

TREND REPORT 2024





Crossing the Threshold to a New World

A foreword from Nourish President & Founder Jo-Ann McArthur

Spoiler alert: our first trend as we head into 2024 is AI, of course. What else could it be? It's the ultimate Swiss Army knife, with new uses being discovered and developed seemingly every day. And while AI wasn't used in developing our trends, we did use it for some of the images in this year's Report, including our cover.

Thinking on recent tech innovations, despite all the hype and claims accompanying the launch of Zuckerberg's vision of the metaverse, we never had it as a trend. (Although we do believe that more immersive experiences will always win.) But AI, with its versatility and ease of accessibility, is a true game-changer. Much as the pandemic accelerated many consumer food trends, like online shopping, AI will catapult several trends in this report. The consumer desire is there; now, AI can make it a reality.

THERE ARE MANY CHALLENGES AHEAD FOR SOCIETY—AND F&B BUSINESSES

What it can't do (not yet, anyway) is provide a solution for the worldwide climate crisis. The summer of 2023 was Earth's hottest since global records began in 1880, according to scientists at NASA. This past year, we had a record-breaking fire season in North America. Air quality apps were downloaded in huge numbers as we adapted our behaviour depending on the amount of smoke in the air. This might be old hat in California, but for many of us, it was an alarming new experience. The era of global warming has ended, and "the era of global boiling has arrived," according to UN Secretary-General António Guterres.

But will climate change and sustainability continue to be concerns for the average consumer? They've taken a back seat in the short term to inflation and consumer affordability; the concept of sustainability seems esoteric next to the immediacy of not being able to afford food. That doesn't make it any less concerning, but

Industry still needs to find the best way to communicate sustainability to consumers and make it resonate. Terms like “no-till,” “regenerative agriculture,” and “carbon neutral” simply aren’t connecting.

Water, on the other hand, is a growing issue and may become a bigger hot button—and it’s easier to understand. In the words of Leonardo da Vinci, “Water is the driving force of all nature.” It also puts out fires.

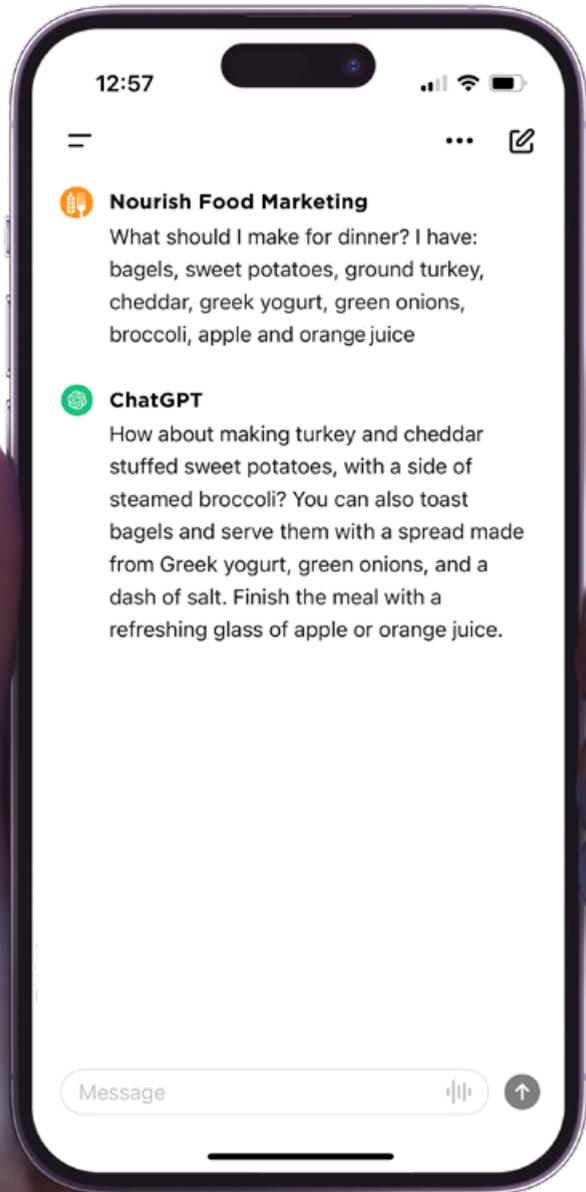
TRADITIONAL CONSUMPTION AND PRODUCTION PATTERNS ARE CHANGING

Year-over-year growth in calories consumed could end due to the “Ozempic effect” coupled with future population decline. Will the focus move from producing the most calorie-dense foods to feed an expanding population (in every sense of the word) to more crop diversity to future-proof our food system and add more resiliency?

And, of course, being numbers geeks at Nourish and believing that “demography is destiny,” we continue to have a generational trend. The silver tsunami of boomers and seniors from our 2022 Report is still under-targeted within F&B. Marketers may not consider them sexy, and they may not make as many large purchases as younger generations, but they have most of the wealth and continue to eat and drink. Having said that, a new generation of emerging consumers, ironically called Generation Alpha despite being the last on the scene, might be somewhere worth shifting your gaze.



Image Source: @kiliignear on X



Turning to plants and the people who grow them, farmers will continue to adopt new technologies, including AI, into their daily processes. However, we will see them lean more heavily into heritage crops and other alternatives to cope with climate change and combat monoculture. Perhaps this is an ideal situation to coincide with a shift to letting plants finally shine in plant-based foods instead of slavishly mimicking meat products—products vegans and vegetarians don't want, anyway.

It's shaping up to be a dynamic time in Food & Beverage, with shifting priorities for consumers, producers, and retailers—and us marketers. It's a time of expanded choices, fresh thinking, and new perspectives. For some, the way forward may not be immediately clear. I hope this Report sheds light on what's to come in your specific field and gets you thinking about the questions you should be asking yourself.

Of course, answering questions about navigating an ever-changing Food & Beverage landscape is our bread and butter. Nourish provides marketing services from sea and soil to shelf. If you're searching for an agency that deeply understands consumers and the food system, or to discuss a customized trend report or innovation workshop focused on your area of the food ecosystem, please get in touch with me. We'd love to support you in your future food journey!

Jo-Ann McArthur
President & Founder

The trends to watch for in 2024 and beyond:

6 **A New Way of Thinking:**

AI Arrives for the Masses at Home and Across the F&B System

10 **High and Dry:**

Water Will No Longer Be Seen as a Free Good

13 **Staying Sharp:**

Eating for Brain Health and Cognitive Performance

16 **No More For Me, Thanks:**

Alcohol Moderation Mainstreams Without Compromise on Taste

19 **New Kids On the Block:**

Say Hello to Generation Alpha and Their Unique Perspectives

24 **The End of Growth:**

Population Decline Plus the Ozempic Effect Equals Fewer Future Calories

27 **Putting the “Plant” Back in “Plant-Based”:**

Rethinking the Approach to Meat Alternatives for Increased Adoption

30 **Farming Goes Back to the Future:**

Agriculture Looks to the Diversity of the Past to Feed Tomorrow’s World

A New Way of Thinking:

AI Arrives for the Masses at Home and Across the F&B System

At Nourish, we think of AI as ‘Augmented’ rather than ‘Artificial’ Intelligence. In most use cases, AI will be a highly capable assistant to humans rather than being left to its own devices. While AI is not new and has been embedded in several tools for years, ChatGPT, or (re)generative AI, is genuinely next level, and it will continue to mature and become increasingly sophisticated as it trains on expanded source material.

Still, AI is only as good as its data set, and while it’s adept at identifying patterns in existing data, it cannot predict real innovation. Groundbreaking innovation is often unexpected or novel, deviating from previous trends rather than following them, and results from human creativity, serendipity, and the ability to make intuitive leaps. AI cannot replicate these aspects of innovation, as they often involve subconscious processes or cognitive functions that machines can’t replicate. Not yet, at least.

AI IS THE TOOL, NOT THE TINKER

As more people master AI, it will spur new product and menu innovation at a previously unseen rate, after having taken a hiatus during the pandemic and subsequent supply chain issues. New product concepting and



development cycles will be shortened and risk mitigated, as AI can more accurately predict and advise on the potential success of a product.

In one of the most sci-fi-esque applications we've seen, restaurants and food manufacturers may soon employ AI tongues that use sensors to replicate how humans perceive taste. Electronic sensors on the tongues can 'taste' chemicals in a manner similar to how human taste buds work. Combined with AI algorithms, these sensors can analyze food content, quality, authenticity, and possibly even flavour profiles. Though still in development, we see the potential to do away with expensive, subjective, and time-consuming taste tests during product development.



Image Source: @Ashorito on Reddit

TRENDS IN ACTION ✦
Coca-Cola launched its limited edition [Y3000 formulation and experience](#), part of the Coca-Cola Creations product line, in September 2023. Using AI social listening tools, they gathered insights from around the world to co-create the flavour and design of what the Year 3000 might taste like.

HERE'S WHERE THINGS GET PERSONAL

Personalized nutrition is also taking a giant leap forward, with AI playing a significant role in how consumers make their food choices. In past Trend Reports, we've discussed the consumer desire for personalized nutrition and the science showing nutrition isn't a one-size-fits-all affair. Now, the technology exists to meet that desire.

AI can guide consumers to make better choices based on their metabolic tracking data. Consumers are already wearing CGMs (continuous glucose monitors), from companies like [Levels](#) and [Nutrisense](#), that communicate with their smartphones, providing real-time data on their blood glucose levels. Users can see their current glucose level and trends, including whether their blood sugar is rising or falling. This information is valuable for making immediate adjustments to dietary choices. Combine this with recipe AI and grocery ordering, and you could have the ultimate consumer loyalty program.

AI can also help with meal planning and solve the eternal "What's for dinner?" question, analyzing your food preferences, knowing what food you have in your smart fridge and pantry, and recommending a customized weekly meal plan complete with recipes and grocery fulfillment. Instacart added a [meal-planning plug-in](#) to the ChatGPT plug-in library. In their own words, it "lets ChatGPT users turn the ever-present 'dinner dilemma' into instant inspiration and, ultimately, instant



gratification with ingredients delivered to their door in as fast as an hour so they can get cooking.” A simple request for a recipe for, say, Greek food, generates a recipe and the option to add the ingredients to your Instacart basket.

Because of the vast wealth of knowledge AI can draw from, we foresee it broadening consumers’ food experiences by analyzing their preferences and recommending other recipes, cuisines, and flavours they might enjoy. Similar technology is already used for movies and music in the Netflix and Spotify recommendation algorithms.

In the Grocery sector, the barrier to providing a more integrated full suite of services, from testing to nutrition recommendations to grocery basket fulfillment, is falling. For example, look at what UK health food chain Holland & Barrett is demoing at its flagship London store, offering genetic testing in collaboration with [DnaNudge](#) (mentioned in our 2020 Trend Report). The digitized results are uploaded to a wearable DnaBean and mobile app, allowing shoppers to scan product barcodes in-store and be guided, or nudged, toward the best products for their unique genetic makeup.

Automated food ordering at drive-thrus and kiosks will become more friendly and accessible, aided by conversational AI. AI-powered recommendation engines will recognize your voice and make smarter suggestions based on your past orders, the weather, the time of day, and trending items in your geographic area.

AI COULD BE PRODUCE'S NEW BEST FRIEND—AND GROCERS' AND FARMERS', TOO

In Grocery, AI tools will allow for dynamic pricing tied to product freshness and expiration dates through RFID technology, maximizing returns and minimizing food waste. Dynamic pricing is something the airlines have practised for years. The only thing limiting this in Grocery has been the associated labour costs. Electronic shelf labels, like those used by the French supermarket chain Carrefour since 2014, make dynamic pricing financially feasible. Companies like [Afresh Technologies](#) provide AI-driven solutions for the fresh food supply chain, helping grocery retailers, food distributors, and suppliers optimize inventory management, reduce food waste, and improve profitability.

At the farm level, AI will enable insight-driven farming, resulting in maximum yields with fewer inputs and reduced environmental impact. It will integrate data from various sources (satellites, weather stations, IoT devices) and provide a unified platform for decision-making. Farmers will be able to monitor their entire operation in real time and make data-driven decisions at a previously unimagined level. It would be like adding a full-time analytics team, without the associated costs.

FOOD FOR THOUGHT

AI will not replace you. But it can propel you forward.

Knowing this, how can you harness the power of AI to reduce risk, accelerate growth opportunities, improve profitability, and enhance the customer experience? While AI could become an arms race, where the biggest companies with the most resources win, the accessibility of AI gives us hope that smaller, more agile companies can find creative ways to employ it. AI could be a difference-maker for layering on disruptive innovation, which big companies are historically bad at.

In Foodservice, creative use of AI can help reduce labour costs and increase order size. Look for ways it can streamline your food inventory management to save time and minimize waste, and provide an instant boost to the bottom line. Can you employ AI-powered cooking systems to deliver a perfectly prepared meal every time? Companies like Miso Robotics offer AI-powered [robotic kitchen assistants](#), such as "Flippy," which can autonomously cook fried items like nuggets and french fries.

Farmers facing labour shortages can look to AI for at least temporary relief in analytics, planning, and supply management capacities. The need for more skilled workers with the necessary technical expertise should come from programs, like "[Agriculture in the Classroom](#)," showing students the variety of jobs available beyond the stereotypical farmer. An engineering degree may be just as relevant as a traditional degree from an agricultural college, and you can expect this new wave of young agriculture specialists to have a keen understanding of AI.

High and Dry:

Water Will No Longer Be Seen as a Free Good

It's all over the news and, maybe more importantly, social media—water shortages, record droughts, and fires. And this is forcing consumers to focus more on water as a finite resource and go beyond basic measures to keep their water bills down. But the stewardship of water could be the next resource battleground and on a scale far larger than the occasional local news item about large corporations sourcing water from municipal aquifers.

Where's all the water going? Primarily into food production. Agriculture, including crop irrigation and raising livestock, is the world's most water-intensive industry, accounting for 70 per cent of all freshwater withdrawals annually.¹

Over the past year, we've seen increased competition for water along with widespread shortages, which will only increase as we use up our groundwater. One-quarter of growers already report being negatively impacted by a lack of available water, with another 47 per cent predicting their crop production will be negatively affected within the next 1 to 5 years.² Clearly, food security will be linked to water security, and water-use efficiency will have to be maximized. If we stay the course, water supplies are predicted to fall 40 per cent short of meeting global needs by 2030.³



UNLIKE WITH OIL, WE MAY HAVE ALREADY HIT PEAK WATER

Water is increasingly going to be a contentious issue. Witness what's happened in drought-stricken Arizona, where Fondomonte, which grows alfalfa for export to feed Saudi Arabian dairy cows, has become a political lightning rod. When we went to press, the Arizona government was set to cancel four leases on state-owned land, or allow them to lapse, with Fondomonte vowing to “explore all avenues” to retain them.

Marketers have tried to create consumer meaning around terms like “regenerative agriculture” and “no-till” soil management practices with minimal success. Water, however, is something tangible that consumers can understand; it's THE source of life.

For that reason, recycling water is rapidly becoming more of a consumer hot button than recycling plastic. The number of consumers globally who rank water shortages in their top three environmental concerns rose from 31 per cent in 2022 to 35 per cent in 2023, a 13 per cent increase and a faster rise than any other environmental issue in the last year. In 2021, fewer than three in 10 (27 per cent) consumers globally worried about water shortages. Escalating fears have resulted in water shortages pushing plastic pollution out of the top three environmental concerns, with plastic (for example, ocean plastic) falling from 36 per cent in 2021 to 32 percent in 2023.⁴

CHANGE IS IMPERATIVE AND MUST BE IMMEDIATE

Water is the number one nutrient for crops; there's no agriculture without it. As farmers and suppliers seek to maintain their output with dwindling or inconsistent water availability, expect more drought-resistant seed varieties to come to market. Heritage crops that are naturally suited to low-water environments, such as sorghum, will have a resurgence (see our trend Farming Goes Back to the Future for more about this), and farmers will need to invest in water management systems. Governments at all levels will have to develop long-term sustainable water strategies. And everywhere water is used, we'll see more closed-loop systems, where water is reclaimed and reused.

¹Source: The World Bank Group

²Source: *The Packer Sustainability Insights 2022*

³Source: The World Bank Group

⁴Source: *Mintel 2023 Global Outlook on Sustainability: A Consumer Study*





Image Source: memphisice.com

TRENDS IN ACTION *

Coffeehouse giant Starbucks is slowly switching to pebble ice for its cold beverages. According to their internal "Now Brewing" publication, "The new Follet Nugget Ice Machine will produce all the ice needed in your store by consistently producing throughout the day, all while using less water." If rolled out across over 35,000 locations worldwide, the water savings could be more than just a drop in the bucket.

FOOD FOR THOUGHT

What should you consider doing now to get ahead of the situation if water will no longer be viewed as a free good in the future?

Both farmers and food manufacturers can invest in systems that treat and recycle water. For example, water used for rinsing or cooling in food processing plants can be treated and reused for other purposes.

Food manufacturers might consider shifting where they source raw materials to areas less affected by water shortages or investing in production facilities in such areas.

Farmers and food companies can advocate for policies that support sustainable water use, such as government incentives for water-saving technologies, and contribute to shaping water regulations.

Food manufacturers can also help drive consumer awareness about water-intensive products and promote products produced using less water. As consumers become aware they have options, water-friendly products should become more popular and then more prevalent, a classic—and appropriate—example of the "ripple effect."



Staying Sharp:

Eating for Brain Health and Cognitive Performance

Our 2022 Trend Report highlighted how boomers and seniors were an undertargeted segment looking for more functional foods to support healthy aging. And in our 2023 Report, we highlighted the role of food as a sleep aid to promote overall well-being.

While grey hair and wrinkles are easy-to-see signs of aging, an aging brain is less outwardly noticeable. We now see this need across generations, as brain health and cognitive performance become a focus. Changes in brain vasculature start in midlife, resulting in declines in memory and mental abilities. Many people do morning sudokus, crosswords, and Wordles, hoping to combat this. While exercising your brain certainly helps, a healthy lifestyle can do more to help mitigate and delay these declines.

As humans, most of us gravitate toward things that are easy for us, and isn't eating a meal or sipping a beverage simpler than finding a pen, an app, or even the time to work on a puzzle? Small wonder, then, that 40 per cent of consumers would prefer a diet that helps maintain healthy brain function.¹ It's predicted that the Brain Health Functional Food and Beverage Market will be worth USD 40.34 billion by 2030, with a CAGR of 10.5 per cent.²



LESS OF THIS...

This focus on brain-friendly habits is supported by a move to less alcohol consumption (more on this in our next trend, Alcohol Moderation). Food and beverage choices can also have a significant impact on brain health. Some consumers are beginning to reduce their reliance on coffee and energy drinks to power through increasingly hectic days, to help ensure a good night of restorative sleep for their brain health (for more on sleep, see our 2023 trend Good Eats, Better Sleeps.) As a result, there is a rising interest in lower-caffeine alternatives like yerba mate and its milder cousin, guayusa. If you missed yerba mate last time round, it's an herbal beverage from South America that, as Davids Tea puts it, has “the strength of coffee, the health benefits of tea, and the euphoria of chocolate.” Yerba mate is an appealing choice for those who crave (or need!) a liquid pick-me-up but don't want the coffee jitters.

For those unwilling to give up their coffee for these alternatives, [Cafézia](#) has a solution. They offer light, medium, and dark roast coffee (yes, real coffee) blended with—what else?—yerba mate, plus cleavers and hyssop, to enable a slow release of caffeine and stave off those adverse side effects of a true brew.

...AND MORE OF THAT

For ease of delivery, Food & Beverage products are being developed with B vitamins and omega-3s and supplements, such as nootropics (natural cognitive enhancers like ginkgo biloba and synthetic ones like modafinil), to support brain health and enhance functionality. While nutritional gummies have been playing in this space, functional bars and other grab-and-go options have generally been missing out.

Choline is an essential nutrient that plays a crucial role in brain health and overall cognitive function and is an ingredient used chiefly in baby and toddler foods. Despite its importance, 90 per cent of Americans do not get enough choline.³ Searches for choline have been on a steady rise over the past few years, however, as consumers catch on to its value. Choline-rich foods include eggs, liver, meat, fish, dairy products, and plant-based foods like soybeans and cruciferous vegetables.

¹Source: *Mintel 2024 Global Food and Drink Trends*

²Source: *Brain Health Functional Food and Beverage Market Growth & Trends*, Grand View Research, 2023

³Source: “Dietary choline intake is necessary to prevent systems-wide organ pathology and reduce Alzheimer's disease hallmarks.” Arizona State University





Image Source: moshlife.com

TRENDS IN ACTION *

MOSH is a brain health brand founded by Maria Shriver and her son, Patrick Schwarzenegger. Its line of protein bars is formulated with adaptogens and nutrients linked to brain health. A percentage of sales supports Alzheimer research, a fitting and lovely partnership. As they say, "Your brain is your #1 tool!"

FOOD FOR THOUGHT

Do you have a product that contains ingredients believed to support brain function, improve memory, or enhance focus and clarity? If so, it may be a smart move to position it to this need state.



No More For Me, Thanks:

Alcohol Moderation Mainstreams Without Compromise on Taste

Similar to our 2023 Trend “The Rise of Reducatarianism: Trading ‘either/or’ for ‘everything, but less,’” we see a continued rise in non-alcoholic beverage consumption as well as the emergence of a low-alcohol segment, as consumers seek ways to reduce their alcohol consumption without sacrificing taste. And it’s no longer just about being the DD—it’s part of a holistic approach to health.

Perhaps you’ve heard of the “Robert Parker effect” on winemaking? Parker, a respected wine critic, is known for popularizing the 100-point wine rating scale, greatly influencing winemakers and consumers. His preferences often leaned toward riper, more full-bodied red wines with intense flavours and higher ABVs, encouraging winemakers to adjust their practices to score higher in his reviews. For example, cabernets made in the 1970s averaged 12 per cent alcohol. Chances are the one in your wine cabinet today measures close to 16 per cent, the equivalent of consuming almost an additional two glasses per bottle. If low-alc trends consistently, we could be in for a “reverse Robert Parker effect” in our wine industry.

While moderate alcohol consumption can be a part of a balanced lifestyle, many people struggle with the definition of “moderate” being no more than two drinks per day or the equivalent of two 5 oz glasses of 12 per cent wine or



a 1.5 oz shot of a 40 per cent spirit. As mentioned in our 2020 Trend, “Sober Me: Rethinking Alcohol for a New Generation of Drinkers,” younger generations drink less than their parents (and potentially use cannabis instead). Meanwhile, their aging parents want to drink less to preserve brain health—and not interfere with getting a good night’s sleep!

GREAT TASTE HAS TO LEAD THE WAY IN NO- AND LOW-ALC

The quality of non-alcoholic beers has improved immeasurably over the decades (who remembers Miller Lite’s “Tastes great” versus “Less filling” campaign?), making it a far more attractive option. Non-alcoholic wines and spirits, however, are still underdelivering.

So, where are the lower-alcohol alternatives? Low-ABV beverages could finally bridge that gap between health and taste/experience. While a couple of percents in ABV may not seem like a lot, it can go a long way to making a beer, wine, or spirit more palatable.



TRENDS IN ACTION *

Lake of Bays Brewing Co. offers a [2.5 per cent ABV beer](#) that won gold at the 2022 Ontario Brewing Award. And [XOXO Wines](#) offers light wines with around 8 per cent ABV positioned for females.



Image Source: Corona Sunbrew on amazon.ca

Looking to the future, several countries have already introduced or are discussing the introduction of prominent warning labels on alcoholic beverages, similar to those on tobacco products, giving consumers further pause about their level of consumption. Perhaps it's time to get ahead of that by lowering the ABV? If you think low-alc isn't sexy, wait until you have to put a warning label on your bottle of Private Reserve Merlot.



FOOD FOR THOUGHT

Do you have the capacity to offer a lower-alcohol alternative to or variation of your current product?

If you're a vintner, how will you adjust the way you grow grapes when warmer temperatures and less water can indirectly impact the alcohol level in the wines produced?

For retailers, consider your clientele and weigh the value of having a section dedicated to lower -alcohol alternatives.



New Kids On the Block:

Say Hello to Generation Alpha and Their Unique Perspectives

Our 2022 Trend Report highlighted the undermarketing of boomers and seniors, a generational cohort redefining what it means to be old. They've earned the moniker "welllderly," a term that combines "well" and "elderly" to describe older individuals who are in good health and have an active lifestyle. This year, we're focused on the newest generation, Generation Alpha, and the unique trail they will blaze as consumers.

While a much smaller group, Generation Alpha is emerging and worth your attention. Due to low population growth, there will be more marketing dollars chasing this smaller segment, so it's essential to get a head start in understanding their needs and wants. The leading edge of Generation Alpha (generally defined as people born between 2010 and 2024) just became teenagers. Note: In most countries, 13 is the age at which children are legally allowed to create accounts on social media sites. Their food and dining preferences have been forming for a decade, though, since they first learned to make their own choices (or at least tried to) about what to eat. They're in their last year of elementary school and on the cusp of a new life stage and will form fresh habits when they go to high school next year.



They are, of course, digital natives. Some of them are already YouTube and TikTok stars. “Like Nastya” was born Anastasia Sergeevna Radzinskaya and is a Russian-American YouTuber with the world’s 5th most-viewed and 7th most-subscribed channel. All of that at just 9 years old! What were you doing at age 9? And, can you adjust your thinking to market to them where they spend their time?

OPEN TO A BROAD RANGE OF EXPERIENCES

In any generation, parents play a crucial role in shaping eating habits. Fewer Generation Alphas will grow up with parents who must physically commute to a job daily. Generation Alpha’s parents, likely Generation X or millennials, may prioritize health, organic foods, and ethical sourcing, which can influence their children’s dietary choices. On the other hand, some Generation Alphas are influencing their parents’ (and grandparents’) buying decisions, helping them navigate technology and current trends.

Of note, this most recent generation of parents started going old school with infant feeding, with 43 per cent never feeding their babies infant cereal or purées.¹ There is a movement toward baby-led feeding, where the baby is fed (breast)milk until six months old and then transitions to self-feeding small pieces of whole food from the family meal as much as possible. By exposing infants to different foods, textures, and flavours early on, they may develop a preference for a wider variety of

foods as they grow. This could potentially lead to a more balanced and diverse diet in the future. It also makes for a more adventurous palate at a much younger age—which is excellent for food producers pushing the envelope!

Also, many Generation Alpha children are growing up in non-traditional family structures, such as single-parent households, same-sex couples, or blended families. This diversity can influence their attitudes about family, relationships, and societal norms. Remember that when deciding how to speak to them; they may not share your values.



CONNECTED TO A WIDER WORLD

This will be the most connected generation yet, with AI baked into every tool. AI will simplify mundane tasks, so will they have more time to spend on things that allow them to self-actualize? Generation Alpha is growing up in a world where technology is deeply integrated into their daily life, allowing for more personalization and customization than ever before. They will be more comfortable with digital devices, which could influence how they access information about food and beverages, order food, and even prepare meals using smart kitchen appliances. Personalization or customization may be the norm for this generation.

They're a highly *interconnected* generation, too, with increased exposure to diverse cultures and cuisines through travel and the internet and a more multicultural peer group. Generation Alpha may have more adventurous tastes and be open to trying a wider variety of foods and flavours—you might say they are born with a multicultural palate! Globally-inspired food and beverage will be the norm. A 2024 kids' menu should go beyond the usual mac and cheese or hotdogs and include pho and fajitas.



HEIGHTENED AWARENESS OF SOCIAL AND CLIMATE ISSUES

Climate change is a prominent issue for Generation Alpha. They are likely to be more aware of environmental challenges and more inclined to engage in eco-friendly behaviours and advocate for sustainability; remember, they've been watching Greta Thunberg make headlines since they could pick up a connected device. Regrettably, they will end up paying a high price for problems they didn't create.

Unlike Gen Z, who have delayed significant life-stage changes, this generation may have to grow up TOO soon. And don't be surprised if they turn out to be pessimists, with little time for institutions that haven't fixed or made the planet better. Will they focus more on safety as the world and climate become less secure? Almost certainly, plant-based proteins will be normal to them, as many school menus now require a percentage of the menu to be plant based.

A growing emphasis on health and sustainability in recent years will likely impact Generation Alpha's food choices. They may be more aware of the environmental impact of their food choices and more inclined toward plant-based or sustainable diets. And just as we've seen "fauxstalgia" (the yearning for a time in the past, even though you may never have experienced that time directly yourself) be a hot button with Gen Z, we expect it to play an even more significant role for Gen Alpha, as they yearn for a safer, more comfortable time. Can brands transport them to a simpler, more magical era?

¹ Source: "The ABC's of Gen Alpha", Foodbytes, Datassential 2023



Image Source: bloxsnacks.com

TRENDS IN ACTION *

Blox Snacks juice boxes and fruit snacks are created in partnership with Aphmau, Unspeakable, and NinjaKidz, three of the biggest YouTube stars for kids. In an inspired departure from traditional cartoon characters, these content creators have free rein over how they promote the products on their channels. Building a brand targeted to kids can be difficult due to strict advertising regulations. Partnering with content creators kids admire and can relate to is a creative way around this.

FOOD FOR THOUGHT

Generation Alpha will be more globally connected than any previous generation. Their social circles might be international through the internet and social media, impacting their cultural perspectives, consumption habits, and sense of identity. How can you meet them where they are and show that you get what matters to them?

Being so connected, and perhaps even coming from a multicultural household, they will have a more diverse and adventurous palate than previous generations. Is it time to rethink those bland chicken nuggets?

Born into a world grappling with climate change, Generation Alpha may become the most environmentally conscious generation yet. The emphasis on sustainability and climate change mitigation could shape their personal choices, and they'll look for brands that feel like they do.

And remember, parents are still the gatekeepers and pay for the products, so any product or marketing you develop will need to pass their test.



The End of Growth:

Population Decline Plus the Ozempic Effect Equals Fewer Future Calories

Are we facing a future in which calorie consumption is declining? After years of being told our planet was tracking toward 10 billion people, that's a tough concept to swallow. However, recent demographic forecasting suggests we are looking at a world population that will peak in a couple of decades and then go into decline due to a combination of reduced fertility rates, increased urbanization, the pandemic, and an aging population. According to Ipsos' Darrell Bricker, "Planet Earth is not fated to overpopulation. Instead, we are heading towards a global population bust. This trend is already underway, and we expect to see the numbers tip into decline around mid-century." That means the calories needed to feed the world will also decline.

Couple that with the effect of a new class of weight-loss drugs that are expected to only increase in usage, and you are potentially looking at the end of YOY growth for F&B. Ozempic is a brand name for semaglutide, a medication initially developed for people with type 2 diabetes; these wonder drugs promise an end to obesity—currently at a steep price. As more drugs in this class become available, the price will fall, and the number of insurance/benefits companies willing to fund them will rise due to the positive overall health outcomes and lower related claims. Both these effects could dampen demand for food and reshape the food ecosystem.



WILL THE “CURE” FOR OBESITY REDUCE DEMAND FOR EMPTY CALORIES?

About 1.7 per cent of people in the US were prescribed a semaglutide medication in 2023, according to information from [Epic Research](#) based on an analysis of millions of electronic health records. “[Anti-obesity medication] uptake could drive a broad and lasting behavioural shift among a sizable demographic group that represents a disproportionate share of food consumption,” warned Morgan Stanley analysts in an August research report. With record high obesity rates in Canada and the US, expect sizable demand for this type of product.

We’re already seeing market corrections related to Ozempic-type appetite-suppressing medications across the snack, alcohol, grocery, and restaurant sectors. While it’s too early to clearly understand the long-term impact on consumption for people who use these drugs, it’s essential to do some scenario planning. People on the drug might buy less food, particularly high-calorie snacks and fast food, as they prioritize healthier calories.

A Morgan Stanley survey found that patients tended to cut back on meals and snacks while taking weight-loss drugs and consumed less alcohol and carbonated drinks. Walmart said it’s already seeing an impact on shopping demand, with their US CEO telling Bloomberg that customers taking Ozempic buy less food, based on analysis of its pharmacy and grocery data on customer buying patterns.

HEALTH-MINDED CONSUMERS WILL DEMAND NEW CHOICES

CPG companies may need to adapt to potential changes in consumer eating patterns, such as a shift to smaller portion sizes. Weight management products, like shakes and frozen meals, could also be at risk if their function is no longer relevant. Fast food outlets that ask, “Would you like fries with that?” may receive more noes.

Companies with high exposure to less healthy foods such as snacks, confectionery, and sweet baked goods are the most impacted. And it could benefit specific parts of the industry, including sellers of more nutritious foods, as consumers prioritize the quality of ingredients over quantity.

“People who take these medications do definitely get appetite suppression [and] eat smaller quantities,” noted Jody Dushay, assistant professor of medicine at Harvard Medical School. “Dieticians and physicians who prescribe it tell people that if your intake has reduced, you want to focus on eating highly nutritious foods as opposed to low-quality food.”

Of course, with the overall healthier eating trend, many CPG companies have already been tweaking their products to offer smaller sizes for those consumers wanting help with portion control. But diet fads come and go. Food companies, particularly those in the business of selling products that are high in calories, sugar, or carbohydrates, could be most at risk.

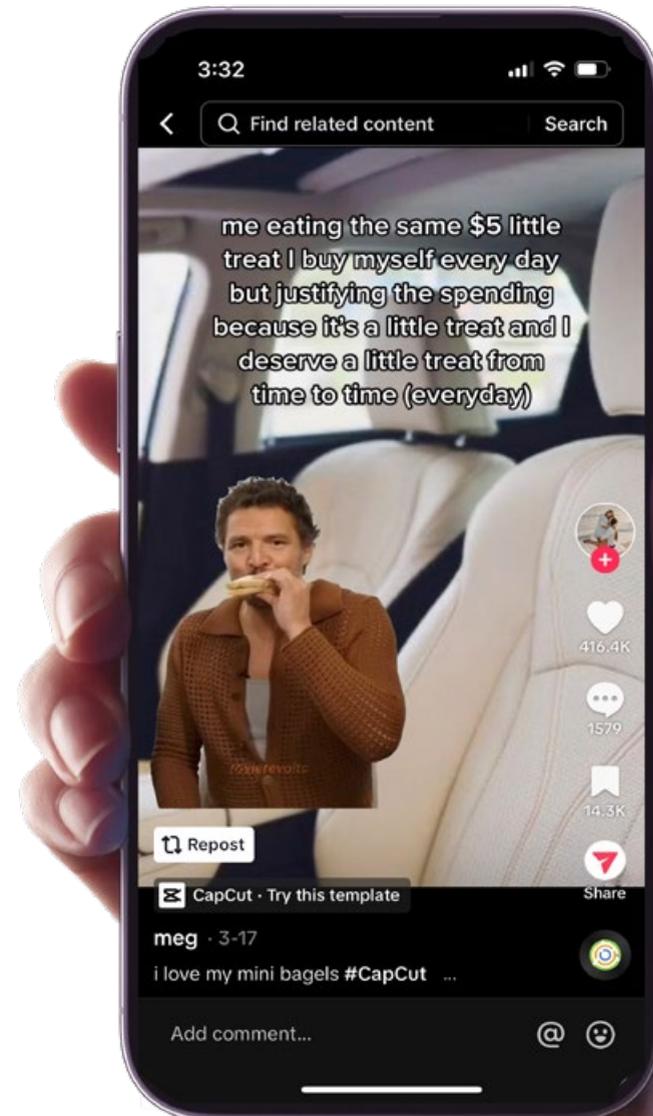
FOOD FOR THOUGHT

If the future does not hold YOY growth, innovating and staying ahead of consumer trends will be more critical than ever as companies chase a shrinking pie.

Indulgence, in moderation, can still have a role in a balanced diet. If you sell an indulgent snack, can you reposition it as a “little luxury”? The “little treat culture” is already trending on TikTok.

Since weight-loss drugs like Ozempic can reduce appetite, consumers may seek reduced serving sizes. Offering products in smaller, more controlled portions can appeal to consumers looking to limit their food intake without feeling like they’re wasting food. Should you be offering smaller packaging sizes that offer portion control? Or would it be more appropriate to reformulate and add more functionality and fewer empty calories to your product?

In Foodservice, can you offer smaller portions and healthier sides but preserve the restaurant experience? It may be time to switch to “Would you like carrot sticks with that?”

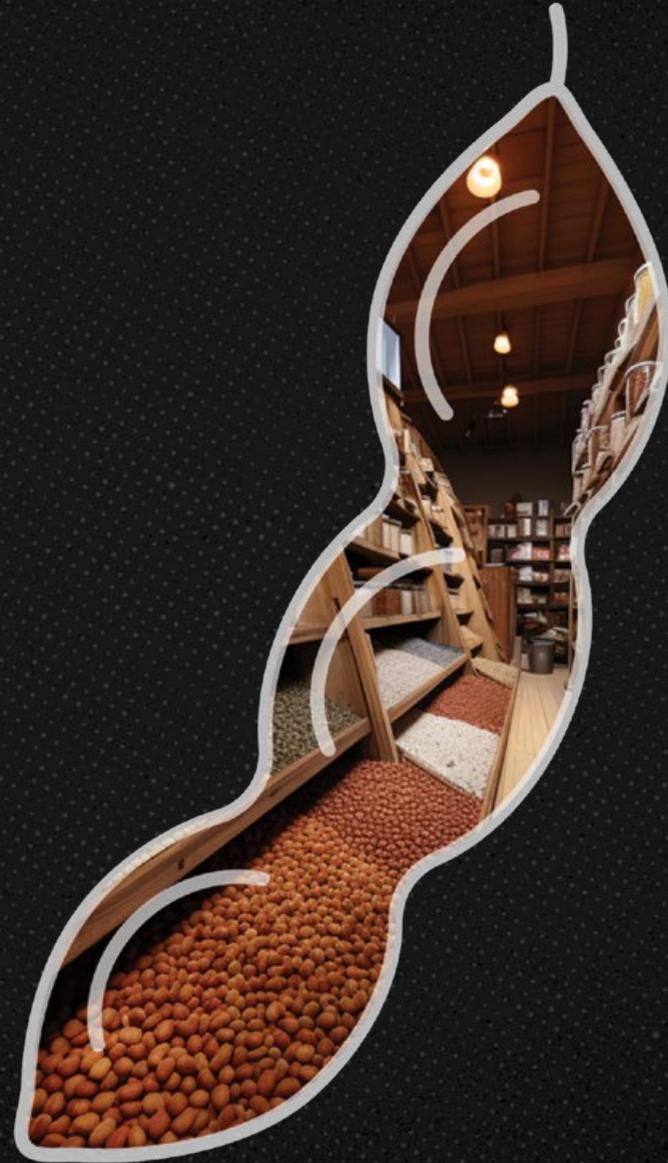


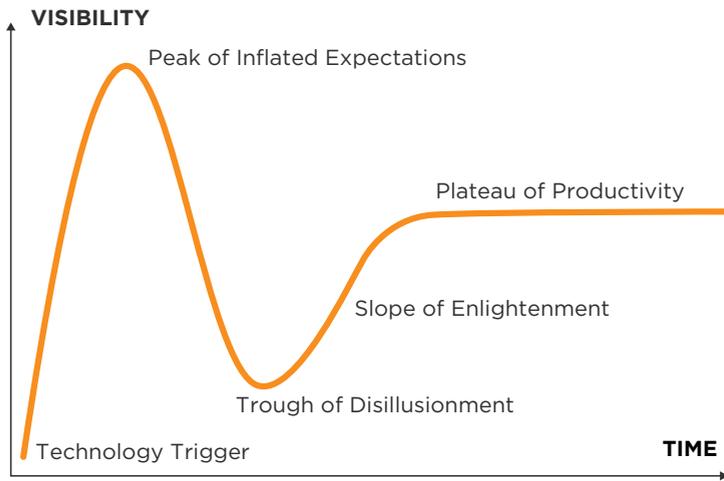
Putting the “Plant” Back in “Plant-Based”:

Rethinking the Approach to Meat Alternatives for Increased Adoption

Our annual Trend Report has covered the evolution of the plant-based market since the first edition in 2017. Over that time, we’ve seen “plant-forward” transition into highly processed faux meat substitutes fuelled by tech funders and venture capital. Rather than disrupt the market by targeting early adopters, as Tesla did, they adopted the Honda Accord strategy and introduced burgers and chicken fingers, a beige approach aimed at the masses.

Applying Gartner’s tech hype cycle to this market, we have moved from the Technology Trigger innovation introduction, through the Peak of Inflated Expectations, and into the Trough of Disillusionment, as the initial hype subsided. As we enter the Slope of Enlightenment phase, will we see a segment rebirth with more products putting the plant back into plant-based and finally taking us to the Plateau of Productivity?





CONSOLIDATION, CELEBRATION, AND SIMPLIFICATION ARE COMING TO PLANT-BASED

Expectations are rising in the plant-based space in terms of no compromise on taste or health. Consumer curiosity drove the first wave of product trials, but most will not pay a price comparable to meat for a product they view as a disappointing alternative to the real thing. Meanwhile, only a small portion of consumers identify as vegan or vegetarian, and those who do stick to their lentils. These faux meat labels are less potent with this segment of consumers compared to plant-forward. The overabundance of these products in retail, both refrigerated and frozen, suggests there will be a consolidation of products on the shelf now that we have passed the initial curiosity trial phase.

Perhaps the way forward is to celebrate what's best about the plant rather than what it's replacing. The shift to shorter, simpler ingredient lists applies in this space as well—processed food is processed food, no matter what the protein is. And should sustainability continue to be a key driver in messaging as consumers shift their focus to food affordability, with sustainability falling as a priority?

Last year, we also wrote about the concept of “AND” for this segment, as consumers naturally become less carnivorous, partly due to cost. ‘Blended’ or ‘lessitarian’ products have shown up in the dairy aisle with blends of dairy and plant-based for the mainstream. Could this be the right path for meat to follow, as well?



TRENDS IN ACTION ✦

Mission Barns launched a plant protein product combined with cultivated (lab-grown) animal fat to create a product that delivers some of the flavour and texture missing from faux meat products. Despite all the talk about cultivated meat, it can't scale to replace meat, so this type of enhancement role might be a more practical option for the technology.

FOOD FOR THOUGHT

Can you reposition your plant-based product to talk in culinary terms about what's best about it for what it is instead of what it mimics or replaces?

Are you able to clean up your ingredient deck to satisfy consumers who view all “processed” foods with suspicion?

Perhaps most importantly, can you put the joy of eating into plant-forward foods? If you need inspiration, just look at some of the world's great cuisines, such as Mexican, Indian, and Thai, all of which are flavourful and plant-forward. Food technology will be needed to make global food systems more sustainable, but technology is not the language of gastronomy—don't confuse the two!



Farming Goes Back to the Future:

Agriculture Looks to the Diversity of the Past to Feed Tomorrow's World

If you don't know agriculture (and many consumers don't), you might be surprised to learn that farming employs a wealth of cutting-edge technology. Knowing that, it should come as no surprise that AI is poised to make a significant impact on one of humanity's most ancient industries. As outlined in our AI trend, farmers will have a level of oversight and a wealth of data to work with that their fathers couldn't have imagined. Which makes it ironic to say that, at the same time, some farming practices will reach back to far earlier times.

According to the World Wildlife Fund (WWF), "Seventy-five percent of the global food supply comes from only 12 plant and five animal species. Just three (rice, maize, wheat) make up nearly 60 percent of calories from plants in the entire human diet." The world is undergoing a massive drop in biodiversity. In the 20th century, it's estimated that three quarters of the genetic diversity once stored in farmers' fields was lost as the need for profitable, high-yield crops gradually trumped variety.¹

IN DIVERSITY LIES RESILIENCY

In a world where climate change is a fact, not an agenda, we will need to future-proof our food system by diversifying our crops and reintroducing more niche and heritage crops and animal species. If you need an example of the perils of monoculture, just search "bananas going extinct" to learn about the potential plight of the Cavendish banana, the most common variety of the world's most popular fruit.



The WWF and Unilever have partnered with Future 50 Foods, [a project that identifies and promotes sustainable food sources](#) for the future. These foods are selected based on their nutritional value, environmental sustainability, and potential to help address global food security challenges. The list includes a diverse range of foods from across the globe, and consists of vegetables, grains, cereals, seeds, legumes, and nuts.

One food on the list is quinoa. It's helpful to trace its path from unknown to kitchen staple in 20 years to guide how it can be done for others. Though unknown outside its native Andean region until recently, it was domesticated for human consumption thousands of years ago. As awareness of nutrition and wellness grew, so did the appeal of quinoa. Market analyst Harry Balzer of the NPD Group says, "We in America are explorers with diet. We love to try new things. Ultimately, whether something remains in our diet comes back to a few questions, and one of them is 'Did it make my life easier?'"

Quinoa fits that bill (it's faster and easier to make than rice) and also ticks the gluten-free "superfood" box. As demand grew, so did efforts to cultivate quinoa outside South America. North American farmers—particularly in the United States and Canada—began to grow quinoa to meet local demand, increasing its visibility and availability in these regions. Maybe this is the blueprint for future "discoveries" in food?

¹Source: *Women: users, preservers and managers of agrobiodiversity*, FAO 1999

FOOD FOR THOUGHT

Farmers are searching for new methods to optimize crop yields in changing climates. Regenerative farming practices coupled with AI-powered technological advances are part of the solution. Are heritage crops another piece of the puzzle?

It isn't enough for a farmer to simply decide to grow heirloom crops. To make this work requires a joint effort between players right across the food system. The seeds have to come from somewhere, there has to be someone to buy and process the harvest into products, and someone willing to sell those products. And there must be chefs eager to tap into traditional local inputs to create heritage dishes. Consumers love a great story—so who will step up and give it to them?



How's Your AI Radar?

Did you spot these AI-generated images in the report?



page 14



page 21



page 23



page 29

About Nourish Food Marketing

We are a full-service marketing agency specializing in the food sector from field to fork. Discover what partnering with us can do for you.



RESEARCH

We continuously analyze industry trends and conduct qualitative and quantitative research, applying insight to action and increasing your chance of success.



EVENTS & SAMPLING

Pop-ups, food trucks, trade show booths, and more; no matter the event, we can guide you from planning to execution and help you make valuable connections.



BRANDING

From brand persona to mission and vision to logos and more, we'll work with you to shape your brand's identity.



DIGITAL SERVICES

Unlock the power of thumb-stopping, click-worthy websites, social media, and digital ads crafted with data-driven insights to win hearts, minds, and screen time.



TEST KITCHEN

Led by our professional chef, recipe and flavour profile development are among our unique specialties.



PR & INFLUENCER MARKETING

When it's time to get the word out, we know how, when, and where to place your message to reach your audience most effectively.



PACKAGING

Our shopper and industry knowledge, coupled with design expertise, gets your product onto shelves, into carts, and into hearts.



MULTICULTURAL

We don't see cultural barriers; we see new audiences waiting for someone to connect with them on their terms.



VIDEO & PHOTOGRAPHY

Mouth-watering images created in our spacious and versatile in-house studio will put your product's best foot forward.



INTEGRATED ADVERTISING

With consistent, impactful messaging across a variety of channels, from traditional to new media, we move consumers along the path to purchase from field to fork.



AI Prompt: Hyper-realistic photo, National Geographic Award winning HD photograph of a dramatic northern Ontario valley with a raging river. The sky is a beautiful blue. Taken using a Nikon Z7 II with a Tamron 10-24mm f/3.5-4.5 Di II VC HLD lens. Rendered at an insanely high resolution, realistic, 8k, HD, HDR, XDR, focus + sharpen 8K resolution. Made with Midjourney.

About Our Cover

While AI does not (and will not) create our content for us, it's a powerful tool we embrace for its versatility and efficiency. It's not only excellent at performing mundane tasks quickly and accurately, but it's also adept at streamlining the creative process—when used effectively. Our design team used generative AI throughout the conceptualization of our cover, allowing us to create a wealth of fully realized options quickly and at a fraction of the cost it would've taken by conventional means. When we arrived at our final design concept, our designers used AI in combination with traditional image manipulation techniques to create this year's Trend Report cover.

To learn more:

Jo-Ann McArthur, President,
Nourish Food Marketing
+1 (416) 949-3817
j@nourish.marketing

NOURISH