



EMERGING TECH RESEARCH

2021 Annual Foodtech Report

VC trends and industry overview

Published Q1 2022

Report preview

The full report is available through the PitchBook Platform.





Contents

Vertical overview	3
2021 timeline	4
Foodtech VC ecosystem market map	5
VC activity	7
Segment overview	9
Bio-engineered foods	10
Food suppliers	21
Intermediaries & delivery	32
Industrial & consumer tech	42
Discovery & review	52
Appendix	62

Institutional Research Group

ANALYSIS

Alex Frederick Senior Analyst, Emerging Technology
alex.frederick@pitchbook.com
pbinstitutionalresearch@pitchbook.com

DATA

Matthew Nacionales Data Analyst

Publishing

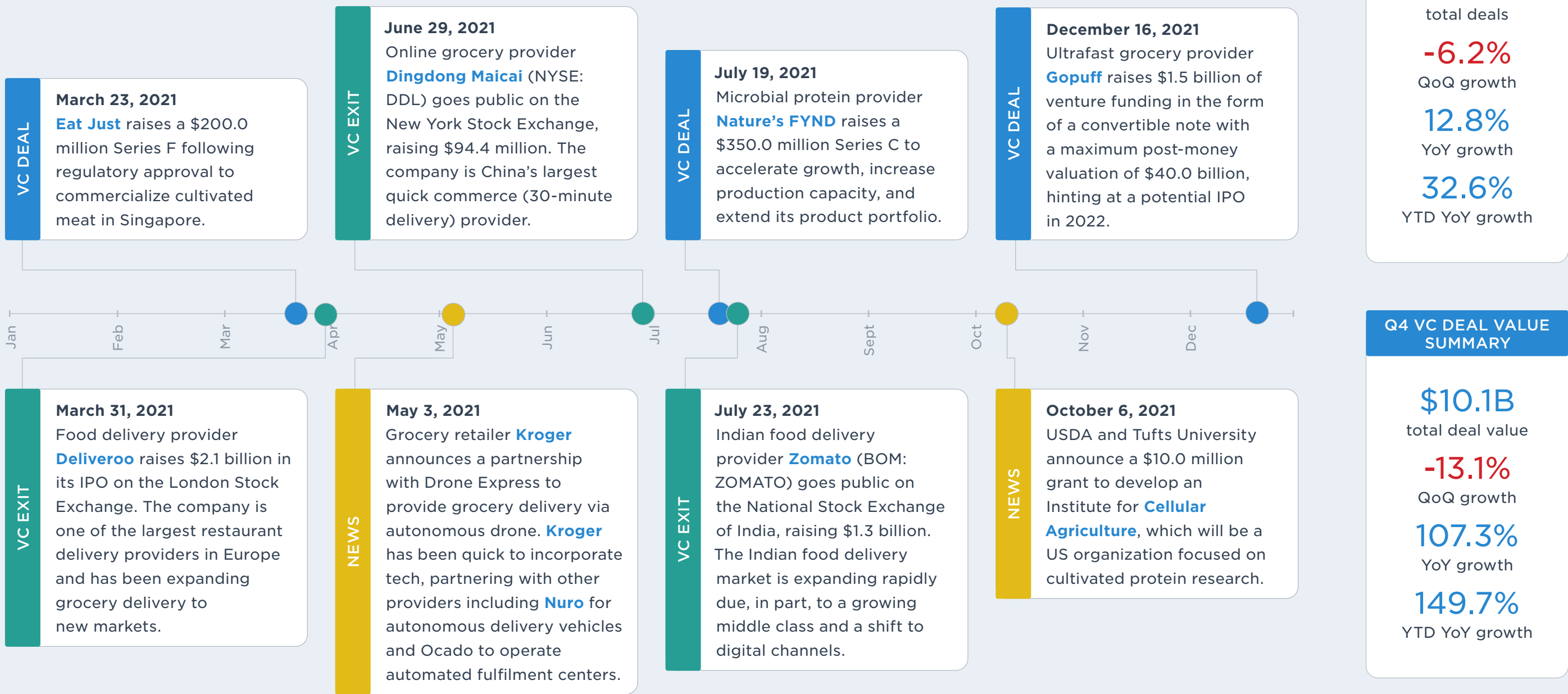
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2021 timeline

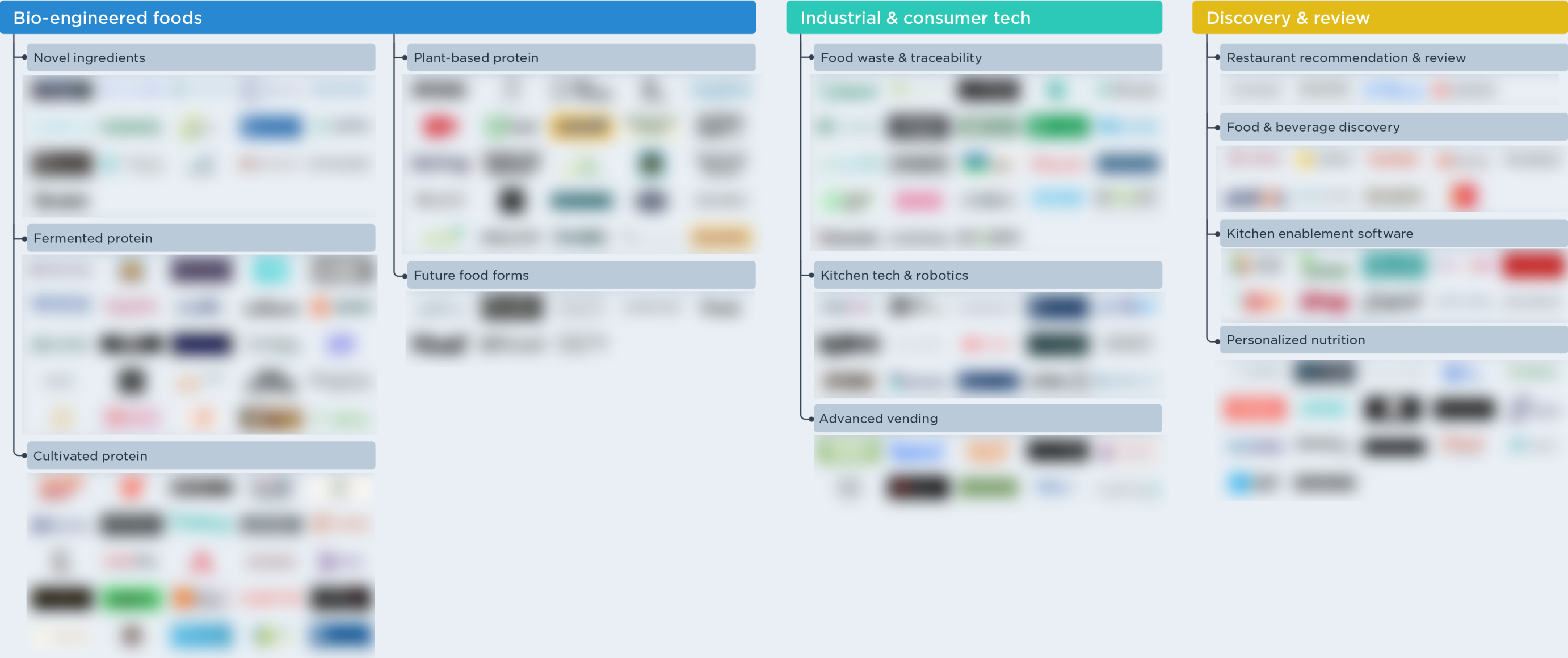




Foodtech VC ecosystem market map

Click to view interactive market map on the PitchBook Platform.

Market map is a representative overview of venture-backed or growth-stage providers in each segment. Companies listed have received venture capital or other notable private investments.





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Intermediaries & delivery

Delivery robots

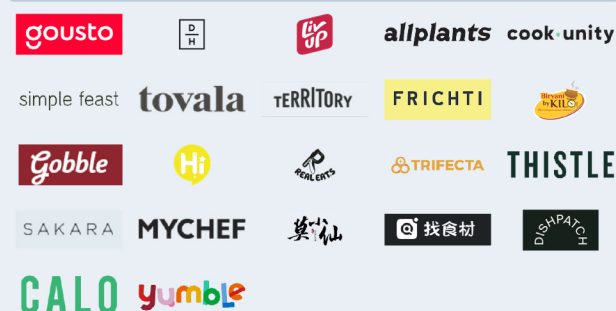


Apps & marketplaces



Food suppliers

Meal kits



Online grocers



Ghost kitchens



Catering



Business products & services suppliers





VC activity

Deal activity

2021 was a banner year for foodtech funding. Venture capital (VC) investment activity reached \$39.3 billion across 1,358 deals, doubling deal values YoY. On a quarterly basis, funding totaled \$10.1 billion across 318 deals, down 16.2% from Q3. However, deal data is a lagging indicator, and we expect that deal values will tick up 5% to 10% as new rounds are captured.

More than half of the VC invested into foodtech companies in 2021 was directed into two categories: online grocers and apps & marketplaces. Investment into food e-commerce has been rising over the past decade, and the trend accelerated significantly after the onset of COVID-19 required companies to build out infrastructure to meet consumer demand. The top 12 deals by value in 2021 were all from one of these two categories.

The largest deal of 2021 was a \$3.0 billion late-stage VC round by online grocer **Xingsheng Selected** (also known as Furong Xingsheng) led by Sequoia Capital China. The company provides a community group-buying platform focused on fresh produce and grocery goods. Ultrafast was a major theme in 2021, and we logged 34 venture deals in companies such as **Gopuff**, **Gorillas**, and **Flink**. Deal count in ultrafast peaked in Q1 2021, with 12 deals logged. However, velocity declined by Q4, with only two deals logged. It remains to be seen whether this trend can maintain momentum and deliver on its value proposition in 2022.

ONLINE GROCERS*

\$18,428.7M

2021 VC deal value

102

2021 VC deal count

APPS & MARKETPLACES*

(Restaurants & other food delivery)

\$6,798.2M

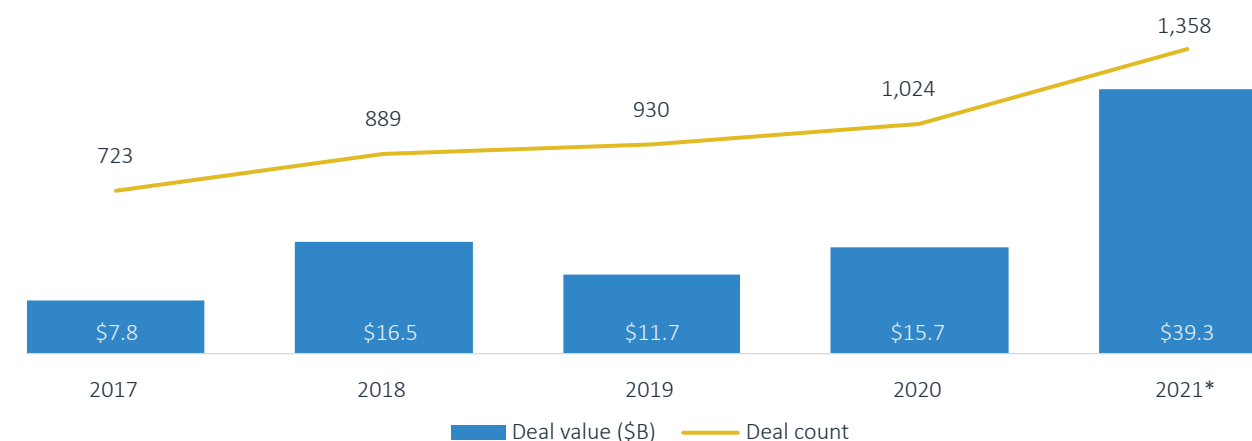
2021 VC deal value

61

2021 VC deal count

Source: PitchBook | Geography: Global | *As of December 31, 2021

Figure 1. FOODTECH VC DEAL ACTIVITY



Source: PitchBook | Geography: Global | *As of December 31, 2021

Segment overview

Bio-engineered foods

Alt-proteins log triple-digit growth propelled by healthy and environmentally conscious eating trends.

Food suppliers

Online grocery and other digital-first food providers ramp up fundraising to improve infrastructure and race to dominate new markets.

Intermediaries & delivery

Delivery robots record massive funding gains to improve food delivery profitability through automation.

Industrial & consumer tech

Companies addressing food waste see a doubling of investment activity as sustainability becomes an increasingly important value proposition.

Discovery & review

The personalized food trend leads to major funding gains.