



THE FAMILIARITY FACTOR:

The continued importance
of recognizable ingredients

In this era of eating for health and wellness, consumers have a growing desire to know more about the ingredients in the foods and beverages they consume. As they become more educated about processed foods and artificial ingredients, they are gravitating toward products that contain ingredients they perceive as natural and familiar.

These notions are creating momentum for a global movement to eat “clean” that is driving popularity of plant-based food and beverages, less-processed ingredients, and even personalized products.¹ But as these ideas intersect, brands are facing a difficult challenge to reformulate their products to meet all the requirements of “clean” eating, as well as expectations for taste, texture, nutrition, stability and shelf life. And don’t forget that familiarity factor. If you’re a product formulator, it’s enough to make your head spin.

Nevertheless, consumers are decisively turning away from ingredients they don’t recognize and toward ingredients they perceive as label-friendly. Product manufacturers need to keep up. As defined by research firm Packaged Facts, “clean label” encompasses three broad platforms – what is in the food or beverage, how it is produced and who produces it.² Products with fewer, more-recognizable ingredients top the Packaged Facts list, followed by those that are minimally processed without preservatives, additives or artificial ingredients, and products without

pesticides, antibiotics or GMOs.* In addition, the respondents noted a desire for products produced in a way that is sustainable and environmentally responsible.

It’s fairly clear that ingredients are an increasingly big deal. According to a recent study from LEK Consulting, 60% of consumers now prefer products with “no artificial ingredients,” “no preservatives” and that are “all-natural.”³ The tricky part is that broader terms like “clean,” “all-natural” and “familiar” are not well-defined from a food and beverage perspective, so a product’s desirability often comes down to a consumer perception.

Furthermore, evidence is growing that shoppers are clearly swayed by ingredients they recognize. According to a September 2020 survey of consumers in the UK and U.S. from Ingredient Communications, half of the respondents said they are more likely to buy a product if they recognize all the ingredients on the label. What’s more, only 19% said they always recognize all of the ingredients listed on-pack.

The report suggests that ingredient familiarity has a significant impact on purchase behavior:

81%

said they consider the label claim **“made with natural ingredients”** to be very or quite appealing.

78%

noted the label claim **“free from artificial ingredients”** as very or quite appealing.

44%

said they are happy to **pay a higher price for a product when they recognize all the ingredients** it contains.

36%

of the respondents admitted they are **less likely to purchase a product made with ingredients they don’t recognize.**

Source: Ingredient Communications/SurveyGoo Survey, September 2020.

The name game

Ingredients that consumers recognize and would use at home have a high association with health. For example, nearly half of respondents to the International Food Information Council (IFIC) 2019 Food and Health Survey noted that familiar ingredients mean a product is at least somewhat healthier and nearly 20% said it is highly likely these products are healthier.

Label language also has an impact. The 2020 IFIC survey data suggests that products labeled as “fresh,” “all-natural” or “plant-based” are perceived as healthier than those that have other descriptors, even if they have the same Nutrition Facts Panel.⁴

It is a conundrum for manufacturers, who not only have to bridge the consumer perception gap, but also replace ingredient functionality. The good news is that suppliers have made significant progress in developing new ingredients that are minimally processed and functional.

Take hydrocolloids, from gums and pectins. While these ingredients have been around for a while, they have become a good solution to provide texture, shelf life and many other functions in product applications, while also maintaining an acceptable and familiar perception. For example, acacia gum is a label-friendly, low-sugar option; guar gum provides a good source of fiber; and pectins, long used in home canning, now provide a label-friendly gelling agent in jellies and jams.⁵

For lower sugar applications, alternative sweeteners like stevia, derived from the stevia plant, and erythritol, a sugar alcohol, have become increasingly popular choices for their good taste profile and value.

Erythritol and stevia both do a good job replacing sweet flavor notes, but they can't replace all of sugar's functionality. Chicory root fiber is another label-friendly sugar replacer that offers missing functionality like bulking, as well as a familiar health halo. It is a naturally sourced fructan that can replace full-calorie carbohydrates or sugars. In addition to providing bulk, chicory root fiber also can serve as masking agent or a fat mimetic, as well as enhance product mouthfeel, texture and flavor in products. It also contains inulin, which is one of the most well-studied prebiotic fibers,^{6,7} and offers digestive support as an added value.

While the spectrum of label-friendly, familiar ingredients is expanding, brands must also work carefully to educate consumers about these ingredients – how they are made and processed and the functions they provide. Knowing your target customer is important, and understanding what they might accept may be necessary to achieving the best results. It is critical to be transparent about ingredient choices and use labels effectively to help customers understand their purchasing choices. As the Ingredient Communications survey noted, many consumers continue to believe labels are not clear enough, so there is an opportunity to better utilize package messaging.

For now, ingredient scrutiny will remain. Consumers continue to believe that ingredient and nutrition panels are the best way to evaluate a product.⁸ In other words, quality, purity and a familiar perception of ingredients will continue to be important in the foreseeable future.

* There is no single definition of “non-GMO” in the USA. Contact Cargill for source and processing information.

¹ HealthFocus International. “2019 Clean Conscience Report.”

² Packaged Facts. “Organic and Clean Label Food Shoppers – Market Research, Industry Trends, Market Share and Consumer Insights.” September 4, 2019. <https://www.packagedfacts.com/updates/organic-clean-label-food-consumer-profile>

³ Wilson, R; Walter, P. “How the Clean Label Megatrend is Changing the Food Ingredients Landscape.” LEK Consulting. Nov. 18, 2019. <https://www.lek.com/insights/ei/clean-label-food-ingredients>

⁴ International Food Information Council. “2020 Food and Health Survey.” <https://foodinsight.org/2020-food-and-health-survey/>

⁵ Ibid. LEK Consulting.

⁶ Liber, A; Szajewska, H. “Effects of Inulin-type Fructans on Appetite, Energy Intake and Body Weight in Children and Adults; Systematic Review of Randomized Controlled Trials.” *Annals of Nutrition and Metabolism*. 2013;63(102):42-54. Doi:10.1159/000350312. Epub 2013 Jul 23.

⁷ Liu, F; et al. “Effect of Inulin-type Fructans on Blood Lipid Profile and Glucose Level: A Systematic Review and Meta-Analysis of Randomized Controlled Trials.” *European Journal of Clinical Nutrition*. 2017 Jan;71(1):9-20. Doi:10.1038/ejcn.2016.156.

⁸ Ibid. Packaged Facts.

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