

# Organic Foods The Key To Baby Food Market

Contributed by Mintel

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Toddler and Organic Foods Key to Reviving Slowing \$3.5 Billion Baby Food and Drink Market;  
Organic Baby and Toddler-Focused Food Products Show Possible Signs of Sales Relief in Declining Market

Chicago (October 26, 2006)â€” According to a new Mintel report, the baby food and drink market is forecast to increase modestly over the next five years. The market, estimated this year at \$3.5 billion, is predicted to only reach \$3.6 billion in 2011. With birth rates not expected to rise dramatically, companies are looking for new options to boost sales within the baby food and drink market. Toddler-focused foods and organic products are new avenues that manufacturers can explore to address new markets within the category.

There is a major opportunity to increase category sales through toddler-focused food and drink products. According to the report, more than 60 percent of respondents who have kids age three or under at home said that they use or plan to use a combination of adult foods and specially-made toddler foods. An additional 14 percent said they use or plan to use only toddler foods to feed their child.

â€œThere is a stronger emphasis placed on nutrition and combating obesity in the younger years than ever before,â€• said Erin Fowler, analyst for Mintel. â€œParents are looking for the proper nutritional mix for their children earlier. However, they are still feeling the pressures of a time-deprived society, so more convenient offerings that can promote better health for toddlers are a necessity.â€•

According to survey results, moms who use or plan to use toddler foods value the fact that these products are nutritious and convenient. Also, 60 percent said they choose these foods because they are easier for toddlers to grip and feed to themselves.

Like toddler-oriented products, the organic baby food and drink category has experienced growth and is positioned for greater development. Premium prices have supported sales growth for several organic brands. According to Mintel, on average, organic baby foods cost roughly 69 percent more than conventional varieties. The healthy images organic brands portray have influenced some moms to open their wallets a little wider. Additionally, the majority of moms (61%) surveyed by Mintel say a food being â€œall naturalâ€• is â€œvery importantâ€• when they are choosing baby foods and drinks.

â€œMoms want to feed their babies foods they know are close to their natural state,â€• said Fowler. â€œThey want foods to be prepared just how they would prepare their babyâ€™s food, if they had the time and opportunity.â€•

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