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**RECENT TRENDS**  
**in**  
**GLOBAL BREAD CONSUMPTION**

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# Bread

**“Bread is eaten with every meal by every ethnic and age group every day of the year, regardless of economic level”.**

Jackel, 1986

## Bread is life

**“Bread, symbol of life itself; in abundance the guarantee of well-being, in times of want to dream and the cry of the famine-ridden”.**

“Flour for Men’s Bread”;  
Starck and Teague, 1952



# The State of the Global Packaged Food Marketplace in 2010



The global packaged food market has carried on growing in constant retail value terms, and should approach US\$2 trillion by the end of 2010 (a real terms gain of 1.5% from the previous year and is broadly in line with the 10-year CAGR for the years 2000 to 2010).



# The State of the Global Packaged Food Marketplace in 2010



**Bakery and dairy – both considered staple food items – remain the two largest product categories, accounting for more than 40% of global packaged food retail value sales between them. This further underscores the inherently recession-resistant – if not recession-proof – nature of packaged food, as consumers tend not to abandon perceived necessities despite economic crisis.**



**Health and wellness continues to provide avenues for manufacturers to add value to otherwise mature product categories.**

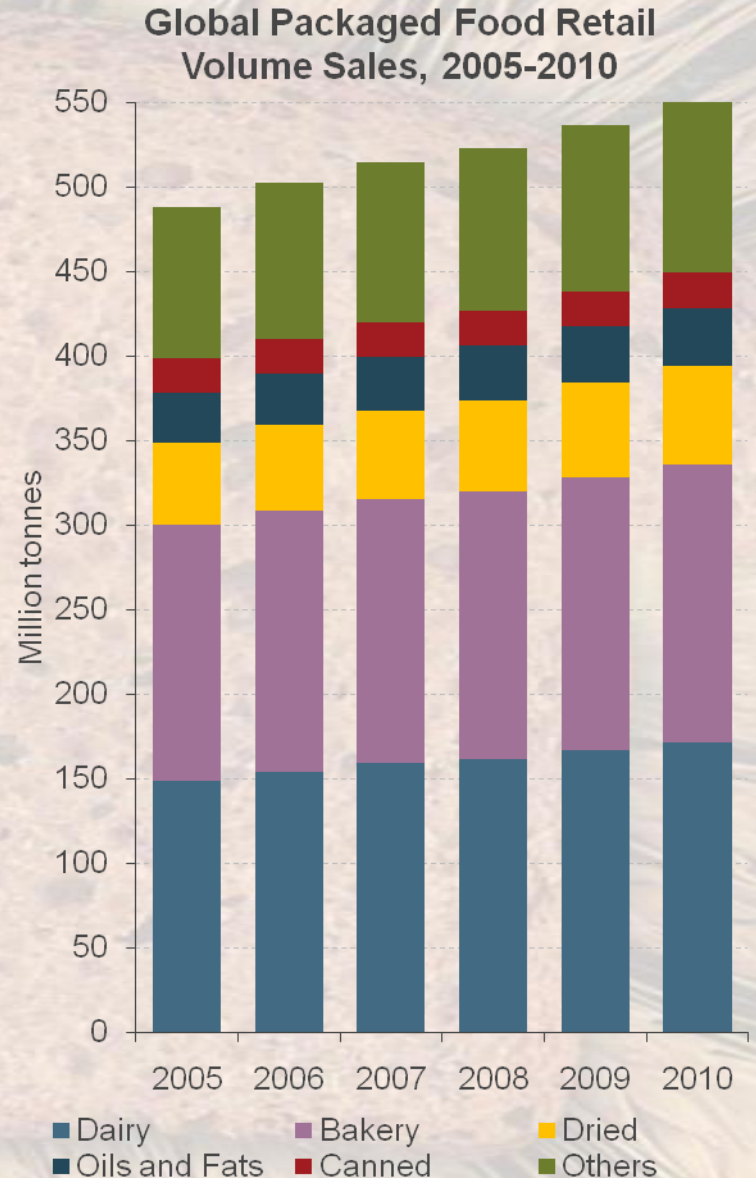




# Global Packaged Food Retail Volume Also Expanding



Global packaged food retail volumes should reach 550 million tonnes in 2010 (up nearly 3% from 2009). As with retail value, this increase is broadly in line with the 10-year CAGR for the years 2000-2010) and underscores the industry's resilience to recession.

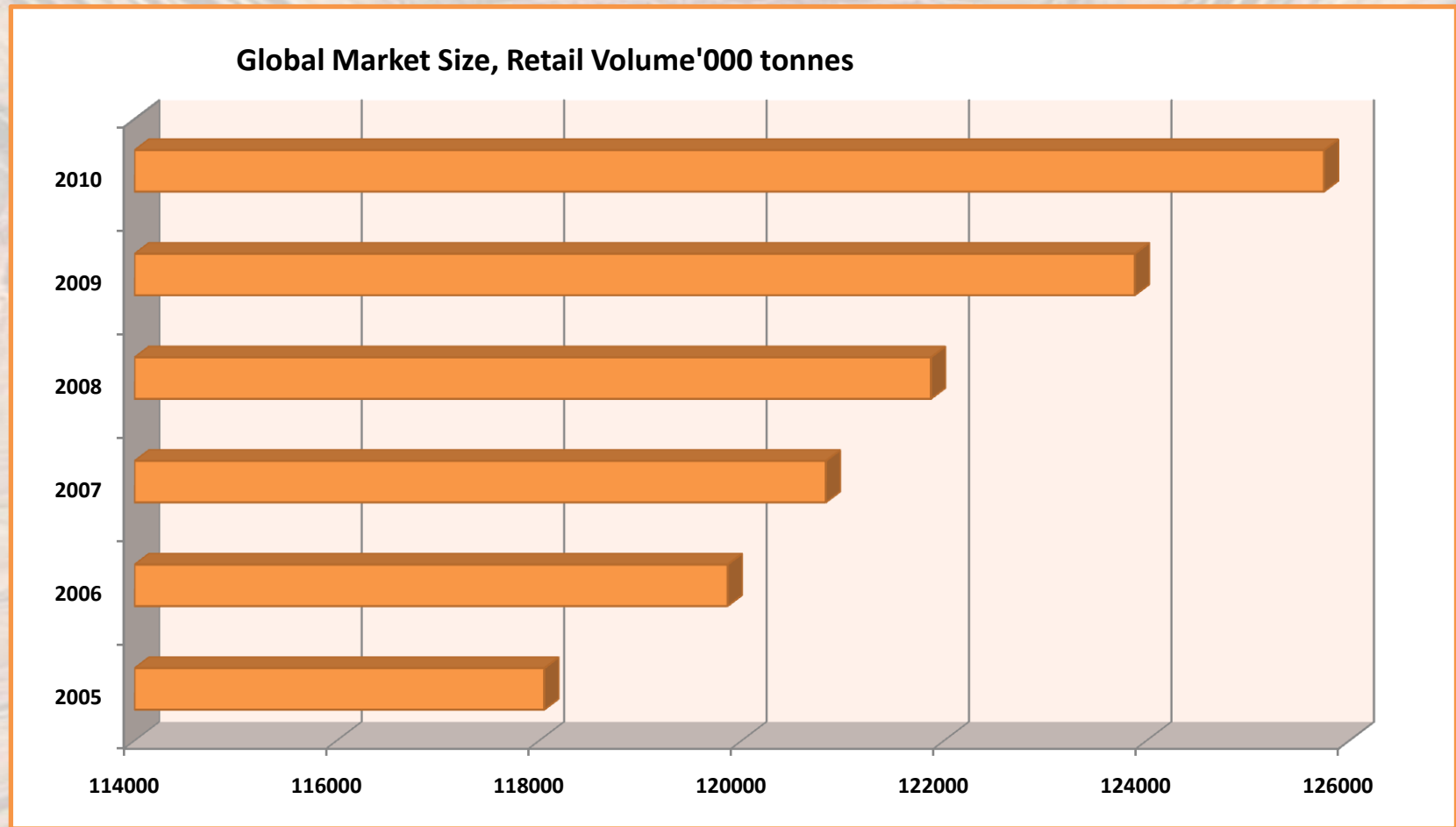


# 10 Key Trends in Food, Nutrition and Health 2010

1. Digestive health – *continues to be the biggest trend with sales even premium brands increasing by 10-20% during the recession (especially for fibre fortified products and products in the beverage and cereal categories).*
2. An intrinsic health benefit that's also convenient
3. Feel the benefit – the most powerful marketing message
4. Energy – a world of untapped opportunities
5. Fruit and superfruit – the future of food and health
6. Antioxidants – big in America, dead in Europe?
7. Weight management
8. Healthy snacking
9. Packaging and premiumization
10. Bones and movement, *thanks to the increasing number of people over the age of 40.*



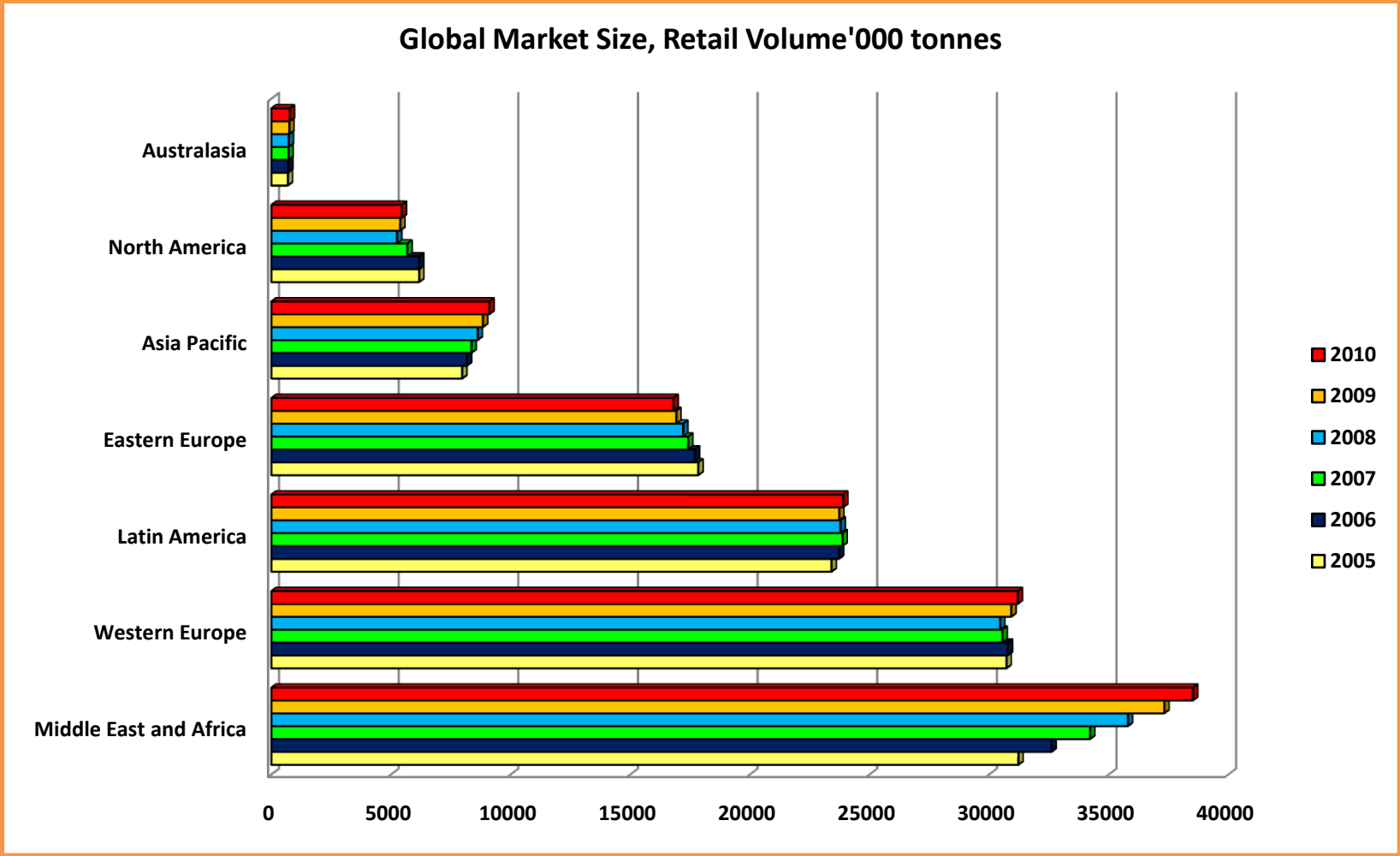
# Global Bread Market Size, Retail Volume, 000 tonnes



**World Total: 125.751.100 tonnes, 2010**



# Global Bread Market Size, Retail Volume, 000 tonnes

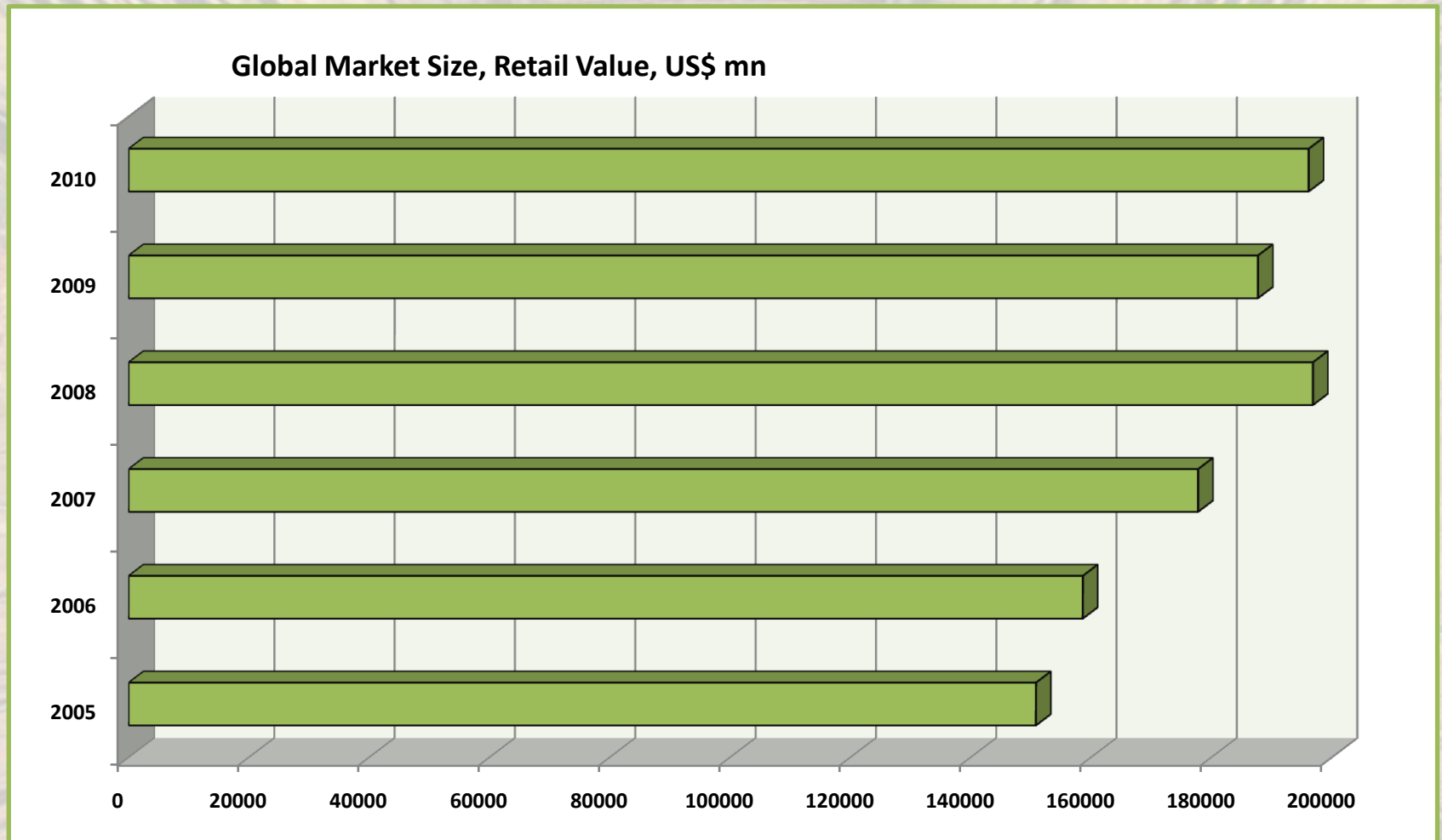


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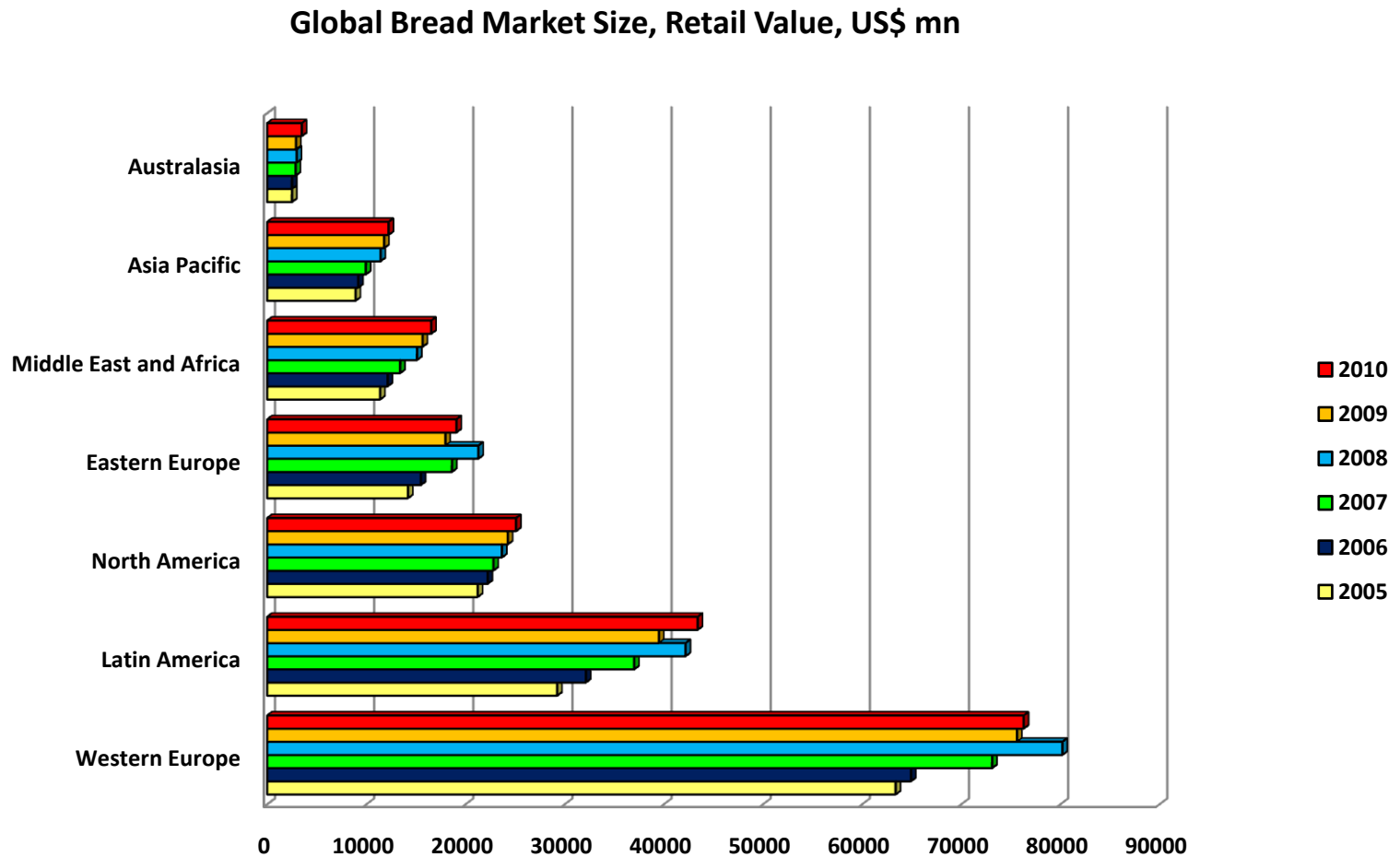
# Global Bread Market Size, Retail Value, US\$ mn



**World Total: 196.164 US\$ mn, 2010**



# Global Bread Market Size, Retail Value, US\$ mn



**World Total: 196.164 US\$ mn, 2010**





# **Global Bread Sales Benefit From Staple Status, Added Value**



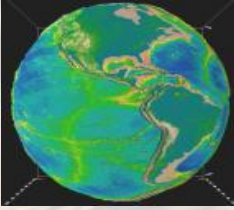
**Global retail value sales of bread products reached US\$194 billion in 2009, up 5% on the previous year (US\$ fixed exchange rates).**



**Bread, a staple in most countries, has weathered the recession fairly well as most consumers reduce expenditure on non-essentials instead. While not extraordinarily dynamic in a global context, constant retail values have still held steady.**



# Global Bread Sales



By category, artisanal/unpackaged formats accounted for around 70% of bread global retail value sales in 2009. The category accounts for the vast majority of sales in emerging countries in the Middle East and Africa, where it is heavily subsidized by local governments. Interestingly, packaged/industrial bread accounts for the majority of sales in North America, commanding around a 65% share of total retail value sales.







## Health & Wellness

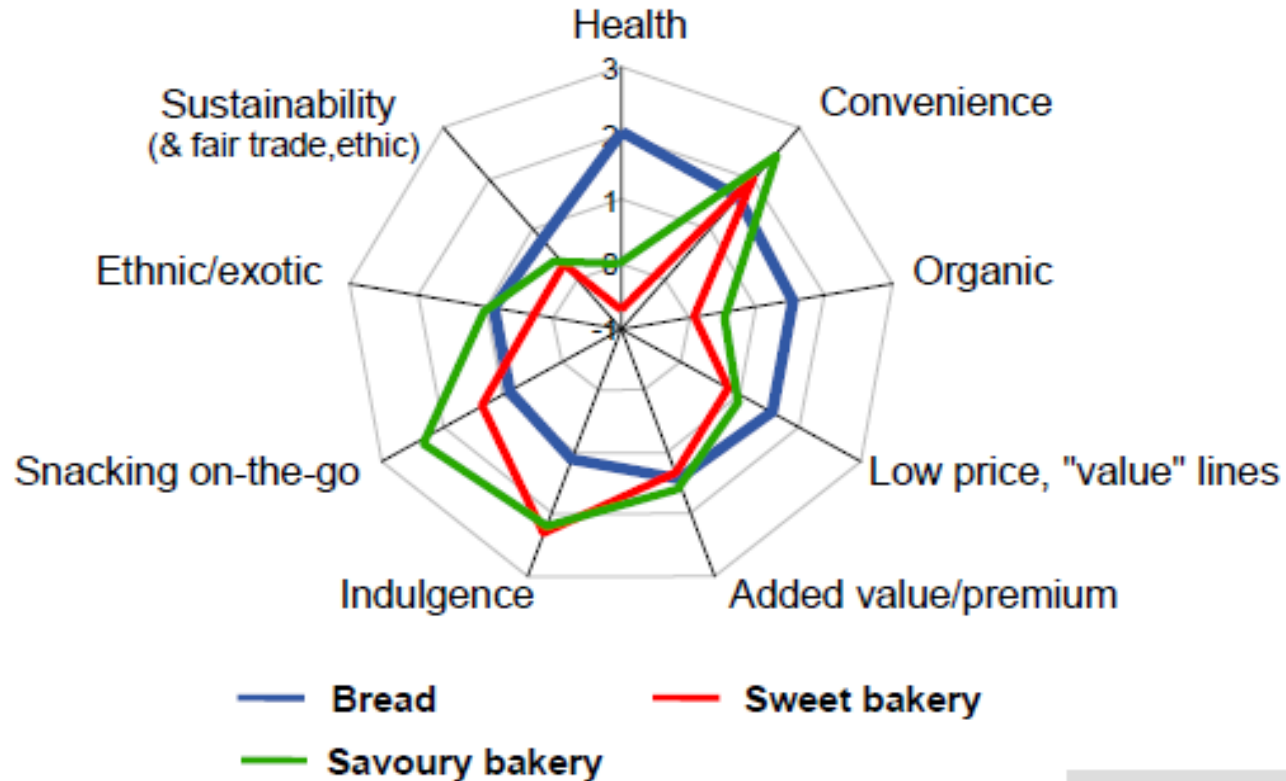
✓ Value-added health and wellness trends are also holding firm, regardless of economic concerns:  
Qualitatively, bread manufacturers continued to focus on health trends, adding further functionality to their existing bread ranges in order to increase the appeal of their offerings.

✓ Greater demand for healthier options is also driving bread sales in emerging markets:  
Interestingly, demand for health and premiumization is making rapid progress among middle- and upper-class consumers in emerging regions, a trend that is underpinning demand for high added-value products in urban areas.



# Global Bread Sales

## The impact of food trends on bakery sales



The nearer to the outside of the graph, the stronger is the positive sentiment of interviewees.

**Convenience and health are the main drivers of bakery consumption**



# Key Trends

## ❖ Adding “Health” Naturally (Back to Basics)

- 100% natural products; no additives/preservatives, organic, authentic ingredients, ethical ingredients, sustainable packaging - clean label feel.

## ❖ Permissible Pleasure: Guilt Free

- Minis/bite size – portion control, Traditional recipes
- hand-cooked, slow cooked, fair trade, inherent nutrition: wholegrain/ancient grain, fruit & vegetable inclusions.



# Key Trends



## ❖ Personalized Nutrition

– Products targeting **heart health** (wholegrain, plant sterols, beta-glucan, low salt/sodium, fibre, soy), **brain health** (DHA), diabetes (low&light) and digestive/immunity, beauty seem to be active areas of interest in bakery New Product Development

## ❖ General Wellness

– General well-being – antioxidants, healthy energy – natural ingredients: oats; vitality, balance – inner Harmony

## ❖ Other Growth Opportunities

– **Gluten Free** Bakery launches;  
– Speciality, artisanal bakery products

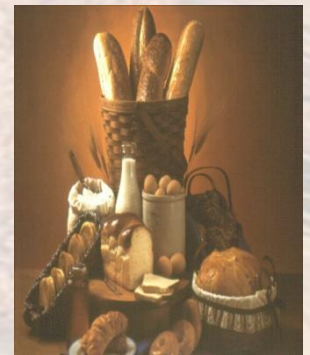


# Projection



## According to Euromonitor International;

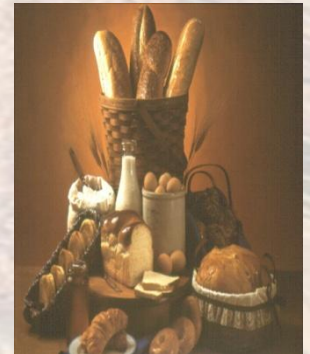
**Global retail volume sales of bread are predicted to grow by 8% over the 2009-2014 period. This growth will be underpinned by strong demand in the Middle East and Africa region, where bread sales will see a 22% increase in retail volume terms over the period.**



# Projection

## According to Euromonitor International;

**Industry manufacturers in developed markets will try to re-activate demand for bread by stepping up innovation in terms of functional properties. An increase in the number of specialised products offering features beyond naturally healthy whole grain breads across most developed markets is predicted.**







Bread is Life

Thank YOU!

