



# UNITED KINGDOM

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## RETAIL TRENDS

Amazon pushing further into UK online grocery, and news of the impending arrival of Amazon Fresh.

## CONSUMER TRENDS

Growing awareness of the health impact of excessive sugar consumption and the launch of major public health initiatives to promote sugar reduction as well as reformulation programs from industry.

### TREND 1: NEXT GEN COCONUT

Coconut is touted for its multitude of health benefits : with proponents claiming it is good for heart health, immunity, weight loss and improved digestion. It also has wide-ranging health and beauty claims : from softening skin to restoring damaged hair. Coconut water and coconut oil have now hit the mainstream in UK retail, and as consumers look for products with "functional benefits" we have seen a huge swathe of coconut-based NPD from flours to snacks and even head lice treatments.

#### PIP & NUT COCONUT ALMOND BUTTER

Launch date: 01/2015

Category: Grocery

Family: Jams / Fruit in Syrup / Spreads

**General description:** Pip & Nut's Coconut Almond Butter (rsp: £4.29/250g) is an alternative to peanut butter and other spreads. It is high in protein, totally free from palm oil, and contains only almonds, coconut, agave syrup and sea salt.

**Why is this product a success?** It won The Grocer's Coconut-based Foods New Product Award 2015 for introducing coconut into a more mainstream product and bringing something new and different to the nut butter category. Consumers love its taste, texture and health credentials.



### TREND 2: CARB ALTERNATIVES

The 'spiralizing' vegetable trend has taken hold in the UK kitchens - popularized by 'real food' pioneers such as Jasmine and Melissa Hemsley. Over the past year, retailers have looked to capitalize on the trend with the launch of pre-prepared courgette spaghetti and cauliflower couscous. We have also seen more low-carb snacks like carrot crisps.



## TESCO COURGETTE RIBBONS

Brand: Tesco

Launch date: 05/2015

Category: Fresh Products

Family: Fruit / Vegetables

**General description:** Tesco's Courgettes Ribbons (rsp: £1 for 250g) are marketed as the 'perfect alternative' to starchy pasta or noodles. They are 100% courgettes shredded into ribbons.

**Why is this product a success?** Tesco was the first to capitalize on the 'spiralizing' trend and Courgettes Ribbons were its most talked-about veg line last year. The product offers consumers a low priced, convenient way to go low-carb, and adds value to the veg category.



## TREND 3: VIRTUOUS SNACKING

Popcorn is the star performer of the virtuous snacking trend, to the detriment of potato crisps. That's potentially bad news for big brands like Walkers but good news for smaller players in the snacks category, from The Giving Tree and its broccoli crisps to the bagged mixes of Liberation Nuts. And it's a rising trend that has also broadened; demand for protein-rich snacks has driven the upswing of meat snacks, with Mattessons the most recent brand to invest heavily in pushing the sub-category.

## GOOD TO GO

Brand: Graze

Launch date: 07/2015

Category: Grocery

Family: Appetizer Grocery products

**General description:** Graze Good to Go's initial launch in July 2015 comprised 12 products including flapjack, pretzel dippers and nuts. The range tapped demand for higher-protein products, with Punchy Protein Nuts (with 7.6g of protein per serving) and Veggie Protein Power (black pepper cashews, edamame beans and chickpeas and contains 6.9g of protein per serving) as the standout products.



**Why is this product a success?** Good to Go was the first step into retail for Graze, tapping into the current virtuous snacking trend it pioneered – having launched in 2009 to deliver healthy snacks direct to consumers – and it immediately won listing in 850 Sainsbury's stores.

## NEW RETAIL CONCEPT

Amazon Fresh - the push of the online retail giant into groceries has the potential to cause significant disruption. It is the first big example of disintermediation in the UK grocer market.

Aldi offering wine online - The first online offer from Aldi, which signals a potentially bigger push online for the discounter



## OTHER MAJOR RETAILERS

Graze - After selling direct to consumers, Graze has recently successfully moved its innovative snack solution into UK supermarkets.

Unilever reformulates ice cream - To keep ahead of the sugar debate, Unilever has taken the brave plunge of setting a 250 calorie cap for its adult single serve ice creams. Free-range dairy and grass-fed beef/lamb - As consumers become more aware of food production methods, brands and retailers have developed free-range and grass-fed into a point of difference.

## DO NOT MISS

Holland & Barrett – As UK shoppers embrace health trends, Holland & Barrett has evolved into a body and soul emporium offering everything from protein pick n mix to healthy snacks. Lidl's Store of the Future - The discounters are trying to shed their budget image in the minds of UK consumers and the new 'posh stores' mark a move upmarket. Sainsbury's mission-focused store layouts - Sainsbury's trial of new store concepts shows how the mults are finding new ways to use space in big stores.