

Top health trends in bakery

Insights
Report

Consumers hungry for better-for-you products:
Less sugar, more protein, fiber and immunity benefits



As they wipe the crumbs from pandemic feasts of comforting brownies and soul-soothing sourdoughs, consumers are honing in on healthy eating strategies. While lockdown reinforced the important role—not to mention joy—of indulgence, today’s shoppers continue

their shift toward everyday eating strategies that support health and wellness goals. This provides exciting opportunities for innovative bakery product developers to create offerings that empower shoppers to take control of their health with the foods they eat.

Pandemic shift to healthier eating endures

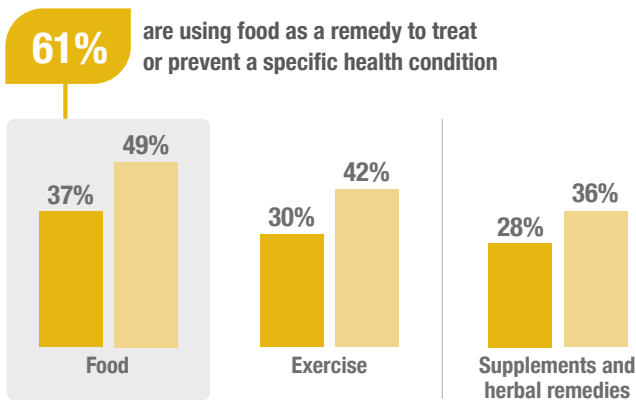
Consumers' COVID-sparked focus on health does remain strong. Despite heightened public attention on the pandemic's negative effects on health, a substantial portion of Americans actually feel their health and wellness improved during the pandemic.¹ Sixty-three percent of American consumers feel they are more proactive about their health than they were pre-COVID. And from morning toast to midnight snack cookies, shifts in eating habits play a big role. Four out of 10 consumers consider their diets healthier than before the pandemic.²

Experts believe consumers' quest for better-for-you foods will last far longer than other COVID-related habits: Three

in four industry professionals believe the health and wellness food trend will be "very/extremely influential through to 2025."³ And perhaps beyond.

Food management is consumers' number-one strategy, at 61%, for preventing unwanted health conditions.⁴ Seventy-five percent say that the right food is the best medicine.⁵ Nearly all consumers (96%) say they seek out health benefits from what they eat and drink.⁶ More specifically, the International Food Information Council (IFIC) found that the top four benefits consumers seek are weight loss/weight management, energy/less fatigue, digestive health and heart/cardiovascular health.⁷

While consumers most often turn to medications for treatment, food management is the number-one strategy for prevention of a range of conditions.



Source: Health & Wellness Q1 2021, The Hartman Group, Inc.

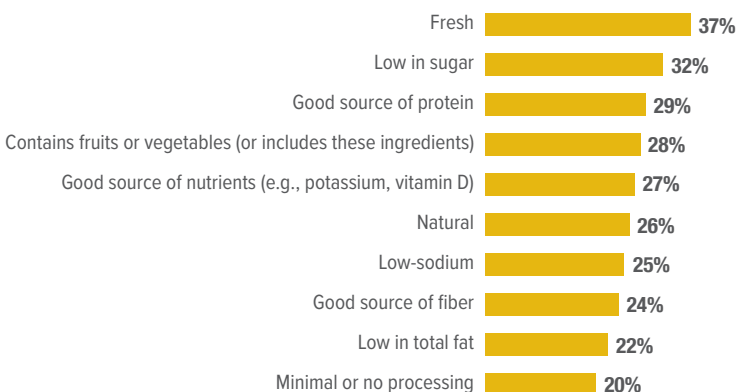
People are also willing to invest in healthier eating—even amid inflation. In a 2022 Deloitte survey,⁸ 55% of consumers said they were still willing to pay a premium for food that contributes to their health and wellness.

A majority of consumers (56%) consider their diets healthy.⁹ What does that actually mean? Twenty-seven percent define "healthy food" as products containing certain components, such as nutrients, whole grains, high protein and/or high fiber, while 25% say "healthy food" does not contain or has low levels of things like sugar, fat and carbohydrates.¹⁰

"Fresh" and "low in sugar" are the most common attributes of a healthy food

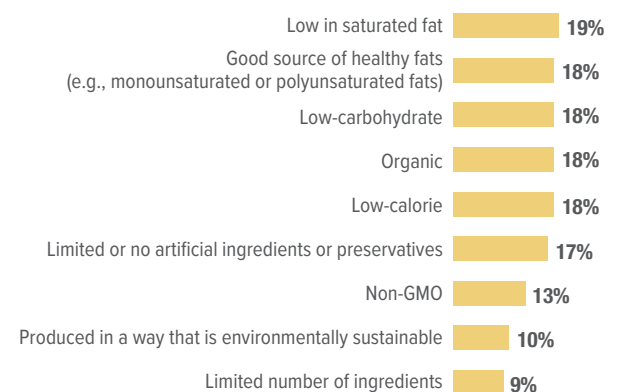
Older generations are more likely to choose fresh, low in sugar, and low in sodium, while younger generations are much more likely to choose organic

Definition of healthy food (top 10 choices)



International Food Information Council (IFIC). "2022 Food and Health Survey." 2022.

Definition of healthy food (less common)



Just because more shoppers are trying to eat with an eye on health, they don't have to resign themselves to life without the joy of cake with extra icing or oven-fresh bread with puddles of butter. "There is a mainstream consensus on balance: between physical and mental health, and balance between dietary discipline and enjoyment of a broad range of healthy (and sometimes indulgent) foods." Moderation

and control come into play. "Many consumers see a role for indulgence in a healthy relationship with food, but they aim for purposeful—not reactive—indulgence," according to The Hartman Group. Here the pantry opens for innovative bakery formulators to develop healthier bakery options—from daily bread to planned treats.

Weight-loss wins: Cutting sugar and carbs

While bakery sales grow, 45% worldwide are trying to lose weight. In the U.S., an even-greater percentage of the population, 51%, is trying to slim down.¹² A whopping 83% of American adults would like to "see their body weight get better"—27% urgently so—especially women and older consumers.¹³ Among households managing weight, 46% use food for this purpose.¹⁴ And as many feel that reducing sugar is the best strategy for reducing weight, they are seeking to cut back on the sweet stuff.¹⁵ Nearly 3 in 4 Americans (73%) are trying to limit (59%) or avoid (14%) sugars.¹⁶

Cargill research shows that in addition to helping them slim down, consumers believe that lowering sugar intake is the number-one way to make processed foods and beverages healthier. Slashing sugar out-ranks eating "clean" (reducing preservatives), removing negatives (like salt and fat) and adding positives (fortifying with healthier ingredients).¹⁷

While shoppers' desire to cut down on sugar consumption is clear, bakery sales continue to rise . . . highlighting how hungry consumers are for reduced-sugar versions of their baked favorites. "Less Sugar in the Mix" is among *Food Technology* magazine's 7 Top Trends in Better-for-You Bakery Products.¹⁸

83% would like to see their body weight get better, **27%** urgently so (especially women and older consumers)

Among those whose views on health and wellness changed in the past year, **32%** cite changing weight as a reason

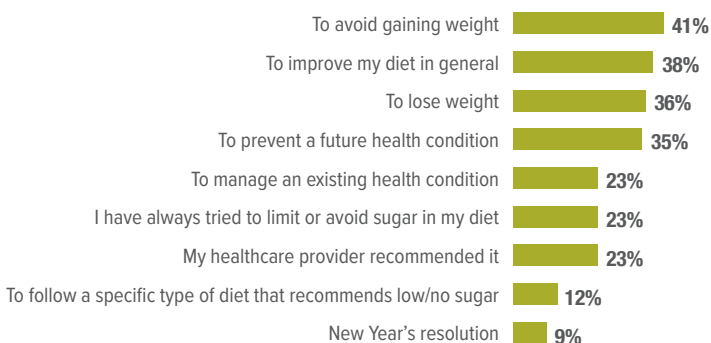
Among those managing weight in their household, **46%** use food for this purpose (especially older, white consumers)

Source: The Hartman Group. Health + Wellness 2021.

Avoiding weight gain and losing weight are key for those limiting sugars

Liking sweet-tasting foods and drinks is the top reason for not limiting or avoiding sugars

Reasons for limiting/avoiding sugars (of those who limit/avoid sugars)



Reasons for *not* limiting/avoiding sugars (of those who do not limit/avoid sugars)



Source: IFIC. "2022 Food and Health Survey."

Less sugar

Creating reduced-sugar baked goods, however, demands not only a solution for sweetness, but fixes for all sugar's other functions, including texture, mouthfeel, volume and moisture. Solving for sweetness may actually be the easiest part.

“Sugar reduction in bakery products can be especially challenging, given sugar’s functional role in many formulations,” said Aaron Reed, Senior Food Technologist at Cargill. “[But] we’ve found developers can achieve modest reductions of 15% to 20% in cookies, and 20% to 50% in cakes and muffins, using ingredients like stevia leaf extract and erythritol with limited effect on overall product performance.”¹⁹

Fortunately, there have never been more options for creative product developers to craft scrumptious bakery products with less sugar. A single ingredient probably cannot replace sugar. Instead, there are a growing number of ingredient combinations that can replace sugar’s various functions in a recipe. That's where it helps to have access to a deep well of technical knowledge from a trusted ingredient supplier. “Brands are getting creative in addressing consumers’ sugar concerns while also delivering on their desire for sweetness,” according to *New Nutrition Business*,



which lists “Sweetness Reinvented” as one of 10 Key Trends in Food, Nutrition & Health for 2023.²⁰ But remember, people cannot live by (reduced sugar) bread alone—shoppers still seek to celebrate life with things like blissful bites of pie, tarts and doughnuts. “Reduced and zero sugar is still a powerful message, and natural sugars are preferable, but consumers are still looking for moments of pure indulgence too, where they are happy to embrace high-sugar products,” according to *New Nutrition Business*.²¹



Fewer carbs

Low-sugar and low-carb were the most popular diets in 2021.²² The low-carb, high-fat keto craze continues. Experts forecast the global ketogenic diet market will grow from \$10.2 million in 2019 to \$15.3 million by 2027,²³ according to The Insight Partners market research firm. “Carb-Cutting Keto” is one of *Food Technology Magazine*’s 7 Top Trends in Better-for-You Bakery Products.²⁴

How can bakery brands thrive amid a population of carb-fearing consumers? “Slow carbs are the solution to carb-avoidance in bread,” according to Mintel. Just as the world learned about “good” fats and “friendly” bacteria (take the \$1.664 million probiotic industry²⁵), people will begin to understand different carbohydrates.

“Tomorrow’s consumer is looking for holistic health that goes beyond low/no/reduced claims and focuses on positive nutritional benefits like digestive health, sustained satiety and blood sugar regulation,” according to Mintel. Mintel analysts forecast that successful bakery brands will move to more-positive health messages, rather than playing defense on less label-friendly ingredients.²⁶

More fiber



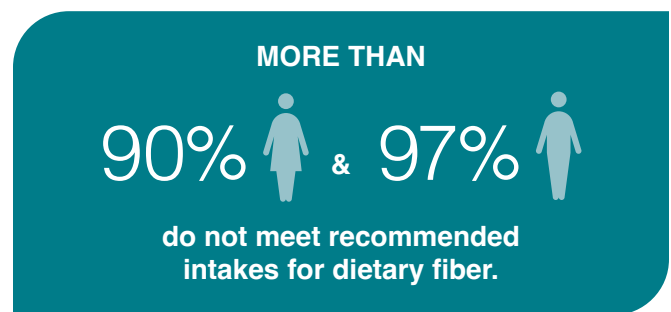
Consumer concern about carbohydrates is leading brands to use innovative, alternative ingredients that taste—and work—like sugar. One strategy for replacing the bulking function of sugar is to add more fiber. This is a healthy diet double-play for American consumers, who do not get nearly enough fiber in their diets. Only 5% meet the recommended dietary fiber intake guidelines.²⁷ Fifty-six percent of consumers say they try to eat more.²⁸

When consumers skimp on fiber, they miss out on power-

ful heart, digestive and metabolic health benefits. One study suggests that eating more fiber could save a potential \$12.7 billion per year in healthcare costs. If Americans upped their fiber intake by just three grams a day, it could save more than \$2 billion.³⁰

“Fiber Fortification” is one of *Food Technology Magazine’s* 7 Top Trends in Better-for-You Bakery Products 2023.³¹ Adding fiber to recipes has another on-trend benefit: it helps with gluten-free formulations.

But adding fiber without compromising palatability is not always easy. Fiber impacts mouthfeel in crispy and chewy products alike. Plus, fiber’s water-holding capacity can impact the machinability of the dough.



Source: U.S. Department of Agriculture. Dietary Guidelines for Americans, 2020–2025

More protein

The hunger for protein has gone mainstream. Once a niche market for pumped-up gym rats, today most people—across demographics—try to eat more of the muscle-boosting, satiety-producing nutrient.³³ It ranks among the top claims consumers seek.³⁴ Today, fueled by both health and sustainability concerns, consumers are hungry for plant-based protein. “Plants Made Convenient” is a Top 10 Trend for 2023, according to *New Nutrition Business*.³⁵ What’s more convenient than baking it into items consumers already enjoy every day?

To understand how these plant and protein priorities impact the bakery segment, Cargill conducted proprietary research on consumer attitudes and use of plant proteins. It found that plants—and especially plant-based proteins—are a strong selling point in bakery items.³⁶ Other research found that 72% of shoppers would be incented to buy baked foods and sweets that were high in plant-based protein.³⁷ That research also showed that globally, nearly half of consumers want to see more plant-based protein cookies in supermarkets. “Plant-Based Popularity” and “Pumped Up Protein”



are among IFT’s 7 Top Trends.³⁸

While product developers have fed the protein demand by boosting protein levels in everything from chips to water, enormous opportunity remains in bakery. Only 2% of new bakery product launches over the past 33 years have carried a protein claim.³⁹ “We’ve received many requests to help increase the protein content in a variety of snacks and baked goods,” said Reed.⁴⁰ Doing so—without sacrificing texture or wreaking havoc with the production line—can be challenging.

Smooth solution: Pea protein

Pea protein is experiencing a clear rise in popularity. It showed the biggest gain in familiarity of all tested protein ingredients, and big gains in Health Perceptions and Purchase Impact.⁴¹ The pea protein market value is expected to grow by 10.5% through 2024.⁴²

Cargill partners with PURIS® to offer pea proteins sourced from non-GMO yellow pea seeds that have a minimum of 80% protein. The products eliminate the beany, grassy or bitter off-notes associated with other pea protein ingredients, and are not processed with hexane or chemical solvents. With that great base flavor profile as a starting point, Car-

gill's formulation experts are adept at finding the right protein blend to create delicious flavors in bakery applications. "All proteins require formula adjustments," said Reed, "but working with an experienced ingredient supplier can speed the development process." These pea proteins are also an excellent tool for keeping gluten-free items together.

To create a complete protein using pea protein, Cargill offers two smart soy protein solutions: Proflia defatted soy flour and Prosanté textured soy flour, some of the most sustainably produced vegetable proteins on the market today. Both feature 50% protein content for a cost-effective, complete protein.

High-performance solution: Vital wheat gluten

Vital wheat gluten is another affordable way to ramp up the protein content and functionality of baked goods, delivering 75% protein on a dry basis. Adding vital wheat gluten to your bread formulation can improve mixing, dough handling and final bread texture and volume. This multi-tasking

bakery hero also adds critical strength, elasticity and binding properties to recipes.

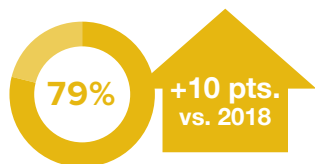
Cargill is the world's largest supplier of vital wheat gluten, with vast technical resources to aid speedy formulation.

Immune support

The pandemic-fueled demand for immune support continues. Two-thirds of consumers would like to learn more about the role of food and nutrients in immune health.⁴³ IFIC lists "Immunity Enhancers" among the 7 Top Bakery Trends for 2023.⁴⁴ The public is becoming more aware of the role

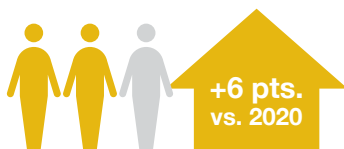
the gut (which contains 70% percent of our immune system) plays in staying healthy. *New Nutrition Business* called out "Digestive Wellness Diversifies," as one of 10 Key Trends in Food, Nutrition and Health 2022. Today, one in three consumers experiences digestive discomfort.

Gut feeling



"I recognize the link between digestive health and overall health"

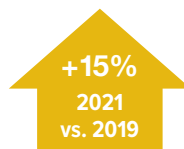
% strongly agree/agree (NA)
FMCG Gurus Consumer Study 2022.



66%

"I have become more conscious of my overall immunity as a result of COVID-19"

% strongly agree/agree (U.S.)
HealthFocus International
U.S. Trend Study 2021.



Immune system \$ sales using Label Insight tool

NielsenIQ Retail Measurement Services, Label Insight WE
11/27/21 vs. 2YA.



New product launches with an immunity claim in NA

Innova Market Insights.

Source: Cargill - Consumer & Beverage Insights

First-of-its-kind solution: EpiCor® postbiotic

As consumers become more aware of the connection between the gut microbiome and immunity, Cargill is proud to offer EpiCor postbiotic—the #1 postbiotic ingredient and the next evolution in immune and gut health. EpiCor is derived through the natural fermentation of *Saccharomyces cerevisiae* (baker's yeast), which is dried using a proprietary process that kills off the yeast, while preserving all metabolites and functional compounds.

The versatile resulting ingredient is shown to handle varying pH levels and high-heat conditions. EpiCor postbiotic “is breaking ground in the food industry,” said Jenna Nelson, Marketing Director at Cargill Health Technologies. “It has been clinically shown to support immune health and beneficially modulate the gut microbiota,” she said. “Its recommended dose is just 500 mg per day, making it easy to formulate into a wide variety of baked goods, snack bars, and other foods.”⁴⁵

A healthy market overview

SNAPSHOT

Bakery retail value sales grew by 8% in 2022 to reach \$82.9 billion, according to Euromonitor (Baked Goods in the US). Pastries performed best in 2022, with retail sales increasing by 10% to \$19.7 billion. Overall bakery retail sales are forecast to rise at a current value CAGR of 3% through 2027 to \$97.7 billion. “The high competitiveness in the category, as well as strong consumer demand, has led manufacturers to focus strongly on innovation as a tool to differentiate and increase their shares,” according to Euromonitor analysts.

Sales of baked goods by category: % volume growth 2017–2022

	2021/2022	CAGR 2017–2022	2017/2022
DESSERT PIES AND TARTS	-2.7	1.9	10.1
PASTRIES	-1.4	1.4	7.1
FROZEN BAKED GOODS	-5.9	-1.0	-4.7
DESSERT MIXES	-10.6	-2.9	-13.8
CAKES	-3.7	1.9	10.0
BREAD	-5.7	1.1	5.6
BAKED GOODS	-4.5	1.2	6.1

Sales of baked goods by category: Value 2017–2022 (USD million)

	2017	2018	2019	2020	2021	2022
DESSERT PIES AND TARTS	2,299.6	2,288.8	2,328.3	2,579.3	2,741.7	2,951.0
PASTRIES	15,011.1	15,541.8	15,934.3	17,629.2	17,988.5	19,747.4
FROZEN BAKED GOODS	2,289.9	2,256.5	2,263.7	2,386.0	2,421.8	2,458.9
DESSERT MIXES	1,944.7	1,938.1	1,907.7	2,067.6	2,005.8	1,941.4
CAKES	19,836.6	20,385.3	20,569.6	22,774.8	23,710.3	25,816.6
BREAD	23,332.2	23,541.2	23,771.5	25,506.5	27,672.7	30,018.4
BAKED GOODS	64,714.1	65,951.7	66,775.0	72,943.4	76,540.8	82,933.7
TOTAL	129,428.2	131,903.4	133,550.1	145,886.8	153,081.6	165,867.4

Forecast sales of baked goods by category: Value 2022–2027 (USD million)

	2022	2023	2024	2025	2026	2027
DESSERT PIES AND TARTS	2,951.0	2,959.4	2,969.4	2,983.2	3,003.9	3,030.8
PASTRIES	19,747.4	19,882.8	20,082.5	20,306.5	20,531.6	20,747.1
FROZEN BAKED GOODS	2,458.9	2,469.0	2,474.2	2,482.8	2,493.8	2,500.0
DESSERT MIXES	1,941.4	1,863.2	1,817.8	1,795.9	1,797.1	1,808.0
CAKES	25,816.6	26,035.1	26,290.0	26,517.4	26,822.0	27,173.7
BREAD	30,018.4	29,935.6	29,816.3	29,784.5	29,833.6	29,968.0
BAKED GOODS	82,933.7	83,145.0	83,450.1	83,870.4	84,482.0	85,227.7

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources.

Takeaways

Savvy bakery product developers will prioritize consumers' continuing focus on health with reinvented favorites and new products that empower shoppers to take control of their wellness through food. A range of new, versatile ingredients, together with expert technical support, can spark creativity and deliver function in products that deliver consumers' daily bread—and satisfy sweet teeth—without compromising flavor or texture.

Fuel innovation with ingredients that enable baked goods with less sugar, more protein, more fiber and the immune support that today's—and tomorrow's—health-focused consumers hunger for.



Find better-for-you bakery innovation inspiration here. 

PURIS® Pea Protein is a trademark of PURIS Foods, a Cargill strategic partner.

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