The Grocer

MASTERCLASS

BISCUITS CATEGORY

Mondelēz International
SNACKING MADE RIGHT

Ways to grow your biscuit offering

The biscuits category is truly embedded into our heritage and culture, with moments like elevenses, afternoon tea and dunking a part of our everyday lives. Indeed, biscuits were purchased by 99.2%[1] of households in 2024, equating to 28.4m buyers[2], highlighting their continued importance to shoppers, even in trying times, and their position as affordable and necessary indulgences.

Worth £4bn[3], and growing in value and volume[4], the biscuits category splits into three segments: sweet, savoury, and healthier*. Each of these segments is in value growth[5], and the sweet biscuit category – including key brands such as OREO, Cadbury Biscuits and LU – is the largest, up 4.9%[6].

The category is largely branded, as brands account for more than 68% of sales[7].

Shopper missions in the category can be broadly divided into two main areas – take-home and on-the-go – and, as the category is a core part of any retail food and drink offer, retailers need to cover both of these missions to meet all potential need states and occasions, while also delivering on taste. Sweet biscuits are the largest segment in take-home; while healthier biscuits and bars are more often bought for the on-the-go occasion[8].

Category value is driven when insight into shoppers is used to meet their different need states, and category innovation is truly differentiated to offer something new, with investment crucial to category support. Stores can grow their biscuit sales with a range based on consumer insight, innovation and investment.

[1+2] Kantar Worldpanel, 52 w/e 29.09.24; [3+4] Nielsen, Total coverage, Value sales, 52 wks to 26.10.24; [5] Nielsen IQ, Total coverage including discounters, MAT to 04.11.23; [6] Nielsen, Total coverage, Value, YTD 09.11.24; [7] Nielsen, Total coverage, Value sales, 52 w/e 26.10.24; [8] Nielsen, Total coverage, Data to 26.10.2024; *As defined by Nielsen

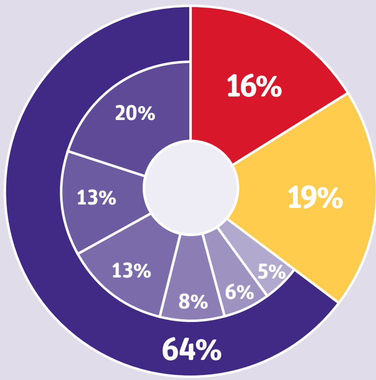
Total category value

TOTAL BISCUITS: £4.1bn

SWEET: £2.6bn
- EVERYDAY TREATS: £810m
- CHOCOLATE BISCUIT BARS: £541m
- EVERYDAY BISCUITS: £517m
- SPECIAL TREATS: £311m
- CHILDREN'S BISCUITS: £228m
- ASSORTMENTS AND SEASONAL: £212m

HEALTHIER: £667m

SAVOURY: £782m



Source: Nielsen, Total Coverage, data to 26.10.24

Branded manufacturer shares

	£m
Pladis UK	738
Mondelez International	370
FBC UK	327
Nestlé Rowntree	143
Lotus Bakeries	108
Kellanova	103
General Mills	88
Tunnock	80

Source: Nielsen, Total Coverage, data to 26.10.2024

Grow your biscuit category by offering a range based on insight, innovation and investment

MASTERCLASS

BISCUITS CATEGORY

Consumer trends

Understanding the biscuits shopper

Key to optimising any biscuit range is ensuring the latest consumer need states are met. Consumers are at the heart of everything we do at Mondelez International, and we invest heavily in insight to ensure we maintain a deep understanding of those shoppers and identify key trends, on which we base our category and innovation investment.

Indulgence

Growing across many categories, including biscuits, indulgence is the fastest-growing need in snacking, accounting for 1 in 5 snacking occasions – up from 13% in 2018[9]. In sweet biscuits, the indulgence need state is even more significant, growing from 17% to 25% between 2018 and 2024[10], with consumers seeking traits such as indulgence, high quality, rich taste, texture and products containing chocolate. Plus, they often look for a moment of relaxation or a reward[11]. Conversely, 7 out of 10 'indulge and pamper' biscuit buyers also buy everyday treat biscuits – pointing to the importance of range[12]. Finally, consumption of more indulgent biscuits tends to peak mid-afternoon and evening[13].

Value

Many shoppers are looking for affordable, familiar treats during these times, but value has different meanings to different consumers. While price remains important, value is more than just the financial cost, encompassing a range of factors such as time, quality, gift-worthiness, experience and reward. So, though value is and will continue to be important to shoppers, they are prepared to balance these elements across their total needs, rather than focusing simply on price. Mondelez International's portfolio offers something to suit all shopper needs and occasions.

Importance of brands

Favourite brand is a key driver of choice in the biscuit category, even in difficult times, and as inflation eases, the branded portion of category sales is increasing[14]. Premium brands provide a way of creating a special moment. However, mainstream brands are still selected for indulgent moments, a choice mainly driven by affordability considerations. So, biscuit ranges need to have both premium and mainstream offers. Also, 96% of consumers think chocolate is important in a sweet biscuit for an indulgent occasion[15].

Wellbeing

There is undoubtedly a long-term consumer trend towards wellbeing – both physical or emotional – that comes into consideration when purchasing snacks. Seventy-three per cent of UK consumers consider wellness a top priority[16]. Most shoppers take a balanced approach: 38% claim to eat in a healthier way most of the time while having treats now and again, and 43% eat what they consider to be less healthier treats on a regular basis[17]. Demand for vegetarian and vegan alternatives is growing[18], while moments of indulgence are increasingly important, particularly for younger adult consumers[19], as a way to wind down and reduce stress.

Sustainability

Sixty-one per cent of consumers say sustainability is more important to them than it was two years ago, and 54% feel they can make a difference to the world with choices they make[20]. Consumers are undoubtedly making choices based on sustainable claims to a great degree in the category.

Occasions

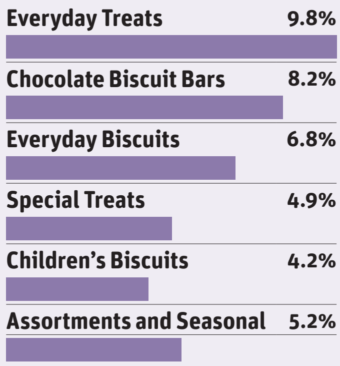
Biscuits are typically eaten at home on 94%[21] of occasions – and 26% of these occasions alone are within special treat consumption, which is growing[22]. Often, consumption is with a hot drink, particularly with indulgent biscuits[23].

Source: [9+10] Mondelēz Insight & Analytics, Demand Needs 2024; [11-13] Human8 – Indulgence & Pamper Biscuits September 2024; [14] Nielsen, Total coverage, Value sales, 52 w/e 26.10.24 and Kantar 2024; [15] See [11-13]; [16] Shopify, Health & wellness trends shaping the industry, April 2024; [17] IGD Shopper Vista 2024; [18] IGD Shopper Vista, July 2022; [19] Watchme think/Mintel: The not-so-healthy snacking habits of Gen Z/Cajole UK 2021; [20] Kantar Global Monitor 2023; [21] Kantar Usage Panel Data 2021; [22] Kantar demand spaces usage data June 24; [23] See [11-13]

Mondelēz International
SNACKING MADE RIGHT

Sweet sub-categories and trends

Sales value: % change vs YA



Source: Nielsen, Total Coverage, data to 26.10.2024

Tap into sweet biscuits

Making the most of indulgence

Sweet biscuits is the largest segment of the biscuit category and showing most growth, as shoppers look for affordable treats. The segment can be divided into further sub-sectors based on the shopper need state they are bought for. The segment is growing in value[24], with brands Cadbury Fingers and Cadbury Time Out also in value growth[25].

Everyday treat is the largest sub-category in sweet biscuits (by value and volume)[26], with brands helping drive value and trade-up opportunities from the everyday biscuits segment.

OREO has invested heavily in its core proposition in 2024, with a brand-new recipe filled with even more cocoa to create its tastiest biscuit ever – already proving very popular with consumers[27].

OREO plays a major role in this category, with brand investment linking the world's No.1 biscuit[28] to popular culture via campaigns that target a Millennial and Gen Z audience. This helps the brand engage emotionally with its target consumer, attracting the next generation of biscuit lovers. For 2025, the brand is partnering with A Minecraft Movie, a highly anticipated film from the computer game icon Minecraft, supported by increased brand investment.

Mikado, too, is helping bring younger adults into the biscuit category by offering a fun and unique biscuit experience, with media investment to further connect the brand's core target.

The special treat category, ideally placed for shoppers looking for a snack to help them indulge and de-stress, has seen strong growth[29]. Cadbury, one of the top special treat biscuit brands, includes Cadbury Dairy Milk Fingers, Cadbury Cookies, Cadbury Crunchie Melts and Cadbury Snack. Cadbury Fingers alone has seen value growth of 4%[30] and Cadbury Fingers 114g is in the top five branded biscuits[31]. Established in 1897, the brand has re-established its emotional connection as the heart of fun within shared family moments; the brand's 'Sign with Fingers Big and Small' campaign continues to get Britain learning British Sign Language, aiming to ensure deaf people don't miss out on any conversation, while also celebrating the role of Cadbury Fingers in helping people come together for everyday interactions. Go to https://signwithfingers.cadbury.co.uk/ to access sign language lessons.

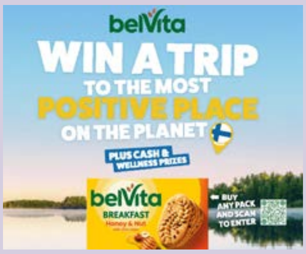
The LU brand taps into the indulgence trend, offering customers a quintessential taste of France to enjoy at home thanks to its mix of simple, authentic ingredients inspired by traditional French recipes. The LU range, launched in 2022, is now worth £20m[32]. In 2024, LU Le Petit Cookie added further variety and choice for shoppers.

Source: [24+25] Nielsen Total coverage YTD 09.11.24; [26] Nielsen, Total coverage, data to 26.10.24; [27] Post sampling research of 74,551 consumer responses, aged 18-35 yrs; [28] Euromonitor Int. Ltd/ Snacks 2024 ed – Sweet Biscuits brand share 2023, Retail value sales; [29+30] See [24+25]; [31] Nielsen, Total coverage, Value MAT to 26.10.24; [32] See [24+25]

Healthier* and savoury

Celebrating a positive future

The healthier* biscuit category is in growth and generates one of the highest values per tonne of all the category sub-segments[33]. As consumer interest in wellbeing is only set to continue, healthier biscuits have a very positive outlook.



From January to May 2025, belVita will be bringing an exciting promotion to the market: 'Win a trip to the most positive place on the planet'.⁺

belVita offers a proposition of 'Positive Energy' with a recipe of five different wholegrains. The belVita range offers a host of moreish flavour combinations and textures, with the entire Soft Bakes range now being non-HFSS. To continue to meet the demand for healthier offers beyond breakfast and through the day, belVita now offers 'Soft and Crunchy' bars in Dark Chocolate & Orange, also non-HFSS.

For shoppers looking for the iconic taste of Cadbury in their mid-morning snack, Cadbury Brunch Bars are available in Chocolate Chip, Raisin, Bournville, and Peanut options. The range has seen growth in 2024[34] and has recently introduced Cadbury Brunch Light in Honey & Oat and Orange varieties. These newly introduced non-HFSS Cadbury Brunch additions already represent a significant proportion of the range.

The savoury category accounts for 16%[35] of all biscuit sales and is in growth[36]. Ritz has the number one overall savoury biscuit product[37] with its classic cracker. Ritz provides a versatile snack, great for sharing and enjoying with a variety of toppings.

Source: *As defined by Nielsen; [33] Nielsen total coverage 09.11.24; [34] Nielsen Total coverage YTD 09.11.24; [35] Total Cov MAT – w/e 09.11.24: Savoury accounts for 16% of Total Biscuits £sales; [36] Nielsen Total coverage, MAT to 26.10.24; [37] Total Coverage, MAT to w/e 02.11.24 – Ritz Crackers are the No.1 savoury biscuit

⁺Finland is recognised as the happiest country according to Wellbeing Research Centre. Helliwell, J. F., Layard, R., Sachs, J. D., De Neve, J.-E., Aknin, L. B., & Wang, S. (Eds.). (2024). World Happiness Report 2024. University of Oxford: Wellbeing Research Centre

The Harmony Wheat Charter

Mondelēz International's Harmony Wheat Charter is a pioneering sustainable programme that aims to have a lasting impact by contributing to the company's net zero commitment, reversing biodiversity losses, supporting farmers in transitioning to regenerative agricultural practices while driving quality of wheat in its biscuits. Over 1,100 farmers in seven European countries are involved in the programme. For more information go to Harmony.info