



# WHAT'S ON THE MENU?

## 2019 FOOD & BEVERAGE TRENDS

### HOW BELIEF-DRIVEN BUYERS IMPACT BUSINESS

Over the past five years, Edelman's Food and Beverage sector has been mapping the trends shaping the industry across the globe. The trends transforming the food and beverage industry in 2019 tell a clear story: the future of the sector revolves around being healthier, more sustainable and more concerned about the impact of what we eat on the environment and society.

As the [Trust Barometer Special Report: In Brands We Trust?](#) tells us, there is an unprecedented demand for purposeful brands and brand trust has become an essential purchasing consideration. In the food and beverage sector, this manifests with consumers caring about issues such as how our food impacts water usage, the environmental impact of single-use plastics, the rise of malnutrition and obesity, and how gender equality, diversity and inclusion are shaping the industry.

Continue reading for insights on key three trends resulting from this rise in belief-driven buyers and the implications for brands in the food and beverage sector.

# MEAT TAX

## HOW BELIEF-DRIVEN BUYERS IMPACT BUSINESS

Scientists and public health experts are increasingly linking planetary health to human health. Sitting in the crosshairs of attention: meat production and consumption.

The World Resources Institute projects an 82% increase in global meat consumption between 2006 and 2050. As the middle class grows in developing nations and meat consumption consequently rises, some policymakers are considering a tax intended to slow the trend, defray rising healthcare costs and offset environmental impacts.

The Animal Investment Risk and Return initiative, an investor network that raises awareness of the material risks and opportunities caused by intensive livestock production, predicts it's "highly probable" that governments will start taxing meat in the medium-to long-term future.

Governments are caught between having the responsibility to act on climate change and fearing the repercussions of being perceived as a "nanny state" if they interfere in people's diets. There is also concern for employers as 57% of employees fear that tariffs and trade policies will hurt the company they work for, according to the [2019 Edelman Trust Barometer](#). But in places like the Netherlands, there are recommendations to reduce the proportion of animal protein in people's diets from 60% to no more than 40% by 2030. Similar pressure is mounting in Denmark and Germany.

## WHAT TO WATCH

Expect sustainable nutrition and public policy to be a hot topic among key players who shape the way we eat, including foodservice providers, retailers, government and producers. With the rapid rise in meat demand, it will be necessary to think about how traditional livestock, plant-based alternatives and cell-cultured meats can play a role in filling demand while also balancing consumer preferences, economic opportunity and the environment.





# PATRIOTIC PURCHASES

## WHEN THE “MADE IN” LABEL INFLUENCES CHOICE

Buying local isn't new, but we continue to see increased interest in products that are grown and manufactured close to home, as consumers' appetite for fresher, seasonal food endures – demonstrating their interest in supporting local economies and helping to reduce environmental impact.

We've also seen an increase in the appreciation of traditional and authentic cuisines, recipes or cooking techniques. From Indonesia to Colombia, consumers are becoming more interested in traditional, old-school foods – sometimes elevated with modern flavors and packaging. In Singapore, more restaurants and fast food chains are creating international dishes infused with locally inspired flavors. The result? Foods like nasi lemak burgers and durian-flavored ice creams.

This shift in preference toward local sources and cuisines aligns with [the shift in people's trust](#) from top-down (CEOs and government officials) to horizontal in favor of peer voices and local sources. National pride has been amplified as political and economic tensions rise across the globe: U.S. tariffs on industrial goods have prompted the EU, Mexico, Canada and China to retaliate with their own tariffs on U.S. food and beverages. The results are immediate: in just six months, tariffs have wiped out years of steady sales growth for U.S. Bourbon in Western Europe.

In Canada, consumers are proactively showing their love of country by purchasing domestic products, and food conglomerates are highlighting their country of production, from French's ketchup to Hellmann's mayonnaise. In China sales of Apple's iPhones have dipped, as consumers focus on buying Chinese goods. If trade tensions continue, food and beverage products may face changing consumer sentiment as well.

## WHAT TO WATCH

Brands have an opportunity to incorporate national flavors into international products and menus, bringing their products closer to local preferences. At the same time, while official boycotts are unlikely, food and beverage manufacturers should expect consumers to pay more attention to the source of their products – particularly for iconic American brands.



# DISAPPEARING PLASTIC

## THE LAST STRAW

With the UN's declaration of war on ocean plastic — and social media buzzing with heartbreaking photos of turtles tortured by drinking straws — pressure is mounting on the food industry to seriously curtail its use of plastic.

In 2015, each of the world's 7.6 billion people used an average of 88 pounds (40 kilograms) of plastic. Most of that turns to trash after a single use, and 91% isn't biodegradable and winds up sitting in a landfill for hundreds of years.

In 2018, bans on plastic straws generated a lot of conversation — and a fair share of controversy, as many people with disabilities rely on straws. Starbucks vowed to get its plastic sippers out of stores by 2020, and many others have followed suit — including not only restaurants but also entire cities like Seattle and states like California. Proposals in the UK and throughout Europe are more comprehensive and could eliminate nearly every kind of plastic in restaurants and businesses, from straws to cutlery, cups and carry-out containers.

## WHAT TO WATCH

[Trust Barometer data](#) shows the clear shift in consumer expectations. It's no longer enough to deliver quality products or experiences — trusting a brand to do what is right is now a top buying consideration for 81% of consumers. Consumers will continue to look for brands to take ownership of their impact on the environment. Expect to see an increase in products sold in bulk or packaged in biodegradable, compostable and sustainable options, such as containers made from crab and shrimp peels, seaweed, algae, kombucha and agricultural waste.

For more trends impacting the food and beverage sector in 2019, view the full report [here](#). To get in touch with Edelman Chicago's Food and Beverage Sector experts, contact [Allison.Cirullo@edelman.com](mailto:Allison.Cirullo@edelman.com) and [Kimberly.McAndrews@edelman.com](mailto:Kimberly.McAndrews@edelman.com).

