



FOOD TRENDS

2019

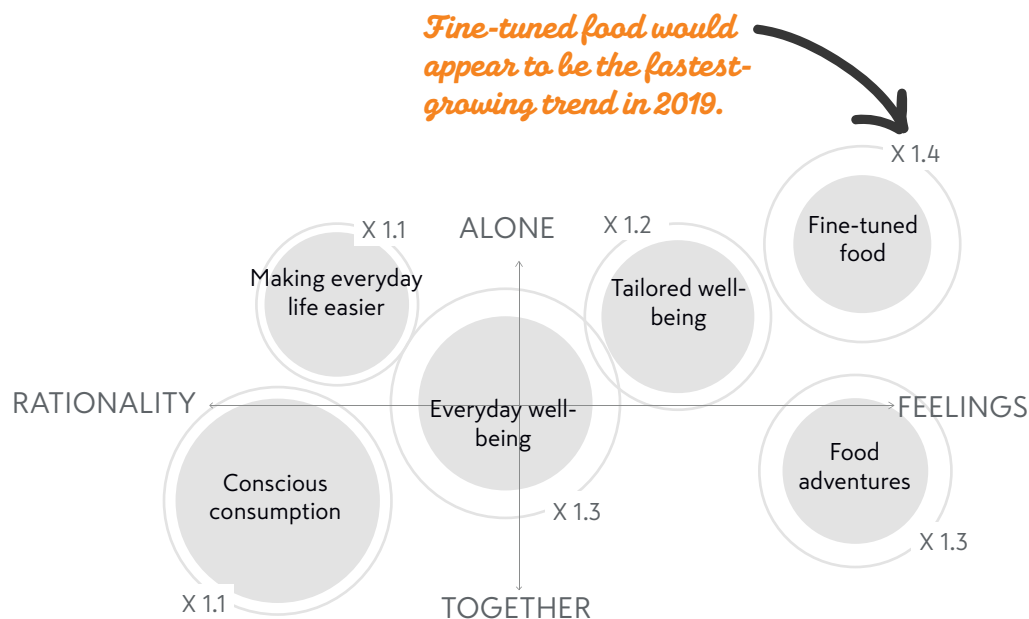
Food is a talking point

Food raises extensive interest and discussion. This report brings together the key topics of discussion and food-related trends. The major topics discussed this year and especially in the autumn included perspectives related to food sustainability, such as the future of Finnish food and the effects of food and foodstuffs on climate change. These themes are also clearly visible in the report's results. However, Finns are also focusing increasingly on their wellbeing and experiences related to food. I am pleased to see that people increasingly want high-quality and healthy food.

Our responsibility is to respond to changing customer needs and expectations. We are constantly working to ensure that customers find the products they want in our selections. We monitor the trends and bring trendy products and novelties to K-stores' selections. We want to offer our customers the most inspiring food stores on the market – stores where shopping is fun.

I wish you a pleasant reading!

Harri Hovi
Vice President, Commerce
K Group's grocery trade



The coefficient describes the growth potential of the trend in 2019.

K Group's Food Trends report describes what Finns will increasingly place in their shopping baskets in 2019. Which food-related trends become hot topics and interest Finns today and next year? The study was now conducted for the second time, so this report also looks into how food trends have developed since 2017.

The results in this publication are based on interviews of experts in K Group's grocery trade and K-food retailers, as well as on an extensive survey carried out in K Group's K-Kylä customer community as a consumer panel. 1,069 consumers responded to the K-Kylä survey in October. The sample was weighted to correspond to the Finnish population by age, gender and domicile. The study was carried out by Frankly Partners.

FOOD TRENDS BASED AROUND EXPERIENCES STILL ON THE RISE

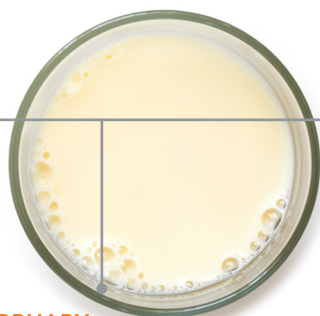
Everyday well-being and conscious consumption are the biggest food trends in the everyday life of Finns. The conscious consumption trend affects the food choices of up to 55% of Finns and, according to the study, the trend continues to be on the rise. The everyday well-being trend has increased less, but taking into account the branched-out trend of tailored well-being, well-being as a whole keeps growing as a trend.

Of the food trends appealing to feelings, the individualistic fine-tuning of food would appear to be growing the most in 2019. In fine-tuning, people seek ideas for cooking from professionals and want to hear the stories behind products. The food adventure trend has grown more moderately. New flavours of the world inspire Finns, and food is increasingly a source of a sense of community and experiences.

Food year 2018

JANUARY

The amendment to the Finnish Alcohol Act enabled a broader selection in the drinks departments of food stores. For example, the selection of microbrewery products grew. Consumers were interested in new products, but bought stronger products moderately. Alcohol-free beers, ciders and wines also attracted Finns: by the end of October, sales of alcohol-free beers had increased by as much as +54% and sales of non-alcoholic wines by +37%.



FEBRUARY

The popularity of plant-based products grew, and the Pirkka range already has over 100 vegan products. The share of plant-based beverages of the sales of the entire dairy product group has risen to nearly one-tenth in K-food stores.

MARCH

Finland is a forerunner in insect-based food, which is a new and interesting alternative source of protein. By March, these products had been on store shelves for a few months. Snack and protein bars were the most popular products in the available product groups.



MAY

Grilling is among the top three aspects in the summer food season for Finns. 61 percent of Finns prefer to grill vegetables. Burgers were a hit this summer, and ribs continue to be a favourite.



APRIL

K Group published a study of Finns' food horizon and relationship to food. The study revealed that Finns typically have nine different dishes in their everyday rotation. The most popular everyday dish is roast salmon.



The information on the sales data on the page has been calculated by comparing 2018 figures with the corresponding period in the previous year.

JULY

In July, sales of bottled waters grew historically high, by 85%. The sales of bottled water and well-being beverages were boosted by warm weather and the current well-being and health trend that drives consumption to these product groups.



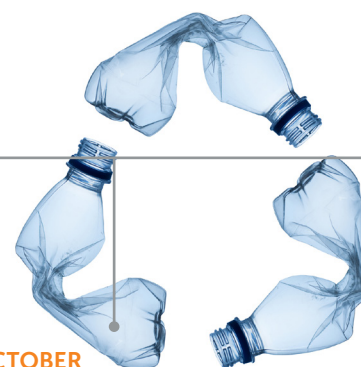
SEPTEMBER

The plight of Finnish food production caused by the hot and dry summer was widely discussed. The product support for the Thank the Producer product range was doubled for the autumn, and in addition, 30 new products were launched in the range.



NOVEMBER

As lifestyles become more hectic, customers expect stores to provide increasingly flexible solutions, such as extended opening hours. K-Citymarkets Easton and Ruoholahti extended their opening hours in November and are now open 24/7.



JUNE

K Group announced it will build a nationwide network of electric car charging stations at K-store locations. At the same time, a car-sharing pilot was launched in conjunction with K-food and K-Rauta stores.



AUGUST

Finns increasingly bought organic products. The sales of organic products in K Group increased by 20 percent from the previous year. The most popular organic product was milk, eggs took the second place.



OCTOBER

K Group set increasingly tight targets for recycling, reducing and avoiding plastic. All plastic packaging of Pirkka products will be recyclable by 2025.

The Finnish shopping basket in 2019

Ingredients

1. Pre-cleaned and filleted fish from the fish counter
2. Berries (fresh and frozen)
3. Fresh herbs
4. Wild mushrooms
5. Potato
6. Seeds, nuts
7. Sweet potato
8. Finnish superfood
9. Environmentally-friendly grown fish with Heart symbol (Benella)
10. Braising meat (such as pork neck)
11. Oat milk and oat milk products



Orange items are new on the list

Finns were asked what products, ingredients and food-related services they believe they will use more in 2019. The respondents received a comprehensive list, from which they chose the most interesting and most likely options relative to the intention to buy.

Of ingredients, Finns will be most interested in pre-cleaned fish from the fish counter as well as berries in 2019. In 2019, the shopping basket would also appear to include microbrewery beers, raw sausages and sugar-free quarks.

Compared with the previous Food Trends study, potato, Finnish superfood and oat milk products can now be found on the list of most interesting products, while the previously fifth-placed avocado is not in the top 10 this time. The same applies to the previously fourth-placed pulled oats.

Clear risers to interesting new services and habits related to food in 2019 are environmentally related issues such as minimising food wastage and avoiding the use of plastic products. In 2017, the items at the top of the list were related to one's own well-being: adding vegetables to the diet, as well as foods supporting as well as food supporting gut health.

Recipes and foods

1. Stews
2. Seasonal foods
3. Mediterranean foods
4. Soups
5. Game foods
6. Thai food
7. Ready-to-grill vegetables and fruit
8. Modernised traditional foods
9. Street Food
10. Mexican foods

Products

1. Bread from local bakeries
2. Products from small producers
3. Bread made from Finnish rye
4. Beers by microbreweries
5. Waste food
6. Organic products
7. Healthy convenience foods
8. Dark-roasted coffee
9. Raw sausages
10. Sugar-free quark

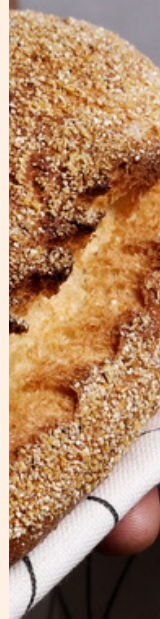
37%

Eats vegetarian food occasionally, replacing meat and fish with vegetables – flexitarians!

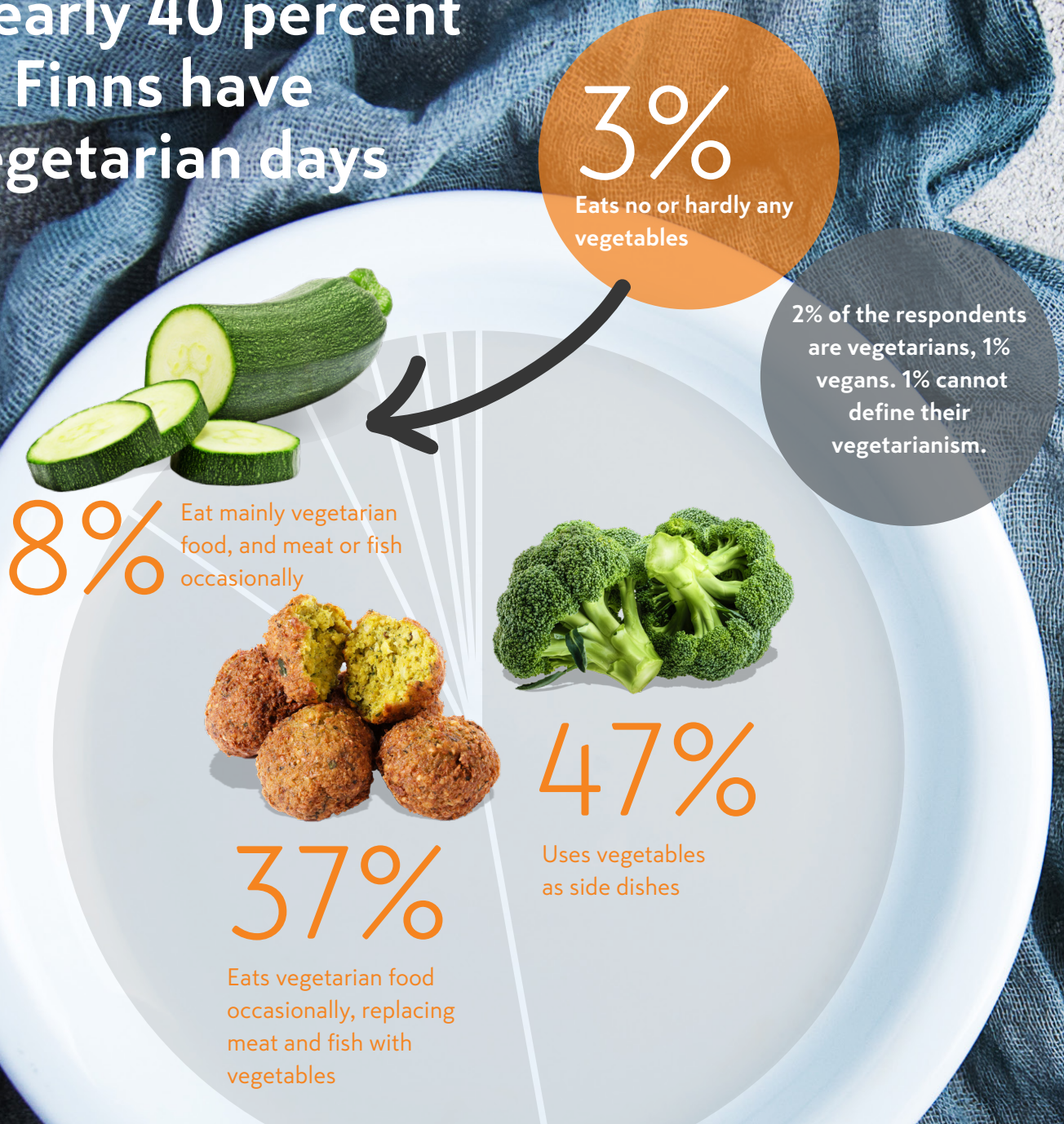


New wider services and habits

1. More vegetables
2. Minimising food wastage
3. Locally produced food
4. I try to avoid the use of plastic products
5. Reduced-price products close to the use-by date
6. More fruit
7. Reducing sugar
8. Foods supporting intestinal well-being
9. Foods supporting abdominal well-being
10. Preparing food from scratch



Nearly 40 percent of Finns have vegetarian days



When the previous K Group's Food Trends report was published, vegetable proteins were just coming into stores. Partly as a result of this new interesting product group, following a vegetarian diet and replacing meat with vegetable dishes and vegetable proteins has been one of the biggest topics in the discussions around food in the past couple of years. We asked Finns what their current attitude is towards eating vegetables. Only a small proportion of Finns says they are vegetarians (2%) or vegans (1%). However, 37 percent of Finns say they eat vegetarian

food occasionally, replacing meat and fish with vegetables. About half of Finns continue to use vegetables purely as side dishes.

20 percent of Finns say they already replace meat with other protein-rich products. Next year, interest towards replacing meat will grow, and the use of protein-rich products replacing meat is estimated to double.

The 2019 shopping basket will emphasise:

Vegetarians:

1. Broad beans, 48%
2. Pea protein, 43%
3. Tofu, 41%
4. Oat milk and oat milk products, 40%



Vegans:

1. Vegan cheeses, 75%
2. Lentils, 70%
3. Products for a dairy-free diet, 65%
4. Oat milk and oat milk products, 64%



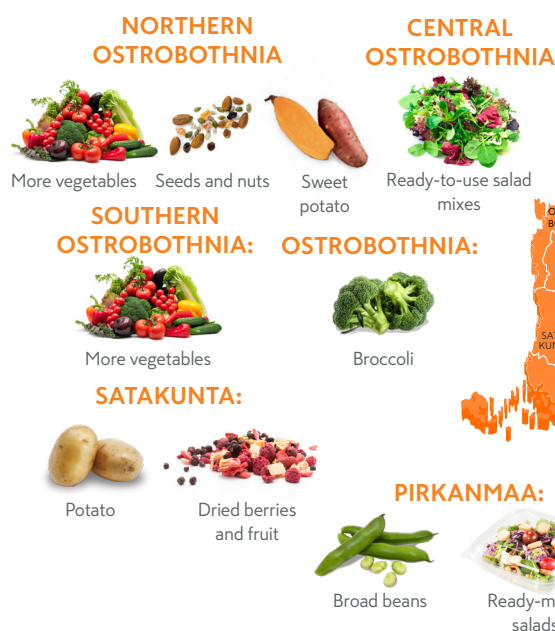
Those using vegetables as side dishes:

1. Berries (fresh and frozen), 35%
2. More fruit, 31%
3. Potato, 30%



What vegetarian dishes are preferred in different parts of Finland?*

Finnish superfood and pulled oats are at the top in Uusimaa. In Kanta-Häme and Kymenlaakso, potato is more popular than elsewhere in Finland. In Southern Karelia, people like wild mushrooms and in Southern Ostrobothnia, people generally want to add more vegetables on the plate.



*Ingredients, recipes and products which interest more in 2019 – emphasis per region.

Conscious consumption

Conscious consumption has gained a strong position and its impact on everyday food choices can be considered significant. The size of the trend has grown by about 10% since 2017 and is expected to grow by the same amount in 2019.

The popularity of local and ethical food, among other things, is strongly linked to this trend. According to the study, almost half (45%) of Finns intend to favour local food.

Conscious consumption is a nationwide trend. Of the sub-trends, reducing food

wastage and environmentally friendly food choices are emphasised more in Uusimaa than in other parts of Finland.

Choices that reflect conscious consumption in shopping baskets in 2019 include increased consumption of vegetables, local food and products from small producers. During the autumn of 2018, plastic has been widely discussed and plastic products have received a lot of attention. This is reflected in the study and avoiding plastic products is also emphasised in the shopping baskets of Finns next year.




Conscious consumption has increased and expanded clearly over the past couple of years, and consumer understanding of conscious consumption has also increased. It is also clearly visible that consumers want to favour stores investing in it.

In the past, consciousness has perhaps only been focused on local products, but now people have started to think more broadly and want to know the entire production chain. This is reflected in product choices such as the increased sales of vegetarian options and in the popularity of microbrewery products produced locally. Also local cucumbers and tomatoes must always be available, or customers will immediately start to ask for them."

Hanna Mattelmäki,
K-Market Mestari,
Tampere

78%

Is prepared to pay more for a product if the producer is sure to receive a bigger compensation

55%

Strives to reduce food wastage

45%

Favours local food

An increase of 11% from 2017!*



The climate impact of food is bigger than thought so far

- Helsingin Sanomat, 20 October 2018

*The growth coefficients presented in the report were calculated by comparing how many people think they will be interested in the trend or sub-trend in 2019 compared to the current size of the trend.



28%

Chooses ethically
produced food

The importance
of food ethics will
double in the future.

The shopping basket will emphasise:



Bread from local
bakeries, 40%



Products from small
producers, 36 %



More vegetables, 35%



I try to avoid the use of
plastic products, 31%



Fresh herbs, 31%



Seeds, nuts, 24%



Finnish superfood, 23%



Environmentally-friendly
grown fish with Heart symbol
(e.g. Benella rainbow trout),
23%



Oat milk and oat milk
products, 21%



Organic products, 18%



TREND SIZE

Food trends 2019

Everyday well-being

Everyday well-being is closely related to general conceptions of healthiness and well-being, such as the food pyramid diet and healthy lifestyles. It is an established trend. The size of the trend has decreased since 2017 with the growth of tailored well-being, but the desire for healthy and versatile everyday food keeps growing. 47% of respondents say they actively promote their wellbeing with dietary choices, and almost as many, 42% of respondents say they invest in better everyday food.



Regionally, people in Northern and Eastern Finland invest slightly more in better everyday food.

In 2019, the shopping basket will contain more Finnish vegetables, local food, food supporting abdominal well-being, organic products, as well as various protein products. Everyday well-being is also reflected in the avoidance of sugar, salt, fat and additives.



47%

Actively promotes one's well-being with dietary choices

42%

Invests in better everyday food

33%

Buys healthy food only

Will grow the most in 2019 x 1.5!

The sales growth figures have been high over the past few years as meat substitutes have become part of the selections. The sales of vegetable proteins have levelled off after the initial enthusiasm. At present, the sales of ready-made foods containing vegetable proteins are growing well, even though the sales are still small in relation to those of other ready-made foods. Good sales growth for plant-based products has been affected by the increase in supply, says Janne Vuorinen, K Group's Purchasing and Sales Director for fresh foods.



Self-squeezed orange juice has been one of the 2018 trends and, during the year, juice machines have come into about a hundred stores. The sales growth of juice oranges has been 460% compared to last year. The sales of juice oranges have already surpassed the sales of red grapefruit, says Kenneth Forsman, K Group's Purchasing and Sales Director in charge of fruit and vegetables.

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Everyday well-being is reflected in the growing vegetable consumption. People are also more particular about consuming fat, additives and sugar. Various cabbages, beans, herbs, buds and spinach leaves are nowadays common items and exotic fruits such as mangoes and pitayas are also sought after.

Tero Huhtala, K-Citymarket
Ruoholahti, Helsinki

The shopping basket will emphasise:



Locally produced food, 32%



Mediterranean foods, 27%



Foods supporting abdominal well-being, 25%



Soups, 24%



Finnish superfood, 22%



Environmentally-friendly grown fish with Heart symbol (e.g. Benella rainbow trout), 23%



Oat milk and oat milk products, 21%



Broad beans, 17%



Organic products, 17%



Herring, roach, bream, 16%



Reducing salt, 16%



Food straight from the nature, 15%



Sugar-free quark, 14%



Frozen vegetables, 13%

Tailored well-being

Finns are increasingly interested in tailored well-being, and the size of the trend is growing at the expense of everyday well-being. Everyday well-being can be considered ordinary, while the popularity of tailored well-being is based on a self-tailored diet designed specifically for one's own needs, which sometimes also allows for less healthy choices. Tailored well-being involves various tailored diets and vegetarianism. The phenomenon of people favouring certain special diets in order to boost their own well-being is still minor in comparison with the biggest food trends, but this trend has grown rapidly since 2017.



The tailored well-being trend interests more and more people throughout Finland, but the related idea of replacing meat with other protein-rich products is particularly emphasised in Uusimaa.

The 2019 shopping basket will emphasise, among other things, Finnish superfood and oat milk products. Finns also seek more alternative protein-rich products to replace meat. In 2019, Finns will also be interested in products supporting the well-being of the stomach and intestines.

41%

Favours traditional Finnish ingredients and foods

20%

Likes to replace meat with other protein-rich products

21%

Favours a specific diet in order to feel better

Will grow the most in 2019 x 2.1!





The idea of tailoring one's diet just right for oneself interests and attracts an increasing number of consumers. People are no longer satisfied with just healthiness but want to make choices that serve their own well-being. Technology has also made tailored well-being easier. There are already a variety of applications that enable people to build meals suitable for them. At the next stage, these self-tai-

lored meals can be ordered to the home or to the workplace, for example. An even further developed application will also tell you how responsible your own food choices are and what the impact of your shopping basket is on the climate, for example.

ICA Lieselott Liljevik - Market & Trend Analyst - ICA Sverige AB

The shopping basket will emphasise:



Oat milk and oat milk products, 33%



Foods supporting intestinal well-being, 31%



Foods supporting abdominal well-being, 30%



Finnish superfood, 25%



Broad beans, 25%



Organic products, 18%



Fresh porridges, 15%



Gluten-free products, 15%



Pulled oats, 14%



Cocoa milk products, 14%



New types of crisps, such as oat, lentil or chickpea crisps, 13%



TREND SIZE

Food trends 2019

Food adventure

Food and enjoying food are an experience and a social event. Even though food adventure as a trend has remained nearly the same in size as in 2017, people are increasingly active in seeking new flavour experiences. Food is increasingly a source of social experiences. The popularity of more exotic ingredients has already become relatively established, but people will increasingly seek out food innovations and new flavours of the world in the future.



Food adventure is an established trend especially in Southern Finland. Experimenting with new flavours of the world and social cooking are emphasised in Uusimaa.

In 2019, the food adventurer's shopping basket will reflect, for example, cooking from scratch and seasonal foods. The shopping basket will contain varied flavours from around the world.

A third of Finns believe they will actively seek new flavour experiences in 2019, and the desire to cook with friends will grow in 2019.



39%

Likes to try new foods

32%

Actively seeks new flavour experiences

Has had the biggest growth of the food adventure sub-trends: an increase of 11% from 2017!

21%

Seeks inspiration for foods from the social media

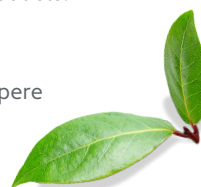
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The flavours of the world have been on the surface for a long time, but there is always something new in the selection and some food cultures emerge. Currently, many kinds of pastes and spice mixtures are sought after, and inspiration for food comes from the United States in the form of burgers and the Middle East through various stews. In the Middle Eastern food culture, people are fascinated by communality and sharing and the opportunity to offer both meat and

vegetable options. Perhaps cricket food can also be considered a kind of Finnish food adventure. Cricket foods are not yet common, but there is some demand for them. People are tempted by the idea of protein and meat replacement, but we still need a lot of TV chefs' work and social media visibility to turn crickets into volume products.

Hanna Mattelmäki,
K-Market Mestari, Tampere





The shopping basket will emphasise:

13%

Cooks together with friends

Will grow the most in 2019 x 3.0!



Seasonal food, 36%



Products from small producers, 33%



Mediterranean food, 27%



Preparing food from scratch, 25%



Thai food, 24%



Oat milk and oat milk products, 22%



Lamb, 19%



Avocado, 18%



Mexican food, 17%



Organic products, 17%



Indian food, 16%



Raw sausages, 14%



Sushi, 14%





TREND SIZE

Fine-tuned food

The fine-tuned food trend has grown by 20% since 2017. The growth of the trend is enhanced

by people's interest in products with interesting stories.

This food trend – like tailored well-being – is driven by a strong sense of individualism and seeking new experiences. People seek inspiration for cooking from professionals, and better products, rooted brands and ingredients are favoured in cooking.



The stories behind the products interest customers increasingly.

The trend is nationwide: however, people in Northern and Eastern Finland seek less inspiration from restaurant professionals than elsewhere in Finland.

In 2019, the purchases of the fine-tuned food enthusiast will include more fresh herbs, products from small producers and lamb.

The size of the trend has grown by about 20% since 2017.

37%

Favours small luxuries in supplementing basic food

27%

Wants to continuously learn new food preparation techniques

23%

Invests in the flavour of food, the presentation and how the food looks



Food trend 2019

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The fine-tuned food trend with the economy.

However, this is certainly a trend focused in cities and particularly the metropolitan area. For example, Turku, Helsinki and Tampere have trendy restaurants whose chefs have become very popular. In larger cities, restaurants in a way pave the way for home kitchens, where people want to cook slightly better food, inspired by the example.

Stores play a big role in enabling the fine-tuning of food. Stores can offer new experiences with their product selections and presentations and give good tips and ideas for fine-tuned cooking. Perhaps stores could also arrange cooking courses for the master chefs of home kitchens.

Teemu and Ilari Tikkala,
K-Market & K-Supermarket Redi,
Helsinki

13%

Favours products with interesting stories, roots

Will grow the most in 2019 x 2.8!

13%

Actively seeks inspiration for cooking from restaurant professionals

The shopping basket will emphasise:



Seasonal foods, 36%



Fresh herbs, 35%



Products from small producers, 34%



Preparing food from scratch, 30%



Lamb, 26%



Finnish superfood, 25%



Environmentally-friendly grown fish with Heart symbol (e.g. Benella rainbow trout), 25%



Braising meat (such as pork neck), 24%



Thai food, 23%



Beers from microbreweries, 19%



Inexpensive carcass parts, 19%



Organic products, 19%



Raw sausages, 16%

Making everyday life easier

Making everyday life easier is an important food trend, and demand will remain strong for semi-finished food products and foods that can be prepared quickly.

Especially healthy and high-quality ready-made foods draw increasing customer interest. The interest towards online food sales drives the growth of the trend, even though the size of the sub-trend is currently small (4% in 2019).



Making everyday life easier is a nationwide trend. The popularity of high-quality semi-finished food products is emphasised more in Northern and Eastern Finland than elsewhere in Finland.

Making everyday life easier can be seen in the shopping basket, among other things, as follows: especially healthy and additive-free ready-made foods and take away snacks will draw more interest in 2019. An increasing number of people want to try to buy food online. This is particularly apparent in the metropolitan region.

The biggest increase from 2017!

39%

Favours solutions that make everyday life easier and quicker

21%

Favours high-quality semi-finished products

4%

Orders food online

Will grow the most in 2019 x 10!

Online grocery shopping is growing fast

Currently a 75% increase from the previous year*

140 K-food stores currently offer online services*

3 million Finns within the scope of the service

*Information as reported in October





Today, people eat more diversely than before, but wanting the food to be ready quickly in everyday life has not changed. The focus is now on new ingredients; preparing fish or steaks must be fast. The number of different take-away options, ready-made portions and high-quality ready meals has also grown tremendously. Vegetable proteins have shifted to normal use and into everyday life. The convenience food category

constantly incorporates new, high-quality and good-tasting options with excellent nutrients. As a retailer, I'm really pleased about the developments the industry has achieved in this area. Good ready-made food meets the qualitative and nutritional criteria and tastes excellent.

Tero Huhtala,
K-Citymarket Ruoholahti, Helsinki

The shopping basket will emphasise:



Healthy convenience foods, 20%



Sushi, 15%



Online grocery shopping, 14%



Take away snacks that can be eaten on the go, 13%



Additive-free convenience foods, 12%



New types of crisps, such as oat, lentil or chickpea crisps, 12%



Semi-finished products, 12%



Home delivery of food purchases, 11%



The future of food trends

What direction will the food trends take as we look a bit further? It is apparent that fine-tuned food and food adventure will continue to grow strongly. Based on the above results, well-being has already become the new standard; it is becoming a basic condition for food choices and an everyday part of our eating habits.

In the era of individualism or personality, fine-tuned food and food adventures are the trends most likely to provide the most fuel for the pioneers thirsty for new experiences. Up to 35% of Finns would like to become better cooks in 2019. 39% of Finns tell about their desire to try out new foods and 32% actively seek new

food experiences. We Finns are finally enjoying experimenting and expanding our food horizon. Hurray!

What if we fast forward further into the future? When exploring future consumption and the food store of the future, we discovered that seeking new experiences is combined with responsible consumption: What might algal lettuce, sustainably cultivated at the bottom of a lake, taste like? Or berries or meat grown in an incubator, not to mention 3D-printed ready-made food? In the future, technology will make it possible for everyone to have their food tailored to their personal nutrition plan and thus perfectly suitable for their needs.

Even with the development of technology, the appreciation of craftsmanship is growing. We want increasing transparency into where the food we eat comes from. In the end, however, taste probably is the deciding factor. Even if the future comes with unprecedented innovations and novelties, Finns are not willing to compromise on taste.

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