

# TRENDS REPORT:

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6 MACRO NUTRITION TRENDS  
THAT WILL DOMINATE IN 2019

# BIORIGINAL TOP TRENDS FOR 2019

The key to success is being able to accurately understand and respond to what your customers need. Our 2019 trends report is developed to provide specific insight into your chosen target markets and looks broadly across the industries we serve. The following six trends (plus a bonus) for 2019 will help you focus your strategic planning for the year ahead.



## SPECIFIC SUSTAINABILITY

trend 1

We see this evolve every year, but in 2019 we expect to see customers actively look for brands that are explicit in how they approach sustainability. This means companies can no longer say that ingredients are “sustainably sourced,” and now have to be specific in what they mean.



Nielsen reports that in 2018 phrases such as “grass-fed,” “free-range,” and “b-corporation” grew in popularity while vague terms such as “farm-raised” shrank in favor. Similarly, sales for “natural” beauty products dropped by 1.2 percent between 2017 and 2016, where “paraben-free” cosmetics grew by 2.3 percent.<sup>1</sup>

When making sustainability claims of any kind, it’s also important to remember there are segments of consumers for which this is not a priority. Nielsen reports that 38 percent of boomers and 34 percent of Gen Xers do not find it important that companies implement programs to improve the environment.<sup>1</sup>

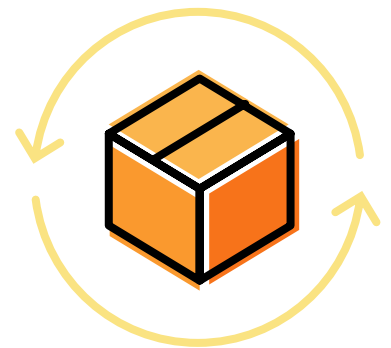
Along with specific phrasing, we believe that in 2019 we will see an increase of:

- Certifications that reference specific activities, ingredients and business practices
- Products that feature personalized sustainability

## ACCELERATED PRODUCT LIFECYCLE

trend 2

In 2014, CPG giant Unilever launched its Unilever Foundry, a branch of the company that focuses on tech collaboration and innovation. Promoted as an accessible option for startups to gain access to one of the world’s largest advertisers, the Unilever Foundry allows the company to be on top of the latest and greatest in new products and product developments. Recognizing the value these investments can create, many of the world’s largest CPG companies quickly followed suit. General Mills launched 301 Inc. in 2015, while Campbell’s Soup started Acre Venture Partners and Kellogg launched eighteen94 capital in 2016. Since then, Cargill, Kraft Heinz and The Vitamin Shoppe have all started their own VC funds or partnerships.



The resulting trend is an accelerated product lifecycle, with products getting to mainstream faster than ever before. In a presentation at the NOSH Live Winter 2018, Senior Executives from SPINS and IRI highlighted this accelerated product lifestyle, saying that “it’s hard for a mass market brand to create a craft approach.”<sup>2</sup> But this craft approach, with increased choice and personalization, is exactly what consumers are looking for and why we believe this will be one of the biggest trends in the industry in 2019.

# MENTAL HEALTH

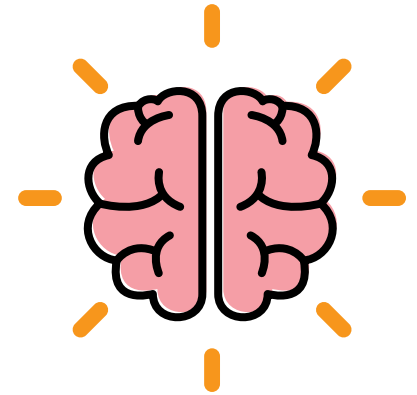
# trend 3

Celebrities, athletes, major companies and even politicians have all pushed for less stigmatization towards talking about mental health. And now, more than ever before, consumers are including their mental health as part of a healthy lifestyle.

Mental health is linked to a variety of health issues from sleep and relaxation to depression and the relationship between the gut and the brain; taking care of our mental health is a big deal for consumers.

The Alzheimer’s Association reports that between 2000 and 2015, deaths from heart disease decreased 11 percent while deaths from Alzheimer’s disease have increased 123 percent.<sup>3</sup> This results in people looking for natural solutions to combat the possibility of getting mental health disease later in life – some perhaps as they witness their own parents or grandparents struggle with these diseases.

The result, is a growing consumer base looking to enhance their mental health with natural solutions such as nootropics, dietary supplements that are known to support mental performance or dual-power probiotics.



# TROUBLE WITH TRADE ISSUES

# trend 4

In September 2018 President Trump’s tariffs on Chinese products went into effect, with troublesome results for companies dependent on imported goods from the Asian country. In some cases, this has highlighted the impact that shortages or extended delays in imports of vital ingredients can have in forcing manufacturers to find alternative supply sources. The graph below from Panjiva shows how products imported to the US with an HS code that contains 20, and shipment origin is China or Hong Kong, shows a massive decline in early 2019.<sup>4</sup>

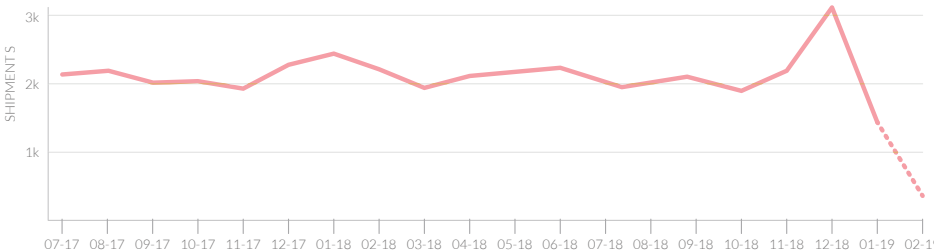
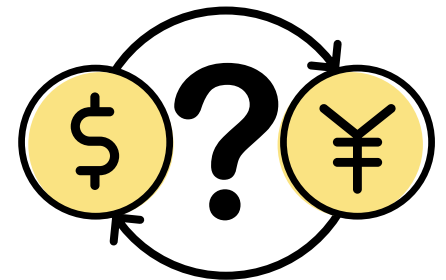


Chart 1: Panjiva product imports to the US

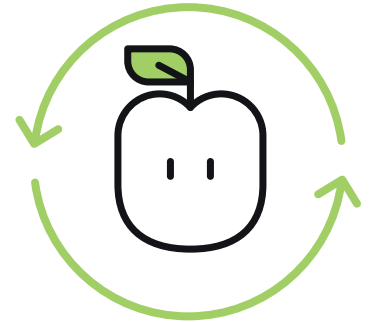
In some cases, manufactures may be able to switch to producing ingredients more domestically, but often that is not a viable solution. Many raw ingredients require very specific growing seasons, soil conditions and weather patterns that cannot be easily reproduced in a cost-effective way. This does, however, open the door for some potential advantages between import and trade between the US and Canada.

## SOCIAL FOOD HEROES

# trend 5

2019 is going to be the year more consumers than ever before make consumption choices based on how it will impact the world around them.

A Nielsen study reported that sales of plant-based foods grew by 20 percent in 2018 at a tune of \$3.3 billion (USD).<sup>5</sup> While the push-for plant-based foods is not necessarily new, this giant leap indicates a growing shift in preference for sustainability within the food and beverage industry.



The trend towards plant-based food and beverage illustrates how consumers are going to want to know if their chosen brands are involved in sustainable farming practices, are sourcing raw materials ethically and are looking for plant-based solutions over animal-based ones as something they can do to save the world. They are looking to support brands that can help them feel like they are doing their part to ensure the future of our planet is bright.

## PERSONALIZING DAILY ROUTINES

# trend 6

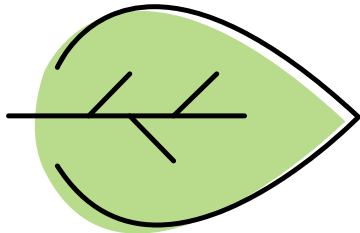
It's not news that consumers want convenience, and mail-order services have been around for a long, long time. So then, why are subscription boxes so popular right now? It likely has to do with an increased efficiency in ordering due to technological advances, but we believe it is likely because subscription services can be personalized to meet each consumers' unique needs.



And it's no different in the supplement industry. According to reports, companies such as Persona, a subscription service that offers daily vitamin packs tailored for each consumer, are forecasted to achieve 3,000% YOY growth in 2018.<sup>6</sup>

## A VARIETY OF PLANT-BASED OPTIONS

It's not necessarily new to the list, but it is something that goes along with the idea of being specific in your sustainability claims. More people are recognizing that plant-based is both better for the individual and better for the world, and as a result are looking to make some changes to their diet.



Recently, the Canadian Federal Government released an updated nutritional food guide, which advocates an increase in plant-based proteins as part of a balanced diet. Nielsen reports that in Canada, the sales of meat alternatives are up 19.2% for the year ending Jan. 5, 2019.<sup>7</sup> In the U.S., 39 percent of consumers say they are actively trying to incorporate more plant-based foods into their diets. However, the sales of traditional plant-based options such as tofu were down 1.3 percent indicating that consumers are looking for more choice of plant-based options in the grocery store.<sup>8</sup>

## LOOKING FORWARD...



If you're looking to incorporate these trends into your 2019 business plan, we are able to help you discover the product lines that will meet your customers' needs and improve their lives. If you'd like to learn more, feel free to contact your Bioriginal representative



# ABOUT BIORIGINAL

Bioriginal is a global leader in manufacturing natural nutritional foods, ingredients and supplements for food and beverage companies. Bioriginal has 25 years of global expertise with a wide portfolio including plant and marine-based oils, seeds & grains, protein products and botanical ingredients. Bioriginal has carved out a niche by scientifically combining ingredients from all over the world, directly from the source, to create innovative and efficacious solutions. Developing proprietary methods and systems, Bioriginal provides customized turnkey solutions for our customers that help them compete and win in a highly competitive space. Bioriginal is headquartered in Saskatoon, Canada with facilities throughout the USA and Europe. Bioriginal is the Human Nutrition Division of Cooke Inc., a 100% Canadian family-owned company.

For more information, please visit [www.bioriginal.com](http://www.bioriginal.com).

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