

Emerging Food and Drink Ingredients: Growth Opportunities in Flavors and Formulations by Product Category

Introduction

In the major markets, more consumers are looking to buy food and drinks products comprised of ingredients that they perceive to be healthy. For many consumers, food and drinks made with natural ingredients fall into this category, with artificial ingredients being perceived as inherently unnatural and unhealthy.

This report analyzes the ways manufacturers have been responding to the consumer drivers of naturalness and health. These include using natural ingredient formulations which offer benefits of nutritionally rich, quality calories. It examines leading and newly emerging ingredients in each of the major food and drink categories, identifies developing trends within these categories and gives examples of recent product launches. Also included, are findings from an exclusive international survey of industry executives.

Key Features

- Analysis of the fastest growing claims for newly launched food and drinks during 2008-2009.
- Analysis of the natural and organic food and drink markets in the US and Europe.
- Emerging ingredients, product applications and marketing strategies.
- Category analysis, identifying leading and emerging ingredients and developing ingredient trends for each of the major food and drink categories.
- Examination of key product introductions and innovations.

Scope

- Understand how manufacturers are formulating existing and new products to meet consumer demands for natural and healthful food and drink.
- Understand how each of the major food and drink categories is changing in terms of ingredient formulations.

- Get up to speed on emerging novel ingredients and the benefits they offer consumers.
- Consider whether you should be seeking beyond your present product portfolio for emerging opportunities.
- Prompt your marketing and NPD teams with product and marketing ideas from around the world.
- Set goals and objectives for your company's new product development pipeline.

Key Market Issues

- Regulatory pressures on manufacturers are firmly in the direction of making food and drinks healthier. Trends in food and drink ingredients labeling regulations are also becoming more restrictive.
- In developed markets, as the proportion of consumers interested in natural and healthful food and drinks increases, so will sales of products with naturally nutritionally rich and quality calorie content.
- In developed markets, concerns about natural and healthful ingredients will fit in with consumer concerns about food and drink ethics – increasingly, healthful will also mean ingredients that are responsibly sourced in terms of social and environmental sustainability.
- The idea of more gourmet and exotic products will also chime with consumers' increasing concerns for natural and healthful ingredients – the idea of having premium and/or novel nutritionally rich, quality calories will catch on.
- The staying power of emerging, novel ingredients will largely depend on meeting consumer demands in terms of taste, provenance and efficacy.

Key Findings

- 'Natural' was the top claim in food and drink product launches, with a share of 9.24% in 2008 rising to 10.03% in 2009.
- Between 2008 and 2009, soft drinks were the leading category in terms of their share (60.7% in 2009) of products launched with innovative ingredient formulations, followed by confectionary.
- Manufacturers are driving bakery and cereal ingredient formulations forward by specifying provenance of key ingredients including wheat and garlic, and by specifying the genus of wheat varieties and of other key ingredients, such as seeds.

- Probiotics remain a key ingredient theme in the dairy category and had a rising ingredient share in the period 2008-2009.
- A key theme in soft drink ingredient formulations between 2008 and 2009 was more natural ingredient formulations.
- One strategy used by manufacturers of confectionary products to offer benefits of calorie quality and nutritional value is fortification with vitamins and minerals.

Key Questions Answered

- What are the emerging ingredients trends across each of the major food and drink categories?
- How are the major multi-national manufacturers responding to consumer demands for natural and healthful, quality calorie ingredients?
- What are the newly emerged novel ingredients and how are they being marketed?
- Which factors effect the commercial success of novel ingredients?
- How are longstanding, established ingredients in each of the major food and drink categories performing in the light of the trend toward natural and healthful ingredients?

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