

5 Questions Every Product Developer Should Ask Their Ingredient Supplier

Has there ever been a more challenging time for new product developers and research and development (R&D) departments in the food industry? Rapidly changing consumer preferences, supply chain disruptions and SKU rationalization among leading retailers has made the difficult job of launching new products with staying power *nearly* impossible.

But we stress the word *nearly* for a reason. Amid the chaos in the food industry, there have been successful product launches that have navigated turbulent waters and came out stronger on the other side. For example, the National Confectioners Association just announced its annual Most Innovative New Product Awards, and taking home the coveted top chocolate honor was Lindt CLASSIC RECIPE OatMilk Chocolate Bar.

This bar has staying power because Lindt's R&D team successfully recognized the plant-based trend's potential impact in the confectionery category, then backed it up with an exceptional formulation using oat milk powder as a substitute for dairy-based ingredients. The bar is plantbased but just as craveable as one of the company's traditional chocolate bars with dairy ingredients. Kudos to the entire product development team at Lindt!

Launching a successful product in the food industry today requires more than food science expertise.

Today's R&D professionals must also understand what's influencing consumer purchasing decisions. It's a tall task but not one a food manufacturer has to tackle alone. Ingredient suppliers can, and should, we believe, play a key role in helping develop new products that have staying power.

However, how do you ensure your ingredient suppliers are up to the task? We developed these five questions every food manufacturer or food brand should ask their ingredient supplier.

1. Can you support our R&D efforts beyond just supplying us with an ingredient?

This is a big one. As R&D budgets get squeezed, it's essential for an ingredient supplier to assume the role of collaborator with its customers. At Bluegrass Ingredients, collaboration is a core tenet of our <u>Agile Ingredient Innovation®</u> process. We developed this process to help food brands and manufacturers achieve the rapid innovation they need to stay ahead of rapidly shifting consumer preferences.

The process is one of collaboration, where our team of experts work with R&D Departments in six core areas:

- Trend Analysis: Understanding what consumers really want
- Collaborative Discussions: Brainstorming sessions about new product development
- Concept Evaluation: Analysis of the opportunities and challenges of a potential new product
- Customization: Tailor ingredients to fit specific applications
- Testing and Validation: Product evolution through iterations
- Commercialization: Ramping up production to meet nationwide demand

Through our Agile Ingredient Innovation model, we have supported countless food brands and food manufacturers in their new product development journey.

2. What are your company's trend analysis capabilities?

A great ingredient supplier will bring ideas to your R&D team, and then back those ideas up with data and research detailing how a new product will satisfy consumer cravings.

Ask your ingredient supplier about the types of data inputs they receive to stay on top of food trends.

It's essential for an ingredient supplier to know more than just the specs of the ingredients they sell. They also must understand consumer trends and how their ingredients can help you develop successful new products.

3. What role does culinary play in your company's overall operations?

Inspiration often begins at the chef level and is then translated and scaled to the commercial production of packaged foods. However, many large food and beverage manufacturers don't have research chefs on staff.

Bluegrass Ingredients does, and they are responsible for translating consumer trends into real world applications.





Our research chefs continually work with customers to develop sample menus and to brainstorm new product development ideas that use our ingredients in applications designed to satisfy consumer cravings. Currently, our culinary team is working on plant-based powders and how they can create everything from vegan cheddar broccoli soup to vegan mac and cheese.

4. How are you navigating supply chain disruptions?

This is probably the first question a food manufacturer or food brand's R&D team should ask their ingredient suppliers given the circumstances. There is not a lot of use in the marketplace for a great new product that can't be scaled due to ingredient shortages.

At Bluegrass Ingredients, we've worked hard to shore up our raw ingredient supply.

We also benefit from making food powders. Our powders are easy to stock and store; they last longer and don't need refrigeration. R&D teams can remove liquid fruit or dairy ingredients and use powders to eliminate seasonal and weather related volatility. These ingredients also maintain clear label consistency that will keep consumers happy.

5. What are your company's sustainability initiatives?

Although "sustainability" lacks an official definition in relation to the food industry, it's a topic that more and more consumers are considering when purchasing packaged foods and beverages. In fact, 55% of consumers indicate they're more likely to purchase a product with a sustainability claim, according to Cargill's most recent <u>FATitudes™ survey</u>.

Sustainability often starts with ingredient sourcing, and it's essential your ingredient supplier's operations are based on sound sustainability practices.

Bluegrass Ingredients has made sustainability a key company value. Our Agile Ingredient Innovation model is rooted in processes that prioritize sustainable best practices in all operations, from the farm where we source our ingredients to the finished product. We source milk from Farmers Assuring Responsible Management (FARM) dairies and we're members of the Dairy Sustainability Alliance and EcoVadis.

Sustainability is just one of the many reasons why food brands and manufacturers work with Bluegrass Ingredients. We're an ingredient supplier of choice because we offer so much more than ingredients. We serve as an extension of a company's R&D Department and new product development teams.



Learn how our Agile Ingredient Process can help launch the next successful new product. Contact Us.