




Palette

2023 USA & UK

FOOD &
BEVERAGE



TRENDS





Disclaimer

This report is created solely for information purposes for a limited period of time to provide a perspective on the food & beverage markets in United States & UK. Projected market and financial information, analyses and conclusions contained herein should not be construed as guarantees of future performance or results. Ai Palette shall not be liable for any loss arising from the use of the information provided in this report.

Verbatims are the intellectual property of the social media account holders and are the opinions of the account holder.

This report is for informational purposes only and is copyrighted by Ai Palette. All rights are reserved. Use of any portion of this report requires prior written consent of Ai Palette.

This report covers the four markets with the highest demand for food trends.
Ai Palette coverage spans a total of 21 markets.

[Request a customised Demo for your markets and categories.](#)

Coverage: USA and UK Markets



400MN

representing 5% of the world's population



4000+

trends tracked across beverages, snacks, dairy & RTE categories



2.5BN

data points collected



>\$1 TRILLION

Market size of these two regions



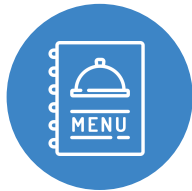
DataSources

Ai Palette's trend predictions are based on analysis of a diverse set of primary sources that together provide a 360° locally-relevant view of the food landscape.



Online Consumer Engagement

Social media and search platforms relevant to a market and category



Menus & Recipes

On-premise and home consumption menus; recipes from community-driven sites



Product Reviews

Product info and user reviews from e-commerce sites



Note: All information in this report is sourced from the Ai Palette platform, unless indicated otherwise.

Image credits: CARL WARNER

Foreword

“

I am excited to introduce the US and UK edition of the the trends in the food and beverage industry for 2023. As some of you may have read in the 2023 Asia report, we have identified and analyzed four key trends that are shaping the industry, across the globe.

I am confident that this report will be an invaluable resource for anyone looking to stay ahead of the curve.

With a recession looming, 2023 seems like a challenging year for the F&B industry, but we believe that the trends identified in this report will help innovators navigate any disruption. The years following the pandemic, has led to people prioritizing both mental and physical health and turning to nootropics and inculcating better habits to keep up with their health goals.

Nutricosmetics and Plant based dairy using innovative technologies are showing great potential. Most importantly, people are embracing togetherness again, and providing the opportunity for innovators to come up with experiential products.

We hope you find the insights in this report informative and exciting. As always, our trend predictions are based on analysis of a diverse set of primary sources that together provide a 360° locally-relevant view of the food landscape.

”



Somsubhra GanChoudhuri
Co-Founder & CEO

Key Trends for 2023



1 Embracing Nutricosmetics



2 Prioritizing Health:

- a. Inculcating better habits
- b. Nootropics and Mood enhancers



3 Rekindling togetherness



4 Plant-based Innovation 2.0





Embracing Nutricosmetics





Nutricosmetics

With the growing awareness around holistic health, consumers are looking for ways to enhance their beauty, not just with topical usage, but also by **nourishing from within**. While beauty from inside out remains the key focus, consumers are looking for convenient ways to enhance it, where formats like **Smoothie mixes** come quite handy, attracting **younger consumers**. Age old formats like gummies and other easy yet power packed products being available in retail, continue to be used. Additionally, these befit the new age lifestyle choices like Vegan, Gluten free, Organic and keto-friendly.

Detailed data available on our Platform

Dormant ▼ Emerging ■ Growing ▲ Matured ●

Data in table to be read as Category, Ingredient, Engagement and CAGR





Nutricosmetics

Ageless beauty

With the increased focus on looking youthful, **Collagen and Hyaluronic Acid** is being added to diet by people in their early twenties, via convenient options



With an immense focus on appearance, consumers are willing to indulge in premium products to maintain their youthful look and beauty.

Therefore, a lot of food innovators are adding ingredients such as Collagen (the key protein used for Anti Ageing) and Hyaluronic Acid in food products, to help consumers maintain skin elasticity, and decrease wrinkles. Along with this, other different ingredients that help preserve ageless beauty are also highlighted.





Nutricosmetics

Ageless beauty

Associated Ingredients



Oats ■
Collagen
Dairy 🇬🇧



Orange ●
Vitamin C & Collagen
Snacks 🇬🇧



Carrot ▲
Vitamin A, Vitamin C
& Collagen
Beverage 🇺🇸



Kale ■
Vitamin C, A &
Antioxidants
Beverage 🇺🇸



Snail ▼
Vitamin A,
Hyaluronic Acid &
Collagen
Snacks 🇺🇸

Dormant ▼ Emerging ■ Growing ▲ Matured ●

Retail Products



Collagen, orange-flavored gummy boosters formulated with a powerful blend for youthful skin.
🇺🇸



Ready-to-drink collagen, a liquid vegan substitute to collagen to balance beauty and wellness.
🇬🇧



Vegan Collagen drink with Powerful rejuvenating amino acids have been combined with skin supporting ingredients like Hyaluronic Acid
🇬🇧

Consumer/Food Innovator Verbatim



the.spicyspices can't stop ordering the @haileybieber strawberry glaze skin smoothie from @erewhonmarket <3 so yummy !!

made with:
 •@malkorganics almond milk
 •@harrysberries strawberries
 •@vitalproteins vanilla collagen
 •@neocell hyaluronic acid
 •@zumavalley coconut cream
 •@erewhonmarket sea moss gel
 •avocado
 •maple syrup
 •dates
 •homemade strawberry glaze



33 likes

AUGUST 25, 2022



Nutricosmetics

Functional Requisites

The young are including biotin & multivitamins to meet the dietary needs for a healthier skin, nails and hair



Fast paced lifestyle of youth and poor dietary intake has led to deficiencies among consumers in Vitamins and Minerals. Hair fall, fragile nails and skin related issues (acne, dark spots and others) are far more pronounced than ever. In fact, [a study](#) has shown that over 90% of the US population is deficient in vitamins including Vitamin A, C and B. In the UK too, deficiencies have been observed in Vitamin D, B12 and in minerals such as calcium.

In order to mitigate the same, consumers adding nutrient specific food, that can help in the overall nourishment, mostly in the form of **gummies** or **smoothie powders**.

For flawless skin, consumers are trying to add antioxidants, Vitamin A, Vitamin B, Vitamin K and Hyaluronic Acid, whereas for hair and nails, the focus is more on intake of Biotin, Protein, Iron, Magnesium, Zinc, Vitamin C and Vitamin D.



Nutricosmetics

Functional Requisites

Associated Ingredients



Saffron ●
Vitamin A, Vitamin C
Beverage 🇺🇸



Tomato ●
Vitamin A, Vitamin C
Snacks 🇬🇧



Spirulina ▼
Biotin, Iron , Vitamin B12
Beverage 🇺🇸



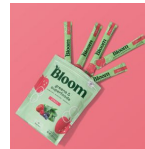
Rosemary ■
Biotin, Iron , Vitamin A
Beverage 🇺🇸

Dormant ▼ Emerging ■ Growing ▲ Matured ●

Retail Products



8Greens SKIN Gummies promote healthy, radiant skin. Natural Strawberry flavor for your skin PLUS Collagen, Biotin and Hyaluronic Acid to help support skin health and hydration. 🇺🇸



Greens Stick Packs, Bloom offers its blend of more than 30 essential nutrients that are naturally high in micronutrients and antioxidants like barley grass, wheatgrass and spirulina 🇬🇧



This hydrolyzed drink is infused with collagen , along with Vitamin A, C and E . It helps to retain skin's elasticity ,promotes nail and hair regeneration. 🇺🇸

Consumer/Food Innovator Verbatim



envieskindrinks GLOW, a combo of cold pressed orange, beetroot, carrot, lime and flaxseeds mixed with double marine collagen and hyaluronic acid; will keep your skin moisturised and help prevent the development of wrinkles. What more could you ask for? 🍌

54w



44 likes

JANUARY 25, 2022



Prioritizing Health:

a. Inculcating better habits

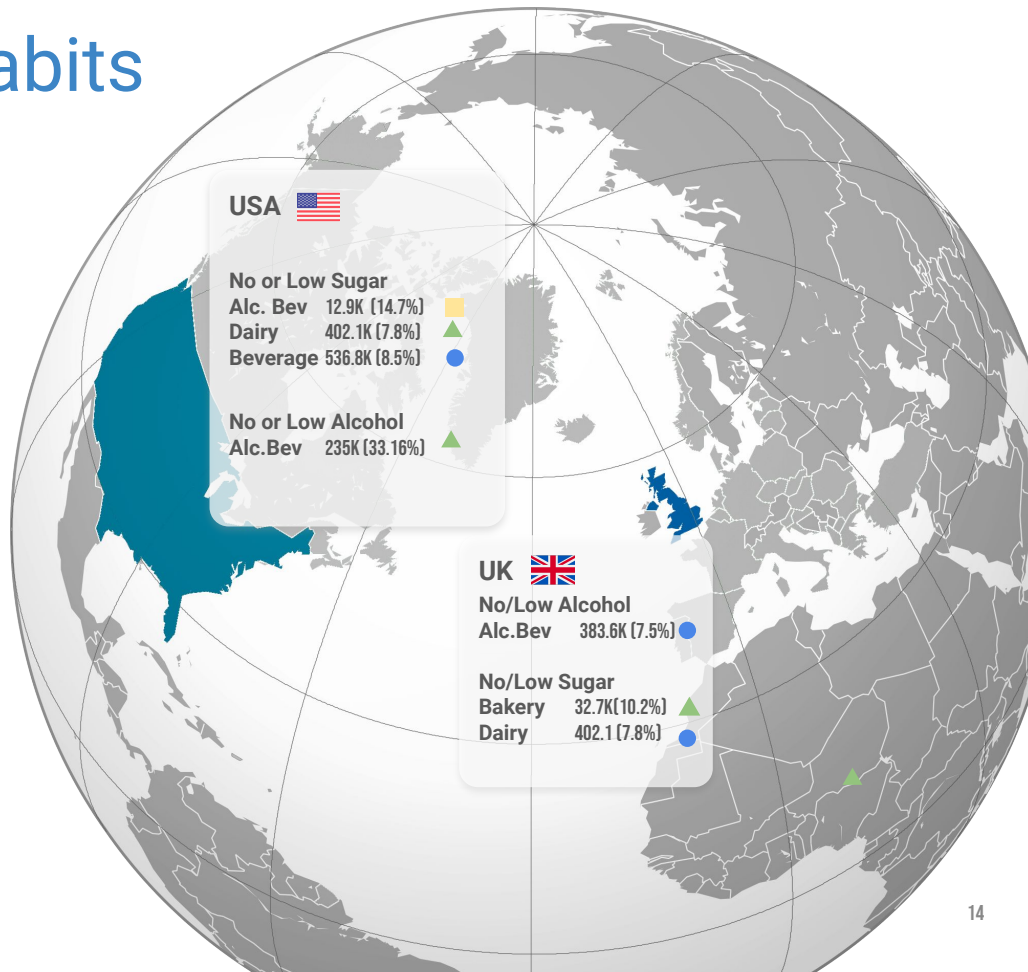


Inculcating better habits

The pandemic has caused people to pay more attention to healthy diet, including choosing products that are **No or Low sugar**, gluten-free, low in calories, and **No or Low alcohol**. However, consumers still want products that provide flavors similar to those they are familiar with, and enjoy.

Different countries and categories are at different stages of development, when it comes to trends like no/low sugar products. For example, in the United States, the no/low sugar in the alcoholic bevs category is in the Emerging stage, while it is in the Growing stage in dairy category, and is already in the Matured stage in beverages.

Detailed data available on our Platform



Dormant ▾ Emerging ■ Growing ▲ Matured ●

Data in table to be read as Category, Ingredient, Engagement and CAGR



Inculcating better habits

No or Low Alcohol

Alcoholic Beverages
with **lower calories**
and low or no alcohol
content, without
compromising on **Taste**
to cater to Health.



Consumers across the United States and UK are increasingly showing a preference for '**healthier drinking**' or '**mindful drinking**'. Favorite alcoholic beverages in classic or full-bodied flavours in '**low**' or '**zero**' **abv** formats are attracting consumer interest, driven by fitness and lifestyle goals.

There has been a growth for non-alcoholic and low alcoholic beverage themes. Even bars have been seen to hop onto the non-alcoholic bandwagon.

Most of the flavours and ingredients associated with Low/No Alcohol drinks are fruit, which help the products maintain **good taste** and **flavour notes**. Garnishes are also used to not only enhance the appearance of the drinks, but also to provide additional layers of flavor. These elements are often carefully chosen to complement the overall taste and texture of the drink.



Inculcating better habits

No or Low Alcohol

Associated Ingredients



Apple ●
Flavour Ingredients
Alc Beverage



Pineapple ●
Flavour Ingredients
Alc Beverage



Honey ●
Flavour Ingredients
Beverage



Grenadine ■
Flavour Ingredients
Beverage

Retail Products



Dr Inker's Shirley Temple soda is a non-alcoholic drink that is used as an alternative to the classic Shirley Temple cocktail, named after the famous Hollywood star



Bemuse non-alcoholic mead is sold as a non-alcoholic alternative to the traditional brewed drink mead, which is usually made with honey

Consumer/Food Innovator Verbatim



callumdrinks @wignac.cider
Cidre Naturel
Cider
4.5%

Still trying to figure out my taste in ciders. This is much sweeter, there's still a lot of sugar left in, and it's beautiful. Super smooth, light carb, refreshing and clean. Immediately obvious that there's no fuddy-duddy nonsense in this, it's just 100% apple juice.



160 likes

MAY 20, 2022

Inculcating better habits

No or Low Sugar

Sugar Reduction
is not the same as
unsweetened, as
consumers still
**want the familiar
delicious sweet taste.**



In an effort to combat the rising health issues related to high sugar consumption, consumers who are focused on maintaining a healthy lifestyle and meeting fitness goals are increasingly seeking out favorite food and beverage products in **low or zero sugar versions**, as well as those with low/no calories and sugar. This trend towards healthier options has resulted in a demand for classic or intense flavors in these alternative formats.

While natural sweeteners like **stevia continue to be** popular substitutes in F&B in both the UK and USA, the trend is towards a twist in flavors (salted caramel, butter pecan) Besides that, natural sweeteners such as **mixed berries, honey** and **maple syrup** are widely consumed as an alternative to processed sugar

These healthier options have gained popularity with consumers who are seeking low or no sugar alternatives. These natural sweeteners provide the familiar sweet taste, while meeting the demand for healthier options.



Inculcating better habits

No or Low Sugar

Associated Ingredients



Banana ●
Natural Sweetener
Bakery 🇬🇧



Honey ●
Natural Sweetener
Bakery 🇬🇧



Stevia ▲
Natural Sweetener
Beverage 🇺🇸



Coconut Sugar ▼
Natural Sweetener
Beverage 🇺🇸



Mixed Berry ▲
Natural Sweetener
Beverage 🇺🇸



Maple Syrup ■
Natural Sweetener
Dairy 🇬🇧

Retail Products



Sugar-free, caramel flavour Stevia-sweetened syrup by Sweetleaf that can be used on anything from pancakes to even adding a squeeze to coffee 🇺🇸



Now Coconut Sugar is sold as a healthier alternative to regular sugar and can be substituted 1:1 for ordinary table sugar 🇬🇧

Consumer/Food Innovator Verbatim



iadeliciadelinda @notlatte_sf my latest addition. Fruit purée coffee! They have decaf and strong versus regular coffee options! Also they allow two different fruit purée mixed in. I got durian and pineapple for this one. It was not on their pairing options but they did it for me anyways. Highly recommend. No sugar added and they also have non dairy options!

#sfeats #sfcafe #sffoodie #feedfeed #drinks #coffee #latte #decaf



21 likes

MAY 15, 2022

Dormant ▼ Emerging ■ Growing ▲ Matured ●



Prioritizing Health:

b. Nootropics and Mood enhancers



Nootropics and Mood Enhancers

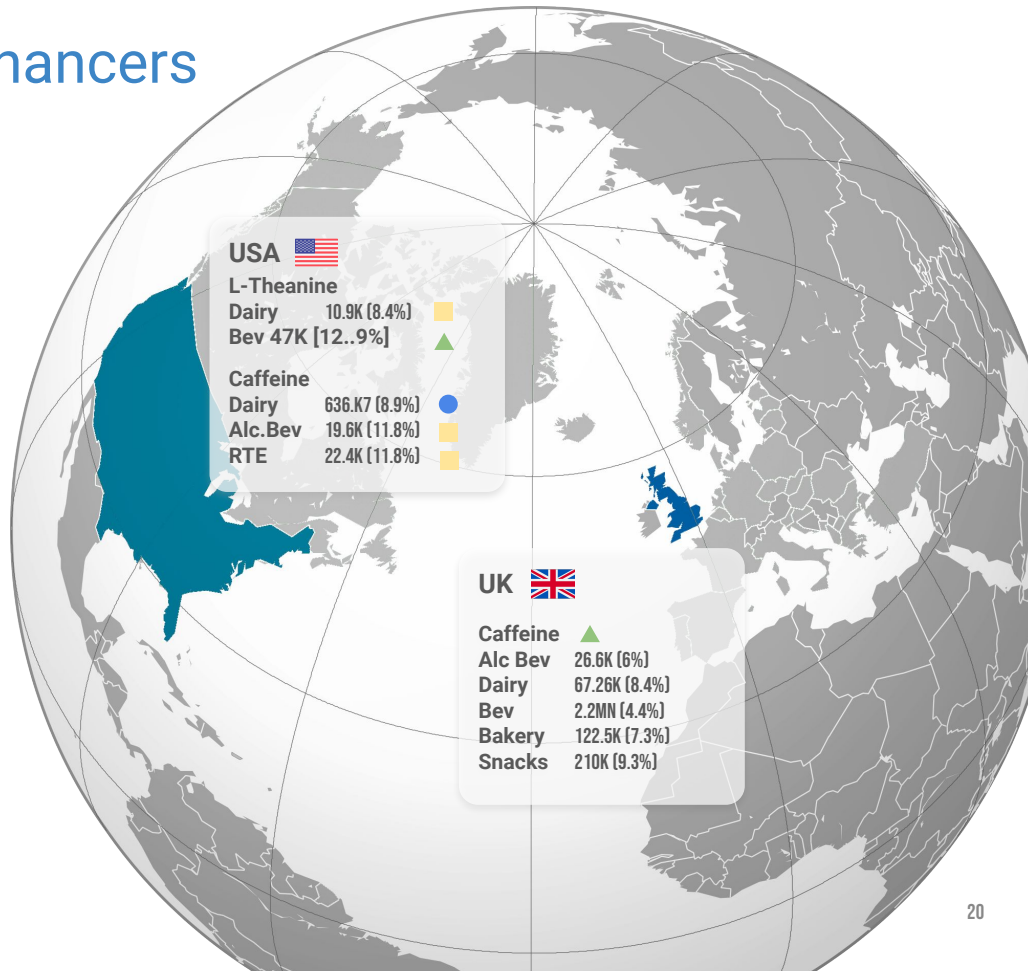
Nootropics are gaining a lot of popularity for two reasons - one, with people paying more **close attention to their mental health** and two as **people are looking for an edge** in the increasingly competitive world. While Nootropics such as Caffeine are often used to boost memory, focus, creativity, motivation, L-Theanine is known for relaxation and managing stress.

More attention needs to be put on these Emerging trends, which are likely to influence product innovation over the next 3-5 years. **Caffeine/L-Theanine is emerging or growing in most categories. Related products** are also evolving from Therapeutic Grade to Food Grade.

Detailed data available on our Platform

Dormant ▼ Emerging ■ Growing ▲ Matured ●

Data in table to be read as Category, Ingredient, Engagement and CAGR





Nootropics and Mood Enhancers

Hemp Infusions

With the rising consumer need for **stress relieving** products in convenient formats, hemp is slowly gaining popularity.



Since the COVID-19 pandemic, the world has seen a rise in health and wellness awareness over the past year.

CBD increasingly known as nootropics/cognitive enhancers are becoming popular due to their properties of being **energizing and boosting mental alertness**, as well as **managing stress** in certain cases.

The key challenge that the cannabis industry still faces include a lack of education and R&D initiatives. At this point in time, the industry is at the **stage of recognising and creating categories** because lack of information combined with the general misinformation that people have about hemp. It becomes necessary to clear the air around cannabis and focus on its benefits.



Nootropics and Mood Enhancers

Hemp Infusions

Associated Ingredients



Cannabidiol ■
Beverage



CBD Infused ▼
Snacks



Cannabidiol ▼
Beverage



CBD Infused ▼
Snacks



CBD Infused ▼
RTE

Retail Products



Infused with high-quality cannabidiol (CBD), these gummy bears in their line of edibles also includes the delicious CBD Dark Chocolate bites.



California based salty and savoury cannabis edibles brand has launched two new holiday favorites. Inspired by nostalgic seasonal tastes, and infused with THC, gives it the extra zing and a whole new meaning to "holidaze"

Consumer/Food Innovator Verbatim



thestandpeircesproduceinc
Jefferson City, Tennessee



We have Cloud 8 CBD Infused Seltzer (Tart Cherry, Grapefruit, and Lemon Lime) and Health-Ade Kombucha (Cherry Berry, Chill, Watermelon, Belly Reset, Tropical Punch, and Orange Carrot Ginger) for 50% OFF! Come grab them while they are such a great deal! We hope to see you soon!



4 likes

FEBRUARY 8, 2022



Nootropics and Mood Enhancers

Caffeinated

Food and Beverages infused with **caffeine** or naturally rich in **L-Theanine** are gaining popularity for their mood enhancing effects.



Caffeine-infused products often appeal to consumers who are seeking a **different way to enjoy traditional food and beverage**, and are looking for a feeling of **relaxation and stress relief**. Most often the characteristics are further amplified (cola and coffee), so as to stand out in a highly competitive category.

In addition to coffee, there are several other ingredients that contain caffeine/l-theanine such as **cocoa and green tea**. These options often have lower caffeine levels compared to coffee, and can be a good choice for those who are not accustomed to drinking coffee or are sensitive to caffeine. These alternatives can provide a similar stimulating effect without the strong flavor or potential negative side effects of coffee.



Nootropics and Mood Enhancers

Caffeinated

Associated Ingredients



Coffee ●
Caffeine
Bakery UK



Coffee ●
Caffeine
Beverages USA



Matcha ■
Caffeine, L-Theanine
Bakery UK



Cacao ■
Caffeine, Flavonoids
Dairy USA

Retail Products



The **Coca-Cola** Company has launched a succession of Coke products combined with coffee, globally.



Blume, a Canada-based caffeine innovation FMCG company, has launched three new flavours of matcha latte

Consumer/Food Innovator Verbatim



adkcraftbev We have said it before and we will say it again; coffee & liquor go together so well 🍷 If you haven't tried @sbhf_distillery Cowboy Coffee Liqueur, you can stop into their tasting room Monday-Saturday from 9am-5pm or order online!



8 likes

APRIL 1, 2022



Rekindling Togetherness

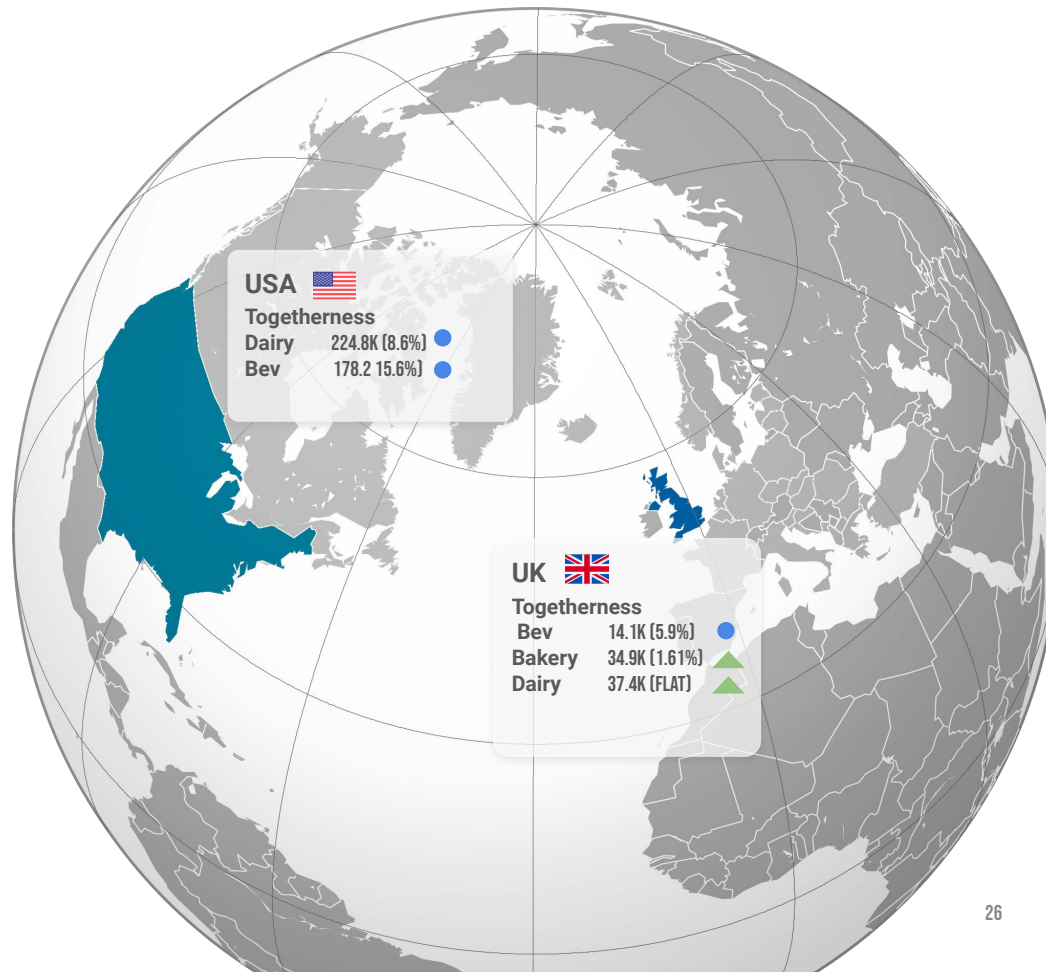


Rekindling Togetherness

The festive Food and Beverage market for 2022 saw a fully reopened food service industry across the United States and United Kingdom. Though it is a mature trend for USA in the dairy and beverage sectors, togetherness is still an important theme in the region for brands and consumers alike. Brands are looking at this theme from the lens of marketing and building communities around their brand.

In the UK, togetherness is a growing theme in two categories, underscoring the importance of this trend in a country.

Brands are using Limited Time Offerings (LTOs), which are dominated by **Experiential product launches** which focus on the consumption experience from start to finish.



Dormant ▼ Emerging ■ Growing ▲ Matured ●

Data in table to be read as Category, Ingredient, Engagement and CAGR



Rekindling Togetherness Experiential Indulgences

Limited Time Offerings in Retail and Food Services focused on immersive experiences and togetherness



Consumers are seeking a revival of that feeling of awe and wonder that has been lacking for the past couple of years. Thus, crafting experiences is one of the key elements to creating and launching **Limited Time Offerings. (LTOs)**

Cost-effective offerings that can provide an indulgent experience suited to celebrations, while bringing a **novel and innovative twist, creating curiosity and an urge to try them.**

Multisensorial aspects like taste, aroma, mouthfeel, with a very attractive packaging are important to create an overall experiential offering.

Experience with **Packaging and Concept** around the product is also gaining popularity.





Rekindling Togetherness

Experiential Indulgences

Retail and Food Service Offerings



As people come out of their homes and begin to spend time with friends, Coca-cola launched a new limited-edition flavor and an immersive augmented reality experience catered towards bringing people together. The flavor and experience were both called **Coca-cola Dreamworld**, They also created unique campaigns on social centered around coming together with friends and family including **#BelieveThe Magic** 🇺🇸



McDonald's UK during Christmas 2022 came up with a unique campaign focused on sharing experiences over gifts during the holidays. They also organized several live events that brought people together in a bid to celebrate togetherness during the holidays, which was in 2022 celebrated in full swing after a 3-year hiatus because of the pandemic 🇬🇧

Consumer/Food Innovator Verbatim



 **joecoffeecompany** Our annual holiday coffee, Rockefeller, is crafted to reflect all that we love about the holidays: comfort and warmth, togetherness and community. Enter: @9millionreasons. As NYC's largest and farthest reaching community food pantry (and our roastery's neighbors in Long Island City!) we couldn't think of a better organization to partner with to drive this year's holiday coffee home. This #GivingTuesday, we'll be doubling our donation to 9 Million



46 likes

NOVEMBER 29, 2022



Plant-based Innovation 2.0

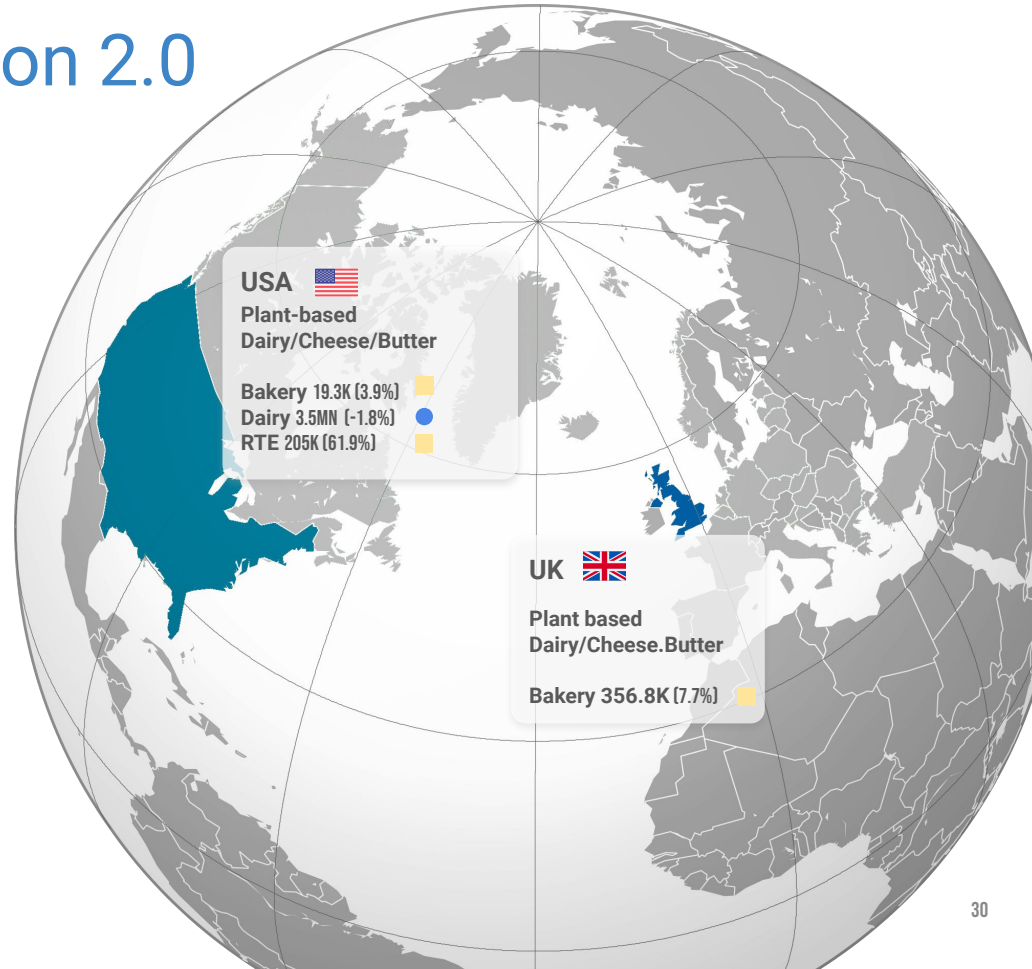




Plant-based Innovation 2.0

The year 2022, witnessed a sharp surge in Vegan products across categories, with consumers increasingly incorporating plant based products in their everyday meals in some form or the other. With the growing consumer curiosity to explore newer formats and bases in plant-based products, there has been a surge in cafes and bloggers adding specific vegan dishes.

While the trend began with limited formats like burgers and milks, it is expanding to newer categories such as **Cheese, Yogurts and Ice Creams**. However, achieving superior taste and texture, similar to the regular animal-based counterparts still remains a big challenge for plant-based product innovators. Newer techniques and varied bases are being explored by the industry to enhance the taste and texture and make it as similar as possible to animal-based products.



Dormant ▼ Emerging ■ Growing ▲ Matured ●

Data in table to be read as Category, Ingredient, Engagement and CAGR



Plant-based Innovation 2.0

Progressive techniques

New techniques used in producing yogurt & cheese to replicate the taste & texture.



While plant-based milks gained a lot of popularity and acceptance in 2022 (primarily driven by use in barista coffee) other dairy formats, like **Cheese and Yogurt**, are yet to show noticeable growth.

Plant-based Cheese and Yogurt often **lack the familiar creamy, smooth taste and texture** that consumers are used to, in animal based counterparts.

Food innovators are **innovating vegan Cheese and Yoghurts** with newer techniques like Fermentation, whereby **Micro algae/ bacteria** are **genetically modified** to produce the compounds found in animal based cheese and yogurt. These compounds are further added to create plant based products that have similar protein and fat content, as that found in animal based products.

These products are likely to attract consumers who are willing to explore Vegan and Flexitarian diets for sustainability, as well as the perceived health benefits.





Plant-based Innovation 2.0

Progressive techniques

Retail Products



Brevel and **Vgarden** are tackling the biggest challenge of the plant-based cheese market - plant-based protein's impact on taste.

By incorporating **microalgae-based protein**, Vgarden is developing plant-based cheese, that will overcome the hurdles of taste, texture, appearance along with high protein content.

Vgarden's plant based cheese will be available in US, UK and Western Europe, by the end of 2023

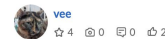


Triton is unleashing the potential of **algae for sustainable health and nutrition**. This sustainable plant-based protein uses non-GMO processes to produce a completely vegan plant protein made from red and green algae products. 🇺🇸



Perfect Day uses a process called **precision fermentation** to create milk proteins from microflora (like yeast) and plants. The precision fermentation process delivers pure milk protein – no lactose, no hormones, no antibiotics. It's dairy, made better..

Consumer/Food Innovator Verbatim



★★★★★ Made great vegan yogurt on first try!
 Verified Purchase | Rewarded Review

The packets are very small and light. The content inside the packet is a fine white powdery substance. A simple and clear instruction manual is included in the bag but Americans being American, only imperial units are given. Many reviews says to use soy milk with high protein content (at least 9g/100ml), but I just used regular 1L store-bought nothing added soy milk (which has about 4g protein per 100ml) and 1 packet starter, set my microwave at 40C, 9 hours, and voila, I got yogurt that curdles, is creamy and smooth and has just the right amount of tanginess and sweetness. I'm pleasantly surprised at how easy it is to make yogurt at home! Also love that the instruction says to refrigerate for long-term storage, which is a good tip and very thoughtful!

Posted on Jul 6, 2022

Thank you for listening. What's next?

Whenever you're ready... here are three ways we can help create your next best-selling product.

- If you'd like to evaluate Ai Palette's platform, datasets and pricing, [claim your customised demo today](#). A growth expert will reach out and determine the best way Ai Palette can help.
- If you'd like to understand how CPG product innovators are adopting AI for superior consumer insights, visit our [resources section](#) for customer stories and trend reports like this one.
- If your team or industry association might find this report useful, [reach out to us](#) to organize a dedicated presentation. We are always happy to share these insights with the industry.



 Palette
www.aipalette.com

About Ai Palette

AI-powered Predictive Analytics tool for F&B Innovators

Ai Palette helps the world's most agile Food brands create their next bestseller by spotting consumer trends in real time. Our predictive analytics platform automatically identifies trends as they emerge and predicts its trajectory. Ai Palette's technology proficiency and novel approach is trusted by the best in the industry and is used extensively to unlock timely market insights, enabling agile new product development, and keeping brands relevant to today's consumers.



21 Countries **16** Languages & counting

▶ Ai Palette has designed the systems to be language-agnostic. This allows us to cater to your market intelligence needs in any part of the world. We serve customers in 6 continents.

AI Trained on  food & beverage language

▶ Ai Palette algorithms are trained to understand food and beverage nuances, using natural language processing and computer vision.

Analysis  in native language

▶ Proprietary NLP models understand text without translation, preserving the data's most accurate meaning.

Track trends via  a real-time dashboard

▶ The Ai Palette platform is powered by predictive analytics that help you understand a trend's drivers today, and how it may evolve in 6-12 months.

Ai Palette

Tools for the Modern Product Innovator



Foresight Engine

Foresight Engine is a live trendspotting platform that provides CPG product innovators with a comprehensive understanding of a product, ingredient, or macro trend's maturity, the consumer drivers behind them, and a six-month prediction of their growth trajectory.



Screen Winner

Minimise the guesswork before investing heavily in new product development. Screen Winner analyses consumer reception to product ideas based on category trends, consumer needs and products in market, to help inform concept development and selection.

Trusted by the Best in the Industry



...AND MORE!