Baby Food Is Heating Up In The Kitchen In UK...

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As four in ten parents make more home cooked food

While the baby food and drink market has been better insulated from the economic downturn than many others, new research from Mintel finds tighter household budgets have driven as many as four in ten (41%) parents to making more home-cooked food for their babies and toddlers.

In the last decade, the British baby food and drink market has evolved unrecognisably â€“ giving parents greater choice than ever before. Sales of baby food, drink and milk have performed well and over the past five years alone the market has shot up in value by a healthy 51% to reach Â£611 million in 2012. But while value sales are thriving, usage is slowing as Britainâ€™s mums and dads swap manufactured baby food for homemade alternatives, the number of parents with children aged under one using baby food peaked at 76% in 2009 and reduced to almost two thirds (65%) in 2011.

Over the next five years, baby food and drink is forecast to increase in value by 15% to hit Â£703 million in 2017, fuelled by an increase in the average selling prices of these products. In terms of volume sales, however, sales will decrease by 3%, from 97 million kg in 2012 to 94 million kg in 2017, as birth rates are expected to turn to a slow decline, and scratch cooking continues to pose intense competition to the market.

Emma Clifford, Senior Food Analyst at Mintel said:
â€œWhile parents economise in other areas in response to squeezed incomes, their unwillingness to accept anything but the best for their little ones has insulated the market from the economic downturn to a certain degree. The fact that growing numbers of mothers are returning to full-time employment makes the speed and convenience of prepared baby food a necessity in their hectic lives. However, home cooking is one of the biggest challenges facing the baby food market. Perceived as a safer, cheaper and a more controllable alternative to manufactured baby food, home cooking offers health-conscious parents greater peace of mind, with much of the switching having been fuelled by cost considerations.â€•

â€œGiven the high churn in the market, continued investment in product promotion will remain key to attracting new users into the category. Parents are only in the market for baby food for something like 6 months, or a bit longer for convenience, even the established brands have to keep rebuilding awareness, as their customer base keeps moving out of the market.â€• Emma continues.

Within the market, the wet and dry baby food sector (such as meals, desserts and cereals) enjoyed impressive value growth of 35% between 2007 and 2012 to reach Â£192 million. Although much smaller than the wet and dry baby food sector, the value of the baby snacks market (including rusks, baby rice cakes, biscuit and fruit snacks) has soared by 65% since 2007 to reach Â£53 million in 2012.

Meanwhile, the baby milk market continues to grow, increasing by 12% and 66% in terms of volume and value respectively between 2007 and 2012 to reach Â£355 million. By contrast, plagued by concerns over the healthiness and price of baby juice drinks, the baby drinks market contracted by 24% between 2007 and 2012 to Â£11.7 million.

Today, seven in ten (69%) parents like to introduce diverse flavours into their infantsâ€™ diets to evolve their sense of taste. And although parents want to know exactly what they are feeding their children, those who say they always read the ingredients of baby food are in the minority (36%) as the majority seem to place their trust in brandsâ€™ product claims. Baby juice drinks suffer from the perception among a minority of parents that they are overpriced (33%) and high in sugar (23%) effectively curbing uptake. Meanwhile, less than three in ten (28%) parents trust organic baby food more than non-organic.

Source: Mintel Oxygen Reports

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