

What's next

18 Insiders on F&F Trends

Our experts break down their strategies for finding out what lies ahead for the industry

It doesn't matter if you're selling cars or designing software: The question on every forward-thinking person's mind is, "What's coming next?" And flavor and fragrance is no different. To find out where the industry is and where it might be headed, Perfumer & Flavorist polled a number of flavor and fragrance experts for some unique, insightful takes on the future. Not only do our participants reveal key information sources, but they also give us an enlightening glimpse at their various creative processes. Wondering where this industry might be in the next few years? Keep reading!

Our range of experts on the flavor side of the industry has a lot to say about methods for identifying, tracking and translating food/flavor trends. FONA International consumer insight and innovation manager Cara Newkirk and marketing communications associate Susan Booton mention several techniques, including the company's KID Council^a and creative ideas sessions. Of the latter, Newkirk and Booton say, "These sessions utilize a fast, effective process that harnesses creative and analytical thinking quickly, leading to innovative products and applications never considered before. Using tools such as Edward deBono's Lateral Thinking,^b these sessions always lead to fresh, practical and promising concepts. In addition, FONA has developed the Flavor Radar — a flavor-mapping methodology that tracks flavors from being a novel idea to being an everyday pantry staple. FONA's Flavor Radar provides the perfect balance of current data points from industry-renowned databases combined with in-depth analysis on how a flavor trend is affecting the food industry."

Although Mastertaste Canada's technical director Guylaine Trachy identifies the company's marketing team and customer requests as sources for new concepts, IFF employs a number of systems, including a

global tracking program it calls FlavorLink.^c According to the company's savory global marketing manager, Debbie Jarrettbangs: "The program includes drawing upon all sources from print, as well as 'in-culture' insights in the world of food and dining. Synthesizing these insights to determine flavor evolution is the valuable output of the program as it helps to identify gaps in the market and opportunities to meet consumer needs."

Jarrettbangs goes on to describe the company's CulinEssence^d program, run by master chef Florian Webhofer and described as "an international team of chefs devoted to identifying both the 'white tablecloth' trends, as well as authentic culinary tastes in every region of the world. Their insights then are translated into the flavors and techniques consumers will be looking for in the supermarket aisles and chain restaurants. It is a creative combination of cutting-edge flavor technology and global culinary arts that takes food to a new level by delivering authentic global culinary taste for customers' food products."

Emerging Trends

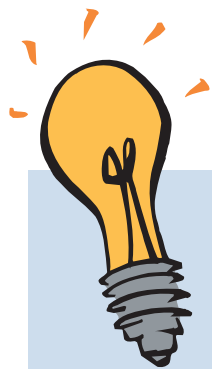
So, given that all our industry insiders have spent time seeking trends, what have they found? That's not always so easy to answer. Just ask Bell Flavors & Fragrances vice president, flavor R&D, Simon Poppelsdorf: "There is some confusion in the marketplace after low carb. A key trend will be the effect of the Glycemic Index (www.glycemicindex.com) on food. This is not clear at the moment, but will continue to come to the marketplace from Europe. Organic, or organically produced

^aKID Council is a trademark of FONA International.

^bLateral Thinking is a trademark of Edward deBono.

^cFlavorLink is a trademark of IFF.

^dCulinEssence is a trademark of IFF.



Bright Ideas

Where our experts
find inspiration

**Susan Booton, marketing
communications associate, and Yogi**

Desai, R&D manager — flavor creation, FONA

International: Industry sources such as trade magazines, e-newsletters and databases such as Datamonitor are very helpful. In addition, several consumer publications, such as *Gourmet*, *Bon Appétit* and *Good Housekeeping*, are excellent sources of information for seeing what flavors are making their way into consumer kitchens. Another great resource is the Research Chef's Association, where members have the pulse on what is going on in up-and-coming restaurants throughout the country.

Joe Faranda, chief marketing officer, IFF: Our company draws inspiration from many creative sources. One example is the fashion and art publication *Visionaire*. Previously, we partnered with *Visionaire* to create a *SCENT* version, and, most recently, we've created *Visionaire TASTE* — stretching the sensual boundaries of the imagination by simultaneously engaging the viewer's eyes and tongue. IFF partners with many fashion design schools and provides opportunities for our creative associates to take time to brainstorm new ideas, looking at emerging trends worldwide.

Simon Poppelsdorf, vice president, flavor R&D, Bell Flavors & Fragrances: Tradeshow such as the Institute of Food Technologists annual meeting and Food Ingredients Europe are key, but probably even more important are meetings organized by the Flavor & Extracts Manufacturers Association, Stagnito Communications and New Products Conferences because there you really can feel the trends emerging before they hit the market.

Steve Schuh, director, fragrance R&D, Bell Flavors & Fragrances: Perfumers draw their creative inspiration from the fashion industry, food trends, their own life experiences and demographic changes.

Karen Solari, director of marketing, Manheimer Fragrances: We draw creative inspiration from every corner of the globe. We look inside and outside the fragrance world — in fashion and color, art and design, music and entertainment, flavor and cuisine; we read countless magazines, trend reports and consumer market studies.

Marion Sudol, flavorist, IFF: My creative inspiration is derived from four entities.

The first is Mother Nature. We're constantly seeking her hidden secrets for the best-tasting raspberry, strawberry, chocolate, cheddar cheese, baked bread, etc. There is so much chemistry in real food, and every day we're penetrating deeper and deeper, using sophisticated analyses coupled with some of the best noses and taste buds in the business.

A second important source is today's "hip-to-the-trends" culinary chef. I always learn something about the subtle flavor nuances in the genuine culinary experience that often are overlooked. These little intricacies frequently mean the difference between a winner and a loser in the marketplace.

A third source is provided by my flavor colleagues. I'm constantly amazed by how cross-fertilization resulting from our dialogue and exchanges often leads to unique and successful flavor creation.

The fourth (and, in my mind, the most important) is the consumer. I love being behind the mirror during a consumer focus group to hear the good, the bad and the ugly about what I have created. To me, negative feedback is often more important because the consumer tells you what's wrong and why. If used properly, this feedback results in a better flavor.

Guylaine Trachy, technical director, Mastertaste

Canada: Traveling is our lifeline when it comes to creative inspiration; being able to experience different cultures and food influences our creativity in the flavor lab.

Also, our flavor chemist team works together by sharing information to help each other develop the best flavors. Each member contributes experience and expertise.

In addition, we use Mintel, Datamonitor and other tracking programs to look at introductions and successes in the marketplace.

products, will continue to grow — if the industry will stop confusing the consumer. Low salt will come back as an issue for the consumer, and, of course, non-trans fat will stay with us. Another very important trend will be portion size on labeling and reality."

Health + indulgence: But, although consumers want to eat healthy, they also want indulgence — particularly with flavor. This contradiction is the flavorist's major challenge in the coming years — a point

highlighted by Trachy, who looks to lifestyle shifts in his trend outlook. "Convenience is a huge trend to which the food industry has to adjust. With an increasingly busy family unit, we want healthy, indulgent meals that are quick and easy to prepare. Health claims also dominate most markets, making it challenging to uphold the standard quality of flavor."

Redefining “ethnic”: Further addressing shifting demographics, FONA International’s Jeff Banes (culinary technologist), Carmelita Ventura Perez (senior flavorist) and Yogi Desai (R&D manager, flavor development) say, “Although the rise of Hispanic flavors has been happening for the past few years, food professionals recently have begun to dig deeper into the Hispanic culture to discover more authentic flavors. For example, there are more unique types of chiles, such as ancho and guajillo, showing up in culinary circles. In addition to Hispanic-inspired flavors, Vietnamese and Korean influences are growing in popularity. Korean bulgogi, for example, is thinly sliced beef — rib-eye or sirloin — that is marinated in soy sauce, sesame oil, green onion and garlic, then grilled quickly by diners at the table. In Vietnamese cuisine, you can find dishes such as banh mi, which is a sandwich made with various meats, but always with pickled carrots, daikon radish, jalapeno pepper, cucumber and cilantro on a French baguette with mayonnaise and soy sauce.”

Back to healthy: Banes, Ventura Perez and Desai continue: “An ever-present, but evolving, trend is the need for flavors for natural and nutraceutical products. Natural fruit flavors with true-to-fruit flavor quality are very much in demand. Fruit blends — those containing a mainstream flavor, such as apple, and a more exotic flavor, such as quince — also are being requested more often. In addition, flavors that contain no trans fat, are organic, or are low in sodium all are sought after heavily.”

Jarrettbangs concurs with our other experts, identifying the major flavor trends as: “premium quality, ethnic and exotic taste, healthy taste, convenient food solutions without taste compromise and indulgent flavors.”

From Trend to Taste

How are our F&F insiders taking advantage of these flavor and food trends? How are they moving from concept to flavor? Trachy offers some examples. “To capitalize on the health and wellness trends, we created organic flavors and natural extracts. We also created functional flavors, such as high-antioxidant fruits (i.e., pomegranate and blueberry). The indulgent trend also is featured with a rich caramel flavor base on butter notes, or creamy chocolate flavor with a high level of cocoa and dairy notes.”

Poppelsdorf also sees his company tackling the health and wellness angle.

Trend Tip: Acai

Is this Brazilian berry the next big thing?

The Brazilian berry acai (pronounced AH-sigh-EE) is rich in omega-9 and omega-6 fatty acids, dietary fiber and phytosterols, as well as antioxidants. Although more sought after for its assumed health benefits than for its flavor (described by diamondorganics.com as a “blend of berries and chocolate”), flavor formulators are sure to be working with this novel rain forest material a great deal in the coming years. Already there are a number of acai-touting products on the market, including Sambazon’s Acai Energy beverage and Zola Acai Power Juice. And health guru Nicholas Perricone, MD, has touted the berry to talk show host Oprah Winfrey as one of the “10 Superfoods for Age-Defying Beauty.”

This is definitely one trend to watch.



“Bell did a lot of work in the past on mouthfeel improvers when we noticed an increase in low-salt or salt-reduction projects. We reviewed the results of our mouthfeel improvers and found they were able to replace 25–40 percent salt, depending on the application and food in question.”

Improving “ethnic”: Addressing the other major trend theme, Banes explains how some ethnic flavors can be moved to store shelves: “Vietnamese is a cuisine that is becoming more popular in the United States. Pho is a traditional Vietnamese noodle soup that includes a broth made from beef, star anise and nuoc nam — a type of fish sauce. Through the use of flavors, this exotic combination can be incorporated into an instant soup mix to create the complex flavor of the original.

“In addition, the Hispanic culture harbors a traditional salsa picante called Valentina that offers much potential in product development. This wet sauce can be translated into a flavor that can be used in a topical seasoning for snack foods, such as chips, crackers and popcorn.”

Jarrettbangs also is looking deeper into ethnic foods, with the goal of emphasizing authenticity. “IFF knows that Asian flavors are not simply a recombination of Western ingredients — there are techniques and ingredients specific to regional cuisine. We have created new technologies and products to build more authentic Asian tastes. These new products help mimic the preparation techniques of the Asian chef, cook and homemaker to create products with true native flair.”

Solutions for Clients

So what are clients looking for now? How are their needs and demands evolving, and are they beginning to look to the flavor experts for trend advice they traditionally might have obtained from marketing sources? To begin with, why is it important for the flavor industry to keep on top of all these ever-changing trends? Jarrettbangs puts it as simply as possible: “Our customers respond to the needs and desires of the consumer. As consumer aspirations change, our customers look to us to help satisfy them, with an eye toward future shifts. With consumer trends changing more rapidly than ever, even the smallest delay can result in lost sales.”

Trends lead to solutions: Poppelsdorf concurs, but adds, “Clients are looking for trend information, but, more and more, under competitive pressure in the food market, they are looking for solutions that will give them a unique position of product.”

It is exactly this solution-based view of customer service that FONA International junior flavorist Menzie Tabora has recognized. “Customers’ needs have evolved in the past few years in that they are not just looking for a flavor — they are looking for a solution to their product-development challenges. This means that the need is more for a multifunctional flavor — one that can provide qualities such as masking of off-notes and stabilization, in addition to offering a great taste.”

Trachy, who says that his company’s applications team always strives to monitor and predict the latest industry trends, has observed that “Clients are looking for new, exotic flavors that provide some level of functionality. For instance, fruits such as guava and passion fruit are fortified naturally with vitamins.”

Without a doubt, solving customers’ problems is one of the primary goals of gathering trend intelligence — a lesson not lost on these flavor experts.

Sniffing Out the Future — the Fragrance Side

Closely allied with fashion and beauty, no business is trendier than scent. So it’s no surprise that our fragrance experts have a lot to say on the subject of identifying, tracking and exploiting trends.

Poppelsdorf points out several good external market intelligence sources, such as Mintel and Datamonitor. He adds, “We currently are reviewing and evaluating current markets for opportunities that are emerging and/or are not being addressed. We

A quick question

What is the most challenging aspect of working with a client in creating a scent?

Joe Faranda, chief marketing officer, IFF: Giving them innovation while adhering to the traditional ways they want to test; sometimes those two things can conflict.

Steve Schuh, director, fragrance R&D, Bell Flavors & Fragrances: The translation of the concept/fragrance idea in the mind of the client into the language of fragrance development.

Michele Suffy, global vice president, fragrance evaluation, Manheimer Fragrances: Balancing their personal fragrance preferences versus consumer viability. Building customer relationships is key ... fragrance houses need to understand each customer’s individual preferences, as well as their consumers’ preferences, in order to create winning fragrances successfully.

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What is the state of perfumery?

Steven Claisse, executive vice president, Manheimer Fragrances: Today’s consumer demands constant newness and innovation in his or her fragrance selections within every category. The unprecedented number of new fragrance launches feeds consumers’ voracious appetites. As a result, perfumers need to be exceptionally creative to embrace this need for newness, while still maintaining an air of familiarity on which consumers consistently rely.

Joe Faranda, chief marketing officer, IFF: Perfumery is hungry for differentiation. There are so many products that look and smell the same. People want to see the next big breakthrough in fragrance — a new technology soon will take perfumery to the next level.

Steve Schuh, director, fragrance R&D, Bell Flavors & Fragrances: Pricing, research and continued new “bandwagon” regulatory limitations have kept creating new fragrances interesting and will continue to do so in the future.

have established internal teams from a diverse range of specialties to brainstorm on ideas.”

Manheimer Fragrances’ vice president of marketing, Wendy Diamond, concurs with this wide-reaching, multisource strategy. “We believe that trend tracking

6 Questions with ...

Givaudan's Roger Elkin (vice president, consumer market research) and **Kate Greene** (vice president of marketing) discuss the company's expanded Manhattan fragrance creative studio, market success, "sensory competition," gauging consumer attitudes and more

1. *Can you speak a little bit about the evolution of Givaudan's Manhattan design studio — its purpose, the stages of expansion, its various facets/facilities?*

In 2001, Givaudan opened a 24,400-ft² fine fragrance creative studio in Manhattan. Formerly based in Teaneck, NJ, this move to the heart of Midtown made Givaudan's resources more accessible to our clients. This past January, we doubled our space and expanded to another floor to include a perfumery school training center (an annex of the one in Argenteuil), a cosmetics and applications lab, a product stability lab, "state-of-the art" evaluation tools for a variety of consumer products and, of course, the sensory design studio.



2. *Givaudan seems less concerned with simple "trend tracking" and more focused on a broader, comprehensive approach. Can you briefly describe the three main facets of the company's sensory design studio and explain what its goals are?*

In response to the numerous challenges confronting the fine fragrance industry, Givaudan's sensory design studio was built as a "think tank" that provides the necessary market intelligence, consumer insight and inspiration to our clients and our creative staff so that, together, we can begin to address these challenges. It is both a platform and a place where we have trained ourselves to think differently. The sensory design studio is a place of sensory interaction, where we share innovative tools in consumer research and development that allow for greater flexibility in the creative process for our perfumers, while ensuring better predictability of sustainable success in the marketplace than is provided by traditional consumer research methodologies.

3. *Can you please explain the concept of "sensory competition" of a consumer's sensory universe, and talk a little bit about why it should matter to fragrance creators?*

The consumer is experiencing what we call an "odor assault" throughout her day, with an increased

requires a multifaceted approach that recognizes the evolution of consumer preferences. By analyzing the influence that fashion, cuisine, interior design and the importance of well-being have on consumers' attitudes, we are able to gauge, as well as predict, emerging directions in the world of fragrance."

According to chief marketing officer Joe Faranda, IFF has a similar philosophy, although he emphasizes the need for a close, in-person look: "We work with various third-party trend experts, talk to futurists, work with our customers to understand what they need and gather trends in the markets on the ground to see what we can leverage globally. IFF also has an innovation council — a cross-functional

team of IFF employees around the world. This helps us to immerse ourselves in global trends and brainstorm new ideas."

Breaking Trends: World Fusion, a Return to Sophistication, Edible Notes

When asked about the trends they're seeing, Manheimer Fragrances global vice president of fragrance evaluation Michele Suffy makes the point that globalization isn't just a trade phenomenon — it's a fact of contemporary fragrance creation. "As the world becomes smaller, global fusion is having a greater impact on the fragrance and flavor market. In fragrance, we continue to address a changing population by incorporating its fragrance and flavor preferences into our new creations. These aromas are blended with classic fragrance notes to provide



intensity and diversity in her fragrance experience coming from a full spectrum of product categories, including personal care and household products, which influence and impact her fine fragrance preferences. Many of these products have traded up in their offerings, from which the consumer is deriving a great deal of emotional satisfaction. What this leads to is a devaluation of the fine fragrance offering; it creates an environment of “sameness” and “blur.” As these more mundane categories have traded up in terms of their olfactive offerings, fine fragrance has remained stagnant, and we realized we needed to do something to raise the bar in terms of our fine fragrance offerings.

4. *Can you briefly describe the ways in which consumers traditionally have been asked to evaluate scents? What are the weaknesses of these approaches?*

Consumers most often are asked their attitudes and perceptions of scents through liking and purchase

intent, as well as imagery associations. Attitudes and perceptions tend to correlate with actual behavior at fairly low levels in most cases. Even more importantly, these measures don’t distinguish adequately good fragrances from those that consumers find truly compelling; it’s the difference between being “nice” versus moving consumers on a nonrational level.

5. *What is Givaudan doing differently? What factors are you looking to fulfill in order to achieve success?*

Beginning in 2005, Givaudan developed and validated a marketing research model that addresses these issues. The model is different than traditional marketing research:

- Sales (units sold) are our measure of success — not liking.
- The research focuses on differentiating fragrances — delivering fragrance characters that are strong statements for fine fragrance and knowing when consumers find fragrances truly compelling.
- The correlation of this model with sales is very high.

6. *How do perfumers figure into this process? How do they manage the dual goals of artistic freedom and consumer satisfaction/acceptance?*

Givaudan now is applying the model to fragrance development to find creative fragrances that can drive in-market success. It’s about enabling perfumers to continue their artistry and imagination with their designs, yet is grounded in relevant meaning to the consumer. We call it “edges without fear” because perfumers are free to explore signatures with the assurance that the fragrances also can drive consumer commitment and buying.

modern interpretations that broaden the appeal to new demographic groups.”

Faranda sees a number of major US trends emerging, saying, “There is a return to sensuality, warmth and depth, although it is moving in more Oriental, amber directions. Examples of this are Euphoria (Calvin Klein), Youth Dew Amber Nude (Estée Lauder/Tom Ford) or unexpected woody florals, such as Alien (Thierry Mugler) and My Queen (Alexander McQueen). There is also a return to sophistication — more crafted fragrances — as with sheer chypres, such as Lovely by Sarah Jessica Parker. And consumers still are interested in the fruity notes that are in Be Delicious (DKNY), Live by Jennifer Lopez and Promesse (Cacharel). Finally, we’re seeing some new combinations of edible notes with flowers and woods, such Flower Bomb (Viktor & Rolf).”

Concept to Scent

How are these companies converting all of this information into practical outcomes? Suffy says that all of this market intelligence can help companies tackle an increasingly fragmented consumer public. “By monitoring consumer demographics and purchasing power, Manheimer Fragrances has recognized the need and importance of brands marketing their products to a multicultural consumer instead of singling out a specific demographic group. In order to satisfy their fragrance preferences, we have focused on featuring fruit, floral, edible, wellness, outdoor and fantasy fragrances with ingredients that appeal to different nationalities. This

approach continues to please existing customers while, at the same time, appealing to a broader, multicultural marketplace.”

But sometimes trend tracking can have a narrower, more specific process and result. Working with the fashion and art publication *Visionaire*, IFF created *Visionaire SCENT*, and later *Visionaire TASTE*. The latter, according to Faranda, stretched “the sensual boundaries of the imagination by simultaneously engaging the viewer’s eyes and tongue.” The practical result of the *Visionaire SCENT* collaboration? Faranda says, “The bread fragrance from *Visionaire SCENT*, Lagerfeld on Atkins, became H&M’s unisex scent called Liquid Karl.”

What the Client Wants

When we ask our industry experts how their clients’ needs and demands are evolving, we get an interesting range of answers. Bell Flavors & Fragrances’ director of fragrance R&D Steve Schuh points to outside forces. He says, “Outsourcing is the drive for how client needs have changed in the past few years. Clients need, and often expect, the fragrance-development

companies to provide much more, such as product/marketing ideas, product formulations, investigative research and, of course, the best fragrance for less money than it cost years ago.”

Faranda, on the other hand, narrows down the demands to one simple concept: “Innovation. We focus on how to break out of the sameness to create lasting brands that resonate emotionally with consumers. We also focus on speed for our clients — getting to market more quickly, efficiently and with differentiation.”

But scent isn’t always enough. Sometimes it’s the extras that matter. According to Suffy, “In today’s market, our customers are looking for us to offer much more than a winning fragrance. New technology, research and development support, and marketing have become essential tools in solidifying new opportunities, as well as being able to provide full service to our clients.”

In the end, most of our industry insiders probably would agree that differentiation and innovation are the keys to success in today’s environment, and keeping a close eye on consumer and demographic trends just might be the key to securing those advantages.

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