

MELTING AWAY...

Natural Flavour Creations for Processed Cheese

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Global Overview: Cheese Category

- **Cheese volume retail sales across major global markets reached 9.8 million tonnes in 2017.** The top five cheese markets (US, France, Germany, Italy and Brazil) cumulatively accounted for two-thirds of global volume sales.
- The cheese category continues to grow at a very limited pace. Performance based at individual markets remains mixed.
- **In mature markets, such as the US, Germany, Italy and France, bringing value into the category, primarily through innovation, is therefore the only avenue for cheese brands to grow.**

Global Overview: Cheese Category

Key Issues

Format and usage-driven innovation has remained one of the top priority for global brands, who are looking to adapt to consumers' evolving eating habits.



Vegan cheese alternatives are still limited but the variety is expanding. Most products are based on soybeans, rice, nuts, peas, nutritional yeast and solidified vegetable oil.



Cheese brands are increasingly innovating around **unique flavours, textures and formats** to create a standout appeal for the visual driven consumer.



Global Overview: Cheese Category

What does it mean?

Cheese already enjoys widespread associations as a snacking food. This has been possible via format innovation and adapted combinations (e. g. crackers/toasts).



Highlighting artisanal production methods, or incorporating interesting flavour combinations could position vegan cheese alternatives as an exciting alternative to dairy products.



However, some occasions are still untapped in the cheese category, such as using cheese products for cooking.



Global Overview: Cheese Category

Trends

Consumers are increasingly embracing flexitarian diets and turning to cheese as an alternative to meat, creating opportunities for brands to highlight protein content and suggest recipes on-pack.



Brands can educate consumers about the differences of various cheeses and their usage occasion through visual packaging designs and recipes on-pack.



Grill cheese can offer a valuable barbecue alternative not only for dedicated cheese lovers but also the growing flexitarian population, as innovation focuses on creative and convenient stand-alone snacks or meal offerings.



Global Overview: Cheese Category

Trends // Social Selling

There is potential for creative innovations around colour and format to make the cheese category more **social media worthy**, with unique or striking products more likely to be shared.



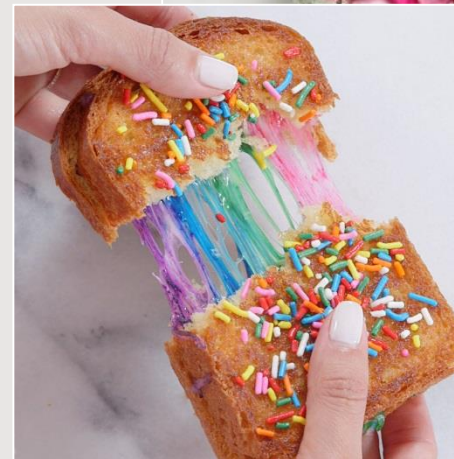
Global Overview: Cheese Category

Trends // Eat with your eyes: Boldly coloured, uniquely shaped cheeses offer visual appeal

In an era when consumers communicate with pictures, **visually-pleasing products are likely to appeal to younger consumers.**

Consumers are becoming more visually driven and are calling out for artfully constructed and boldly coloured innovations (e.g. coated cheese varieties).

Visual appeal has thus been important to cheese brands, as they are increasingly focused on formulating with real ingredients, rougher or chunkier texture and new and unusual flavours.



Global Overview: Processed Cheese Category



The global processed cheese market is predicted to grow steadily at a CAGR of around 3% by 2021.

- One of the primary drivers for this market is the rise in the popularity of private labelled processed cheese.
- Private label processed cheese is becoming popular among consumers as it is affordable and ready-to-cook and resembles entrées.
- Private labels are also selling a growing variety of processed cheeses in different shapes and flavours.

Market Data // Processed Cheese

NPD, processed cheese, global (01/2016 - 03/2018)

<u>Top Countries</u>	<u>Variants (% of series)</u>
Brazil	10.0%
USA	8.1%
Germany	5.6%
France	4.6%
Spain	4.0%
Italy	3.3%
UK	3.1%
Philippines	3.1%
Mexico	2.9%
India	2.8%

Total number
of launches:

2,603

Branded:
82.1%

Private Label:
17.9%

Launch Type

Variants (% of series)

New Variety/Range Extension	30.8%
New Packaging	30.5%
New Product	29.9%
Relaunch	7.6%
New Formulation	1.2%

Market Data // Processed Cheese

Global processed cheese market by product (01/2016 – 03/2018)

NPD, Market Share:



Spread

44.9%

Shredded

4.4%

Sliced

27.4%

Whole

2.7%

Block

10.3%

Wedge

1.4%

Other

8.1%

Ball

1.1%

Market Data // Processed Cheese

Top flavours and claims for processed cheese, global (01/2016 - 03/2018)

Top Flavours:

- Smoke
- Ham
- Herbs
- Jalapeño
- Chive
- Basil & Tomato
- Pizza
- Spice/Spicy
- Bacon

Top Claims:

- Low/no/reduced allergen
- Gluten free
- No additives/preservatives
- Suitable for vegetarians
- No animal ingredients
- Vegan
- Low/no/reduced lactose
- Social media
- Low/no/reduced fat

Trending Claims

Top Growing Claims:

1. Vitamin/mineral fortified (+475%)
2. Functional (+400%)
3. Low/no/reduced cholesterol (+400%)
4. Low/no/reduced transfat (+350%)
5. Dairy-free (+300%)



Market Insight // Vegan and Non-Dairy Varieties

A focus on dairy-free cheese

- Despite a wider trend for meat avoidance in Europe which has been driven by economic, health and ethical reasons, **dairy-free and vegan cheese-alternatives** are still limited but the **variety is expanding**.
- Most of the products are frequently based on soybeans, rice, nuts, peas, nutritional yeast and solidified vegetable oil.
- The dairy-free cheese-alternative sector appears challenging, facing major taste, texture and quality concerns. Consequently, manufacturers are **innovating around flavour and production methods**.

Market Insight // **Vegan & Non-Dairy Varieties**

Jay & Joy Meadow Cashew Nut Cheese Alternative comprises a tasty blend of herbs, thyme, oregano and basil. It is naturally free from lactose and gluten, is suitable for vegans, and retails in a 150g pack. (France)



Simply V vegan spread with colourful peppers is made with almonds, peppers and coconut oil and is recommended to use on bread, as a dip or in cooking. The creamy product is free from soya, lactose and gluten, and retails in a 150g pack. (Germany)



Vegan Island Dairy Free Spread with Chives is based on coconut oil and soya. The vegan and kosher certified product is free from milk, lactose, gluten and GMO, and retails in a 255g pack. (UK)



Green Vie Parmesan Flavoured Speciality is free from dairy, gluten, soya, lactose and palm oil. This vegan, plant-based product is prepared with coconut oil and retails in a 300g pack. (Romania)

Market Insight // New Formats and Flavours



- While cheese can be produced in all shapes, colours and sizes, most retail products are typically sold with a white or pale yellow hue, in rectangle blocks or slices.
- This is likely to be a weakness for the category going forward as **consumers demand both style and substance from their food and drink.**
- Some manufacturers have attempted to interrupt this homogeneity by **experimenting around bold colours** or by **adding more whole ingredients** to products.
- Particularly in the cream cheese segment, **rougher, chunkier textures** have been used to suggest less processing, higher product quality and greater visual appeal.

Market Insight // New Formats

Maeil Sangha Cheddar and Bacon Cube Cheese is said to be the finest quality delicious cheese. This product comprises very rich cheddar cheese and bacon bits. The product is made of 50% cheese and retails in an 84g pack. (South Korea)



Mmmh... Exquisa Tomato and Herb Fresh Cheese Slices are made with sun ripened tomatoes. The product retails in a 110g resealable pack. (Germany)



Kavli Burgerost Burger Cheese with Bacon is repackaged as a limited edition. The high-pasteurized melting cheese retails in a 90g pack containing six slices. (Norway)



Dairy group Bel Mini Cravings range is catering to the growing demand for adult cheese snacks in the UK. The individually wrapped mini cubes of processed cheese come in three variants: Original, Cheese and Herb, each cube contains just 14 calories. (UK)

Market Insight // Flavour Pairing



Market District Cheddar Horseradish Spread retails in a newly designed 8-oz. pack. It is hand-crafted in small batches and said to be a perfect spread on toast, melted on meat and vegetables, or as a sandwich topper. (USA)

Président Pub Cheese Cheddar & Sriracha Spreadable Cheese is made with nine month aged cheddar cheese, milk and cream. The product retails in a 16-oz. pack, featuring the Wisconsin Cheese logo, a QR code and a recipe suggestion. (USA)



Heluva Good! Port Wine Cold Pack Cheese Spread is now available. The product retails in an 8-oz. pack. (USA)



Fresh Thyme Farmers Market Spinach Artichoke Cheese Spread is now available. The product retails in a 7-oz. pack. (USA)



MELTING AWAY...

Bell responds to the growing interest in fresh and hearty flavour profiles with a unique range of delicious natural flavour creations for processed cheese.

Get in touch with taste and simply melt away...

Bell's natural Flavour Creations for Processed Cheese

Get in touch with taste and discover Bell's delicious flavour creations!

- ✓ Aromatic, natural and authentic flavour profiles, inspired by classic taste directions for delivering standardised quality and reliable product properties in savoury applications like processed cheese.
- ✓ Unique, full and distinctive taste notes for rounding off various processed cheese products, or delivering a special depth of taste.
- ✓ Fully in line with current market trends and consumer expectations due to natural and palm-oil-free declaration.
- ✓ Innovative inspirations for extending your product portfolio on processed cheese and creating winning market products.

Our flavourists and application engineers can assist in optimising your product – we deliver tailor-made flavour solutions that satisfy the taste in new product developments and allow to optimise costs.

Application Recipe

Ingredients:

Water	35,10 kg
Gouda, young	21,00 kg
Gouda, medium aged	16,00 kg
Butter (82% fat)	13,90 kg
Sweet whey powder	8,00 kg
Stabilizer	3,50 kg
Skimmed milk powder	1,80 kg
Citric acid (50% solution)	0,70 kg

Bell Flavour(s)

Total	100,00 kg
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Manufacturing recommendation:

1. Weigh all ingredients.
2. Grate cheese and mix with other ingredients in the blender - except citric acid.
3. Mix the mass to 800 rpm until a homogeneous mass is obtained.
4. Measure the pH and adjust to pH level of 5.70 - 5.90 using the citric acid.
5. Stir under vacuum and heat at 500 rpm until the mass reaches a temperature of 74 °C.
6. Add Bell's flavours as recommended and cream at 1500 rpm, heat for another 8 minutes.
7. Immediately, fill the processed cheese hot and allow to cool in the refrigerator.

This recipe is for laboratory demonstration only. It is based on information, methods and practices which are, to the best of our knowledge, accurate and reliable. As conditions of processing and use are beyond our control, we can make no guarantees or warranties, nor can we assume any responsibility as to results obtained. Processors or users should determine applicability and suitability for their own purposes.



1. SMOKE & MAPLE

4300219

Dosage:

Declaration:

Like Smoke Flavour Powder

0,07 : 100

Natural flavouring, halal-conform,
vegan/vegetarian

+

4300301

Dosage:

Declaration:

Maple Flavour

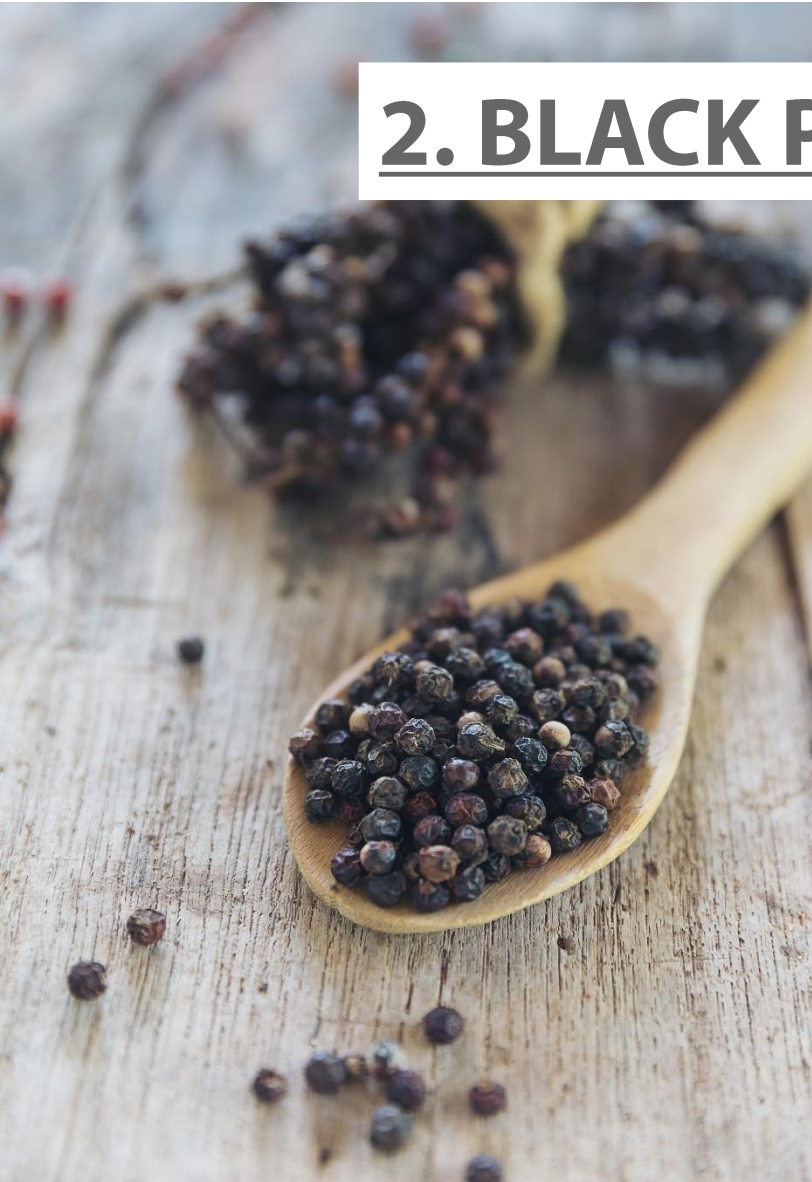
0,2 : 100

Natural flavouring,
vegan/vegetarian



The woody and aromatic touch of smoke paired with sweet maple is a real pleasure for the palate!

2. BLACK PEPPER



0499042

Pepper Flavour, sd.

Dosage:

0,25 : 100

Declaration:

Natural pepper flavouring, halal-conform, vegan/vegetarian

The intense and slightly spicy taste of aromatic, black pepper is a perfect combination for delicious creamy processed cheese!



3. MUSHROOM & ROASTED ONION

4300211

Dosage:

Declaration:

Mushroom Flavour Powder, sd.

0,2 : 100

Natural flavouring, halal-conform,
vegan/vegetarian

+

0499141

Dosage:

Declaration:

Roasted Onion Flavour, sd.

0,15 : 100

Natural roasted onion flavouring,
halal-conform, vegan/vegetarian

A distinctive note of aromatic dried mushrooms
combined with roasted onions - pure delight!

4. BLUE CHEESE



4300299

Blue Cheese Flavour Powder

Dosage:

0,15 : 100

Declaration:

Natural flavouring, halal-conform,
vegan/vegetarian

Due to it's strong piquant flavour, this aromatic blue cheese note is ideally suited for rounding off processed cheese products.



5. BLACK TRUFFLE

4300224

Truffle Flavour Powder

Dosage:

0,2 : 100

Declaration:

Natural flavouring, halal-conform,
vegan/vegetarian

A delicate scent accentuates the taste of intense, hearty truffle – a sophisticated gourmet variety for processed cheese products.



6. TOMATO & BASIL

4300303

Tomato/Basil Flavour Powder

Dosage:

0,2 : 100

Declaration:

Natural flavouring, halal-conform,
vegan/vegetarian

A real classic! This mild but typical fresh herbal flavour with an emphasized basil note and hints of fruity tomato provides an extraordinary taste experience.

Contact

Agneta Hoffmann

Marketing Specialist Savory

Tel.: +49.341.9451.1053

E-mail: a.hoffmann@bell-europe.com

Bell Flavors & Fragrances
Schimmelstrasse 1
04205 Leipzig, Germany
www.bell-europe.com

