

## Business Review

**Dynamics of Global Savory Ingredient Markets****NATURAL AND COST PRESSURES ON INGREDIENT CHOICE?**

2019 – 2024

**INTRODUCTION**

Yeast Extract (YE), Hydrolysed Vegetable Protein (HVP), Hydrolysed Animal Protein (HAP), Monosodium Glutamate (MSG) and Nucleotides are the commonly used savory ingredients globally. These savory ingredients provide a basal meaty flavor in food applications, unlike process flavors and other molecules which provide top notes. Use of soy sauce, oyster sauce and fish extracts are also seen especially in South East Asian countries to provide the basal meaty note. In the west, meat extracts are popular as natural flavoring agents. Yeast extract has been the savory ingredient of choice for food manufacturers in Europe and North America due to its natural image. However, this image of YE is under scrutiny in these markets, and there is an increasing tendency for premium food product manufacturers to opt for natural extracts from meat/fish, spices and condiments, etc. However, currently, the high cost of these alternative ingredients weighs in favour of yeast extract.

In the developing markets of Asia, Latin America and Africa, the natural trend is synonymous with MSG replacement. HVP has been largely preferred in these markets over YE due to its comparatively lower cost. Despite the competition, the penetration of YE has been rising in these developing markets. Price is the limiting factor for YE growth and thus DIY may be an interesting option in these highly cost-sensitive markets.

Giract has been researching the global savory ingredients and value-added intermediates markets since 1990 and has produced many ground breaking studies in Europe, North and South America, Asia and the Middle East/Africa. This edition will focus on the dynamics of yeast extracts (and other yeast variants) competing with HVP and other natural flavorings across the world. MSG and nucleotides as standalone ingredients have been removed from the scope as no major changes in these ingredients have been observed in recent years.

**OBJECTIVES**

To identify supply, demand and historical and future trends for selected savory ingredients, and to examine the prices of these ingredients in each key country/region:

- To evaluate the current market (volume and value) for the selected savory ingredients, and derive volume forecasts of market size to 2024 across countries/regions
- To provide value estimation of the global savory market along with estimates for all regional markets for savory ingredients included in the scope
- To identify the factors for and against change influencing food formulators (current and potential YE users) and future opportunities for the relevant competing ingredients
- To explore the potential and estimate the supply and demand split of value added YE (High I+G YE, High MSG YE) and organic YE
- To provide a competitive analysis of natural savory ingredients across end use sectors and identify the potential for YE and other natural ingredient across all the sectors with drivers and challenges for the natural savory ingredients

**PRODUCTS**

**Ingredients:** Yeast Extracts (YE), Dried Inactive Yeast (DIY), Yeast Cell Walls (YCW), Hydrolysed Vegetable Protein (HVP), Hydrolysed Animal Protein (HAP)

**End-products:** Soups, Bouillon/stock, Sauces/gravies, Dehydrated noodles, Snack seasonings, Meat seasonings, Other seasonings (marinades, rubs, etc.), Meat analogues, Food service, Pet food, Animal feed, Fermentation, Process flavors

**MARKETS**

**Supply:** Key players across the globe will be covered

**Demand:** North America (USA, Canada), Latin America (including Mexico), EU28, Russia, Africa (Egypt, Nigeria, South Africa), Middle East, China, India, Indonesia, Thailand, Philippines, Vietnam, Japan, ROW (Eastern Europe, ANZ, Other Asia, Other Africa)

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