# Breaking the boundaries in new bar development



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Bars have come a long way, baby. The original, on-the-go healthy food, these compact nutrition boosters have gone from two basic categories – high-protein products designed for body builders, or sugar-laden pick-me-ups for kids and adults – without much in between.

But with the rise of health-conscious, busy consumers, bars have now broken those boundaries and evolved into a fast-growing and cutting-edge category in food and beverage product development.

Bar developers now have to get out of the box and be on top of their game, because today's bar consumers want more than ever: from simple, label-friendly ingredients to a strong nutritional profile and great taste. It doesn't hurt if they also have a cool factor that appeals to young consumers.

It's no surprise that the bar business is booming. According to data from SPINS, the U.S. overall bar market in 2019 was somewhere upwards of $9 billion. But it is not an easy number to pinpoint because there are now so many different types of bars with lots of crossover, from bars classified as snacks and meal replacements to nutrition or energy bars. Protein and snack bars are the top categories.

### TOP BAR CATEGORIES IN 2019

**U.S. protein bar market:**

$4.66 billion[1]

**U.S. snack bar market:**

$3.9 billion[2]

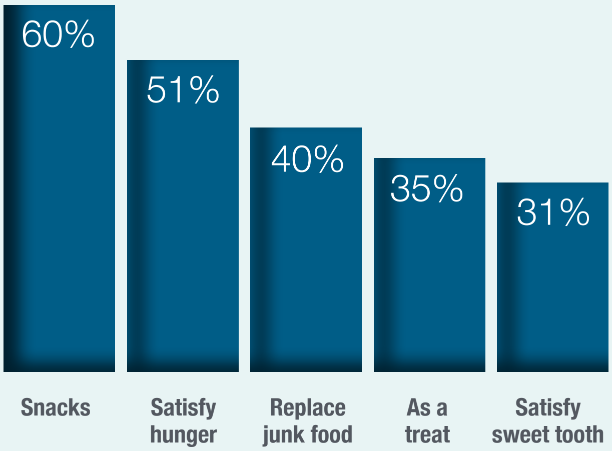
## Bars: a quintessential snack

Essentially, bars are now for everyone, but it is important to note that their expansion is tied to the rise of snacking culture – as consumers look for convenient, nutritious foods that can double as an on-the-go meal. According to the 2020 Food and Health Survey from the International Food Information Council, nearly 90% of Americans now report snacking at least once a week, and about one in four say they do so multiple times a day, with 38% saying they occasionally replace meals with a snack. Bars have, not surprisingly, dominated launches in the snack category, making up 22% of new snacks in 2019.[3]

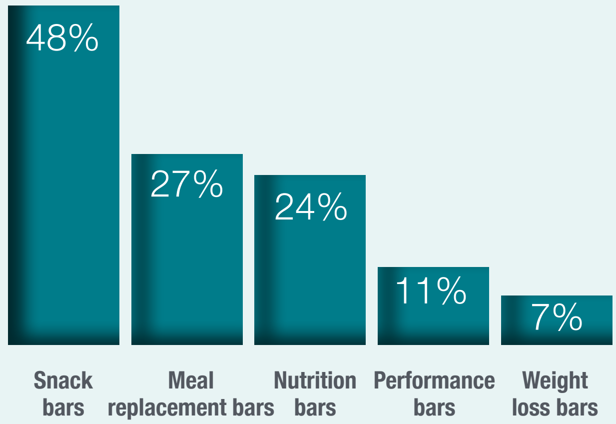
While snack bars are generally considered the most popular category, bars' function and purpose is now a matter of personal choice. One person's convenient breakfast bar is another's afternoon energy boost.

According to data from Mintel's "Snack, Nutrition and Performance Bar Report," adults under age 45 are the primary bar consumers. They are choosing bars for a number of reasons, from satisfying hunger to replacing junk food:

### Reasons for bar consumption



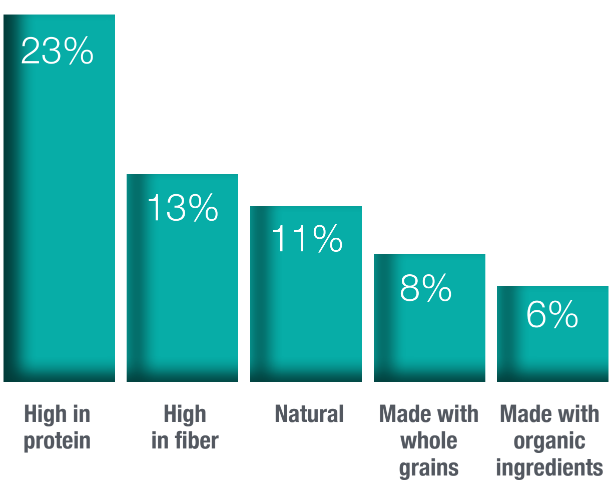

### The types of bars they choose are equally variable




Source: Cargill proprietary insights. Snack Foods Opportunity Research. October, 2019

Beyond the overall drive for a nutritious and portable snack, consumers have specific preferences for the bars they choose. According to proprietary research from Cargill on snack consumption, here's what adults prioritize in bars:

### Adults' top snack bar attributes




Source: Cargill proprietary insights. Snack Foods Opportunity Research. October, 2019

A study of UK consumers confirms that bars have indeed reached mass penetration, noting that one-fifth of consumers now eat protein bars at least once a week. This is much more common among young adults, with 54% of those aged 25-34 saying they eat a protein bar once a week or more and 20% of this group saying they eat them every day.[4]

This is not surprising, given that millennial consumers have embraced snacking as a lifestyle as they come of age and seek healthy, nutritious and easy foods that they and their kids can consume throughout the day.

This is reiterated by Cargill's research, which suggests that adults and children eat bars at similar frequencies: on average, 11 times per month, with about one in four eating them daily. Bars most often serve as a between-meal snack for both parents and kids, but more often serve as a dessert for kids after a meal. Top attributes for kids' bars include:



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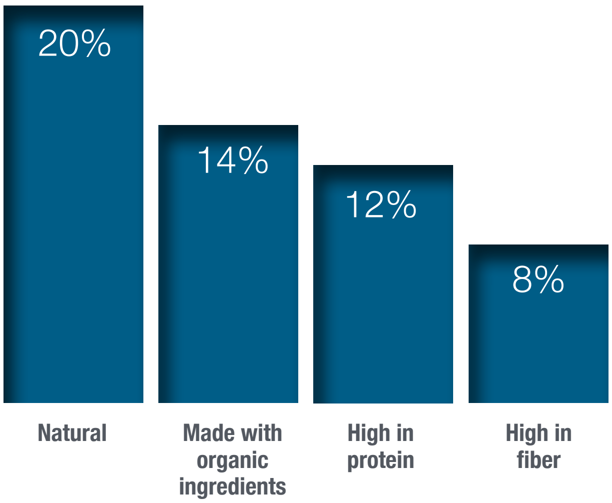
**Kids' top snack bar attributes**




Source: Cargill proprietary insights. Snack Foods Opportunity Research. October, 2019

There are also some gender differences in bar consumption. In general, sports nutrition products have been most popular among men. About one-third of men now consume protein bars, compared to 14% of women, but this preference is changing as women increasingly embrace protein bars.

The UK report notes other gender preferences, including that taste tends to be more important for women (66%) compared to men (52%), while men are more influenced by convenient formats and protein content than women.

## The shape of bars to come

For bar brands, it is important to anticipate what consumers want from bars and how this will impact the category. No matter who is eating the bar or when they eat it, the ingredients inside are now a key factor. Along with that, bars have to address a variety of broad consumer demands for simple ingredients that are sustainably sourced and meet dietary restrictions, such as low sugar, gluten-free or vegan. Innovation in bars is now not just desirable; it's critical, even in the most mature categories.

Protein bars still reign as a top segment, with protein the most sought-out ingredient. What is now changing is the source of protein. The category has been traditionally dominated by protein from soy and whey, but these days, consumers are looking deeper at protein amounts and sources.

71% **pay attention to protein amount in bars.**

**One in three say protein is a key driver in bar choice.**

Source: Mintel Snack, Nutrition and Performance Bars Report. Feb 2019.

As such, consumers are becoming more accepting of plant-based proteins. Nearly 30% of consumers now say they are eating more protein from plants,[7] and more than half say they are open to plant-based proteins as an ingredient.[8] Bars with these ingredients have appeal for young consumers who are looking for cool, mission-oriented brands that tie in with values like sustainability.

Product developers are using these ingredients to expand their offerings and provide options that suit a variety of consumers. Peas, lentils and beans have proven to be popular choices for bars. Peas, for example, are a good fit, addressing many top consumer demands, such as the desire for organic, sustainable, gluten-free, vegan, clean and non-GMO ingredients. Peas also offer a clean, mild flavor, making them easier to use without impacting taste.

No matter what kind of bars consumers choose, sugar reduction is another desirable attribute. Increasingly conscious of their sugar intake, health-conscious consumers are clearly seeking products that offer good taste with lower sugar content.

Nearly one in four now routinely say they choose products lower in sugar, and almost as many use the Nutrition Facts label to select products that have lower total or added sugars.[9] There are now plenty of sugar reduction solutions with strong consumer awareness, such as stevia-based sweeteners.

The trick is that eliminating sugar from a product formula is seldom a one-to-one trade, so product formulators have to not only replace sugar's sweet taste, but also its many functions like binding, bulking, texture and stabilization. Stevia and erythritol are often used in combination to provide low or no-calorie sweetness without a bitter aftertaste. Chicory root fiber is another strong option that meets many of these requirements. It is a versatile ingredient providing both sweet taste and texture. In addition, it contains a naturally sourced prebiotic fiber called inulin, which is clinically proven to support digestive health.[10]

That's important because many consumers are now searching for bars that offer additional function. Gut health is one trending category, as consumers realize the importance of their digestive function to overall health. Adding inulin to a bar, for example, can help a product achieve both a high-fiber and low-sugar claim. Prebiotic fibers have a growing health halo and awareness – and stand poised for a bright future in the next generation of bar products.

Consumers are also on the lookout for products that address various eating occasions, from bars billed as breakfast on-the-run, a pre-workout boost, or a healthy and nutritious meal replacement for people who are looking to manage their caloric intake.

Demands for the type of energy and muscle support are also changing as bar consumers expand from teens to seniors. These consumers are looking beyond the typical bar baseline for those that offer slow-release energy, muscle maintenance, cardiovascular health, cognitive function and immune support. Ingredients like vitamins and minerals, omega-3s, botanicals, and even nootropics are already emerging on store shelves.

Looking ahead, bars that offer condition-specific claims with validated ingredients are likely to gain traction as bar consumers seek not only convenience and nutrition but added value. The key opportunity will be to understand which benefits will resonate and catch hold with a wide consumer constituency.

1 Fortune Business Insights. "Protein Bar Market Size to Touch USD 7.03 Billion by 2027; Rising Inclination Toward Healthy Snacking to Propel Growth." https://www.globenewswire.com/news-release/2020/08/07/2075039/0/en/Protein-Bar-Market-Size-to-Touch-USD-7-03-Billion-by-2027-Rising-Inclination-towards-Healthy-Snacking-to-Propel-Growth-Says-Fortune-Business-Insights.html

2 Euromonitor International. "U.S. Snack Bar Sales 2005-2024." Cited in NZMP infographic, "Trends Redefining the Global Nutrition Bar Market." https://www.nzmp.com/global/en/news/trends-redefining-bar-market.html

3 Mintel. "Snack, Nutrition and Performance Bars Report." February 2019. Cited in NZMP infographic, "Trends Redefining the Global Nutrition Bar Market." https://www.nzmp.com/global/en/news/trends-redefining-bar-market.html

4 The Grocer/HIM. "Gender Bias, Health Concerns and Sports-Shy Cconsumers: 10 Charts Explaining UK Attitudes to Protein." https://www.thegrocer.co.uk/trend-reports/gender-bias-health-concerns-and-sports-shy-consumers-10-charts-explaining-uk-attitudes-to-protein/598311.article

5 Ibid.

6 Ibid.

7 International Food Information Council (IFIC). "2020 Food and Health Survey." https://foodinsight.org/2020-food-and-health-survey/

8 Cargill Proprietary Insights. Consumer Attitudes and Usage of Plant Protein. December 2018.

9 Ibid. IFIC.

10 Wilson, B; Whelan, K. "Prebiotic Inulin-Type Fructans and Galacto-oliggosaccharides: Definition, Specificity, Function and Application in Gastrointestinal Disorders," *Journal of Gastroenterology and Hepatology.* 2017 Mar:32 Suppl 1:64-68. Doi:10.1111/jgh.13700.



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