

2023 FOOD+ BEVERAGE TRENDS

VOL. 14





“Why am I not getting this from my agency?”

Paolo Zotti, Current Transformation Officer – Europe @ Reckitt. Former VP of Marketing Reckitt Benckiser Food Division



APPROACH



TRENDS VERSUS FADS

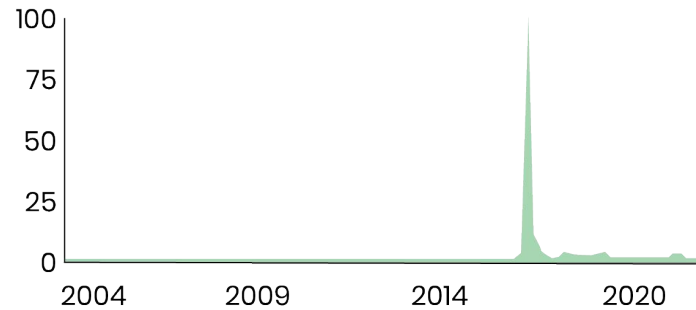
Trends

A change in how we see the world

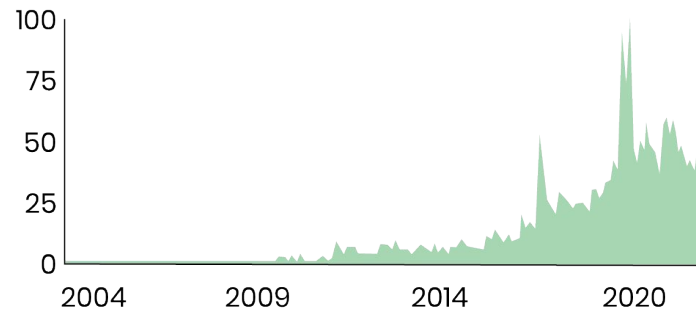
Fads

An intense, widely shared enthusiasm for something that is short-lived and without basis in a broader cultural context

FADS LOOK LIKE THIS



TRENDS LOOK LIKE THIS



TRENDS & THE ADOPTION CURVE

We plot our trends against the adoption curve. In order to ensure that we stay on the cutting edge of all things food & beverage, we look for trends that fall within the first two stages; however, within the next three to five years, we expect them to shift into the next two to three segments as they are adopted by mainstream consumers and businesses, alike.

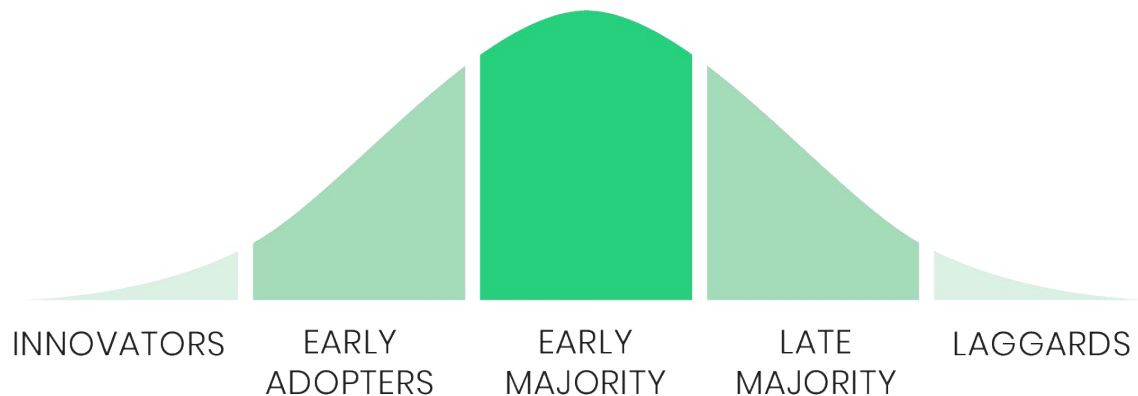




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INFLATION

INFLATION

Inflation has been affecting the food industry — from goods on the shelves to the meals inside restaurants.

↑ **12.4%**

Consumer Price Index (CPI) for Grocery
Store Food Purchases YOY
(October 2021–October 2022)

↑ **8.6%**

Consumer Price Index (CPI) for
Restaurant Purchases YOY
(October 2021–October 2022)

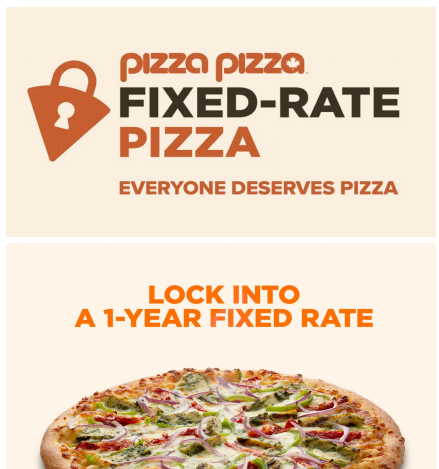
The rate at which the cost of food increases has climbed to its highest level in the last 5 years.



PIZZA PIZZA'S FIXED-RATE PIZZA

Fixed-Rate Pizza offers Canadians:

- An XL four-topping pizza for \$16.99 for up to 12 months
- No price increases guaranteed
- Landing page with a questionnaire to get pre-approved



The graphic is divided into two horizontal sections. The top section has a light orange background and features a brown padlock icon with a keyhole on the left. To its right, the text reads "pizza pizza" in a small, lowercase font, followed by "FIXED-RATE PIZZA" in large, bold, uppercase letters, and "EVERYONE DESERVES PIZZA" in a smaller, uppercase font at the bottom. The bottom section has a white background and features the text "LOCK INTO A 1-YEAR FIXED RATE" in bold, orange, uppercase letters. Below the text is a high-quality image of a round pizza topped with various meats, vegetables, and cheese.



The graphic has a solid orange background. At the top, the text "WHAT RATE ARE YOU OFFERING?" is written in white, uppercase letters. Below this text are three white circles arranged horizontally. The first circle contains the text "XL" in large, bold, orange letters, with "4-TOPPING PIZZA" in smaller, bold, black letters below it. The second circle contains the text "\$16⁹⁹" in large, bold, orange letters, with "FIXED PRICE" in smaller, bold, black letters below it. The third circle contains the text "1" in large, bold, orange letters, with "YEAR" in smaller, bold, black letters below it. At the bottom of the graphic, in small white text, it says: "With this incredible rate, you'll be paying today's XL 4-topping pizza price of \$16.99 for 1 year – July 18, 2022 through December 31, 2023 – even if pizza prices rise. Lock in today and avoid potentially paying more tomorrow!" and "*Tax & delivery extra. Additional charge for premium toppings."



INTERNATIONAL FUSIONS

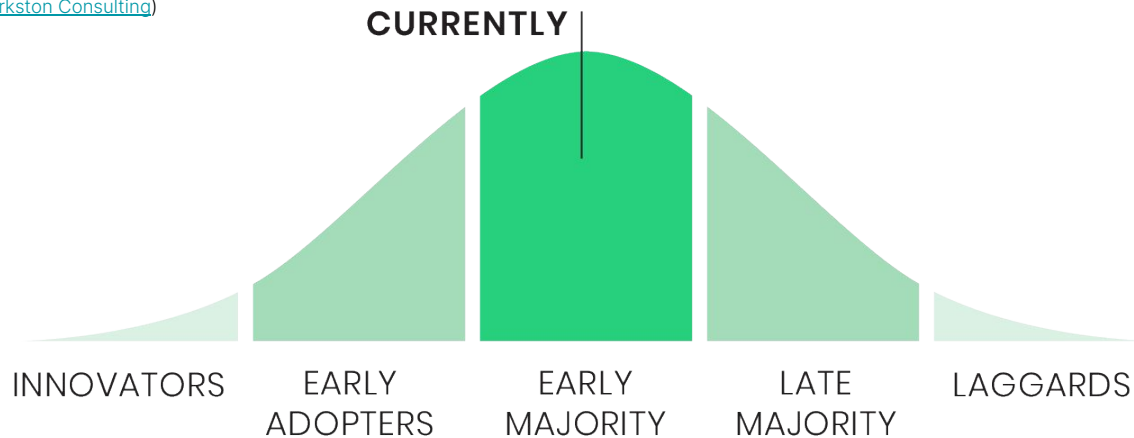
INTERNATIONAL FUSIONS

Many consumers are demanding a more diverse array of options, turning to international flavors for variety.

In the past year, certain cuisines had an overall increase in the US:

- Italian: +172%
- Mexican: +154%
- Japanese: +143%

[\(Clarkston Consulting\)](#)



UBE

Ube is a sweet flavor deriving from the Philippines.

- Made from the purple yam
- An earthy, nuttier, vanilla-like flavor
- Popular flavor in desserts and snacks



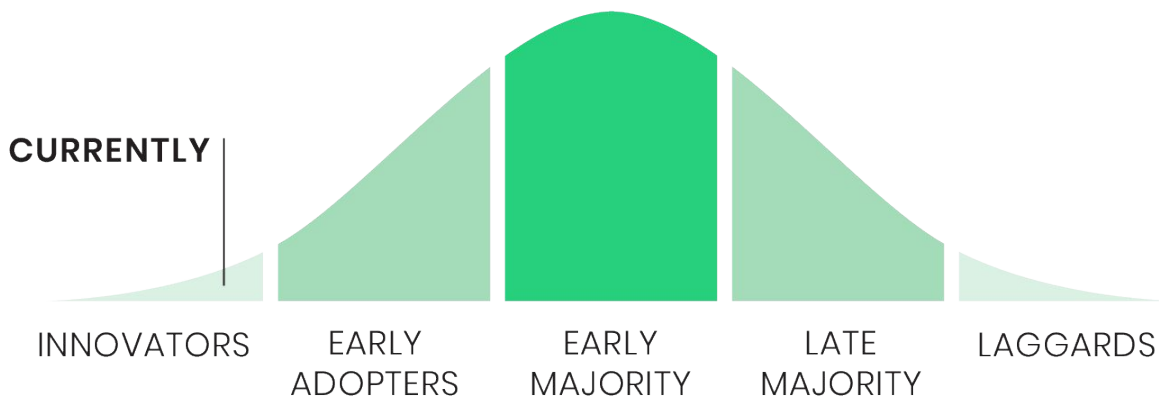


420-FRIENDLY

420-FRIENDLY

As people become more educated about the effects of cannabis, there is a wider acceptance of use among consumers, which has also been reflected legally.

- More than 75% of states have already legalized CBD.
- President Biden granted pardon for federal convictions for the offense of simple possession of marijuana.



MAJOR LEAGUE BASEBALL

Major League Baseball is the first major professional sports league to allow and form a sponsorship agreement with a CBD company.

Charlotte's Web is now the first "Official CBD of Major League Baseball."



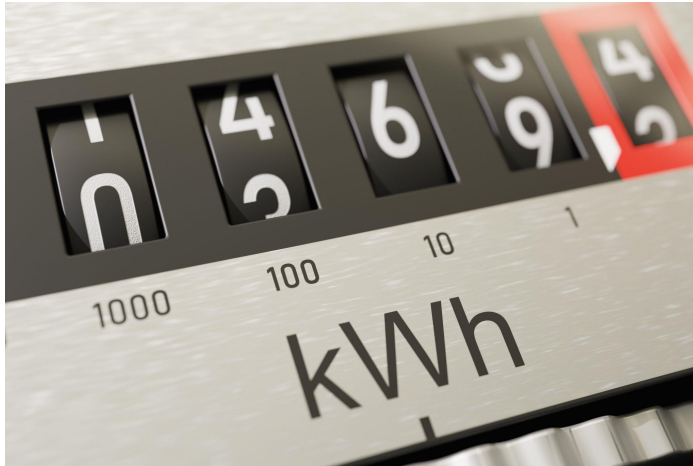


DYNAMIC PRICING

DYNAMIC PRICING

Dynamic pricing is a model where businesses adjust the prices of their offerings to account for changing demand.

Different industries, such as airlines, hospitality, car rentals, and even retailers, have been using dynamic pricing as their business models.



DOG HAUS

Adopted dynamic pricing methods

- Implemented the practice into its virtual brands
- Increased online sales vs. in-store sales
- Yielded a 10-15x return





TECH TO TABLE

TECH TO TABLE

We are moving into an era where technology doesn't just make processes easier, but creates new ways of doing things, such as:

- **Cell-based beverages**, produced by cultivating animal cells directly in a lab to eliminate the need to raise and farm animals for products
- **The Metaverse**, used to establish brand presence and to increase digital engagement
- **#FoodTok**, a community of people on TikTok who want to share and try new recipes and ingredients
- **AI robots**, with brands, are investing in these new technologies to save money and make processes safer, and provide faster services.



ROBOT DELIVERY: FOUR-LEGGED ROBOTS

Created by Boston Dynamics, the yellow “dog” is equipped with numerous cameras and sensors, which it can use to detect transgressors and broadcast pre-recorded warnings.

These four-legged autonomous delivery robots will be tested at the University of Texas in early 2023.





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