



*The global market for health and wellness foods is estimated to be worth \$764 billion with a CAGR of 4.8% between 2020-2027.*



■ BY AMY MARKS-MCGEE,  
Trendincite LLC; amy@trendincite.com

## Forward Thinking: Functional Food & Beverage Developments

Collagen, mushrooms and plant-based formulas are fueling functional food and beverage innovation.

**A**s we acclimate to the post-COVID landscape, wellness and sustainability are two of the most important factors for consumers while searching for healthy food and beverage products.

These trends have continued to breed innovation within the market in a broad range of categories. For instance, functional foods and beverages, like those with added nutrients, creative sources of protein like mushrooms and those providing energy and anti-aging properties have become increasingly more popular. Likewise, plant-based alternatives are blooming, as consumer awareness of where and how their products are sourced and produced grows.

These shifting trends challenge companies to source new ingredients, demand transparency and create sustainable products that are good for you and good for the planet. This month's "Forward Thinking" column

examines how collagen, mushrooms and plant-based formulas are fueling functional food and beverage innovation.

## Healthful Eating

Health and wellness, propelled by the pandemic, are at the forefront of consumers' minds. Globe Newswire<sup>a</sup> research estimates the global market for health and wellness foods to be worth \$764 billion with a CAGR of 4.8% between 2020-2027. According to the Food Industry Association's "2021 Power of Produce" report<sup>b</sup>, produce department sales reached \$69.6 billion in 2020, an 11.4% increase. Shoppers are buying more fresh fruit (+8.9%) and more vegetables (+14.2%). During the pandemic, 44% of grocery shoppers say they are putting more effort into healthful eating and 71% of grocery shoppers say nutrition and health is a primary or important reason for purchasing fruits and vegetables. For example, in May, Walmart collaborated with the Partnership for a Healthier America (PHA) and debuted "The Hidden World of Waffles + Mochi" microsite, an educational interactive experience to inspire families to cook healthier meals. The site offers mini-games and encourages families to pick one of 10 ingredients to see 20 different interactive videos that explain how to make a healthy dish and earn digital badges as a reward. Each time visitors earn digital badges, Walmart donates to PHA's Pass the Love campaign to provide meal kits for families in need. According to The NPD Group<sup>c</sup>, in the year ending November 2020, 43% of U.S. adults said that staying healthy and living longer was a top wellness goal they wanted to achieve with their food and beverage choices.

## Functional Food & Beverages

Functional ingredients, food and beverages have been steadily growing over the last year and a half. "Forward Thinking: 3 Beverage Trends for 2021 and Beyond," which appeared in the February 2021 edition of *Perfumer & Flavorist*<sup>d</sup> and "Forward Thinking: Beverage Buzz," which appeared in the February 2020 edition of *Perfumer & Flavorist*<sup>e</sup>, explored beverage innovation. Consumers' interest in immune-boosting drinks and functional beverages continues to gain momentum. Fortune Business

Insights reported that the functional food and beverage sales market size<sup>f</sup> increased to \$258.8 billion in 2020. Mintel<sup>g</sup> found nearly 70% of consumers currently use products that feature a functional benefit, and 40% use products with three or more functionalities. Collagen, mushrooms and innovative plant-based formulas are the latest functional ingredients appearing in a variety of applications.

## Collagen-Infused

Collagen is an abundant protein in our bodies and a main component in our skin, bones and connective tissues. Often found in beauty and skin care products, collagen is an on-trend ingredient being infused into new foods, beverages and supplements. According to Markets and Markets<sup>h</sup>, global growth of collagen applications in foods, beverages and supplements is projected to reach a value of nearly \$4.6 billion by 2023. The outlet also<sup>i</sup> predicts that the global collagen market will hit \$897.5 million by 2023, with marine collagen leading category growth.

Copina Co. has expanded its gluten-free and non-GMO vegan collagen blends with Vanilla Plant-Based Collagen Boost Drink Blend and a single-serve Matcha Plant-Based Collagen Boost stick pack. The

<sup>f</sup>[www.fortunebusinessinsights.com/functional-foods-market-102269](http://www.fortunebusinessinsights.com/functional-foods-market-102269)

<sup>g</sup>[www.foodbusinessnews.net/articles/18343-shifting-demographics-poise-functional-products-for-growth](http://www.foodbusinessnews.net/articles/18343-shifting-demographics-poise-functional-products-for-growth)

<sup>h</sup>[www.marketsandmarkets.com/Market-Reports/collagen-market-220005202.html](http://www.marketsandmarkets.com/Market-Reports/collagen-market-220005202.html)

<sup>i</sup>[www.marketsandmarkets.com/PressReleases/marine-collagen.asp](http://www.marketsandmarkets.com/PressReleases/marine-collagen.asp)



Elavi is a functional snack brand that combines sustainably sourced collagen, plant-based protein and antioxidant superfoods to provide multi-functional benefits.

<sup>a</sup>[www.globenewswire.com/news-release/2020/10/01/2101979/0/en/Global-Health-and-Wellness-Foods-Industry.html](http://www.globenewswire.com/news-release/2020/10/01/2101979/0/en/Global-Health-and-Wellness-Foods-Industry.html)

<sup>b</sup>[www.supermarketperimeter.com/articles/6476-fmi-produce-department-sales-up-114-in-2020](http://www.supermarketperimeter.com/articles/6476-fmi-produce-department-sales-up-114-in-2020)

<sup>c</sup>[www.npd.com/wps/portal/npd/us/news/press-releases/2021/t-u-s--consumers-increasingly-turn-to-food-as-medicine-during-pandemic-to-build-immunity-reduce-inflammation-improve-digestion-and-manage-stress/](http://www.npd.com/wps/portal/npd/us/news/press-releases/2021/t-u-s--consumers-increasingly-turn-to-food-as-medicine-during-pandemic-to-build-immunity-reduce-inflammation-improve-digestion-and-manage-stress/)

<sup>d</sup>Page 26; [https://perfumerflavorist.texterity.com/perfumerflavorist/february\\_2021/](https://perfumerflavorist.texterity.com/perfumerflavorist/february_2021/)

<sup>e</sup>Page 19; [https://perfumerflavorist.texterity.com/perfumerflavorist/february\\_2020/](https://perfumerflavorist.texterity.com/perfumerflavorist/february_2020/)

brand uses organic tremella mushroom extract, amla berry powder, bamboo leaf extract and hyaluronic acid in the formulas. Picnik added Vanilla Oatmilk Adaptogen Creamer with Collagen to its portfolio. The creamer features 1,500 mg of Picnik adaptogen blend, vanilla oat milk and grass-fed collagen “to promote satiation, relaxation and mental clarity.”

Beam Elevate is a line of hydrating beverage mixes that are paleo, vegan, and keto-friendly and do not contain added sugar. Recovery (Hydration + Collagen Mix) is one of three variants available and is a fresh lemon flavor formulated with non-GMO collagen peptides + BCAA. Bulletproof, the brand known for coffee made with MCT oil and grass-fed butter, recently launched two sleep aid products. Sleep Collagen Protein features a blend of collagen, melatonin, chamomile and magnesium citrate to enhance sleep and support hair, skin, nails and joints. It is *lucuma* vanilla flavored and can be mixed into cold or hot water.

Inspired by global flavors and active lifestyles, fitness instructors Michelle Razavi and Nikki Elliott launched Elavi, a functional snack brand that combines sustainably sourced collagen, plant-based protein and antioxidant superfoods to provide multi-functional benefits. The products are non-GMO, gluten-free and available in three flavors, including Blueberry Vanilla Crisp, Chocolate Chip Cookie Dough and Chocolate Goji Berry.

## Shroom Boom

Adaptogens are natural super-herbs known for their restorative properties and commonly used in Ayurvedic medicine to help the body and mind adapt to stress. Medical mushrooms such as chaga,



*You Again is a functional, customizable baking mix line formulated for a specific benefit.*



*Sacred Serve is a Chicago-based brand of plant-based gelato.*

cordyceps, lion’s mane and reishi are adaptogens that have been booming in supplements, as well as food and beverages. According to Industry Research<sup>3</sup>, the global functional mushroom market is worth \$23 billion this year with an expected CAGR of 5.6% over the next five years.

Furthermore, in a report by Globe Newswire<sup>4</sup>, there exists a high demand for safe and natural immune-supportive health products, including supplements featuring mushrooms that support immune health, such as chaga, reishi, shiitake, cordyceps, and turkey tail.

The founders of BluePrintCleanse introduced Earth+Star, a line of four functional ready-to-drink canned beverages all formulated with lion’s mane, reishi, cordyceps and chaga mushrooms. Earth+Star Cold Brew showcases black coffee while the cacao, matcha and turmeric varieties include oat milk. Rowdy Mermaid launched Adaptonic, a new beverage line self-described as “sparkling immunity tonics crafted with refreshing botanicals, luscious fruits, herbs and adaptogenic reishi mushrooms.” Rowdy Mermaid Adaptonic is offered

<sup>3</sup>[www.industryresearch.biz/global-functional-mushroom-market-15849017](http://www.industryresearch.biz/global-functional-mushroom-market-15849017)

<sup>4</sup>[www.globenewswire.com/news-release/2021/05/05/2223464/0/en/The-global-functional-mushroom-market-was-valued-at-USD-25-415-12-million-in-2020-and-it-is-estimated-to-register-a-CAGR-of-8-44-during-the-forecast-period-2021-2026.html](http://www.globenewswire.com/news-release/2021/05/05/2223464/0/en/The-global-functional-mushroom-market-was-valued-at-USD-25-415-12-million-in-2020-and-it-is-estimated-to-register-a-CAGR-of-8-44-during-the-forecast-period-2021-2026.html)

in Ashwagandha Blackberry, Chamomile Lime, Matcha Yuzu and Strawberry Holy Basil flavors. To address consumers' demand for "functional ingredients," Califa Farms released two new Barista Blends, Mushroom Oat and Hemp. The Mushroom Oat Barista Blend contains 3,000 mg of whole cordyceps and 2,400 mg of lion's mane mushrooms. U.K. brand Fungtn is "the first mycoadaptogenic non-alcoholic beer range," which is formulated with medical mushrooms and is vegan and gluten-free. The non-alcoholic beer is offered in Chaga Lager, Lion's Mane IPA, Reishi Citra Beer and Turkey Tail Pale Ale varieties.

Inspired by Ayurvedic principles, Priya Mulvihill created You Again, a functional, customizable baking mix line formulated for a specific benefit. The products are organic and free from dairy, gluten, refined sugars, refined flours, additives and preservatives. The Mint Chocolate Cookie mix is "designed to promote performance, cooling and stress relief and contains cacao, spirulina and cordyceps." The Chocolate Chip Cookie mix has "ashwagandha, reishi, and holy basil for calm, relaxation and rest." The Oat Ginger Raisin

Cookie mix "features maca, lion's mane and chaga mushroom to support mood, vitality and focus."

### Novel Plant-Based Innovations

In addition to collagen and mushrooms, there has been an emergence of novel plant-based innovations ranging from sweet gelato to savory noodles. Sacred Serve is a Chicago-based brand of plant-based gelato with Thai young coconut meat as the key ingredient. The five gelato flavors are formulated with organic and fair-trade ingredients, sweetened with coconut sugar and use a proprietary cold-crafting process to preserve the essential vitamins and minerals. Chaga Chocolate is an adaptogenic gelato that combines raw cacao, maca and chaga mushroom while the Coconut Salted Caramel is a sweet and salty mix with raw young coconut, low glycemic coconut sugar and Himalayan pink salt. Matcha Mint Chip is infused with peppermint essential oil, ceremonial grade matcha and chunks of handcrafted raw vegan chocolate while the Saffron Chai Spice blends saffron with cardamom, cinnamon and rosewater. The newest flavor, Tigernut Cookies N Crème,



*Save the Date*

**June 29-July 1, 2022**

**Miami Beach Convention Center  
Miami, FL, USA**

[www.WorldPerfumeryCongress.com](http://www.WorldPerfumeryCongress.com)





Sacred Serve's five gelato flavors are formulated with organic and fair-trade ingredients.

combines activated charcoal with prebiotic rich tiger nut flour and *Mucuna pruriens* (velvet bean).

Deux Foods launched Deux, a functional, plant-based cookie dough line enhanced with immunity boosting vitamins, collagen and protein. The Enhanced Brownie Batter highlights a collagen support blend made with aloe vera extract and vitamin C, while the Enhanced Chocolate Chip Cookie Dough Immune Support variant features zinc and elderberry. The Enhanced Ginger Doodle Stress Relief variety contains ashwagandha, and the Enhanced Protein Peanut Butter Chocolate Chip Cookie Dough has pea protein. The products are formulated with a base of oats, nut butter, vanilla, maple syrup, coconut sugar, water and flaxseed. Sound Bites by Sound Nutrition are vegetarian oval-shaped snacks that use “a patented process that uses high-frequency, low-amplitude sound waves to preserve nutrients, develop flavor and create a signature texture.” The Coconut Surprise is described as “nutty, tropical and mildly sweet” with fresh coconut pieces, while the Chocolate Raspberry is “a sweet and tart melody” with real raspberry. Mocha is “bitter, rich and sweet” with real coffee and cacao, and Vanilla Lime is “a bright, tangy chorus of lime and cream cheese.” Mmmly is a new clean, low-carb, plant-based cookie brand made with tiger nut flour, root vegetables, prebiotic fiber, fruits and healthy fats. The functional cookies are offered in Banana Chocolate Chip, Blueberry Shortbread, Dark Chocolate Chip and Sweet Almond flavors. The cookie formulas include tiger nuts, hazelnuts, almonds, agave fiber, apple cider vinegar, apple sweetener, sunflower lecithin, monk fruit extract and eggs.

In the U.K., DTC brand Future Noodles specializes in plant-based nutritional instant noodles made with sustainably sourced ingredients and

plastic-free packaging. The 100% vegan noodle pots are available in Smoky Mushroom & Miso, Yellow Curry and Spicy Kimchi flavors. The noodles are designed to be affordable, convenient and healthy. Itsu, the Asian-inspired high in nutrients, low in calories and saturated fat brand, launched a new line of vegan protein noodle dishes available in Sainsbury stores and through U.K. Amazon. The broth contains no artificial colors, preservatives, flavors or added MSG and is offered in Crackin’ Curry, Mega Miso and Super Sesame variants.

## Wellness Forward

Health and wellness is a broad topic, which continues to evolve. According to McKinsey & Company<sup>m</sup>, global sales of fitness, nutrition and a variety of related products and services totals \$1.5 trillion and is growing 5-10% a year. In addition, of a 7,500 respondent survey in six countries, McKinsey found 79% of respondents said wellness is important, and 42% consider it a top priority. “Forward Thinking: The Wellness Economy,” which appeared in the August 2021 edition of *Perfumer & Flavorist*<sup>n</sup>, examined self care and how it applies to overall wellness. The article focused on beauty and personal care. However, food and beverages are a fundamental facet of self care. The pandemic has caused consumers to be hyper aware of functional foods and beverages. As functional products become mainstream, it will provide opportunities for flavor suppliers and consumer packaged goods manufacturers to innovate and meet consumer demand.

<sup>m</sup>[www.mckinsey.com/industries/consumer-packaged-goods/our-insights/feeling-good-the-future-of-the-1-5-trillion-wellness-market#](https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/feeling-good-the-future-of-the-1-5-trillion-wellness-market#)

<sup>n</sup>Page 24; [https://perfumerflavorist.texterity.com/perfumerflavorist/august\\_2020/](https://perfumerflavorist.texterity.com/perfumerflavorist/august_2020/)