

# Wholegrain trends: What's new and what's next

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# Mintel's trend tracking tools

- GNPD: tracking new products around the world
- GNPD IRIS: providing an understanding of product success
- Product retrieval: delivering products to your door
- Mintel Reports: understanding the “why” behind the trends
- Menu Insights: revealing trends in menus, flavors, ingredients
- Mintel Custom Solutions: bringing it all together

# Today's presentation

- A brief look at the numbers
- A few notes on the consumer
- Key trends in wholegrain:
  - Bundling of health & wellness benefits
  - Ancient grains
  - Portion control
  - Age segmentation
  - Indulgence
- A few notes for the future

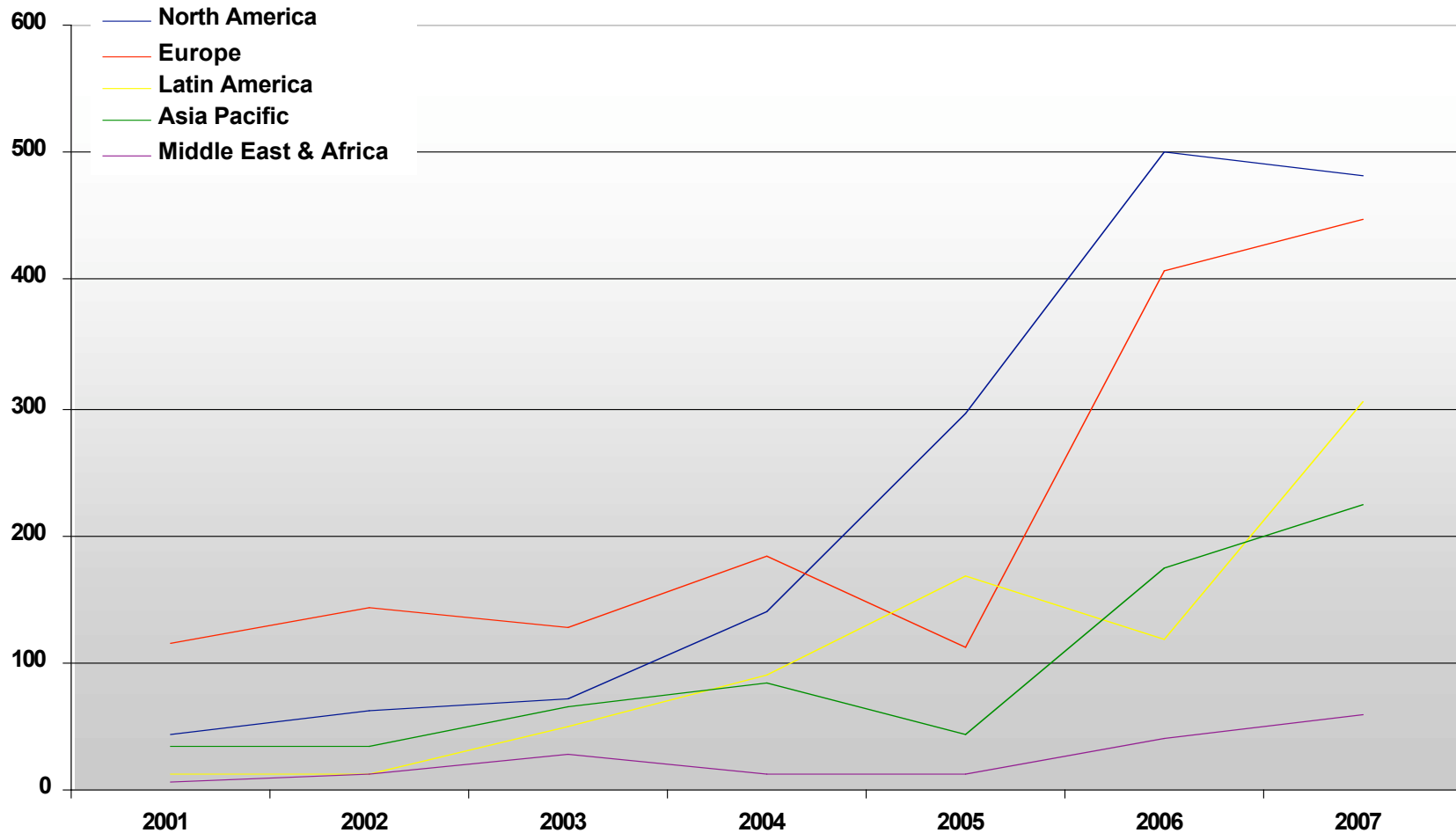
# Global wholegrain introductions continue to rise

Wholegrain introductions, global, selected subcategories, 2001-2007 (est)								
	2001	2002	2003	2004	2005	2006	2007	Total
Cold Cereals	73	61	92	126	160	326	440	<b>1,278</b>
Bread & Bread Products	49	69	74	134	129	327	310	<b>1,092</b>
Sweet Biscuits/Cookies	25	34	62	69	90	107	144	<b>531</b>
Snack/Cereal/Energy Bars	9	9	24	37	60	154	178	<b>471</b>
Savoury Biscuits/Crackers	25	37	38	62	44	97	133	<b>436</b>
Pasta	11	36	19	26	75	93	132	<b>392</b>
Baking Ingredients & Mixes	8	7	15	20	31	54	55	<b>190</b>
Hot Cereals	7	7	5	12	32	47	77	<b>187</b>
Cakes, Pastries & Sweet Goods	2	1	14	23	6	38	49	<b>133</b>
<b>Total</b>	<b>209</b>	<b>261</b>	<b>343</b>	<b>509</b>	<b>627</b>	<b>1,243</b>	<b>1,518</b>	<b>4,710</b>
<b>Source: Mintel GNPD</b>								

Source: Mintel Premier

# North America leads, followed by Europe

New products making wholegrain claims, selected categories, 2001-2007 (est)



Source: Mintel GNPD

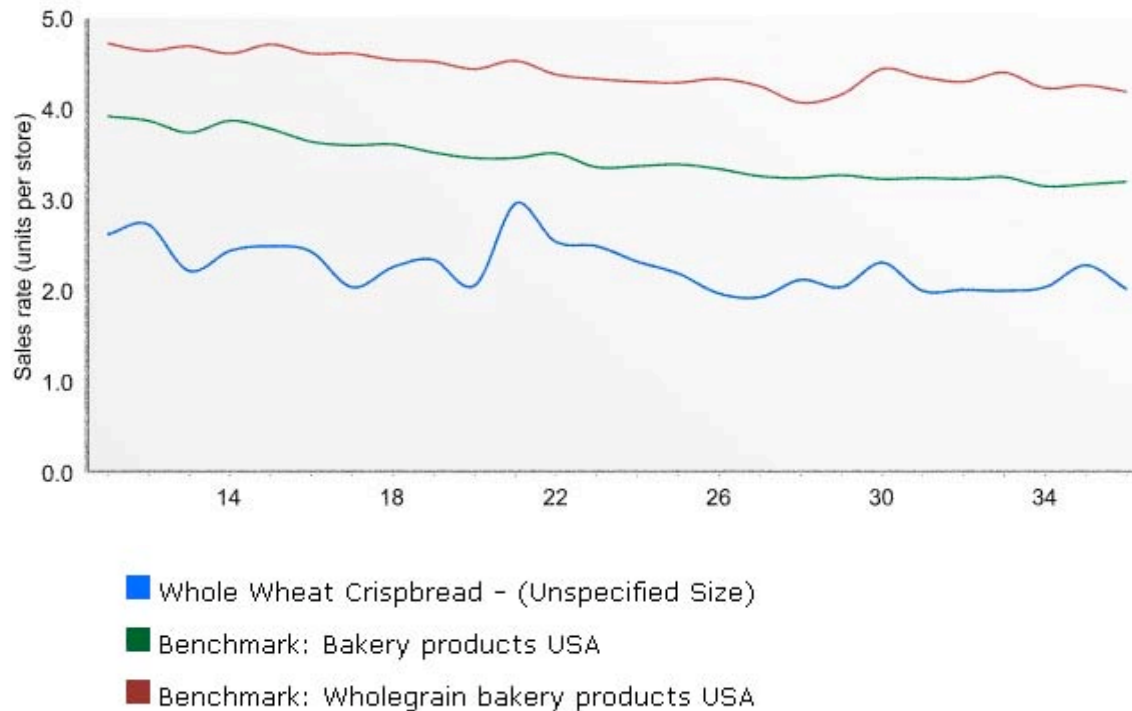
## US introductions show a small decline

Wholegrain introductions, US, selected categories, 2001-October 2007									
	2001	2002	2003	2004	2005	2006	2007	Total	% of total
Bread & Bread Products	6	13	9	39	47	124	59	<b>297</b>	13
Cold Cereals	15	7	21	30	70	68	81	<b>292</b>	24
Pasta	5	14	9	6	54	38	25	<b>151</b>	9
Snack/Cereal/Energy Bars	6	3	3	0	31	60	41	<b>144</b>	6
Savoury Biscuits/Crackers	7	3	5	11	13	22	23	<b>84</b>	8
Hot Cereals	1	3	1	4	16	22	23	<b>70</b>	22
Baking Ingredients & Mixes	0	2	7	4	10	25	20	<b>68</b>	2
Cakes, Pastries & Sweet Goods	0	0	1	6	2	28	14	<b>51</b>	2
Sweet Biscuits/Cookies	0	3	0	4	10	24	9	<b>50</b>	1
<b>Total</b>	<b>40</b>	<b>48</b>	<b>56</b>	<b>104</b>	<b>253</b>	<b>411</b>	<b>295</b>	<b>1,207</b>	<b>6</b>
Source: Mintel GNPD									

Source: Mintel GNPD

# Wholegrain bakery outperforms all bakery products

Performance, last 26 weeks

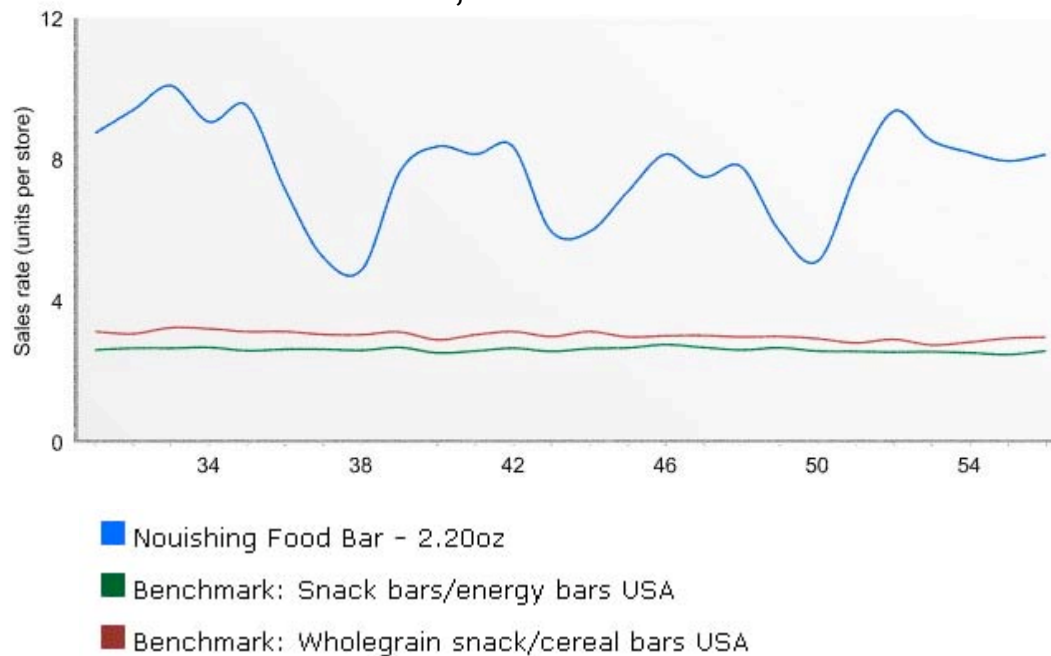


- Wasa's Whole Wheat Crispbread, USA, with 1g fiber and 8g whole grains per serving
- Bakery products with wholegrain positioning outperform all bakery products
- While this product does not perform above the benchmark, its sales pattern mirrors all wholegrain bakery products

Source: Mintel GNPD IRIS

# Wholegrain snack bars outperform the benchmark

Performance, last 26 weeks



- Odwalla's Choco-walla Nourishing Food Bar, USA
- This bar significantly outperforms all snack bars, and snack bars with wholegrain positioning
- Note that wholegrain positioning performs only slightly better than all snack bars

Source: Mintel GNPD IRIS



# Consumers choose wholegrain for health and variety

<b>Reasons for eating more whole grain bread than last year, by age, June 2007</b>							
	<b>All</b>	<b>18-24</b>	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>55-64</b>	<b>65+</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
I am buying more whole grain bread because it is healthier for me than most other breads	<b>92</b>	86	90	90	93	98	97
I switched to whole grain bread from another kind of bread	<b>78</b>	73	75	79	79	83	83
I am buying more whole grain bread because there are more whole grain bread choices	<b>77</b>	64	72	78	79	86	83
I am eating more bread in general	<b>41</b>	54	52	47	37	26	23
Base: 999 adults aged 18+ who are eating more whole grain bread than last year							
Source: Mintel/Greenfield Online							

Source: Mintel Premier

# Consumers say they eat more wholegrain breads

<b>Attitude and behavior when purchasing bread, by age, June 2007</b>							
	<b>All</b>	<b>18-24</b>	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>55-64</b>	<b>65+</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
I pay more for bread than I did last year	<b>69</b>	58	63	68	74	73	77
I buy more “premium” bread than I did last year	<b>44</b>	44	45	45	45	43	41
Bread in the supermarket aisle is generally healthier than it was a year ago	<b>69</b>	67	68	73	67	69	72
I am eating more bread that is advertised as whole grain than I was last year	<b>55</b>	60	61	56	55	49	49
I would buy new/different packaged breads from the bread aisle of my supermarket if I could sample them first	<b>67</b>	69	72	73	66	62	56
I normally read the list of ingredients on bread packaging before making a purchase	<b>47</b>	36	42	42	49	55	55
Base: 1,814 adults aged 18+ who had bought bread in past two weeks							
Source: Mintel/Greenfield Online							

Source: Mintel Premier

# Wholegrain an important attribute for cereal

Rating cereal attributes as “important or very important”, by age, July 2007							
	All	18-24	25-34	35-44	45-54	55-64	65+
	%	%	%	%	%	%	%
Taste	<b>94</b>	96	94	92	97	94	93
Price	<b>72</b>	74	75	73	74	70	65
<b>Whole grains</b>	<b>66</b>	<b>59</b>	<b>62</b>	<b>59</b>	<b>71</b>	<b>69</b>	<b>79</b>
Vitamins	<b>58</b>	56	64	58	64	54	52
Fiber content	<b>58</b>	40	56	56	62	64	68
Sugar content	<b>56</b>	42	57	54	60	60	64
Protein	<b>55</b>	52	53	53	57	53	59
Carbohydrates	<b>46</b>	42	44	44	48	48	53
Base: 1,780 consumers aged 18 and older who have eaten cold/hot breakfast cereal in the past three months							
Source: Mintel/Greenfield Online							

Source: Mintel Premier

# Key trends in wholegrain products

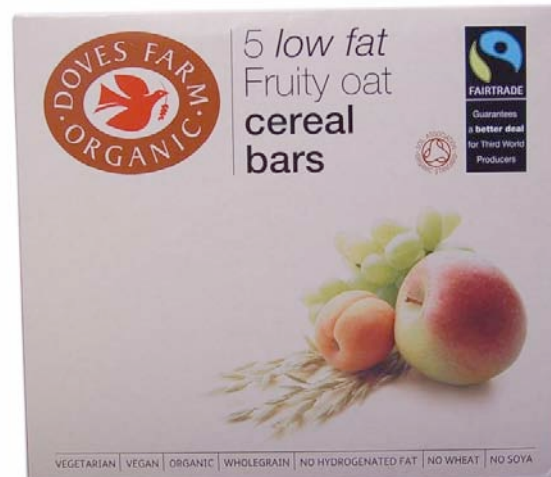
- Bundling of health & wellness benefits
- Ancient grains
- Portion control
- Age segmentation
- Indulgence

# Wholegrains plus fortification



Kraft's Post Honey Bunches of Oats breakfast cereal, USA, also promoting its vitamin and mineral content; Hodgson Mill's Multi Purpose Baking Mix, USA, made with whole grains, and gluten free; Attune Foods' Wellness Bar, USA, with added probiotics

# Wholegrain and other positive benefits



Kellogg's Special K Sustain breakfast cereal, Ireland, designed to "keep the consumer satisfied for longer;" Doves Farm Foods' Fruity Oat Cereal Bars, UK, Fairtrade and formulated for vegans; Peaceworks' Kind Fruit + Nut Bars, USA, with a portion of profits going to support an organization that encourages peace in the Middle East

## Wholegrain and organic



Tesco's Organic Spelt and Honey Biscuits, UK, made with organic wholegrain spelt flour; Jordans' Organic Granola breakfast cereal, UK, also in biodegradable packaging

# Wholegrain and ancient grains



Hain-Celestial Group's Arrowhead Mills Ancient Grain Cereal, USA, made with spelt, quinoa, barley, amaranth, and millet;  
The Food Doctor's Flame Grilled Chicken & Quinoa Pilau, UK



# Wholegrain and segmentation



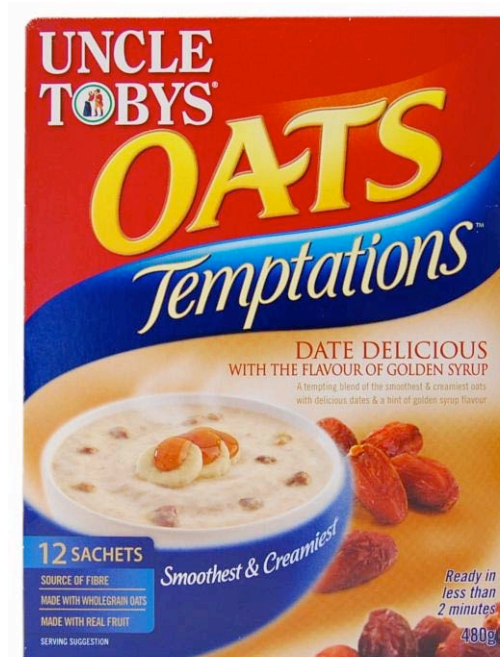
Renks Industrial's Soyos Woman Care Wholegrain Soy Bar with Chocolate Coating, Brazil; Clif Bar's Clif Kid Organic Z Bar, USA, made with wholegrains and no artificial colors or preservatives; Hain-Celestial Group's Earth's best Organic Mini Waffles, USA

## Wholegrain and portion control



Kraft Foods' Nabisco 100 Calorie Pack Chips Ahoy! Chewy Granola Bars; Kihn Do's Sea Creatures Bite Size Crackers, Taiwan, in a box of eight 38g packs, fortified with DHA

# Wholegrain and indulgence



Dorset Cereals' Really Nutty Muesli, Canada, luxury breakfast cereal with cashews, almonds, and apricots; Uncle Toby's Oats Temptations instant oatmeal, New Zealand; Danone's Lu Noir Extrême Mint Cocoa Biscuits, USA and Europe

## Notes for the future

- Expect to see the flattening of new product introductions with wholegrains in the US to remain, as the market is saturated
- Opportunity may lie in other categories, including dairy and beverage
- However, expect to see continued growth elsewhere, especially in Europe and Latin America
- Potential lies in adding more benefits to products that are wholegrain:
  - Positive nutrition (e.g. fortification)
  - Social responsibility
  - Indulgence

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