



INSPIRE

The Ottens Observer

IFF | *Ottens
Flavors*

Hot or Cold, We LOVE our Cereal!

For many people, breakfast means having a bowl of cereal. Yet cereal isn't something that is just for breakfast. According to Mintel, 42% of people who identify themselves as cereal consumers would embrace having a bowl as their lunch or their dinner. This provides an opportunity for companies to market products for all day consumption.

In many food products, flavor is often a key factor in purchasing decisions, including in breakfast cereals, with some consumers even choosing this above nutritional qualities. A third of American consumers who eat hot and/or cold cereals choose cereal that tastes good regardless of how nutritious it is. Popular flavors for cereal include nuts (almond, pecan, peanut, walnut, hazelnut), fruits (banana, berries, apples, peach, coconut), syrups (maple, jam, molasses, honey) and spices (cinnamon, nutmeg, ginger, cardamom).

One trend we are noting, is that consumers are moving away from cold cereal and shifting toward hot cereals for its healthy halo. In the US cold cereals make up 88% of value sales and hot cereals make up 12%. Hot cereal has seen steady growth and Mintel expects an increase of 11% by the year 2019. With 31% of American consumers eating more hot cereals than last year,



this indicates an interest in this format, and an opportunity to experiment with flavor. This could also be a result of the hot new trend in meal prepping, overnight oats! [The most common recipes calls for equal parts raw rolled oats, milk and yogurt, then place in the fridge overnight and let them soak up the liquids.]

According to Brandon Gaille, a well known business blogger and CEO of Gaille Marketing Agency, sugar content has led to a 5% decline in sales for the cereal category. The cereal industry uses approximately 816 million pounds of sugar each year. Cereals targeted for kids are typically the ones that have the most sugar. In a survey of over 1,500 breakfast cereals, those marketed to children contain 40% more sugar compared to those marketed to adults.

Manufacturers are aware of these concerns and are focusing on adding value to cereal, such as wholegrains and protein. Two thirds of launches in North America since 2014 are claiming wholegrain as cereals strive to be healthier and more natural. There has also been a rise in non-GMO launches, now representing 22% of new products. Consumers indicate that they are most interested in high fiber and low sugar attributes for cereal products.

It's clear that consumers are looking for a nice balance between sweet and healthy. That's why Ottens has tools to enhance overall sweetness perception of food products, and to help mitigate off notes associated with functional ingredients. Consumers already see cereal as a versatile food product that can be consumed virtually any time and anywhere- so grab a bowl and a spoon and dig in!

*(Mintel, 2016) (Brandon Gaille, 2016)
(Internal Data, 2016) (Eatthis.com, 2016)*



Oh KALE Yeah!

In recent years, kale has gone from a plate accent to the center star of the dish, as more and more chefs and restaurants have been adding kale to their menus.

Kale is not only delicious but extremely nutritious. Kale is low in calories, high in fiber and has zero fat. One cup of kale has only 36 calories, 5 grams of fiber and 0 grams of fat. It is great for aiding in digestion due to its great fiber content. It's also filled with so many nutrients, vitamins, folate and magnesium- making it a super food!

It's no wonder why kale was declared a Top 10 Food Trend by TIME Magazine. Kale has become even popular enough to have its day— "National Kale Day" on October 1st— in the US. Kale's reputation as a super-nutritious ingredient has supported a broad range of food and drink innovation. Kale has been added to meals and salads, and also present in a whole new range of snacks, like kale chips. New beverages have also been introduced to the market, from pure kale juice, to smoothies. Holy Kale! What will they think of next?

(Mind Body Green, 2016)



It keeps getting hotter!

Consumers continue to demand spicier foods and new variations of pepper profiles. One driver of this trend is the growth of ethnic populations in the U.S. from which we are seeing spice inspiration. The popularity of food trucks has also pushed more variety of spicy food from all over the world into the U.S. mainstream.

According to Food Processing, "With more consumers seeking foods that are lower in sodium, fat and sugars, there is an opportunity for spices and heat to fill a flavor void. The Millennial generation will play an ever-important role in flavor exploration, Millennials are more diverse, adventurous and tech-savvy, they seek authenticity and they're driving bigger and bolder flavors, often inspired by global cuisines."

Hot Sauces have seen 42% growth on menus over the past five years. Sriracha is the most common hot sauce of the moment. Sriracha also opened the market for other hot sauces and peppers such as Ghost Pepper, Peri Peri, Gochujang, Aji Amarillo, Serrano and Habanero – all growing in popularity. Today hot sauce is an emerging global business. The industry, which is among the 10 fastest growing in the US, now rakes in over \$1 billion a year in global sales.

(Mintel, 2016) (Technomic, 2016) (Foodprocessing, 2016)



Pink Pride for PINK OCTOBER

October is National Breast Cancer Awareness Month and IFF|Ottens supported the cause through dressing in Pink and making donations to the American Cancer Society.

Did you know that breast cancer is the second most common kind of cancer in women? About 1 in 8 women born today in the United States will be diagnosed with breast cancer.

The good news is that many women can survive breast cancer if it's found and treated early. National Breast Cancer Awareness Month is a chance to raise awareness about the importance of early detection of breast cancer. Together IFF|Ottens Flavors raised \$492.00 to support the cause.



Pink October

Flavor of the Month

Natural Bock Beer Flavor

It's officially October, which means it's beer season! Ottens has developed an entire line of beer flavors, but the Bock Beer is our favorite. This flavor can be used in a variety of applications, from sauces, soups, and meats, to baked treats and more! Ottens' Bock Beer flavor has a yeasty front and mild body. A super trendy profile for the beer connoisseur!

