Ice cream: differentiation through flavour

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Ice cream: differentiation through flavour, by Euromonitor International According to the latest research from Euromonitor International, sales of ice cream in Western Europe reached US$20.3bn in 2004, a decrease of 0.4% from the previous year. This stagnant value growth is the result of several key factors, including maturity of demand, concern over dietary issues and increasing competition from private label within the grocery channel.

With private label manufacturers increasingly focusing on single, traditional flavoured ice cream, Western Europe manufacturers are opting to increase differentiation for premium products by introducing new lines featuring unusual combinations of flavours. This trend is currently known in the industry as the â€˜premiumisation of flavourâ€™ and is aimed at a more demanding consumer, willing both to experiment with new taste sensations and to pay a higher price for more sophisticated products.

Western Europe presents varied landscapeThere is a varied landscape of flavours in Western Europe, depending on the country in question. Euromonitorâ€™s research shows that in Spain, artisanal and industrially produced ice creams are perceived differently by the consumer and do not always show the same trends. Artisanal ice creamâ€™s most popular flavours in Spain, for instance, remain chocolate, vanilla, strawberry, lemon, traditional "turron" and coffee. By contrast, coffee is less popular within industrially produced ice cream, and cream remains one of the most popular flavours among Spanish consumers. Nevertheless, the greater sophistication of super-premium bulk ice cream is increasingly changing Spaniardsâ€™ preferences, and cookie-flavoured ice cream is gaining in popularity.

In France, on the other hand, the most popular flavours in both artisanal and industrially produced ice cream are chocolate, vanilla and fruits of the forest. Similarly, vanilla remains the most popular ice cream flavour in the United Kingdom. This is primarily due to the versatility of vanilla ice cream, which can be served on its own, with another dessert, or with other flavours of ice cream. The next most popular flavour is chocolate and its variants (such as double choc chip), which accounted for a 26% share of volume sales in 2004, according to Euromonitor Internationalâ€™s estimates. Interestingly, the most popular flavours of artisanal ice cream in Italy are nuts, chocolate, coffee, lemon, strawberry and stracciatella, which contrasts with industrial ice cream, where the most popular flavours are vanilla and chocolate, followed at a distance by nuts and coffee. Belgians, on the other hand, favour very traditional flavours like vanilla, chocolate, mocha and caramel, both in artisanal and industrial ice cream.

Pleasurable experimentationIn a sector struggling to achieve added value, Euromonitor International sees the â€˜flavour cardâ€™ playing a pivotal role among manufacturers. Ice cream is associated with pleasure and experimentation, in this case, of flavours unfamiliar to the consumer. The new concept of mixed sensation-based pleasure is reflected in the names of recent developments. Prominent examples in 2004 include Frigoâ€™s â€˜Cornetto Love passionâ€™ in Spain, or Unil â€˜Seven Sins intense pleasureâ€™ in the Netherlands. Words evoking sensuality and pleasure sensations are becoming, therefore, an integral part in the labelling of the new flavoured lines.

The introduction of new flavours, even if varying largely from country to country, follows a common pattern. They are often used as ingredients in other products such as chilled desserts and thus they are not totally unknown to the consumer. Yet by combining flavours, mixed sensations are created which are difficult to identify, adding allure for the consumer. Mixed sensation help to create a feeling of â€˜mysteryâ€™ in the product, which adds to the pleasure of its consumption. Cornetto Love Passion, introduced in the Spanish market by Frigo in mid 2004 is a clear example of this. This line offers versions such as hazelnut-stracciatella and tiramis?-cinnamon, combining nut and herbal flavours with traditional Italian ingredients used in ice cream. Combinations of familiar and unfamiliar flavours are a growing trend in Germany as well. One of the most recent examples in 2004 is Nestle Sch?llerâ€™s new ice cream creation Schokolade Orange, a chocolate and orange ice cream refined with spices for a unique exotic taste.

Exotic flavours short-lived?Though the inclusion of exotic flavours is gaining ground in most Western European countries, its survival is highly dependent on fashion. The Italian market is a clear example. According to a recent survey conducted by the Italian Ice Cream Trade Association (AIG), relatively unusual flavours, such as pink pepper, chilli and nutmeg, are increasing in popularity, with nuts and chocolate also being confirmed among the most in-demand. However, some exotic flavours introduced just a few years ago such as kiwi, papaya and coconut, are reportedly declining. The latter exemplifies a current trend in the industry, where recently introduced exotic flavours are tending to be short-lived and replaced immediately by new, more fashionable ones.

Fruity flavours: Satisfying the health as well as the pleasure needA further trend in Western Europe is the increasing importance of fruit flavours, which are perceived as healthy as well as pleasurable. Itâ€™s the most prominent examples of this trend are found in countries such as France and United Kingdom. In France, Cogesal Miko expanded in 2004 its range of bulk ice cream Carte dâ€™Or by adding four new mixed fruit flavours, including pieces of biscuit, with recipes endorsed by the well-known food catering company Len?tre. Fruit-flavoured dairy-based ice cream is also growing in popularity in Germany. Movenpickâ€™s ice of the year Creme Ricotta Pfirsich, introduced in 2004, is a combination of conventional peach flavour with cream cheese. In the Netherlands, a new Orange Fresh flavour of the brand, Solero was launched the same year, aimed at those people willing to eat more fruit as the formula contains 50% fruit and less fat. The former variant Solero Exotic was also improved with more emphasis on fruit and health, as the ice cream is enriched with 35% fruit and contains only 4% fat.

Finally, and parallel to the introduction of more sophisticated flavours, Euromonitor Internationalâ€™s research has found that the industry has been focusing on the development of transparent packaging, showing better the combination of colours and toppings of the novelties presented. This trend applies particularly to Italy, but is expected to extend rapidly to the rest of Western Europe

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