

SUGAR REDUCTION

OPPORTUNITIES IN THE FOOD AND BEVERAGE SPACE

2023 TREND REPORT BITE

Consumers are still sweet on the taste of sugar, but many are souring on consuming too much of it. 75% of Americans say that they are seeking to limit or avoid sugar in their diet, driven by concerns about health and wellness. Food and beverage manufacturers are dialing back the sugar content in some products through reformulations and new launches, incorporating other ingredients and flavors to deliver on satisfaction. At the same time, reports about the potential risks of some artificial sweeteners and a growing interest in clean label ingredients open the door to innovations featuring other types of natural sweeteners. Read on to see how you can leverage flavor and add reduced-sugar and naturally-sweetened choices to enhance your portfolio.



86% OF CONSUMERS

say they pay attention to the amount of sugar they consume.

OVER 25% OF CONSUMERS

named low-sugar as their top change in dietary habits over the past year.

In Rare Form

There's no sugarcoating research studies confirming that taking in too much "table sugar" (i.e. sucrose) can lead to obesity, diabetes, heart problems and poor dental health, among other conditions. As health experts caution against eating or drinking too much sugar, product developers are rebalancing their formulations, cutting down sugar levels by adding in other ingredients and flavors that deliver on taste expectations and functionality. Rare sugars are among these replacements, derived in small amounts from natural sources such as figs, raisins and corn.

- **44% OF CONSUMERS** who seek out low-calorie/no-calorie sweeteners opt for natural sweeteners, compared to 21% who look for artificial sweeteners. - IFIC

INGREDIENT SWEET SPOT: ALLULOSE



Allulose has been increasingly used as a traditional sugar alternative on its own and synergistically with other ingredients. Lower in calories, equal in bulk and slightly less sweet than regular sugar, it can be used in a variety of applications, including certain bakery products, confections, cereals, frozen dairy desserts and nonalcoholic drinks.

- **Because it's about 70% as sweet as sucrose**, food developers may add in other flavors or layer in other sweeteners to compensate for the less-sweet profile.
- **Messaging will be key in unlocking consumer acceptance**, as Mintel reports that more than half (53%) of U.S. consumers say they are not sure what allulose is.

PRODUCTS OF NOTE



CHOBANI ZERO SUGAR STRAWBERRY FLAVORED YOGURT has sugar is taken out of the milk using natural fermentation and the product is sweetened with only natural sugar alternatives, including allulose.

51% of consumers said they likely or definitely would buy this product.



SOLA VANILLA ALMOND GRANOLA contains 3g net carbs and 2g added sugar or less. The ingredient list includes allulose and other sweeteners, including erythritol, monk fruit extract and stevia leaf extract.

42% of consumers said they likely or definitely would buy this product.



SWEET LOGIC BLUEBERRY MUG MUFFIN MIX contains 3g sugar per bag, is keto-friendly and free from dairy and gluten, with 4 net carbs. It is said to be made with allulose.

55% of consumers said they likely or definitely would buy this product.

Source: IFIC, Cleveland Clinic Mintel GNPD

Another Crop of Plant-Based Sweeteners

The parallel trends of sustainability and health are spurring the use of additional plant-based sweeteners including stevia and monk fruit. Stevia, which is sweeter per gram than traditional table sugar, has been associated with a bitter aftertaste in some formulations, which is why some manufacturers add in other sweeteners and complementary flavors to create a desired taste. Monk fruit is likewise gaining in popularity and market share and can be used on its own or in tandem with allulose or erythritol to minimize any aftertaste. Monk fruit pairs well with other flavors in recipes for baked goods, beverages and dairy products, including yogurt.

- **CONSUMERS NAMED STEVIA AND MONK FRUIT AS THE SAFEST NON-SUGAR SWEETENERS** to use based on a list of 15 different non-sugar sweeteners. - IFIC

PRODUCTS OF NOTE



ZEVIA GINGER ALE NATURALLY FLAVORED ZERO SUGAR SODA, is made with stevia leaf extract and is part of a line that includes other varieties such as Creamy Root Beer, Grape, Ginger Root Beer, Black Cherry and Orange.

32% of consumers said they likely or definitely would buy this product.



NUNBELIEVABLE CHOCOLATE CHIP COOKIES have 1g net carbs per serving and are gluten-free, grain-free and non-GMO with no sugar added. The product features stevia extract, stevia and monkfruit as well as erythritol.

41% of consumers said they likely or definitely would buy this product.



REBEL COFFEE CHIP ICE CREAM is sweetened with monk fruit and erythritol for a no sugar added claim and is also lactose free and keto.

40% of consumers said they likely or definitely would buy this product.



“Brands have an important role to play in informing consumers on how to meet their needs. Brands can start by addressing basic questions like where products are derived from (e.g. Stevia from the stevia leaf) to help impart a sense of naturalness, where applicable.”

- MINTEL

Pour it On

Natural sweeteners in syrup and liquid form, including honey, maple syrup, date syrup, molasses and agave nectar, are finding their way into more products as well. These sweeteners impart their own distinct flavors, but function well as substitutes for table sugar/sucrose.

HONEY

Honey is highly functional and appealing from a marketing standpoint in a range of clean label products, from beer to bread to cereal. Consumers who chose honey as their preferred sweetener cited attributes such as 'natural', 'good for the environment', 'organic', 'unprocessed' and 'flavorful'. - National Honey Board

MAPLE SYRUP

Maple syrup is an old-school ingredient enjoying a comeback, as a natural sweetener that's viewed as a healthier substitute for refined sugars.

- **THE GLOBAL MAPLE SYRUP MARKET** is expected to grow at a CAGR of 6.2% through 2028. - Grand View

AGAVE NECTAR

Agave nectar, also known as agave syrup, is sweeter than sugar and can be used in lower amounts and with a low glycemic index.

- **29% OF CONSUMERS** view agave syrup as natural. - Mintel



PRODUCTS OF NOTE



RBEL BEE POMA PUNCH HONEY GUMMIES are made with Mexican vanilla, saffron, honey and pomegranate. They are naturally sweetened with honey and allulose.

28% of consumers said they likely or definitely would buy this product.



HIPPIE SNACKS ORIGINAL BANANA BREAD CRISPS are sweetened with maple syrup, delivering a banana bread flavor with a crunchy taste experience.

44% of consumers said they likely or definitely would buy this product.



GOODPOP WATERMELON AGAVE FROZEN POPS are made with real fruit and agave syrup. They are free from GMOs, dairy, gluten, high fructose corn syrup, refined sugar and sugar alcohol sweeteners.

41% of consumers said they likely or definitely would buy this product.

The Beverage Boom

The thirst for sweet-tasting drinks is fueling demand for offerings that are lower in calories but high on the satisfaction scale. Alternatives to traditional sugar can be incorporated into all kinds of beverages that are resonating with consumers right now, including both nonalcoholic and alcoholic drinks and in still and sparkling form. There are a lot of opportunities within beverages subcategories, too, like sports and energy drinks and in hard seltzers, which are available in a wide variety of flavors, most of them in the fruit range.

- **68% OF CONSUMERS** are most likely to use sugar and sweeteners in beverages. - Mintel
- **SOFT DRINKS** accounted for more than 1/5 of product launches with a sugar reduction claim last year. - Innova
- **ALCOHOLIC BEVERAGES** with sugar reduction claims grew 53.4% between 2019 and 2021 - Innova



PRODUCTS OF NOTE



REAL SELTZER COCKTAILS MARGARITA COCKTAIL

is a fermented alcohol beverage sweetened with agave nectar. It is said to be made with real ingredients and real flavor.

46% of consumers said they likely or definitely would buy this product.



SPARKLING ICE + CAFFEINE ZERO SUGAR FLAVORED SPARKLING WATER, available in citrus twist, black raspberry, blue raspberry and strawberry citrus flavors, and is low calorie and sweetened with ingredients including sucralose.

44% of consumers said they likely or definitely would buy this product.



LOVERBOY COSMOPOLITAN WINE COCKTAIL, SWEETENED WITH BLUE AGAVE, contains only 4g of sugar per serving and is made with real cranberry and lime juice.

34% of consumers said they likely or definitely would buy this product.



GATORLYTE ZERO LEMON LIME ZERO SUGAR ELECTROLYTE BEVERAGE is naturally flavored with other natural flavors and is free from fruit juice, artificial sweeteners or flavors. It features purified stevia leaf extract and is said to be scientifically formulated for zero sugar rehydration.

47% of consumers said they likely or definitely would buy this product.

THE TAKEAWAYS

Consumers may be reducing their sugar intake, but they still enjoy the sweet taste of desserts, drinks snacks and other sugary products. Rare sugars stemming from natural sources help cut down sugar content, as do trending plant-based sweeteners like stevia, monk fruit and coconut sugar, and old-is-new-again ingredients such as honey, agave nectar and maple syrup. While the sweetness level imparted by these ingredients can vary, along with other characteristics like bulk and texture, product developers have more choices in their efforts to swap out traditional refined and table sugars with different options that keep consumers on their desired health and wellness paths. Regardless of your choice of sweetener, it's essential to always keep taste top of mind. With flavor as a tool, you can meet your consumers' taste expectations. We can help.



SOURCES

- GrandView Research
- Innova Market Insights
- International Food Information Council (IFIC)
- Institute of Food Technologists (IFT)
- Mintel
- Mintel GNPD
- National Honey Board
- U.S. Department of Health and Human Services
- GoodPop
- Real Seltzer

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