Biscuits, Cookies & Crackers

The Consumer
Almost nine in ten consumers use sweet biscuits, with individually wrapped biscuits such as Kit Kat and half-coated varieties such as Digestives the most popular types. Savoury biscuits are used by almost seven in ten consumers, with over two fifths opting for cream crackers.

Usage of sweet biscuits peaks amongst women, the over-35s and those in the D demographic, while for savoury (non-sweet) biscuits this is biased towards the over-35s and those in the lowest socio-economic groups.

Market Factors
With usage skewed towards the over-35s for sweet biscuits and over 55s for savoury, barring supermarket Own-label operators, which are now not only competing using lower prices but also higher-quality products.

Companies, Brand and Innovation
Own label continues to account for almost one quarter of the biscuits, cookies and crackers market, dominating both in terms of sales and share as consumers look to trade down on price.

The Market
With more men doing the weekly shop and more than two fifths (43%) of men snacking between meals, repositioning savoury biscuits and crackers as a versatile snacking option that has a longer shelf life than bread and therefore requires less frequent replacement; creating smaller sized biscuits or positioning savoury biscuits and crackers as a suitable alternative to crisps or chips and dips while watching sports would help to engage the male user.

BISCUITS, COOKIES & CRACKERS USED IN THE LAST 12 MONTHS BY GENDER

Savoury biscuits

Usage remains infrequent and predictable however, and the challenge is to increase regular occasions and broaden the appeal of sweet biscuits beyond accompanying a hot drink.

Those eating sweet biscuits with a hot drink

Those that like to try new flavours/varieties by gender

Wider appeal of savoury biscuits

What we think
Rising commodity costs, supply issues and any decline in promotional activity will affect the market over the next few years.

With consumer usage already experiencing high penetration levels, the challenge will be to increase occasions beyond accompanying a hot drink for sweet biscuits and beyond Christmas for savoury biscuits. There is also a pressing need to broaden the consumer base to appeal to younger people.

Brands will continue to face increasing pressure from own-label operators, which are now not only competing using lower prices but also higher-quality products. Further investment in above-the-line support will keep brands front of mind and innovation that focuses on the out of home market will help to grow the category.

Trading in 2011 is likely to be stable although continuing price inflation will affect consumer confidence on discretionary spending.