

California Almond Demand

Looking to the future

The Almond Conference

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INNOVA MARKET INSIGHTS



www.innovadatabase.com



Today's presentation

- Global food trends
- Snacking
- Health & wellness
- Provenance
- Calories

- and almonds.....



Multinationals: BFY + almonds

- **General Mills:** Cereal & Energy Bars, Snack Nuts & Seeds
- **Nestle:** Cereal & Energy Bars, Chocolate, Yogurt
- **Kraft:** Snack Nuts & Seeds, Cereal & Energy Bars, Chocolate
- **Kellogg's:** Cereal & Energy Bars
- **Danone:** Yogurt





A bright future for almonds

- They fit well into today's trends
 - Health & wellness
 - Simplicity, transparency
 - Increased snacking / on-the-go eating
- They are versatile
 - Go with almost every flavor
 - Work as a whole food or as an ingredient
- Everyone likes them, globally



Top 10 Trend 2013: *The Aware Shopper*

Consumers are empowered

- Consumers are becoming increasingly attentive and sometimes critical
- Consumers are more knowledgeable than ever about their food products (or at least think they are).
 - Where claims once flourished, transparency and credibility are now issues facing many food producers, both from consumers and governments.



Manish Nadir @manish_nadir

26 Oct

Greenpeace - Kitkat - Ask Nestlé CEO to stop buying palm oil from destroyed rainforest youtu.be/1BCA8dQfGi0 via @youtube

View video



Eve Shepherd @tweets_eve

25 Oct

Consumers fight back against Nestle's use of Palm Oil... #AdBusting #KitKat pic.twitter.com/Ng5w9JgX

View photo



Tina Becker @starrysky4MJ

24 Oct

#stopanimalabuse #boycott #Nestle !! Help Stop the Use of Palm Oil! Palm Oil is destroying the environment and twitpic.com/b6zaxe

View photo

Online protest drives Nestlé to environmentally friendly palm oil

Food giant bows to Greenpeace campaign and vows to cut its 'deforestation footprint'

BY MARTIN HICKMAN, CONSUMER AFFAIRS CORRESPONDENT | WEDNESDAY 19 MAY 2010

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News in pictures

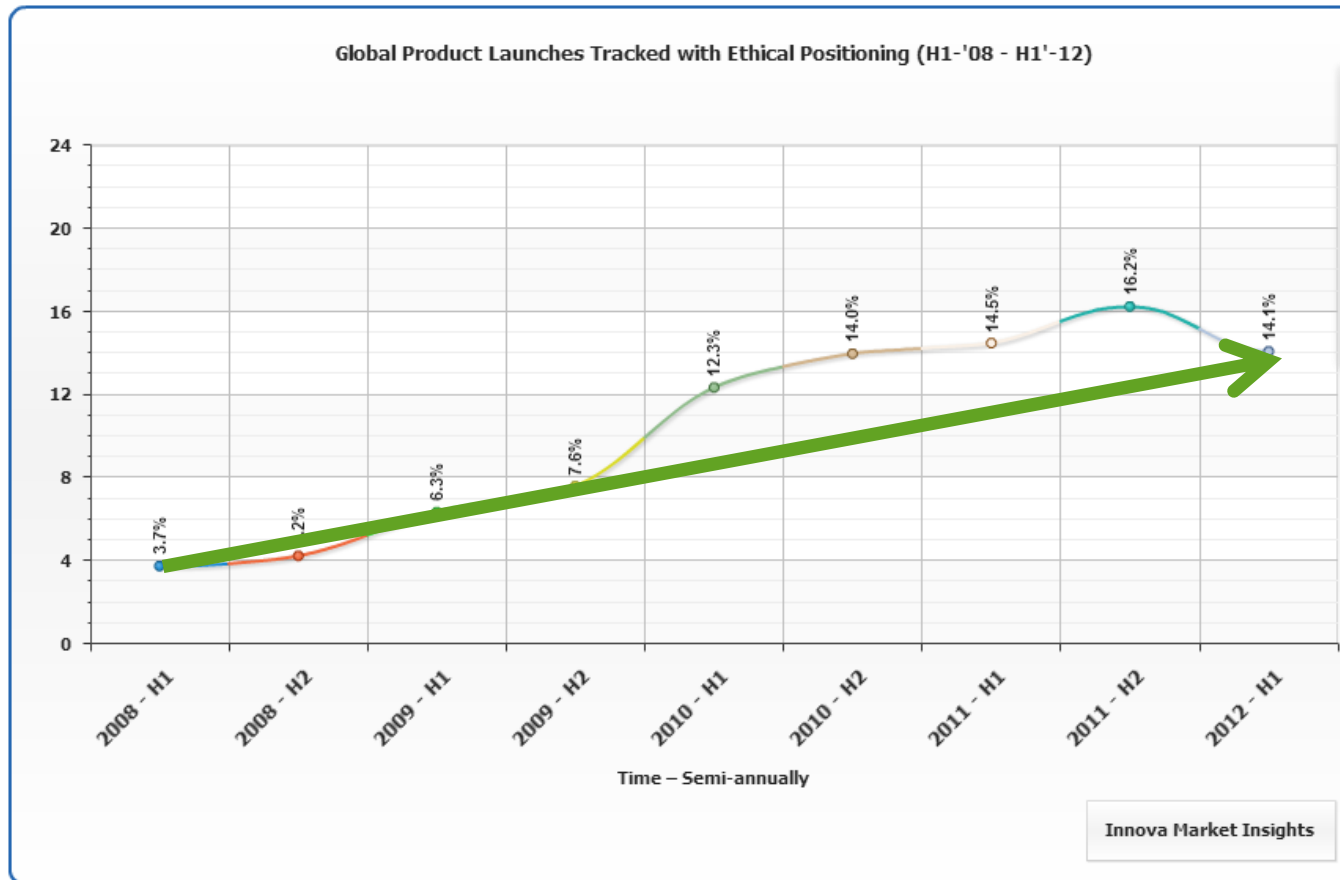


From the blogs



Global launch activity for ethical products

- Not only health is high on the consumer's agenda, they assume companies are being responsible corporate citizens.



Ethical positioning involves terms such as sustainability, fair trade, recyclability, environment, friendly, animal friendly.



Simple, clear and transparent labels

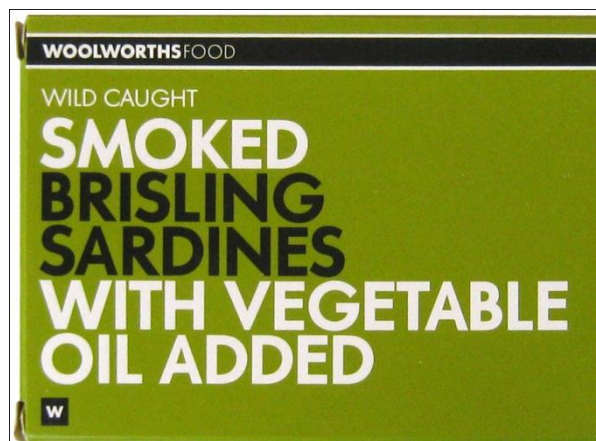


Australia: Lovingearth Raw Organic Cacao Powder. Single origin, certified organic, fairly traded raw cacao powder from Satipo in the Peruvian Amazon. Jam packed with antioxidants, magnesium and bliss nutrients that can help keep you energised, healthy and happy.

South Africa: Woolworths Food 3 Tasters Chewy Pecan Toffee. UTZ certified. Woolworths supports responsible cocoa farming and has committed to sourcing 100% UTZ certified cocoa for all its private label chocolates by 2016.



South Africa: O My Goodness Coco Citrus Rounds. Recyclable packaging. No additives, dairy, sugar, gluten, eggs, and preservatives. Certified organic. Produced in Plettenberg Bay, South Africa.



South Africa: Woolworths Food Wild Caught Smoked Brisling Sardines with Vegetable Oil Added. Fishing for the future. This guarantee that this product is responsibly sourced. Recyclable packaging.



Clean label has become mainstream



United States: Fresh & Easy Chocolaty Peanut 90 Calorie Fiber Bars
These oat and crisp rice granola bars contain five grams of fiber per serving, with a delicious, smooth chocolaty coating and the great taste of peanuts. **No artificial flavors, colors or preservatives.** High in fiber. Certified kosher. Recyclable packaging. Only 90 calories.



Mexico: Verde Valle Serena Mezcla Antioxidante Combinacion de Arandano, Cereza, Nuez, Almendra y Pistacho Pelado: Antioxidant Blend of Peeled Cranberry, Cherry, Walnut, Almond and Pistachio
A combination of peeled cranberries, cherries, walnuts, almonds and pistachios, in a 60g aluminum pouch. **100% natural**



Products for the critical consumer

- Clean label (natural and no additives/preservatives claims) and ethical claims (recyclable, charity and sustainability) can be used in conjunction.



Slovenia: Corny Nussvoll Erdnuss & Vollmilch: Cereal Bars with Peanuts and Chocolate More than 50% of nuts. **No colors. No preservatives.** Cardboard box is made of **80% recycled paper.**



United Kingdom: Carmans Dark Choc Cranberry & Almond Bars Low GI rating of 53. Foods with a low glycemic index (GI) help control hunger and provide more sustained energy. Wheat free. 100% Australian made. **Made from natural ingredients.** Comes in a **recyclable packaging.**

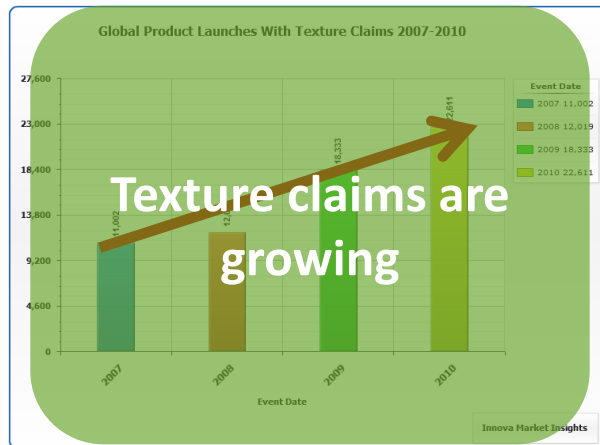
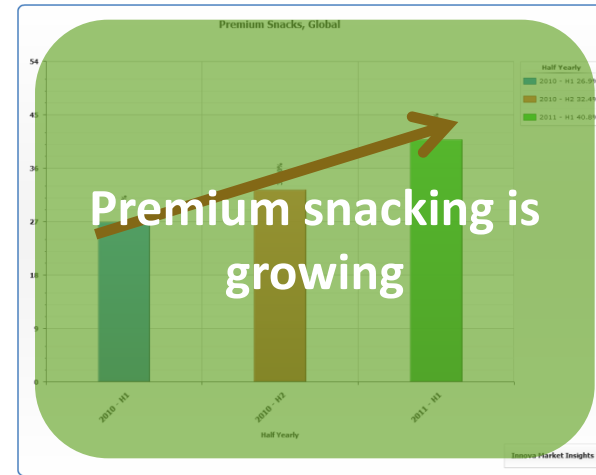
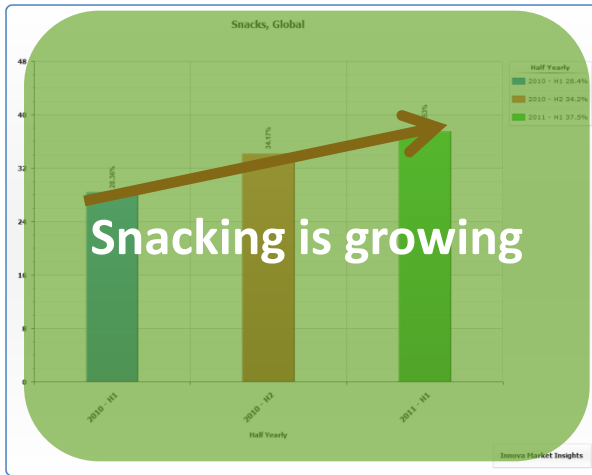


Snacking

Snacking has changed

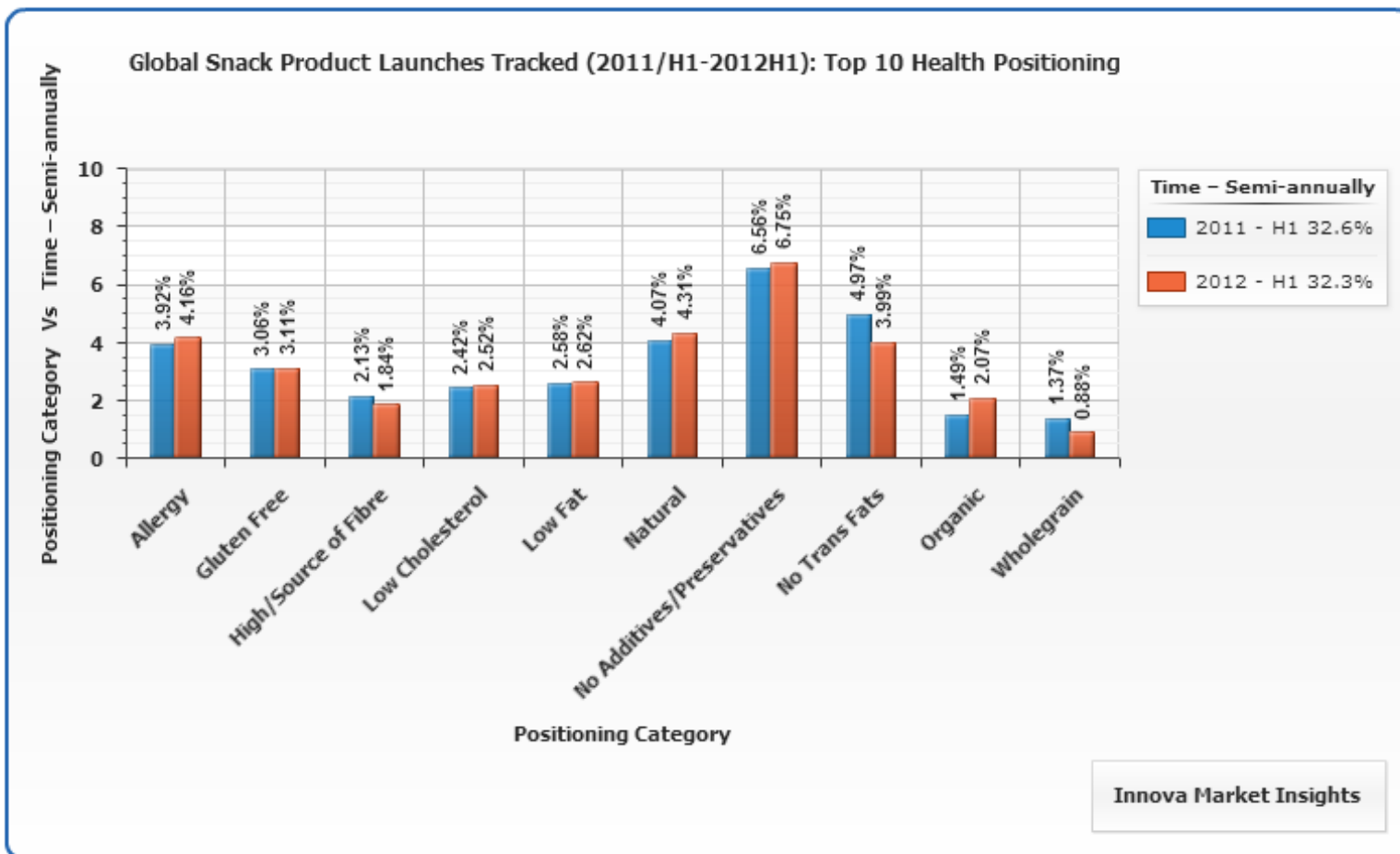


Snacking trends



Top 10 health positionings

- 34% of all snack product launched in 2012/H1 contain a health claim.



Only 79 calories (India)



- Less than 100 calorie pack.
- 100% vegetarian.



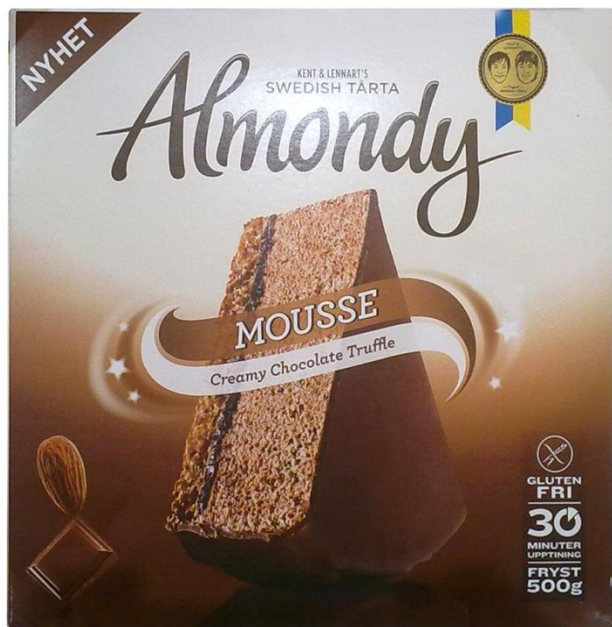
Calories + Satiety + Indulgence



- Mini corn cakes drizzled with dark chocolate, in a foil bag. For snacking between meals.
- Only 90 calories per serving. They help to calm your hunger. You can have them anytime or anywhere.
- Made with non-genetically modified corn. No preservatives or artificial colors. No hydrogenated fats. A source of fiber.



“Free from”



Denmark: Almondy Mousse Creamy Chocolate Truffle Cake. Deep frozen chocolate truffle cake in 500g cardboard box. **Gluten free.** No preservatives or artificial colorings.



Australia: Kez's Free Gluten Free Cereal with Fruit. Packed with 13 delicious ingredients. Certified halal. Kosher. **Gluten and wheat free.** **Dairy and lactose free.** Good source of fibre. No artificial colours, preservative or flavours. Made from natural ingredients. GMO free.



Smart snacking: lower saturated fat



United Kingdom: Blue Diamond Almonds with Smokehouse Flavor Smart snacking! 50% lower saturated fat than peanuts and cashews. This comparison is based on oil roasted, salted peanuts at 8.7g saturated fat per 100g and oil roasted, salted cashews at 8.5g saturated fat per 100g. No artificial colors or flavors. **High in vitamin E. Made with canola, safflower and/or sunflower oil. Peanut free.**

The lower sat fat nut
balanced with super smoked tastiness

At Blue Diamond we balance mouth-watering flavours like delicious Smokehouse® with all the goodness of California's finest almonds, which have half the sat fat of peanuts and cashews and absolutely no artificial colours or flavours. How good is that?

bluediamondalmonds.co.uk

goodness is the gorgeous
roasted
salted



Fiber & digestion



Spain: EcoMil Instant Powdered Almond Drink Digest. Certified organic. Lactose free. No soy. Cholesterol free. Gluten free. Wheat free. Contains calcium. 100% non dairy. With Omega 3, fibers, and calcium



UK: Morrisons Almonds. Snack pack. A source of protein and fiber. Suitable for vegetarians



Antioxidant association



Mexico: Ann's House Creamy Strawberry Almond. Trans fat free. Cholesterol free. Low sodium. **Good source of antioxidant vitamin E..**
Natural goodness of fruit and nuts



Macedonia: Kibela Nutini Almonds. Roasted and salted almonds in a vacuum pack, held in a cardboard box.
Source of vitamin E



A new opportunity: proven, weight management

Greater use of scientifically proven claims



Ireland: Danone Actimel Probiotic Yogurt Drink: Strawberry & Banana Flavor. Helps strengthen your natural defenses. **Scientifically proven**

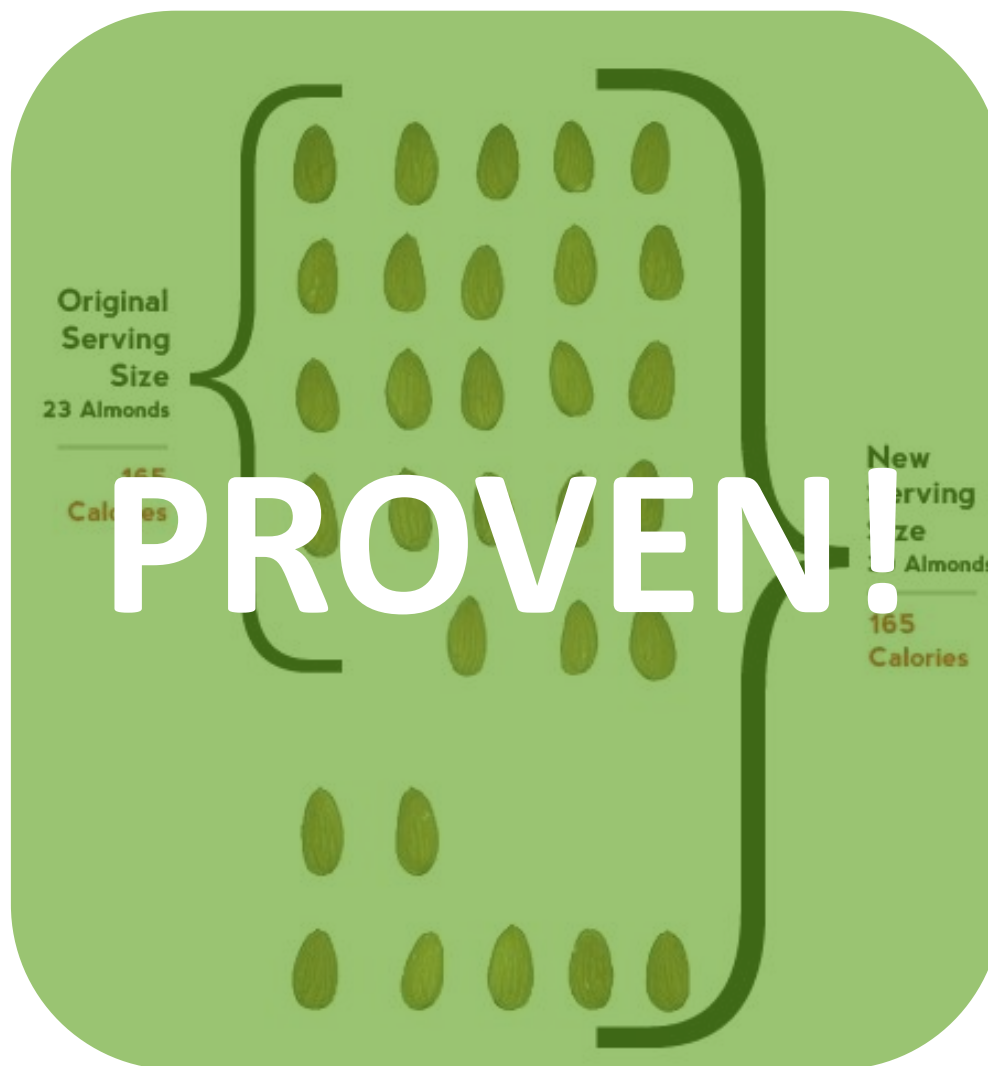


Ireland: Wrigley's Extra Ice White Chewing Gum. Sugar free chewing gums with mint flavor, microgranules and sweeteners. Sugar free. Helps keep teeth clean in a way you can feel. **Scientifically proven** to help remove stains and maintain teeth's natural whiteness



The Netherlands: Nutricia Nutrilon Goede Nacht 2: Night Time Milk Formula For Babies From 6 to 18 Months. With Immunofortis, a patented mix of **scientifically proven** fiber mix of GOS:lc:FOS 9:1; DHA/AA, healthy polyunsaturated fatty acids; nucleotides, nutrients for growth and cell division

Almonds offer a new opportunity

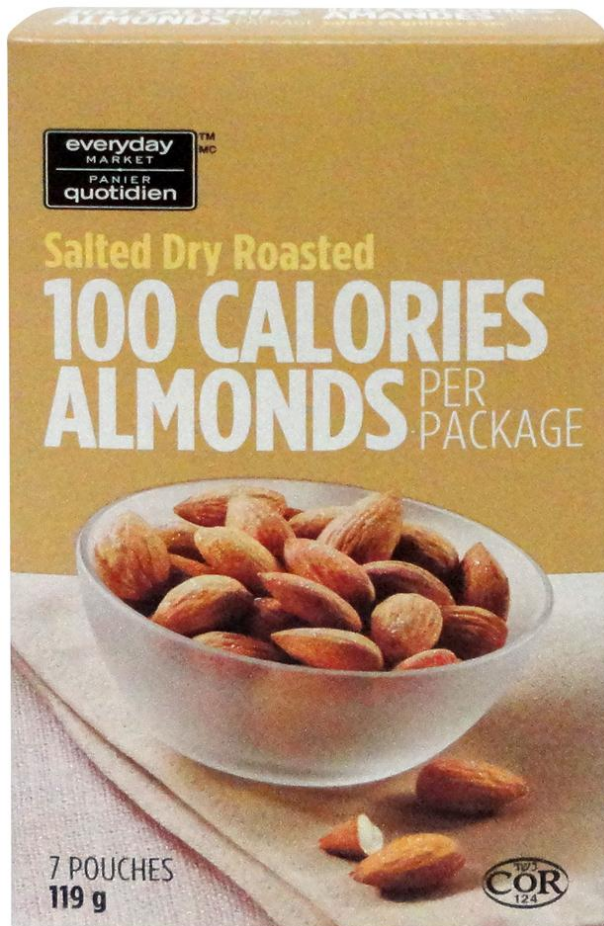


A new opportunity

- 100% natural.
- Good source of protein, fiber and vitamin E.
- No cholesterol.
- No trans fat.
- No sodium.
- *A future claim?*
 - Less calories than other nuts



Opportunity: larger pouch, more filling



- Seven sachets of salted dry roasted almonds.
- Only 100 calories per pouch.



Indulgence

Chocolate is hot



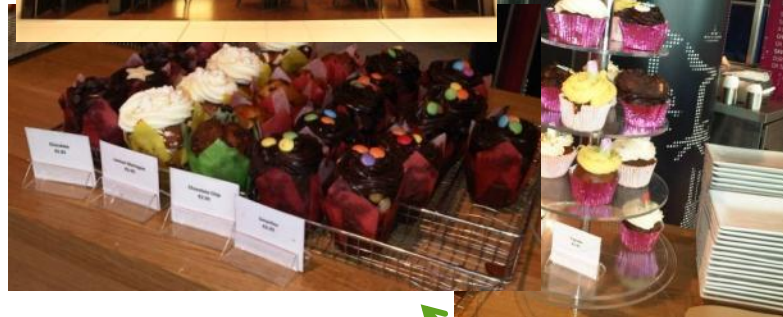
Theobroma
Chocolate
Lounge
Malaysia,
Australia,
New Zealand.



Denmark: Lu Cafe Au Petit Ecolier Extra Dark
Chocolate Biscuits. Contains 70% cocoa.



Vintage
Chocolate
Lounge Dubai
Mall



Chocolat
e lounge
Dublin
Airport/

Sushi-Bar Style



UK: Marks &
Spencer Belgian
Triple Chocolate
Cookies
Indulgent Belgian
triple chocolate
cookies with
dark, milk and
white chocolates,
half coated in
Belgian dark
chocolate.



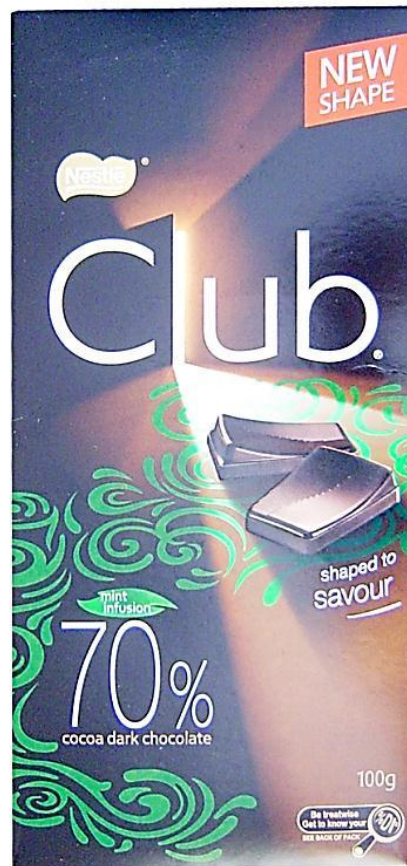
Permissible indulgence (now EFSA approved)

- Almonds + chocolate = permissible indulgence
- Now EFSA has issued a positive opinion on the blood flow support by cocoa powder or dark chocolate, manufacturers can look for possibilities to introduce dark chocolate products with related health claim.
- As a nut with many nutritional benefits, almond offers a wide variety of opportunities as key ingredient of dark chocolate products positioned around health.



Antioxidants: where indulgence meets health

- Chocolate products with antioxidants are good examples of combining indulgent chocolate products with a health aspect.

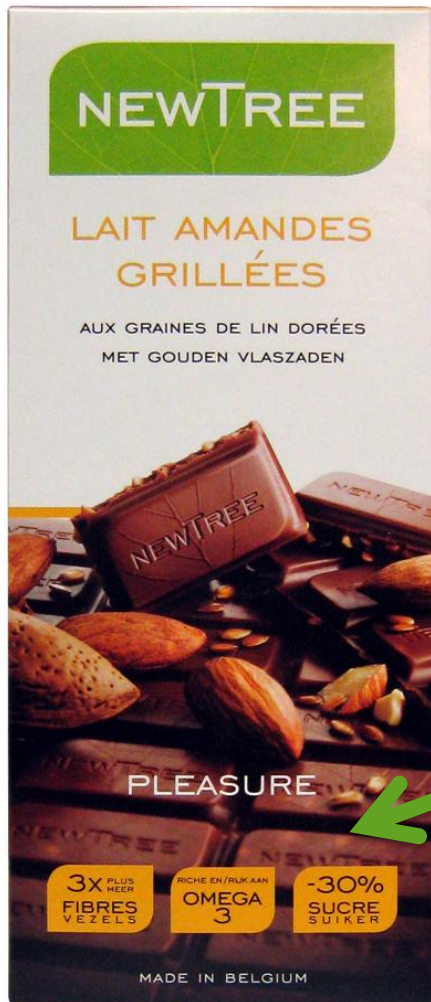


Australia: Nestle Club 70% Cocoa Dark Chocolate Mint Infusion. A serving of Club Provides 178mg of antioxidant polyphenols. Chocolate contains minimum 70% cocoa solids. Recyclable packaging.

UK: Beyond Dark 70% Cocoa Chocolate Chips. A 70% cocoa dark chocolate chips with intense, smooth, and sensuous flavors. Claims: Drops of pure pleasure. Naturally rich in antioxidants



Indulgence, pleasure and guilt free



Belgium: Newtree Lait Amandes Grilles Roasted Almonds Chocolate. Newtree Roasted Almonds Chocolate has the smoothness of milk chocolate enlivened by the crispness of the roasted almonds and golden flaxseeds. Less 30% fat. Contains omega 3

PLEASURE

3X PLUS
HEER
FIBRES
VEZELS

RICHE EN/RUKAAN
OMEGA
3

-30%
SUCRE
SUIKER

MADE IN BELGIUM

Almonds even more permissibly indulgent

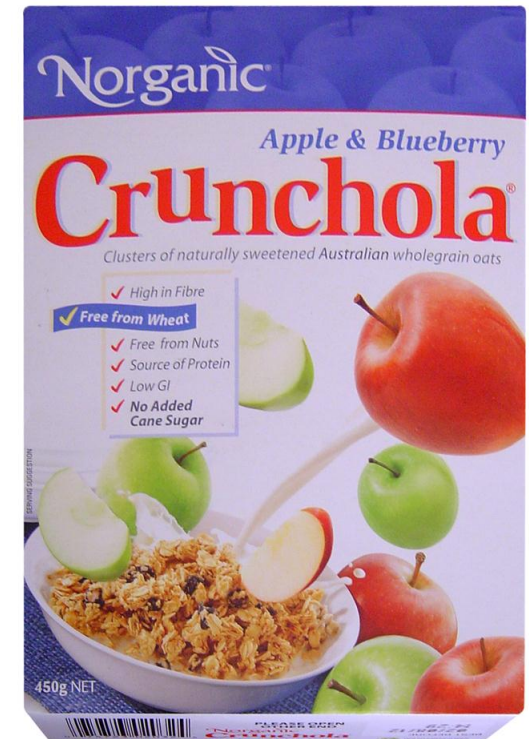
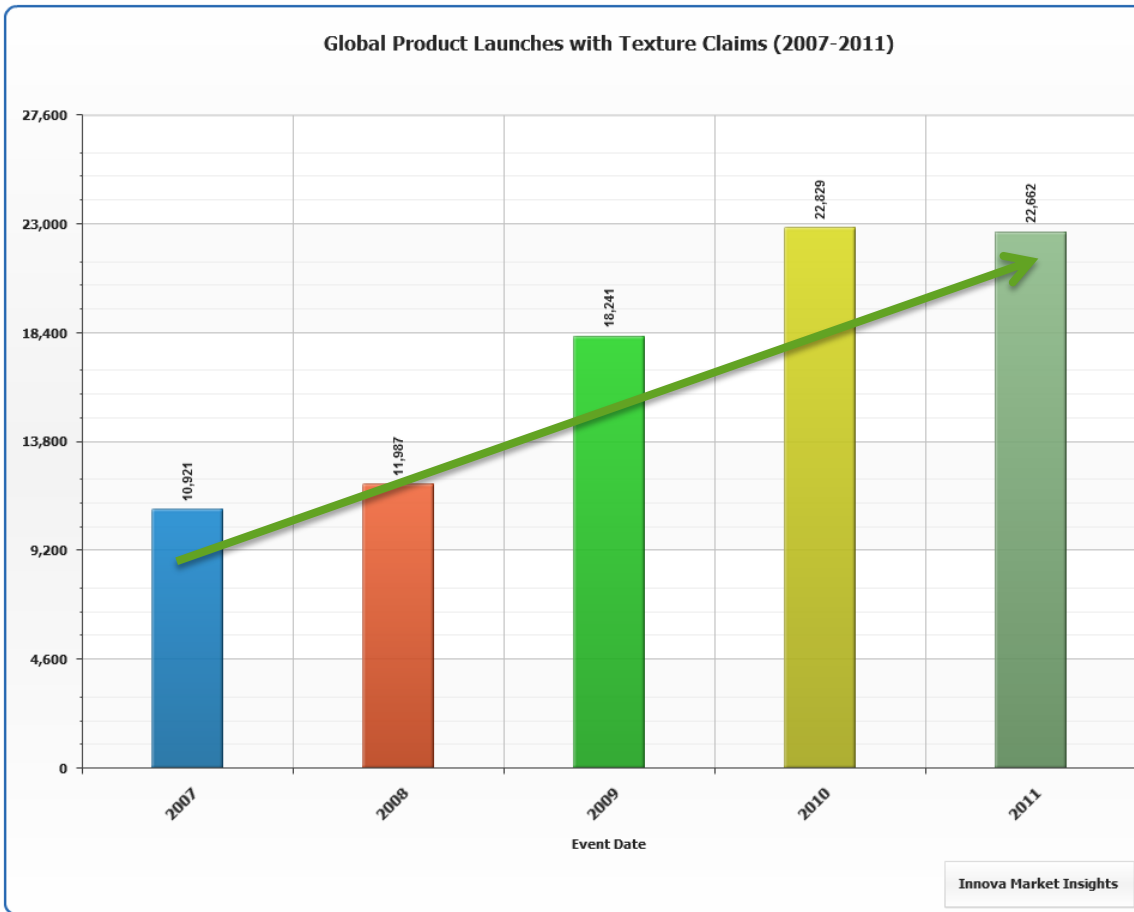


- Hazelnuts (48%) covered with milk chocolate from Alpen milk.
- One portion of 25g contains 148kcal (7% GDA).
- Price/Kilo: EUR 14.10
- Roasted whole almonds covered in silky smooth and richly delicious Dove dark chocolate.
- One portion of 39g contains 210kcal ~~X~~
- Price/Kilo: EUR 25.27



Top 10 Trend 2013: *Sensory Experience*

Texture claim growth



Australia: Norganic Crunchola
Apple & Blueberry Australian
Wholegrain Oats

Search string: crispy crisp crunch crunchy velvet chewy chunk
chunky cluster smooth bites silk silky nuggets creamy texture



Co-branding for new flavors and textures

- Brands are teaming up to create novel and fun products, enabling unusual mixes of textures and flavors.



Germany: Milka Alpine Milk Chocolate and TUC Cracker



AU: Kraft Philadelphia Chocolate Frosting. Ready-to-spread chocolate frosting in a plastic tub. Made with Cadbury chocolate



Playing with texture



US: Muller Quaker Greek Corner Lowfat Yogurt with Caramelized Almonds.

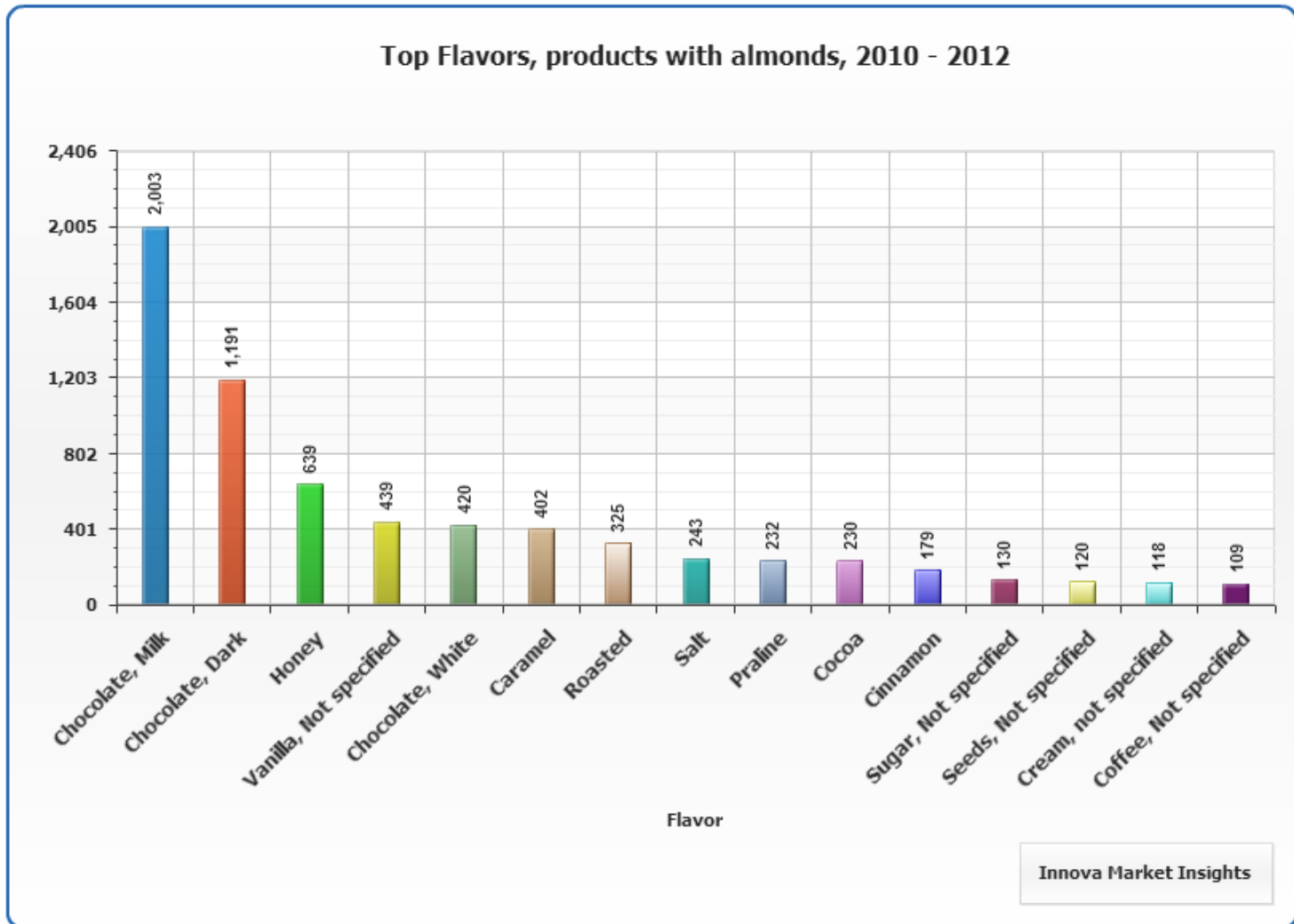
The special “Bubble teas” with Boba (tapioca) pops are becoming popular in the US and Europe



Mars Chocolate Caramel Dessert with Chewy Mars Pieces.

Sensory: flavors

A huge range of flavors associated with almonds



Almonds go with anything



- **Canada:** Cinnabon Noix Melangees A La Cannelle: Cinnamon Mixed Nuts
- **Malaysia:** A premium selection of crunchy whole almonds encased in green tea smooth milk chocolate
- **Germany:** Premium Quality Sugar Coated Almonds with Gingerbread Flavor



Flavor possibilities are endless.....



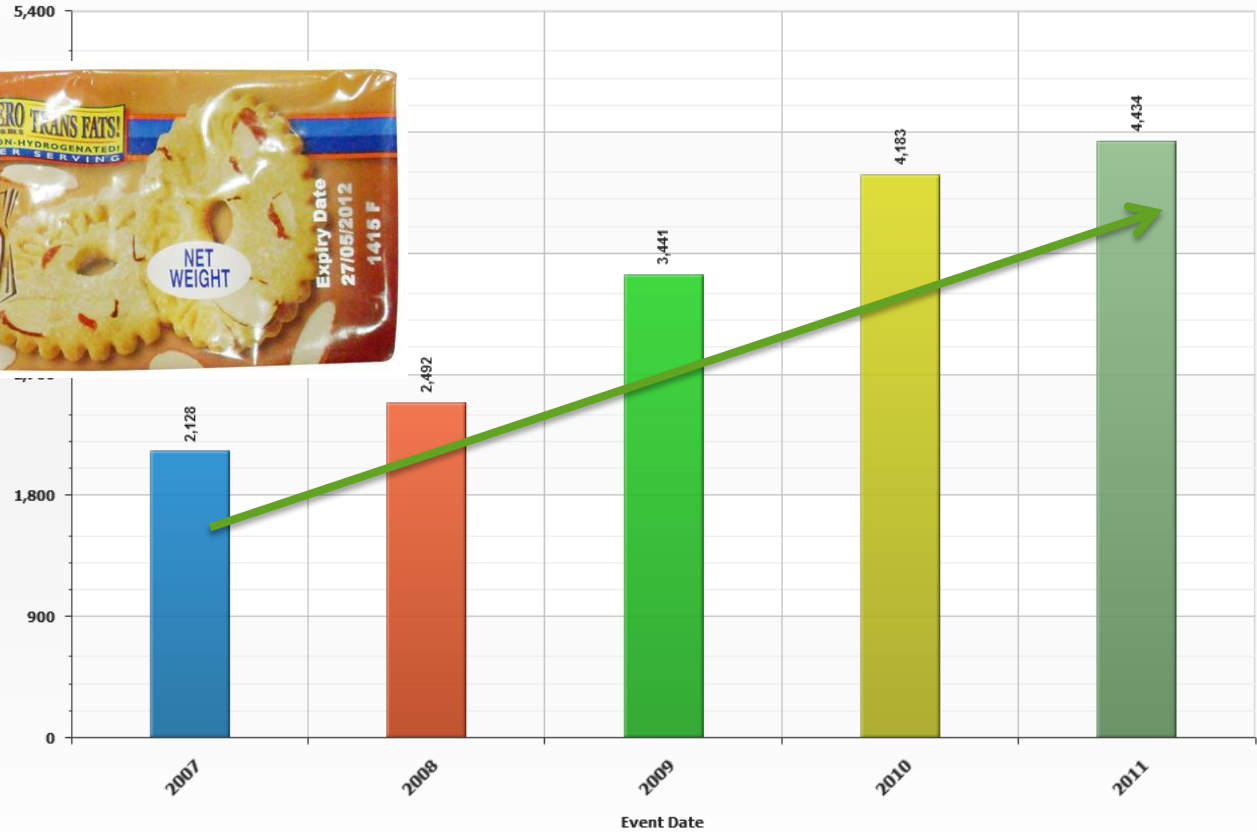
- **Japan:** Chicken Flavored Rich Hard Pretzel Snack with Roasted Almonds And Cream Cheese Coating
- **Germany:** Roasted California Almonds with Yogurt Flavored White Chocolate Coating
- **Netherlands:** Nutisal Spicy Festival Mix Dry Roasted Nuts



Sensory: almonds and texture

Crunch Claims Growth

Global Product Launches with a Crunch Claim (2007-2011)



Innova Market Insights



Singapore: Voortman
Almond Krunch Cookies

Search string: crunch crunchy crunchiness

Inclusion of whole almonds

- The number of global almond introductions and global chocolate Introductions with the inclusion of whole almonds is increasing.



Malaysia: Ritter Sport
Milk Chocolate Bar:
Whole Almonds



France: Cote D Or Croquant Amande: Dark
Chocolate Bar with Whole Almonds &
Praline



Whole almonds for big taste

- Whole almonds also in other categories such as cereal & energy bars
 - demonstrates the increased desire for bigger inclusions in food products.



Thailand: Hershey's Nuggets Dark Chocolate with Almonds. Individually wrapped dark chocolates with **whole almonds**

Italy: Mulino Bianco Grancereale Barrette di Cereali: Cereal Bars with **Whole Almonds**, Red Bilberry & Crispy Grain Granules



Almond crunch

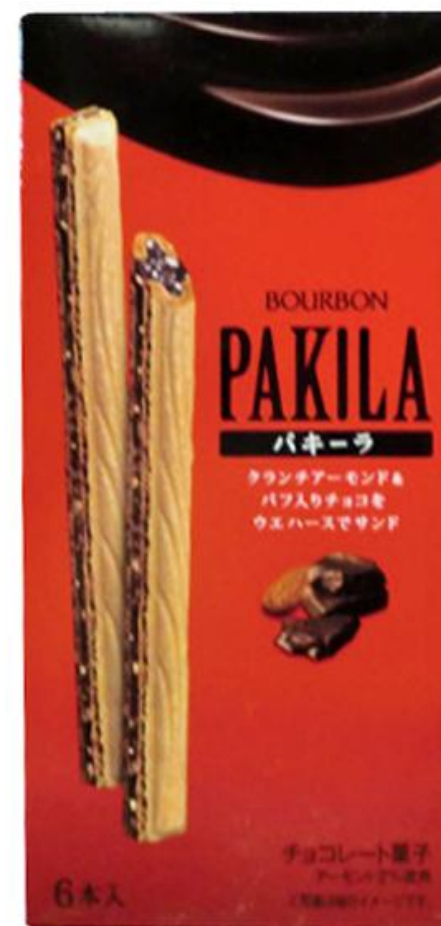


With an almond crunch ingredient



Japan: Bourbon Pakila
Chocolate with **Almond
Crunch** and Filled in
Wheat Puff Stick Wafer

**USA: Choxie Dark
Chocolate Coconut
Almond Cluster.** A sweet
escape of decadent coconut
with **an indulgent almond
crunch.** All covered in
deliciously deep, dark
chocolate.



Almond crunch flavor

- Almond is now synonymous with crunch as almond crunch is being used as a flavor name for products.



USA: Granola Flats Welcome to Wholesomeville Baked Whole Grain Chips: Almond Crunch. Slightly sweet, light, and crunchy chips made made with whole grains, almond nuts, seeds, and oats, then baked into bite sized pieces. Finally, granola is good to go.



Canada: Detour Lean Muscle Whey Protein Bar: Fudge Almond Crunch. Lean Muscle whey protein bar with fudge almond crunch covered with chocolate.



Tradition & premium

Provenance: where does my food come from?

- Interest in where their foods are coming from has never been higher among consumers.
- The cocoa industry was the pioneer with origin specific chocolate varieties



UK: The Co-Operative Truly Irresistible Fairtrade Ghanaian Dark Chocolate with Peppermint Oil. Velvety dark chocolate infused with peppermint oil for a deliciously cool flavor. Produced using the **highest quality cocoa beans of Kuapa Kokoo**, a co-operative of 45,000 farmers in Ghana.



Emphasizing the origin of ingredients can underline a premium positioning.



Provenance for premium positioning



Belgium: Belvas Belgian Chocolate Truffes Amandes: Gluten Free Organic Almond Truffles

Gluten free organic almond truffles. Milk chocolate and almonds from Murcia. This organic and Fairtrade milk chocolate is made with sweet and refined cocoa beans from the Peruvian highlands. The slightly roasted organic almond sublime the 'almond truffles' to a sweet indulgence that rivals the finest recipes without bitterness.



Philippines: Marich Organic Chocolate Toffee Almonds. Premium California almonds in a buttery toffee glaze and creamy milk chocolate.

California almonds = premium positioning

- Manufacturers can leverage the increasing interest of consumers in the origins of ingredients by communicating the source of premium almonds from California.



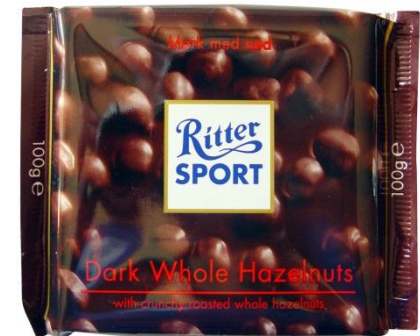
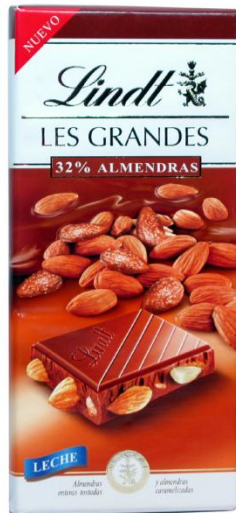
United States: Fresh & Easy Gourmet Milk Chocolate Almond and Raisin Bark. This bark is handmade with roasted, lightly salted **California almonds** and sun-dried Thompson raisins on top of pure milk chocolate.



United States: Trader Joe's Dark Chocolate Almond Toffee. Crunchy toffee and roasted **California almonds**, covered with premium dark chocolate.



Typical almonds vs. Hazelnut chocolate products





Takeaways

- Almonds are very on trend: the “perfect food”
- Better for you products: good for the bottom line
- Almonds used by most successful multinationals and by retailers in private label products
- Almonds can add premium appeal and a premium price
- Almonds bring wholesome appeal with inherent health benefits
- Almonds are versatile: work well in many applications and with all flavors – sweet, salty, ethnic
- **And now, proven to have less calories**



