



Hot and Cold Cereal Market Trends October 2020



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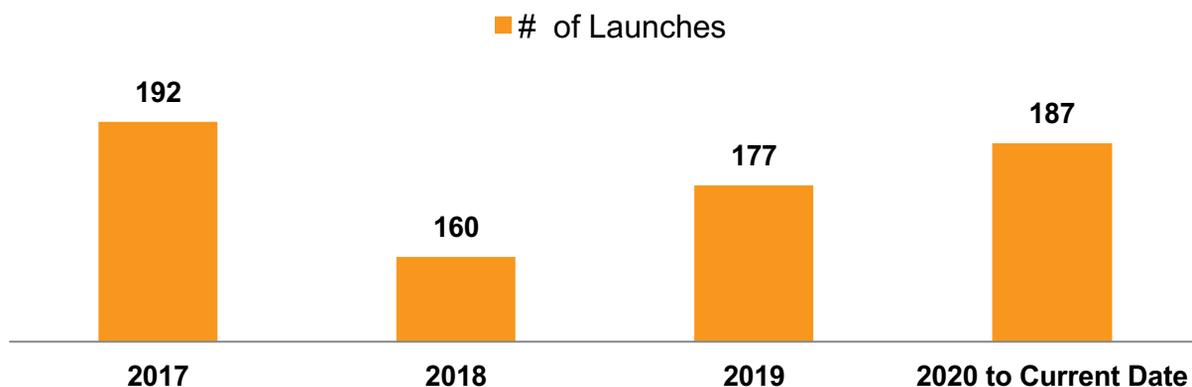
Source:
Patty Avila, Mintel, Contributing Editor
Mintel Global New Products Database (GNPD)



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US: # Hot and Cold Cereal Launches with Fruit, January 2017- October 2020



US: Top Fruit Ingredients in Hot and Cold Cereal Launches, January 2017- October 2020

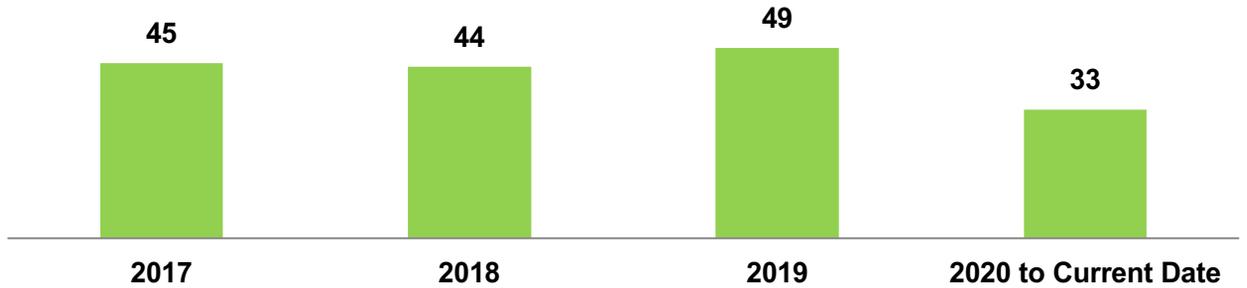
Fruit	2017	2018	2019	2020	% change: 2017 - 2019
Raisins	51	38	37	35	-27%
Apple	39	38	40	27	3%
Blueberry	33	24	34	31	3%
Cranberry	33	28	29	28	-12%
Strawberry	28	20	17	21	-39%
Date	14	11	19	17	36%
Banana	14	9	18	16	29%
Raspberry	15	11	7	15	-53%
Apple Juice Concentrate	13	9	6	5	-54%
Luo Han Guo Extract	1	2	9	19	800.00%



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US: # Hot and Cold Cereal Launches with Apple Ingredients, January 2017- October 2020

■ # of Launches



Consider a pivot to snacking

Better-For-You hot cereal and cold cereal brands may want to consider how they can permeate the snacking occasion long-term to establish themselves outside the breakfast occasion. According to *Snacking Motivations and Attitudes – US, January 2019*, consumers look for a mix of fun and function in snacks; nearly equally driven to treat themselves or to satiate hunger.

More than a third of cereal eaters find cereal to be healthier than other snacks. For less-flavorful options like steel cut oats, recipe content that encourages adding fruit, natural sweeteners like maple syrup, juice concentrate, or other toppings can encourage consumers to make these options more of a treat by taking flavor into their own hands. Packaging is also something brands may want to consider when targeting the out-of-home snack occasion.





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2020 Hot and Cold Cereal Launches



Cascadian Farm Organic Cinnamon Apple Granola contains wholegrain oats, date powder, apples, and cinnamon, and is sweetened with fruit.



Real Made Apple & Coconut Overnight Oats contain thick-cut rolled oats, apples, raisins, almonds, chia, dates, and coconut.)



This cereal is made with fruit and North American grains. It contains 10 layers of wheat, 6g of fiber and 41g of whole grain.

Nutrient-dense options can edge into Better-For-You Snacking

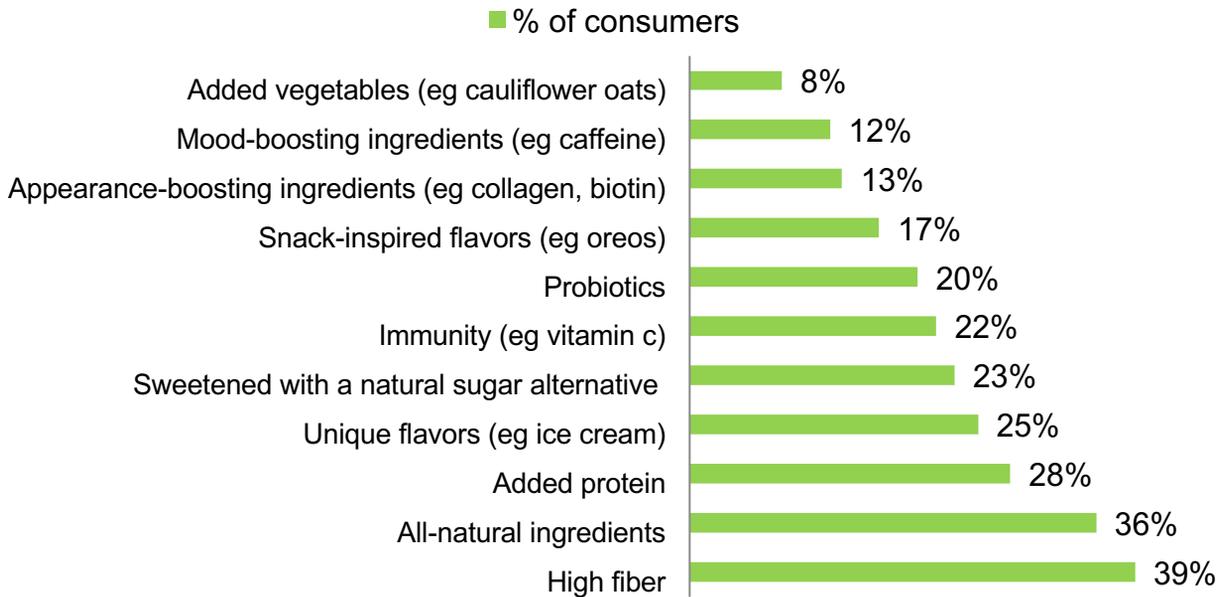
Healthy cereal can provide value in its versatility in the COVID-19 moment by serving as not only a breakfast but also a nutritious snack. This positioning will especially resonate during a recession when consumers are tightening the budget and purchasing products with the most versatility across meal and snack occasions. According to *Breakfast Foods: Including the Impact of COVID-19, US, September 2020*, 25% of breakfast eaters agree that it's boring to eat the same thing every day and edging into the BFY snack occasion can give variety-seeking consumers license to have on hand a broader array of cereals to rotate in their mornings and use throughout the day.

Products like muesli, high-fiber cereal and oats are all good contenders for the BFY snack occasion, as consumers who eat those are more likely to agree that cereal is healthier than other snacks.



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"Which of the following would motivate you to try a new cereal? Please select all that apply."



Inspire product trial with Better-For-You

The features that have the widest appeal to motivate consumers to try a new cereal relate to simple nutrition. More so than flavor or functional benefits like immunity, consumers want high fiber, all-natural ingredients, and protein. Particular attributes such as mood-boosting or appearance-enhancing ingredients have very limited appeal on their own. Innovation for the general market should focus on providing good nutrition through natural ingredients, whether that's whole grains for digestive benefits or nut butters for added proteins.

While BFY innovations are the leading motivators for trying new cereals, they are not the answer for all types of products. Consumers of healthier cereals, especially ancient grains, and granolas, are much more likely to be motivated to try new cereals with the top health-related factors like fiber or natural ingredients.



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Top Flavors for Hot and Cold Cereals with Fruit Ingredients

Here are the most frequent flavors used in new launches and the flavors that resonate most with consumers based on purchase intent.

Ranked by # of Launches			
Rank	Flavor	# Launches	Purchase Intent
1	Apple & Cinnamon	61	44.4%
2	Berry	36	41.4%
3	Raisin	34	47.2%
4	Blueberry	28	34.0%
5	Unflavoured/Plain	26	31.2%
6	Fruit & Nut	19	42.1%
7	Strawberry	16	39.4%
Ranked by Purchase Intent			
Rank	Flavor	# Launches	Purchase Intent
1	Berry & Peach	1	73.0%
2	Almond & Apple & Raspberry	1	70.0%
3	Almond & Pecan & Cherry	1	63.0%

