

GLOBAL FOOD AND DRINK TRENDS 2019



Modern takes on sustainability, health and wellness, and convenience will reshape the food and drink industry in 2019 and beyond.



EDITOR'S NOTE

Mintel is excited to introduce three forward-looking trends that our analysts predict will lead the momentum of food and drink innovations worldwide in the months and years ahead.

The new trends build upon our previous Global Food and Drink Trend predictions, announced annually since 2015, that have identified the importance of craftsmanship, formulation opportunities with plants, the need to build trust with consumers and much more.

This year's predictions are based upon insights provided by more than 90 Mintel analysts and thought leaders, representing expertise in food and drink industries across Europe, Asia Pacific, and the Americas. Our illuminating conversations with Mintel experts from more than a dozen countries led to the identification of new trends in sustainability, health and wellness, and convenience that we believe will drive formulation, packaging, marketing and more in the years ahead.

These analyst-led opportunities are supported by Mintel's proprietary consumer research from 15 countries, international food and drink launches collected on Mintel Global New Products Database (GNPD), and emerging developments observed by the worldwide network of Mintel Trends analysts.

On behalf of Mintel, we welcome the opportunity to discuss how these predictions can help to grow your businesses. We wish you the best in the year ahead.

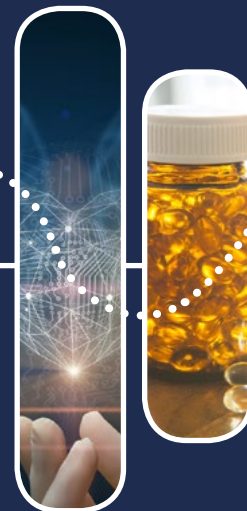


Jenny Zegler
Associate Director,
Mintel Food & Drink

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EVERGREEN CONSUMPTION



A circular view of sustainability that spans the entire product lifecycle requires action from suppliers to consumers.

WHAT'S THE OPPORTUNITY?

The definition of sustainability is extending to encompass the entire product lifecycle. This more circular approach will require companies, retailers, and consumers to embrace their roles in the sustainable sourcing, production, distribution, consumption and disposal of products.

There is a movement towards circularity as new approaches to sustainability span the entire life of a product, from ingredient sourcing to package design, disposal, or reuse. The 360-degree approach reflects the principles of a circular economy, where resources are kept in use for as long

as possible, extracting the maximum value while in use and then recovering materials at the end of use.

Collaboration between suppliers, manufacturers, governments, non-profits, retailers and consumers can help to ensure sustainability extends from farm to retailer to fork to bin and, ideally, to rebirth as a new plant, ingredient, product or package.

HEAR FROM THE EXPERTS



David Luttenberger,
Global Packaging Director

“The idea of and greater actions driving the circular economy will stay largely within the manufacturing community. It will be up to that community—package converters, brands, and retailers—to educate consumers to help them discern fact from fiction when it comes to the next generation of environmental responsibility within the parameters of the industrial circular economy.”



Emma Schofield,
Global Food Science Analyst

“Like nutrition, sustainability will become an expectation for companies to offer consumers.”



Coles uses a recyclable bio-based layered PET for its meat, poultry and seafood products.

Food waste prevention efforts demonstrate the potential for collaboration

The movement to reduce food waste showcases that governments, companies, and consumers can come together to be more sustainable. Mintel's 2017 Global Food and Drink Trend 'Waste Not' observes a need for more action to reduce the tremendous amount of food that is lost or wasted globally.

In 2018, Tesco became the exclusive retailer for a range of fruit juices, Waste NOT, made from fruit and vegetables that fall outside of the specifications the retailer has set to be sold as fresh produce, otherwise known as 'ugly' produce.



Tesco exclusively sells a range of cold-pressed juices using wonky fruit and vegetables that would otherwise go to waste.

Consumers have started to 'Rethink Plastic'

Global attention on plastic waste, including bans on plastic bags and straws, is creating momentum towards a broader understanding of sustainability. A seismic shift in how consumers think about plastic is underway as they become more aware of the damage plastic waste does to the planet, as observed by the Mintel Trend 'Rethink Plastic'.

Many coalitions, governments, manufacturers and packaging industry councils have made commitments to improve

the circularity of packaging materials, pledging to improve recycling, reuse or composting of food and drink packaging in the coming decades. Bio-based packaging materials will be key components to the next generation of responsible packaging. For example, Australian retailer Coles is already using a recyclable bio-based layered polyethylene terephthalate, a form of polyester that is durable, recyclable and highly sustainable, for its private label meat and poultry.

Soil health and regenerative agriculture take the spotlight

Healthy, nutrient-rich soil provides the foundation for life, yields healthy food, and is important for water management and climate change. Yet soil is being lost faster than it can be replenished. Companies and brands have a role to play, as shown by US baby food brand, Gerber's Clean Field Farming line.

Taking a holistic approach to organic agriculture, regenerative agriculture is designed to improve soil health and fertility, as well as increase biodiversity, enhance ecosystems, improve water quality, reverse climate change and empower farming communities. Annie's Homegrown in the US is one brand helping to raise awareness by publicizing the practice.

Gerber provides baby food from nutrient-rich soil with the promise of re-planting the same crops to keep their farms sustainable.

37% of UK consumers aged 12-18 say climate change and plastic pollution (respectively) are environmental issues that are important to them.

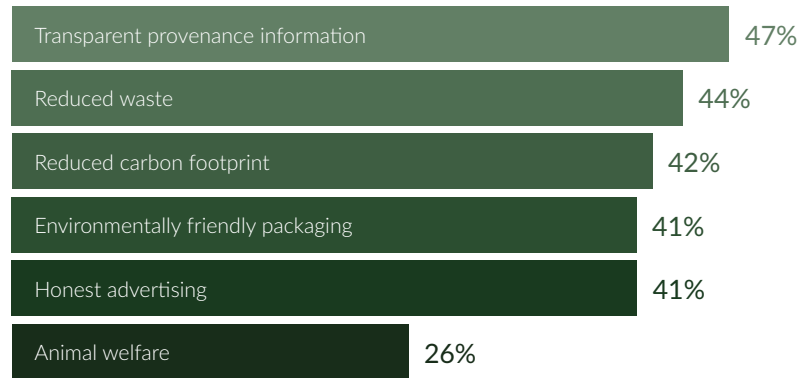


Annie's Homegrown Honey Bunny Grahams is a USDA organic certified product made with organic wheat and oats grown on a farm advancing regenerative practices.



WHAT DO CONSUMERS THINK?

Urban Chinese consumers (aged 20-49) consider a range of important factors when deciding what makes a company/brand ethical (March 2017).



Consumers have a broad view of sustainability, and many are willing to change behaviours to be more eco-conscious.

58%

of urban Indian consumers who are responsible for food/drink shopping take their own bags when they go grocery shopping.

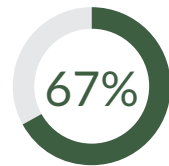
53%

of US consumers agree plant-based foods are better for the environment than animal-based options.

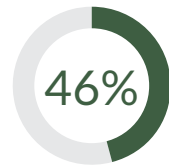
47%

of UK consumers identify plastic pollution as an environmental issue that is important to them.

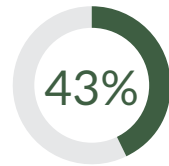
Many consumers would like a personal benefit or advantage in order to actively help the food and drink industry be more circular and sustainable.



of UK consumers agree it's more appealing to act environmentally friendly when they see results of their actions.



of Brazilian middle-class consumers* would like to exchange empty packages/used products for a discount on future purchases.



of urban Indian consumers are concerned about the effects of air pollution on their health.

*C12 socioeconomic group
Source: Mintel

WHAT'S NEXT?



In 2019, support of and demand for more corporate sustainability programmes is likely to grow as consumers come to understand the various roles required to get closer to achieving a truly circular food and drink economy. These sustainability efforts will include not only improving access to recycling, but incentivising consumers to recycle packaging and offering upcycled goods.



Coalitions, governments, manufacturers and packaging industry councils will continue to make commitments to improve the circularity of packaging materials. In addition to innovation in reusable and renewable materials, organisations need to continue to improve the recycling, reuse or composting of food and drink packaging in the coming decades.



Efforts to improve air pollution, restore soil health, and embrace regenerative agriculture will emerge as important elements of holistic sustainability programmes that are important to companies and consumers alike.

THROUGH THE AGES



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Food and drink will build on today's dialogue about wellness and transition into more solutions for healthy ageing.

WHAT'S THE OPPORTUNITY?

Healthy ageing is emerging as a food and drink opportunity in 2019. Preparing oneself for a longer, healthier lifespan is particularly relevant as consumers view health and wellness as a holistic, proactive, and ongoing pursuit. Consumer priorities for health and wellness is a continuation of the importance of self-care, a habit identified in Mintel's 2018 Global Food and Drink Trend 'Self-Fulfilling Practices'.

Ageing is particularly relevant given that the proportion of the global population aged 60 and older continues to grow. Longer lifespans present opportunities for food and drink manufacturers to take inspiration from the beauty industry and create products that help people look and feel young. Food and drink products can help people of all ages improve their bone, joint, and brain health, as well as proactively address other age-related health concerns.

HEAR FROM THE EXPERTS



Angelia Teo, Content Manager,
Mintel Beauty & Personal
Care, Asia Pacific

“While the ‘silver’ consumer is, today, the foremost demographic for anti-ageing beauty and personal care, the trend of healthy ageing spans all generations. Looking ahead, we believe that the food and drink industry could act as a competitor, even a partner, of beauty by answering consumer calls for solutions to age in a positive, liberating way. A smart starting point would be for food and drink brands to take the hard-earned lessons learned from the beauty industry.”

Address healthy ageing through fortification and functional ingredients

More food and drink formulations can be developed for people of all ages to efficiently consume vitamins, minerals, and other ingredients that are potentially beneficial for bone, joint, immune system and brain health. Considerations such as eye health are also growing in importance in our technology-centric culture, which has many consumers looking at screens for the better part of the day.

Food and drink manufacturers can draw on emerging research into nutrition and longevity as well as traditional medicine practices, such as Ayurveda and Traditional Chinese Medicine, with solutions likely to be found in both. Geovita Nutrition Good Life Mix grain mix from Italy links goji berries and paprika with anti-ageing benefits. Brands can also reposition products;

Fairlife DHA Omega-3 is a grade A milk that contains 125mg per serving of DHA Omega-3s, which are said to support brain health.

for example, US company Fairlife relaunched its 2% Reduced Fat Ultra-Filtered Milk with DHA Omega-3 in 2018. The dairy drink contains omega-3 fatty acids, which are important for people of all ages.



Healthy ageing opportunities start with seniors

The world's seniors are a demographic that has immediate need for food and drink that address the effects of ageing. At a time when record numbers of people are living to be 100 years old, food and drink companies are challenged to address the wide variety of health states of consumers aged 55 and older.

The diversity of seniors' needs can be addressed through food and drink for medical purposes as well as products designed for prevention, with formulations that are nutritious, flavourful, and easy to consume. In 2018, Polish dairy company Bakoma rolled out a senior-friendly line of yogurt and yogurt drinks that are lactose-free and enriched with calcium and vitamin D to help maintain healthy bones and support muscle and immune system functioning.

Bakoma Senior Active Peach Flavored Drinking Yogurt is enriched with calcium and vitamin D for bone, muscle and immune system health.



Geovita Nutrition Organic Good Life Mix with Thai Rice and Quinoa contains goji berries and paprika, which the manufacturer links with anti-ageing benefits.



Food and drink manufacturers can take inspiration from beauty and personal care

Beauty and personal care has successfully established a model for healthy ageing by designing proactive products that are marketed with positive language to people of all ages. Food and drink brands can follow similar models and target healthy ageing products toward consumers of any age who want to prepare their bodies for longer lifespans.

Crossover has begun between beauty and food and drink with similar functional ingredients being used in products in both

categories. Beauty Sweeties are vegan gummy candies from Germany that contain biotin, aloe vera, and coenzyme Q10, an antioxidant that benefits heart health and may have anti-fatigue effects. Yakult Beauty Plus+ Drinking Yogurt for Your Skin from South Korea is formulated with five ingredients that are said to contribute to skin beauty including collagen and vitamin C. It is part of the 'skingestibles' segment that supports skin health and beauty from the inside out.

53%

of Chinese parents of child(ren) aged 4-12 would buy children's food/drinks if they were good for intellectual development.



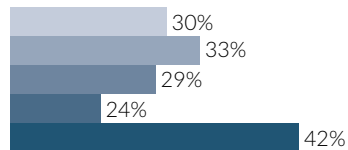
Beauty Sweeties contain coenzyme Q10, aloe vera and biotin, benefitting heart health and is said to have anti-fatigue effects.

WHAT DO CONSUMERS THINK?

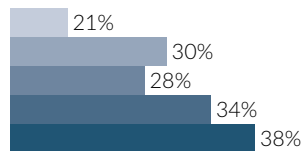
European functional food/drink consumers are motivated to seek out healthy ageing functional food/drink with the following benefits (July 2018).



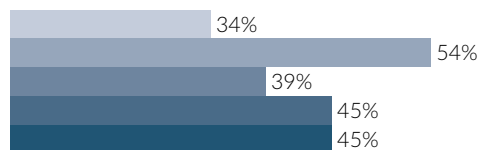
To support and maintain healthy brain function



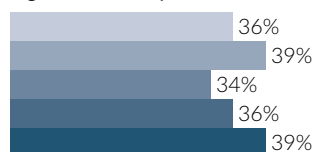
To strengthen my bones



To maintain/improve my digestive health



To maintain a healthy heart (eg lower blood pressure/cholesterol)



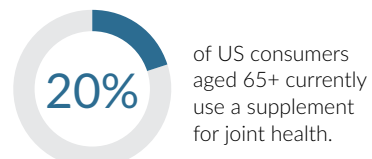
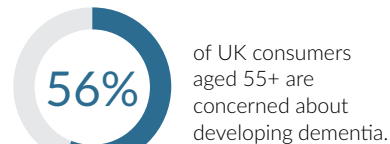
Not just a concern for seniors, adults in general are interested in healthy ageing formulations.

38% of urban Thai consumers associate high protein food/drink with being able to replace muscle loss due to ageing.

35% of Chinese juice consumers (aged 20-49) would be interested in packaged juices that have anti-ageing benefits.

18% of UK consumers would buy a sports drink that supports bone health.

Today's global seniors have a range of health concerns, providing a variety of formulation opportunities.



Source: Mintel

WHAT'S NEXT?



Food and drink manufacturers can look to the beauty and personal care industry for inspiration for healthy ageing product development that is centred around positive language across life stages and age demographics, rejects terms like 'anti-ageing' for its negative connotations, and addresses longevity-related health concerns.

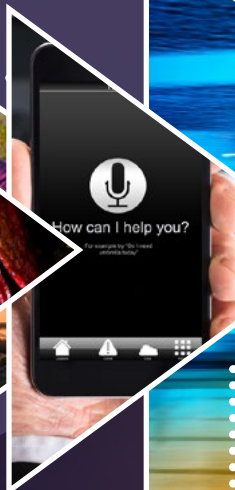
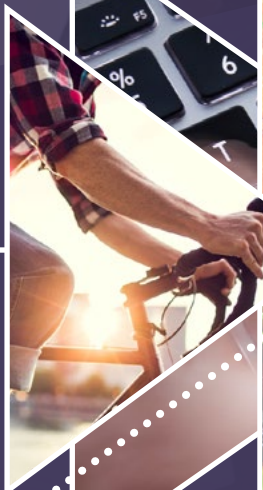


With more consumers taking an active interest in their long-term health, expect to see more 'nootropics', a broad group of supplements like L-theanine, B-vitamins, choline and omega-3s, that claim to enhance brain power, focus, alertness and general wellbeing.



As consumers seek food and drink products that reduce inflammation, more products will feature ginger, turmeric, green tea extract and medicinal mushrooms in 2019, supporting diets such as the MIND diet and Whole 30. The Mediterranean diet and its focus on fruit, vegetables, fish and olive oil also will increasingly appeal to consumers who are concerned about brain health.

ELEVATED CONVENIENCE



To match the premium expectations of consumers in the on-demand age, convenience food and drink will get an upgrade.

WHAT'S THE OPPORTUNITY?

A new generation of modern convenience food and drink is emerging as manufacturers respond to rising healthy-eating priorities, quests for foodie-inspired flavours, interests in personalisation and competition from speedy delivery services. The premium preferences of today's consumers are advancing demand for more natural, nutritious, or customisable products that help people keep pace with busy schedules without sacrificing their health goals or curiosity for new ingredients, flavours, or formats.

Moreover, today's on-the-go consumers are shopping across channels for grab-and-go breakfasts, quick snacks, and dinner-time solutions. Improved convenience products must have wide distribution because connected consumers might be tempted to save time by turning to quick service restaurants or fast foodservice delivery, escalating the need for packaged food and drink to stay competitive.

HEAR FROM THE EXPERTS



Lynn Dornblaser, Director
Insights and Innovation

“Elevated Convenience’ applies to many consumer groups. Young urbanites as well as suburban parents who are looking to feed their kids quick and healthy meals. Seniors also need convenience in new ways as they start to cook less because of inclination or ability. Working-class families need to get more done in less time, too. The common denominator: Everyone is pressed for time.”



Melanie Zanoza Bartelme,
Global Food Analyst

“Stores like Amazon Go will change how we think of ‘convenience stores’ and have the potential to affect how consumers plan and prepare meals. With a range of freshly made grab-and-go options, premium prepared foods and internationally inspired meal kits, Amazon is integrating itself into every sort of eating occasion in a consumer’s day.”



Foodies drive upgrade of convenience products

Premium, fresh, and healthy convenience food and drink are essential now that many people consider themselves to be foodies, which raises their expectations of food quality, flavours, and formats. The iGeneration, like Millennials before them, include people who are passionate about food, but might lack the skills, equipment, or time to prepare the foods they are used to seeing on cooking shows or eating out-of-home. This creates an opening for more premium convenience packaged products designed for this food-obsessed generation.



Luv-A-Duck Peking Duck Breast Pancake Kit contains premium duck breast, 20 Chinese-style pancakes and hoisin sauce.

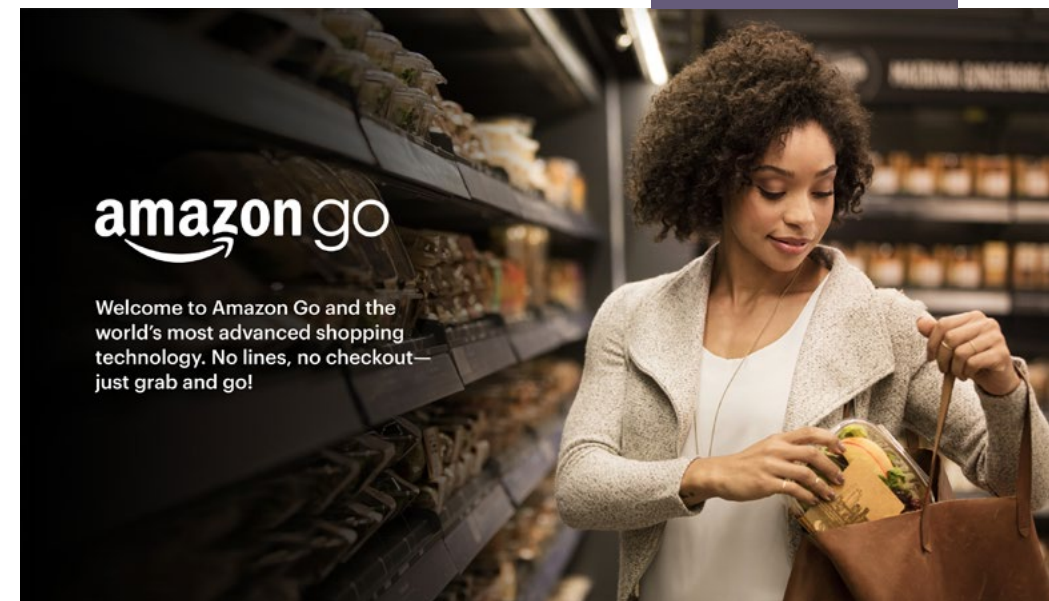
More premium convenience products will emerge, such as the Luv-A-Duck Peking Duck Breast Pancake Kit, which contains 100% Australian-grown premium duck breast, 20 Chinese-style pancakes, and hoisin sauce. The box also gives a recommendation to complete the recipe by adding spring onions and cucumbers.

Automated convenience stores present new 'fast' food options

Leading the way for enhanced expectations of convenience food and drink are new automated convenience stores, such as Amazon Go in the US or JD.ID X-mart in Indonesia. These fully-automated stores use mobile apps and cameras that virtually track purchases without the need to queue for checkout, making the retail experience nearly as fast and as seamless as fast food, drive through, or ordering for delivery.

Amazon Go stores offer a stock of premium snacks, drinks, and other packaged food, as well as freshly prepared food and meal kits. The upscale selection make the stores formidable competitors to the high-end food suppliers surrounding their urban locations.

Amazon Go takes convenience a step further with freshly prepared foods as well as meal kits.





Quaker's chilled breakfast meal kit offers protein-rich Greek yogurt, trail mix, and wholegrain Breakfast Flats.

New generation of convenience products can free up time to dedicate to other activities

More diverse options of upgraded convenience food and drink are important in an era when consumers have a plethora of on-demand options in other parts of their lives. Just as streaming media has improved entertainment options, a similar abundance of convenient, fresh, and healthy food and drink choices will be expected by consumers who are pressed for time, but unwilling to sacrifice quality.

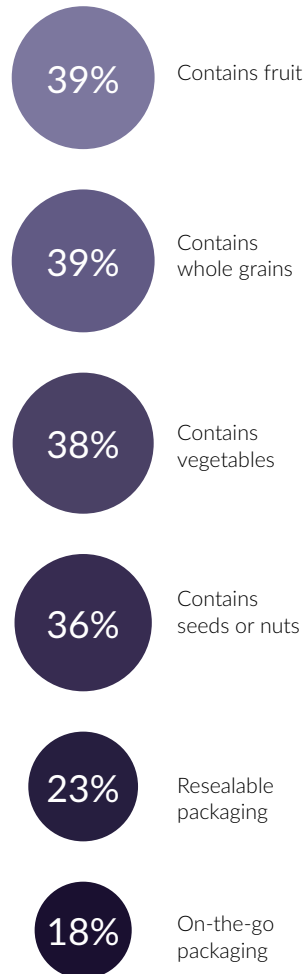
Meal kits, which are often associated with dinner, can solve time-constrained dilemmas for consumers at any time of day. In the second half of 2018, Quaker introduced their Morning Go-Kit in the US for consumers looking for convenience and nutrition without spending time on breakfast preparation.



23%
of US consumers would trust artificial intelligence to plan their meals or purchase their groceries.

WHAT DO CONSUMERS THINK?

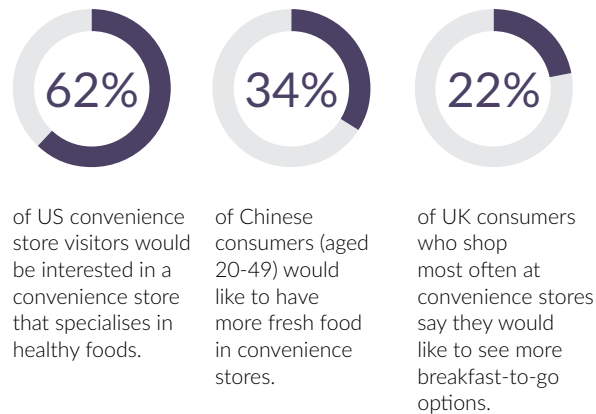
US consumers consider a range of factors when determining what better-for-you snack ingredient and packaging attributes are of interest to them (July 2017).



The hectic pace of modern life has some consumers already concerned about saving time – and others willing to pay more to save themselves time.



Packaged food and drink brands can work to guarantee the availability of premium ready meals, nutritious snacks and healthy beverages at convenience stores.



Source: Mintel

WHAT'S NEXT?



In 2019 and beyond, the rising segment of consumers who are on-the-go and, conversely, those who want to spend more time at home will increase demand for upscale packaged food and drink products that offer 'speed scratch' solutions or restaurant-quality, ready-to-consume food and drink.



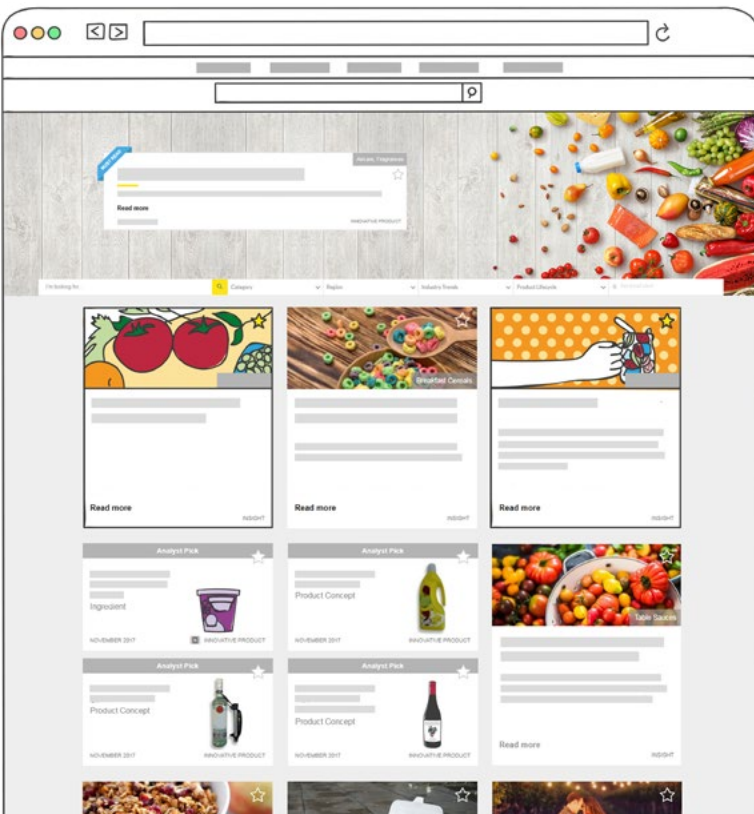
A new wave of shortcuts will be available, offering new conveniences such as the expansion of meal kits sold individually at retail and a new generation of prepared meals, sides, and sauces that emulate the flavours and formats of restaurant meals. Interest in premium convenience will not be limited to dinner-time, creating opportunities for every meal, snack, and beverage break.



Much like automated convenience stores, advancements in technology will elevate the expectations of convenient food and drink options for consumers moving forward. More smart mobile, home appliance, and retail solutions will help to further streamline food and drink planning, shopping, and preparation to help consumers save time.

MINTEL FOOD & DRINK

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