

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Cake companies can look to completely new formats in their NPD (New Product Development), given the interest in these from one in four users. For example, companies could create their own versions of the hybrid sweet treats (eg cronut, duffin) which have garnered a lot of media attention in the foodservice arena.”

– Emma Clifford, Senior Food Analyst

This report looks at the following areas:

- Cake brands can encourage a wider range of usage occasions through marketing
- Exciting innovation is needed to help heighten consumer engagement with the category
- Opportunities for better-for-you cakes through sugar alternatives and healthier ingredients

The cakes/cake bars market is failing to keep pace with rival sweet snack categories, with many operators relying on low price points to buoy volume sales. This has eroded the value of the market.

This is likely to reflect the fact that cakes do not excel in any one area related to snacking. Chocolate, for example, is most likely to be perceived as indulgent and moreish, ice cream is most associated with exciting flavours and cereal bars have strong health connotations. The cakes and cake bars market also struggles to compete with other sectors in terms of its marketing activity, which largely reflects the strong presence of own-label in the market, capturing half of sales.

Innovative NPD is lacking in the cakes/cake bars market, with scope for manufacturers to look to more unusual flavours or new formats – for example the hybrid cake concept popularised in the foodservice industry – to inject more excitement into this category. The consumer data for this report suggests that such NPD should resonate.

Like other HFSS food sectors, health concerns remain a barrier for the cake market, however, NPD in better-for-you options remains limited, particularly in terms of sugar content. This opens up opportunities given that one in four users would be interested in trying cakes/cake bars with sugar replacements. Here, naturally sourced sugar replacements such as stevia are likely to resonate, given many consumers’ concerns regarding the artificial ingredients in diet products.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
oxygen@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Introduction

Definitions

Abbreviations

Executive Summary

The market

Figure 1: UK retail value sales and forecast of cakes and cake bars, 2009-19

Market factors

Strong competition dents demand for cakes

The popularity of home baking stifles sales of shop-bought cakes

The growth in over-55s continues to hinder the market

Companies, brands and innovation

Own-label accounts for over half of the cakes/cake bars market

Figure 2: Leading brands' shares in the UK cakes and cake bars market, by value, 2013/14*

Own-label continues to dominate new launches

No end to the rise in adspend in cakes

The consumer

Cakes enjoy strong family appeal

Figure 3: Types of cakes/cake bars bought or eaten in the past six months, April 2014

Cakes are most commonly eaten as a treat

Figure 4: Reasons for eating cakes/cake bars, April 2014

Cakes stand out for being good for sharing and filling

Figure 5: Most common qualities associated with different types of snacks/desserts, April 2014

Figure 6: Other qualities associated with different types of snacks/desserts, April 2014

One in three stock up on promotions

Figure 7: Attitudes towards buying cakes/cake bars, April 2014

New flavours hold strong appeal

Figure 8: Attitudes towards cakes and cake bars, April 2014

What we think

Issues and Insights

Cake brands can encourage a wider range of usage occasions through marketing

The facts

The implications

Exciting innovation is needed to help heighten consumer engagement with the category

The facts

The implications

Opportunities for better-for-you cakes through sugar alternatives and healthier ingredients

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

The facts

The implications

Trend Application

Trend: Sense of the Intense

Trend: Make it Mine

Mintel Futures: Brand Intervention

Market Drivers

Key points

Cakes and cake bars are losing out to other snack sectors

Figure 9: UK retail value sales performance of selected markets competing with cakes and cake bars, 2012-13

The boom in home baking erodes cake sales

Health concerns dampen demand for cakes

The ageing population and growth in small households present challenges

Strengths and Weaknesses

Strengths

Weaknesses

Who's Innovating?

Key points

Own-label continues to dominate new launches

Figure 10: Share of product launches within the UK cake, pastries and sweet goods market, own-label versus branded, 2009-14

Asda, Morrisons and Tesco take the lead in NPD in 2013

Figure 11: Share of product launches within the UK cake, pastries and sweet goods market, by company, 2013

Figure 12: Share of product launches within the UK cake, pastries and sweet goods market, by company, 2009-14

Cross-category inspiration

Cadbury Mini Rolls take inspiration from the ice cream category

Mondelēz moves into kids' cakes with the Barney brand

A jump in the prevalence of the 'no additives/preservatives' claim in 2013

Figure 13: Share of product launches within the UK cake, pastries and sweet goods market, by claim, 2009-14

Low levels of 'better-for-you' NPD...

...although 'diet' products risk a backlash

Supermarkets expand their gluten-free offering

Seasonal events inspire NPD, with Halloween gaining traction

Market Size and Forecast

Key points

Volume and value sales in decline

Figure 14: UK retail sales and forecast of cakes and cake bars, by value and volume, 2009-19

The future

Figure 15: UK retail volume sales and forecast of cakes and cake bars, 2009-19

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 16: UK retail value sales and forecast of cakes and cake bars, 2009-19

Factors used in the forecast

Segment Performance

Key points

A shift away from large cakes towards single-serve products

Figure 17: UK retail value sales of cakes and cakes bars, by segment, 2011-13

Figure 18: UK retail volume sales of cakes and cakes bars, by segment, 2011-13

Seasonal cakes suffer the biggest decline

Market Share

Key points

Own-label accounts for over half of the cakes/cake bars market

Figure 19: Leading brands' shares in the UK cakes and cake bars market, by value, 2013/14*

Figure 20: Leading brands' shares in the UK cakes and cake bars market, by value and volume, 2012/13 and 2013/14

Losses for Premier Foods' leading brands

McVitie's, Fabulous Bakin' Boys are all in decline

Soreen benefits from its healthier positioning and grows its share

Companies and Products

Figure 21: Selected leading companies and their brands in the cakes and cake bars market, 2013

United Biscuits (UBUK)

Background

Product range and innovation

Brand communication and promotion

Premier Foods

Background

Product range and innovation

Brand communication and promotion

Samworth Brothers (McCambridge Group)

Background

Product range and innovation

Brand communication and promotion

Finsbury Food Group

Background

Product range and innovation

The Fabulous Bakin' Boys (FBB)

Background

Product range and innovation

Brand Communication and Promotion

Key points

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

No end to the rise in adspend in cakes

Figure 22: Main monitored media advertising expenditure in total cakes and cake bars market, 2010-14

Morrisons and Aldi lead adspend

Figure 23: Main monitored media advertising expenditure in total cakes and cake bars market, by top 10 brands in 2013, 2010-14

Mondelēz supports the launch of Barny range to see it become the top-spending brand

Premier Foods cuts back on support for Mr Kipling brand

A big push from McVitie's in 2014

The Consumer – Types of Cakes/Cake Bars Purchased or Eaten

Key points

Cakes enjoy strong family appeal

Figure 24: Types of cakes/cake bars bought or eaten in the past six months, April 2014

Cakes enjoy strong family appeal

Figure 25: Consumers who have purchased any cakes/cake bars in the last six months, by presence of children and household size, April 2014

Single-serve cakes hold strong appeal

Half of adults have bought ISB cakes

The Consumer – Perceptions of Different Types of Snacks/Desserts

Key points

Cakes stand out for being good for sharing and filling

Figure 26: Most common qualities associated with different types of snacks/desserts, April 2014

Figure 27: Other qualities associated with different types of snacks/desserts, April 2014

Convenience is central to the appeal of cake bars and wrapped slices

Ice cream stands out for perception of exciting flavours

The Consumer – Reasons for Eating Cakes/Cake Bars

Key points

Cakes are most commonly eaten as a treat

Figure 28: Reasons for eating cakes/cake bars, April 2014

Special occasions spur usage among 30% of adults

Over-55s most inclined to have cake as a dessert and with a hot drink

Figure 29: Consumers who eat cakes/cake bars as an alternative to dessert and to accompany a hot drink, by age, April 2014

Under-35s most likely to associate cake with a mood boost

The Consumer – Attitudes Towards Buying Cakes/Cake Bars

Key points

One in three stock up on promotions

Figure 30: Attitudes towards buying cakes/cake bars, April 2014

Notable demand for new formats among under-45s

Baking shows can provide NPD inspiration

Sizeable pool of interest in sugar alternatives

The Consumer – Attitudes Towards Cakes and Cake Bars

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Key points

New flavours hold strong appeal

Figure 31: Attitudes towards cakes and cake bars, April 2014

A third of parents see cakes as a suitable snack for children

Added-value opportunities

A barrier to overcome for vegetable cakes

Appendix – Market Size and Forecast

Figure 32: Best- and worst-case forecasts for UK volume sales of cakes and cake bars, 2014-19

Figure 33: Best- and worst-case forecasts for UK value sales of cakes and cake bars, 2014-19

Appendix – The Consumer – Types of Cakes/Cake Bars Purchased or Eaten

Figure 34: Types of cakes/cake bars bought or eaten in the past six months, April 2014

Figure 35: Most popular types of cakes/cake eaten in the past six months, by demographics, April 2014

Figure 36: Next most popular types of cakes/cake bars eaten in the past six months, by demographics, April 2014

Figure 37: Most popular types of cakes/cake bars bought in the past six months, by demographics, April 2014

Figure 38: Next most popular types of cakes/cake bars bought in the past six months, by demographics, April 2014

Figure 39: Repertoire of types of cakes/cake bars eaten in the past six months, by demographics, April 2014

Figure 40: Repertoire of types of cakes/cake bars eaten in the past six months, April 2014

Appendix – The Consumer – Reasons for Eating Cakes/Cake Bars

Figure 41: Reasons for eating cakes/cake bars, April 2014

Figure 42: Most popular reasons for eating cakes/cake bars, by demographics, April 2014

Figure 43: Next most popular reasons for eating cakes/cake bars, by demographics, April 2014

Appendix – The Consumer – Perceptions of Different Types of Snacks/Desserts

Figure 44: Words associated with different types of snacks/desserts, April 2014

Figure 45: Most popular words associated with cakes, by demographics, April 2014

Figure 46: Next most popular words associated with cakes, by demographics, April 2014

Figure 47: Most popular words associated with cake bars and wrapped cake slices, by demographics, April 2014

Figure 48: Next most popular words associated with cake bars and wrapped cake slices, by demographics, April 2014

Figure 49: Most popular words associated with sweet biscuits, by demographics, April 2014

Figure 50: Next most popular words associated with sweet biscuits, by demographics, April 2014

Figure 51: Most popular words associated with chocolate bars, by demographics, April 2014

Figure 52: Next most popular words associated with chocolate bars, by demographics, April 2014

Figure 53: Most popular words associated with ice cream, by demographics, April 2014

Figure 54: Next most popular words associated with ice cream, by demographics, April 2014

Appendix – The Consumer – Attitudes Towards Buying Cakes/Cake Bars

Figure 55: Attitudes towards buying cakes/cake bars, April 2014

Figure 56: Most popular attitudes towards buying cakes/cake bars, by demographics, April 2014

Figure 57: Next most popular attitudes towards buying cakes/cake bars, by demographics, April 2014

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: oxygen@mintel.com

Cakes and Cake Bars - UK - June 2014

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Appendix – The Consumer – Attitudes Towards Cakes and Cake Bars

Figure 58: Attitudes towards cakes and cake bars, April 2014

Figure 59: Most popular attitudes towards cakes and cake bars, by demographics, April 2014

Figure 60: Next most popular attitudes towards cakes and cake bars, by demographics, April 2014

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: oxygen@mintel.com