

5 Beverage Trends revealed by Menu Matters from Culinary Tides' 2020/21 Trends Report

Menu Matters 2/25/2021

As part of our ongoing work, we have been tracking the political and economic unease here and abroad, well before the onset of COVID-19. What the spread of COVID-19, and subsequent Recession, has caused, is an amplification and acceleration of the tide that was already rolling in. It's no less significant for its abruptness and shock value, but pandemics can have the effect of shaping and altering the trajectory of already identified trends.

It can be difficult to know which trends are most likely to rise above the noise over the next 12 months as the situation is still very much in flux. It can be even more confusing trying to decide which will resonate most with your brand and customers. This report's forecasts offer insight into how and why the current climate will affect trends for 2021/22. We help you navigate, trend by trend, what to expect during the immediacy of this crisis, and what the long-term effects could be in shaping the future of these trends. Understanding that a trend is coming is only valuable if you know how to strategically leverage it.

The "*Shifting Sands: Trends Shaping the Food Industry in 2021/22*" report is a cross-analysis of 224 prediction lists for 2021/22 put forth by 179 industry experts. In all, more than 1,900 individual predictions were evaluated for their potential during the coming year, with only the most well-supported predictions included. All trends in the report are anticipated to remain in focus throughout 2021 and into the first quarter of 2022.

Here are five of the most significant beverage-focused findings from this year's release:

Surprise & Delight: From Garnishes to Bombs

It's been a long year stuck at home, and for many that's led to redundancy in beverage consumption. When consumers speak of being tired of comfort food it does not signal a desire to break all boundaries and blow the doors off exotic ingredients. Rather, they want excitement or that surprise and delight restaurants can give them. To fill the gap, we've seen social media offer experiences such as Dalgona coffee and hot chocolate bombs to alleviate the monotony and create moments of that surprise and delight that are easy to create at home. As we move through 2021, both restaurants and consumers will lean more heavily on garnishes and other elements that can easily dress up even the most mundane of beverages. Even adding an unexpected herb or spice to an otherwise familiar beverage can alter the experience and make it more than was expected. Restaurants will lean in more heavily to those garnishes and ingredients that are harder to source, more delicate or difficult to handle, and preparations that require more skill such as florals, exotic citrus, and house-made bitters. Consumers, for their part, will look for prepared products like those hot chocolate bombs, craft syrups, higher-end mixers, and ingredients that help to alter the physical sensation such as creating cooling, tingling or burning (pleasantly) sensations.

Classic Comeback

Without bars and mixologists to innovate and push the cocktail experience, consumers were largely left to their own devices in 2020. As a result, cocktails became simpler and reverted back to classic beverages with few and easily sourced ingredients. As consumers continue to be less open to extreme experimentation through 2021 and into 2022, expect this emphasis on classic cocktails that emphasize ingredient quality – mixers, spirits, garnishes – to be the focus of both retail and foodservice bar programs and promotions. These classic cocktails also have the benefit, generally, of traveling well for off-premise opportunities if they are packaged appropriately (think leaving the ice out of the cocktail so it's not watered down by the time it can be enjoyed). It's important to note that "classic" does not mean boring or that classics can't be innovated against. With the plethora of elevated spirits, new mixer products, and the ability of thoughtfully selected and applied garnishes to create unique experiences, classic cocktails can have every bit as much impact as their more artfully designed and complex cousins.

Alcohol Takes Back Share but Proof-less Evolves

If ever there was a time to raise a class of something with a bit of kick, the pandemic was it. After a few years of losing share to low and no proof alternatives, spirits, wine and beer came back. Much of this was driven by lockdown and the need for both at home options as well as some respite from what was occurring outside the home. Despite this shift away from mocktails and back toward alcoholic options, the alcohol-free beer and spirit categories enjoyed some of the most dynamic innovation thus far. Several new brands of alcohol-free spirit substitutes hit the market covering everything from gin to bourbon, while others expanded hard to define and new spirit-free categories. Zero proof beer, in particular, experienced a renaissance with many craft brewing companies introducing products that are rivaling their more traditional

competitors. As the need for stress-beating beverages recedes toward the end of this year into next, it's likely mocktails and the low/ no proof category will challenge alcohol once again but this year is the year alcohol can make it's stand as a must have both at home and away from home.

Make Mine Hard

The need for something to fight the stress and anxiety brought on by the pandemic extended into other nonalcoholic categories. This burgeoning category of hard beverages, such as lemonade, coffee, tea and seltzer, will continue to expand through 2021 and into the coming year. And by hard, we're talking about both high and low proof as well as CBD-infused options. The driver for these types of products are two-fold. For beverages such as coffee and seltzer, these are familiar enough to consumers that their very ubiquity begs for new experiences to keep the category vibrant and relevant. The need for new sales opportunity beyond morning and afternoon pick-me-ups has also pushed manufacturers and operators to experiment and innovate in this area. Additionally, and this is particularly true of CBD-infused products, consumers are looking for functional options that help them deal with the pressures on their cognitive and emotional state. CBD-infused caffeinated products help with stress while providing an energy boost, while those that are strictly CBD-focused can help with stress reduction and mood modification.

To Your Health!

Beverages, as a category, have been playing more aggressively and with a greater diversity of options in health than has food. That trend will continue as a host of new beverage options, in both retail and foodservice, are introduced in 2021. The general concept of functionality will inform most of these options though the catalyst or driver of the functional benefit will vary widely. In many cases, the beverages will lean on ingredients with scientifically backed or consumer perceived benefits and these ingredients will range from the exotic such as chaga mushrooms and rangur lime, to the familiar like blueberries and ginger. Other health-focused beverages will rely on preparations (fermentation as an example) and others will leverage science with boosts of vitamins, minerals and other elements. What is undeniable is that the focus will be on functions that speak directly to the immediate and long-term fallout of the pandemic: immunity and cognitive function. For immunity, gut health is playing a larger role and will be tied up into this category of functionality while sleep support will bridge the gap between this category and the other very directly linked to COVID-19, cognitive function. In cognitive function, products will focus on pain, depression, stress/ anxiety, and focus.

All insights taken from Culinary Tides, Inc.'s 2020 report, with contributions from Menu Matters, "*Shifting Sands: Trends Shaping the Food Industry in 2020/21*" <https://menumatters.com/trends-forecast-report/>