The European market potential for healthy snacks with grains, pulses and oilseeds

Last updated:
30 December 2019

Snacking is common in Europe during social occasions or on the go, but better-informed consumers increasingly choose healthier snack options. The United Kingdom has most focus on convenience in combination with health benefits, while Germany is the largest market for organic and natural snacks. Wholegrain wheat and other cereals are popular in snacks, but you can also find opportunities for pulse flours, seeds and naturally processed grains.

Contents of this page

1. Product description

Healthy snacks are food products that are considered nutritious or beneficial for a healthy diet, which are generally consumed in between meals.

Health in snack food is a flexible term. In a commercial setting, healthy snacks often include a statement or claim that promote the healthy or nutritional value of the product, for example:

- Snacks with reduced amount of unhealthy ingredients: reduced sugar, less fat, no preservatives or additives
- Snacks with ingredients that promote health: omega-3, wholegrain, plant protein, fibres
- Snacks developed for a specific objective or diet: gluten-free, vegan, energy snacks for sports

This study focuses on the use of grains, pulses and oilseeds in healthy snacks in Europe, including:

- Consumer products such as crackers, biscuits, cereal bars, bakery products and packaged snack nuts with seeds.
- Ingredients and basic preparations, such as pulse flours and unroasted cereal flakes as well as basic commodities.

2. What makes Europe an interesting market for healthy snacks with grains, pulses and oilseeds?

Strong demand for savoury and cereal-based snacks

European sales of snack products reached €12.8 billion in 2018, growing 6% from the previous year. Part of the strong snack market can be explained by the growing interest on on-the-go healthy snacks, which are often savoury or cereal-based snacks.

Consumption of savoury snacks varies across Europe, but the average per capita purchases are approximately 3.6 kg per year. Toasted bread, wafers and other cereal products considered to be healthier have grown faster than sweet biscuits. Sales of crispbread, such as the Wasa brand, went down in 2018 after strong growth in previous years. Savoury is still behind sweet biscuits, which are still the biggest category in cereal snacks. But sweet biscuits have lost market share probably because of consumers cutting down on sugar.

Internal European trade is responsible for the highest value of savoury and cereal-based snacks. In comparison, the import value from non-EU suppliers is relatively small, but over the last five years external supply has increased more rapidly than the local trade. And more importantly, more than 70% of the external supply comes from developing countries, such as Turkey, China, Thailand, Ukraine, Vietnam and North Macedonia.

Table 1: European imports of cereal-based food preparations 2018, in million euros

HS Code	Product	non-EU supply			European supply		
		Value in million euros	change 2014–2018	change 2017–2018	Value in million euros	change 2014–2018	change 2017–2018
190590	Other bread, pastry, cakes, biscuits	476	32%	6%	9.697	26%	6%
190531	Sweet biscuits	145	37%	-3%	2.981	10%	1%
190532	Waffles and wafers	42	33%	8%	1.470	25%	1%
190540	Rusks and toasted bread	14	59%	5%	367	17%	8%
190520	Gingerbread	7	19%	-3%	167	25%	3%
190510	Crispbread	4	64%	-22%	271	48%	-5%

Source: ITC Trade Map

Tip:

Stay up to date with market developments in the snack industry by following the news from the European Snacks Association and Bakeryandsnacks.com.

Growing imports of healthy ingredients for snacks

Changing eating habits leave more room for snacks and easy foods. European consumers are also becoming more aware of healthy diets. Snack producers look for certain grain and pulse ingredients or basic preparations that fit the consumer expectation of a healthier product.

The increasing popularity of healthier and more natural ingredients is reflected in import values. Non-European ingredient suppliers enjoyed rising import values from 2014 to 2018, for example:

- Protein-rich pulse flour: 136% growth, mainly from India;
- Natural unroasted cereal flakes and mixes: 63% growth, North Macedonia being the number one supplier in 2018;
- Gluten-free prepared bulgur: 41% growth, dominated by Turkish suppliers.

Basic ingredients can also count on more export going forward, among which chickpeas, lentils, sunflower seeds, chia seeds, oats and rye.

Many products are widely available from European origins, especially common cereal preparations from wheat, spelt and oats. Nevertheless, the demand for most health ingredients will remain large enough to allow room for non-European suppliers in the future.

Table 2: European imports of basic preparations for cereals and pulses 2018, in million euros

HS Code	Product	non-EU supply			European supply		
		Value in million euros	change 2014–2018	change 2017–2018	Value in million euros	change 2014–2018	change 2017–2018
190410	Roasted cereals (e.g. corn flakes)	47	99%	17%	1,981	23%	4%
190430	Prepared bulgur	32	41%	-11%	51	48%	-5%
190490	Other cereal preparations (excl. flour, meal, roasted)	27	34%	-2%	371	45%	10%
110290	Cereal flours (excl. wheat and maize)	12	-11%	-4%	198	17%	-5%
110220	Maize flour	10	33%	3%	73	15%	3%
190420	Unroasted cereal flakes or mixtures	8	63%	10%	455	48%	-0,1%

110610	Pulse flour	6	136%	3%	33	115%	30%

Source: ITC Trade Map

Tips:

- Meet potential buyers by making your company visible at trade fairs for food ingredients, healthy foods or snacks, for example, Food Ingredients Europe, Health Ingredients Europe, Anuga, SIAL, Biofach and Snackex.
- Read our market outlook and statistics for grains, pulses and oilseeds to see which basic ingredients have potential in the European market.

3. Which European countries offer most opportunities for healthy snacks with grains, pulses and oilseeds?

Europe’s consumption of healthy snacks is mainly concentrated in North Western European countries. Important indicators for each market include the attention to healthy nutrition and the local snack culture. In the United Kingdom and the Netherlands, snack producers are looking for ways to make on-the-go eating healthier. In Germany, France and the Nordic countries (Sweden, Denmark, Norway and Finland) consumers focus on the organic and social value of healthy snacks.

Table 3: Import value and estimated retail sales of products related to healthy snacks, in million euros

		United Kingdom	Germany	France	Netherlands	Sweden	Denmark

Retail sales estimates	Snack food segment (2019)	4,044	2,357	2,127	860	511	455
	Organic sales (2017)	2,307	10,040	7,921	1,206	2,366	1,601
	Organic biscuits and snack Bars (2018)	36*	20	100*	17		
	Naturally healthy nuts, seeds and trail mixes (2018)		1,178	541			
	Naturally healthy cereal bars	125	138	39			
	Functional energy bars (2018)	60	17	29			
	Functional sweet biscuits, snack bars and fruit snacks (2018)		24	45			

Import value 2018	Bread, pastry, cakes, biscuits and other (HS1905)	2,332	2,070	1,998	1,186	377	338
	Preparations from unroasted cereal flakes /mixes (HS190420)	43	52	51	56	22	16
	Flour, meal and powder of pulses (HS110610)	10	4	2	3	0.3	0.6
	Cereal flours (excl. wheat/maize) (HS110290)	21	22	24	25	2	5

*includes fruit snacks.

Sources: Euromonitor in AAFC, ITC Trade Map, Statista, IFOAM-FiBL, calculations by ICI Business

United Kingdom

The largest European market for health and wellness snacks, the United Kingdom has a strong combined focus on convenience and health. Bigger brands and private label dominate the market. But as an exporter, you can also focus on small or specialised buyers of ingredients for snacks, such as pulse flour for biscuits or alternative grains for cereal bars.

The total value of the health and wellness snacks market in the United Kingdom is estimated at almost €20 billion. Biscuits are most popular in British retail sales of healthy snacks, followed by snack bars and other sweet and savoury snacks.

Private labels and brands, such as Belvita and Nature Valley, dominate the healthy snack market. These brands will be very demanding concerning their supply chain, which can make market entry more difficult for small suppliers. In the snack bar segment, the market share of smaller brands and companies is largest at 60%, making it more accessible through specialised importers of ingredients.

Table 4: UK forecast and estimated retail sales of health and wellness packaged food, in million euros

	2016E	2017F	2018F	2019F	2020F	2016–2020 %CAGR
Biscuits	686.1	716.6	744.6	766.7	781.7	3.31%

Snack Bars	414.9	423.6	432.2	441.3	455.5	2.36%
Sweet and Savoury, excluding Nuts and Fruit Snacks	302.3	312.3	323.7	336.6		
Total Health and Wellness Packaged Food	19,612.7	20,113.2	20,636.7	21,164.7	21,685.1	2.54%

Source: Euromonitor in AAFC Healthy Biscuits, Snacks and Snack Bar Trends in the United Kingdom - March 2017, calculated from US dollars to euros

Some of the features that are important for British consumers include functionality, reducing fat, vegetarian and vegan options, and ingredients that are naturally healthy. This is good news for certain ingredients, such as the following.

Oats: Functional products need ingredients with specific nutritional value, such as high-calorie content in energy bars. Fortified and functional energy and nutrition bars have been leading the growth in snack bars in the United Kingdom and will continue doing so up to 2020. This will be positive for high-calorie cereals, such as oats.

Linseed, sacha inchi and chia oil: The United Kingdom is infamous for being the most obese country in Europe and products with reduced fat are becoming more important. Especially low-fat biscuits and savoury snacks are major products in the British healthy snack department. It could also increase opportunities for heathier fat alternatives such as linseed, sacha inchi and chia oil.

Pulse flours: Vegetarian and vegan is the most important claim in new healthy snacks. This is good news for exporters of pulses and pulse flours, whose imports increased fast in the last five years: more than 200% to reach 7.3 thousand tonnes in 2018.

Alternative cereal flours: Naturally healthy granola snack bars take up a large part of the snack bar sales and the demand for natural high-fibre biscuits is increasing rapidly. These developments correspond to the import growth of alternative non-wheat cereal flours, which went up from 7.7 thousand tonnes in 2014 to 31.7 thousand tonnes in 2018.

Towards 2020, the growth in biscuits, snack bars and savoury snacks is expected to slow down. But the growing demand for healthy snacks will continue. An uncertain influence will be Brexit, the process of Britain leaving the European Union. See also our trend study on grains, pulses and oilseeds.

Tip:

Look at one of the many online shops with healthy food products to see the variety of snacks British consumers can buy, including Healthysupplies.co.uk, Realfoods.co.uk and Hollandandbarrett.com. This will help you understand the general focus and interests of consumers, but also how healthy snacks are presented.Germany: organic and naturally healthy.

German consumers have a preference for natural and organic snacks. Germany is a large market, but also one with high demands in quality and food safety compliance, making it a difficult market for suppliers.

In Germany, snacks are often part of a meal or a social occasion. Packaged fast food is not a goal for the general consumer, but often time pressure moves consumers towards easy on-the-go snacks.

Germans are meticulous when it comes to food information and a clear label, which determines the quality of the product. Product information and knowledge are helpful in the growing preference for natural food without additives. The German word *naturkost* is often used to indicate natural and unprocessed food.

The German organic market is worth €10 billion, more than any other European country. More than a third of the value consists of organic packaged food.

Table 5: Forecast of naturally healthy packaged food market retail sales by type in Germany, in million euros

Category	2018	2019	2020	2021	2022
Nuts, seeds and trail mixes	998	1,056	1,115	1,174	1,230
High-fibre food	881	905	927	948	968
Cereal bars	117	122	128	133	139
Total naturally healthy packaged food	2,827	2,939	3,053	3,164	3,273

Source: Euromonitor in AAFC Health and wellness trends in Germany – July 2019, calculated from US dollars to euros

Simple straightforward products such as nuts, seeds and dried fruit are the most common health snacks, selling an estimated €1.4 billion in 2018. These foods are minimally processed, natural and considered healthy. Mixed nuts and seeds can also be an opportunity for exporters of edible oilseeds, such as pumpkin and sunflower seeds. Germany is one of Europe’s main importers of oilseeds.

The main challenge for many healthy snack brands and suppliers of ingredients is to maintain quality and provide a worry-free product in a price-competitive market.

Tips:

Use natural processing methods for your ingredients and healthy snacks when supplying to the German market. This includes avoiding pesticides and chemicals in agriculture.

Look for industrial users of ingredients for fine bakery products (*feine backwaren*) and snack products (*knabberartikel*) on the member list of the Association of the German Confectionery Industry (BDSI).

Read the CBI's market information about exporting nuts and dried fruit to Europe to get insights in the demand for nuts in Germany. This will give you a general idea about the potential for snack nut mixes with seeds.

France

Snack consumption in France is one of the highest in Europe and the organic value is a good indication of consumers looking for more natural and healthier foods. In the French healthy snack market, it is best to focus on organic pulses and cereals.

Snack sales revenue of €2.1 billion is not impressive when looking at the consumption per capita, but it still makes France the third-largest market for snack food in Europe. The afternoon snack *le goûter* is the most popular snacking moment, when the French eat, for example, fresh plain butter croissants or chocolate croissants (*pain au chocolat*). Pre-packaged biscuits and cereal snacks are often consumed in the morning break and savoury snacks are more common as appetisers.

Snacks are traditionally seen as unhealthy in France, but nowadays 38% of French consumers snack at least once a day opposed to 20% to 30% in 2010. Meanwhile, traditional sweet snacks are becoming healthier as multinational brands are reducing saturated fats and salt, while adding whole grain to their products.

A strong organic sector and the use of special grains such as quinoa, are evidence that the French are interested in combining indulgence with healthy nutrition. This has resulted in products on the French market such as organic quinoa chips, cookies with chia and oats and gluten-free rice crackers and madeleine cakes.

Tips:

See what's new on the French snack market on Snacking.fr (in French).

Visit the biennial trade fair SIAL in Paris to meet a wide variety of French and international food brands and companies. Use the refine search option in the exhibitor list to search for specific companies offering health food and diet products, biscuits and pastry, or semi-finished products and ingredients.

See also the member list of Synabio, which is a good starting point to find organic producers and importers of bakery products, biscuits, grains and flour. If necessary, use the Google Chrome translator function to automatically translate the website into your own language.

The Nordics: Swedes and Danes love snacks and organic food

The Nordic countries on their own are small in population, but their snack consumption per capita is high and together they represent a strong growing market. With the right partner, the Nordics are relatively easy to supply as a region.

Snacks are well integrated in the Nordic cultures. In business or social meetings in Finland, coffee goes together with a snack almost by default. In Sweden, the coffee break *fika* is often a synonym for a social snack moment. Sweet snacks are popular in the Nordic countries, but conscientious eating is always present too.

The total Nordic region comprises 26.7 million people. Exporters often view the region as one due to the tight economic relationships and the somewhat similar languages, except for Finnish. Many companies from one of these countries will have a presence or representation in another Nordic country. Nonetheless, small differences in individual countries can have large consequences in trade.

With a shared revenue of €1.8 billion in snacks and a total organic market of €4.7 billion, the Nordic region is comparable to larger European countries. Denmark and Sweden perform exceptionally well.

Sweden is the biggest Nordic country and has the highest expected annual growth in snacks with 3.6%, which is more than the leading snack countries: UK (2.1%), France (1.7%) and Germany (2.6%).

Denmark leads in organic consumption per capita, which is almost two-and-a-half times larger than large organic markets, such as Germany and France. More than half of the Danes buy organic food every single week. Statistics also show that Danes snack most per capita in the whole of Northern Europe.

The Norwegian and Finnish markets are smaller, but consumers eat a similar amount of snacks per person as British consumers. People in Norway and Finland also have a growing preference for healthy and natural food. Another important factor is that consumers can afford good food and quality ingredients.

Table 6: Snack food and organic sales value in the Nordic countries

	Snack food revenue 2019			Organic sales 2017		
	in million euros	Annual growth until 2023	Value per capita (euro)	in million euros	Growth	Value per capita (euro)
Sweden	511	3.6%	51	2,366	9	237
Denmark	455	3.1%	79	1,601	15	278
Finland	329	2.6%	60	309	13	56
Norway	303	2.6%	56	419	7	80
Nordics (total)	1,798	3.1%	67	4,695		

Source: Statista, IFOAM-FiBL

Tip:

Prioritise the Swedish and Danish markets. These are the countries with the highest demand for healthy snacks, but also the best countries to find a partner to cover the Nordic region.

Netherlands: on-the-go consumption and re-exports

In the Netherlands, on-the-go snacks and time efficiency regularly drive consumer choice. This makes the Netherlands a natural snacking country. However, as a trading nation, the Netherlands can provide you with more opportunities in the export of many different snack ingredients, including more specialised or niche products.

Healthier snack choices increasingly compete with the popular deep-fried snacks in traditional Dutch food. The out-of-home consumption of fruit and nuts, biscuits and pastry is almost 30%, and for savoury snacks it is closer to 20%. Schools and workplaces are the most popular opportunities for these snacks, but consumption on the go is also common. Supermarkets, such as Albert Heijn, facilitate this by having a specialised convenience store concept on train stations, the ‘AH to go’, offering bakery products, small snacks and prepared salads in individual-size packages and other healthy choices.

With a market size of €860 million, the Netherlands is perhaps not your largest European market for snacks. But the Netherlands is a logistical supply hub for many ingredients used in healthy snacks. The re-export of different preparations for cereals and pulses as well as basic grains and seeds, make it an interesting country for you to supply healthy ingredients. For example, in 2018, the Netherlands imported €56 million of unroasted cereal flakes and €25 million of non-wheat cereal flours, the highest value in Europe.

Tip:

> Consider the Netherlands to be your central point for logistics for fast and small-volume distribution. Local warehousing and distribution will be especially important when you are working with a finished consumer product.

4. What trends create opportunities or risks for grains, pulses and oilseeds in the European market of healthy snacks?

Consumers are better informed about food

Consumers in Europe increasingly seek information about the food they eat, especially when it concerns their health. Information from media, labels, ingredients, health claims and product marketing constantly influence consumer opinion and decision making. To maximise your exports, you must follow the food trends that drive consumers and be transparent throughout your supply chain.

A 2017 survey by DSM showed that consumers are increasingly interested in making healthy choices and look at the ingredients to determine quality and health effects. Also according to the survey:

- 76% of consumers are aware of their health, which has an impact on what they choose for breakfast
- 59% say they are reading food labels more often today than five years ago
- 56% look first at the list of ingredients on the package before the nutritional information
- 54% of respondents say they are looking for more natural solutions when buying breakfast products

As consumer knowledge on nutrition increases, the food industry adapts to it by applying smart marketing and specific health claims for their healthy snacks. Between 2013 and 2017, there was an increase of 17% in snacks launched with a health claim and a 22% increase in snacks launched with a nutritious claim. Common declarations include no preservatives, non-saturated fats and reduced sugar.

Many of the snacks with health claims or declarations have the goal of helping consumers feel less guilty about eating a snack in the first place. For snack producers, it can be challenging to find a perfect balance between health and taste, balancing the amount of sugar, salt and flavours.

Some consumers are extremely well informed about their food choices and look for snacks that actually fit their dietary needs. These consumers are often also interested in the origin and story of the product. For suppliers, this requires more transparency throughout the entire production chain.

Tips:

Use only natural additives when producing healthy snacks or their ingredients, for example natural colours and preservatives. The European Union has a database with all the approved additives, but for health foods you must take into account that consumers expect their product to be as natural as possible.

Use organic products if you can. Besides the consumer's positive perception of organics, it is also a good way to work on your transparency and make your products traceable.

Attractive ingredients drive the healthy snack market

Ingredients such as high-fibre and gluten-free cereals, ancient grains and pulse protein have become important success factors and snack producers increasingly make use of them. As a supplier of ingredients, it is smart to specialise in products that serve a specific health trend or market, as well as products that are unique to the production or cultivation in your region.

Special ingredients and the promotion of their health benefits are a great way to position a new healthy snack. Manufacturers use these ingredients to respond to trending health interests, such as gluten-free, vegan and other health-based claims. Some of the key subjects in the market have been protein and plant-based ingredients, which grew respectively 31% and 44% between 2013 and 2017.

A lot of the snack segment is wheat based in Europe. Excluding nuts, more than half of the snacks consumed in Europe are biscuits and the second favoured snack are cereal bars. To improve the perceived healthiness of wheat products, common wheat sometimes gets replaced by wholegrain or gluten-free grains and other ingredients are added, including high-fibre oats, ancient grains or seeds, such as quinoa, amaranth, spelt and chia. Examples of these products include Nairn's wholegrain crackers and Gerblé chia seed biscuits.

Nuts are very popular snacks in Europe. Snack nuts consumption increased by 76% from 2009 to 2018 according to the European Snacks Association. Nuts can be easily mixed with seeds or complemented by roasted pulses, such as in nut mixes with groundnuts, corn and pumpkin seed, roasted broad beans, green peas or soya beans.

European buyers often source special ingredients from the regions with the best conditions for the specific ingredient. In some cases, the origin is very determined, for example, quinoa is almost exclusively sourced from Peru and Bolivia, while Mexico is a dominant supplier of chickpeas and India dominates the supply of sesame seeds.

Tips:

Do some research about potential snack ingredients that are common in your region, for example, by using the CBI's market information on grains, pulses and oilseeds and the FAOSTAT production statistics. It is important for you to be aware of your advantages or disadvantages in comparison with other suppliers from other regions and use your added value so you can make the most of your exports.

Look for niches and specialise in specific ingredients. It will be hard to compete with large-scale suppliers of common ingredients, such as wheat and maize.

More on-the-go food

Busy lifestyles boost the consumption and preference for eating on-the-go snacks. Snack producers will have to look for interesting combinations of ingredients and make snacks attractive to mobile consumers. For suppliers of ingredients, it can be interesting to offer a variety of grains, pulses and oilseeds to make their offer more attractive.

The lifestyle in most urban European areas is increasingly more rushed. Especially in countries like the United Kingdom, the Netherlands and even Germany, people take less time to sit down for a meal in general. During the week, approximately a quarter of the consumers have breakfast in less than five minutes. This increases the demand for convenience and on-the-go food and drives the sales of snack products across Europe. Innova Market Insights suggests that snacking is no longer the optional extra, but the definitive occasion.

While snacks are often an alternative to traditional meals eaten at home, you can find them in individual proportions, in resealable packaging, but also with a combination of ingredients for a complete nutrition. An example of a supplier that has successfully organised an assortment of ingredients is the DeGuste group in Peru. Their assortment includes quinoa, amaranth, cañihua, chia and several other derivatives and superfoods. Their wide product range and involvement from field to export have contributed to the merger with the German company Naturkost Übelhör.

Tip:

Make yourself an attractive supplier by offering a selection of healthy ingredients that fit well together. It will help your buyer to limit their amount of suppliers and it will also reduce your dependence on one single product and spread your business risks over different products.

ICI Business carried out this study on behalf of CBI.