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SPECIALTY & GLUTEN-FREE GROWTH TRENDS

An Overview of Consumer Preferences Shifting Toward Specialty Baked Goods

Tracking the consumer shift redefining the **$14 billion** specialty bakery landscape — from clinical necessity to mainstream wellness imperative.

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Distribution Notice: This summary report is intended for public distribution. It presents a condensed overview of findings from Crest's full proprietary research series on specialty and gluten-free baked goods. Data citations reference publicly available research, industry publications, and press releases from leading data providers including SPINS, Circana, Technomic, NielsenIQ, USDA Economic Research Service, and McKinsey & Company.

Executive Summary

The global specialty and gluten-free baked goods market is undergoing a structural transformation driven by medical necessity, wellness culture, and demographic shifts. What was once a niche category serving the approximately **1%** of Americans diagnosed with celiac disease has expanded into a mainstream consumer preference, with an estimated **23%** of U.S. consumers now actively purchasing gluten-free products. This report synthesizes findings from leading industry data providers including SPINS, Circana, Technomic, NielsenIQ, USDA Economic Research Service, and McKinsey & Company to present a current and forward-looking picture of the category. The evidence is unambiguous: specialty and gluten-free baked goods have crossed the threshold from niche health necessity to a durable, high-growth consumer segment with broad demographic reach.

Five Key Findings

GLOBAL MARKET VALUATION

THE GLOBAL GLUTEN-FREE FOOD MARKET is valued at approximately $9.28 billion in 2025 and is forecast to reach $14.42 billion by 2030, representing a compound annual growth rate (CAGR) of 9.3%.

Source: Business Research Company, January 2026

NATURAL PRODUCTS INDUSTRY SCALE

THE U.S. NATURAL PRODUCTS INDUSTRY surpassed $325 billion in total sales in 2024 — more than tripling from $97 billion in 2007 — with natural product sales outpacing conventional product growth across all tracked channels.

Source: SPINS State of the Industry, March 2025

FOODSERVICE BAKERY MOMENTUM

FOODSERVICE BAKERY reached $18.2 billion in 2024 manufacturer shipment dollars and is forecast to grow to $20.8 billion by 2027, while in-store bakery stands at $9.7 billion with a projected $10.3 billion by 2027.

Source: Technomic, 2025

WELLNESS AS CONSUMER PRIORITY

84% OF U.S. CONSUMERS say wellness is a "top" or "important" priority in their lives, with approximately 30% of Gen Z and Millennial consumers reporting they prioritize wellness "a lot more" than one year prior.

Source: McKinsey Future of Wellness Survey, 2025

E-COMMERCE GROWTH ENGINE

E-COMMERCE is driving approximately 35% of all food and beverage dollar sales growth in the U.S. despite representing only about 10% of total market share — making it the most productive

growth channel for specialty products.

Source: Circana, 2024

Market at a Glance

Metric	Value	Source
Global GF Food Market (2025)	**~$9.28B**	Business Research Company, 2026
Global GF Bakery Segment (2024)	**~$7.5B**	Strategic Market Research, 2025
U.S. Total Food Spending (2024)	**$2.58T**	USDA ERS, 2025
U.S. Natural Products Industry (2024)	**$325B+**	SPINS, 2025

Market Growth & Consumer Drivers

Section 1: The Scale of the Opportunity

Market sizing for the global gluten-free food category varies meaningfully by scope and methodology. The Business Research Company (2026) values the global gluten-free food market at approximately **$9.28 billion** in 2025, projecting growth to **$14.42 billion** by 2030 at a **9.3% CAGR**. Global Market Insights (2025) applies a broader definitional scope and arrives at a higher 2024 estimate of approximately **$12.9 billion**, projecting the category to exceed **$33 billion** by 2034. These ranges are not contradictory — they reflect differences in product scope, geography, and channel inclusion. The practical takeaway is consistent across sources: this market is large, it is growing at a sustained high-single- to double-digit annual rate, and its trajectory is structurally underpinned by irreversible consumer preference shifts.

Within the broader gluten-free food category, the **bakery segment** represents the largest and most commercially active sub-market. Strategic Market Research (2025) sizes the global gluten-free bakery market at **$7.5 billion** in 2024, forecasting expansion to **$13.2 billion** by 2030 at an **8.9% CAGR**. An alternative sizing from Verified Market Research (2025) places 2024 at **$7.75 billion**, growing to **$13.73 billion** by 2032 at a **10% CAGR**. At the regional level, **North America** dominates the gluten-free baked goods segment with approximately **$2.81 billion** in 2025, followed by Europe at **$2.21 billion**. Asia-Pacific — while smaller at **$1.61 billion** — is currently the fastest-growing region, signaling a broadening of the global addressable market.

Two adjacent categories amplify the opportunity picture further. The **Specialty Flours Market** — the enabling ingredient ecosystem underpinning gluten-free and specialty baked goods — is valued at **$11.4 billion** in 2025 and is projected to reach **$30.4 billion** by 2034 at a **11.5% CAGR** (OG Analysis, 2025), reflecting the industry's upstream investment in formulation innovation. The **North America Keto/Low-Carb Bread** market — a closely adjacent specialty format — stood at **$4.4 billion** in 2024 and is forecast to reach **$8.8 billion** by 2032 at a **10.47% CAGR** (Verified Market Research, 2026), underscoring that consumer demand for non-traditional bread formats extends well beyond gluten avoidance alone.

Macroeconomic context is equally important. The USDA Economic Research Service (September 2025) reports that U.S. total food spending reached a historic **$2.58 trillion** in 2024, up from **$2.48 trillion** in 2023. Food-away-from-home reached **$1.52 trillion** — an all-time high share of **58.9%** of total U.S. food spending — reflecting durable behavioral shifts post-pandemic. Retail food and beverage dollar sales grew **+2.6%** in 2024 (Circana, 2024), but the composition of that growth is revealing: premium brands recorded **+3% volume growth** while mainstream brands experienced a **-1% volume decline**. This "premiumization" dynamic is a core structural tailwind for specialty and gluten-free baked goods — consumers are not simply spending more, they are actively trading up to products with cleaner labels, specialty ingredients, and functional positioning.

Section 2: Who Is Buying and Why — The Consumer Shift

The clinical foundation of the gluten-free category begins with celiac disease, which affects approximately **1 in 133 Americans** — roughly **1% of the population**. Globally, celiac seroprevalence is estimated at **1.4%** (Lebwohl & Rubio-Tapia, Gastroenterology, 2021). The category's clinical urgency is compounded by a severe diagnosis gap: an estimated **83% of Americans with celiac disease** remain undiagnosed or misdiagnosed, with a mean time to correct diagnosis of **four years** (Celiac Disease Foundation). Prevalence has increased approximately **7.5% per decade** in industrialized nations — a rate that points to both improving diagnostic awareness and possible environmental or dietary contributing factors.

The far larger commercial driver, however, is not clinical necessity but lifestyle and wellness adoption. Approximately **6%** of the U.S. population is estimated to have non-celiac gluten sensitivity — a condition that drives product avoidance without formal diagnosis. Critically, **23%** of U.S. consumers actively purchase gluten-free products — the vast majority doing so for perceived health benefits, weight management, digestive wellness, or general lifestyle alignment rather than medical need (Celiac Disease Foundation; Go Gluten Freely, 2025). This consumer group is not clinically constrained but is commercially motivated, making them price-sensitive to premium positioning and highly responsive to branding and marketing.

The macro wellness trend is a powerful structural amplifier. U.S. wellness spending exceeds **$500 billion annually**, growing at **4–5% per year**. McKinsey & Company's Future of Wellness Survey (2025) finds that **84%** of U.S. consumers rate wellness as a "top" or "important" priority, with Gen Z and Millennials as the fastest-accelerating cohort: approximately **30%** of these consumers report prioritizing wellness "a lot more" than in the prior year. This generational intensity is commercially significant — these consumers are forming durable brand relationships with specialty and natural product brands at a younger age, with longer lifetime value implications than prior cohorts.

Generational purchase behavior is differentiated and strategically important. Gen Z and Millennials prioritize branding, packaging safety, and digital/social marketing signals in bakery purchasing decisions, while Gen X and Boomers weight freshness, health benefits, and naturalness more heavily (Innova Market Insights, 2025). SPINS (2025) data confirms Gen Z is gaining significant purchasing power and already indexes higher on natural product household penetration and trip frequency relative to older generations. A 2025 systematic review (IJRASET, March 2025) confirms that social media and influencer marketing are major drivers of Gen Z's gluten-free and wellness consumption attitudes — implying that brand investment in creator partnerships and content-led marketing generates measurable category adoption. Additional demand signals reinforce the breadth of the category: **30%** of parents actively prioritize gluten-free options for their households, and **20%** of consumers aged 18–34 seek GF products for lifestyle reasons entirely independent of medical diagnosis (PW Consulting, 2026).

Category Trends & Channel Dynamics

Section 3: What's Selling — Category & Product Innovation

Within the gluten-free bakery category, **Gluten-Free Bread** holds the largest dollar share — a position reinforced by the bread format's centrality to daily eating occasions and its high frequency of purchase. Adjacent segments including Cookies & Biscuits, Cakes & Pastries, Muffins, and Baking Mixes are all recording growth, both in unit and dollar terms. The broader specialty bakery landscape simultaneously encompasses keto/low-carb, grain-free, high-protein, and functional bread formats — increasingly overlapping categories that share consumer bases and retail shelf space. This convergence is expanding the addressable consumer universe, as shoppers motivated by different health and lifestyle goals — allergen avoidance, carbohydrate reduction, muscle support, gut health — find themselves in the same specialty bakery aisle.

Ingredient innovation is reshaping the category's formulation profile at a structural level. Early gluten-free baked goods were predominantly built on commodity rice flour and tapioca starch — functional but nutritionally undistinguished bases that contributed to persistent taste and texture quality gaps versus conventional equivalents. The category is now migrating toward a richer palette of ancient and alternative grains: **sorghum, millet, amaranth, teff, and buckwheat** are emerging as formulation stars, prized for their gluten-free status combined with superior nutrient density, fiber content, and flavor complexity (Guires Food Research Lab, 2025; ADM/Snack Food & Wholesale Bakery, May 2024). Consumer-familiar specialty ingredients — quinoa, chia, flaxseed — remain broadly used. Specialty flours derived from almond, chickpea, quinoa, coconut, and lentil are rapidly expanding retail shelf space, underpinned by the **$11.4 billion specialty flours market** growing at **11.5% CAGR** through 2034 (OG Analysis, 2025). Brands including Nothing Bundt Cakes, New York Bakery, and Wildgrain are among those adopting ancient grain formulations for premium positioning in competitive retail and foodservice contexts.

Functional evolution is the next frontier of product differentiation. Beyond allergen avoidance, specialty baked goods are increasingly positioned around added functional benefits: dietary fiber enhancement, MCT oil integration, adaptogenic ingredient inclusion, probiotic enrichment, and omega-3 fatty acid fortification. This positioning broadens the addressable consumer population well beyond the gluten-sensitive segment, capturing wellness-motivated consumers who may have no specific dietary restriction but seek products with demonstrable nutritional utility. Integration with vegan, organic, reduced-sugar, and clean-label product frameworks is further broadening consumer relevance. A key benchmark from Innova Market Insights (2025): over **60% of consumers** now prioritize taste in sweet bakery purchasing — a finding that signals taste parity with conventional baked goods is no longer a differentiator, but a baseline expectation. Brands that cannot match or exceed conventional taste standards are structurally disadvantaged regardless of ingredient quality or functional claims.

Section 4: Where It's Being Sold — Channel Dynamics

Channel	2024 Status	Growth Trajectory	Source
Supermarkets / Hypermarkets	Largest GF retail channel; grocery share of at-home spending ~**54%** (down from 72% in 1997)	Stable; market share gradually eroding to specialty and online channels	USDA ERS / AFBF, 2025
Natural / Specialty Retail	~**25%** increase in store count; ~**30%** increase in ACV following 2024 channel redefinition	Strong growth; natural supermarkets gaining trips per buyer and spend per trip	SPINS, 2024–2025
E-Commerce	~**10%** of total F&B market share	Driving **35%** of dollar sales growth; keto bread online channel ~**12% CAGR**	Circana, 2024; VMR, 2026
Warehouse Clubs	~**25.5%** of at-home food spending (2024); SPINS NPI wallet index **138**	Sustained; strong GF private-label opportunity in bulk format	USDA ERS; SPINS, 2025
Foodservice	**$1.52T** food-away-from-home total (2024); Bakery channel **$18.2B**	Forecast **$20.8B** by 2027; premium and specialty items driving margin expansion	USDA ERS, 2025; Technomic, 2025

The foodservice channel presents a particularly dynamic opportunity for specialty and gluten-free baked goods manufacturers. Labor shortages that persisted from 2020 through 2023 drove operators broadly toward par-baked and partially prepared goods to manage kitchen labor costs — a structural shift that increased operator reliance on manufacturer innovation and supply chain quality. Fresh-made demand is now rebounding as labor markets normalize, but operator sensitivity to premium input costs remains elevated. More than **50%** of foodservice operators raised menu prices in response to inflationary input costs, prompting a strategic pivot toward high-margin specialty and premium bakery items — including upscale cheesecakes, artisan specialty breads, and gluten-free menu additions — as mechanisms to preserve margin while justifying higher consumer price points. Technomic (2025) specifically identifies a persistent gap between current specialty bakery innovation efforts and measurable consumer engagement at the point of foodservice purchase, representing a significant opportunity for manufacturers who invest in targeted operator education, sales support materials, and co-marketing programs to translate product quality into menu adoption and consumer trial.

Headwinds & Strategic Outlook

Section 5: Headwinds & Considerations

Despite the compelling growth narrative, market participants should account for four meaningful structural headwinds:

1. PRICE PREMIUM BARRIER. Gluten-free and specialty baked goods typically carry a **40–200%+** price premium over conventional equivalents. Elevated production costs — arising from dedicated allergen-free manufacturing facilities, specialty ingredient sourcing, and smaller production runs — structurally constrain volume growth even as dollar sales expand. Premium positioning limits the category's penetration into value-oriented and lower-income consumer segments, capping the total addressable population in inflation-sensitive environments.

2. VOLUME VERSUS DOLLAR GAP. In-store bakery recorded **+1.2%** dollar sales growth in 2024 but experienced a real-term volume decline — consumers are spending more per unit but buying fewer units overall (Technomic, 2025). Mainstream brand volumes fell **-1%** across retail food and beverage in 2024 (Circana, 2024). This dynamic caps category headcount growth and raises the risk that dollar sales growth is being driven primarily by price increases rather than genuine volume expansion — a distinction that matters significantly for long-term category health.

3. INNOVATION-ENGAGEMENT MISMATCH. Technomic (2025) identifies that current specialty bakery innovation frequently fails to translate into measurable consumer engagement at the point of purchase — in both retail and foodservice contexts. Product proliferation without corresponding consumer education and operator support results in shelf confusion, trial hesitation, and high new-product failure rates. The pipeline of innovation is broad, but the infrastructure to convert awareness into purchase habit requires substantially more investment from manufacturers and channel partners.

4. GLP-1 MEDICATION DISRUPTION. Circana projects that GLP-1 medication users could represent approximately **35%** of U.S. food and beverage sales by 2030. This structural shift in eating behavior — characterized by significantly reduced portion sizes, suppressed appetite, and a pivot toward nutrient density over volume — may reshape demand dynamics for both traditional and specialty bakery categories in ways that are difficult to model with precision. Products that rely on frequency or volume purchasing may face headwinds; those positioned around nutrient density and quality per serving may benefit.

Section 6: Outlook & Strategic Implications

The structural case for specialty and gluten-free baked goods remains compelling across a **5–10 year horizon**, anchored by irreversible demographic, medical, and wellness trends. The following three time-horizon perspectives frame the strategic priorities most likely to generate durable competitive advantage.

SHORT TERM (2026–2027): Distribute, Support, Reformulate

- Expand distribution within the natural and specialty retail channel, which added approximately **25% more stores** following SPINS' 2024 channel redefinition and continues to outperform conventional channels in trip frequency and spend per buyer.
- Invest in foodservice operator education and sales support materials; the **$18.2 billion** foodservice bakery channel is forecast to reach **$20.8 billion** by 2027, yet Technomic (2025) identifies consumer engagement as a persistent gap that represents an unmonetized opportunity.
- Reformulate legacy gluten-free SKUs with ancient grains — sorghum, quinoa, amaranth, teff — to close taste and texture quality gaps. With more than **60%** of consumers now citing taste as their primary bakery purchase criterion (Innova, 2025), taste parity is a baseline requirement, not a premium feature.

► MEDIUM TERM (2027–2029): Channel, Consumer, Private Label

- Accelerate e-commerce and direct-to-consumer channel capabilities; online is currently driving **35%** of total F&B dollar sales growth (Circana, 2024) and is the single most productive growth channel for specialty and premium-positioned products.
- Target Gen Z and Millennial wellness consumers through ingredient transparency, clean-label positioning, and influencer-led social marketing programs — consistent with IJRASET (2025) research confirming social media's outsized role in driving Gen Z GF adoption and purchase behavior.
- Develop competitive premium private-label gluten-free offerings to capture the growing private-label bakery purchase trend (Innova Market Insights, 2025) while protecting branded equity through superior ingredient storytelling and format innovation.

► LONG TERM (2029+): Adapt, Expand, Differentiate Functionally

- Monitor and proactively adapt to GLP-1 medication impacts on eating behavior; develop nutrient-dense, reduced-portion specialty formats designed for a consumer base that may shift structurally toward quality over quantity — positioning specialty baked goods as the premium small-indulgence category of choice.
- Evaluate Asia-Pacific market entry — the fastest-growing gluten-free region globally — with Japan and Australia offering the clearest initial regulatory pathways for specialty baked goods exports and licensing partnerships.
- Pursue functional bakery innovation aligned with McKinsey's six fast-growing wellness subcategories — incorporating fiber, MCT oil, adaptogens, probiotics, and omega-3 fatty acids — to extend category relevance beyond allergen avoidance and into the broader **$500+ billion** U.S. wellness economy.

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All data cited in this report has been sourced from publicly available research, press releases, and industry publications. Crest Market Intelligence does not represent, endorse, or hold subscriptions to any cited third-party data provider on behalf of the reader.

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