What's the current state of the free-from market in Europe?

Despite economic uncertainty in some parts of the world, free-from foods continued to perform well in 2016. Growth may be slowing down in some markets as the sector reaches a degree of maturity, but with double-digit growth rates in most countries this is still one of the most dynamic segments in the food industry and will remain so in the foreseeable future, with Millennials (16-34 year olds) driving the trend.

In 2016 a record 12% of all new products launched in Europe were labelled "gluten-free". In Europe as a whole, 6% of all new products were labelled as "vegan", but that rose to a high of 9% in the UK and an astonishing 14% in Germany, where veganism has boomed – "flexitarianism" is the driver here, with consumers increasingly opting for a wider variety of foods including meat-free and dairy-free options.

Do you foresee any new trends in the industry?

Reflecting the importance of Millennials as the target consumer base, on-the-go eating and snacking occasions are key opportunities for further development of free-from foods and are already emerging as a lead category, with more traditional segments (e.g. gluten-free bread) falling behind somewhat.

Naturally gluten-free ingredients such as ancient grains, wheat alternatives and grain-free formulations are also on the rise. Refined wheat avoidance (rather than gluten per se) is a major driver for those eating gluten-free as part of a perceived healthier lifestyle. Grain-free could even become "the next gluten-free".

What challenges need to be overcome in 2017?

Healthy lifestyles continue to drive free-from diets, creating ever greater demand for "cleaner" and healthier products, especially in segments such as gluten-free sweet bakery products. Creating tasty, additive-free and reduced fat/sugar formulations will remain an important challenge.

What do supermarkets need to improve to better meet consumer demand?

Supermarkets in some countries have already made radical changes to their listing policies, making space in-store for new, entrepreneurial brands that fit the free-from and healthy lifestyle trend, but with much of the innovation coming from these smaller players, there is still more work to be done.

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