

# Naturally GOOD



**2:00pm - Trends  
from the US**

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**Bob Burke, *Principal***  
Natural Products Consulting



# Trends from the US

Bob Burke  
June 3, 2019



# Bob Burke

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- Advisory work in assisting bringing natural, organic and specialty products to market across most classes of trade
- Write business plans for raising capital and growth strategies for management teams
- Co-Author/Publisher of the *Natural Products Field Manual, Eighth Edition*
- Co-produce and co-lead seminars on “Becoming a More Effective Sales Manager in the Natural and Specialty Channel” and “Financing your Consumer Products Company”
- Serve as outside director of: EcoFish, Orgain, Saffron Road, King Arthur Flour and Farmwise
- Advisory Board: Go Veggie, Soapbox Soaps, The Chaat Company
- Former director: Stonyfield Farm, Equal Exchange, Stirrings, FoodState,
- Former Co-chair, Specialty Food Association’s Natural and Organic Council
- Admissions Committee, Specialty Food Association
- Prior to consulting was VP Sales and Corporate Development for Stonyfield Farm for 11 years.

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# Natural Products Field Manual *Eighth Edition*



- Complete, comprehensive, 4 volume, guide on “how to go to market” for natural, organic and specialty products
- Includes Flash Drive with directory of top natural retailers, mass-market natural buyers, distributors, brokers, industry resources, budget models, new item forms and store logos
- Practical, proven, best practices shared and illustrated by industry veterans
- Rich, insightful guest editorials by notable natural buyers, brokers and CEO's
- \$100,000 in coupons
- Half Day consulting by author
- [www.NaturalConsulting.com](http://www.NaturalConsulting.com)

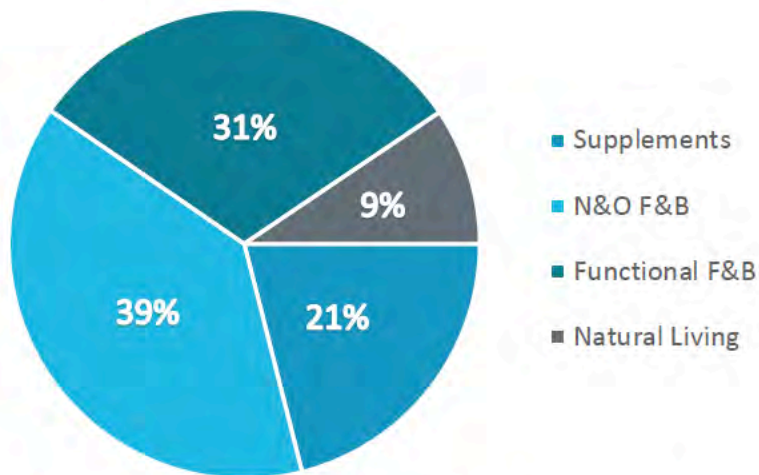
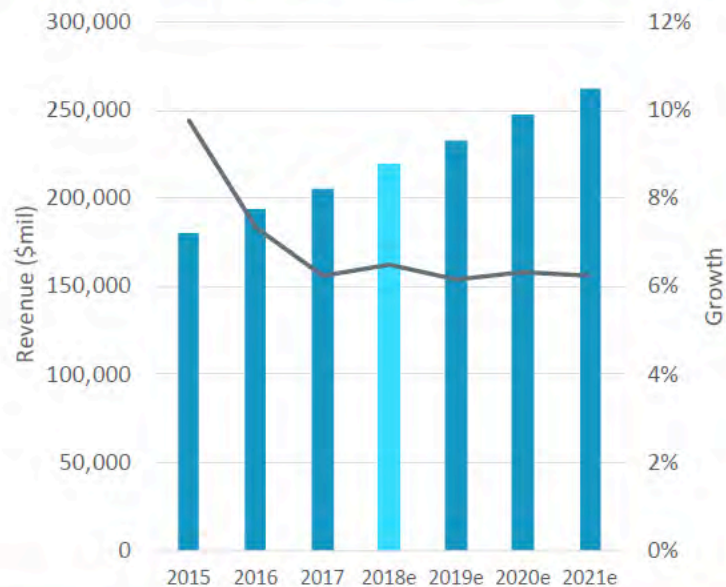
# Mindful Consumer

- Mindful consumer
  - All the knowledge of the world in your pocket
  - Ethical choices: social justice, humane, environmental, support companies with a social mission (B-Corp, Woman Owned)
  - Self care
  - Transparency in supply chain
  - Sustainable packaging
  - Upcycling food
  - Animal welfare issues (grass fed, pasture raised, Humane Certified)



# U.S. natural & organic industry hits \$219B in '18

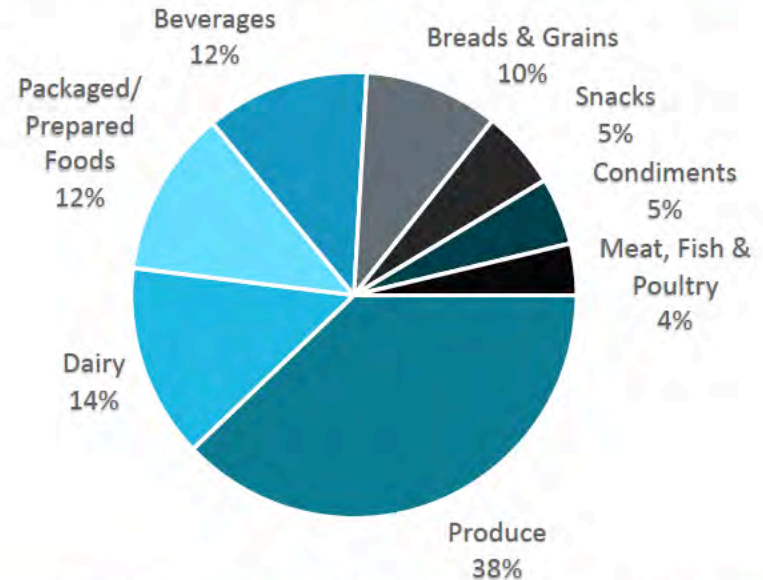
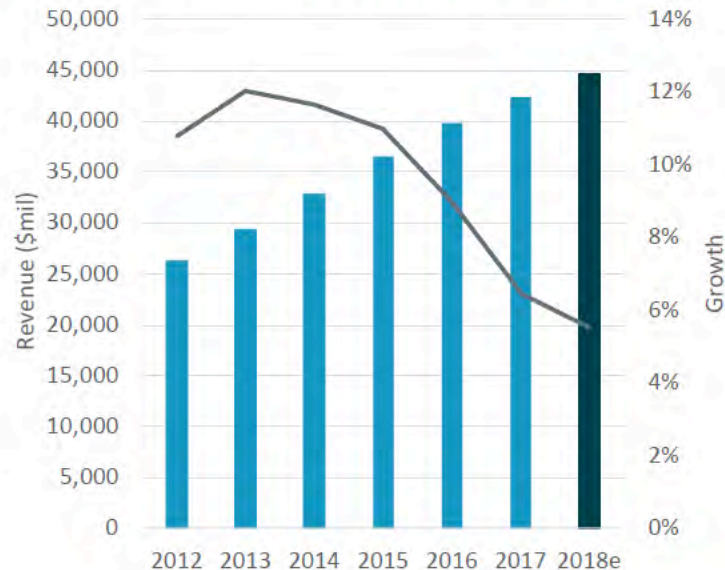
2018 growth up slightly to 6.9%, F&B drives 70% of total sales



Source: *Nutrition Business Journal* (\$mil, consumer sales) estimates, powered by SPINS

# Organic food & bev now \$45B category in U.S.

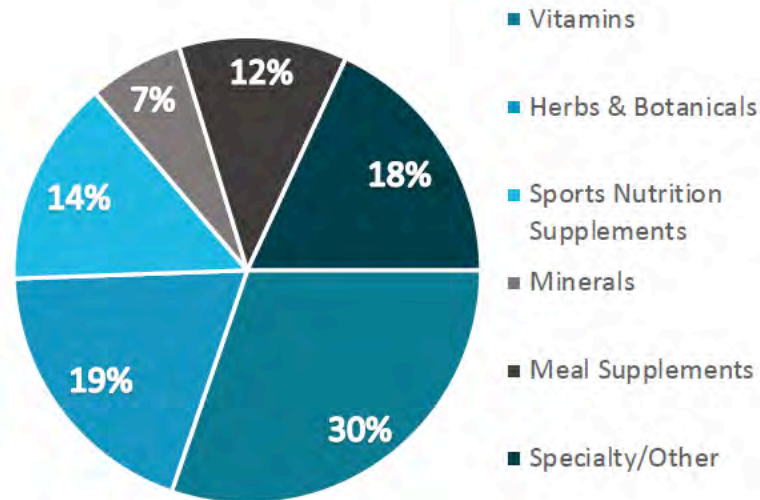
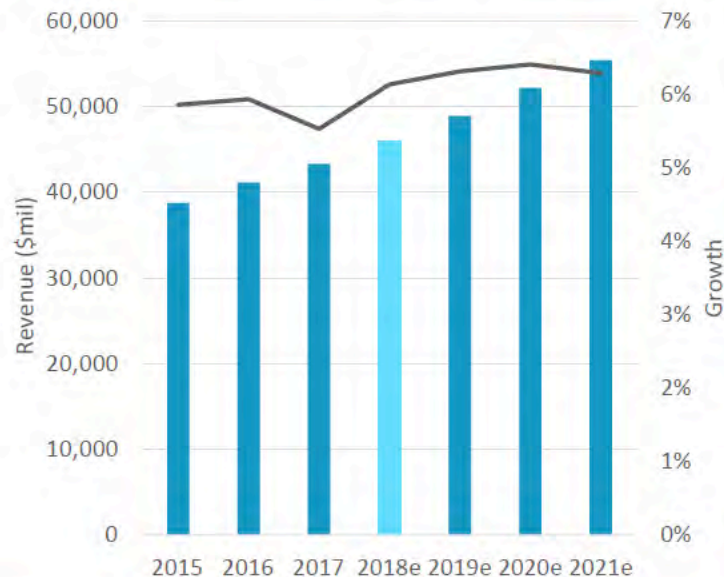
Category grew 5.6% in 2018; Organic dairy continues to face challenges



Source: *Nutrition Business Journal* (\$mil, consumer sales) estimates, powered by SPINS

# Supplement growth rebounds slightly to 6.1%

Sales up 6.1% to \$46B in 2018; CBD, adaptogens, collagen help fuel growth



Source: *Nutrition Business Journal* (\$mil, consumer sales) estimates, powered by SPINS



# Key Trends – Food & Bev

# Plant Based *Everything*

- 2013 – 2017 plant based products had a 62% CAGR (Innova)
- Plant based dairy, meat and egg alternatives grew to ~\$4B in 2018 (Nielsen) +20%
- Healthier, better environmental impact
- Products are much better
- Animal welfare concerns



# Oats Rising Star in Alt Dairy

- Oat milk seems to have the potential to disrupt nut milk (and perhaps dairy).
- It's tastier, cheaper, has a better eco story, has no allergy concerns, and oats are already widely known as a healthy ingredient.
- Supply chain issues are the only thing holding it back.



# Keto Diet

- Keto (Ketogenic Diet) is one that contains low-no carbs and sugar (20-30g carbs/day) and high in protein and healthy fats.
  - Hard to follow diet, more demand than products.
  - Many Keto brands are scaling very quickly online.
  - Consumers tend to dip in and out.
  - Benefits are satiety and slow burn without carb spikes. Also weight management and mental clarity, energy and overall feeling of well-being.
  - A lot of innovation in bars (here-to-fore mainly a carb-fest).
  - Seeing healthy fats like coconut and avocado paired with monk fruit, stevia or erythritol selling at high price points.



# Some Innovative Keto Products



**Bulletproof**  
Fat Water



**Nature's Way**  
MCT Oil



**Chosen Foods**  
Mayonnaise



**Epic**  
Pork Rinds



# Adaptogens

- Move body to state of equilibrium, de-stress
- Recharge the adrenal glands, body's way of responding to stress and motional changes.



**Ashwagandha**



**Rhodiola**



**Schisandra**



**Holy Basil**



**Maca**

Sources: Delicious Living "Feeling Stressed? Fight it With Herbal Supplements" – July 2017, Global Healing Center "Adaptogenic Herbs" – Feb. 2016"



**Yogi Tea**  
Ashwaganda,  
Holy Basil



**Triple Leaf**  
Astragalus



**Natierra**  
Maca



**Organic India**  
Ashwaganda,  
Holy Basil



**Living Intentions**  
Maca



# Mushrooms

- Mushrooms contain beta-glucans that increase the body's potential to defend against invading pathogens which can cause immune-related illnesses.



Rebbl



Veres



Oregon's Wild  
Harvest



Choice  
Organic

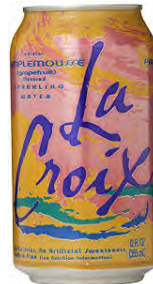
# Bitters

- Complex satisfying flavors without a lot of sugar.
- Associated with digestive health, liver support, help curb sugar cravings



# Sparkling Water

- CSD down including diet drinks
- Sparkling water/seltzer exploding
- Lots of innovative products and new offerings from legacy brands



# Puffs are the New Popcorn





# Cauliflower

- Forget kale, cauliflower is this year's new superfood.
- High in fibre, vitamins B and C, carotenoids (antioxidants) and glucosinolates, packaged cauliflower products grew in the US by 71 per cent last year.
- Items such as cauliflower pizza crust, cauliflower rice and pickled cauliflower are flying off shelves.
- Nielsen data found the ingredient across 36 different grocery categories in everything from dried pasta to frozen foods, and sales for packaged cauliflower products grew 71 percent in 2017

# Cauliflower

## SUPERFOOD CAULIFLOWER!

Low carb and a great source of vitamin C, K, protein, thiamin, magnesium, fiber and potassium.

- Good for kidney & bladder health
- Contains a variety of minerals
- Improved cell growth
- Detoxifies
- Improved immune system
- Anti-inflammatory
- Lowers risk of cancer
- Rich in antioxidants
- Promotes good digestion
- Boosts energy levels & increases blood flow



BRAIN HEALTH



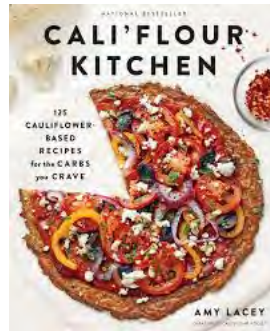
WEIGHT LOSS



BONE HEALTH



SKIN HEALTH



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# Probiotics and Gut Health

## Beverages: Single Serve GT's Kombucha – Tantric Turmeric

- USDA Organic
- Raw
- Contains the popular adaptogenic herb Turmeric
- New flavor type



## Beverages: Multi Serve Farmhouse Cultures – Kimchi Gut Shot

- USDA Organic
- Non-GMO Project Verified
- 110 Billion CFUs per bottle
- 11 servings per bottle
- 5 active cultures



## Grocery Food: Nutritional Convenience: Single-Serve Bars and Snacks

### Nugo – Dark Chocolate Crunch Bar

- Includes GanedenBC30 strain of probiotics
- 9g of rice protein per serving
- Vegan
- Non-GMO Project Verified



## Grocery Food: Tea: Non-RTD Bigelow Tea– Lemon Ginger Herbal Tea Plus Probiotics

- Includes probiotic BC 30 to support health digestion
- Lemon, Ginger and Rose Hips have also been found to aid in digestion
- All natural ingredients
- Caffeine Free



# Prebiotics

- Carbs not digested by the human body but meant to fuel probiotics to ensure delivery to the digestive tract.
- Nourish intestinal flora
- While often bundled with probiotics, now seeing them on their own.

Cereals, bars, nuts, supplements



# Cider Vinegar

- Purports to:
  - Lower blood sugar
  - Cardiovascular health
  - Digestive health
  - Anti-glycemic
  - Antimicrobial



Vermont Village  
RTD ACV



Kevita  
RTD ACV Tonic



Ethan's  
ACV Shot



Nature's Intent  
ACV



# Regenerative Agriculture

- Ag system that improves land (rebuilding soil, and encouraging biodiversity)
- General Mills committed to regenerative agricultural methods on 1 million acres of farmland by 2030.



# Upcycled Products

## Trend Spotlight



### Regained

*Prebiotic bars made from upcycled beer grain*



### Forager

*Dehydrated leafy greens made from juice by-product*



### Barnana

*Snacks made from imperfect bananas*



### Render

*Sparkling beverages made from upcycled whey*



### Wize Monkey

*Coffee leaf tea that comes from prunings from the coffee plant*



### WTRMLNWTR

*Cold pressed juices & isotonic drinks made from "discarded" melons*



### Shameless

*Pet treats made from upcycled ingredients and superfoods*

# Glyphosate Awareness

- Herbicide used in Roundup
- Well publicized reports of traces found in everyday foods
- Concerns it is a carcinogen



# Key Trends – Beauty, Personal Care, Supplements

# Key Trends – Beauty, Personal Care, Supplements

- Further commitments to sustainability.
  - Reduced packaging
  - Waterless Beauty
- Formulation transparency including supply chain.
- Beauty from within.
- Green beauty products will become more widely used and consumers will focus on ingredient lists over nutrition facts.



# CBD

- First step was having hemp removed as a controlled substance by passage of the US Farm Bill
- Still awaiting G.R.A.S certification by FDA.
- Flood of topicals, pet products and all manner of supplement forms (tinctures, gel-caps, patches, oils, body care, and lots of innovation work on food and beverage. (750 brands so far)
- Forecast range from \$2B - \$22B by 2022.
- Current US Natural Channel sales ~\$40M in tracked channels but most volume done in independents (not tracked).
- Key issue: integrity and transparency in supply chain.

# CBD

- Consumers reporting benefits for sleep, anxiety and pain.
- Usage migrating from cannabis friendly to CBD curious.
- Processing so products have efficacy necessary for growth, otherwise it is fairy dust.
- CBD is gaining traction at an incredibly fast rate (probably faster than any trend I've witnessed). Almost every beverage company is testing it as are many food companies. However, information about its functionality / efficacy has a long way to go, especially in making it something that a consumer can understand quickly



# Strategic Question: Is it an ingredient, or can you build a brand?



# Fragrance Free

Expanded growth of products with Fragrance Free call outs in...

## Lifestyle Wellness: Personal Care

### Travel and Trial Size

#### Crystal – Body Deodorant

- Fragrance free
- Natural mineral salts
- 1.5oz size is airplane travel friendly
- Endorsed by cancer treatment centers
- No aluminum chlorohydrate
- Hypoallergenic
- Leaping Bunny Certified



### Hair Care

#### Desert Essence Organics – Shampoo

- Fragrance free
- Features aloe leaf juice and jojoba seed oil
- Perfect for consumers with a sensitive scalp
- Vegan
- Wheat and Gluten Free
- Leaping Bunny Certified



### Skin Care: Moisturizers

#### Shikai– Borage Therapy Hand Cream

- Fragrance free
- Features omega-6 fatty acids from borage oil
- Fast relief for dry, itchy skin
- Recommended by doctors and patients
- Leaping Bunny Certified



### Bath and Shower

#### One with Nature – Detox Dead Sea Mineral Salts

- Fragrance free
- Rich in minerals such as calcium, iodine, and magnesium
- Portion of proceeds goes to Dead Sea preservation efforts



What is the difference between a fragrance-free call out and an unscented call out?

- Fragrance free means no fragrance is added but there could be a naturally occurring scent from an oil or an extract that is an ingredient in the formula
- Unscented products could have a fragrance added to either mask an unpleasant smell or make them absent of smell



# Hypoallergenic

Expanded growth of products with Hypoallergenic call outs in...

**Lifestyle Wellness: Personal Care**

## Shaving and Beard Care

**Alba Botanica – Very Emollient Foam Shave**

- Hypoallergenic
- Aloe mint blend cools and conditions the skin
- For normal or combination skin
- Aerosol-free format
- 100% vegetarian ingredients
- Leaping Bunny Certified



## Skin Care: Moisturizers

**The Honest Co. – Honest Face + Body Lotion**

- Hypoallergenic
- “Apricot kiss” scent derived from apricot kernel oil
- Olive, shea and jojoba oils nourish the skin
- Vegan
- Biodegradable and pH balanced



## Baby Care

**Babo Botanicals – Soothing Diaper Cream**

- Hypoallergenic
- Comforting colloidal oatmeal and calendula
- 25% zinc oxide skin protectant
- Cloth diaper friendly
- Certified B Corp
- PETA Certified Cruelty Free



## Outdoor: Sun and Bug

**Jason – Kids Sunscreen SPF 45**

- Hypoallergenic
- Water resistant for 80 minutes
- Broad spectrum protection
- No parabens, sodium lauryl sulfate, petrolatum, artificial colors or phthalates
- Leaping Bunny Certified



## How do hypoallergenic products benefit the skin?

- Products that are formulated to be hypoallergenic are less likely to contain allergens that irritate the skin's pores which can lessen the incidence of skin infections, acne, dark spots, and blotches
- Firm, clear, and healthy skin is easier to maintain or achieve due to a reduction of inflammation on the skin when hypoallergenic products are applied



# Aluminum Free

What is aluminum and why is it a common ingredient concern for today's consumer?

- Aluminum is a chemical salt that is often used in deodorants for its antiperspirant and disinfectant properties
- Scientific research has suggested that aluminum compounds may have estrogen mimicking effects which could cause hormonal imbalances when absorbed into the skin

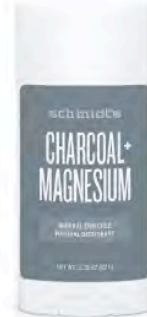
## Jason – Men's Forest Fresh Dry Spray Deodorant

- Aluminum free
- 24 hour odor protection
- No residue on skin or clothes
- Spray uses compressed air – no chemical propellants
- No synthetic fragrances
- Paraben-free, phthalate-free
- Leaping Bunny Certified



## Schmidt's– Charcoal + Magnesium Deodorant

- Aluminum free
- Mineral enriched with magnesium and sodium bicarbonate
- Helps neutralize odor and absorb wetness
- Certified Vegan
- Leaping Bunny Certified



## Weleda – Wild Rose 24h Deodorant Spray

- Aluminum free
- Non aerosol spray pump
- Free of synthetic preservatives, fragrances and colorants
- NATRUE Certified Natural



## Every Man Jack – Citrus Deodorant

- Aluminum free
- Cotton extract and witch hazel absorb wetness
- Lichen extract helps fight odor-causing bacteria
- Gluten-free
- PETA Cruelty Free Certified



# Ceramide Therapy Based Products

## Ceramedx Ultra Moisturizing Cream

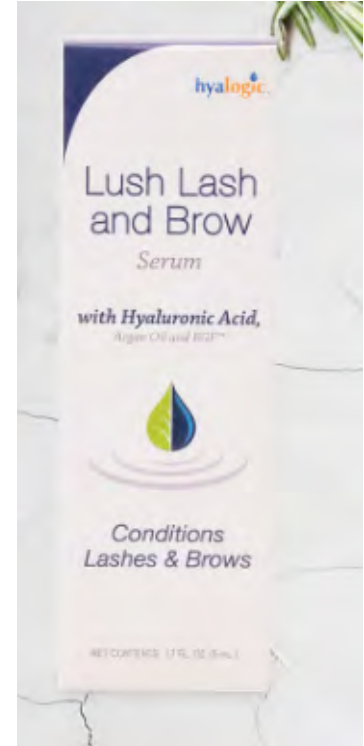
- The Ceramedx skin care regimen offers the first natural ceramide therapy for dry skin.
- Ultra Moisturizing Cream soothes and protects.
- This non-greasy, steroid-free cream is formulated with Riceramide-3, an exclusive blend of plant ceramides derived from rice bran, lecithin and essential fatty acids, to seal in moisture and support skin renewal.



# Lashes and Brows

## Hyalogic Lush Lash and Brow Serum

- This serum can protect and support the beauty of lashes and brows with a formula of nourishing oils and vitamins (argan oil, coconut oil and vitamin E).
- The hyaluronic acid in this serum is a vital natural ingredient that locks in moisture.



# Beauty from Within

## Vital Proteins Beauty Collagen (Tropical Hibiscus)

- This beauty-boosting blend of collagen peptides, hyaluronic acid, probiotics and organic juices works from the inside out to support the natural glow of your skin.
- Simply scoop, stir and sip your way to looking and feeling your best with 12 grams of grass-fed collagen peptides and 120 milligrams of hyaluronic acid.



# Organic Fem Care

## Organic Initiative Revolution In a Box Super Tampons

- Organic cotton tampons have been a staple in natural stores for a while.
- But Organic Initiative makes choosing clean feminine care products a revolutionary act to take control of your health.
- Bright, cheeky packaging and a relatively low price point makes these products more accessible.





# New Charcoal Beauty Products

## White Egret Charcoal Mask

- This mask impressed us with its ability to draw out impurities using activated charcoal and apricot seed powder.
- We also admire the clean ingredients, starring charcoal made from wood, nutshells and coconut husks instead of coal or petroleum pitch.
- Other skin savers include green tea and kelp.



# Charcoal

## Trend Spotlight



**Schmidt's**  
Deodorant & toothpaste



**Yes To**  
Charcoal facial masks



**Nature's Way**  
Charcoal capsules &  
coconut powder



**Dr Brite**  
Charcoal & aloe-based  
toothpaste & mouthwash



**Derma E**  
Purifying charcoal  
face mask



**My Magic Mud**  
Toothpaste line and powder



**Vitox**  
Drinking vinegar made  
with charcoal for  
cleanse & detox

# For Those who are Inked

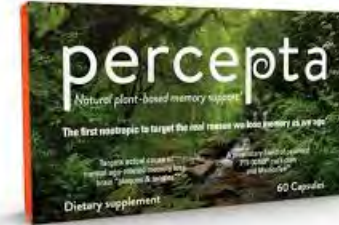
W.S. Badger Co.

- The Certified B Corp's commitment to wellness starts with plant-based healing products and goes right down to what its employees eat for lunch (free organic homemade meals, every day).
- Whether supporting climate-friendly agriculture or instating rigorous quality and safety testing, the company is committed to giving the beauty industry a much-needed makeover—and we think it's working.



# Cognitive Health ~ Nootropics

- Agents that enhance cognition or support mental calm and clarity.
- Benefits from the boom in the Ketogenic diet.
- Often include MCT oil from coconuts.



# Sleep and Relaxation





# Elderberry

Elderberry is also known as Sambucus and is an **antioxidant**-rich fruit that has been used for numerous homeopathic remedies.

## Common Health Claims

### Allergy Relief

Anti-inflammatory and anti-catarthal action act to clear congestion caused by seasonal allergies

### Immune System

Good source of Vitamin A and C, rich in antioxidants

### Cold & Flu

High levels of anthocyanins & antiviral agents to shorten durations of sickness



### Digestive Health

High fiber content can increase nutrient uptake efficiency & gut health

Source: Indigo-Herbs.co, Healthline.com

natural  
products  
consulting



Nature's Way  
Sambucus  
Gummies



Kevita  
RTD Elderberry &  
ACV Tonic



Sambucol  
Black Elderberry  
Immune Syrup



Biotta  
Organic  
Elderberry Juice



Quantum Health  
Organic Elderberry  
Lozenges

# Collagen

Collagen is a **primary structural component** of the body's tissue, making up 1/3 of the body's protein. It is found in everything from bones & organs to muscles, teeth, eyes & hair. It **keeps connective tissue vibrant & flexible**.

## Why Take Collagen?

- With age, the body produces less collagen and the structural integrity of skin declines, causing wrinkles and weakening of joint cartilage.
- Women experience dramatic reduction in collagen synthesis after menopause.
- Our bodies cannot synthesize collagen on their own and our diets today contain minimal amounts.

## Top Benefits :



Sources: 2016 Delicious Living Neocell Report, Well+Good



**Neocell**  
Collagen + C  
Pomegranate Liquid  
Top Sales & Growing Brand



**Primal Kitchen**  
Grass Fed Collagen  
Protein Bars  
New Items!



**BulletProof**  
Collagen Protein Powder  
New item to KeHE



**Youtheory**  
Collagen Powder  
0.27oz packets  
Best Brand, +143%

natural  
products  
consulting

# Natural Cleaning



# Most Fun New Product



Kosher, gluten-free, all natural gelatin party shots made with premium vodka in recyclable, BPA-free cups.

# Sourced used for this Presentation

- [www.spins.com](http://www.spins.com)
- [www.pmidpi.com](http://www.pmidpi.com)
- [www.unfi.com](http://www.unfi.com)
- [www.newhope.com](http://www.newhope.com)
- [www.kehe.com](http://www.kehe.com)

