

Business Information Centre



**Gluten Free
Sector Guide**

Market Intelligence:

Gluten Free Sector Guide

Accurate information is the key to success in today's challenging global market place. Invest NI's Business Information Centre (BIC) holds a comprehensive collection of business intelligence resources and is staffed by information specialists who will help visitors source company and market information.

Global Industry Outlook:

The global gluten-free market is growing at a steady pace in the US and Europe and is expected to witness huge growth in new emerging markets.

The market is currently valued at around US \$3, 273 million, with an expectation that it will grow at a rate of 11% by 2018.

The growth of this market is supported by several drivers: the increased number of people suffering from coeliac disease and also increased awareness about gluten-free food.

The gluten-free market is dominated by the bakery and confectionery segments because of the high demand for these products but is increasingly being caught up by the dairy products and others category which includes pasta, rice, drinks, sauces and cereals.

A major trend in the global gluten-free food market is the increase in product innovation.

Source: TechNavio

Trend Analysis:

An insight on desserts has revealed that gluten free is one of the top 10 dessert trends. Others include:

- Gluten free desserts
- Bolder chocolate
- Bite sized desserts
- Sea salt dessert
- Artisanal candy
- Savoury desserts
- Hybrid desserts
- Hand touched desserts

Source: British Baker

Free-from Issues & Insights

- Better communication is needed to change the negative perceptions of free-from's nutrition credentials
- The online channel offers a platform for growth – the pool of free-from users is geographically widely spread making it logistically difficult for operators to reach the complete market
- Flavour can be a selling point rather than a hindrance for younger consumers, in particular

Source: Mintel

Selection from current resources

Mintel UK – Jan 16

Strong growth continued in the UK free from market in 2015, reaching £470 million. The number of people buying gluten-free foods has also risen against 2014, suggesting that sales growth is partly fuelled by new users.

The growing availability of products in mainstream outlets has both supported higher spend among existing users and encouraged new customers.

The “health halo” of free-from foods is also a key driver of uptake and has opened up a much larger pool of users than allergy or intolerance sufferers.

Canadean

Product Launch Analytics:

This useful tool for successful new product development has 20 fields of data captured including: brand; product name and varieties; product design; ingredients and nutritional info; innovation rating; flavours and pack type, size, material and price; manufacturer/ distributor and countries of distribution.

Canadean Intelligence also produces flavour and ingredient analyses, case studies, trends, innovations analysis and webinars.

Mintel Ireland – Sept 14

2014 saw an increasing focus on free-from diets and foods with one in 100 Irish consumers believed to suffer from coeliac disease.

Despite this relatively low level of food intolerance, sales of free-from food continue to grow, as consumers embrace these foodstuffs as being healthier or useful in treating suspected intolerances.

Between 2014 and 2019 the value of the all-Ireland free-from market is expected to see an increase in value of 37% to stand at €63.6 million.

Mintel US – Oct 15

The US gluten free food category grew by 136% between 2013-15 and is currently worth \$11.6 billion, with 30% of surveyed consumers reporting that they eat gluten-free foods.

Greater awareness of a gluten-free diet and its perceived health benefits has also led to greater availability of products and increased competition between gluten-free specific brands and large manufacturers alike.

Interest in the gluten-free food category shows no sign of slowing down with predictions that the category will grow an additional 96% from 2015-18 to reach \$22.7 billion by 2018.

UK Company Data:

Genius Foods Ltd is primarily engaged in the production and distribution of gluten-free foods.

The Genius range comprises of 3 streams – bread and rolls; cakes and treats; and pastry and pies. The bread and rolls range includes 10 products from white and brown sandwich bread to bloomers and rolls and these, like all their products, are positioned as tasting as good as those in the wider bakery sector with an emphasis on texture and freshness.

Source: Mintel

International Company Data:

General Mills Inc. is a global producer of consumer packaged goods. The company manufactures its products in 16 countries, selling in over 100 markets.

The company has become a key player in the free-from market, today offering more than 600 gluten-free options. Their first gluten-free product was launched in 2008 after consumers struggled to find products that tasted good.

Source: Marketline

Specialist Resources:

The Grocer Special Report - Where to for free-from?

Free-from food and drink is becoming increasingly popular but is providing retailers with a conundrum; where should it go in-store? The free-from movement is no longer strictly about medical need but has become a lifestyle choice – it is leaving its niche and going mainstream. So should free-from ranges be placed among conventional products or should they have their own fixture?

Resources available in our Business Information Centre include:



If you require this leaflet in an alternative format (including Braille, audio disk, large print or in minority languages to meet the needs of those whose first language is not English) then please contact:

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