



Top Ten Trends for 2019 *by Innova Market Insights*

TOP TEN TRENDS 2019



1 DISCOVERY: THE ADVENTUROUS CONSUMER

Consumers are on a big and broad journey of discovery, moving out of their comfort zones to explore bolder flavors and multisensory food experiences

NEW FOOD EXPERIENCES STORYTELLING
ETHNIC FLAVORS

2 THE PLANT KINGDOM

The plant-based market shows no signs of slowing down. Brands are greening up their portfolios to attract even the mainstream consumer

BRANDS 'GREEN-UP' BOTANICAL FLAVORS
DEVELOPMENT OF HYBRIDS

3 ALTERNATIVES TO ALL

Consumers pay attention to health and sustainability, pushing more innovation in replacement foods and ingredients

ALTERNATIVES BRING CHOICE
SUBSTITUTE INGREDIENTS ALTERNATIVE PROTEINS

4 GREEN APPEAL

Brands increasingly commit in market actions and innovations across both product and packaging to answer consumer expectations around sustainability

FIGHTING FOOD WASTE COMMITTED TO SUSTAINABILITY
PACKAGING INNOVATIONS

5 SNACKING: THE DEFINITIVE OCCASION

Meeting the evolving expectations around snack products is a strong focus for innovation across all food and beverage categories

HEALTHY SNACKING SNACK FORMAT INNOVATIONS
SNACKIFICATION

6 EATING FOR ME

Technological advances and ever expanding choice in food service and retail are enabling consumers to adopt a more individual approach to eating

INDIVIDUAL DIET NEEDS ENDLESS CUSTOMIZATION
PERSONALIZED PACKAGING

7 A FRESH LOOK AT FIBER

Renewed interest in fiber, going beyond digestive health benefits, is driving fiber applications

GROWTH OF FIBER CLAIMS NEWLY DISCOVERED BENEFITS
NEW FIBER APPLICATIONS

8 I FEEL GOOD

Consumers have a rising interest in the role that nutrition can play in supporting emotional and mental wellbeing

FEEL GOOD CLAIMS SUPPORTING BRAIN HEALTH
CBD INFUSED

9 SMALL PLAYER MINDSET

Start-up companies continue to shake up the food and beverage industry, successfully competing against major players who in turn are going small in their strategy

POWER OF LOCAL INSPIRING FOOD GIANTS
START-UP INVESTMENTS

10 CONNECTED TO THE PLATE

Advances in digital technology enable consumers to get closer to their food through greater levels of transparency and involvement

CONSUMER ENGAGEMENT SMART LABEL
BLOCKCHAIN TECHNOLOGY

Trend 1. Discovery: the Adventurous Consumer

Globalization sparks the consumer's curiosity to discover new food and drinks

INCREASING BRANDING EFFORTS ON DISCOVERY

BRANDS BRING NEW VARIETIES TO THE MARKET

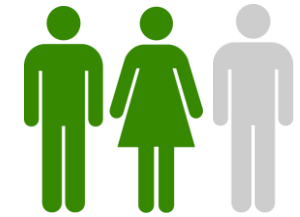
+35%

Growth of new food & beverage launches tracked with a **discovery** claim.
(Global, 2017 vs. 2016)

Discovery claims include: discover, explore, uncover, unveil, unravel.



"I love to discover new flavors"



2 in 3

US, UK and Chinese consumers

Source: Innova Trends Survey (2018)

Arousing consumer curiosity by including an element of surprise

TEMPERATURE SHOCK



Source: [instagram.com/skittles](https://www.instagram.com/skittles)

Flavors -

- Sizzling' strawberry
- Fiery watermelon
- Blazin' mango
- Lemon spark
- Flaming' orange

THIS IS NOT WHAT IT SEEMS



Source: [instagram.com/duckseatory](https://www.instagram.com/duckseatory)



duckseatory • [Follow](#)
• Ducks Eatery

duckseatory Don't let that caramelized skin fool you - this smoked "ham" is 100% 🍷

ACTIVATE YOUR SENSES



Source: SIAL Paris 2018

"Basiron's Black Lemon's dark color, smooth dairy and refreshing taste of lemon and lime **will activate your senses to the max!**"

Source: veldhuyzenkaas.nl/merk/basiron-black-lemon

Trend 2. The Plant Kingdom

Eating plant-based is becoming mainstream, industry thrives on plants

CONSUMERS MAKE HEALTHIER FOOD CHOICES



"I increased my consumption of fruit & vegetables in order to be healthier"



55%

China



48%

France

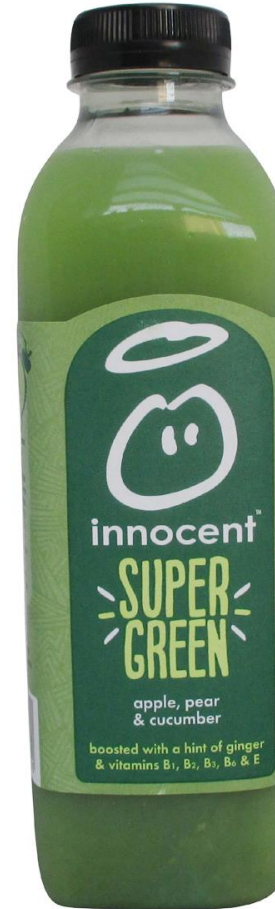


43%

Brazil

% of respondents who changed their diet to try to be healthier by increasing their intake of fruit and vegetables (Innova Consumer Lifestyle and Attitudes Survey, 2018)

PLANT INGREDIENTS SOAR ACROSS CATEGORIES



Brands 'green-up' their portfolio to attract the mainstream consumers who want to add more plant-based options to their diet.



Trends and counter trends drive developments of hybrids



**Doble Pata Negra Burger Vacuno:
Wagyu And Black Angus Burger**

Spain, Jan 2018



**Carrefour Le Palet Boeuf Et Vegetal: Beef And
Vegetable Burgers With Seeds**

France, Mar 2018



Garden Gourmet Burger Deluxe XL

Netherlands, Apr 2018

MEAT EATERS

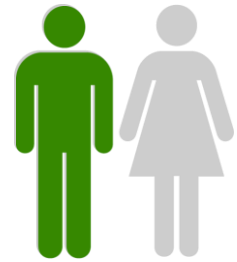
BALANCED INNOVATION SWEET SPOT

VEGETARIAN/VEGAN

Trend 3. Alternatives to All

Alternative dairy, alternative proteins, alternative sweeteners, etc. – there is now an alternative for everything.

HEALTH REMAINS BIGGEST DRIVER FOR CONSUMERS

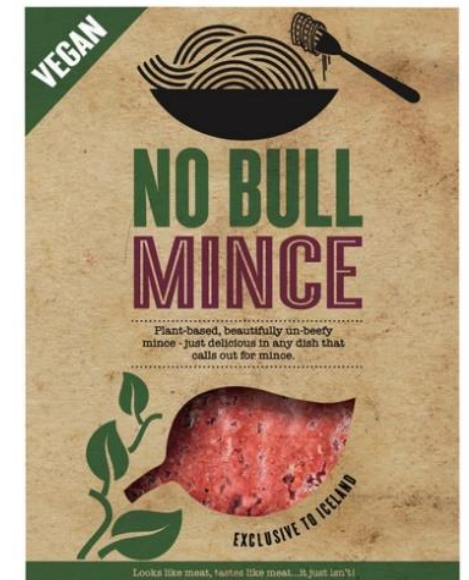


...as a reason for buying alternatives to bread, meat or dairy.

A WIDER RANGE OF DAIRY AND MEAT ALTERNATIVES

+17% Dairy free

+11% Meat substitutes



Source: Innova Trends Survey (2018)

*CAGR of new food & beverage launches in selected subcategories (Global, 2013-2017)

Beyond health, the plant-based market shows no signs of slowing down

VEGAN TREND CONTINUES TO DRIVE INNOVATION

+46%

...average annual growth of food & beverage launches tracked with a **vegan** claim (Global, 2013-2017)



ALTERNATIVES SPREAD TO MORE CATEGORIES

Fish alternatives



No/Low-alcohol beverages



Plant-based pizza or pasta



The quest for alternative proteins hits the food market

PEA PROTEIN



Likemeat Ham Bratwurst From Pea Protein

Germany, Jul 2018

DESCRIPTION Ham bratwursts from pea protein with vegan casing. Comes in a plastic tray held in a cardboard sleeve.

INSECT PROTEIN



Jiminis High Energy Bar: Apple, Cinnamon and Caramel with Cricket Flour

Spain, May 2018

DESCRIPTION High energy bar made with cricket flour, apple, cinnamon and caramel, in a plastic packet. **Cricket flour containing over 60% protein**, iron, and B12 vitamin.

WATER LENTILS

What's next?
Water lentils?



Vegan Robs Protein Burritos Water Lentils And Algae Flavored With Veggie Pad Thai

US, Sep 2018

DESCRIPTION **Water lentils** and algae flavored with veggie pad thai. Made with **plant-based fusion**.

Trend 4. Green Appeal

The industry increasingly commits to answering consumer expectations around sustainability

SUSTAINABILITY INITIATIVES ARE A MUST

SUSTAINABILITY DRIVES CORPORATE GOALS

2 in 3

US, UK and Chinese consumers expect companies to invest in sustainability these days

Source: Innova Trends Survey (2018)

Kellogg's

RESPONSIBLE SOURCING

Ingredients / Materials

Responsibly source top 10 ingredients/materials by 2020

SUSTAINABILITY DRIVING VALUE FOR OUR BUSINESS, OUR PEOPLE AND OUR CONSUMERS

Our simple four-point framework helps capture the ways in which sustainability contributes to our business success.

56% of our agricultural raw materials were sustainably sourced. (By 2017)

50% of consumers want to choose brands with purpose that are more sustainable. (Our Making Purpose Pay research)

€490M The USPL delivers significant savings to our business. For example, by using less energy we avoided energy costs in our factories of over €490 million since 2008.

LESS RISK

MORE GROWTH

MORE TRUST

LOWER COSTS

GRADUATE EMPLOYER OF CHOICE

In 2017, we were Graduate Employer of Choice in the fast-moving consumer goods sector among 44 of the 60 countries we recruit from.

PACKAGING

Goal: Reach a 75% recovery rate in developed markets of the equivalent amount of bottles and cans we introduce into the marketplace

INNOVATIVE PACKAGING

35 Billion+ plantbottle[®] PlantBottle™ Packages have reached the market in nearly 40 countries, as of July 2015, resulting in **743,000+** barrels of oil saved

6,900+ Recycling Bins at the 2014 FIFA World Cup™ and collected ~450 tons of solid waste.

Since 2008, we have reduced packaging weight by **15%**

GLASS BOTTLES ALUMINUM CANS PET PLASTIC BOTTLES

COCOA LIFE

Cocoa Life farmers learn to avoid deforestation and plant native shade trees making farms more resilient to climate change

All cocoa will ultimately be sustainably-sourced

Manufacturers commit to sustainable product & packaging development

FIGHTING FOOD WASTE



"Eat beer, crafted with upcycled brewer's malt."

"Made using Aquafaba, the water left over from cooking chickpeas."



ALTERNATIVES TO SINGLE-USE PLASTICS



Edible straws

BIODEGRADABLE

Environmentally and 100% biodegradable

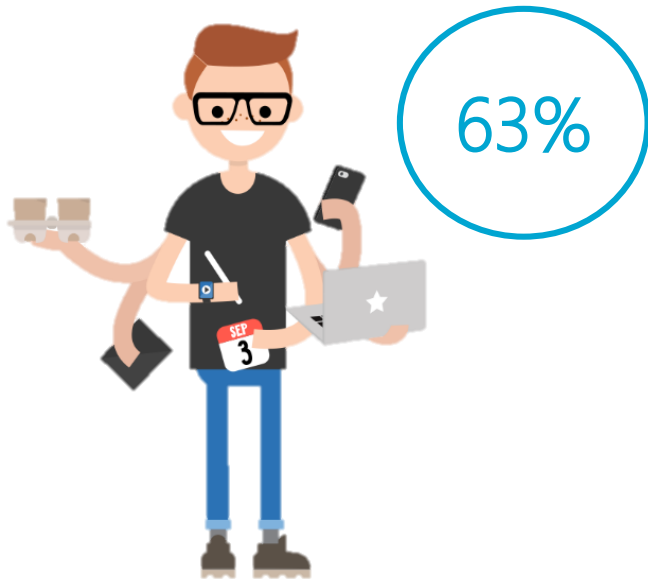
"NO MORE PLASTIC"

Edible seaweed packaging



Trend 5. Snacking: the Definitive Occasion

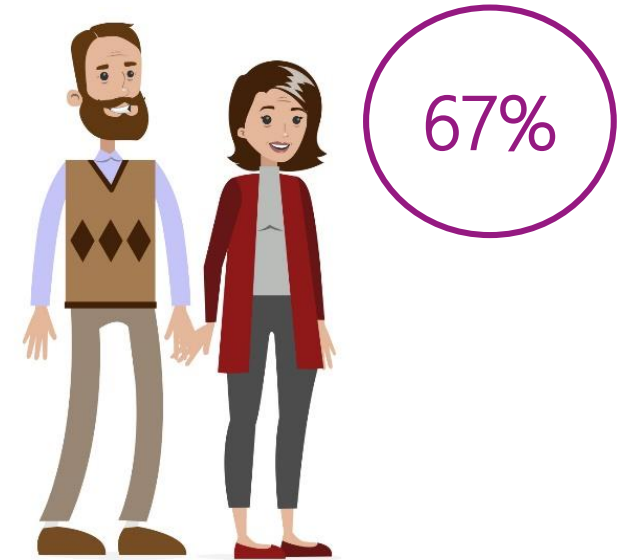
Snacking is no longer the optional extra, but the definitive occasion



...of **millennials** are replacing meals with snacks because they are busy



...of **Gen X** are inclined to cut down on their sweet snack consumption



...of **boomers** are making changes to their diet to become healthier

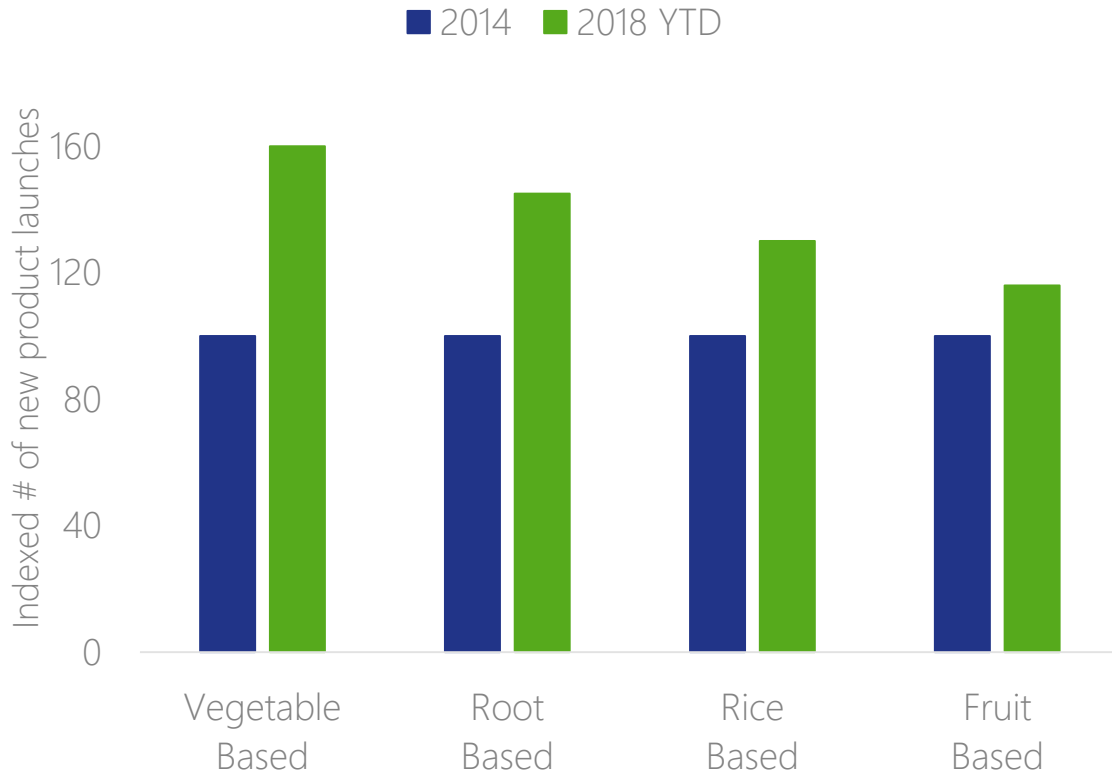
Snack attack: innovation focused on snacking occasions



Healthy snacking options show fastest growth for new product development

MORE VEGGIE SNACK LAUNCHES

Indexed number of new snack launches tracked by snack subcategory
(Global, Index 2014=100)



GROWTH OF MUSHROOM BASED SNACKS



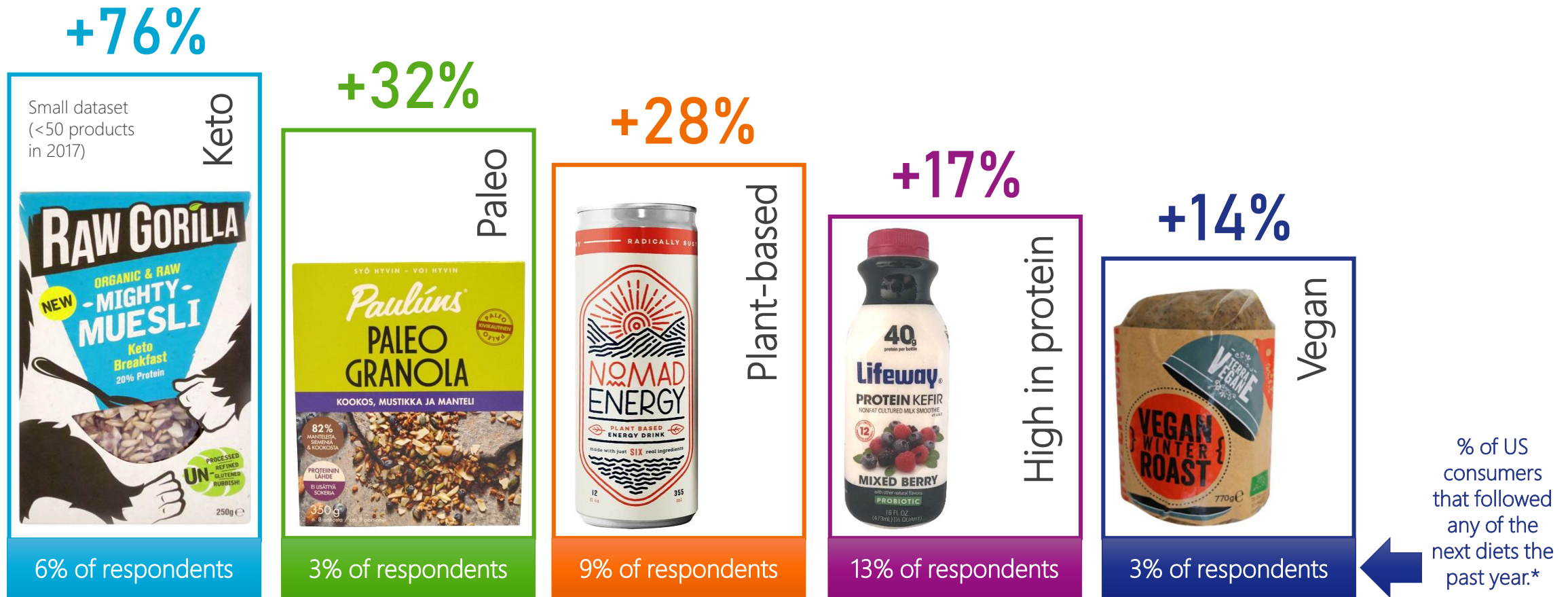
Shiitake crisps



Mushroom jerky

Trend 6. Eating for Me

Individual needs and preferences: big impact on new product development



Growth (in %) of new food & beverage launches tracked with selected dietary claims (Global, 2017 vs. 2016)

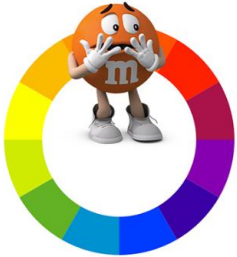
*Innova Trends Survey (2018)

E-commerce as an avenue for personalized packaging

BESPOKE PACKAGES USE E-COMMERCE

LET'S GET PERSONAL

1. PICK YOUR COLORS



2. ADD AN IMAGE



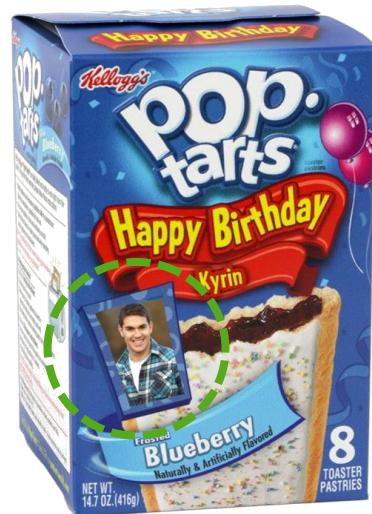
Designing your own
is as easy as 1-2-3!

START NOW

3. SELECT A PACKAGE



"E-commerce domains enable bespoke packaging personalization, which aids in creating a relationship with consumers and building brand loyalty."



PERSONALIZED NUTRITION APPS ENHANCE FOOD E-COMMERCE

EatLove + amazonfresh
meal planning and grocery delivery in one simple click

1



Personalize

Tell us about your health goals and any medical conditions along with your taste preferences.

2



View Plans

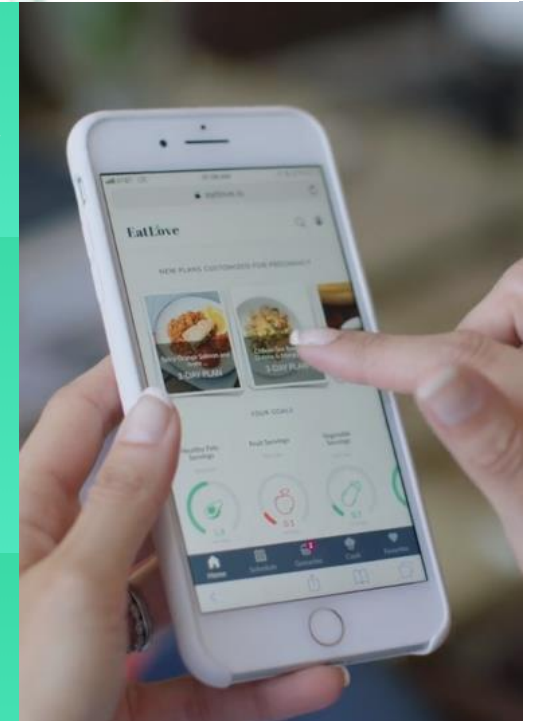
We generate on-demand meal plans based on 3-million data points to fit your health needs.

3



Get Healthy

You get recipes, grocery lists and optional delivery through AmazonFresh right to your door.



Trend 7. A Fresh Look at Fiber

The return of fiber as an essential food ingredient

A GROWING INTEREST FOR FIBER

44%

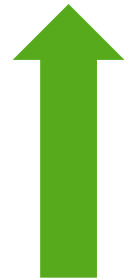
of US respondents are increasing their consumption of fiber

33%

of UK respondents are increasing their consumption of fiber

Source: Innova Trends Survey (2018)

FILLING THE FIBER GAP: INCREASED LAUNCH ACTIVITY



+21%

average annual growth of new launches tracked with a fiber claim

(Global, 2013-2017)

Newly discovered health benefits are driving fiber applications

FIBER INCREASINGLY SEEN IN SPORTS NUTRITION

Which of the following are reasons for you to consume fiber?

Digestive health

64%
of US consumers

Weight Management

24%
of US consumers

Energy

16%
of US consumers

Source: Innova Trends Survey (2018)

+55%

Average annual growth of new sports nutrition launches tracked with a fiber claim*. (Global, CAGR 2013-2017)

*Added fiber and high/source of fiber claims

FIBER AND PROTEIN BENEFITS IN SPORTS BARS



Trend 8. I Feel Good

Rising interest in the role that nutrition can play not only in physical but also in emotional wellbeing

EMOTIONAL HEALTH KEY FOR HOLISTIC WELLBEING

- **Mood:** The feeling of satisfaction, happiness, joy and excitement positively influences a person's mood.
- **Comfort:** A relaxing drink or comforting food calms the nerves and gives a feeling of relaxation.
- **A clear mind:** Clear thinking, having the ability to concentrate and making and recalling memories are necessities for emotional health.

CAN FOOD CHANGE YOUR MOOD?

+36%

Growth of new food & beverage launches tracked with a **feel good** claim.
(Global, 2017 vs. 2016)

Feel good claims include: happy and joy



"My mental health is as important as physical health for my overall wellbeing"

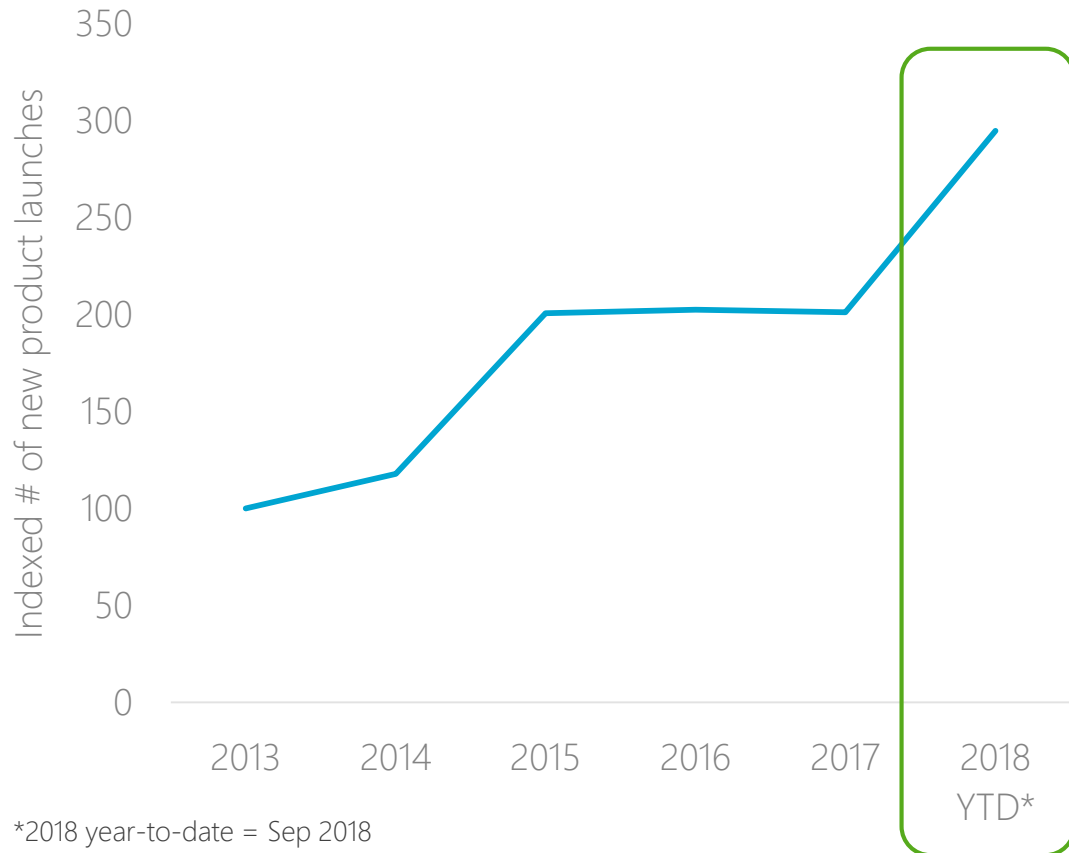
Source: Innova Consumer Lifestyle and Attitudes Survey (2018)



Emotional comfort: guilt-free food & drinks to calm the nerves

FIGHTING THE FEELING OF REGRET

Indexed number of new F&B launches tracked with a “guilt free” claim (Global, Index 2013=100)



PROVIDING A FUNCTIONAL CHILL

1 in 4 US, UK and Chinese consumers say that ‘relaxation’ is an important aspect when consuming F&B (2018)



Source: Innova Trends Survey (2018)

LAGUNITAS BREWING COMPANY

HOPS. THC. NOW IN STEREO.

This IPA-inspired beverage is made using everything Lagunitas knows about hops and cannabis.

FIND NEARBY

LAGUNITAS HI-FI HOPS

CANNABIS-INFUSED HOPPY SPARKLING WATER
ZERO CAL • 5MG THC • 5MG CBD
ABSOLUTELY FRESH
NET WT. 12FL OZ

55

CA

Trend 9. Small Player Mindset

Start-up companies continue to shake up the food and beverage industry

THE POWER OF LOCAL HOOKS CONSUMERS

2 in 5



...US and UK consumers **prefer small brands** because smaller companies are more dedicated to their products and **have a personal story.**

Source: Innova Trends Survey (2018)



*"We want to bring a contemporary, modern-day twist to Indian food. Our products will always be Indian in DNA but can **stand up to any global product.**"*

ON A SOCIAL MISSION TO INSPIRE FOOD GIANTS

+20%

Growth of new food & beverage launches tracked with a **social ethical claim.**
(Global, 2017 vs. 2016)



of traceable cocoa beans

*"With incredibly tasty chocolate, **we lead by example** to show the world that chocolate can be made differently: **in taste, packaging and the way we treat cocoa farmers.**"*

Major players are going small in their strategy

MULTINATIONALS LAUNCH & INTEGRATE START-UPS



INVESTING IN START-UP INNOVATION



Beyond Meat

US\$72m

...achieved from a diverse cast of backers, including **Tyson Foods**, **Humane Society**, **General Mills** and the actor **Leonardo DiCaprio**.



Humm Kombucha

US\$8m

...investment of **VMG partners** in 2017.

Ripple Foods

US\$65m

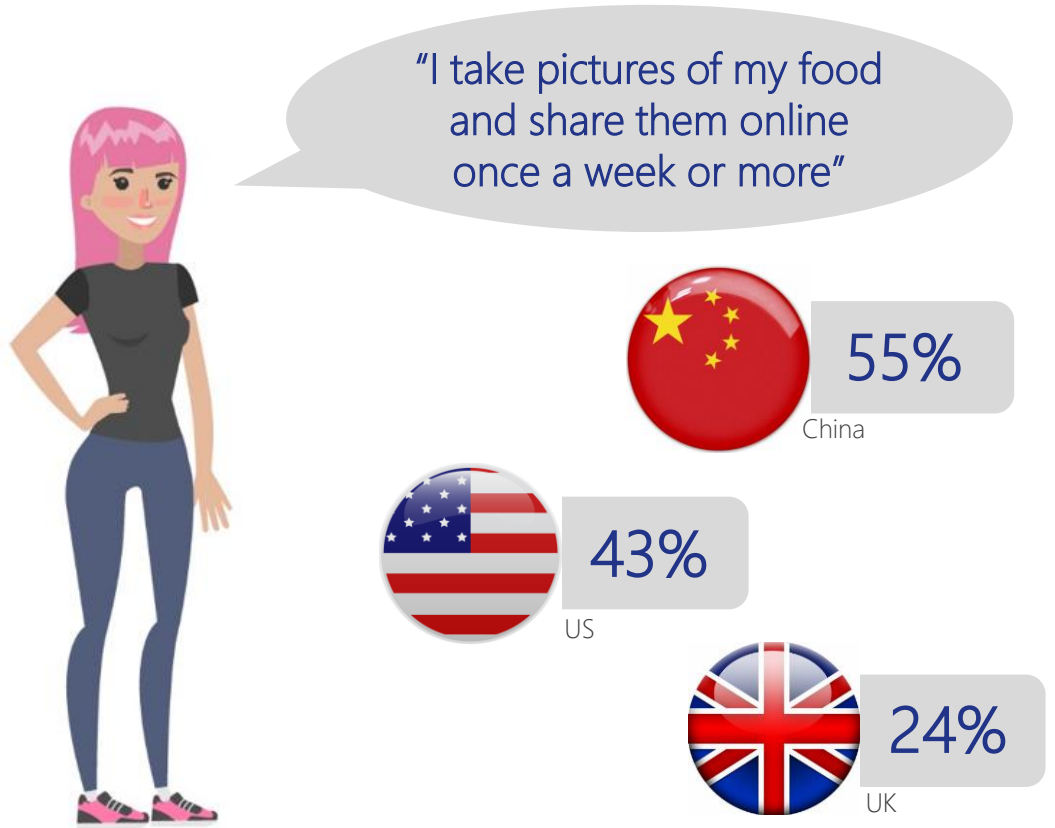
...raised by **Goldman Sachs**, among others, in early 2018.



Trend 10. Connected to the Plate

Social media enabling consumer co-creation for new product development

YOUNG CONSUMERS SHARE WHAT THEY EAT ONLINE



% of 26-35 year olds saying they take pictures of their food and share them online once a week or more (Innova Trends Survey, 2018)

FANS INVOLVED IN FLAVOR INNOVATION

Through #myoreocreation, Oreo let fans decide which new flavor would enter the market.
Cherry Cola was the winning flavor.



Blockchain technology enabling greater transparency

PRODUCT TRANSPARANCY MATTERS

8 in 10



Source: Innova Trends Survey (2018)

US consumers are more likely to buy brands that are **honest and transparent** about how and where products are produced (2018)

DOWNSTREAM: FROM BARLEY TO BOTTLE



BORN CURIOUS?

A radical mix of artisanal brewing methods honed by generations and the powerful spirit of today's digital technology, every aspect of this superb quality craft beer has been carefully recorded and written to the blockchain as a guarantee of transparency and authenticity.

Thirsty for more? Let's go.





THANK YOU!

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