

PRESS RELEASE

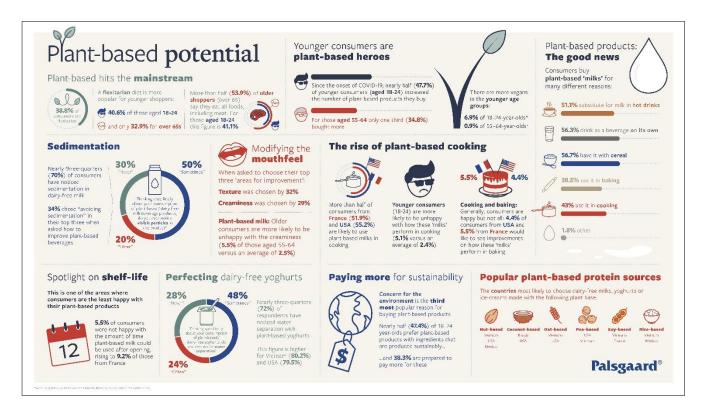
Four in ten consumers have purchased more plantbased products since COVID-19

Juelsminde, Denmark, 22 November 2021

Global consumer demand for plant-based products has increased since the onset of COVID-19, research by Palsgaard suggests.

The emulsifier and stabiliser specialist commissioned extensive consumer research into the plant-based market, focusing specifically on three categories: milk alternatives, dairy-free yoghurts and frozen desserts.

The research showed consumers are generally happy with existing plant-based products, but there are areas where they would like to see improvements, such as less sedimentation in plant-based 'milks'; products with a longer shelf-life; and enhanced texture and creaminess.



The survey found nearly half of consumers (44%) had purchased more of such products since the start of the COVID-19 pandemic. Twelve per cent said their purchases of plant-based products had decreased, and 44% said they had stayed the same.



The number one reason respondents chose plant-based products was that they considered them better for health, an opinion held by 75.4%. The second biggest driver, chosen by 51.3%, was "I like the taste", while 45.8% said they bought into the plant-based category because they are concerned about the environment and sustainability.

The survey also found that it is primarily younger consumers who have changed their purchasing behaviour. Since the start of the pandemic almost half (47.4%) of those aged 18-24 (and 48.4% of those aged 25-34) had increased the number of plant-based products they were buying, compared with just 34.8% of those aged 55-64.

Haydee Carlos, Palsgaard's Application Manager, said: "The onset of COVID-19 appears to have triggered more interest in the market for plant-based food and beverages. This may be because the pandemic has led to a greater focus on health generally, and on the environment. At the same time, the plant-based sector is rapidly evolving, so there are more and more new products out there for consumers to explore."

The company's White Paper "Plant-based Potential" covers the research in more detail, and it identifies several areas where consumers would like to see improvements, such as:

- Reducing sedimentation in plant-based 'milks'
- Enhancing the mouthfeel, and particularly the texture and creaminess of these products
- Shelf-life, and ensuring products last long enough once opened
- Minimising water separation in dairy-free yoghurts

It also highlights some of Palsgaard's emulsifier-stabiliser blends, which can help manufacturers with plant-based product development.

Carlos said: "The good news is our survey showed us that overall, consumers are really happy with the plant-based products that are already out there. We were, however, able to identify a few key areas where consumers would like to see improvements, and our White Paper explores this in more detail."

Palsgaard will share its new consumer insights and attitudes to plant-based eating at Fi Europe's online event (22 November – 2 December 2021). On 22 November at 10.30am (CET), Palsgaard's senior marketing specialist Mette Dal Steffensen, will present the findings from the survey, highlighting four key areas where consumers would like to see improvements. This will include a live Q&A session, after which the White Paper and presentation will be available on demand.

Steffensen said: "We are delighted to return to Fi Europe to speak to customers about the key findings from our research and how Palsgaard's emulsifiers and stabilisers can help manufacturers with plant-based product development.

"The plant-based market is still relatively new, and we know manufacturers are still learning about the challenges in creating alternatives to dairy. Palsgaard can help with these challenges and working with us can also help shorten the product development time."



 Palsgaard commissioned expert researchers to survey a total of 1,307 consumers (from Mexico, France, Russia, USA and Vietnam). The survey was carried out online between 7 – 14 September, 2021).

About Palsgaard

Emulsifier specialist Palsgaard helps the global food industry make the most of the ability to mix oil and water.

Thanks to the company's specialised emulsifiers (and emulsifier/stabiliser systems), bakery, confectionery, condiments, dairy, ice cream, margarine and meat producers can improve the quality and extend the shelf-life of their products. Just as importantly, they can produce better-for-you products with improved taste, mouthfeel and texture while using less resources.

Since its founder Einar Viggo Schou invented the modern plant-based food emulsifier in 1917, Palsgaard has offered the industry know-how and innovation. From its six application centres around the world Palsgaard's experienced food technologists help manufacturers optimise existing recipes and develop delicious products with better nutritional profiles.

Palsgaard helps manufacturers meet consumer and regulatory demands for greater responsibility, helping them grow and protect their brands. It is currently the world's only commercial source of fully sustainable, emulsifiers based on RSPO SG-certified palm oil and produced by CO₂-neutral factories in Denmark, the Netherlands, Mexico, Brazil, China and Malaysia. The company's products are non-GMO and meet halal and kosher requirements.

In addition to its food emulsifiers, Palsgaard supplies the polymers industry with a series of plantbased and food-grade polymer additives, which are particularly suited for preventing fogging and dust on plastic packaging.

Palsgaard is owned by the Schou Foundation and has 620 employees across 17 countries. Its turnover in 2020 was 245 million USD (1.5 billion DKK) with products sold to more than 120 countries.

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