Market Trends News
News and analysis on the food and beverage industry

MINTEL

TREE TOP Grower Owned Since 1960

Better-for-You Market Trends

January 2022

For more information, please contact Tree Top Ingredients at 509-698-1435

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Tree Top is proud to partner with Mintel to provide our customers with the latest research and new product introductions. Mintel is the world's leading market intelligence agency offering perspectives, purchasing data and insights.

US: Top Fruit Claims December 2019 - December 2021

Sort by A-Z	2019	2020	2021	% change 2019 - 2021	Total Sample
Dairy Free	2.6%	12.0%	9.4%	260.3%	10.5%
Free from Added... Preservatives	5.2%	11.9%	13.1%	152.5%	12.2%
Antioxidant	1.3%	2.8%	3.2%	147.2%	2.9%
Wholegrain	6.5%	13.1%	13.7%	110.5%	13.2%
Low/No/Reduced... Sugars	2.6%	2.8%	4.9%	87.2%	3.7%
Children (5-12)	2.6%	5.9%	4.8%	83.7%	5.3%
Functional -Weight	2.6%	0.0%	0.0%	-100.0%	0.084%
Functional -Beauty	1.3%	0.083%	0.0%	-100.0%	0.084%
Functional -Skincare	1.3%	0.0%	0.0%	-100.0%	0.042%
Total Sample	100.0%	100.0%	100.0%	0.0%	100.0%

US: Top Fruit Ingredients December 2019 - December 2021

Sort by A-Z	2019	2020	2021	% change 2019 - 2021	Total Sample
Apple (Food)	5.2%	8.3%	9.6%	85.4%	8.8%
Apple Puree (Fo...	1.3%	4.4%	4.0%	210.8%	4.1%
Mango (Food)	1.3%	3.1%	4.2%	225.0%	3.5%
Pineapple (Food)	1.3%	2.6%	2.7%	104.9%	2.6%
Lime (Food)	1.3%	2.6%	2.4%	83.7%	2.5%
Plum (Food)	3.9%	0.17%	0.73%	-81.2%	0.55%
Cranberry Juice ...	1.3%	0.17%	0.092%	-92.9%	0.17%
Fig Jam (Food)	1.3%	0.0%	0.092%	-92.9%	0.084%
Granny Smith Ap...	1.3%	0.0%	0.092%	-92.9%	0.084%
Kiwi Juice Conc...	1.3%	0.0%	0.0%	-100.0%	0.042%
Total Sample	100.0%	100.0%	100.0%	0.0%	100.0%

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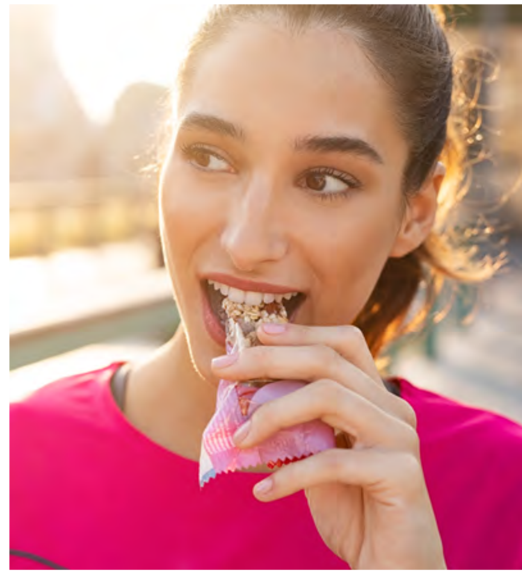
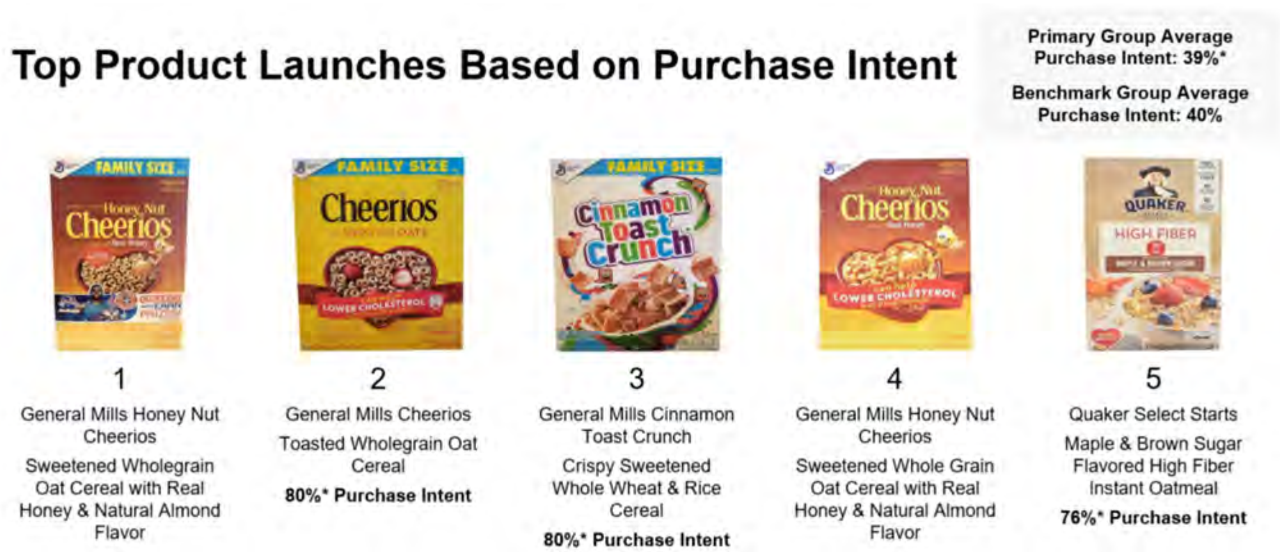
Give Cereal a BFY Boost



Health improvements generated the most interest from US adults, outpacing packaging and flavor innovation surveyed, indicating that health is a gap consumers have identified in the market. Cereal is a breakfast staple and consumers care about starting their morning with some-thing healthy. Mintel's *Breakfast Foods – US, 2020* finds that 54% of Breakfast eaters identify "healthy" as an important breakfast attribute.

Brands hoping to retain the breakfast occasion will need to make health a focal point of product development and messaging. Reduced sugar, added nutrients such as fiber and protein, as well as functional ingredients including probiotics or collagen can improve the nutritional profile of cereals. Additionally, brands can encourage consumers to personalize their cereal to get the nutrition that's important to them, such as adding almond butter for extra protein or fruit for additional fiber.



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2021 All Natural/No Preservatives or Additives Products

The product contains more protein with 4g protein per serving and 40% less sugar than leading brands, and is free from gluten, soy and anything artificial.

This product is flavored with other natural flavors, contains no colors from artificial sources, artificial flavors, gelatin or gluten, and is said to be an excellent source of vitamin C and is made with real fruit and veggie juice.

This HACCP and kosher certified product is free from gluten, dairy, GMO and added sugar. It is 100% natural, described as practical, nutritious and multifunctional, and contains antioxidants, vitamin C and vitamin B6.

Taste, cost, and convenience remain top priorities in the center store

Taste and cost, top priorities in most food and drink purchases, are the most important factors in center-store purchases as well, each cited by roughly six in 10 grocery shoppers. In addition to these cost-of-entry priorities, center-store shoppers also place weight on factors often closely associated with products in shelf-stable categories and the freezer case – in particular, convenience, easy prep and trusted brands.

Other secondary priorities that may represent opportunities for center-store brands to set themselves apart include high-quality ingredients, healthfulness and no additives/preservatives. However, as compelling as these attributes may be, they aren't likely to motivate shoppers if the taste isn't right and the price isn't competitive.

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Sugar reduction efforts are needed to create greater permissibility

Although almost a third of US consumers agree with the statement 'cereal is a fun way to treat myself', interest in better-for-you credentials is strong, with sugar being a particularly important area of concern. Two fifths of US consumers who ate less cereal in the 12 months to June 2020 did so due to the high sugar content while over a fifth of respondents would be interested in trying a new cereal product that is sweetened with a natural sugar alternative.

2021 Low/No/Reduced Sugar Products

Lärabar Apple Flavour Fruit & Nut Energy Bar is said to contain only the best ingredients, and is free from gluten, dairy and soy. This kosher certified product is suitable for vegans, and retails in a 45g pack.

The product provides 2g net carbohydrates, 4g protein and 16g healthy fats, and is free from added sugar, gluten, grains and GMOs.

It contains 50% less sugar than the regular maple and brown sugar flavor, provides a good source of fiber and contains no artificial preservatives, flavors or added colors.

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Help Gen Zs feel more comfortable serving healthy, delicious meals

There are opportunities for brands to offer resources to help Gen Zs gain more confidence and thus more independence in the kitchen. The products that build loyalty now by offering support and education have the power to become familiar staples in the future as Gen Zs venture out on their own.

In 2021, members of Gen Z are between the ages of 11 and 24. About half of them still live with their parents, so it is understandable that many consumers in this demographic haven't mastered cooking or healthy eating skills. Introductory products that build skills in areas like cooking, healthy diet and nutrition can help Gen Zs ease into adulthood.

General Mills pairs with digital media company BuzzFeed to create meal kits for young adults

To help Gen Zs see meal kits as a shortcut that doesn't shortchange the excitement of a homecooked meal, manufacturers are exploring partnerships with media companies that cater to this demographic's interest in learning how to cook.

On the heels of launching the young-adult-targeted cookbook The Tasty Adulting, BuzzFeed's Tasty paired up with General Mills to launch Tasty Dinner Kits. The budget-friendly kits come in globally inspired flavors like Chicken Tikka Masala, Creamy Salsa Verde Chicken, Korean-Style BBQ Beef and Creamy Tuscan Chicken.

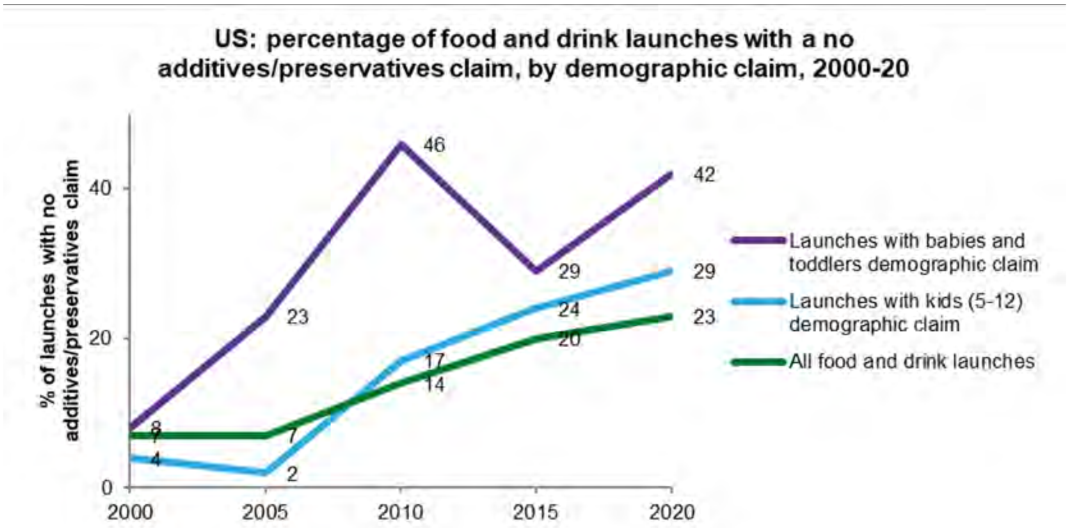
Each kit includes seasoning, sauce and a rice or pasta base. All that is left is to add a protein and a vegetable of choice.

General Mills x BuzzFeed's Tasty Dinner Kits

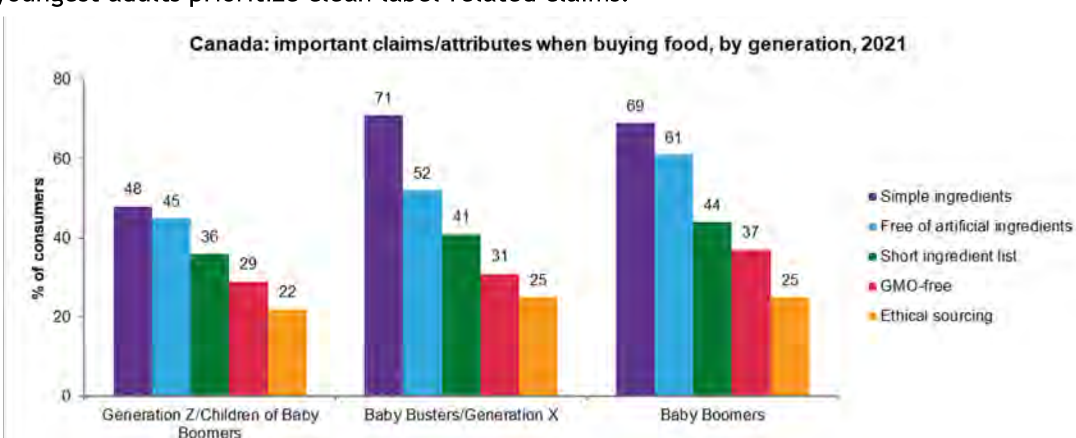
Growing up with clean label won't necessarily make Gen Z a guaranteed clean label consumer

Born between 1997 and 2010, Gen Z consumers have grown up as clean label products have become mainstream. The oldest Gen Z consumer turned 24 in 2021; during their childhood, it became the norm for kid-friendly brands to remove artificial ingredients.

In addition to an increase in launches with no additives/preservatives claims, other clean label claims, such as organic and GMO-free, climbed in food/drink products for babies and kids over the past 20 years.



While Gen Z's parents have prioritized clean label products as their children were growing up, fewer of today's youngest adults prioritize clean label-related claims.



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Top Natural/No Additives/Preservatives Products (2019-21)

1

General Mills Cheerios

Toasted Wholegrain Oat Cereal

80%* Purchase Intent

2

Quaker Select Starts

Maple & Brown Sugar Flavored High Fiber Instant Oatmeal

76%* Purchase Intent

3

Kellogg's Special K

Raspberry Cereal

76%* Purchase Intent

4

General Mills Honey Nut Cheerios Medley Crunch

Sweetened Oat & Wheat Cereal with Real Honey and Natural Almond Flavor

74%* Purchase Intent

5

Quaker Chewy

Peanut Butter Chocolate Chip Granola Bars

73%* Purchase Intent

Top Low/No/Reduced Sugar Products (2019-21)

1

Quaker Oats

100% Wholegrain Old Fashioned Oats

72%* Purchase Intent

2

Oikos

Vanilla Bean Flavor Blended Greek Nonfat Yogurt

66%* Purchase Intent

3

Dannon Oikos Triple Zero

Banana Crème Flavor Blended Greek Yogurt

65%* Purchase Intent

4

Pop Secret

Extra Butter Popcorn

63%* Purchase Intent

5

Two Good

Raspberry Flavored Greek Yogurt

62%* Purchase Intent

Snapshot of Consumer Feedback

The following verbatims are purchase intent respondents for
No/Low/Reduced Sugar Claims

Why They Would Buy

"I normally buy the special k red berries and love that so this is very similar since I would buy it without hesitation"

- FEMALE 18-34 MIDWEST**

"I trust the Quaker brand. I think that the flavor would be excellent. I think that the texture of this product would be good - not too hard or too soft. I like the natural ingredients and whole grain components of the product."

- MALE 35-54 SOUTH

"it looks a little different from other salty snacks. I like club crackers, so these new crisps should be tasty too. Having sea salt on them is another plus."

- FEMALE 55+ SOUTH

1st Review

2nd Review

3rd Review

For more information, please contact us at
509-698-1435 • treetopingredients.com
Source: Mintel Global New Products Database (GNPD)