



CHILDREN'S BREAKFAST CEREALS

OVERVIEW

Looking at all four years examined in this report (2009-2012), 2010 saw the most new product launches for children's breakfast cereals (37), and the fewest in 2012 (22).

While there were products that launched with some unique flavors, many classic flavors continue to dominate the market. Chocolate continues to be one of the most popular flavor for children's breakfast cereals. Perhaps this is because 31% of kids ages 2-17 have a heavy influence on what they eat for breakfast according to a recent NPD Group report. (Harry Balzer, NPD chief industry analyst, attributes this influence to manufacturers targeting children with cereal marketing.)

Nutrition has taken center stage as a very important issue with children's breakfast cereals. While it's now widely agreed upon that eating breakfast is important, recent studies on sugar and children's health have parents turning a more watchful eye onto what their kids eat.

All data featured in this report is based on the search criteria: Jan. 2009-Dec. 2012, North America, Breakfast Cereals, Claim: Children (5-12).

PRODUCT LAUNCHES

There were 108 total launches in this category between Jan. 2009 and Dec. 2012. Over this four year period, 2012 saw the launch of the fewest breakfast cereals than any other year:

- 2009 saw 25 new product launches
- 2010 saw 37 new product launches
- 2011 saw 24 new product launches
- 2012 saw 22 new product launches

FLAVORS

Only nine out of 29 flavors found saw an increase in launches from 2011 to 2012. A few of these flavors are almond, cinnamon, peanut butter, strawberry and yogurt. Of these nine flavors, almond, peanut butter, and yogurt were only launched in 2012 and no other years.

CHOCOLATE FLAVOR

Chocolate flavored cereals continue to be one of the most popular flavors for breakfast cereals despite falling 60% in popularity in 2012. This flavor's recent downward spiral could be attributed to the image that accompanies products with this flavor. Many chocolate flavored cereals are thought of as high in sugar and calories and low in nutritional value. With products such as CoCea Puffs Brownie Crunch it is easy to see why chocolate flavored cereals have earned a stigma, especially when several large companies have made the news over the past few years for their efforts to launch healthier more wholesome products.

General Mills is actually one of these companies. It announced in October 2012 that it would "reduce the sugar content of 20 Nestlé breakfast cereal brands popular with children and teenagers to 9 grams or less per serving by the end of 2015."

THINKING OUTSIDE THE BOX

The decreasing launches in this category could be attributed to company's branching out beyond the traditional boxed breakfast cereal. Many offer a multitude of products within their breakfast line-ups including bars, drinks, pastries, and more. In an effort to innovate beyond the traditional bowl and spoon, companies are attempting to change the way children eat their cereal.

One of the more notable products is Plum Kids Squeezable Oatmeal Cereal. This oatmeal cereal comes in ready to eat pouches that do not require any spoon. For the time being this cereal only comes in Oatmeal Raisin flavor, one of three products launched since 2009 to contain raisin as a flavor.

TOP 10 CHILDREN'S BREAKFAST CEREAL FLAVORS

1. PLAIN
2. CHOCOLATE
3. FRUIT
4. CINNAMON
5. MARSHMALLOW
6. HONEY
7. COCOA
8. BERRY
9. APPLE
10. BANANA

Source: Mintel GNPD



CLAIMS

BETTER-FOR-YOU

Organic products have fallen drastically since 2008 (more than 50%), and since 2009, there have been 13 products launched with the claim of being organic. Also over this time period, only one product launched claiming to be all natural: Kix Crispy Corn Puffs. This cereal re-launched in 2009 featuring a “new look and great new taste.” The cereal is made from all-natural corn, and contains no added colors, flavors or artificial preservatives.

Despite wholegrain being one of the top claims, it too has fallen significantly within the last few years (by 50% since 2010). Some may find this surprising as it is a hot topic in the news, but possibly more surprising is the fact that only a total of four products launched since 2009 with the claim of Low/No/Reduced Sugar — a definite hot topic in the food industry.

SUGAR: RECENT RESEARCH

- According to a Yale University study, children will eat low-sugar cereals, and generally enjoy the taste. Children who ate low sugar cereal did add some sugar to their cereal, but also more fruit. Also, children eating high-sugar cereal ate significantly more cereal, and in turn almost twice as much sugar.
- Research from the Social and Health Research Center indicates that cereal can help children stay lean and form health habits. Children who ate a ready-to-eat bowl of cereal were leaner than those that skipped the morning meal.

LABELING

Yale University also stresses that parents should closely examine the nutritional labels on children’s cereal. Researchers found that many boxes feature claims such as: supports your child’s immunity, whole grain, fiber, and calcium and vitamin D, despite any nutritional value.

TOP 10 CHILDREN’S BREAKFAST CEREAL CLAIMS

1. CHILDREN (5-12)
2. ETHICAL — ENVIRONMENTALLY FRIENDLY PACKAGING
3. KOSHER
4. WHOLEGRAIN
5. LOW/NO/REDUCED FAT
6. LOW ADDITIVES/PRESERVATIVES
7. LIMITED EDITION
8. LOW/NO/REDUCED CHOLESTEROL
9. LOW/NO/REDUCED TRANSFAT
10. ORGANIC

Source: Mintel GNPD



FONA CAN HELP!

Let FONA's market insight and research experts translate these trends into product category ideas for your brand. They can help you with concept and flavor pipeline development, ideation, consumer studies and white space analysis to pinpoint opportunities in the market.

Our flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. We understand how to mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

From concept to manufacturing, we're here every step of the way. Contact our Sales Service Department at 630.578.8600 to request a flavor sample or visit www.fona.com.

SOURCES

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Mintel Oxygen

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Study: Parents misled by nutritional claims on kid's cereals

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