Presented by: Patty Johnson, Global Food Analyst
Mintel Food and Drink
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Who we are

The insights behind your next big idea

Consumers
We ask 30,000 people for their opinions each month.

Markets
We track consumer spending in 3,000 markets across 34 countries.

Innovation
We cover 33,000 new product launches from 62 countries each month.

Trends
We track more than 70 consumer lifestyle trends and thousands of observations on a daily basis.
Patricia Johnson
Global Food Analyst

7 years at Mintel
Category expertise in:
Meat, Poultry and Seafood
Prepared Meals, Pizza, Pasta & Soup
Fruit & Vegetables

Expertise in consumer trends and frequent presenter at client and industry events

Food Industry Experience:
16+ years Retail and Foodservice Marketing,
Product Development and Business Development
12 years multi-unit restaurant management
MBA, Marketing, Peter Drucker Management Center
Mintel gathered 61 of its expert global analysts to discuss the current state of food and drink as well as the forecast for the industry in meetings in Mintel’s offices in London, Chicago and Shanghai.
2017 Global Food & Drink Trends:

In Tradition We Trust  Time is of the Essence  Power to the Plants

Waste Not  Balancing the Scales  The Night Shift
Global view of the 2017 trends

In Tradition We Trust

Power to the Plants

Waste Not

Time is of the Essence

The Night Shift

Balancing the Scales

Emerging (still on the fringe or front end)

Mainstreaming (gaining wider traction)

Established (hitting a plateau)
Consumers seek comfort from modernized updates of age-old formulations, flavors and formats
Food and drink with authentic connections to history or tradition provide an inherent element of trustworthiness that many consumers yearn for in our uncertain times.
Key words help to communicate connection with the past

<table>
<thead>
<tr>
<th>Heritage</th>
<th>Heritage and tradition</th>
<th>Heirloom</th>
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<tbody>
<tr>
<td>“Product has been made with ingredients grown by the manufacturer-supported farmers who are dedicated to following organic and biodynamic methods to protect the limited resources and genetic heritage of the crops”</td>
<td>Fully cooked pork “provides the rich heritage and tradition of Southern cooking in every bite”</td>
<td>Made with a collection of heirloom beans, lentils, vegetables and herbs.</td>
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“Ancient” grows in use as a product description

<table>
<thead>
<tr>
<th>Ancient Grains</th>
<th>Ancient source</th>
<th>Ancient technique</th>
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<tbody>
<tr>
<td><strong>Tyson Naturals Multigrain Breaded &amp; Portioned Chicken Breast Fillets, US</strong>&lt;br&gt; Fully cooked and made with white meat chicken breaded with five ancient whole grains</td>
<td><strong>Eternal Naturally Alkaline Spring Water, US</strong>&lt;br&gt; New York spring water travels through “layers of ancient rock and sandstone to a vast underground aquifer”</td>
<td><strong>Worley’s Special Reserve English Keeved Cider, US</strong>&lt;br&gt; Alcoholic hard cider is made in England using the “ancient art of keeving, which creates a naturally sparkling cider”</td>
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Tradition influences food choices in Europe

Attitudes towards flavours, select European countries, 2016

- Yes - I like flavours that remind me of my past (e.g. childhood, traditions)

<table>
<thead>
<tr>
<th>Country</th>
<th>% of all respondents</th>
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<tbody>
<tr>
<td>Poland</td>
<td>82</td>
</tr>
<tr>
<td>Spain</td>
<td>75</td>
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<tr>
<td>Italy</td>
<td>73</td>
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<tr>
<td>Germany</td>
<td>67</td>
</tr>
<tr>
<td>France</td>
<td>73</td>
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Attitudes towards prepared meals, select European countries, 2016

Prepared comfort food meals (e.g. traditional, filling, indulgent) are the most appealing to me

- Italy: 63%
- France: 51%
- Germany: 53%
- Spain: 51%
- Poland: 54%

Base: Internet users aged 16+ who have eaten prepared meals in the last 12 months (561 in France, 651 in Germany, 599 in Italy, 674 in Poland, and 730 in Spain)

Source: Lightspeed GMI/Mintel; Mintel Consumer Data Charts
Nostalgia motivates US consumers

55% of US adults who eat cold and/or hot cereal say the brands they loved as a kid are still their favorite.

53% of US adults who buy chips or dips say the brands of chips or dips they ate as a kid are still their favorite.

Source: Lightspeed/Mintel
‘Comfortable’ meals tap diverse culinary traditions

- New wave of mindfully prepared meals from emerging brands embraces natural ingredients, minimal processing and other ‘clean label’ strategies to move ahead.

- Prepared comfort foods reflect a rich diversity of cultures and food traditions.

- Movement away from NPD that features generic ethnic flavours or descriptors.

Source: Mintel GNPD; Mintel Purchase Intelligence

58% purchase intent vs. 37% for category
The past informs new, but recognizable innovations

44% of US adults 22+ are interested in new fusion drinks like alcoholic soda

### B&G Foods Green Giant Veggie Tots Broccoli & Cheese (US)
Loaded with broccoli instead of potato and have one full serving of broccoli in each serving.

### White Claw Hard Seltzer with natural lime flavor, US
Alcoholic sparkling water contains only 110 calories per 12-oz serving, is free from artificial ingredients and sweetened with cane sugar.

### Welch’s Chia Concord Grape Fruit Spread, US
Concord grape spread features additional chia seeds and is sweetened with sugar.

46% purchase intent, compared to 38% for category benchmark

Source: Mintel GNPD; Mintel Purchase Intelligence
Key Takeaways for ‘In Tradition We Trust’:

History
The present finds rich potential in ingredients, recipes and marketing that revive the past.

Trust
Food and drink with authentic connections to history or tradition benefit from an inherent element of trustworthiness.

Reinvent
The drive for modern updates on tradition will lead to more innovations that use the familiar as a base for products that are new, but recognizable.
The time investments required for products and meals will become as influential as nutrition or ingredient claims.
**Time becomes clear selling point**

In 2017, the time spent on – or saved by – a food or drink product will become a clear selling point.

Already, the hectic pace of modern life has fueled the evolution of snacking and other on-the-go products.
On-the-go: Portable handhelds drive US breakfast growth

26% of US adults who purchase breakfast foods at retail identify “quick” as a quality that is important to them when deciding what to buy for breakfast.

From 2011-16 frozen breakfast food sales grew 18.7% to reach US$3.1billion.

Kellogg's Eggo Breakfast Sandwiches Sausage, Egg & Cheese Sandwiches

These best-selling breakfast sandwiches are comprised of sausage, eggs and cheese between two slices of soft waffle-style bread, baked with just a touch of maple flavour.

Boulder Brands Evol. Egg & Smoked Gouda Sandwich

This product claims to be made with cage-free eggs and multigrain flatbread providing 11g of wholegrain and 13g of protein per serving.

Sweet Earth Natural Foods Protein Lover's Functional Breakfast Burrito

Functional breakfast burrito to power up and stay strong, that combines hearty, cheesy, Italian breakfast scramble featuring basil, quinoa, roasted tomatoes, bell peppers, and meatless Tuscan savory grounds..
Meal times are occasions for efficiency

63% of US adults who cook prepare a meal that requires little to no cooking, such as salads, sandwiches or cereal, once a week.

41% of US consumers say that planning and making healthy meals is too time consuming, rising to 45% of Hispanics and 52% of Millennials.

68% of US vegetable consumers who are primary or shared shoppers consider look for vegetables that are convenient to prepare.
LIFE HACKING

CONSUMERS ARE SEEKING TOOLS TO HELP THEM PERFECT THEIR PRODUCTIVITY.

SHORT-CUTS ARE KEY
Millennials and parents demand convenient veg formats

Use of frozen, canned and value-added fresh vegetables by demographics, US, Feb 2016

- Frozen vegetables
- Canned vegetables (eg tomatoes, beans)
- Fresh-cut packaged lettuces, spinach, and salads
- Fresh, chopped/cut vegetables (not pre-cooked) sold in the produce section of supermarkets
- Jarred vegetables (glass or plastic)
- Pre-cooked, packaged, chilled vegetables

Base: 2,000 internet users aged 18+
Source: Lightspeed GMI/Mintel
Meal kits make it easier to create time-intensive recipes
Winning products deliver slow-cooked and authentic attributes with minimal effort.

- Meal kits gather unfamiliar and familiar ingredients while providing transparency, trust and involvement for consumers
- Easy authentic ethnic foods rely on iconic ingredients to bridge gap to unfamiliar cuisines.

Stouffers Cooking Creations Chicken Dumplings Slow Cooker Starter (US)
54% Purchase intent vs. 37% benchmark for meals

General Mills The Good Table Freezer to Plate Southwestern Seasoned Rice with Black Beans & Corn and Roasted Tomato Sauce (US)
51% Purchase intent vs. 37% benchmark for meals

Sam's Choice Slow Cooked Beef Pot Roast (US)

Passage Foods Street Kitchen Asian Scratch Kit Korean BBQ Beef (US, France and Australia)
Soup kits deliver ‘homemade’ & ethnic soups to time-strapped cooks

Vegetable and soup producers extend meal kit innovation into fresh and frozen soup kits.

Prepared mixtures save shopping, chopping and cooking time.

Bonduelle Minestrone Soup Mix with Pureed Vegetables (Italy)

Blue Spice Blue Elephant Tom Kha Soup Premium Cooking Set (Norway)

Jumbo Supermarkten Jumbo Jamie Oliver 'Spiced' Cauliflower Soup (Netherlands)

Aeon Topvalu World Dining Pho Noodle Set (Japan)

Source: Mintel GNPD
Food and drink does not always have to be ‘fast’

Many consumers are seeking balance, which has led to products that have “slow” claims, such as slow-roasted or promising slow-release energy.

+172%

Increase in global food and drink launches that include “slow” in the product description between 2011 and 2016.

Source: Mintel GNPD
A paradox between ‘fast’ and ‘slow’ manifests itself at meal-times

Consumers want to save time but on some occasions they are willing to spend – at least some – time. Time-saving solutions provide short-cuts without sacrificing key elements such as nutrition or personalization. Winning products deliver slow-cooked attributes with minimal effort.

Campbell's Slow Kettle Style Mediterranean Vegetable Soup with Kale & Orzo

Tony Roma's Tender & Juicy Slow Hardwood Smoked Pulled Chicken, US claimed to use the best hand selected cuts of chicken, seasoned with a perfect blend of spices, smoked for hours using real hardwood

Bella Terra Organic San Marzano Fire Roasted Diced Tomatoes, US

These diced tomatoes serve as ready-to-go base for classic sauces.

Source: Mintel GNPD
Expectations will lead to specific claims

In 2017, the priority for food, drink and retail solutions that save time will call on companies to make explicit time-related claims.

Member's Mark Hardwood Smoked Authentic Pitmaster Seasoned Pulled Pork
This delicious and tender pork shoulder meat has been smoked with hickory and hardwoods, contains no artificial ingredients, and has been slow smoked for eight hours.

Wholesome Chow Organic Gluten Free Scone Baking Mix, US
Can be prepared in “just five minutes”
STRAIGHT TO YOU

CONSUMERS ARE EXPECTING PRODUCTS AND SERVICES TO BE BROUGHT DIRECTLY TO THEM, WHEREVER THEY ARE.

Source: Mintel Trends
E-commerce is an expectation

Everyone is spending online, but this is more likely to be the shopping preference for Millennials.

Making online food purchases, by generation, US, February 2016

Base: 3,001 internet users aged 18+
Source: Lightspeed GMI/Mintel; Mintel Reports: Marketing to Baby Boomers, Marketing to Generation X, Marketing to Millennials
Online subscription services provide the ultimate in meal convenience

Tyson launches Tastemakers range with AmazonFresh in US

- Online grocery ordering is making gains
- More than 100 companies have entered the online meal kit market in the US.
- Blue Apron is now shipping an estimated 8 million meals per month
- Many new meal kit companies feature organic, all-natural or ‘clean’ label ingredients and many cater to specific diet preferences such as vegetarian, vegan, paleo, etc.
Key Takeaways for ‘Time is of the Essence’:

**Efficiency**

Many consumers are seeking balance between the need to save time on shopping, cooking and eating at some points and the willingness to spend time at other moments.

**Occasion**

Consumers’ desires to spend or save time can vary depending on the time of day, day of the week or meal.

**Options**

Brands can target both goals for “fast” and “slow” food and drink.
POWER TO THE PLANTS

The preference for natural, simple and flexible diets will drive further expansion of vegetarian, vegan and other plant-focused formulations.
Flexitarian thrives

The emphasis on plant content reinforces the growing interest in vegetarian and vegan products, many of which are chosen by consumers for an occasional drink, snack or meal rather than a wholesale change to a plant-based lifestyle.
Botanicals and plants are of interest to many consumers

88% of Canadian adults who drink coffee and/or tea are interested in tea with botanical ingredients.

40% of US adults who have recently purchased juice, juice drinks and/or smoothies purchase juice to help meet their daily recommended vitamin/mineral intake.

33% of US adults plan to buy more vegetarian/plant-based food products in the next year.

Source: Lightspeed/Mintel
Vegetarian and vegan claims are on the rise

Share of global food and drink launches with vegetarian or vegan claims, 2012 versus 2016

- Vegetarian: 9% to 10%, 13% increase
- Vegan: 1% to 4%, 257% increase

Source: Mintel GNPD
Products give plants top billing

Kashi GoLean Dark Chocolate Cashew Chia Plant-Powered Bar, US
Plant power offers “a synergistic combination of nuts, seeds, whole grains and legumes for powerful nutrition and amazing taste.”

Non-dairy milk brand Silk introduced a “Do Plants” campaign in the US featuring athlete Venus Williams

Coming Soon!
Bolthouse Plant Milks made from pea protein in original, unsweetened, vanilla and chocolate

Source: Mintel GNPD and YouTube; Food Navigator-USA
Contents: Inherent goodness of plants

More innovations capitalize on and exalt the inherent goodness of plants.

Gilbert’s Craft Sausages
Kale Chicken Sausages, US
Individually portioned and microwaveable sausages made with kale, shallots and wine

Wild Is! Classic Superfood
Vegetable Broth
Contains the equivalent of two cups of vegetables per carton, and features the garden-fresh taste of kale, spinach, carrot, broccoli, celeriac, watercress, onion, cabbage, basil and green tea.

Powerplant Chocolate
Veggie Bar, Canada
Snack bar is organic, vegan and 80% raw

Source: Mintel GNPD
Plants make a power play in prepared meals

- Doc’s Nutrilicious pizza touts vegetable servings

- Marks & Spencer capitalizes on the ‘faux carbs’ trend with its new meals.

- Mann Packing Company leverages the popularity of vegetable-rich bowl meals

- Vegetarian meals are beginning to utilize meat replacement proteins

Source: Mintel GNPD; Mintel Purchase Intelligence
Ethnic foods in a hurry: Vegan shelf-stable ‘meals’ blur category boundaries

Engine 2 Plant-Strong Organic Moroccan Style Stew
Comprises sweet potatoes, carrots, lentils, tomatoes and chickpeas.

Vana Life Foods Legume Bowls Green Chickpeas, Chimichurri, Coconut and Butternut Squash
Features heat-and-eat bowl and a cool grip, providing one serving

Birds Eye Steamfresh Protein Blends Hawaiian Style
Frozen blend of whole grains, shelled edamame, carrots, pineapple and white beans with a pineapple ginger sauce.
56% purchase intent vs. 37% for prepared meals category

Source: Mintel GNPD; Mintel Purchase Intelligence
Key Takeaways for ‘Power to the Plants’:

**Clean**

Priorities to consume products with short ingredient lists that contain items that people recognize is influencing manufacturers to add more plants to products.

**Elevate**

Consumers’ nearly omnipresent health and wellness priorities drive the desire for meals that are powered by so-called “superfoods.”

**Enhance**

Fruits, vegetables, herbs, spices and other plant-based ingredients can be used to add flavor and color to products – naturally.
WASTE NOT

The focus of sustainability zeros in on eliminating food waste.
The amount of food waste is propelling change

1.3 billion 133 billion 2030

Tons of the edible food produced for global human consumption is lost or wasted. pounds of food annually are wasted in the US. The year by which the US government hopes to halve the amount of food waste in the US.

Source: Food and Agricultural Organization of the United Nations and US Department of Agriculture and Environmental Protection Agency
Consumers are becoming more open-minded about food waste

80% of US adults food shoppers agree that reducing food waste is as important as reducing packaging waste,

51% of US adults who purchase vegetables are open to buying less-than-perfect vegetables, such as those that are bruised or oddly shaped.

Source: Lightspeed/Mintel
US coffee giant Starbucks will donate 100% of its leftover food to feed those in need while cutting down on food waste.

In partnership with non-profit organization Feeding America and food collection group Food Donation Connection, Starbucks has rolled out a new FoodShare program, which allows the company to donate 100% of its perishable, ready-to-eat meals from 7,600 stores to food banks across the country.
Launches incorporate waste ingredients

There also is an opportunity to incorporate previously discarded by-products of juicing, canning and other production processes into packaged food and drink.

**Sir Kensington's Fabanaise Vegan Mayo, US**
Made with aquafaba, an egg replacement made from draining canned or packed chickpeas

**Uglies Potato Chips, US**
Made using potatoes “rejected for minor imperfections” for a product that “reduces waste and save you money”
Food waste also can be repurposed

Not all waste has to be edible in order to be useful: production waste can have an advantageous afterlife as compost, material for plant-based packaging or power-sources for hospitals and homes.
Key Takeaways for ‘Waste Not’:

**Aware**
Efforts by more retailers, restaurants, manufacturers and other inventive companies will improve consumer consciousness regarding the issues around food waste.

**Convenience**
Delivery, subscription services and other solutions that are easy to use can accelerate the acceptance of misshapen produce and food.

**Innovation**
Novel engineering can create new concepts that utilize both edible and inedible ingredients that would have otherwise been discarded.
BALANCING THE SCALES: HEALTH FOR EVERYONE

Healthy food and drink are not “luxuries”
Inequality in food and drink is a concern

Access to — and the cost of — healthy food and drink is important because many lower-income consumers are at risk for food-related health issues, such as obesity and diabetes.

Lower-income consumers make up a large part of the worldwide consumer base:

- 621.3 million people globally were classified as low-income by the World Bank in 2014
Lower-income US consumers want to eat more vegetables

42% of US adults who purchase vegetables and have a household income of less than US$25,000 are actively trying to eat more vegetables.

27% of US adults with a low household income are buying more vegetables this year compared with last year.

Source: Lightspeed/Mintel
Affordable soups deliver health for all

- However, other priorities, such as just getting a filling meal, may trump healthfulness when financial resources are limited.

- Communicating key value attributes such as fillingness is important for products targeting lower-income consumers.

Iamsouper Souper Peppered Beef and Superbeans Soup. This high protein, low fat soup is said to make one feel fuller for longer. (UK)

Unilever Knorr Vitalie Tomato Soup with Carrot is made with natural vegetables and contains a source of fiber, which can help achieve a sense of satiety. (Mexico)

Woolworths Australian Chunky Chicken & Veg Soup (New Zealand)

Almacenes Exito Taeq Chicken Flavored Cream (Colombia) low sodium

Source: Mintel GNPD
Midwestern US grocery store chain Hy-Vee has added Robinson Fresh’s The Misfits line of imperfect fruits and vegetables across its nearly 250 grocery stores. The seasonal fruits and vegetables are sold at an average of 30% lower price than traditional fruits and vegetables.
Oprah Winfrey is starting a joint venture with Kraft Heinz called Mealtime Stories LLC that will make nutritious food more widely available.

Kraft will develop and sell the line, which will initially focus on ready-to-eat refrigerated meals. The joint venture will donate 10% of profits to anti-hunger charities.
Key Takeaways for ‘Balancing the Scales’:

**Even**
More solutions that provide affordable options of healthy food and drink are needed from both brands and retailers.

**Improve**
Many lower-income consumers have intentions to improve the health of their lifestyles, but need budget-friendly options.

**Creative**
Visionary concepts are needed to develop solutions that lower the price barrier of better-for-you food and drink.
Evening is tapped as a new occasion for functional food and drink formulations
Stressed out people are seeking escapes

Technological advances make it harder to “clock out,” driving demand for products that provide “comfort” or relaxation.

• **56%** of US women and **46%** of men say stress is a health issue that concerns them.
• **88%** of Canadians agree that relaxation is an important part of a healthy lifestyle.

Mellow Mood Peach Raspberry Black Tea Relaxation Drink contains black tea, chamomile flower, lemon balm extract, valerian root extract, hops extract and passionflower extract

Traditional Medicinals Relaxation Teas Organic Stress Ease Herbal Tea with Cinnamon is meant to relieve tension and promote relaxation.
Opportunities for products aimed at specific times

Brazilian snack brand varies formulations by daypart

**B.Eat Morning Sunshine Snack**
“Energizing” mix of raisins, Brazil nuts, cranberry, almonds and baru nuts

**B.Eat Afternoon Beats Snack**
A blend of apricot, raisin, tigernuts and pumpkin seeds for better focus

**B.Eat Peaceful Night Snack**
Dehydrated apple, cherry and banana with almond for a more relaxed and less stressed night

Great Value Late Night Cravings
Double Decker Chicken & Bacon Sandwich, US

Walmart private label line of drive-thru inspired indulgences, including “sandwich” made with two breaded crispy chicken patties, smoke-flavored bacon and American cheese

Source: Mintel GNPD
More products move into nighttime innovations

There is a market for nighttime products that help people of all ages calm down before bedtime, sleep better and restore the body while they rest.

FN Fruita Slim 100% Fruit Juice with Chia Seed and Lemon Basil Jelly, Thailand
Made with 100% natural fresh fruit ingredients and is said to satisfy hunger for longer and “never crave for a late night meal”

Kellogg’s All-Bran Apple Crunch Wheat Flakes, Mexico
New packaging promotes cereal at night for improved digestion

Koja Pumpkin Seed & Cranberry Salad Topper, Australia
Notes that the pumpkin seeds are a “rich source of iron, magnesium and zinc that may help to get a better night’s sleep”

Source: Mintel GNPD
Multitasking consumers seek functional products

Much like the beauty category, food and drink also could provide functional benefits while the consumer sleeps.

Sports nutrition brand Gatorade announced that it’s developing a nighttime yogurt snack featuring a formulation to help athletes recover while they sleep.
Calming and healing soups align with The Night Shift

- Globally, consumers are increasingly recognizing that what they eat affects the way they look and feel.
- Prepared soup can serve as a familiar product ‘bridge’ for consumers, facilitating the exploration of unfamiliar functional ingredients

**Epic Provisions Homestyle Savory Chicken Bone Broth, US**
Ready-to-heat sipping broth that is hand-crafted in small, slow-cooked batches

**Eu Yan Sang (1959) Mind Calming Herbal Soup (Malaysia)**
Key Takeaways for ‘The Night Shift’:

**Relax**
Many consumers are stressed, expanding the niche for products that have relaxation claims.

**Satiety**
Formulations that are designed to keep consumers full throughout the night could help people who face mid-night cravings.

**Multitask**
Taking inspiration from the beauty industry, food and drink can offer functional benefits while a person sleeps.

**Routine**
More products can help people establish a pre-bedtime regimen in order to create a sense of calm.
Summing it all Up

Traditions
Consumers will continue to be drawn to traditional, heritage and familiar products that make it safe to experiment with new flavours, ingredients and product formats.

Time
is a precious commodity. Busy consumers are looking for solutions to streamline food purchasing and meal prep.

Health
There is also scope for development of products that target specific times, specifically nighttime occasions.

Values
is for everyone. Expanding development of plant-based foods is congruent with healthier lifestyles as consumers look to fine tune their eating patterns.

A increased focus on reducing food waste while bringing affordable healthy food options to low-income consumers is good for the planet as well as a large segment of consumers.
THANK YOU, QUESTIONS?

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