



# The Need for Ingredient Diversification in Foods

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## INTRODUCTION

Scope

Key findings

## STATE OF PLAY AND CHALLENGES

Lack of ingredient diversity globally puts sustainability of food supply chain at risk

Four types of drivers for ingredient diversification

Commodity costs: Persistent inflation pressure to force a rethink on certain ingredients

Retail price hikes for branded food likely to further push private label up

Consumer desire to “eat better” stronger than ever, with rising focus on free from offerings

Plant-based ingredients to thrive alongside recipes aiming for a more targeted health benefit

Food legislation sharpens, with more nutritional standards and tougher sustainability rules

UK’s war on HFSS products only one of various drivers for “healthier” snack reformulations

More strategic crop choices becoming essential amid rising climate-related risks

Onwards with more resource-efficient and streamlined ingredient sourcing

## OPPORTUNITIES FOR INGREDIENT DIVERSIFICATION

Amid higher inflation, ingredient suppliers bring more affordable solutions to the fore

As indulgence further permeates the home, premium recipes disperse private label threat

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Reducing “unhealthy” ingredients vs adding nutritional value: Food brands need both

UK snacks reformulations for regulatory compliance: Less sugar, more texture

Unilever suggests more planet- and people-friendly pizza with alternative ingredients

## OUTLOOK

Gearing up for future opportunities through ingredient diversification

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