

KAGOME

Trend Report SUMMER 2023



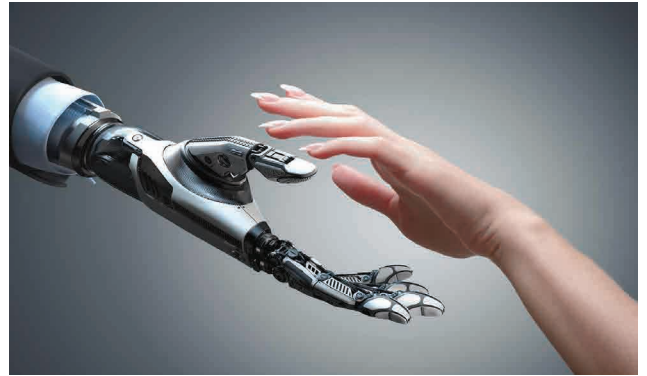


As mid-summer rolls on, consumers are looking for foods that are both delicious and fun. Hot dogs are a perennial favorite, especially when topped with globally inspired flavors. Tomatoes are also in season, and they offer a variety of health benefits, particularly when cooked. In addition, artificial intelligence (AI) is being used in the food industry to improve efficiency and track consumer trends. We'll hear from Kagome's Regulatory Specialist, Shannon Rosete-Wilson, about pending legislation in California that could affect certain ingredients used in food manufacturing. Sit back, relax and enjoy the read!

FOOD AND TECHNOLOGY

The world is a buzz with artificial intelligence (AI) and how it will continue to affect consumers and the food industry. Lightspeed surveyed 2,000 restaurant operators in 2021 and 50% of US hospitality operators said they planned to utilize some form of automation technology.

Early adopters such as McDonald's™ , deployed AI technology in their drive-throughs to streamline ordering processing, image recognition algorithms to scan licence plate numbers to predict what the customer was likely to order based on previous visits.



When it came to recruitment McDonald's partnered with augmented writing platform Textio, making its hiring process faster and more inclusive. AI is currently driving sales and menu innovation through the use of dynamic menu boards that tailor offers real-time based on popular orders at the time, the weather, time of day and how busy the restaurant is at that moment.

Former McDonald's CEO Steve Easterbrook, who is credited with launching the digital transformation of the brand, is quoted as saying, "As you start to link the predictive nature of customer demand all the way through your stock levels in the restaurant and kitchen, you can flex it back down through the supply chain." This gives the company insight into their consumers' behaviors allowing them to make data driven decisions to meet the ever changing demands of their customers.

McDonald's is one of the front runners to adopt and adapt AI but in the race to be on top and stay on top of the restaurant game, they won't be the last.

Cool Corn Dogs and Hot Hot Dogs

Nothing says summer more than a hot dog or corn dog at cookout or county fair. There's never been a better time to enjoy the numerous offerings, toppings and mashup of flavors.

According to The National Hot Dog and Sausage Council



95% of American homes eat hot dogs and according to Statista, in 2024 approximately 261.42 million Americans will consumer hot dogs.

Korea is not just exporting K-Pop they're influencing the food scene with the popular street food Korean corn dog, also known as Gamja Hot Dog. These fried treats are hot dogs, cheese, rice cakes or fish cakes served on a stick, similar to an American corn dog but a non-cornmeal batter. There are various add in ingredients for flavor and texture; potato cubes, panko bread crumbs, crushed instant ramen noodles, cornflakes, drizzled with ketchup, mustard, or mayo, dusted in sugar, crushed Flamin' Hot Cheetos, or seaweed.

Datassential reports that among all generations, Gen Z is the most adventurous, seeking out global flavors more than Boomers, Gen X and Millennials.

Let's Be Frank, Hot Dogs are Fun and Tasty!

Sumo Dog, San Mateo, California

Sumo Size Me -hot dog topped with seasoned tater tots, beef chili, cheese sauce, pickled peppers, jalapeño, spicy mayo, teriyaki sauce, wasabi seasoning and kizami nori (seaweed).



Dog Hause, Belmont California

SooooCali -wild arugula, avocado, tomato, crispy onions, spicy basil aioli.



DamnDelicious Blog, Chicago, Illinois

Bahn Mi Hot Dog -pickled carrots, jalapeños, cucumbers, cilantro, crushed peanuts, and Sriracha.



Hot Dog Factory, Atlanta, Georgia

Frito Pie Dog -classic beef topped with chili cheese, Frito-Lay chili cheese corn chips, and jalapeños.



Hot Dog and Sausage Forecast

Latest Market Survey of Major Players: Analysis of 10-15 leading Hot Dog and Sausages Market Competitors - Armour, Nathan's Famous, Hebrew National, Oscar Mayer, Farmer John, Store Brand, Hillshire Farms, Eckrich, Bar S, Ball Park. According to our latest research, the global Hot Dog and Sausages market looks promising in the next 5 years. As of 2022, the global Hot Dog and Sausages market was estimated at USD million, and it's anticipated to reach USD million in 2028, with a CAGR during the forecast years.

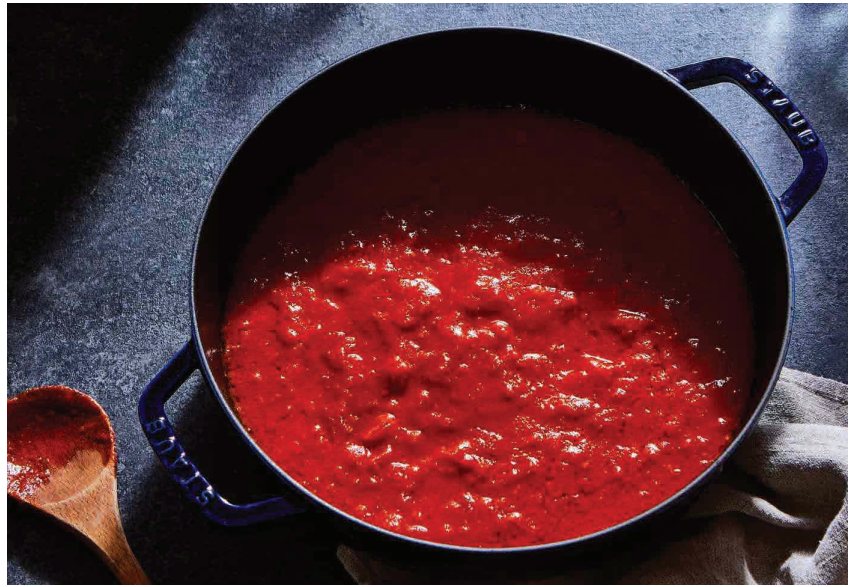


Source: Yelp Menus, MarketWatch.com, GetFlavor.com/Gen-Z-ready-for-the-world/

TOMATOES

Cooking them can be better for you.

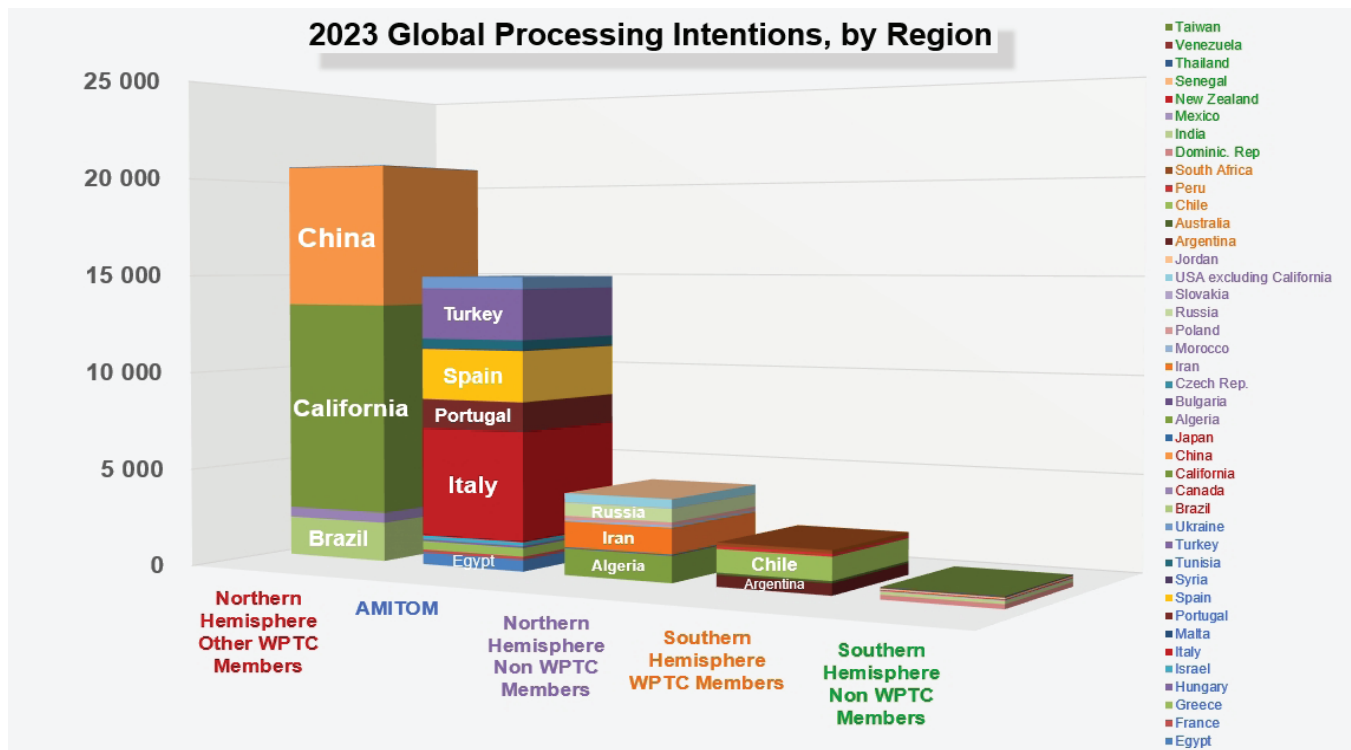
Besides their bright red color, sweet and savory flavor it's no news that tomatoes also good for you. They are packed with nutrients, potassium, vitamins C, B&E and the antioxidant Lycopene. Lycopene fights free radicals that damages cells and can improve heart health, reduce certain cancer risks and increase brain function. It's not as well known that cooking



them can make them better for you. Research by Cornell University in the US has found that the antioxidant power can be boosted further by cooking the tomatoes. Rui Hai Luie, Assistant Professor of Food Science at Cornell, writing for the Journal of Agriculture and Food Chemistry said: “...*heat processing actually enhanced the nutritional value of the tomatoes by increasing the lycopene content that can be absorbed by the body, as well as the total antioxidant activity. The research dispels the popular notion that processed fruits and vegetables have lower nutritional value than fresh produce.*”

World Processing Tomato Congress (WPTC) crop update as of 12 June 2023

As harvest is now over in the southern hemisphere and planting is finishing in the northern hemisphere, the total forecast for the 2023 season is slightly reduced to 42.5 million tonnes. More than in other years, however, expectations are that this volume may not be achieved due to risks linked with a late harvest in many regions following delays in planting and development of diseases because of a generally wet spring.



Quality and Regulatory Updates



California is one step closer to enacting a law that would ban Skittles, Hot Tamales and a host of other food items that contain chemicals linked to health issues. The proposed “Skittles Bill” (Bill 418) passed in the California State Assembly in May and is now heading to the State Senate. The “Skittles Bill” has the potential to impact ingredients commonly used in candies and manufactured foods. Although most of these ingredients have been deemed safe by the FDA under the GRAS (Generally Recognized As Safe) status, there are concerns about their potential harm, similar to bans in the EU. If the bill becomes law, these ingredients would be prohibited in foods sold in California, requiring companies to replace affected products by January 1, 2025. We are closely monitoring the bill’s progress due to its potential impact on our customers.

Shannon Rosete-Wilson
Kagome Regulatory Affairs Specialist

If you have any questions how this change may affect your business please contact your account manager.





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next craveable sauce?*

Contacting us today at:
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