# Cake Decorations Market Update

Data updated to 07th August 2022

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# The Sections…

- Take Home Delivery
- Total Cake Decorations
- Icing
- Marzipan
- Frostings
- Edible Decorations
- Colourings
- Other Categories
- Conclusion

# Re-cap from last time

- Cake decorations market just staying ahead of two years ago, **driven by flavourings and cooking chocolate**
- Are consumers baking more everyday items rather than for specific occasions?
- In many categories, **brands are declining faster than private label**
- Online channel still working- do we need to develop a plan with the retailers to support our products online?
- Private label plan of action on sugarpaste to be explored
- Marzipan campaign in progress: **first brand re-design in 10 years!**
- Monitor Frostings market closely- **particularly RRP's of brand vs PL**, and continue to refresh established ranges
- Potential to share frostings & cake mix update- if we get the data!
- Continue to expand our offerings in other areas: colourings, caramel, sauces

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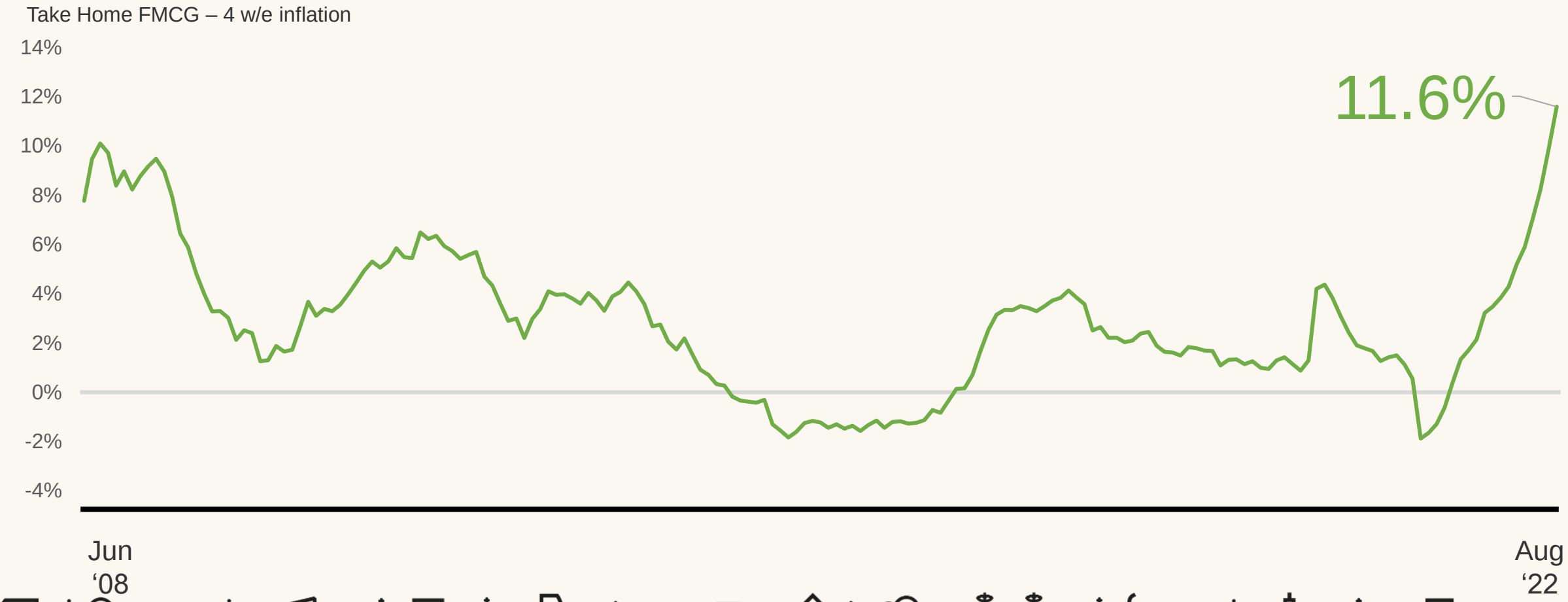
# Cost of living pressure is heating up

- Grocery inflation at its highest point for at least 30 years

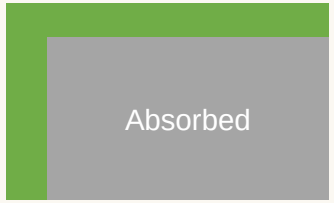



Source: Kantar FMCG panel

# Eight myth-busting truths about today's inflation-driven shopper behaviour

### 1. Shoppers are not buying significantly less

### 2. Shoppers will absorb 75% of price rises

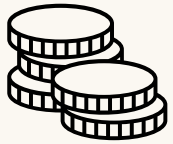



### 3. We're trading down, but also up!

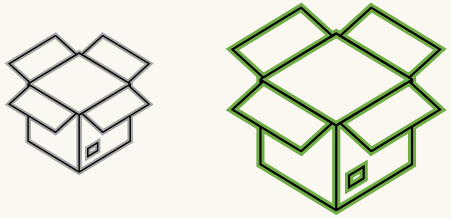
### 4. Consumption trends not the same as last recession

### 5. No such thing as a recessionary category

### 6. Affluent ≠ Comfortable



### 7. Value is subjective and has many meanings



### 8. We're eating out like it's 2019 again

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# Sadly, struggling consumers are 2/3 more likely to skip breakfast or lunch than in comfortable households.

**1 in 9** breakfasts ‘had’ by struggling consumers are skipped

(ix 168 vs comfortable)

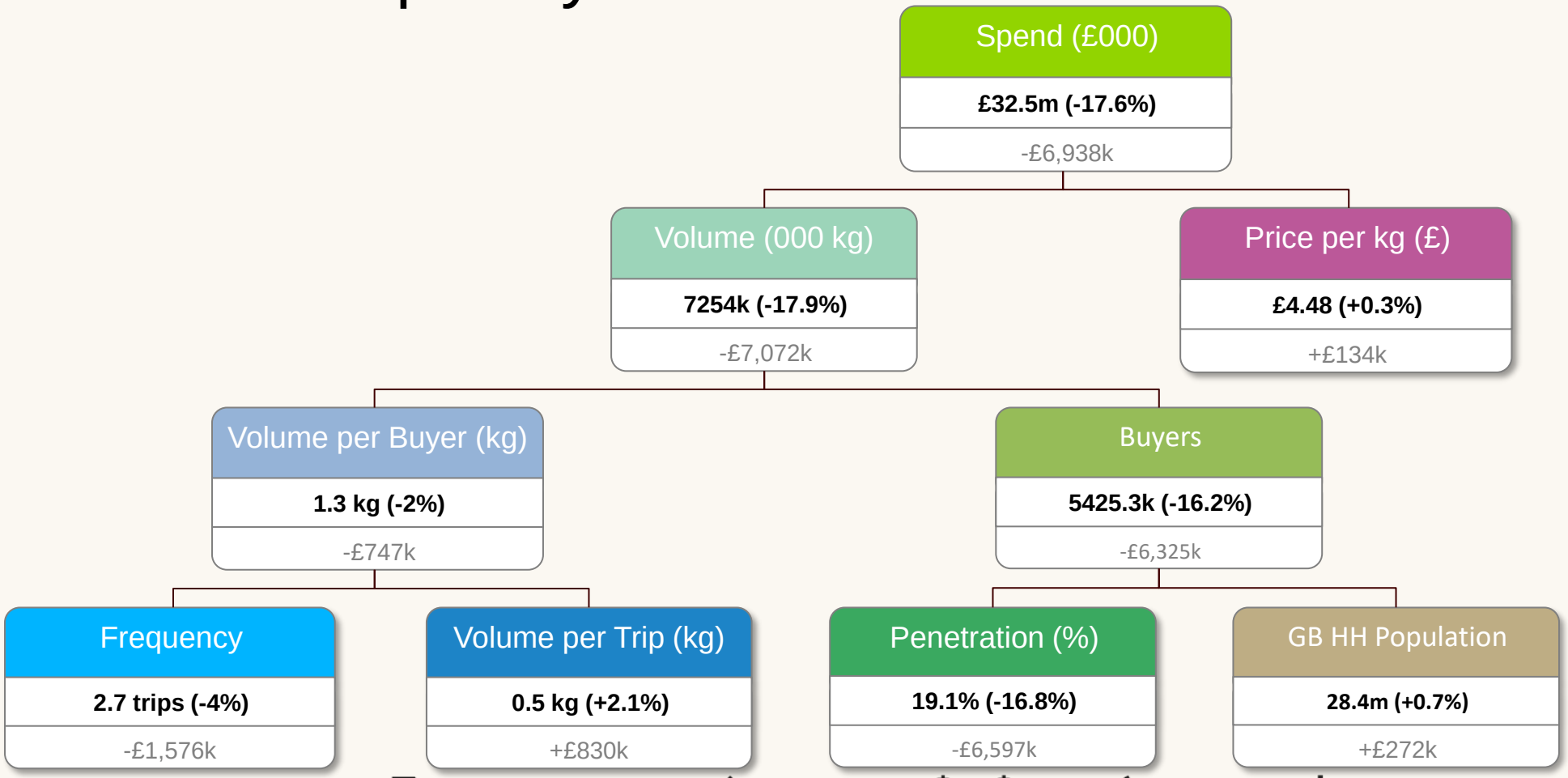
**1 in 7** lunches ‘had’ by struggling consumers are skipped

(ix 167 vs comfortable)

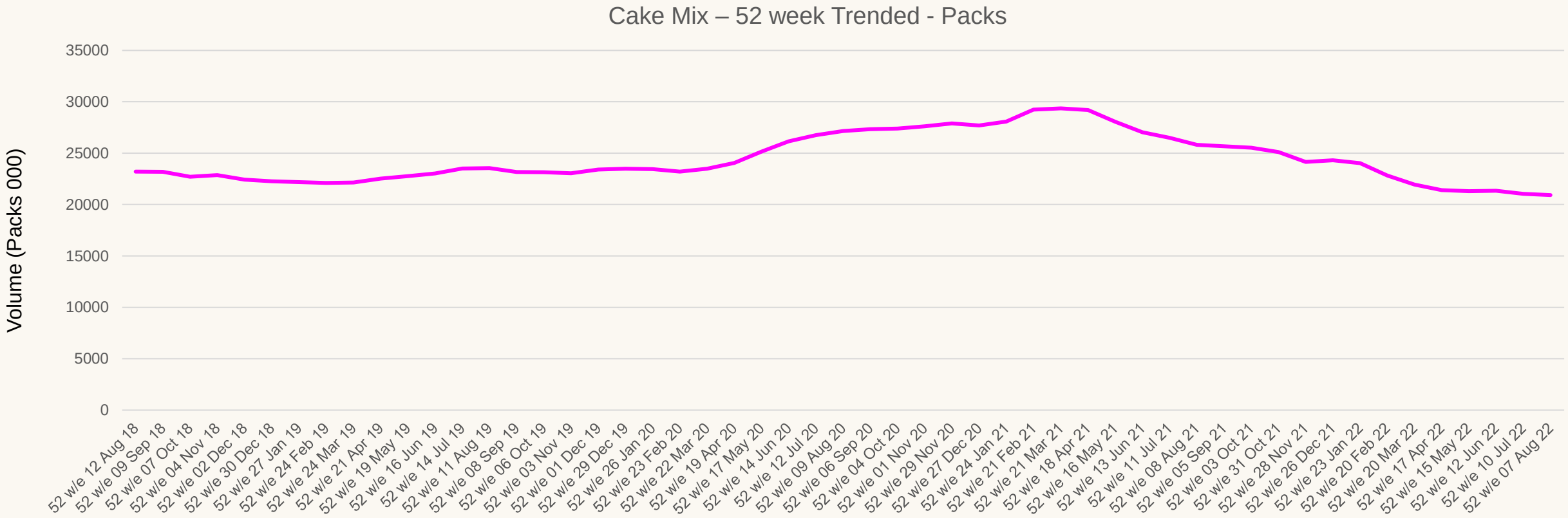
The most likely way people will reduce their spend will also be to stop buying non-essential categories

Source: Kantar Worldpanel LinkQ Survey, Financial Concerns Survey, November 21, 10,669 panellists interviewed
Data: 52 w/e Jan 22, Usage Panel

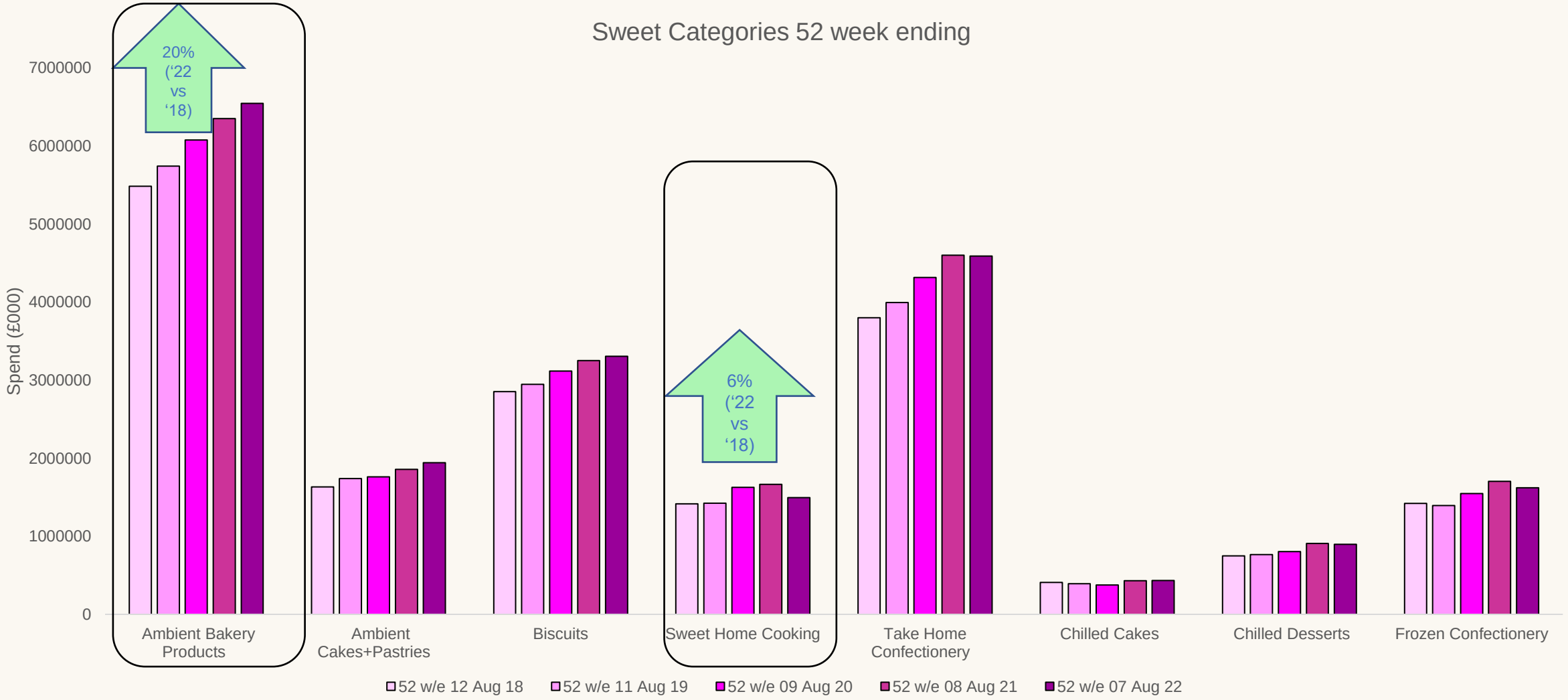
# Total Cake mixes have decline in value, driven by a fall in penetration and frequency.



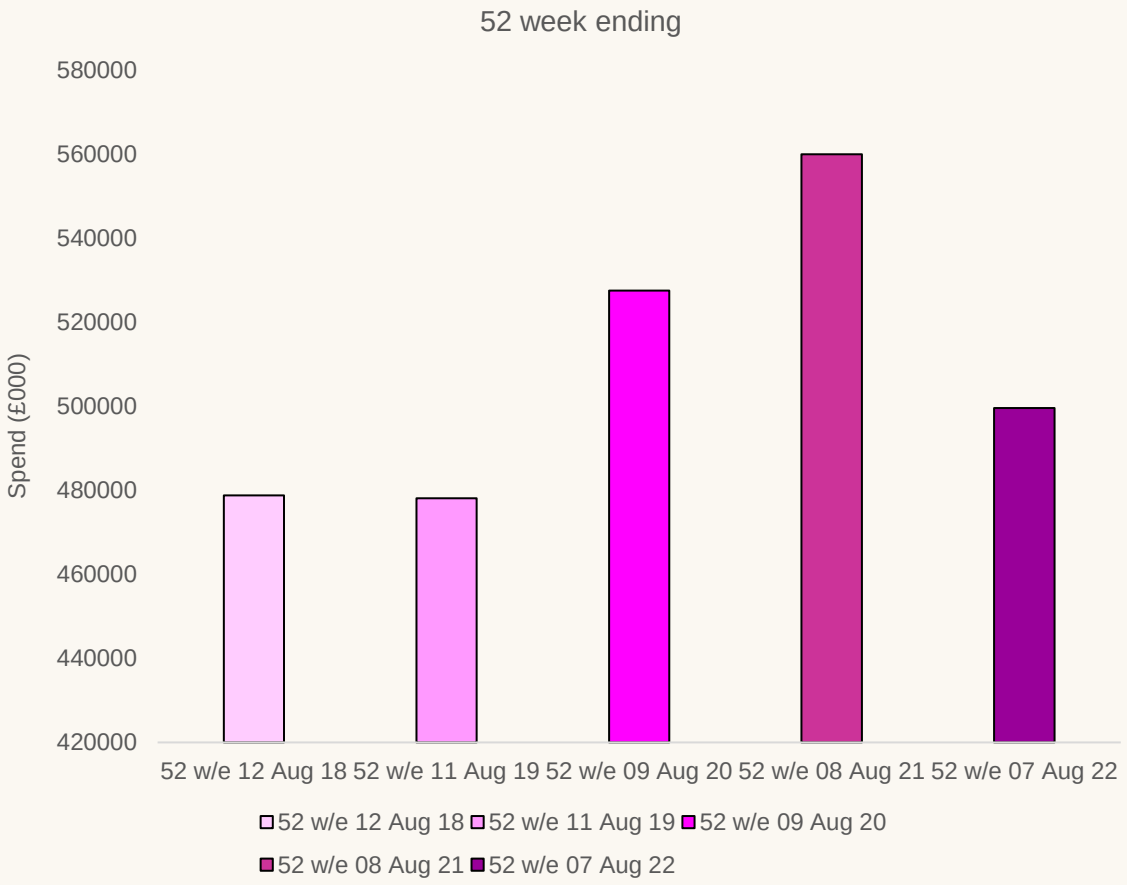
# Cake Mix has annualised but has returned to a level which is 11% lower than in 2018

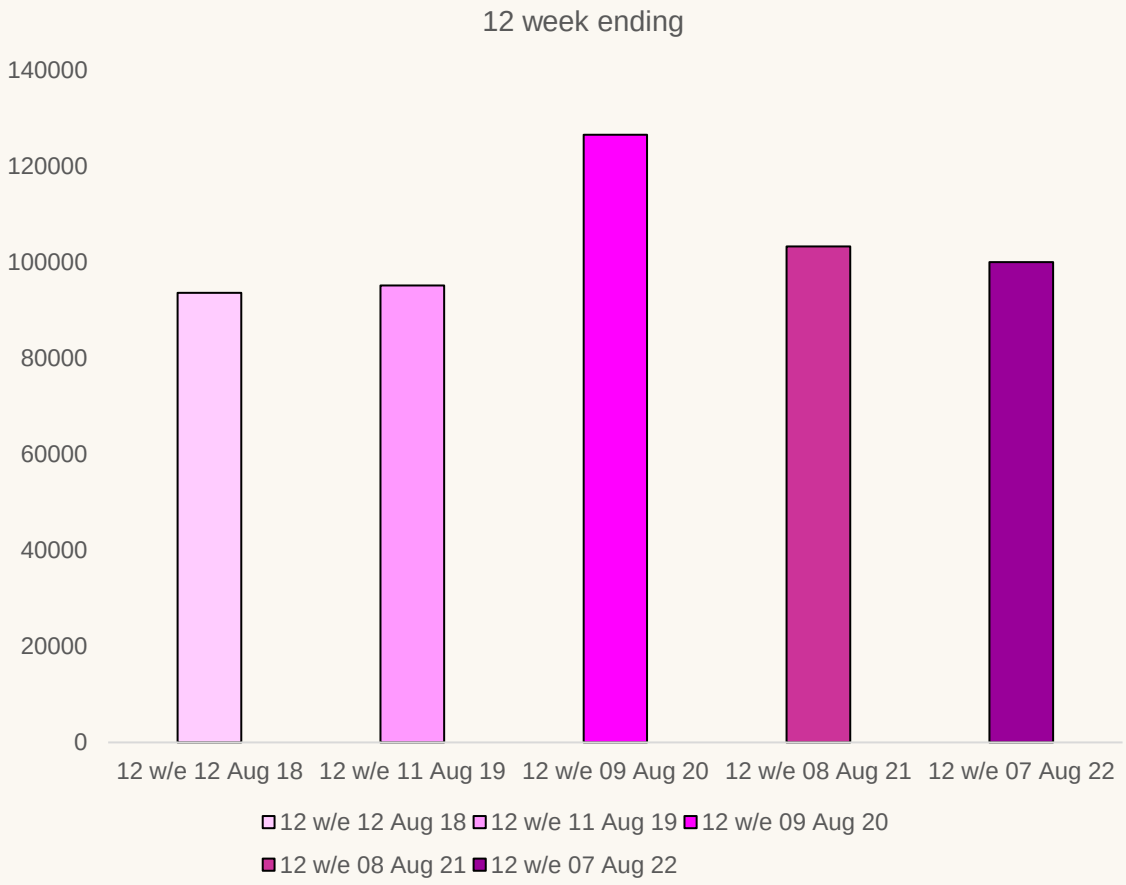


# There has been a general positive growth across all sweet categories over 5 years with ambient bakery products seeing the greatest increase



# Annualisation on a short and long term perspective has seen home baking return to pre pandemic trend but at a higher level than 2018 or 2019




Kantar Worldpanel | Sweet Categories | Home Baking | 52 we | 5 Yrs | Volume (Packs 000s)

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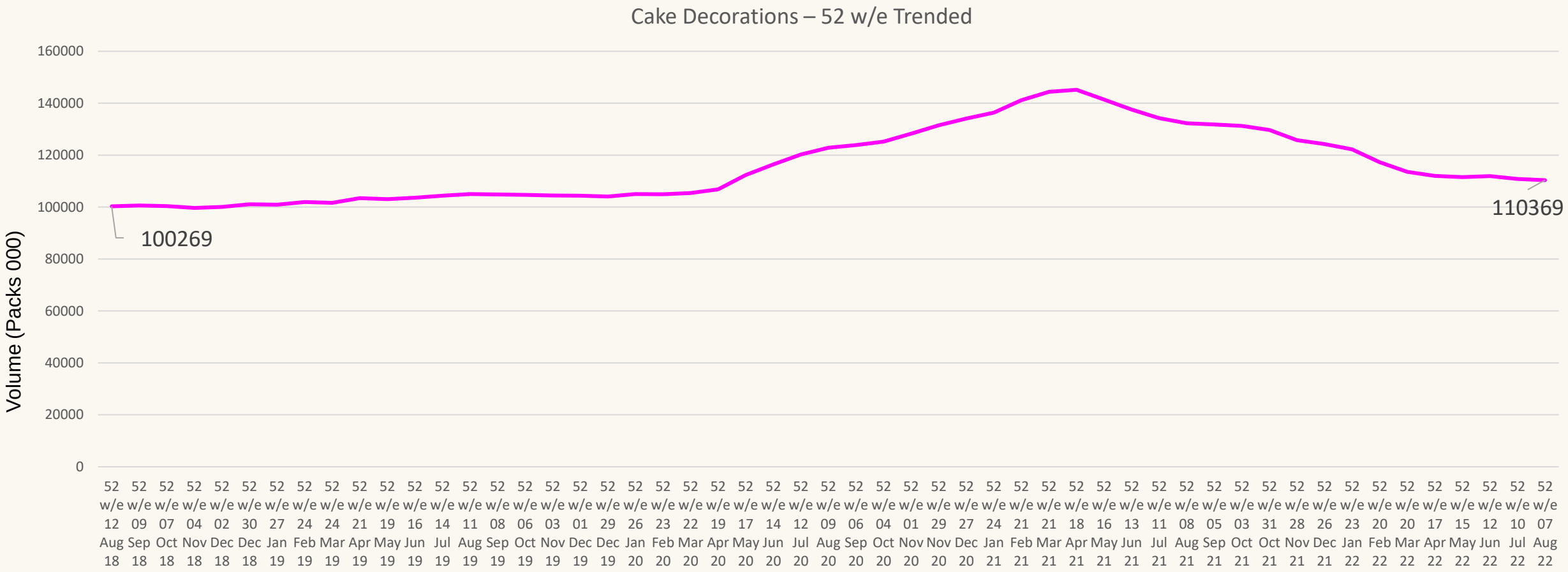
# Cake decorations has annualised its covid increase and has since returned to its pre pandemic trend



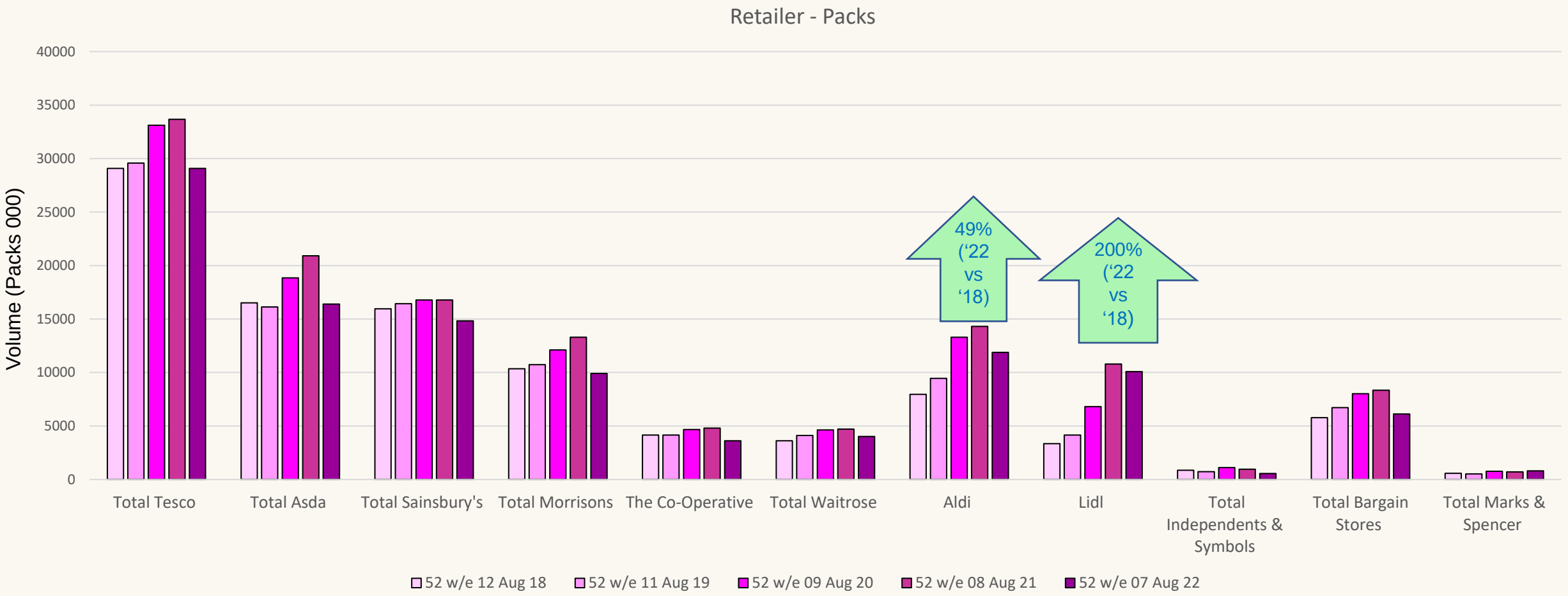

Kantar Worldpanel | Total Cake Decorations | 52 we | 5 Yrs | Volume (Packs 000s)

# Cake Decorations has seen growth in KPI when comparing to its pre covid spike

| | | Vs 19 | Vs 18 |
|---|---|---|---|
| Spend £ | £145m | +1.9 | +5.3 |
| Volume (Packs) | £110m | +5.1 | +10.1 |
| Buyers | 15.1m | +2.8 | +4.7 |
| Penetration | 53.3% | +0.6 | +1.7 |

Kantar Worldpanel | Cake Decorations | 3 Yrs | 52 we | KPI

# Of all retailers, Aldi and Lidl have seen the smallest decline vs YA and an overall positive growth vs 2018




Kantar Worldpanel | Cake Decorations | Retailers | 5 Yrs | 52 we | Volume (Packs)

# What lifestage has the highest value of pack share % in Aug 2022

A
Family 10+ Years

B
Retired

C
Pre Family

D
Empty Nesters