Sample

Global Food Colorants Market (2015 - 2020)

Mordor Intelligence

Your **Knowledge Partner**

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1. INTRODUCTION

1.1 KEY DELIVERABLES OF THE STUDY

- Global, regional and country-level analysis along with forecasts of the study market
- Study of the effect of exogenous & endogenous factors, viz. demographic, economics, and political factors, among others, which affect the global market
- Porter's five forces framework incorporating the factors influencing each force to determine the intensity of competition
- Segment and sub- segment level analysis of the market over the review and forecast period
- Identification of key factors instrumental in changing the market scenario, exploiting new opportunities, and gaining competitive edge
- SWOT analysis for key players and a detailed study of their current strategic interests and key financial performance indicators

1.2 STUDY ASSUMPTIONS

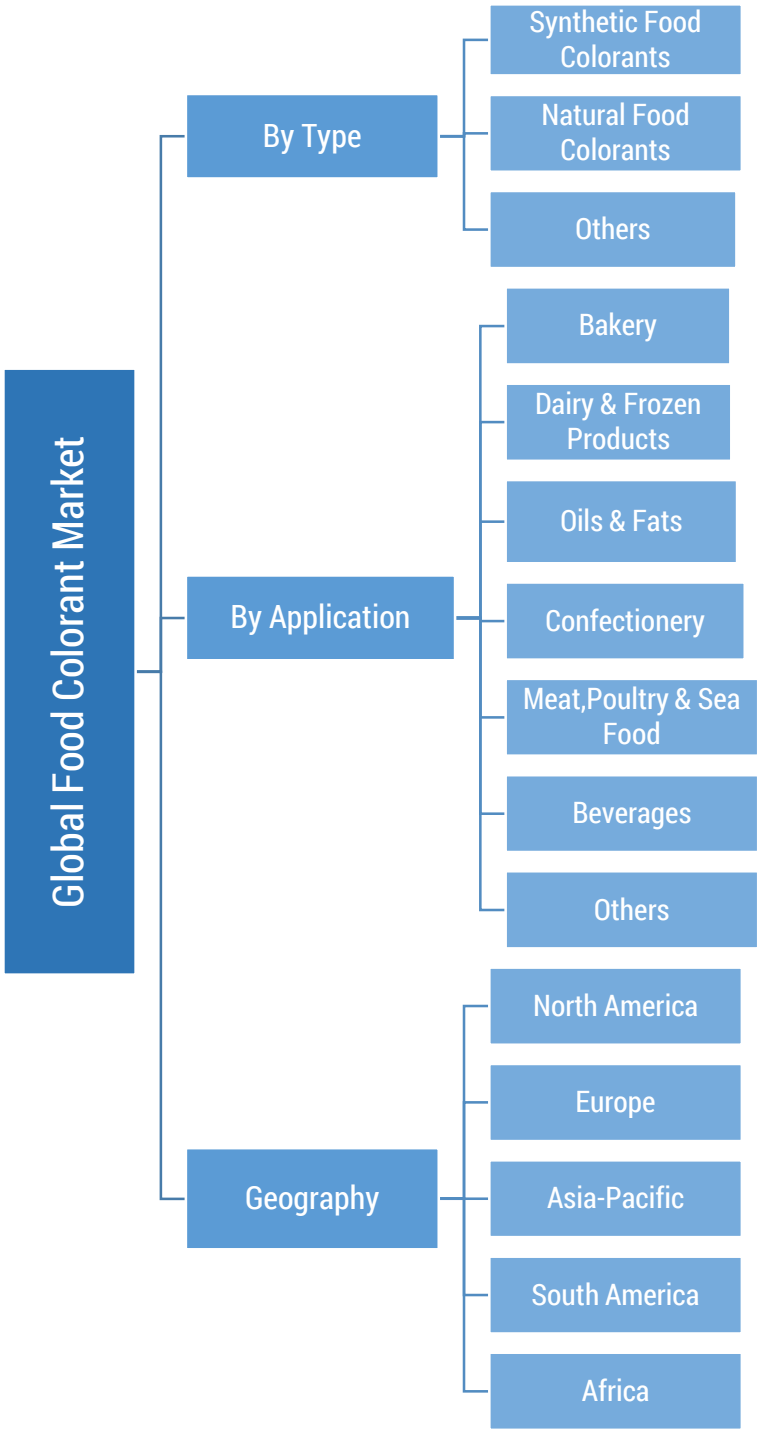
- The base currency considered was the US Dollar (USD). The conversion of other currencies to USD was considered based on the average exchange rate for the respective review period years. The exchange rate conversion for forecast period was determined according to the base year's conversion rates.
- The base year was identified based on the availability of annual reports and secondary information. The base year considered for this study is 2015.
- The review period considered for this study is from 2012 to 2015. The forecast period is from 2015-2020
- Market size estimations for the forecast years were in real terms. Inflation is not part of the pricing and the Average Selling Price (ASP) was kept constant through the forecast period for each country.
- Distribution of primary interviews conducted was based on the regional share of the market and the presence of key players in each region.
- As a result of data-triangulation through multiple methodologies and approaches, the weighted averages of resulting estimates were considered to be the final values.

1.3 MARKET DEFINITION

The food colorant market is a segment of the global food additives market. Food colorants are pigments/dyes, which are added to foods and beverages to give them a specific color, increase the visual appeal and to address certain health choices. They come in many forms such as liquids, powders, gels or pastes. Food colorants are used in both commercial food production and domestic cooking. The market for the food industry is quite vast and so is the market for food additives and food colorants. Due to its safety and general availability, food colorants are also used in a variety of non-food applications such as pharmaceuticals, cosmetics, home craft projects and medical devices.

However, the major usage lies in the food & beverage industry; the main purpose of food colorants is to bring back the food color that is lost during the process of making the food.

The market is further segmented based on type, application and geography. The report/sample also discusses the trends, market forecasts, their projected values during the forecasted period and various company profiles, giving their strategies and key developments. The report profiles companies like Chr. Hansen, DDW-Color House, Royal DSM, Sensient Technologies, Riken Vitamin and FMC Corporation, among others. To gain a better market share, these companies are adapting numerous market strategies, such as innovative product development, partnerships, mergers & acquisitions, and expansion of existing facilities.

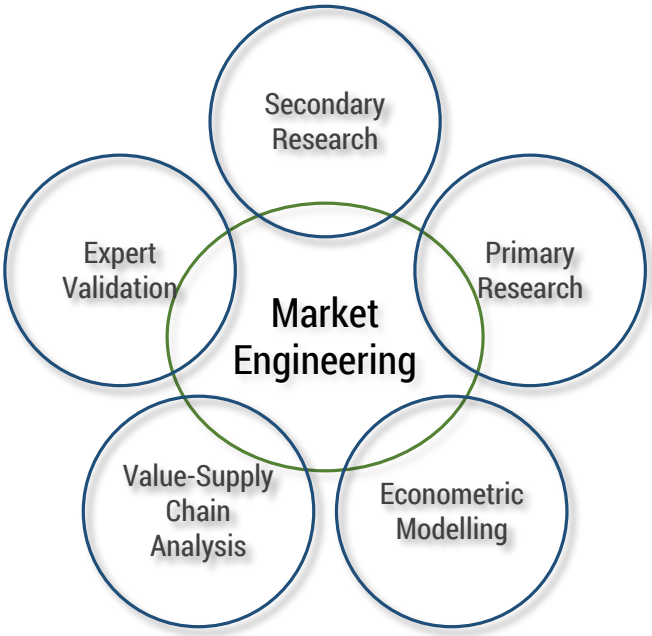


Key Players Profiled:
Chr. Hansen A/S
D.D. Williamson & Co.
Royal DSM
Sensient Technologies
FMC Corporation
BASF

2. RESEARCH APPROACH AND METHODOLOGY

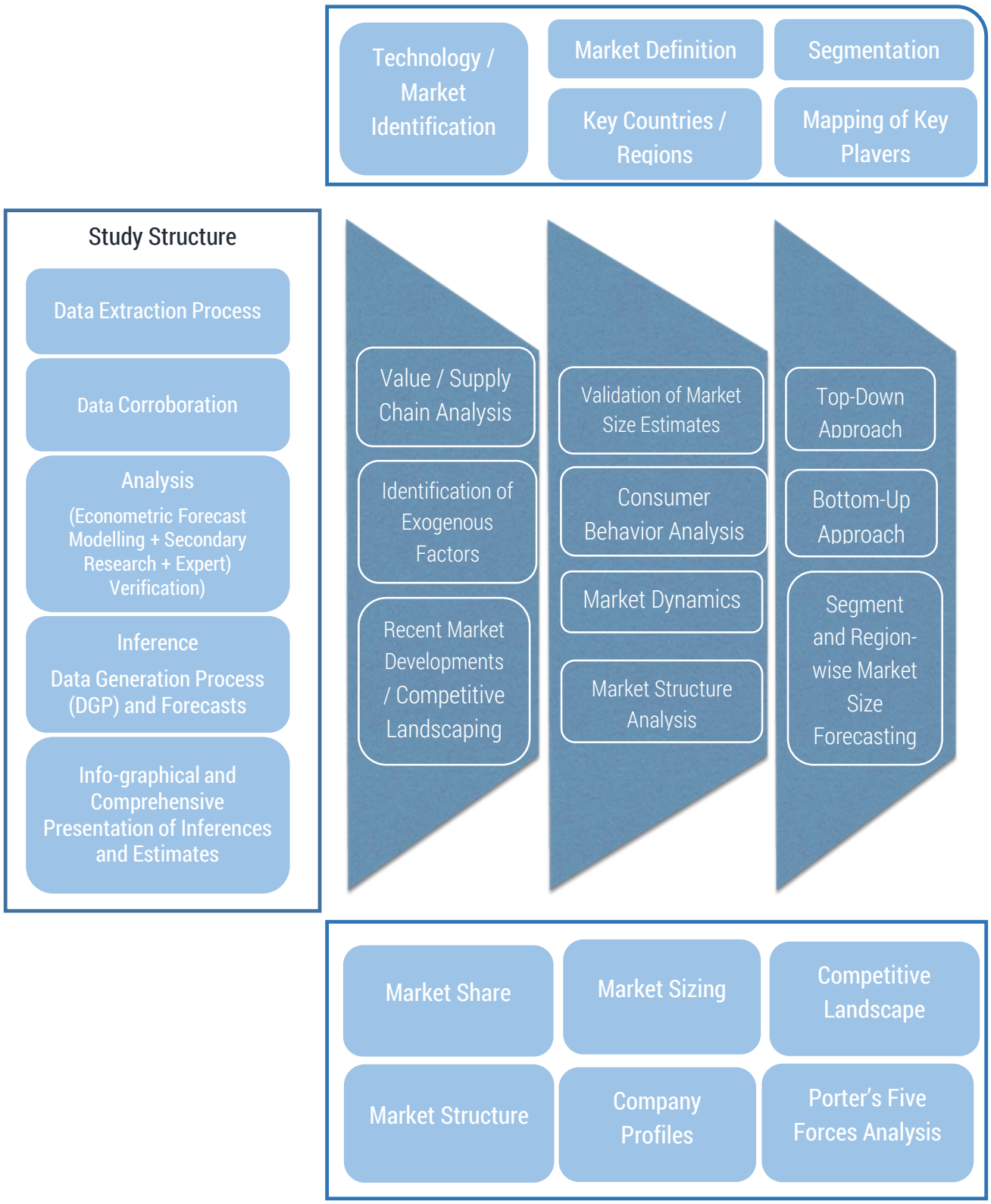
2.1 INTRODUCTION

The research process adopted for this entire study is a highly structured two stage process: size estimation of the review period, and the market engineering for the forecast period of the global, country and segment-level data that lead to the Data Generation Process (DGP) for the studied variables. The size estimations were carried out through multiple bottom-up & top-down approaches. The bottom-up approach includes the examining of historical revenues of key players, studying the size of the applications, value and supply-chain analysis, end-user demand, which are then cross-validated by secondary and primary resources. The top-down approach is an astute research process where the global market sizing is carried out through the secondary research, validated by primary industry experts.



In this report, for analyzing the future trends for the studied market during the forecast period, we have incorporated rigorous statistical and econometric methods, further scrutinized by secondary, primary sources and by our in-house experts supported through our extensive data intelligence repository. The market is studied holistically from both demand and supply-side perspectives. This is carried out to analyze the end-user and producer behavior patterns in the review period that affect the price, demand and consumption trends. As the study demands analyzing the long-run nature of the market, the identification of factors influencing the market is based on the fundamentality of the market that is studied. Through secondary and primary research, the factors that are endogenous & exogenous in nature are identified, and they are transformed to quantitative data through data extraction and further applied for inferential purpose.

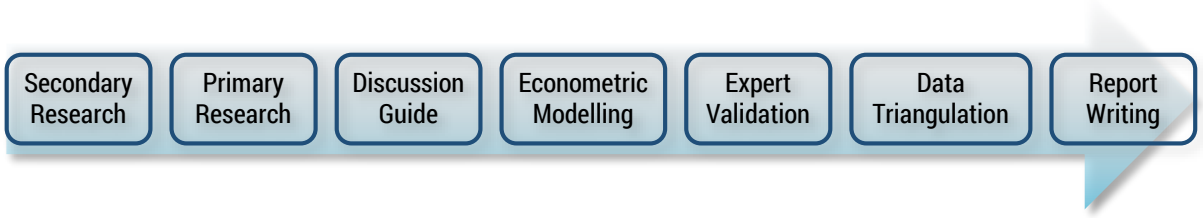
2.2 RESEARCH DESIGN



2.3 STUDY TIMELINE

Research Phase	1st Week	2nd Week	3rd Week	4th Week	5th Week
Technology / Product / Market Identification					
Internal Expert-Assessment and Approval of the Study Content					
Secondary Research					
Discussion Guide					
Primary Surveys					
Econometric Modeling					
Expert Validation					
Report Writing					

2.4 STUDY PHASES



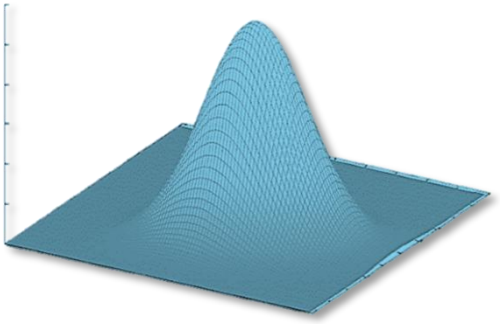
2.4.1 SECONDARY RESEARCH

The first phase of the research process was an extensive secondary research and identification of the related intelligence from our data repository on the study market. Secondary data was compiled from various databases such as industry bodies, associations, journals, company annual reports, white papers and research publications by recognized industry experts, paid data sources and other published literature. Data regarding the business plans and strategies of the companies were derived from the recent annual/investor reports of key industry players for qualitative comparisons and analysis; financial data of these companies sourced primarily from Industry Association & Stock Exchange Filings to maintain a standard benchmark.

2.4.2 DISCUSSION GUIDE

The next phase was preparing an exhaustive discussion guide. The primary purpose of this phase is for extracting qualitative information regarding the market from key industry leaders. Information collated from the discussions was further carried out for quantitative analysis. This document helps in identifying the major market segments, market factors such as drivers, restraints, challenges, key economic factors, interaction between the players, supply-value chain structure, bottom-up and top-down nature of the market, competitive landscape, recent long-run and short-run strategic developments, and market shares of the key players. This guide aids in deciding the scope and deliverables of the study in terms of the requirement of the market.

2.4.3 MARKET ENGINEERING AND ECONOMETRIC MODELLING



The next phase was market engineering, which involved analyzing the collected data, market breakdown and forecasting. Macro and micro economic indicators, which were exogenous and endogenous in nature, were identified through causal and correlation analysis. They were further analyzed with the study variable for deriving the statistical inferences on the study market. A structural forecast model was developed in the process and the most statistically reliable model was considered for the forecasting purpose. Such attained data points were verified by the process of data triangulation which includes expert opinions and primary sources, to validate the numbers and arrive at close estimates. Following data validation, the analysts begin to write the report. They garner insights from data and forecasts, which were then drawn to visualize the entire ecosystem in a single report.

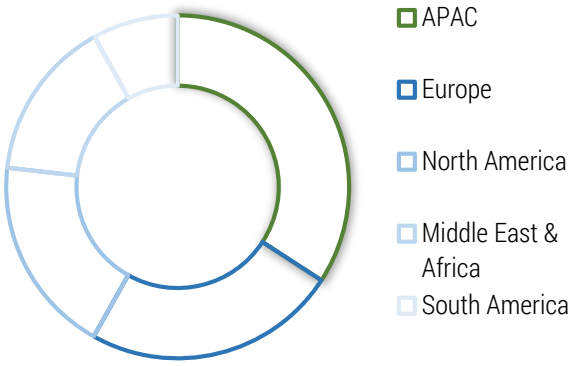
2.4.4 EXPERT VALIDATION

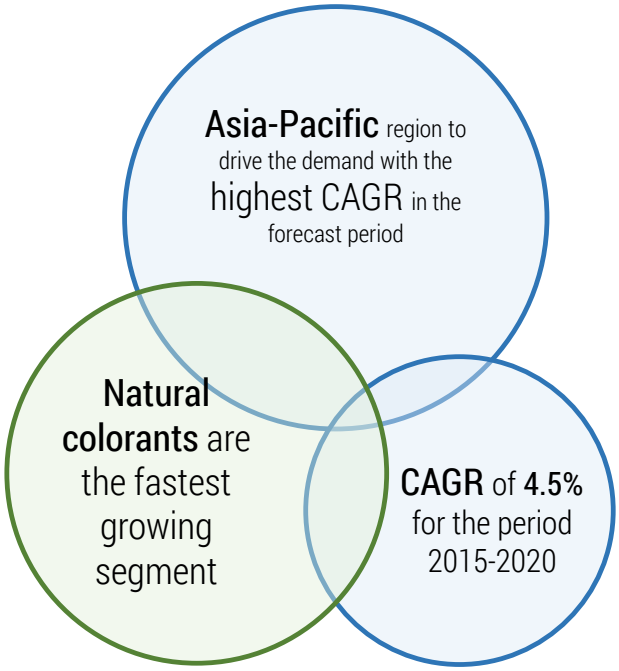
The final phase before the report writing was the expert validation, where, the estimated and projected values through data triangulation were cross-validated through market experts or the key industry people. They were senior researchers, consultants, Directors, CFOs, and CEOs. The cross-validated estimates were finally approved by the in-house expert.

3. KEY FINDINGS.

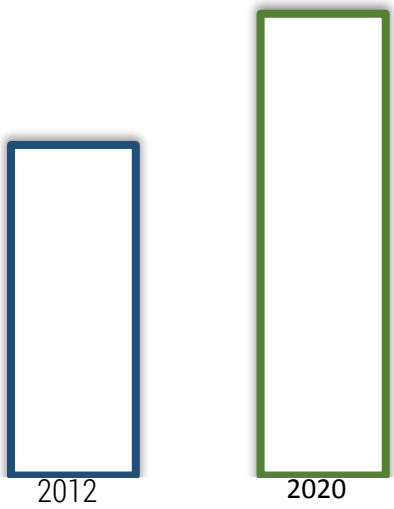
- The consumers are learning about healthy eating habits, and hence, they can comprehend the ingredients used in food. The manufacturers are now focused on providing clean labels.
- The study shows that synthetic colorants are still prevalent in the market due to their easy availability and low costs. However, the natural colorants market will witness a tremendous growth in the forecast period.
- Lack of a centralized standardizing agency has hampered the growth of natural colorants. However, this is being addressed by a gradual acceptance of GSFA standards for natural colorants.
- The increase in the applications of food colorant is more inclined towards natural food colorants due to stringent government regulations over food safety and health concerns, which makes it difficult for the synthetic food colorant market to grow.
- The application wise segmentation states that the beverages market has the highest share of XX% of the overall market, followed by meat (XX%) and dairy & frozen market (XX%). The market share of these segments is expected to grow in coming years.

Region Market Share





Global Market Size, 2012 vs. 2020, USD Billion



Key Drivers:

- Easy availability of raw materials
- Food safety increasing demand for clean labels
- Growing awareness for natural colours

Key Restraints:

- High cost of natural colors
- Awareness on ill effects of few synthetic colours

4. MARKET DYNAMICS

The global market for natural food colorants looks promising. The U.S. is one of the leaders in North America for clean label foods. The drivers supporting the market are easy availability of raw materials, consumers demanding for clean labels and a growing influence of natural colorants on the consumers. Few restraints of the market are the stringent regulatory processes and increasing costs of natural colorants. The increasing awareness about the ill effects for synthetic colorants is slowing down the growth of the market. Demand for naturally sourced products supersedes such barriers, and natural food colorants are expected to capture the market.

4.1 DRIVERS

4.1.1. EASY AVAILABILITY OF RAW MATERIALS

North America represents a market with an increasing affluence and, hence, demand for food is growing in the region followed by Europe and Asia-Pacific markets. Moreover, in North America, the US has a strategic location in terms of trade – it is an acknowledged trade hub, exporting food and produce to nearby countries. Companies set up their manufacturing units and the demand is met with the supply of easily available raw materials. Thus, for food colorants (synthetic or natural) that are to be imported into the country, the US presents a strategic advantage by way of transportation routes.

Natural food colorants have their shortcomings, in terms of high costs of production; and instability to heat, light and around moisture. This leads to reduced shelf life and un-desired outcomes in terms of the target color. Moreover, there are some important colors for which natural substitutes have not been yet devised. Ongoing research is attempting to make these colorants using natural methods, and the process is still underway. Furthermore, natural colors are extracted from minerals, fruits and vegetables; the availability of which may not always be easy. Thus, the availability of natural food colorants in the US, like in any other market, is more difficult than procuring raw materials for synthetic colorants. However, due

to increasing health conscious consumers & many food-borne-illnesses, the market is shifting towards natural food colorants.

Synthetic colorants are easy to produce, less capital-intensive and provide a wider range of colors, including vibrant colors. Leading companies that produce food on a global scale are DSM, FMC Corporation, DDW and Lake Foods, among others, can easily procure approved synthetic colors and use them in production.

---------- (Detailed Analysis Will be Available in Full Report) ----------

4.2 RESTRAINTS

4.2.1 HIGH COSTS OF NATURAL COLORS POSES A RESTRAINT FOR THE GROWTH OF NATURAL COLORANTS MARKET

The food industry is growing and so is the food additives market. The food industry is made up of many sub-segments such as colorants, preservatives, emulsifiers and many more. However, the major restraint of the food colorant market is the high costs attached with the natural colors. The processing of natural colors is quite tedious. Natural colors are not only less vibrant but are also more expensive. The extraction process from their sources takes a lot of time and money. This means a significant investment for companies that are looking to make the switch. Given the high costs and time required, companies are shifting back to synthetic colors, which are harmful to the human body.

Another major reason natural colors are costly is that natural ingredients have limitations, which isn't the case for synthetic products. Shelf-life and instability are two major challenges that companies need to overcome to ensure that their products last on the shelves of grocery stores. Most of the natural food colors have a shelf-life of not more than six months. It is also observed that some of the products fade in the presence of light while others are not stable in the presence of heat; they change color when baked or heated. The food industry depends on colorants to make their products look elegant or rather more appetizing, and if synthetic dyes achieve this function more effectively than their natural counterparts, it's easy to understand why companies would opt for synthetic products.

Although it is visible that the demand for natural colorants is growing, there are few technical challenges that colorant manufacturers need to overcome; natural colors are extracted from fruits, vegetables and minerals, and this is quite difficult since it involves a lot of procedures. A fluctuation in their availability and high prices presents challenges for the production cycle, gradually pushing up the prices for consumers or end-users. These are the reasons why the high costs of natural colors is a major restraint for the growth of the market.

4.3 OPPORTUNITIES

4.3.1 GROWING DEMAND FOR INNOVATIONS IN NATURAL COLOURS

Natural colorants have come into the limelight ever since researchers at the University of Southampton reported in 2007 that six chemicals in food colorants, which were approved in EU, were in fact known to increase hyperactivity in children. Companies started to substitute synthetic food colorants with natural food colorants. However, not every synthetic color has an equally vibrant natural substitute. Costs of production, instability due to heat, moisture and light are only some of the challenges faced when using natural colors.

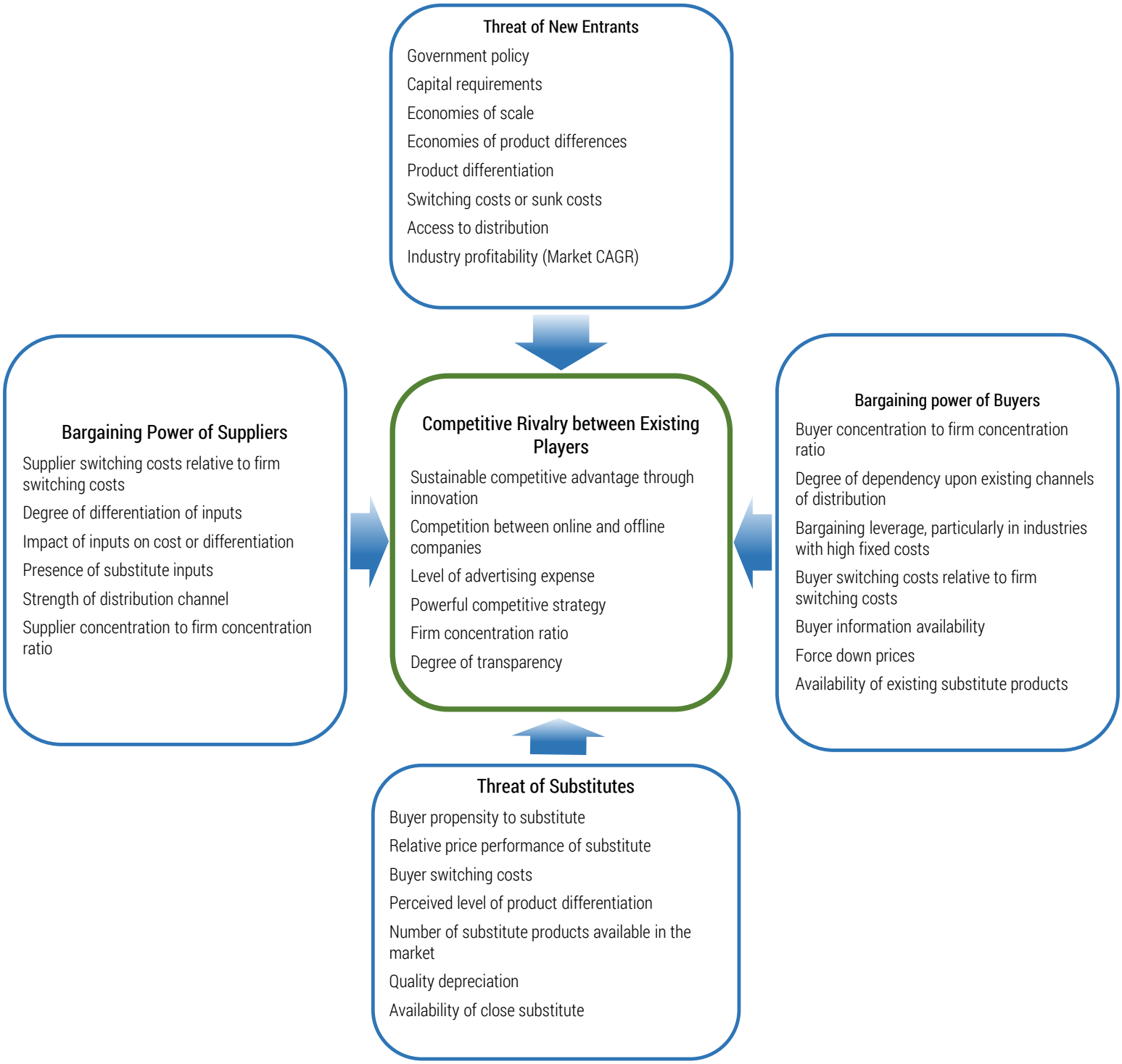
Moreover, the natural colorants industry is still in its nascent stage. Natural food colorants have no unified standard, and hence, standards differ by geography and markets. FDA classifies any ingredient used for coloring, regardless of its natural classification, as an additive. On the other hand, Europe classifies edible concentrates of fruits and vegetables used for coloring as 'coloring foods' and not additives. Furthermore, if naturally sourced ingredients (usually from agricultural, biological or mineral sources) require further processing before the food has finished its production cycle, it receives an 'E' rating, which are perceived as not completely natural.

However, this has not stopped companies from driving more capital into their R&D budgets due to the high demand for clean label foods, and consequently, the demand for natural colorants. Americans today want to live healthier and be sure that the food they intake is safe for their bodies. Traditionally a meat-oriented country, the US is reaching out more for organic produce, almond milk, and other healthier alternatives. Thus, preferences for naturally colored food (as is to be mandatorily displayed on food packages) are increasing. A relatively healthy diet is now affordable for the top 20% of the US population.

Today, research is ongoing, being pushed systematically by market leaders and food researchers alike to find vibrant and more stable natural substitutes.

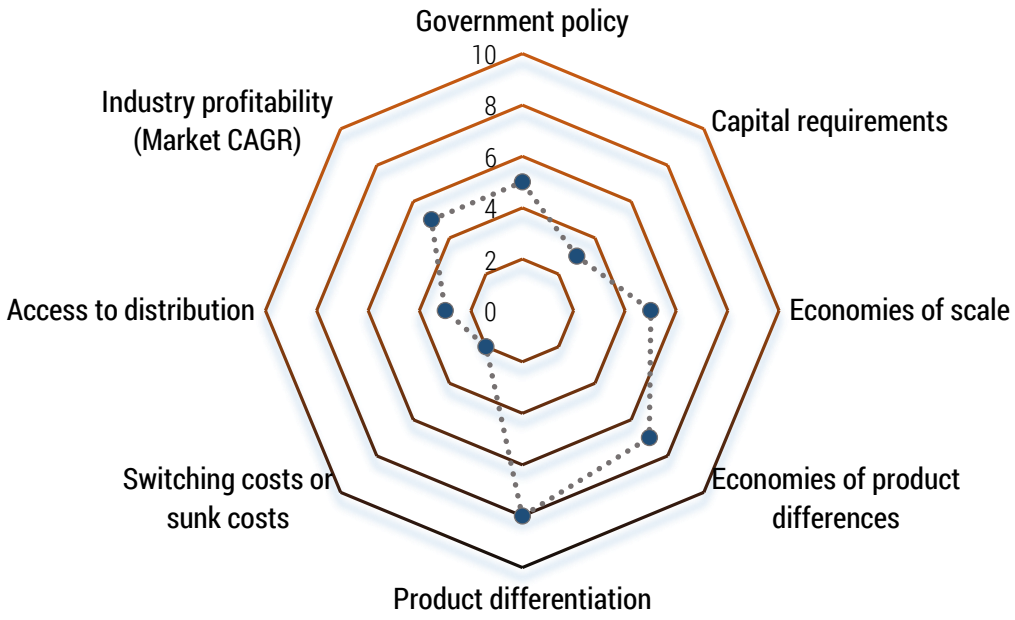
4.4 PORTER'S FIVE FORCES ANALYSIS

PORTER'S FIVE FORCES FRAMEWORK (MODEL SAMPLE)



Porter's Five Forces model studies the five identified competitive forces that shape every industry & every market to determine the intensity of competition, and hence the profitability & attractiveness of the industry. The objective of growth strategy should be to adapt to these competitive forces in a way that improves the position of the organization. This study includes an exhaustive Porter's Five Forces framework incorporating the factors influencing each force to analyze the market from a microeconomic perspective.

In the study, the Porter's five forces are analyzed considering the factors influencing each force and quantifying the factors through primaries and quantitative analysis. The quantified factors are further mapped to derive the impact of each force on competitive dynamics.



*Threat of New Entrants: The analysis for considering several influencing factors such as government policy, capital requirements, economies of scale, economies of product differences, product differentiation, switching costs carries out this force, sunk costs, access to distribution and industry profitability. Following the quantification and rating of each factor, the data is scrutinized to derive the impact of the force on the market dynamics on a scale of low high medium.

*Sample Example

5. MARKET SEGMENTATION

The demand for food is abundant in the global market; however, the market also needs proper infrastructures, transportations, cold chain and reliable power supplies. Food ingredient manufacturers aiming to develop the markets are quite plagued by these issues. However, with economic stability, growth in the retail sector and shifting consumer focus towards packaged food, the market for food additives, and in turn, the market for food colorants is expected to grow at a healthy rate. With focus of major food manufacturers and processors shifting towards the US, the demand for food colorants is expected to grow.

5.1 FOOD COLORANTS MARKET BY TYPE

The international consumption of food colorants was around 49-kilo tons in 2012 and is expected to grow at a CAGR of XX% during the forecast period of 2015-2020.

The market is segmented into synthetic colorants, natural colorants, and others that include natural identical colorants and caramel food colorants. Increasing preference for colored products and the rapidly increasing appetite for processed foods are the major driving forces in the market.

Global Food Colorants Market Revenue, by Type, 2012-2020 (USD Million)

Type	2012	2013	2014	2015	2020	CAGR% (2015-2020)
Synthetic Food Colorants	**889.7**	XX	XX	XX	XX	XX
Natural Food Colorants	XX	XX	**879.3**	XX	XX	XX
Others	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	**4.8**

By 2020, the total food colorants market is expected to grow at a projected CAGR of 4.8%, to about USD XX million. The synthetic colorants segment is expected to be slightly higher. Growing

consumer awareness on clean labels is driving the market for natural colorants. Stringent regulations on artificial additives are a major restraint for companies looking to enter the synthetic food colorants market.

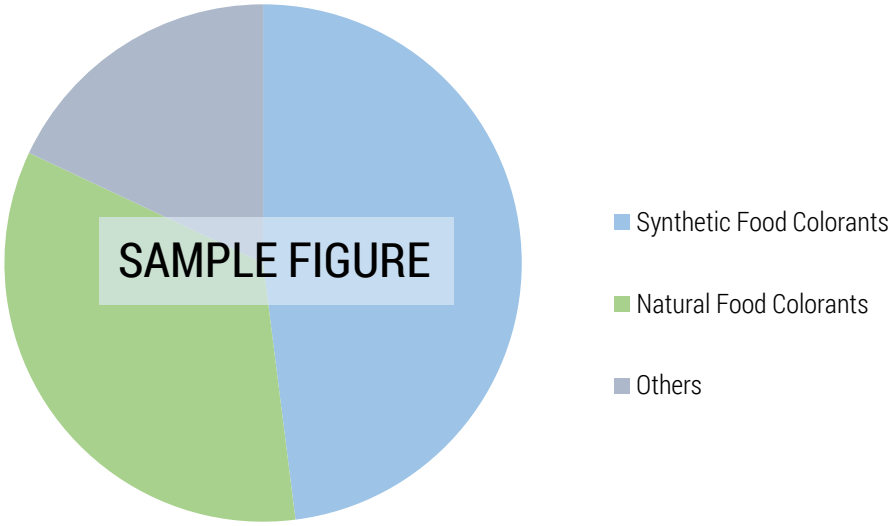
5.1.1 SYNTHETIC FOOD COLORANTS

Synthetic food colorants are chemically synthesized and use ingredients such as Allura Red AC, Brilliant Blue FCF and Erythrosine B. The major advantages of synthetic products are their design specificity, cheap price range and ease of production. Increasing consumer awareness regarding the usage of harmful chemicals has led to regulatory bodies to tightening the requirement framework for new registrants, creating a major constraint for manufacturers who are now pressurized to meet the food security demand.

Synthetic Food Colorants Market Revenue, by Type, 2012-2020 (USD Million)

Region	2012	2013	2014	2015	2020	CAGR% (2015-2020)
North America	249.9	XX	XX	XX	XX	XX
Europe	XX	XX	XX	XX	XX	XX
Asia-Pacific	XX	161.3	XX	XX	XX	XX
South America	XX	XX	XX	XX	XX	XX
Africa	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX

The US holds a share of XX% in the North American region in the food colorant market. The synthetic food colorants market in APAC accounts for a share of XX%. Synthetic food colorants are more viable for the food & beverages industry than natural varieties. Synthetic colorants give an appealing look to the food, returning color to the food, which was lost during the manufacturing process. This color attracts consumers to the food; hence, the use of colorants is of utmost importance in the food production process. With the growing food-processing industry, the market for food colorants is also expected to grow.



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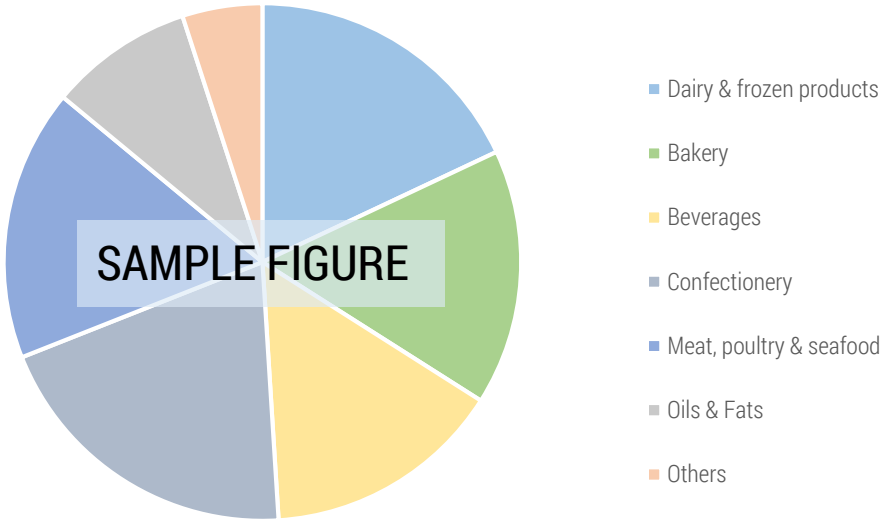
5.2 FOOD COLORANTS MARKET BY APPLICATION

The increasing consumer awareness combined with changing lifestyles is boosting processed food and beverage consumption, further driving the preference for colorants and flavors to appease consumers.

Global Food Colorants Market Revenue, by Application, 2012-2020 (USD Million)

Application	2012	2013	2014	2015	2020	CAGR% (2015-2020)
Dairy & Frozen products	XX	XX	XX	XX	XX	XX
Bakery	243.5	XX	XX	XX	XX	XX
Beverages	XX	XX	XX	XX	XX	XX
Confectionery	XX	XX	XX	XX	XX	XX
Meat Poultry & Seafood products	307.9	XX	XX	XX	XX	XX
Oils & Fats	XX	XX	XX	XX	XX	XX
Others	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	4.8

The estimated growth rate is the highest for dairy foods, owing to the rising consumer demand for nutrition and health-fortifying foods. The demand for dairy products is rising in the US since governments are trying to address the growing concerns of food security and malnutrition.



5.2.1 BAKERY

The bakery segment is the second most consumed market in the food colorants industry. It holds about XX% of the market share. The industry is gaining popularity due to the increasing penetration of advertisements, magazines, and the like on consumer choices. The trends that are specifically followed in the market are related to health, convenience, indulgence, safety, sustainability and value for money; all these factors are helping food industry to grow.

Bakery Food Colorants Market, By Region, 2012-2020 (USD Million)

Region	2012	2013	2014	2015	2020	CAGR% (2015-2020)
North America	70.5	XX	XX	XX	XX	XX
Europe	XX	XX	XX	XX	XX	XX
Asia-Pacific	XX	47.9	XX	XX	XX	XX
South America	XX	XX	XX	XX	XX	XX
Africa	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX

Bakery products in North America lean more towards fruit ingredients, which were totally unknown a decade ago. These ingredients are now trending as manufacturers are adding the label of 'health-foods' to these products. Another major reason for the growth in bakery application is the variety of options that are available as ready-to-eat food items and healthy meals.

5.3 FOOD COLORANTS MARKET BY GEOGRAPHY

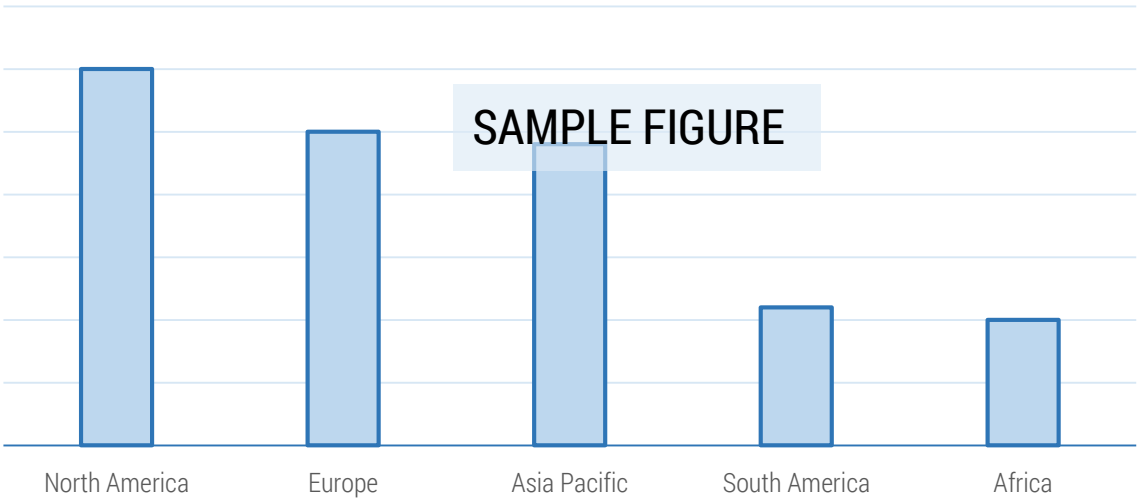
North America occupied the largest segment of the food colorants market in 2013, followed by Europe. An increase in demand for natural food colors in the European region is driving the market. North America and Western Europe account for 32% and 29% of the total natural colorants market, respectively. The European food and beverages colorants market is dominated by Germany, followed by France.

Global Food Colorants market Revenue, by Region, 2012-2020 (USD Million)

Region	2012	2013	2014	2015	2020	CAGR% (2015-2020)
North America	XX	XX	XX	XX	XX	XX
Europe	XX	XX	XX	XX	XX	XX
Asia-Pacific	XX	XX	XX	XX	XX	XX
South America	XX	XX	XX	XX	XX	XX
Africa	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX

Asia-Pacific is expected to experience a high CAGR, primarily due to emerging economies and the increasing consumption of processed foods. The Asia-Pacific food and beverages colorants market is dominated by Australia and New Zealand, followed by Japan and China.

South America and Africa are also growing markets owing to emerging economies. In addition, these markets are following the footsteps of the US regarding healthy lifestyles and the latest trends in food. The consumers in these regions are increasingly being influenced by busy lifestyles and the idea of healthy living.



5.3.5AFRICA

The increased preference for packaged and ready to eat foods is driving the colorants market in the emerging economies of South Africa. The nascent markets of Africa still have a lower preference for synthetic colorants due to their high costs; however, the growing demand for the same is pushing the market forward.

Africa Food Colorants Market Revenue, by Country, 2012-2020 (USD Million)

Country	2012	2013	2014	2015	2020	CAGR% (2015-2020)
South Africa	56.5	XX	XX	XX	XX	XX
Others	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX

5.3.5.1 SOUTH AFRICA

The South African market is flooded with an increasing number of formal stores that are driving the growth in the food processing industry, in turn, boosting the food colorants market. South Africa has the largest economy in Africa and is the only African member of the G20. South Africa accounts for a massive 40% of total industrial output and is by far the most sophisticated free-market economy in Africa. However, the market in the recent years has been seeing a shift in consumer preference towards convenience, largely driven by urbanization, growing working-women population and increasing household incomes. These markets hold a huge potential for processed food manufacturers, and in turn, to food colorant suppliers. Food ingredient manufacturers are looking at developing markets as a fresh market space and are introducing products that the consumers are not yet aware of. However, this is not possible without proper infrastructures, transportation, cold chain, and reliable power supplies. The underdeveloped markets of Africa are plagued by such issues, hence, requiring the need to incorporate colorants and other food additives.

South Africa Food Colorants Market, By Type, 2012-2020 (USD Million)

Type	2012	2013	2014	2015	2020	CAGR% (2015-2020)
Synthetic Food Colorants	27.7	XX	XX	XX	XX	XX
Natural Food Colorants	XX	XX	24.2	XX	XX	XX
Others	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX

There is an increased awareness among a portion of the consumers regarding the importance of a healthy diet, which is creating an increased demand for healthier and organic food. However, there is a large disparity between those opting for organic food at the higher end of the price scale and those with a need for cheaper food. About 35 million consumers would opt for basic food at cheaper rates while only 5 million at the upper end of the salary bracket would prefer

healthier and organic food. This gives an opportunity for growth for the synthetic food colorants market.

South Africa Food Colorants Market Revenue, by Application, 2012-2020 (USD Million)

Application	2012	2013	2014	2015	2020	CAGR% (2015-2020)
Dairy & Frozen products	XX	XX	XX	XX	XX	XX
Bakery	7.3	XX	XX	XX	XX	XX
Beverages	XX	XX	XX	XX	XX	XX
Confectionery	XX	XX	XX	XX	XX	XX
Meat Poultry & Seafood products	10.7	XX	XX	XX	XX	XX
Oils & Fats	XX	XX	XX	XX	XX	XX
Others	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX

There is an increased consumption of dairy products such as drinking yogurt, smoothies and ice cream. Dairy has a strong 'naturally healthy' image in minds of consumers and has become a carrier of health benefits. This means that the growth opportunities for dairy are still huge. The success of Danone's Activia, marketed as probiotic yogurt for digestive health, is a testament to the success of associating dairy with health benefits. There is an increased demand for house or private labeled brands as consumers see them to be products that provide great value. Numerous acts of legislation are impacting the sector, including the Consumer Protection Act that gives consumers the right to address quality issues. Related to this is the growing importance of food labeling, as consumers want to be informed about what they are eating. The use of health ingredients in many food and drinks is becoming increasingly important in the food industry due to increased focus on food safety and food security legislation. The government is aiming at applying strong regulatory acts; South Africa is known for its world class progressive legal framework. Thus, forcing producers to mention the food colorants used in the product, on the label.

The total worth of the South Africa food colorants market in 2012 was USD 56.5 million, which is expected to grow to USD XX millions by 2020, with a of CAGR of XX% during the forecast period of 2015-2020. The overall growth of African market is estimated to be XX%, which by global standards is quite less. However, the scenario still shows an emerging market for food colorants in the coming years.

---------- (Detailed Analysis Will be Available in Full Report) ----------

7. COMPANY PROFILES

7.1 CHR. HANSEN A/S

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Overview

Founded in 1874, Chr. Hansen is a global supplier of bioscience-based ingredients to the food, health and animal feed industries. The company produces cultures and dairy enzymes, probiotics, and natural colorants. They also develop and produce products for dietary supplements, pharmaceuticals, infant formulas and animal feed. The company employs around 2600 people, spread over 30 countries.

Natural ingredients are currently the number one trend in the food & beverages industry. Manufacturers around the world are demanding for more natural colors, and food and vegetable concentrates. They are also increasingly looking to optimize their formulations to reduce costs and complexity while also improving their products.

Financials:

Revenues (USD Million)	2014/15	2013/14
Revenue	939.94	827.83

Annual Report, By Segment (2012-13) in (USD Million)

Segment	2014/15	2012/13
Natural Colorants	191.47	173.30

Products and services

The company's focus is towards naturally appealing products to stay ahead of their competitors.

Color Stability: Gives some of the most stable natural colors in the market, understanding that shelf life is a key factor.

Color match: Identifies the best possible natural color solution for the product to match consumer expectations.

Cost efficiency: Counseling in securing good economy in the conversion process.

Category	Product	Description
Beverages	Vegex™	To provide an appealing, cloudy appearance, and providing a rich and tasty appeal, along with increasing the product's shelf-life.
	CapColors®	Natural physical effects, such as neck ring and creaming, among others frequently affect colored orange-shaded drinks.
	I-Color®	A product line designed to color a powder while avoiding undesirable side effects in the final application.
	Ultra Stable Red™	Improved shelf-life of beverage products owing to 30–40% better stability compared to standard anthocyanins. Less wastage caused from faded colors in supermarkets.
	ColorFruit®	Complete shade spectrum of transparent solutions. Formulation excellence and high brightness allow affordable cost-in-use for soft drinks.

Diary and Fruit Preparation	DairyMax™	Natural colors specially developed to help dairy food manufacturers overcome these challenges and obtain the color profile the consumers wish, using natural colors.
	FruitMax®	The food ingredients originate from fruits, vegetables, herbs, spices and other edible raw materials.
	WhiteWhey®	Being a water-soluble formulation, a high proportion of the color pigment is present in the aqueous whey phase—up to 20%.
Dietary Supplements	NutriPhy® Cranberry NutriPhy® Bilberries	Full traceability of plant extracts in full supply chain from the raw materials to the final product. Full communication on the analytical methods used to standardize the extracts.
Confectionary	SweetColor®	Colors from natural sources. Developed specifically for confectionery and gum applications. Proven functionality in confectionery products.
Prepared Food	CulinaColor™	Colors from natural sources. Developed specifically for prepared foods applications. Natural alternative to artificial colors.

Strategies and insights

Chr. Hansen is the only provider of natural colors that implements 140 years of unique application and regulatory expertise with a strong, extensive global presence and the widest natural color portfolio in the industry. The company, depending on the requirements of the consumers, provides a very wide range of products from artificial to natural colors or to food and vegetable concentrates and juices.

The company works in collaboration with the consumers, bringing ideas, expertise and solutions at every stage of the process – from the first product brief to the supermarket shelves.

To fully utilize the strength of the business model, including the attractive growth opportunities in both new and established markets, Chr. Hansen launched the Nature's No. 1 strategy in September 2013 covering a five-year period. The strategy is based on six main strategic themes addressing opportunities within each of the divisions and across the Chr. Hansen Group.

Creating more value in the Natural Colors division:

- Improved cost-in-use solutions
- Address the significant potential in emerging markets
- Develop an enhanced product offering
- Transformational technology

Key developments:

Year	Approach	Description
Oct 2015	Study	New generation of CapColors® Orange enables conversion to stable and non-artificial coloration in the beverage market.
Aug 2014	New Product	It is a stable, cost-efficient substitute available, which is based on color pigments derived from nature: Ultra Stable Red™
Apr 2013	Development	Chr. Hansen steps up its efforts in coloring foodstuffs to better support F&B customers making the switch to this next generation natural colors.
Jul 2012	Addition of Flavors	The ColorFruit® range now covers the dark orange to yellow spectrum as well as green shades.

SWOT ANALYSIS (MODEL SAMPLE)

The report provides SWOT analysis for major players. The analyses on the factors, Strengths and Weaknesses, are carried out on the intrinsic potential of a company. The factors such as Opportunities and Threats are analyzed by studying several exogenous factors that potentially influence a company's growth and sustainability. Such are the factors with respect to regional advantage, demographic and economic factors.

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