INSIGHTS REPORT

Dairy joy for everyone!

Creating delightful dairy desserts

The dairy desserts arena can be considered as offering the "best of both worlds." These indulgent treats still deliver some of that "goodness" that the broader dairy category is known for.

While the category has jumped aboard the protein bandwagon, and "no added sugar" propositions are increasingly finding their way onto supermarket shelves, indulgence is fundamental. That's why brands continue to spark joy by offering consumers the opportunity to find adventure within familiarity. They are doing so by offering surprise and delight through diverse sensory experiences.

Whether it's flavor inspiration from across the sweet treats & bakery categories, the development of new convenient formats, or the dialing up of indulgence through layering & inclusions, the dairy desserts category truly brings **"dairy joy for everyone."**

A "dairy desserts" definition

The dairy desserts category includes ready-to-eat dairy desserts that are manufactured industrially (e.g., flans, crème caramels, mousses, and cream desserts etc.).

It covers both chilled (must be chilled to prevent spoilage spoilage) and **shelf-stable** desserts (do not need to be chilled to prevent spoilage).

The state of the dairy desserts market

Dairy encompasses a large number of subcategories with quite some regional differences. The category includes everything from fermented yogurt & drinks, to creams, desserts, drinks, cheese, dairy mixes and powders.

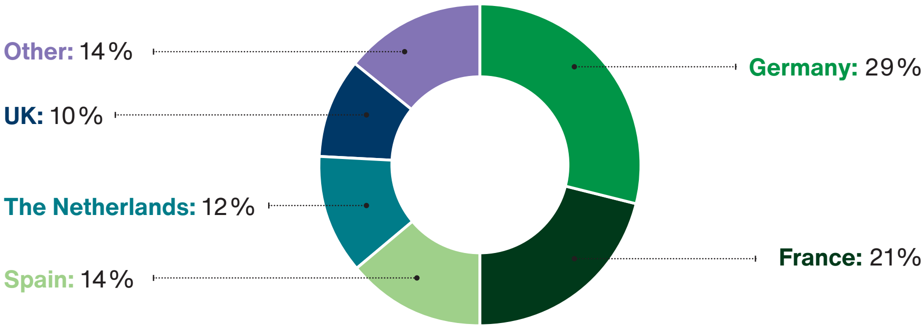
In desserts, however, regionality is most striking. Euromonitor forecasted the global market in 2024 to be ~3 million MT. Incredibly, only 22% of these volumes are driven by markets outside of Europe.[1]

78%

of the global dessert volumes are sold in Europe.[1]

Dairy desserts volume sales by market

Western-Europe, 2024



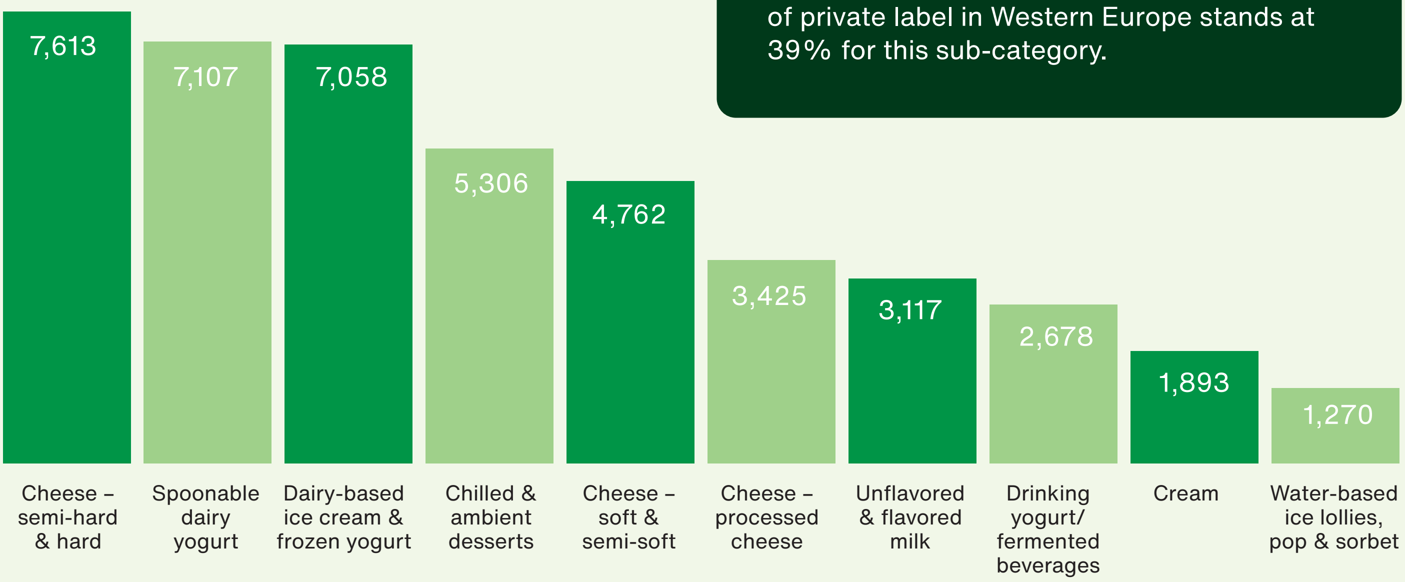
Chilled dairy desserts are the dominant type of dessert, and the expected future CAGR until 2029 is stable at 0.5%. Within the total dairy market, desserts represent 3% of volumes, increasing to 12% if we exclude all "plain"[2] dairy.

In terms of new product development, the category has seen launch activity of over 5,000 products over the last 3 years.[3] This is below ice cream & frozen yogurts but ahead of dairy milks & fermented beverages.

Dairy product launch activity

Europe, Jul 2022-Jun 2025[3]

Dairy dessert launch activity is strongly driven by retailers and private labels. With this background in innovation, the value share of private label in Western Europe stands at 39% for this sub-category.

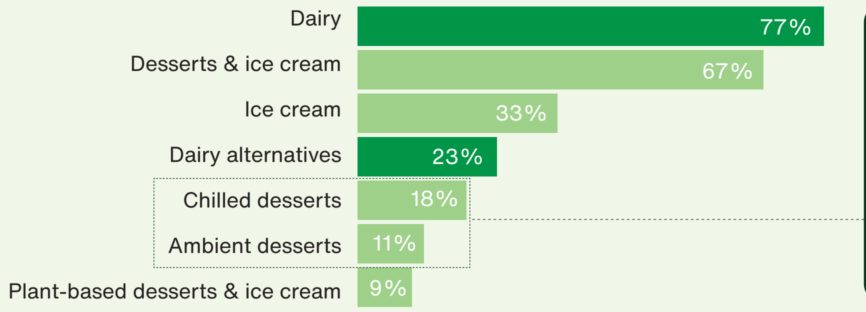


[1] Source: Euromonitor database, desserts and chilled snacks total volumes, World and Europe, 2024.
[2] "Plain" dairy = plain yogurt, milk, sour milk, fromage frais & quark, hard and soft cheese, butter.
[3] Source: Innova Market Insights product launch database, July 2022-June 2025, Europe, excluding dry desserts.

Category fundamentals indicate room for growth

While dairy penetration sits at 77%, penetration for chilled desserts (18%) and ambient desserts (11%) sits at a fairly low level. In fact, it is significantly below other indulgent categories such as chocolate (71%), biscuits & cookies (62%) and sugar confectionery (47%).[4]

Penetration[4]



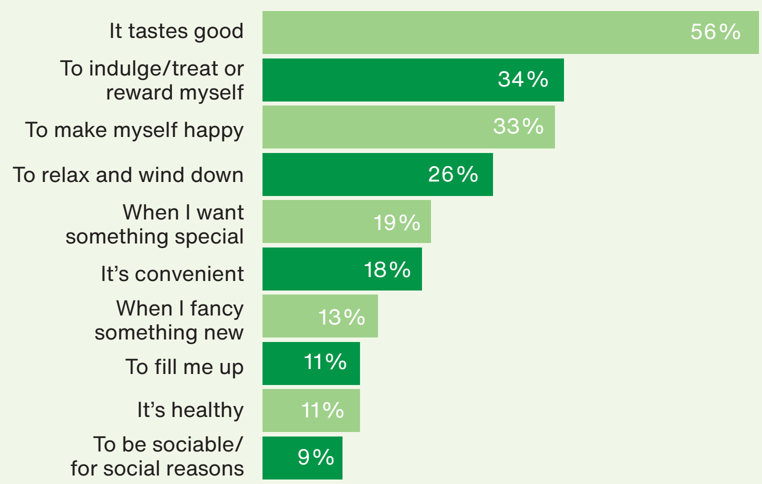
The penetration for dairy desserts is even below that of dairy alternatives — a more nascent category that still struggles to expand its consumer base beyond plant-based milks, and younger consumers.

Desserts are primarily consumed in order to indulge. Not surprisingly, taste is the main purchase driver (63%) whereas cost, brand, freshness and pack sizes & formats follow behind. Beyond indulgence and emotional drivers such as reward & relaxation, convenience, satiety & health are also mentioned. This highlights the strong innovation opportunities that exist.

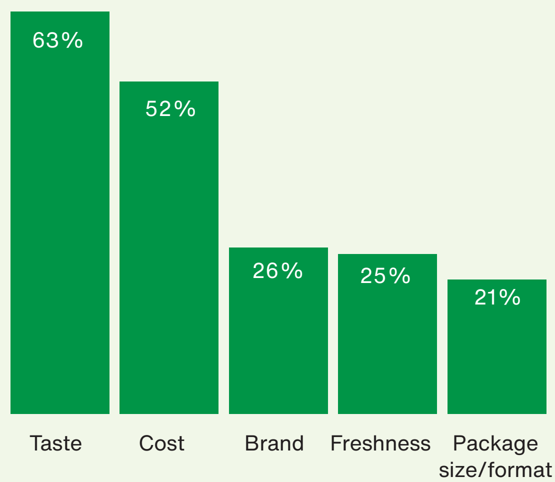
For example, you could explore this market opportunity by adjusting pack sizes to cater to the frequency, and consumption occasion of the consumer. Furthermore, you could combine the health cues of dairy with indulgence and clear communication around this (e.g., amount and type of protein).

Furthermore, you could couple this with exciting textures. For example, you could layer a foamy flavored topping with crunchy add-ons on a multi-layered dessert. This could take flavor inspiration from alcohol (limoncello), sweet treats & bakes (banoffee pie) and brown flavors with coffee inspiration (cappuccino), and (salted) caramel. Especially younger consumers like to be surprised and are open to experimenting. It's time for dairy desserts to take the stage!

Desserts & ice cream:
Reasons for consumption



Desserts & ice cream:
Purchase drivers



[4] Source: Innova Market Insights category survey 2025, European average.

Embrace the dairy goodness

Consumer expectations around transparency and label-friendliness shows no signs of abating. Consumers have a renewed recognition and appreciation for dairy as a natural, whole category. Dairy desserts are in a unique position to capitalize on this as a more wholesome treat when compared to other sweet categories.

"Made with real ingredients/natural" is the top claim (24%) influencing consumers' desserts & ice cream purchasing decisions. It's right up there with "traditionally made/crafted" (23%). Another label-friendly driven claim is "no artificial flavors or colors" (19%).[4]

Cargill's IngredienTracker™ research delves into consumer perceptions of ingredients. It finds that 64% of consumers will read the ingredient list when buying a product they have not bought before.[5] Additionally, consumers continue to attribute high importance to label-friendly claims.

64%

of consumers will read the ingredient list when buying a product they have not bought before.[5]

Better-for-you claims are slightly lower with dairy desserts still being perceived as an indulgent treat and purchased because of their great taste. Having said that, it's important to stress that the prevalence of "low/no/reduced sugar" (17%), "low/no/reduced fat" (14%) and "high in/source of protein" (9%) claims still indicates room to ensure that the category evolves with changing consumer expectations for healthier food & beverages.

[4] Source: Innova Market Insights category survey 2025, European average.
[5] Source: Cargill IngredienTracker™, 2024, Europe, 3,000+ consumers.

How Cargill can help

Neutral dairy desserts cover a wide group of desserts. It includes regional preferences such as “vla” (popular in Benelux), “crème caramel” (popular in France) and “crema catalana” (popular in Spain). The type of dessert determines the textural needs, which can range from “thick” to “creamy” to “gelled,” to “airy.”

The type of dessert defines the type of texture:

Thick & creamy

Gelled

Multi-layered

Airy

The multi-layering requirements and processing (UHT or can retort) and filling (hot or cold) conditions are critical to understand in order to achieve a delightful product.

The key challenges that manufacturers face in creating delightful neutral dairy desserts can be summarized as four-fold. The good news is that in Cargill you can find a one-stop-shop to address all these challenges.

Key challenges manufacturers face in creating delightful neutral dairy desserts:

1. Create desired texture

2. Improve stability & shelf-life

3. Control syneresis (hot) & post gelation kinetic (cold)

4. Bring indulgence (taste & intensity of flavor, color, mouthfeel)

In Europe, Cargill has a long-standing expertise in everything dairy.

Our R&D teams support our customers from two locations (Baupte (France) and Vilvoorde (Belgium)) which have fully equipped pilot plant facilities (incl. UHT, freezer, and fermentation tanks).

Moreover, our facilities feature a whipping machine to create mousses (Mondomix) and benchtop capabilities (<5kg). Furthermore, they house a wide range of analytical tools to measure anything from pH, viscosity, gel strength, firmness and whippability, to moisture and accelerated aging analysis.

Combined with our broad portfolio of high-quality ingredients for dairy, plant-based & hybrid alternatives, and our sensory capabilities, these capabilities enable us to offer technical assistance as well as co-create new concepts and/or reformulate existing recipes. Whether you're innovating or reformulating for cost, health, label-friendliness or indulgence, we are your partner across dairy applications.

Cargill can support you across all dairy applications:

- Fermented products
- Dairy desserts
- Dairy beverages
- Creams
- Processed & spreadable cheese
- Dairy powders & creamers
- Dairy dry mixes

Our application teams can also support hybrid or plant-based alternatives to dairy.

With high-quality ingredients:

- Texturizers
- Functional systems
- Fibers
- Sweeteners
- Cocoa & chocolate
- Decorations & inclusions
- Edible oils & fats
- Plant proteins

Our star ingredients

Cocoa powder

Made from cocoa beans — which are the seeds of the fruit on the cacao tree — which are fermented, dried, roasted, and pressed to remove the fat (cocoa butter). The remaining solids are ground into a fine powder, which is what we know as "cocoa powder." In neutral dairy desserts, cocoa powders bring indulgence through taste, color and mouthfeel, and the desired intensity of flavor.

Carrageenan

Water-soluble polysaccharides extracted from selected species of red seaweed with thickening, stabilizing and gelling properties. Carrageenan is an attractive cost-in-use texturizing solution for neutral dairy products thanks to its strong synergy with proteins. On top of that it can develop sufficient viscosity for cold filling, thus enabling multi-layered desserts.

Starch

A carbohydrate formed by D-glucose units found in many grains and vegetables, such as wheat, maize, and potatoes. It can be extracted from all of these sources to be used as a high-quality thickening or stabilizing agent. Starch is used in dairy desserts for its ability to create creamy, viscous textures while having a "clean" taste, prolonging shelf-life, being cost-effective, and offering process stability.

Stabilizers need to be efficient at a low dosage, adapted to industrial dairy processing conditions, and remain stable over time. Cargill offers a broad range of carrageenan and starches that can withstand severe processing conditions. They can be tailored to help deliver the textural and functional needs required for these desserts.

Depending on the market there can be a greater use of chocolate next to cocoa powders. In France, for example, to classify as a "crème dessert au chocolat" a minimum dosage of 2% chocolate is required.

Building blocks for winning desserts

With these three star ingredients as core building blocks, Cargill experts can help you design the most suitable solution for the type of dessert and texture you're creating.

Cargill offers a broad range of texturizers and cocoa powders tailored to the sub-application and processing conditions.

	Carrageenan	Starch	Cocoa powder
Cost	**Carrageenan:** Satiagel® or Satiagum®	**Modified starch:** C★Tex®/ C★PolarTex®	**Cocoa powder:** Gerkens® Smart Dose
Label-friendliness	**Seaweed powder:** WavePure®	**Functional, label-friendly starch:** SimPure®	**Cocoa powder:** Gerkens® Smart Label
Indulgence		**Functional label-friendly starch:** SimPure® Bright	**Cocoa powder:** Gerkens® Indulgence Booster

Our latest innovations

WavePure®

WavePure®: A label-friendly, unique ingredient based on seaweed that can be labeled* as "(Red) Gracilaria Seaweed Powder" or "(Whole) Gracilaria Seaweed." It can contribute to mouthfeel and consistency in dairy and non-dairy desserts, and can help to develop versatile textures, enabling the development of innovative, label-friendly recipes.

Cargill currently has two products available:

- **ADG 8250:** Contributes to the mouthfeel and stability in gelled dairy desserts, with a limited impact on sensorial profile.
- **ADF 8360:** Brings great body and a consistent mouthfeel without compromising taste in creamy desserts both in dairy & plant-based dairy alternatives.

SimPure®

SimPure®: Functional, label-friendly waxy maize and tapioca starches manufactured by thermal treatment to improve process stability whilst still sporting a simple labeling as (corn/tapioca) starch. Our portfolio is primarily built according to the desired texture functionality and type of process; offering both solutions for viscosity (994 series), gelling (996 series), and creaminess (999 series).

NEW!

Our new SimPure® Bright 99406 brings enhanced color performance compared to our existing SimPure® starches, while still offering a clean taste and developing great viscosity, making it better suited for color-sensitive applications like vanilla creamy desserts.

gerkens®

Gerkens®: World-class powders, made from the best beans for more than 50 years. Cargill has processing facilities in the Netherlands, France, Brazil, Ghana, Cote d'Ivoire and Indonesia — bringing our spectrum of powders closer to you and your consumers.

Our cocoa powders offer endless possibilities to achieve alluring colors, stand-out signature tastes, different fat options, and consistency.

Gerkens® Indulgence Booster is a curated collection of premium cocoa powders, designed for dairy desserts, crafted for sophisticated adult chocolate indulgence. The powders combine deep, rich colors with intense, rich, signature flavor profiles that are designed to evoke nostalgia and connect with adult consumer memories of chocolate, ideal for luxurious and decadent products.

*The labeling, substantiation and decision making of all claims is the customers' responsibility. We recommend you consult regulatory and legal advisors familiar with applicable laws, rules and regulations prior to making labeling claims decisions for your products.

Cargill

What's next?

While the dairy desserts market remains resilient, brands must navigate changing consumer needs, reduced spending power, regulatory pressures around sugar reduction & sustainability, and increased consumer expectations around transparency.

This leaves ample innovation opportunities around “better-for-you” options, cost-efficiencies, and label-friendliness. What is critical, however, is that consumers are not willing to compromise on indulgence as they seek these healthier options. Balancing health, taste, cost and indulgence will be key to sustaining growth.

Add to that an opportunity to reframe consumption occasions & moments, it becomes clear that growth is likely to come from bite-sized, smaller portions and on the go options. Ambient desserts can potentially play a bigger role here, next to chilled snacks which are making their way to supermarket shelves.

The future of dairy desserts looks bright.
Let’s co-create it together!

MORE INFORMATION >

Cargill