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The Grocer Guide to...

The Grocer

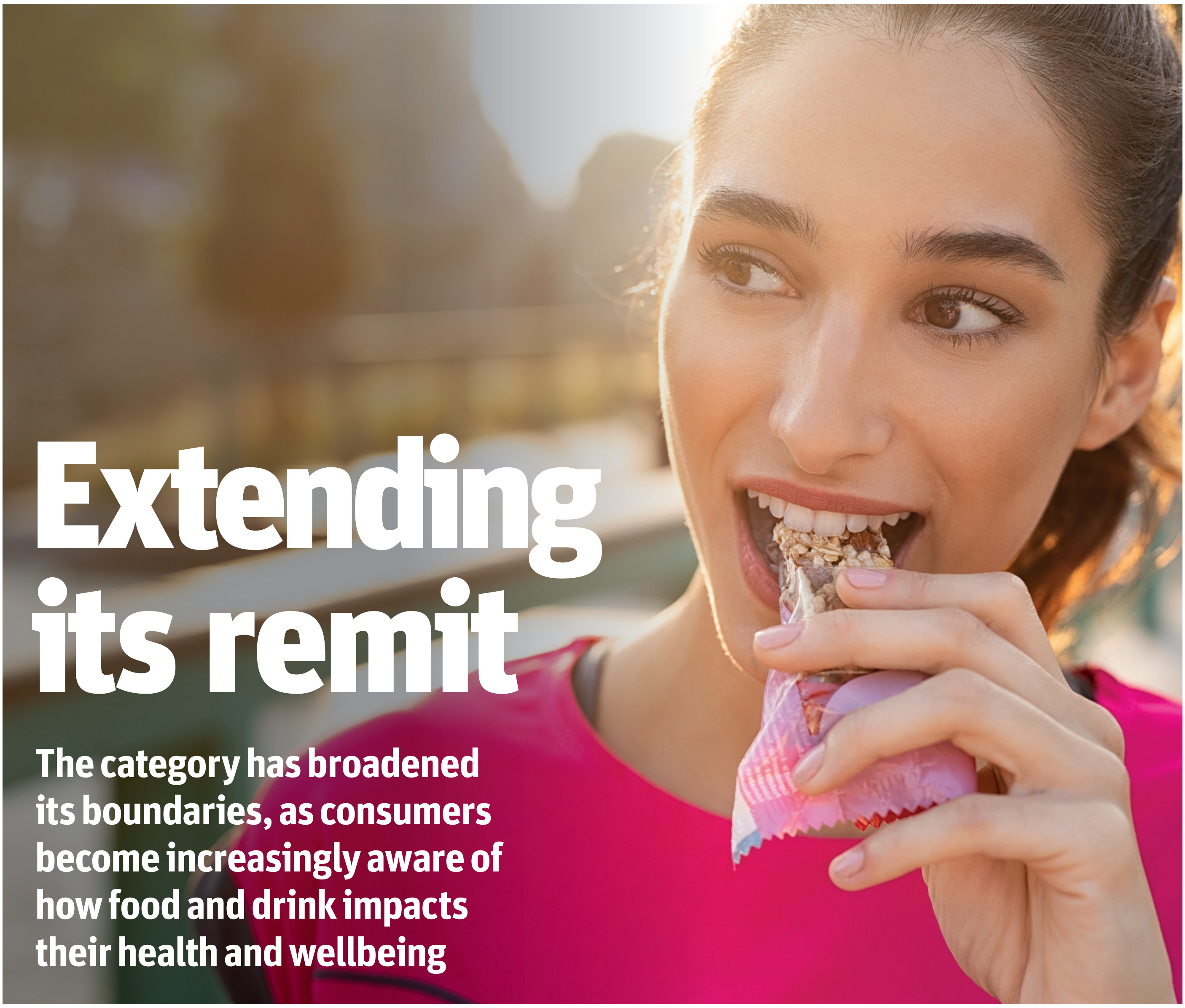
# Protein & functional foods

# Contents



This supplement to The Grocer was published by:
William Reed Ltd, Broadfield Park, Crawley, West Sussex RH11 9RT.
**TEL:** 01293 613400
**EDITOR:** Ellie Woollven
**DESIGNER:** Michael Joslin; Stuart Milligan; Nick Figgins; Karen Palmer
**PRINTERS:** St Ives

Analysis



# Extending its remit

## The category has broadened its boundaries, as consumers become increasingly aware of how food and drink impacts their health and wellbeing

In the USA, a report on the Institute of Food Technologies' website[1] points to the top 10 functional food trends now taking place globally. Among these, two stand out in particular – the fact that 60% of global consumers are actively choosing foods and beverages with preventive health benefits, and that the interest in functional foods is skewing younger, with two-thirds of millennials and households with kids, half of Gen Z and Gen X and one-third of baby boomers currently buying functional fare.

Given the recent incidence of the global pandemic, it's hardly surprising that the increased interest in food and drink as a key contributor to health of body and mind is in sharp focus. And despite the recent financial constraints faced in the UK market, suppliers report positive upward performance in both protein and functional foods – with a clear view that this will continue as consumers increasingly understand and learn about the positive impacts of what they consume on their overall wellbeing.

No longer are protein and functional foods simply seen to power performance in the gym; their contribution to healthier and active lifestyles is becoming widely acknowledged. Meanwhile, the benefits recognised for mental wellness, relaxation and managing health from top to toe amount to one equation: food and drink is increasingly perceived as medicine for the body.

So how is the market performing?

The global protein market is now worth US$25.49bn and is projected to rise at a CAGR of 4.93% (2024-2029)[2] reveals Justine Mroczak, senior brand manager for Bar1Brands. Plant-based protein, while still a relatively small part of the overall market, is projected to develop at a faster rate of 7.35% CAGR (2023-2027)[3] as consumers, both vegan and non-vegan, look for more ethical and sustainable product solutions, she notes.

Meanwhile, the functional food market is also forecast to grow by 2.71% CAGR (2023-2029)[4] as consumers look for products to support their holistic health and wellbeing goals.

"Price will always be a consideration for certain consumer groups," she adds. "However, consumers are prepared to pay more for products that offer additional health benefits – particularly something they know will taste great and that offers health benefits through added functional ingredients."

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The pace of growth for protein products has accelerated across many categories, including shakes, puddings, meal replacement and yogurts, says Stuart Ibberson, Arla brand & sustainability director at Arla Foods. "Much of this growth is driven by protein becoming more mainstream and accessible, which Arla Protein has championed over the last few years through our broad target audience and inclusive positioning.

The protein market continues to be in strong growth, rising by 20.5% year on year (YOY) in value sales and 13% year on year in unit sales[5], with new entrants and the grocery channel being the key drivers of this growth, says Sue Mackay, head of brand, For Goodness Shakes at supplier My Goodness. "For Goodness Shakes has retained its clear No.2 ranking[6] despite this increased competitor activity and added over £1m RSV growth[7] into the category in the past year as shoppers both come into the brand and our loyal shoppers stay," she says.

With the cost-of-living crisis, lower-priced entrants are coming into the market and performing well, which is a great way for shoppers to trial the category, adds Mackay. "However, For Goodness Shakes, which holds a premium, continues to attract new shoppers as consumers are willing to pay for the combination of a great-tasting product and the protein count."

The high-protein sector in yogurts and chilled desserts (Y&CD) continues to grow robustly, with YOY value increases exceeding 50% for the past five years[8], says Priyanca Masrani, brand manager for Lindahls at Lactalis Nestlé Chilled Dairy. "With annual share growth averaging +1% over this time, high protein would be worth £275m (8% of total Y&CD) in three years' from now[9]."

The cost-of-living crisis has not dampened demand for convenient high-protein, with penetration (+26.1%) and frequency (+9.3%) both up YOY[10], she adds. "In the latest quarter, volume per trip is also up (+1.5%)[11], fuelled by retailer cross-category multi-buy mechanics, that help shoppers save money while maintaining daily protein habits. High-protein Y&CD help consumers feel fuller for longer and therefore offer a great value snacking option, but are also hugely accreditive for the category, with an average volume price at a 35% premium to total Y&CD (£5.22 vs £3.88)[12].

In terms of sports nutrition, the total category has grown by 23% with growth incoming across all formats – ready to eat/RTE (+22%), ready to drink/RTD (+23%) and powders (+24%)[13], reports Jessica Watson, general manager UK at Glanbia Performance Nutrition. The company's Optimum Nutrition brand has performed ahead of the category, at +42%[14], driven by powders and RTD, with steady growth in RTE, she notes. In addition, the weight management category has returned to growth in the last 52 weeks, driven by RTD[15], "with SlimFast stable within this", she says.

"While consumer spending is still tight, the focus on health & nutrition is only growing, so this is becoming a priority choice for consumers," adds Watson. "As the growth numbers show, there remains consumer interest in this category, with more consumers focused on health and trading into protein-based and sports nutrition products."

For protein bars and healthy bars, the market has experienced "significant growth" over the past year, driven by increasing consumer interest in health and fitness, protein intake, convenience and plant-based diets, says healthy and protein bars supplier Empwr. "Despite financial pressures, many consumers remain committed to health and wellness products. A significant portion of shoppers are willing to pay a premium for products that support their health, with protein being a particularly desirable ingredient. This trend has continued even as inflation affected spending habits. Innovations in flavour and texture, moving more towards healthier alternatives to confectionery, and convenience also help to maintain consumer interest."

The growing interest in protein is also evidenced by the recent success of the meat snacks category, with jerky and

# Flavours play on mainstream popularity

As protein and functional foods become more mainstream, there is a noticeable drive to ensure the primary purchase motivation – taste – is met with familiar and popular flavours.

Empwr says protein bars have improved in taste and texture, leaning closer to confectionery. The company also believes indulgent flavours – such as caramel, peanut and chocolate – remain key, but says it also sees a growing interest in nostalgic flavours, reminding consumers of their favourite childhood confectionery snack. “There is also a strong movement towards plant-based proteins, driven by sustainability concerns and dietary preferences,” it adds.

Millennials are consuming the highest amount of high-protein food and are more likely to seek out berry favourites – strawberry (49%), blueberry (25%), dessert flavours (35%) and, perhaps more unusually, coffee (25%)[i], says Masrani. “Lindahls has combined these flavours into the successful launch of Lindahls Pro Strawberry Sundae and new Lindahls Kvarg Caffè Latte, coming soon[ii] and chosen by consumers in a nationwide social media competition.”

Bar1Brands has introduced a new range of vegan collagen protein bars under its Jade & Joy label. These come in “four deliciously indulgent flavours” – Marshmallow Biscuit, Salted Caramel, Cookie Crumb and Caramel Blondie” to help boost natural collagen production, reveals Mroczak. “As consumer awareness about collagen and its health benefits continues to spread, it is driving the growth of the UK collagen food and beverage market, with an expected 5.5% annual growth rate between now and 2028[iii],” she says. The company also offers a vegan collagen powder which she says provides a “harmonious fusion of sweetness and fruity goodness in its Beauty Boost Raspberry Lemonade Vegan Collagen Blend. Meanwhile, its YuBi Bar brand focuses on lower calories and a taste more akin to confectionery-style products across 10 different flavours.

For Arla, its new Arla Protein Food to Go, out in September, will also emulate the mainstream flavours when it comes to flavour options, being available in chocolate caramel and vanilla hazelnut. “The flavours offer a twist to the mainstream favourites, with chocolate being the No.1 milkshake flavour and vanilla the No.3[iv],” says Ibberson.

biltong meat snacks in total grocery now worth over £35m RSV[16], according to Jack Link’s. David Harriman, country director UKI at the brand’s producer, LSI, says the category is increasing in both value, at +8.3% and in units at +4.9%[17], and has more than doubled in value over the past few years. “The jerky and biltong meat category is fast growing in popularity in both grocery and convenience as we see more and more shoppers search out tasty convenient snacks that are healthier alternatives to traditional snacks,” he says. “The opportunity to meet shopper demand and unlock sales is huge.”

### Purchase motivations

The protein category is no longer the sole domain of gym fanatics as shoppers are becoming increasingly knowledgeable about the benefits of protein, confirms For Goodness Shakes’ Mackay. “Shoppers are buying for multiple reasons, from aiding to get through a busy day, staying fuller for longer – and so aiding with weight management – to post-exercise recovery,” she says. “The convenience of RTD protein drinks is enabling shoppers to gain this increase in protein consumption easily for whichever reason they are shopping for at that point.”

For protein shakes, convenience is key, she adds. “This enables the over-77% of consumers who have an interest in our category[18] to easily increase their protein consumption. But we also know taste is a key factor too. Shoppers today won’t accept a poor-tasting product to gain a convenient protein boost.”

Enjoying the taste is still a primary driver of protein pots, agrees Lindahls’ Masrani. “Products with berry fruit or indulgent flavour profiles that deliver great taste perform the strongest,” she says. “Lindahls Blueberry Muffin was the standout NPD of the last six months, achieving the highest cumulative penetration percentage of all new launches in this sector[19].

“Protein content is the key callout front-of-pack, but products must also be low in fat, with a low overall calorie count and sugar content to be deemed ‘healthy’ by shoppers.”

With consumers’ lives as busy as ever, they are increasingly looking to the enhanced nutrition category to deliver holistic benefits for their health, as well as product benefits beyond the primary motivation, observes Glanbia’s Watson. “Sixty-seven per cent of category users[20] are willing to pay more for products that will have add-on benefits for their health (gut, skin, hair etc),” she notes

Apart from this, there are a number of core needs that are central to the category and important, almost regardless of product, she adds. “Beyond the table stakes of the category – safe to consume and a perceived affordable price – shoppers

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are generally seeking products that deliver consistent quality (72%); are convenient to consume anywhere (71%); are tasty (71%); enjoyable to consume (70%) and made with quality ingredients (70%)[21]," she says. And, beyond even these core motivations, there are several need states that influence a shopper's product choice across functional foods & protein. Top of these is functional wellness & vitality, followed by tasty, healthy snacks, managing weight intelligently, energy & recovery, building muscle, and offering a nutritional boost[22].

Meanwhile, at Arla, Ibberson says that when Arla Protein first launched 10 years ago, the brand was focused on a gym-going audience, but as it has developed, the audience has broadened. "Arla Protein is now focused on appealing to a much wider consumer base who are interested in more general health & wellbeing – and we have helped individuals to achieve their targets and goals with a wide portfolio of natural protein products," he says. "We started in 'spoonable' yogurt pots and have now expanded into milk drinks, yogurt pouches and puddings to fulfil consumers' changing needs. Taste and health are hugely important to consumers in these categories, which is why we reformulated our 200g pot range earlier this year to make them taste even better."

Shoppers' primary motivations for purchasing protein products are plentiful, comments LSI's Harriman. "Many consumers are increasingly aware of the importance of protein in their diet and focused on maintaining a healthy lifestyle," he notes. "With the rise in the health, wellbeing and fitness culture, protein is essential for muscle repair, immune function and overall wellness, and is a crucial component of post-workout recover and muscle growth.

More people of all different age groups are incorporating protein into their diet, which is driving growth within this sector, says Bar1Brands' Mroczak. "However, each age group may have different motivations for doing so," she observes. "Protein consumption among baby boomers has increased over the past few years, with many looking to incorporate protein into their diet for health benefits such as aiding muscle repair and joint health. Meanwhile, many younger consumers may look to consume protein to support their health & fitness goals."

However, she agrees that despite the growing demand for functional and beneficial products, many consumers are still unwilling to compromise on taste, particularly with plant-based alternatives[23]. "Taste plays an important factor when purchasing these kind of products, which is why Bar1Brands is trying to change this consumer perception through its innovative and taste-forward protein and functional food and drink products," she says.

Consumers will always want to have snacks, she notes. "However, as more of us continue to become more health-conscious, the demand for healthier snack alternatives that are lower in fat, calories and sugar, while having a high protein content and being high in fibre, may continue to increase."

Empwr says it can differentiate two types of purchasing motivation. "First of all, there are consumers who want to maintain an active and healthy lifestyle, who are seeking a healthy on-the-go snack, which doesn't compromise on taste," notes the company. "So we are increasingly seeing demands to create that healthier alternative to the popular confectionery brands, where taste and texture of course play a key role. We see brands in these categories experimenting with slightly lower protein content. The second type of consumers are mainly the people who are performance-focused (fitness, energy...) where functionality still plays a very important role. There, the goal is still to hit a high amount of protein to reach their goals."

### Why convenience is key

The concept of convenience is not just extremely important in the protein sector for time-poor shoppers, but it is a key factor driving the purchase of

# Consumer needs inspire NPD

For Goodness Shakes has identified an interest from consumers in finding a lactose-free product in the protein shakes category, which, being milk-based, has historically not had such products. “With over 3m people in the UK lactose-intolerant and another set of consumers looking to cut out lactose for dietary reasons, there is a substantial number of shoppers who are seeking a lactose-free product,” says Mackay. “In April this year, For Goodness Shakes launched a lactose-free Vanilla 25g Protein Shake to answer this need, with strong initial sales.”

Within the protein drinks category, ready-to-drink (RTD) meal replacement is now worth almost 30.8% of the total protein drinks sales and growing by 72.6% in the past 52 weeks[v], reveals Arla Foods’ Ibberson. “The positioning of meal replacement has evolved in the last few years – moving away from focusing on weight loss and into convenience nutrition. RTD meal replacement shakes[vi] are predicted to grow faster than protein shakes and, with an average selling price that is 70% higher than traditional protein shakes, RTD meal replacement shakes are contributing significantly towards category value growth,” he says. “Arla Protein will be entering the RTD meal replacement shakes category this year with Arla Protein Food To Go. The brand will be available from September 2024 in a 500ml bottle in two flavours (see p5).”

The company is also working an exciting pipeline in its protein puddings, with dessert flavours representing the consumer need for functional health, but also wanting a treat.

Bar1Brands is seeing a number of growth trends in the food and beverage market, as consumers continue to drive demand for functional ingredients. These include adaptogenic mushrooms, the most common varieties being lion’s mane, cordyceps, reishi, tremella and chaga, says Mroczak. “The reason for their popularity is due to their functional health benefits, which include boosting energy and aiding relaxation. While this trend is still in its infancy in the UK market, you can see how fast the trend has grown in the US, and is starting to gain a better market presence in the UK[vii].” Under its Jade & Joy brand, the company offers Energy Burst Caffe Blend, using reishi, cordyceps and lion’s mushroom, and a Sleep Easy powder, using the calming effects of reishi and tremella mushrooms.

protein products, says LSI’s Harriman. “The ability to quickly and easily incorporate protein into their diets without sacrificing nutrition or taste is a significant advantage that meets the demands of modern, fast-paced lifestyles. Convenient protein products such as jerky fit easily into their hectic schedules. Time-poor shoppers need quick, portable options that can be consumed anywhere, whether it’s during the commute to work or the gym, or at work.”

“Consumers are increasingly looking for convenient, healthier choices, particularly on-the-go,” says Glanbia’s Watson. “In a consumer survey of RTD protein shake purchasers/considerers[24], commissioned in April 2024, 68% agreed with the statement ‘Convenience is important when it comes to eating and drinking healthily’,” she reveals. “Convenience has become a table-stake of the category, but isn’t just about products that can be consumed on-the-go; it’s about products that are convenient for a consumer and their lives – be this a convenient format, or available in a location that’s convenient to them.”

Bar1Brands’ Mroczak agrees that consumers are seeking convenient nutritional options that can be purchased or consumed on-the-go. “Our research indicates that protein bars are being consumed for a variety of needs and occasions, from pre- and post-gym to meal replacement or as a healthier treat or on-the-go snacking option,” she says. “Therefore stocking a range of brands that meet these differing needs is key.”

However, there are still certain functional ingredients that are harder to consume on-the-go, such as collagen, which has traditionally been consumed in home, in powder or tablet form, she notes. We wanted to create a way for consumers to enjoy collagen on-the go and this led to the development of our Jade & Joy vegan collagen bars.”

The demand for portable, easy-to-consume options is a major driver in the protein & functional foods market, agrees Empwr. “Busy lifestyles, including hectic work schedules, and active lifestyles make on-the-go nutrition essential for many consumers,” it says.

Convenience (and snacking) is also a hugely important driver of the dairy protein category, as consumers want to be able to top up their protein intake any time, says Arla Foods’ Ibberson. “That is why we launched our protein drinks, and why we have expanded into other ‘on the go’ formats, including yogurt pouches and pots with spoons.

“Pots with spoons as a format plays a smaller role but is growing enormously and plays a vital role in delivering the ‘eat now’ occasion. We’re seeing pots with spoons becoming much more prevalent in meal deals, and in front-of-

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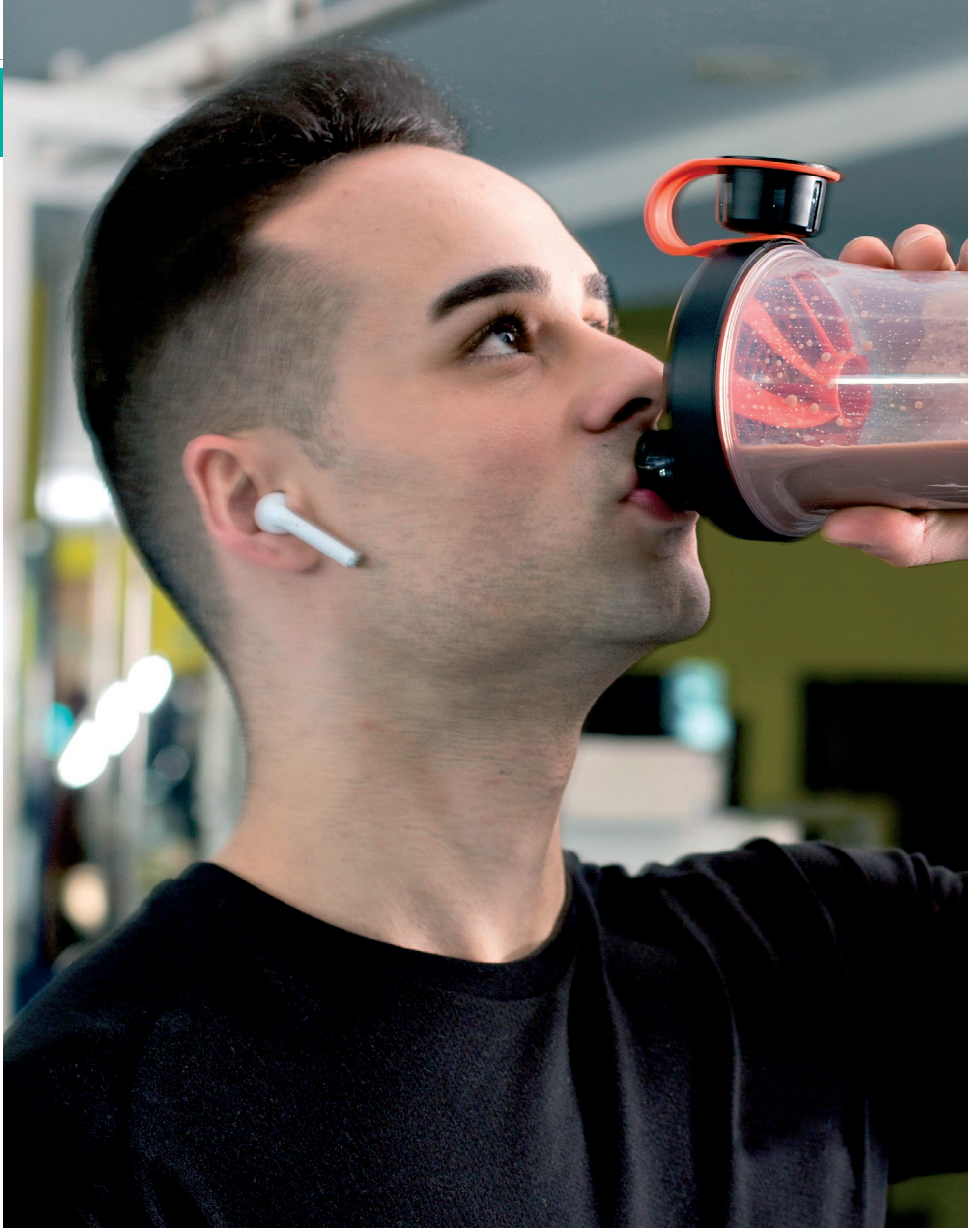

store (FOS) and convenience locations. Arla Protein pot with spoon is worth £1.8m and growing at a whopping 95% in value in the last 52 weeks[25]. We launched a blueberry variant in March to add variety to FOS and convenience offerings, which are usually limited to just strawberry flavours."

### Merchandising: the way forward

With retailers increasingly adding more products into their ranges as the protein & functional foods category grows, it can be confusing and overwhelming to shop, says Glanbia's Watson. "There is a huge opportunity for retailers to further accelerate category growth by overcoming shopper barriers," she says. This can be done by: creating a destination in-store to drive awareness and attract shoppers to the category; simplifying fixtures by aligning them to shopper missions, with an opportunity to tailor ranges by store format; simplifying ranges by focusing on the biggest brands and offering a range that meets all need states; delivering clear and simple education at fixture to help shoppers find the right products for them; and using online to offer a broader choice and deliver tailored offers.

"Tesco has done a great job of delivering on this with their Optimum Nutrition branded bay, which features clear, engaging signage, great education, a simple layout and a range that meets all key need states," she adds.

Arla Foods' Ibberson says the company is seeing a growing trend where shoppers are trading up to premium grocery items as opposed to purchasing out-of-home. "To support this occasion and to ease the shopper journey, retailers have created dedicated 'Protein Bays' in-store," he says. "This also taps into the trend of creating 'mission-led spaces' within store, which makes it easier for shoppers to cross-category shop for their specific needs.

"Asda and Sainsbury's are both currently live with highly impactful Arla Protein branded bays, which are a fantastic way to entice new shoppers into the aisle, and using the No.1[26] dairy protein brand as the signpost to the category not only makes the shopping experience easier for the consumer but also more engaging and inspirational."

In the UK, a lot of retailers are doing a good job by creating dedicated in-store sections, applying cross-merchandising with other categories, offering in-store promotions or their own private-label range, says Empwr. "Holland & Barrett, for example, is a UK retailer that has excelled in merchandising and promoting protein and functional foods. "They offer a wide range of protein and functional foods backed by educational resources and also focusing on personalisation with their wellness hubs in London and Manchester.

"In Germany, dm-drogerie markt, a leading drugstore chain, is one example of a retailer that has excelled in merchandising and promoting protein and functional foods. They offer a wide range of health and wellness products, including protein bars and other types of healthy snacks. They have a very extensive private-label range and often feature promotions to engage with customers."

Bar1Brands' Mroczak notes that the protein category still feels rather masculine with a lot of the packaging and product macros still heavily weighted towards men. "It seems there is a huge opportunity for protein products that resonate more with a female audience," she says. Apart from this, she believes that convenience retailers could look to the health food stores to see what they are doing with protein and functional food/drink products, where these are found in more prominent locations instead of mainly towards the back of the store.

Merchandising protein bars alongside confectionery products would also help shoppers navigate the fixture, with protein bars generally offering higher cash margins than confectionery products, she adds. This would make the fixture more accessible to consumers and ensure a more varied product range with different protein contents and macros, allowing a greater opportunity to appeal to a wider audience.

When it comes to merchandising, "the unseen is unsold", says LSI's Harriman. "So visibility of the best-selling products is key to maximising sales." For ambient protein meat snacks, merchandising with other bagged snacks, crisps and nuts is fundamental. However, cross-merchandising also allows retailers to benefit from the healthier snacking opportunity. "When Jack Link's is merchandised where shoppers are looking for snacks, it offers them the opportunity to trade up and choose a healthier alternative. We also have clip strips available to prompt unplanned incremental purchases."

### Looking to the future

With an increasingly broad consumer set clearly focused on their physical and mental health and wellbeing, there seems little doubt that the protein & functional foods category still has plenty of headroom to develop.

The key to enticing shoppers into the protein category and keeping them there will be: a) making the category easy to understand and accessible to all, not just sports people; b) delivering on taste; and c) opening up the category to more occasions, tailoring NPD to different occasions and audience segments, says For Goodness Shakes' Mackay, adding that her brand has some exciting new product launches in the autumn to do just that.

In terms of occasions, Lindahls' Masrani identifies morning snacks as seeing the most growth across the active health category, including high-protein. "Expanding the physical availability of high-protein yogurts and desserts will cater effectively to this usage occasion, and retailers should now look to refresh tired convenience ranges, swapping declining diet and everyday yogurts for high-protein alternatives," she says. "Forty-six per cent of consumers globally[27] look for calorie count on the packaging when deciding how healthy a product is, so stocking high-protein products around 100 calories will drive volume."

There is an opportunity to increase consumer education as the protein & functional foods category emerges, says Glanbia's Watson. The company's Optimum Nutrition brand recently released a 'Protein Calculator' to help consumers understand how many grams of protein they uniquely need based on their lifestyle. She also points to the need to broaden the relevancy of the category to a wider set of consumers, as the understanding evolves of protein & sports nutrition for motivations beyond building muscle and simply being for elite sports people.

Consumers will continue to seek credible trusted brands in this category to supplement their food intake, she adds, noting that Glanbia partners closely with retailers to bring education to shelf to build customer understanding of the evolving category.

According to Empwr, the biggest challenge for brands will be to keep standing out, as most already have a mature product range. "It's important to work with a large and innovative co-manufacturer that keeps on investing in R&D and new technologies and formulations," it says. "This allows brands to keep on introducing exciting varieties within their assortments."

The biggest opportunity for growth, according to Bar1Brands' Mroczak lies in bringing new users into the category and broadening its appeal by meeting unmet consumer needs. "The current protein fixtures are largely dominated by brands appealing to male consumers for the gym or on-the-go occasion," she says. "There is an opportunity to broaden category usage, with a brand that take a holistic approach to supporting women's specific health and wellbeing goals.

"Secondly, when it comes to functional foods, many consumers may have heard of individual functional ingredients but are less clear on their potential benefits," she adds. "So building consumer awareness and education on functional products and their associated health benefits is key.

"The protein market continues to remain in growth... but we have received feedback from our own consumers, highlighting that there is an opportunity of untapped consumers who could likely be swayed to buy into the category if the prices were more appealing," concludes Mroczak.

The company's YuBi Bar, which has sold over 2.5m bars since launch in November 2022, offers an entry-level price point while not compromising on taste or functionalities, she says. "This has allowed for an increase in impulse purchases by consumers who may not have traditionally been a protein bar consumer, but rather a consumer looking for a healthier snack alternative."


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**Flavour trends**

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**Inspiring NPD**

[v+vi] See 26
[vii] https://tinyurl.com/s67fbrr4

## Arla Foods UK

# It's no longer 'just protein'

**DETAILS**

**Arla Foods UK**
**t:** 0113 382700
**w:** arlafoods.co.uk/

**KEY CONTACTS**

**Verity Richardson**
Head of Milk Based Beverages at Arla Foods

**KEY BRANDS**

**Arla Protein**
**– Arla Protein Food To Go,** Chocolate Caramel flavoured ready-to-drink Meal, 500g (£3.50 mRRP)
**– Arla Protein Food To Go,** Vanilla Hazelnut flavoured ready-to-drink meal, 500g (£3.50 mRRP)

Arla Protein is the No.1 protein brand in dairy, worth over £66m and growing at 72.5% YOY[1]. The brand is celebrating its 10th anniversary in 2025, reveals Verity Richardson, head of milk based beverages at Arla Foods. "In the past few years, we have cemented our Arla Protein brand positioning and broader target audience into market," she says. "Protein is no longer 'just protein'; there is a shift towards naturally derived, delicious protein among consumers. What's more, categories and semiotics are changing, and these have led the way for our transformational journey."

### Protein within meal replacement

The pace of growth for protein products has accelerated across many categories, including shakes and meal replacements, explains Richardson.

"With our delicious tasting, naturally enriched products, we see our future growth coming from attracting more people into this sub-category. This will be achieved by sticking to our brand fundamentals, opening up more occasion-based solutions, and increasing variety."

Within the protein drinks category, RTD meal replacement is now worth 30.8% of total protein drinks sales, growing by 72.6% in the past 52 weeks[2], notes Richardson. "The positioning of meal replacement has evolved in the last few years – moving away from a focus on weight loss and into convenience nutrition," she says. "RTD meal replacement shakes are predicted to grow faster than protein shakes and, with an average selling price that is 70% higher than traditional protein shakes, meal replacements are significantly contributing towards category value growth."

The meal replacement category appeals to consumers with busy lives who might usually resort to skipping lunch or compromise on expensive, unpalatable or less nutritious options, she adds. "We also know that most consumers have their meal replacement before 2pm, so out-of-home/on-the-go breakfast and lunch are key occasions to tap into."


**"Within the protein drinks category, RTD meal replacement is now worth 30.8% of total protein drinks sales, growing 72.6% in the past 52 weeks[2]"**

### Introducing Arla Protein Food To Go

Arla Protein will be entering the RTD meal replacement shakes category this year, with Arla Protein Food To Go. "Our range of easy and tasty meal replacement drinks can be enjoyed on the move as part of a healthy, varied diet and active lifestyle," she says. "Arla Protein Food To Go offers a tasty 'meal in a bottle', which is high in protein (30g per pack) and contains 26 essential vitamins and minerals.

"One bottle of Arla Protein Food To Go equates to one meal – and is lactose-free, gluten-free and contains no sweeteners. The new range, available from September 2024, comes in 500ml bottles in two delicious flavours – chocolate caramel and vanilla hazelnut – offering a twist on mainstream favourites. We have also worked to ensure our product is high in fibre (12g per bottle) to help combat recent figures suggesting UK adults only consume 60% of their recommended daily fibre[3].

"Arla Protein was created to support people with active lives, as many now understand the benefits of protein in their diet. This has seen us grow to be the market-leading brand, and we continue to innovate, bringing more choice to our consumers."

**Source**
[1+2] NielsenIQ RMS data for the Milk category [as defined by Arla], Great Britain total coverage incl discounters, 52 w/e 15.06.24
[3] https://tinyurl.com/yc3e9j87

# THE UK'S NO.1 DAIRY PROTEIN BRAND*


*Source: NIQ Scantrack Data | Total Coverage Inc Discounters | Protein Total Value Share - Total Dairy |L52WE 25.11.23

STRENGTH COMES FROM WITHIN

## Bar1Brands & NutreeLife

# Plant-based, great taste

**DETAILS**

**Bar1 Brands & NutreeLife Ltd**
Unit 8 Dakota Business Park
Dakota Way
Burscough
Ormskirk
Lancashire L40 8AF
**w:** bar1brands.com
**w:** nutreelife.co.uk

**KEY CONTACTS**

**Alec Wall**
Head of Sales, Bar1 Brands
**Dan Mroczak**
YuBi Bar Brand Manager
**Justine Mroczak**
Jade & Joy Brand Manager

**KEY BRANDS**

**YuBi Bar**
**Jade & Joy**

All Bar1Brands products are developed and manufactured by sister company, Nutreelife Ltd, the UK's leading vegan protein and free-from manufacturer[3]

Bar1Brands is shaking up the protein category, with its market-leading innovation and taste-first range of plant-based, gluten- and dairy-free protein bars. Established in 2022, the business is rapidly gaining a reputation for developing unique products that deliver functional health benefits, without compromising on taste, explains Bar1Brands head of sales Alec Wall. "The market for functional foods is growing strongly as consumers look for healthier options, but when it comes to purchasing decisions, the number one priority will always be taste," he says. "With our brand range, we are re-setting expectations for shoppers on how good a plant-based bar can be."

### YuBi Bar – best bar none

Leading the charge is YuBi Bar which, since its launch in November 2022, is rapidly becoming a consumer favourite, having sold over 2.5 million bars to date[1] and receiving a coveted Vegan Choice Taste award this year. The brand, which is available in 10 delicious flavours, has 10g of protein per 35g bar, yet only 99Kcals, and is low-sugar, making it the perfect choice for an affordable, healthier snack on-the-go. The brand has recently launched two flavours, Honeycomb and Choc Orange – originally a limited-edition bar that sold out in only 72 hours and brought back due to consumer demand. "Developed to deliver a confectionery-like taste, each mouthwatering flavour packs a protein punch, yet is suitable for those following a plant-based, coeliac or lactose-free diet," says Wall.

### Joy-ful nutrition

Holistic health and wellness brand, Jade & Joy, is aiming to put the joy back into nutrition, with the launch of its new range of vegan collagen protein bars and superfood functional powders. "We wanted to create a range that meets the specific health needs of time-poor, health-conscious consumers", says brand manager Justine Mroczak. "This led to the launch of our deliciously indulgent vegan collagen bars."

Available in four variants, the range is finished in beautiful premium packaging, perfect for the lunchtime or snack occasion, she notes. Each 50g bar contains 15g of plant-based protein, is low-sugar and is boosted with 2500mg vegan collagen, plus vitamins and minerals, known to support health and help boost natural collagen production.

"In taste tests, Jade & Joy vegan collagen bars not only beat the leading vegan brand but also matched the non-vegan brand leader[2], proving that consumers who want to eat healthily and ethically now don't have to compromise," adds Mroczak. "Complementing the protein bars is a range of superfood functional powders in four variants, with each functional powder containing a variety of naturally beneficial ingredients known to support health needs."

Both brands will be supported by national digital advertising & PR, plus a social and influencer campaign, to drive brand awareness and generate trial.



> "The market for functional foods is growing strongly as consumers look for healthier options, but when it comes to purchasing decisions, the number one priority will always be taste"

**Source**
1 Internal sales data
2 MMR Research, June 2024

# Jade & Joy

## FIND THE JOY IN NUTRITION

Enhances Collagen production

15g of protein

83% of female consumers said they would buy*

Added vitamins & minerals

Collagen market expected to grow 5.5% YoY**

Taste exceeds consumer expectation***


## BAR1 BRANDS

Plant Based & Gluten Free Specialists

Pioneering NPD

UK's Only 100% Free From & Vegan Site

HFSS Compliant

## YUBI BAR

- 10g Protein
- 99 Calories
- Quality Ingredients
- Low Sugar

**WANT SAMPLES? SCAN HERE**

**20% Growth MoM******


WINNER VEGAN CHOICE AWARD WINNER

*Source: MMR Research June 2024 - 450 women aged 18 to 60. **Source: The Grocer, Consumer Trends 2022 - 2028.
***Source: MMR Research June 2024 - 450 women aged 18 to 60. ****Source: Internal Sales - 2024.

## EMPWR Nutrition Group

# Healthy snacking trend persists

DETAILS
**EMPWR Nutrition Group**
Sluisweg 2
9000 Ghent
Belgium
**w:** empwrnutrition.com

KEY CONTACTS
**Menno Postma**
Head of Sales
e: Menno.Postma@empwrnutrition.com

KEY PRODUCTS
**EMPWR**
– is a developer and producer of healthy snacks such as high-protein bars, nut bars, energy bars and raw bars. It has 4 production facilities (in Europe, the US and Canada) and 1000+ employees, producing for the larger protein and healthy snack bar brands and retailers in Europe. The company continuously invests in new capabilities, more production capacity and higher-level quality requirements.

The healthy snacking market in Europe is developing rapidly, with an estimated growth rate of 8-10%, compared to 5-8% in the more mature US market[1]. High-protein, low or no added sugar protein bars are particularly popular. Indulgent and vegan bars are also highly in demand, especially in Germany. To meet market needs, products are increasingly offered in smaller sizes and multipacks, similar to candy bars. Empwr recognises these needs and offers – for example – flow-wrap and carton multipacks, it says.

### Growth potential across Europe

North-west Europe has seen significant growth in the past five years, with high-protein bar consumption per capita ranging from 5 to 10 bars, depending on the country[2]. In contrast, consumption in south-east Europe is below 1 or 2 bars per capita. However, the entry of established protein bar brands from north-west Europe into markets like France and Italy is expected to drive fast growth in these regions. The DACH and Benelux regions show moderate consumption per capita of 2 to 4 bars and numerous brands are emerging.

More developed markets show tasty protein bar brands everywhere a typical chocolate confectionery bar can be found. Protein bars are widely available in grocery, travel and forecourt stores, and there's a significant increase in demand for private-label bars for retailers.

### Taste and texture drive growth

The shift from functional sports or weight management bars to lifestyle products means healthy snack bars must match the taste and appeal of mainstream confectionery chocolate bars. We call this the candification of protein bars, where the focus is on consumer excitement. A good taste is paramount. But achieving excellent taste and texture in protein bars requires expertise in ingredients and technology, making it essential to work with a knowledgeable co-manufacturer that uses state-of-the art technology and regularly investigates new technologies and ingredient functionalities.

**"In today's competitive market, new brands need to stand out with high-quality protein bars. It is crucial to find an innovative partner who can develop unique and exciting concepts for your consumers"**

Lifestyle products should have a strong concept and mainstream appeal, avoiding niche flavours. Texture plays a crucial role in taste perception. Empwr has invested in various textures, offering high protein standard or vegan bars in airy, smooth, brittle, crispy, and rough bites. This variety allows for differentiation and caters to customer preferences. Also, the product and packaging design must look appealing to enhance the overall taste experience.

### A solid and innovative partner

In today's competitive market, new brands need to stand out with high-quality protein bars. It is crucial to find an innovative partner who understands your needs and develops unique and exciting concepts for your consumers. This co-manufacturer should know how to create tasty products and offer business consultancy. Consistent quality and reliable service are essential, especially for rapidly growing brands that require scalable production and support for expansion.

Discover how our co-manufacturing and product development expertise can help make your brand a leader in the protein and healthy bars market.

**Source**
[1] Euromonitor, December 2023; Nielsen, UK, Ireland, Sweden, Germany & USA, July 2023; Market participants interviews, EMWPR data 2023
[2] Euromonitor, Nielsen, IRI, Lit. search, business experts' interviews and EMPWR data December 2023. US data extrapolated from Sport Protein data point.

## Glanbia Performance Nutrition

# Powering up performance

**DETAILS**

**Glanbia Performance Nutrition**
Glanbia plc
Glanbia House
Ring Road
R95 E866 Kilkenny
Ireland
**t:** +353 56 777 2200
**w:** glanbia.com

**KEY CONTACTS**

**Jessica Watson**
General Manager UK

**KEY BRANDS**

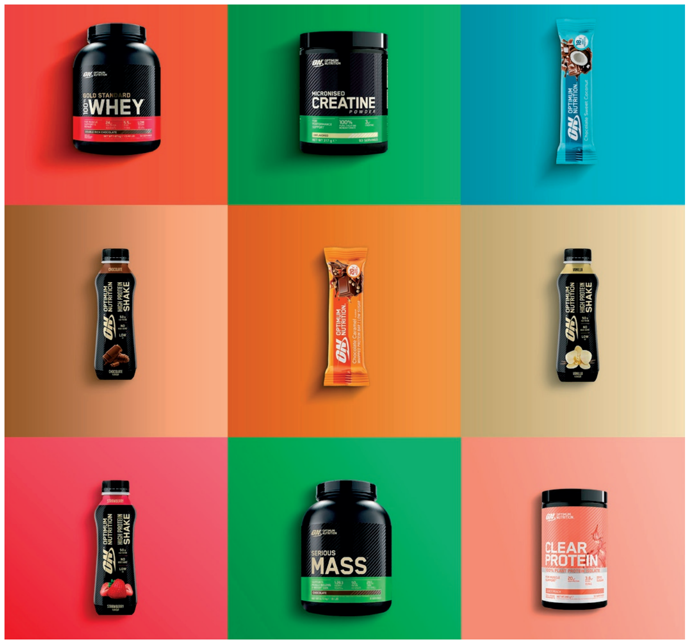
**Optimum Nutrition**
**SlimFast**

"The growth in sports nutrition, to drive health and performance needs, continues to gain momentum, with 62% of consumers hungry for more specialist sports nutrition products and 68% citing the importance of convenience when it comes to eating and drinking healthily[1]," says Jessica Watson, general manager UK at Glanbia Performance Nutrition.

As the No.1 sports nutrition brand in the world[2] – where driving new usage occasions with more consumers continues to be a key strategy to accelerate both brand and category growth – Optimum Nutrition is a leader in its field, she says.

"Gaining strong ground across key brand fundamentals to help drive awareness and penetration, Optimum Nutrition has rapidly grown share to become a multi-channel, multi-format brand with more significant NPD in the pipeline and with a strong marketing commitment," notes Watson. "Optimum Nutrition has seen phenomenal success over recent years. But there is still so much more growth potential as we focus on continuing to drive brand awareness, increasing our penetration and accelerating our new NPD and on-the-go formats," she reveals.

"Optimum Nutrition's current 'Unlock More You' creative comms platform is driving strong appeal and trial among core consumers by building emotional connections and usage occasions through community, partnerships and storytelling. The recent partnership between Optimum Nutrition, Sky Sports and McLaren has built engagement and audience reach across key social and digital channels, increasing awareness of the brand and category.




> **"Gaining strong ground across key brand fundamentals to help drive awareness and penetration, Optimum Nutrition has rapidly grown share to become a multi-channel, multi-format brand, with more significant NPD in the pipeline"**

Left: Optimum Nutrition partnered with Sky Sports and McLaren to build brand awareness

The brand will continue to dominate the sports nutrition category by offering a blend of functional product superiority and deep emotional connection with health and fitness focused consumers. "Our customers recognise and value Optimum Nutrition's superior quality to help them deliver better performances every day – and are happy to pay for that premium," she adds. "We are committed to delivering them the very best in sports nutrition formats for all their health and performance needs. We continue to focus on new product development, as well as ensuring we have a presence at key locations in-store to drive relevance and sales.

### The power of innovation

Ensuring the brand remains front of mind and relevant, Optimum Nutrition harnesses innovation to unlock new usage occasions and reach more consumers, says Watson. "Innovation will play a key role in our future growth," she notes. "Creatine continues to be a very exciting and appealing proposition, with research[3] indicating it has strong performance and healthy lifestyle motivations for consumers across all genders and age groups."

**Source**

1. Toluna/Harris Interactive survey of 529 UK consumers who purchase/consider purchasing RTD protein shakes. April 2024
2. Euromonitor International Ltd, Consumer Health 2024 edition, Sports Nutrition Category, % retail value shares, 2023 data
3. Creatine – 2024 Kantar Usage & Attitudes Study: Profile among P6M users

## Jack Link's


# Protein-packed revolution

**DETAILS**

**Jack Link's**
LSI Netherlands BV
Moermanskkade 101
1013 BC Amsterdam
The Netherlands
**e:** David.Harriman@jacklinks.com
**w:** jacklinks.eu

**KEY CONTACTS**

**David Harriman**
LSI Country Director UKI

**KEY BRANDS**

**Jack Link's**
– Beef Jerky Original, available in 25g; 60g and 100g clipstrips
– Beef Jerky Teriyaki available in 25g; 60g and 100g clipstrips
– Beef Jerky Sweet & Hot, available in 25g and 60g
– Biltong Original, available in 25g and 60g
– Protein Bar Original, available in 22.5g and 3x22.5g

**Source**
[1-6] Nielsen, MAT June 2024

Jack Link's is the UK's No.1 jerky brand, leading the jerky and biltong meat snacks category which is worth £36m retail sales value[1] across total grocery and convenience.

As one of the fastest-rising categories across total UK stores[2] – up 10.5%[3] in value and 8.0%[4] in units – Jack Link's mission is to support its expansion. Over the last five years, the category has more than doubled in value, with the potential to double again as still fewer than one in 10 households buy it[5].

Retailers can profit from this rapidly growing jerky and biltong meat snacks trend by stocking the proven best-sellers, says LSI country director UKI David Harriman. "Jack Link's Beef Jerky Original 25g has the highest unit rate of sale[6] of any product in the category," he reveals. "We also provide a 60g pack – one of the best-performing SKUs in value ROS. Both are available in Sweet & Hot, Teriyaki and Original flavours."

Jack Link's is investing £3m in media and sampling at fitness and gaming events over the next two years. A modern packaging redesign promotes the high-quality aspect of the product and reflects category trends in craftmanship and functional nutrition benefits.

"Enabling shoppers to find high-protein meat snacks is key," he says. "We recommend positioning Jack Link's on the bagged savoury snacks fixture alongside crisps and nuts. Secondary merchandising on clip strips also drives high levels of incremental sales."

> **"Jack Link's is a high-protein, high-growth, high retailer profit opportunity"**

## Lactalis Nestlé Chilled Dairy

# Good Move for Lindahls

**DETAILS**

**Lactalis Nestlé Chilled Dairy**
First floor, Grosvenor House
65-71 London Road
Redhill RH1 1LQ
**t:** 01737 783300
**w:** lactalis.co.uk

**KEY CONTACTS**

**Priyanca Masrani**
Brand Manager, Lindahls

**KEY BRANDS**

**Lindahls**

Lindahls, launched into the UK and Irish markets in 2018, has rapidly become one of the leading brands in the high-protein chilled category. Its extensive offer of products and formats appeals to a wide range of consumers – from those exercising regularly to those just trying to stay fit.

As well as its attractive claims of high-protein, low-fat and low-sugar, Lindahls continues to offer the most comprehensive selection of flavours in the market to meet the different needs and occasions of its consumers, says brand manager Priyanca Masrani. “From the mix of classical and indulgent flavours in the original Kvarg range, to the dessert-inspired profiles of Pro+ and the more indulgent tastes of our Protein Puddings, Lindahls has something for everyone, and our new flavour launches will continue to keep the category exciting across the rest of this year and beyond,” she says.

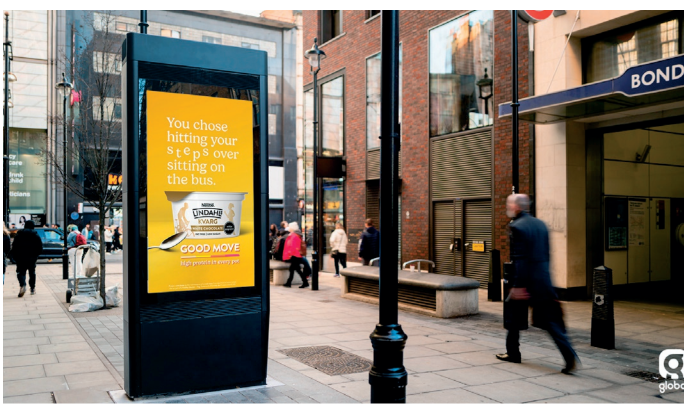
This year, Lindahls’ biggest marketing and communications support plan to date saw the brand launch its first mass-awareness out-of-home (OOH) activation, ‘Good Move’. The campaign was live in over 2,000 locations nationwide, reaching 36m adults in June this year, says Masrani. “Its aim was to inspire and honour the everyday decisions that contribute to a more active lifestyle, such as swapping ‘doom scrolling’ for lunchtime strolling; hitting your steps instead of sitting on the bus; or not choosing the bike at the back of the spin class. These small choices add up, and can significantly influence our health journeys. With Lindahls, we recognise and celebrate these everyday moments, and our delicious products are the perfect protein partner to support and encourage health and wellbeing.”


> **“From the mix of classical and indulgent flavours in the original Kvarg range, to the dessert-inspired profiles of Pro+ and the more indulgent taste of our Protein Puddings, Lindahls has something for everyone”**

Over the past year, Lindahls has also partnered with Chelsea FC Women, which has highlighted the brand’s commitment to promoting wellbeing and inclusivity in sport. “Women’s football has seen tremendous growth and success in recent years,” says Masrani. “This partnership has come to life across multiple channels, primarily on social media, where we’ve worked directly with the players to bring Lindahls’ products to the focus of consumers. With the highest repeat rate in the category, at 51%[1], word-of-mouth continues to be key for us to drive sales.”

### Merchandising adaptation needed

According to our recent audit[2], shoppers report that high-protein yogurts, drinks and desserts are relatively easy to find in main stores, using overhead signage that calls out high protein, she adds. “However, as the sector establishes, brand-blocking should evolve to merchandising by product format – to facilitate the execution of multibuy promotional POS and allow for targeted educational messaging on the benefits of protein by usage occasion. Also, placing high-protein products in front-of-store locations will enable their inclusion in meal deal offers, providing shoppers with a delicious high-protein option to complete their meals.”




**Source**

1. Kantar Worldpanel, High Protein Y&CD, 52 w/e 09.06.24
2. Field Agent Retail Audit Pre-store screener (N = 500) and in-store field work N = 150 from 24.11.23 to 14.12.23.

You swapped doom scrolling for lunchtime strolling.


**GOOD MOVE**

high protein in every pot

## My Goodness

# Shaking up the protein sector

**DETAILS**

**My Goodness Limited**
LM.11.2.2, The
Leather Market
Weston Street
London SE1 3ER
**t:** 020 8871 2936
**e:** info@forgoodnessshakes.com
**w:** forgoodnessshakes.com

**KEY CONTACTS**

**Sue Mackay**
Head of Brand
**Tom Rutter**
Managing Director

**KEY BRANDS**

**For Goodness Shakes**
– 25g Protein Shakes in Strawberry, Chocolate, Salted Caramel and Vanilla
– 20g Protein Shakes in Strawberry, Chocolate and Salted Caramel

For Goodness Shakes is the No.2 brand in the protein shakes category[1] and continues to grow year on year (+5.7%), tipping over £20m RSV in it's 20th year[2].

Sue Mackay, head of brand at For Goodness Shakes, says: "Being over £20m in RSV is a great birthday present for sure, but we won't be stopping there. Building on the vision of our brands' founders – to create a range of products that provide excellent nutrition while tasting great – we will be driving future growth by both bringing new consumers into our brand and ensuring we keep our loyal customers with us by staying true to the brand's winning combination of great taste and strong nutritional benefits."

### Driving category growth

In the 20 years For Goodness Shakes has been going, the category has changed dramatically as more and more people understand the need for protein in their diet, not only to increase physical performance but also to give them a boost in their busy everyday lives or to manage their weight, notes Mackay.

"At For Goodness Shakes we believe this trend will continue, so we are working hard to create a range that caters for all of these new consumers along with the consumers that have been with us for years," she says. "This started in April this year with the addition of a vanilla lactose-free SKU in our core 25g protein shakes range. This not only brings a new popular flavour profile to our range but also an increasingly shopped-for dietary benefit.

"And this autumn we will be following this up with two further new product launches which look to bring convenient solutions for different consumer occasions and nutritional needs. From a retailer perspective, these new product launches will create category excitement and continue to build category visibility for shoppers."

On top of this the company will be increasing its investment in the brand, looking to open up the category to more consumers as health continues to drive shopper choices, adds Mackay. "For Goodness Shakes can play a small part in enabling consumers to live a healthier lifestyle and we will be focusing activations in both trade and consumer media to show this."


**"We will be driving future growth by staying true to the brand's winning combination of great taste and strong nutritional benefits"**


### Delivering nutritional needs

The category will continue to transform as more consumers enter and, therefore, more brands also look to enter the space, but For Goodness Shakes will continue to be at the forefront of creating great-tasting products that deliver to consumers' nutritional needs, she says.

"This continual category and consumer focus means For Goodness Shakes will go from strength to strength, ensuring it remains the destination brand for the ready-to-drink protein drinks category."

Tom Rutter, managing director of For Goodness Shakes, adds: "We are proud to be the founders of this category, but we do recognise that the category is changing at pace. Therefore, we will be investing in both product development and marketing spend to ensure For Goodness Shakes continues to be the thought leader in this category."

**Source**
[1] Circana, Value Sales, MAT to 12.05.24
[2] Internal company data

**William Reed LTD.**
Broadfield Park, Crawley, West Sussex RH11 9RT
Tel: 01293 613400  Fax: 01293 610380
www.thegrocer.co.uk