

Cakes and Cake Bars - UK - June 2010

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What is this report about?

Cakes and cake bars represent a large and relatively mature market which Mintel values at £1.63 billion in 2009. Sales remain buoyant with in excess of two thirds of adults regularly consuming cakes according to Mintel research.

Changes in consumer attitudes towards food are raising the profile of healthy eating and are forcing many manufacturers of cakes to re-examine their range of products. Equally significant are changes to the ways that food is being consumed with the apparent contradiction of an increasingly mobile population leading an increasingly sedentary lifestyles resulting in a greater demand for smaller, individual cake portions. Cake bars, which represent a packaged solution to this problem, have seen buoyant sales as a result.

This report examines the UK retail market for ready-to-eat (RTE) cakes. It includes packaged (or wrapped) and unpackaged (or unwrapped) cakes that are kept at ambient temperatures. The market can be broadly segmented into large cakes, occasion cakes and individual cakes

What have we found out?

- The cake & cake bars market grew strongly over the last five years to reach £1.6bn in 2009, with value sales driven by rising ingredient costs and the premiumisation trend.
- Portability has emerged as a key issue for many consumers, particularly the 3 million parents with children under 4-years-old and the 3.8 million with children aged 5 to 9 years old, which has helped increase sales of cake bars and individually wrapped cakes, the fastest growing segment of the market.
- Reformulations along the lines of the fruit-based Evoid Cola, could help drive further penetration of the school lunch box market. Individually wrapped cakes and cake bars have already benefited from the perception that they are less unhealthy than crisps or chocolate.
- Cakes targeted at specific occasions such as Christmas or birthdays have out-performed the market, benefiting from a growing consumer interest in celebrations such as Easter and Halloween.
- Half of consumers like to treat themselves to cake from time to time. But this sentiment is more pronounced among older consumers and those who tend to eat/serve cake for special occasions and afternoon tea.
- Cakes are established snacks for the home but have yet to reach the same level of penetration in the on-the-go snacking market. The snacking at work occasion has the potential to broaden the existing cake user base if wrapped cakes and cake bars are given greater prominent in office vending machines.

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