

20 CATEGORY 16 INSIGHT



Icy Innovation: Ice Cream and Frozen Novelties

They're summertime favorites and frozen aisle must for people of all ages. Lately, ice cream and frozen treats have reached a level of variety never seen before. From frozen fruit pops, ice cream bites, gelato, sorbet and everything in between, there is something for everyone.

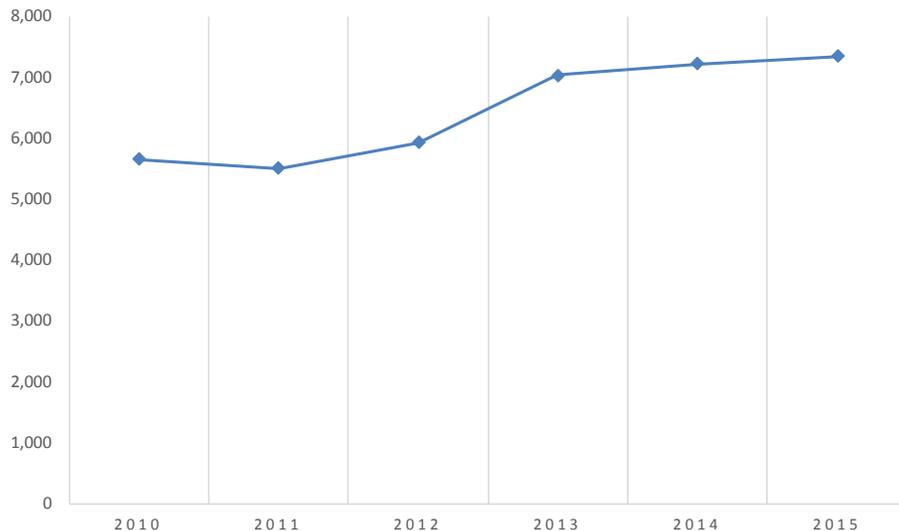
Let's take a peek at the frozen aisle and examine what's shaping it, from unique new flavors, ingredients with perceived healthiness and new, convenient applications.

CATEGORY OVERVIEW

A global look at new product introductions for ice cream and frozen desserts shows a 2% increase from 2014-2015. New product introductions in North America did not show the same growth pattern with a 2.6% decrease in that same time period which has greatly improved from 2013-2014 that saw a 19% decrease.

According to a recent Mintel survey, about 19% of frozen treat buyers are buying less due to unhealthy perceptions while 11% still will purchase these products because as treats. Continued innovation focusing on healthy indulgences, Italian inspired treats and frozen pops will help keep the loyal consumers of this category on their toes and willing to try new things.

GLOBAL ICE CREAM & FROZEN DESSERT NEW PRODUCTS INTRODUCTIONS



Source: Mintel GNPD

VANILLA, PLEASE!

Popular traditional ice cream flavors are vanilla, chocolate and strawberry, but some new favorites are also starting to emerge, including twists on old favorites. The classics are often paired with other dessert flavors and tasty sweets to create an even richer flavor. In addition, health-focused consumers can find fruit and vegetable flavors infused into favorite ice creams. Coffee and tea inspiration is finding a home as well, with flavors like cappuccino and rooibos icing out some competition.

TOP GLOBAL ICE CREAM & FROZEN DESSERT FLAVORS

- Cappuccino
- Toasted
- Rooibos Tea
- Mocha
- Punch
- Cocoa
- Tropical



COLD TREATS FOR THE HEALTH FOCUSED

Our research shows that health and wellness is driving nearly all consumer segments. But quite often consumers want to be able to have their cake (or ice cream) and eat it too! Consumers are looking to satisfy their sweet tooth with healthier indulgences without having to worry about their waistline. Related to these needs are allergen concerns. In early 2016, Ben & Jerry's released a new line of dairy-free ice cream. Instead of being made with cow's milk, these ice creams are made with almond milk and are certified organic and non-GMO. They offer several indulgent flavors top off their health claims like coffee caramel fudge and P.B. & Cookies.

PRODUCTS OF NOTE

Phin and Phebes Toasted Green Tea Ice Cream with hints of Organic Toasted Brown Rice

- GMO and Preservative Free
- Also comes in dark chocolate salted caramel flavor
- 120 calories and 4g of protein



Saint Benoit Creamery Strawberry Organic Ice Milk

- Crafted from organic milk
- Does not contain added cream and is low in fat, but high in flavor



Three Little Birds Peanut Buttercups All Natural Non-Dairy Frozen Dessert

- A rich peanut butter frozen dessert with peanut butter cup pieces
- Handmade in small batches in New York City from all organic ingredients and is suitable vegan



Summer Meets Bright, Succulent Fruit

In many upscale restaurants around the country, we are seeing beautiful fruits take the dessert menu by storm. The fruits bring color and flavor to otherwise routine desserts. The Hairy Lobster in Portland, Oregon features a strawberry consommé poured tableside over a strawberry fancier with strong vanilla roots.

Source: Nations Restaurant News

35%

ARE BUYING NON-DAIRY
FROZEN ITEMS FOR VARIETY

26%

ARE CHOOSING NON-DAIRY
BECAUSE THEY BELIEVE
IT IS HEALTHIER

A TASTE OF ITALY

When reaching for a bowl of this Italian inspired treat, nutrition is not the number one priority. Gelato sales are projected to reach new heights in 2016 with consumers more interested than ever in this indulgent treat. As a high calorie/ high in fat product, consumers are willing to sacrifice health priorities to get their hands on a little taste of traditional Italian treats. According to Mintel, 39% of consumers surveyed in 2015 report to purchasing gelato as compared to 23% purchasing it in 2014. Typically, a higher price point, people are very willing to pay premium pricing when it comes to this treat, creating opportunities for more premium product lines.

PRODUCTS OF NOTE

Open Nature Salted Caramel Gelato

- This gelato is non-GMO, and free from artificial flavors, colors and preservatives
- Also comes in 4 other fresh flavors such as pistachio, café latte and white chocolate raspberry



Talenti Black Raspberry Chocolate Chip Gelato

- Suitable for vegetarians and contains no gluten, high-fructose corn syrup or hormones and is kosher certified.
- Also available in 36 other flavors, there will never be a lack of variety with this gelato.



Divino Black Diamond Plum Gelato-Filled Fruit Dessert

- A plum fruit shell filled with gelato made from the pulp of its own fruit with a natural, fresh and intense flavor delivered from Southern Italy
- This all natural product is perfect for vegetarians and does not contain GMOs, gluten, artificial colors, flavors or preservatives



37%

OF MILLENNIALS PREFER
PURCHASING GELATO OVER
REGULAR ICE CREAM



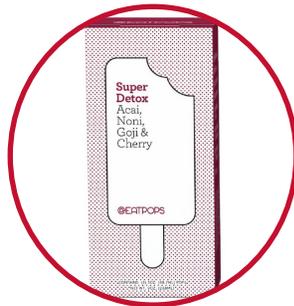
FROZEN TREATS ON A STICK

Frozen popsicles aren't what they used to be. The popsicle market is taking a shift from traditional fruit inspired popsicles to more adult-targeted products. Appealing to adults through flavor innovation can boost the perception of quality and negate the perception of the category being for kids. We are seeing this throughout frozen desserts by using more complex, premium flavors and upscale applications and packaging.

PRODUCTS OF NOTE

Eatpops Super Detox with Acai, Noni, Goji & Cherry

- 70 calories per pop and made with fresh fruit
- Also comes in 7 other fresh flavors such as Restore, Cleanse and Activate



Goodpops Hibiscus Mint

- Only 40 calories per pop and contain no sugar, artificial flavors or high fructose corn syrup
- Also available in 38 other flavors such as watermelon agave and coconut lime



Deebee's Organic TeaPops Pink Lemonade

- Made with hibiscus tea and are certified organic with only 40 calories in each pop
- This vegan-suitable product is free from artificial sweeteners, gluten, caffeine, refined sugar and GMOs



Spotlight on Pops

An article featuring adult popsicles was recently spotted June 2016 in the Chicago Tribune. They bring to attention how our favorite traditional frozen sweet treats are transforming into innovative new treats, some even with hints of your favorite alcoholic beverage. They feature three different recipes that show just how much you can do with a popsicle. The first being watermelon-basil-tequila popsicles featuring the tequila of your choice. The second being a mango-coconut-chile creamsicles that feature fresh coconut milk and lastly a Mexican dark chocolate popsicle with almond milk and Mexican dark chocolate.

Source: Chicago Tribune



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

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Nation's Restaurant News

Chicago Tribune