



Unearthing Plant-Based Trends: A Mid-Year Marketing Report

Welcome

Welcome to our mid-year update on the ever-evolving world of plant-based products. In this thought leadership piece, we will delve into the exciting trends and shifts within the plant-based segment as we continue through 2023. With a surge in interest and numerous inquiries from both brands and retailers, we'll explore what's trending and what's declining in this dynamic market.



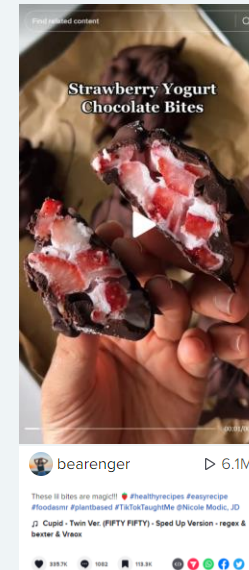
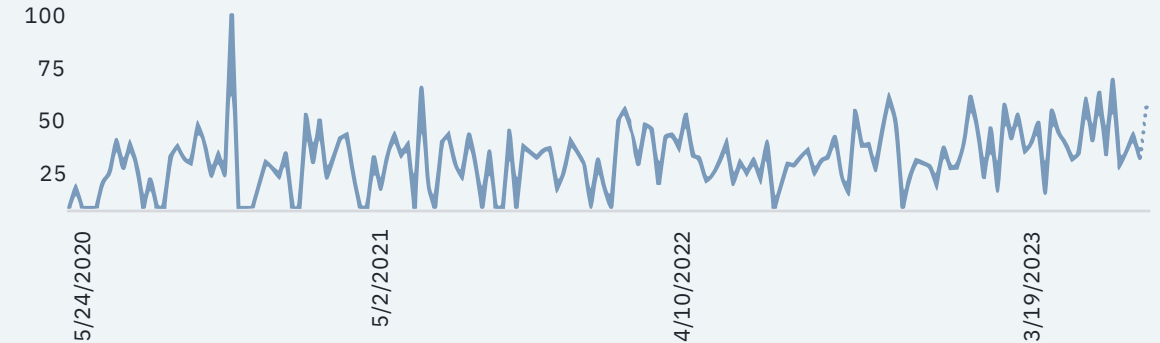
Plant-Based Continues to Spark Interest

Despite a slight slump in the past eight months, we observe a sustained global interest in plant-based products. The rise in online searches, led by Australia, Ireland, and the US, confirms this continued curiosity. Social media influencers and popular accounts further fuel the plant-based movement by incorporating these ingredients into their recipes.

TOP REGIONS OF INTEREST IN PLANT-BASED DAIRY

1. Australia
2. Ireland
3. United States
4. Canada
5. United Kingdom

Worldwide Plant-Based Dairy Web Searches
3 Year Timeframe



New York Times
Vegan Mac & Cheese

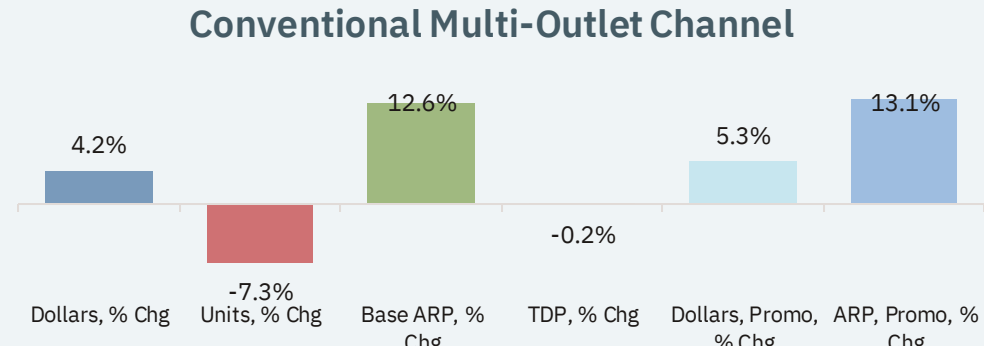
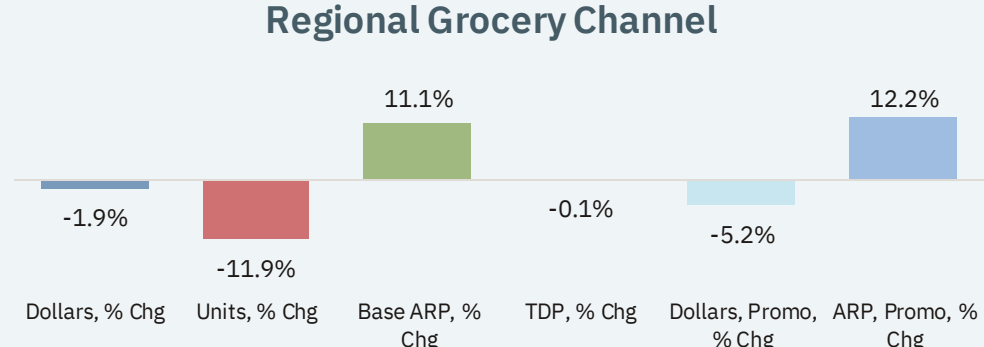
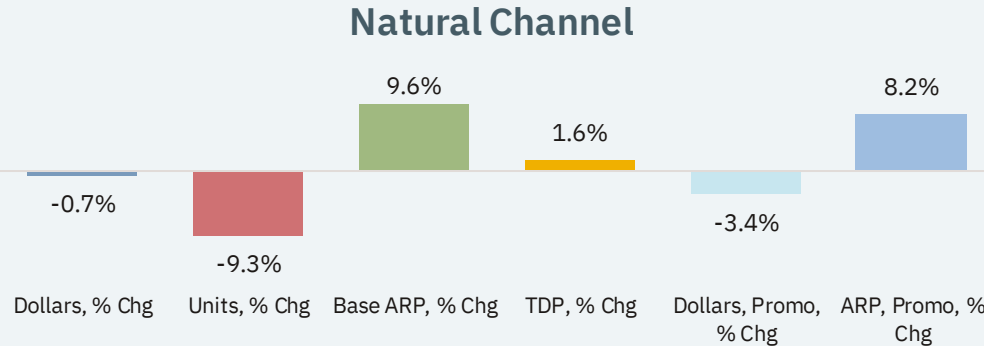


Rating 4 ★★★★★ (1384)

Notes [Read 107 community notes](#)

Adopting the Right Strategy for Success

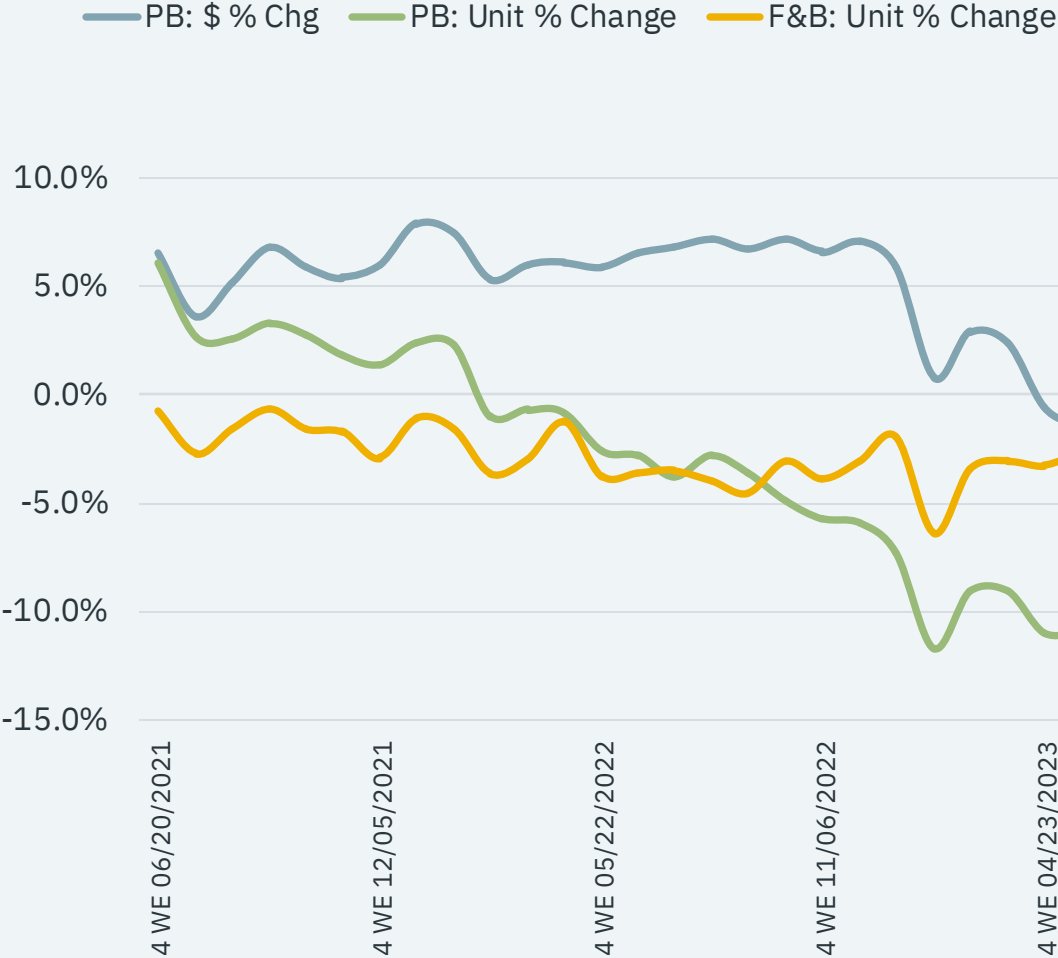
Grounding our analysis in cross-channel data is key to understanding this dynamic segment better. Conventional channels witness growth in dollars but experience a decline in units, mostly due to inflation and increased promotion. On the other hand, natural and regional channels see an overall expansion in distribution, particularly in the natural channel, where base average retail price changes are minimal. Consistent households remain loyal within the plant-based meat category despite fewer total households engaging.



Plant-Based Segment Performance Over Time

While overall food and beverage remain relatively stable in terms of dollars, the plant-based segment has seen a downward trajectory in recent years. Factors influencing this trend include taste and health concerns, and the higher cost associated with plant-based alternatives.

Total Plant-Based Marketplace Dollar & Unit Change vs. YA



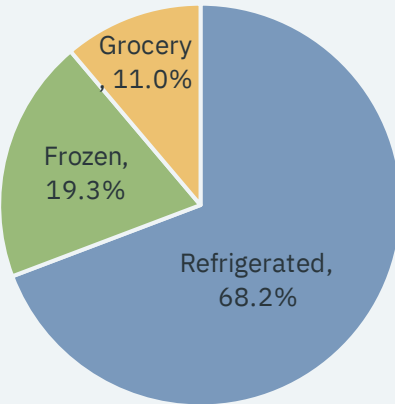
Diving Deeper into Departments and Categories

Refrigerated and frozen products dominate the plant-based segment. Within these departments, categories such as refrigerated milk and frozen meat alternatives hold significant market share. Almond milk remains a dominant player in the milk category, but oat milk gains traction, experiencing double-digit growth in both units and dollars.

TOP 10 PLANT-BASED CATEGORIES

- 1. RF Milk
- 2. FZ Meat Alternatives
- 3. Creams & Creamers
- 4. RF Meat Alternatives
- 5. FZ Desserts
- 6. RF Yogurt & Yogurt
- 7. Protein Supplements & Meal Replacement
- 8. FZ Entrees
- 9. Dairy & PB Dairy Alternatives Other
- 10. SS Milk

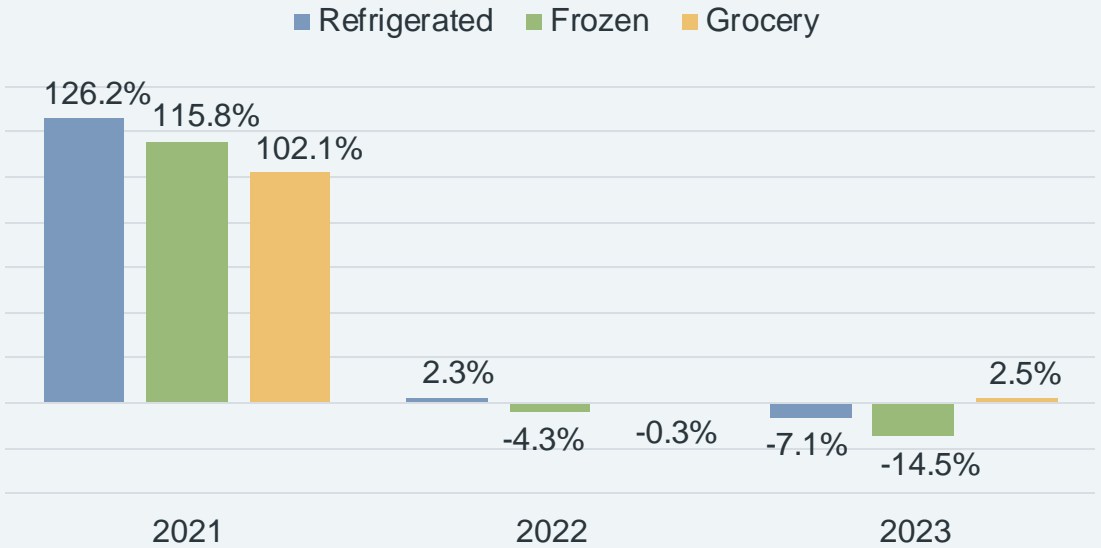
Contribution by Department



Top 3 Plant-Based Categories By Department

Department	Category 1	Category 2	Category 3
Refrig.	RF Milks	RF Yogurt	Creams & Creamers
Frozen	Meat Alternatives	Desserts	Entrees
Grocery	SS Milk	Wellness Bars & Gels	SS Condiments & Dressings

Unit Performance Over Time



Plant-Based Meat Alternatives

Plant-based meat alternatives have garnered immense attention, being considered a sustainable solution to combat climate emissions. However, this segment faced challenges during COVID, where cheaper proteins saw greater demand. Concerns over high costs, taste, and health issues have impacted sales, leading some shoppers to revert to conventional meats. Nonetheless, select products within this category continue to perform positively.

BRIGHT SPOTS IN PLANT-BASED MEAT



Product Type Performance Ranked by Volume

Plant-Based RF & FZ Meat	\$1.2B	-8%	-16%
Product Type	Sales	\$ Chg YoY	U Chg YoY
Burgers	\$280M	-15.4%	-25.0%
Grounds	\$150M	-15.3%	-16.7%
Nuggets	\$108M	-2.1%	-13.2%
Dinner Links	\$103M	-10.4%	-13.0%
Breakfast Patties	\$90M	-6.3%	-12.7%
Breaded Patties	\$89M	2.0%	-13.2%
Strips & Chunks	\$72M	8.5%	-5.5%
Breaded Tenders & Sticks	\$46M	-6.0%	-19.0%
Deli Slices	\$44M	-0.8%	-8.5%
Meatballs	\$43M	-2.8%	-15.2%
Breakfast Links	\$35M	-4.6%	-9.0%

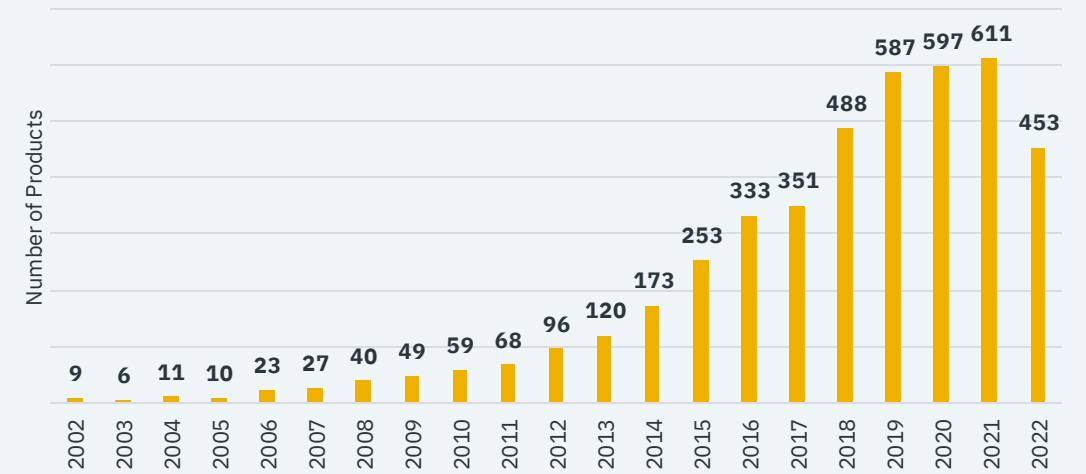
The Rise of Precision Fermentation

Technology is driving innovation in both plant-based and animal-based products. Precision fermentation, involving yeast, fungi, and microorganisms, is creating ingredients identical to animal proteins. Although still in its infancy, the market shows strong potential for growth.

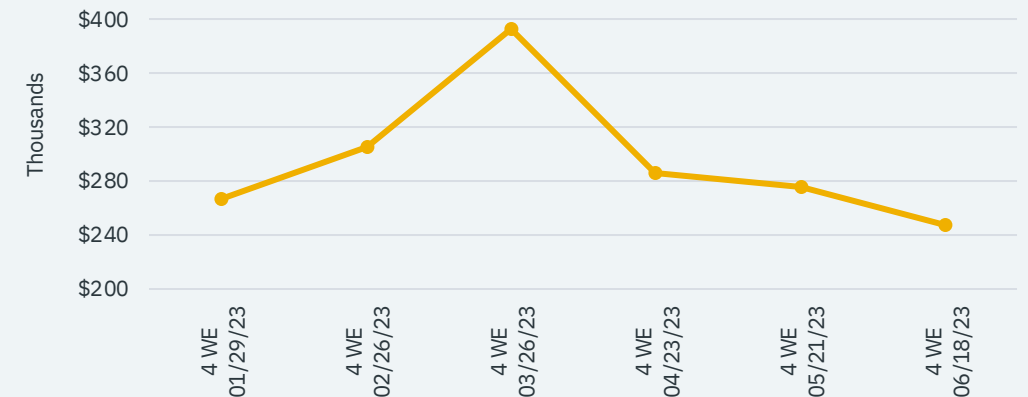
PRECISION FERMENTATION TOP CATEGORIES

1. Bakery (1,371 Products)
2. Yogurt (420 Products)
3. Cheese (539 Products)
4. Ice Cream (100 Products)
5. Drinks (50 Products)

Product Launches Over Time



Plant-Based Dairy Precision Fermentation \$ Sales*



Plant-Based Creams & Creamers

Creams and creamers experience the strongest momentum within the dairy category. Oat, hemp, and pea-based products lead this segment, with unique flavors and better-for-you options driving consumer interest.

INNOVATIVE NEW CREAMS & CREAMERS



Product Type Performance Ranked by Volume

Creams & Creamers	\$673M	+21%	+8%
Product Type	Sales	\$ Chg YoY	U Chg YoY
Almond	\$231M	+13%	0%
Oat	\$191M	+49%	+37%
Blend	\$143M	+5%	-7%
Coconut	\$45M	-3%	-15%
Soy	\$25M	+1%	-14%
Pea	\$20M	+56%	+41%
Other	\$9M	+416%	+322%
Other Seed	\$5M	-	-
Hemp	\$909K	+220%	+199%
Cashew	\$125K	-93%	-94%
Other Tree Nut	\$14K	-94%	-95%

Challenges & **Opportunities**

While plant-based products hold promise, certain categories like plant-based meats are facing challenges due to cost, taste, and health concerns. Differentiation and innovation are crucial to combatting saturation and creating unique offerings that resonate with consumers.



Conclusion

As we continue into the second half of 2023, the plant-based segment remains a landscape of both opportunities and challenges. The continued interest in plant-based products opens the door for innovation and the potential for growth. By understanding consumer preferences and leveraging emerging technologies, brands and retailers can navigate this exciting space successfully. Stay tuned for more updates and insights as we continue to explore the dynamic world of plant-based products.

Note: This marketing report is based on the content provided during the SPINS mid-year trends recording featuring Scott Dicker and Jessica Maniscalco.



Thank you!

For more information, contact
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