

MSU Product Center

For Agriculture and Natural Resources

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Wheat: Cereal Bars – Many opportunities

Market drivers that provide many opportunities

- There are **many** opportunities for cereal bar products that appeal to the demand drivers of **indulgence** and **wellness**.

Specific opportunities

- A major determinate of cereal bar consumption is the presence of children in the home; 69 percent of households with children consume cereal bars compared with 46 percent of households without children. It appears that there is room for growth in the cereal bar market, especially if products could be developed that appealed to adults.
- There are a wide range of products that could be used to appeal to wellness. These include whole grain products, products that are fortified with vitamins and minerals, products that are high in protein and products that are low in cholesterol to name a few.
- There are also opportunities to develop products that appeal to indulgence. These include products with unique flavors, and products with other attributes that consumers would be willing to pay a premium for.

New product examples

- From 2000 through 2004, there were 1,952 new product introductions throughout the world in this product category. Products that made a health claim were common.
- New England Natural Bakers Save the Forest Organic Caramel Apple Snack Bar, sold at health food stores, 10 percent of the profits are dedicated to efforts to preserve forests.
- Hershey Foods Cookies 'n' Crème SnackBarz, dipped in real Hershey's white chocolate the product features crispy rice, marshmallow, chocolate cookie bits, and white chocolate crème.
- Ensure Healthy Mom, Snack Bars, designed for pregnant and nursing mothers, fortified with protein and essential vitamins and minerals.
- Vital Basics Vitamin Bar, free of trans fat, two varieties: one to promote heart and body health, and the other designed to support memory, focus and concentration, available in health food stores.

Special issues

- Entry into the market may be difficult, the market is maturing rapidly.
- Finding shelf space in supermarkets may be difficult. Supermarkets are increasingly offering their own cereal bar products through their own stores. However, there may be opportunities in offering products to health food stores, convenience stores, etc.

Key to success

- Consider whether or not it would be possible to combine products attributes. Also, be sure that the product truly is unique and better than the competition's product when appealing to indulgence.

Sources

Mintel. Cereal Bars.

_____. Global New Products Database.