

20 CATEGORY 15 INSIGHT



Chocolate. Vanilla. Strawberry.

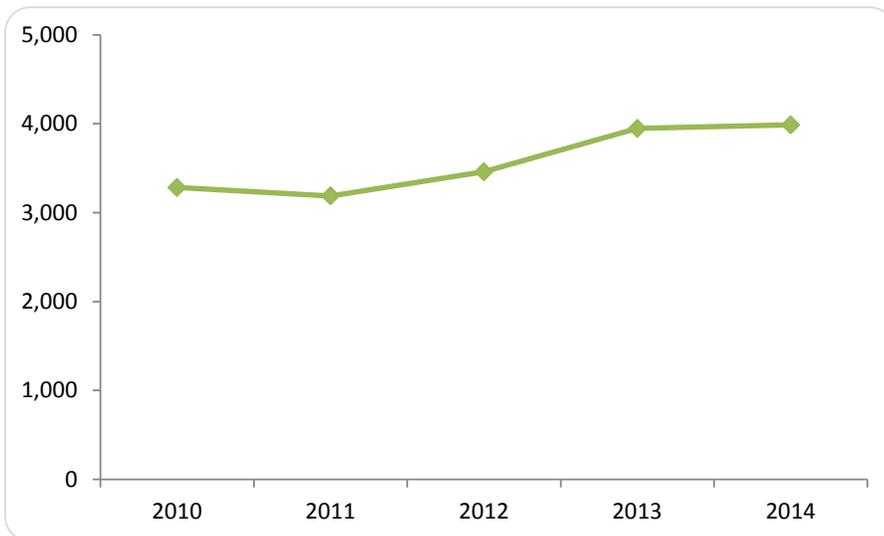
These are by far the most classic ice cream flavors. Vanilla has been the best-selling flavor for more than 30 years, but Americans can't seem to make up their minds about which flavors come in second and third place. In 2012, mint chocolate chip and cookies-and-cream took the top spots. In 2013, chocolate and butter pecan were numbers two and three, respectively.

CATEGORY OVERVIEW

A global look at new product introductions for ice cream and frozen desserts shows a 1% increase from 2013-2014. New product introductions in North America did not show the same growth pattern with a 19% decrease in that same time period.

According to a recent Mintel survey, about half of frozen treat buyers are buying the same amount of frozen dessert products as they were a year ago and 29% say they are buying less (compared to only 19% who are buying more). Continued innovation focusing on healthy indulgences, seasonal offerings and premium product innovation will help keep the loyal consumers of this category on their toes and willing to try new things.

GLOBAL ICE CREAM & FROZEN DESSERT NEW PRODUCT INTRODUCTIONS



Source: Mintel GNPD

NOT SO VANILLA

Flavor innovation in the ice cream and frozen dessert category will always focus on the classics, but we are continuing to see a twist on the traditional classics of chocolate, vanilla and strawberry with unique flavors pairings and varietals. Flavors rarely seen in this medium are also starting to slowly make their way into the category with offerings such as saffron, thyme, carrot, beet and chili pepper. Growing flavors are not too far outside of the norm with mocha, caramel and cinnamon playing a role in premium product offerings.

TOP GROWING ICE CREAM & FROZEN DESSERT FLAVORS

- Yogurt
- Pomegranate
- Vanilla Bean
- Toffee
- Mocha
- Caramel
- Cinnamon
- Pecan
- Mango
- Brownie



HEALTHY INDULGENCES

In a world obsessed with health and wellness, consumers want to be able to have their cake (or in this case ice cream) and eat it too! When obesity rates are climbing year over year, consumers need to be able look past their cravings and satisfy their sweet tooth with healthier indulgences. Beyond the claims of light and reduced fat, we are spotting healthier product offerings focused on including protein as well as servings of fruits and/or vegetables. Indulgent flavors and creamy textures help the products stand out and the healthy halo of servings of fruit and veg tap into the demand for healthier dessert options that still deliver a great tasting treat.

PRODUCTS OF NOTE

Belmont Sorbet and Greek Frozen Yogurt

- Low-fat and contains probiotics
- Flavors include: mango swirl & raspberry swirl
- 100 calories and 4g of protein



Dreyer's Outshine Fruit & Veggie Bars

- The Apples & Greens bars contain a fruit and vegetable content that is derived from puree and juice of: pumpkin, mango, pineapple, apple, banana and kiwi, kale and spinach.
- 60 calories and fat-free



Pro Yo Premium Banana Vanilla High Protein Frozen Yogurt

- Contains over 20 grams of protein, 5 live active cultures and 3 grams of fiber.
- Tagged as an "Anytime Frozen Treat" that people can love and enjoy at anytime of the day without the guilt of a sinful indulgence.



Go ahead— eat that ice cream cone!

Yes, it cools you down, but the indulgence also delivers a little surge of joy. Allowing yourself frequent small pleasures helps keep your spirits high, according to a study from happiness researchers at the University of British Columbia and Harvard University. They say you can get these lifts from the first glimpse of the sea on a trip to the beach, a short massage or even trying out new flavors when you order your ice cream. This is the kind of variety that truly spices up your life.

73%

OF CONSUMERS BELIEVE THAT
ICE CREAM CAN FIT INTO A
HEALTHY DIET

68%

OF CONSUMERS CONSIDER
HEALTH-RELATED ATTRIBUTES
WHEN PURCHASING ICE CREAM &
FROZEN DESSERTS

PREMIUM SCOOPS

While more than half of frozen treat buyers express the importance of product price in their purchase decision, flavor rules. According to Mintel, some 61% of frozen treat eaters say they are willing to spend more on better-quality frozen treats, and gelato (typically seen to carry a higher price point) has driven growth in the category in recent years. While people are consuming ice cream and frozen novelties less frequently, this also means consumers are pickier in terms of the quality of frozen treats. Consumers are willing to pay more for better tasting frozen treats, creating opportunities for premium or artisanal product lines.

PRODUCTS OF NOTE

Boulder Famous Sweet Cream Flavored Organic Ice Cream

- Hand-crafted and batch churned with only 9 gallons per batch.
- Available in 7 flavors: Vanilla Trio, Cool Limone, Salted Caramel Café, Pure Pistachio, Coconut Almond Chip, Chocolate Duet and Chocolate Peanut Butter.



Talenti Mediterranean Mint Gelato

- Sales of this brand increased 74% in the 52-week period ending April 20, 2014, thanks, in part, to innovative marketing focusing on the brand's efforts to source premium, authentic ingredients from around the world.
- The brand's website contains descriptions of each ingredient including its country of origin, such as Belgian Callebaut Chocolate and Tahitian Vanilla Beans, and brand offerings are promoted for their naturalness.
- Available in 30 different flavors such as Sicilian Pistacho and Argentine Caramel.



61%

OF FROZEN TREAT
CONSUMERS ARE WILLING
TO SPEND MORE ON BETTER-
QUALITY



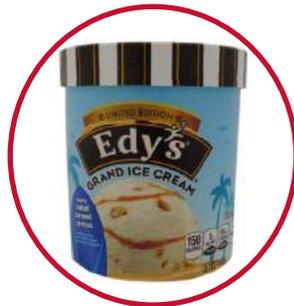
SEASONAL & LIMITED EDITION

Winter, spring, summer or fall...there truly is a flavor for every season! Traditionally, we associate flavors such as pumpkin, peppermint and cranberry with seasonal product and menu changes. While most of these flavors are still prevalent in the market, we are now starting to spot new seasonal flavors beyond the traditional holidays. The most popular non-traditional seasonal and limited edition theme is summer, with a variety of product offerings calling out summer berries or summer events like baseball games in the flavor name.

PRODUCTS OF NOTE

Summer Offerings

- Edy's Grand Ice Cream Sunny Salted Caramel Pretzel Vanilla Ice Cream, with salted caramel swirl and pretzel pieces
- Edy's Grand Ice Cream 3 Stripes You're Out Vanilla Ice Cream with Blueberry and Strawberry Swirls
- Breyer's Summer Berry Cobbler Frozen Dairy Dessert is described as "summer on a spoon" and includes black raspberry swirled with sweet strawberry and cinnamon biscuit pieces.
- Ben & Jerry's Vermont's Finest Cotton Candy Ice Cream is a limited edition exclusive cotton candy flavored ice cream loaded with candy sprinkles.
- Dreyer's Limited Edition Slow Churned Fun 'n the Sun Banana Split Light Ice Cream is comprised of banana light ice cream with cherry on the top and fudge swirls.
- Dreyer's Grand Ice Cream Limited Edition Summer in the City Cheesecake Ice Cream is comprised of vanilla ice cream with a graham cracker swirl and cheesecake pieces.



72%

INCREASE IN SEASONAL & LIMITED
EDITION ICE CREAM AND FROZEN
DESSERTS FROM 2012-2014



FONA CAN HELP!

Let our market insight and research experts translate these trends into product category ideas for your brand. They can help you with concept and flavor pipeline development, ideation, consumer studies and white space analysis to pinpoint opportunities in the market.

FONA flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. We understand how to mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution. From concept to manufacturing, we're here every step of the way. Contact our Sales Service Department at 630.578.8600 to request a flavor sample or visit www.fona.com.

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SOURCES

Mintel: Ice Cream and Frozen Novelties

Mintel GNPD

Good Housekeeping Magazine

Food Network Magazine

Saveur Magazine