

MSU Product Center

For Agriculture and Natural Resources

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Wheat: Cookies – Many opportunities

Market Drivers that provide many opportunities

- There are **many** opportunities for cookie products that appeal to the demand driver of **indulgence**.

Specific opportunities

- In one survey 79 percent of households consumed cookies. Cookies have a fairly high level of penetration in terms of consumption.
- While the overall cookie market is stagnant or declining slightly, the market for high quality cookies is strong. These types of cookies appeal primarily to adults, they also sell at premium prices. Pepperidge Farm which only sells premium cookies is now the third largest cookie manufacturer in the U.S.
- Despite the market presence of Pepperidge Farm there may be potential for small firms to find a niche in local areas. A locally produced cookie would be fresher than a cookie made in a factory some distance from the market.
- There may be some opportunities in direct sales or sales to food service firms.
- Consumers are interested in new products that provide a premium experience. This can be accomplished through premium ingredients, new flavors, enhanced packaging and other methods.

New product examples

- From 2002 through the first quarter of 2004, there were 1,371 new cookie products introduced in North America.
- David's Cookies Scones available in Cinnamon Chip and Blueberry varieties. Sold to food service only.
- Starbucks Coffee Lemon Berry Biscotti, available at Starbucks locations.
- Trader Joe's Eclairettes, uniquely shaped sandwich cookies filled with Belgian chocolate cream, topped with shaved almonds and dipped in dark chocolate.

Special issues

- Entry into the market may be difficult; there are several large firms in the industry.
- Finding shelf space in supermarkets may be difficult. Supermarkets are increasingly offering their own cookie products through their own in-store bakeries. However, there may be opportunities in offering products to delis, gourmet stores etc., or through direct sales or convenience stores.

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.

Sources

Mintel. Cookies.

_____. Global New Products Database.