

A new era for sugar reduction

Understanding consumers' health needs in a new era of sugar reduction will open the doors for opportunities for better-for-you sweeteners



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Understanding consumers' needs in a new era of sugar reduction



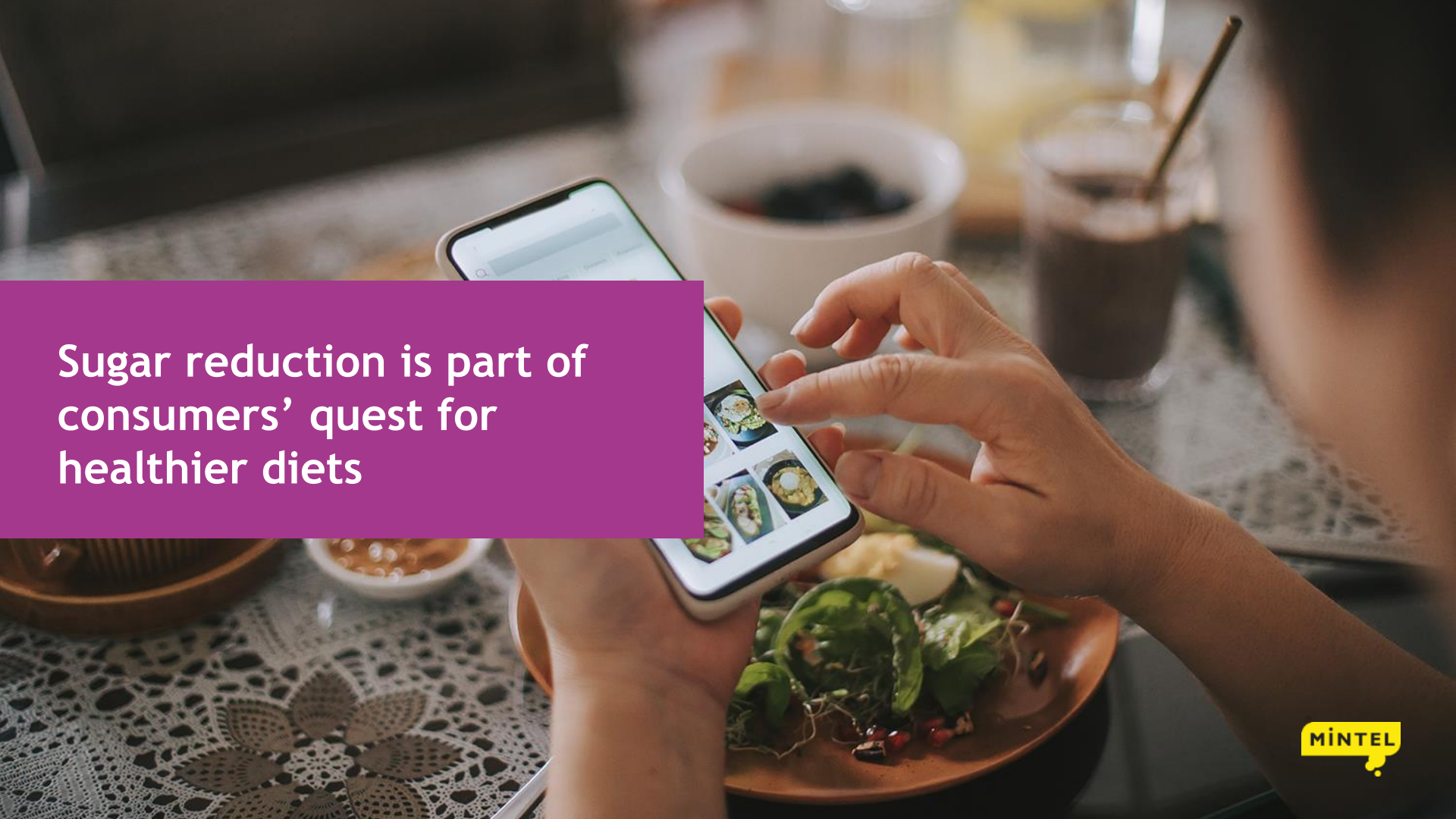
A quest for healthier diets



A change in consumer behavior



New opportunities for BFY solutions

A close-up photograph of a person's hands holding a smartphone. The phone screen displays a grid of food images, likely from a food delivery app. The person is seated at a table with a white lace tablecloth. In the foreground, there is a plate of green salad with tomatoes and a small bowl of brown sauce. In the background, there is a white cup of coffee and a glass of chocolate milkshake with a straw. The scene is softly lit, suggesting an indoor dining environment.

**Sugar reduction is part of
consumers' quest for
healthier diets**

Consumers are rethinking their diet due to COVID-19

IN CANADA

35%

of adults who were eating healthy more often in 2020 compared to 2019 did so to boost immunity in light of the COVID-19 pandemic

IN GERMANY

22%

of adults say eating healthily has become a higher priority since the start of the COVID-19 outbreak

IN THE US

29%

of adults say they have been more strict about making healthy choices for themselves since the COVID-19 pandemic began

Base: Canada 559 internet users aged 18+ who are eating healthy more often than last year Germany: 1,000 internet users aged 16+, US 2,000 internet users aged 18+
Source: Kantar Profile/Mintel



The reasons for eating healthy have new relevance

A renewed focus on health and wellness has prompted consumers to reconsider their diet and to look for healthy foods to support the various areas of health and wellbeing

IMMUNE HEALTH

86%

of US adults agree eating healthy is important for a strong immune system

PHYSICAL HEALTH

86%

of US adults agree eating healthy is important for their physical wellbeing

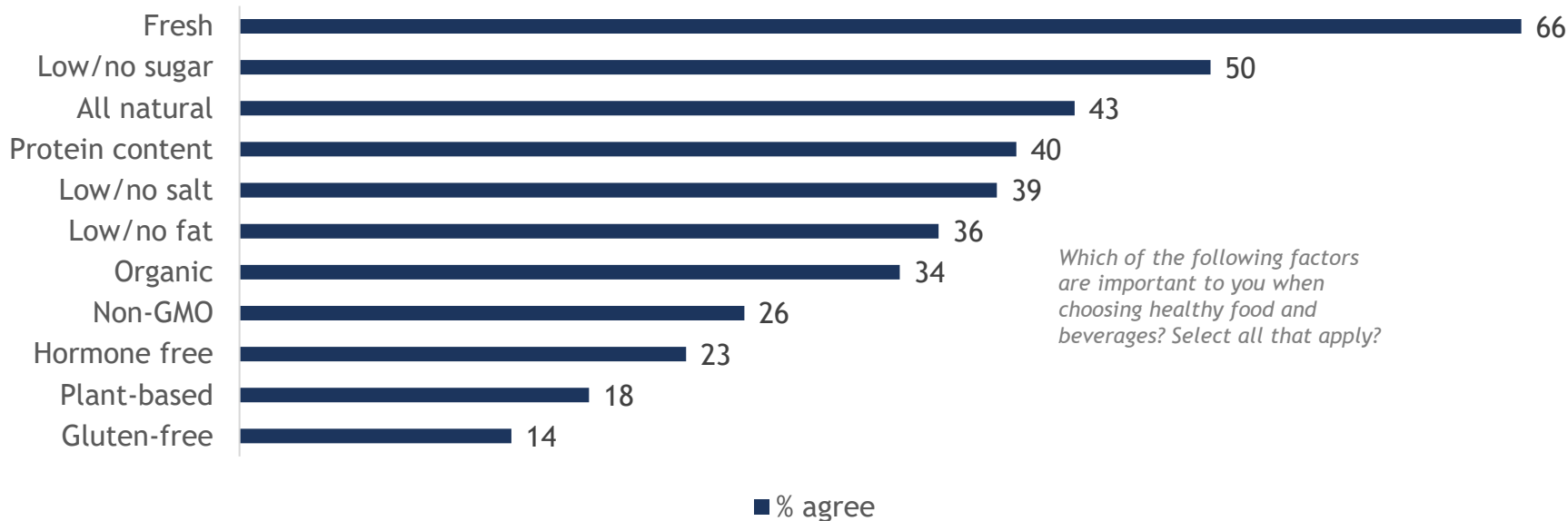
MENTAL HEALTH

78%

of US adults agree eating healthy is important for their emotional wellbeing

But what is "healthy?"

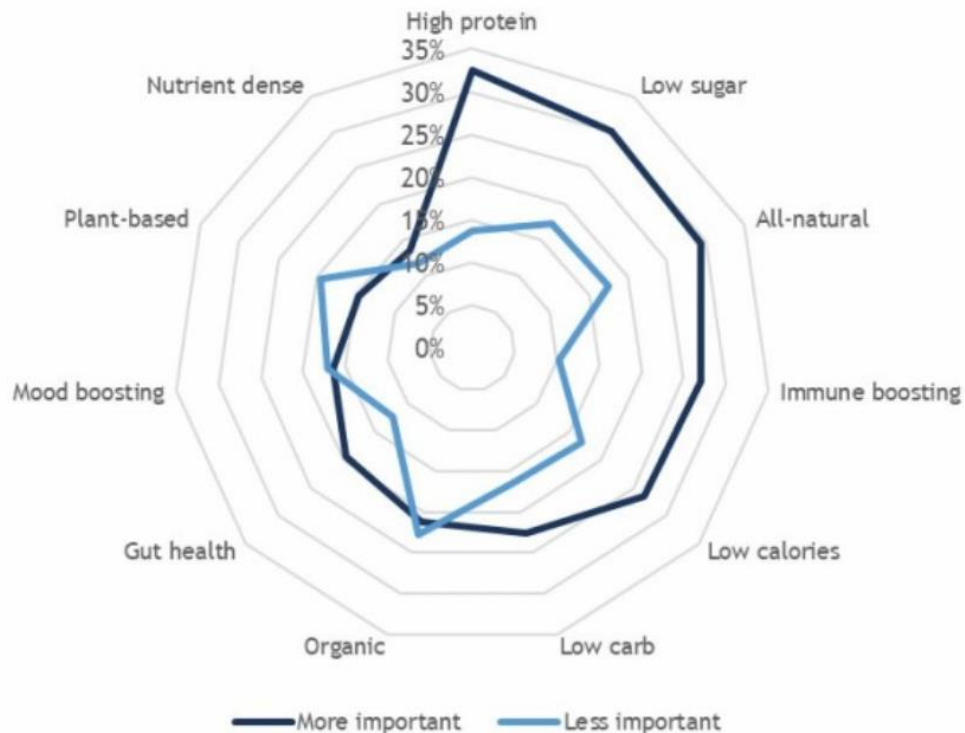
US: Attributes sought in healthy foods and beverages, 2020



Low sugar has become a more important health attribute because of COVID-19

US: Health attributes: More important and less important, 2021

"Which of the following health attributes have become more important to you due to COVID-19? Select all that apply."



Consumers around the world are looking for less sugar

IN THE US

55%

of adults would like to eat less sugar in their diet

IN CHILE

37%

of adults* agree that a low sugar content is a top factor when shopping for food

IN CHINA

58%

of adults aged 18-59 think they need to decrease their intake of sugar

*Base: US 1,000 internet users aged 18+ (Nov 2020), 1,000 internet users aged 18+ ;China: 3,000 internet users aged 18-59 (Jun 2021)
Source: Kantar Profiles/Mintel, Offerwise/Mintel KuRunData/Mintel*



Less sugar, yes. But more sweeteners? Not necessarily...

30%

of US consumers check food labels
for sweetener content and 25%
avoid items with sweeteners

79%

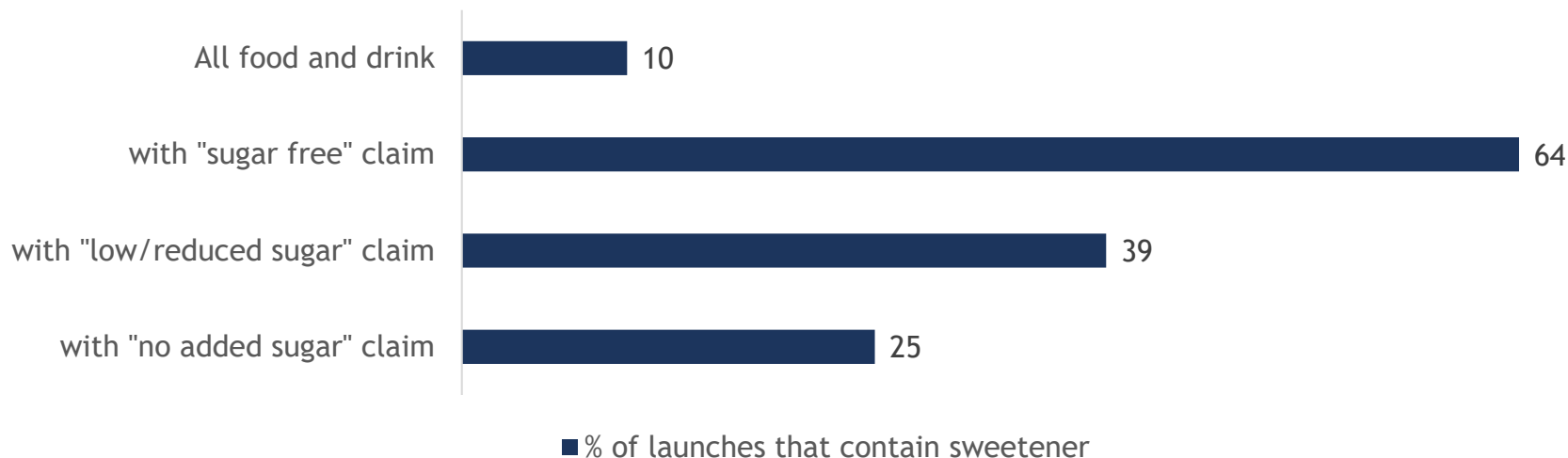
of US consumers think some
sweeteners should be avoided more
than others

69%

of US consumers think artificial
sweeteners are bad for your health

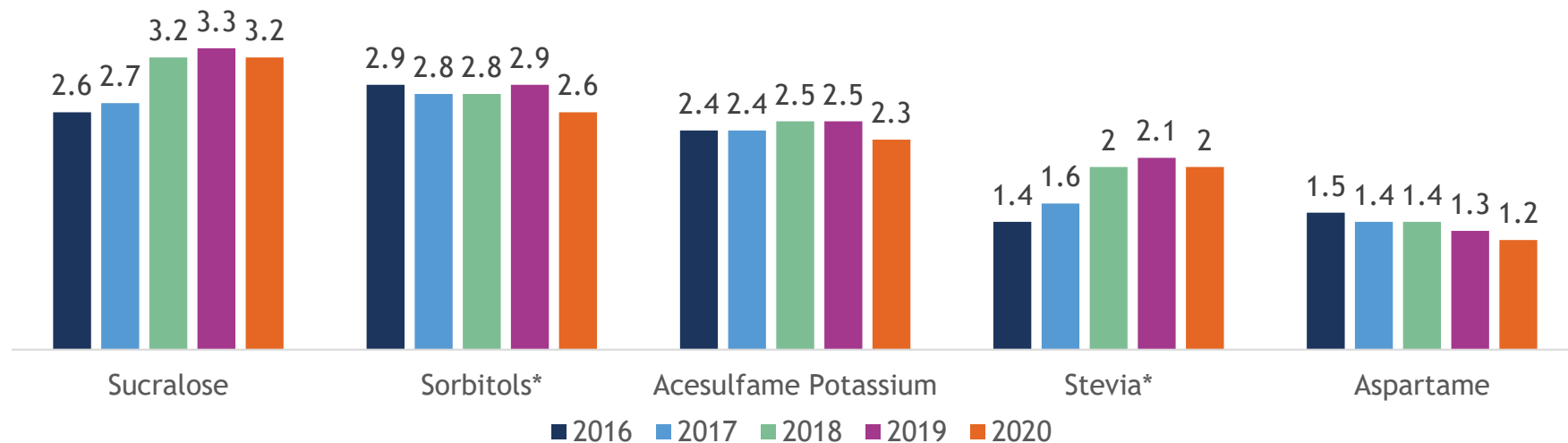
Sweeteners are common in food and drink products with sugar-related claims

Global: Share of food and drink launches that contain a sweetener ingredient, by claim and year, 2016-20



Sucralose has emerged as the leading sweetener in global food and drink launches

Global: Top five sweeteners, % of food and drink launches over time, 2016-2020

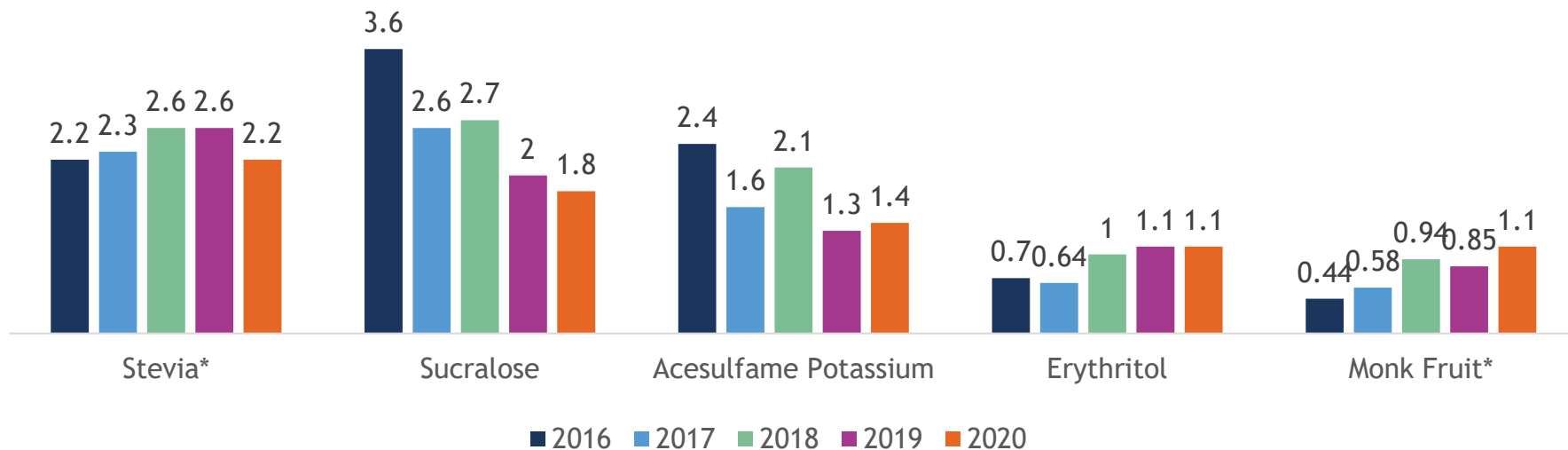


*includes all children ingredients
Source: Mintel GNPD

Stevia and sucralose are most common in the US but launch activity is starting to dip

Over the past five years, sucralose is down 50%, aspartame is down 3% and Ace-K is down 42% in US food and drink launches

US: Top five sweeteners, % of food and drink launches over time, 2016-2020



*includes all children ingredients
Source: Mintel GNPD

In the US, allulose, monk fruit, and erythritol are the fast growing sweeteners

Between 2016 and 2020, the percentage of US food and drink launches that contained allulose, monk fruit, or erythritol showed rapid growth.

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Keto is driving sweetener innovations

In the past five years, 62% of US food and drink launches that contained allulose mentioned keto on pack



Go Better
Keto Milk
Chocolate Sea
Salt Caramel
Cups

"No sugar
alcohols"

Contains
allulose



Kinder's Zero Sugar
Smoked Red
Jalapeño BBQ Sauce

"Free from artificial
sweeteners"

Contains allulose
and monk fruit
extract

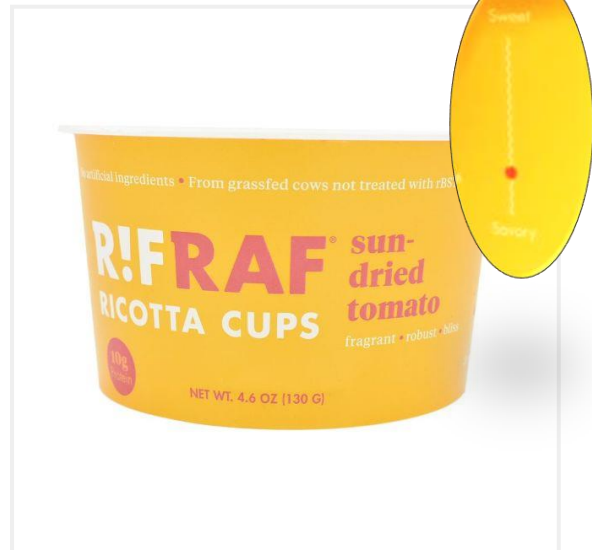
How sweet does it really need to be?



Sweet: 11g of sugar
Strawberry Balsamic
Ricotta Cheese Cups

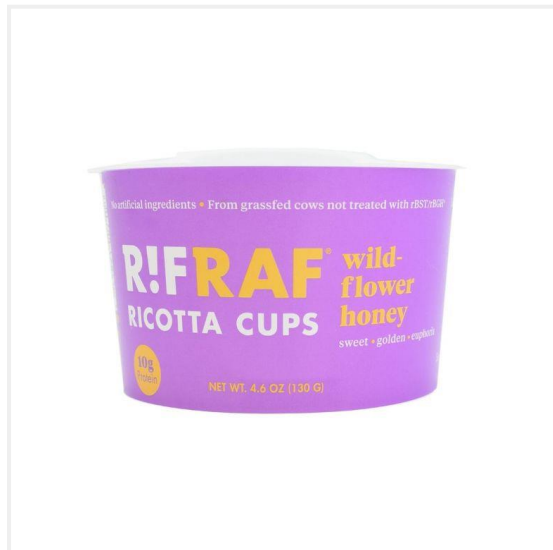


Medium sweet: 11g of sugar
Serrano Pepper Honey
Ricotta Cheese Cups



Savory: 5g of sugar
Sun-Dried Tomato
Ricotta Cheese Cups

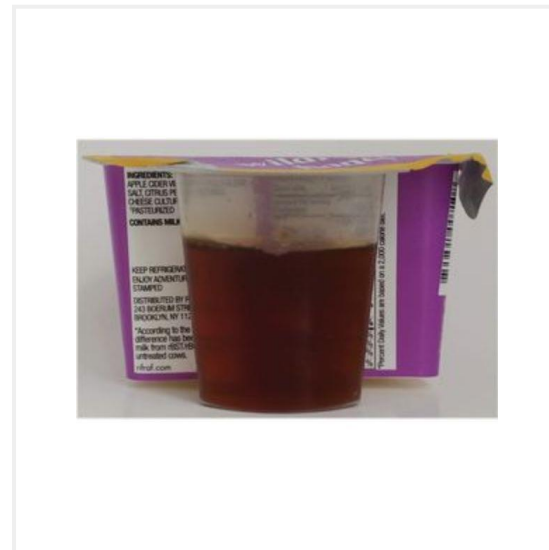
Give consumers options in sweetness



Rif Raf's Wildflower Honey Ricotta Cups



Inform: Sweet to savory scale



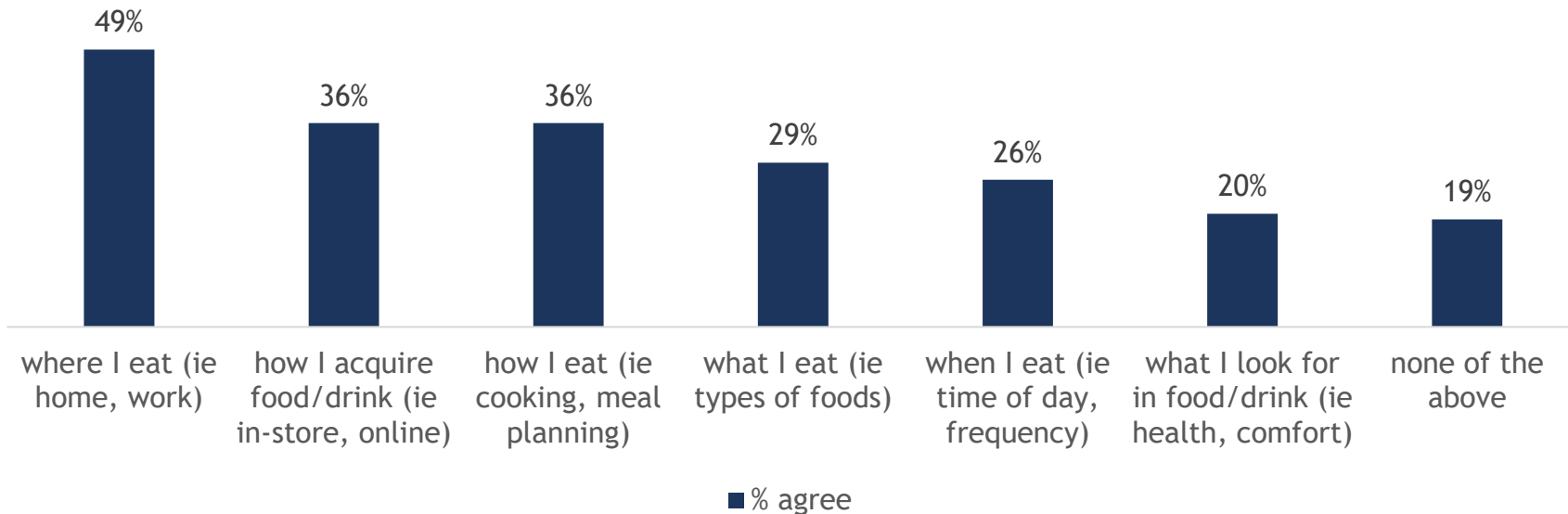
Modify: Add your own sweetener

Sweetener innovations can
start at home



COVID-19 disrupted not only where consumers ate but how they ate, what they ate and when they ate

US: Impact of COVID-19 on food/drink choices, % agree, 2020



The COVID-19 pandemic has changed...

US consumers spent more time cooking and baking during 2020



Perfect for low carb diets, with th a mild, clean sweetness, no bitterness, and no aftertaste



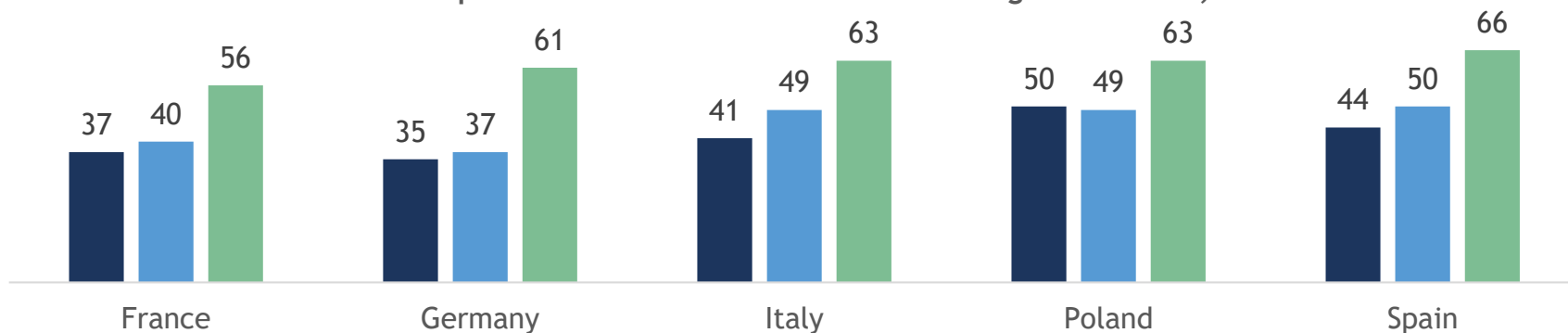
Provide plant-based sweetness from corn-derived allulose, perfect to reduce carbs and calories

In 2020

- 51% of US consumers who cook reported spending more time cooking in general
- 37% of US consumers who cook reported spending more time cooking comfort foods
- 35% of US consumers who cook reported spending more time baking in general; this rises to 46% of Millennials
- 74% of US consumers who cook want to improve their cooking skills

Brands can support consumers' goals to cook healthier foods at home

Select European Markets: Attitudes towards cooking in the home, 2021



■ % interested in recipes tailored to their health goals (eg lose weight, lower cholesterol)

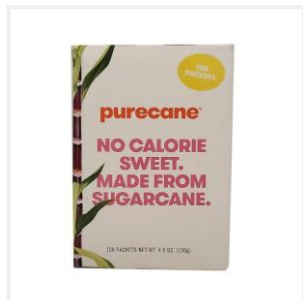
■ % who expect to be cooking from scratch more after the COVID-19/coronavirus pandemic subsides than I did before the outbreak

■ % who cook lunch and/or dinner from scratch/partly from scratch to make their meals healthier*

**internet users aged 16+ who do most of/share the cooking/preparing of meals in their household and cook/prepare lunch/dinner in their household mostly completely from scratch/partly from scratch (765 in France, 1582 in Germany, 786 in Italy, 798 in Poland, 803 in Spain)*
Source: Kantar Profiles/Mintel

Purcane lets consumers play R&D at home

In the US, 57% of adults who use sweeteners used sweeteners in a recipe.



1:1 "Sugar" packets

Zero Calorie Sugar Substitute

Made from sugarcane, this its single packet is claimed to be about as sweet as one teaspoon of table sugar. The all natural sugar substitute is diabetes friendly, is free from calorie, GMO and gluten

INGREDIENTS: ERYTHRITOL, FERMENTED SUGARCANE REB M



Tastes and bakes like sugar

No Calorie Baking Sweetener is an all natural granular product, claimed to be a one to one replacement for sugar that tastes and bakes like sugar. It is made from sugarcane, has a low glycemic index, and does not leave an aftertaste. Suitable for vegans, diabetics and keto diets

INGREDIENTS: ERYTHRITOL, SOLUBLE FIBER, FERMENTED SUGARCANE REB M



Tastes and bakes like brown sugar

All-Natural No Calorie Brown Sweetener is made from sustainably sourced sugarcane. Said to taste and bake like brown sugar and contains zero net carbs. It is keto and vegan friendly, free from gluten, and features a low glycemic index.

INGREDIENTS: ERYTHRITOL, NATURAL FLAVOR, FRUIT JUICE COLOR, SUGARCANE REB M

Giving consumers agency of their sugar intake can build powerful brand ambassadors

TRUST IS NEEDED

63%

of US adults agree they are concerned about how manufacturers reduce the sugar in food/drinks

CONSUMERS WANT TO BE EDUCATED

66%

of US adults would like to know more about the difference between types of sugar/sweeteners

GET THEM EXCITED AND INVOLVED

37%

of US Gen Z who cook say that seeing a video of the recipe being made would make them excited to cook (23% of all cooks)



**Better for you sweeteners
don't need to hide**

Innovators are exploring the use of fibers for sugar reduction

Polydextrose and inulin

A pending patent by Samyang Corp covers a method to produce a fibre-rich sweetening composition. Dietary fibre content is 1 to 60% by weight. The composition is made by mixing **dietary fibres (polydextrose and inulin)** with crystalline sweet particles, then coating with alcohol and drying under reduced pressure.

Maltooligosaccharides

Roquette Group has a pending patent for a method to manufacture cereal baked products with reduced sugar content. The method includes **replacing a portion of the sugars with dietary fibre maltooligosaccharides**, to produce products high in fibre and light in sugar.

Oligo-fructose

DE Banketgroep Beheer B V has a granted patent for a method to reduce sugar content in cake without altering the taste and texture of the cake. The method includes **replacing part of the total amount of sugar added to the batter with oligo-fructose (fibre)**.

Gut-friendly sweeteners have potential with consumers

IN CHINA

71%

of Chinese adults aged 18-59 think they need to increase their dietary fiber intake

IN THE US

48%

of US adults agree they would like to eat more fiber

IN THE UK

45%

of UK consumers have the perception that artificial sweeteners are bad for gut health

Base: China 3,000 internet users aged 18-59 (June 2021); US 1,000 internet users aged 18+ (Nov 2020); UK 2,000 internet users aged 16+ (June 2019)
Source: KuRunData/Mintel, Kantar Profiles/Mintel

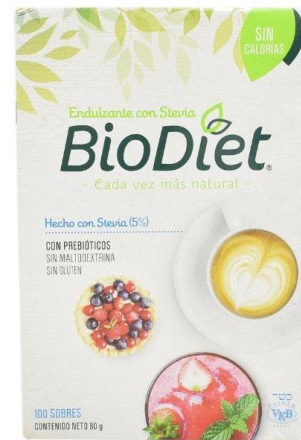
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Look for ways to use sweeteners that add value

56% of US adults agree sweeteners that provide other nutritional benefits appeals to them



RxSugar
Nutritious
Sugar is made
with allulose



BioDiet
Sweetener
with
Stevia is
made with
prebiotic
FOS

Now is the time to promote prebiotic sweeteners

A holistic approach to health will expand more opportunities to use gut health as a tool to support overall health. This will create new opportunities to innovate with prebiotics, especially to support sugar reduction.

PREBIOTIC CLAIMS ARE UP

42%

in global food and drink launches
over the past five years, between
2016-20

PREBIOTIC ARE UP IN REDUCED
SUGAR PRODUCTS

17%

of global food and drink launches
with a low/reduced sugar claim
contained a prebiotic ingredient in
2020; up from 13% in 2016

INULIN IS #1

9%

of global food and drink launches
with a low/reduced sugar claim
contained inulin; 4% contained
polydextrose and 3% contained FOS

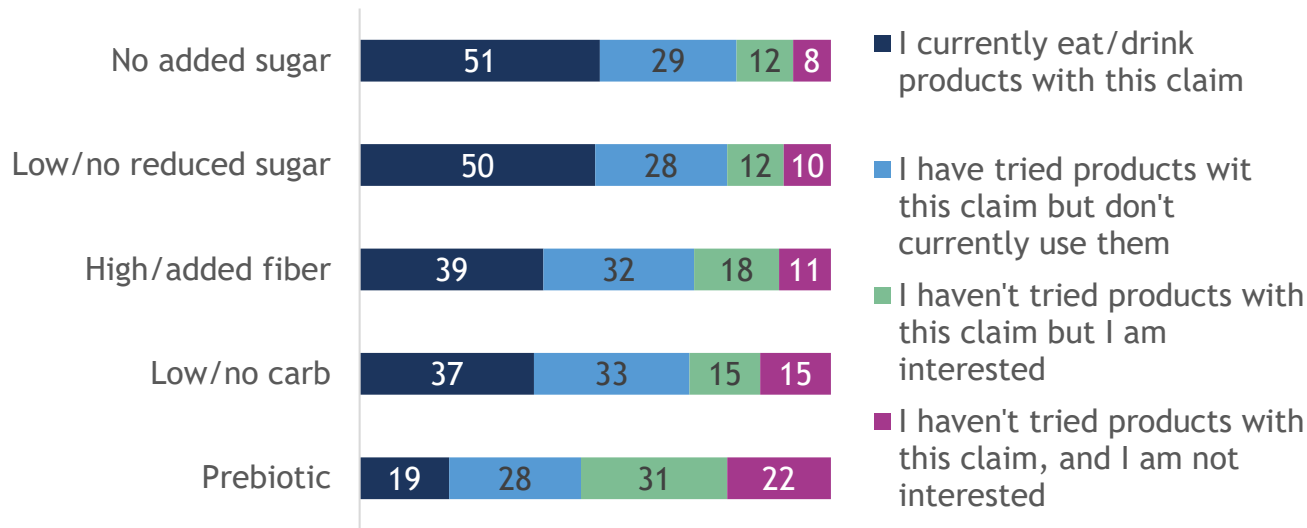
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In the US, prebiotics top consumers' "I should" list for food and drink claims

US: Experience and interest in select product claims, 2020

Claims that garner a high incidence of "have not tried but am interested in trying" are considered "I should" claims.



Look for clean label alternative to maltodextrin in low-sugar products

Prebiotic fibers can replace traditional fillers. Recent patent activity illustrates several functional applications for prebiotics and other dietary fibers, such as enhancing flavor or improving taste or texture.



"No maltodextrin"

Double Chocolate Meal Replacement Shake is a low sugar meal replacement shake that is also a great source of fiber and no maltodextrin or fructose. Uses contains sucralose as a sweetener (UK).



Agave inulin stands in as a functional filler
Vital Proteins Beauty Collagen Dietary Supplement is a powdered drink mix that uses **agave inulin**, presumably as bulking agent or carrier. The low-sugar product only has 1g of total sugars and 3g of carbohydrates per serving (US).



Blends instantly in water

The Republic of Tea Hydration Watermelon Single Sips are said to quench the body's thirst and keep it hydrated with watermelon, baobab fruit, monk fruit and a touch of Himalayan pink salt. **Organic agave inulin** is the first ingredient (US).

Today's recap: what you need to know

More attention on health

Consumers' quest for healthier diets is putting more pressure on brands to address the sugar content in their products.

Help consumers experiment at home

Not only has the COVID-19 pandemic prompted people to pay greater attention to their health, but the pandemic has also changed the way consumers interact with sweetener ingredients at home.

Deliver on BFY options

This is creating new opportunities for better-for-you sweeteners to meet consumers' wellness goals, both at home and in retail food and drink products.

Meet the Expert



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**Experts in what
consumers want
and why**

