



PAID CONTENT

OAT MILK RISES TO BECOME THE CREAM OF THE CROP

OatyCrème can help brands and baristas capitalize on the popularity of **plant-based creamers**

Plant-based dairy is becoming a planet-wide phenomenon, as consumers seek out healthier, more sustainable options in the food and beverage aisles. Today's plant-based dairy consumer is not necessarily an old-school vegan or vegetarian fixated on animal welfare. It may be a flexitarian who simply enjoys a varied and nutritious diet. Or it could be a values-based shopper who wants to help save the environment by voting with their dollars.

Regardless of the reason, consumers are picking up on what scientists already know: there are numerous environmental and health benefits to plant-based products. A 2022 review of more than 40 studies found that not only do plant-based foods produce significantly less greenhouse gas emissions and use less water than animal agriculture, but they often boast strong nutritional profiles, support weight loss, build muscle and cater to health conditions and allergies.

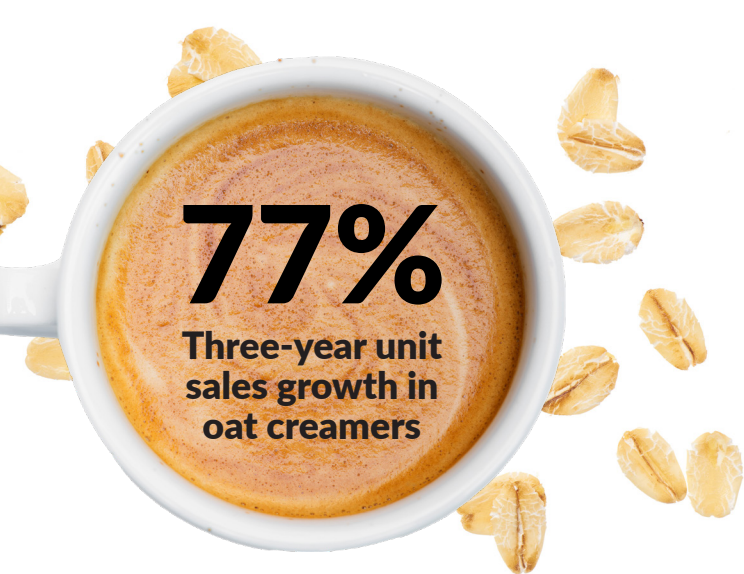
The economic opportunity around plant-based milk can no longer be ignored. The global market reached \$19.1 billion in 2022, according to retail data compiled by the Good Food Institute (GFI), a nonprofit trade

organization for non-animal proteins. In the United States, plant-based milk sales grew 9% to \$2.8 billion, with more than 40% of households buying a non-dairy alternative milk last year. Plant-based milk now accounts for 15% of the total milk market, GFI reported.

U.S. sales of specialty products such as plant-based creamer are growing even faster, more than doubling since 2019 to \$645 million. Plant-based creamer's three-year dollar sales growth of 119% is four times higher than that of animal-based creamer (25%). Plant-based creamer has now grabbed 12% of the entire creamer market.

A CLEAN LABEL CREAMER

While the growth of the plant-based creamer category may be based on broad consumer familiarity with plant-based milks in general, its rapid rise in popularity also parallels the fast-growing adoption of oat milk. In 2020, oat milk became the second-largest plant-based milk market after almond milk, according to market data from SPINS, a wellness market intelligence firm. That's around the time that cafe baristas discovered how well oat milk worked as a



77%

Three-year unit sales growth in oat creamers

creamer, thanks to its neutral flavor, creamy texture and high-quality microfoam for coffee drinks.

But not all oat milks and creamers are created equal. Conventional oat milk is made through a relatively simple process that usually involves combining ground oats with water, sugar, various other sweeteners and flavors, as well as a thickening agent. The result is a healthy, non-dairy drink that contains dietary fiber and beta-glucan that helps improve blood lipids and cholesterol. However, consumers are not necessarily getting the full health benefits because the end-product is not easily digestible, and exhibits poor solubility.

This has led to the use of hydrolyzed oats, which have been treated with water to break down the carbohydrates through an enzymatic process into smaller molecules, making them easier to digest and absorb. Hydrolyzed oat milk and creamer powders offer both brands and baristas a better way to deliver the delicious benefits of this plant-based product to the masses.

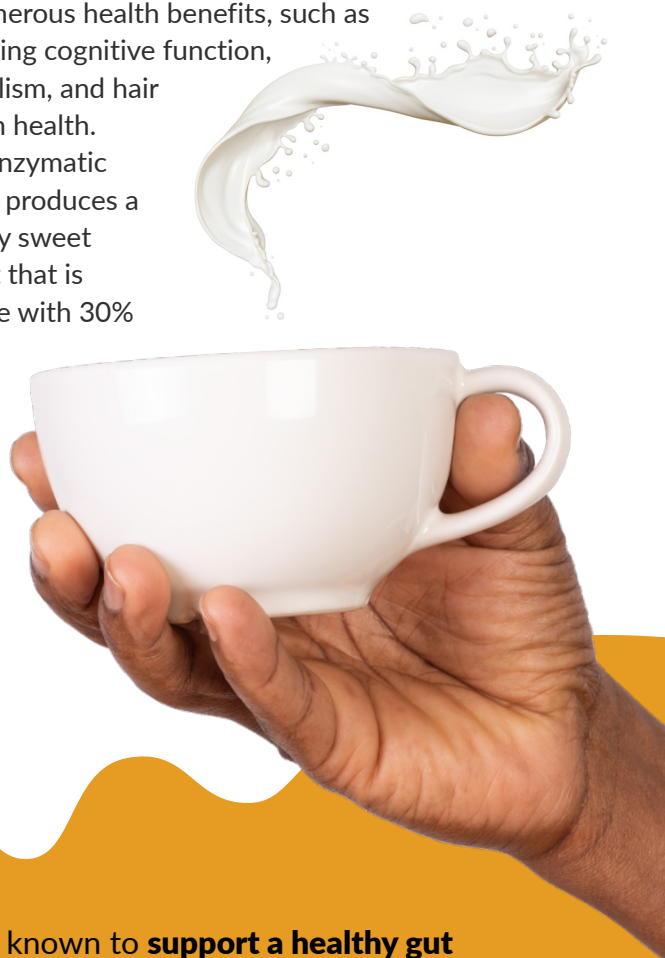
Among the growing number of options for hydrolyzed oat powders is an innovative brand that is the only supplier of plant oil powder with high-oil-load that is 100% vegan. Casey Ingredients out of San

Antonio, Texas, recently introduced OatyCrème, a line of vegan and dairy-free creamers and milk powders to the North American market.

“OatyCrème doesn’t contain any caseinate or synthetic emulsifiers. It can be considered a clean label and a true vegan product,” said Tom Tang, VP, Casey Ingredients. “Our OatyCrème has natural sweetness from the oats, and it also provides a creamy and milky taste.”

Most high-oil-load powders use an emulsifier, usually a dairy food additive, during the manufacturing process to help mix the oil and water. OatyCrème employs a micro-encapsulation technology that covers each oat molecule with natural coconut oil. The micro-encapsulated technology does double duty: It enables the oil powder to slowly release for smoother digestion and helps prevent product oxidation, increasing the shelf life for up to two years. Coconut oil itself is full of fatty acids and has numerous health benefits, such as supporting cognitive function, metabolism, and hair and skin health.

The enzymatic process produces a naturally sweet product that is available with 30%



HEALTH BENEFITS

Oats are an ancient grain known to **support a healthy gut microbiome** and contain bioactive compounds with antioxidant and anti-inflammatory properties.⁶

fat content for truly decadent drinks (OatyCrème Barista Rich), 20% fat content for most creamer applications (OatyCrème Barista Regular), and 10% fat content as regular oat milk (OatyCrème Lite). However, OatyCrème is not just for lattes and cappuccinos.

CREAMER AND BEYOND

Bakery applications, for example, are an area where oats can add value. Beyond functional improvements like enhancing dough handling properties, improving texture and moisture retention, and promoting browning for desirable color and flavor, hydrolyzed oats, naturally rich in protein, can also improve the nutritional profile of a baked product. The hydrolysis process breaks proteins into smaller easily digestible peptides and amino acids providing a source of essential amino acids and enhancing protein content.

Oats do not contain gluten so they are also useful in gluten-free and allergen-free applications. The hydrolyzed oats contribute to structure and texture in these products.

In beverages, hydrolyzed oats can serve as a source of carbohydrates, providing that needed quick and sustained energy and fuel for muscles during activity. Again, the hydrolysis process makes for quick absorption of these molecules while also enhancing the protein content and nutritional balance.

“Some customers use OatyCrème to replace butter in vegan bakery products and for beverage premix powders,” Tang added. Another popular use is in virtually any protein product, especially bars and other baked goods. “OatyCrème provides creamy, healthy, and delicious attributes to many applications.”

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A SHORT HISTORY OF OAT MILK

Plant-based milks have been around for centuries. Medieval Europeans went nuts for almond milk, and the Chinese have been enjoying soy milk for at least as long. However, a double shot of espresso with oat creamer is a relatively new consumer luxury.

In the 1990s, Swedish food scientist Rickard Öste was doing research on lactose intolerance, a digestive disorder that affects about two-thirds of the world’s population.⁴ He turned to oats, an abundant crop in

Sweden, and developed the technology to liquefy them into a rich milk that still imparted digestive benefits.

Öste eventually founded the popular consumer brand Oatly and ignited a revolution in plant-based milk, with global estimated sales of \$3 billion this year.⁵ The oat milk market includes a rapidly growing portfolio of products, including oat creamer, oat milk bottled coffee drinks, oat milk ice cream, and oat milk yogurt.

