

Cakes - US - June 2004 (\$2995.00)

The \$4.4 billion cakes market grew 33% from 1998 to 2003, registering an average of 5.8% growth per annum. Expanding far beyond traditional cakes and pies, the market is growing as an impulse category with snack cakes, cupcakes and brownies leading the way in terms of market sales. Growth in the market is driven by taste trends, convenience, new product innovation, and influenced by diet and health concerns.

Categories that offer the greatest quality and indulgent product variations, considering all formats from single-serve or low sugar, are experiencing the most gains. The most prominent example of this is found in the rapid growth of ISB cake sales, which grew 11.8% from 2001-2003 and increased market share to 57%.

Among the top national suppliers, new product innovation has been somewhat limited over the review period and is certainly a factor behind sluggish sales.

Mintel predicts that growth for the cakes market will be closely tied to manufacturers' ability to produce new products catering to the varied and changing tastes of American palates. Understanding consumer attitudes is critical in formulating an effective marketing strategy. For example, any cake products that are able to capitalize on convenience (i.e. single-serve portions) as well as offer premium quality and ingredients will be well received. In addition, any positive health attributes or diet offerings will surely provide at least a spike in sales as consumer interest in such diet trends as low carb remains prominent. Success for the market will involve the ability of suppliers to create products that have crossover appeal and can translate into multiple eating occasions-from snack to dessert or even a breakfast option.

Mintel's original research delves into consumer attitudes about the cakes market. Types of desserts purchased, reasons for purchase, and where such products are purchased are all analyzed in depth according to demographic characteristics such as age, gender, income and ethnicity. In addition, important market factors are discussed, such as diet trends, changing demographics and the trends toward convenience and decadence.

This report covers the sale of ready-to-eat (RTE) cakes through food, drug and mass merchandiser channels, and includes the following products:

- Cakes
- Pies
- Brownies
- Cupcakes
- Cheesecakes
- Snack cakes
- Sponge cakes

Included are products that are pre-packaged and usually kept at room temperature, but may be refrigerated. Cakes, pies, brownies and all the aforementioned products offered by in-store bakeries are also included.

Excluded from the report are:

- Products generally considered breakfast foods, such as coffee cake, danish, pastry, muffins, and doughnuts
- All cake mixes and pie crusts
- Cookies
- Cakes for the catering market
- Frozen cakes, pies and desserts

Other Mintel reports of relevance include:

- Baking Mix - US - January 2002

- Frozen Desserts - UK - February 2002
- Cake Bars and Cereal Bars - UK - February 2002
- Kids' and Teens' Eating Habits - US - May 2002
- Cakes - UK - July 2002
- Home Baking - UK - August 2002
- Refrigerated Dough - US - September 2002
- Cereal Bars - US - September 2002
- Children's Packed Lunches - UK - December 2002
- Morning Goods - UK - March 2003
- Bread, Cakes & Biscuits - UK - April 2003
- Changing British Diet - UK - May 2003
- Children's Snacking Habits - UK - May 2003
- Children's Snacks - UK - July 2003
- Healthy Snacking - US - July 2003
- Kid's Snacking - US - August 2003
- Crackers - US - September 2003
- Children's School Meals - UK - September 2003
- Non-Sweet Biscuits - UK - October 2003
- Sweet Biscuits - UK - October 2003
- Store Brand Foods - US - November 2003
- Children's Eating Habits - UK - December 2003
- Frozen Desserts - US - January 2004
- Bread - US - February 2004
- Frozen Desserts - UK - February 2004
- Salty Snacks - US - March 2004
- Low Carb - US - May 2004
- Sugar Confectionery - US - May 2004