



2021 TREND INSIGHT

The Opportunity in Plant-Based

Plant foods may have been a part of fad diets over the years, from cabbage soup to all-day grapefruit to tofu, but today's plant-based offerings have become a part of the natural landscape rather than a short-term trend. And with a heightened consumer interest in health-focused and sustainable products, plant-based offerings are primed for growth. In fact, SPINS reports that the total plant-based market is growing 29% year over year, nearly twice the rate of the overall food and beverage market. For plant-based products to truly bloom in today's market, though, they also have to meet consumer expectations for flavor and taste. Let's take a look and see how you can grow your brand with plant-based offerings.

EXPANDING ROOTS

It wasn't that long ago when "Eat your vegetables!" was an admonishment to children at the dinner table. Thanks to changes in mindsets and the availability of a wider variety of plant-based foods – many of which are flavored or seasoned – consumers across the board are enthusiastically downing products made with vegetables, fruits, legumes, seeds, nuts, oils and botanicals.

TOP FLAVORS - GLOBAL

In past three years with Plant-Based claim

- Chocolate
- Vanilla/Vanilla Bourbon/Vanilla Madagascar
- Cocoa/Cacao
- Coconut
- Vegetable



PLANT-BASED POWER

- The plant-based food market is valued at \$5 billion, according to data from the Plant Based Foods Association and Good Food Institute.
- The number of Americans following plant-based diets has surged 300% in the last 15 years, per Vegan News.
- Y-Pulse research found that 47% of 13 to 39-year-olds say they drink plant-based beverages and/or eat plant-based meat regularly.
- Two-thirds of Gen Xers are familiar with plant-based diets, but that figure is less than the 73% average for the overall population, the International Food Information Council reveals.



Plant-based diets might not be new, but you couldn't tell that from looking at store shelves. Over the last few years, innovation and customer demand have moved the category beyond the longtime staples (i.e., plant-based meats and milk alternatives) and into a variety of 'new' plant-based offerings across the entire store."

- SPINS



Want to learn more on plant based?
Check out our previous reports here!

CULTIVATING GROWTH

Various factors are converging to supercharge the plant-based food and beverage market. COVID-19 accelerated what was already a notable change in eating, as people sought to improve their health and well-being by consuming more plant-based items perceived to be better for them. Beyond COVID-19, a general interest in health, weight management and disease prevention has impacted dietary choices across a range of foods and beverages. At the same time, concern for the well-being of the planet and its resources are propelling a shift to foods and beverages produced in a more sustainable way.

PANDEMIC IMPACT:

- Since the pandemic began, 39% of consumers in the U.S. have considered going vegetarian or vegan. 20% cite health concerns as the primary driver for their choices.
- 41% of self-described dieters said they boosted their intake of protein from plant sources in the past year and 28% report that they are eating more plant-based alternatives.
- Older consumers including Baby Boomers tend to be more influenced by health when buying plant-based foods, while Millennials and Gen Z consumers are motivated by animal welfare and environmental impact, according to the Plant Based Foods Association.



THE TASTE TEST:

Although people are adding more plants to their diet for many reasons, taste remains the most important factor for the majority of consumers when choosing what to eat or drink, a recent Mintel report confirmed.

ALTERNATIVES ROCK



Products that mimic traditional animal-based foods comprise a large part of the plant-based market. Some of these products are developed to taste and function like the next best thing, while others are part of a new, distinct niche.

Meat/Poultry/Seafood Alternatives: While veggie burgers have gone mainstream, other types of alt-meat, poultry and seafood products are taking off among flexitarian and omnivores as well as vegans, vegetarians and pescatarians, formulated with various plant-based proteins, legumes, nuts and oils.

- Sales of alternative meats grew 129% from September 2019 to September 2020, according to data from Nielsen.
- 51% of consumers say they would like to see more variety in protein sources for plant-based meat alternatives, Mintel reports.

Dairy Alternatives: In many ways, plant-based dairy products got the ball rolling for the broader plant-based sector. Plant-based milks made from coconut, almonds, oats, quinoa and more have transformed the fluid milk category. The dairy market is also making room for plant-based creamers, yogurts, butters, ice creams and cheeses. Flavor is a hallmark of many alt-dairy products, which are enhanced with vanilla, fruit and/or spices like cinnamon and pumpkin spice for extra consumer appeal.

- Mintel reports that 4 in 10 adults in the U.S. live in a household in which someone regularly consumes plant-based dairy alternatives.
- By the end of 2019, plant-based alternatives comprised 14% of the entire milk market, growing 5% a year compared to the flat rate of cow's milk, according to the Plant Based Foods Association.



“Mimicking dairy is not a good enough strategy anymore. Drinks should communicate more on what plant-based milks bring to their products in terms of taste and texture. For example, Starbucks highlights its coffee is paired with “smooth, creamy coconut”

- MINTEL



ALTERNATIVES ROCK, continued

Egg Alternatives: Interest in plant-based eating is driving the development of new egg substitute products that mimic the unique sensory qualities of real eggs through bases like mung bean protein, chickpea water and quillaia extracts. In fact, plant-based dairy and eggs sales are ringing up about \$4.3 billion, by Packaged Facts' estimates.

But Wait, There's More: Plant-based alternatives are taking the place of grain ingredients in a number of products. Pizzas with cauliflower crusts are just one example, as the market opens for products like plant-based pastas and flours.

FLAVOR FACTOR:

Flavor is crucial in the acceptance and future success of plant-based alternatives, both in masking earthy or grassy or other potentially off-putting notes and delivering sensory interest to plant foods that otherwise lack flavor. Flavor can be a differentiator for brands that get it right and offer more choices.

It's also important for producers of plant-based alternatives to balance flavor with texture, color and aroma, which work in sync to provide a satisfactory eating or drinking experience.

PRODUCTS OF NOTE



SWEET EARTH BUTTER CHIK'N is a microwavable, non-GMO classic Indian meal made with plant-based Mindful Chick'n, chickpeas, coconut milk, carrots, peas and vegetable base in a mildly spicy buttery tomato sauce.

40% of consumers responded that they likely or definitely would buy this product.



FIELD ROAST MEAT & CHEESE CO MUSHROOM & BALSAMIC PLANT-BASED DELI SLICES have been relaunched with a new formula and a new brand name. This ready-to-eat product is said to be crafted with balsamic vinegar, shiitake and porcini mushrooms and can be prepared hot.

30% of consumers responded that they likely or definitely would buy this product.



LOMA LINDA TUNO LEMON PEPPER SUSTAINABLE PLANT-BASED PROTEIN is a sustainable protein rich plant-based seafood alternative that contains added natural sea salt and is free from gluten, GMO, trans fat, cholesterol and artificial preservatives.

19% of consumers responded that they likely or definitely would buy this product.



MIYOKO'S CREAMERY AGED SHARP ENGLISH FARMHOUSE CASHEW MILK CHEESE is a USDA organic certified, artisan, 100% vegan product that is plant-based certified. Described as mature and robust, the traditionally cultured cashew milk cheese is free from gluten.

25% of consumers responded that they likely or definitely would buy this product.

NATURAL NOSHING



Snacks represent another branch of the plant-based market, with an array of products from big food corporations and small entrepreneurial brands alike. Many forms of plants are being fashioned into snacks that encompass salty and sweet and that

can be consumed as a treat, between-meal sustenance or meal replacement. From lentil chips to mushroom or fruit-based jerky to avocado ice cream, these products run the proverbial gamut and are bases for a wide variety of flavor additions.

“Consumers see plant-based alternatives as healthier options to their traditional counterparts. Plant-based beverages and foods are growing and gaining loyalty. These products still represent a small share in the categories in which they compete, but do give consumers more options to consider.”

-THE NDP GROUP

PRODUCTS OF NOTE



HARVEST SNAPS CRUNCHIONS TANGY SWEET CHILI FLAVORED RED LENTIL SNACK CRISPS are made with real vegetables and are baked instead of fried and free from GMOs, gluten, artificial colors and flavors.

46% of consumers responded that they likely or definitely would buy this product.



FIT JOY GRAIN FREE PRETZEL TWISTS WITH HATCH CHILE LIME are made with flour from cassava, which is claimed to be a root vegetable with a variety of natural health benefits, and a gut-friendly alternative to traditional flour.



FOREAL FOODS CHILI LIME COCONUT JERKY is a 100% plant-based meaty vegan snack made with upcycled, young, Thai Nom-Hom coconut. The paleo- and keto-friendly product is free from soy, gluten and added sugars.

29% of consumers responded that they likely or definitely would buy this product.



BLUE MARBLE VEGAN RED RASPBERRY CHOCOLATE CHIP NON-DAIRY FROZEN DESSERT comprises raspberries speckled with dark chocolate chips made with cocoa from the farmer-owned Conacado Cooperative. It is made with responsibly-sourced ingredients, organic coconut from Sri Lanka, and sustainably harvested sugar from Brazil.

25% of consumers responded that they likely or definitely would buy this product.

THE BRIGHT SIDE

Fruits, vegetables and legumes have long been consumed as an accompaniment of some kind. As interest in eating more plant-based food grows, such side dishes are becoming more inventive, using different or unique ingredients, including produce that's novel to consumers in the U.S. market, like jackfruit, yuzu, reishi mushrooms or rainbow carrots.

CONSUMERS ARE ALL IN:

Even with strong demand for alternatives to animal-based foods, today's plant-based eating is increasingly about amplifying flavor, beyond mere replacements. Brands should keep in mind that consumers are not only comfortable with omnivore diets, but often prefer them.

- 40% of households consume both plant-based and cow's milk. - Nielsen & Plant-Based Food Association
- 90% of consumers who buy plant-based meats also buy animal meats. - NDP Group

Blended products made with a combination of plant and animal ingredients, along with other seasonings and flavors, may appeal to omnivores who want to add more plant foods to their diet but don't necessarily want to sacrifice animal proteins.

PRODUCTS OF NOTE



TRADER JOE'S VEGAN TACO SALAD KIT is described as a complete salad kit containing chipotle seitan, pico de gallo, purple tortilla chips and a spicy jalapeño ranch style dressing.

39% of consumers responded that they likely or definitely would buy this product.

Photo Source: Trader Joe's



JOOLIES CALIFORNIA SUPERFRUIT ORGANIC PITTED MEDJOOOL DATES are fresh and never dried and available in a recyclable pack containing three dates. The halal, kosher and USDA organic certified product is described as raw, is a source of fiber, is suitable for vegans and is free from gluten.

20% of consumers responded that they likely or definitely would buy this product..



SUPERFOODS AS THE SUPERSTAR

Sure, some plant-based items are creative takes on traditional dishes (think plant-based pizzas, mac-and-cheese and even cauliflower “steak”) but plants are increasingly the main attraction. The field of possibilities for plant-centric fare is wide open, as are the opportunities to impart flavor to such dishes and products. Flavor, through sauces and seasonings, is crucial with products that may not be as familiar to consumers as meat-based entrees.

PRODUCTS OF NOTE



EVOL. PLANT-BASED VEGGIE BURRITO BOWL is made with sweet potatoes with black beans, red and yellow bell peppers, jalapeno peppers and red onions over a bed of riced cauliflower, covered in a zesty tomatillo verde sauce topped with pepitas.

26% of consumers responded that they likely or definitely would buy this product.



WORTHY SUPERFOOD BLENDIE BOWL VANILLA ORANGE VEGGIES, FRUITS, LEGUMES & CHIA BOWL comprises cauliflower, broccoli, sweet potato, legumes, chia and banana. The kosher-certified plant-based product provides two servings of vegetables and fruits, 8g of protein, 8g of fiber, 1598mg of omega 3 and 526mg of omega 6.

15% of consumers responded that they likely or definitely would buy this product.



THE TAKEAWAYS

As the plant-based market mushrooms in size and scale (pun intended), consumers' desire to eat more plant-based foods will continue to impact virtually every food and drink category. While alternatives to animal-based products currently represent a small share of those sectors, the rate of growth is strong and one can expect more product development to meet the tastes of today's and tomorrow's omnivores. And as fruits, vegetables, nuts, legumes and other plant-based foods become the focal point of product development on their own, the field of possibilities for flavor is wide open.

YOU DESERVE MORE. LET'S GET STARTED.

What does true partnership look like? You deserve a flavor partner ready to turn these trends into the tangible.

Let FONA's market insight and research experts get to work for you. Translate these trends into bold new ideas for your brand. Increase market share and get to your "what's next." Our technical 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. Let's mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

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SOURCES

- FoodDive
- Forbes
- International Food Information Council
- Mintel
- Nielsen
- The NPD Group
- Plant Based Foods Association
- SPINS
- The Telegraph
- Vegan News
- Y-Pulse

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