

# The Market for Bakery Flavors

New flavor combinations, more intense and ethnic flavors, and a growing trend toward savory flavors impact the global market for flavors in bakery applications.

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*All market information provided herein is sourced from Foodtrending.com, a global food ingredients market intelligence tool.*

—Editor

## Market Perspective

The global market for bakery products, through retail and foodservice channels, has grown to be worth \$494 billion, having grown by \$109 billion over the past five years (**T-1**). Of this total, sales of bakery products through all retail channels amounts to \$383 billion, while the foodservice market is worth \$144 billion alone.

Bread and morning goods is by far the largest market, worth \$185 billion globally, followed by fresh and frozen cakes and pastries valued at \$158 billion (**T-2**). The category of flour, pasta, rice and noodles, which includes added-value rice and noodle products and fresh pasta, is now worth \$82 billion globally and expanding rapidly. Finally, global consumer expenditure on all types of cookies has reached \$71 billion.

## Flavor Trends

Consumers are becoming more experimental in trying new flavors but also like the reassurance of the familiar. This has created an opportunity for food manufacturers to incorporate new flavors into their existing products.

Bakery products have seen little innovation in recent years and some consumers have abandoned baked goods because of low-carbohydrate diets and concerns over salt and fat contents. However, bakery manufacturers are beginning to respond to consumer desires for healthier products by reformulating their ranges, incorporating fruit and whole grains and developing new flavors and formats in response to consumer demands for convenience.

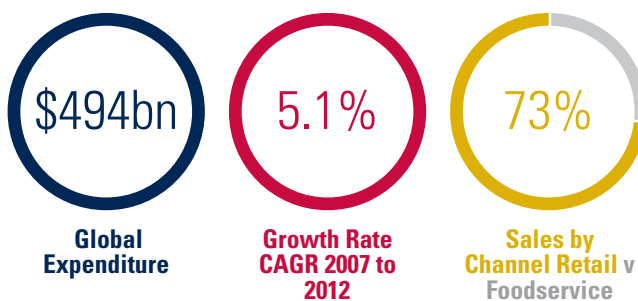
The bakery sector is also very emotive, and consumers are looking for modern twists on traditional products.

## The Market For Flavors

The global opportunity for flavors in bakery products is now worth \$1,603 million (**T-3**). Synthetic flavors is still the largest market and growing with synthetic flavors in bakery products worth \$607 million. Usage of natural flavors is also growing rapidly, worth \$525 million. Seasonings have benefited from the drive to natural flavors, plus manufacturers are looking to experiment with innovative flavors and textures. As a result,



### T-1. The global market for bakery products, 2012



Source: [www.foodtrending.com](http://www.foodtrending.com)

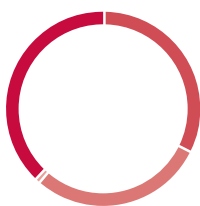
### T-2. The global market for bakery products by category, 2012



- **\$185bn**  
Bread & morning goods
- **\$156bn**  
Cakes & pastries
- **\$83bn**  
Flour, pasta, rice, noodles
- **\$71bn**  
Cookies

Source: [www.foodtrending.com](http://www.foodtrending.com)

### T-3. Market value of flavors in bakery products by flavor type, 2012



- **\$607m**  
Synthetic flavors
- **\$525m**  
Natural flavors
- **\$465m**  
Seasonings, herbs & spices
- **\$15m**  
Flavoring materials

Source: [www.foodtrending.com](http://www.foodtrending.com)

global use of seasonings in bakery products has risen to \$456 million. One would expect to see continued growth in usage of natural flavors and flavoring materials in bakery products over the next five years.

### **Bakery Market Definitions**

- Bread and morning goods
- Cakes and pastries: fresh, frozen and ambient
- Flour, pasta, rice, noodles
- Cookies/biscuits: gingerbread and similar, chocolate-coated biscuits/wafers, other sweet biscuits, plain/salted biscuits

Notes: Excludes snacks



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