

## PRESS RELEASE

### Fat's re-birth fuels growth for brands

For decades, fat has been the dietary demon to avoid. But consumers, especially younger people, are rapidly losing the fear of fat – and that's opening up huge new opportunities for product developers in multiple categories.

A five-country study by food industry analysts *New Nutrition Business* reveals that 34% of 25-44-year-olds (see Chart) want to eat more healthy fats. By contrast, among consumers aged 55-64, who grew up in the era in which 'low fat is best' was the nutritional dogma, only 23% are trying to eat more healthy fats.

The growing embrace of fat is partly fuelled by the view of carbs and sugar as the new dietary demons, with just 16% of Americans seeing fat as the nutrient most likely to cause weight gain compared with 48% blaming carbs and sugar. It's a complete turnaround on a decade ago, when 70% of Americans were trying to reduce their fat consumption.

"When people discover fat, there's such a taste difference," said Julian Mellentin, director of New Nutrition Business. "Fat is the product developers' friend, improving texture, mouthfeel, structure and moisture content. In all categories, as time passes there will be less reason to produce products that have low levels of fat. The challenge for companies is to ensure they use good quality fats where they can point to a good, natural source."

Changing views about the healthfulness of saturated fat are starting to re-shape categories. Challenger brands, big brands, retailer own-labels – all are benefiting from consumers' declining fear of fat.

#### 1. In the UK:

- Grocery retailer Marks & Spencer markets an own-label 10% fat Greek yoghurt alongside its zero fat and 5% fat lines. It carries the retailer's Eat Well label, designed "to help customers navigate healthy eating".
- Its competitor Tesco, the UK's largest supermarket group, also has a 10% fat own-label Greek yoghurt.
- Deliciously Ella's – a challenger brand popular with health-conscious millennials and particularly those with a plant-based diet – offers indulgent nut butter cups sweetened with date syrup and coconut sugar. Fat content – from coconut oil, cacao butter and almond butter – is 23g per 100g.

## 2. In the US market:

**Love Good Fats**, a start-up born in 2017, has distribution in more than 20,000 stores including Walmart, Kroger and Costco for its ‘good fat, low sugar’ snacks. Each of its bars has over 12g of fat – a level of 33g per 100g – from a blend of almond butter, peanut butter and coconut oil. It recently secured \$10.7 million of equity financing to accelerate growth.

**Yoplait**, a leader in US dairy, is introducing Americans to crème fraîche, one of France’s traditional high-fat dairy dessert products, which is typically 30-45% milk fat.

**Butter’s** all-natural credentials and taste have propelled growth for many years. Sales of butter – already at record levels – jumped during the pandemic as people ate at home more. The increase in dollars consumers spent on butter outpaced – by 360% – the increase in spending on margarines and spreads. The biggest winner was Irish brand Kerrygold. Sales jumped an impressive 28.3%, to \$235.4 million (€207.5 million), making it the number-two butter brand in the US.

“The re-birth of fat is a long, slow and steady trend,” said Mellentin. It is interlinked with other trends:

- fewer carbs and more protein
- weight management
- consumers’ growing willingness to do their own online research and challenge experts and orthodoxies

The change is also driven by people who enjoy the more satisfying taste and texture of full-fat products and now believe that they can enjoy them without guilt.

“Official dietary guidelines in almost every country still call on consumers to limit their intake of saturated fats,” said Mellentin. “But a steadily increasing number of consumers – driven by what they discover during their own on-line research and the loss of credibility of nutrition experts over the last 15 years – are making their own minds up and embracing the idea that fat can be good, particularly in relation to weight management, one of the biggest consumer motivations.”

## NOTES FOR EDITORS

1. Data used here is taken from the newly-published report *10 Key Trends in Food, Nutrition & Health 2021*, authored by Julian Mellentin. It is the food industry's only analysis of the key trends which also show the strategies which companies are using to succeed with the trends. More information here:  
<https://www.new-nutrition.com/keytrend?id=195>
2. Editors can request comment or arrange an interview by contacting:  
**North America** - Dale Buss at [daledbuss@aol.com](mailto:daledbuss@aol.com) or +1 248/953-2701  
**International** - Mikaela Linden at [mikaela.linden@new-nutrition.com](mailto:mikaela.linden@new-nutrition.com)
3. Julian Mellentin is a consultant specialising in the international business of food, nutrition and health. He is director of New Nutrition Business, which provides expert consultancy services to agriculture, ingredient and branded product companies on all aspects of nutrition and health, focusing on concrete, implementable strategies. New Nutrition Business' monthly publication provides case studies and analysis of success and failure in the global nutrition business and is used by companies in 42 countries. Find out more at [www.new-nutrition.com](http://www.new-nutrition.com).