

New Food Product Development Trends in 2023

New Year, new ideas, new trends, new excitement! Although consumers don't shift preferences based on the Gregorian Calendar, the start of a new year kickstarts product development plans for many food and beverage manufacturers.

At Bluegrass Ingredients, our R&D and culinary teams are working on multiple projects and prototypes of new flavor systems designed to satiate consumer trends today and into the future.

Staying ahead of trends is key to creating a truly breakthrough product, and we have partnered with **Innova Market Insights** to ensure we're not only responding to consumer demands, but getting out ahead of them before they shift.

When we combine this insight with our experienced culinary team, we have a formidable group of marketers, analysts and product developers focused on new product collaborations with customers.

So what piques our interest in 2023 when it comes to new food product development? Here are five trends we're using as guideposts for new product developments in 2023.



TREND WATCH:

Re-Engineering Value

There's a reformulation case to be made for nearly every food and beverage product on the marketplace. That's what stifling inflation will do to product development. The challenge is balancing cost optimization vs. quality expectations. Sacrificing quality is a non-starter, so a food brand's product development strategy should focus on maintaining quality by using more cost-effective ingredients and processes. Here are three ways to do that:

- Substitute fruit juices with fruit powders. You'll save on shipping and storage costs while maintaining product quality.
- Cheese Concentrates help enhance flavor, reduce dependency on dairy markets, reduce operation costs and meet consumer expectations for "more flavor."
- 3. Use dairy powders to impart flavor without the hassle and cost of refrigerated storage.

Another way to re-engineer the value of your product line is to lean on ingredient suppliers to provide product development services. It's an extra bonus if they also offer market analysis. (We do! Contact us to learn more.)



TREND WATCH:

Talkin' 'Bout My Generation

Consumers aren't a monolith, but product development can't be so specific that sales will never reach beyond a narrow segment of society. What's the middle ground? Formulating for generations. Here are three factors to consider when doing this:

- Gen Z craves flavor extremes, like our line of spicy cheese seasonings.
- · Millennials are looking to save money, so apply tips detailed in the Re-Engineering Value section above.
- Gen X and Boomers are looking for natural, clean label solutions.

TREND WATCH:

A New Plant-Based Narrative

We've covered the struggles of the plant-based foods category extensively here. And, we're starting to see evidence of manufacturers shifting away from meat mimics and start focusing on making craveable products that stand on their own. Unless you're already in the plant-based meat space, we recommend staying out of this crowded marketplace and instead explore ethnic foods as a landing destination for plant-based innovation. Here are three ideas we think are ripe for innovation.

- Plant-based queso using our <u>plant-based cheese powders</u>
- Plant-based cacio e pepe
- Plant-based elote bowl

TREND WATCH:

Quality Food, Quickly

Most consumers became foodies during the pandemic as creativity in home cooking thrived. Now, life has returned to its rapid pace and most consumers don't have hours to prepare dinner. However, they still want an upscale meal at home, just conveniently and quickly. Answering these demands is challenging, but not impossible. Here's how:

- Develop "restaurant-style" side dishes that can be cooked in a microwave. Focus on the sauces (think anything cheesy or buttery) to provide restaurant-quality flavor.
- Add sauce or spice seasoning packets to your frozen entrees and let consumers dictate how much flavor they want. It's worked for ages in macaroni and cheese, and should work for any other type of prepared entree.

Bluegrass Ingredients is available to product development teams looking for a collaborative environment to ideate new products and prototype ideas. Contact us today to start working on your new product plans for 2023 and beyond.

