

What's NEXT?

Product Trends & Innovations Driving Health & Wellness Growth

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NEXT Data & Insights



Our Changing Food, CPG, and Retail Landscape



Concept Lab uses prediction markets to foresee product success

Sample a representative population of US (1,000 interviews)

Test client concepts, plus benchmark concepts – often on shelf products

Profile consumers into New Hope Consumer segments

Assess Cultural Relevance leveraging “Wisdom of the Crowds” to make predictions of the success of concepts in market

Assess Personal Relevance by asking consumers if they themselves would buy a product (purchase intent)

For individual products, we use benchmarks to assess relative performance

Five consumer segments



#YOUNG4EVER



Consumers in this segment take more aggressive action because they are young. These consumers are more brand switchers and are more price focused.



- 23% of population
- 50% single



LIFE TASTES GOOD



Live for today—that and taste are what motivate these consumers, who understand nutrition and health concerns but prioritize enjoying life and friends. These relaxed and relatively healthy consumers cook at home, are satisfied with current brands and eschew natural foods.



• 17%

CHIEF HEALTH OFFICERS



18-34



4 OUT OF 5 DOCTORS



Made up of mostly older consumers, this segment listens to doctors and actively follows traditional health and wellness advice. These shoppers are less likely to try new things because they are happy with current choices. They purchase less natural and organic because of price.



- 22% of population
- 57% female
- 52% age 55+
- 66% married
- 23% with kids -18

GUILTY AND DEFEATED

These time-strapped consumers want to be healthy but don't actively pursue health and wellness. They feel guilty about this but cannot take control of their diets. The result is low-energy, stressed out shoppers (many with young kids) who seek out convenience and focus on price.



- 18% of population
- 60% female
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New Hope
NETWORK

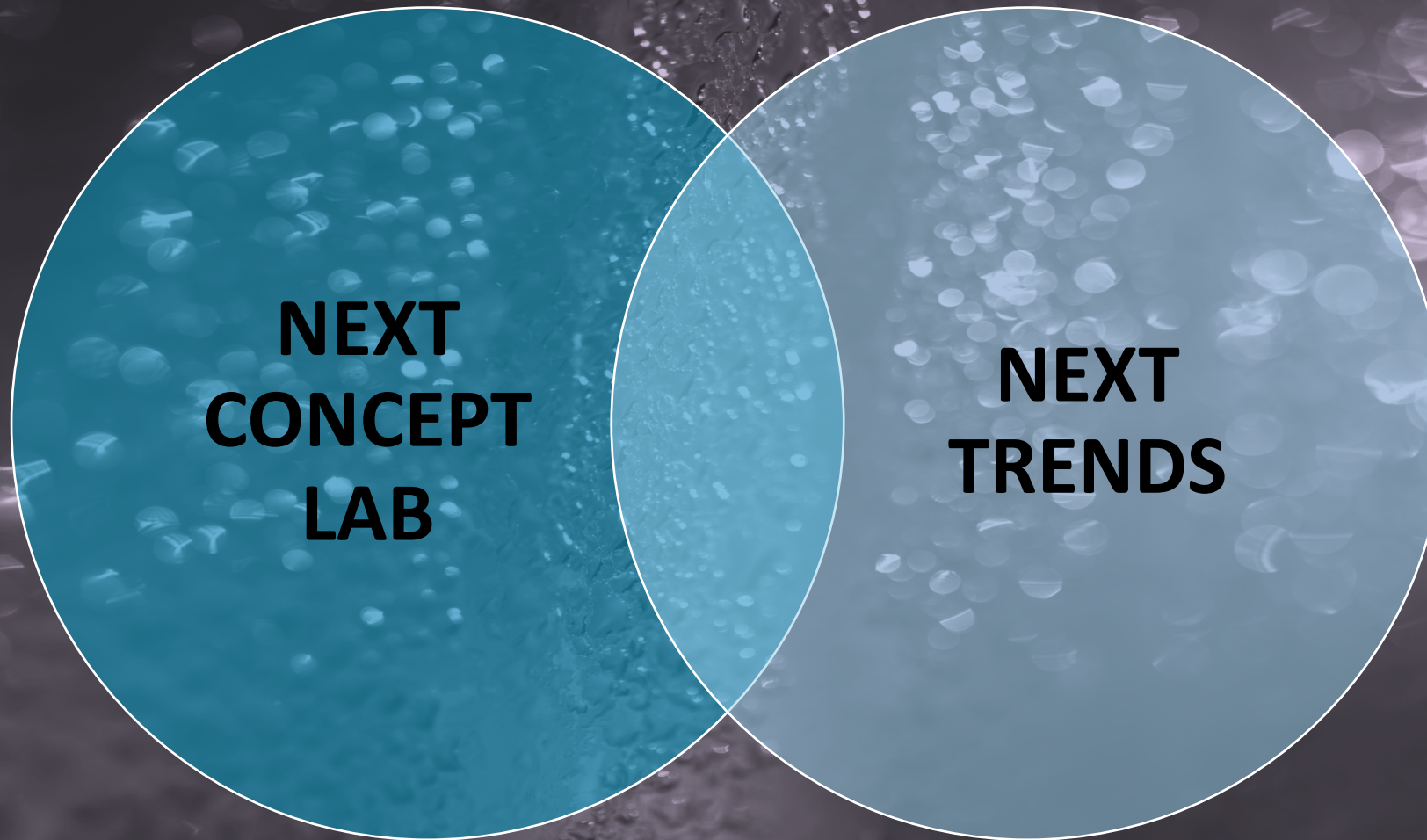
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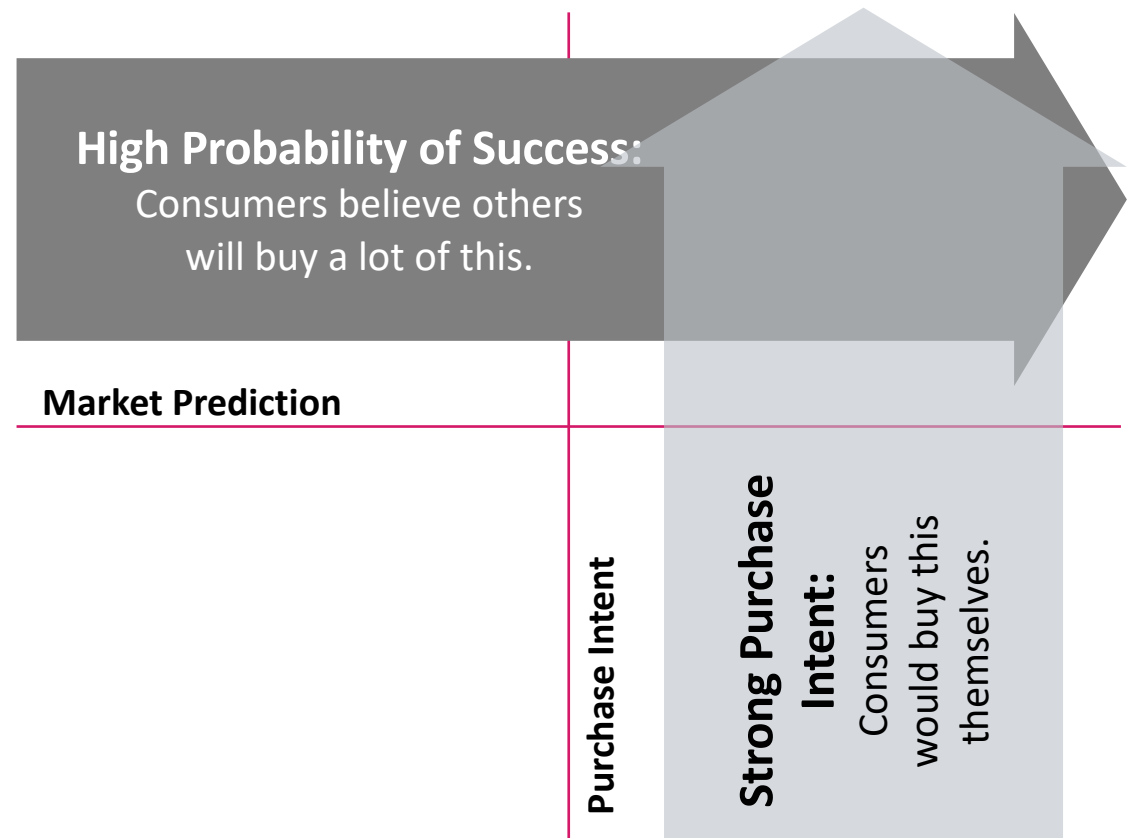
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We overlaid two tools



Which trends rose to the top in a conceptual marketplace?

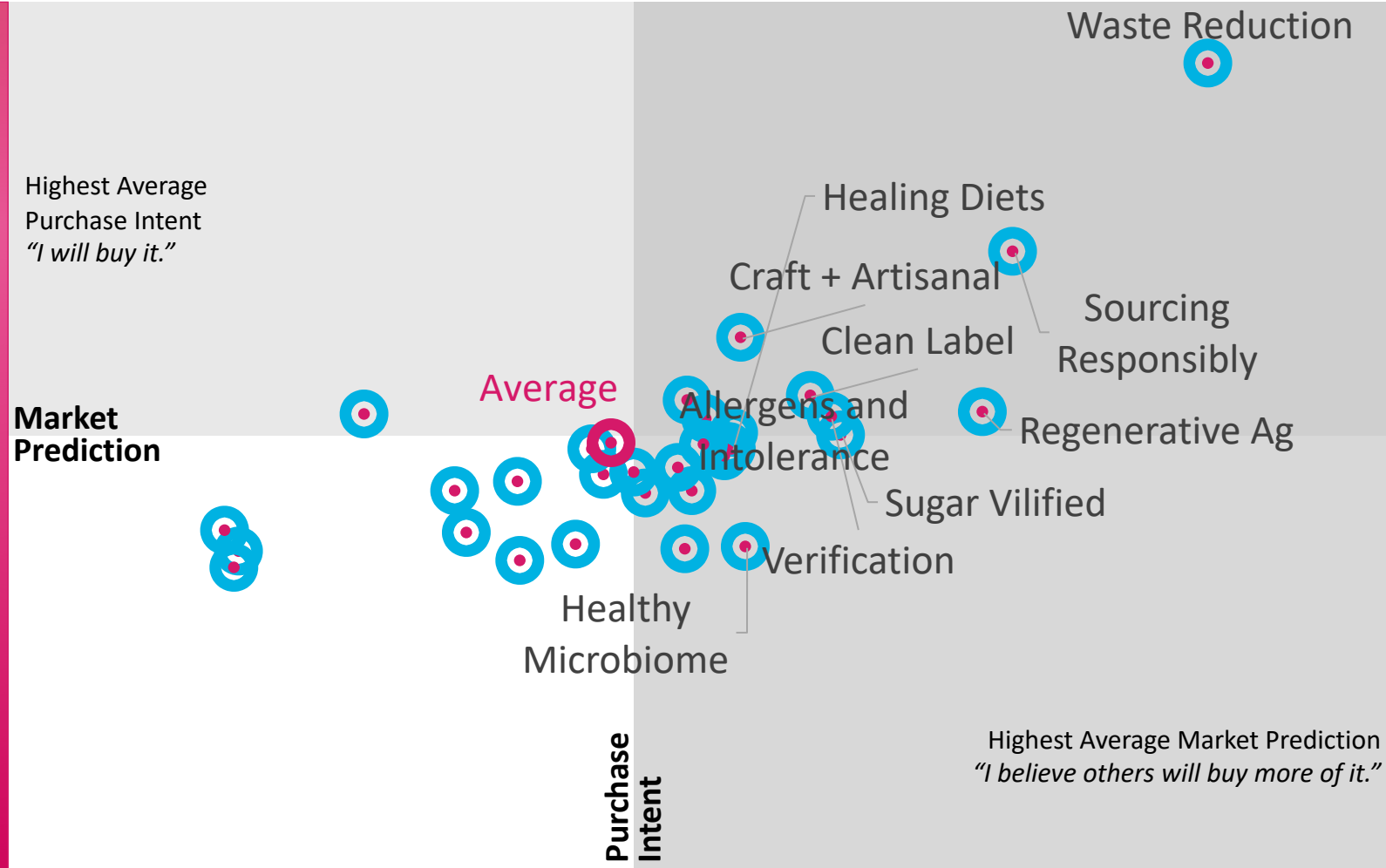
We coded our database of 1500 product concepts by trend to determine which trends garnered the highest cultural relevance and purchase intent.



For benchmarking purposes the bottom 5% of all concepts were treated as outliers and were removed from our analysis and averages.

The leading trends are...

1. Waste Reduction
2. Sourcing Responsibly
3. Regenerative Agriculture
4. Sugar Vilified
5. Verification
6. Clean Label
7. Healthy Microbiome
8. Craft & Artisanal
9. Allergens and Intolerance
10. Healing Diets



1. Material Optimization/Waste Reduction

Brands are adopting reduce, reuse, recycle principles to their business models resulting in crafty solutions to eke out the most value from ingredients and materials.

PUKKA



Trend: Waste Reduction
Innovation: Agroforestry, milling waste turned compost

ICEAGE



Trend: Waste Reduction
Innovation: Zero waste to landfill facility

U KONSERVE



Trend: Waste Reduction
Innovation: Reusable storage, utensils

REGRAINED



Trend: Waste Reduction
Innovation: Rescues grain used in beer brewing

2. Inventive Business Models/Sourcing Responsibly

In the quest to win on value it seems that our industrialized food system placed too much emphasis on cost and convenience to the detriment of “values” and respect for our sourcing partners.

WELEDA



Trend: Sourcing Responsibly
Innovation: Fair trade,
Biodynamic, organic gardens

TRES PONTAS



Trend: Sourcing Responsibly
Innovation: Small farms, QR Code
traceability

GOOD CITIZENS



Trend: Sourcing Responsibly
Innovation: Local/Transparent

Madecasse



Trend: Sourcing Responsibly
Innovation: Direct Trade,
manufacturing in Madagascar

3. Agricultural Commitments/Regenerative Agriculture

Enthusiasts around regenerative agriculture claim this is a solution that rebuilds, repairs, and replenishes our natural resources through ecological practices that go beyond curtailing certain behaviors and practices to prevent further loss. We need to do more and rebuild the natural environment that has been lost.

APPLEGATE FARMS



*Trend: Regenerative Agriculture
Innovation: Humane animal treatment, soil health*

COCONUT COLLABORATIVE



*Trend: Regenerative Agriculture
Innovation: Agroforestry*

RE: BOTANICALS



*Trend: Regenerative Agriculture
Innovation: Regenerative with Hemp*

LOVING EARTH



*Trend: Regenerative Agriculture
Innovation: Regenerative Chocolate*

4. The World is Fat/Sugar Vilified

The industry is fractured on how to deal with the negative turmoil surrounding sugar as the number one public health villain. Experimentation is multipronged from low glycemic food-based sweeteners, to zero calorie alternatives, to redefining sweet, or making room for savory in traditionally sweet foods.

CALI'FLOUR FOODS



Trend: Sugar Vilified
Innovation: No sugar added

PICNIK



Trend: Sugar Vilified
Innovation: Maple Syrup Sweetened

DANG



Trend: Sugar Vilified
Innovation: Stevia

TRUE MADE FOODS



Trend: Sugar Vilified
Innovation: Naturally Sweetened

5. Earning Consumer Trust/Verification

With so many options in today's marketplace, slapping on a claim isn't enough. Certification or verification from reputable 3rd parties strengthen the integrity of a brand's commitment.

LOVE THE WILD



Trend: Verification
Innovation: Aquaculture, ASC

MADE OF



Trend: Verification
Innovation: B Corp, Certifications and Labels

REBBL



Trend: Verification
Innovation: Organic, ethically sourced, soy free, dairy free

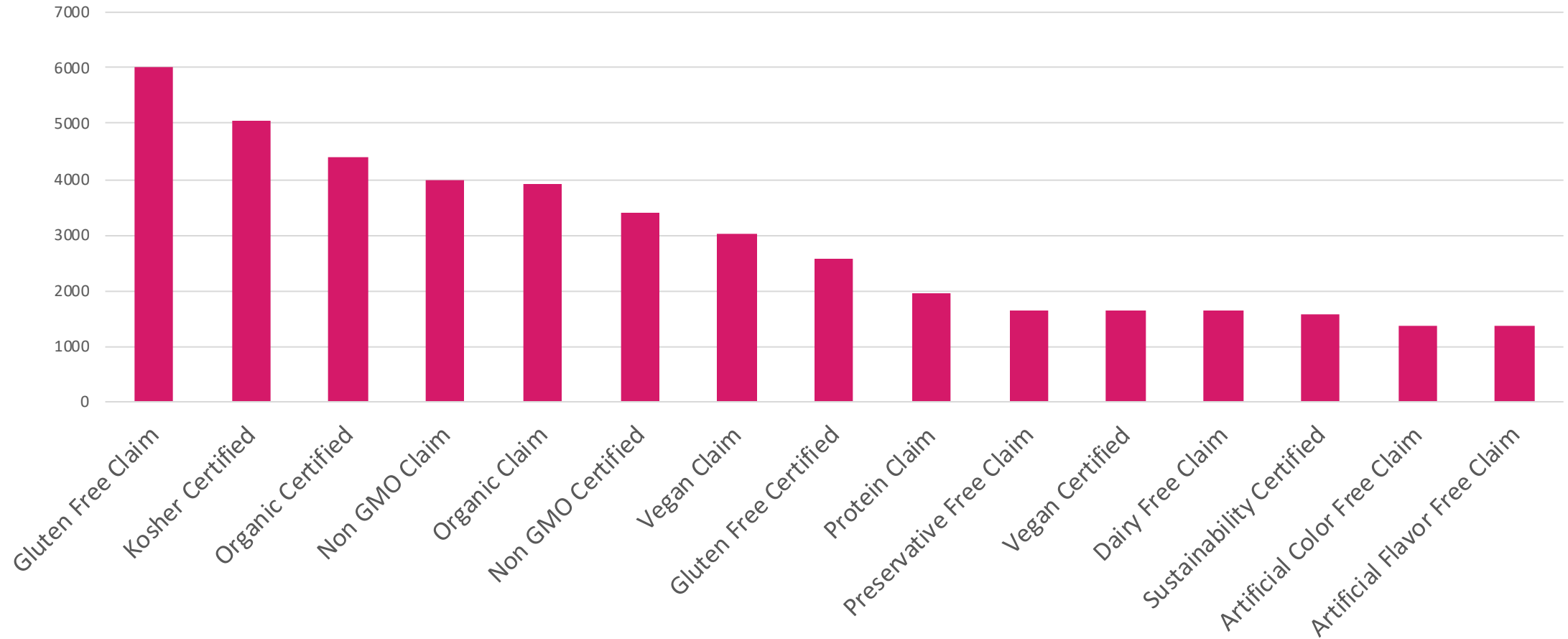
ONCE UPON A FARM



Trend: Verification
Innovation: Cold Press Protected, Terracycle, BPA Free...

Top 15 Certifications & Claims 2018 EXPO West

Incidence of Claim Usage on Products Exhibited at Expo West 2018
Source: NEXT Trend Database



6. Earning Consumer Trust/Clean Label

Additional efforts to win back consumer trust is to be transparent, forthright about your ingredients as well as a short ingredient list.

EARTH ORGANIC CO.



*Trend: Clean Label
Innovation: Minimal and simple
ingredient list*

NO EVIL



*Trend: Clean Label
Innovation: Meat substitute with
few ingredients*

MINSLEY



*Trend: Clean Label
Innovation: obscure blend of
ancient grains*

7. A Life of Vitality/Healthy Microbiome

Our understanding of the health impacts associated with the makeup of a person's microbiome are expanding far beyond traditional gut health and immunity-boosting properties. In fact, it may well turn out that almost every function in our body is modulated by gut bacteria.

Gutzy Organics



*Trend: Microbiome
Innovation: Prebiotic squeezzy
pouch*

Motherdirt



*Trend: Microbiome
Innovation: external biome
management*

Fermenting Fairy



*Trend: Digestive Health
Innovation: Fermentation /
Microbiome*

8. Craft + Artisanal

Brands respond to trends in resurrecting ancient practices and DIY experimentation by creating products mirroring the art and craftsmanship instrumental to traditional methods. Innovators in this space meet the consumer's sense of pride and accomplishment when making something from scratch.

Van Leeuwen Ice Cream



Trend: Craft + Artisanal
Innovation: Handmade ice cream from scratch

Yooli



Trend: Craft + Artisanal
Innovation: Farmer's cheese bars

True Jerky



Trend: Digestive Health
Innovation: Jerky Trail Mix

9. Allergens & Intolerances

Food insensitivities have become pervasive and consumers are following diets that eliminate the primary culprit of many afflictions.

Tiger Butter



Allergens & Intolerances
Innovation: Root Vegetable Butter

Banza



Trend: Allergens & Intolerances
Innovation: Grain Free Pasta

No Cow



Trend: Allergens & Intolerances
Innovation: Dairy Free protein bar

10. Healing Diets

Alternative to the Optimized Diets Trend, consumers pursuing a Healing Diets Trend are motivated by health issues and finding diets that reduce triggers. This diet trend is usually positioned by brands as an antidote to reduce suffering or ailments caused by current food choices. Seek and follow these alternative diets to solve issues.

Greens Plus



Trend: Healing Diet
Innovation: Sea Vegetables and Probiotics for healthy immune system

Wildway Granola



Trend: Healing Diets
Innovation: Oat-free, no added sweeteners or oils

Rowdy Bar



Trend: Healing Diets
Innovation: Low-glycemic

Five consumer segments



#YOUNG4EVER



Consumers in this segment take more aggressive action because they are young. These consumers are more brand switchers and more price focused. They're also more racially diverse and focused on health and wellness.



- 23% of population
- 50% single



LIFE TASTES GOOD



Live for today—that and taste are what motivate these consumers, who understand nutrition and health concerns but prioritize enjoying life and friends. These relaxed and relatively healthy consumers cook at home, are satisfied with current brands and eschew natural foods.



• 17%

CHIEF HEALTH OFFICERS



• 18% age 18-34



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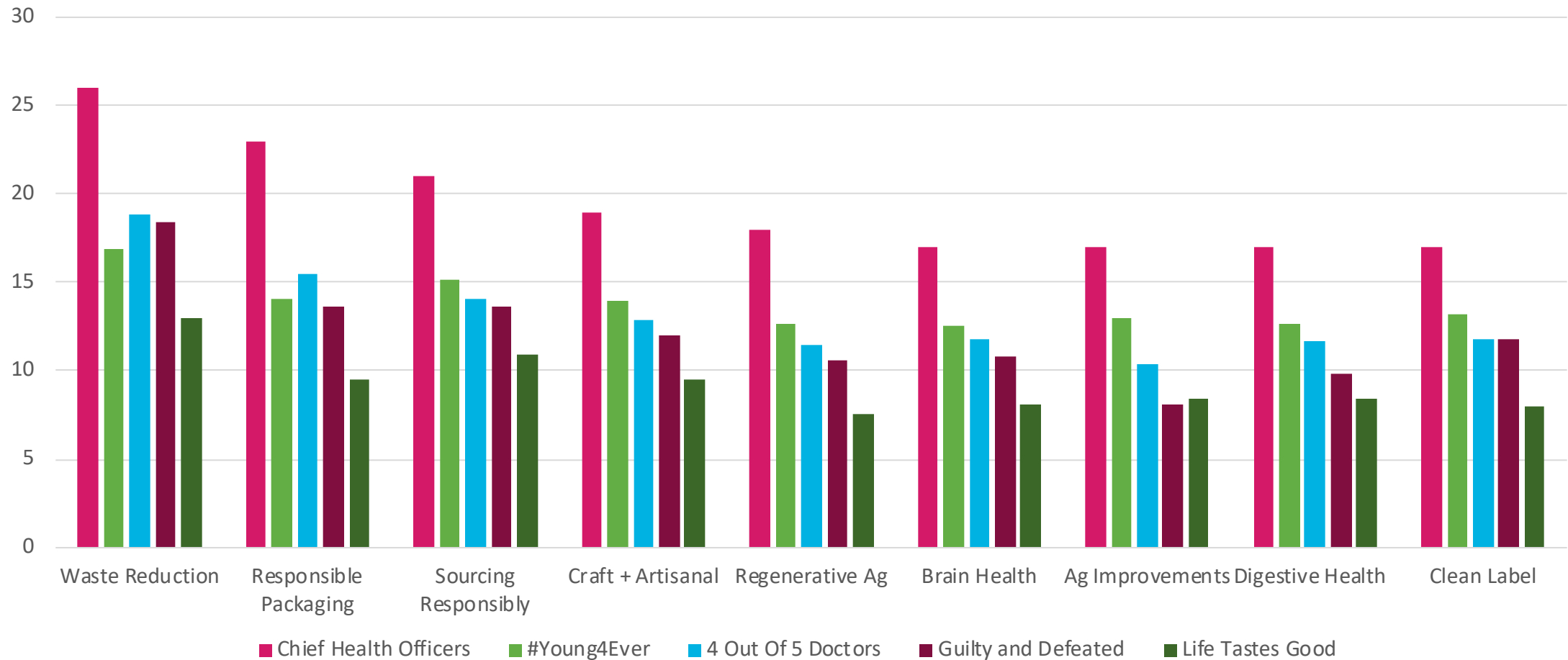
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Trends Appeal to Progressive & Mainstream Shoppers

Purchase intent amongst segments



The most different consumer segments agree on most things

Rank order

1. Waste reduction 👍
2. Sourcing responsibly 👍
3. Responsible meat and dairy 👍
4. Craft and artisanal 👍
5. Responsible packaging 🖐️





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- 17% of population
- 51% male
- 30% age 18-34
- 59% married
- 39% with kids -18

- Rank order
1. Waste reduction 👍
 2. Sourcing Responsibly 👍
 3. Responsible packaging 👍
 4. Craft and artisanal 👍
 5. Responsible meat and dairy 🖐️






#YOUNG4EVER



Consumers in this segment take more aggressive actions toward health and wellness because they want to stay feeling and looking young. These early adopters are impulsive brand switchers and not as concerned with price. They're also more likely to be younger, more racially diverse males who are more focused on themselves than on family.



- 23% of population
- 56% male
- 37% age 18-34
- 50% single
- 38% with kids -18

A woman with blonde hair, wearing a blue and white striped long-sleeved shirt and light-colored pants, is walking through a grocery store aisle. She is holding a shopping basket in her right hand and a brown paper bag in her left. The aisle is filled with shelves of various packaged food products, including boxes of cereal and bags of snacks. The lighting is bright, and the overall atmosphere is clean and organized.

Top trends driving innovation

- Waste Reduction
- Sourcing Responsibly
- Regenerative Agriculture
- Sugar Vilified
- Verification
- Clean Label
- Healthy Microbiome
- Craft & Artisanal
- Allergens and Intolerance
- Healing Diets



Conclusion

Waste reduction, sourcing responsibly and regenerative agriculture are the three most important trends that emerge from Concept Lab.

And surprisingly, these issues appear to be important to all consumer segments.

The implication is that we are all trying to move in the same direction, even if we're moving at different speeds.

We're looking to our industry to lead the way.

Thank you

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Appendix

Taxonomy 1

Holistic Health and Wellbeing

Plant-Wisdom	Eat More Plants
	Plant-based Ethics
	More Protein Please
Protein Power	Responsible Meat & Dairy Protein
	Plant Protein
	Time Honored Processing
Ancient Wisdom	Time Honored Heritage Ingredients
	Allergens and Intolerance
	Novel Alts
Discovering Ailment Triggers	Additives
	Contaminants
	Healthy Fats
The World is Fat	Sugar Vilified

Empowered Communities

	Responsible Packaging
Material Optimization	Waste Reduction
	Efficient Ingredients/Materials
	Mission-Driven Commerce
Inventive Business Models	Multi Stakeholder/Multi Bottom Lines
	Sourcing Responsibly
	Organic
Agricultural Commitments	Regenerative Ag
	Ag Improvements
	Waste Becomes Fuel
Energy Commitments	Transportation Efficiency
	Renewable Energy
	Employee Care
Social Impact Commitments	Social Sourcing
	Food Access
	Transparency
	Verification
Earning Consumer Trust	Traceability
	Clean Label

Taxonomy 2

Modern Life

Modern Conditions

Quest for Rest

Brain Health

Eye Health

Digestive Health

Inflammation

Immunity Trend

Modern Life

A Life of Vitality

Coping with Chaos

Experiential Experimentation

The Power of Science

Healthy Microbiome

Optimized Diets

Healing Diets

Endocannabinoid System

Nutrition Meets Convenience

Convenience

Meal Kit

Flavor Adventuring

Craft + Artisanal

Texture, Format & Novel Experiences

Purposeful Tech

Science First

Personalization