## **Top Ten Trends for 2023**

innovamarketinsights.com/trends/top-ten-trends-for-2023-redefining-value-in-a-volatile-world/

Over the last year, cost and value for money have become increasingly important to more than half of food and beverage consumers worldwide. Today's shoppers are exploring money-saving strategies, such as choosing lower cost items and cooking from scratch. But they remain determined to sample new experiences, ensure personal wellbeing and support planetary health. There is more pressure on brands and manufacturers to deliver value while still meeting these wider public expectations.

As consumers adapt to a global cost-of-living crisis, **Redefining Value** heads Innova Market Insights' Top Ten Trends for 2023. With budgets stretched and supplies under strain, brands need to be flexible in action and open in spirit to connect with consumers, while also taking full advantage of rapidly emerging technological opportunities. Success requires a deep understanding of where consumers draw the line on compromise. Strategies such as simple price increases, or flexible ingredient lists to cope with supply chain fluctuations, can work in the short term. However, to cement short-term gains brands need to be open in their communication and clearly show the benefits they are bringing.



"Redefining value throughout the food and beverage industry will lead in 2023 as consumers seek brands that listen, understand and respond to their core values. They want brands that provide quality, trust and confidence via their product formulations, communications and

wider sustainability actions," highlights Lu Ann Williams, Global Insights Director at Innova Market Insights.

Despite political and economic volatility becoming the second biggest concern for consumers in 2022, the health of the planet remains the top global issue and financial pressures are actually leading to an increase in eco-friendly behaviors. Consumers tell Innova they have reduced food waste and upcycled or recycled more as part of their belt-tightening. As the cost-of-living crisis continues, brands can achieve success through actions that combine economic benefits with clear health and sustainability goals.

## Feel-good foods

<u>Consumers are invested</u> in personal wellbeing and actively looking for affordable ways to maintain a healthy diet. The number 2 trend **Affordable Nutrition** looks at the opportunities brands have to test their capabilities to new limits. In order to meet the nutritional, environmental and economic demands of consumers, manufacturers must innovate to extract maximum value from raw materials and the production process.

Alongside this it is vital to – in the words of Innova's number 9 trend – **Unpuzzle Health**. Simple communication backed by trusted certification reinforces health messages, especially when that information matches consumer experience. On-pack messaging is a go-to source for consumers keen to know about the health and nutritional value of a product. To reinforce trust in health claims, that information needs to be clear, to the point, backed by respected organizations and reflected in experience.

Health is holistic and certainly doesn't have to be hard work. Even in tough economic times, people want a little treat. Trend number 8, **Revenge Spending**, builds on consumers telling us they are looking more than ever to indulge in enjoyable – and affordable – experiences. Mood lifting and intriguing sensations are being prioritized with interesting collaborations and limited editions giving new life to old favorites. Tapping into the public need for discoveries that uplift and surprise can change perceptions and re-position brands, especially with a new cohort coming of age in the 2020s.

## **Next generation engagement**

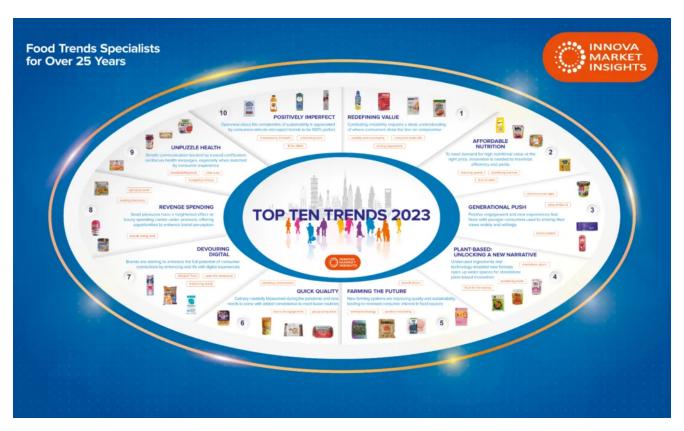
Younger consumers, raised in an interactive digital world, are now creating trends and defining what markets should be providing. For Gen Z and Millennials, food and brand choices are important signifiers of lifestyle, beliefs and values. These demographics have a strong voice and are used to sharing their views openly and widely. Trend number 3 – **Generational Push** – reveals that while health is an increasingly important purchase driver, novel and <u>international flavors</u> are winning the hearts of a young and experimental audience. These consumers embrace the new and different, while being extremely responsive to positive engagement from brands.

This can come in many forms, including the futuristic focus of trend 7 **Devouring Digital**. Technology is creating bigger, faster, more immersive and interconnected virtual worlds that also impact reality. There is endless potential to enhance real life with digital experiences. Forward-looking food and beverage brands are now integrating themselves into an arena bursting with opportunities, such as ultra-personalized nutrition, abstract innovations or new platforms to connect with the consumer.

This focus on the new is just as relevant to more established parts of the food and beverage industry. Clear communication, consumer curiosity and innovative technologies are at the heart of trend 5, **Farming the Future**. Today's consumer is increasingly invested in the source of food as it ties in with major global concerns of health, fairness, sustainability and waste. As improved production techniques enhance such methods as vertical and regenerative farming, brands need to demonstrate how this benefits farmers, people and the planet.

## Quick culinary excellence

The cooking from scratch trend that blossomed during the pandemic remains popular but now has to fit "back to normal" routines. Trend 7, **Quick Quality**, analyses the demand for time-saving convenience combined with fresh produce; adding value as well as lending a helping hand. Engagement with creative home cooking through meal kit guidance add an elevated experience for consumers who are keen to maintain or extend their culinary range.



Innovating with quality applies equally to trend 4, **Plant-Based: Unlocking a New Narrative.** The rapid rise of the **plant-based** sector has, almost inevitably, hit some roadblocks, necessitating a refocusing on consumer demands for high quality, flavorsome products. To this end, green gastronomy will blossom as a standalone sector in 2023, giving brands significant opportunities to diversify and expand. Consumers still want to see improvements in taste and texture, but there is a huge appetite for culinary creativity and international flavor profiles.

In a world as focused on good practice as it is on affordability, Innova's number 10 trend, **Positively Imperfect**, recognizes that openness about the complexities of sustainability is appreciated by consumers who do not expect brands to be 100% perfect. There is a wider understanding of the complexities involved in achieving optimum results. Compromises made en route to a positive goal are more likely to be accepted and forgiven if coupled with honesty and an explanation of aims. Brands are not expected to get everything right all the time. They can expect a more sympathetic response if the focus remains on action towards long-term improvement.

Commenting on the food and beverage industry's future direction of travel, Lu Ann Williams concludes: "At Innova, we have seen a considerable consumer demand for value redefined throughout the supply chain, with creative and flexible approaches to the use of technology and reducing waste proving pivotal. With financial concerns a dominating factor, 2023 is a significant year for new developments that answer these growing demands. Based on our consumer and market research, our Top Trends deliver insights to support brands as they innovate and grow."