

Observations From Natural Foods Expo West 2023

April 2023

Note: This document is specific to the Natural Foods Expo, an event that attracts a specific audience and certain types of companies. Any observations must be taken with this into account when considering the broader food industry and competitive landscape.



What We Saw

1. A drink explosion

Beverages easily comprised the highest share of booths for any product category. Sparkling vs. not sparkling, flavored vs. not flavored, juice-based vs. no juices, functional vs. not functional, plant-based vs. not plant-based, with alcohol vs. mocktails, and on and on. The point of oversaturation has already arrived.

2. Snacks and pre-packaged foods - not so fast

Certain categories were not the center of attention and perhaps highlight were R&D, innovation, and investment dollars are not going.

3. The natural trend - in cleaning

Cleaning companies are (still) focusing on natural and sustainable. Can the category ride the food trend and hit the tipping point?

4. Functionality - I know it's healthy, but what will it do for me?

The new anchor is all about what products can do for you. It's no longer just about being healthy or sustainable. Companies are actively designing products around adaptogenics, regenerative properties, superfoods and medicinal benefits.

5. Plant-based - everywhere and nowhere

The field for plant-based products is getting crowded and is quickly spreading across categories, from meats and dairy to snacks, beverages and meals. How long will its point of differentiation last?

6. Innovations that caught our eyes and palates

Judge for yourself!

7. A twist on sustainability

Sustainability has shifted away from being a primary anchor. Companies are taking more nuanced views with how they talk about sustainability, from regenerative agriculture (save the planet) to being one with nature (not grown in a lab).

8. Simple and bold branding

Illustrations over pictures, large and bold print, and softer colors dominated product packaging and booth displays.

9. Innovative form factors and packaging

Not just for baby food anymore, pouch-style packaging has been adopted by products across categories. Other innovations, such as with fully compostable and/or plant-based packaging, freeze-dried salsa/avocado, or no-water/tablet toothpaste are some of the ways companies are trying to differentiate in established categories.

10. White label - a dollar is a dollar is a dollar

Many companies openly and proudly talk about using their products for private label alongside their own brand. They say they are just following the money.

11. R&D - moving faster with new capabilities

Food innovation is taking on new forms, from using AI to run formulation simulations to customer insight and trend-sensing solutions, to models for R&D partnerships.

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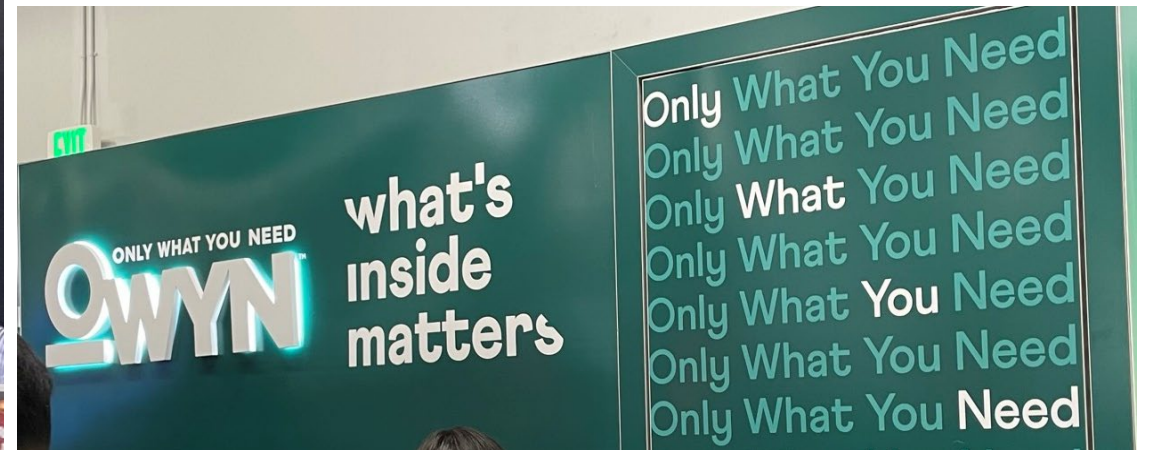
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Launched last week!

T&Co
by Cherry Bekaert









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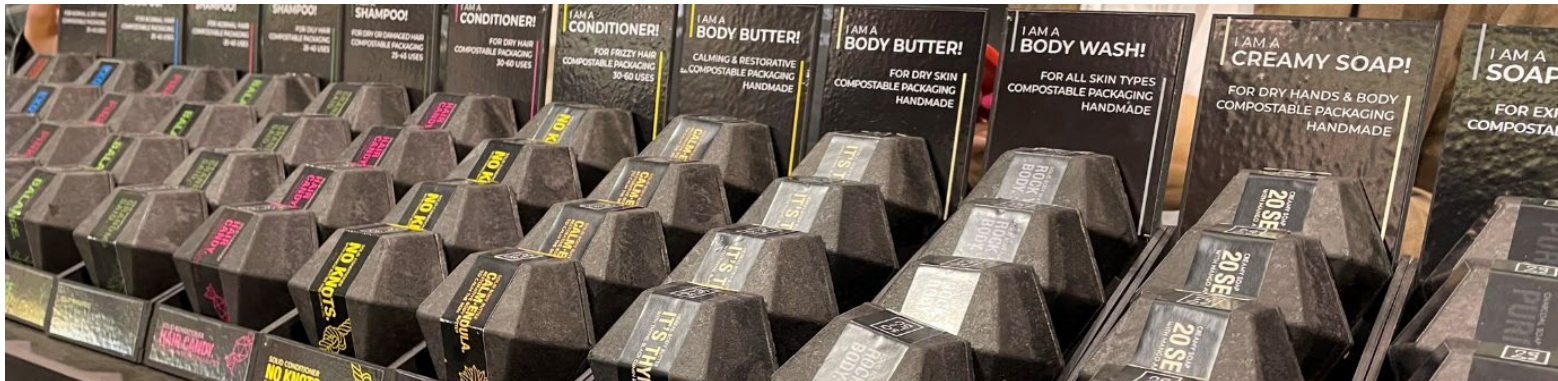




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Deep Plant Intelligence.
Using AI to Unlock
Nature's Full Potential.

Let's Innovate Together.

Orgenetic
Your innovation partner since 1998

OrMi Family
Organic Standardized Mushroom Ingredients
Made in California

A³
AMERICAN ARONIA ACCELERATOR
Organic Aronia Ingredients

Orge Family
Organic plant-based Vitamins/Minerals

Orai Family
Organic ingredients from NZ and Australia

Orambu
Organic Rambutan Peel Extract
+25% polyphenols +15% geraniin

Organic, regenerative, and ethically sourced ingredients from Tanzania

USDA Certified Organic, non-GMO, Vertical Integration, Sustainability Commitments

SPROUTS FARMERS MARKET

FORAGER TEAM

WELCOME!

The Forager Team builds relationships with new vendors to evaluate their products with Sprouts. We nurture these young brands by partnering in product development, marketing and merchandising.

LEARN MORE!

CREATE WITH US!

Direct sourcing, Product formulation, Packaging + design, Impact with purpose

NIQ

Identify trending Health & Wellness product attributes

Apply Wellness insights across 50+ different categories, and Alerts

Understand shopper behavior and wellness trends with Byzzer

growth in **sugar conscious** the last 3 years.

TIGER NUTS

BOSSA NOVA

The "New for You!" Innovation center is a destination for Sprouts customers to explore and discover new and unique items.

Nosherie

TRUSTIER THAN TAROT

Nosherie weaves product discovery and insights into a powerful platform

THE SECRET INGREDIENT is Nosherie

Scan Me!

Thank you!



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