

# Ice cream and frozen yogurt

## The trend to frozen yogurt

Dairy specialist Hamish Renton explains growth in the relatively new sector of frozen yogurt.

Much like in wider FMCG, the frozen dessert market has seen significant developments in recent years and has been greatly influenced by changing consumer preferences for healthy options. The frozen yogurt market is satisfying the growing consumer appetite for low fat, low calorie options while maintaining high quality taste. The market has seen a surge in popularity with a 74% increase in sales between 2011-2013 according to recent Mintel data, and is now worth around £4 million. This trend for frozen yogurt originated in the US in 2005 with the emergence of Pinkberry frozen yogurt bars and has become a highly lucrative market in the US, currently worth over £200 million. In the USA frozen

yogurt tubs have become the archetypal celebrity accessory, with celebrities frequently being spotted and in the media clutching their 'fro-yo' tubs. This is an ideal advertisement for the frozen yogurt target audience of 18-35 year old health conscious women.

Due to the relatively inexpensive running costs and low ingredient costs amounting to less than 20p a tub, franchises have been expanding all across the world. Although in Northern Europe many feared that due to relatively poor weather, frozen yogurt bars would fail to find an audience, a number of franchises have succeeded in the UK as well as seeing notable success in Sweden, Germany, Spain and Greece. In the UK, the Frozen yogurt brands have been increasingly appearing on retailer frozen aisles with leading brands such as **YooMoo**

and Ben & Jerry's making a particular mark in this category. Ben & Jerry's recently launched a Greek Style Frozen yogurt which is being positioned as a premium healthy alternative and is capitalizing on the burgeoning market for Greek yogurt.

One concern in the frozen desert market is the inevitable question of whether ice-cream and frozen yogurt can coexist, or whether their propositions are too similar. The UK ice cream market reached £1 billion in 2012 according to Mintel data and is forecast to increase by a further 20% by 2017 to reach £1.2 billion. Ice cream has a market penetration of 85% and has an established place in food culture within the UK. It has also proven to be resilient to recessionary pressure as consumers spend more nights in and search for affordable yet indulgent treats.

However, the market does recently appear to have been struggling somewhat and between 2011-2013 only saw an increase in sales of 3.9%, a relatively insignificant amount compared to the 74% increase of frozen yogurt (albeit from a significantly lower base).

Despite the health halo which surrounds frozen yogurt, many have questioned the apparent health benefits. Although a cup of typical vanilla ice cream contains over double the amount of fat as a cup of frozen yogurt, the high levels of sugar in frozen yogurt should not be disregarded. Some nutritionists argue that it is easy to consume higher volumes of frozen yogurt, believing it as a healthy alternative and ultimately consuming higher levels of sugar and calories than they would with ice cream. ■



## Ice cream in a jar

Innovative in being the first luxury artisanal gelato in a jar, **Remeo Gelato** is made in Italy using 100% natural ingredients which are blended with milk. The gelato is 35% lower in fat and has reduced air content in comparison with standard ice creams. The three flavours comprise Espresso Coffee, Madagascan Vanilla Bourbon and Dark Chocolate (72% cocoa). ■

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## Cadbury Dairy Milk swirl

**R&R Ice Cream** is capitalising on the growing indulgence segment (which last year enjoyed a 12.5 per cent growth) by reinvigorating the **Cadbury Dairy Milk Ice cream stick** with a swirl adding an extra 25 per cent chocolate content to the product.

R&R Ice cream acquired Frederick's Dairies in 2013, which added the licence for **Mondelēz** products to its portfolio of brands, which includes Kelly's of Cornwall and YooMoo.

Paul Feery, Head of Brand Marketing, commented "The reformulation we have made to the Cadbury Dairy Milk ice cream, combined with the innovation of the packaging design will further enable us to build upon our

success in the indulgence sector.

"We are confident that the new product, with its crunchy swirl of milk chocolate, will offer a unique point of difference to other products in the sector such as its chief competitor, Walls Magnum." ■

\*\*Source: ACNielsen Scantrack Data 52 w/e 28.12.13

