AHFES

A **QUADRUPLE HELIX** ATLANTIC AREA **HEALTHY FOOD** ECOSYSTEM FOR **GROWTH OF SMES**

D5.2 Market analysis: innovation trends and market opportunities

04.03.2020

This project has been co-funded by the European Regional Development Fund (ERDF) through the Atlantic Area Programme, under the subsidy contract EAPA_1071_/2018 AHFES.

Project acronym: AHFES

Project title: A quadruple helix Atlantic Area healthy food Ecosystem for growth of SMEs

Project code: EAPA_1071/2018

Deliverable number and name: D5.2 Market analysis: innovation trends and market opportunities

Work Package: WP5 – Building intelligence for SMEs innovation and growth in healthy food and lifestyles

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Document history:

Version	Date of issue	Content and changes	Edited by
0.1	02.03.2020	Completed first version of report	NIFDA and Clusaga
0.2	04.03.2020	Comments from NUIG	NUIG
1.0	04.03.2020	Final version	Clusaga

The AHFES project is implemented by the following partners:

Content

1 Introduction ... 6
2 Global and EU market trends in healthy food products ... 8
2.1 Description of main trends in healthy food products ... 8
2.2 Challenges and opportunities for SMEs ... 15
3 Country focus analysis of market trends in healthy food ... 17
3.1 Overall trends in launches of healthy food products ... 17
3.2 Launches of healthy food products: analysis per product category ... 18
3.3 Launches of healthy food products: analysis per claim ... 29
4 Findings on SME perceptions on healthy food market trends ... 42
4.1 Profile of the companies ... 42
4.2 Positioning of the companies with regard to healthy food products ... 43
4.3 Perception of “healthy food” market trends ... 44
4.4 Difficulties, key areas of development and partnerships ... 47
5 Conclusions ... 51
Annex: SME survey on perception regarding healthy food market trends ... 54

Figures

Figure 1. Growth of sales in the meat-substitute industry 10
Figure 2. Growth of meat consumption globally 10
Figure 3. Key figures in the market of plant-based protein products 11
Figure 4. Percentage of occasions consumed alone 12
Figure 5. a Clean label in packaged food, 2018 14
Figure 6. US Internet users' online Grocery Shopping Behaviours, 2015-2019, % of respondents 15
Figure 7. "Healthy food" launches in EU and UK as percentage of total annual new products 17
Figure 8. Healthy food launches in AA countries as percentage of total annual new products 18
Figure 9. Percentage of healthy food product launches in AA countries for top 10 product categories (2015-2019) 19
Figure 10. Evolution of healthy food in AA countries as percentage of top 10 product categories 19
Figure 11. Percentage of healthy food product launches in France for top 10 product categories 20
Figure 12. Percentage of healthy food product launches in Ireland for top 10 product categories 21
Figure 13. Percentage of healthy food product launches in Portugal for top 10 product categories 21
Figure 14. Percentage of healthy food product launches in Spain for top 10 product categories 22
Figure 15. Percentage of healthy food product launches in UK for top 10 product categories 22
Figure 16. Top 10 healthy claims used in food and beverage products in EU and UK 29
Figure 17. Growth of top 15 healthy claims in healthy food products, EU and UK, 2015 to 2019 30
Figure 18. Top 10 healthy food claims in France 31
Figure 19. Growth of top 10 healthy food claims in France, 2015-2019 32
Figure 20. Top 10 healthy food claims in Ireland 33
Figure 21. Growth of top 10 healthy food claims in Ireland, 2015-2019 34
Figure 22. Top 10 healthy food claims in Portugal 35
Figure 23. Growth of top 10 healthy food claims in Portugal, 2015-2019 36
Figure 24. Top 10 healthy food claims in Spain 37
Figure 25. Growth of top 10 healthy food claims in Spain, 2015-2019 38
Figure 26. Top 10 healthy food claims in UK 39
Figure 27. Growth of top 10 healthy food claims in UK, 2015-2019 40
Figure 28. Responses to question related to the company's position regarding developing and marketing healthy food products 43
Figure 29. Responses to question related to companies that have implemented changes in products to make them healthier 44
Figure 30. Responses to question related to perception of market trends as opportunities 45
Figure 31. Responses to question related to perception of market trends as risks 46
Figure 32. Responses to question related to difficulties when trying to develop healthy food products 48
Figure 33. Average rate given by companies in each country to difficulties to develop new healthy food products 48
Figure 34. Responses to question related to strengths in key areas for the development of new healthy food products 49
Figure 35. Average rate given by companies in each country to strengths in key areas for the development of new healthy food products 49
Figure 36. Responses to question related to partnerships for the development of healthy food products 50
Figure 37. Average rate given by companies in each country to partnerships for the development of healthy food products 50

Tables

Table 1. Global market growth of Grocery Food in 2019-2024 9
Table 2. Percentage of new healthy products per AA country with corresponding claim, 2019 30
Table 3. Growth of claim from 2015 to 2019 as percentage of new product launches 31
Table 4. Average opportunity rate given by companies to each market trend per country 45
Table 5. Average risk rate given by companies to each market trend per country 46
Table 6. Comparison of main healthy claims per AA country 52

1 Introduction

The current report, "***D5.2 Market analysis: innovation trends and market opportunities***", aims to provide information on market innovation trends with regard to healthy food, which can be used by food companies to increase their knowledge about healthy food innovation opportunities globally and in the Atlantic Area (AA) countries specifically.

This report is part of ***WP5 - Building intelligence for SMEs innovation and growth in healthy food and lifestyles***, of the project "***AHFES - A quadruple helix Atlantic Area healthy food ecosystem for growth of SMEs***". The purpose of AHFES is to improve the overall competitiveness and growth of SMEs in the value chain of healthy food & lifestyles by contributing to enhancing a transnational innovation ecosystem that helps SMEs access knowledge, partners and markets and align their products and services to consumer needs and expectations. AHFES will achieve the following objectives: i) Strengthening the cooperation in the fields of food, health and ICT, through mechanisms that facilitate networking and knowledge exchange; ii) Fostering SME competitiveness through advanced support services to facilitate innovation; and iii) Increasing the consumers' awareness about the relevance of innovation, achieving a higher trust and promoting healthier lifestyles.

In the scope of the AHFES project, the following definitions and overall framework was set:

*A **healthy lifestyle** is a way of living that favours optimal health and well-being, lowering the risk of being seriously ill or dying earlier.*

*A **healthy diet** (eating healthy) helps to maintain good health through optimal nutrition and is critical to achieve a healthy lifestyle. It should be varied and there are recommendations on the proportions/balance between the different types of foods.*

*Foods make up diets and eating healthy foods contribute to achieving a healthier diet. **Healthy foods are safe and of nutritional value**. However, a product is not to be considered healthy on its own, as it depends on the way it is produced and consumed and the overall diet of the individuals. Nevertheless, there are a series of recommendations that can be taken into consideration.*

In conclusion, when thinking about producing healthy foods, the food industry should consider, not only the nutritional value of the product, but also the preferences of consumers and product feasibility. The following aspects are to be considered:

- Food Safety and Quality
- Health & Nutritional Value
- Consumer acceptance (taste, texture, price, sustainability concerns)
- Feasibility (production costs, sustainability of supply chain)
- Handling and processability

In terms of nutritional value, the nutrients of public health importance[1] for which there is evidence of a dietary imbalance in the population that might influence the development of overweight and obesity or diet-related diseases, are the following:

[1] *Scientific Opinion on establishing Food-Based Dietary Guidelines*, European Food Safety Authority, 2010

- Nutrients that might be consumed to excess: energy, total fat, saturated and trans fatty acids, sugars, salt;
- Nutrients for which intake might be inadequate: unsaturated fatty acids, dietary fibre, vitamins and minerals (such as vitamin D, folate, potassium, calcium, iron, iodine).

The methodology used for the development of this report combined different and complementary sources of information. First, a desk research was conducted analysing relevant information from recognised published reports produced mainly by Mintel, Euromonitor and IGD ShopperVista. In addition, information and market insights were recorded from a study tour to the Anuga trade show in Cologne (Germany). Anuga is the world's largest trade fair for the food industry. This information has been used to produce *Chapter 2 - Global and EU market trends in healthy food products*.

Second, the team exploited the information available on Innova Market database regarding new healthy food product launches in the different AA countries; thus, allowing for comparison between the trends in the AHFES countries. The results of this analysis are presented in *Chapter 3 - Country focus analysis of market trends in healthy food*.

Thirdly, an SME survey on perceptions about healthy food products was conducted. The survey was carried out online on SurveyMonkey and the target groups for the survey were food and drink companies (mainly SMEs) situated within the project area. The survey included a section focused on the companies' perceptions of consumer trends, as well as a section focused on the companies' perceptions of market trends. The results of this survey are analysed in *Chapter 4 - Findings on SME perceptions on healthy food market trends*.

Finally, an overall analysis of all information collected was analysed in order to extract the main conclusions that should be transferred in a summarised manner to the companies in the AA regions. These are presented in *Chapter 5 - Conclusions*.

2 Global and EU market trends in healthy food products

This chapter aims to open a window into the healthy food marketplace. Large swathes of the population are on a health kick. This is reflected in the way that members of the public have embraced different types of food trends, for example using food in relation to health conditions, fitness regime, ethical lifestyle or an adventurous attitude.

Therefore, this chapter is set out to understand:

- The movement and drivers in these new market trends
- How they will impact on the food manufacturing sector
- The changes in product profiles
- The opportunities for innovation and growth

In order to develop this chapter, a desk research exercise has been conducted based on published reports produced mainly by Mintel, Euromonitor and IGD ShopperVista. In addition, information and market insights were recorded from a study tour to the Anuga trade show in Cologne (Germany). Anuga is the world's largest trade fair for the food industry.

As a result, the key findings in terms of market trends identified in this chapter are the following:

- Global growth in packaged food
- Reduction in meat consumption
- Snackification
- Increased mindful eating
- Adventurous customer

2.1 Description of main trends in healthy food products

This section provides a summary of the main trends in healthy food products identified through the desk research conducted.

2.1.1 Global growth in packaged food

Packaged food value sales grew at a compound annual growth rate (CAGR) of 1.6% globally in the period 2013-2018. Asia Pacific, Western Europe and North America generated the bulk of sales and accounted for almost three quarters of global packaged food sales in 2018. Revenue in the Food & Beverages segment amounts to US$76,768m in 2020. Revenue is expected to show an annual growth rate (CAGR 2020-2024) of 8.4%, resulting in a market volume of US$105,993m by 2024[2]. Global packaged food sales will grow by 24% by 2024.

The global distribution of global grocery retail will be as shown in Table 1. Global market growth of Grocery Food in 2019-2024, which can be summarised:

- Asia will account for nearly 50%, of which China which will account for 21% and India 11%
- North America is set to produce 12%
- Western Europe generating 10%
- Eastern Europe 6%

[2] www.statista.com/outlook/253/100/food-beverages/worldwide

Further investigation of the results highlighted in the research indicate that:

- China, India, Japan and Indonesia will account for the majority of new grocery sales generated within the Asia region between 2019 and 2024
- China will overtake the US in 2022 to become the largest grocery market in the world
- Online grocery and the discounters will be the fastest growing channels over the next five years
- The majority of growth in Latin America will be driven by Brazil, which accounts for more than a third of the region's grocery market

Table 1. Global market growth of Grocery Food in 2019-2024

Rank	Country	2019 US$bn	2024 US$bn	Total change 2019-2024	CAGR 2019-2024
1	China	1429.2	1888.8	0.322	0.057
2	USA	1520.4	1750.1	0.151	0.029
3	India	531.3	781.1	0.47	0.08
4	Japan	468.1	558.7	0.193	0.036
5	Brazil	324.3	404.9	0.248	0.045
6	Germany	285.3	328.7	0.152	0.029
7	France	263.5	297.4	0.129	0.025
8	Russia	261.2	279.3	0.069	0.013
9	United Kingdom	252.2	275	0.091	0.017
10	Mexico	211.8	265.9	0.256	0.047
11	Italy	203.6	227.8	0.118	0.023
12	Nigeria	128.1	205.6	0.605	0.099
13	Indonesia	139.7	191	0.367	0.065
14	Spain	128.5	148.4	0.155	0.029
15	Turkey	98.9	140.5	0.421	0.073
16	Canada	102.7	128.6	0.253	0.046
17	South Korea	97.6	120	0.229	0.042
18	Pakistan	85.7	111.6	0.301	0.054
19	Australia	92.4	107.5	0.164	0.031
20	Thailand	76.1	101.1	0.329	0.058
	TOTAL	6700.6	8312	0.24	

Source: IGD research[3]

2.1.2 Reduction in meat consumption

2.1.2.1 Flexitarianism

A flexitarian is a person who has a primarily vegetarian diet but occasionally eats meat or fish. The rise of the flexitarian diet (see Figure 1) is a result of people taking a more environmentally sustainable approach to what they eat by reducing their meat consumption in exchange for alternative protein sources. Following a flexitarian diet highlights an increased intake of plant-

3 www.igd.com/articles/article-viewer/t/igd-global-grocery-retail-to-add-22-trillion-in-sales-by-2024/i/22958

based meals without completely eliminating meat. It is about adding new foods to the diet as opposed to excluding any, which can be extremely beneficial for health.

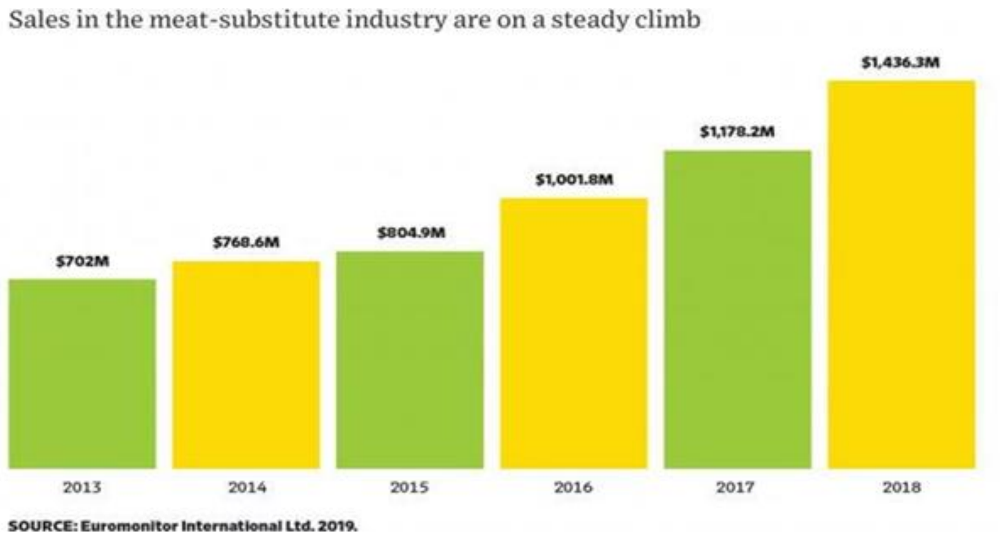

Figure 1. Growth of sales in the meat-substitute industry

Source: Euromonitor International Ltd. 2019

Although in Europe and North America meat and animal products consumption is slowing or growing at a reducing rate; in emerging and developing countries, however, meat and animal products are rapidly replacing other foods as the growing middle classes can now afford what was once a prohibitively expensive food (Figure 2).

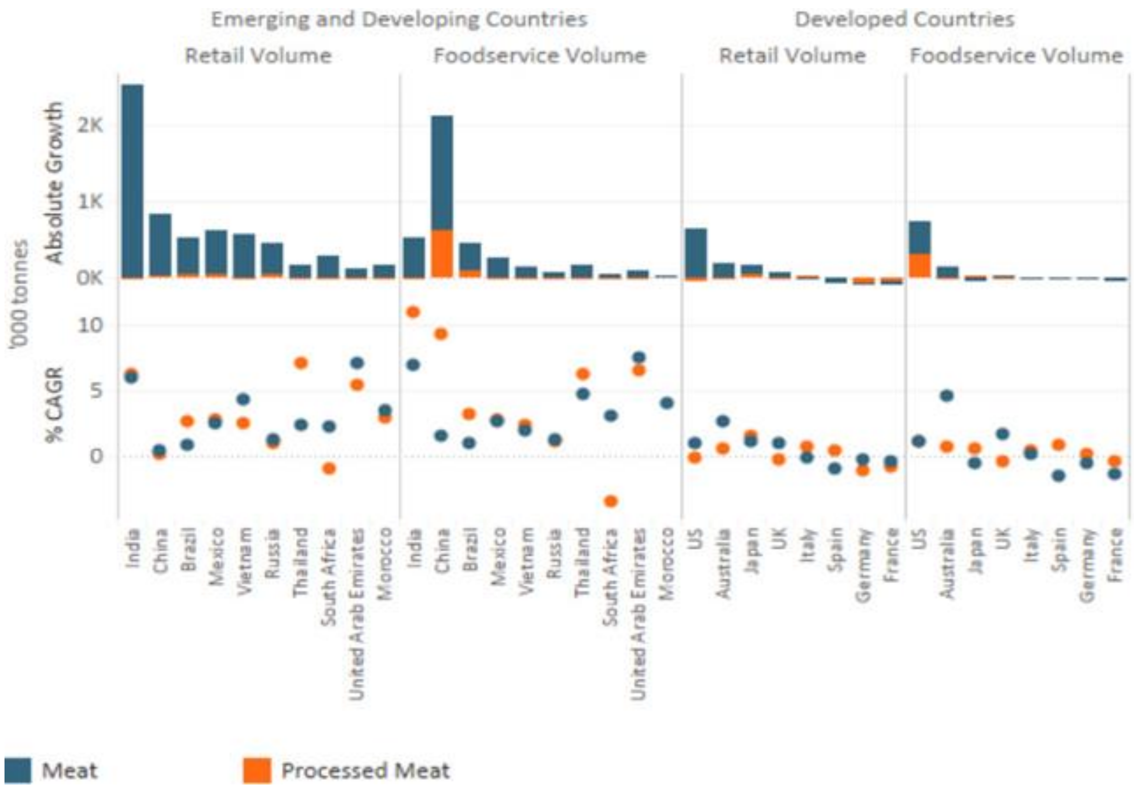

Figure 2. Growth of meat consumption globally

Source: Euromonitor International Ltd. 2019

2.1.2.2 Plant-based eating and alternative proteins

The growing trend of plant-based eating is increasingly gaining traction in the developed world. These plant-based foods include lentils, beans, peas, nuts and seeds, all excellent sources of protein. The rise is driven by environmental and health concerns and the growing number of "flexitarians". According to Technavio[4], the global plant-based protein products market size will grow by USD 5.67 billion during 2019-2023 (Figure 3).

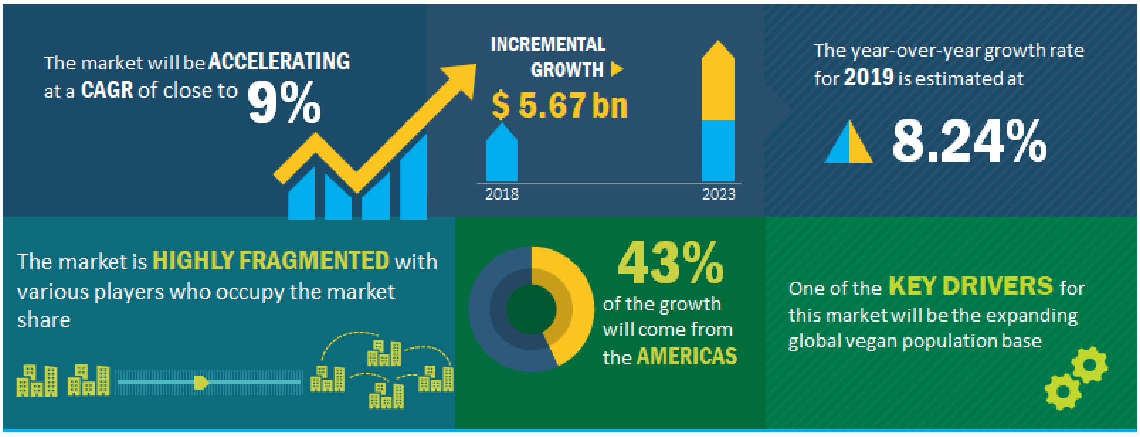

Figure 3. Key figures in the market of plant-based protein products

Source: Global Plant Based Protein Products Market 2019-2023

2.1.2.3 Lab-based meats

Meat analogues are currently the focus of the movement towards alternative protein. Technological advances in replicating the texture of meat and improving on the taste profile of meat analogues have convinced previous sceptics, and the foodservice channel is likely to be the dominant source of revenue for this product range.

Meat substitutes and alternatives remain a key focus for many start-ups and major food companies alike, as they compete for an edge in the emerging category of lab-based meats, where meat is produced by the cultivation of animal cells. The cells must have a rapid rate of proliferation, like embryonic stem cells. The cells are placed into a nutrient-rich solution in a controlled cultivator. This causes the stem cells to act as they would if they were still in the animal's body – to multiply, ideally quickly and into high densities. The result is an edible product that looks, cooks, and tastes like animal meat because, biologically, it is animal meat. The major difference is that an animal does not need to be killed to make it.

However, the undefined regulatory framework for these novel foods is expected to act as a significant barrier. The label claims, or whether these products can be named "meat" are beginning to be considered at regulatory levels. Moreover, several consumer surveys in different parts of the word have shown a lack of confidence in this kind of products[5].

The lab-based/cultured meat market was valued at 206 million USD in 2019[6] and it is expected to grow at a CAGR of 14.5% until 2024.[7]

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[4] Global Plant Based Protein Products Market 2019-2023, www.technavio.com/report/global-plant-based-protein-products-market-industry-analysis
[5] https://www.fortunebusinessinsights.com/industry-reports/lab-grown-meat-market-100236
[6] https://www.marketdataforecast.com/market-reports/cultured-meat-market
[7] go.euromonitor.com/ANUGA19.html

2.1.3 Snackification

The market is developing food products that fit busy lifestyles. The lines between traditional mealtimes and in-between snacking continue to disappear.

Until recently we have built our day around “three square meals a day”. Now our increasingly mobile lifestyles and increasingly diverse family arrangements are making the rigid breakfast-lunch-dinner model a thing of the past. New flexible scheduling has given rise to a trend phenomenon by the name of “snackification”. Our new lifestyles and family structures mean that we’re more frequently in motion, in-between, in “third places”. So, it’s no surprise that people are eating more and more meals in that in-between space, rather than at home, on a fixed schedule.

Anytime anywhere the opportunities to purchase are shifting. People are time pressed and always on the go. Millennials are leading the way by reshaping the way society approaches mealtimes with their propensity for snacking. 63% of millennials replace meals with snacks. This has food manufacturers focusing on portability in snacks when it comes to new products, even products not typically seen as snack products are being reimagined to fit into this category.

Packaged food manufacturers are moving to address this new eating habit. Segmentation and new eating occasions are providing growth opportunities for companies. Producing versatile and mobile versions of existing products. We see this with breakfast cereal bars and snacks “to go” with coffee or at lunch. People are time-pressed, on-the-go and are more flexible in their eating habits. New products that range from indulgent to nutritious in an effort to provide “buying opportunities anytime, anywhere.

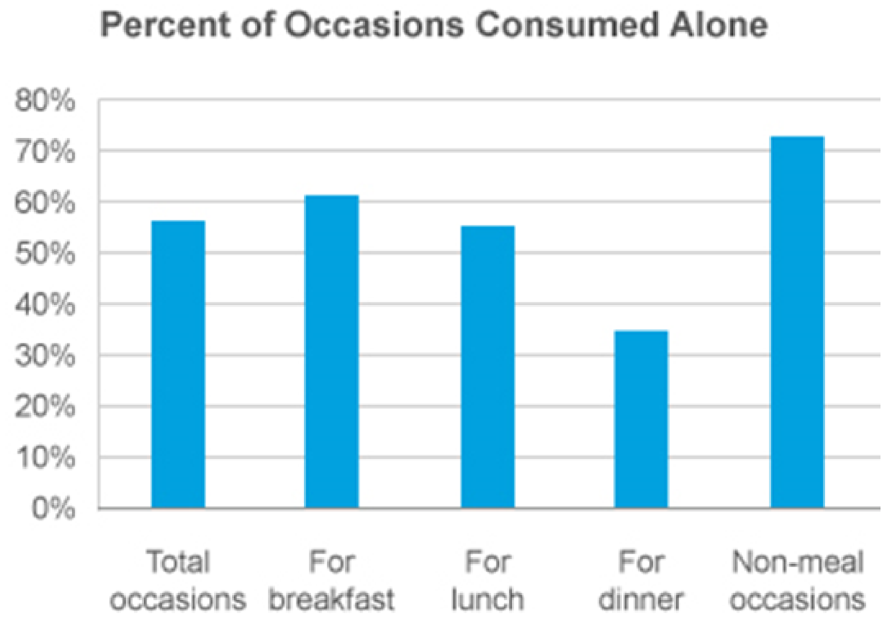


Figure 4. Percentage of occasions consumed alone

Source: The NPD Group/enhanced National Eating Trends

The Snacks Expo, held every year in the US, shows some emerging trends in this category of products, such as the following:

- Health-friendly snacks: As consumers increasingly turn to snacks, they are also demanding healthy, diet-friendly alternatives to traditional junk food. Snack companies are now producing sugar-free, ketogenic and healthy convenience food.

- International snacks: To appeal to a more global or culturally-savvy audience, retailers are also starting to carry international snacks like crispy seaweed, lotus root crisps and mung bean snacks.
- Beverage-flavoured products. Everything from pretzels to cake and chocolate is incorporating soft drink as well as alcoholic flavours like Guinness chocolate bars, Jack Daniels cakes and craft beer pretzels.

2.1.4 Mindful eating

The expectations from food products are increasing. The market is addressing the increased consumers knowledge with greater choice, recognising that consumers will now evaluate and compare before making a purchase. Driven by new food beliefs, balanced diets are competing with special diets and new ingredients, from ancient grains to superfoods, promise novelty and health benefits to allow manufacturers to experiment and innovate.

In response to the changing attitude within the market, companies are increasingly mindful about the food they produce. They are seeking alternative healthier foods, including more fruit and vegetables and moving towards more natural and less processed food. Recognising that consumers now consider products with natural ingredients are of a higher-quality and more trustworthy offering. Furthermore, this trend is moving products towards shorter ingredient lists that are more reflective of the clean label movement and the “free from” products.

The following aspects are relevant when taking about the “mindful eating” trend:

Green Appeal. The popularity of plant-based products and the growing vegan and vegetarian populations have people demanding more varied alternatives to all of the animal-based foods.

Sustainability. To address the concerns of the evolving market image, companies should invest in sustainability. This could be anything from improved traceability and accountability in the supply chain to sustainable packaging.

High fibre category continues to increase as the market is looking for products that have high fibre content which benefit digestive health. As interest grows in fibre, manufacturers have stepped in to fill the demand with increased launch activity, according to Innova Market Insights. In 2019 in the US 44% of respondents say they are increasing their consumption of fibre, compared to 33% in the UK[8].

Nutritional information. Food beliefs keep evolving and shaping eating habits. More and more people now carefully consider what to eat and increasingly take nutritional information into account. New ingredients and superfoods promise not only health and nutritional benefits, but also novelty and often an exotic adventure. Market trends such as the “free from” movement are affecting dietary preferences and boosting sales of alternative products. Furthermore, consumers aim to reduce “bad” nutrients such as sugar, salt or carbs in their diets, while they are trying to increase “good” nutrients such as fibre and protein. A balanced diet also means that consumers increasingly lean towards the “normal” full-fat version of a product but consume less of it. Unhealthy products are thought of as acceptable in moderation which allows for permissible indulgence[9].

Natural, minimally processed and clean label. Ultra-processed food is increasingly under fire and recent studies have associated highly processed food with non-communicable diseases.

[8] innovamarketetinsights.com
[9] https://blog.euromonitor.com/mindful-eating-and-the-new-food-beliefs/

There is increasingly a demand for natural and authentic products, with no artificial colours, flavours or sweeteners. According to GlobalData[10], 94% of global consumers are interested in food and drink with natural claims, and 66% of them are actively buying such products.

In terms of innovation, this implies formulations should offer products made with natural and/or organic ingredients; remove chemicals, artificial ingredients and preservatives; keep ingredients lists short; and adopt methods which retain freshness with minimal processing (e.g. cold pressing). Furthermore, companies should adopt marketing claims which will resonate with consumers such as “inspired by nature”, “naturally sourced”, “clean”, “pure”, and “real”. As with regard to packaging, companies should create or support a fresher and more natural image; for example, simple and clear labelling, or intelligent packaging which helps prolong product freshness.

As the drive to the clean label trend, continues to gain momentum, leading manufacturers including Nestlé, Unilever and Kellogg’s have adopted reformulation strategies to meet the new demands.

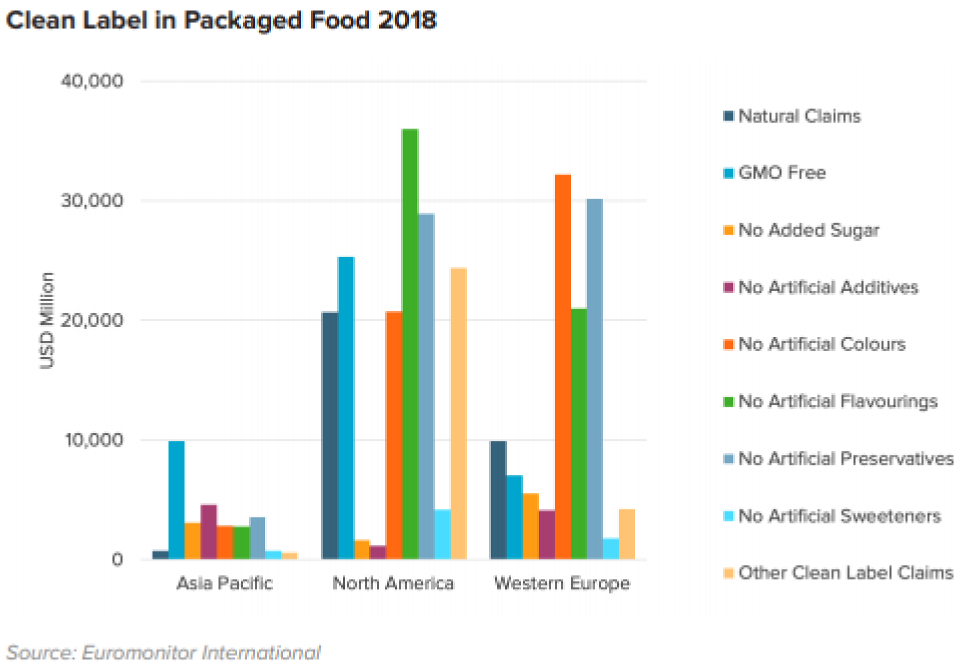


Figure 5. a Clean label in packaged food, 2018

Source: Euromonitor International[11]

2.1.5 Adventurous Customer

There is an increased appetite for new and adventurous flavours. This market segment is growing and set to become a key trend. More people are embracing new discoveries, and turning to interesting new flavours, as they aim to expand their range of choices. According to Euromonitor International’s Global Consumer Lifestyles Survey, 59.8% of consumers under the age of 44 agree that “it is important to spend money on experiences”, and this includes food. Greater emphasis is being place on product texture, how it feels in your mouth, the flavour fusions, exotic

[10] GlobalData’s Q4 2016 global consumer survey
[11] https://blog.euromonitor.com/mindful-eating-and-the-new-food-beliefs/

tastes and even new takes on traditional cuisines and ingredients. Healthy food now has to compete in a market where being "healthy "is not sufficient. The offering now must taste exotic and be photogenic.

2.1.6 Food e-commerce

The marketplace for healthy food has expanded greatly over recent years. It is no longer the preserve of the local specialist grocery store or limited to a couple of shelves in the supermarket. The rise of food e-commerce in regions across the globe is creating an entirely different kind of grocery shopping experience. Recent trends, technology advances, and shopper sentiment indicate that the food and beverage e-commerce category is poised for rapid growth. A recent Nielsen study found that about one-quarter of shopper's order groceries online and 55% are willing to do so in the future. The net result being that there is now a two-way route into the market. A bigger market to sell into, and a bigger market in which they must compete.

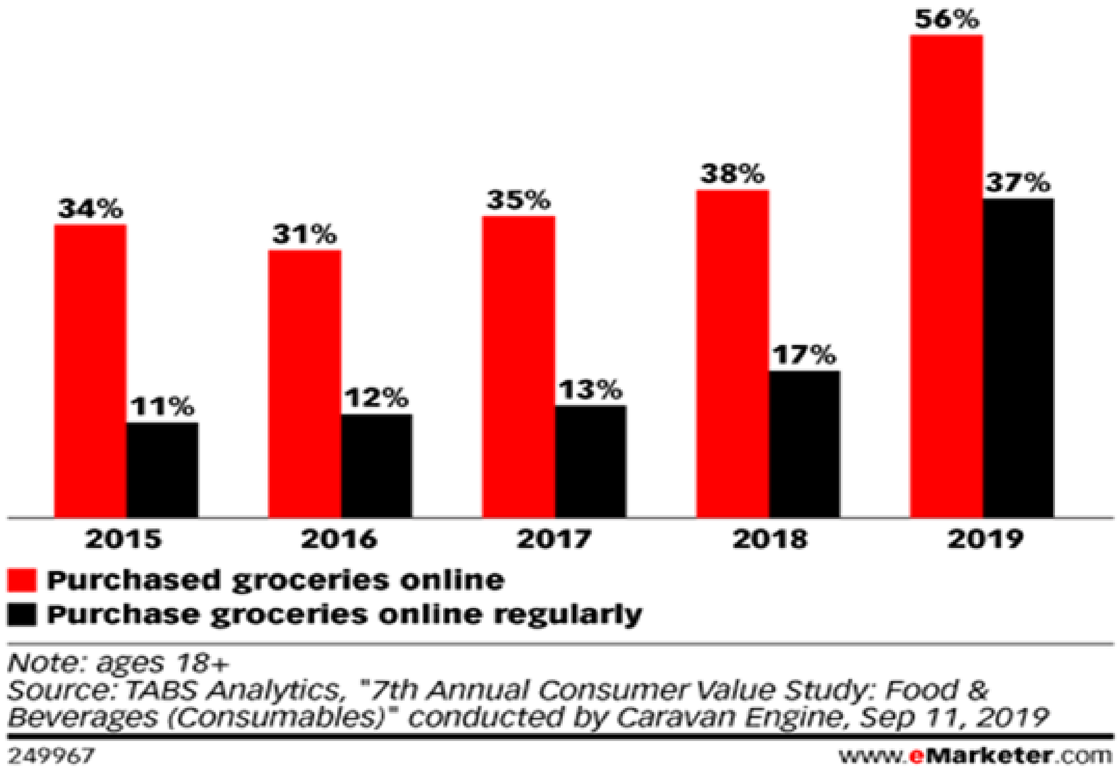


Figure 6. US Internet users' online Grocery Shopping Behaviours, 2015-2019, % of respondents

2.2 Challenges and opportunities for SMEs

For small and medium companies, the evolving attitudes to the food and drink market presents **challenges**. Including, as previously mentioned, the **desire for clean-label products** where health and wellness are a key concern for a growing number of consumers. Another crucial factor in the purchasing decisions is **traceability**. Providing information on where the food comes from and how it has been processed or in cases not processed. This thinking has been fuelled by the growing mistrust of the food sector due to numerous food scandals in recent years.

Moreover, the **cost of new product development and establishing export markets** can and do restrict the ability of small and medium companies from fully exploiting the opportunities that arise from the market changes.

Connecting with the buying public is also a challenge to be mentioned. Social media is increasingly influencing the way we eat – whether that is through seeing delicious dishes from restaurants to, recipes or the tempting baking videos that pop up on our social media feeds. Being constantly shown delicious food on-line increases the buyers' knowledge and also their expectations. Companies need to be as knowledgeable as their customers. They need to understand the movement and trends within their category. Food companies will need to compete in this multimedia age to engage with potential consumers. To use social media to promote its products and to engage with new consumers.

When looking at the **opportunities** for SMEs, the greater **market segmentation** and new eating occasions are providing growth opportunities for companies. Packaged food manufacturers are working to adapt to these new eating habits, by developing new products that allow people to snack on the move or to buy and consume later. Innovative companies that understand this trend and design products to capitalise on this change in attitudes will succeed.

Food is increasingly becoming a **sensory experience**. Beyond its role in health and nutrition, people want food to take them on an adventure. Food in becoming about texture, feel, flavour fusions and exotic tastes. Ingredients are becoming more prominent, and now even the appearance of food is becoming more important. Companies need to make their products look great on Instagram as consumers share experience and recommendations through shared images.

While healthy eating trends continue to accelerate, producers still need to maintain the **desire to indulge**. Here are opportunities to promote chocolate and other indulgent products as a reward. Despite the movement towards healthy eating there will always be a market for "indulgent and reward" products. However, the nature of indulgence is becoming less frequent and there is a movement to premium or "better for you" products.

A more conscious consuming and a greater awareness of the impact of food production on the environment means greater scrutiny on ingredients and processing methods. This interest will only grow in 2020, when the market will be looking for more "natural" foods that are less processed and have less packaging. Products that can provide greater traceability – knowing the journey it has been on from farm to fork and minimising plastic packaging and waste.

3 Country focus analysis of market trends in healthy food

This chapter presents an identification and analysis of main market trends regarding healthy food products in the countries covered by AHFES project and the Atlantic Area Programme. The analysis has been based on information extracted from the Innova Market database. This database contains data regarding new product launches in retail channels worldwide. To focus on healthy food in Europe, the following filters have been utilised:

- Date: Between January 2015 and December 2019 (5 years)
- Geographic area: EU countries (contains: Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden) and the United Kingdom.
- Positioning claims:
    - Health (Active): Added calcium, added fibre, added iron, added protein, anti-aging/aging-well, bone health, brain health, DHA, digestive/gut health, energy/alertness, eye health, functional (not specified), heart health, immune health, joint health, omega-3, oral health, prebiotic, probiotic, skin health, sports & recovery, vitamin/mineral fortified, weight management
    - Health (Passive): allergy, antioxidant, diabetic, gluten free, HFCS free, high/source of fibre, high/source of protein, lactose free, low calorie, low carb, low cholesterol, low fat, low GI, Low sodium, low sugar, natural, no added sugar, no additives/preservatives, no trans fats, organic, sugar free, whole grain
- Product category: all product categories except "Pet food"; thus: All Alcoholic Beverages; All Baby & Toddlers; All Bakery; All Cereals; All Confectionery; All Dairy; All Desserts & Ice Cream; All Fruit & Vegetables; All Hot Drinks; All Meat, Fish & Eggs; All Ready Meals & Side Dishes; All Sauces & Seasonings; All Snacks; All Soft Drinks; All Soup; All Sports Nutrition; All Spreads; All Sugar & Sweeteners; and All Supplements.

By applying these filters, the Innova Market database returned a total of 271,241 products for analysis.

3.1 Overall trends in launches of healthy food products

As is illustrated in Figure 7, healthy food products have a largely consistent presence in new food launches in the EU and UK. In 2019, 17.0% of new products launched carried a healthy attribute, although this represents a slight decrease compared to previous years.

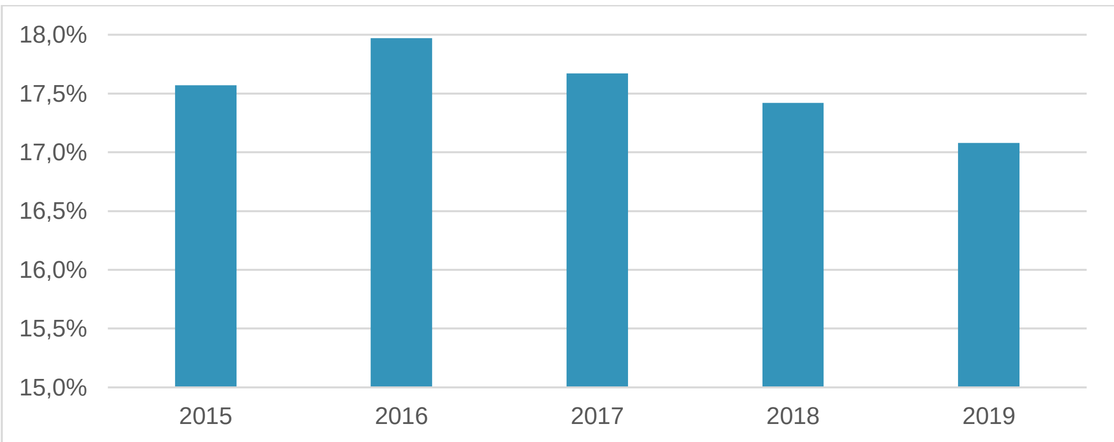


Figure 7. "Healthy food" launches in EU and UK as percentage of total annual new products

Turning to the trends present in the specific countries of the Atlantic Area programme (France, Ireland, Portugal, Spain and UK), it can be can observed they have a relatively high proportion of new products being launched with “healthy” claims. As shown in the data, over 40% of new product launches in 2019 carried a healthy claim in any given target country. Portugal, Spain, and France showed growth during the five-year period, while Ireland and the UK both decreased slightly. Portugal is the country that has shown the highest growth of healthy food products launched in 2015-2019, going from 35.1% to 45.4%.

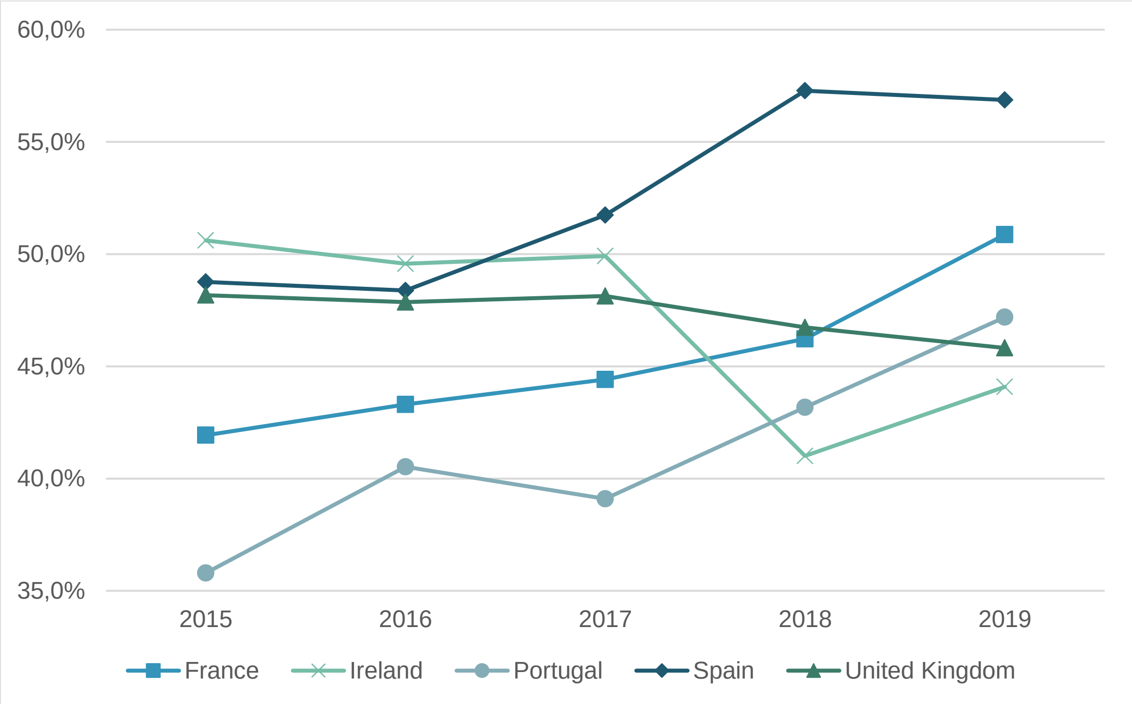


Figure 8. Healthy food launches in AA countries as percentage of total annual new products

3.2 Launches of healthy food products: analysis per product category

This section presents an analysis of data of new healthy food product launches based on the category or sub-categories of products. This will allow us to understand which sectors are more involved in the production, or launch, of healthy food products.

3.2.1 Overall overview

Examining healthy food launches in the past five years in AA countries, it can be observed that the most dominant categories are baby & toddler, sports nutrition, and cereals (all them above 80% of products launched include healthy claims). Following that, are the categories of Soft drinks & Juices with 65.0%, Soup with 64.4%, and Dairy with 59.6% (Figure 9).

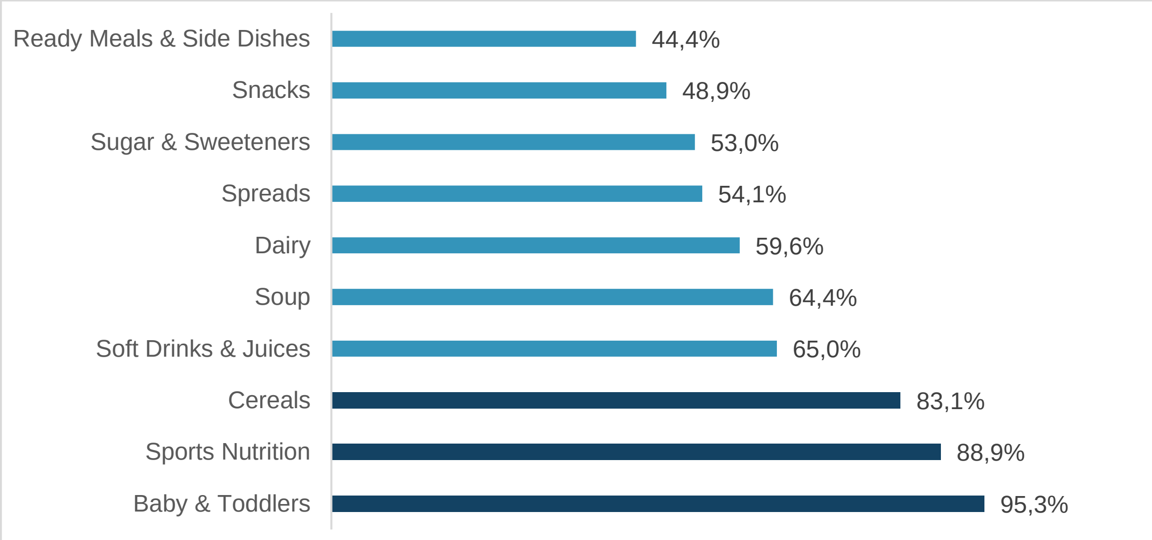


Figure 9. Percentage of healthy food product launches in AA countries for top 10 product categories (2015-2019)

Looking further at these dominant product categories in healthy food launches, and more specifically to its evolution in the last five years, almost all the "top 10" have experienced growth from 2015 to 2019 (Figure 10).

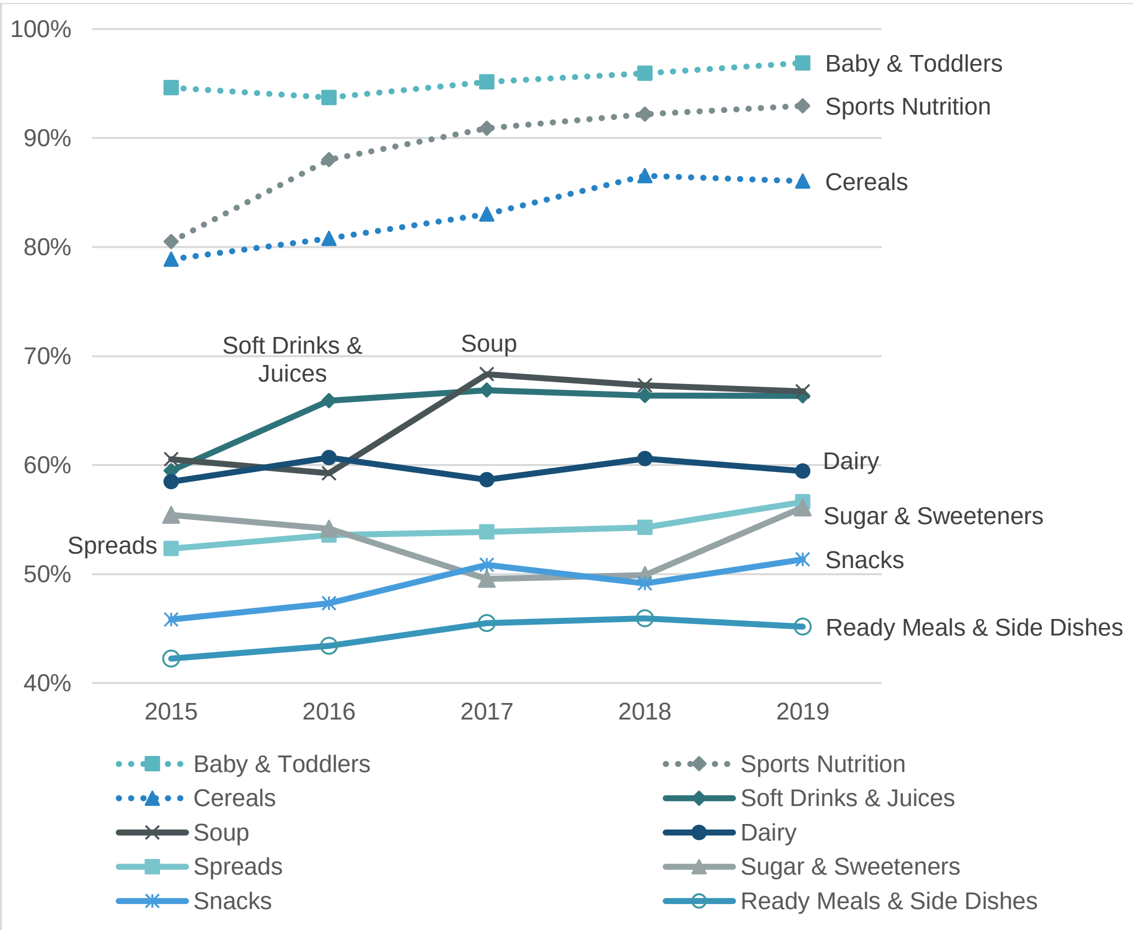


Figure 10. Evolution of healthy food in AA countries as percentage of top 10 product categories

3.2.2 Analysis per AA country

This section provides a more detailed analysis of healthy food products in each AA country.

As shown in the figures of this section, the five AA countries present significant similarities in terms of the most common products marketed with healthy food claims. In fact, in all five countries the following products are among the top 10 product types with healthy food claims: baby & toddlers, sports nutrition, cereals, dairy, spreads, soft drinks, and soup. Sugar & sweeteners and snacks are also in the top 10 of four out of five countries (except Portugal and France, respectively). On the opposite, there are also some product categories represented only in one or two of the countries (France: sauces & seasonings, Ireland: bakery; Portugal: fruit and vegetables; Spain: meat, fish and eggs).

As shown also in the figures, baby & toddlers, sports nutrition, cereals are the “top 3” categories for all countries, and these present, in general, a slightly growing or stable trend in the last five years.

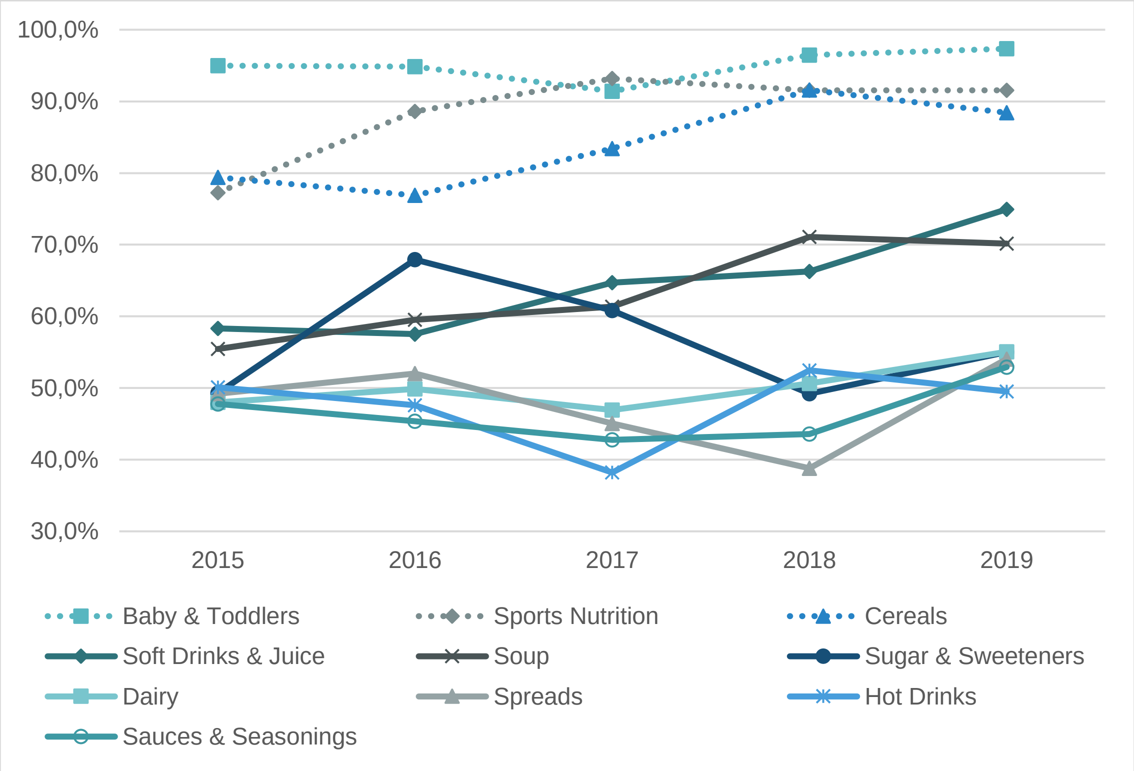


Figure 11. Percentage of healthy food product launches in France for top 10 product categories

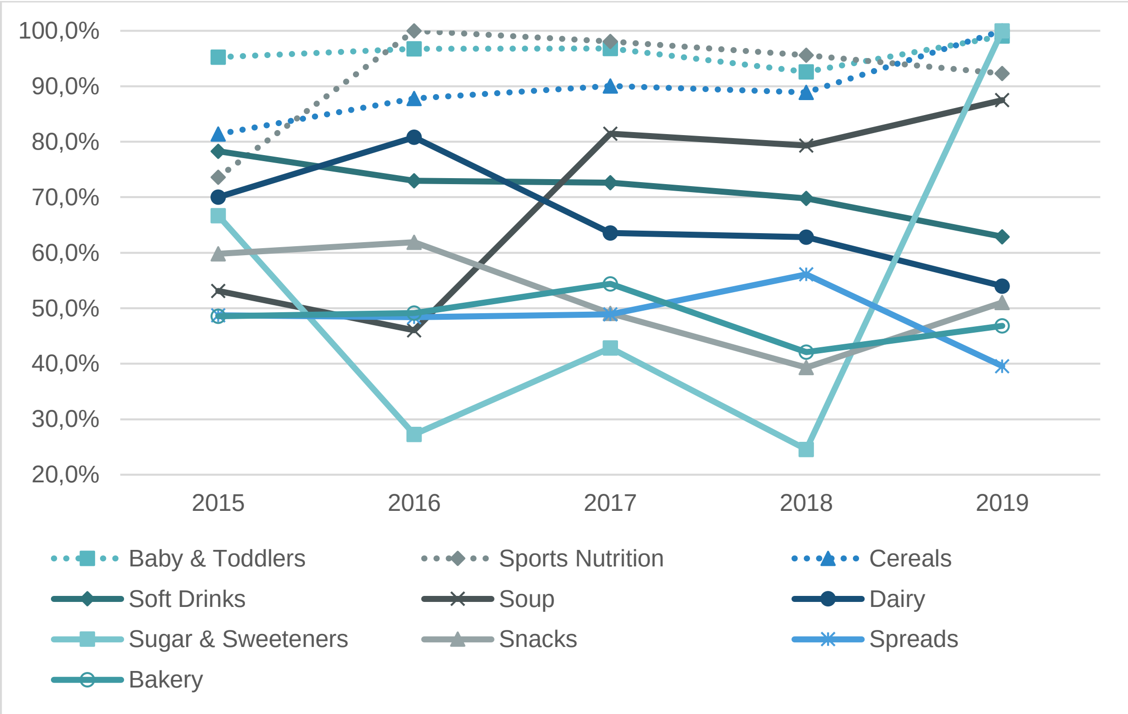


Figure 12. Percentage of healthy food product launches in Ireland for top 10 product categories

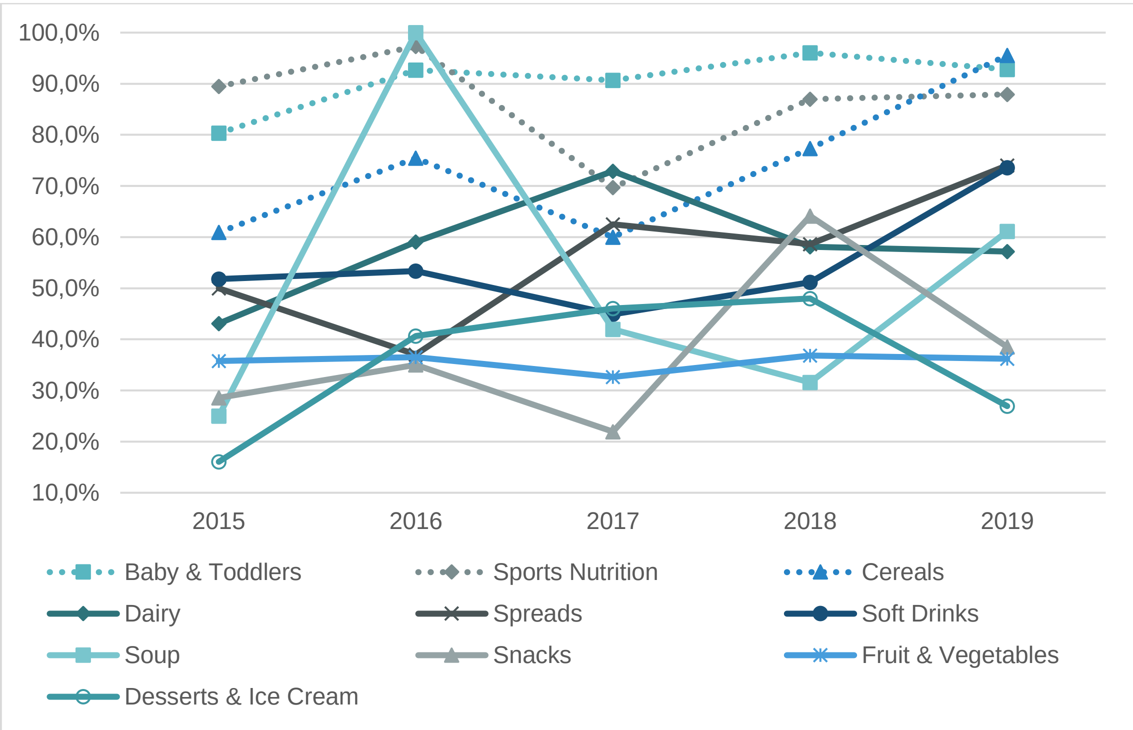


Figure 13. Percentage of healthy food product launches in Portugal for top 10 product categories

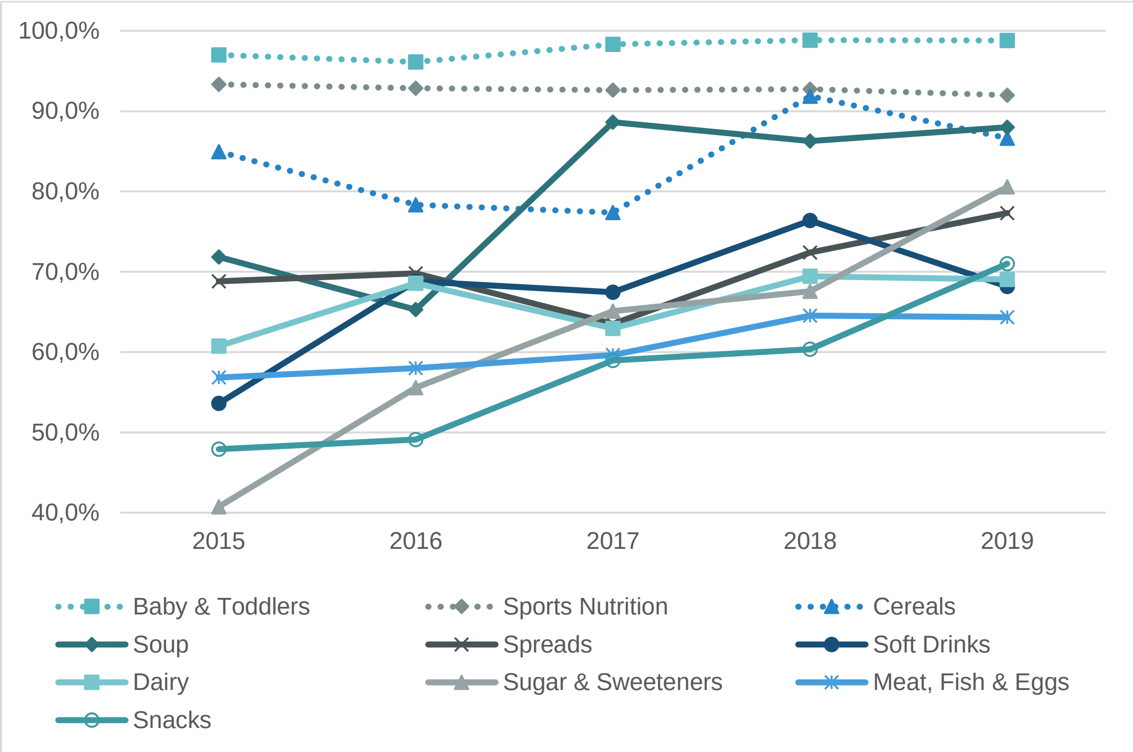


Figure 14. Percentage of healthy food product launches in Spain for top 10 product categories

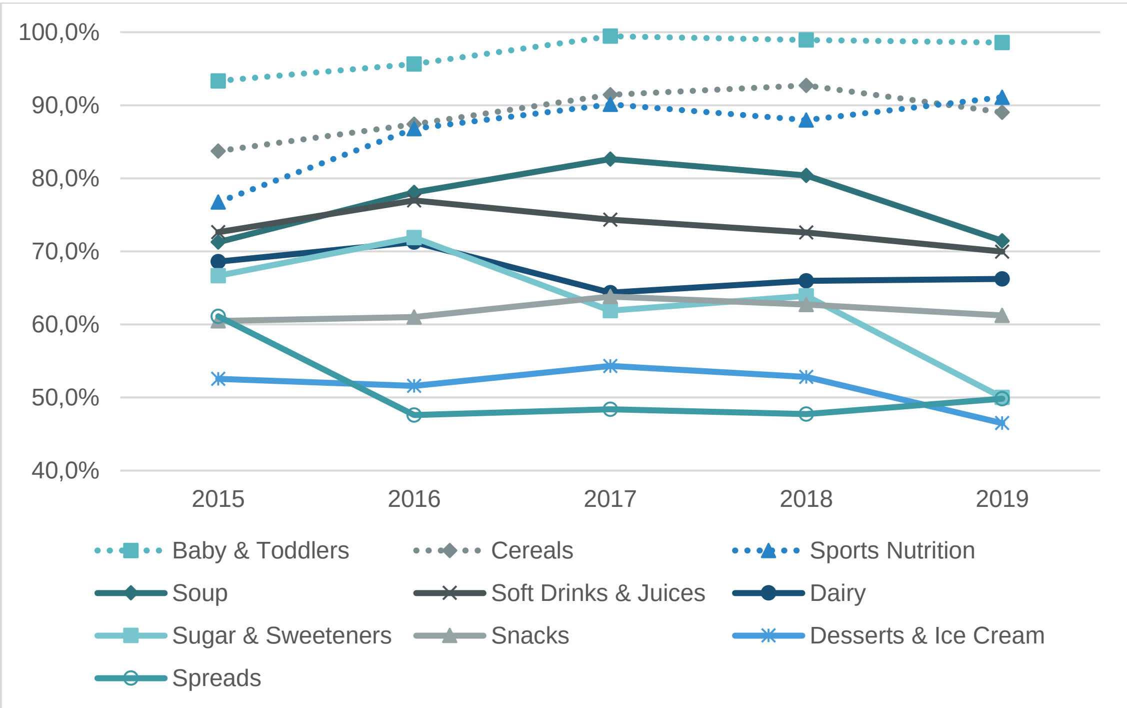


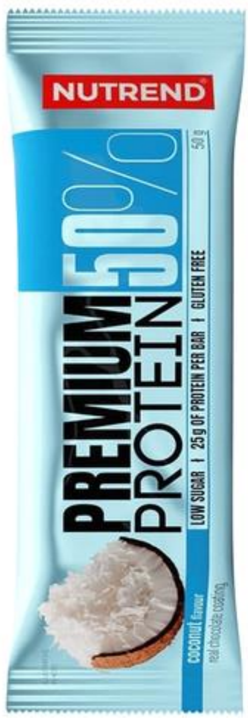
Figure 15. Percentage of healthy food product launches in UK for top 10 product categories

3.2.3 Examples of healthy food products launched in AA countries

This section presents three examples of healthy food products launched in the main product categories for each AA country. For each product shown, information concerning its positioning claims is provided, which highlights the relation with healthy food trends.

3.2.3.1 France

Category:	**Baby & Toddler**
Product:	Good Gout Le Petit Dej: Organic Mango For Babies From 6 Months
Positioning Claims:	No Additives/Preservatives; Organic; Convenience- Consumption; Convenience- Packaging; High/Source Of Fiber; Ethical- Environment; Ethical- Packaging; GMO Free
Description/ Claims Features:	Organic mango puree with banana, mixed oils, flax and sesame seeds with a little lemon juice, for babies from 6 months. Comes in a plastic doy pouch. This **100% organic** breakfast range for babies has been designed for all early risers in addition to a bottle of organic breast or infant milk, so that the children's awakening begins at the start of the day. An ideal **source of fiber and rich in vitamin C**. Certified organic Certified AB Organic. Green Dot Certified. With TerraCycle logo. **Healthy and good for the planet products**, none of the products have been mistreated by GMOs, pesticides or other chemical fertilizers during their breeding or cultivation. Light and practical, easy to take away pack. Free from bisphenol A and phthalates.



Category:	**Sports Nutrition**
Product:	Nutrend Coconut Flavoured Premium 50% Protein Bar
Positioning Claims:	Low Sugar; Convenience- Consumption; High/Source Of Protein; Indulgent & Premium; Allergy; Gluten Free
Description/ Claims Features:	Coconut flavored premium **50% protein** bar with real chocolate coating, in a 50g plastic packet. An exceptional level of quality, a **perfectly balanced composition** and a great flavor. Target an exceptionally high level of protein and a **very low amount of sugar**. A bar contains almost 25 grams of protein against 1 single gram of sugar while it is coated with real milk chocolate. Athletes have taken part in the development of this bar to guarantee you the best. Every aspect of the recipe has been deeply thought out including the balance of tastes, the low sugar content and the high protein intake. The result is a protein bar that has the power to push the limits even further. A bar of exceptional composition and quality. With excellent flavor. Contains 25g protein per bar. Gluten free.

Category:	**Cereals**
Product:	Vahine Organic Blend Of Nuts, Dried Fruit And Seeds For Granola
Positioning Claims:	Organic; Convenience- Easy-To-Prepare; Convenience-Packaging; High/Source Of Fiber
Description/ Claims Features:	Organic blend of nuts, dried fruit and seeds for granola in a 125g resealable plastic pouch. Certified AB organic. **Certified organic**. **Rich in fiber. Healthy snacking.**

3.2.3.2 Ireland

Category:	**Baby & Toddler**
Product:	Cow And Gate Little Bowls Mashed Potato, Beef And Veggies With Mixed Herbs For Babies From 7 Months Onwards
Positioning Claims:	No Added Sugar; No Additives/Preservatives; Convenience- Packaging; Convenience- Time Saving; Ethical- Packaging; Microwaveable
Description/ Claims Features:	Vegetables and potato with beef and herbs, for babies from 7 months onwards. Comes in a plastic tray, held in a cardboard sleeve. Cow And Gate are passionate about helping little ones learn to **love good food**. Cow And Gate Little Bowls range, specially created for little taste buds, is cooked by **steaming quality veggies to lock in flavor**. Each recipe is seasoned with a pinch of herbs, spices or a touch of garlic for a delicious taste without the need for salt.1 portion of steamed cooked veggies. **No artificial colors, flavorings or preservatives**. **No added sugar**- contains **naturally occurring sugar and salt only**. This is a microwaveable product. Green Dot Certified.

Category:	**Sports Nutrition**
Product:	Myprotein Filled Protein Cookie With Double Chocolate And Caramel Flavor
Positioning Claims:	Low Sugar; Vegetarian; Sports & Recovery; Convenience-Consumption; High/Source Of Fiber; High/Source Of Protein
Description/ Claims Features:	With an irresistibly gooey caramel center, this cookie is set to change the snacking game forever. Baked with chocolate chips and a deliciously rich dough— it's almost hard to believe that this treat is **both high in protein and low in sugar**. Comes in a 75g plastic packet. Gooey caramel center. Low in sugar. Packed with 20g of protein, Myprotein filled cookie will delight your cravings in check while supporting your training goals— helping you to reach daily protein requirements to grow and maintain important muscle. Myprotein filled cookie is also **high in fiber**, making them a great **addition to a balanced diet** and an easy way to **keep on top of daily nutrition** without any meal prep. **Suitable for vegetarians.**

Category:	**Cereals**
Product:	Flahavans Cranberry And Orange Irish Oaty Flapjacks
Positioning Claims:	Wholegrain; Convenience- Packaging; High/Source Of Fiber
Description/ Claims Features:	Flahavan's flapjacks are deliciously oaty snacks for all to enjoy. Oats have long been recognized for their health benefits and all of Flahavan's flapjacks provide you with a **source of fiber**. With juicy cranberries and orange flavoring, their new improved flapjack recipe contains over 40% wholegrain oats. Comes in six plastic packets held in a carton box. Made with wholegrain oats. Source of fiber. Baked in Waterford. Delicious and wholesome.

3.2.3.3 Portugal

Category:	**Baby & Toddler**
Product:	Smileat Organic Bean Stew For Babies From 8 Months Onwards
Positioning Claims:	Low Sodium; No Additives/Preservatives; Organic; Convenience- Time Saving; Allergy; Gluten Free
Description/ Claims Features:	Organic bean stew with extra virgin olive oil, for babies from 8 months onwards. Comes in a 230g glass jar. **100% organic. Gluten free. Without PLV, egg and added salt**. Seasonal fruits and vegetables. **Allergen free. No additives**. Revolution.

Category:	**Sports Nutrition**
Product:	Prozis Recovery Drink With Wild Berry Flavour
Positioning Claims:	Sugar Free; Sports & Recovery; Convenience- Consumption; Ethical- Packaging; Low Carb; Low Fat
Description/ Claims Features:	Ready-to-drink post-workout beverage with wild berry flavor and sweeteners, in a 375ml plastic bottle**. 0 carbs, sugars and fat.** With BCAAs. Green Dot Certified.

Category:	**Cereals**
Product:	Continente Cocoa And Almond Cereal Organic Bars
Positioning Claims:	Lactose Free; Organic; Convenience- Packaging; High/Source Of Fiber; Ethical- Packaging; Vegan; Allergy; Gluten Free
Description/ Claims Features:	Three individually wrapped cocoa and almond cereal organic bars, in a carton box. **Gluten free. Lactose free. Suitable for vegans. Sweetened with rice jelly. High in fiber. Certified organic**. ISO 9001 certified. Product controlled by laboratory tests. Green Dot Certified.

3.2.3.4 Spain

Category:	**Baby & Toddlers**
Product:	Casa Grande De Xanceda: Organic Yogurt With Apple And Banana For Babies From 9 Months Onwards
Positioning Claims:	Low Sugar; No Additives/ Preservatives; Organic; Convenience- Packaging; Allergy; Gluten Free
Description/ Claims Features:	Two individual tray sealed trays of organic yogurt with apple and banana, for babies from 9 months onwards. Comes in a cardboard sleeve. Certified organic by CRAEGA. Certified organic. Made with 100**% organic milk**. Completely free of herbicides, pesticides or chemical fertilizers or any health damaging chemical. Made without any additives or dairy solids. **Suitable for coeliac. Suitable for pregnant women**. Made with MooOooito honey. Contains organic yogurt.**15% less sugar**.

Category:	**Sports Nutrition**
Product:	Foodspring Protein Pizza Powder
Positioning Claims:	Low Sugar; Sports & Recovery; Convenience- Easy-To-Prepare; High/Source Of Fiber; Added Protein; Vegan; Indulgent & Premium; Dry; Allergy; Gluten Free; Low Carb
Description/ Claims Features:	Foodspring Protein Pizza mix has no white flour, just premium plant-based protein. With **74% fewer carbs, 6x more protein, and 10x more fiber.** Comes in a 500g cardboard tub. No white flour, **just plant-based protein**. Just add water to get the dough ready. Gluten-free. Suitable for vegans. No white flour, no dairy, no soy. Just premium plant-based nutrients.74% fewer carbs: but maximum Italian flavor.6xmore protein, 10x more fiber: fuel your muscles. Supports muscle building. Low sugar.

Category:	**Cereals**
Product:	Eco Cesta Choco Bubbles
Positioning Claims:	No Additives/Preservatives; Organic; Convenience- Easy-To-Prepare; Ethical-Packaging
Description/ Claims Features:	Organic cereal balls with cocoa, in a plastic packet. **Certified organic**. No colorings and preservatives. Green Dot Certified.

3.2.3.5 United Kingdom

Category:	**Baby & Toddlers**
Product:	Little Dish Mini Cod Fishcakes For Toddlers From 1 Year Onwards
Positioning Claims:	Low Sodium; No Added Sugar; No Additives/Preservatives; Convenience-Time Saving; High/Source Of Protein; Low Fat
Description/ Claims Features:	Little Dish melt-in-the-mouth Mini Cod Fishcakes are made with **100% sustainably sourced Atlantic cod fillet**, a creamy Cheddar cheese sauce, petits pois and fluffy mashed potato, covered in crispy golden breadcrumbs. Serve as a **protein-packed savoury snack**, in yummy mini cod burgers or as part of a main meal with mashed sweet potato and veg. **Low salt and no added sugar**. **Low in saturated fat**. No artificial colors, flavors or preservatives. Source of protein.

Category:	**Cereals**
Product:	Dorset Cereals Simply Fruity Muesli With Tropical Papaya And Sweet Pineapple
Positioning Claims:	No Additives/Preservatives; Kosher; Wholegrain; Vegetarian; Convenience- Easy-To-Prepare; High/Source Of Fiber; Ethical- Human; Ethical- Packaging; Vegan; Low Fat
Description/ Claims Features:	A blend of rolled and toasted flakes with sweetened dried papaya and pineapple, sultanas and raisins. Comes in a plastic packet held in a carton box. With wholegrains. Wholegrain wheat and oats. **High in fiber. Suitable for vegans**. Vegetarian Society Approved. **Low in saturated fat. No added colors. No artificial flavors.** Dorset Cereals have proudly planted 38, 000 trees by supporting the Woodland Trust registered charity. Certified kosher. Box made using board from sustainable sources. Box card, widely recycled. Bag plastic, recycled with carrier bags at larger stores. Recyclable packaging.

Category:	**Sports Nutrition**
Product:	Cnp Chocolate Orange Protein Flapjack Bar
Positioning Claims:	Low Sugar; Vegetarian; Sports & Recovery; Convenience- Consumption; High/Source Of Protein
Description/ Claims Features:	Chocolate and orange protein flapjack in a 75g plastic wrapper. The new CNP protein flapjack boasts a high-quality protein blend of whey **protein concentrate and milk protein as a source of casein**. This is combined with glutamine peptides and high-quality blend of oats. This brings a highly functional, tasty bar that delivers an amino acid profile to help you recover, repair and grow. For growth and maintenance of muscle mass. Tailored to the human body for maximum growth and performance. Collagen-free protein blend. Contains peptide bonded glutamine. **Suitable for vegetarians. High protein: 18g. Low sugar**. Oven baked flapjack.

3.3 Launches of healthy food products: analysis per claim

This section presents and analysis of healthy food product launches in the European Union and UK, as well as in the AA countries based on product claims. Claims are based on statements made visibly on the product and are used by brands to present the unique and specific qualities/characteristics of their products to the end consumer.

3.3.1 Overall overview

As can be seen in Figure 16, the most common healthy claim used by healthy food and beverage products in EU and UK is the allergy category, with 36.3% of new products in 2019 having this claim. There are other healthy food claims that are being used in around 30% of new products launched, which are: organic claim; gluten free and no additives/ preservatives. The other healthy food claims in the "top 10" are less used (between 7% and 13% approximately).

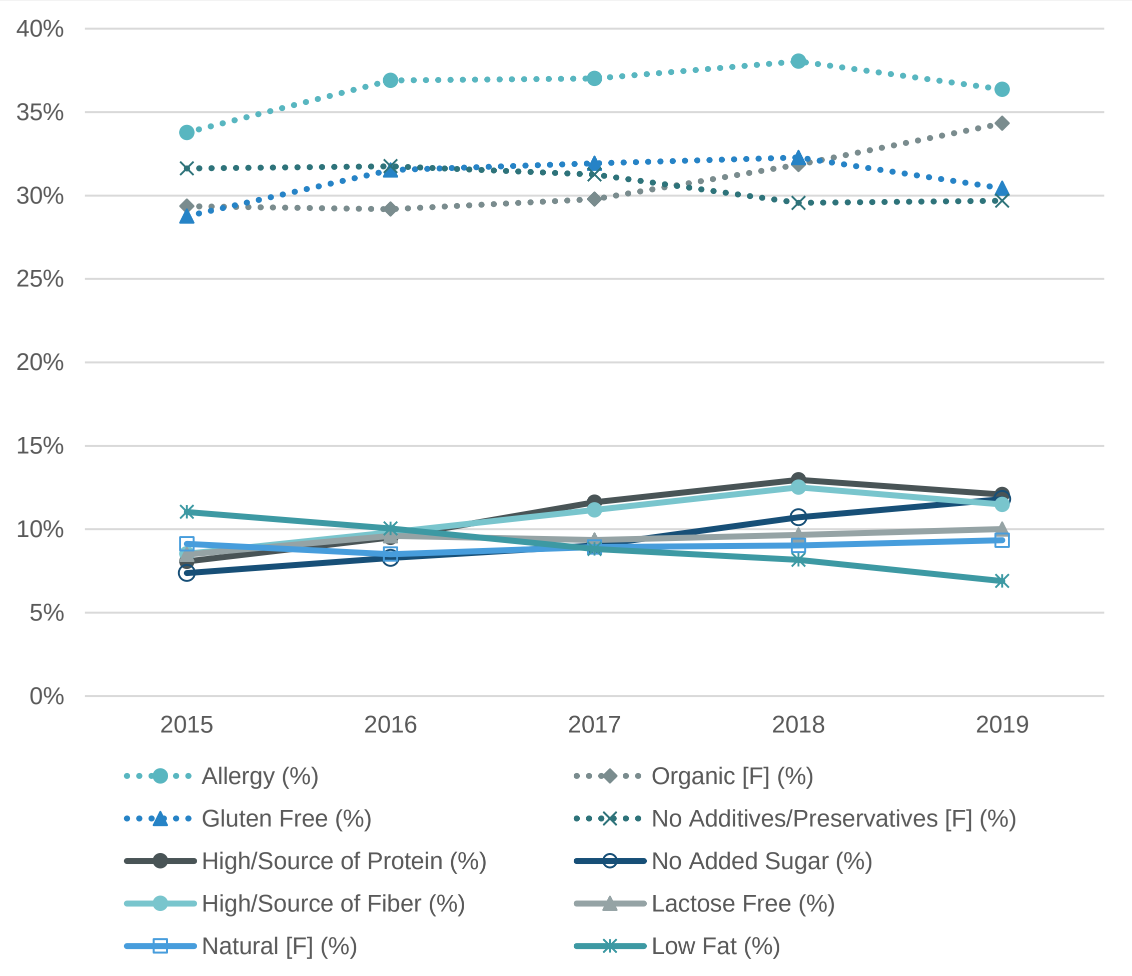


Figure 16. Top 10 healthy claims used in food and beverage products in EU and UK

Comparing the evolution of the "top 15" healthy claim categories from 2015 to 2019 (Figure 17), it can be observed that the "Sports and Recovery" category has more than doubled in size with 110% growth. Other significant growth categories include "No sugar added" (60.1%) and "High/Source of Protein" (49.6%). At the same time, several of the top categories decreased in prevalence amongst new product launches, including "Digestive/gut health" (-43.3%) and "Low fat" (-37.5%).

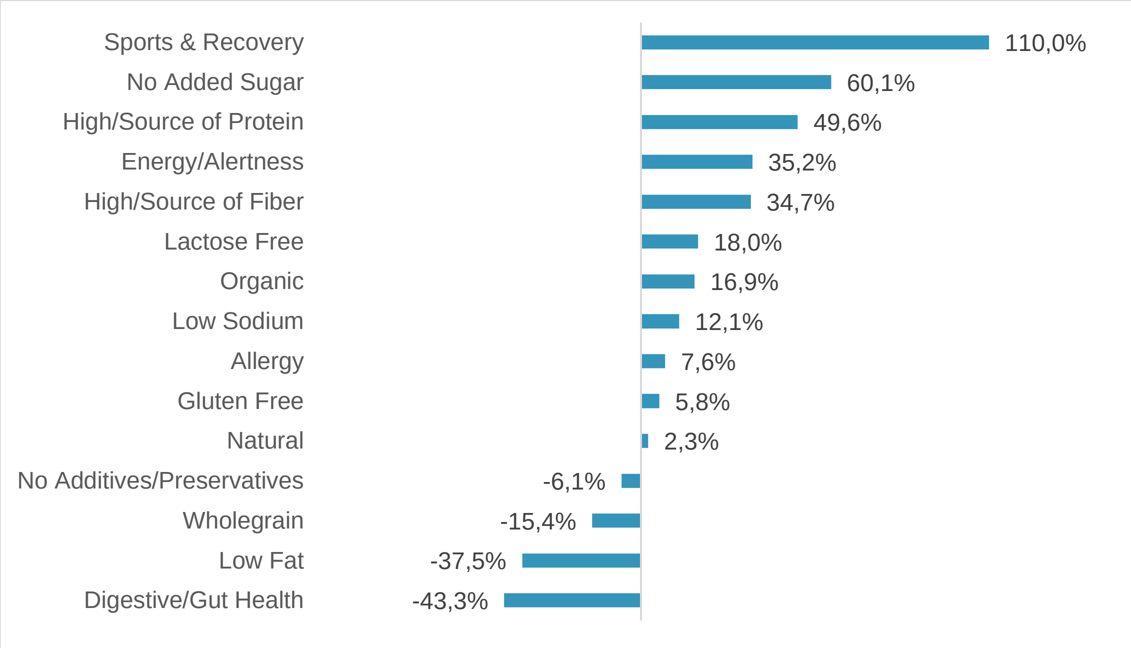


Figure 17. Growth of top 15 healthy claims in healthy food products, EU and UK, 2015 to 2019

Table 2 shows that the 2019 data for healthy claims used for healthy food products in AA countries varied somewhat from market to market. While 42% of new healthy products in the UK carried a “No additives/preservatives” claim, the same was true for only 25.5% of products in Spain. In France, the “Organic” category was notably high, with 58.9% of new healthy product launches, while in the UK and Ireland the number was much lower (14.8% and 17.8% respectively).

Table 2. Percentage of new healthy products per AA country with corresponding claim, 2019

	France	Ireland	Portugal	UK	Spain
No Additives/ Preservatives	30.2%	43.5%	36.2%	42.0%	25.5%
Allergy	17.7%	38.1%	43.6%	34.9%	53.6%
Organic	58.9%	17.8%	18.2%	14.8%	28.4%
Gluten Free	15.4%	33.8%	36.8%	30.6%	48.7%
High/Source of Protein	8.9%	16.2%	17.4%	17.7%	9.6%
High/Source of Fibber	10.4%	13.2%	14.7%	14.3%	12.1%
No Added Sugar	10.8%	19.1%	25.3%	10.2%	13.1%
Natural	6.5%	10.2%	12.9%	10.0%	13.3%
Low Fat	4.3%	13.5%	10.5%	12.2%	7.7%
Lactose Free	3.7%	5.1%	11.7%	2.5%	14.1%

Table 3 presents the evolution of these most-used healthy claims from 2015 to 2019, and in this data a greater divide emerges amongst the target countries. The growth or decrease in some claims is shared across the countries (i.e. decrease in “Low fat” claims in all countries, or the increase in “High/Source of Protein” claims across all countries), however most claims feature one or two outlying countries. A general observation is that the UK tends to have contrary trends in most categories. That said, when examining the percentage of new healthy products alongside these data, it would seem that the UK may be a trend "driver", arriving to new trends prior to other geographies, and as such the growth within any given period will differ from other geographies.

Table 3. Growth of claim from 2015 to 2019 as percentage of new product launches

	France	Ireland	Portugal	Spain	UK
No Added Sugar	41.6%	96.8%	341.3%	152.2%	23.7%
Natural	29.6%	-4.6%	-4.5%	-10.0%	-0.2%
Lactose Free	22.8%	28.4%	291.9%	42.0%	-29.5%
High/Source of Protein	20.1%	33.7%	38.2%	64.0%	77.0%
Organic	13.4%	66.6%	330.9%	32.8%	-9.2%
No Additives/Preservatives	5.6%	-4.3%	79.2%	28.0%	-10.7%
High/Source of Fibber	3.3%	-4.9%	31.2%	41.9%	31.3%
Allergy	2.9%	24.5%	49.2%	12.8%	-1.7%
Gluten Free	1.1%	27.4%	34.7%	8.3%	-5.2%
Low Fat	-48.4%	-26.5%	-29.5%	-23.9%	-13.4%

3.3.2 Analysis per AA country

This section provides a more detailed analysis of the top healthy claims used in food products in each AA country, as well as the evolution in the utilisation of those claims in the period 2015-2019. Furthermore, examples of products in each country with specific healthy food claims are presented.

3.3.2.1 France

In 2019, the most common healthy claim used in healthy food and beverage products in France was "Organic" which was featured on 58.9% of food products. The second most commonly used claim was "No additives/preservatives" with 30.3% (Figure 18).

In regards to "healthy claim" category growth, France saw a significant growth in the "Sports & Recovery" category, which despite not being one of the dominant claims grew 215.8% from 2015 to 2019 (Figure 19).

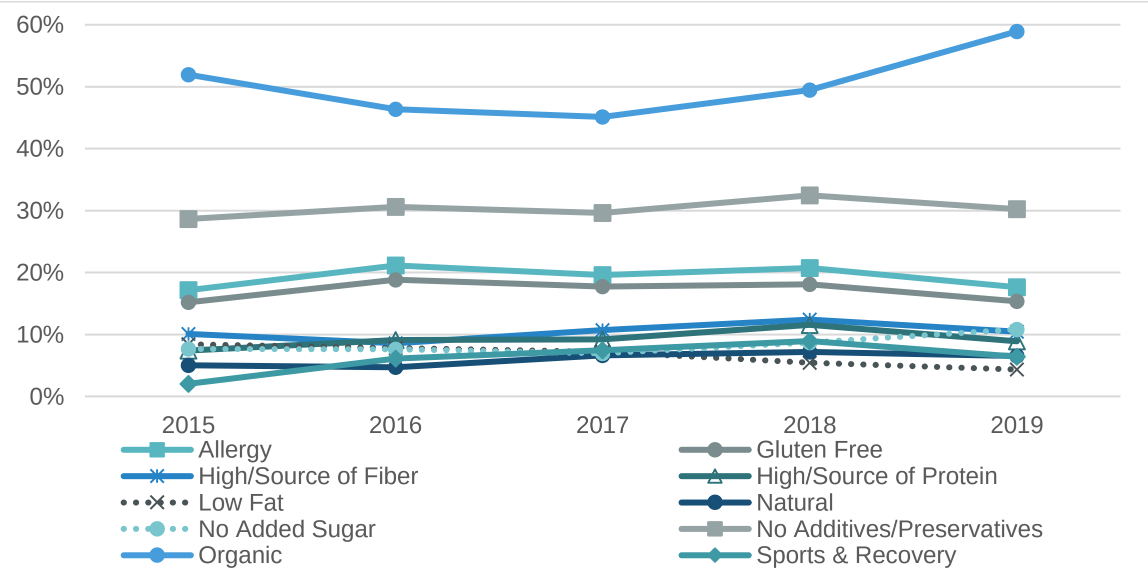


Figure 18. Top 10 healthy food claims in France

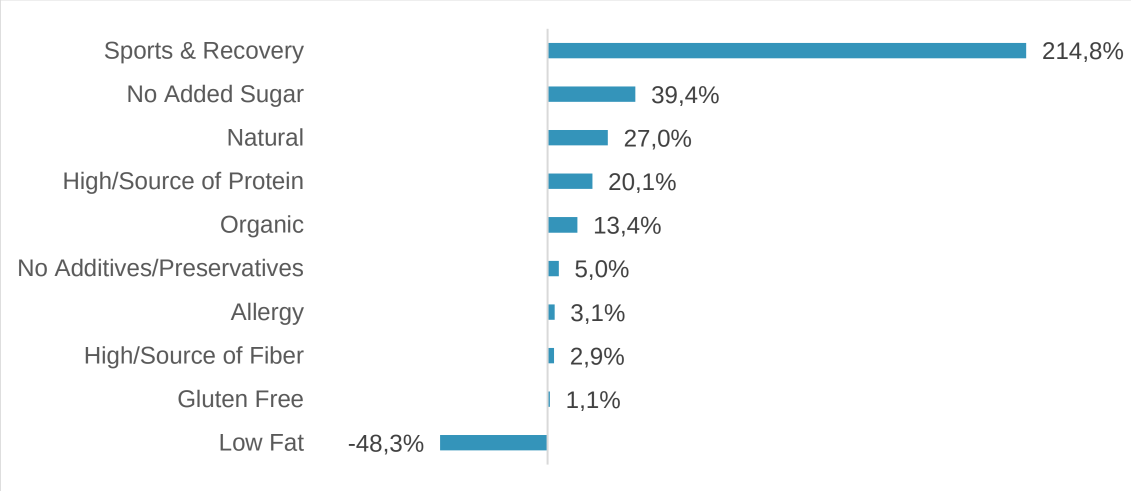


Figure 19. Growth of top 10 healthy food claims in France, 2015-2019

The following are some examples of products that represent the main healthy food claims in France.

Claim Category:	**Sports & Recovery**
Product:	President Batonnets D'emmental A Croquer: Emmental Cheese Sticks
Positioning Claims:	Sports & Recovery; Convenience- Packaging
Description:	Eight individually packed chewable emmental cheese sticks in a plastic packet. All the pleasure of a tender and fruity Emmental in delicious chewable portions for young and old. Region side: At President, we are committed to our campaigns. This is where our roots are and will be. The Chewable Emmental is rich in calcium and protein that helps maintain muscle mass. French milk

Claim Category:	**No added sugar**
Product:	Simplement Bon Et Bio Nectar Multifruits: Organic Multifruit Nectar
Positioning Claims:	No Added Sugar; Organic; Convenience- Packaging; Ethical-Environment; Ethical- Packaging; Nectars (24-99% Juice)
Description:	Organic multi-fruit nectar from concentrate in an Elopak carton. No added sugar. Certified AB Organic. Certified organic. With 75% minimum fruit content. FSC certified. Green Dot Certified. Recyclable packaging.

Claim Category:	**Natural**
Product:	Bamboo Amandes And Pecan Caramelisees Granola: Almonds And Caramelized Pecan Granola
Positioning Claims:	Natural; Convenience- Easy-To-Prepare; High/Source Of Fiber; Ethical- Packaging; Traditional
Description:	Oat mix with roasted almonds and caramelized pecans. Comes in a plastic packet held in a carton box. Plant-based. 100% friendly. 100% natural and handmade. 0% refined sugars. Natural goodness. Rich in fibers. Green Dot Certified. Recyclable packaging.

3.3.2.2 Ireland

In 2019, the most common healthy claim used in healthy food and beverage products in Ireland was “No additives/ preservatives” which was featured on 43.6% of food products, followed by the claim “allergy” (with 38.3%) and “gluten free” (33.9%) (Figure 20).

In regard to healthy claim category growth, Ireland saw a significant growth in the categories “no added sugar” and “low sodium” (Figure 21). The last one represents a difference compared to the rest of the countries, as this claim did not appear in the overall “top 10” for EU and UK. On the opposite, the claim “low fat” experienced a 26.5% decrease in the 2015-2019 period.

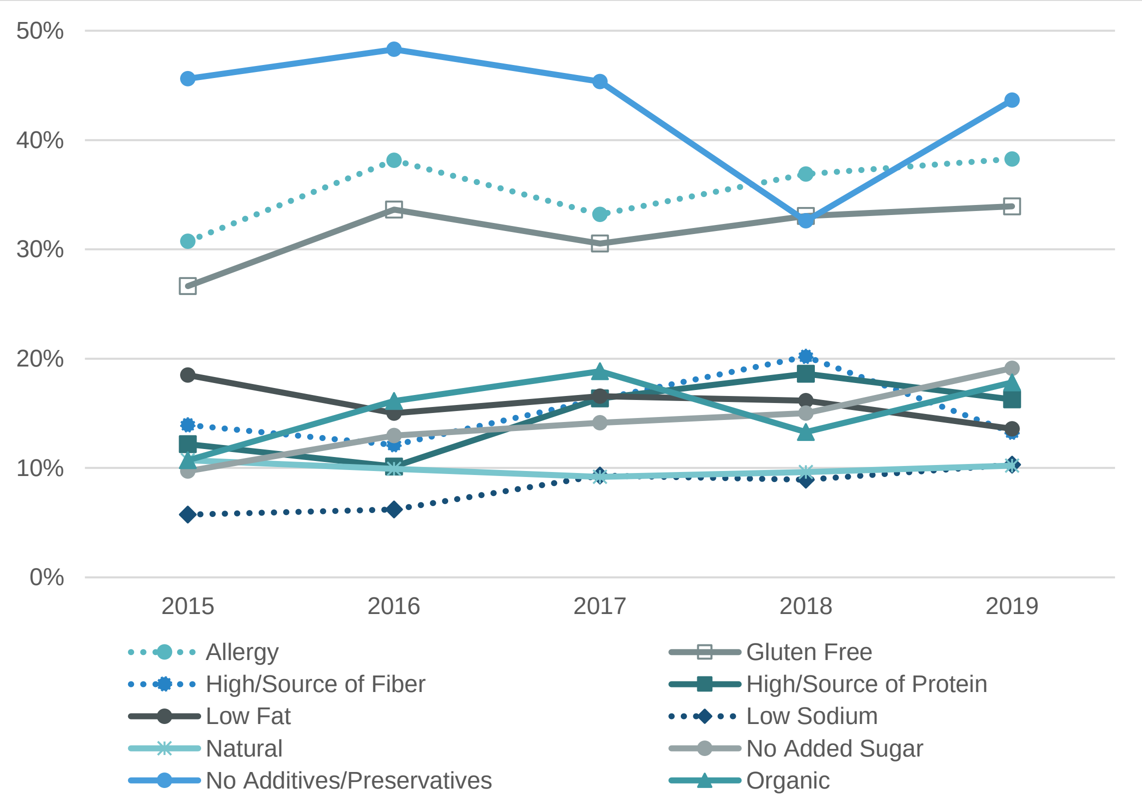


Figure 20. Top 10 healthy food claims in Ireland

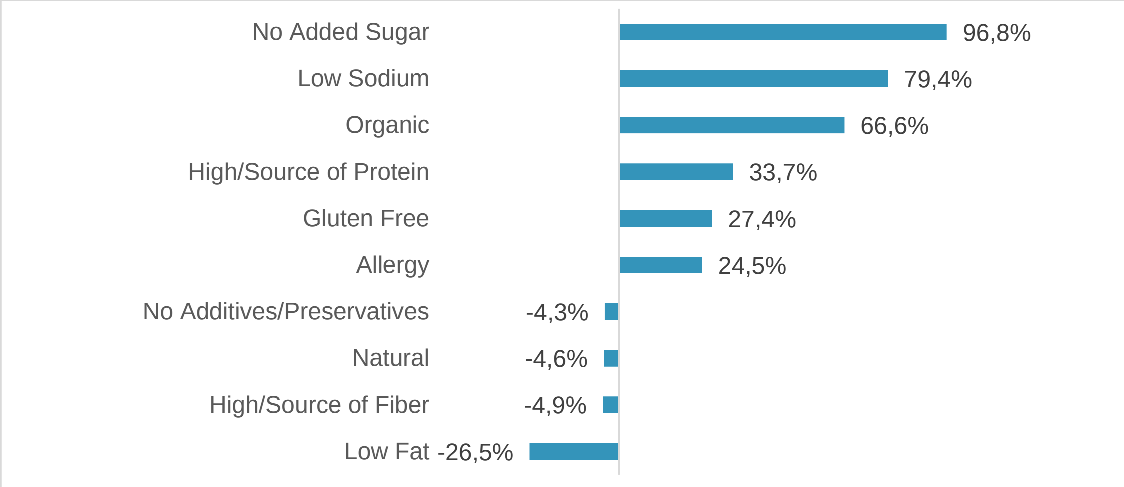


Figure 21. Growth of top 10 healthy food claims in Ireland, 2015-2019

The following are some examples of products that represent the main healthy food claims in Ireland.

Claim Category:	**No Added Sugar**
Product:	Kiddylicious Apple Fruity Bakes For Toddlers From 12 Months To Grown Ups
Positioning Claims:	Low Sodium; No Added Sugar; No Additives/Preservatives; Wholegrain; Vegetarian; Convenience- Packaging
Description:	Six individually wrapped soft whole wheat flour bars with a real apple fruit filling, for toddlers from 12 months to grown-ups. Comes in a carton box. 6 yummy bakes. Made with real fruit. Whole wheat flour. Soft, baked bars for little mouths. Encourages self-feeding. No added sugar and salt. No artificial flavors, colors and preservatives. Suitable for vegetarians.

Claim Category:	**Low Sodium**
Product:	Harvest Moon Sun-Dried Tomato Tapenade
Positioning Claims:	Ethical- Packaging; GMO Free; Vegan; Allergy; Gluten Free; Low Sodium; Natural; No Added Sugar; No Additives/Preservatives; Convenience- Time Saving
Description:	Sun-dried tomato tapenade in a 170g plastic bucket. Use on oat cakes and crackers or to marinade meat or fish. 100% natural and freshly made in Ireland. Free from dairy, gluten and additives. No added salt or sugar. Suitable for vegans. McKennas Guides Best in Ireland 2015 award. GMO free soybean extract. Recyclable packaging.

Claim Category:	**Organic**
Product:	Glenisk Greek Style Organic Luxury Yogurt: Rich Dark Cherry
Positioning Claims:	No Additives/Preservatives; Organic; Digestive/Gut Health; Convenience- Packaging; Probiotic; Seasonal/In-Out Products
Description:	Yogurt of the Gods! Glenisk's Greek Style Yogurt is a delicious addition to the range. Made from the finest organic Irish milk, this thick, creamy yogurt is irresistible. Comes in rich dark cherry flavor, held in a plastic tray. Free from artificial additives, flavorings, pesticides and synthetic ingredients, this yogurt is a wonderful source of calcium and contains beneficial probiotics for healthy digestion. Limited edition. Naturally from Ireland.

3.3.2.3 Portugal

In 2019, the most common healthy claim used in food and beverage products in Portugal was “allergy” which was featured on 43.6% of food products. The second most commonly used claims were “gluten free” and “no additives/ preservatives”, both used in around 36.5% of new products launched (Figure 22).

In regards to “healthy claim” category growth, Portugal saw a significant growth in the categories of “no added sugar”, “organic” and “lactose free” from 2015 to 2019, despite these not being one of the dominant claims. On the opposite, the claim “low fat” experienced a 29.5% decrease in the 2015-2019 period (Figure 23).

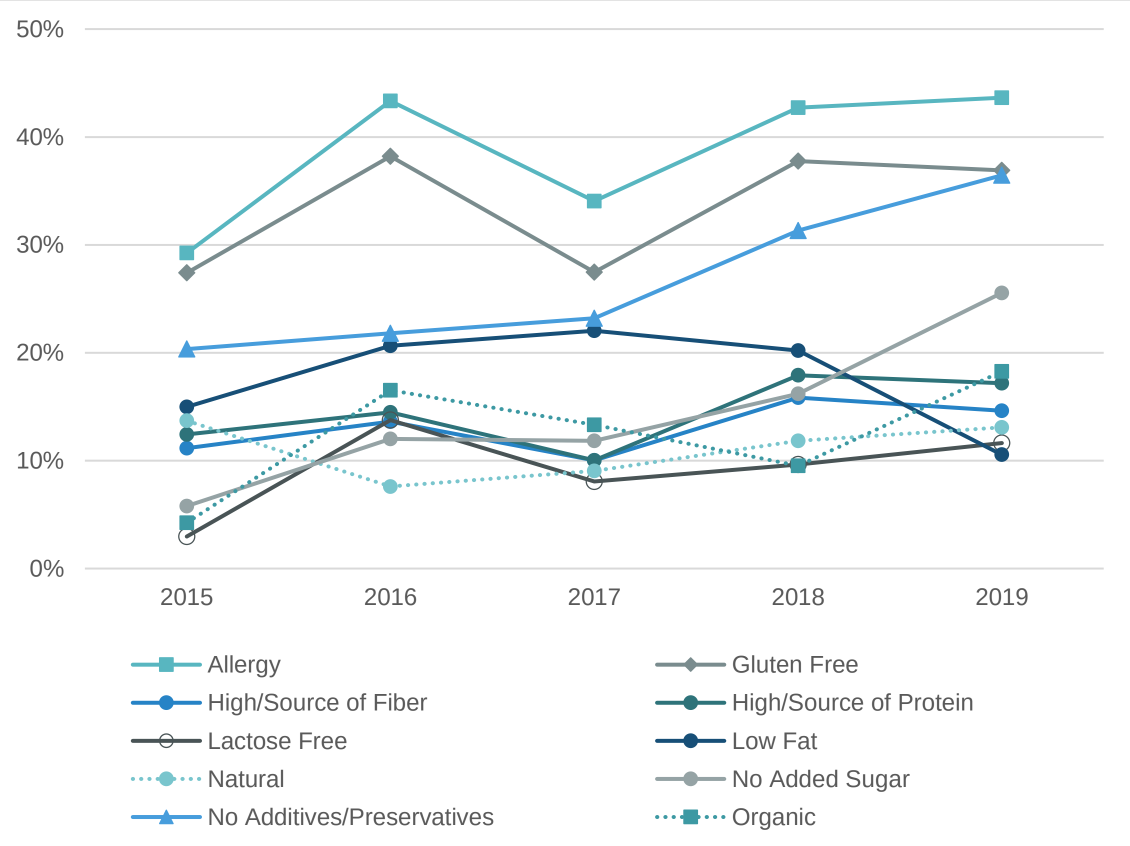


Figure 22. Top 10 healthy food claims in Portugal

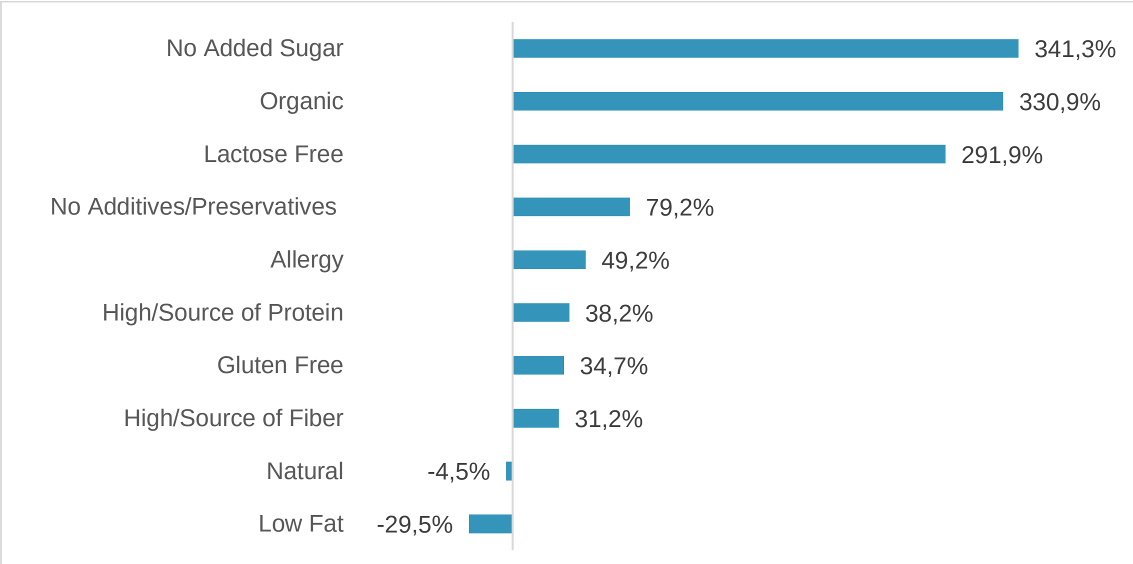


Figure 23. Growth of top 10 healthy food claims in Portugal, 2015-2019

The following are some examples of products that represent the main healthy food claims in Portugal.

Claim Category:	**No Added Sugar**
Product:	Smileat Galletita Ecologico De Espelta Y Frutita: Organic Spelt And Fruit Biscuits For Babies From 6 Months Onwards
Positioning Claims:	No Added Sugar; No Additives/Preservatives; Organic
Description:	Organic spelt and fruit biscuits for babies from 6 months onwards, in a plastic packet. Certified organic. Organic product.100% organic. No palm oil. No added sugar. No preservatives or colors. Contains extra virgin olive oil and apple juice. No additives.

Claim Category:	**Organic**
Product:	Gullon Bio Maiz: Organic Corn Cakes
Positioning Claims:	Organic; Vegetarian; Convenience- Packaging; Ethical-Packaging; Allergy; Gluten Free
Description:	Organic corn cakes in a recloseable plastic packet. Certified organic. Suitable for vegetarians. Gluten free. Green Dot Certified.

Claim Category:	**Lactose Free**
Product:	Paturages Vivabem Leite Uht Meio-Gordo Sem Lactose: Uht Lactose Free Semi-Skimmed Milk
Positioning Claims:	Lactose Free; Convenience- Time Saving; Ethical-Environment; Ethical- Packaging; Allergy
Description:	UHT treated. Lactose free. Made from Portuguese milk. Suitable for lactose intolerant. Homogenized. Green Dot Certified. FSC certified. UHT semi-skimmed milk treated with the enzyme lactase that depletes lactose in glucose and galactose. The eventual darkening of the product is natural and does not alter its nutritional characteristics. Not suitable for people allergic to milk protein. Store at room temperature in a cool, dry place. After opening, store in the fridge and consume within 4 days.

3.3.2.4 Spain

In 2019, the most common healthy claim used in food and beverage products in Spain was “Allergy” which was featured on 53.6% of healthy products. This claim is closely related to the “Gluten-free” claim which was the second most utilised claim category in new healthy products (48.7%) (Figure 24).

In regards to healthy claim category growth, Spain saw a significant growth in the “No sugar added” category which grew from 5.2% in 2015 to 13.1% in 2019 (a growth of over 150%). Similarly to other countries, the claim “not fat” experienced a 23.9% decrease in 2015-2019 (Figure 25).

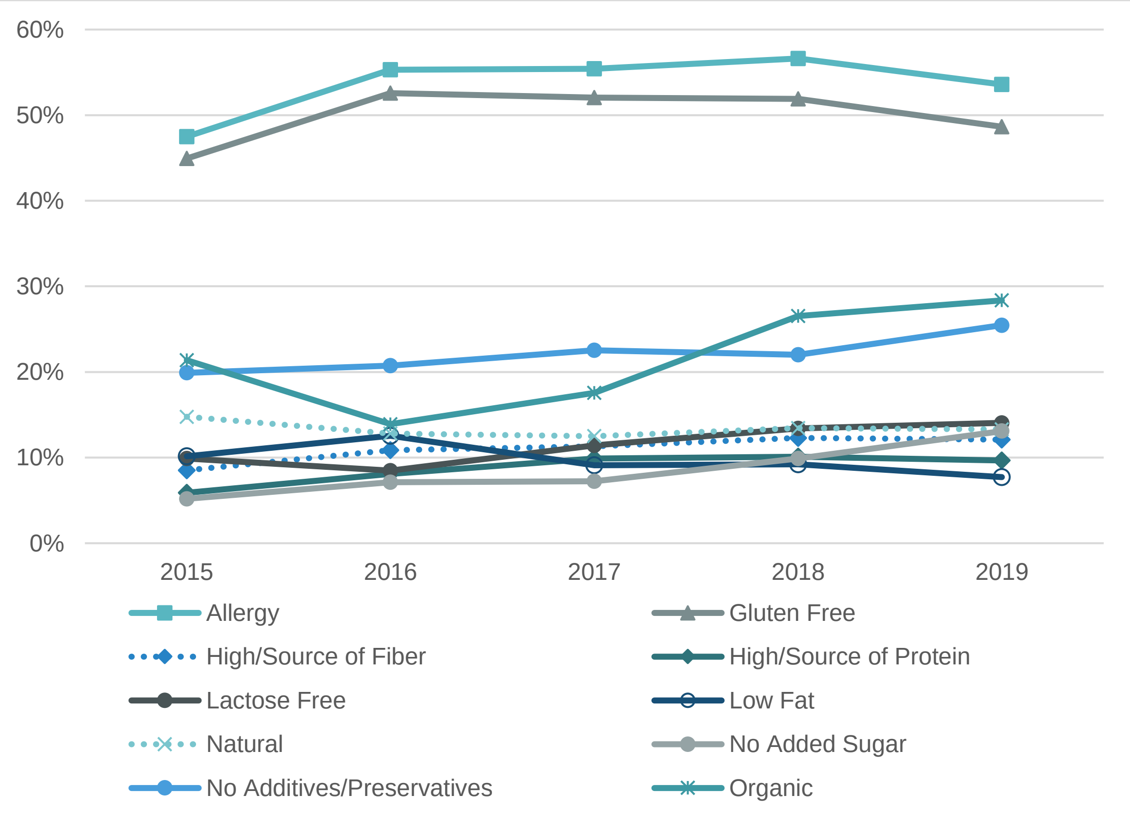


Figure 24. Top 10 healthy food claims in Spain

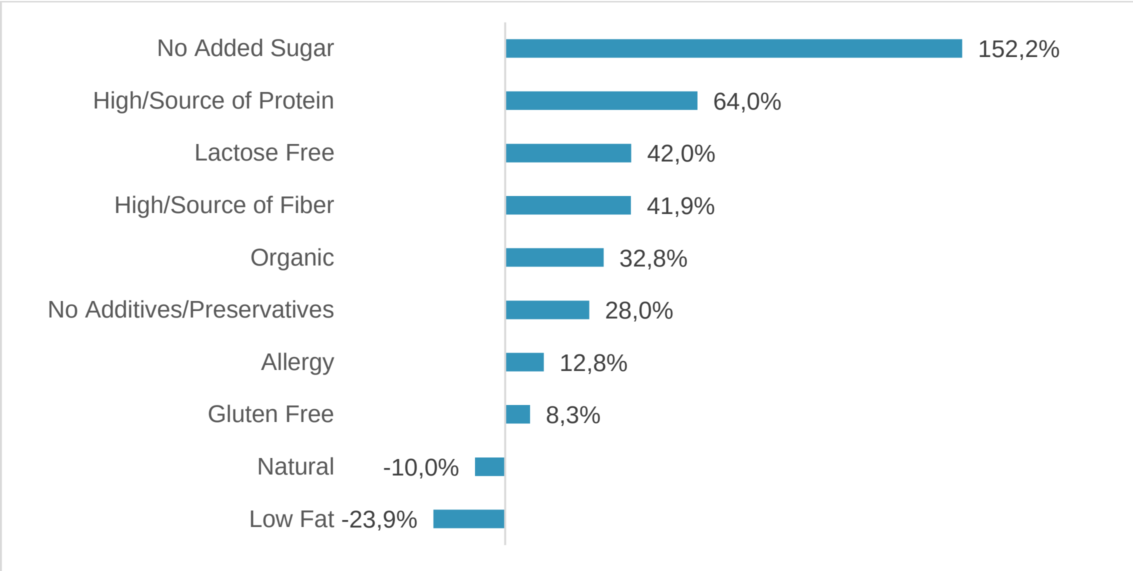


Figure 25. Growth of top 10 healthy food claims in Spain, 2015-2019

The following are some examples of products that represent the main healthy food claims in Spain.

Claim Category:	**No added sugar**
Product:	Crema De Caco Con Avellanas: Cocoa Cream With Hazelnuts
Positioning Claims:	No Added Sugar; Convenience- Packaging; Convenience- Ready Prepared; Ethical- Human; Ethical- Packaging
Description:	No added sugar cocoa cream with hazelnuts and sweeteners, in a 400g glass jar. 0% added sugar. No palm oil. UTZ certified cocoa. Green Dot Certified. Contains naturally occurring sugars.

Claim Category:	**High/Source Of Protein**
Product:	Carrefour Veggie Fusilli De Guisantes: Pea Fusilli
Positioning Claims:	Low Sugar; No Additives/Preservatives; Vegetarian; High/Source Of Fiber; High/Source Of Protein; Ethical- Packaging; Vegan; Allergy; Gluten Free
Description:	100% vegetable. V-Label Vegan logo.100% vegetarian. No meat. No coloring. No flavoring. Rich in protein. Source of fiber. Green Dot Certified. Cooks in 6 minutes. Low sugar. Suitable for people with gluten intolerance. Ideal for cooking vegetarian dishes and inventing original and balanced recipes that the whole family will like.

Claim Category:	**Lactose free**
Product:	El Pastor De La Polvorosa Lonchas De Queso Tierno Sin Lactosa: Lactose-Free Tender Cheese Slices
Positioning Claims:	Lactose Free; Convenience- Packaging; Convenience- Ready Prepared; Ethical- Packaging; Allergy; Gluten Free
Description:	Lactose-free tender mixed cheese slices in an easy-to-open plastic tray. Gluten free. Lactose free. Green Dot Certified.

3.3.2.5 United Kingdom

In 2019, the most common healthy claim used in food and beverage products in UK was "No additives/ preservatives" which was featured on 42% of food products, followed by the claim "allergy" (with 38.3%) and "gluten free" (33.9%) (Figure 26). This shows, how the Irish and British markets are similar.

In regards to healthy claim category growth, UK saw a slight growth in the categories of "high/ source of protein". It is also remarkable the decrease in the claim "no trans fats", which decreased by 43% in 2015-2019 (Figure 27).

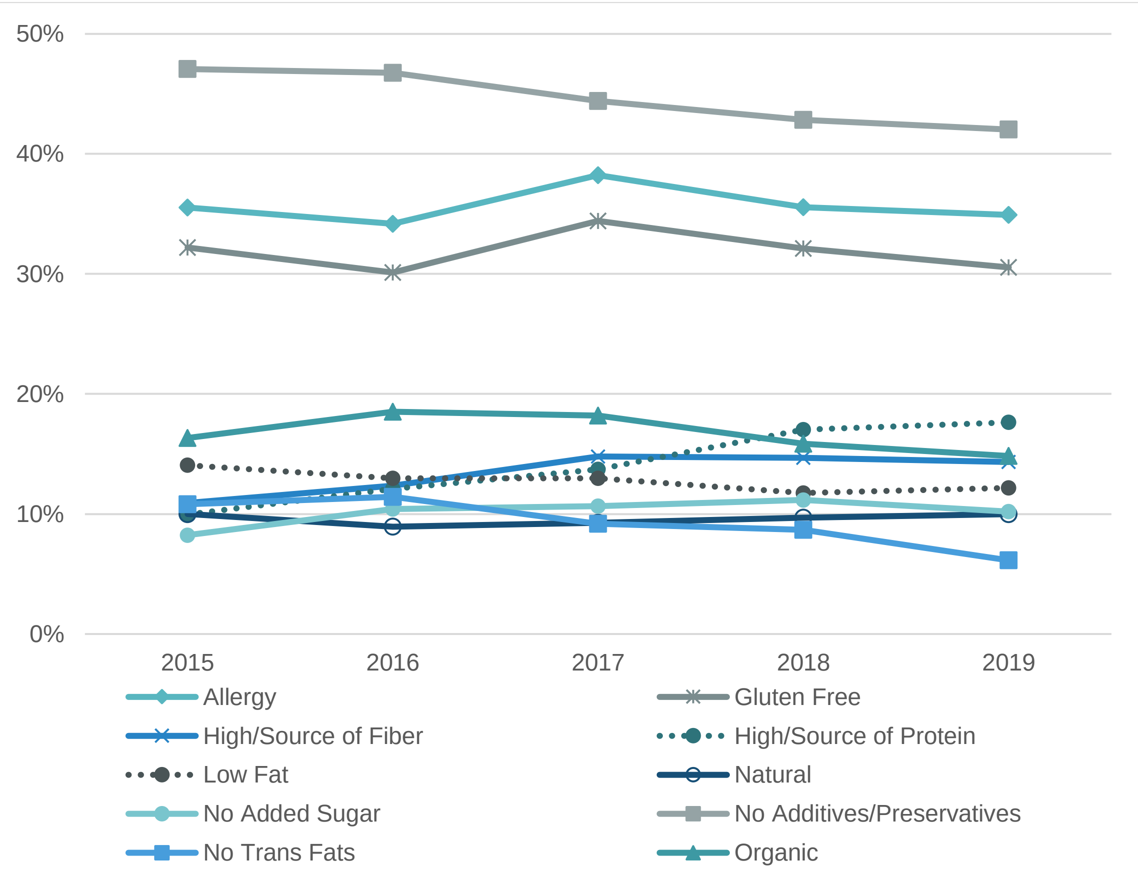


Figure 26. Top 10 healthy food claims in UK

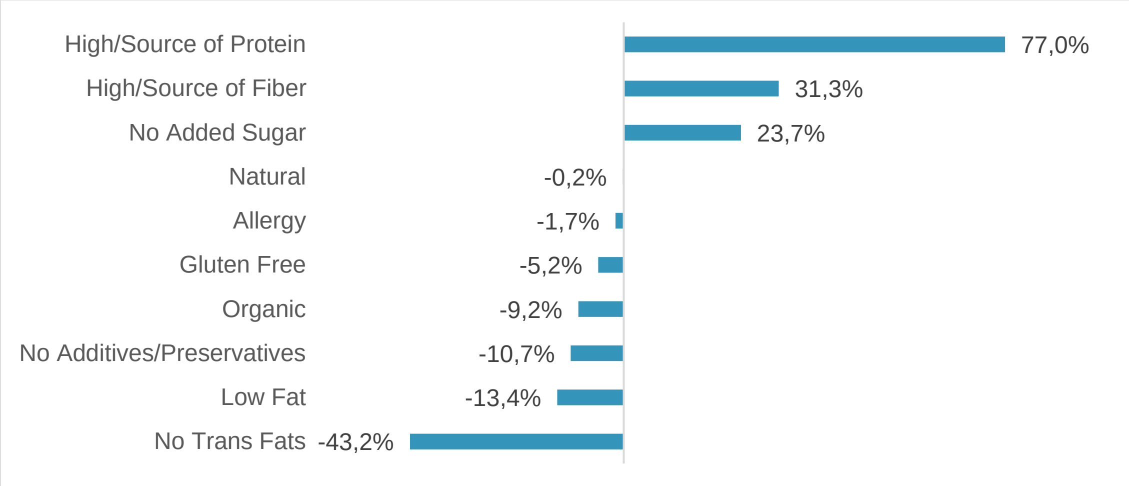
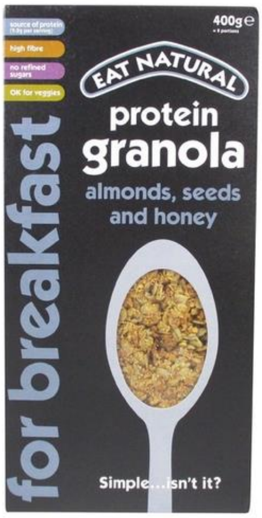


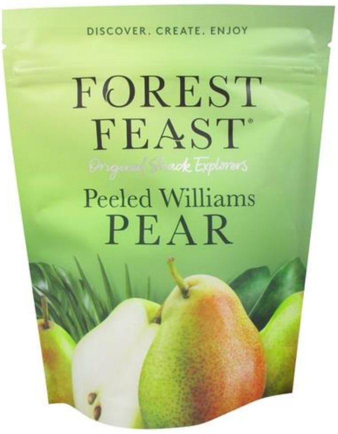
Figure 27. Growth of top 10 healthy food claims in UK, 2015-2019

The following are some examples of products that represent the main healthy food claims in UK.



Claim Category:	**High/ Source of Protein**
Product:	Eat Natural For Breakfast Almonds, Seeds And Honey Protein Granola
Positioning Claims:	Vegetarian; Convenience- Easy-To-Prepare; High/Source Of Fiber; High/Source Of Protein; Ethical- Packaging
Description:	Source of protein (9.2g per serving). High fiber. No refined sugar. Suitable for vegetarians. No added artificial flavors or colors, or any preservatives. Eat Natural supports Plastic Bank and its work in reducing the impact of plastics on our oceans. Made in small batches from simple, wholesome and delicious ingredients. Recyclable carton box. The pack contains 8 portions. Contains oats and almonds. May also contain: other nuts, peanuts, soy, sesame seeds and cow's milk. May contain nutshell fragments. Store in a cool dry place. Made in the UK. The pack features a QR Code.

Claim Category:	**High/Source of Fiber**
Product:	Alpro Cacao Oat Drink
Positioning Claims:	Lactose Free; No Added Sugar; Vegetarian; Energy/Alertness; Bone Health; Convenience- Packaging; Convenience- Time Saving; High/Source Of Fiber; Allergy; Low Fat
Description:	Alpro Chocolate flavored oat drink presents oats in a whole new light. Actually, a whole new dark. The addition of rich dark chocolate taste brings a sophisticated edge to the soft cereal taste of the oats, no need for any added sugars. So now you know, brown is the new black. Comes in a Tetra Brik Edge Aseptic. Good for you. Contains naturally occurring sugars. Source of calcium which is needed for the maintenance of normal bones. Naturally lactose free.100% plant-based. Suitable for vegetarians. Naturally low in saturated fat. Without added sugars or sweeteners. Rich in fiber. Contains vitamins B2, B12 and D. Vitamin B12 contributes to the reduction of tiredness and fatigue.



Claim Category:	**No Added Sugar**
Product:	Forest Feast Peeled Williams Pear
Positioning Claims:	No Added Sugar; Convenience- Packaging; High/Source Of Fiber; Vegan
Description:	Oven dried peeled Williams pear with a light golden color and delicate flavor, in a 120g resealable plastic pouch. Discover, create, enjoy. Original snack explorers. Hand sorted, peeled and gently oven dried. Suitable for vegans. High in fiber. No added sugar.30g of dried fruit equates to one of your five-a-day.

4 Findings on SME perceptions on healthy food market trends

In the scope of the project, an SME survey on perceptions about healthy food products was conducted (see survey in Annex). The survey was carried out online on SurveyMonkey and the target groups for the survey were food and drink companies (mainly SMEs) situated within the project area. The survey included a section focused on the companies' perceptions of consumer trends, as well as a section focused on the companies' perceptions of market trends. In the current report only the later section (market trends) is analysed. In total 72 responses were received to this section: 18 from France, 8 from Ireland, 15 from Portugal, 21 from Spain and 10 from UK.

To ensure understanding across the language barriers the survey was carried out in four languages, English, French, Spanish and Portuguese. Subsequently the raw data was recorded in four separate work sheets. All the four groups of responses were collated into a single Excel spread sheet for a better understanding of the opinions and profiles of the companies within the area of healthy food.

The numbers set out in this report relate to the scores recorded in the survey. Any of the percentage numbers mentioned have been calculated from the original data and inserted by the author for the benefit of easier interpretation.

Overall, results show that companies recognise that the market is being encouraged to consume a varied and balanced diet. There is an increasing demand for health and wellness food, which has driven market growth during recent years. The respondents are aware of the prominent factors influencing the market, including drivers, opportunities, trends, and industry-specific challenges.

4.1 Profile of the companies

The profile of the companies who took part in the survey were as follows:

- 62% Food manufacture
- 19% Ingredient production
- 19% Agriculture, forestry and fishing
- 64% already produce healthy food
- 42% want to produce healthy food

The length of time they have been in business:

- 12% have been in business less than 5 years
- 88% have been in business for 10 years or more

Key Indicators of the business size and capacity:

- 37% have 10 employees or under
- 43% less than 2 million turnover
- 68% trade with national supermarkets
- 52% trade across Europe

4.2 Positioning of the companies with regard to healthy food products

What is your company's position regarding developing and marketing healthy food products?

The profile of the companies that answered the survey is very encouraging, with 73.6% of them already producing healthy food products, 25% of them interested in producing new or improved healthy food products and only 1.4% not interested in producing them.[12]

Attending to the specific answers for each country, it can be seen there is a higher proportion of companies working in healthy food products in France that in the rest of the countries. In contrast, the United Kingdom is the country with a lowest proportion of responders working on healthy food (Figure 28).

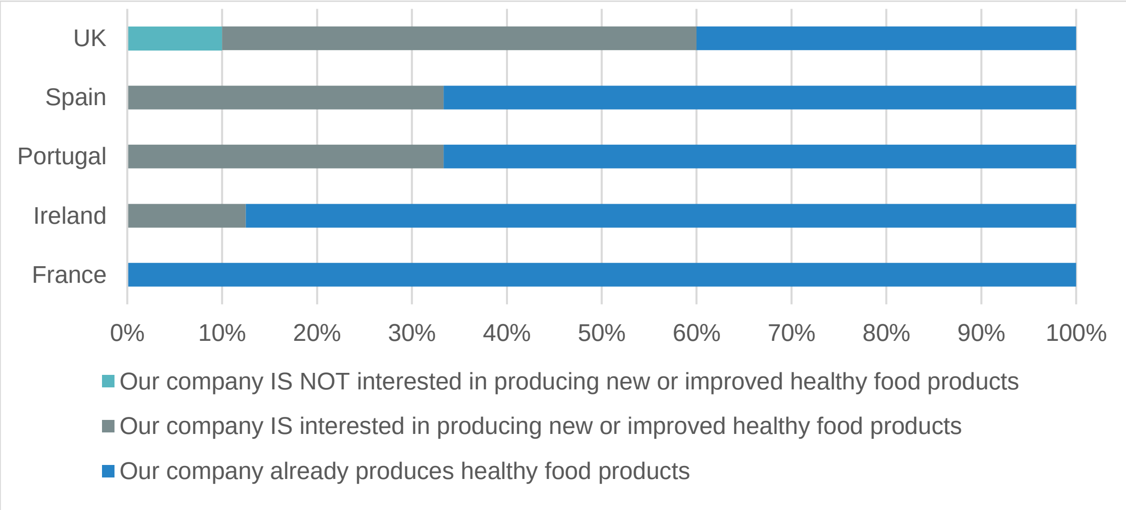


Figure 28. Responses to question related to the company's position regarding developing and marketing healthy food products

Has your company implemented any changes in your products to make them healthier?

Attending to the total sample of responses, 64% of the companies answered they have already implemented changes in products to make them healthier, while 30.5% have not yet implemented changes but plan to do so. Only 5.5% of the companies answered that they do not plan to implement any changes to make their products healthier.

Differentiating the answers per country, and similarly to the previous question, France stands out for having the highest proportion (100%) of companies which have implemented changes to make their products healthier; in contrast, the UK includes the lowest proportion (Figure 29).

[12] This section of questions was answered by 72 companies: 18 from France, 8 from Ireland, 15 from Portugal, 21 from Spain and 10 from UK.

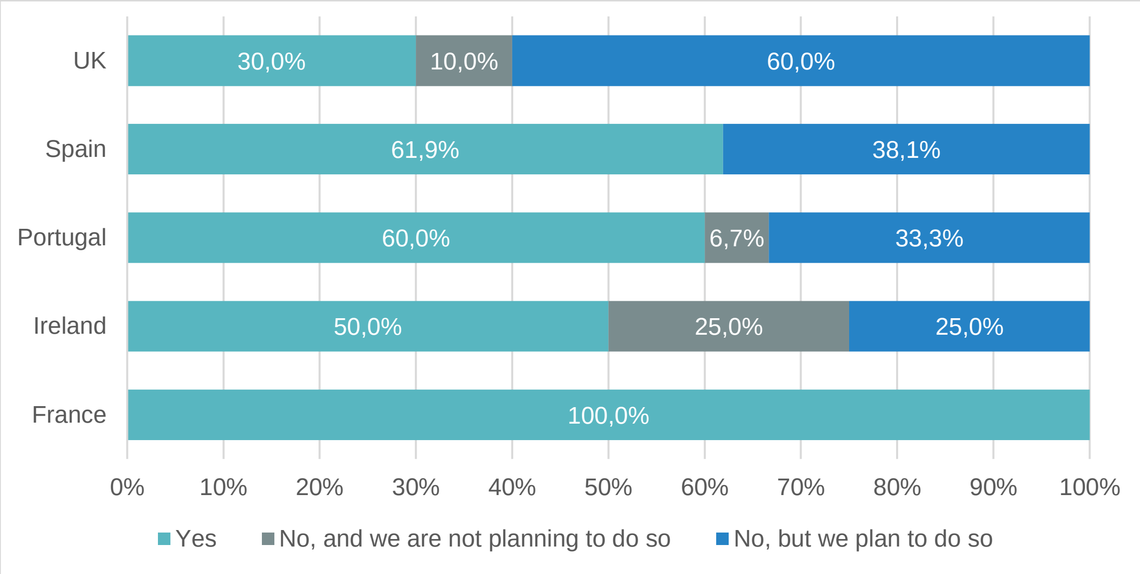


Figure 29. Responses to question related to companies that have implemented changes in products to make them healthier

4.3 Perception of "healthy food" market trends

Do you think that the following "healthy food" market trends are opportunities for your company?

The survey provided a set of pre-identified market trends and companies were asked to rate them in a Likert scale (from 1 being "not an opportunity" to 5 being "very high opportunity") according to if they considered those trends as opportunities.

As shown on Figure 30, the identified market trends that are perceived by the respondent companies as higher opportunities are "transparency on ingredients used" (average rate of 4.3 out of 5), "Natural/ organic ingredients" (average rate of 4.3) and "transparency on provenance information" (average rate of 4.2). Market trends that are perceived as lower opportunities are "Alternative protein sources" (average rate of 3.1) and "Fortified products" (average rate of 3.1). However, all trends are scored as "moderate opportunity" or higher.

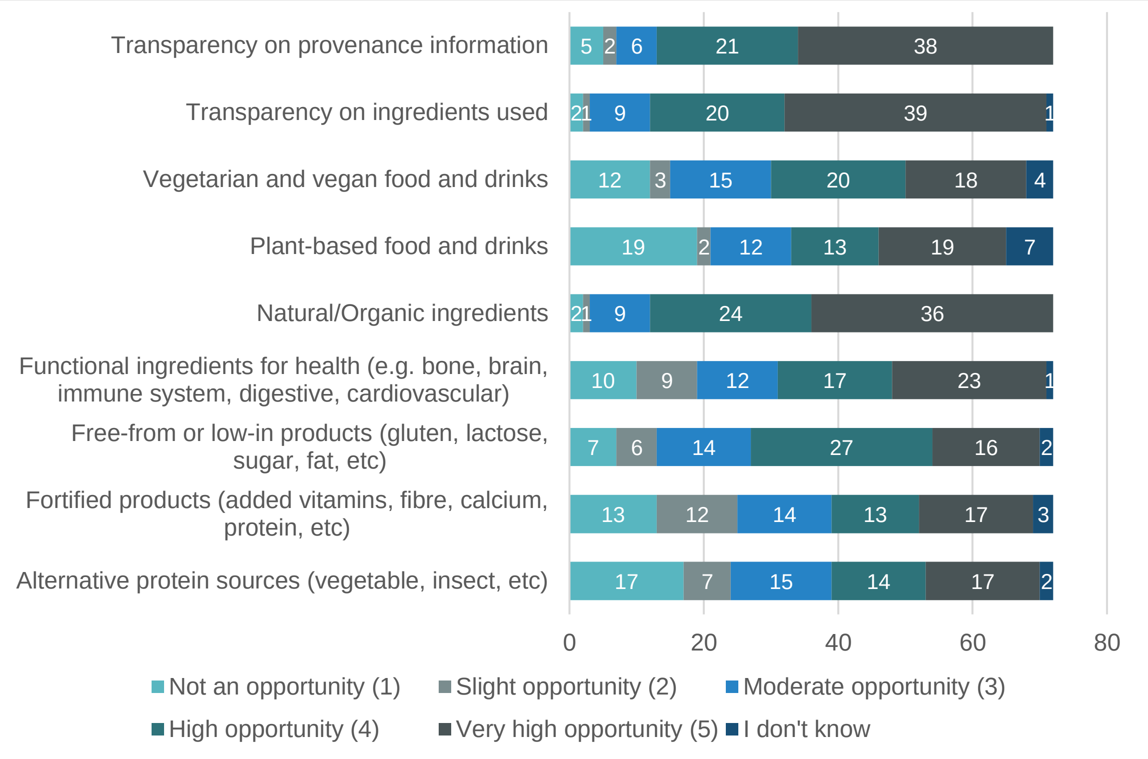


Figure 30. Responses to question related to perception of market trends as opportunities

There are some differences in terms of the perception of market trends as opportunities between the AA countries. As seen in Table 4, France, Portugal and Spain present similar results in terms of how the market trends are perceived as opportunities, highlighting the trends “transparency on ingredients used”, “Natural/ organic ingredients” and “transparency on provenance information”. The results also seem to indicate that Spanish companies may be more optimistic on their perception of market trends, while the British and Irish companies that answered the survey are more sceptical in terms of opportunities derived from the healthy food market trends identified.

Table 4. Average opportunity rate given by companies to each market trend per country

Market trends	Average rate per trend				
	France	Ireland	Portugal	Spain	UK
Alternative protein sources (vegetable, insect, etc)	3,2	2,5	3,6	3,1	2,7
Fortified products (added vitamins, fibre, calcium, protein, etc)	2,8	2,9	3,1	3,8	2,6
Free-from or low-in products (gluten, lactose, sugar, fat, etc)	3,4	2,6	3,5	4,1	3,5
Functional ingredients for health (e.g. bone, brain, immune system, digestive, cardiovascular)	3,1	3,7	3,5	4,1	2,8
Natural/Organic ingredients	4,7	4,1	4,3	4,2	3,7
Plant-based food and drinks	3,1	2,9	3,7	3,2	3,0
Vegetarian and vegan food and drinks	3,2	3,6	3,4	3,6	3,2
Transparency on ingredients used	4,6	3,9	4,6	4,3	3,7
Transparency on provenance information	4,6	3,4	4,3	4,3	3,7

Do you think that the following "healthy food" market trends present risks for your company?

For the same set of pre-identified market trends as in the previous question, companies were asked to rate them in a Likert scale (from 1 being "not a risk" to 5 being "very high risk") according to if they considered those trends as risks.

In general, the identified healthy food trends are not perceived as risks by the respondent companies (Figure 31). The trend that is perceived as a highest risk is "Natural/Organic ingredients", although it only has an average rate of 2.3 (slight risk). The trend perceived as the lowest risk is "Plant-based food and drinks" (average rate of 1.8).

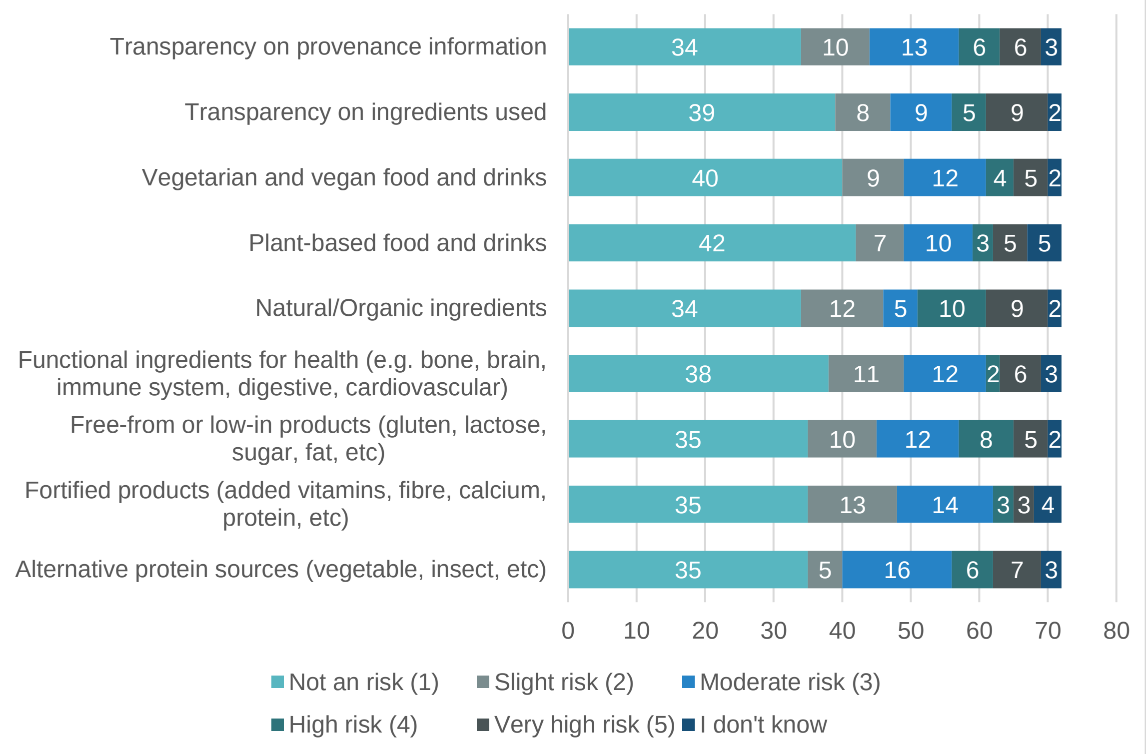


Figure 31. Responses to question related to perception of market trends as risks

Attending to the different rates given by each country, it can be observed that, in general, Portugal and Spain allocate a higher risk to the healthy food market trends, while Ireland and UK allocate a lower risk rate and France remains in the middle range compared to other countries (Table 5).

Table 5. Average risk rate given by companies to each market trend per country

Market trend	**Average rate per trend**				
	France	**Ireland**	**Portugal**	**Spain**	**UK**
Alternative protein sources (vegetable, insect, etc)	2,4	1,6	2,9	2,2	1,4
Fortified products (added vitamins, fibre, calcium, protein, etc)	1,8	1,6	2,3	2,1	1,4
Free-from or low-in products (gluten, lactose, sugar, fat, etc)	2,0	1,8	2,9	2,0	1,7
Functional ingredients for health (e.g. bone, brain, immune system, digestive, cardiovascular)	1,8	1,9	2,4	2,1	1,3
Natural/Organic ingredients	2,0	2,0	2,8	2,5	1,6

Market trend	Average rate per trend				
	France	Ireland	Portugal	Spain	UK
Plant-based food and drinks	1,7	1,3	2,4	1,9	1,7
Vegetarian and vegan food and drinks	1,9	1,5	2,3	1,9	1,7
Transparency on ingredients used	2,1	1,5	2,9	2,0	1,7
Transparency on provenance information	2,1	1,6	2,6	2,3	1,8

4.4 Difficulties, key areas of development and partnerships

With 37% having 10 employees or less and 43% with turnover of less than 2 million-euro, capacity becomes an issue, and this feeds into the capacity required to develop, research and market new products. 33% of companies lack RD and consumer trend knowledge and 22% require some or significant improvement on financial/marketing/partnership and research. Gaps in capacity or knowledge will mean that some assistance will be required to enable the companies to fully capture the opportunities that are evolving.

Most of the companies have relatively mature businesses with 88% of the respondents having been in business for 10 years or more, illustrating a well-functioning company. The business development capacity of the companies is high with 46% believing they have moderate strength in marketing, 38% are in a strong or very strong financial position and 52% already trading across Europe.

From your point of view, which of the following difficulties are more likely to be faced by companies when trying to develop new healthy food products?

Companies were asked to rate in a Likert scale (from 1 being “very unlikely” to 5 being “very likely”) a set of difficulties according to their likelihood of occurring during the process of developing healthy food products. From the difficulties identified, the ones that are more likely to affect the healthy food innovation process are “financial issues to develop and market new products” (average rate of 4.2) and “concerns about legal issues” (average rate of 4.2). In contrast, the difficulty indicated as less likely was the “lack of knowledge about the healthy food market trends” (average rate of 3.3) (Figure 32). In any case, all the identified difficulties were scored above 3, meaning companies consider they are likely to occur.

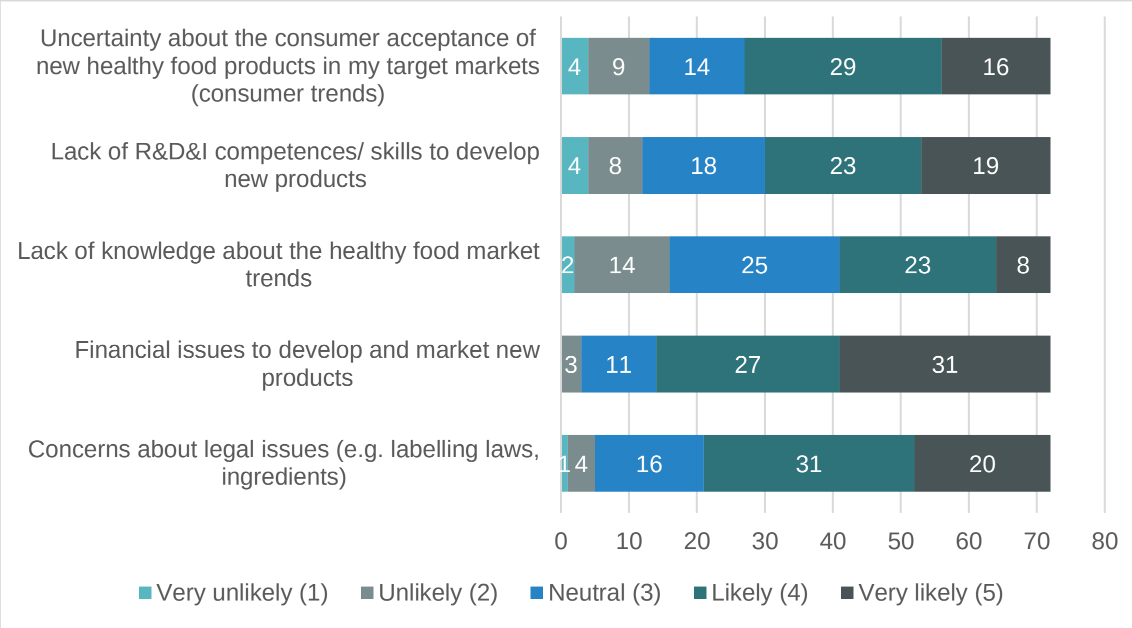


Figure 32. Responses to question related to difficulties when trying to develop healthy food products

Looking at the average rating per country given by the companies to each identified difficulty highlights some similarities and differences. For example, it can be concluded that the "concern about legal issues" and about "financial issues to develop and market new products" are significant and common in the five countries. In terms of differences between countries, it can be mentioned that Irish, Portuguese and British companies consider the "lack of RDI competences/skills" a higher difficulty than the rest of the countries, while Spain and UK show concern about the "uncertainty about the consumer acceptance of new healthy food products" (Figure 33).

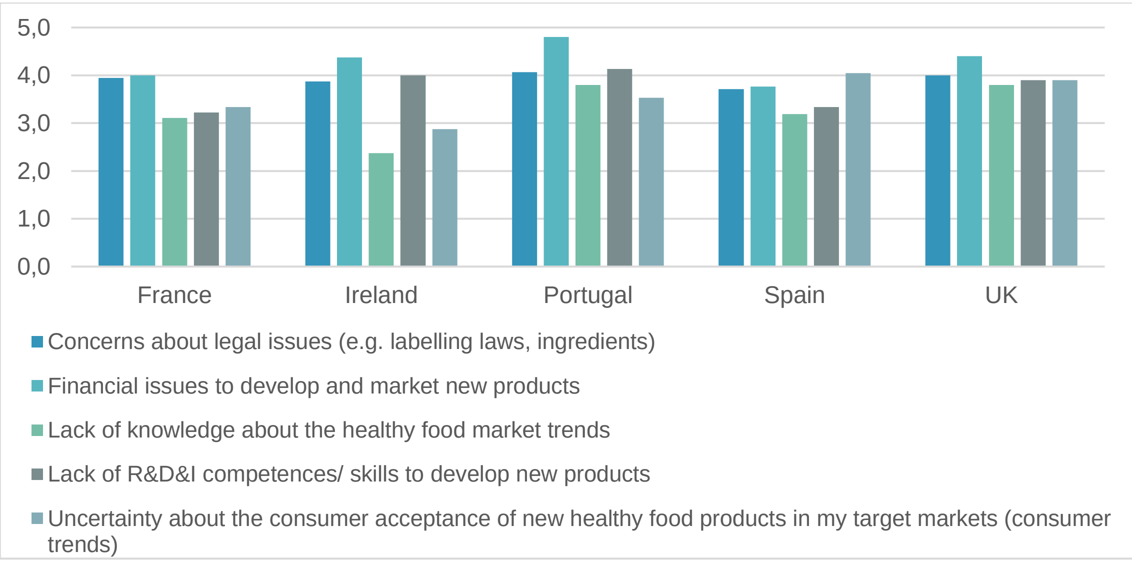


Figure 33. Average rate given by companies in each country to difficulties to develop new healthy food products

From your point of view, how strong is your company regarding the following key areas for the development of new healthy food products?

The survey asked the companies to assess their degree of strength in several key areas for the development of new healthy food products using a Likert scale (ranging from 1 "significant improvement needed", to 5 "very strong"). On average, companies in the five countries indicate they have a moderate strength in the identified key competence areas; the highest score overall was in the key area of "Research, development and innovation capacity", with an average rating of 3.5. All the other competences have received an average rating between 3.0 and 3.3 (Figure 34).

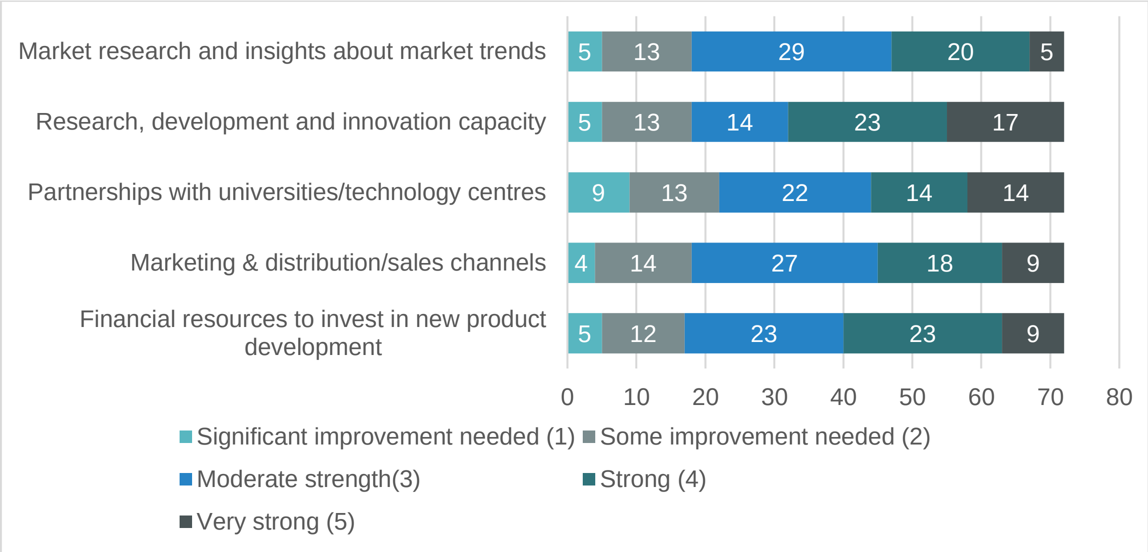


Figure 34. Responses to question related to strengths in key areas for the development of new healthy food products

Looking at the responses per country (Figure 35) no major differences are observed, expect for the fact that French companies indicate a slightly higher rate of strength in the key competence areas, while Irish companies indicate a lower degree of strength.

Figure 35. Average rate given by companies in each country to strengths in key areas for the development of new healthy food products

Which type of partnerships would be more helpful for your company to develop new healthy food products?

The survey asked the companies to rate through a Likert scale (ranging from 1 “not helpful”, to 5 “very helpful”) some pre-identified innovation partnerships according to how helpful they may be to develop new healthy food products.

In general terms, the different types of partnerships are perceived by the companies as being helpful, specially the “partnerships with university research groups” (average rate of 4.0) and “partnerships with technology centres” (average rate of 4.0), as shown in Figure 36.

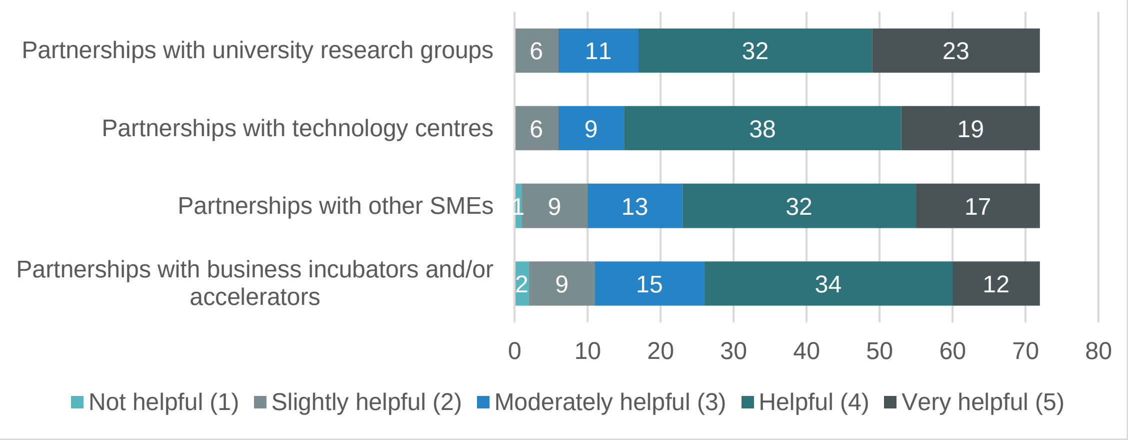


Figure 36. Responses to question related to partnerships for the development of healthy food products

Looking at the scores given by the companies in each AA country to the different types of partnerships for RDI cooperation, slight differences are observed (Figure 37). The Portuguese companies highly rate all four types of partnerships identified, while the Irish companies provide lower ratings overall. It is also evident that, in each country, only very slight differences are observed in the scores given by the respective companies to any of the four partnership categories.

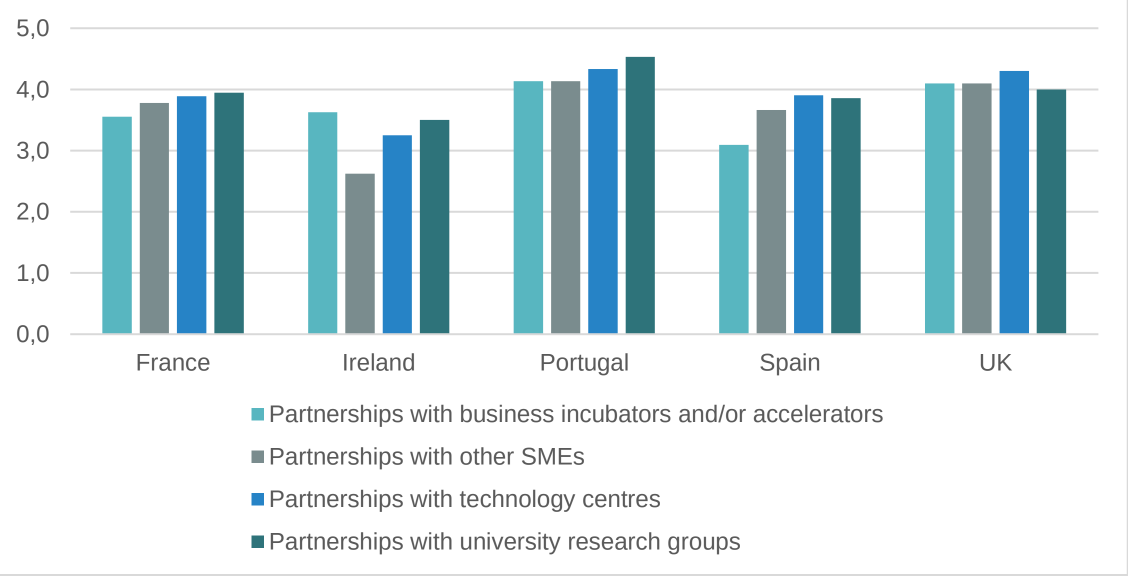


Figure 37. Average rate given by companies in each country to partnerships for the development of healthy food products

5 Conclusions

Conclusions on global and EU market trends

The **healthy food market is growing** and is set to grow even further. Well established markets continue to diversify and become more segmented. At the same time, there are new market opportunities developing around the globe, particularly in Asia.

New **evolving trends with increasing market segmentation** like mindful consumption and plant-based eating are requiring manufacturers to span their product offerings from indulgent to nutritious, producing a diverse range of goods to reach consumers with wide-ranging needs and an expectation of a rewarding sensory experience.

The buying public are on a broad journey of discovery, exploring bolder flavours and **multi-sensory food experiences**. New and niche ingredients provide producers the means to innovate and offer opportunities for a healthy product positioning. New food beliefs keep impacting dietary preferences and opening growth opportunities for product offerings that support a balanced diet.

This can be seen with **"Free from" products** riding the crest of the plant-based eating trend, while the meat-free space is seeing one of the most interesting developments with meat analogues being a potential game changer of the future.

The food industry has many large, mature categories, but as a competitive landscape it will be far from static. Food marketers and retailers are constantly strategising how to profit from the hottest market segments. **Smaller and portable products** which are ready-made are becoming the solution to the consumers who are both health conscience and have busy lifestyles. Manufacturers recognise that they are providing a solution and that these products attract a premium price. Increasing health while increasing profits is an attractive mix.

In a world of chasing and creating new markets, the only constant is the **increasing fragmentation of the market** as it splits into an even greater number of sub-sectors.

Conclusions of analysis of launches of healthy food per product category

Healthy food products have a largely consistent presence in new food launches in the EU and UK. In 2019, 17.0% of new products launched carried a healthy attribute. This percentage is even higher for the AA countries, being **over 40% of new product launches** in 2019 in any given target country.

In terms of specific product types with healthy food claims, the trends among the five AA countries are very similar. In fact, the **"top 3" categories** for all AA countries are **baby & toddler, sports nutrition, and cereals** (above 80% of products launched include healthy claims for all three categories). Other product types that are among the "top 10" in the five AA countries are: dairy, spreads, soft drinks, and soup.

Conclusions of analysis of launches of healthy food products per claim

The **most common healthy claim** used by healthy food and beverage products in EU and UK is the **"allergy"** category, with 36.3% of new products in 2019 having this claim. There are other healthy food claims that are being used in around 30% of new products launched, which are: **organic; gluten free; and no additives/ preservatives**.

Comparing the evolution of the "top 15" healthy claim categories from 2015 to 2019, it can be observed that the "Sports and Recovery" category has more than doubled in size with 110%

growth. Other significant growth categories include “No sugar added” (60.1%) and “High/Source of Protein” (49.6%). At the same time, several of the top categories decreased in prevalence amongst new product launches, including “Digestive/gut health” (-43.3%) and “Low fat” (-37.5%).

Focusing on the five AA countries, the data for 2019 showed some differences between the countries. For example, while 42% of new healthy products in the UK carried a “No additives/preservatives” claim, the same was true for only 25.5% of products in Spain. In France, the “Organic” category was notably high, with 58.9% of new healthy product launches, while in the UK and Ireland the number was much lower (14.8% and 17.8% respectively). However, overall, the trends are similar between the AA countries, with the healthy claims of “No additives/preservatives”, “Allergy” and “Gluten free” being the most common. Furthermore, there are similarities between the trends (positive and negative) of healthy claims. For example, the claim “No added sugar” is the one that shows a higher growth rate in 2015-2019 in three out of the five countries; similarly, the claim “low fat” is experiencing a higher decrease in its utilisation in four out of five countries.

Table 6. Comparison of main healthy claims per AA country

Country	Top-3 healthy claims	Healthy claim with higher increase / decrease
France	• Organic • No additives/preservatives • Allergy	• Higher increase: Sports and recovery • Higher decrease: Low fat
Ireland	• No additives/preservatives • Allergy • Gluten free	• Higher increase: No added sugar • Higher decrease: Low fat
Portugal	• Allergy • Gluten free • No additives/preservatives	• Higher increase: No added sugar • Higher decrease: Low fat
Spain	• Allergy • Gluten free • Organic	• Higher increase: No added sugar • Higher decrease: Low fat
UK	• No additives/preservatives • Allergy • Gluten free	• Higher increase: High/source of protein • Higher decrease: No trans fats

Conclusions from the SME survey

All the market trends identified in the SME survey were scored by the respondent companies as “moderate opportunity” or higher. However, the identified market trends that are perceived by the respondent companies as higher opportunities are “transparency on ingredients used” (average rate of 4.31 out of 5), “Natural/ organic ingredients” (average rate of 4.26) and “transparency on provenance information” (average rate of 4.18). At the same time, the market trends that are perceived as lower opportunities are “Alternative protein sources” (average rate of 3.10) and “Fortified products” (average rate of 3.13).

There are some differences in terms of the perception of market trends as opportunities between the AA countries. France, Portugal and Spain present similar results in terms of how the market trends are perceived as opportunities, highlighting the trends “transparency on ingredients used”, “Natural/ organic ingredients” and “transparency on provenance information”. The results also seem to indicate that Spanish companies may be more optimistic in their perception of market trends, while the British and Irish companies that answered the survey are more sceptical in terms of opportunities derived from the healthy food market trends identified.

In general, the identified healthy food trends are not perceived as risks by the respondent companies.

Companies were asked to rate a set of difficulties according to their likelihood of occurrence during the process of developing healthy food products. From the difficulties identified, the ones that are more likely to affect the healthy food innovation process are “financial issues to develop and market new products” (average rate of 4.2) and “concerns about legal issues” (average rate of 4.2). A difficulty indicated as less likely was the “lack of knowledge about the healthy food market trends” (average rate of 3.3).

Looking at the average rate per country given by the companies to each identified difficulty indicates some differences. It is notable that Irish, Portuguese and British companies consider the “lack of RDI competences/skills” as a more significant difficulty than the rest of the countries, while Spain and UK show concern about the “uncertainty about the consumer acceptance of new healthy food products”.

On average, respondent companies in the five countries indicate they have moderate strength in the identified key competence areas; highlighting a slightly higher degree of strength in the key area of “Research, development and innovation capacity”, with an average rating of 3.5. All the other competences have received an average rating between 3.0 and 3.3.

In general terms, the different types of partnerships are perceived by the companies as being helpful, specially the “partnerships with university research groups” (average rate of 4.0) and “partnerships with technology centres” (average rate of 4.0).

Annex: SME survey on perception regarding healthy food market trends

The purpose of this SME survey is to gather the perceptions of food industry SMEs about the trends of healthy food products, as well as the competences and difficulties they have for the development of new healthy products. The survey also aims to gather the perceptions of those SMEs about consumer preferences regarding healthy food products.

For this purpose, this survey has been structured in the following sections:

- SECTION I: company profile
- SECTION II: Company perceptions on consumer preferences regarding healthy food products
- SECTION III: Company perceptions on healthy food market

The information collected will be anonymous and processed in aggregated form only.

In the scope of this survey, please consider the following definitions:

A **healthy lifestyle** is a way of living that favours optimal health and well-being, lowering the risk of being seriously ill or dying earlier.

A **healthy diet** (eating healthy) helps to maintain good health through optimal nutrition. Foods make up diets and eating healthy foods contribute to achieving a healthier diet. **Healthy foods** are safe and of nutritional value.

This survey is implemented in the context of the AHFES (Atlantic Healthy Food EcoSystem) project. The purpose of AHFES is to improve the overall competitiveness and growth of SMEs in the value chain of healthy food & lifestyles by contributing to enhance a transnational innovation ecosystem that helps SMEs access knowledge, partners and markets and align their products and services to consumer needs and expectations.

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SECTION I: Company profile

Name of the company:

Country:

Region:

- **Sector (please select all that apply)**: ☐Agriculture, forestry and fishing; ☐Manufacture of food & beverage products; ☐Ingredient production; ☐Food technology; ☐Other (please indicate)

Subsector (please select all that apply):

☐Growing of non-perennial crops (cereals, vegetables, roots, leguminous, etc)

☐Growing of perennial crops (grapes, citrus fruits, pome fruits, stone fruits, etc.)

☐Animal production

☐Fishing

☐Aquaculture

☐Processing and preserving of meat and production of meat products

☐Processing and preserving of fish, crustaceans and molluscs

☐Processing and preserving of fruit and vegetables

☐Manufacture of vegetable and animal oils and fats

☐Manufacture of dairy products

☐Manufacture of grain mill products, starches and starch products

☐Manufacture of bakery and farinaceous products

☐Manufacture of other food products

☐Manufacture of prepared animal feeds

☐Manufacture of beverages

☐Other (please indicate)

Year of company establishment:

Number of employees (please select one option):

☐>250	☐<250	☐<50	☐<10

Turnover (please select one option):

☐> € 50 million	☐≤ € 50 million	☐≤ € 10 million	☐≤ € 2 million

In which geographical markets does your company sell? (please select all that apply):

☐Regional market	☐National market	☐Europe	☐Beyond Europe

Where are your company's products available to consumers? (please select all that apply):

☐Food service (Restaurant, hotel, catering – HoReCa)

☐Institutional (Hospitals, Nursing Homes, Schools)

☐Online

☐Supermarket (large chains)

☐Supermarket (local/small chain)

☐Other (please indicate)

SECTION II: Company perceptions on consumer preferences regarding healthy food products

Q2.1. Focusing broadly on the population, what in your opinion is the level of consumer concern in relation to healthy eating? Please select the most suitable option:

☐ Very low in relation to healthy eating	☐ Low concern in relation to healthy eating	☐ Medium concern in relation to healthy eating
☐ High concern in relation to healthy eating	☐ Very high concern in relation to healthy eating	

Q2.2. Are your company's products addressed to consumers with specific dietary needs?

☐Yes ☐No

Q2.2.1. If yes, which of these diets are most common among your consumers? Please select all that apply:

☐Flexitarianism or semi-vegetarianism (occasional meat and fish consumption)

☐Gluten free

☐Lactose free

☐Vegan

☐Vegetarian

☐Other (please indicate)

Q2.3. From your point of view, do consumers of your company's products give importance to the below food attributes? Please answer EVERY question and rate each from 5 (very important) to 1 (unimportant) each of the following food attributes by ticking the appropriate box.

	Very important (5)	**Important (4)**	**Moderately important (3)**	**Slightly important (2)**	**Unimportant (1)**
Age-targeted (for babies & children, for senior persons)	☐	☐	☐	☐	☐
Appearance	☐	☐	☐	☐	☐
Convenience (On-the-Go, Easy to Use, Portionability)	☐	☐	☐	☐	☐
Functional value (cardiovascular, digestive)	☐	☐	☐	☐	☐
Naturalness (Organic, No-GMO, No Additive)	☐	☐	☐	☐	☐
Nutritional value	☐	☐	☐	☐	☐
Origin	☐	☐	☐	☐	☐
Price	☐	☐	☐	☐	☐
Safety	☐	☐	☐	☐	☐
Taste	☐	☐	☐	☐	☐
Traditional production methods	☐	☐	☐	☐	☐
Other (please indicate)	☐	☐	☐	☐	☐

Q2.4. From your point of view, what are the key reasons why consumers purchase healthy food? Please answer EVERY question and rate each from 5 (very important) to 1 (unimportant) each of the following options by ticking the appropriate box.

	Very important (5)	**Important (4)**	**Moderately important (3)**	**Slightly important (2)**	**Unimportant (1)**
Health benefits	☐	☐	☐	☐	☐
Medical **recommendation**	☐	☐	☐	☐	☐
Disease **prevention**	☐	☐	☐	☐	☐
Healthy food is **quality** food	☐	☐	☐	☐	☐
Enjoyment	☐	☐	☐	☐	☐
Other (please indicate)	☐	☐	☐	☐	☐

Q2.5. From your point of view, what are the most important nutrition information labels to provide to consumers? Please answer EVERY question and rate each from 5 (very important) to 1 (unimportant) each of the following options by ticking the appropriate box.

	Very important (5)	**Important (4)**	**Moderately important (3)**	**Slightly important (2)**	**Unimportant (1)**
Calories	☐	☐	☐	☐	☐
Carbohydrates	☐	☐	☐	☐	☐
Salt	☐	☐	☐	☐	☐
Sugar	☐	☐	☐	☐	☐
Total fat	☐	☐	☐	☐	☐
Vitamins	☐	☐	☐	☐	☐
Other (please indicate)	☐	☐	☐	☐	☐

SECTION III: Company perceptions on healthy food market

Q3.1. What is your company's position regarding developing and marketing healthy food products? Please select the most suitable option:

☐Our company IS NOT interested in producing new or improved healthy food products

☐Our company IS interested in producing new or improved healthy food products

☐Our company already produces healthy food products

Other (please indicate)

Q3.2. Has your company implemented any changes in your products to make them healthier?

☐Yes (briefly indicate which products and how)

☐No, but we plan to do so

☐No, and we are not planning to do so

Q3.3. Do you think that the following "healthy food" market trends are opportunities for your company? Please rate from 5 (very high opportunity) to 1 (not an opportunity) each of the following "healthy food" market trends. Please tick the correspondent boxes.

	Very high opportunity (5)	High opportunity (4)	Moderate opportunity (3)	Slight opportunity (2)	Not an opportunity (1)
New healthy ingredients					
- Alternative protein sources (vegetable, insect, etc)	☐	☐	☐	☐	☐
- Fortified products (added vitamins, fibre, calcium, protein, etc)	☐	☐	☐	☐	☐
- Free-from or low-in products (gluten, lactose, sugar, fat, etc)	☐	☐	☐	☐	☐
- Functional ingredients for health (e.g. bone, brain, immune system, digestive, cardiovascular)	☐	☐	☐	☐	☐
Go green					
- Natural/Organic ingredients	☐	☐	☐	☐	☐
- Plant-based food and drinks	☐	☐	☐	☐	☐
- Vegetarian and vegan food and drinks	☐	☐	☐	☐	☐
Transparency					
- Transparency on ingredients used	☐	☐	☐	☐	☐
- Transparency on provenance information	☐	☐	☐	☐	☐

Q3.4. Do you think that the following "healthy food" market trends present risks for your company? Please rate from 5 (very high risk) to 1 (not a risk) each of the following "healthy food" market trends. Please tick the correspondent boxes.

	Very high risk (5)	High risk (4)	Moderate risk (3)	Slight risk (2)	Not a risk (1)
New healthy ingredients					
- Alternative protein sources (vegetable, insect, etc)	☐	☐	☐	☐	☐
- Fortified products (added vitamins, fibre, calcium, protein, etc)	☐	☐	☐	☐	☐
- Free-from or low-in products (gluten, lactose, sugar, fat, etc)	☐	☐	☐	☐	☐
- Functional ingredients for health (e.g. bone, brain, immune system, digestive, cardiovascular)	☐	☐	☐	☐	☐
Go green					
- Natural/Organic ingredients	☐	☐	☐	☐	☐
- Plant-based food and drinks	☐	☐	☐	☐	☐

	Very high risk (5)	High risk (4)	Moderate risk (3)	Slight risk (2)	Not a risk (1)
- Vegetarian and vegan food and drinks	☐	☐	☐	☐	☐
Transparency					
- Transparency on ingredients used	☐	☐	☐	☐	☐
- Transparency provenance information	☐	☐	☐	☐	☐

Q3.5. From your point of view, which of the following difficulties are more likely to be faced by companies when trying to develop new healthy food products? Please rate from 5 (very likely) to 1 (very unlikely) each of the following aspects. Please tick the correspondent boxes.

	Very likely (5)	Likely (4)	Neutral (3)	Unlikely (2)	Very unlikely (1)
Concerns about legal issues (e.g. labelling laws, ingredients)	☐	☐	☐	☐	☐
Financial issues to develop and market new products	☐	☐	☐	☐	☐
Lack of knowledge about the healthy food market trends	☐	☐	☐	☐	☐
Lack of R&D&I competences/ skills to develop new products	☐	☐	☐	☐	☐
Uncertainty about the consumer acceptance of new healthy food products in my target markets (consumer trends)	☐	☐	☐	☐	☐
Others (please indicate)	☐	☐	☐	☐	☐

Q3.6. From your point of view, how strong is your company regarding the following key competences for the development of new healthy food products? Please rate from 5 (very high competence) to 1 (not competence) each of the following key competences. Please tick the correspondent box.

	Very high competence (5)	High competence (4)	Moderate competence (3)	Slight competence (2)	Not competence (1)
Financial solvency	☐	☐	☐	☐	☐
Marketing & Distribution/Sales channels	☐	☐	☐	☐	☐
Partnerships with universities/ technology centres	☐	☐	☐	☐	☐
R&D&I capacity	☐	☐	☐	☐	☐

	Very high competence (5)	High competence (4)	Moderate competence (3)	Slight competence (2)	Not competence (1)
Others (please indicate)	☐	☐	☐	☐	☐

Q3.7. Which type of partnerships would be more helpful for your company to develop new healthy food products? Please rate from 5 (very helpful) to 1 (not helpful) each of the following key competences. Please tick the correspondent boxes.

	Very helpful (5)	Helpful (4)	Moderately helpful (3)	Slightly helpful (2)	Not helpful (1)
Partnerships with business incubators and/or accelerators	☐	☐	☐	☐	☐
Partnerships with other SMEs	☐	☐	☐	☐	☐
Partnerships with technology centres	☐	☐	☐	☐	☐
Partnerships with university research groups	☐	☐	☐	☐	☐
Others (please indicate)	☐	☐	☐	☐	☐

Q3.8. Additional information

If you wish, please provide here additional information about your perception of consumer preferences, opportunities, challenges, key competences, or any other aspect related to healthy food products:

Thank you for your contributions!