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PACKAGING WORLD®

How are Food Industry Innovators Meeting Consumer Needs?

Plant-based protein is still a big topic in the food industry and reducing waste and responsible packaging are the top related-trends for food packaging, according to New Hope Network.

By Kim Overstreet

Amanda Hartt, Lead Market Analyst for NEXT Data & Insights and New Hope Network, and Adrienne Smith, Senior Food Business Reporter for New Hope Network, discussed top trends in the food industry, and how (and which) brands are innovating based on changing consumer values at the virtual Spark Brand Success event last week.

Macro Trend: Plant

According to Smith, "This is a big force fueling change in the US food industry. Consumers are increasingly waking up to the social, environmental, and health benefits of plant-based foods."

- Hodo – innovating tofu for new applications as a meat substitute.
- Miyoko's Creamery – cashew-based cheese alternatives.
- Lavva – Pili nut and plantain-based yogurt.

Macro Trend: Time-Honored Heritage Ingredients

"Brands are leading with unique ingredients from around the world that either are unique in culture or unique in terraflora...not only are these brands culturally rich, but they're giving back and impacting the communities through which they source from," said Hartt. This trend is "resurfacing traditions and ancient practices from around the world that have preservation techniques, that slow things down, and retain nutrition as a response to overly processed foods."

- AYO Foods - formulating frozen meals with egusi, which is ground melon seeds from Liberia.
- Rumi Spice - working with small farmers in Afghanistan to support an economically driven rural development in Afghanistan with saffron and other spices.
- Amlu - Moroccan style nut butter infused with Omega rich argan oil.

Macro Trend: Protein Power

Meat-alternative sources of protein that are new, or modified legacy proteins like soy and seitan. This is also a plant-based trend, as consumers are seeking clean plant proteins that are more efficient calorie sources compared to animal-based products.

Said Smith, "Research into plant-based alternatives to traditional meat and dairy proteins has not only yielded products with better taste and nutritional profile but has also led to a huge boom in innovation in terms of formats and applications."

- Rebel Food (Ripple) - pea protein alt-dairy products.
- Chickapea - chickpea and lentil protein.
- Olyra – grain protein from spelt oat, looping barley and flaxseed proteins.

New Hope also takes a look at the top ten trends YOY among its Expo West exhibitors, and identified the following from 2020:

- CBD /ECS
- Multi-Stakeholder
- Quest for Rest
- Brain Health
- Science First
- Food Access
- Responsible Packaging
- Meal Kit
- Waste Reduction
- Organic

Said Smith, "Reducing waste has really become one of those rallying

Rumi spices from Afghanistan

cries for so many brands and businesses in our industry, with brands coming up with clever, innovative ways to reduce and remove waste along all the different various steps of the supply chain." Some examples Smith cited:

- So Good So You - focuses on 100% renewable energy, 100% post-consumer recycled packaging, and also diverting more than 94% of facility waste from landfills.
- Vive Organics - using ugly produce as ingredients for wellness shots with the goal of cutting down on waste by upcycling or reusing byproducts for food production.
- Renewal Mill - upcycling okara pulp (a by-product of soymilk production) into flour.

Renewal Mill turns a by-product of soy milk production into flour

'Responsible packaging' that mitigates negative environmental impacts is another trend found within a 'material optimization' macro trend. "This could be using new materials, developing new technologies, changing the shape or size to allow for more efficient shipping, and then focusing on reusable, recyclable, or compostable options," said Smith.

- Flow Alkaline Springwater - has a goal to have 100% reusable, recyclable and compostable packaging by 2025.

- Pete and Gerry's Organic Eggs - decided to stick with post-consumer recycled plastic, with a take-back program where consumers send in cartons for reuse.
- Alter Eco - the brand that launched the first compostable non-toxic candy wrappers.

Making agriculture commitments through supply chains and ingredient sourcing is another macro trend, with organic and regenerative agriculture falling within. "Organic is a base standard in the fight for good food. But brands are doing more by engaging in policy to strengthen standards, expand acreage, or showcase a deep understanding of the ecological journey to their organic efforts," while regenerative agriculture "rebuilds, repairs, and replenishes our natural resources through ecological practices that challenge the limitations of the current sustainability paradigm."

- Numi Organic Tea - sources 100% certified organic teas from small holder farmers around the world that benefit farmers, the environment, and consumers.
- Lundberg - a steward soil health and carbon farming, to sequester carbon and enrich the soil.
- Clif Bar - investing in plant breeding research.

Smith said that two other trends are traceability and transparency, and that the "consumer demand for transparency has gone far beyond the mere ingredient list. Consumers today want to truly understand what it is they're putting into their bodies. Where does it come from? How is it made? What's in it? Who made it? Under what circumstances? How were they paid?"

PepsiCo Launches New Canned Cocktail Mixers

In a move to meet consumer trends, PepsiCo is launching 'Neon Zebra' cocktail mixes in aluminum cans, which are due to hit shelves on Monday.

By Kim Overstreet

Though it wouldn't be far-fetched to assume that COVID was the catalyst for the launch - fueled by a rise in drinking-at-home brought on by a year of stay-at-home orders and closed bars and restaurants, the new brand of cocktail mixes was actually initiated two years ago based on a rising consumer trend that was accelerated by the pandemic.

According to Nielsen retail data, US consumers spent $304.6 million on cocktail mixes in the last year - a 36% increase. In 2019 the increase was 1.2%. According to PepsiCo, the cocktail mixers category (including total mixers, ginger beer, club soda, and tonics) saw a 28% growth in 2020 and is worth more than $858 million.

"With at-home cocktail consumption on the rise, we saw an opportunity to build and disrupt this fast-growing category with a product that meets consumers' needs for convenience - to cut out time and mess without compromising on quality and taste," said Emily Silver, VP of Innovation &

Capabilities, PepsiCo Beverages North America. “Neon Zebra adds a new level of personality in the cocktail mixer category with its bold flavors and colors and easy-to-use, recyclable mini-can format.”

Targeted to consumers between 21 and 34, the brand will launch with four non-alcoholic flavors that won out in taste tests: Margarita, Strawberry Daiquiri, Mojito and Whiskey Sour. Each 7.5 aluminum can is made with real juice and no artificial sweeteners, and has enough mix to make two cocktails. The cans will be packaged in paperboard 6-packs.

PepsiCo’s new brand of cocktail mixers: Neon Zebra

Update on the Natural and Organic Market Today

In 2020, the natural and organic products industry grew to $259 billion, an increase of 12.7%, with sales on track to pass $300 billion by 2023.

By Kim Overstreet

This morning, the New Hope Network launched its virtual Spark Brand Success event with an update on the natural and organic products market status.

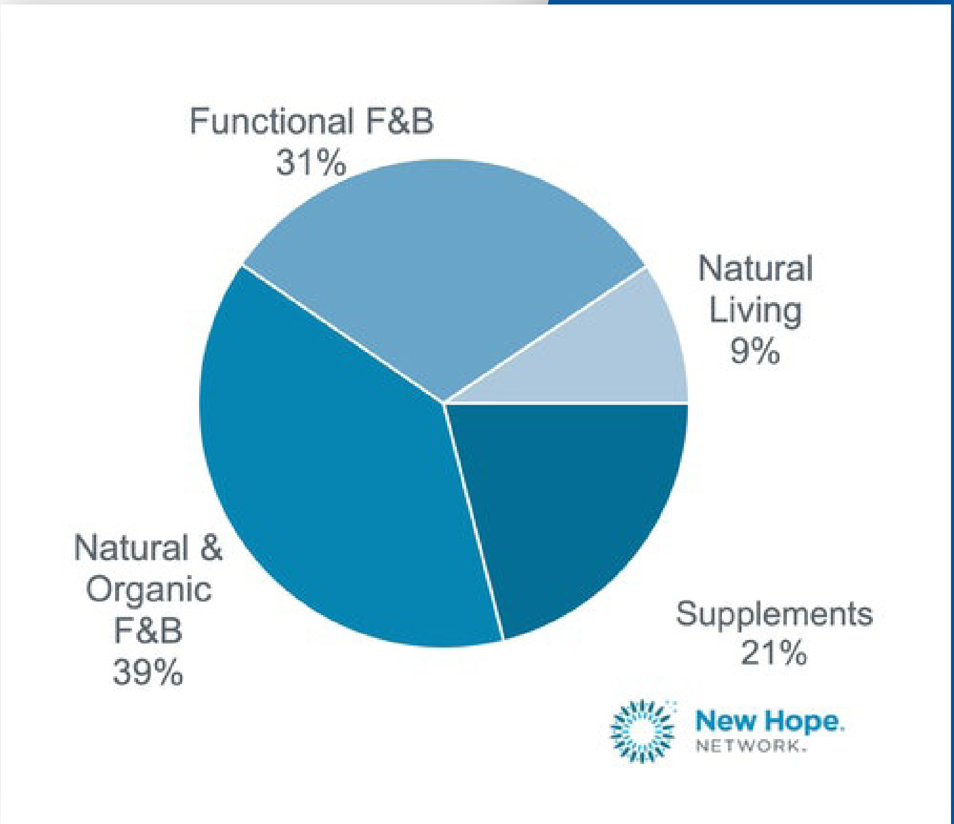
Of the total natural and organic products market, food and beverage accounted for 70% of industry sales, growing approximately 13% to $186 billion in 2020. Conventional food and beverage grew 8.6% last year, and both markets saw increases brought on by COVID-19 and resulting quarantine trends.

The report acknowledged that consumers continue to seek functionality in the area of food and beverage with the “food as medicine” trend, and sales in this area grew over 9% to $78 billion in 2020. Some of the top growth categories were shelf-stable, frozen, and snacks, while popular ingredients included collagen, mushrooms, adaptogens, nootropics, and healthy fats. Also, plant-based products are reported to be growing twice as fast as their mainstream counterparts.

As consumers seek natural solutions that will boost immunity and reduce stress and anxiety, functional food and beverages are sought out, as well as health and well-being products. Supplement sales increased 14% to $56 billion in 2020 – $3 billion more than anticipated in pre-COVID estimates. (But conversely, it should be noted, consumer trends also saw an uptick in the consumption of junk food and alcohol.)

E-commerce sales growth increased in this market as well as many others in 2020, up 60% in what may be a permanent shift of shopping behavior in some cases. But, the report states, "While total natural and organic e-commerce sales are set to double between 2018 and 2023, retail—especially mass-market retail—will continue to fuel the majority of natural and organic sales." As consumers shift back to stores as pandemic restrictions lift, an "omni-channel strategy" should be top of mind for a brand's success.

In 2020, the natural and organic products industry grew to $259 billion.



Major Trends in Modern Health Today

Healthier eating lifestyles and habits were already on the rise before the pandemic, but now there is an updated perspective on modern health.

By Kim Overstreet

According to Eric Pierce, VP of Business Insights at New Hope Network, and Kathryn Peters, EVP of Business Development at SPINS, there are three "power" trends in modern health today, followed by three "plant-inspired" trends, and two "time-honored ingredient" trends.

POWER TRENDS

1. Endocannabinoid System: CBD, hemp, and the endocannabinoid system are driving growth, experimentation, and innovation.
2. Quest for Rest: Consumers seek products to help them be alert and energized, while counterbalancing periods to recharge, relax, and re-energize.
3. Brain Health: Consumers are seeking products to help them optimize cognitive function for peak performance.

Endocannabinoid: Pierce addressed the investment focus of the endocannabinoid systems trend and said when looking at the Nutritional Capital Networks investment data, “According to investors, the endocannabinoid system is literally off the charts...a 350% increase in transactions between 2018 and 2019.”

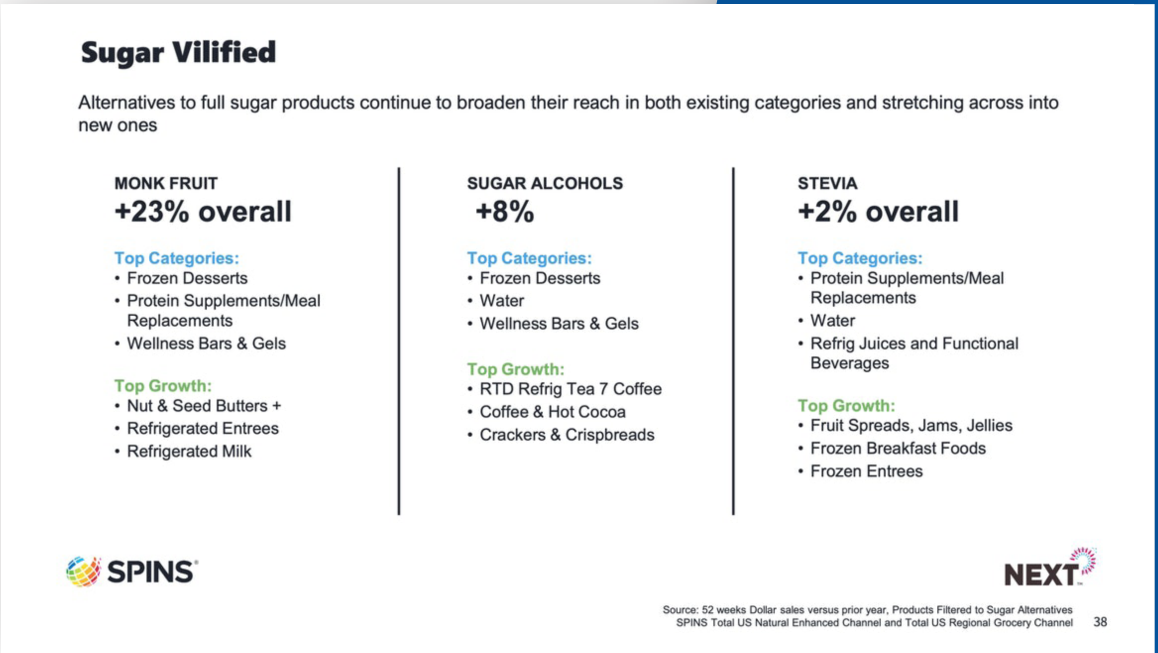
He also said we can look to online, social and mass media data trends to see what consumers are spending the most time with. According to these sources the power trends include digestive health, healing diets, the quest for rest, and time monitored ingredients, which is a little different than what investment and innovation activity show as the power trends. This, said Piece, indicates that “Consumers might be thinking a little differently than innovators and investors right now. There are suggestions that other trends might be approaching maturity for consumers, that includes healthy fats, optimized diets, and interestingly – and this data does go into 2020 a little bit - the endocannabinoid system.”

See it Live at PACK EXPO Connects Nov. 9-13: Roberts PolyPro Bottle

Carrier Capabilities, by Roberts PolyPro. Preview the Showroom Here.

Peters went on to explain that CBD sales (non-THC related products) growth has slowed slightly over the last year, however, still represents currently over $153 million in sales. Said Peters, “Where products including CBDs are showing some weakness overall, there are definitely some bright spots.” As shoppers gravitate to CBD products that leverage the entourage effect, or, combining supplements, Peters said, “For CBDs, their effect may be more pronounced, with whole hemp extracts, as well as other supplements like clove or black pepper, which can boost the anti-inflammatory effects of CBD.” Other areas of innovation include enhanced waters and body care such as lip balm, facial masks, deodorants, and facial lotions.

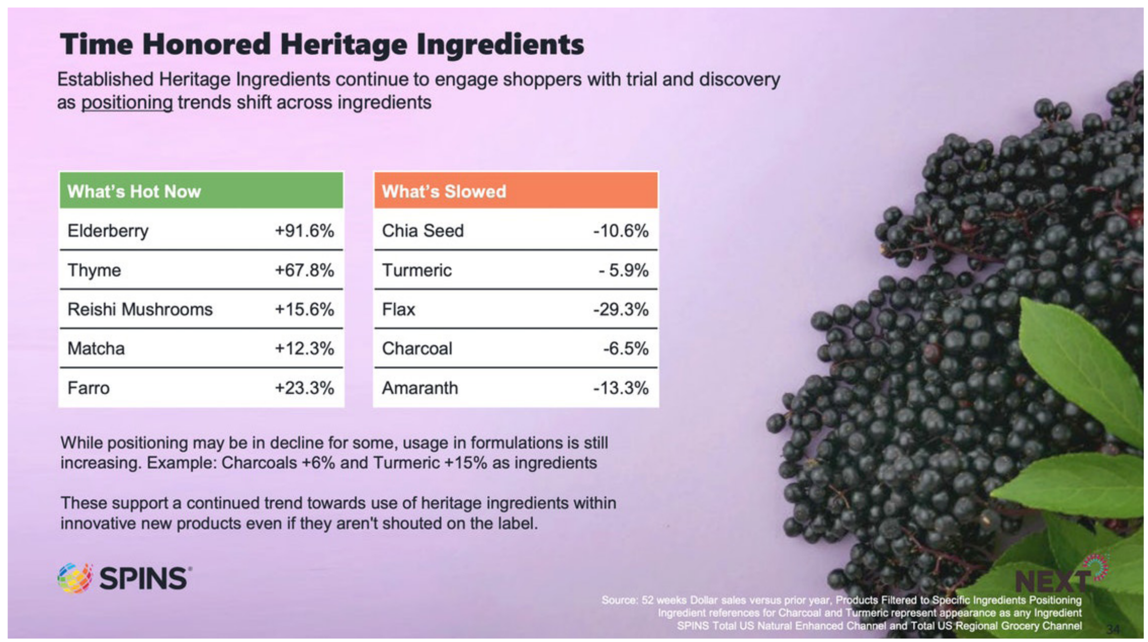
Quest for Rest: Growth in this area is currently being driven by non-supermarket outlets. Peters said that sleep support products are performing particularly well, up 39% over the last year to $590 million in sales. “Consumers are really looking for a natural remedy to aid their sleep where possible, instead of ongoing exhaustion from sleepless nights or turning to prescriptions,” she said.



Brain Health: Products focused on cognitive health benefits are trending well over 80% growth in recent weeks. Over the last year sales are up 43%, with a total value of $306 million. Multivitamin sales are up 311%. “We also recognize the challenges that the pandemic has created in our lives,” Peters said, “and see continued strength representing sleep-focused products, and mood support. Clearly there’s more than just immunity on the minds of today’s modern health consumer.”

PLANT INSPIRED TRENDS

1. Plants Elevated: Gone are the days of bland tofu and dense bean burgers. Brands are winning over vegans and flexitarians alike with intense flavor, crunch, and umami tastes.
2. Eat More Plants: From omnivores to vegans, the goal is to incorporate more nutrient-dense plants in the diet. Brands are creatively catering to picky children, adventurous adults seeking the latest exotic plant superstar, and consumers seeking meat and dairy alternatives.
3. Plant Protein: Consumers are seeking clean plant proteins with



What's Hot Now		What's Slowed	
Elderberry	+91.6%	Chia Seed	-10.6%
Thyme	+67.8%	Turmeric	- 5.9%
Reishi Mushrooms	+15.6%	Flax	-29.3%
Matcha	+12.3%	Charcoal	-6.5%
Farro	+23.3%	Amaranth	-13.3%

other nutritional benefits that are more efficient calorie sources from farm to stomach compared to animal-based products.

Plants: Plant-based trends are positioned as a gateway for improved health and well being for the body and the planet. “This has paved the way to a much more inclusive trend,” said Peters, “and you can see high percentage of consumers today choosing some sort of plant-based diet.”

She added that some non-traditional categories are driving the strongest dollar growth in veggie friendly categories, such as baking ingredients, mixes, and flours, pastas, and soups. “While these are not only categories benefiting from the pandemic in general, and cooking more at home, these are veggie friendly products within these categories that are also thriving as consumers are really seeking new solutions for modern health...We see much more than just the traditional burgers or things of that nature. We see ready-to-drink beverages, and meals and meal components even in center store. This trend is truly covering all the food and beverage aisles.”

TIME- HONORED TRENDS

2. Time Honored Ingredients: Consumers and brands are bringing long lost ancestral ingredients back into the lexicon of nutrition. Ingredients can be rich in culture, history, and nutrients.

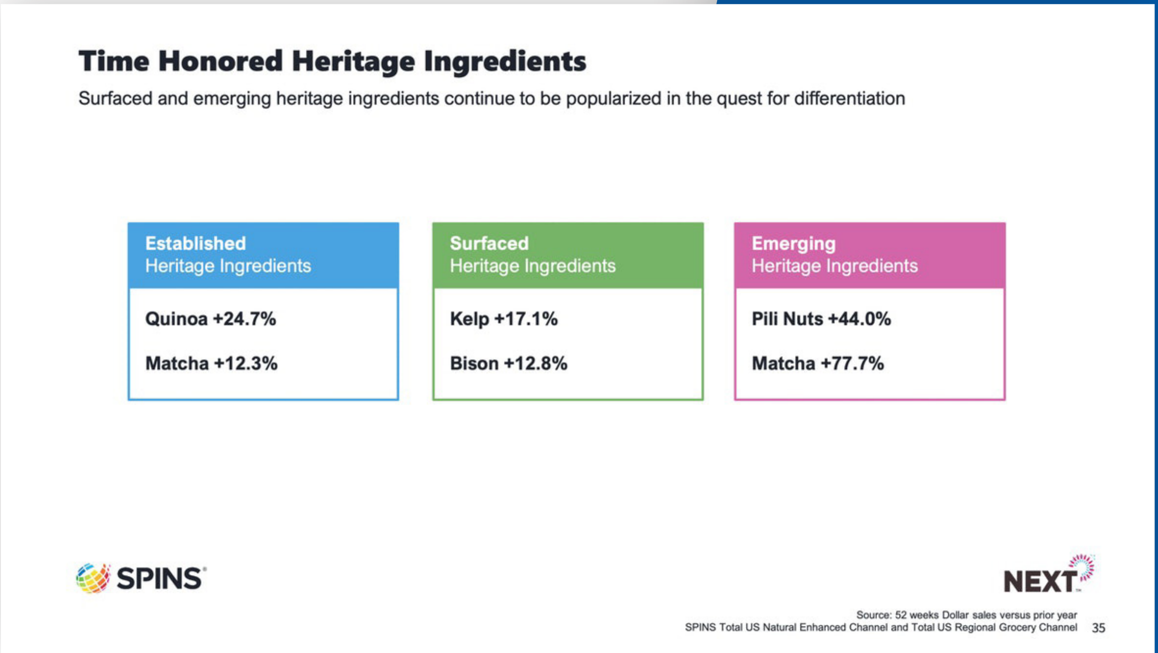
2. Sugar Vilified: The industry is fractured on how to deal with the negative turmoil surrounding sugar, and innovation is multi-pronged with low glycemic food-based sweeteners, zero-calorie alternatives, or redefining the sensation of sweet with new flavors and formats.

Time Honored Ingredients: Regarding the use of "ancestral ingredients," Peters said, "Consumers today are seeking brands that are overall less processed, that are diet aligned, and using ingredients that bring a functional benefit is what they're looking for."

Sugar: Pierce and Peters said that even prior to the pandemic, consumers have been shifting away from sugars, but with potential COVID severity links to obesity and diabetes, products with substitutes such as monk fruit, stevia, and sugar alcohols are increasingly being sought out.

Pierce and Peters spoke last week as part of the on-going Spark Change virtual event, and cited three areas from which data was compiled for their presentation:

- Innovation activity from the Natural Products Expos: Census of every product exhibited, coded by product attributes; trend coding of all finished goods manufacturers.



- Investment activity from the Nutrition Capital Network database of financial transactions: Database captures all publicly recorded financings and acquisitions; coded by trend according market positioning or reason for transaction.
- Consumer engagement by custom analysis per trend of: Online social and mass media activity; linked to industry and trend key words and topics.

As Pierce said, “We’ll see where innovators are placing their bets, where investors are placing their money, and where consumers are spending their time.”

Packaging for the Planet

How can food companies come up with a blueprint to integrate sustainability into product and material choices, and drive systems-level change?

By Kim Overstreet

On day two of the New Hope Network's virtual Spark Brand Success event, a panel of sustainable packaging experts (from start-up to emerging brand to large corporation) discussed their company's journey with sustainable packaging — with both successful, and not-so-successful results. Read part of the conversation below (edited for length) that includes topics such as plant-based materials, compostable packaging, infrastructure, using less packaging material, and top considerations when making sustainable packaging choices.

Plant Based Materials

Paloma Lopez (CEO at Future Fit Foods):

Future Fit Foods is a food startup out of Boulder, Colorado, and we're going to bring in a new generation of real plant-based foods that are convenient, affordable, and nutrient packed to people. And we want to do that in a way that is plastic-free, as well. We spent all of 2020 searching for different packaging solutions. We spoke to startups that are working on breakthrough packaging;

seaweed, and other types of new materials, primarily plant based.

Our stand is that we need to really think about what the packaging is that is really going to nurture our planet and people into the future, which really means thinking about regenerative for more circular systems. Which to us, are primarily plant-based packaging, or reusable packaging.

Compostable Packaging

Kate Flynn:

I'm the co-founder and CEO of Sun and Swell. At Sun and Swell, our goal is to make healthy and sustainable eating more accessible for everybody. And we do that through our line of organic, plant-based healthy foods and plastic repackaging. So, I think our stance on plastic has evolved throughout our journey. I'll just quickly walk you through our history with it, and how my perspective as a founder, and our business, has been shaped based on packaging.

When we started the company several years ago, we were really just focused on bringing healthier food to people. I wasn't even thinking about sustainable packaging, honestly, when we first launched. We launched our product, we had it on shelves, and we realized we were solving the problem of health, but then contributing to the problem of single-use plastic. I got really obsessed with trying to figure out a better solution. I discovered compostable packaging exists. I realized nobody was selling their products in compostable packaging, even though the technology exists. And I just assumed nobody wanted to sell it in compostable because of cost. I didn't think that there might be other reasons. And I just made a quick decision; we're making the switch to compostable, and I dove right into it. We tried to transition our entire product line over to compostable packaging.

At the time we did this, this was back in 2019, we were primarily a wholesale business, and got our products in compostable packaging on shelves and pretty much failed. We had a lot of challenges. The appearance of the packaging itself, the way it was holding up, it just didn't look good next to plastic packaging, which means consumers thought it was old. They didn't know it was eco-friendly. And we just had a lot of issues with it in wholesale. And I felt like I had to make the decision as a founder of an emerging business.

So, I decided I either need to stay out of plastic-free packaging for now, focus on everything else, and then try to integrate plastic-free once the technology improves a little bit. Or we need to shift our business model to accommodate plastic-free packaging if that's our number one thing; to really help transition the industry away from plastic. And we ended up going with the latter. So, over the past year, we spent our entire year basically transitioning our business model to accommodate compostable packaging where it is right now. That means shifting from a wholesale to direct to consumer (DTC) brand, and some other things as well.

For us, it's literally one of the number one things we're focused on. But I had to make a really, really, strategic decision to do it that way. And I always encourage brands to think about 'where does compostable plastic-free packaging fall along your value prop?' And if it's not number one or number two, it's not just a check the box thing that we can quickly do. So that's a little bit about our journey.

Alyssa Harding:
I am the Packaging Collaborative Lead at OSC2, and our work focuses on scaling compostable packaging solutions for the food industry.

One thing I always think about with compostable packaging is 6% of our global greenhouse gas emissions are associated with food waste. And it's closer to 25% of our greenhouse gas emissions within the food system supply chain. So not only can compostable packaging help you as a climate solution, but it also supports the reduction of plastic proliferation in the environment.

Infrastructure

Eric Klingenberg (Lead Material Science for Mars Advanced Research Institute):

We focus in three areas: healthy planet, thriving people, and nourishing wellbeing. And our plastic packaging sits under healthy planet. And so, if you haven't seen it in the news, we just went 100% renewable energy in Australia as of this year.

We're really focused on reducing greenhouse gas where we get our power from. Our goal is to have 100% reusable, recyclable, or compostable packaging. But we realized, the answer is not the same everywhere in the world because we have different infrastructure. We have different supply chain needs. And my role really sits at how do we leverage new materials and accelerate the development of new materials so that our packaging can be reusable, recyclable, or compostable in these regions? And what fits best? And so, in packaging, I think we've learned to take a more holistic approach than we have in the past.

And so how do we advocate for infrastructure so that we have the right infrastructure in place, and it fits with the local economies and the systems? And then designing our package to fit within that infrastructure. And probably lastly, we, each and every one of us, plays a crucial role in this. Are we putting our plastic packaging in the right place? We're the first line of defense, really. Are we sorting properly, even if they're recyclable? And so how do we do that? And how do we focus on education and clear labeling and guidance so that it makes it into the right spot?

Alyssa Harding:

To Eric's point, there's no silver bullet solution for your packaging. And when you're thinking about plastics, there are ways to use less plastics, use better plastics, incorporating post-consumer recycled content or bio plastics into the mix, and eventually no plastics. And making the transition to something that has a more renewable plant-based feedstock.

That being said, what do you see as the top considerations for companies as they choose their packaging materials and structures?

An example of compostable packaging

Top Considerations

Paloma Lopez:

There's a model that I really like, and I apply it often for a lot of decision-making, which is the ideal trifecta model. Essentially it looks at desirability, feasibility and viability. Desirability is really a human-centric approach to what people desire; what people need. When we look at packaging at Future Fit Foods, we thought about, 'let's pay attention to what the trends are, what people want to see in their packaging.' And what we're seeing is, people are still looking for convenience. So that hasn't gone away, but that does not mean single-use packaging. It doesn't mean plastic. It doesn't mean any of those things. It just means convenience. If you bring it to me, and I can reuse the packaging, that's great. So convenience is definitely still top of mind, and whatever packaging we choose, that needs to be there.

There's an increasing obsession with waste in younger generations. They think now that we're all getting a lot more packages at home and we're starting to feel a little overwhelmed with packaging. So, in our research at Future Fit Foods, we learned that waste is really top of mind, packaging waste. People don't like when things get wrapped three times, or they come in a bag and then in a box and then in another box. And it's definitely been a consideration for us. Where can we remove packaging? How can we come across as being very mindful of the amount of packaging we use?

The second aspect of this idea model is feasibility. When we looked at our packaging, the things that we learned through the journey was the importance of the barrier properties of the material. So plastic and multi-layer films that exist in flexible packaging in food today, most of them have really good barrier properties. That's why they've been used for a long time. And so what that means is that oxygen is not going to spoil your food, and humidity, it's going to be protected. So we need to transfer those properties to plant-based materials, and other materials that will be composed of, or be part of, nutrients to the system.

And so what we have found is that of all the options of plant-based, some perform better than others. So it's really important to become educated on the topic of barriers, as I have learned. Because that determines your shelf-stability, and, of course, in some cases, safety, but in other cases, it's just the quality of the experience, food experience, people are going to get.

And then under facility, there's also another aspect, which I've also had to learn the hard way, which is what packaging machinery does your co-manufacturer, or whomever you're working with, actually have available? If you're working with someone who's helping you make the food, you are limited by what packaging machinery they have. And so sometimes, some of these new plant-based materials require a lot of testing to make sure you don't stretch them too much, or that they don't shrink. So, there's a lot of learning that happens through prototyping as well.

And finally, the third aspect of this innovation model that I use is viability, which is economic viability. And so this is the cost aspect of 'is it possible to bring forward all their materials?' And I have to tell you that while it is for sure more expensive than plastic and a multi-layer material to go into plant-based, we're talking cents. We're not talking dollars. We're talking cents for the most part. So that is not the biggest issue of the shift to make. It's, like Kate was saying, viability, or even desirability. So it's the two other aspects, actually, that are much more critical than, I think, cost-viability. So from that perspective, I think the top considerations for us at Future Fit Foods is really thinking through this lens of what's desirable, how do we eliminate use waste, what is the perception consumers have had? How can we change the narrative in the story to its feasibility? How do we think about shelf-stability? Becoming educated on the barrier properties of packaging. And three, viability, of course, needs to be baked into the PNL of the brand.

Alyssa Harding:
That was great, Paloma. And I think, too, Kate can speak to some of the challenges around the operationalizing of the sustainable packaging transition. We have our goals, we have ROI, we have buy-in from different stakeholders, but there are challenges when you're trying to make a systems-level shift. So, Kate, I'd love to hear your perspective on the question. And what do you see as those top considerations?

Kate Flynn:
Everything Paloma said is so important, especially as my perspective is coming from a founder, and then from a small emerging brand. And I think we're so quick to just assume we can do everything. And sometimes, I wasn't as thoughtful when I launched my packaging in stores really quickly. And so that failed because I didn't take the time to think through all that.

But I think from an emotional standpoint, there's just a few other things - from an emerging brand perspective - that you really need to think about when you're thinking about sustainable packaging. You need to think about 'where does this fit in your strategy? And is it a non-negotiable?' It's easy to say, "Oh, I have six non-negotiables, and one of them is sustainable packaging." You really have to decide where it is on that hierarchy. And is it number one or two? Or is it number six? And I think that, for us, we came to a pivotal moment where we said, we either want to be known for plastic free, and we are transitioning to accommodate this, or that's not whatever we're trying to be known for. Or it's not within the top three things that we care about.

It doesn't mean if there was not an infrastructure today, that we can't be thinking about it, caring about it, and making progress towards it. But we need to be thinking about it, and I get questions from our customers all the time about the end of life of our bags, all the time. To the point where we actually have launched a send-back program, so customers can send their bags back to us. And we can compost for them. This works for us because we're a small brand. It would not work for Mars to do that overnight. We can do that because of the size of our company. But the educated customers, who actually care about that piece of your value proposition, are educated, are going to care. And so you need to be thinking through that entire piece of it yourself so you have the answers, and are thinking about how your business model is going to lie.

Alyssa Harding:
Infrastructure development, and the corresponding consumer education, are two essential pieces outside of the design and material due diligence. And at

OSC, we just started a partnership with the Compost Manufacturing Alliance and the US Composting Council to bridge the gap in infrastructure expansion there. 4% of the country has access to an industrial composting facility, which can be a limiting factor when folks are considering a transition to compostables. But when you also have that other fact of 9% of plastics have actually been recycled, you know that the food system provides a very unique solution for helping to address the plastic crisis. I'll throw it to Eric for your top considerations and hear the more enterprise-level perspective on scale and development.

Eric Klingenberg:
As big companies, we can't do it ourselves either. I think Jenna's heard me say this; it's a team sport in innovation, and how do we do this? Because we all need to come together, in reality, to help push things forward. We need to look at the materials' platforms and then pull them in together as well as the infrastructure and education that would be consistent across, no matter our size.

When we look at it, we think of things that are not one or the other, and they're not above each other. They're equal. And so, food safety and quality come in there. And if we're not delivering safe, high quality food, it doesn't make sense to switch.

Secondly, the consumer experience. And that consumer experience for me includes not only 'what is your experience with our products and our packaging, but will it get to the recycling facility? Will you do the right thing with it?' But lastly, it's not 'plant-based,' and it's not 'anti-plastic.' It's 'are we sustainable?' And so there are a lot of technologies out there that I would say are being touted as things that are really good. These are plant-based. And if they're not sustainable and healthy for the environment, then we shouldn't be moving to them, or we should figure out a way to make that move.

We have programs now, not just to consider 'is it recyclable, is it a compostable, but what are all the additives?' We're digging down into the package for every chemical component that's added. Is it recycling? Is it safe? And if it's compostable, making sure it doesn't contain P phosphate. What are the other types of materials we have to have in there? And then you said it with infrastructure. And I can say, it's been a wonderful conversation. And I've had a great opportunity to talk to many composters and tour sites.

We don't want to be a contaminant for them either. So just saying our plastic packaging is compostable, and we pass the standard, doesn't mean they operate that way. So how do we have the right level of conversation? And how do we design more towards where they operate? How do they operate towards what we can handle? It's an ongoing conversation that we're having across the value chain now that we haven't had maybe in recent past. Really, I think that's the bigger picture of great trust, is safety, quality, making sure that we're not just a recyclable, but we're sustainable in that. The last thing we want to do is to do harm for the environment, just to say we're recycling. That's not a good place to be in either.

Alcohol Consumption Habits Shift During COVID-19

New white paper explores how adult beverage consumption and purchase habits have changed during the pandemic, and what to expect in the future.

By Anne Marie Mohan

Despite COVID-19, or perhaps because of it, "Americans are saying 'Cheers' more often." That's according to a recent white paper of the same name from AMC Global that reports that when it comes to adult beverage consumption and purchase habits, some demographics are drinking more, and certain beverage categories are growing in popularity.

Among the insights included in the paper:

- Consumption of alcoholic beverages has shifted as the pandemic continues, with 27% of respondents reporting that they have been drinking more.
- While most respondents say they will go back to the same or less than their "pre-pandemic" drinking from an amount standpoint, 9% say they will continue to drink more.

- Most of those drinking more alcohol fall into younger age groups, ranging from 21 to 34. For example, 41% of those age 21 to 34 report drinking beer versus just 11% of those 35 or older.
- People seem to be experimenting more with alcoholic beverages, with 23% of consumers trying new-to-market or new-to-them beverages like spiked seltzers.
- People are mixing cocktails at home, and they are choosing what are perceived as "healthier" or lighter varieties of packaged alcoholic beverages, including lower ABV wines (12% or 13% max), spritzers, and spirit-free cocktails.
- Thirty-three percent of consumers are trying new beers, 20% are trying new wines, and 14% are trying flavored malt beverages.
- Other "hot" beverage categories consumers seem increasingly willing to try include spiked nitro and cold-brew options and ready-to-drink cocktail options, including new flavors and mixtures.
- While convenience seems to play a role in beverage purchase decisions, sustainability is top

of mind for consumers, with 67% now more aware of how their actions and the actions of others impact the environment, including the use of sustainable packaging.

- The slowing of on-premise sales of alcoholic beverage has had a clear impact on sales of single-serve units, although some studies are showing this trend in softening.