

Forbes

<https://www.forbes.com/sites/louisbiscotti/2022/12/22/trends-for-2023-nestle-looks-to-the-future/?sh=52aa9930678f>

Trends For 2023: Nestlé Looks To The Future

Louis Biscotti

Contributor

National Leader, Food & Beverage Services Group, Marcum

Dec 22, 2022, 03:33pm EST

Everyone is talking about F&B trends. We all study new products, focus on innovation, gauge the competition. But what do big companies see when they look toward the future?

In a recent interview with Melissa Cash, CSO (chief strategy officer) at Nestlé, we discussed the trends that Nestlé is predicting. As we head into a new year, this might be a good time to look ahead, and consider what Nestlé sees on the horizon.

Snacking soars

The snacking sector has grown tremendously since the advent of the Covid pandemic, possibly largely because people stayed at home more often and did not go out to restaurant breakfasts, lunches, and dinners. Maybe the three-meal-a-day concept ended with the pandemic. Whatever the reason, snacking has become an even bigger trend. But that goes far beyond finding sweet and savory satisfaction from chocolate bars and chips. “Smeals” (short for snack meals) have become a new way of eating for some people, fueled by the busy pace of life, grab and go, two working parents, and inflation. And this is

leading to new products as well as bigger pushes for current products that can satisfy hunger without meal preparation.

Smeals are here

Nestlé's Hot Pocket Deliwich, which has revolutionized "thaw and eat," is an example. The product is promoted with the phrase, "The future of lunch is in a freezer nearby." You can get options such as turkey and Colby, cheese melt, cheddar and ham, and pepperoni and mozzarella.

Smeals, to be successful, must be more nutritious and heartier than your typical snack, because they are replacing a traditional meal. This trend has also accelerated sales in C stores, where grab-and-go concepts are prevalent. F&B companies need to jump on this trend to cater to what the consumer wants. As Cash mentioned, Nestlé's consumer is their True North and by listening to consumer wants and needs, they can deliver products that offer more. Right now, snacks or meals on the go are one thing that consumers want.

Plant-based

While this trend—which was red hot—has slowed, the plant-based protein market is expected to grow to \$17.4 billion by 2027, according to MarketsandMarkets Research. Whether you are vegan, vegetarian or flexitarian, plant-based has become a way of life. Veggie Forward!

Alternative plant-based fish products are so good that consumers no longer need to compromise on quality and taste, and the future is even brighter as new and better products are developed each day. R&D, meet F&B. Every trade show now has a plant-based component. Nestlé has a big portfolio of plant-based products, from seafood alternatives to the *vegan KitKat*, or *KitKat V*.

Sensational VUNA is a tuna alternative made from six natural ingredients. *Wunda* is a milk alternative made from pea protein.

Functional Foods and Beverages

Now that "mood foods" and "mood beverages" infused with CBD and THC are more common, they have become part of the functional food category.

Consumers are especially cognizant, since Covid, of managing their health, and eating and drinking healthy and nutritious products. Nestlé's water product, Essentia, has the company thinking about what other similar products could be as successful and appealing to consumers.

Direct to Consumer

Direct-to-consumer is a trend across companies and industries. Nestlé sells coffee pods via Nespresso.com. We didn't discuss DTC, but I have predicted the DTC trend will continue to grow at a dizzying pace. While many F&B companies praise their distributors, with the success and acceptance of e-commerce, some companies are distributing their own product. My discussions with many distributors verified that they are box movers and logistics companies. That is, if they don't offer something more to their customers. Will big F&B eventually work out the logistics to go direct to consumers? We buy everything online. The ultimate cost savings to the consumer would be a windfall, especially with the current rate of inflation, although I don't think this will happen in the very near future. Expect DTC to be a growing trend as well. Stay tuned; this is still developing.