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INNOVA MARKET INSIGHTS

Global Rise in Gluten Free

The number of products marketed as gluten free is continuing to rise globally, with a further double-digit growth recorded in 2009. This took the total number recorded on the **Innova Database** to more than double the gluten free level in 2007. It is partly due to improved labelling regulations, but mainly to rising health concerns, especially the growing awareness of gluten intolerance in the population. Hence, the demand for more mainstream and high quality gluten free products across a range of food and drinks sectors.

Internationally, more than 5% of the food and drinks launches recorded on the **Innova Database** in 2009 were marketed as gluten free, rising to over 10% in Australia and New Zealand and falling to less than 1% in Asia. There were higher launch numbers in the USA and Europe, but these largely reflected higher levels of food and drink new product activity as a whole.

In the UK, interest has also been driven by the major multiple retailers, most of whom have their own 'Free from' products. These encompass other ingredient exclusion concepts such as lactose free and dairy free, as well as gluten free lines. In 2009, Sainsbury, Tesco and Waitrose all extended their gluten free ranges across a number of sectors including bakery and cereal products, sauces, pizza and meat products. Branded initiatives over the same period have featured specialist suppliers, such as Mrs Crimbles gluten free bakery lines, as well as gluten free products from mainstream suppliers, such as Youngs Seafood's launch of its first free from/ gluten free fish finger with a wheat, gluten and dairy free crumb coating.

This combination of specialist dietetic brands and newer more mainstream style products has also been evident in Continental Europe, with launches such as Glutano Landtaler Digestives digestive biscuits and DS Sandwich frozen bread in Germany, Clarelia ambient ready meals in France and Tonitto Zero 30 ice cream in Italy.

In the USA, there has also been a large number of product launches recorded by **Innova**. The increasing market penetration is reflected in a higher number of value-added products offering additional benefits and no longer simply reliant on a specialist gluten free image. This has again been evident across a number of sectors, with launches in recent months including Organic Gluten Free Vanilla Ice Cream Sandwich Cookies from Oregon Ice Cream Company to run alongside its standard ice cream sandwich range; frozen all natural rice-based pasta meals from Caesars Pasta Products; and Activ8 organic probiotic snack bars from Cascade Fresh. Perhaps even more telling was the arrival of the first nationally branded gluten free bakery mixes in the US market from none other than bakery mixes market leading brand, Betty Crocker.

The USA has probably the largest gluten free foods market globally, with estimates of sales at over USD1.5bn a year in an overall 'free from' market worth over USD3bn. Most European markets are much smaller, reflecting not only smaller populations overall, but also much less developed processed food markets in many instances. The UK market, for example, while relatively well developed in European terms, is estimated at less than GBP100m a year, with the retail market accounting for just over half of that and the prescription market taking most of the remainder. It has been showing double digit growth in recent years, however, as have the markets in countries such as France and Italy.

Australia and New Zealand showed high level emergence of gluten free products in 2009 across a wide range of categories. The most active was bakery & cereals, with nearly a quarter of the total. Following it were sauces & seasonings, baby foods, ready meals & meal components and dairy. These top categories accounted for 70 % of the total. Some of the prominent brands in terms of product numbers were SunRice (rice-based products), Yoplait (yoghurt), Barker's (jams & sweet spreads), Artisse Organic (cereal bars, seasonings, biscuits), Sakata (rice-based crackers) and Organic Bakeworks (breads & cookies). In the broad scattering of brands contributing gluten free products were Kraft, Heinz, Edgell, Ardmona, Cerebos, Woolworths, Coles, Nestlé, Patties, Wrigley's, to name just a few.

"Authorities suggest that up to 10% of the population have some form of gluten intolerance" noted **Innova Market Insight's Head of Research LuAnn Williams,** "although it remains mostly undiagnosed, while estimates of levels of Coeliac disease range from about 1 in 100 to 1 in 300 of the population according to country and source." Gluten intolerance is not the only reason for buying gluten free foods, she also contends, with issues such as overall wellbeing, digestive health, weight management and nutritional value often deemed to be equally, if not more important, by consumers. "With this background, more labelling of gluten free foods and the growing availability of a range of high quality products with a good sensory profile, the market seems set for considerable further development in line with the 'free from' market as a whole."

For further information on the **Innova Database**, the representative for Australia and New Zealand is Glen Wells (Glen.Wells@innova-food.com.au)