

Four Key Trends to Shape the Food and Beverage Industries in the Year Ahead

Based on results from the 2017 EcoFocus Trend Study

Released January 2018

Evergreen Packaging, a global leader in fiber-based packaging solutions, in conjunction with EcoFocus Worldwide, has identified four key trends that will shape the U.S. food and beverage industries in 2018. These trends, outlined below, were identified through an analysis of the annual EcoFocus Trend Study, which examines how consumer attitudes, actions, preferences and values are reshaping grocery purchasing decisions.

“Our partnership with EcoFocus Worldwide is driven by our deep commitment to provide our customers with insights that enable them to identify opportunities in the market that help them build their businesses,” said DeWitt Clark, VP of Sales and Marketing North American Packaging for Evergreen Packaging. “We are excited to share some results from this year’s study, which identified four emerging trends we believe will have a significant impact on the U.S. food and beverage industries in 2018, creating new product, brand, and communication opportunities.”

Authentic brands establish trust with consumers by holding true to core values and doing what they say they are going to do; an authentic experience constitutes one that will be genuine (e.g., *trying foods from a different culture*) and features foods or beverages that offer:

- Fresh, high-quality, natural ingredients (whole foods, no preservatives and nothing artificial)
- “Clean” processing
- “Clean” packaging (made from natural sources, sustainable)
- Product assurance (certifications)



Added Linda Gilbert, study author and chief executive officer of EcoFocus Worldwide, “The study analysis results illustrate a movement toward fresh, high-quality, natural foods and sustainable packaging. This trend continues to gain momentum across all Grocery Shoppers, and even more so among Healthy Beverage Shoppers and Fresh Authentics™. For brands with these advantages, it’s more important than ever before to clearly communicate a commitment to these values in order to stand out on the crowded grocery shelves and aid consumers in their purchasing decisions.”

The four key trends identified by the 2018 Trend Study are as follows:

TREND #1

Authenticity becomes priority as a new consumer segment called “Fresh Authentics” emerges

Authenticity has long been a strength for certain grocery brands, and authenticity is now trending as a priority for health- and sustainability-minded Grocery Shoppers in 2018, with implications for brands across all categories.

Beyond health-conscious shoppers, an emerging segment of consumers is seeking brands that they believe are authentic and products that they believe will offer an “authentic experience.”

These shoppers — deemed Fresh Authentics™ — embrace healthy, clean and sustainable foods, beverages and packaging. **Currently 11 percent of all Grocery Shoppers have been defined as Fresh Authentics, and the segment is expected to grow in number and influence.** Fresh Authentics are in the forefront of the consumer demand for clean labels and clean processing. Responsible packaging is a high priority for this segment as well.

	GROCERY SHOPPERS	FRESH AUTHENTICS
Extremely or very important to choose freshly prepared foods and beverages made with high-quality ingredients	56%	100%
Natural is an extremely or very important quality for healthy beverages	64%	90%
Strongly agree or agree that I have changed what I buy in order to avoid artificial ingredients in foods and beverages	67%	91%
Extremely or very important to choose foods or beverages that are packaged responsibly	65%	91%

Authentic brands

Shoppers are gravitating toward brands they feel stand for quality and integrity and are honest and trustworthy, i.e., “authentic.” They’re seeking shared values with the brands they support and buy. This is driving a movement toward small brands, store brands and Fair Trade brands.

	GROCERY SHOPPERS	FRESH AUTHENTICS
Extremely/Very Important To buy brands owned by small companies	50%	79%
To buy Fair Trade brands	50%	82%
To buy store brands	39%	61%

Authentic experiences

Grocery Shoppers are increasingly seeking new experiences when it comes to food: 55 percent of Grocery Shoppers and 92 percent of Fresh Authentics reported that they like to experiment with new flavors, seasonings, ingredients or cuisines — an authentic experience. Some major brands like Campbell’s® have taken notice with new products and communications for their flagship brands Pepperidge Farm® cookies and Ragu® pasta sauce. In a recent [interview](#)¹ with Food Business News®, Thomas Griffiths, certified master chef and vice president of Campbell’s Culinary & Baking Institute, said, “There are so many young people² who want to eat these authentic, flavorful, global foods, and that’s something our chefs are studying and learning — not only how to find the ingredients, but also how to cook them.”

While many Grocery Shoppers are also turning away from products they believe contain artificial ingredients, Fresh Authentics are leading the charge: 67 percent of Grocery Shoppers and 91 percent of Fresh Authentics reported changing what they buy in order to avoid artificial ingredients in foods and beverages.



¹ Food Business News, “Campbell Soup is watching these six trends in 2018”, December 15, 2017.

² 46 percent of the Fresh Authentics segment are Millennials or Post-Millennials.

Responsible packaging is a priority for Grocery Shoppers, as well, again with Fresh Authentics leading the way. Sixty-five percent of Grocery Shoppers and 91 percent of Fresh Authentics say it is important to choose foods and beverages that are packaged responsibly. These consumers believe that clean ingredients and clean packaging belong together, and they also believe that some packaging can leave undesirable chemicals in foods and beverages and have changed what they buy to reduce exposure to chemicals from food or beverage packaging.

	GROCERY SHOPPERS	FRESH AUTHENTICS
Strongly agree or agree that I have changed what I buy to reduce exposure to chemicals from food or beverage packaging	64%	89%
Yes, some packaging can leave undesirable chemicals in beverages	86%	93%

Package design, including the material the package is made with, can also communicate authenticity to shoppers — especially to Fresh Authentics. In addition to clean packaging qualities, Fresh Authentics are looking for the environmental attributes of recyclability and renewability.

	GROCERY SHOPPERS	FRESH AUTHENTICS
Extremely/Very Influential Corporate Commitments on Purchase Choices Only using packaging that is recyclable	76%	94%
Only using packaging that is made with renewable materials	72%	91%

Brands can demonstrate shared values with Fresh Authentics and other shoppers by communicating their commitments to authentic foods and beverages and clean packaging, including using fresh, natural ingredients and packaging that is deemed clean and sustainable.

TREND #2

Packaging becomes an integral part of the ingredient list

As more shoppers choose authentic foods and beverages, they are also gravitating toward packaging that they believe is authentic as well: clean packaging that retains the good taste and nutrition of foods and beverages naturally, without preservatives, and that does not leave undesirable chemicals in the products.

Global research firm Mintel highlighted the increasing focus consumers are placing on packaging in its 2018 global packaging trends report¹, [stating](#): “The throwaway culture of today will evolve into one that understands and embraces the role of packaging as a primary means to reduce global food and product waste.”

Clean packaging is a significant brand innovation opportunity for healthy, natural beverages. Shoppers believe that clean ingredient lists and clean packaging should go hand-in-hand. These shoppers also say it's important for healthy beverage packaging to deliver taste and freshness without preservatives and to protect nutritional content. The 2017 EcoFocus Trend Study found that:

- 64% of Grocery Shoppers strongly agree or agree that they have changed what they buy to reduce exposure to chemicals in food or beverage packaging
- 75% of Grocery Shoppers reported that it's extremely or very important for healthy beverage packaging to keep the beverage fresh without preservatives (+2 points since 2016)
- 81% of Grocery Shoppers reported that it's extremely or very important for healthy beverage packaging to not impact the taste



With more consumers seeking fresh foods and beverages, the protective qualities of packaging play a role in identifying fresh products. Grocery Shoppers indicate that taste, an ingredient list with no preservatives and packaging that protects the contents from light play an extremely or very important role in communicating product freshness.

Indicates Product Freshness (Extremely/Very Strong Role to Grocery Shoppers)	Taste	87%
	No preservatives	63%
	Packaging that protects the contents from light	55%

Shoppers believe that cartons and glass containers are the least likely to leave undesirable chemicals in beverages, are best at protecting freshness without preservatives and are least likely to change the taste of beverages.

¹ DairyReporter.com, “Mintel: 5 trends to impact global packaging in 2018”, December 19, 2017

TREND #3

Certifications communicate authenticity and establish trust

Companies will earn shoppers' trust through transparency and commitments to desirable business practices in 2018. One way to communicate authenticity and establish trust is through recognized third-party certifications.

Grocery Shoppers reported avoiding purchasing products from companies after learning that their practices were not:

- Socially responsible: 48% (+5 points since 2011)
- Environmentally responsible: 46% (+6 points since 2011)



In fact, among shoppers aware of certifications, half or more say they influence their purchase decisions.

	GROCERY SHOPPERS	HEALTHY BEVERAGE SHOPPERS	FRESH AUTHENTICS
Extremely/Very Influential Among Shoppers Aware of Certifications			
NON-GMO Project Verified	62%	72%	82%
Rainforest Alliance	57%	67%	81%
USDA Organic	56%	69%	81%
Fair Trade	56%	67%	82%



In 2018, Grocery Shoppers will increasingly reward companies making commitments to desirable practices as part of their culture and mission and will penalize companies that don't (including companies that misinform shoppers about their product). **Certifications are worth it**, as they communicate product authenticity and establish trust between the company and the shopper.

Grocery Shoppers are increasingly concerned about provenance: where and how ingredients are grown. Certified sustainable ingredients are a purchase influencer, especially for Healthy Beverage Shoppers and Fresh Authentics.

	GROCERY SHOPPERS	HEALTHY BEVERAGE SHOPPERS	FRESH AUTHENTICS
Ingredients that are certified to be sustainable are extremely/very influential to my purchase choice	76%	85%	95%
Strongly agree or agree that I pay attention to where the ingredients in my foods or beverages are grown	58%	77%	88%
Country of origin is an extremely/very important label	56%	68%	79%

On the packaging front, 7 in 10 shoppers say a corporate commitment to only use packaging that is made with renewable materials or is recyclable is influential to their purchase decisions.

	GROCERY SHOPPERS	HEALTHY BEVERAGE SHOPPERS	FRESH AUTHENTICS
Extremely/Very Influential Corporate Commitments to Packaging Only using packaging that is recyclable	76%	84%	94%
Only using packaging made with renewable materials	72%	81%	91%

For fiber-based food and beverage packaging, consumers recognize certifications that give them peace of mind about the life cycle of the packaging itself. The Sustainable Forestry Initiative and Forest Stewardship Council certifications support the responsible procurement of the fiber.

	GROCERY SHOPPERS	HEALTHY BEVERAGE SHOPPERS	FRESH AUTHENTICS
Extremely/Very Influential Among Shoppers Aware of Certifications SFI (Sustainable Forestry Initiative)	63%	74%	93%
FSC (Forest Stewardship Council)	58%	66%	82%

Third-party certifications play an important role in helping shoppers choose and trust the brands that share their values. Companies should communicate brand commitments and certifications on the label — these are much too influential to the purchase decision to rely on just website messaging.

TREND #4

Consumers are seeking authentic store brands from retailers

In 2018, shoppers are seeking retailers who can be trusted to stand behind their brand commitments and help them sort through the thousands of products on the shelves to make healthy and eco-friendly choices easier and more accessible. Demand for healthy, clean and sustainable choices is driving movement to trusted store brands that deliver these attributes.

More shoppers are choosing to shop at stores based on their offerings of socially responsible, healthy and environmentally friendly choices as well as their actions to carry through on stated commitments.

It is extremely or very important to choose a grocery store that:

I trust to really do what they say they do	72%
Makes it easy for me to make healthy choices	68%
Makes it easy for me to make eco-friendly choices	57%

TREND #4

A focus on product attributes that includes ingredients and packaging for better health will create strong competitive opportunities for retailers and their house brands in 2018.

It is extremely or very important to choose a grocery store that:	GROCERY SHOPPERS	HEALTHY BEVERAGE SHOPPERS	FRESH AUTHENTICS
Is socially responsible	59%	74%	87%
Is environmentally friendly	59%	74%	87%
Offers a wide selection of natural products	63%	78%	88%
Offers a wide selection of organic products	55%	71%	85%
Offers a wide selection of locally produced products	63%	76%	88%
Provides helpful information regarding recycling	52%	67%	83%
Is affordable	85%	89%	91%

Shoppers in 2018 will expect retailers to ensure that the products and the packaging found on their shelves are environmentally friendly.

Retailers should choose what products they put on their shelves based on:	GROCERY SHOPPERS	HEALTHY BEVERAGE SHOPPERS	FRESH AUTHENTICS
How environmentally friendly the product is	58%	69%	82%
How environmentally friendly the product packaging is	58%	68%	81%

Strongly Agree or Agree

TREND #4

For 2018 shoppers, a retailer's or brand's investment in quality, integrity, honesty and trustworthiness earns authenticity credentials. Shoppers are looking for retailers to make commitments to what they value and to follow through on those commitments with tangible actions. Trust in retailers to do what they say they do is important when deciding where to shop for:

- 72% of Grocery Shoppers (+5 points since 2012)
- 82% of Healthy Beverage Shoppers
- 92% of Fresh Authentics

[View the accompanying infographic](#) that illustrates these trends. For more information about Evergreen Packaging's industry-leading expertise in fiber-based packaging solutions, please visit EvergreenPackaging.com.

The annual EcoFocus Trend Study was assessed by analyzing the self-reported results of 4,006 Grocery Shoppers from across the U.S. in 2017, and more than 32,000 shoppers since 2010. All data provided by EcoFocus Worldwide and Evergreen Packaging.

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About Evergreen Packaging®

Evergreen Packaging is a global leader in creating fiber-based packaging solutions customized to deliver product freshness and brand distinction. Evergreen Packaging makes and supplies paper and paperboard products globally with manufacturing facilities in the U.S., Asia, Central America and the Middle East/North Africa. Evergreen Packaging is the number one supplier of liquid packaging board in the world. All of the fiber used in Evergreen Packaging products comes from forests in the U.S. where responsible forestry practices are used and where overall growth exceeds harvest.

About EcoFocus Worldwide

EcoFocus Worldwide, LLC is a consumer market research and consulting group providing data and insights on consumer attitudes and behaviors regarding wellness and sustainability for packaged goods companies, their suppliers and partners in support of marketing and business development. EcoFocus conducts a syndicated annual consumer trends survey and offers custom quantitative and qualitative research services with extensive strategic brand positioning and communications expertise.