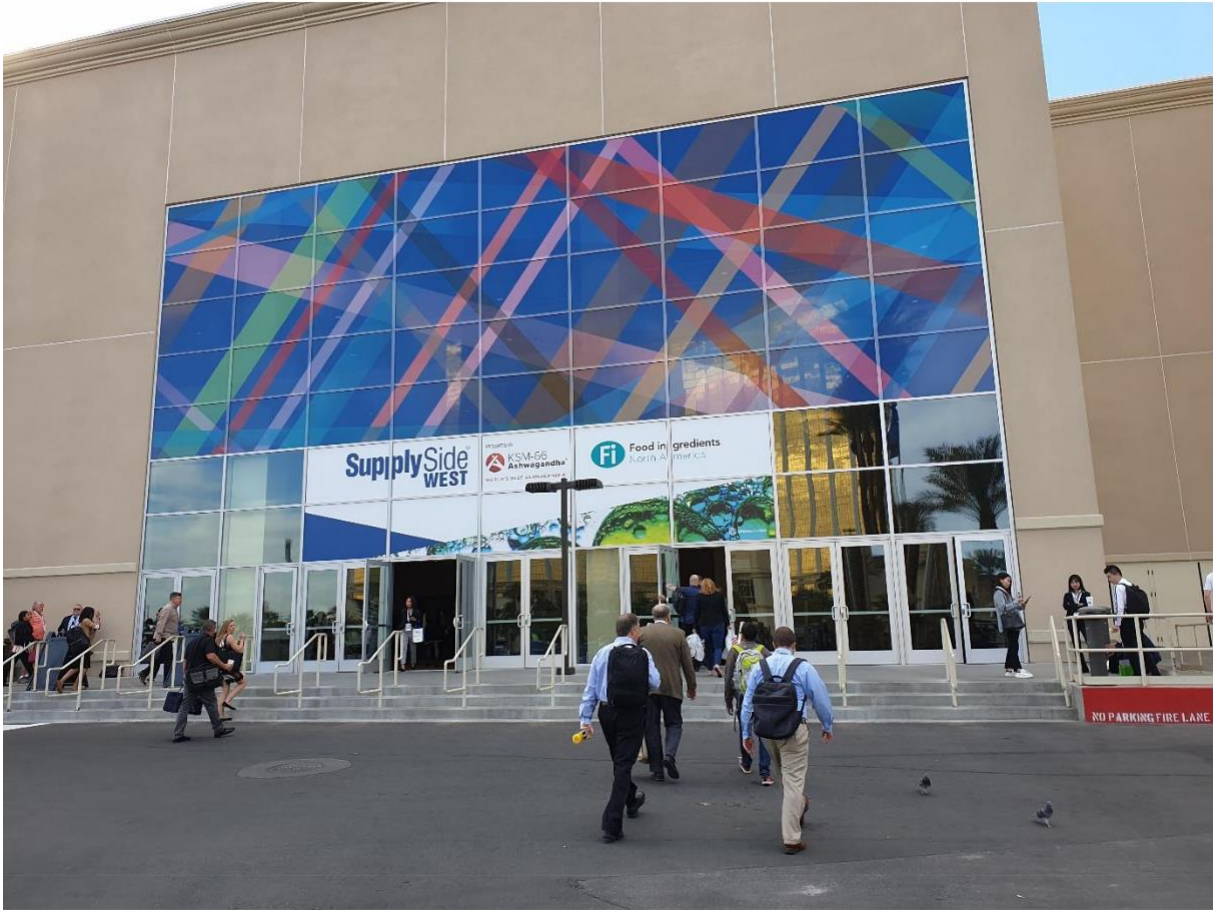


# 2019 USA food trends

(Supply Side West Las Vegas, 16-18 Okt 2019)



## **Preface**

The trends as revealed in the food market in the USA in 2019 are based on 3 major cultural developments, 3 shifts of paradigms that are seen as determining the future of consumer and business culture in the USA.

These 3 cultural developments can be recognized by 16 primary components, also known as 16 macro forces, which in turn are the carriers of 51 identified trends.

These developments will be explained below and those trends, which could be relevant for the nutritional supplements market, will be further elaborated.

## The 1st cultural paradigm shift

*The consumer in charge (vs industry and government)*

Increasingly, consumers show that they are fed up with the modern food system full of processed, empty-calorie foods. Consumers themselves are looking for the right food and preparation methods that help to remain vital in all stages of life. Increased awareness and involvement mean a shift to proactive health management and a greater need for transparency. At the same time this opens the door for renewed confidence in the wisdom of old cultures and practices as well as alternative, not widely known traditional foods (including superfoods). Health and well-being are approached more holistically, where opinions can be temporarily more important than scientific evidence

The macro forces by which 1<sup>st</sup> cultural paradigm shift can be recognized are:

a) **A great confidence in the plant kingdom** (vs animal-based agriculture)

Social, environmental, animal welfare and health concerns have led to the need for replacement and/or reduction of the consumption of meat and milk products with plant products. Under this macro force, the following trends reveal:

- a. **Eat more plants**; more nutrients-dense plants in the diet, from omnivorous towards vegan
- b. **Plant based ethics**; preventing the nasty side effects of animal food-based food industry

Both above trends lead to greater demand for vegan **ingredients**

b) **The more protein the better** (vs fats and sweeteners).

Consumers appear to be pursuing more protein per consumption while there seems to be no fear of excessive consumption of proteins. There remains room for protein from dairy and meat provided this is being produced responsibly.

Under this macro force, the following trends reveal:

- a. **More protein**; replace fat and sugar with protein
- b. **Responsible meat & dairy protein**
- c. **Plant protein**

The above trends lead to **greater demand for proteins, especially plant proteins**

c) **Listening to ancient cultures**

As an alternative to the apathetic industry and inactive government, consumers seek the intelligence of old cultures in relation to food and their preparation methods. Under this macro force reveal the following trends:

- a. **Time honoured processing**; attention to slow-foods and preparation techniques from the past
- b. **Time honoured heritage** ingredients; too many of our foods comes from crops optimized on shelf life. Lost crops get new attention again

The above trends lead to the **renewed introduction of ingredients from lost varieties (often as novel food)**

#### d) Looking for the source of welfare diseases

Modern dietary patterns are held responsible for various welfare diseases and conditions. Consumers are actively looking for the source of these conditions. Under this macro force, the following trends reveal:

- a. **Allergens and intolerances**; brands build product lines around the absence of the cause of allergy and intolerance (e.g. dairy-free, gluten-free). The industry is actively looking for replacement ingredients for daily products such as bread, pasta and milk that are a source of current allergens
- b. **Additives Free**; brands reduce, minimize or remove additives such as dyes, thickeners, stabilizers etc
- c. **Contaminants Free**; brands build chains that reduce or avoid the amount of contaminants such as pesticides, heavy metals and microplastics

The above trends lead to **the removal of traditional excipients from recipes and more attention to the absence of allergens and contaminants**

#### e) The world is too fat (obesity)

Alternatives to fat and sugar should make us slimmer however the cause of obesity appears more complex than we first thought. Under this macro force, the following trends reveal:

- a. **Healthy Fats**; by now it is found that not all fats are bad. Healthy fats e.g. omega-3 and -6 and MCTs are on the rise
- b. **Sugar is bad**; the industry is divided into how to deal with the negative turmoil surrounding sugar. Low glycemic ingredients, zero-calorie alternatives and new flavors are expressions of this quest

The above trends lead to **increasing demand for specific oils and fats and low glycemic natural sweeteners**

## The 2nd cultural paradigm shift

### *Development of sustainable production chains (vs existing chains)*

The growing frustration about the apathy of large companies and the inactivity of governments has led to various alternative initiatives; companies and communities that together set up a more sustainable food production chain and in that way inherently appeal heavily to new standards and values, e.g. those of the circular economy. In this way distinguishing companies feel empowered to address and solve the problems in their backyard and in communities all over the world on which they depend. By combining creative ideas, passion and partnerships, new ways of doing business arise.

The macro forces by which this 2<sup>nd</sup> cultural paradigm shift can be recognized are:

#### **a) Optimization of material consumption**

By applying principles such as reduce, reuse and recycling parties aim to achieve more value from ingredients and materials than before. Under this macro force, the following trends reveal:

- a. **Responsible Packaging**; the emergence of new alternatives to traditional packaging.
- b. **Waste Reduction**; waste, formerly known as pollution, becomes energy and edible food
- c. **Efficient Materials**; product developers now have at their disposal a huge file of plant, animal and insect ingredients that have previously been overlooked and bring them very consciously to the market.

The above trends lead to **a search for responsible packaging and the introduction of new ingredients from former waste**

#### **b) The flowering of natural products**

In response to things such as a higher purpose and more business responsibility, the natural products industry is steadily developing; industrialization can also make healthy instead of damaging or weakening. Under this macro force, the following trends reveal:

- a. **Mission Driven Commerce**; pioneers with a mission create the path for radical changes by setting up new infrastructures and addressing social, environmental and waste problems. In addition to addressing poverty, hunger and environmental problems, there are also brands that go a little less far and focus on stake-holders instead of shareholders
- b. **Sourcing Responsibly**; with improving the chain comes the duty to source more responsibly raw materials

The above trends lead to **a greater demand for natural ingredients**

### c) Environmentally friendly chains

Companies pay more attention to environmental friendliness of the production chain of their products. Under this macro force, the following trends reveal:

- a. **Organic**; organic is a basic standard in the search for good nutrition
- b. **Regenerative Agriculture**; circular ecological principles prevent our planet from becoming further exhausted. This goes beyond sustainability that tries to minimize consumption in order to stop climate change

The above trends lead to **a greater demand for organic and circular ingredients**

### d) Reduction of the energy footprint

Increased attention to total energy consumption leads to other choices and new strategies. Under this macro force, the following trends reveal:

- a. **Waste Becomes Fuel**; based on a new approach of the production chain it is attempted to convert waste into fuel
- b. **Transportation Efficiency**; alternatives to the worldwide transport of products are being sought in order to reduce fossil fuel consumption
- c. **Renewable Energy**; brands replace fossil fuels in production and processing by renewable sources of energy

### e) Regaining consumer confidence

By paying additional attention to transparency, traceability and verification, new brands are trying to restore consumer confidence. Under this macro force, the following trends reveal:

- a. **Transparency**; openness, honesty and transparency and sometimes even making themselves vulnerable are elements that help to restore consumer confidence
- b. **Verification**; verification by independent third parties can work as a connecting force between producer and consumer
- c. **Traceability**; is used to positively distinguish and protect commodity products of higher quality
- d. **Clean Label**; simplification is a way to restore confidence. Brands remove unpopular ingredients that make it easier to create simpler ingredient lists and actively market these efforts

The above trends lead to the **need for greater transparency, certification and traceability while at the same time the recipes lead to fewer or friendlier ingredients declarations**

## The 3rd cultural paradigm shift

*Modern life has become considerably more demanding*

Modern life is busy and chaotic. Consumers feel the pressure to meet many responsibilities and challenges and seek help in the outcomes of abundantly available, science-based research and technological developments that can help them to improve their lives .

The macro forces by which this 3<sup>rd</sup> cultural paradigm shift can be recognized are:

### **a) Modern conditions**

Consumers learn to deal with modern diseases, prevent them and cure them by reading the latest results of science-based research and actively testing alternative products. Under this macro force, the following trends reveal:

- a. **Quest for Rest**; on one hand consumers seek products that keep them alert and full of energy on the other hand products that help them relax and re-charge
- b. **Brain Health**; consumers are looking for products that help them to be able to optimally use their cognitive ability
- c. **Eye Health**; with all the blue screen light, our eyes get tired. Consumers are looking for products that help restore their eyes
- d. **Digestive Health**; the health of our intestines is strongly determining how we feel. Consumers are looking for products that help make and keep the intestines healthy
- e. **Inflammation**; to reduce the load on our body through continuous contamination with bacteria and viruses, consumers are looking for products that can reduce or prevent inflammation
- f. **Immunity**; no one has time to be sick so we are looking for products to strengthen the defense mechanisms of our body

The above recipes lead to **an increase in ingredients with very specific new features**

### **b) A life of vitality**

Due to the pressure of modern life, many consumers feel the need to look for diets to prevent diseases, treat conditions and optimize how they feel. Under this macro force, the following trends reveal:

- a. **Healthy Microbiome**; the intestinal flora is proving increasingly decisive for the proper functioning of our body.
- b. **Healing Diets**; consumers seek diets that can improve health and reduce triggers for diseases
- c. **Endocannabinoid System**; the promises of CBD are so great that this leads to many new products (experimentation and innovation)

The above trends lead to **strong growth in CBD containing products**. In addition, **the number of pre- and pro-biotics continues to grow steadily**

### c) Dealing with chaos

Brands that offer the busy consumer new healthy convenience solutions are a basis for new confidence . Under this macro force, the following trends reveal:

- a. **Nutrition meets Convenience**; convenience food should be nutritious yet food should also be easy to consume

### d) Experimenting and innovating

Modern life includes adventure, novelty and new experiences. By becoming more global of communities, new products, ingredients and formats are a source of innovation and inspiration. Under this macro force, the following trends are revealed:

- a. **Adventuring**; globalization leads to introduction of various new ingredients, flavours and textures

This trend leads to **an increase in ingredients with very specific new features**

### e) The power of technology

Despite the attention to ancient cultures technology is not bad. In order to achieve lasting improvements, consumers are looking for technological progress based on value-driven objectives. Under this macro force, the following trends reveal:

- a. **Deliberate technology**; high tech solutions for our health problems
- b. **Science first**; scientific evidence as support for a brand's mission and its claims is a possibility for differentiation and contributes to consumer confidence
- c. **Personalization**; the need for personalisation is further being enabled by the increasing importance of science

The above trends lead to **an increasing need for the underpinning of the use of certain ingredients (with technology or science)**

**In summary, we can recognise the following developments relevant to the market:**

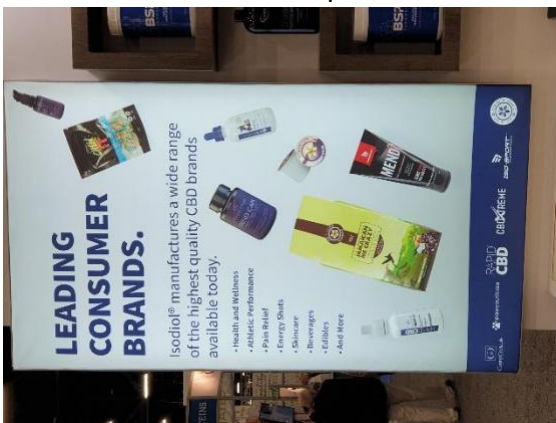
- **increased demand for vegan ingredients**
- **increased demand for proteins, in particular plant proteins**
- **renewed introduction of ingredients from lost varieties**
- **removing traditional excipients from recipes and greater attention to the absence of allergens and contaminants**
- **increasing demand for specific oils and fats and low glycemic natural sweeteners**
- **a search for responsible packaging and the introduction of new ingredients from former waste**



- increased demand for natural ingredients
- increased demand for organic and circular ingredients
- need for greater transparency, certification and traceability while at the same time recipes lead to fewer or friendlier ingredients declarations
- an increase in ingredients with very specific new functions
- strong growth in CBD-containing ingredients
- the number of pre- and pro-biotics continues to grow steadily (with gut health as the basis of human well-being)
- an increasing need for substantiating the use of certain ingredients (by using technology or science)

At the trade show the following developments were clearly recognizable:

- attention to proteins and, in particular, plant proteins
- attention to new ingredients from older cultures
- attention to healthy fats
- attention to natural and biological ingredients ("the revival of botanicals")
- lots of attention for CBD products



- permanent attention to pre- and pro-biotics

**Further spoken with the following parties:**

1. Aloecorp; aloe vera ingredients, certified organic. Growth and processing in Mexico
2. APS La Belle; ingredients from colostrum, specifically for gut-health
3. Ayush Extracts; ayurvedic herbs & extracts; certified organic. Production in India
4. Bestgrand Biotech; have high concentrated bilberry extracts (up to 80% anthocyanins)
5. BioBRB; make immune boosters. Also have ingredients for anti-hangover
6. BioNeutra; make Vitalfiber, a vegetable prebiotics and a sugar substitute with fiber content by fermentation of starch. The product can also mask the bitter aftertaste of stevia.

7. Fuji chemical; very porous SiO<sub>2</sub> (FujiSil) that can absorb CBD oil. Doesn't hold the oil under pressure.
8. Gazignaire; family business with fully traceable natural sustainable ingredients from own Cultivation (similar to Biohorma)
9. Igy Nutrition; produce egg-derived prebiotics for gut-health
10. Imos-Bio; sole manufacturer of imos, a prebiotics that can reduce autoimmune diseases (allergies and type-1 diabetes) Imos is not yet allowed everywhere
11. Invico; producer of coconut-based ingredients
12. M2Ingredients; and producer of organic mushroom powders
13. MCT Solutions; a supplier of medium chain triglycerates used in ketogenic diets
14. Natreon; ayurvedic ingredients with clinical evidence
15. Natural Sprout company; make powders of germinated seeds; contain many enzymes and are therefore higher in bio-availability
16. NZMP; responsible dairy products from New Zealand
17. Phenolaeis; bring products from palm fruit for brain health and heart health
18. Phytoline; producer of various vegetable proteins
19. Plantamex; a supplier of traceable botanicals from Mexico
20. Sutaya Purple Corn; deliver natural and dark purple stable dye for e.g. coatings. Made from natural purple corn
21. Tsuno foods; make "the only natural Magnesium" from rice
22. Veriflow; producer of a test kit for the rapid determination of the presence of Salmonella and Listeria
23. WG-Life; fermented Noni fruit, a native fruit from Hawaii and southern China (Morinda Citrifolia) and has been used as a preventive drug since ancient times

**The trends in 2019 according to several of the CMO's present:**

- a) Elite One Source Nutritional Services; hemp, hemp, hemp + revival of natural botanicals.
- b) Global Health Labs; "CBD is overrated" "Curcumine will stay".
- c) Goodhealth; vegan peptides en CBD products
- d) Pharmatech; sees especially nootropics grow ( Nootropics are not new. The term itself has existed since 1972, in reference to the Greek words 'nous', which means spirit, and 'trepein', which means bending means. Nootropics are best known as 'smart drugs', but they are also often called cognitive enhancers or intelligence boosters. These supplements can help to improve cognitive functioning, memory and concentration, as well as brain health in the long term)
- e) Phoenix Formulations; Collagen + vegetable protein + bodybuild pre-workout ingredients.

- f) Robinson; eye health (against blue light from screens), immune defence, vegan protein
- g) Vesta Nutra; SAME also in petfood is a bestseller, e-sports still virgin, lots of quinone.
- h) NMN (Nicotinamide Mono Nucleotide?) is strongly developing as an anti-aging supplement (present in higher priced supplements)
- i) Sports food supplements are increasingly used as a dietary supplement

**Various:**

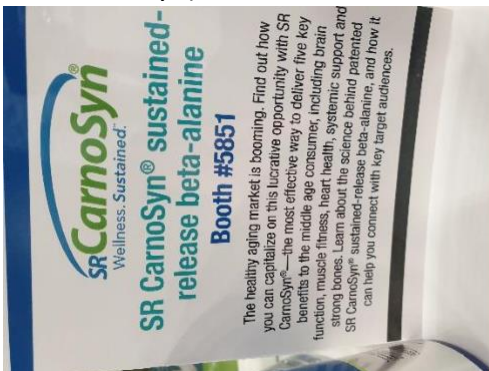
- 1) Herba-Link provides identification of botanicals (see photo)



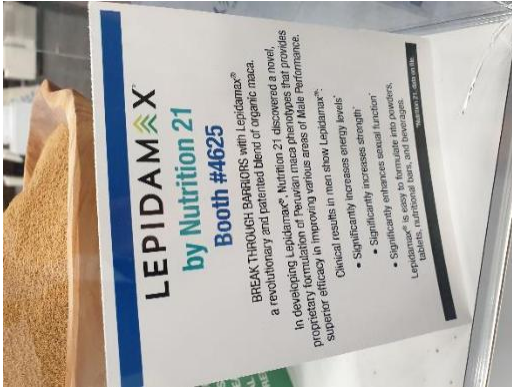
- 2) Iron Catch without iron (see photo)



- 3) In sports nutrition, beta-alanine was a hot topic for recovery after exercise (see foto CarnoSyn)



4) Lepidamax; a kind of natural viagra obv a macablend(see photo)



5) NoolVL as an ingredient for the 1st generation e-sport supplements (see photo)



6) Oexiraokralin ; a new fat binder for slimming products (see photo)



7) Striking sprawl to brands (offers room for rest through company branding)



America, always a size bigger; ca 3-4 x Vitafoods (incl Food Ingredients N-America)