research report:

PROGRESSIVE PROTEINS

Understanding shifting dynamics and new drivers for alternative proteins.

MENU MATTERS
Food Insights That Matter
&
C.O.nxt

1 Objectives:

Understand key drivers for alternative protein consumption.

Determine degree to which consumers seek to eliminate animal protein.

Focus on menu item: measure interest in and impact of "blended" burgers.

2 Methodology:

An online survey, developed cooperatively between Menu Matters and C.O.nxt, to a nationally representative sample of consumers.

1,025 consumers nationwide completed the survey.

Key findings:

Taste is often a secondary factor with alternate proteins.
Among consumers who believe claims made by alternatives – from environmental to health – the majority are willing to sacrifice taste to achieve/support these claims or initiatives. The drivers for committed consumers allow taste to shift from prominence.

Information is the next key driver.
The lack of transparency within this category, particularly for hyper-processed options, is driving a growing demand for more information and a greater understanding of ingredients and processing.

Many younger consumers believe these products will address global issues important to them.
Environmental concerns, reduced animal abuse/increased humane handling and global warming are all impactful potential benefits. Older consumers are still skeptical of this.

For Boomers, health considerations are the key driving factor to category participation.

Many from Gen Z believe balance is best.
This group prefers to reduce animal proteins in favor of alternate options, but not do away with animal proteins entirely.

Key findings:

Most have now tried at least one plant-based burger option. Among those who've tried, most have continued purchasing.

Blended burgers have far more appeal than any other burger alternative. Still, they have low awareness and low trial.

"Scary" has dropped significantly as a concern. For some audience segments it decreased from 40% down to 18%.

Common sense confirmed: **Gen Z are embracing alternative proteins of all types.** Boomers are most hesitant, but **acceptance has grown among all ages.**

Common sense confirmed, part 2: **Burger alternatives are leading in this broader category** and trial of these products has risen significantly over the past few years. New products from chicken nuggets to vegan ice cream are broadening consumers interest and awareness somewhat though.

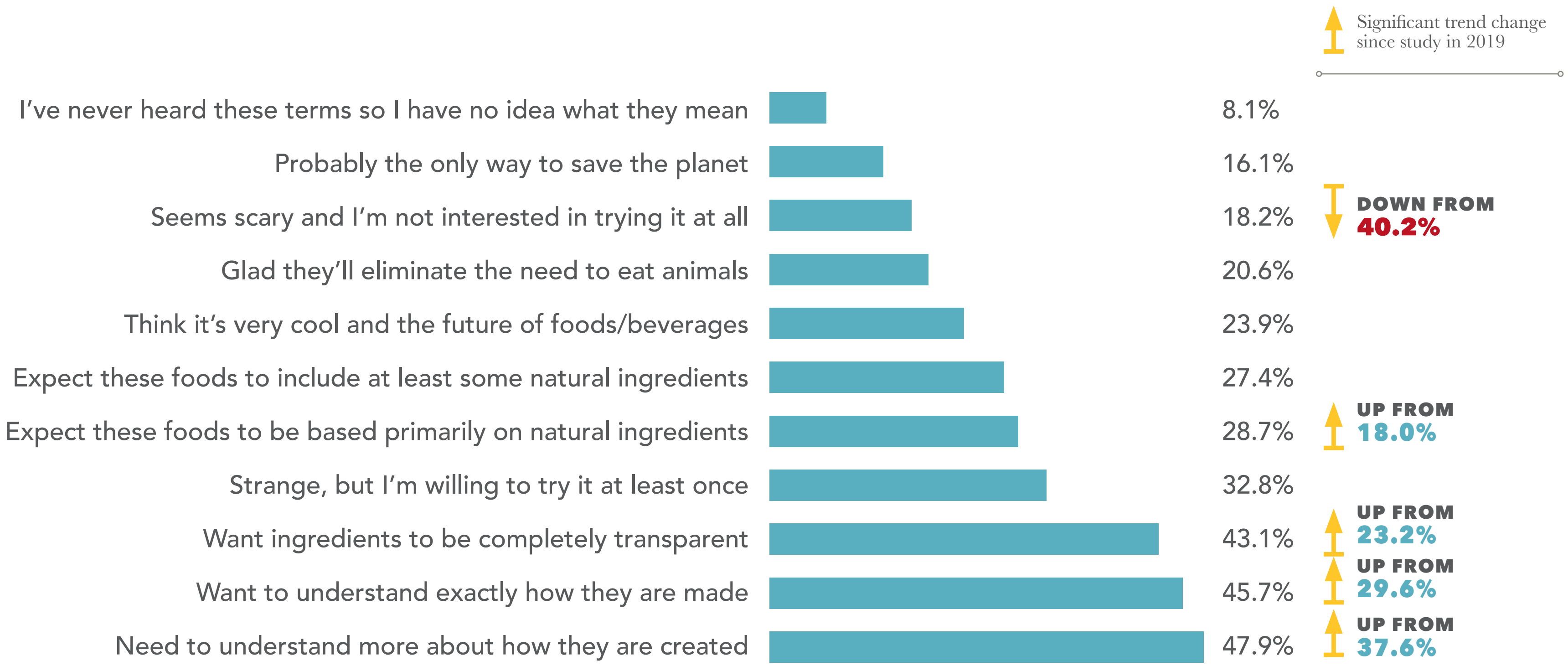
TRENDED FINDINGS

Information opacity creates hesitancy.

Nearly half of consumers need more information on the category before committing. Younger consumers are more enthusiastic about the category while older consumers are more skeptical and hesitant to try.

Sentiments on Protein Alternatives

RURAL CONSUMERS ARE SIGNIFICANTLY MORE LIKELY TO FIND THESE TYPES OF OPTIONS SCARY

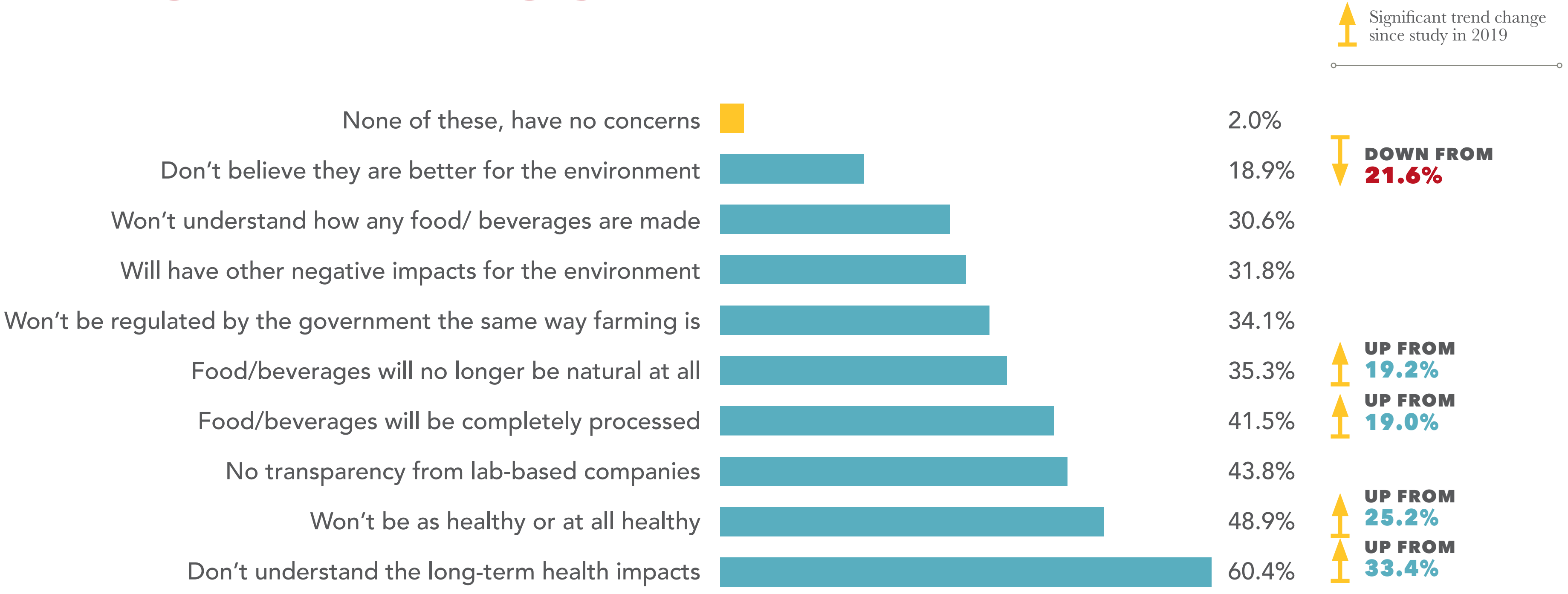


Q: Which of the following best describes how you feel about the idea of lab-produced or synthetic foods/beverages? Lab-produced or synthetic foods/beverages are those products that require lab-based processes and lab-produced ingredients to create a product that could otherwise not be created in a traditional kitchen.

All age cohorts have some concerns about protein alternatives.

Older consumers, in particular, have significant concerns about long-term health impacts, whether foods or beverages will be natural and whether these products actually have environmental benefits.

Key Protein Alternative Concerns



RURAL CONSUMERS ARE SIGNIFICANTLY MORE LIKELY NOT TO BELIEVE THESE ARE BETTER FOR THE ENVIRONMENT

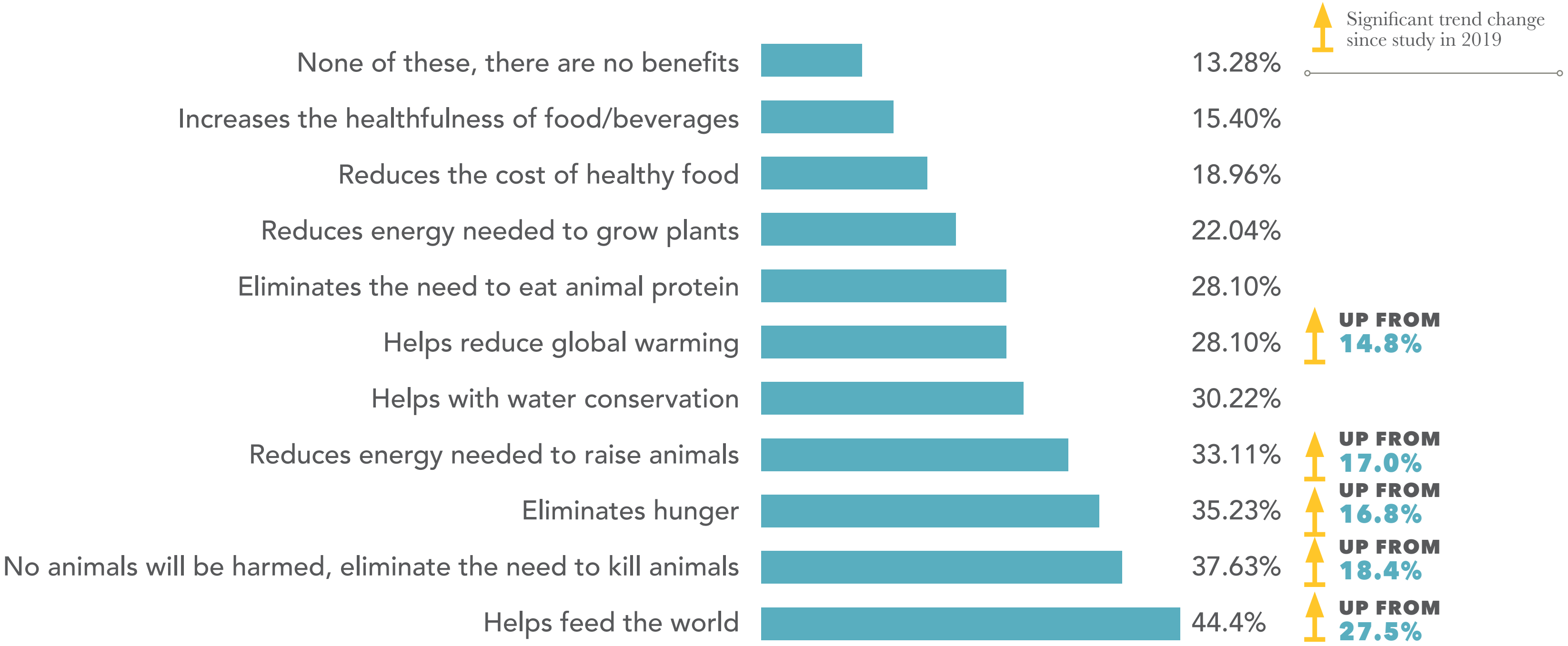
Q: What are your biggest concerns when you think about synthetic or lab-produced foods/beverages?

A growing sense that alternative proteins bring crucial potential benefits.

Younger consumers do buy into the idea that these products can address energy issues and water conservation, while older consumers are less likely to believe there are any benefits. Addressing hunger and animal issues are top potential benefits.

Key Protein Alternative Benefits

URBAN CONSUMERS ARE SIGNIFICANTLY MORE LIKELY TO BELIEVE THESE PRODUCTS WILL REDUCE GLOBAL WARMING

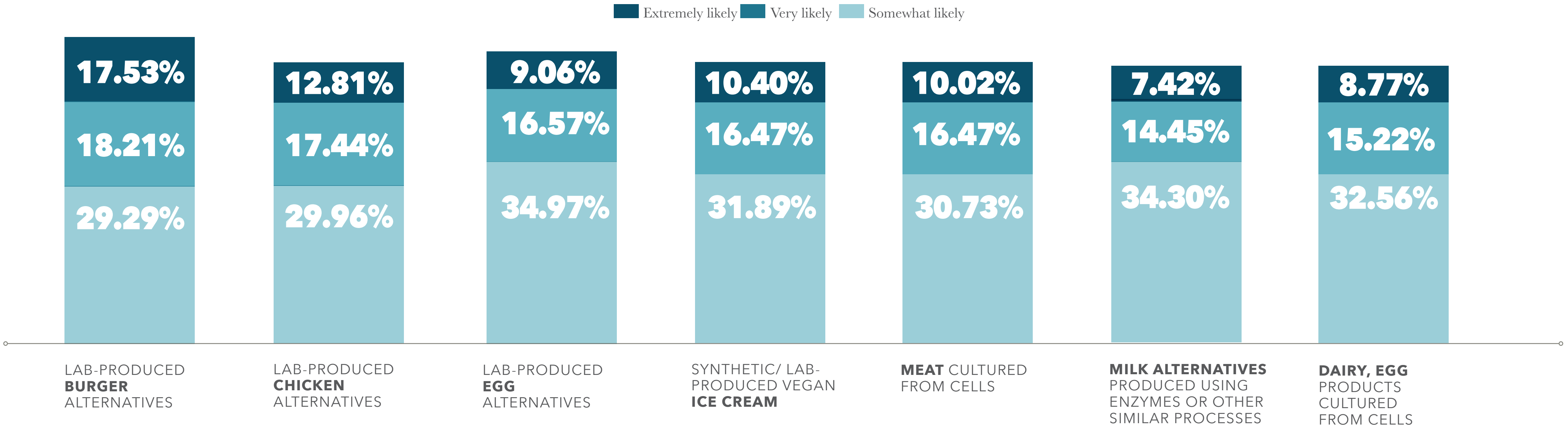


Q: What do you think some of the benefits of synthetic or lab-produced foods/beverages will be?

Over half the audience at least "somewhat likely" to try protein alternatives.

Lab-produced protein alternatives do not appear to turn consumers off more than other potential processes such as using enzymes to create milk alternatives (a process already used but not broadly understood) or cultured cell product production.

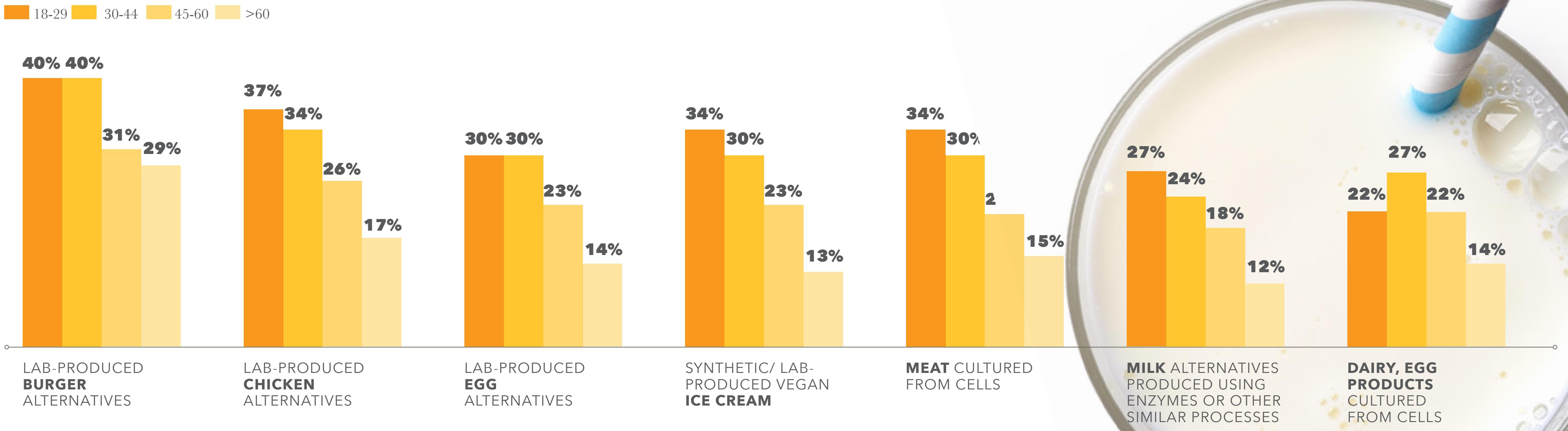
Likelihood to Try Protein Alternatives



Q: How likely are you to try each of the following?

Younger consumers continue to lead acceptance, more open to all forms of protein alternatives.

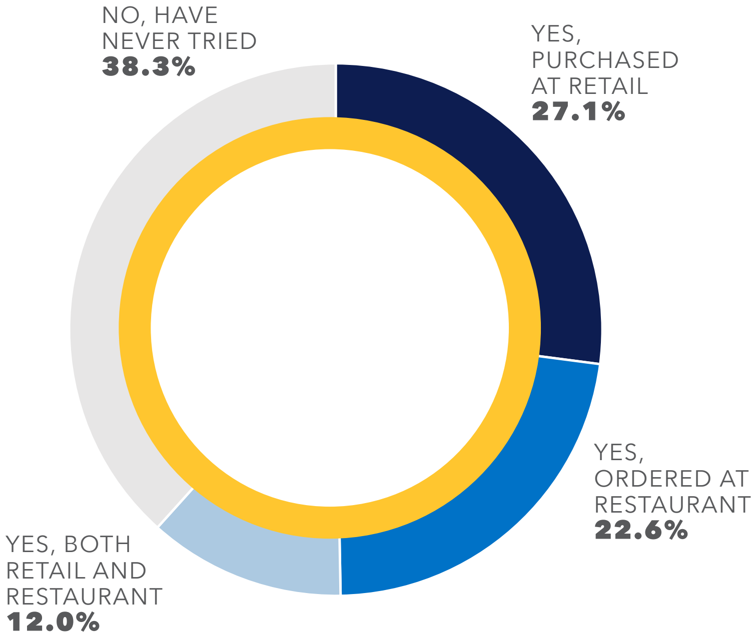
Likelihood to Try Protein Alternatives



Q: How likely are you to try each of the following?

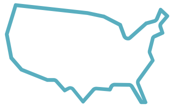
Most consumers have now tried at least one brand of plant-based burger.

Though restaurants initially led introduction of these products, retail overtook restaurants during the pandemic.



Trial of Plant-based Burger Substitutes

65% CONSUMERS WHO PURCHASE SUBSTITUTE PRODUCTS WHENEVER AVAILABLE ARE SIGNIFICANTLY MORE LIKELY TO PURCHASE AT RETAIL



CONSUMERS IN THE PACIFIC, MIDDLE ATLANTIC, SOUTH ATLANTIC AND WEST SOUTH CENTRAL REGIONS HAVE THE HIGHEST PENETRATION OF PURCHASING, WHILE THOSE IN THE WEST NORTH CENTRAL, EAST SOUTH CENTRAL AND EAST NORTH CENTRAL REGIONS ARE LEAST LIKELY TO HAVE EVER PURCHASED.

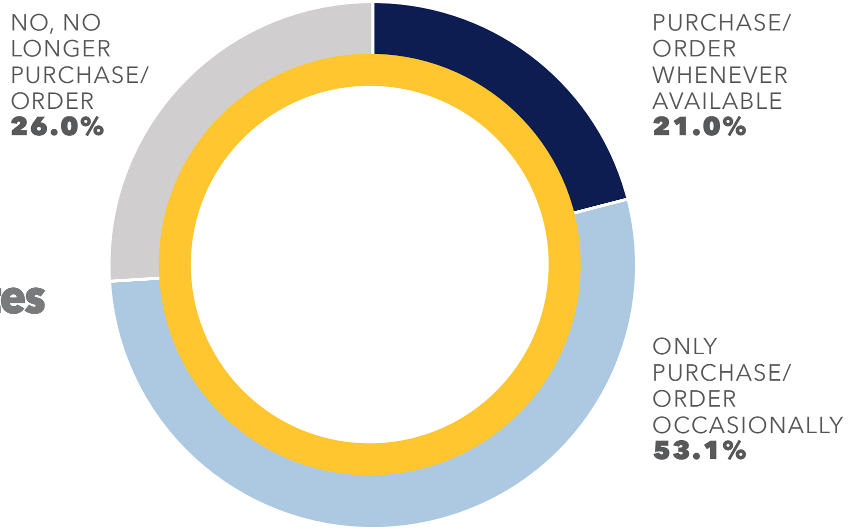
 Q: Have you tried plant-based meat substitutes such as the Impossible, Beyond Burger, or Incogmeato, either by purchasing it at the supermarket or ordering it at a restaurant?

Among those having tried plant-based burger substitutes, most continue to purchase.

Most are not using these products to replace animal products.

66% purchase these products in addition to traditional beef burgers.

Continued Purchasing of Burger Substitutes



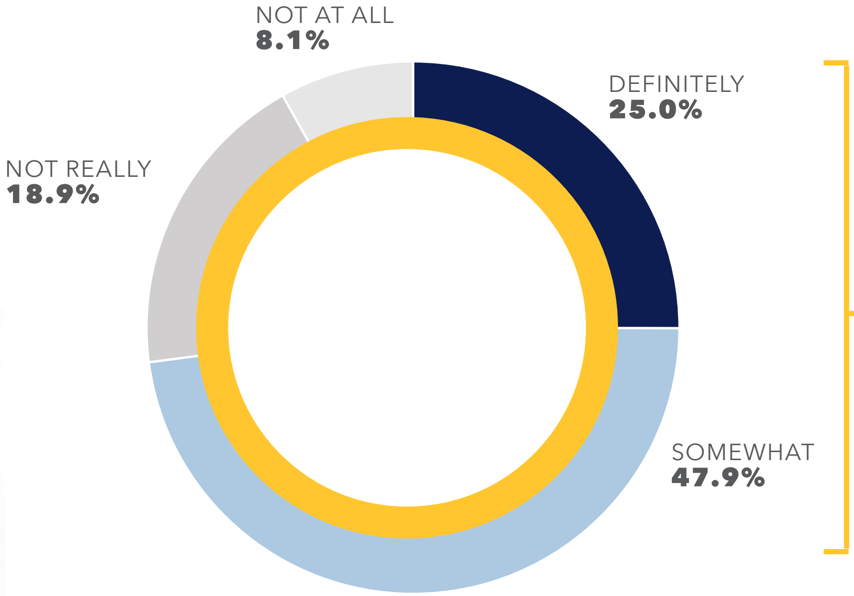
GEN X, URBAN ARE SIGNIFICANTLY MORE LIKELY THAN ANY OTHER GROUP TO PURCHASE THESE PRODUCTS WHENEVER AVAILABLE

46% OF URBAN CONSUMERS, MORE THAN ANY OTHER GROUP, INDICATE THESE HAVE COMPLETELY REPLACED TRADITIONAL BURGERS

 Q: After trying any of these plant-based meat substitutes have you continued to purchase or order it? **Q:** Which of the following is true with regard to your purchasing of these alternative burger products?

Currently, the taste of substitutes does not match that of animal proteins, but consumers are purchasing anyway.

Only the most loyal to these products are finding them to be good taste substitutes that are as delicious as the original.



Perceived Deliciousness of Burger Substitutes

URBAN CONSUMERS ARE SIGNIFICANTLY MORE LIKELY TO DEFINITELY BELIEVE THESE ARE AS DELICIOUS, AS ARE THOSE CONSUMERS WHO PURCHASE THESE PRODUCTS WHENEVER AVAILABLE (63%)

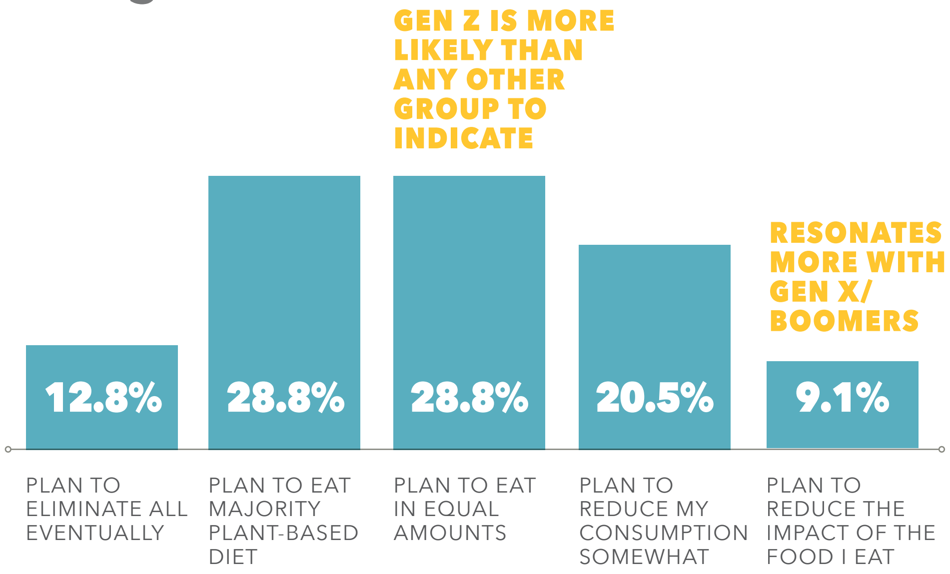
 Q: Do you believe these products are as delicious as traditional beef burgers?


CONSUMER
CONSUMPTION
CHANGES

The majority of consumers plan to reduce consumption of animal protein.

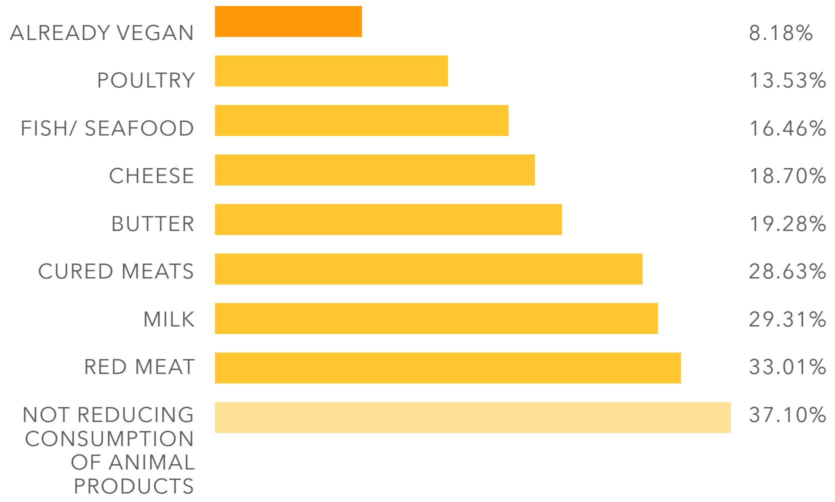
Animal protein consumption is unlikely to go away, but consumers do plan to reduce consumption and within the near future.

Planned Consumption Changes



Conscious Effort to Eliminate...

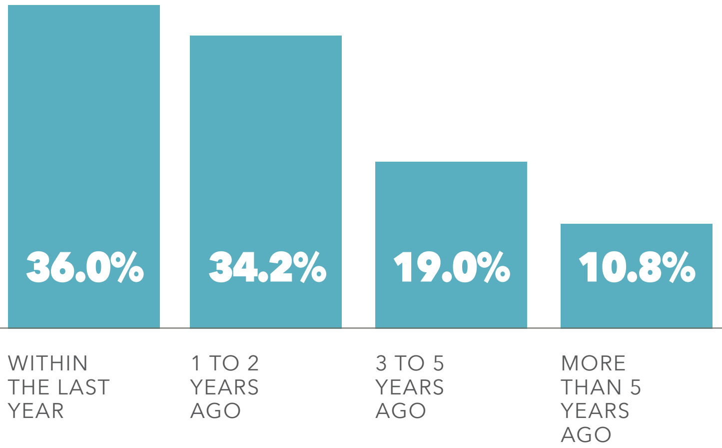
URBAN CONSUMERS AND THOSE PURCHASING THESE PRODUCTS WHENEVER AVAILABLE ARE SIGNIFICANTLY MORE LIKELY TO ELIMINATE ALL ANIMAL PRODUCTS EVENTUALLY



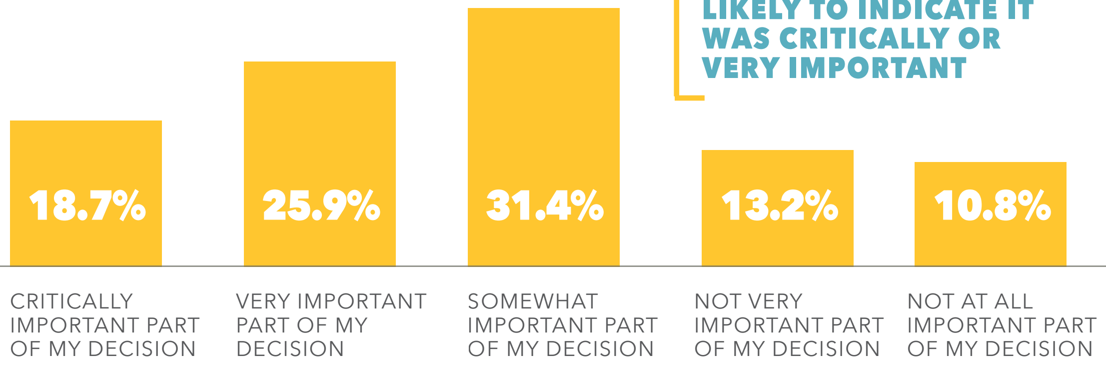
 Q: Are you making a conscious effort to reduce your consumption of any of the following types of animal-based products? **Q:** Which of the following best fits your efforts to reduce your consumption of animal-based products? **Q:** When do you hope to get to your goal of reducing/eliminating animal-based products from your diet?

Recently, more consumers decided to reduce animal protein and were heavily impacted by concerns about climate change.

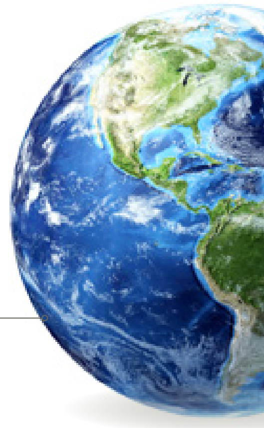
When Decision to Change Consumption was Made



Impact of Climate Change on Decision



GEN Z WAS SIGNIFICANTLY MORE LIKELY THAN ANY OTHER COHORT TO INDICATE THE ENVIRONMENT PLAYED SOME ROLE IN THEIR DECISION BUT NOT SIGNIFICANTLY MORE LIKELY TO INDICATE IT WAS CRITICALLY OR VERY IMPORTANT

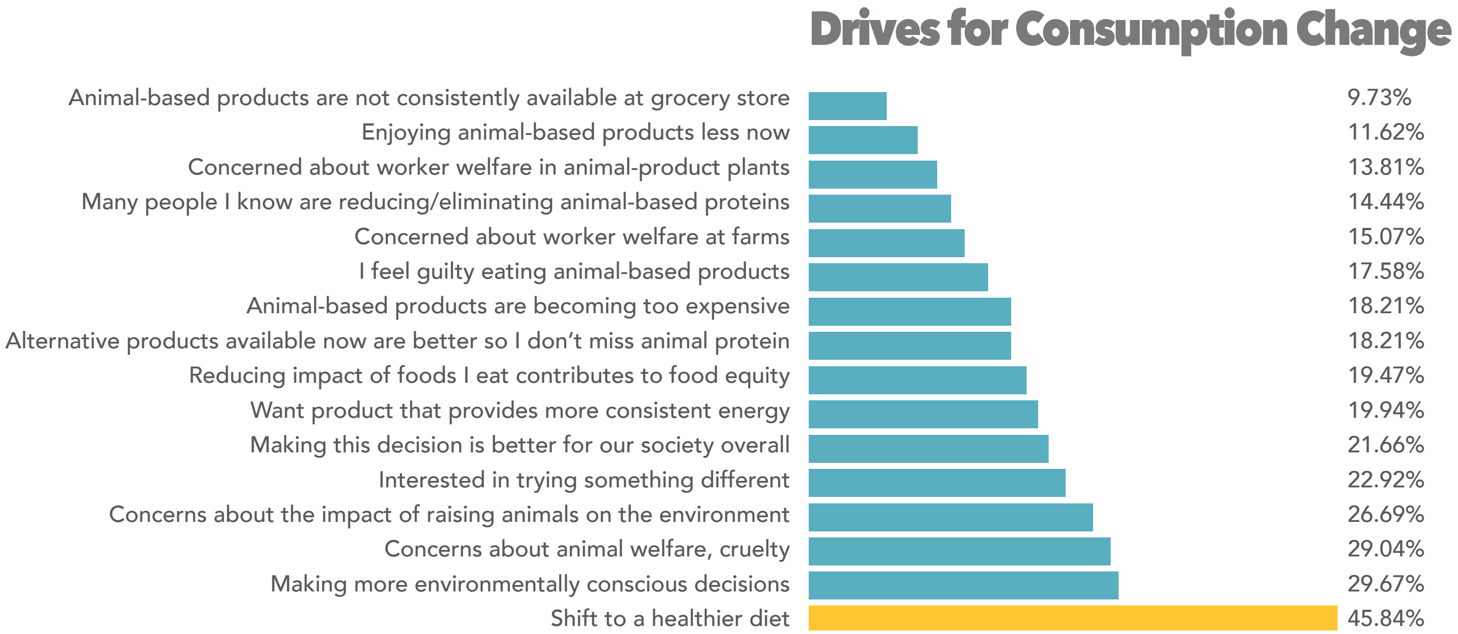


 Q: When did you decide to reduce/eliminate animal-based products in your diet? **Q:** To what degree has climate change impacted your decision to reduce/eliminate animal-based products in your diet?

Health is the most unifying driver for consumption changes across age demographics.

Issues not driving reduction in animal product consumption are shortages, worker issues, peer pressure or less enjoyment of these products in general.

SHIFTING TO A HEALTHIER DIET SIGNIFICANTLY MORE IMPACTFUL FOR BOOMERS



 Q: Why did you decide to reduce/eliminate animal-based products in your diet?


NEW FINDINGS
& ANALYSIS

Consumers would categorize plant-based proteins as all-natural but there's confusion about other category claims.

A large share of consumers do not believe synthetic proteins are any of these terms, though for synthetic and cellular proteins there is a low-grade believability that these products may be environmentally friendly.

	ALL-NATURAL	CLEAN LABEL	"WHOLE" PRODUCT	ORGANIC	TRANSPARENT	ENVIRONMENTALLY FRIENDLY	NONE OF THESE
Plant-based protein	**51.5%**	26.0%	27.9%	35.9%	22.4%	34.8%	13.7%
Cellular protein	16.2%	15.6%	17.1%	23.0%	22.3%	30.0%	30.0%
Synthetic protein	11.1%	12.7%	14.5%	16.8%	19.0%	29.2%	**38.2%**

Q: Considering the definitions above, how would you categorize each of these types of products? Please select all that apply per row.

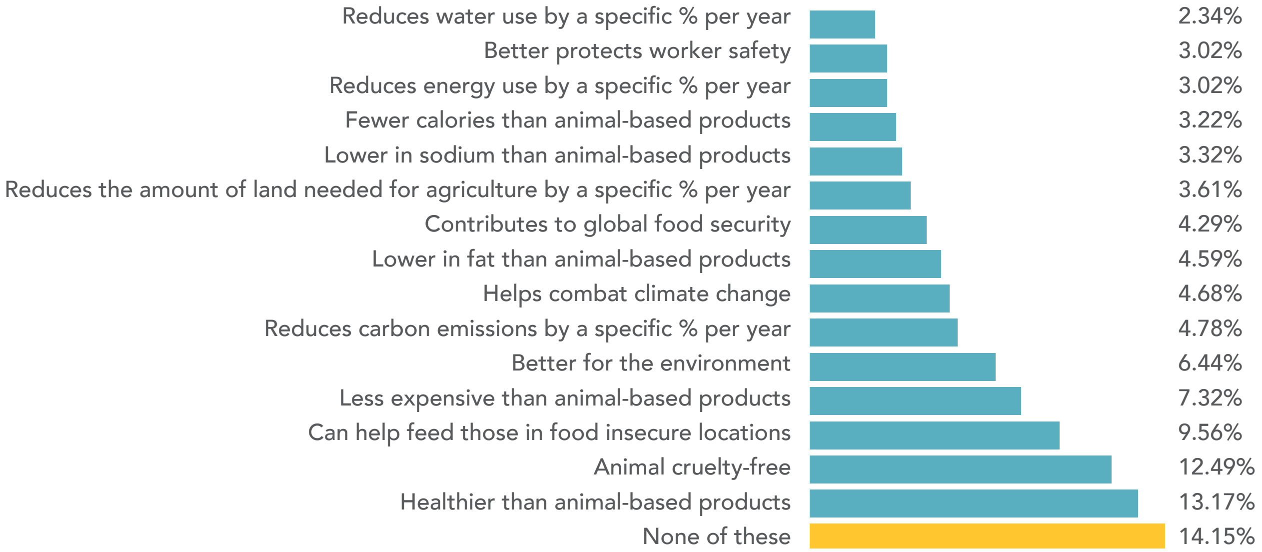
Over half of consumers are willing to sacrifice taste for a crucial drive.

No one claim impacts a large share of consumers. Boomers are much less likely to sacrifice taste.

52%
ARE WILLING TO SACRIFICE TASTE FOR THE DRIVE THAT IS MOST IMPACTFUL TO THEM.

THOSE MOST LIKELY TO SACRIFICE FLAVOR PRIORITIZE:
*Combating climate change
*Better for environment
*Better protects worker safety
*Reduce land required to raise animals

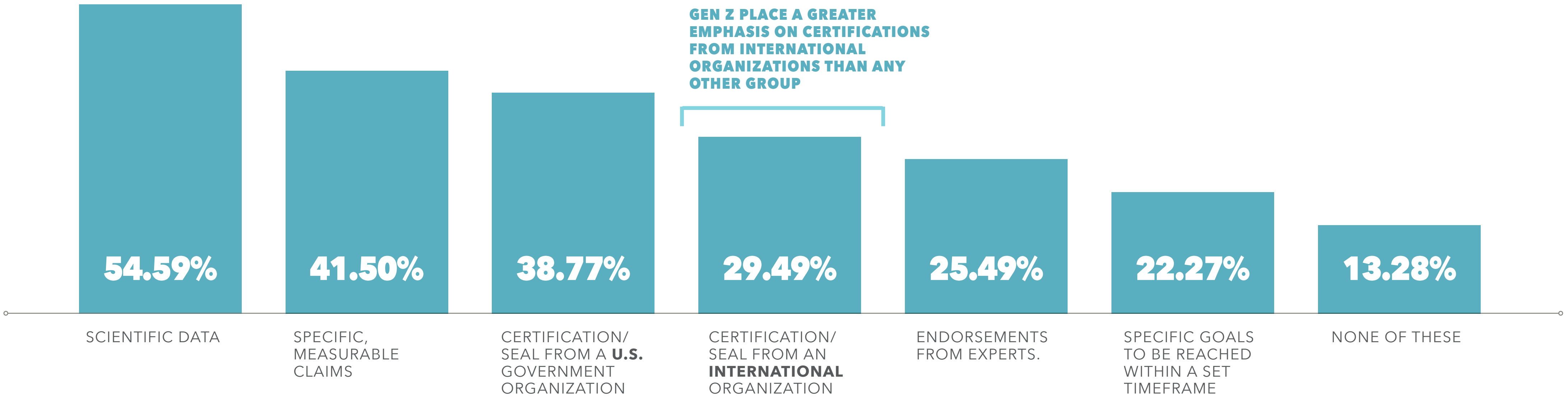
Critical Claims for Protein Alternatives



 Q: When thinking about the claims many of these alternative protein products make or may make, which claims would be THE MOST important to you when considering whether or not to try that product? **Q:** Are you willing to sacrifice taste for any of the claims you indicated above?

Most consumers want claims backed by scientific data. Majority expect claims to be backed by creditable organizations.

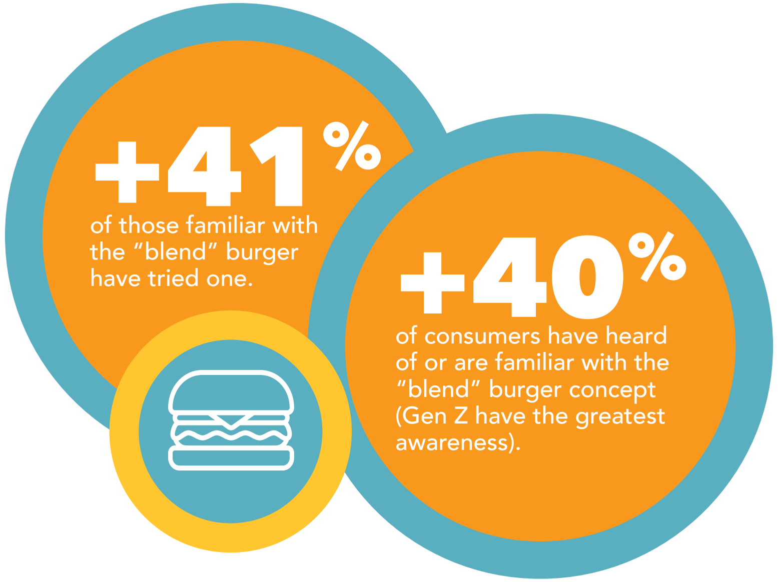
Supporting Believable Claims



 Q: When evaluating any product claim related to environmental impact or health, which of the following do you expect to see to make that claim more believable to you?

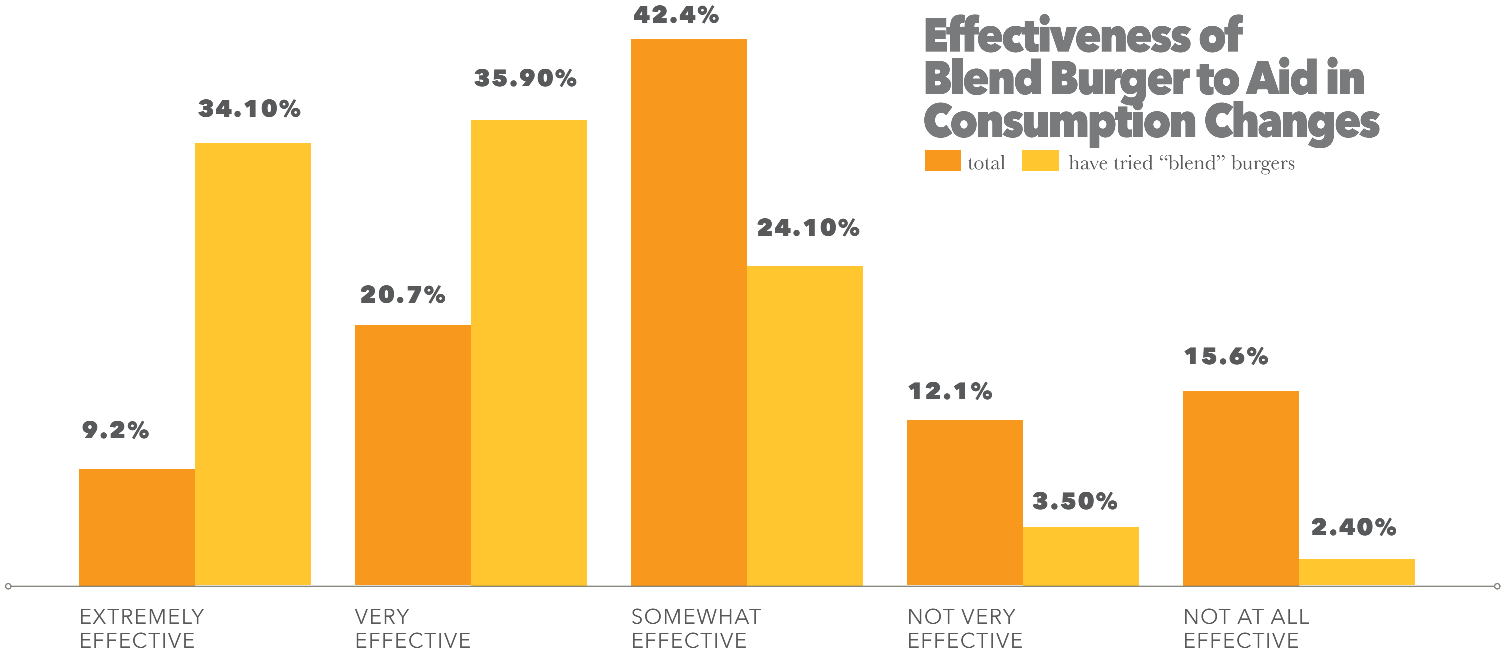
Consumers see potential in "blend" burgers aiding animal protein consumption reduction.

Currently, "blend" burgers have low awareness and low trial. However, if consumers try the "blend" burgers, they are significantly more likely to see these options as a key tool in reducing animal protein consumption or increasing plant-based proteins.



Effectiveness of Blend Burger to Aid in Consumption Changes

total | have tried "blend" burgers

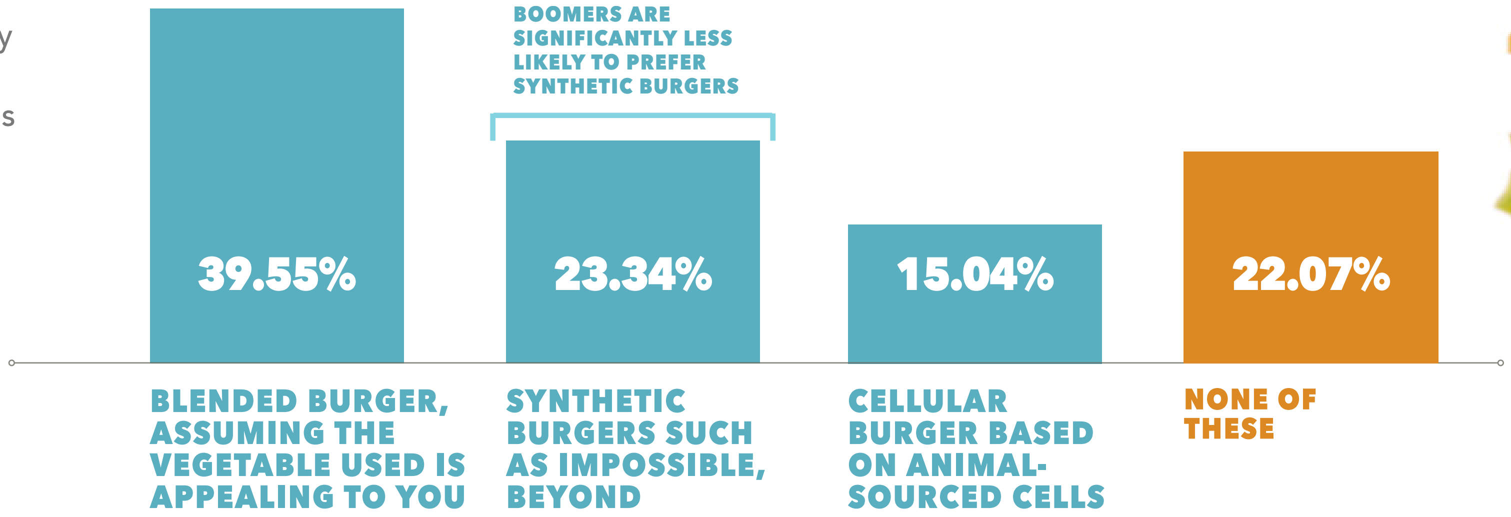


Q: Have you heard of "blend" burgers, which blend in X or plant-based meat alternatives or vegetables such as mushrooms to increase the healthfulness of a beef-based burger without impacting the taste or texture? **Q:** Have you tried a blended burger at any time in the past year? **Q:** When thinking of either increasing your consumption of plant-based products or decreasing your consumption of animal-based products, how effectively do you think this type of blended burger helps you reach your goal?

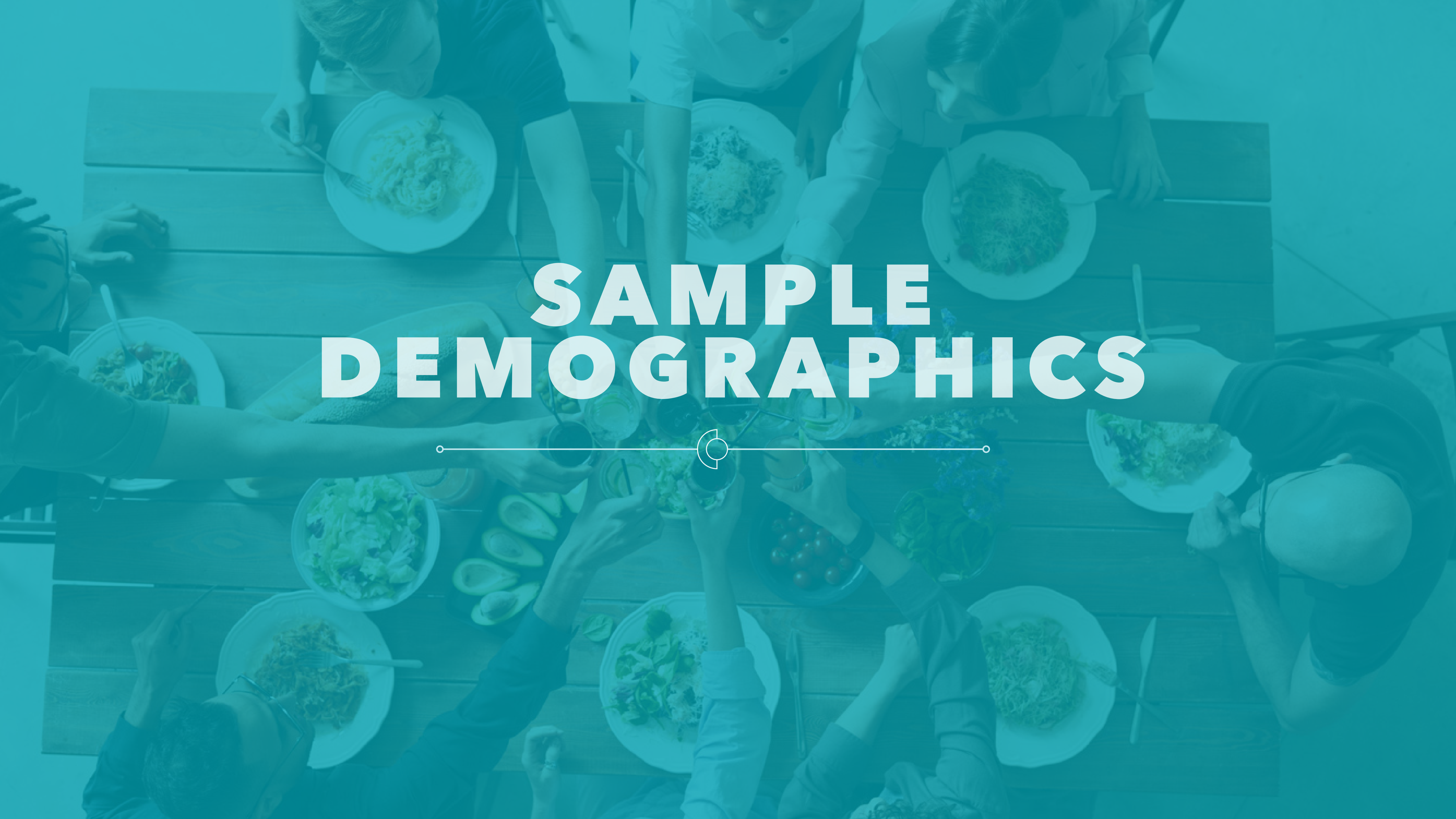
"Blended" burgers are far more appealing to consumers than any other burger alternative.

Younger consumers—Gen Z and Millennials—and those placing the greatest importance on sustainability are more likely to completely trust claims. Boomers, by contrast, are significantly less likely to trust claims.

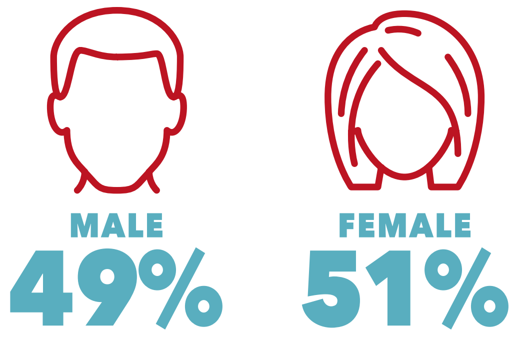
Preferred Alternatives Considering "Blended" (plant-based) Option



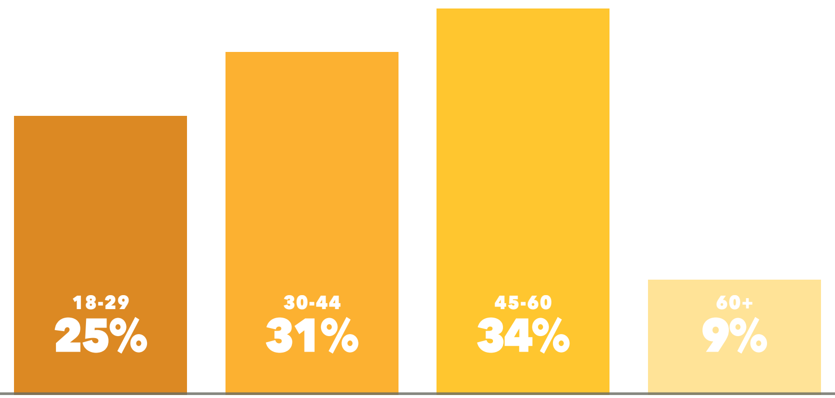
 Q: Considering this blended burger option, which of the following would you be MOST likely to work into your diet?



SAMPLE DEMOGRAPHICS



AGE COHORT



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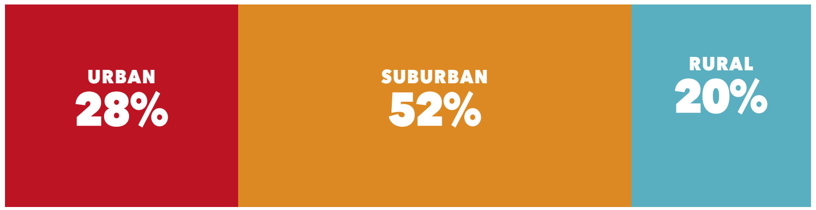

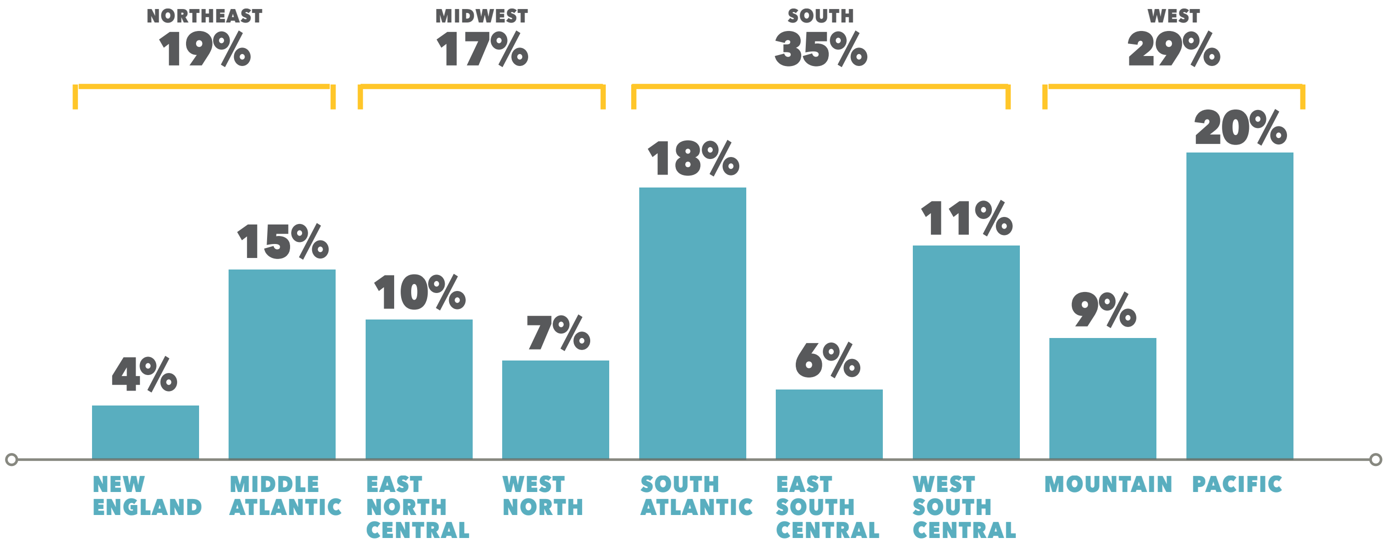

C.O.nxt

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MENU MATTERS
Food Insights That Matter

Menu Matters, headed by Maeve Webster, is a leading consultancy for foodservice manufacturers, operators, agencies and commodity boards. Maeve has spearheaded hundreds of major industry studies during her 19 years as a foodservice specialist, and today runs a private consultancy focused on helping manufacturers and operators analyze, understand, and leverage trends from menuing to consumer behavior. Maeve's expertise is in the areas of trend analysis and evaluation, opportunity assessment, consumer and operator behavior, product testing, and menu and brand optimization.

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