

A European Odyssey



From shipments to supermarkets



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Innova Market Insights

The Innova new product database

>70 countries



tracking New Product Launches = NPLs

2005 THE SNACKIFICATION OF BREAKFAST

The word "breakfast" is now appearing on products as diverse as ready meals, dairy drinks, hot drinks and

bakery items. Our beverage concepts presented at the 2005 IFT Food Expo were well ahead of their time.

+358%

...growth in the number of global products featuring the term "breakfast" from 2005-2014.



BREAKFAST BOOST BEVERAGE CONCEPT (presented at Taste the Trend, 2005)

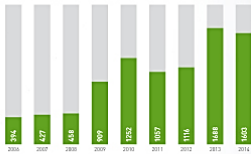


SHAKE OUT BEVERAGE CONCEPT (presented at Taste the Trend, 2005)

2006 CATERING FOR MORE FOODIES

In the mid-2000s, Innova Market Insights highlighted the emergence of chef involvement and endorsement for food products and restaurant co-branding, indicating that more gourmet new product development was on the way.

GLOBAL PRODUCT LAUNCHES USING THE WORD "RESTAURANT" OR "CHEF" (2006-2014)



+307%

...growth in the number of global products featuring the term "restaurant" or "chef" from 2006-2014.

2007 THE RISE OF PRIVATE LABEL

Once mostly confined to staple goods, private label has infiltrated sectors where brand equity and loyalty among consumers is the highest. Innova Market Insights noted how the private label sector is positioning itself as a quality and innovative alternative at the 2007 IFT Food Expo.

"Consumer perceptions have changed and now private label is no longer perceived as being dull, bland and of a lesser quality. Retailers have become expert brand managers and their investment in their brands is being rewarded."

INNOVA MARKET INSIGHTS, 2007

+676% ...growth in the number of global products featuring an "ethical" positioning from 2011-2014 e.g. fairtrade. "Try a Little Respect" was identified as a key trend in 2011.

+91% ...growth in the number of global products featuring the free text term "clean label" or "natural" from 2010-2014. "Sense of Simplicity" was identified as a key trend in 2010.

THE BOOM IN PROTEIN

When Innova Market Insights presented on emerging research platforms with whey protein [2008] and alternative proteins [2012], we foresaw a trend that has taken all aspects of the food industry by storm.

GLOBAL PRODUCTS WITH A PROTEIN CLAIM (2011-2014)

Year	2011	2012	2013	2014
Count	3,885	5,795	6,325	9,229

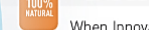
THE SUSTAINABILITY SHIFT

When Innova Market Insights identified "Sustainability Replaces Organic" as a key trend in 2008, marketing products on a "sustainable" or an "ethical" platform was almost unheard of.

+1457%

Growth in the number of global products featuring the term "sustainable" or "sustainability" from 2008-2014.

THE SURGE IN CLEAN LABEL



When Innova Market Insights identified "Go Natural" as a key trend in 2008, just 7.9% of US new products featuring one of these positionings. Over 20% of US products tracked in 2014 featured a "no additives/preservatives," "natural" or "organic" positioning, up from 16.7% in 2013.

+206%

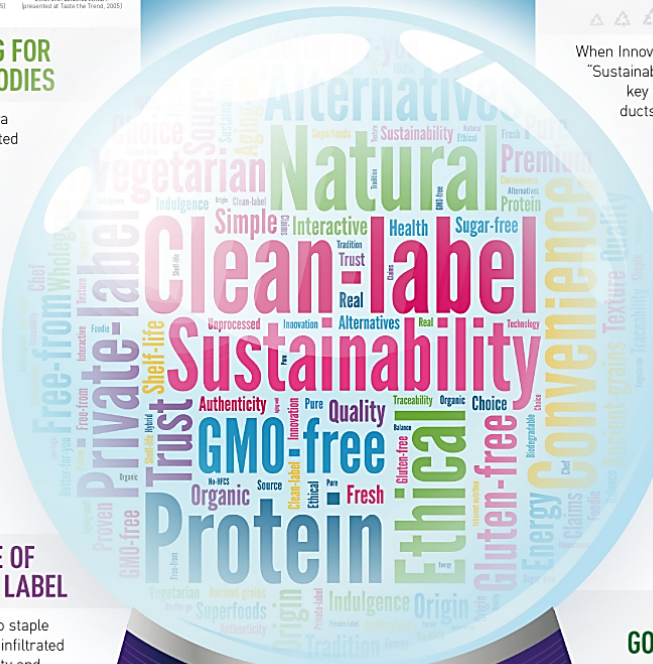
Growth in the number of global products with a "natural" positioning from 2008-2014. "Go Natural" was identified as a key trend in 2008.

"GLUTEN FREE" GOES MAINSTREAM

Product launches to address the demands of consumers with allergies or indeed those who believe that "free from" products are healthier continue to increase. But when Innova Market Insights first identified "Free From Rises" as a key trend in 2010, "gluten free" was yet to hit the big time.

+170%

Growth in the number of global products featuring the term "allergy" from 2010-2014.





Topics for today

- European domination: growth & share of global almond introductions
- Growth of healthy snacking in Europe
- Europe: innovation in emerging categories, flavors and buzzwords
- Private Label vs. Brands
- Highlights

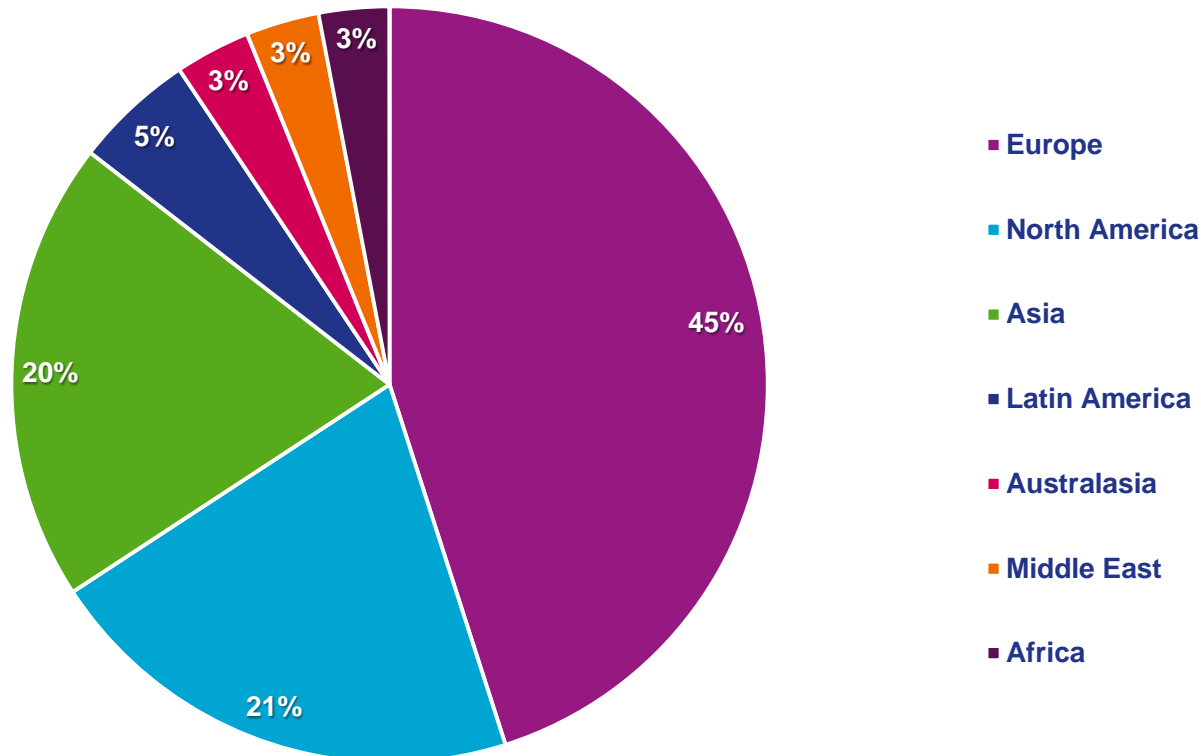


**European domination: growth & share
of global almond introductions**

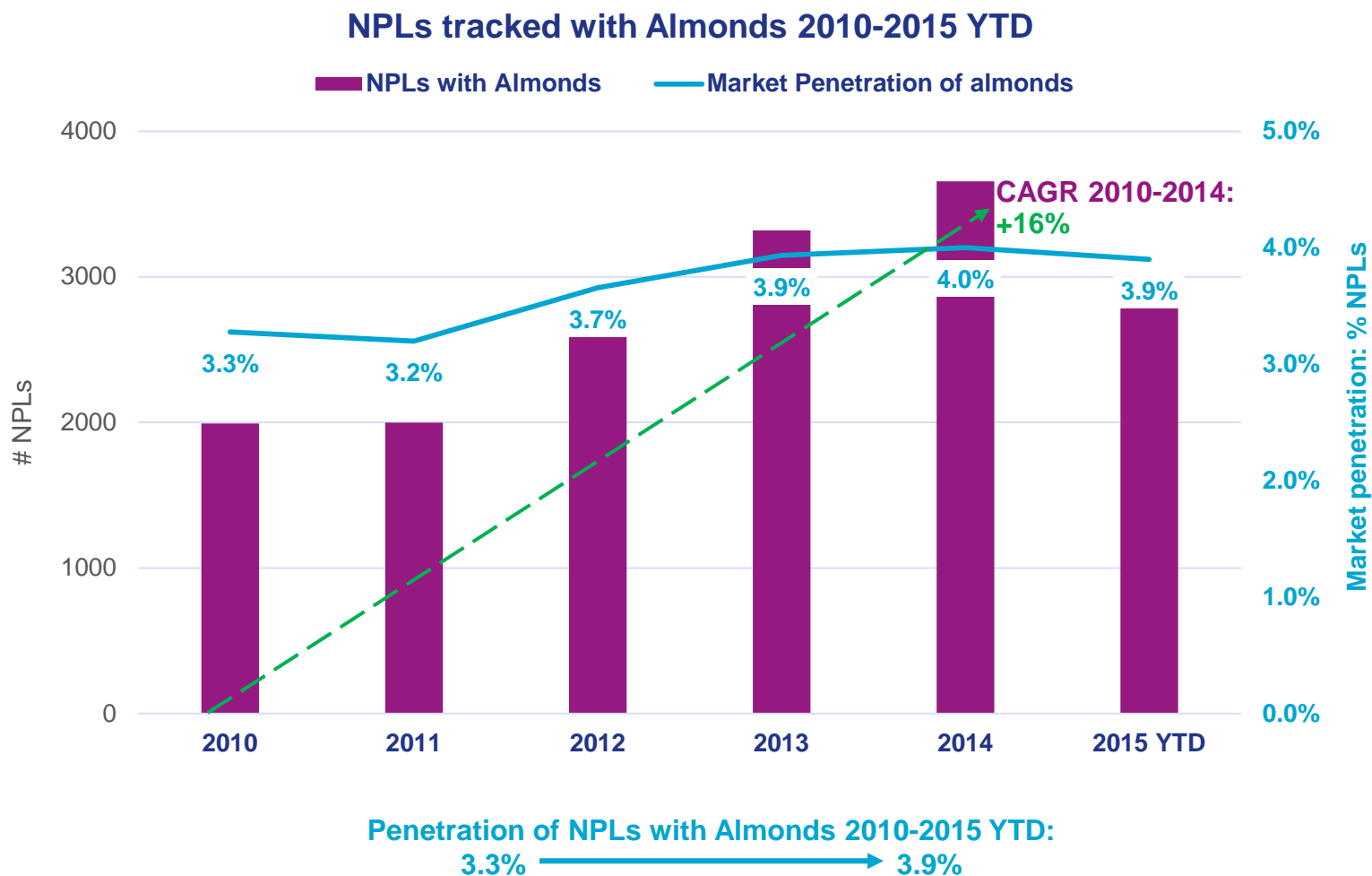
Regional shares of NPLs tracked with Almonds

- In 2015, Europe continues to dominate the share of global almond new product introductions.

% share of NPLs tracked with Almonds 2015 YTD



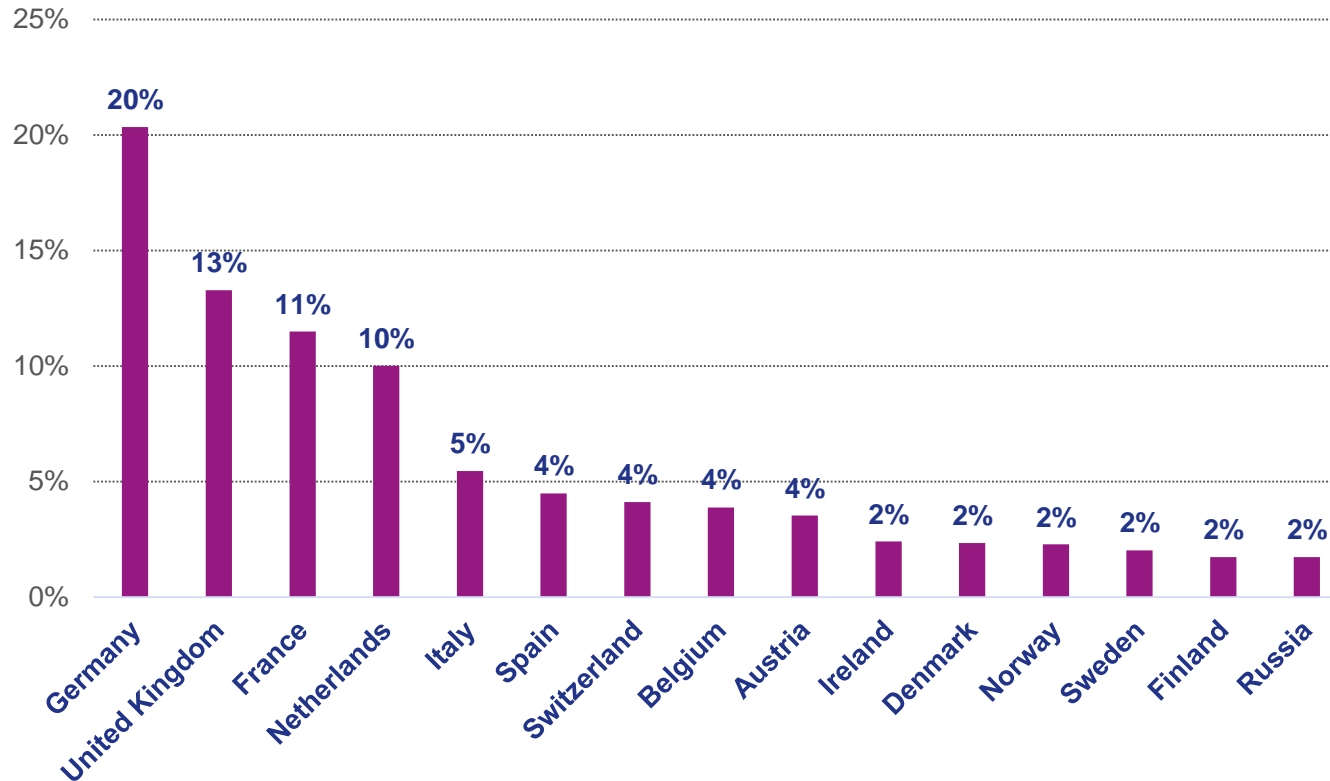
Development of European NPLs tracked with Almonds



Top European countries for NPLs with almonds

- Germany, the UK, France and NL are the leading European countries for almond introductions tracked, together accounting for over 50% of almond introductions.

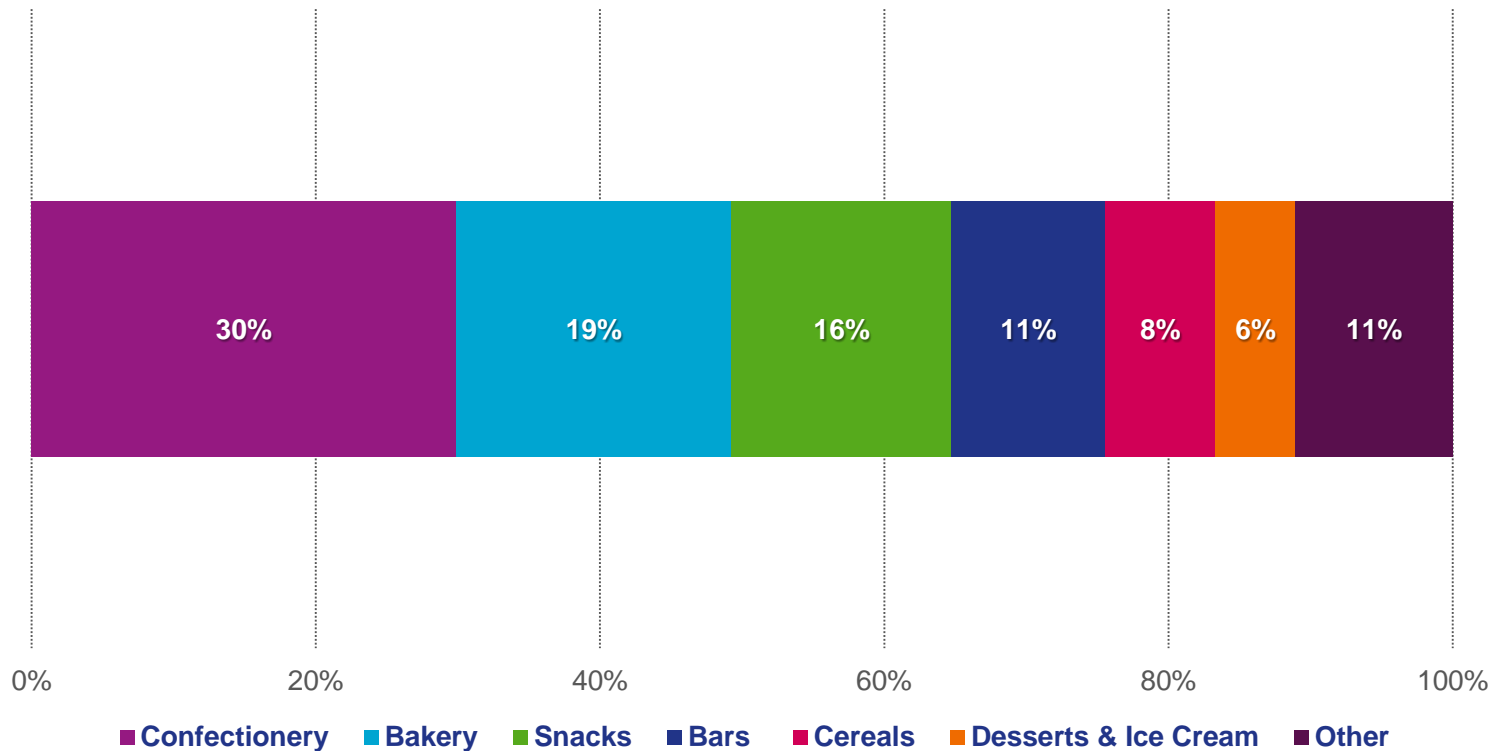
European Almond introductions by country 2015 YTD



Europe: key categories for NPLs with almonds

- **Confectionery**, followed by **Bakery** and **Snacks**, have the largest shares of NPLs in 2015 YTD.

European Almond introductions by category 2015 YTD

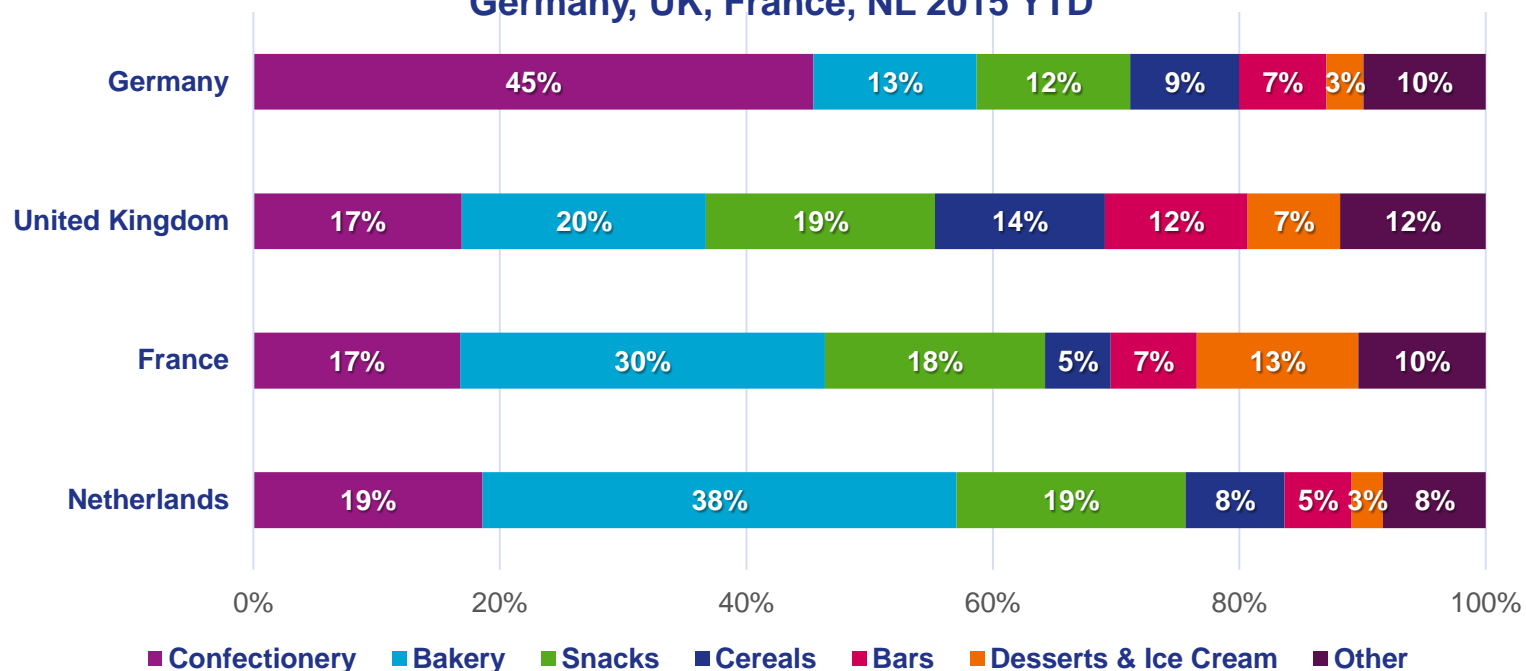


*Other includes Spreads, Dairy, Sauces & Seasonings, Ready Meals, Meat-Fish & Eggs, Baby Food, Fruits and Vegetables, Soup, Pet Food.

Germany, UK, France, NL: leading categories

- Confectionery, Bakery and Snacks are the leading categories for almond introductions in these 4 countries.
- Almost 1 in 2 almond introductions in Germany is in the Confectionery category, while Bakery is the leading category for the other 3 countries.
- Snacks: the UK, NL and France have very similar NPL percentages.

European Almond introductions by category:
Germany, UK, France, NL 2015 YTD



*Other includes Spreads, Dairy, Sauces & Seasonings, Ready Meals, Meat-Fish & Eggs, Baby Food, Fruits and Vegetables, Soup, Pet Food.

2015 almond introductions from the leading countries



Niederegger Bunter Teller: Christmas Selection Of Chocolate Coated Marzipan (Germany, Nov 2015)

Description: Individually wrapped finest bittersweet chocolate and whole milk chocolate covered marzipan, in a Christmas themed carton box.



The Cooperative Loved By Us Smoked Salsa Nut Mix (United Kingdom, Oct 2015)

Description: Baked almonds, cashews and peanuts coated with a smoked mesquite wood and salsa flavor.



Franprix Mini Financiers Aux Amandes: Mini Almond Cakes (France, Nov 2015)

Description: Fourteen individually wrapped mini almond cakes, held in a plastic packet.



Delicieux Mini Stolletje: Mini Stollen with Almond Paste (Netherlands, Oct 2015)

Description: Mini raisin bread richly filled with genuine almond paste.

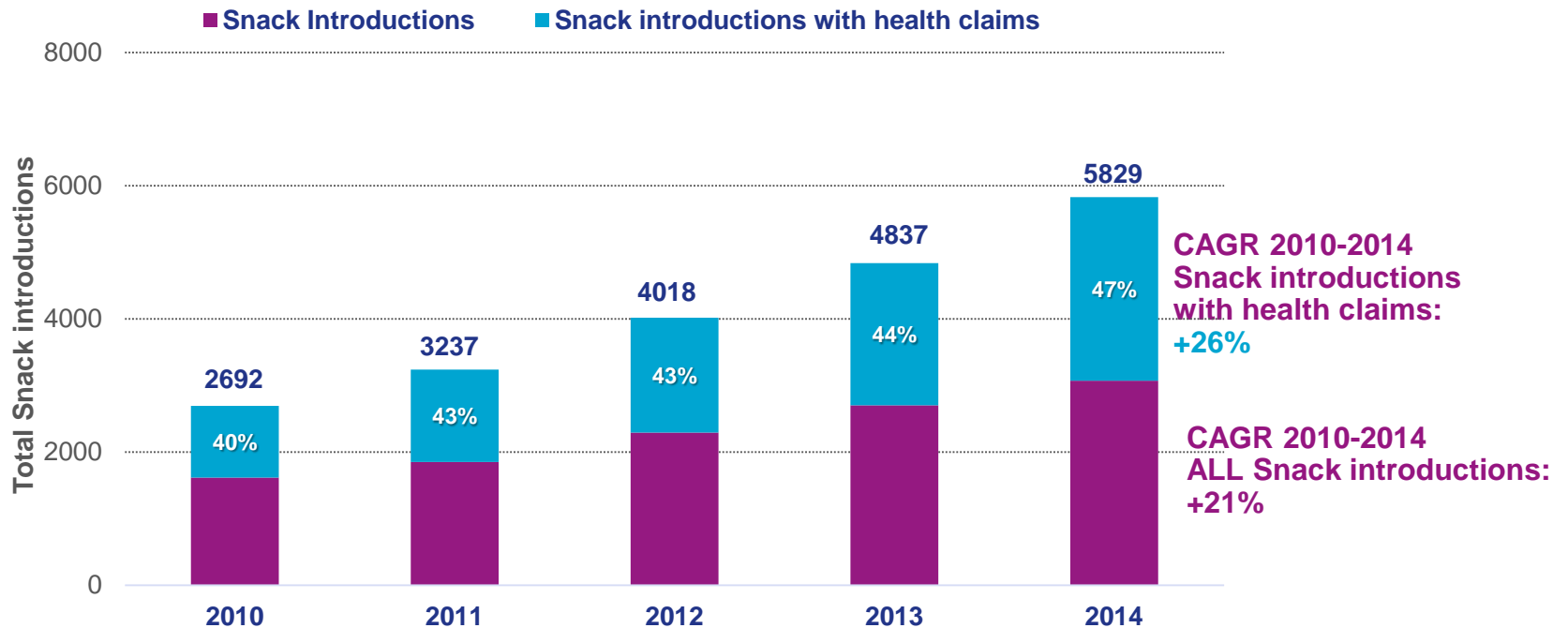


Growth of healthy snacking in Europe

Snack category growth in Europe

- Growth of **overall Snack category*** introductions: **+21%** CAGR from 2010-2014.
- The growth of **Snack introductions with health claims** is 5% higher, at **+26%** CAGR over the same period.
 - Market penetration of health claims in overall Snack introductions increased from 40-47%.

ALL Snack NPLs tracked, Europe 2010-2014

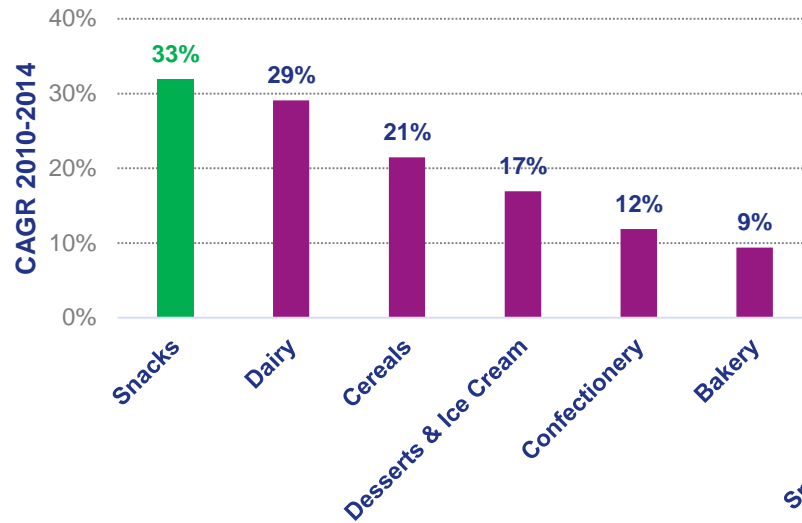


*The Snack category is comprised of the following sub-categories: Finger Food, Salty Snacks, Snack Nuts & Seeds, Fruit-based Snacks, Popcorn, Meat Snacks.

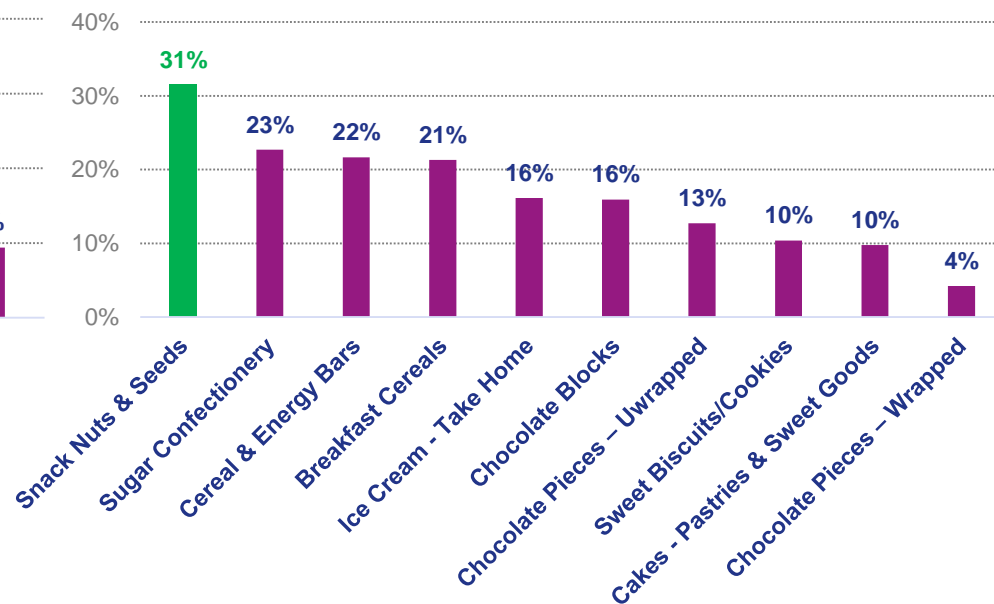
Snacks with almonds: category and sub-category growth

- Although Confectionery is the largest category for NPLs tracked with almonds in Europe, **Snacks** have the highest growth of the leading* categories from 2010-2014.
- **Snack Nuts & Seeds** is the sub-category with most NPLs tracked with almonds 2010-2014, and also has the highest growth over this period.

CAGR of leading* categories tracked with Almonds 2010-2014



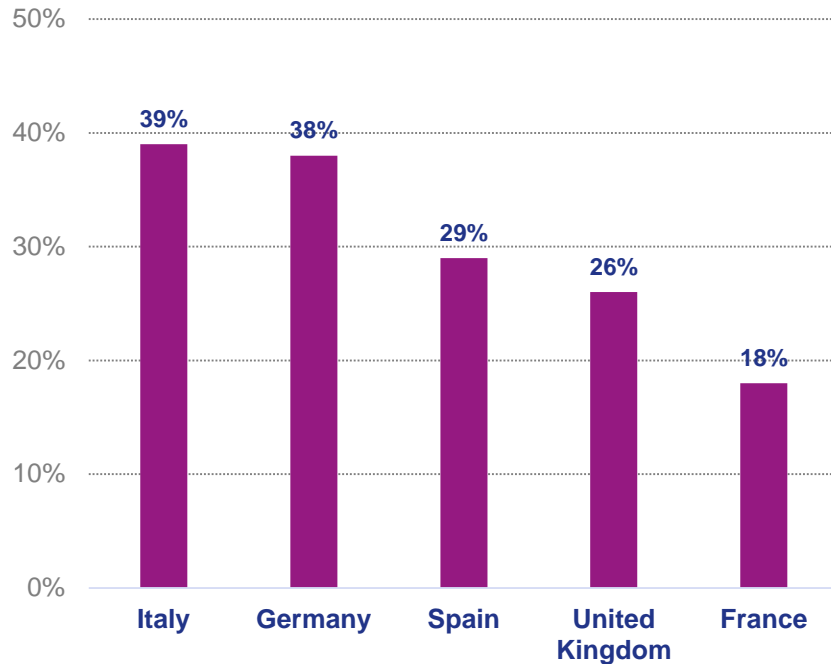
CAGR of leading* sub-categories tracked with Almonds 2010-2014



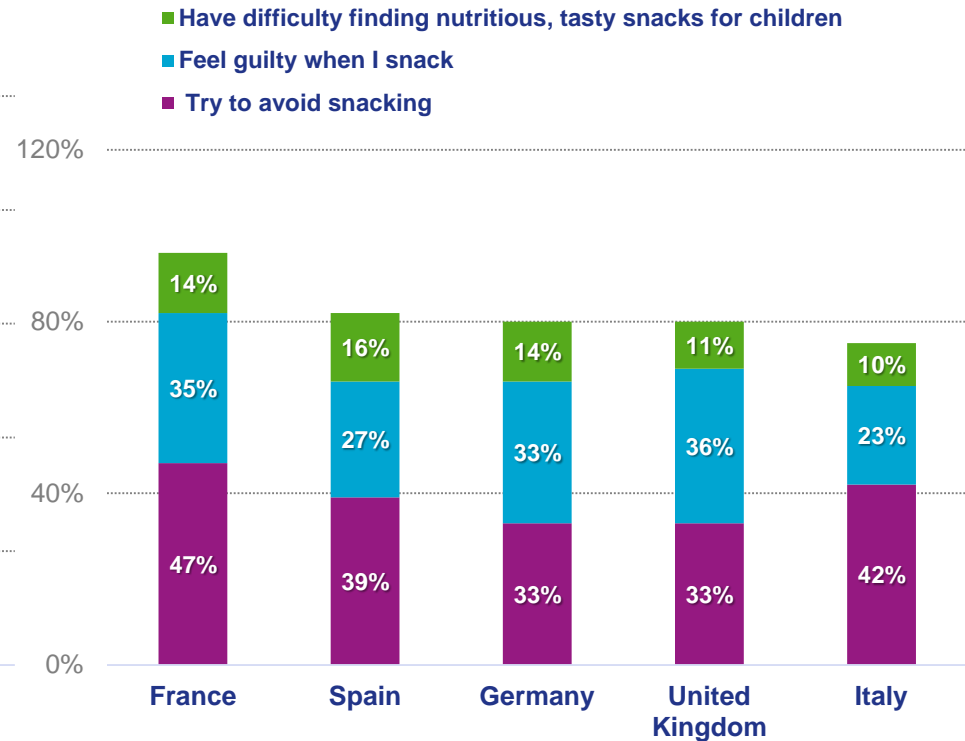
* **Leading** categories/sub-categories 2010-2014: those which have the most NPLs tracked with Almonds

Healthy snacks: European consumer insights

I believe that eating several healthy snacks is as good as or better than eating three meals a day



I always/usually:

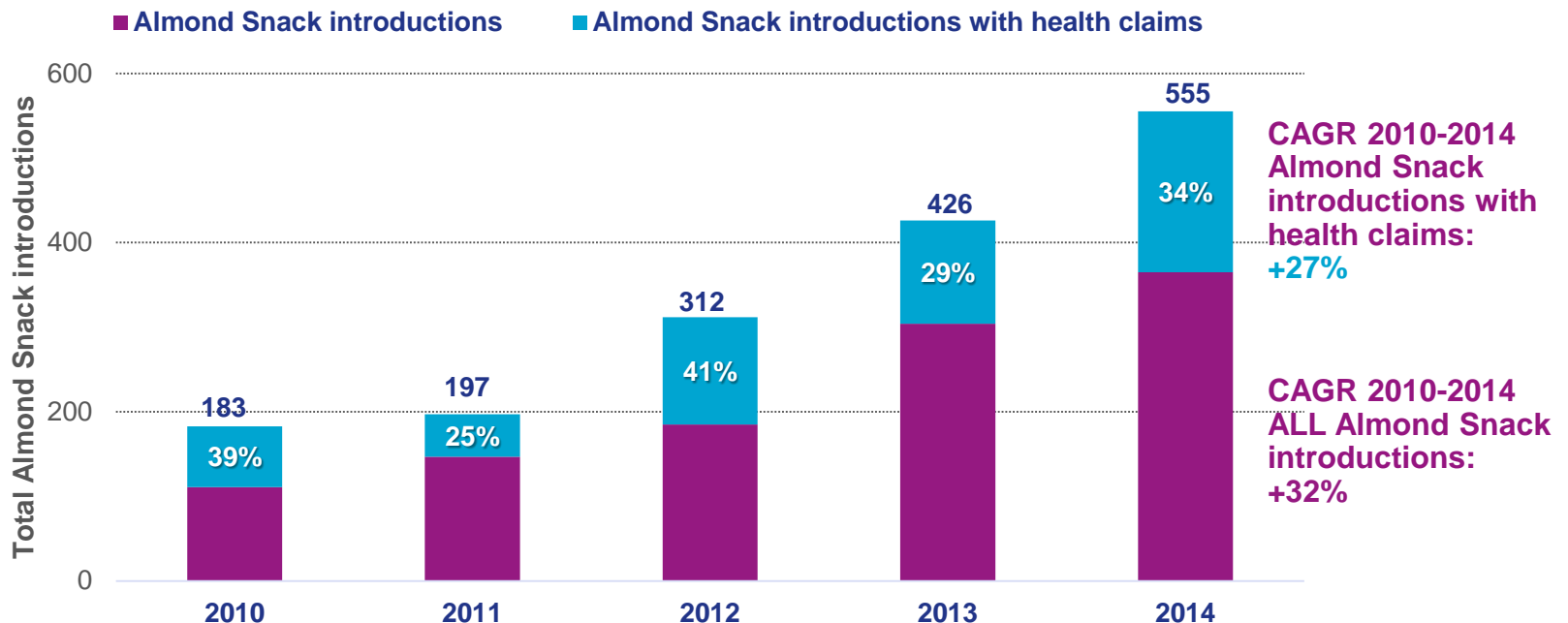


Growth of healthy snacking in Europe:

Almond Snack introductions with health claims

- The growth of Almond Snack introductions*, at **32%** CAGR, was 11% higher than that of overall Snack introductions.
- The growth of Almond Snack introductions **tracked with health claims** was just higher than that of all Snacks tracked with health claims: **27%** (vs. 26%).
- Average market penetration of health claims in Almond Snacks was 34% from 2010-2014.

Almond Snack NPLs tracked, Europe 2010-2014



*Almond Snack introductions are comprised of the following sub-categories: Finger Food, Salty Snacks, Snack Nuts & Seeds, Fruit-based Snacks, Popcorn, Meat Snacks.

Almonds: strong nutritional benefit positioning



Anyday Dry Roasted Almond Mix (Finland, Oct 2015)

Claims/Features: No oil added. **Nuts are rich in protein and a source of fibers and minerals such as iron and magnesium.**



Nutline Mandeln: Almonds (Germany, Oct 2015)

Description: **Almonds are true nutrient packages and provide the organism with valuable fiber, magnesium and phosphorus.**



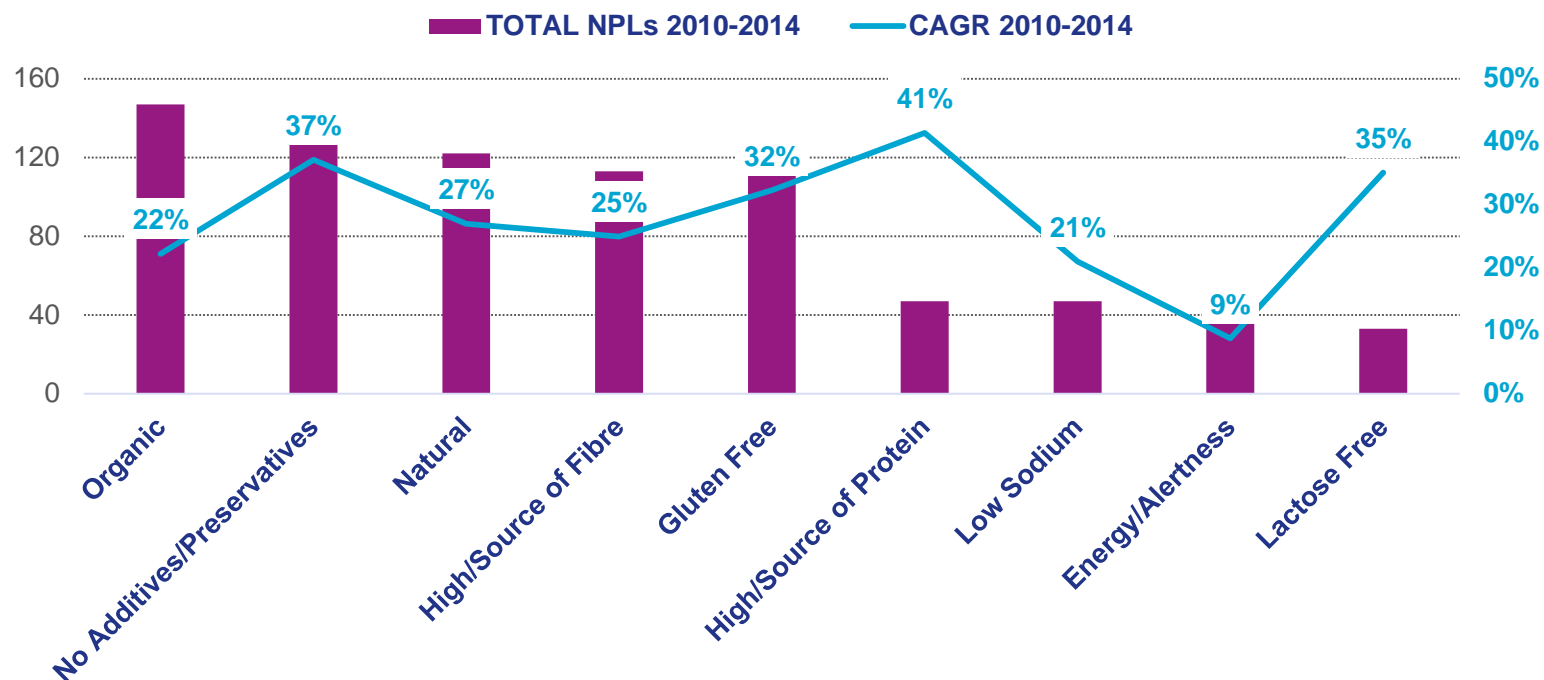
Daco Bello Amandes Grillées sans Sel Ajouté: No Salt Added Roasted Almonds (France, Oct 2015)

Claims/Features: **No salt added. rich in vitamin E (contributes to protect against aging).** Green Dot Certified.

Almond Snack introductions: growth of leading* health claims

- Organic, No Additives/Preservatives and Natural are the leading (and Clean Label) claims for Almond Snack introductions.
 - Clean Label claims account for 54% NPLs with health claims over this period.
- The fastest-growing claims are High/Source of Protein, No Additives/Preservatives, Lactose Free and Gluten Free.

Almond Snack introductions: leading health claims 2010-2014



* **Leading** health claims 2010-2014: those with the most significant number of NPLs tracked and highest CAGRs

Clean Label claims: Organic, Natural, No Additives/Preservatives



Ener Bio Nuss-Frucht-Mix Mit Physalis Und Blaubeeren: Nut-Fruit Mix With Physalis and Blueberries (Germany, Nov 2015)

Claims/Features: Lactose free. **Certified organic. From controlled organic cultivation.**



Chikas Smoked Almonds (United Kingdom, Oct 2015)

Claims/Features: 10g of protein per pack. **Absolutely nothing artificial.** **Gluten free.** Suitable for vegans. **High in fiber.** High in antioxidant vitamin E and magnesium. A **pure**, healthy indulgence.



Mr Filberts Seasonal Special Edition Christmas Cake Flavored Mixed Nuts (United Kingdom, Oct 2015)

Claims/Features: Christmas edition. **Free from gluten, dairy and artificial additives. 100% natural ingredients.** Award-winning artisan snacks. Suitable for vegetarians. No artificial ingredients.

Gluten Free – High in/Source of Protein – Lactose Free



Daco Bello Formule Equilibre
Graine de Soja, Cranberries,
Graine de Courge et
Amandes: Mixed Soy,
Cranberries, Pumpkin Seeds
and Almonds (France, Sep
2015)

Claims/Features: **A natural source of protein. Proteins help to maintain muscle mass.** Green Dot certified.



Superfoodie KPI Bar: BBQ
Plum (Australia, Oct 2015)

Claims/Features: Health star rating: 5. **6g protein.** Low GI. Non GMO, dairy free. **Good source of fiber.** Low in salt. With omega 3 and omega 6. Only 4.5g sugar. Suitable for vegan. Hand made. **Gluten free.**



Myprotein Natural Nuts
Whole Almonds **Protein Snack**
(United Kingdom, Aug 2015)

Description: These whole almonds are 100% natural with no added salt or flavorings and are the perfect choice for a healthy and nutritious snack. **Almonds have the highest protein content of any nut** and can make a valuable addition to anyone's diet.



Leader Nutz Wasabi Almonds
(Finland, Jun 2014)

Claims/Features: **Lactose free.** 100% quality guaranteed.

Growth of cross-category snacks: occasions, convenience, dayparts

- Consumers are seeking quick and healthy snacks to replace traditional meal occasions.
- Growing numbers of foods and drinks are now considered to be snacks.
 - Quick healthy foods are tending to replace traditional meal occasions
 - More snacks are targeted at specific moments of consumption, with different demand influences at different times of day.
- An increasing percentage of European NPLs with almonds - both within and outside the traditional snack categories – are positioned as snacks with the terminology outlined below: from 4% in 2010 to 10% in 2015 YTD.

Europe: Growth of cross-category NPLs tracked with snacking vocabulary: occasions, convenience, dayparts

Snacking terminology	CAGR 2010-2014	% NPLs with Almonds 2010	% NPLs with Almonds 2015 YTD
“single serve” “on the go” “grab and go” “snack pack” “heat and serve” portable “breakfast snack” “lunchtime snack” “mid afternoon snack” “evening snack” “night time snack” “late night snack”	18%	4%	<u>10%</u>

Cross-category snacks: occasions, convenience, dayparts



Pip & Nut Coconut Almond Butter Squeeze Packs (United Kingdom, Jul 2015)

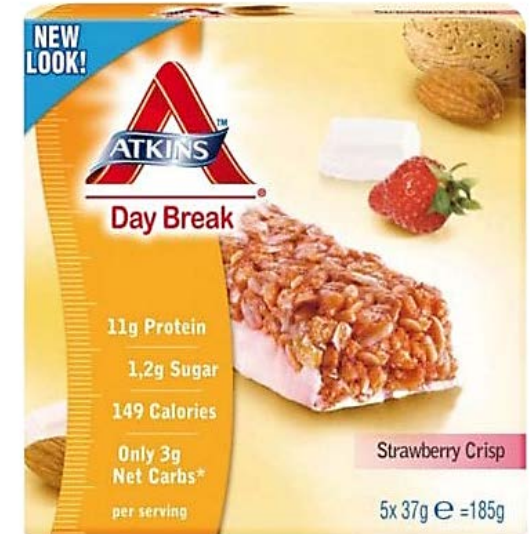
Claims/Features: **Perfectly portioned pouches which are great for squeezing on-the-go.** Natural nuttiness. Naturally nutritious nut butter made from just-roasted nuts and a sprinkling of sea salt, so they're incredibly fresh, deliciously pure and bursting with wholesome nutty goodness. No palm oil.



Thiriet Mon Financier aux Amandes: Sponge Cake With Almonds (France, Sep 2015)

Description: A 75g **single serve** sponge cake with almond flakes, in a plastic packet.

Claims/Features: This is a **microwaveable product. Ready in 15 seconds.** Green Dot Certified. Recyclable packaging.



Atkins **Day Break** Strawberry Crisp (Ireland, Oct 2015)

Description: Strawberry flavored crispy protein bar with 23% white chocolate and sweeteners. A delicious and tasty bar **which can be used as a breakfast bar or as a snack bar at any time during the day.**

On-the-go positioning



Elephant Food Superfood Snack Nuttin' but Energy Mega Mix (United Kingdom, Feb 2015)

Description: Raw cacao nibs, brazil nuts, **almonds**, sunflower seeds and chocolate covered buckwheat clusters in a plastic packet. Just shake and shoot. A new range of on-the-go snacks full of 100% natural, superfood goodness!



Acti Snack Nut Mix Power Pack (United Kingdom, Oct 2014)

Description: Oven roasted **almonds**, cashew nuts, pistachio nuts and Brazil nuts. Decant into single portions for running belts and saddle packs, for on-the-go refueling. Comes in a 200g resealable plastic pouch.



Gourmet Nut Gourmet On The Go Mega Omega Mix (United Kingdom, May 2015)

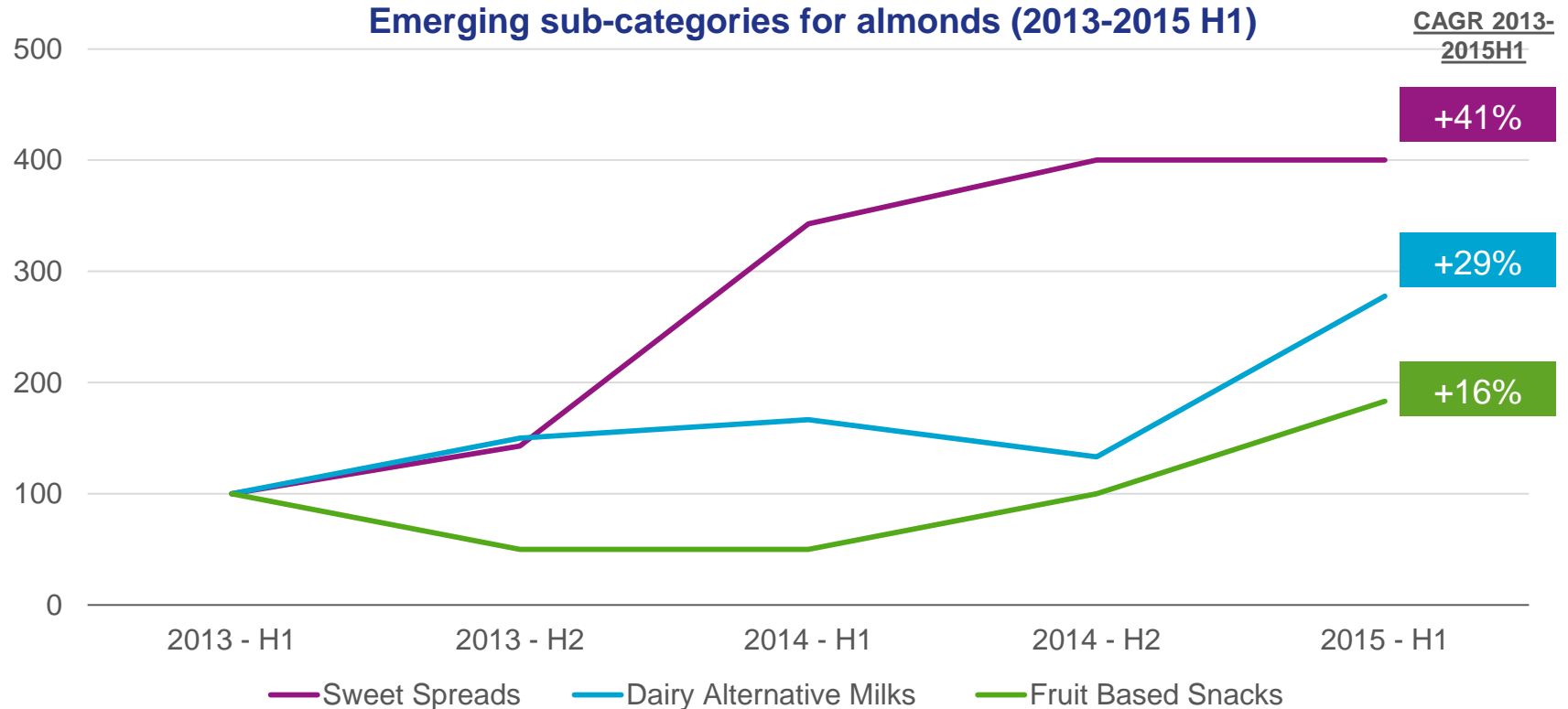
Description: Mix of walnuts, dried mango, **almonds**, cranberries, pumpkin seeds. The Mega Omega Mix is a delicious blend of nuts, fruits and seeds.



**Europe: innovation in emerging
categories, flavors and buzzwords**

Emerging categories: Almond spreads becoming mainstream products

- Focus on emerging sub-categories. Sweet spreads with almonds have been booming since 2013.
- The growth in Dairy Alternative Milks is in line with the Free From trend, as almond milk is naturally free from lactose.



Almonds: Versatile ingredient in emerging categories



Wholegood Roasted Organic Almond Butter (United Kingdom, Nov 2015)

Description: Freshly roasted almonds with a pinch of Cornish sea salt. Comes in a glass jar.



Nubio Lait D Amande: Almond Milk Drink (France, Nov 2015)

Description: A 250ml PET bottle of almond milk.



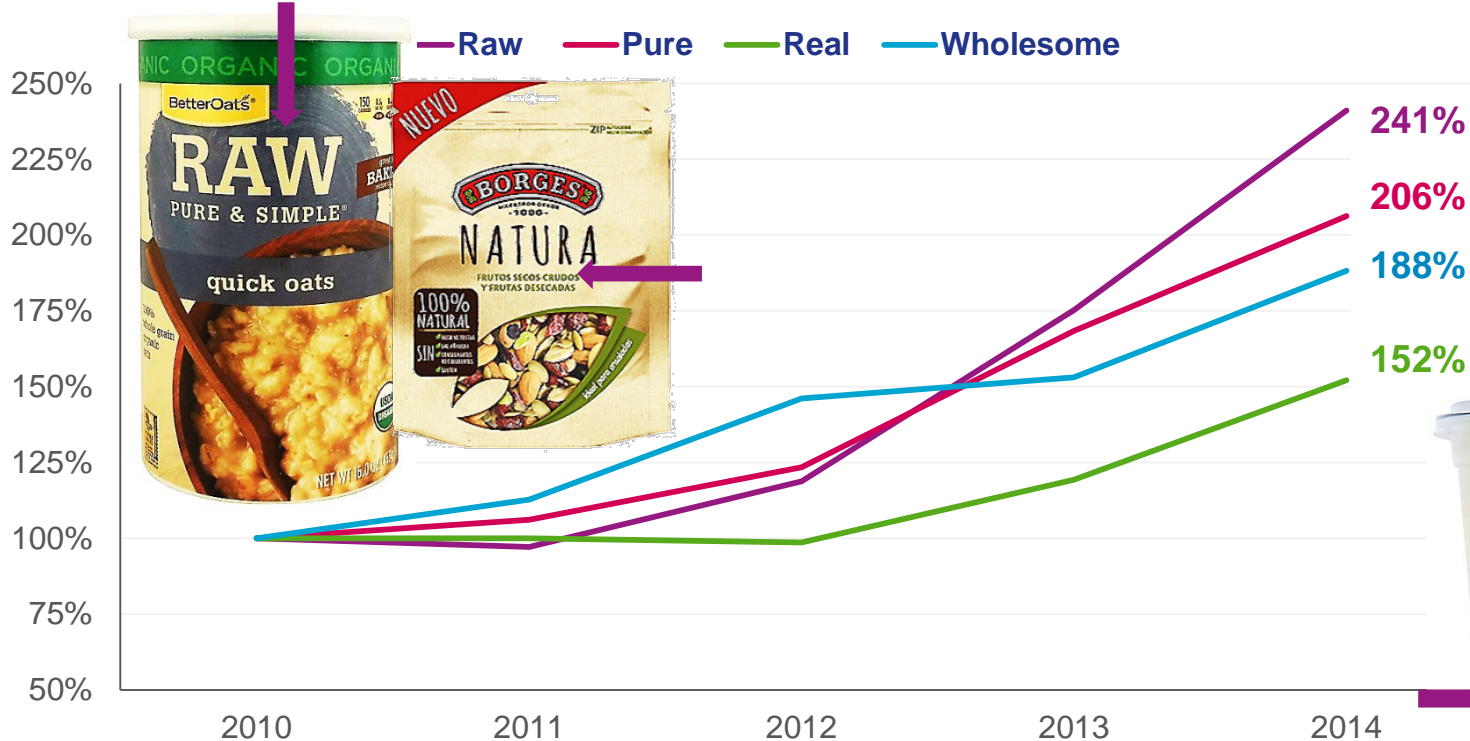
Ica Gott Liv Frukt & Notbar Bar & Vanilj: Fruit And Nut Bar With Berries And Vanilla (Sweden, Sep 2015)

Description: A 50g fruit and nut bar with berries and vanilla, in a plastic packet.

New clean label buzzwords: Raw, Pure, Real, Wholesome

- New marketing words to describe food products as more natural are experiencing strong growth.
- Raw, Pure, Real, Wholesome were increasingly tracked in 2013-2014.

Global NPLs tracked with new buzzwords
(2010-2014) index: 2010=100%



Europe: almond NPLs at the cutting edge of buzzwords

- In 2015 YTD, **9%** of European NPLs with almonds are described by one or more of these buzzwords; NPLs with these descriptor grew by **28% CAGR** from 2010-2014.



Wholegood **Raw** Organic Almond Butter (United Kingdom, Nov 2015)

Description: Freshly milled **raw** almonds with a pinch of Cornish sea salt. Comes in a glass jar.



Waitrose Duchy Organic Muesli with Raisins & Almonds (United Kingdom, Oct 2015)

Description: A **wholesome** blend of organic wheat and oat flakes with raisins and almonds.



Von Goste Snack Nuts and Raisins Mix (Germany, Sep 2014)

Claims/Features: **Pure** and **no preservatives**.



Eat Real Raw Almond (United Kingdom, Apr 2015)

Description: A 100g of **raw** almonds in a plastic packet.

Flavors: Smoky and BBQ boosting taste



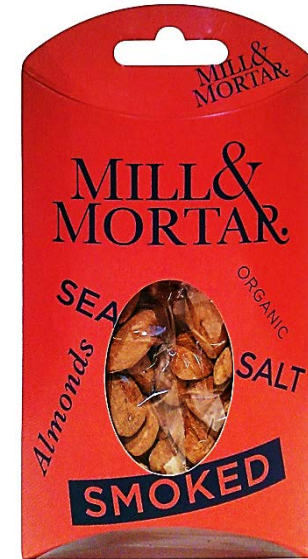
Garant Barbeque Mandlar:
Barbecue Almonds (Sweden, Nov 2015)

Description: A 110g of hickory barbecue flavored almonds in a plastic packet.



Chikas Smoked Almonds (United Kingdom, Oct 2015)

Description: Smoke flavored almonds in an plastic packet.



Mill And Mortar Smoked Almonds With Sea Salt (Denmark, Oct 2015)

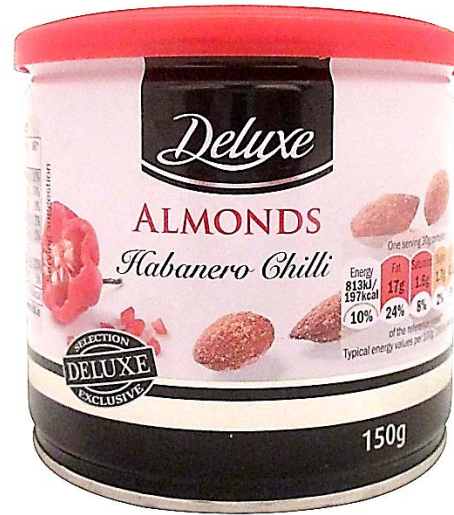
Description: Smoked organic almonds with sea salt, in a plastic packet held in a carton box.

Spicy flavors are a hot trend



The Cooperative Loved By Us Thai Hot And Sour Nut Mix (United Kingdom, Oct 2015)

Description: A blend of peanuts, almonds and **cashews with a Thai inspired hot and sour** tom yum flavor, in a resealable plastic pouch.



Deluxe Habanero Chilli Almonds (United Kingdom, Oct 2015)

Description: A 150g of **habanero chilli** flavored roasted almonds in a metal tin.



Whitworth's Fusion Chilli Nutty And Coco Chaos (United Kingdom, Sep 2015)

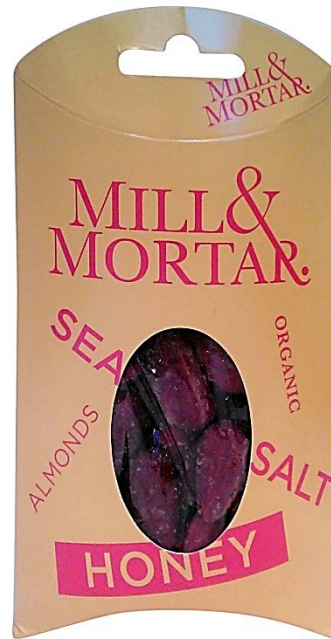
Description: A mix of Chilean flame raisins, creamy cashew nuts, **chilli flavored coated almonds** and dark chocolate, in a resealable plastic pouch.

Sweet + salty flavors2015



Marabou Salta Mandlar: Milk Chocolate Bar With Salted Almonds (Sweden, Oct 2015)

Description: **Milk chocolate bar with savory caramelized salted almonds**, in a resealable plastic wrapper.



Mill and Mortar Organic Almonds: Honey and Sea Salt (Denmark, Oct 2015)

Description: With salt, herbs, and spices or as in this version the **Largueta almonds are roasted with honey and sea salt.**



Kind Caramel Almond And Sea Salt (United Kingdom, Oct 2015)

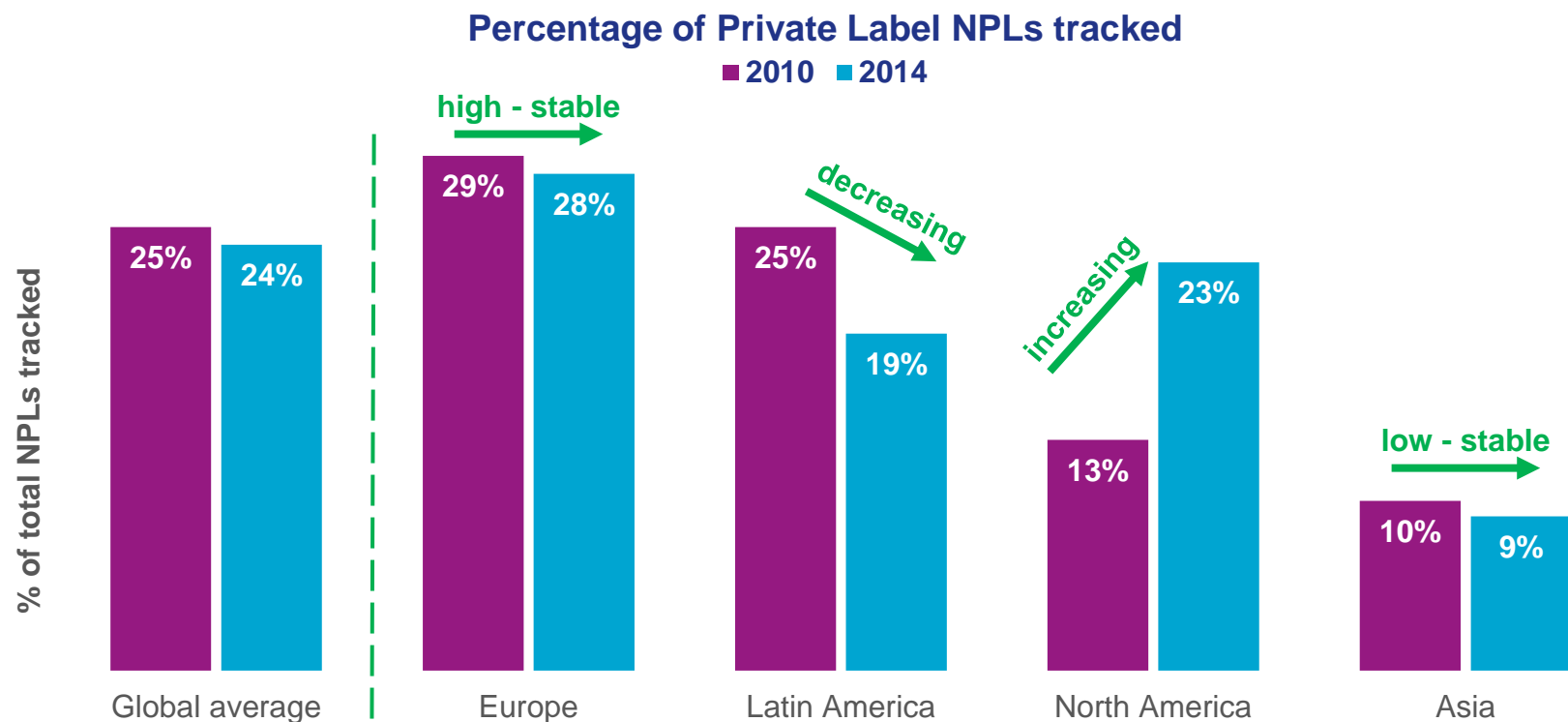
Description: **A sweet and salty combination** of caramel and sea salt drizzled over whole almonds, bound together with a touch of honey.



Private Label vs. Brands

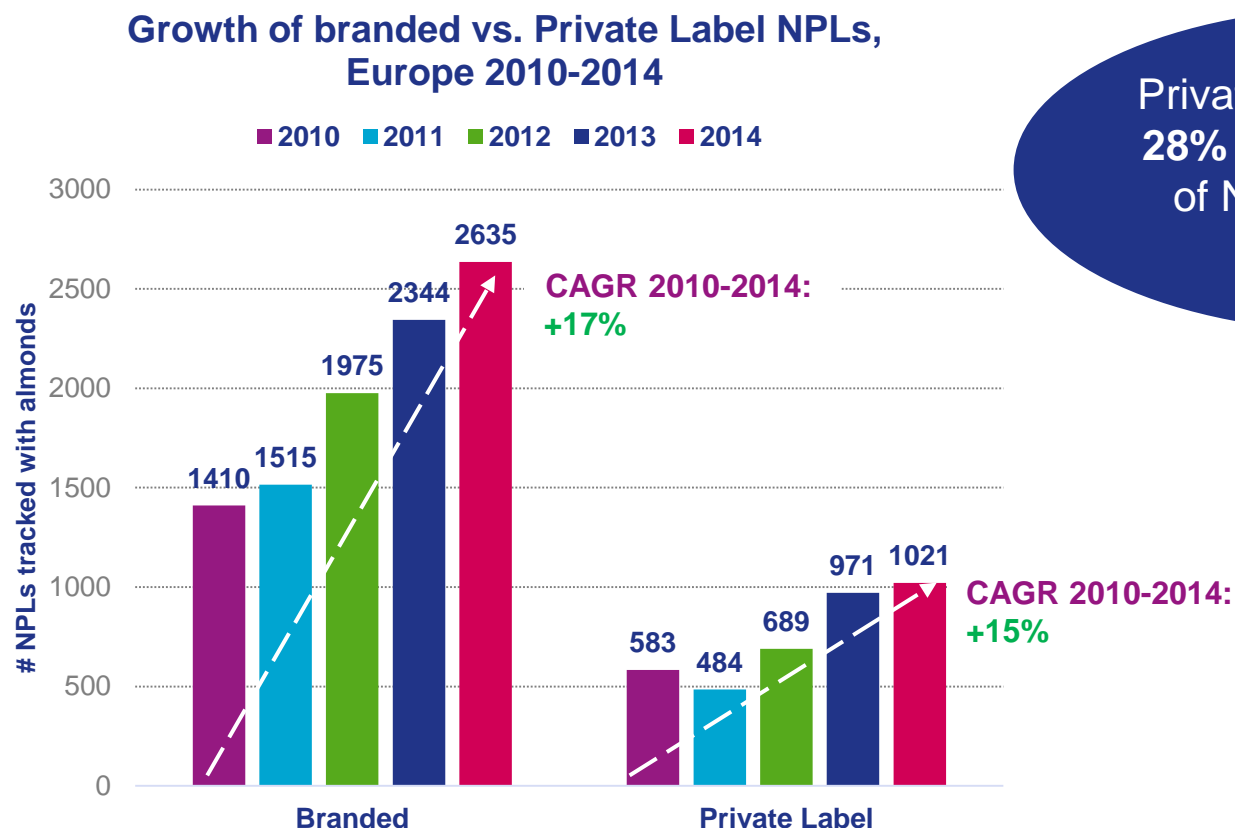
Private Label: growth of NPLs by region

- Europe is the region with the highest market penetration of Private Label NPLs.
- In 2015 YTD, Private label accounts for 28% of total new product launch activity in Western Europe and 24% globally.
 - There has been little change in market penetration of Private Label in Europe since 2010.
- North America is the region with the highest growth rate (2014 vs. 2010).



NPLs with almonds: growth of Private Label vs. brands

- Private Label introductions with almonds grew almost as fast as brands from 2010-2014.
- Private Label accounts for 37% of NPLs tracked with almonds, higher than the overall market penetration of private label in Europe.



Private Label 2015 YTD:
28% market penetration
of NPLs tracked with
almonds

Gourmet options in private label, 2015



Genuss Der Saison Premium Feinste Belgische Pralinen: Finest Belgian Pralines (Germany, Oct 2015)

Claims/Features: These specially selected, **culinary gourmet** highlights are available for a short period only. Premium quality. UTZ certified cocoa. Some pralines contain alcohol.



Freihofer Gourmet Mit Ganzer Mandel Gefüllte Schoko Datteln Mit Vollmilch-Schokolade: Dates Filled With Almonds In Milk Chocolate Coating (Germany, Oct 2015)

Description: Individually wrapped dates filled with whole almonds, coated with milk chocolate.



Gourmet Premium Nuss-Karamell Riegel: Premium Nut-Caramel Bars (Slovenia, Jun 2015)

Claims/Features: **Premium. Gourmet.** Bars made of 60% nuts (peanuts, almonds, hazelnuts) and caramel pieces.

While Brands are leading the clean label approach in snacks ...



Lays Deep Ridged Naturel: Natural Potato Chips (Denmark, Oct 2015)

Description: A 147g of extra crunchy deeply ridged natural potato chips with intense flavor, in a plastic packet.

Claims/Features: Ridges twice as deep. Green Dot Certified.
No artificial colorants. No preservatives.

Tesco Finest Flame Toasted Lightly Sea Salted Tortilla Chips (Hungary, Aug 2015)

Description: Maize snacks with pumpkin seeds, sunflower seeds, brown linseeds and Anglesey sea salt.

Claims/Features: Authentic taste of Mexico.
No artificial preservatives, colors or MSG.
Suitable for vegetarian.



... many Private Label products also have Clean Label claims



Highlights



Key Points

- **Almond trends in Europe:**

- Europe continues to dominate global almond introductions in 2015 YTD, with a 45% share of global NPLs and 3.9% market penetration.
- Confectionery, Bakery and Snacks are the leading European categories for NPD with almonds.

- **Healthy snacking:**

- Snacks and Snack Nuts & Seeds are both the leading and highest-growth category and sub-category for almond introductions.
- Almond snack introductions are growing faster than overall snack introductions.
- Almond snack products with health claims are also increasing.
 - The fastest-growing health claims are High/Source of Protein, No Additives/Preservatives, Lactose Free and Gluten Free.

- **Private label vs. Brands:**

- Europe is the region with the highest market penetration of Private Label NPLs, which account for 28% of total new product launch activity.
- Private Label introductions with almonds grew almost as fast as brands from 2010-2014.



Key Points

- **Emerging categories with almonds to watch for:**
 - Sweet Spreads, Dairy Alternative Drinks and Fruit Based Snacks.
- **Key food trends driving almond consumption and NPD in Europe:**
 - Better for you (high nutrition and healthy snacking), flavor innovation, Clean Label claims.



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