

What's Naturally Trending™ in Food & Beverage?

What we discovered on the cutting edge of natural food development at the Natural Products Expo West... and how to stay ahead of the trends through the right market research approaches.



In this “Naturally Trending 2022 Food and Beverage Report”, we will discuss overarching natural food and beverage themes as well as shine a spotlight on some innovative product examples we discovered at the Natural Products Expo West.

We have synthesized our experiences from the Expo to discover new whitespace opportunities, inspire your own product innovation initiatives and accurately position your new products against a rapidly evolving competitive set of new food and beverage products.

The Naturally Trending™ Food & Beverage Report

Staying ahead of what's new and innovative in your industry is essential to keeping up with consumer demand and expectations, and this is especially true in the food and beverage space.

Recently InsightsNow, and our partner CuliNex, participated in the huge Natural Products Expo West (NPEW) show, and saw first hand the incredible advancements in food and beverage innovation over the past three years. In many ways this expo, unlike any other, brings together food and beverage innovators and retailers who are seeking new products to place on their shelves. These retailers and the exhibitors showcasing their innovations are all too keenly aware that consumers are demanding new products that provide new ways to fulfill unmet needs in moments of their lives. This incredible mix of innovators and retail buyers provided a prime opportunity to create a snapshot of some major shifts and developments in new food and beverage product innovation—so that your brand can know how to keep up with consumer demand.

While at NPEW, our teams used a platform called [Flavor360](#) to capture pictures, videos and other information on the trend-setting natural food and beverage products. With more than 2,800 participating companies, the expo was a rich source of knowledge. The information gathered was coalesced into our new Naturally Trending™ database for analysis and interpretation.

From the collected data, we identified five emerging food and beverage innovation themes in the natural products space that will surely shape the industry for years to come. This report is structured against these emerging themes:

- **Clean Label Evolution:** A continued movement toward food and beverage free from unhealthy ingredients, and greater incorporation of ingredients perceived as healthy for you. (**PAGE 3**)
- **Plant-Based Revolution:** More product innovation and evolution than ever before in response to greater consumer demand for plant-based alternatives to animal-based products. (**PAGE 4**)
- **Hero Ingredients & Natural Sweeteners:** An explosion of unique ingredients from around the world, based on innovative formulations. (**PAGE 11**)
- **Functional Hydration & Beverages:** Massive growth in the functional beverages space, led by incorporation of adaptogens to help consumers cope with lifestyle changes. (**PAGE 16**)
- **Sustainability:** Increased focus on upcycled ingredients, with more claims and business models addressing global sustainability concerns and corporate sustainability stakeholder objectives. (**PAGE 21**)

Clean Label Evolution

While analyzing the information collected for our Naturally Trending™ database, clean label is still a key differentiator in close to half of product profiles collected (43%). Here at InsightsNow, we've been keeping a close eye on the clean label space for years. At the show we saw continued expansion of this “multiverse” of clean label products, including more verticals than ever before.

There are many ways companies can dig in to understand what's happening in this space through market research. For example, InsightsNow's proprietary segmentation of [Clean Label Enthusiasts®](#) market research community consists of consumers who regularly inspect the label of every product they consider buying to make sure that it is a clean product, and they have distinct points of view about ingredients, claims and brands. Generally, that means that they prefer natural products as opposed to something that uses a lot of chemicals and preservatives and can be considered harmful to the environment or people. This population is very relevant to the trends we saw at the Natural Products Expo West, and can be leveraged to help brands adjust products to meet consumer demand for marketplace success.

The definition of clean label continues to evolve from simply free-from ingredients that are believed to be unhealthy or not fitting within defined diets and lifestyles based on their labeling as unnatural or artificial, and overly processed. The definition of clean has now taken on new meanings as to what ingredients are good for you and your family by being functional to improve healthiness and elevate one's states of wellness, or to alter one's states of mind and sense of wellbeing. Further, this expo provided clear evidence that the definition of clean also is evolving to mean the incorporation of ingredients that are good for the world by aligning with sustainable agricultural, social, manufacturing and business practices. Examples of the evolution of clean label are covered in the following sections, particularly plant-based foods, health ingredient innovations, and a focus on sustainability on all stages and aspects of product production and manufacturing.

Market Research for Clean Label Products

In addition to our Clean Label Enthusiasts community mentioned above, our [InsightsNow Innovation Center](#) offers the Clean Label Scoring solution to help brands understand consumer perceptions on clean label acceptability as part of the “free-from movement” during product development. This can be used when adding a new ingredient to an existing product, re-assessing existing ingredients to current clean label perceptions or adding or expanding product types.

Plant-Based Revolution

The first innovation theme we observed at NPEW was an incredible explosion of plant-based alternatives to animal-based products. More than one in four evaluated innovations in our Naturally Trending™ database collected from the expo included plant-based claims (27%). We saw, of course, plant-based meat alternatives, but also more plant-based dairy products than ever before, as well as plant-based egg substitutes, and some very interesting meat analogs (products trying to mimic exactly the animal-based product they are replacing). We also saw the emergence in various new products that are not alternatives as analogues to animal-based products, but innovations in form and value added functionality to create new points of differentiation.

We will look at items from a few of the categories more closely on the following pages.



Plants Replacing Dairy in Milk

There are so many plant-based milks, but at the expo we saw more innovations in this space than ever before with new kinds of nut milks like macadamia, new kinds of non-dairy whey and mushroom milks!



Not Milk™ is a dairy-free, plant-based, vegan milk that tastes and cooks like milk. We learned that the creating company, NotCo, developed this through AI-based ingredient discovery and will soon be embarking on a new joint venture with The Kraft Heinz Company.



Betterland Foods™ is a brand working to create a portfolio of cow-free products that “tread lightly on the land, are kind to our bodies, and promise to delight.” At the expo, they caught our eye due to the fact that the milk is created from a non-animal based whey through an interesting fermentation process.



Blue Monkey™ is a beverage and snack company that produces a variety of products. At the expo, we tried their single serve, shelf-stable Smart Milks made from nuts like pistachio, macadamia, cashew, oat and almond.



Lifeway Foods® recently introduced a new line of innovative adaptogenic functional mushroom beverages, a cultured oat milk. They contain mushrooms like Reishi and Lion’s Mane to deliver calmness or focus. The company also produces Lifeway Organic Oat, the brand’s new probiotic oat milk.



Lechia produces a macadamia nut milk that is not trying to mimic milk and has delicious flavor all on its own. They also produce chia and flax milk, with product claims like “filled with fiber, calcium and omega-3s” and “high quality plant-based milk perfect for frothing, mixing, baking, and drinking.”



Coconut Cloud makes a minimally processed dried coconut milk powder used as a creamer for any hot beverage, or as a replacement for coconut milk in recipes. The milk replacement powder is made from freshly pressed coconut milk that is dried and finely milled into a powder, with added MCT oil.

Cheese and Butter Alternatives

The show had many new kinds of non-dairy cheeses to try. Some of the big changes we saw in this space include better cheese analogues that melt and cook better than their predecessors, and with new ingredients like seeds.



Plant Ahead works to create delicious cheeses made entirely from plants. While their tasty feta cheese analog in brine was the feature product at the expo, they also produce a plant-based cream cheese, sliced cheeses and grated “parmesan.”



Miyoko's Creamery has developed a plant-based mozzarella cheese that is liquid, to be poured on to a pizza. This liquid solves the problem of limited shredability of non-dairy cheese, and looks and tastes like regular mozzarella when baked. This is a nut-based product, as is their cashew-based cheese.



Violife had their plant-based mozzarella shreds and cheddar slices at the expo, and the company also makes gouda slices, colby shreds and cheeses for grilling. All their products are vegan foods and free from: lactose, GMO, gluten, nuts, soy, preservatives and cholesterol.



Spero® Foods makes a variety of dairy analogs from seeds instead of the more common nut-based alternatives. At the expo, we were impressed by the Sunflower® Cream Cheese and Sunflower® Cheese Spreads. They use seeds because “seeds are estimated to be 7-8x less expensive and to grow 50-70x faster than nuts.



And plant-based cheese is not the only product from **Miyoko's Creamery** that caught our attention at the show. They also make a cultured vegan butter that is cashew-based. This butter analog can be used for baking, cooking, spreading and any other butter replacement activity.



wildbrine® produces plant-based alternatives under their **wildCREAMERY** brand. There was quite a display at the expo, with a wide variety of fermented products. All products in the wildCREAMERY line are flavored with cultures produced in the brand's unique fermentation processes.

Egg Alternatives

Continued innovation in egg alternatives was seen in new replacements made from pepita seeds and pea-protein.



Spero® Foods produces more than just plant-based cheeses; they also announced plans at the expo to launch their plant-based Pepita Egg this summer. This innovative egg alternative product is made from green pepita seeds.



Crackd makes a vegan, plant based egg replacement that is pea-based. The product acts, bakes and tastes just like an egg, and is a liquid, ready-to-pour alternative.

Other Plant-Based, Dairy-Free Foods

While there were many natural foods at the show that were dairy-free, these plant-based products caught our eye.



Evive™ makes dairy-free and blender-free frozen smoothie cubes made with organic fruits, veggies and superfoods. The cubes are convenient, dissolvable and offer essentially the same nutritional value as a homemade smoothie.



No Cow protein bars have a plant-based protein, which is different from most low sugar protein bars which contain dairy-based whey. The bars are dairy-free, soy-free, gluten-free and non-GMO.



Daiya brought their dairy-free Deluxe Mac & Cheese to the expo, and the line comes in comes in five flavors. This plant-based product is one of many from Daiya, and was a 2022 Finalist for the NEXTY Awards.

Plant-Based Meat and Seafood Alternatives

This is the first time we saw so many plant-based seafood analogues, as well as many new meat analogues. We were surprised how realistic many of these products were in both taste and texture.



Good Catch® specializes in creating plant-based seafood and fish products like “salmon” burgers and fish sticks, as well as tuna replacement products. They use pea proteins and soy proteins to “be so like seafood and so not seafood at the same time.”



Sophie's Kitchen™ had their new smoked salmon alternative at the show, which is actually less expensive than buying smoked salmon. They also produce plant-based breaded shrimp and crab cakes. Their seafood analogues use rice flakes and potato starches rather than soy proteins.



Rebellyous Foods is an “innovative food production company creating delicious, affordable plant-based meats for the food service industry.” They create plant-based nuggets, patties, and tenders that cook just like breaded chicken product, in a crunchy cornmeal coating.



Quorn® make their vegan and vegetarian meatless cutlets in a variety of flavors, and also at the show we saw meatless grounds. All Quorn products are powered by mycoprotein, “a super protein that makes great-tasting meat free meals.”



Not Burger™ from NotCo makes a beef analogue patty, which we saw at the expo. The company offers alternatives to dairy, eggs and meat—with products under the name NotMilk, NotBurger, NotIceCream and NotMayo.



Hungry Planet® creates premium plant-based meats that match the flavor and texture of conventional meat for any dish or cuisine. They make a variety of products that replace chicken, beef, pork, Italian sausage, chorizo and crab.

Plant-Based Meat and Seafood Alternatives (continued)



Biolab had their line of veg deli slices at the expo, which included realistic flavors of prosciutto and bacon. This Italy-based brand uses ingredients like chickpeas and gluten to create their deli slices.



Little Jasmine produces vegan jerky that looks like meat jerky, and tastes like it too. They use soy protein and fiber to create their jerky. It caught our eye due to the realistic appearance and hearty taste.

Non-Analog Meat Alternatives

And not all plant-based products are trying to be an analogue of their animal-based counterparts. We found quite a few examples of products that were meeting consumer demand as a purely plant-based food.



Actual Veggies® makes colorful plant burgers that are definitely not trying to mimic meat! The company strives to create better options full of fresh farm-grown veggies and ingredients that are healthier, filling, delicious and colorful.



I Love Nature™ makes a line of burger alternatives called Veggie Delight, and we checked out their delicious Bulgur, Swiss and Cheddar Cheese Plant Based Burger at the expo.



Actual Veggies® also created The Actual Breakfast Burger, in “Pink” or “Blue”. This discovery at the show was worth noting, as these are fruit-based burger replacements containing fruits like strawberries, blueberries and bananas!

Summary: Plant-Based Revolution

The explosion of new plant-based products is only going to grow demand for plant-based alternatives to animal products. Consumers are going to become exposed to a much wider range of plant based foods than the limited number of oat and almond milk (versus dairy milk) or plant-based meat (versus beef analogies) products of the past. Consumers are about to be exposed to new products as analogues to every animal-based product category that exists today. Many of these analogies will be perceived as indistinguishable in their taste, look and have textural qualities from their animal-based counterparts. This is going to transform the way consumers eat, taking what was once a vegan-only vision for the future into the mainstream.

These advances in food product innovation are most certain to fulfill the growing demand to eat lower on the food chain. This demand aligns with the tectonic shift in sustainability concerns among consumers as is associated with traditional meat and poultry production as well as fish and seafood product and harvesting. These advances in food science are certain to shift the attitudes of mainstream shoppers and consumers as they become exposed to a more diverse set of animal-based analogues. As this happens, we believe there will be an acceleration in demand for these analogues.

We also observed innovations that some plant-based categories are maturing with competitive pressures forcing companies to offer alternatives that are not analogues. The plant-based burger and plant-based milk categories included innovations that look, taste, have textural qualities and functional benefits very different from analogues.

Finally, not all plant-based products are “clean label” as has been defined in the past. Clean label has been a key driver of shopper behavior for several years when defined as ingredient statements that are simple and comprising ingredients that are minimally processed, from natural and non-GMO sources, and recognizable as ingredients that consumers know and trust. Many plant-based analogues are formulated outside this historical definition of being a clean label. This may put some brands at risk provided this traditional definition of clean label continues to drive consumer behavior. Brand owners can address this risk by continuing to improve their analogue formulations to become more clean label.

Market Research for Plant-Based Food Innovation

Research can help companies address the degree of risk they are taking on by going to market with plant-based labels that are not “clean” or have other innovations that need to be tried and tested. InsightsNow offers access to a list of implicit avoidance reactions by [Clean Label Enthusiasts™](#) to thousands of ingredients. These [Clean Label Scores](#) provide a great way for product developers to consider the formulation options for minimizing this risk.

Hero Ingredients & Natural Sweeteners

Most winning innovations tend to follow the formula of something familiar with a twist. This second innovation theme we observed at the expo includes new products that are familiar to consumers, yet include innovative “hero ingredients” as the twist. This included new products that include unique fruits and seeds sourced globally or from more sustainable agricultural practices. We also saw a wide array of new types of flours and legumes, along with a rise in hemp as a key ingredient. Finally, we saw a number of new products that incorporated sweeteners as an alternative to processed sugar. These included products formulated with a growing list of natural sources of both nutritive and non-nutritive sweeteners. We also saw a number of products sweetened with coconut or coconut flower nectar.

Let's take a closer look at a few of these categories in this section.



Foods with Hero Ingredients as the Twist

It was exciting to see products trying new ingredients not much seen before, and also seeing products including ingredients with health or environmental benefits. We gather some of the more unique ones we saw at the show here.



CedarLane® has expanded their Simply Plant Powered line to offer more convenient options for vegan, vegetarian and flexitarian consumers. Their new frozen meal of BBQ **Jackfruit** Pulled Pork was at the show.



A product we saw at the show from **Big Mountain Foods** was the Soy-Free Tofu, a soy-free tofu product made from **fava beans**. Right now, this is only soy-free tofu in-market and contains 45% more protein than leading tofu brands.



From **Carrington Farms®** we saw a new product of Ground Lupin Beans. The Australian grown legume **lupin beans** are from the same family as chickpeas and lentils. These can be a low glycemic index side dish.



Goya® Foods has chosen unique hero ingredients for their line of fruit-based and vegetable-based chips like the **Mango** Chips shown here. They also make **Beet** Chips. The premier source for authentic Latino cuisine, Goya Foods is the largest, Hispanic-owned food company in the United States.



We are calling out **Goya® Foods** again here for their **Latin Root** Chips. These chips contain root vegetables like Taro, Cassava/Yuca, Sweet Potato, Purple Sweet Potato and Batata.



And we also have to highlight **Goya® Foods' Coconut** Chips. These tasty chips can be a snack or paired with yogurt or cottage cheese. They are made from wild coconuts grown in Costa Rica, and have been baked, achieving a crunchy texture.

Foods with Hero Ingredients as the Twist (continued)



Hesh™ had their gluten-free, heart-made **Banana Coconut Crisps** at the expo. These were incredibly tasty and thin, a unique combination of ingredients to create a gluten-free product.



Simple Mills® uses nutrient-dense **watermelon seed flour** to provide a grain- and gluten-free snack with their Seed and Nut Flour Sweet Thins—a light and crispy snack on cookie aisle. Other flours used to create the product include **cashew flour, sunflower seed flour** and **flax**.



Big Mountain Foods had their new gluten-free, soy-free Lion's Mane Mushroom Crumble at the expo. The product is made with a trio of mushrooms—**lion's mane, portobello** and **shiitake**. It is “full of vitamins and minerals and a plant based protein that is so sustainable it can literally help save the planet.”



Manitoba Harvest® uses **hemp** to create their Hemp Hearts, Hemp Greens and Hemp Matcha. Their products add plant protein and nutrients to any recipe or meal.

Natural Sweeteners

More products are looking for healthier ways to add sweetness, and we saw many new options for sugar replacements made from fruits and vegetables, especially many new ways to use coconut-based sweeteners.



Swerve® is zero-calorie, low-glycemic and measures cup-for-cup like sugar. It is made from ingredients found in select fruits and starchy root vegetables, and contains no artificial ingredients, preservatives or flavors.



Wholesome™ makes organic, zero-calorie sweeteners. We saw this Allulose one at the show, which is made from a rare sugar found in figs, raisins and kiwi. Allulose has no glycemic impact on blood sugar (nor does it contain any fillers or artificial flavors).



Coco Sugar is the largest and leading coconut sugar supplier in Indonesia, and we saw their Granulated Coconut Flower Blossom Nectar at the expo. This product is processed naturally, unbleached, and contains only pure coconut sugar from organic coconut tree sap.



Chiwaldi, out of Thailand, makes an organic Coconut Flower Nectar. This sweet product is the concentrate produced from the evaporation process, it turns out with a similar consistency to honey that has a sweet taste.



Blissfully Better® makes snacks sweetened with coconut flower nectar that are non-GMO, low-glycemic and organic.

Summary: Hero Ingredients & Natural Sweeteners

Consumer demand for foods formulated with “hero” ingredients has been on the rise for many years.

The natural foods industry has led the point of introduction of many hero ingredients to consumers—creating stories about the benefits of ancient grains, alternative legumes and hemp. These stories are not just increasing awareness for these ingredients, they are changing how consumers react to marketing and front of package matter by establishing new implicit associations between these respective ingredients and health and wellness benefits. The demand for foods based on hero ingredients is likely to continue growing.

What was striking at the 2022 Expo was the growth in new products using ingredients sourced from around the world. However, the recent disruptions to global supply chains raised questions about continued sourcing to feed this demand. Products based on U.S. sourced ingredients are sure to lead the way in the short-term supply of product innovations based on hero ingredients.

Market Research for Ingredients

Research is needed to measure how strong are the implicit associations with these new ingredients, as well as to measure how best to communicate new hero ingredient stories to align with this growing demand. You can learn more about [InsightsNow's Implicit / Explicit Test™ here](#).

Another thing to consider, especially when dealing with supply chain issues affecting ingredient availability and replacement, is alienation testing and, if you need answers fast, accessing gathered consumer behavioral data. You can [learn more about navigating supply chain issues here](#).

Functional Hydration & Beverages

The third theme we observed covered new beverages that added different health, wellness and functional benefits through formulations that included new and innovative ingredients and respective functional claims. This included innovations in functional hydration and beverages that covered lines of water, sparkling water, hop water, kombucha, sparkling tonics, sparkling teas, functional carbonated and non-carbonated beverages and plant-based beverages. These new beverage products and lines were selected for this report based on their innovative formulations with functional ingredients, adaptogens, nootropics, herbals and flavorings from natural sources, and an innovation in package design.

In this section, we look at different beverages containing functional ingredients.



Waters with Functional Ingredients

There were waters everywhere at the NPEW. We would venture to say this was the most major theme at the event. This is a space of incredible innovation right now.



Protein20® makes a water beverage that is a lower calorie, lower carb alternative to protein shakes made with whey protein isolate. The company takes pure whey protein isolate and filters it through reverse osmosis.



CBD Living® makes a variety of CBD infused products. At the expo, we saw their flagship product, CBD Living Water, which is infused with organic and natural hemp CBD. Their newest version of the water has 10 mg of nano-CBD per bottle and is alkaline to decrease acidity and inflammation in the body.



Recess created a sparkling water line with lemon balm, ginseng and L-theanine “to help you be your most creative and productive self... not tired, not wired, just calm and focused.” They also have waters infused with hemp extract, magnesium and other adaptogens.



Petal® has created an innovative line of sparkling waters with various botanical essences and extracts as natural flavorings, and they also contain natural antioxidants.



HOP WTR™ makes this fermented hop water beverage with no alcohol, calories, carbs, or sugar and touts it as a way to unwind and relax without booze.

Other Beverages with Functional Ingredients

Consumers are looking toward beverages for many health needs lately, or as replacements for alcoholic beverages, and it looks like the industry is rising to the challenge with many innovations happening on the beverage front.



Sunwink™ makes clean, sparkling tonics for everyday wellness, and they include functional superfoods. Some of the tonics we saw included ginger for detox, berries for immunity, turmeric for recovery, hibiscus to relax and lion’s mane mushrooms as a nootropic.



Rowdy Mermaid® created a Kombucha line with lemon balm, ginseng and L-theanine “to help you be your most creative and productive self... not tired, not wired, just calm and focused.”



PIN (Power in Nature) makes a Natural Himalayan Energy tea drink formulated with moringa, green or black tea as natural antioxidants well as natural stimulants (caffeine and L-Theanine).



8th Wonder Superfood Tea is a sparkling, canned tea made with real fruit juice and “ancient ingredients” like Ashwagandha for relaxation. The tea also contains antioxidants to support overall health.



Moshi® uses yuzu juice from Japan to create their bottled sparkling drink in a variety of flavors. The yuzu fruit is “tart like a grapefruit and has an aroma similar to a mandarin orange.” The company combines this citrus juice with organic cane sugar and other fruit juice concentrates sourced from Japan.



Wild Noni makes a sparkling beverage that includes 100% Noni fruit, a tropical super-food that contains phytochemicals, antioxidants, amino acids and nutrients as well as anti-inflammatory properties. This product from Australia is also formulated with prebiotics.

Other Beverages with Functional Ingredients

Continued



Mude has created a line of functional sparkling beverages formulated with Valerian root and chamomile as a sleep aid, nootropics (like Ashwagandha) for relaxation, amino acids and green tea for energy, and other beverages with functional benefit ingredients.



LIFEAID® Beverage Company makes functional non-carbonated beverages designed for specific moments such as post-exercise recovery, focus (nootropics), general wellness (daily supplement), post-partying restoration, travel immunity or specific performance while golfing.



Sunwink™ also makes a line of powder mixes to add to water. These mixes are made from natural sources of superfoods—delivering functional benefits including general wellness, digestion aid, calmness and clarity.



Twinings® makes a new line of powder mixes called Cold Infuse to add to water. These products combine different sources of natural flavorings and herbs.

Summary: Functional Hydration & Beverages

As with foods, the expo provided a clear snapshot of how beverage categories are undergoing a transformation. Beverage innovation is clearly focused on serving the demand for functionality from ingredients from natural sources. These beverage innovations were dominated with formulations of adaptogens to help consumers cope with the stresses of the time and nootropics that improve mental processes. Beverage SKUs within these new lines of beverages were often differentiated by functional differences (e.g. Sunwink™, LIFE AID®) explicitly or implicitly targeting various moments of life. This is a departure from traditional lines characterized more so by flavor preferences.

There was also a distinct trend in beverage innovation around products that provide both hydration and functionality such as in the water (e.g. Protein2O® and CBD Living®), sparkling water (e.g. Recess), and sparkling tonics (e.g. Sunwink) categories. These same trends in added functionality carried forward into the sparkling teas category.

It appears from this assessment of beverage innovations that a new category is emerging—hop fermented beverages (e.g. HOP WTR™). This category includes products that are functional and distinct from other fermented beverages such as kombucha and beer. This category offers functional benefits derived through its fermentation process and by the addition of functional ingredients. As the category is based on hop fermentation, these lines of products offer a distinct positioning between beer and naturally carbonated, non-alcoholic beverages. This begins to fill the whitespace in the landscape of beverage moments between tonics, sparkling teas and sparkling waters, and beer and other carbonated low alcohol level beverages. With the added benefits from functional ingredients this category creates endless new opportunities for innovators to target a wide range of beverage moments.

Market Research for Functional Hydration and Beverages

To seize the opportunities created by these innovations, marketers and innovators need effective co-creating –research that brings together diverse perspectives from product developers, designers, marketers and target consumers to creatively image future beverage moments of consumption. This process of creatively imaging future moments is facilitated by InsightsNow's unique behavioral approach to co-creation that places people into "prospective" modes of thinking." [Click here to learn more about our co-creation methods.](#)

Sustainability

An increase in awareness of the importance of sustainability was seen across the board in new product innovations at the NPEW 2022. Sustainability was by far the most distinctive theme in comparison to the last expo held in person in 2019. Product messaging, claims, marks and highlighted ingredients signaled that sustainability practices were woven into the very ethos of many brands present. One in five (20%) of the product innovations we observed at the show made either waste reduction or regenerative agricultural claims. The regenerative agricultural claims support alternative means of producing food that may have lower—or even net positive—environmental and/or social impacts. An additional 27% of innovations were plant-based as a more sustainable alternative to animal-based products. This means that nearly half of all innovative products highlighted in this report are from products positioned to address consumer sustainability concerns.

As the plant-based innovation theme has already been covered in this report, this section will address other ways that innovations were positioned to address consumer sustainability concerns. Some of the major themes communicated by these brands include waste minimization through packaging or the upcycling of waste processing and regenerative agriculture that supports either environmental sustainability through agricultural practices that lead to greenhouse gas reduction or social sustainability of global agricultural communities and supply chains.



Waste Reduction: Packaging

Companies are continuing to be innovative as they search for environmentally sustainable packaging solutions.



San Francisco Bay Coffee OneCUP™ created their single-serve coffee pods made entirely from plant-based commercially compostable materials. These compostable packaging materials



GenZ Water company makes their bottles and caps from totally recyclable and reusable aluminum, with beautiful non-plastic labeling.



Heart Water® makes their bottles and caps from totally recyclable and reusable aluminum, and gives 23% of its profits to support clean drinking water to water-challenged communities around the world.

Waste Reduction: Upcycling

This has got to be the wave of the future, and the innovations here are really incredible.



The Ugly Company sources blemished and damaged fruit to produce a line of dried fruit snacks. The company “exists to prevent food waste and add value back to our family farms.”



Barnana® has based its business on selling crunchy banana and plantain snacks with fruit sources that include upcycled banana and plantain fresh fruit waste from small farmers in the Amazon.



THE OTHER SIDE OF COFFEE takes the fruit waste from coffee bean processing to create delicious coffee fruit drinks. As discarded coffee fruit spoils, it contaminates waterways and releases earth-warming greenhouse gases, so utilization can reduce impact.

Regenerative Agriculture: Environmental

Regenerative agriculture can contribute to climate change mitigation—and consumers are taking notice.



Hart Dairy takes a holistic approach to farming focused on environmental sustainability and carbon sequestration. Massive fields for their cows removed carbon out of the atmosphere and regenerative farming practices help the soil recover its original balance of nutrients and bio-diversity.



Carrington Farms® has their line of Lupin Dried Soup Mixes we mentioned earlier in the hero ingredient section. Lupin beans provide regenerative nitrogen fixing as part of a crop rotation practice that reduces the need for fertilizers.



Airly™ Foods has released a line of snack foods with oats and grains sourced 100% from farmers applying regenerative farming practices that yield net positive greenhouse gas sequestering.

Regenerative Agriculture: Social



Landmade creates granola cereals and snacks with ingredients from women-run small farms in the U.S. and Latin America and “value each link” in their supply chain.



Cafe Kreyol™ is a coffee company founded on the principles of responsible sourcing by creating small local entrepreneurs in coffee-growing countries such as Haiti. They pay their farmers on the basis of quality—yielding 300% more income for farmers than Fair Trade requires.

Summary: Sustainability

Over the past three years, it is clear there have been major advances in food and beverage product innovation for a more sustainable world. As stated earlier, nearly half of all the highlighted innovative products in this report incorporated some claim of sustainability. Whereas the examples in this report are predominantly from “Small But Mighty” companies, it is clear that their advancements in waste reduction of packaging (e.g. San Francisco Bay Coffee Company, GEN Z Containers) and upcycling of processing waste (e.g. The Ugly Company, THE OTHER SIDE OF COFFEE) will lead the way for these companies to achieve significant organic growth—or for existing large food and beverage companies to grow through proactive acquisitions or reactive internal innovation initiatives against new competitive challenges or now-proven growth opportunities.

Perhaps most interesting were the number of very innovative business models for the creation of product lines with underlying supply chains supporting regenerative agricultural production. These business models appear to be in line with consumer demand for products formulated with ingredients that address their environmental and social sustainability concerns. This includes models that support regenerative farming for greenhouse gas reduction (e.g. Hart Dairy, Carrington Farms® and Airly™ Foods) and regenerative agriculture through sourcing that sustains local farmers (e.g. Cafe Kreyol™ - Haiti) and social supply chain structures (Landmade - Women in Latin America).

Market Research for Sustainability

Coming out of the COVID-19 pandemic, research is needed to understand how sustainability concerns are driving current and will drive future consumer demand. For this reason, InsightsNow is investing in gaining insights to answer these questions about sustainability-based behavior drivers among primary shoppers. To learn more about this market segmentation initiative, [please contact us](#).

In addition, claims research is going to be important to help companies correctly communicate their sustainable positioning to target consumers. The assessment of innovation at the NPEW indicates there are many ways to position a product as sustainable. To know the best way for your brand, InsightsNow deploys an innovative behavioral approach to claims testing.

This approach uses time to respond to assess which claims elicit a “nudge” response (a fast thinking positive reaction) or “disruptive” response (a slow thinking positive reaction). This implicit assessment focuses in on personal relevance of each claim and provides supporting metrics focused on uniqueness, believability, importance and fit with brand. [To learn more about this behavioral approach to claims testing, click here.](#)

Conclusions

NPEW provided an opportunity to gain a snapshot into the state of the natural products industry. The natural products industry is still dominated by “Small But Mighty” (SBM) companies which are a major driving force for US food and beverage innovation. Given the current supply chain challenges that large food and beverage companies face, U.S. retailers are looking to SBMs to fill their shelves with new products. Therefore, this snapshot not only offers insights into how the natural products industry has evolved since the expo in 2019, it also gives us a glimpse into the future of sustainable foods and beverages.

From Small to Mainstream

The SBM brands highlighted in this report show how the future of sustainable foods and beverages is shaping up. Plant-based alternatives to animal-based products, recycling and upcycling to reduce waste and sourcing that support regenerative agriculture are now part of the natural products industry mainstream. Becoming mainstream for U.S. foods and beverages is just a matter of time as sustainability is quickly evolving the definition of what it means to be a clean label. Consumer choice on the basis of this evolving definition of clean label is clearly becoming a major behavior driven for not only natural foods shoppers, but also the gen pop shopper.



Plant-Based Continues to Expand

Plant-based analogues exist of nearly every animal-based product that has been a staple of past U.S. consumer diets. We were amazed at how far plant-based has evolved in three years. We found taste, texture and visual matches for a wide range of animal based products including milk, cheese, yogurt and kefir, eggs, chicken, turkey, fish, seafood, pork and beef. This diversification in analogues has also given way to the front end in the creation of alternative non-analogue plant-based products in some of the more competitive categories such as plant-based burgers.

Amazing Diversity of Ingredients

We were also amazed at the diversity in a wide variety of hero ingredients as “superfoods” that are taking familiar foods and forms to transform them into interesting innovations. These hero ingredients included unique grains, seeds, legumes, flours, mushrooms, fruits and vegetables, hemp and coconut introduced to take something familiar and make it interesting through the promise of a new or better functional health and wellness benefit.

Healthy Options for the Sweet Tooth

The natural product industry is also innovating around new ways to satisfy the U.S. consumer’s desire for sweetness through more natural and lower calorie ingredients. There were a number of companies offering natural sources of erythritol and allulose as non-nutritive sweeteners in addition to stevia. There were also a number of suppliers of granulated coconut flower blossom nectar as well as new foods formulated with coconut or coconut flower blossom nectar as a more natural and healthier hero sweetener.

Beverage Innovation Leads the Way

Beverage innovation has also taken a big step forward over the past three years. Beverage innovations were dominating the water, sparkling water and tonics to support consumers seeking functional hydration. We believe hop water will evolve into a new beverage category filling the whitespaces between kombucha, sparkling teas and low alcoholic beverages such as beer. There was also a marked lift in innovation through the formulation of beverages with nootropics promising mental health and adaptogens to reduce stress. We also saw a wide range of innovations with hero fruit juices, herbs, botanicals, and elixirs for a wide range of specific health and wellness benefits.

Growth of Sustainability Practices

Finally, we were impressed by some of the innovative business models designed to support a more sustainable world. A number of SBM companies at the Expo claimed to donate significant portions of their profit margin to social causes aligned with regenerative agriculture to directly support small farmers or clean drinking water around the world. Others focused their business models to reduce waste through reusable containers or upcycling of production waste, or by reducing greenhouse gasses by sourcing from farmers using regenerative agricultural practices.

Time to Start “Naturally Trending”

If your food or beverage brand isn't “naturally trending,” it might be time to think about how to shift focus. This Naturally Trending™ 2022 Food and Beverage Report touched on the tremendous growth in clean label, plant-based alternatives, healthy ingredient innovations, functional beverages and sustainability trends affecting the industry—all based on consumer wants and needs.

At the Natural Products Expo West, we found that all the major online and storefront food and beverage retailers were looking to place new (and healthy) product innovations on their shelves—turning to natural products to fill consumer demand for products that are free-from, better for you and better for the environment. In order for brands to develop products that anticipate consumer demand, fill white space in the industry, or to develop or innovate in the right way, the right market research is needed.

Whether you are doing alienation testing to uncover direction for product changes, or white space discovery research to understand where to point your product development compass, or implicit testing for concept scoring, it's understanding human behavior on a deep level that will ensure success.



Contributors



About Dave Lundahl, CEO & Founder, InsightsNow

Dr. Dave Lundahl is passionate about fostering innovation to create a cleaner, healthier world. He is an entrepreneur—founding companies that follow this passion by providing consumer insights for faster and more successful innovation. Dave has held many industry leadership positions, written for various publications, and is sought for speaking engagements on topics that align with his passions. He served as a professor working in food product innovation at Oregon State University before starting InsightsNow in 2003. Dave holds a Master of Science degree in Statistics and a Doctorate in Food Science & Technology. www.insightsnow.com



About Mark Crowell, CEO & Founder, CuliNex

Prior to CuliNex, Mark spent seven years as Director of Food Product Development for Starbucks Coffee Company, where he led a team of food scientists and culinarians developing new food products for their Asian, European and North American markets. Previously, Mark served as Director, Menu and Product Development for The Olive Garden, managed restaurant operations and food service concepts for Marriott Corporation, and owned and operated a Mediterranean restaurant in the Washington D.C. area. Mark has a Masters in Business Administration from Columbia University, a Bachelor of Science in Hotel-Restaurant Management from Florida International University, and an A.O.S. in Culinary Arts from the Culinary Institute of America. www.culinex.biz



About Robert Danhi, Co-Founder Chef, Flavor360

As a thirty-six year veteran and thought leader in the F&B industry, Robert has funneled his deep knowledge, passion, and expertise into co-founding the Flavor360™ software platform, a suite of mobile apps and interactive R&D database. Flavor360™ Solutions partners with F&B Innovation, Sales and Marketing, and R&D client teams to increase speed-to-market, improve data quality, and deliver on consumer expectations. Chef Danhi has worked as a restaurant chef; a chef-instructor at the CIA; and as a consultant for ten of the Fortune 500 companies. He is also a James Beard award-winning Southeast Asian cookbook author; a TV show host of “Taste of Vietnam,” a 26 episode docuseries broadcast globally; and a judge on every episode of TopChef Vietnam. www.flavor360software.com



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