

MEETING THE DEMAND:

CONSUMER CONSIDERATIONS
WHEN SCRUTINIZING FATS &
OILS IN PACKAGED FOODS

Consumer trends toward healthy foods have steadily grown over the last decade. An International Food Information Council survey points out 54% of all American consumers and 63% of those over the age of 50 care more about the healthfulness of food than in 2010.

Globally, people want healthy, nutritious products and expect to pay a premium for snacks meeting this demand. The call for natural, minimally processed foods shows no signs of decreasing any time soon.

Growing Consumer Awareness

Shoppers are shifting their eating patterns as they make more health-conscious choices. They seek nutrient-dense ingredients in their packaged foods and snacks. Consumers understand the need to incorporate healthy fats and other macronutrients into their diets.

Packaged Food Consumption is Up

In 2017, the global consumption of packaged foods topped \$2.1 trillion. Projections show these numbers will increase at a compound annual growth rate of 2.2% through 2022. While western countries buy a majority of these products, the fastest growing sectors are in the Asia Pacific, the Middle East, and Africa. As demand grows in developing countries, shoppers continue to make smarter decisions about the foods they eat.

Food is Personal

A third of consumers base their food purchases on personal preference rather than necessity due to intolerances. According to the IFIC, 43% of Americans followed a specific diet in 2020, a 7% increase since 2018. Keto, Paleo, Low-carb, and other specialized diets are creating tribes people can align themselves with. These diets focus on eating healthier fats and oils, as a rule, leading to consumers rallying around products promoting the same.

Consumer Considerations

As tastes move from one extreme to the other, this guide serves as a helpful tool. It hones in on the factors consumers consider when buying packaged foods and snacks. Read on to learn more about what resonates with shoppers when choosing which healthy, packaged foods to buy.



WITH HEALTHY FOODS, WORDS MATTER

According to a study included in the Annals of Nutrition and Metabolism, 90% of respondents had a negative relationship with the word 'fat.' This insight shows people associate the term with a broad and nuanced meaning. When it comes to the messaging used on packaged foods, shoppers gravitate towards products with fat-related claims such as 'low fat' or 'fat-free.' Consumers also recognize these terms as indicators of the nutritional value and healthiness of a product.

'Organic' and 'Non-GMO' are also trigger words affecting the likelihood of a purchase. In the US, 'natural' serves as the most influential descriptor for packaged foods. When combined with fat-related claims, these words elevate a consumer's perception of healthfulness.

As consumption of packaged food grows, shoppers are concerned about whether a product is processed and by how much.

Packaging labels with health-related claims often influence how much people consume. Unfortunately, a small percentage of shoppers believe these claims mean they can eat as much of it as they want. CPG brands must find ways to navigate this assumption, especially as it relates to the fats and oils used in their products.

THE MOST COMMON FAT CLAIMS FOR CPG PRODUCTS*:

Low fat
Fat-free
Reduced-Fat
Less Fat
Low Saturated Fat
Lean Extra-lean
Light

*used to describe one serving

CONSUMERS APPRECIATE THE BENEFITS OF HEALTHY FATS

For years, all fat was demonized as unhealthy and a major contributor to everything from heart disease to weight gain. As it becomes less of a dirty word, consumers are waking up to the enormous benefits of unsaturated fats found in fatty fish, nuts, seeds, and avocados.

These foods are regarded as especially healthy and nutritious. Scientists attribute them to the reduction of heart disease, improved eye and brain function, along with a decreased risk of cancer. Scientists have also found a strong link between consuming unsaturated fats and regulating insulin sensitivity, preventing type 2 diabetes.

Olive oil comes in at the top of the list for consumers, followed by salmon and avocados as the foods with the most essential fats. Packaged foods incorporating these ingredients impact shoppers' judgments about their nutritiousness and quality.

Other healthy oils have become popular with consumers. Grapeseed and walnut oil are both high in unsaturated fat and linked with lowering bad cholesterol.



As these oils gain more recognition for their contributions to a healthier lifestyle in the western world, there is a challenge to educate consumers in developing areas. One example of this is, that while omegas have the most recognition, many shoppers do not realize they are fats. As producers of health-conscious CPG foods, companies will need to conquer this hurdle effectively.

TOP FOODS ASSOCIATED WITH HEALTHY ESSENTIAL FATS:

Olive oil
Salmon
Avocados
Walnuts
Sunflower oil
Seeds
Sardines
Soybean oil
Rapeseed oil
Cheese



CONSUMER PERCEPTIONS ABOUT HEALTH

Consumer's attitudes towards health and food fall under three dimensions: animal origin, preservation, and freshness/processing. This understanding also extends into restricting certain macronutrients such as fat, sodium, and carbohydrates. Instead, people want packaged foods containing high protein and healthy fats to achieve their dietary goals.

The correlation between labels and the perception of healthiness is strong. There is a growing sector of buyers who consider themselves 'clean-label seekers.' These are people who seek out products consisting of organic, natural ingredients with low amounts of saturated and trans fat. Even when the nutrition labels are the same, consumers still perceive health differences in packaged foods.





UNDERSTANDING CONSUMER NEEDS

Perceptions about the ingredients used in packaged goods are shifting as people gain awareness of good fat versus bad. As the consumption of packaged goods increases globally, consumers desire foods that provide nutrition.

The LY Group has spent the past two decades, providing solutions that solve functional ingredient challenges. We strive to support companies and align their products with the needs of their customers. Our team of dedicated food scientists and researchers are available to help you develop new products and understand the ever-changing demands of shoppers.

Learn more about our offerings lygroup.com or **contact us** directly.