

KEY TREND 1: DIGESTIVE WELLNESS DIVERSIFIES



Strategies

1. Probiotics & fermentation
2. Fibre
3. Lactose-free dairy
4. Plant-based dairy alternatives
5. A2 dairy
6. Gluten-free
7. Emergent sheep & goat
8. Grain-free

- **Strong consumer need:** A third of people have digestive discomfort at any one time and people are always motivated to improve their digestive wellness, particularly over 40s, seniors and women.
- **Crowded market:** Consumers can choose from a huge range of digestive wellness options, thanks to diversity of consumer views about health and to strong NPD activity.
- **Digestive plus:** Messages such as 'probiotic' or 'high fibre' are common in the supermarket and have ceased to be a point of difference. Brands must go beyond and combine digestive benefits with other motivators such as more protein or less sugar, or fibre for better blood sugar.
- **The biggest 'go beyond' opportunity is the emergent gut-brain connection, addressing mood & mind.** Already some brands are succeeding with this. It's a connection that can produce growth in a way that claims such as 'high fibre' can no longer do. Products that deliver a benefit people can feel will do best.

KEY TREND 2: CARBS – BETTER & FEWER



Strategies

1. Better
2. Greener
3. Less sugar, better sugar
4. Fewer carbs & keto-lite
5. Carbs and sugar for sports & energy

- **Innovation keeps brands relevant:** Companies in carb categories are skilful at reinventing their products so they stay relevant to diverse and changing consumer beliefs about food and health, and fuel for sports and everyday life.
- **Permission to indulge:** Anything companies can do to add to the health halo of products and give consumers 'permission to indulge' in carbs will be welcomed by consumers.
- **An emergent trend of better blood sugar control** offers a growth opportunity for brands that can use 'better carbs' and/or innovate with protein and fats.
- Weight wellness, digestive wellness and simply 'feeling better' drive consumer choice.
- The trend towards fewer carbs in recent years has slowed and demand has stabilised.

KEY TREND 3: PLANTS MADE CONVENIENT



Strategies

1. Plants as heroes
2. Vegetables replace starchy carbs
3. Health halo of botanicals

- **A long-term growth opportunity:** Consumers want to eat more plants, with their naturally healthy halo – particularly vegetables – and NPD that makes them more convenient is a path to success.
- **Wide appeal:** Most people are omnivores, and they want more convenient vegetables – it's not just flexitarians.
- **Food explorers:** NPD teams can create products with interesting flavours that appeal to the many consumers who want new experiences.
- **Botanicals quietly and steadily growing as an opportunity:** Many bring together a strong health halo with science-based benefits.

KEY TREND 4: ANIMAL PROTEIN POWERS ON



Strategies

1. Sustainability – permission to indulge
2. Animal protein's quality advantage
3. Grass-fed
4. Meat made convenient
5. Cheese made convenient
6. Emergent directions with collagen
7. Nutrient density

- **Demand for animal proteins is strong and growing:** This is particularly the case for dairy, with its powerful naturally-healthy halo. Dairy businesses have excelled at reinventing traditional foods, from Greek yoghurt to cheese snacks, to deliver dairy's nutritional benefits.
- **Strong sustainability positioning:** Dairy and other animal protein producers are driving towards better sustainability, with messages such as 'grass fed' giving consumers 'permission to indulge'. Grass fed connects to people's wish for 'good for me and good for the planet'.
- **Success in convenience:** Animal proteins in convenient forms are a winning formula, as seen by the growth of cheese snacking brands and the surge in sales of meat snacks.
- **Omnivore appeal:** For 90% of consumers, it's not an 'either/or' choice between animal and plant proteins – they eat both, depending on the meal occasion and their personal health beliefs. The number of meat reducers is plateauing after 10 years of growth.