Health & Nutrition – Driving Grains Innovation

2014 Australian Grains Industry Conference
29 July 2014
GLNC Overview
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Independent authority on the nutrition and health benefits of grains and legumes

Health Promotion Charity and non-profit organisation

Promote grains and legumes nutrition as part of a balanced diet through evidence-based information cultivating good health
Influencing the grains & legumes chain

We link the entire grains and legumes industry value chain

from grain growers...

... to consumers
GLNC Contributors
Our Strategic Priorities

**Nutrition Science**
Review and invest in the science – current and emerging trends

**Advocacy**
Actively develop positions and respond to industry policy and regulatory issues

**Education**
Communicate latest research findings about nutrition and health benefits of grains, grain-based foods and legumes to:
key opinion leaders, health care professionals, educators, food processors, food manufacturers, the media
Acknowledgement

Insights prepared for Grains & Legumes Nutrition Council by Colmar Brunton representative: Sarah Hyland
What are the nutrition trends?
Key Trends

12 Key Trends in the Business of Food, Nutrition & Health

1. The biggest trend: Naturally Functional
2. Dairy’s rebirth as a natural whole food: DAIRY 2.0
3. Beyond the tipping point: PROTEIN
4. An unstoppable global trend: ENERGY
5. Consumer thinking redefines a market: WEIGHT WELLNESS
6. The snackification of everything: SNACKING
7. A new frontier: SLOW ENERGY
8. The demonisation of sugar: SUGAR
9. A very smart strategy: PERMISSION TO INDULGE
10. The consumer-lead trend: FREE-FROM
11. Opportunity for science and smaller companies: SENIORS
12. Communication indulgence & naturalness key to kids success: KIDS’ NUTRITION
Key Trends

Claims worth paying extra for, China, March 2012
Base: 3,000 internet users 20+
Source: Mintel Oxygen

Any likely:

- Healthy: 88%
- Green: 87%
- All natural: 87%
- Organic: 80%
- Quality-approved (e.g. ISO 9000): 66%
- Premium/gourmet: 59%
- Fair trade: 51%
- Light: 46%
Lack of whole grains, legumes, putting Australian health at risk

ONLY one third of Australians are consuming enough whole grains and may be putting their health at risk, according to new research.

At least 75 per cent of Australians are not meeting the recommended three or more serves of whole grain foods each day, says the Australian Grains and Legumes Nutrition Council.

KRISTIN SHORTEN

ONLY one-third of Australians are consuming enough whole grains and may be putting risk, according to new research, in the overall consumption of wholegrain foods.

GLNC managing director Georgie Aley said people are putting themselves at higher risk of developing diabetes and...
Key trends

Grains ...for the first time.... now in Retail World!!

• Additives
• $40M value
• Driven by quinoa ($11M) , chia ($9M)
• Woolworths Macro brand a huge driver
Free-From
“Free-From” Movement

Moved into mainstream....

The ‘free-from’ foods market is booming in many parts of the world, widening into new categories and increasingly moving into the mainstream with introductions from major food manufacturers and brands, according to market research organisation Innova Market Insights.

According to Innova Market Insights, considerable effort has gone into developing gluten-free and lactose-free products globally in recent years, but at the same time the whole ‘free-from’ category is widening out to include broader definitions such as

• ‘dairy-free’
• ‘additive-free’
• ‘preservative-free’
• ‘GM-free’.
“Free-From” Movement

Moved into mainstream….

• The clean-label trend has moved forward considerably in recent years. Nearly 13 per cent of total food and drink launches recorded globally in 2013 used additive- and/or preservative-free claims, up from 10 per cent in 2008.

• While claims using the term ‘natural’ have increasingly come under fire for lack of clarity regarding definition, the use of additive-free and preservative-free claims has been able to move forward relatively unhindered,” said Lu Ann Williams, Director of Innovation at Innova Market Insights.
Free-From Movement

Gluten Avoidance

‘Nearly 8 per cent of product launches recorded in 2013 used a gluten-free positioning, rising to 10 per cent in Western Europe, and nearly 14 per cent in the US.’

Source: Innova Market Insights
Free-From Movement

Developments beyond gluten-free:

The **focus** has been and remains primarily on gluten-free, but other allergen concerns are present and there is evidence of increasing consumer interest in others, such as lactose intolerance — and companies are responding to these with product developments. The same driver of self-diagnosis is at work.
GM-free labelling use growing

• “Interest in naturalness is still highly evident, however, and is also reflected in the growing use of GM-free labelling,” Ms Williams said. “Although it remains relatively limited on a global scale,” she said.

• Just 2.3 per cent of global launches used GM-free labelling in 2013. Snacks, bakery and dairy had the largest number of launches, reflecting the significance of GM ingredients in sectors using high levels of cereals for food or feed, ahead of meat, fish, eggs, confectionery and ready meals.
Protein
Protein has undergone a 10-year evolution.
Factors driving protein’s rise

1. A decade of steadily increasing **consumer understanding** that **protein** is a “**good** thing” to have in a healthy diet.

2. The **evolution of science**.

3. The increased **emphasis** given to **protein** by **weight management** regimes.

4. The **transition** of **high-protein sports nutrition products** from **body-builder niche** to **health-conscious** early adopters.

5. **Legitimisation of protein** as something you expect to find in a variety of regular foods, not only as part of a main meal.

6. Improvements in the **taste and texture** of high protein products.
New Product Formats

New sources of protein rapidly emerging

Creation of a bakery mix for fresh bread with microalgae integrated into the recipe, with 5% by weight Chlorella pirenoidosa microalgae. Called Meerbrood, it is today produced by 125 Dutch bakeries and its success has led to requests for the Meerbrood mix from the Nordic countries, Germany, France, the UK and the US.

It’s a first step on the way to “normalising” algae as source of good nutrition – and enabling manufacturers in a variety of categories to use it.
In the US, protein “went mainstream” in 2013

General Mills Nature Valley protein bar was one of the 10 most-successful new products in the US in 2012:

- $95m in sales in 2012
- $130m in 2013
New Product Formats

Special K Nourish is made with quinoa, a favourite of foodies attached to so-called ancient grains – as well as wheat and barley.

Nourish will promote a satiety benefit, filling up consumers with 8g of protein and 5g of fibre per serving as well as yielding fewer than 200 calories.

22% protein

‘Weet-Bix Energize is 82% wholegrain. Each serve is loaded with 11g of protein (to help build muscles). Plus iron, niacin, thiamin and riboflavin (to help release the energy you need to power your day), and folate (to help fight fatigue). As part of a balanced diet rich in protein, vitamins and minerals.’
Grains

- **Quinoa** still in serious growth
- 2013 was International Year of Quinoa
- Launches of quinoa products increased by over 50% in FY13 and have risen more than five-fold over a five-year period
- Reflects rising levels of awareness of their **nutritional properties**, plus **flavour profile**
- Traditional, natural and nutritious
- **38%** of them using a gluten **free platform**
- Chiefly US & Europe based
Grains

Quinoa moving into the mainstream
Quinoa products still on the increase – still room to run, perceived health food. Huge range of segments are adding a quinoa SKU

Salads, breads, chocolate bars, trail bars, cereals now milk!!

Good example of a company innovating with a grain.
Grains

- **Chia** emerging

- Launches of products containing chia rose from “probably single figures” 5 years ago to numbers in the hundreds, with an increase of nearly 50% in FY13.

- The **US dominated activity**, accounting for nearly half of the total introductions recorded.

- Launches ranged across a number of sectors
Pulses

• Chickpeas in growth!

• Wet Seed Beans: The **ONLY** canned vegetables in growth due to awareness of health benefits
  • FY12 +3%
  • FY13 +4.4%
Pulses

• **Hommus** has had massive growth in the US!

• Hommus had expanded from being a $5 million-a-year US market in 1995 to one worth $325 million in 2010.

“If the American markets are an indicator for potential growth, we may expect to see further changes in consumer habits. Australia, as a major producer of grains, pulses and other dry land crops, will be a potential beneficiary of new opportunities to produce more of the world’s chickpeas to meet growing demand for protein and the hummus market in particular.”

• Launched in AU in November 2013

• 8 SKUs
Pulses

Pro-Teen Chickpea & banana as well as being free-from everything.
Summary

• Free-from, protein, naturally functional and slow energy
• Gluten free “fad” now long term trend
• Need for innovation with grains that can leverage gluten free platform
• Innovation opportunity around composite foods – grains & pulse – meet protein and slow energy
• Traditional grain food formats changing....
Thank you

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2016 International Year of Pulses