



## WHAT KIDS WANT:

Exploring the changing world  
of kids' food products

Kid tested, Mom approved. This has long been a popular benchmark for kids' food products, but the adage is more critical in the competitive kids' market than ever before.

As parents become increasingly knowledgeable about ingredients and health – and kids become more sophisticated about the product attributes they want – the era of kids' products with fun, bright colors and basic ingredients is waning.

Brands now have to strike a balance between the nutritional attributes that are progressively popular among parents and the elements that resonate with kids... and it is not just about a sweet taste. These demands present increasingly complex challenges for product formulators who need to take a thoughtful overall approach in developing new products for children. It's a tall order, but there are now many ingredients that can help achieve these varied goals, such as reducing sugar while maintaining great taste and texture, adding nutritional value, and keeping it all label friendly.

The pressure on creating better-for-kids food products is actually coming from many fronts. From the U.S. Department of Agriculture (USDA) to public health organizations and schools, everyone is looking at ingredient labels and weighing in on what makes an appropriate snack. For example, according to USDA regulations that took effect in 2016, approved snack items for children must conform to the following requirements: Snacks must either be rich in whole grains; contain at least a quarter-cup of fruit and/or vegetables; have a fruit, vegetable or a protein food or dairy product as the first ingredient; or contain 10% or more of the daily value of potassium, dietary fiber, vitamin D or calcium.<sup>1</sup>

### Additional USDA requirements for kids' snacks:

- No more than 200 calories per serving
- No more than 35% of total calories from fat (and less than 10% from saturated fat and no trans fats)
- No more 35% or less by weight in sugar

<sup>1</sup> Source: USDA School Smart Snack Guidelines: Smart Snack lists for Parents, Teachers and School Foodservice Directors. Food and Health.communications.

These pressures, coupled with statistics regarding the impact of sugar and fat on children's health, are prompting parents to become label police, looking for products that are packed with nutrition, lower in sugar, and contain none of the ingredients seen as negative, such as artificial flavors, colors and additives.

Most of these ingredient trends will continue to grow in importance as millennials start having families. It is already evident that these young consumers subscribe to lifestyles that prioritize health and wellness. They not only look for products that match their lifestyles and social values, but they are also willing to pay more for products that reflect ideals like transparency, authenticity, quality and a natural profile, according to a recent data from Packaged Facts.<sup>2,3</sup> Millennials also tend to involve their children more often in food purchasing decisions than parents from other generations.

Parental impacts are not the only challenge for product developers. Kids themselves are an expanding part of the equation. As their parents become more health aware, kids are also more knowledgeable about healthy ingredients and more discerning about products they choose to eat. Moreover, the population of kids in the United States is more diverse than a generation ago,<sup>4</sup> and many children are now exposed to ethnic foods, exotic ingredients and flavors, making them more receptive to different types of ingredients and products at a younger age.

That is not to say children aren't still attracted to fun product formats and flavors like "birthday cake," but the scope of what is normal and what will resonate is now much broader. The following are four trends that are impacting the kids' food category:

**1 Hidden healthfulness.** With the rising prevalence of childhood obesity and its potential health implications, the stakes for providing healthy foods to kids are becoming increasingly higher. This is prompting much innovation in the kids' category, and many companies are determined to provide a healthful mix in children's foods, whether kids want it or not. The happy medium has been a stealth approach in which companies insert hidden servings of fruits and vegetables in products that are still appealing to children. This has created the rise of new favorites like cauliflower crust pizza, macaroni and cheese mixes made with chickpea pasta, veggie fries and even breads, desserts, smoothies and shakes containing vegetable servings. This helps kids get those extra servings with minimal pushback.

Plant-based proteins have been a prevalent ingredient option for these sneaky products as ingredients like pea protein offer formulation versatility with a clean and mild taste. These plant ingredients can be hidden in many popular kids' products like yogurts, milks, veggie burgers, and even snack bars – making both moms and kids happy.

**2 Less is more.** As concern over sugar intake continues to grow, the trend to reduce sugar – not to mention other additives and preservatives – in kids' products will not lose any steam. Product formulators will need to continue to formulate kid-oriented foods and beverages that are either low- or no-sugar and sans artificial ingredients. This trend is already well

established in the beverage category, where high-sugar reduction activity has been ongoing in kids' favorites like soft drinks, juice and flavored bottled waters for several years. The dairy category is now also seeing a fair amount of sugar reduction efforts – particularly among manufacturers of kids' yogurts.

Fortunately, there is now a variety of sweetener options to reduce sugar. Stevia (or stevia leaf extract) is one of the most commonly used sweeteners, according to Innova Market Insights, providing a wide range of sweetener reduction possibilities in a wide variety of products, including beverages, bakery products, dairy and cereals. Stevia leaf extract is obtained from the leaves of the *Stevia rebaudiana* plant. Its active compounds are steviol glycosides, which are 150 times sweeter than sugar. Formulators are now also utilizing blends of stevia leaf extracts and erythritol, a sugar alcohol naturally present in berries and certain vegetables, which together can closely match kids' taste expectations in these product formulations.



**3 Building a better snack.** Product manufacturers are also working to create snacks that offer improved healthfulness. This is showing up in popular kids' categories such as baked goods and chips, bars and beverages. The category is seeing chips that are made with dried beans or bean flours made from chickpeas, for example, and baked goods that contain alternative grains like chia and sorghum, prebiotic fibers, and fruit and vegetable ingredients like turmeric, beetroot and sweet potato to substitute for artificial colors.

Inulin from chicory root fiber is a versatile option for inclusion in many snacks. It can help provide the added benefit of prebiotic fiber.

**4 Kids still gotta like it.** Although parents do like to think they are in charge, kids are still an important influence over the products that their parents purchase. According to a recent study from Packaged Facts, more than half of parents still say their children's preferences and product requests are important to them, and 91% say they purchase a new product or beverage that their kids ask for at least some of the time.<sup>5</sup> So despite all the other factors in play for kids' products, pleasing kids still matters. And as children become more sophisticated, their age and gender also now make a difference. For example, pre-teens and teens are more influenced by different drivers like the desire for energy or an interest in weight loss.<sup>6</sup> Traditional colors and flavors still tend to work well for younger kids, and it probably never hurts to throw in a toy.



The takeaway is that the kids' market does offer lucrative opportunities for companies, but they must be willing to bridge the gap between the growing demands of parents and the ever-changing and sometimes fickle needs of kids.

#### References

<sup>1</sup> USDA School Smart Snack Guidelines: Smart Snack Lists for Parents, Teachers and School Foodservice Directors. Food and Health Communications. <https://foodandhealth.com/usda-school-snack-guide/>

<sup>2</sup> "Millennial Parents March to Their own Tune." Packaged Facts.com, January 25, 2016. <https://www.packagedfacts.com/Content/Blog/2016/01/25/Millennial-parents-march-to-their-own-tune>

<sup>3</sup> Watrous, M. "Three Trends Shaping the Children's Food Industry." Food Business News, April 1, 2016. <https://www.foodbusinessnews.net/articles/7732-three-trends-shaping-children-s-food-industry>

<sup>4</sup> Child Trends. "Racial and Ethnic Composition of the Child Population." <https://www.childtrends.org/indicators/racial-and-ethnic-composition-of-the-child-population>

<sup>5</sup> PR Newswire. "Kids' Food and Beverage is a Tricky Business, Reports Packaged Facts." Excerpts from Packaged Facts' Kids Food and Beverage Market in the U.S., 9th Edition. March 27, 2018. <https://www.prnewswire.com/news-releases/kids-food-and-beverage-is-a-tricky-business-reports-packaged-facts-300618161.html>

<sup>6</sup> Wisniewski, L; The National Food Lab. "Formulating Kids' Products.", Prepared Foods. October, 2009. [http://www.thenfl.com/pdf/Formulating-Kids-Products\\_Prepared-Foods.pdf](http://www.thenfl.com/pdf/Formulating-Kids-Products_Prepared-Foods.pdf)

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