2021

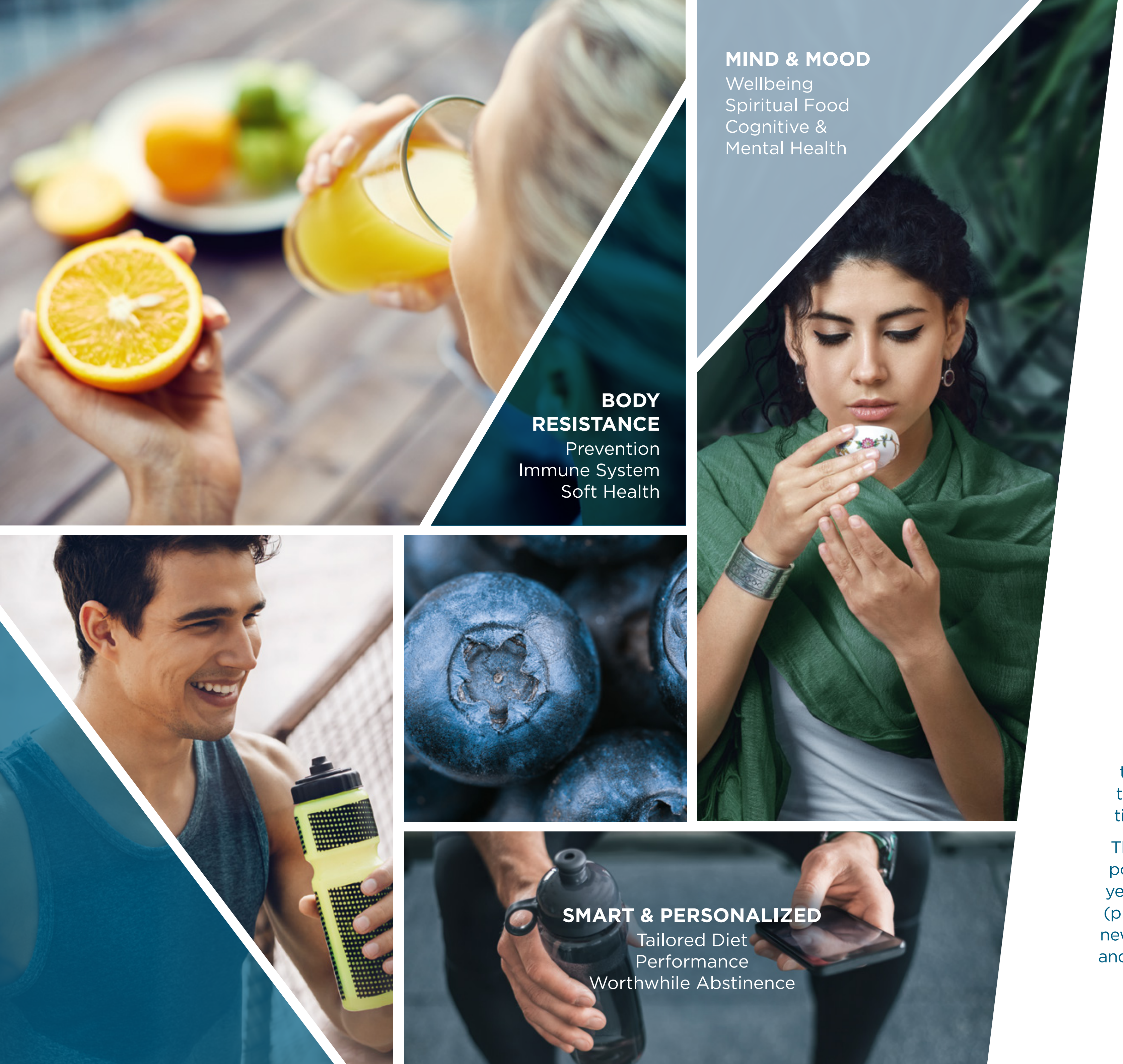
Global food and beverage consumer trends

AUSTRIA JUICE

WELCOME THE NEW YEAR WITH EXCITING DEVELOPMENTS IN THE INDUSTRY SERVING THE MEGA TRENDS OF

Health & Wellness, Mindfulness and Experiences.

WITH EMERGING SUB-TRENDS AND THEIR COUNTER-TRENDS THEY SET THE TONE FOR NEW ENRICHING PRODUCT CONCEPTS.



Active Nutrition

Beverages and food that take into account the consumer's desire for wellbeing and growing health awareness are still very popular.

The omnipresent pandemic is contributing to the trend growth in the sector of Active Nutrition in different ways. In the sub-trend **Body Resistance**, new beverage and food concepts are emerging that take up the supporting function of nutrition for the best possible management of the various challenges of everyday life and age groups. The focus is increasingly on products that can contribute to a healthy lifestyle thanks to their formulation and ingredients used in various forms. It is important to meet the consumer demand for holistic product solutions with long-term benefits for their lifestyle in terms of physical, mental and emotional health.

The already high stress level of the population was increased in the past year for many by new challenges in (professional) everyday life, so that new potentials in the area of wellbeing and the support of cognitive and mental health open up. Our **Mind & Mood** trend includes relaxation drinks and blends made from ingredients such as adaptogens, CBD and L-theanine as well as botanicals, which are said to have a calming effect.

Smart & Personalized deals with smarter lifestyles of consumers and the steadily growing consumer interest in products tailored to their needs. Data collection and biological test kits for private use are becoming increasingly popular. The results show consumers their biological needs and lead to a changed diet with tailored foods and beverages that contain new functional ingredients. Smart also includes the increasing active renunciation of high-calorie products and the constant reduction in alcohol consumption, especially among the younger generations. This automatically opens up new possibilities for alcohol-free alternatives with a sophisticated adult taste.

79% are planning to eat and drink more healthily as a result of COVID-19 (globally)

36% 2019 to **44%** 2020 state that their sleep health has worsened

90% of global consumers prefer functional food to nutritional supplements (2020)

44% of consumers at the tail end of 2020 reported that they are looking to reduce their sugar intake, which went up due to poor eating habits associated with the first half of 2020

29% of consumers believe there is a lack of products currently on the market that meet their nutritional requirements

73% of US consumers who experienced a mental health disorder in the past year have diagnosed themselves

42% of global consumers would like to improve their mental wellbeing

63% are interested in products offering a natural energy boost

56% of global consumers have sought out more comfort foods, such as confectionary, more than normal in 2020

62% reported in 2020 that they like to enjoy moments of indulgence where they pay little to no attention to nutritional intake in moments of "pure hedonism."

54% of consumers said that they like new and unusual flavours

54% consider themselves adventurous when trying foods and drinks

61% of consumers said that they have become more experimental with food and drink in the past five years

53% of consumers finding new and novel textures appealing

63% of global consumers said they want more nostalgic offerings in the food products available to them

Taste Experiences

The existing hype about posting food and drinks on social media and inspiring others to generate unusual creations will be carried by the continuing Covid-19 restrictions through 2021.

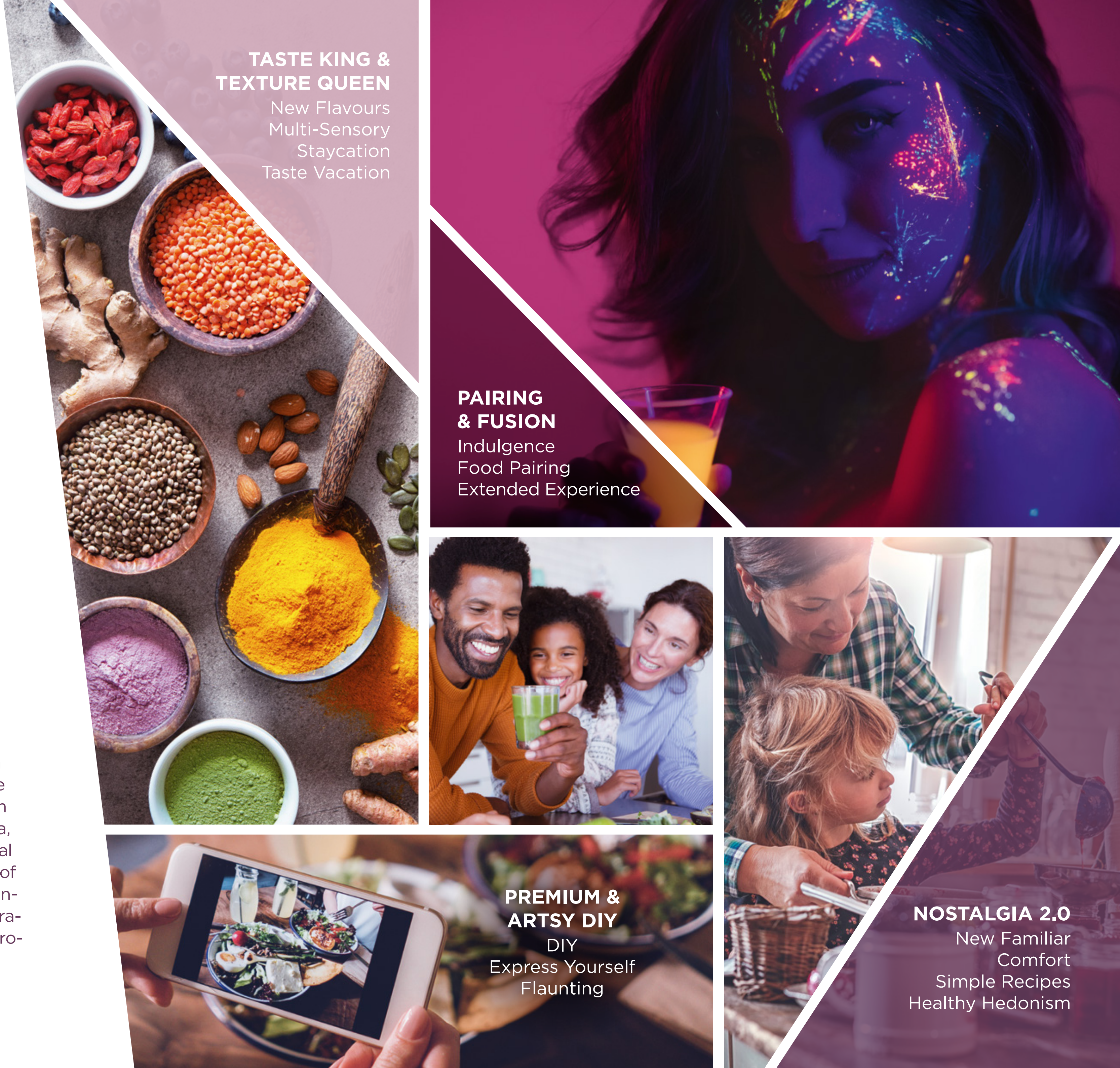
Artsy & DIY embodies the newly discovered desire of consumers to make their own dishes and drinks. This increases the demand for food and beverage components such as syrups, juices, flavour drops and mixers, which are suitable both visually and in terms of taste for exciting DIY creations.

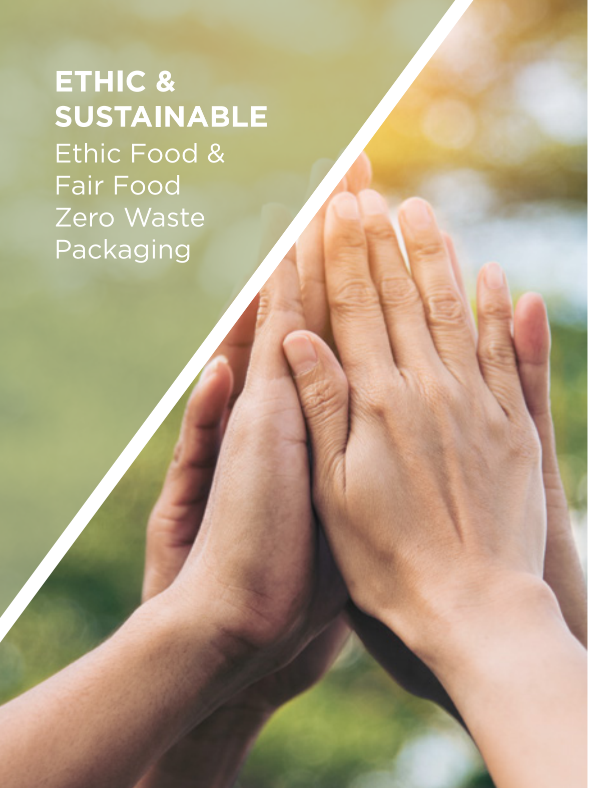
Culinary experiences can also be achieved through **Pairing & Fusion**. Meals can merge into a single taste symphony with perfectly matched drinks. Especially in the non-alcoholic area, premium tea creations or mocktails from fruity to floral to tart and herbaceous offer new possibilities to complement exquisite dishes. Pairing & Fusion also means making products available to consumers that support a momentum - relaxation - or the experience of an activity like gaming and sports.

In **Taste King, Texture Queen**, consumers are specifically looking for products that take them on a sensory journey. On the one hand, to satisfy their wanderlust, on the other hand, to escape everyday life with pleasure and treat themselves to a culinary break. RTD premium cocktails and drinks with partly exotic ingredients and flavours ensure taste vacations in times of staycations.

In addition to taste and colour, texture is playing an increasingly important role as it also adds a sensory dimension to beverages and thus offers a greater consumer experience.

The growing need for comfort is reflected in **Nostalgia 2.0**. The use of nostalgic aromas that are reminiscent of favorite products from childhood or seasonal customs in the family offer a moment of retreat from everyday life. But even in nostalgia, consumers are looking for the special experience, so that the enrichment of familiar product types with novel ingredients or novel products with traditional flavours lead to nostalgic product concepts in a new guise.





Mindful Consumption

Consumers are asking companies to put ecological and social responsibility at the fore of their corporate strategy.

Ethic & Sustainable addresses the shift from purely environmental endeavors to holistic initiatives that focus on social, economic and environmental impacts. Measures and practices that may be legal, but which are morally reprehensible, will no longer be tolerated by the broad mass of consumers. Food production linked to minimum prices and more pronounced social standards are increasingly finding their way into the product ranges of brands and supermarkets.

Of course, **Plant-based** will play a decisive role in the near future of conscious consumption. Especially the younger generation of consumers are increasingly counting themselves among the vegetarians, vegans and flexitarians. While the first two mentioned lifestyles make up a small percentage of the population despite the high presence in social media, the flexitarian movement has greater opportunities to advance into the mainstream and thus further push the plant-based market. Through its diverse diet the latter lifestyle promotes the possibility of driving regenerative agriculture and food management based on biodiversity to a greater extent.

This is important because from a consumer perspective, the companies' efforts are supposed to be **Holistic**. The regenerative model of resource use, in which material flows are closed in cycles and waste itself becomes a resource, is currently on the rise. Demands for zero waste, circular or reuse food are increasing, and their implementation will increasingly influence purchasing decisions in the future. Seasonal as well as regional products with short transport distances and natural cultivation methods can help in striving for climate neutrality, even climate negativity. The advancing merging of nature and technology should also contribute to this.

Globally **26%** of consumers surveyed identified themselves as "flexitarian"

41% of global consumers reporting that they turn to dairy alternatives

74% of global consumers claiming they are concerned about the state of the environment

65% of consumers believe brands should be doing more on the whole to protect the environment

43% of consumers want brands doing more to protect vulnerable members of society

61% of Canadian consumers disagree that nothing can be done to save the environment at this point

Top issues pertaining to social and environmental responsibility (global):
- carbon emission (73%)
- global warming (71%)
- plastic pollution (68%)
- food waste (67%)
- deforestation (62%)

50% of consumers on a global level are seeking more information on the origin of products than ever before

61% of consumers reported in 2020 that they view fewer ingredients in a grocery product as better

63% of consumers said they are willing to search product labels for ingredients they don't recognize

25% of global consumers distrust claims made by food brands

Globally **35%** say that brands are not transparent when it comes to communicating practices and policies

82% of Chinese consumers think it's worth paying more for products of a higher quality

48% of consumers strongly agree that, post-COVID-19, they will buy more from local businesses (India)

Premium by Nature

Naturalness as a quality feature and driver in premium products is on the way from trend to mainstream. The trends in this area are diverse.

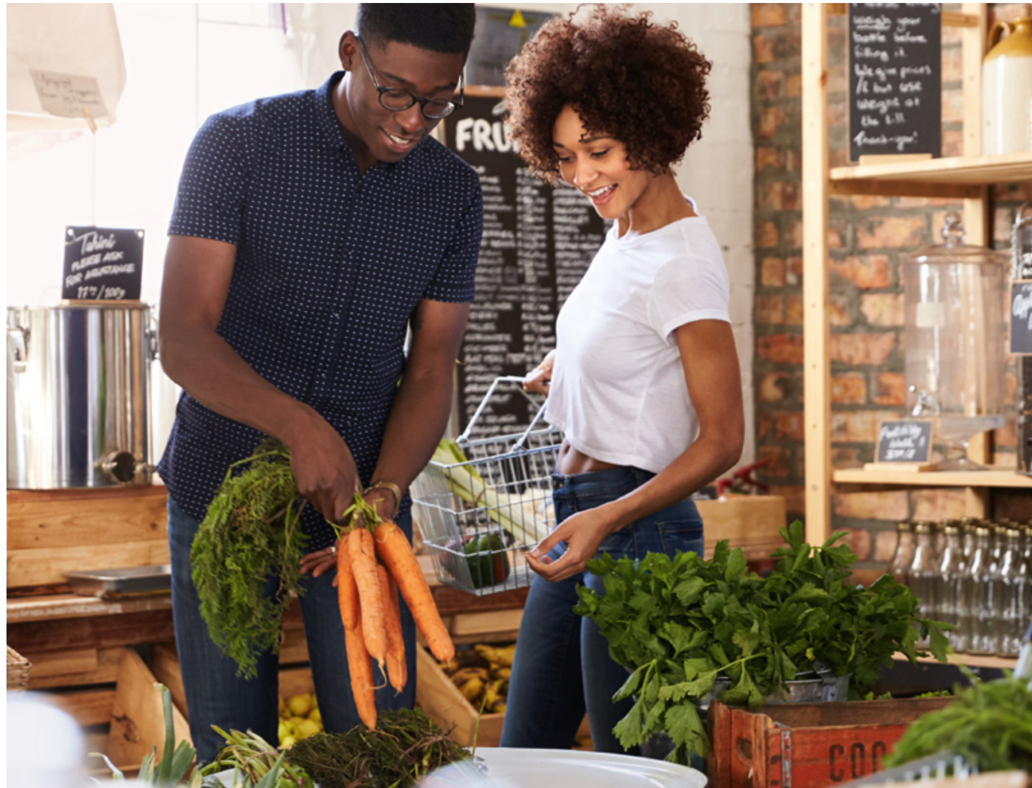
Clean, Clear & True is about true food, which focuses on fresh food as well as processed products that existed before the era of industrial food production and excludes highly processed products. For the consumer, quality takes priority over quantity. Seasonal local products and product components can contribute to this.

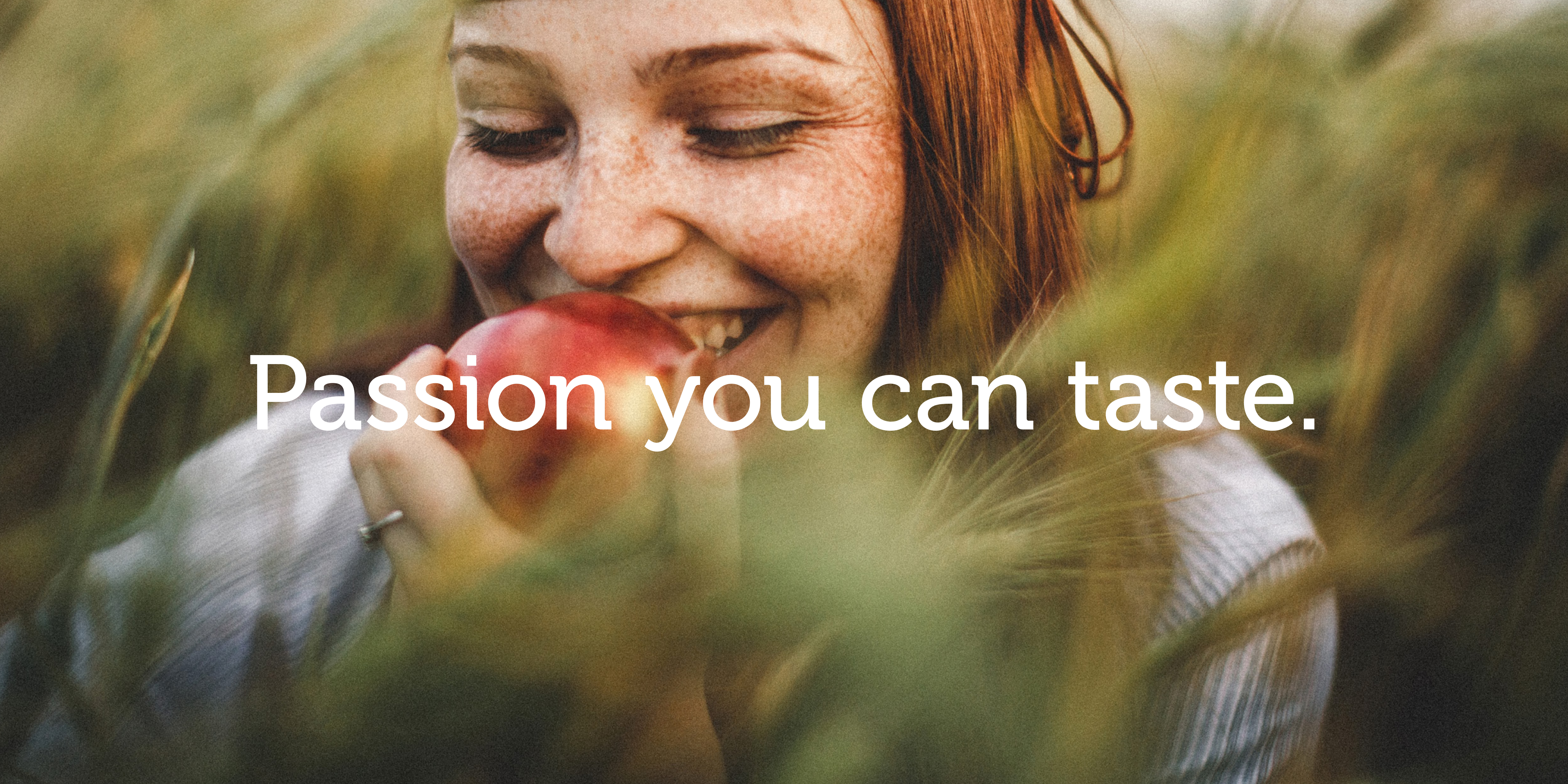
At the same time, more highly processed foods and beverages with natural ingredients and the shortest possible ingredient lists are popular. It applies to everyone that comprehensive transparency is the key to gaining consumer confidence in products in the long term.

Increased growth is expected in the **Local Food** sector. In addition to the geographical proximity, consumers particularly value the social and qualitative characteristics with regard to sales and production, which are often associated with organic foods as well. They also play a role in the increasing trend of storytelling in the context of product marketing.

Rediscovering old varieties and less common varieties and using them in product concepts can be combined with the local food movement, as can the use of locally grown, originally exotic plants. It is quite possible that urban farming will also become an essential part of this growing trend in the future.

Natural Talents deals with the increasing use of herbs and botanicals as well as valuable ingredients that have already become more popular from Traditional Chinese Medicine (TCM) and Ayurveda. In addition to ginger, turmeric and ashwagandha, other plant components will find their way into beverages and food recipes. These serve the consumer interest in natural alternatives that can support their wellbeing through diet.

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The trends in this booklet were defined in cooperation with AGRANA.
Content sources: AGRANA 2021 Consumer Trends, Euromonitor, FMCG Gurus, Food Report 2021 - Hanni Rützler, Mintel