This report looks at the following areas:

- The impact of COVID-19 on the baby food, drink and milk category.
- Demographic changes in society and the impact these will have on the market.
- Recent launch activity and opportunities for further innovation.
- Health benefits parents most desire from baby/toddler food and milk.
- Attributes seen as worth paying more for in baby food/drink/milk products.

Recommendations from friends/family are a powerful purchase driver, swaying the buying choices of 72% of parents of under-5s who buy and feed/give baby food and drink to their children. Persuading their users to spread the word thus offers substantial potential payback for brands, whether through discounts or marketing messages themed around shared experiences and knowledge.

The COVID-19 outbreak hit sales of baby food and drink products in 2020 by boosting scratch cooking. Shortcut cooking products such as parent/child meal kits and cooking sauces specially formulated for babies/toddlers would help companies to capitalise on this trend, which Mintel expects to continue due to permanent shifts in work patterns. Shortcut products will chime in the ‘next normal’ by allowing parents to feel part of the cooking process while offering sought-after convenience and time-saving benefits.

The pandemic’s economic effects on younger adults and projected decline in the population of 20–34s will likely ensure that birth rates continue on their downward trend of recent years. Companies therefore need to continue to innovate with products suitable for older children in order to expand their user base and look to added-value opportunities.

Functional health benefits pose an untapped opportunity in baby food. Benefits such as supporting immune health and brain development are widely valued by parents but are rare in baby food products, though well-established

“...The COVID-19 outbreak hit sales of baby food and drink products by boosting scratch cooking. Shortcut cooking products such as parent/child meal kits and cooking sauces specially formulated for babies/toddlers would help companies to capitalise on this trend, which Mintel expects to continue due to permanent shifts in work patterns.”

- Alice Baker, Senior Research Analyst

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in formula milk. Publicising their ethical attributes better also stands to win sales, with environmentally friendly packaging, sustainable production and high animal welfare all widely seen as worth paying more for. Meanwhile, 70% of baby food/drink users/buyers would pay more for products with an on-pack charity pledge.
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- Foods with functional benefits warrant further exploration
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- Develop shortcut cooking products to harness the scratch-cooking trend
- Find ways to harness the powerful influence of recommendations
- Broadcast charitable initiatives more widely

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