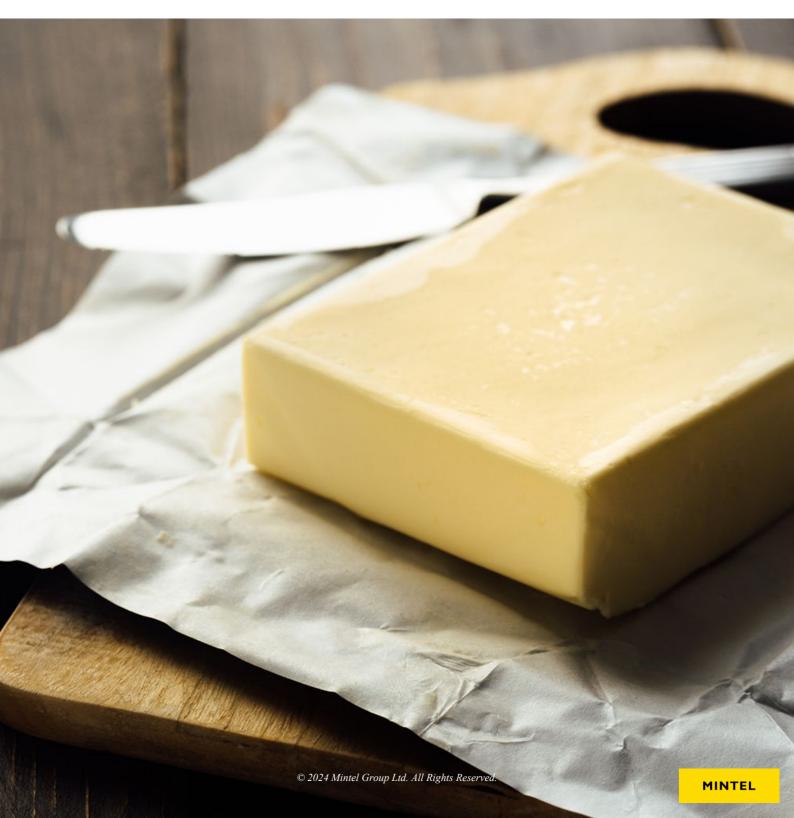
THE FUTURE OF BUTTER AND YELLOW FATS: 2019

Global Annual Review: what's now and what's next for the butter and yellow fats market.



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Director - Mintel Food &



Report Content

· A look back, and a look ahead

THE BIG STORIES

· Mintel's perspective

The rise of ghee

- · Ghee could be the next coconut oil
- Ghee-volution
- · Ghee-volution
 - Graph 1: ghee's share of butter NPD in each region, 2014/2018
- A focus on flavour and pureness

More potential for clean label

- Yellow fats face a challenge ahead and must compete with butter's superior image
 - Graph 2: perceptions of butter, margarine and other blends, March 2018
- · Despite consumer demand, natural claims have dropped in vegetable-based spreads
 - Graph 3: natural claims in margarine and other blends, Dec 2016-Nov 2018
- · Brands harnessing clean label attributes

Increasing usage by adding value

- · Consumers replacing spreads with nut butters
- Can added functionality increase frequency of butter and vegetable-based spread consumption?
- Functionality is still trending to meet consumer desire for total wellbeing

IN THE NEXT TWO YEARS

Mintel's perspective

Repositioning spreads to health trends

- · Tapping into the vegetarian/vegan health agenda
 - Graph 4: penetration of vegetarian and vegan claims on launches of butter, margarine and other blends, Dec 2013-Nov 2018
- Spreads can reinforce health credentials to meet consumer needs
- Alternative oils continue to emerge in plant-based spreads

Butter to get star treatment

• The indulgent "dirty buns" craze drives butter production in Asia Pacific

The Future of Butter and Yellow Fats: 2019

- · Butter gives gourmet cues to restaurant menus
- · Premiumising butters and spreads with blends and foodservice trends
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Sustainability is becoming increasingly important

- · Bring marketing back to the farm
- · Land O'Lakes: from dairies to dinner
- · Addressing waste with aquafaba
- · Packaging challenges could lie ahead with potential to add cost

IN FIVE YEARS AND BEYOND

- · Mintel's perspective
- · Recruiting farmers for the future
- · Reducing waste with nose to tail
- Is algae butter/oil the future?

KEY MARKET DATA

- · Brazil continues to up its innovation and the US and France move back into the top five
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 - Graph 5: butter and yellow fats, new product launches, top five countries, Dec 2017-Nov 2018
- · The fastest growth is coming from Russia and APAC, the slowest from Europe
- The heaviest users of butter and yellow fats are in Europe
- The heaviest users of butter and yellow fats are in Europe
 - Graph 6: butter and yellow fats, retail market per capita consumption (kg), top five markets, 2018 (est)
- Butter innovation has increased by 4% whilst yellow fats have decreased by 9% over the last three years
 - Graph 7: butter and yellow fats, new product launches by subcategory, Dec 2017-Nov 2018
- Fat and allergen claims lead in yellow fats, with sodium, vegetarian, and organic claims more prevalent in butter

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