



SNACKING

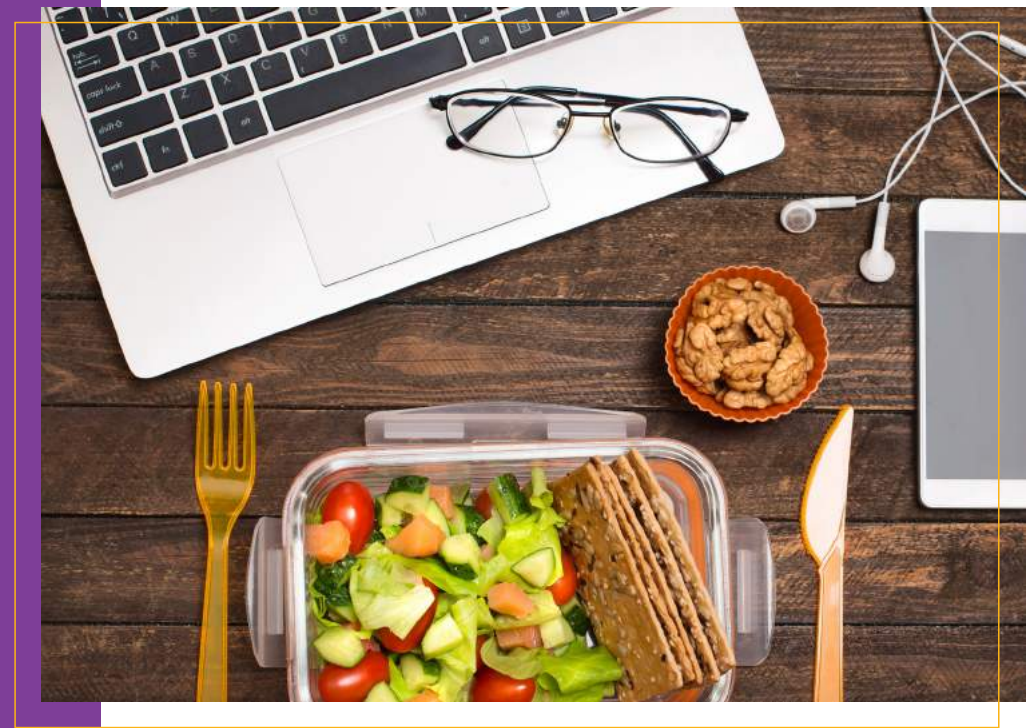
Category Bending & Increasingly Innovative 2019 • TREND INSIGHT REPORT

In this last part of our two-part snacking series, we'll take a look at new and innovative snack products, some that reflect blurred dayparts and others that demonstrate how nearly all types of foods and beverages are often considered by consumers as snackable these days. Let's look at the innovation in the space and consumers' perception - all with an eye towards lessons for your product development. With 96 percent of consumers saying they eat snacks, the impact across categories can't be overstated. Hungry for more on all things snacking? Read on.

Check out Part 1 of our Snacking Series (A Question of Mindset) [here](#).

WHAT'S IN A SNACK? PRETTY MUCH ANYTHING

- From pickles to protein bowls, seed butter to salmon cracklings, category-bending snacks are increasingly innovative and occasionally daring. Fresh vegetables, for example, are packaged in snack-like single serve portions. Prepared and frozen entrees are touted for portability and eaten at all times of the day. Even the most basic things like water – often flavored or enhanced in some way – satisfy cravings or fulfill a function beyond mere hydration.
- The significant changes in the way people eat and buy foods and beverages – and the tastes they prefer – are redefining snacking and, along the way, leading to innovative and interesting new types of snacks, including fresh, refrigerated, shelf-stable, frozen, raw and packaged snacks. Consumer studies affirm the blurred line between dayparts and channels is one driver of the veritable explosion of the snack food market, as consumers eat snacks for meals and vice versa, and divide purchases between retail, foodservice and online sources.



A DRAMATIC SHIFT IN SNACKING:

“Over the last five years, we’ve seen a dramatic shift...shoppers have more choice than ever when it comes to their mid-day snack, and it’s changing the way we think about snacking.”

SOURCE: NIELSEN, REDEFINING THE WORLD OF SNACKING, 2018

NEW & DIFFERENT: FLAVORS, CLAIMS & INGREDIENTS

Flavor is another key driver in the expansion of snackable foods and drinks. Nearly half of consumers say they try new snacks out of sheer curiosity. More than half (52 %) of U.S. adults consider themselves to be foodies, with that number rising to 67% among adults ages 18 to 34. A desire for new and interesting tastes is also transforming traditional snack products, like chips and cookies.

Consider the new ingredients and top growing claims that we highlight as well – consumers' focus on health and wellness is reflected in the innovation of product developers' choices.

FASTEST GROWING FLAVORS 2016-2018

- Brownie
- Zucchini
- Green Tea
- Taco
- Pink Pepper/Peppercorn
- Coffee

TOP GROWING CLAIMS IN SNACKS 2016-2018

- Hormone-Free
- Functional/Eye Health
- Probiotic
- Biodegradable
- Weight & muscle gain

NEW INGREDIENTS USED IN SNACKS 2016-2018

- Mauxia Shrimp
- Smoky Chili Chicken Flavor
- Ben Moringa Seed
- Procini Mushroom Flavor

3.4%

INCREASE SNACK
RELEASES GLOBALLY
BETWEEN 2016 AND 2018

30%

GROWTH IN CASSAVA
AND OTHER ROOT-BASED
SNACKS

NOT JUST DIFFERENT: PREMIUM MATTERS, TOO

“The prevalence of foodies creates an opening for more premium convenience packaged products that are designed for the food-obsessed who want to eat well on-the-go or prepare upscale food and drink easily and quickly at home.”

MINTEL, GLOBAL FOOD AND DRINK TRENDS, 2019.

A CHIP OFF THE NEW BLOCK

PLANT-BASED CHIPS

One notable example of the rise of plant-based snacking is in the chip section of the supermarket and the appetizer and side dish portion of foodservice menus. Technically, potato chips are plant-based, but new plant-based varieties are encroaching on traditional potato/corn territory.

It's a bumper crop of vegetables when it comes to chips. Basic vegetables like peas and beans are the basis for salty snacks, with items such as roasted broad bean chips, lentil chips, and falafel chips made from ground chickpeas and/or fava beans. New uses for cauliflower are taking shape, beyond pizza crust and rice as the cruciferous vegetable is also incorporated into snacks in cauliflower puffs. Brussels sprouts, beets, quinoa, yucca root (cassava), lily seeds, and falafel chips are making their way into chips and puffs.

While traditional flavorings like sea salt, cheddar, and nacho are common in plant-based chips, other flavors are being used, like harissa, and even other veggie and fruit flavors, like asparagus, split pea and jackfruit.



PRODUCTS OF NOTE:

IWON RANCH-FLAVORED PROTEIN CHIPS



Bean-based snacks using pea protein, black beans, amaranth and quinoa flour. They contain 12g of protein and 5g of fiber per serving. USA



33% of consumers polled said they'd possibly buy this product, **OVERPERFORMING** against subcategory.

MORRISONS CARROT CRISPS



Slowly air dried. They're high in fiber and free from added sugar. UK



35% of consumers polled said they'd possibly buy this product, **OVERPERFORMING** against subcategory.

A CHIP OFF THE NEW BLOCK

FRUITY CHIPS

Let's not forget fruit! Fruit-based chips reflect another fresh take on chips, taking up shelf space with innovative new ingredients and textures. With a typically-sweeter base than grain or potato-based chips, fruit chips lend themselves to a variety of flavors and combinations of flavors.



PRODUCTS OF NOTE:

BARE SNACKS CHIA + PINEAPPLE CHIA COCONUT BITES

Part of the Bare Snacks line of fruit chips, are comprised of coconuts, chia seeds, pineapple juice cane sugar and sea salt. Bare Snacks also makes Cinnamon Apple Chips.

VEGAN ROB'S

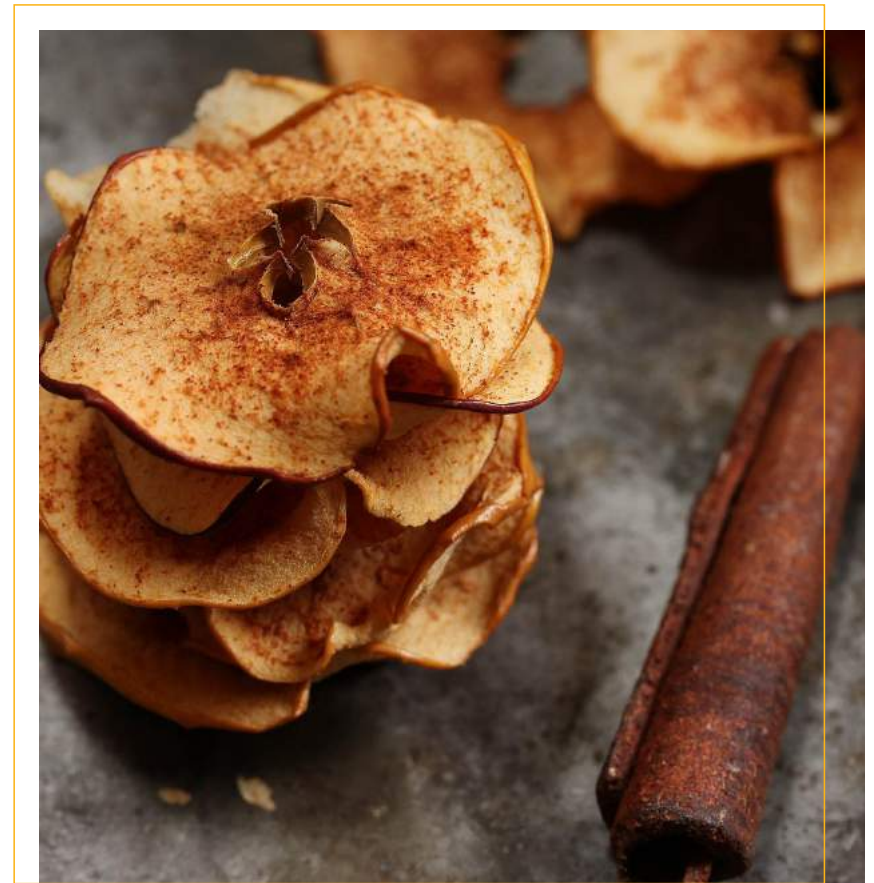
Jackfruit Puffs are made with jackfruit powder and a hint of tumeric.

TWICE BAKED FRUIT N' NUT CRISPS

A sweet and savory blend of dried fruits, pistachios, rosemary, and toasted seeds.



28% of consumers polled said they'd possibly buy this product, **SIGNIFICANTLY UNDERPERFORMING** against subcategory.



THE SWEETNESS OF SOUR

Pucker up: sweet and salty are now joined by “sour” as a descriptor of snack flavors. Pickled and brined foods, recent darlings of the culinary world, are making their way into snack occasions. Items like pickled green beans and pickled snap peas are examples of the crossover of produce and snacks. Pickle flavors, too, are perennially popular, with pickle-flavored refrigerated dips, pickle-flavored potato chips and, in at least one QSR foodservice chain, pickle-flavored slushies. Other sour notes are hitting high notes among today’s snackers, too. Strong flavored Greek yogurts and kefir are one example. In the drinkable snack sector, fermented kombucha drinks are gaining traction.



PRODUCTS OF NOTE:

OH SNAP! PRETTY PEAS

This grab-and-go pickled vegetable product is part of a pickled snack line that included pickled Cool Beans, Carrot Cuties, Hopping Jalapenos and four varieties of fresh-packed single-serve pickles. Packaged in tear-open convenient stand-up pouch with no added brine. USA



39% of consumers polled said they’d possibly buy this product, **SIGNIFICANTLY OVERPERFORMING** against subcategory.



More than 245 million Americans will consume pickles by 2020, as the global pickle market is expected to reach \$12.74 billion next year.

SEEDS OF CHANGE

Meeting both the healthy halo and the perception of naturalness, it's perhaps no surprise that seeds are hot. We're seeing different formats and flavors of seeds are sprouting real growth. One noteworthy sighting: grab-and-go cups of pomegranate arils, meet the need for convenience, health and adventurous eating. Hemp seed in particular is an ingredient primed for huge growth.

Then there's seed butter. Part of the trend toward seed butters stems from allergens, but the growth of these products can also be attributed to the desire for something different, perceived healthy and intriguing. Seed butters come in different varieties, such as chia, flax, sesame and even watermelon seed butter, and provide options for those with nut allergies. Hemp seed butter is another type of butter gaining some attention if not traction.



PRODUCT OF NOTE:

88 ACRES PUMPKIN SEED BUTTER

Shelf-stable and harvested from the seeds "best looking pumpkins" in the patch which are then roasted in small batches.



10% of consumers polled said they'd possibly buy this product, **SIGNIFICANTLY UNDERPERFORMING** against subcategory.



HEMP SEED BUTTER - A LOOK AT SOCIAL PRESENCE

56% social media mentions for "hemp seed butter" since February 2016. 66% Female Voice posting socially about hemp seed butter, with 90% positive sentiment

SOURCE: INFEGY

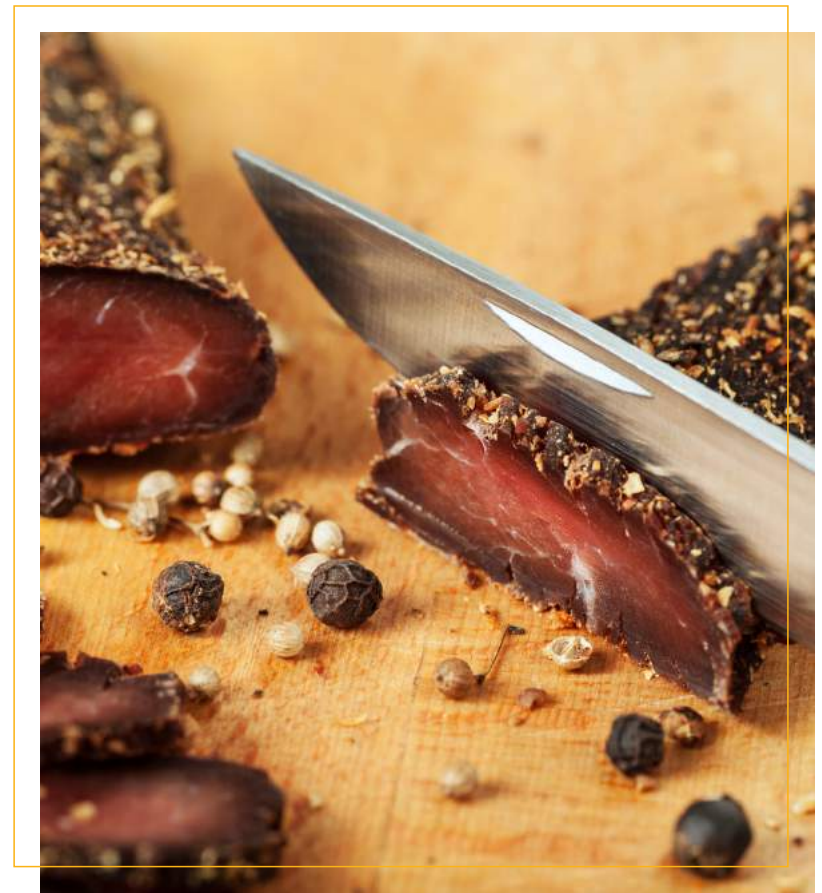
PROTEIN, REINVENTED

The popular paleo and ketogenic diets have kept meat snacks and other high-protein foods high on the list for snackers looking to boost their protein intake in between meals or, perhaps, in place of meals. But as with other snack categories, keep an eye on new types of meat snacks. In fact, between 2016 and 2018 there was a 5.8% increase in meat-based snack releases, according to GNPD.

NOT-SO-CUT-AND-DRIED: THE NEW MEAT SNACKS

A host of high-protein foods are considered snacks and being packaged and marketed as such, like spicy cured veal strips and jerkies made from game meats and fish. If consumers aren't sure what biltong is yet, they probably will be soon enough. Biltong is a cured dried meat snack popular in South Africa, known for its marinated and seasoned flavor profile. It's catching on stateside now, with niche companies starting to market biltong products for consumers seeking high-protein snacks, from straight-up biltong to trail mix made with beef biltong.

Plant-based snacking comes into play in reinvented proteins, too. Whole Foods calls this segment "faux jerky", and notes that mushroom-based jerkies, cracklings and rinds deliver a meaty-taste without the meat: "Plant-based foods will continue to surprise and inspire — this year taking on the meat-based snacking world of jerkies and pork rinds."

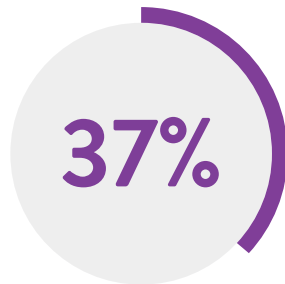


PRODUCTS OF NOTE:

TYSON CHICKEN CHIPS: BBQ & RANCH



Made from fully cooked chicken patties.



37% of consumers polled said they'd possibly buy this product, **OUTPERFORMING** against subcategory.

STRYVE BILTONG TRAIL MIX



Snack mix made with lean biltong, whole nuts and seeds. It is available in Original, Jalapeno and Dark Chocolate. It contains 20 grams of protein, low in sugar and free from peanuts, soy and gluten.

DRINK YOUR SNACK

SOUP'S ON (ON-THE-GO, THAT IS)



For on-the-go and quick-and-easy snacking, soups have become snackable. Packaging and branding plays a big part in this, with forms like “sipping cups” and glass-like jars, but so does flavor. Sure, there’s chicken noodle, but new and different flavors can be infused into snackable soups, such as globally-inspired flavors like ginger and roasted poblano.

Somewhere in between soup and a beverage – and another reflection of the blurred lens between traditional categories and eating occasions – are drinkable bone broths, also touted as between-meal filler. Bone broths marketed more as a beverage than a soup are one example of how beverages are utilized as snacks. These broths aren’t plain and simple, either: eye-catching packages come in flavor-intensive varieties made with tastes of turmeric, ginger, various vegetables and apple cider vinegar, to name some examples.

MILKING THE TRENDS TOWARD FLAVORED, FUNCTIONAL BASICS.

As our snack-centric society continues to find ways to satisfy cravings all day, even the most basic drinks like hybrid water and milk can be grouped into the snacking category. In the coming months and years, look for more fortified waters and nut milks, available in an array of flavors and varieties, like maple water and cactus water.

THE TAKEAWAYS

It's a dynamic and innovative space. Snacks are one of those rare "universal" activities that most consumers share, and the brands that find a balance between indulgence and wellness will win. Plant-based puffs; on-the-go nut butter packs; snackable bone broth; pickled everything; meat-based protein bars and meat-free jerky. It's an exciting time! As you look to capture new sales and audiences in the marketplace, think about breaking out of your previously-defined categories. Consider new formats, innovative flavors. The possibilities are, if not endless, wide open.

SOURCES

- *Dataessential*
- *Iconoculture*
- *Infegy*
- *IRI*
- *KIND Company*
- *Mintel*
- *Mondelez International Foodservice*
- *Statista*
- *Technavio*
- *The Nielsen Company*
- *Whole Foods*
- *GNPD*

YOU DESERVE MORE. LET'S GET STARTED.

What does true partnership look like? You deserve a flavor partner ready to turn these trends into the tangible.

Let FONA's market insight and research experts get to work for you. Translate these trends into bold new ideas for your brand. Increase market share and get to your "what's next." Our technical flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. Let's mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

From concept to manufacturing, we're here for you — every step of the way.

Contact our sales service department at 630.578.8600 to request a flavor sample or chat us up at www.fona.com/contact-fona/

