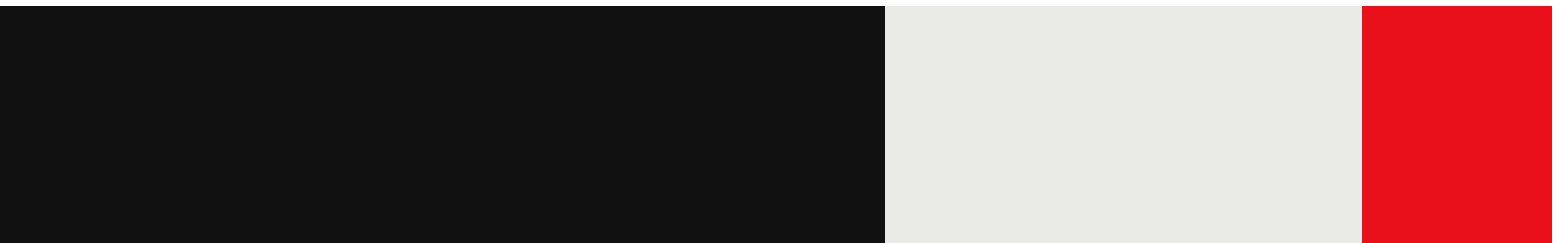


# While plant-based food sales are growing, the industry faces challenges

## Article



**The trend:** The plant-based meat industry's customer base is rapidly expanding beyond vegans and vegetarians.

- **40% of shoppers buy plant-based meat** and/or dairy products, with most doing so on a regular basis and 60% doing so several times per month, per a survey conducted by CPG sales and marketing firm Acosta.

- **98% of people who buy plant-based meat also purchase conventional meat**, per AdWeek.

**More on this:** US consumers spent **\$7.4 billion on plant-based food in 2021**, which is a 6% increase year-over-year and a **54% increase over the last three years**, per a study from Good Food Institute (GFI) and the Plant Based Foods Association.

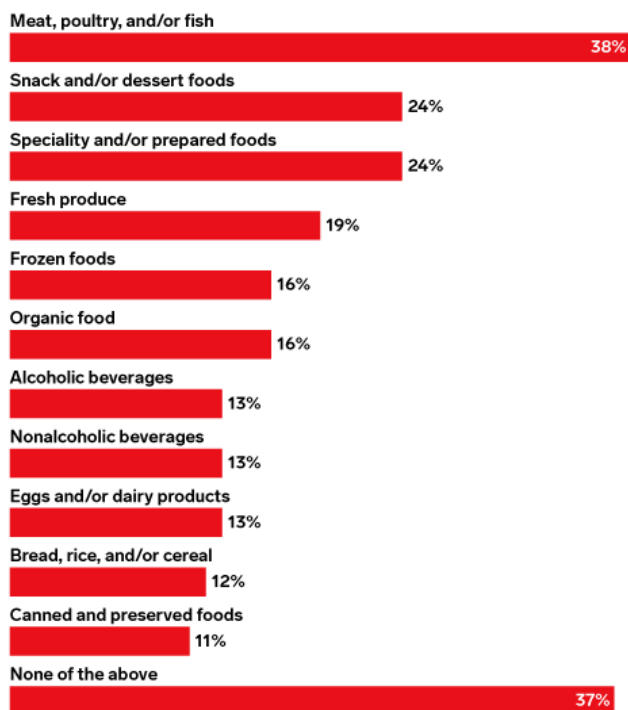
- Dollar sales have skyrocketed **74%** since 2018, outpacing animal-based meat's growth by almost three times. Unit sales jumped **51%** during that period, which was more than six times the growth rate of conventional meat, per the report.
- That said, following rapid growth in 2020, **dollar sales of both plant-based meat and animal-based meat were flat** last year.

**A piece of the pie:** There's no shortage of innovation or interest in the space.

- Plant-based food brand **Neat Food**, which operates both a restaurant chain and an **alternative proteins consumer-packaged goods business**, announced the start of a \$30 million funding round that includes **Leonardo DiCaprio** as a strategic investor, per Bloomberg. The company, which currently has eight locations in London, plans to have 12 locations in the US (a mix of storefronts and ghost kitchens), and 42 worldwide by the end of 2022.
- Vegan haute cuisine restaurant **Eleven Madison Park** is now selling Eleven Madison Home, a weekly plant-based subscription box that includes a day's worth of meals, per The New York Times.
- **Greenleaf Foods**, owner of **Lightlife**, on Thursday rolled out unbreaded, plant-based chicken items that are for sale at **Publix** and **Whole Foods Market** stores nationwide.

## Coronavirus Impact: Grocery Items US Adults Are Purchasing Less Often Due to Rising Prices and/or Supply Shortages, Jan 2022

% of respondents



Source: CivicScience as cited in company article, Jan 20, 2022

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eMarketer | InsiderIntelligence.com

**Paths to growth:** Rising inflation is driving up the price of meat, poultry, and fish. The situation has driven **38% of US adults to cut back spending on animal-based protein** and presented plant-based foods with an opportunity.

- However, plant-based meat is also expensive; **the average per pound cost of plant-based meat is about twice that of animal-based meat**, per GFI.
- Lowering the price of plant-based meat would lead 28% of consumers to buy alternative proteins more often, and improving the taste would convince 35%, per Veylinx.

**The big takeaway:** There's a clear opportunity for plant-based protein to solidify its place in consumers' shopping carts. But there's still plenty of work to be done before its market share sees significant growth.