

# The Grocer

## Focus On: Cereals

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**Online Listicle to go live on 18 January:** What are the main innovations & how are they shaping the market

## The Story

**Functional breakfasts are upping their street cred.** The past year has seen a spate of new beneficial breakfast ranges targeting the elusive millennial market, from superfood smoothie bowls to bircher-style protein pots.. Does this new wave of functional offerings suggest the traditionally healthy cereals are becoming out of touch with younger shoppers? How are these brands appealing to the modern day consumer, and what can the rest of the cereal category learn from these efforts?

### Key themes:

**The new functional:** The past year has seen a raft of new players enter the functional health sector. What have been the key innovations this year? Are these new lines enough to turn around functional cereal's flagging sales, and what were the factors driving down the sector's performance over the past year?

**Weather:** The porridge sector enjoyed the fastest growth across cereals this year, and can attribute the majority of its additional sales to brands. To what extent did the Beast from the East boost sales for the sector and other hot cereals this year? What are the key SKUs driving porridge growth, who has pushed forward NPD this year?

**Portable not profitable:** Value across the sector dropped despite various reports this year around the rising popularity of deskfasting and breakfast on the go. Are consumers opting for non-cereal breakfasts on the go?

**Brands vs Own Label:** Own Label continued to outstrip brands in the category this year. How much of Own Label's success this year can be attributed to cheaper prices? Which brands are fighting back against their own label counterparts, and bringing spend back into branded cereal?

**Prices and promotions:** More than half of branded cereal sales were purchased on promotion this year. How has the rise in promotional activity affected growth in the category, and which sectors saw the biggest price reductions?

**Kantar sales:** Summary of factors that will have influenced rise/fall in the various sectors in cereal, including price, promotions, NPD, marketing, food trends etc.

**4 x innovations:** Four new products or product ranges that have ideally not appeared in The Grocer before including launch date, RSP and picture of each.

**Sugar slashing:** How have cereal brands and retailers responded to the PHE's target of a 20% sugar reduction by 2020 this year? Who is reformulating, and has this target affected the volume of sugar-heavy NPD launched over the past 12 months?

**Exotic breakfasts:** The US National Restaurant Association recently tipped globally inspired breakfasts (i.e. shakshouka) to be the top food trend of 2019. Could this movement make its way across the pond? What's currently available in the exotic breakfast market in the UK, how could the trend affect traditional cereal sales?