



BETTER BITES: SNACKING & THE FUTURE

A bowl of chocolate ice cream after a difficult day, sour cream-and-onion chips grabbed from a vending machine at work or a banana before recess at school. Once upon a time, snacks were either hunger-satiating fillers between meals or a comfort-food kind of indulgence. With 94% of consumers snacking daily, those occasions still occur, but today's snacks are not only consumed more frequently, they are often healthier. Given that snacks are synonymous with satisfaction, flavor is crucial in better-for-you snacks because they increasingly include free-from formulations and functional ingredients. Settle in, perhaps with a healthy snack food or beverage of your choice, and gain new insights on the newest evolution of snacking and the implications for your product development.

THE SNACK TRACK

SNACKING THEN

Snacking was long defined as eating outside our three square meals consumed each day. Driven by cravings and taste, people generally went for the indulgent and satisfying, like salty and/or sweet treats. Healthy snacks were consumed too, often tacked onto meals or packed by a parent, reflecting the adage, “an apple a day keeps the doctor away!”

SNACKING NOW

The dual movements to eat better and eat smaller portions throughout the day have converged, leading to significant changes in food and beverage consumption. It’s both an evolution and a revolution.

- 47% of consumers eat three or more snacks a day, up 4% from 2015 | IRI, U.S. consumers (NA)
- Americans consumed \$386 billion in ready-to-eat snacks in 2018
- 1/3 of consumers have tried new snack offerings in the past year | Mintel’s BFY snacking, U.S.
- 45% of shoppers look for healthy snacks
- In Brazil, nearly half (48%) of consumers who eat healthy or are trying to eat healthy consume smaller portioned meals more often during the day



“Changing lifestyles and the quest for convenient, quality, healthy options are disrupting this category. The snacking revolution is well and truly here.”

- NIELSEN (UK)

“Snack foods are growing because they encompass many overarching trends like convenience, protein, better-for-you options and healthful eating.”

- PHIL KAFARAKIS,
PRESIDENT, SPECIALTY FOOD ASSOCIATION



TO YOUR HEALTH. OR THEIRS.

Almost everyone is snacking and nearly just as many are mindful of what they're eating. Consider:

- 94% of U.S. consumers snack daily
- 75% of U.S. consumers eat at least some healthy snacks
- 93% of U.S. consumers want to eat healthy at least some of the time, and 63% say they try to eat healthy most or all of the time



MEANING WELL

In this eating evolution/revolution, the definitions of “snack” and “healthy” are broadening, opening the door for a plethora of snacking items and occasions. Almost any food or beverage can be deemed a snack, depending on the portion and format in which it’s consumed.

From collagen rich soup to brain healthy cashew milk or a handful of walnuts, we see all kinds of products falling under this “better for you” umbrella. The most popular healthy snacks include fresh fruits and vegetables, packaged bars, nuts, popcorn, jerky and seasoned chips/puffs made from different plant-based ingredients. The concept of health, meanwhile, extends

to physical health, disease prevention, general wellness, energy, brain health and mood/mental clarity, among other attributes.



“Everything can be snackable’ best describes the expanding scope of snack categories.”

-MINTEL



WHO'S HUNGRY

Most consumers already snack and are snacking more often, but there are some demographic differences of note.

All generations snack to some degree

- The number of those between ages 25 and 34 who snack 3+ times a day is up 13% from 2015, and the number of those between 35 and 44 who snack 3+ times a day is up 9%
- 53% of those between 18 and 34 consume 3+ snacks a day
- Members of GenZ (born roughly between 1996 and 2012) like portable, healthy foods and gravitate more to organic and natural foods
- Parents are key buyers of healthy snacks for their children and also tend to eat more healthy snacks themselves
- Younger men are the most likely to eat snacks in general and healthy snacks in particular
- Seniors snack less frequently but do consume smaller portions of regular meals

There are some distinctions in drivers of healthy snacks among certain sectors of the population.

- Consumers between 35 and 54 cite energy as a reason for choosing healthy snacks
- Women between 35 and 54 also look for weight management solutions in snacks, while men in that age bracket say that healthy snacks are good for post-exercise refueling and as meal replacements.
- Older consumers and affluent people are propelled by a desire for a healthier lifestyle



“Whether it is the growing importance of ‘beauty’ snacks, such as those containing collagen, or the emergence of CBD oil or lab-grown protein snacks, snacking is evolving as generations grow and change.”

-IRI, 2019 SNACKING
TRENDS REPORT



THE NEW NOSHING

Snack aisles and appetizer menus are very much alive. At the same time, retail and foodservice offerings are gradually including bites and small plates aimed at those consumers who are snacking or grazing throughout the day. Some of these consumers are starting to replace meals with smaller portions that are often considered “better for you” or made with fresh, flavorful ingredients.

PROTEIN PACKS A PUNCH

Protein snacks are still pretty powerful. Building on the longtime popularity of beef jerky, there are many inventive types of jerky made from proteins like chicken, pork and seafood that are available in a variety of flavors, spanning sweet to spicy, all-American to globally inspired. In addition to jerky, protein snacks come in other forms, like packets of seasoned tuna and grab-and-go biltong.

- Specialty jerky and meat snacks in the U.S. have grown 26% since 2016

PLANT ONE ON THEM

Plant-based foods are sprouting up across the marketplace, including snacks. Because many plant-based ingredients have strong inherent flavors (soy, pea protein, lentils, etc.), food manufacturers rely on flavor to deliver the satisfaction and taste that consumers expect.

PRODUCTS OF NOTE



Lorissa's Kitchen Ginger Teriyaki Chicken: With 11 grams of protein, 1 gram of fat and 80 calories, these chicken jerky pieces are marinated with fresh ginger, sesame seeds, sea salt and cane and brown sugar.

Consumer Sentiment: 32% of shoppers said they likely or definitely would buy this product; 42% positive instant reaction per GNPD



Sea Salt & Vinegar Chicken Chips: These single-serve snacks, with 10 grams of protein per serving, are made from 100% natural chicken breast, tapioca flour and cooked in expeller-pressed sunflower oil.

Consumer Sentiment: 32% of shoppers said they likely or definitely would buy this product; 40% positive instant reaction per GNPD



Nature's Garden Trail Mix Snack Packs: Heart-healthy organic trail mix includes a Cranberry Health Mix and an Omega-3 Deluxe Mix.

Consumer Sentiment: 52% of shoppers said they likely or definitely would buy this product; 60% positive instant reaction per GNPD



Hopapops Mango Habanera Popped Lotus Seeds: Containing 3 grams of protein, 2 grams of fiber and better-for-you antioxidants, vitamins, mineral and amino acids, this plant-based snack is seasoned with mango and pepper flavors.

THE NEW NOSHING, continued

FRESH TAKE

Fresh fruits and vegetables have always been snackable, but there's more diversity in today's fresh produce snack set, with "new" fruits like cotton candy grapes and Rosé strawberries. Packaged fresh produce, including those paired with flavorful dips, are another way to reach snack-minded consumers.



Reichel Dippin' Stix Sliced Apples and Peanut Butter: This duo-pack includes apples and peanut butter, combining for a snack with 6 grams of protein.

Consumer Sentiment: 37% of shoppers said they likely or definitely would buy this product; 38% positive instant reaction per GNPD



Oh Snap! Picking Co. Carrot Cuties: Fresh-packed pickled non-GMO carrots are free from fat, gluten and added brine.

Consumer Sentiment: 51% of shoppers said they likely or definitely would buy this product; 49% positive instant reaction per GNPD

HARD TRUTHS

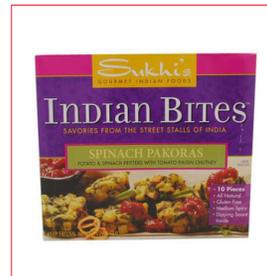
The recent rebound in frozen foods, both in sales and consumer perceptions of quality, has been attributed in large part to innovative new products, including better-for-you items.

- 45% of consumers say that new flavor combinations would encourage them to try a new frozen snack. 39% say that additive-free or preservative-free frozen snacks would propel them to try such offerings.



Hummus Pod Zesty Lemon Hummus Pods: These multi-grain pita shells are filled with hummus seasoned with citrus, garlic and herbs and are microwaveable, free from GMOs and rich in protein, with 6 grams per serving.

Consumer Sentiment: 28% of shoppers said they likely or definitely would buy this product; 33% positive instant reaction per GNPD



Sukhi's Gourmet Indian Foods Indian Bites Spinach Pakoras: Reflecting interest in better-for-you, convenient frozen snacks with a global taste, these spicy potato and spinach fritters are paired with a tomato-raisin chutney dipping sauce.

SNACKING AND SATISFACTION

Even as consumers across many demographics strive to snack better, that doesn't mean they give up on indulgence. It's just permissible indulgence. A host of snacks fall in this area, balancing health and nutrition benefits and eating enjoyment.

- Snacks defined as those with permissible indulgence had the highest growth in the past year, followed by those with true indulgence, wellness and treats.
- Snacks including dark chocolate, popcorn and alternative chips are linked with being satisfying and indulgent.



OLD FAVORITES, HEALTHY TWISTS

Consumers may be more adventurous today, but they also crave great taste and familiarity. That's why better-for-you snacks that mimic beloved snacks like potato chips and ice cream are garnering interest.

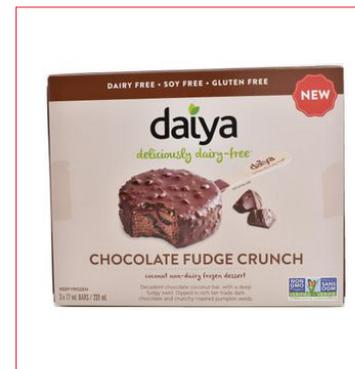
- Protein-rich, low-calorie ice cream is emerging as a snack favorite
- Thin cookies help promote moderation
- Chips made from plant-based ingredients and available in a range of flavors and seasonings are a hotbed of innovation



PRODUCTS OF NOTE



Real Food From the Ground Up Lime Flavored Cauliflower Tortilla Chips: Made with real veggies, including cauliflower and cassava, these vegan and kosher chips are vegan, kosher, and free from gluten, grain and GMO.

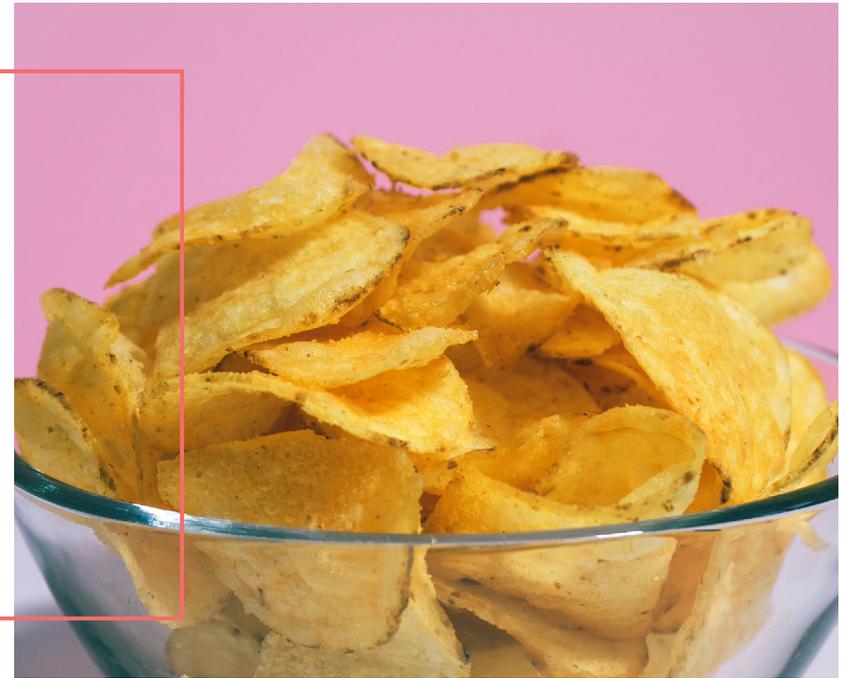


Daiya Chocolate Fudge Crunch Coconut Non-Dairy Frozen Dessert: Free from gluten, dairy, soy and GMOs, these coconut bars are dipped in fair trade dark chocolate and roasted pumpkin seeds.

FLAVORS FOR SNACKING

“Enjoyment is still a very strong driver behind snacks purchase. When asked why they buy salty snacks, 40% of Americans named taste and a further 22% said it was to treat or reward themselves, so innovators need to balance nutrition and taste to ensure that salty snacks remain competitive for all snacking occasions.”

- LU ANN WILLIAMS, INNOVA MARKET INSIGHTS.



FLAVOR SNAPSHOT: SALTY SNACKS

A look at the perennially popular salty snacks segment reveals that cheese flavored salty snacks have the widest reach. We've noted the consumer likelihood to eat a variety of other flavors below.

- 75% of consumers said they would eat salty snacks in cheese flavors
- 60%: nut flavors
- Sweet flavors (i.e., chocolate, caramel): 55%
- Spicy flavors: 51%
- Extremely spicy: 21%
- Meat: 37%
- Vegetable: 37%
- Fruit: 33%
- Herbal: 28%
- Entrée/side dish flavors (i.e., lasagna, baked potato): 26%
- Sour: 22%

