







# A WEIGHTY ISSUE

*How brands survive potential extinction-level threats to their sector*

Words MARYLOU COSTA

**F**

rom 700 international branches, 3,000 staff, a peak of \$483m in revenue and the founder's personal fortune of \$300m, to collapsing in spectacular fashion this year, industry watchers are now awaiting the revival of weight-loss brand Jenny Craig in the online space.

Whether Jenny Craig 2.0 will rise like a phoenix from the ashes or fail to leave an impression against competitors with a well-established digital footprint and following, remains to be seen. But what's for certain is the legacy Jenny Craig leaves in the form of a cautionary tale for other weight-loss brands (see box, 'Jenny Craig – counting the cost').

From failing to innovate against an overreliance on celebrity culture, to unsuccessfully navigating the changing tide from weight loss to wellness, and arriving late to the digital transformation party; competitor and parallel brands that can safely say they've ticked

## Inside...

- ◆ **Own contentious terms** for authentic customer connections
- ◆ Health means more than **just content**
- ◆ Market health truthfully and be **held accountable**
- ◆ Check you are **still relevant** to your customer

all these boxes still have their work cut out for them. The advent of weight-loss injections like Ozempic, Wegovy, Rybelsus and Saxenda are a threat – and Jenny Craig rival WW is set to incorporate a form of these into their offering after purchasing Sequence, a telehealth subscription service where doctors can prescribe weight-loss injections – yet

another disruption in a fast-moving, often still controversial industry.

## GOING FULL CIRCLE

As Dr Aleksandrina Atanasova, lecturer in marketing at Bayes Business School, City, University of London, points out, weight-loss injections bring the industry back full circle to the quick fix it had tried to move away from; by attempting to change the focus towards a long-term healthy lifestyle.

"Not much has changed below the surface – people are still at large, unhappy with what they look like and who they are, so keep flocking to this market looking for solutions from brands," Dr Atanasova comments.

"It goes to show that the idea of the miracle overnight solution is still very much alive, and that the whole wellness narrative never really had solid ground to stand on. It was just some sort of a lens through which we could explain things and make ourselves feel better. But as ➔



soon as there was a solution that could bring us right back to the quick way out, people jumped to this straight away.”

As a result, rather than shy away from the word ‘weight’ and validate its taboo connotations, industry players say it’s time to confidently own the term – but do so with a clear point of differentiation and purpose to survive this next important phase in the weight-loss sector.

### WEIGHT LOSS IS FAIR GAME

David Roddenberry co-founded HealthyWage in 2009. The platform – which pays users cash prizes if they ‘win’ the bet they make against how much weight they aim to lose over an agreed minimum period – has paid out more than \$42m to thousands of users. The company makes money on the cash bets people place against their own weight-loss goals, with between 25% and 40% of participants winning their bets, as well as from corporates and governments sponsoring employee and public challenges. Roddenberry believes weight loss is “fair game” as a topic to

### IF ALL YOU’RE PROVIDING IS CONTENT, I THINK YOU’RE IN TROUBLE

David Roddenberry co-founder, HealthyWage

“

talk openly about without needing to be dressed up as wellness. “The understanding of the biological underpinnings of obesity (that weight-loss injections have identified) has really changed how we think about, and should approach weight loss, without a doubt. Maybe it legitimises or just opens the conversation about weight a bit more, when there was such resistance to talking about weight for a while,” says Roddenberry.

“If we’re going to acknowledge (obesity) as a health disease, then it’s fair game to talk about weight, and how you must have a solution that actually addresses weight loss. I don’t think we should be afraid to talk about it, given

that it impacts so many, and it’s such a large risk factor for so many types of cancers, diabetes and heart disease, and even musculoskeletal problems. It’s important to be open about weight as a health condition.”

With plans to grow the business tenfold over the next four years, Roddenberry’s assured that HealthyWage, as the first company in the US to essentially pay people to lose weight, is a compelling enough offering to not only withstand the pull of weight-loss injections, but the rise of AI too, as consumers increasingly turn to chatbots for weight-loss advice. “With the accessibility of nutrition advice, food plans and recipe plans, if all you’re providing is content, I think you’re in trouble. Having a differentiated space is important, like a motivational piece that works in conjunction with the drugs, or with whatever content you’re getting, whether it’s from a paid programme like Noom or WW,” says Roddenberry.

“You have to make sure you have a product that people still want and need after the drugs. If the drug controls your portion for you, because you just

## Jenny Craig – counting the cost

Growing up in the 1990s in Australia, the name Jenny Craig was synonymous with weight loss. Craig’s familiar blue signature that made up the company logo was a regular sight on television, with celebrities waving their now too-big clothes around to flaunt the results of the Jenny Craig diet, which consisted of prepared calorie-controlled meals delivered to your door.

Craig, an American native, founded her empire in Australia in 1983 with the opening of the brand’s first weight-loss centre, expanding it to over 700 branches across the US, Canada, New Zealand and in other countries too, earning the now 90-year-old a \$300m fortune. Yet after 40 years in business, listing and delisting on the New York

Stock Exchange, and four sales later, the company announced in May this year it was filing for bankruptcy and ceasing operations, owing around \$242m to creditors and putting around 3,000 people out of a job.

Yet hope glimmers for the Jenny Craig brand in the form of an in-home, online offering to be launched by weight-loss meal delivery company Nutrisystem, which acquired Jenny Craig’s intellectual property for an undisclosed sum. How then, can it regain its foothold in a marketplace, which, like many others, shrank during the pandemic but is predicted by analysts at Facts

and Figures to grow to \$405 billion by 2030?

Moving away from calorie counting, and looking at a more holistic, supported approach to lifestyle improvement overall, is where newcomer Able is putting its



Images Jenny Craig; Noom





get full, you don't need a portion-control food-delivery service. So, you have to see where you fit into the larger ecosystem, as we identify what impact the drugs have."

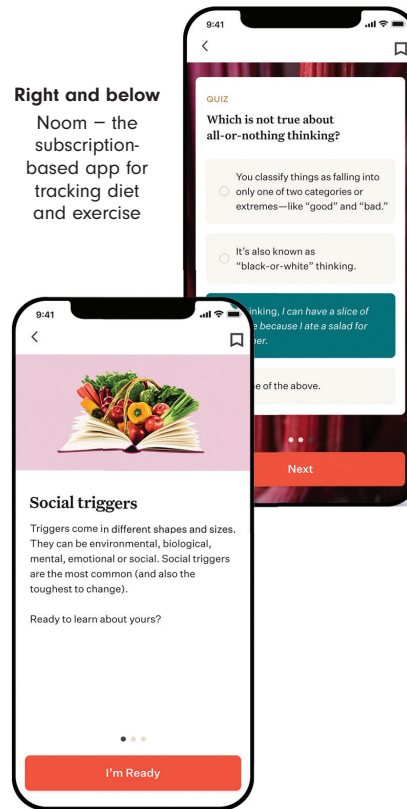
### ALIENATION MAY BE INEVITABLE

Going one step further than Roddenberry, Daniel Herman, founder and CEO of sports health and nutrition brand Bio-Synergy, feels weight-loss companies should feel confident in their identity, even if it means alienating some audiences. "You're always going to offend somebody. If that is what you do, you've got to be proud of it. For example, if you're selling leather shoes, you've got to be proud of the quality of your leather, and where the leather has come from. There is going to be a group of people who are against that. But there will be people who are interested in leather shoes, so you need to start with the benefits, explain the USPs of the product, and be proud of that," Herman reflects.

"We sell weight-management products. I don't hide that fact because, for some people, having a product that sup-

Right and below

Noom — the subscription-based app for tracking diet and exercise



ports their goal, which might be weight management, is really important. But there isn't a magic bullet. They're called supplements for a reason. They supplement your diet. They're not going to get you out of bed in the morning or to the gym. You have to understand that the people that do discover what you do, and want to use it, will find you and will embrace that."

That doesn't mean, though, that Herman is proud of the industry as a whole, when misleading marketing activity is still a reality. Sports nutrition and supplements company Bulk Powders, for example, was fined £100,000 by Essex Trading Standards in 2020 for making false claims about the benefits of their products. British boxing champion Anthony Joshua was among a number of celebrities who had endorsed the brand.

### QUESTIONABLE ETHICS REMAIN

Herman feels disappointed in the questionable ethics that dog the industry. He cites the BBC Three documentary series, *Blindboy Undestroys the World*, ↗



money. Launched in 2021, the Able app connects users with a dedicated health coach, who creates a customised programme for them and is available any time via chat. The app also helps users track their food, sleep and fitness data.

Carolyn Nicholas, Able's director of health coaching, has observed how the concept of calorie counting has become irrelevant when it comes to weight loss. Having calorie counting at its core became problematic for Jenny Craig, which is why weight-loss brands need to and are moving away from relying on this, she says.

"With Jenny Craig, you weren't allowed to do things like eat a whole avocado a day. If you did, you went over your points. But that's not giving the body the nutrients it needs to function on a fundamental level. So these low calorie, prepackaged foods are not sustainable for long-term health," says Nicholas.

People burn calories differently based on their unique biology, Nicholas adds, confirming this is where the demand

for tailored, science-based weight-loss programmes is coming from, and the direction more brands will move towards.

Also driving this demand has been individuals not knowing how to manage their own diet based on their own biological makeup, compared with the prescriptive, generalised approach of a brand like Jenny Craig, elaborates Daniel Herman, CEO and founder of health supplements brand Bio-Synergy. Through Bio-Synergy's DNA testing, for example, Herman has discovered that he is at a high risk of developing type two diabetes, and has a genetic predisposition to becoming obese, so approaches his nutrition with those two factors in mind.

"Obesity is, in the Western world, probably one of the biggest problems we're facing, and one of the most easily fixable by an individual, if they take responsibility. Knowing about my DNA helps me make wiser decisions about what I should be doing in terms of my activity and what I should be eating," he says.







which depicted well-known UK reality TV stars agreeing to be paid to promote a fake new diet drink containing hydrogen cyanide – a lethal chemical. It uncovered that one of the personalities had previously been paid to promote a product called Skinny Coffee, claiming she'd lost a significant amount of weight using it – but in the documentary, she denied she'd said that.

“There are lots of examples, particularly in the sports arena, whereby a sports person will be given an amount of money to represent a product that is ingested. And that person may never have used that product, or be aware of the quality or efficacy of their products. This is really dangerous,” says Herman.

That's why he thinks weight loss and health brands should be held more accountable for marketing their products and programmes in a truthful way – and do the right thing for the right reasons. Bio-Synergy, he says, has never paid anybody to endorse its products, and has only ever given free products to charities.

“We only have – and I hate the word – ‘real people’, and real ambassadors talking about our products,” he says. For example, on the cover of the brand's latest in-house magazine is Hari, the first double amputee to summit Mount Everest.

“To me, that's what an influencer should be – somebody who has broken the mould, gone against the odds, proven that even within the physical limitations they have, they've done something that most able-bodied people would not even consider in their wildest dreams,” says Herman.

“We use a mixture of people from different backgrounds, different levels of fitness to market the brand, and different ages as well. Another ambassador we had was 98 when he passed away. He didn't start exercising until he was 67. And he's probably one of the most inspirational people I've ever met.

“We could be a much bigger brand, but I'd much rather be the size that we are and do things which I feel comfortable with and have products that I would get my kids and mum and dad to use.”

Images Nosh; Bio-Synergy

## PARTNERING WITH THE PUBLIC SECTOR

Herman hopes a certain level of responsibility will be taken when it comes to marketing weight-loss injections, describing them as “like putting a plaster on a leaky bucket”. Instead, he would like to see more being invested in edu-



Above  
Body positive  
imagery with ‘real’  
people promoting  
the products



**I CHASE PROFIT LIKE IT'S GOING OUT OF FASHION. THAT DOES NOT MEAN I CAN'T DO GOOD**

*Geeta Sidhu-Robb, founder, Nosh*



cating people about a healthy lifestyle, and giving people better access to the tools to improve their own health.

For instance, on the back of Bio-Synergy's DNA and epigenetic kits, which test an individual's DNA to then formulate an appropriately tailored nutrition and exercise plan, the company has been awarded an Innovate UK

government grant to investigate the potential of its technology and offering to mitigate non-communicable diseases, like type 2 diabetes.

“Brands with an enormous span – the likes of Facebook and Google – are more powerful than nation states. Brands are going to shape the future of our world, rather than governments,





Left Bio-Synergy's real ambassadors  
Below Daniel Herman, founder and CEO of Bio-Synergy



probably, to an extent. And we need to make sure that those effective custodians of our future are doing it in a way that we agree with and are supportive of," Herman asserts.

That's why Geeta Sidhu-Robb, women's health coach and founder of juice detox brand, Nosh, is also setting up a lobbying arm of her business.

Sidhu-Robb's vision is to prompt the UK government to crack down, not just on the statements brands make about their products, but to move away from speaking to women in a way that makes them feel negative about the way they look.

"The weight-loss industry is based on gaslighting women to think that the male approach to weight loss is the same as the female approach, even though there's a massive underlying health gap that doesn't take into account the fact that women's bodies shift massively around the age of 35 to 40, and further with the onset of menopause," Sidhu-Robb argues.

"I've worked with 21,000 women and there are some that will eat 800 calories a day and keep a food diary for two years. Then they'll go into their doctor and the doctor will say, 'you just got that wrong. Go back and try it again.' I have one woman whose doctor told her she was 'fat, 40 and female', so couldn't do anything to help her. The lack of understanding about women's bodies is outrageous."

**YOU'RE ALWAYS GOING TO OFFEND SOMEBODY. IF THAT IS WHAT YOU DO, YOU'VE GOT TO BE PROUD OF IT**

*Daniel Herman, founder and CEO, Bio-Synergy*



Like Herman, Sidhu-Robb believes brands need to be more serious about being honest in their marketing about their ingredients, and how they need to work alongside other lifestyle aspects; and that this can go hand in hand with being profitable.

"I'm a single parent with three very expensive children, and I chase profit like it's going out of fashion. That does not mean I can't do good. Concepts like calories are so outdated, and the entire industry needs to revolutionise itself, but it doesn't, because it's still making money," she surmises.

#### **BREAKING THE CYCLE**

University of London's Dr Atanasova rounds off the consensus that brands actively shape wider consumer conversations. She suggests that those who want to break the weight-loss industry's

cycle of disingenuous marketing and impossible aspirations, need to actually offer a solution that stops people feeling bad about themselves in the first place. Brand owners like Roddenberry, Herman and Sidhu-Robb would likely argue that's what they do, by helping their customers make the desired changes in their lives in a positive way. Aligning with governments to become part of their wider social health agenda, as they've all done or intend to do, could well be the differentiator that helps them cut through the next drug-tainted phase of this industry.

The challenge, then, as Dr Atanasova points out, is to remain relevant as the impact of issues, like climate change and continuing global conflicts, become more severe and harder to escape.

"The world around us is collapsing with environmental and economic emergencies, so people will start to come out of themselves, and the focus will be shifting to what's happening around us, rather than what's happening to us, so it will be interesting to see how the market dynamics shift," Dr Atanasova predicts.

"Whether you can fit into a size 12 or size 10 jeans is not going to matter as much a couple of years from now, as it does today, because the world will literally be on fire." ◇

**MaryLou Costa** is a freelance journalist

*WW was contacted for comment but was not able to reply in time for publication.*

