Functional Food Ingredient Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Functional Foods & Health Beverages (Food & Beverage)
> **Source:** https://www.mordorintelligence.com/industry-reports/functional-food-ingredient-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 20.46 billion
Projected Forecast (2031)	USD 20.46 billion
Growth Rate (CAGR)	2.52 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in Functional Food Ingredient industry](images/chart_2.png)

![Functional Food Ingredient Market (2025 - 2030)](images/chart_3.png)

![Functional Food Ingredient Market: Market Share by Ingredient Type, 2025](images/chart_4.png)

![Functional Food Ingredient Market: Market Share by Application, 2025](images/chart_5.png)

![Functional Food Ingredient Market CAGR (%), Growth Rate by Region](images/chart_6.png)

![Functional Food Ingredient Market Concentration](images/chart_7.png)

![Icon](images/chart_8.png)

![footer background image](images/chart_10.png)

![Mordor Intelligence on Facebook](images/chart_12.svg)

![Mordor Intelligence on Pinterest](images/chart_14.svg)

![Mordor Intelligence on Instagram](images/chart_15.svg)

![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)
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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period
|

2021 - 2031
|

Market Size (2026)
|

USD 20.46 Billion
|

Market Size (2031)
|

USD 23.18 Billion
|

Growth Rate (2026 - 2031)
|

2.52 %
|

Fastest Growing Market
|

Asia-Pacific
|

Largest Market
|

North America
|

Market Concentration
|

Low
|

Major Players

*Disclaimer: Major Players sorted in no particular order

|
Market Overview

Functional Food Ingredient Market Analysis by Mordor Intelligence

The functional food ingredient market size in 2026 is estimated at USD 20.46 billion, growing from 2025 value of USD 19.96 billion with 2031 projections showing USD 23.18 billion, growing at 2.52% CAGR over 2026-2031. This measured growth trajectory reflects the sector's maturation as consumer awareness of health benefits drives sustained demand for fortified and enhanced food products. Functional food ingredients in functional food are targeted to offer specific functions that are more than just basic nutrition. These ingredients play a vital role in protecting against acute and chronic diseases. Functional foods contain natural or synthetic ingredients that promote optimal health and provide energy-boosting benefits. Prebiotics are one such ingredient that promotes the growth of bacteria in the large intestine that are beneficial to intestinal health while inhibiting the growth of bacteria that are potentially harmful to intestinal health.

Key Report Takeaways

* By ingredient type, vitamins led with 47.05% of functional food ingredients market share in 2025, whereas probiotics are forecast to expand at 3.29% CAGR from 2026-2031.
* By form, powders accounted for 48.42% of the functional food ingredients market size in 2025, while liquid concentrates and other innovative formats are projected to grow at 4.11% CAGR to 2031.
* By application, beverages contributed 23.10% revenue in 2025, and other emerging food categories are set to rise at a 3.86% CAGR over the forecast period.
* By geography, North America commanded 33.12% of the functional food ingredients market share in 2025, while Asia-Pacific is expected to post the highest regional CAGR of 3.78% through 2031.

Key Market Trends

Market Trends and Insights

Drivers Impact Analysis of Functional Food Ingredient Market*

DRIVER |

(~) % IMPACT ON CAGR FORECAST |

GEOGRAPHIC RELEVANCE |

IMPACT TIMELINE |

Rising demand for nutritious, convenient, and fortified
food products

|

+0.8%

|

Global, with strongest growth in Asia-Pacific and North America
|

Medium term (2-4 years)

|

Botanical fortification of functional beverage to enhance
health benefits

|

+0.5%

|

Global, concentrated in developed markets

|

Long term (≥ 4 years)

|

Technological advancement in encapsulation and delivery system

|

+0.4%

|

North America and Europe leading, Asia-Pacific adoption accelerating
|

Medium term (2-4 years)

|

Premiumization of functional products in developed markets

|

+0.3%

|

North America, Europe, Japan, Australia

|

Short term (≤ 2 years)

|

Growing prevalence of chronic diseases fueling demand for healthy food products

|

+0.6%

|

Global, acute in aging populations of developed markets

|

Long term (≥ 4 years)

|

Regulatory harmonization and GRAS pathway reforms

|

+0.2%

|

North America leading, Europe following, Asia-Pacific selective adoption
|

Medium term (2-4 years)

|

Source: Mordor Intelligence
|

Competitive Landscape

Competitive Landscape

Market concentration reflects a fragmented competitive structure with opportunities for both established multinational corporations and specialized ingredient suppliers to capture value through differentiated positioning. Leading players, including DSM-Firmenich AG, Kerry Group plc, Ingredion Incorporated, Arla Foods amba, and Corbion N.V., leverage scale advantages in research and development investment and global distribution, while emerging companies focus on novel ingredients and innovative delivery systems addressing specific market niches.

Strategic patterns emphasize vertical integration, with companies expanding across the value chain from raw material sourcing through finished product development to capture higher margins and ensure quality control. Technology deployment drives competitive differentiation as companies invest in advanced processing capabilities, analytical testing, and ingredient informatics platforms to accelerate product development cycles.

White-space opportunities exist in personalized nutrition, sustainable ingredient sourcing, and regulatory-compliant novel compounds addressing emerging health concerns. The competitive landscape favors companies balancing innovation investment with operational excellence while maintaining regulatory compliance across multiple jurisdictions.

Functional Food Ingredient Industry Leaders

* DSM-Firmenich AG
* Kerry Group plc
* Arla Foods amba
* Corbion N.V.

*

Ingredion Incorporated

*

*Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

This market covers ingredients added into everyday foods and beverages to support a specific health benefit beyond basic nutrition, and it is sized on the value of these ingredients sold into food manufacturing.

Scope exclusions: It excludes finished functional foods sold to consumers, and it also excludes pharma-grade therapeutic products that are regulated as medicines.

Segmentation Container

* By Type

  * Vitamins

  * Minerals

*
Proteins and Amino Acids

*
Omega-3 Ingredients

*
Prebiotics

*
Probiotic

*
Other Functional Food Ingredients

*
By Form

*
Powder

*
Liquid

*
Others

*
By Application

*
Bakery

*
Dairy and Dairy Alternative Products

*
Meat and Seafood

*
Confectionery

*
Beverage

*
Other Applications

*
By Geography

*
North America

*
United States

*
Canada

*
Mexico

*
Rest of North America

*
Europe

*
United Kingdom

*
Germany

*
Spain

*
France

*
Italy

*
Russia

*

Rest of Europe

*
Asia-Pacific

*
China

*
India

*
Japan

*
Australia

*
Rest of Asia-Pacific

*
South America

*
Brazil

*
Argentina

*
Rest of South America

*
Middle East and Africa

*
Saudi Arabia

*
South Africa

*
Rest of Middle East and Africa

Frequently Asked Questions

What is the current Functional Food Ingredient Market size?

The market generated USD 20.46 billion in 2026 and is projected to reach USD 23.18 billion by 2031, rising at a 2.52% CAGR.

Which ingredient type holds the largest share?

Vitamins commanded 47.05% revenue in 2025 due to consumer familiarity and broad regulatory acceptance.

Why are probiotics growing faster than other segments?

Harmonized Codex guidelines, scientific evidence on gut-brain benefits, and advanced encapsulation that improves shelf life support a 3.29% CAGR for probiotics through 2031.

Which region is expanding the quickest?

Asia-Pacific is expected to post a 3.78% CAGR as China, India, and Japan update health-food regulations and middle-class incomes rise.