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FOOD & BEVERAGE INNNOVATION TRENDS 2024

10 IRRESTIBLE PRODUCTS TO KNOW

APRIL 2024



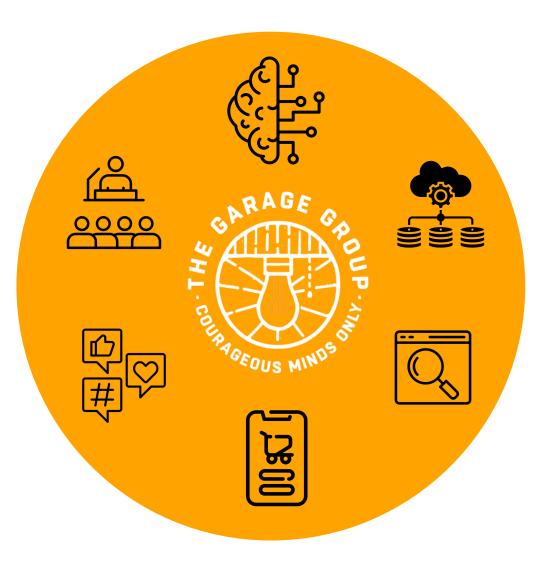
WE HELP YOU CATALYZE POSITIVE CHANGE

The Garage Group helps marketing and innovation leaders action their path forward. We tap into our uncommon combo of experience as entrepreneurs and brand leaders, proven actionability with 200+ F1000 companies, and efficient insights generation powered by our Lean Growth Playbook to identify unique, consumer first growth strategies and innovation roadmaps.

To do this, we're always in search mode. We listen for the latest trends in the market and triangulate what's most important. Each year we mine thousands of pain points and product launches to identify what rises to the top. We tap into our own proprietary databases, digital listening, AI, conference monitoring, and own experience shopping as consumers to find what matters most.

We do this to help you...strategize, innovate, and remain relevant.

Read on and reach out to let us know how we might help you! That's what our Inc 5000 recognized growth team is here for.





CONSUMERS NO LONGER WANT TO SACRIFICE

Consumers today are looking for more than one thing -- they "want it all." They do not accept "just ok" for health and wellness food & bev options. They seek indulgent, nutritious, high quality, tasty, or convenient AND good for you, the planet, and their pocketbook choices.

Consumers want personalized options that fit their lifestyles without being detrimental to their health. They want to feel good about their choices; increasingly this includes feeling good about the provenance and environmental/agricultural impact of the food and beverages they consume.

Attributes They Seek:

- Healthy
- Indulgent
- Nutritious
- High quality
- Tasty
- Convenient

Ways They Are Embracing:

 Mushrooms, upcycling, pecans, regeneration, fermentation, lucuma, nootropics, cassava, and more





THE WAY IN AS THE WAY TO STAND OUT

Brands bring their POV and points of differentiation to the table with these points of view as "ways" in to giving consumers more with their new launches. Here, we share some F&B offerings around the themes of "Better For Everybody", "Better For Me Treats and "Convenient Nutrition" which have gotten our attention along with a glimpse into consumer responses.





BETTER FOR EVERYONE

Consumers want food that are not only good for them, but also for the environment.

MY BACON (MYFORRESTFOODS)





KEY DESIRABILITY SIGNALS

Distribution at Whole Foods

ABOUT:

This meatless offering from MyForestFoods delivers the taste, mouthfeel, and satiety of bacon by using farm grown, organic mushroom mycelium. With 3g of protein and zero sugar, this pork bacon alternative cooks and tastes like its inspiration to the delight consumers.

DELIVERING IT ALL VIA:

- Taste, Texture, & Mouthfeel
- "Joy factor"
- Minimal ingredients and processing
- Important certifications
- Mycelium Tech from Ecovative

- "This is the best VEGAN bacon I've ever had!! I purchased another brand along with this from MOMS yesterday and this was the best!"
 Instagram
- "...finally grabbed @myforestfoods #MyBacon from @WesterlyMarket and am impressed with the flavor and crunchy texture! #GoVegan #Mycelium #Fungi" - "X"

THIS PKN





KEY DESIRABILITY SIGNALS

Press in

BuzzFeed





ABOUT:

A delicious and nutritious dairy alternative, THIS PKN upcycles even the smallest pecan pieces to produce its no-sugar-added nut milks and creamers. Using all of the pecan benefits farmers and the ecosystem and delivers a nutritious beverage.

DELIVERING IT ALL VIA:

- Rich flavor & creamy texture
- Nostalgic taste (e.g. butter pecan ice cream)
- Full of vitamins, antioxidants, and essential minerals
- Ready to drink
- Upcycled ingredients

- "Best plant milk I've tried. It's got a very mild sweetness but the creaminess is perfect. This is the only plant milk I'll drink right outta the glass." Website Review
- "THIS PKN's four products are a great addition to the world of nondairy milks and creamers. The nutritional and environmental benefits will definitely keep me coming back for more." - Blog

RENEWAL MILL





KEY DESIRABILITY SIGNALS

- Distribution at Whole Foods & Fresh Market
- Venture backing from TechStars and HG Ventures

ABOUT:

Renewal Mill is working toward creating a circular food economy that prevents the waste of valuable nutrition. The brand's lineup delivers premium, upcycled ingredient flours and baking mixes that are easy to use and are good for people and planet.

DELIVERING IT ALL VIA:

- Taste
- Healthy indulgence
- Upcycled okara flour
- Organic ingredients

- "I love the concept behind this brand and the quality ingredients. I believe I've tried almost everything in their product line so far. It makes a very chewy-on-the-outside, but soft-and-light-on-the-inside cookie." Amazon Review
- "THIS BROWNIE MIX IS SUPERB. It was like a molten lava cake in some parts and then a regular brownie in other parts. Will definitely be my go-to brownie mix. It's been difficult for me to find a gluten-free and vegan brownie mix, but now I've got it! I'm happy it means being a "green" consumer too." Amazon Review

GOODSAM





KEY DESIRABILITY SIGNALS

Distribution in >600 stores across the US

ABOUT:

Launched at natural Products Expo West in March, Crispy Crunchy Pineapple Slice Chips from GoodSAM Foods are made from regeneratively grown pineapple. When slowly baked, the natural flavor and sugar are enhanced. Nothing is added; therefore, consumers are assured of the nutritional benefits of the fruit and nothing but the fruit.

DELIVERING IT ALL VIA:

- Single ingredient
- Vitamin C
- Natural sugar
- Key Certifications USDA Organic, Cert. B

- "Cannot wait for these!" LinkedIn
- "Love this brand! Tried samples at Natural Products Expo West! -LinkedIn

BETTER FOR EVERYONE TAKEAWAYS



It's important that the food are good for consumers as well as the environment. Some are seeking for products that have positive impact on our earth.

Better For Me

- Via Claims
 - Minimal ingredients and processing
 - Zero sugar
 - No-sugar-added
 - Natural sugar



Via Ingredients

- High protein
- Nutrition from pecans
- Full of vitamins, antioxidants, and essential minerals
- Single ingredient
- Vitamin C



Via Taste Experience

- Mouthfeel, and satiety of bacon (without bacon!)
- Rich flavor & creamy texture
- Nostalgic taste
- Natural flavors

Better For The Environment

- Using farm grown, organic mushroom mycelium to replicate bacon, cutting the environmental costs associated with meat
- Dairy alternative, reducing environmental impact associated with dairy
- Upcycling even the smallest pecan pieces to produce its nosugar-added nut milks and creamers
- Supporting regenerative farming

TGG's 2¢ on Better For Everyone





"Upcycling is sure to be a trend that will begin to take hold. Gen Z and Millennial consumers are seeking more sustainable product options yet are concerned about their price. Done right, upcycling could be a way to get delightful products that don't break the bank."

- Paul Fisher, Director





BETTER FOR ME TREATS

Consumers (that includes us) love treats; however, they don't want to sacrifice their health in their enjoyment.

MACALAT SWEET DARK CHOCOLATE





KEY DESIRABILITY SIGNALS

FOOD NEWS

The Most Innovative Plant-Based Foods From Natural Foods Expo West 2024

Ayoman Mar 20, 202

ABOUT:

The makers of this brand have created a new category of chocolate and offer a sugar-free, nutrient dense blend of superfoods which include organic lucuma and monk-fruits. And, leaning into the power of mushrooms, a fermented enzyme delivers a smooth, sweet, bitter-free finish. The result is a satisfying and nourishing indulgence.

DELIVERING IT ALL VIA:

- Mushroom mycelium flavor modulation
- Sugar-free sweetness
- Quality, superfood ingredients



- "Wow! Tasting IS believing. Kiss the bitter and the sugar, both, goodbye. All my favorite Peruvian superfoods are in this delicious dark chocolate. Kudos for being organic!" - Website Review
- "I love this product! Being able to enjoy the benefits of dark chocolate with a delicious taste AND sugar-free... amazing!" -Website Review

JOYDAYS





KEY DESIRABILITY SIGNALS

- Distribution in >2500 stores across the US
- Press with Oprah Daily
- Backing from Startup Health

ABOUT:

Using an intentionally balanced combination of fiber, protein, and low carbohydrates, these cookies deliver fiber and consumer-favorite taste profiles without spiking blood sugar levels. With 3g of sugar per serving, these individually wrapped (and portion-controlled) treats give consumers permission to enjoy a treat.

DELIVERING IT ALL VIA:

- Nostalgic flavors
- Fiber
- Low glycemic index
- "Blood sugar friendly"
- Accessibility: Walmart & Amazon

- "It's Girl Scout cookie season and I love peanut butter cookies. Finally a low sugar option that subs for my Tag-a-Long craving." -Amazon Review
- "Hyped on social media. I fell for it as it was compared to "ozempic" for help with weight loss." Website Review

PERFY





KEY DESIRABILITY SIGNALS

• Distribution in >600 stores across the US

ABOUT:

Billing its beverages as "Perfect soda," Perfy makes light sparking sodas blended with nootropics that "boost mood, not blood sugar." Their lineup has familiar soda taste profiles minus sugar and anything artificial.

DELIVERING IT ALL VIA:

- Happiness booster
- Nostalgic taste
- Mood boosting ingredients
- Low glycemic index

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- "Each flavor is remarkable. The best refreshing drink out there, bonus, it is healthy! After working in the yard, in the heat, this hits the spot! Satisfying and quenches your thirst. So glad I found this!" -Website Review
- "I love perfy because not only are they made with real fruit juice and no added sugar but they also taste amazing. They also have Itheanine, and turmeric or ashwagandha which help me feel great."
 - TikTok

BETTER FOR ME TREATS TAKEAWAYS



The indulgence experience is getting healthier! Brands are finding ways to make treats more fulfilling, yet still delivers on the healthy aspect.

Here are new and interesting ways in that brands are delivering on Better For Me Treats.

Better For Me

- Via Claims
 - Minimal ingredients and processing
 - Sugar-free sweetness
 - Mushroom mycelium flavor modulation for sugar free sweetness
 - Monk fruits
 - Lucuma
 - Low glycemic index
 - "Blood sugar friendly"
 - No artificial

Via Ingredients

- Quality, superfood ingredients
- Fiber
- Organic ingredients
- Nootropics that "boost mood, not blood sugar. (I-theanine, and turmeric or ashwagandha)
- Fiber, protein, and low carbohydrates



Via Packaging

Individually wrapped (and portion-controlled)



Treats

- Via Flavors
 Satisfying
 - Nourishing
 - Sweet
 - Bitter-free finish
 - Nostalgic Flavors



Via Texture

Smooth

TGG's 2¢ on Better For Me Treats

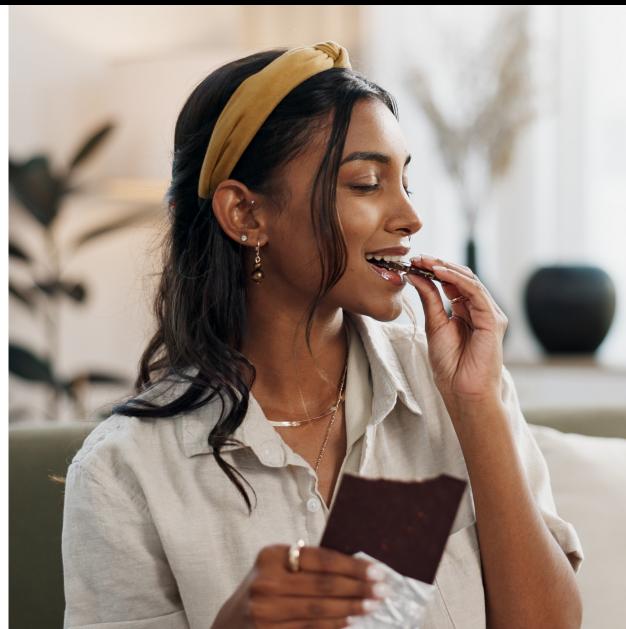




I'm excited to see formula innovation to make healthier products without sacrificing taste. Who would have thought mushrooms and monk fruits could be used for guilt-free sweetness. Interestingly, we also see "mood boosting" (using nootropics) as a part of a "treat." <u>The global</u> <u>nootropics market size was evaluated at USD 16 billion in</u> 2023.

I love these product examples because consumers' want of products that are more "natural" or "naturally derived." Oftentimes the solutions we seek already exist in nature, we just have to look.

- Chi Pham, Associate





CONVENIENT NUTRITION

Consumers are seeking food & beverage solutions which provide nutrition to fuel their busy lifestyles which also drive the need for convenience.

BEST BEHAVIOR





KEY DESIRABILITY SIGNALS

Press in



ABOUT:

Launched in the first quarter of this year, this maker of "irresistible" cereal garnered a lot of attention at Expo West in March. The brand's distinctive packaging and chef-crafted flavors had attendees talking. The trio of offerings are high in protein and low in sugar and are intended for busy adults to enjoy any time of day.

DELIVERING IT ALL VIA:

- Convenience + taste + nutrition
- Low sugar

- "Tried this cereal at Expo West. Hands down the best "better-foryou" cereal I have ever tried. The cereal stays crunchy in milk, loved the unique and grown-up flavors (which were really delicious and flavorful), and the packaging is just gorgeous! Highly recommend!" -Thingtesting Review
- "I've always been a fan of cereals but the cinnamon brioche cereal takes the meaning of healthy and delicious breakfast cereal to another level and I can't get enough of it...... My top cereal for breakfast" - Thingtesting Review

TOAST-IT





KEY DESIRABILITY SIGNALS

- Backing from Shark Tank investor
- Press in



ABOUT: The foun

The founders of this brand, who are sisters, won backing from a Shark Tank investor. Their lineup of frozen ready to toast Latin favorites are gluten-free and trans-fat-free and give consumers convenience, quality ingredients, and the global flavors many are seeking or miss from their "abuelo's kitchen."

DELIVERING IT ALL VIA:

- Guilt free
- Global flavors
- Convenience
- Authenticity
- Quality ingredients

- "I've moved to FL from NYC and miss the Colombian bakeries from my neighborhood in Queens. Your mini pandebonos brought back memories. Easy to make in the air fryer." – Instagram
- "The Cassava arepa is delicious, fresh and crispy. I really love this product! Thank you for making a product easy to grab and go." Website Review

RIVALZ





KEY DESIRABILITY SIGNALS

- Available online as well as select Sprouts locations throughout California, Arizona, Nevada and Georgia with expanded distribution expected in the coming months.
- Official Snack of UC Davis Athletics

ABOUT:

Satisfying, accessible nutrient dense snacks with a mission to reduce malnutrition, obesity and diabetes. Brought to you from the farm to fork capital, Rivalz is designed and led by world renowned foodies and scientists in collaboration with UC Davis, a global catalyst that merges cutting-edge research and expertise in food, tech, agriculture and health.

DELIVERING IT ALL VIA:

- Flavor
- Nutrition: protein, vitamins, fibers & minerals
- "Purposeful calories"
- Texture



- "So tasty! I LOVE all 3 flavors of these snacks, and that I don't feel guilty after eating them." Website Review
- "These snacks are high protein and a good source of fiber without sacraficing [sic] taste or texture. Theyre absolutely delicious; I am so pleased with the fluffiness and crunch of these little flavor explosions." - Website Review



Consumers' demand convenient solutions. They're busy! That doesn't mean they're willing to sacrifice nutrition. Snacks like cereals, bites, stuffed snacks continue to be popular solutions consumers choose. However, snacks are evolving. More and more are nutritious as well as delicious.

Here are new and interesting ways in that brands are delivering on (1) Nutrition (2) Convenience and (3) Taste Experience.

Nutrition

Via Claims

- Guilt-free
- Low sugar
- Sugar Free
- "Purposeful calories"
- Better-for-you
- Gluten-free
- Trans fat free
- Natural sugar



Via Ingredients

- Quality ingredients
- Nutrition: protein, vitamins & minerals
- High protein

Convenience

Via Type of Products Cereals, snack, bites,

Via Form

- Ready to eat
- Ready to toast
 - Multi: standalone or add milk



Occasion

Any day part



Via Packaging

Resealable

Taste Experience



Via Texture Crunchy, crispy, fluffy, creamy

Via Flavors



- **Global flavors**
- Authenticity
- Nostalgic taste

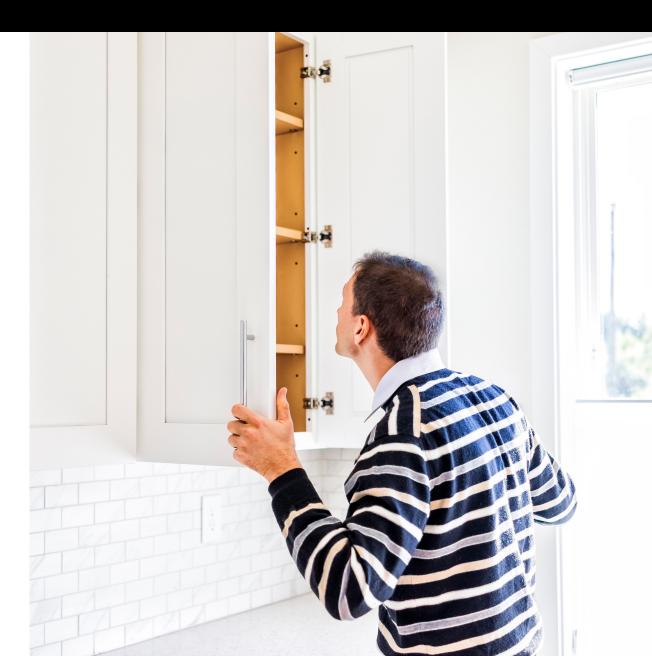
TGG's 2¢ on Convenient Nutrition





"Convenient nutrition is leaping from niche to mass consumers. We all want to change how our family feels. Consumers are more acutely aware of spiking blood sugar and other effects convenient foods traditionally have on our bodies. Now, they demand more from brands. More people read ingredient panels and question ingredients they don't understand. Previously only wellness niched consumers did so!"

- Monica Cunningham, Director





Consumers are open to unique flavors, product design, and technologies in food & beverage. They want solutions that are good for them, good for the environment, and convenient, without sacrificing what's most important: flavor.

Questions to consider:

- How is your company keeping pace with these trends?
- How might you use product design, packaging, flavor, and claims to fuel the consumer experience?
- Does your brand / category strategy need a refresh? Or...
- Do you need a refreshed product pipeline?

The Garage Group can help! **We help brand leaders** catalyze positive change. We put our uncommon entrepreneurial expertise, proven actionability with 200+ F1000 companies, and efficient insight generation with our Lean Growth Playbook to use with you.

Reach out to us at marketing@thegaragegroup.com

THE GARAGE GROUP

KEEPING EXISTING BRANDS RELEVANT & GROWING AMIDST UNCERTAINTY

Successfully navigating a complex and uncertain world requires **BOLD**, **NEW THINKING**.

SHIFTING FROM KNOWING TO LEARNING

AND DOING drives us to smartly create the right solutions, faster, and with greater confidence.

Evolving through meaningful **ITERATIVE LEARNING LOOPS** is the secret sauce to getting to breakthrough.

When we operate from **COURAGEOUS MINDS ONLY** perspective, we recognize that we don't have to have all the answers to get started.



