

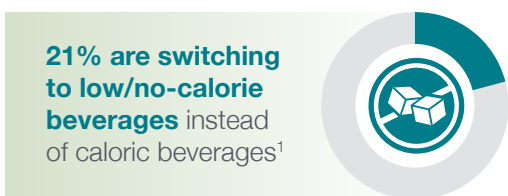
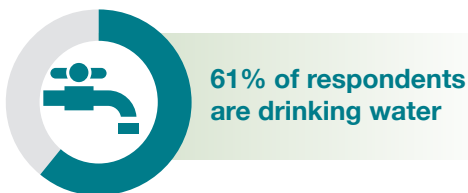
5 TRENDS

Transforming Beverages

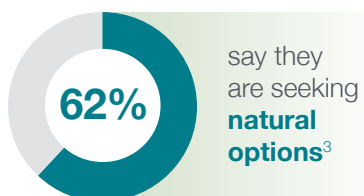


Just a few decades ago, soda was the dominant beverage. Today, wider trends from the food industry have spilled over and drastically changed our drinking habits.

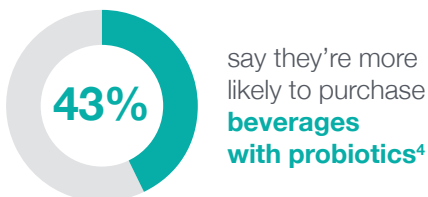
1 Less sugar.
Sugar concerns are especially evident in the beverage industry, amplified by public health messaging and “soda taxes.”



2 Clear origins.
Transparency expectations are cultivating interest in natural, non-GMO and organic beverages.*

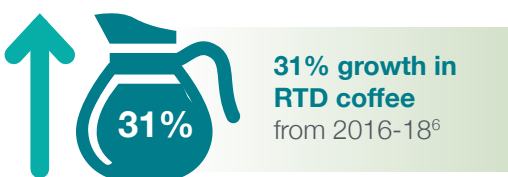


3 Beneficial beverages.
No longer simply a thirst-quencher, modern beverages meet a complex array of needs, from nutrient supplements to meal replacements and beyond.



Functional beverage market forecast:
\$208 billion
by 2024 (8.66% CAGR)⁵

4 Clean energy.
Move over, energy drinks. Health-minded consumers are increasingly interested in natural sources of alertness, delivered conveniently.



5 Trendy flavors.
Increasingly adventurous palates are venturing out into sour, savory, botanical and exotic flavor profiles.

U.S. forecasted kombucha market:
\$3.5 billion by 2025 (13% CAGR)⁸

- Just a few of the exotic flavors poised for growth:**
- ✓ Hibiscus
 - ✓ Yuzu
 - ✓ Ginger

Ingredients + Insight

Cargill can help you develop groundbreaking new beverages with proven formulation expertise and a full portfolio of ingredients, including:

- ✓ **Next-generation stevia sweeteners** reduce sugar by up to 100%
- ✓ **Great-tasting pea protein** significantly enhances protein content
- ✓ **Label-friendly chicory root fiber** adds beneficial prebiotic fiber
- ✓ **Citrus-based pectin** makes many modern beverages possible

* There is no single definition of “non-GMO” in the USA; FDA has not defined natural. Contact Cargill for source and processing information.

SOURCES:

¹ IFIC. 2019 Food & Health Survey.
² McNeil, Maggie. “Maturing U.S. Organic Sector Sees Steady Growth of 6.4 Percent in 2017.” Organic Trade Association. May 18, 2018.
³ Beverage Industry. “2018 New Product Development Outlook for Beverages.” January 15, 2018.
⁴ Technomic. 2018 Beverage Consumer Trend Report.
⁵ PR Newswire. \$208 Billion Functional Beverage Market – Global Growth, Trends and Forecast 2019-2024.
⁶ Mintel. “Functional Benefits Top Off Attributes Consumers Look for in Ready-to-Drink Cold Coffee.” September 2018.
⁷ Beverage Industry. “2019 State of the Beverage Industry: Ready-to-Drink Tea, Functionality Drives Demand in Market.” July 15, 2019.
⁸ FoodBev Media. “Five Major Trends for the Non-Alcoholic Beverage Industry in 2019.” July 4, 2019.