

LEIPURIN®



TREND CHART

2020



LEIPURIN.COM

INDEX

The Leipurin trend chart focuses on four trends on the bakery, café and food industry and offers practical tips on how to improve customer experience and sales. In addition to the four trends, the trend chart presents the new flavours and ingredients of 2020 from Finland and abroad.



Introduction to Leipurin's trends 2020

Like last year, we have compiled a customer-friendly information package including four industry trends and a few other tips that we hope will give our readers ideas on how to boost their business. We at Leipurin Group see many opportunities to improve customer experience and boost your business leaning on these trends.

Vegetarian and vegan products and responsibility have an impact on the behaviour of a growing number of consumers; by offering them better and more interesting products than before, we can be on the front of benefiting from this trend. In this regard, we are continuously developing and growing our own selection and services.

We have been glad to see that artisanal food has been on the rise both in Finland and abroad. It is fantastic to see how values like the origin and authenticity of food and favouring small businesses are now more meaningful to consumers than ever while creating value for all of us.

Digitalisation enables many methods and services to improve. Leipurin uses digitalisation to improve the customer experience through our online store, among other things. It's worth a look: www.leipurinstore.com.

Despite the trend in healthy food, consumers in both Finland and Leipurin's countries of operation have shown that they still appreciate sweet treats. International research shows that similar trends exist in other parts of the world, too. People still want to reward themselves with sweet treats which opens future possibilities for e.g. gelato and new kinds of sweet pastries.

Competent bakers, broad and relevant selections and new ideas guarantee that we have a wide range of solutions to the aforementioned trends as well as other business boosting needs of our customers; Get in touch with the Leipurin crew to find the solutions that best fit you.

Let's succeed together.

In Vantaa, February 2020
Mikko Laavainen

” Despite the trend in healthy food, consumers in both Finland and Leipurin's countries of operation have shown that they still appreciate sweet treats.



Mikko Laavainen
CEO / Leipurin Oyj



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TREND

VEGETARIAN AND VEGAN PRODUCTS AND RESPONSIBILITY

More and more people are concerned about environmental issues and 64% aim to buy more responsible food.

(New Nutrition Business, Sweden 2019)

”

The reasons for the increased demand for vegetarian and vegan products often include values like following a diverse and healthy diet and environmental issues. More and more omnivores occasionally opt for vegetarian or vegan options.

How do responsible choices show?



Consumers are increasingly aware of the impacts of their choices and make decisions based on ecological issues. Consumers associate responsibility with the transparency of business activities and the health, safety and cleanliness of products.

Consumers are interested to find out how their choices affect the environment and the society; this is why they increasingly favour locally produced food, vegetarian food, vegetable products and products from small farmers. In addition, the sales of organic products in retail stores have increased through the 2010s and this growth is expected to continue.

The vegetarian trend is now visible everywhere: in yoghurts, drinks, ice creams and bakery products like bread. Consumers are looking for healthier choices: less sugary snacks and more vegetables to add to their normal diet, products that are kind to the gut, and more protein from nuts and other vegetable products. Even though the consumption of meat is not decreasing, retail stores are now more dedicated to bringing out vegetarian and vegan options, and more and more omnivores occasionally opt for vegetarian options.

At the moment, the vegetarian and vegan food market is full of soy-based products but both legumes and wheat are rising to the same level of popularity. With the launch of new products promoting vegetarian or vegan diets worldwide, the increase has been 12.4% on average every year in the last decade. (Döhler 2018, Mintel)



Source: Ruokatieto Yhdistys ry

From ideas to practice



Share your company values openly with the customer and act accordingly. Consumers associate responsibility with the transparency of your business activities. Transparency and honesty are the key to gaining the consumer's trust.



Invest in clean and ethically produced ingredients. Locally produced ingredients cut transportation distances and emissions. It's also recommended to use seasonal products.



Consider packaging materials; they should also be environmentally friendly and help reduce waste. Invest in bio-degradable or recyclable packaging materials.



Offer options for a diverse diet. Replace animal protein in your products partially or fully with vegetable protein. You can also offer oat-based oat milk alongside normal milk in your café or bakery.

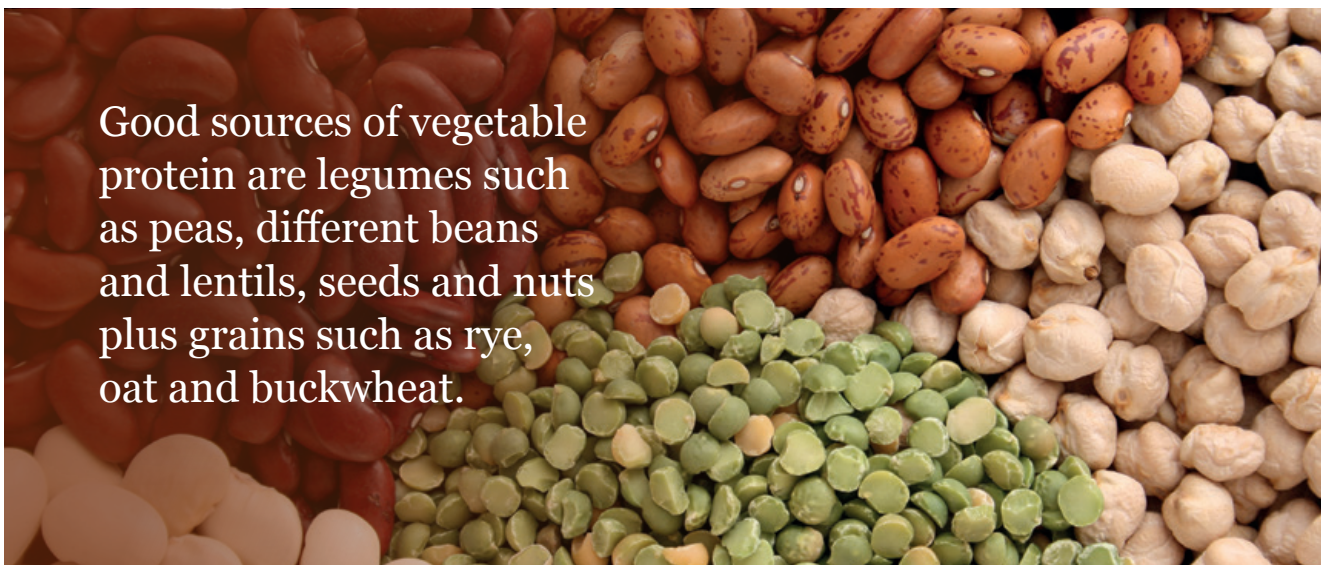


POPULAR NOW

- | | |
|-------------------------|-------------------------|
| ✓ Non-GMO products | ✓ Locally produced food |
| ✓ Free-from products | ✓ Vegan products |
| ✓ Without preservatives | ✓ Seasonal ingredients |
| ✓ Less plastic | ✓ Organic products |



As a trend, responsibility covers the whole life span of the product from sourcing and producing the ingredients to packaging, delivery, disposal and recycling.



Good sources of vegetable protein are legumes such as peas, different beans and lentils, seeds and nuts plus grains such as rye, oat and buckwheat.



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TREND

DIGITALISATION

Digitalisation improves the customer experience and opens new doors for your business.

Digitalisation offers you an opportunity for sales 24/7. The smartphone in the consumer's pocket offers all information here and now. As you get more multi-channel sales, it's more important to have an online store.

How does digitalisation show in everyday life?



Many people observe their environment on the screen of their smart phone. The importance of having an online store increases.

Social media is an integral part of our everyday lives; consumers want easy and flexible services that digitalisation can provide. Online stores are now relevant in food business too, and different mobile applications can trend significantly. When shopping online, the customer wants the experience to be quick and pleasant. Ordering and paying upfront has become more common. In addition, consumers use mobile apps to find nutritional facts and inspiration.

The effect of social media can be seen in cafés, bakeries and restaurants as customers share photos of their food. It is important for businesses to serve aesthetically pleasing food and drinks that are a part of a narrative and enable customers to share photos of them on social media. Posts, comments and recommendations make your business more visible and impact the image customers have of your business.

MAKING OF THE PERFECT INSTAGRAM

Create a perfect setting for taking photos in your bakery or café.

Different packaging materials and napkins can make the look more visually interesting.

Make sure that the products look appetising.

Consider the serving dish. Find contrast with a background.

Create social media accounts for your business so that customers can tag it on their own posts.

Don't be afraid to try new and unusual things that pique the customer's interest.



From ideas to practice



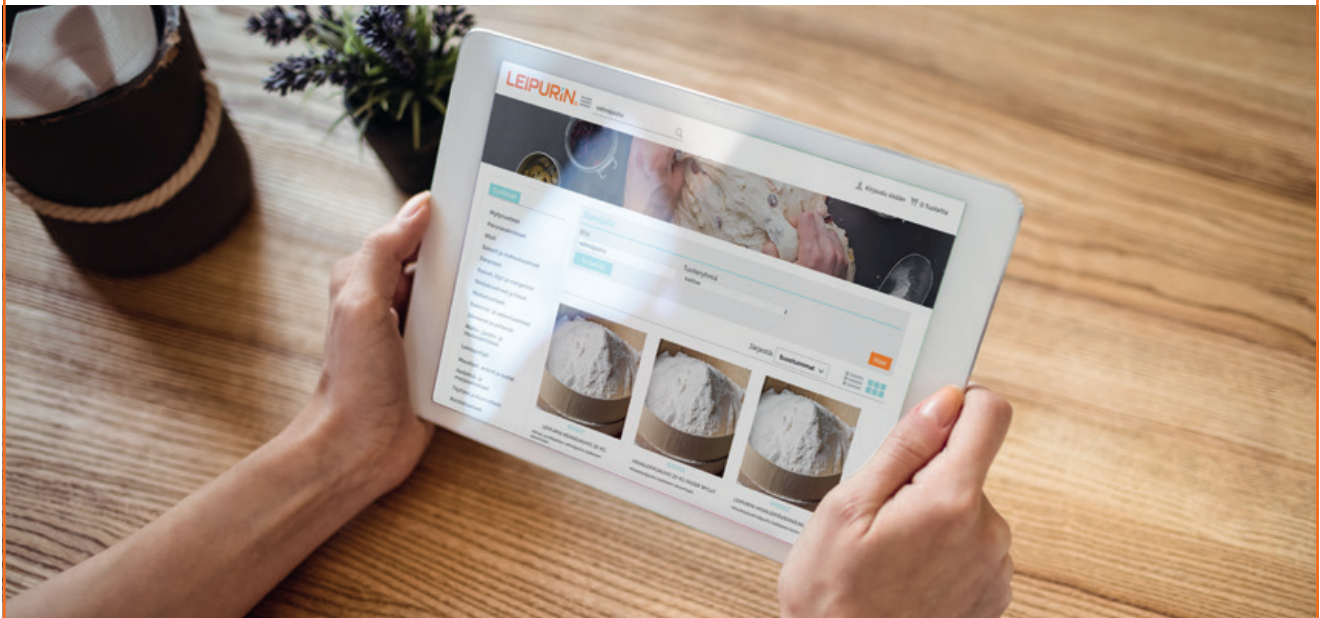
The importance of having an online store increases. Offer as much of the service digitally as you can. Pre-ordering has become more popular even for smaller sales.



Don't underestimate social media. Motivate your customers e.g. through a competition on social media. Photos shared by customers are also an efficient boost to your business' visibility so make sure that your products are aesthetically pleasing. Also consider the interior design and atmosphere. Products look best in natural light.



Product information online. Easily accessible information about the products and ingredients improves the customer experience. Accessible product details show transparency and improve trust.



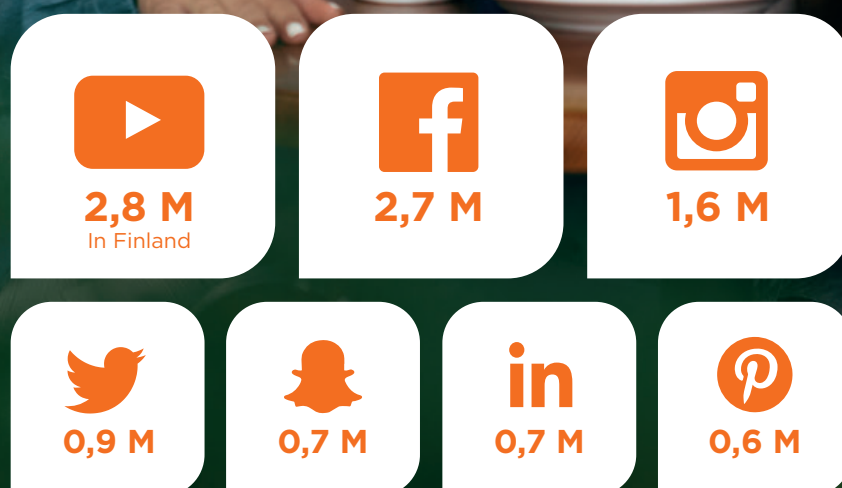
POPULAR NOW

- ✓ Multi-channel shopping
- ✓ Online store
- ✓ Personal profiles with information about your products tailored for you
- ✓ Food blogs
- ✓ Pre-orders and pre-payment
- ✓ Digital menus and Digital customer service

62% of Finnish 13-64-year-old women and **47%** of men use **Instagram**.

The use of Instagram in the last half a year has gone up by approximately **5%** and its popularity is still growing with all age groups.

(Meltwater 2019)



Use of social media in Finland, DNA 2019

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TREND

ARTISANAL PRODUCTS

79% of European consumers are willing to pay more for artisanal products.

(Taste Tomorrow 2019).

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What does artisanal mean?



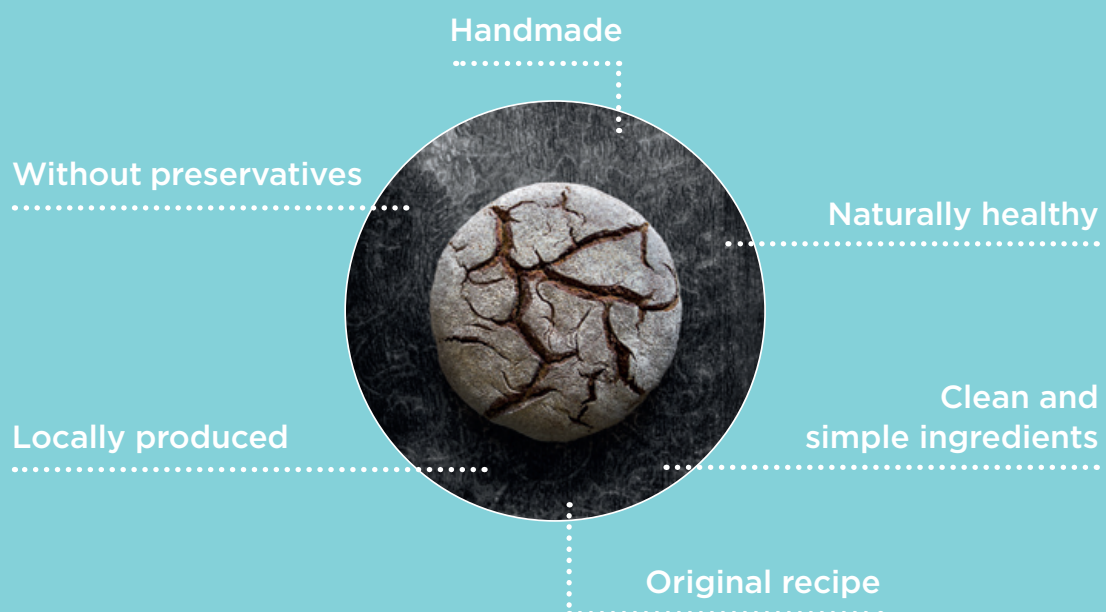
Clean ingredients, freshness and high quality. Customers consider artisanality to be added value.

Artisanal bakery products are products that have been hand-made using traditional methods and high-quality ingredients. The consumer associates artisanal with authenticity, simplicity and cleanliness. Consumers want healthy, high-quality products, and the increase in demand also helps boost the market for hand-made bakery products.

Your customer is interested in the history of your bakery and its products as well as the baker's love for the product and the craft. An open oven or a window showing where the products are made gives your customer the chance to see and trust artisanal products. When it comes to artisanal products, the customer considers little flaws in bread, pastries or chocolate to be beautiful because they prove that the product was hand-made.

A customer buying artisanal products wants to experience the flavour. The customer considers food an experience. Consumers want something more that goes beyond nutrition. Artisanal products are naturally associated with healthy food since they use simple ingredients. The consumer is looking for ways to turn dining into an experience, and local hand-made products are an excellent solution for this demand.

INGREDIENTS OF A PERFECT ARTISANAL PRODUCT



From ideas to practice



Highlight the person who made the product. Personal perspective and skill add to the uniqueness of the artisanal product.



Tell the bakery's story. Many consumers are interested in the traditions and history of the bakery. Stories support the artisan image.



Show production to customers. Transparency is in key position also when it comes to artisanal products. The chance to see the local production process supports an image of home-made, hand-made production.



Use natural ingredients and original recipes. The heart of artisanal products lies in high-quality ingredients. Consumers are now looking for products that are delicious, clean and simple and have no artificial ingredients.




Take the design of the sales outlet into account. You can create an artisanal atmosphere by decorating your café with rustic items.



POPULAR NOW

- ✓ Countryside aesthetic
- ✓ Artisanal bread
- ✓ Rustic atmosphere
- ✓ Old-school products, nostalgia
- ✓ Products from independent producers
- ✓ Local products
- ✓ No preservatives
- ✓ Authenticity and originality



At the moment, consumers favour small brands with a personal story and lots of enthusiasm dedicated for their product.

(Innova Market Insights)



4

TREND

LITTLE TREATS AND DELICACIES

39% of consumers eat or drink
“treats” 2-3 times per week.

(Fona International 2018).

”

How does treating oneself show?



In a busy, bustling world, people are looking for opportunities to escape the everyday and ways to reduce stress. They want momentarily to just enjoy themselves and treat themselves with sweet delicacies. Quickly, easily and healthily.

When it comes to bakery products, a delicious flavour is naturally something that can't be compromised. In 2020, flavour has become the most important criteria for consumers when they shop for bread, bakery products and chocolate; in 2015, the top criterion was freshness (Taste Tomorrow 2019.) Consumers are also willing to pay a little bit more for treats that offer experiences and premium quality.

Consumers think that the perfect treat is delicious, healthy, easy to take away or carry and tailored for certain situations.

According to a study by Fona International, 39% of consumers eat or drink treats 2-3 times per week, and up to 30% do this 4-6 times per week. Treating yourself makes you happy and gives pleasure. When sweet treats are mentioned, many first think of chocolate. When it comes to bread, consumers associate the experience with special ingredients such as specialty flour, grains and seeds like spelt, quinoa and chia.

WHAT DOES THE CUSTOMER EXPECT FROM A TREAT?



From ideas to practice



Consumers want food to be enjoyable but also healthy. By adding so-called superfoods, you can easily increase the nutritional value of your product. Bilberry, lingonberry, cranberry, sea buckthorn and nettle are just some of Finnish superfoods.



The flavour is the most important thing but consumers equally pay attention to a special, delicious and appealing texture. Different textures and forms improve the eating experience and make the product visually interesting.



Consider portion sizes. Many consumers count calories which has made many sweet treats smaller. So-called tapas desserts are especially popular at the moment.



Give classics a new twist! Change the decorations or fillings of existing products to turn them into new, delicious options!



POPULAR NOW

- ✓ Small pastries, tapas desserts
- ✓ Healthy desserts like raw cakes
- ✓ Specialty coffees
- ✓ Superfoods
- ✓ Gelato
- ✓ Classics with a new twist
- ✓ Smoothies and overnight oats



When sweet treats are mentioned, many first think of chocolate. Health seekers often turn to dark chocolate.

Flavours & ingredients

In 2020, trends still include reducing sugar, salt and butter and consuming more functional products, vegetables and gluten-free products. The most popular use for oat now is in bread.

1

Functional products

Functional products are products that have been scientifically proven to be nutritious but also to maintain health or decrease the risk of getting ill. Functional products can help boost the immune system or the function of the brain and the nervous system, among other things. Popular products include products that promote gut health such as dairy products with probiotics or naturally functional products like rye bread or oatmeal that both have a high content of fibre.



2

Oat still popular!

According to a survey by Leipätiedotus ry, the most popular oat product in Finland is the oat bread. **77%** of Finns like to eat oat in a bread, and almost **40%** of the respondents said they had been consuming more oat bread in the last year.



3

Inulin - the ingredient of 2020?

Inulin is a fibre extracted from chicory that is a perfect fit for bakery products, thanks to its high content of fibre, texture-improving features and vaguely sweet flavour that makes it possible to add less sugar in the end product. Inulin is a prebiotic that promotes gut health.



4

Versatile flavours

Consumers want to explore unique flavours and flavour combinations. One of the essential trends that the bakery industry should follow is exotic flavours. Don't be afraid to try persimmon, coconut, acai berries or pitaya, also known as dragon fruit.

5



Vegetable bread

Add vegetables to bread now. There are more and more bread products that replace some of the flour with vegetables. Try carrot, parsnip or chickpeas! Vegetables easily help improve the taste and colour of the bread while helping customers add more vegetables to their diet.

7

Europe's reigning flavours

The consumption of especially pastries is expected to rise in bakeries in 2020. Chocolate is still the most popular flavour but its rivals, vanilla and butter, are also good options. New, rising flavours include mint and caramel. Gingerbread is an increasingly popular seasonal flavour. In general, consumers want products with less sugar, salt and butter.

6

You are what you eat!

People define themselves through food. Food is considered an expression of who we are and what our story is. People want to share this story with others because they believe that you are what you eat. This trend means that consumers expect products and experiences that have been tailored for their personal needs to make them feel understood and important.



8

Gluten-free

The demand for gluten-free produce is expected to significantly go up in 2020. Demand is also on the rise with people who don't have gluten allergies since gluten-free bread is believed to be more easily digestible and healthier. According to the American doctor William F. Balistrer, women are more likely to avoid gluten than men, and a gluten-free diet is most popular among 20-39-year-olds.



9

Consumers consider rye bread the healthiest choice

According to a consumer survey by Leipätiedotus in 2019, Finnish consumers consider rye bread to be the healthiest bread. Up to **91%** of the respondents thought so. Almost one quarter of the respondents said that they had been consuming more rye bread within the last year; the reason being that it was considered healthy.



You can find more
information on trends
from these sources:

www.dawnfoods.com

www.tastetomorrow.com

www.doehler.com

www.leipatiedotus.fi

www.mintel.com

www.new-nutrition.com

www.innovamarketinsights.com

www.leipurin.com



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