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HUUNU® Futures: Predicting the Growth of Plant-Based Proteins

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Over the past few years, plant-based proteins have become increasingly mainstream. These days, it's impossible to walk down a grocery store meat or dairy aisle without seeing some form of plant based alternative. The nation's most popular fast food chains all offer plant-based options.

Rapid changes increase pressure on organizations to display agility and speed in response to dynamic consumer behavior and market trends. A major indicator of their ability to do that? Whether they can accurately forecast and time trends in advance of a change.

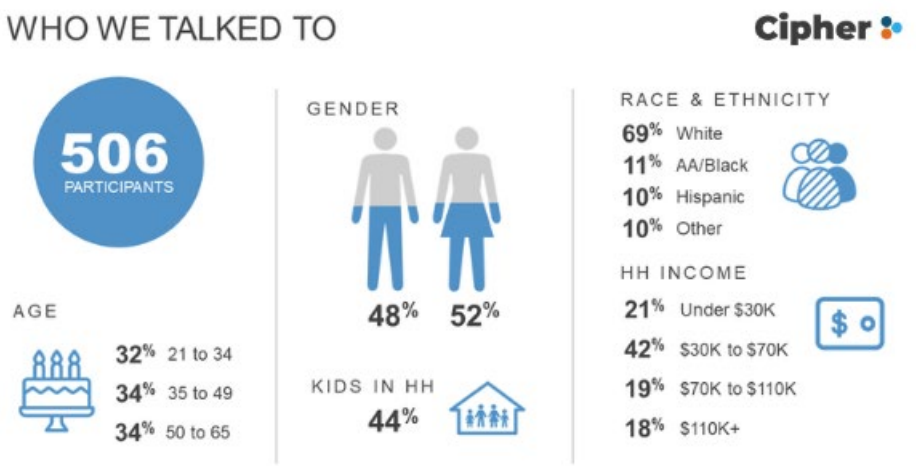
Back in early 2019 based on conversations with food and beverage clients, the team at Cipher conducted a HUUNU Futures prediction market to forecast future developments in the disruptive plant-based proteins market in the U.S.

Specifically, for food & beverage manufacturers three important future outcome scenarios were explored:

- Three year growth rates
- Leading items and ingredients
- Changes in usage habits

If you're not familiar with HUUNU Futures and the role of prediction markets in market and competitive intelligence, we recommend you first read this primer. In a nutshell, prediction market research tools like HUUNU Futures produce quantifiable predictions on future trends, customer needs, and adoption rates.

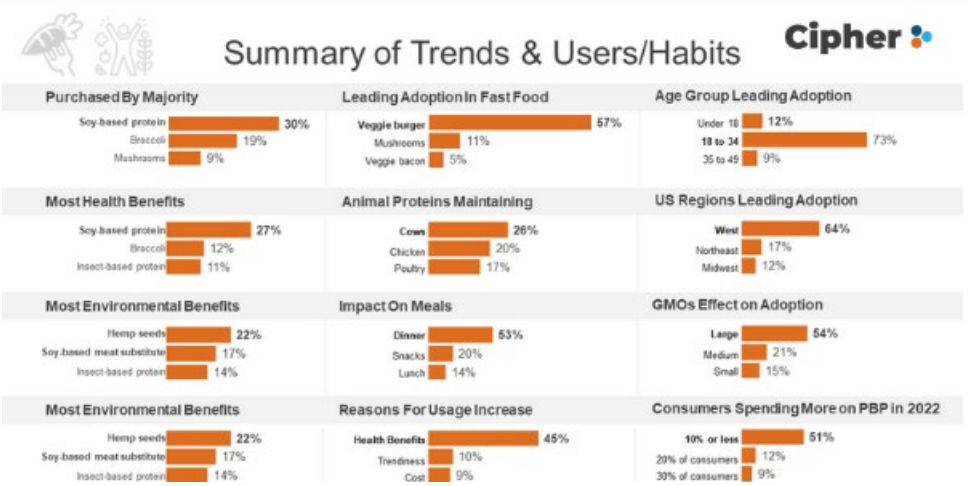
To quantify the future growth of plant-based meats and ingredients as well as provide the qualitative rationale for why the growth will happen, we ran a prediction market with over 500 participants in the United States, representing people of all ages, household structures, and economic backgrounds.



Key Predictions Made by HUUNU Futures

The collective consumer "wisdom" from this prediction market research allowed our team of analysts to make several key predictions about the future growth of plant-based proteins and related consumer behavior:

1. **Soy-based products will lead the way for adoption of plant-based proteins, while veggie burgers will lead meatless meat through 2022.**
2. **In 6 to 7 years, over half of U.S. households will purchase plant-based proteins on a regular basis.**
3. **By 2022, 40% of U.S. households will purchase plant-based milk, and 29% will purchase meatless meat on a regular basis.**
4. **By 2022, 11% of the U.S. population will be vegetarian. 7% will be vegan.**
5. **Health benefits will be the primary driver of adoption. Dinner will be the meal most impacted.**
6. **The western U.S. and consumers aged 18 - 34 will lead adoption of plant-based proteins.**



It's clear that, since 2019, plant-based proteins have exploded in popularity, gaining **distribution footholds in major American grocery retailers** and restaurant chains. In a broad sense, these predictions were correct. But how did HUUNU Futures do on these more specific projections?

For some of these predictions, it's still too early to definitively say. But just over two years after the research was conducted, it's time to take stock and examine how these trends have unfolded.

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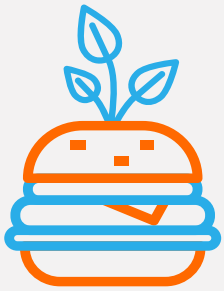
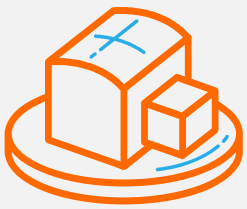
Soy Based Products & Veggie Burgers Lead The Way



Soy based products include tofu, tempeh, and edamame. Today, many of the most popular plant-based protein brands feature soy protein as a primary ingredient. These include leading brands like **Impossible**, **Gardein**, and **Morningstar Farms**, which dominate the plant-based protein sections of America's grocery stores.

Veggie burgers have led the charge in the fast food industry. Burger King was the first to embrace plant-based foods, launching the Impossible Whopper in 2019. Since then, the pace of adoption has only quickened. In 2021, McDonalds are rolling out the McPlant Burger, while White Castle offers Impossible Sliders and Carl's Jr. sells a range of Beyond Burgers.

By 2026, a Majority of American Households Will Purchase Plant-Based Proteins



While it's still a little too early to say how many Americans will purchase plant-based proteins five years from now, all initial indicators point to this forecast coming true.

Plant-based food sales have grown 43% in the past two years, well outstripping the pace of total U.S. food sales. According to the **Good Food Institute**, total household penetration for plant-based proteins stands at 57%, with products like plant-based milks and plant-based meats leading this growth.

By 2022, 40% of U.S. Households Will Purchase Plant-Based Milks, and 29% Will Purchase Meatless Meats

In 2021, **plant-based milk** will be purchased by 39% of U.S. households. With this rapid growth set to continue, it's a safe bet to say that 40% or more of American households will purchase plant-based milk in 2022. Interestingly, other plant-based dairy products have seen rapid growth too, with sales of plant-based ice cream up a whopping $435m last year.

Plant-based meats lag behind a little here. Household penetration stood at 18% in 2020, although dollar sales rose 45% compared to the previous year. If this growth continues, by the end of 2022, we anticipate that close to 29% of American households will purchase meatless meats on a regular basis.

By 2022, 11% of the U.S. Will Be Vegetarian. 7% Will Be Vegan.

Recent studies have found that as much as **6% of the U.S. population follow a vegan diet**. Growth has been accelerating in recent years, driven by the popularity of events like 'Veganuary', and the increasing availability of vegan alternatives to popular animal products like cheese, eggs, and milk.

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Health Benefits Will Drive Adoption and Dinner Will Be Most Affected Meal

In nutritional terms, plant-based proteins do tend to be healthier than animal-based alternatives, and consumers are aware of this. Consumers don't see these products as being processed; they view them as **healthier alternatives to traditional meats**. A recent **Mintel study** found that 56% of U.S. consumers cite healthiness as the primary driver for eating more plant-based foods.

Google Trends data reveals the most popular meal time U.S. consumers search for in relation to plant-based meals is dinner. Plant-based meats perhaps lend themselves better to dinner time meals, with national chains pushing plant-based burgers and tacos.

The Western U.S. and Younger Consumers Will Lead Adoption

Studies have shown that the western U.S. leads the way in adoption of increasing vegetarian and vegan diets. The states with the highest percentage of vegans have consistently been **west coast states of Oregon, California, and Washington**. Adoption is growing in the northeast, led by states like Vermont, while southern and midwestern states have been slower to adopt plant-based proteins.

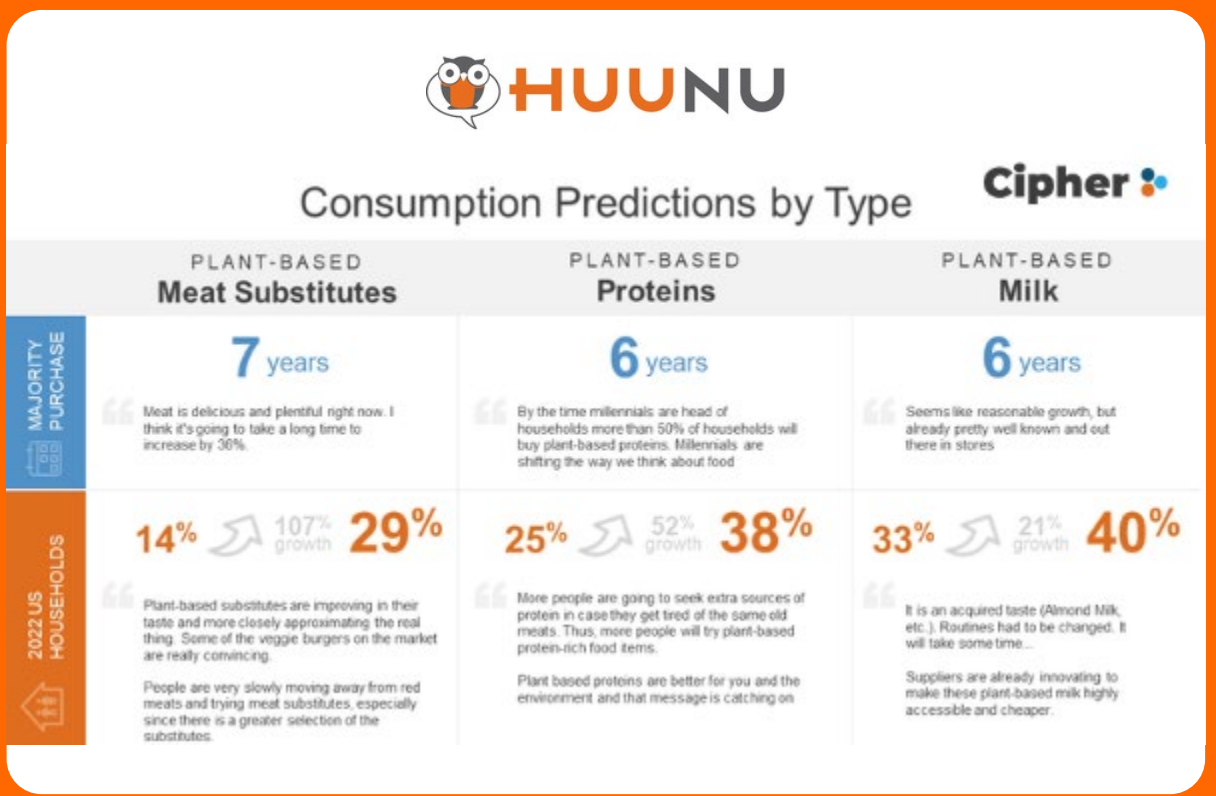
Data from **SPINS** finds that younger consumers lead the adoption of plant-based proteins, over indexing in both the dollar value spent and the volume consumed compared to older age groups. Additionally, a **recent Gallup poll** found that two thirds of 18 - 29 year olds have tried and were likely to continue eating plant-based proteins as a regular part of their diet.

HUUNU Futures: Proven Accuracy

As forecasted by HUUNU Futures in early 2019, plant-based proteins have continued to grow at a rapid pace. The adoption of plant-based burgers by mass market restaurant chains and growing distribution across US grocery stores has seen plant-based proteins find their way into the fridges and cupboards of millions of US households.

HUUNU Futures not only predicted this growth, it quantified precise adoption rates, pin-pointed key trends, and forecasted changes in consumer attitudes and usage habits of plant-based proteins. The technology behind prediction market research is applicable to a wide variety of industries to help strategy and innovation leaders prioritize where they should place their own bets for future growth.

Speak with one of our prediction market research experts to learn more about using research tools to better understand and forecast industry trends.



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