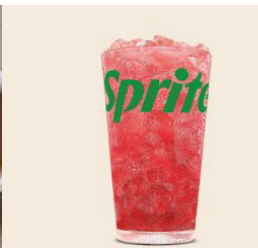


# KAGOME

## TREND REPORT October 2024



*And the sun took a step back, the leaves lulled themselves to sleep, and autumn was awakened.*

*-R. Franco*

Fall is upon us and with it crisp air, vibrant foliage, sweater weather, scarves, soups, stews, baking, pumpkins, apples, cinnamon, warming spices. Football season has begun and that goes hand in hand with snacking and drinking. We'll take a look at what snacks are resonating with consumers and take a dive into the shifting attitudes towards alcohol consumption.

Speaking of seasons of change, Kagome turns over a new leaf of our own. We have revamped our website to improve the user experience. We would love for you to visit us at [KagomeUSA.com](https://KagomeUSA.com). We are your single-source sauce supplier and we can't wait to partner with you to make your next cravable signature sauce!



image by Shutterstock

## Consumers Trends

Drinking culture is changing in America, beverage consumption is up overall but alcohol consumption is declining. 84% of Americans still feel drinking is a big part of America's culture, but this is down 9 percentage points from 2023. The charge to drink less is being led by the younger generations, 61% of Gen Z and 49% of Millennials are trying to drink less in 2024.



image by Shutterstock

Mocktails are a major trend and you're probably seeing more real estate on menus dedicated to these drinks, with the price tags often rivaling their alcoholic counterparts.

### **Top Reasons Why Consumers Try Alcohol-free Beverages according to NCSolutions' Alcohol Survey.**

- **Like the look of it**
- **Want to drink something in place of alcohol**
- **Interested in taste**
- **Consider it healthier alternative to alcohol**

Source: Article: Alcoholic Beverage Consumption and Purchasing Trends 2024 -PennState Extension, Technomic, <https://ncsolutions.com/the-goods/sober-curious-nation-alcohol-survey=>

## Consumers Trends

You may have heard about the term “Sober Curious”, which means taking an introspective look at oneself and one’s drinking habits. It’s an intentional method, meant for people to change drinking habits for health-focused reasons (mental and/or physical). The sober curious movement encourages individuals to recognize the often-unhealthy habits that are associated with alcohol.

**The top three reasons Americans are drinking less in 2024 are to:**

- **Improve physical health**
- **Save money**
- **Make a lifestyle change**

Drinking alcohol can be expensive. On average, Americans spend \$58 per month on alcohol at grocery stores and \$47 at restaurants, totaling \$105 a month. This adds up to about \$1,260 a year.

### Top Nonalcohol Beverages Americans Want to try in 2024



#1

Mocktails



#2

THC & CBD-Infused Drinks



#3

Nonalcoholic beer



#4

Nonalcoholic spirits



#5

Nonalcoholic wine

## By the Numbers

**Beverage consumption is up but alcohol consumption is declining.**



image by Shutterstock

33% of consumers globally order a drink for a snack between meals.

-Technomic

60% of consumers state that they now purchase 6 or more beverages a week.

-Technomic

**47%**

are drinking less in 2024 as part of a lifestyle change

**47%**

are drinking less in 2024 to improve their physical health

**1 in 2**

are drinking less in 2024 to save money

## 5 KEY SNACK TRENDS

### Intentional Indulgence

The food affordability crisis has made people snack less and choose more carefully. However, there's an increase in impulse buys, especially for larger shared sizes (51-100g), driven by value and special occasions like holidays. Manufacturers should think lower-priced options in slightly larger quantities to meet consumers where they are at.

### Promoting Functional Natural

Products with natural and plant-based claims are becoming more popular with consumers. A recent survey found that many consumers value clean labels, with organic and all-natural ingredients being especially important. New laws in the US and EU, banning artificial colorants are also driving this trend, encouraging brands to innovate with healthier, plant-based, and natural ingredients.

### Cultural Relevance in Taste

Cultural relevance is a key trend in global and local snacking. The movement of people worldwide is bringing diverse eating patterns and flavors. For example, spicy flavors have become very popular, making up nearly 15% of new salty snack launches in 2023. Cultural influences also extend to textures, leading to exciting combinations like chewy, and crunchy. In the coming year, brands will likely add local twists to global snacks, connecting more with cultural communities, and exploring new markets.



Spicy flavours have become so popular that they made up nearly 15% of tracked new salty snack product launches in 2023.



### Going Viral

The digital world is greatly influencing how consumers snack. People often snack while using digital platforms, which also inspire their purchases. Online snack sales have increased globally, with brands like Ferrero and Mars seeing growth in places like Brazil and the US due to effective digital ads. In the coming year, social media trends and clever online ads are expected to boost brand visibility and create new snacking experiences.

### Eco Cost Concerns

The snack industry is working together to make healthier and more responsible snacks. Concerns about climate change and community well-being are driving demand for snacks made sustainably. Consumers prefer companies that support local communities and practice charity. "Green" snacks, like those certified by Rainforest Alliance, still make up less than 5% of the market but grew in value by over 6% from 2020 to 2023. This year, the industry will focus on finding affordable ways to meet the demand for environmentally friendly products.

## FOODSERVICE LTO SNACKS RESONATING WITH CONSUMERS



Brisket Loaded Fries



Cheesy Dipping Burritos



50 cent Mozzarella Sticks

Across generations, nearly three-quarters of consumers (74%) refuse to sacrifice taste when selecting their snacks. Baby boomers are the most unwilling to compromise on taste (84%), followed by Gen Xers (75%).



Mac and Flamin' Hot Cheetos



Oreo Cakebite



Hot Honey Snacking Bacon

## SPICY + SWEET = “**SWICY**”, A CLASSIC PAIRING IN FOOD, IS MENUING AS LTO’S IN ALCOHOL AND NONALCOHOL BEVERAGES



**Yard House Picante Margarita**  
Calirosa Rosa Blanco, orange liqueur, citrus agave, **cayenne syrup**, tajin rim



**True Food Kitchen Clean Margarita**  
Clean & Co. Tequila, carrot, orange, **jalapeño**, mint



**Burger King Fiery Strawberry and Sprite**  
Sprite taken up a notch with a **fiery strawberry puree**



**Jamba Watermelon Tajin Smoothie**  
Watermelon flavored grape juice blend, raspberry sherbet, strawberries, pineapples, **tajin mild hot sauce**

## UP AND COMING FLAVORS IN COLD BEVERAGE

- Chili Pepper
- Yuzu
- Espresso
- Dragonfruit
- Tangerine
- Mandarin
- Melon
- Rhubarb
- Grape
- Honey
- Guava
- Pomegranate
- Fig
- Blue Raspberry
- Margarita
- Cola
- Mojito
- Moscow Mule
- Bitters

# INDEX OF CONSUMER SENTIMENT (ICS)

Consumer sentiment rose 3.2% to 70.1 in September, according to final results from the University of Michigan Survey of Consumers. This represents a 3.4% increase year over year.

“Consumer sentiment extended its early-month climb, ultimately rising more than 3% above August,” according to Survey of Consumers Chief Joanne Hsu. “This increase was seen across all education groups and political affiliations. Furthermore, all five index components gained, led by a 6% surge in one-year business expectations. The expectations index is now 13% above a year ago and reflects greater optimism across a broad swath of the population. While sentiment remains below its historical average in part due to frustration over high prices, consumers are fully aware that inflation has continued to slow.



image by Shutterstock

Sentiment appears to be building some momentum as consumers’ expectations for the economy brighten. At the same time, many consumers continue to report that their expectations hinge on the results of the upcoming election.

The US Index of Consumer Sentiment (ICS), as provided by University of Michigan, tracks consumer sentiment in the US, based on surveys on random samples of US households. The ICS is a leading economic indicator that measures changes in the outlook for the economy. They are based on how shoppers feel about their interest and willingness to buy things in the future.

# TOMATO NEWS UPDATES

The harvest is now nearing its end in many countries and it now seems that global production will be below 46 million tonnes. Processing is going well with 60% of the volume already processed. It is one of the best years with good quality an average brix of about 5, although a bit lower than the 5.2-5.3 that was expected.

## CALIFORNIA

The harvest season started a few days earlier than in previous years, with small quantities of organic tomatoes. Figures collected by the PTAB show that California processing tomato deliveries are plateauing, with the year-to-date total still above the 5-year average to date.

For week twelve (ending September 21st) PTAB is estimating 674,029 metric tonnes (t) (742,990 short tons) were delivered to the factories. Week thirteen (ending September 28th) is estimated to be 679,112 t (748,593 short tons), which would bring the year-to-date total to an estimated 9,013,421 t (9,935,596 short tons).





Interested in creating your next craveable sauce?  
Contacting us today at:  
[Ideations@kagomeusa.com](mailto:Ideations@kagomeusa.com)