

Barrel Of Laughs For Biscuit Industry As Market Increases 22% Over Past Five Years

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A hot drink and a biscuit - a partnership unrivalled by no other - and indeed it seems Brits can't resist, as latest research from Mintel reveals more than half (54%) the nation admit to enjoying a biscuit with their cuppa.

Furthermore, with sales of biscuits, cookies and crackers having increased 22% over the past five years to reach a delicious Â£2.2 billion in 2010, the overall UK biscuit market is set to make a packet, as Mintel forecasts sales to grow a further 15% to reach Â£2.6 billion by 2015.

This year the sweet biscuit market alone is forecast to reach Â£1.9 billion, having increased a sensational 20% between 2005 (Â£1.6 billion) and 2010 (Â£1.9 billion) and is further projected to grow a mouth watering 16% in the next five years, to reach Â£2.2 billion by 2015.

While almost 86% of us indulge in a sweet biccie, this rises to nine in ten (89%) 45 to 54 year olds. However, they are less of a temptation to 16 to 24 year olds where usage falls to eight in ten (80%) of this age group.

Amy Lloyd, Senior Food & Drink Analyst at Mintel said:

“The UK biscuit industry has benefited from consumers reaching for the biscuit barrel throughout the recession, although rising commodity costs and an inability to appeal to a younger and more discerning consumer base are threatening the market. The ritualistic nature of eating biscuits with a hot drink appeals to consumers, demonstrating how ingrained this occasion is within British culture but emphasising the need for the biscuit category to expand beyond the tea-drinking audience.”

Half-coated biscuits (such as chocolate digestives) and individually wrapped varieties are in joint first position as the nation's favourite sweet biscuit - more than one in two (53%) Brits have brought one or other of these in the past year.

The next most popular biscuits are cookies (such as chocolate chip cookies) these are enjoyed by more than four in ten (42%) of us, while cream biscuits (such as Custard Creams) take third position (39%). Meanwhile, sweetmeal or wholemeal biscuits are in at fourth place (36%) and tea biscuits take fifth place (34%).

Within the market, 'healthier' biscuits (which include lower fat and sugar varieties) dominate sector sales (Â£468 million), accounting for as many as a quarter of all sweet biscuits sales and increasing an impressive 16% between 2008 and 2010. Meanwhile, 'chocolate biscuit countlines' (biscuits which are individually wrapped) are the second biggest sellers (Â£381 million), followed by 'everyday treat' biscuits, the third largest sector at Â£304 million.

However, it is bad news for the family favourite, the seasonal biscuit selection box - as sales of 'seasonal' biscuits have taken a tumble. Valued at Â£190 million in 2008, sales dropped by as much as 11% over the past two years to Â£170 million in 2010.

While the majority of Brits can't resist a sweet biscuit, savoury biscuits are slightly less popular, eaten by almost seven in ten (68%) Brits last year.

Valued at Â£381 million in 2010, the market for savoury biscuits grew a cracking 32% between 2005 and 2010, with sales set to reach Â£386 million by the end of 2011. Sales of savoury biscuits are expected to see growth of 12% between 2010 and 2015 to reach Â£428 million.

And it is Cream Crackers which are the nation's number one savoury biscuit choice (with 44% of consumers choosing this type). Cheese biscuits rank in second place (40%) and rye crackers are the nation's third most popular savoury biscuit choice (25%).

Breadsticks and cheese straws rank in fourth place (22%) while savoury assortments are the fifth most popular choice (20%).

Source: Mintel Oxygen Reports

Region: UK - May 2011