery
- Major insurers’ coverage today, status report, Medicare position, role of liaison firms (The Wish Centers, Barix Clinics, Liv-Lite, Journey Lite - addresses), avg. cost of surgery.
- Types of surgery: Roux-en-Y, lap banding, minigastric bypass, sleeve, consumer pros/cons

Table: No. of bariatric surgeries performed: 1992-2016
Table: $ value of the market: 1992-2022 F, outlook under Obamacare
- Associations: ASBS, Obesity Action Coalition, increased lobbying efforts.

VLCD/LCD Fasting Supplement Programs
- Status report of low-calorie modified fasting programs in 2013-2014, effect of bariatric surgeries, outlooks by mgmt. at HMR, strong demand from hospitals for tunkey programs characterizing the mkt. (price, programs, no. of sites, increased direct-to-customer sales)
- Historical nature of market - development from 1970s-1990s, enrollments, drop-out/completion rates, problem on insurance coverage, market indicators, positive/negative trends/factors

Table: Marketdata estimates of VLCD enrollments for 1995-2015 (new vs. repeat patients, fasting vs. maintenance), $ value of mkt. for 1984-2019 F.

Company Profiles: Detailed descriptions of companies/plans, program revenues:

Health Management Resources, Optifast (Nestle)


The Diet Drugs Market
- Discussion of viewing obesity as a disease, major obesity medications used today, FDA position, role of MDs, commercial chains’ involvement with diet drugs, why it’s tougher than thought to develop anti-obesity drugs that are effective and with minimal side effects.
- Status Report: Contrave, Qsymia & Belviq sales & outlooks, FDA rejections of: Acomplia, Taranabant, other Rx diet drugs
- Other new obesity drugs in development: Saxenda, Beloranib, Mirabegron
- Existing drugs used (Xenical, Phentermine) - descriptions

Tables - prescriptions written and $ sales for: Meridia, Xenical, Phentermine,
- Marketdata’s 2017 and 2022 outlooks for prescription diet drugs, effect of new drugs on mkt.
  Size, discussion of this market’s potential vs. drawbacks, overcoming MD and consumer
  Attitudes, side effects, effectiveness. Moderate weight loss not enough for most dieters.

**The Diet Books & Exercise DVDs Market**

- Overview of total book buying market, the rise of e-books
- Diet books – nature of the mkt., new 2016 diet books, buyer demographics, what makes
  Bestsellers, book buyer demographics, recent titles by Dr. Phil, Al Roker, Jillian Michaels
- Exercise DVDs mkt., summary, top names in the field, categories, top distributors, mkt. size
- Marketdata estimates of combined diet books/exercise DVDs mkts. For 2016,
  Outlooks and rationale, popularity as DIY method.
**Table:** $ sales of diet books & exercise DVDs: 1989-2022 F

**Reference Directory of Weight Loss Information Sources**

- Industry & government trade associations, journals, newsletters, magazines, consultants