Snacking solutions

Understanding the modern **snack-food consumer**

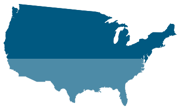
Proprietary Research

The skinny on snackers

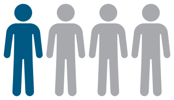
As modern eating culture evolves, snacking has now become a significant food and beverage occasion for a majority of Americans. With 97% of Americans snacking at varying degrees of frequency, almost everyone is now a snacker. No longer a guilt-ridden, between-meal indulgence, snacks are now considered an essential part of our regular diet—accounting for almost up to half of our daily food occasions, according to a report on *The Future of Snacking* from the Hartman Group.[1]

At the root of this is the fact that consumers' mealtime habits are changing. Once centered on the nuclear family and three square meals a day, eating occasions have evolved to reflect a drive toward wellness, new culinary trends and the fact that eating is now a more individualized experience.[2] In other words, today's fast-paced lifestyles have prompted consumers to shift toward eating smaller, more snack-like meals that are driven by how they live and work. And this often means they are eating alone, in the moment, or on-the-go.

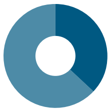
So, snacking has become a mainstream phenomenon:



More than half of U.S. consumers are now snacking at least once daily.[3]

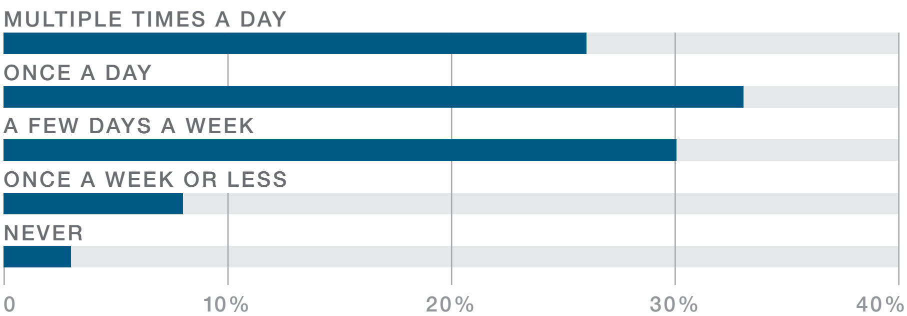


One in four Americans now nibble multiple times a day.[4]



For **37%** of consumers, snacks now provide one of the three most substantial eating occasions in the day.[5]

Frequency of snacking



Source: 2019 Food and Health Survey, IFIC

This growing propensity to eat small is creating a booming market for new and innovative snack foods. The category is now considered one of the highest growth segments within the $688 million U.S. functional food and beverage category, according to data from *Nutrition Business Journal*.[6] Snacking has become so quintessential that *New Nutrition Business* named "Snackification of Products" as one of four mega food and beverage trends in its annual report, *10 Key Trends in Food, Nutrition and Health 2020*.

All this means that unique and creative snack foods represent a significant market opportunity for brands that can decipher the needs and wants of the evolving snack food consumer.

But therein lies the rub. As the concept of three square meals a day fades into history, these cultural changes have not only blurred the lines between snacks and meals, they have also expanded the market for who's buying and eating snacks.

To understand snack food consumers, it is important to note why they snack. There are four primary reasons, according to the Hartman study: They see snacks as a way to satisfy hunger, provide hydration management, offer sustained energy, and help manage health and diet. They make life easy, offering convenient and efficient energy, recovery and rejuvenation; plus, snacking is just fun. Snacks provide comfort, indulgence and reward, offer an increasing diversity in flavor and texture, while driving discovery of new foods.

Not surprisingly, the shift toward snacking does tend to be most prolific among millennials, whose mealtime rituals are shifting most rapidly as they establish young families.[7] They are most likely to eat at home less often and are more likely than older generations to eat on-the-go or have snacks instead of a meal. Baby boomers' meal routines are also in flux, but at the opposite end of the lifetime spectrum: their mealtime choices reflect downsizing, empty nests and retirement, according to the report.

Snacking's health halo

Consumers now also see snacks as compatible with health and wellness. Many across generations have reached a point at which they want to take more control over their eating habits and health. They tend to equate snacks with healthful eating, given that snacks serve as smaller, more frequent meals that keep calorie counts low, nutrition high and hunger at bay.

Overall, consumers are taking a more customized approach to snacking. But this also leads to added pressure as they endeavor to choose snacks that will help them balance personal health goals with actual behavior.[8] Some consumers, for example, see that snacking may lead to overeating, which is now prompting nearly one-third to limit how much they snack. This concern may be valid. Those who report snacking more than once a day are more likely to say they crave sweet or salty snacks and that they snack more out of habit and convenience than hunger.[9]

The snack food consumer

To better understand the evolving snack category, Cargill conducted proprietary research to see how and why consumers snack, what their preferences are in choosing snack foods, and what qualities they look for in these foods. The study, Snack Foods Opportunity Research, was conducted in partnership with Decision Analysts on a nationally representative sampling of U.S. grocery shoppers. The findings, presented on the following pages, offer insights into four key snack categories: snack bars, salty snacks, candy and sweet baked goods and delve into respondents' decision making processes for choosing snacks for themselves, as well as for their children.

The study found that there are four common reasons why consumers choose a snack, and the reasoning tends to be fairly similar across genders:

Reasons for snacking (Top two boxes: Extremely/very likely)[10]

	MEN	WOMEN
TO SATISFY A CRAVING	77%	78%
TO GIVE THEMSELVES A TREAT	72%	69%
TO REMEDY HUNGER	70%	70%
TO REWARD THEMSELVES	59%	51%

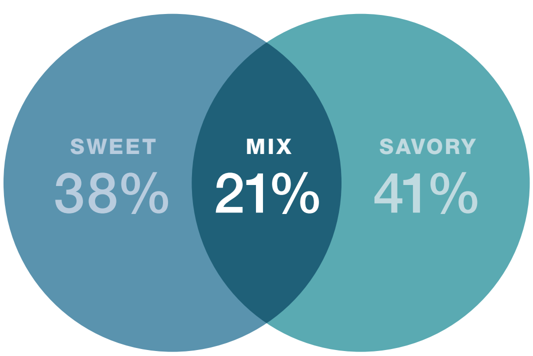
Snack time

Overall, snacking takes place most commonly between meals, but having a tidbit is now fairly common across many eating occasions, including being part of a meal, as a meal itself, or as a dessert. Respondents noted that snack bars and salty snacks tend to be most preferred as between meal pick-me-ups, while candy and sweet baked goods are more often consumed after dinner or as dessert. This pattern is fairly consistent for both adult snackers and parents serving treats to their children.

Good taste and affordability are generally the most important qualities for choosing a snack, although it is interesting to note that adult consumers place the highest emphasis on taste and flavor when choosing a snack for themselves. Parents choosing for kids place higher emphasis on the nutritional value and healthfulness of a snack.

"Natural" perception—a top priority

Both consumers and parents say perceived "natural" benefits are important in all four snack categories, but particularly so in sweet baked goods. These include snacks with fresh, minimally processed and non-GMO* ingredients.



Sweet vs. savory

When it comes to what they snack on, respondents show fairly equal desire for sweet and savory snacks, although savory is currently just a bit more popular. These preferences are fairly consistent across gender and age groups, but skew toward sweet in the Northeast. Not surprisingly, a partiality toward sweet or savory also aligns with the snacks people purchase—those who buy candy and sweet baked goods more often say they prefer sweet snacks, while those who more commonly purchase salty snacks tend to prefer those in the savory category.

Snapshot: Snack bars

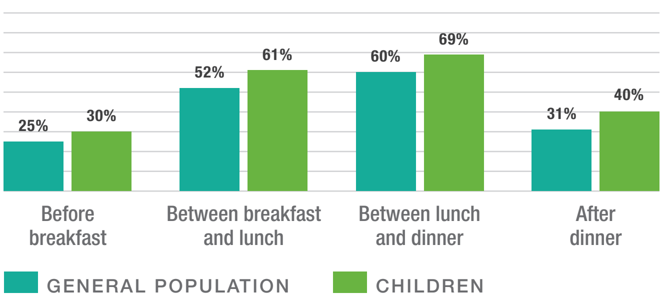
The classic snack

Snack bars, in the form of nutrition bars, protein bars, and granola bars, are a quintessential part of American snacking behavior. In this survey, one in four respondents indicates they now eat them daily—and 44% note bar consumption at twice weekly. This is similar for children, who consume snack bars daily at 23%, while nearly half (48%) indicate they eat bars twice weekly.

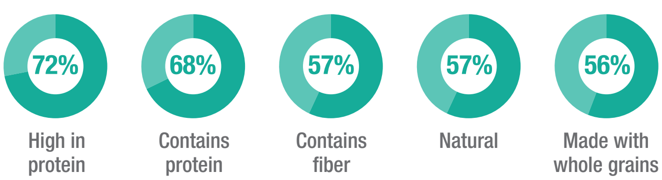
Average consumption for both adults and children is similar, at 11 times per month. Bars are a popular and convenient option for both adults and kids as a between-meal snack, but also commonly serve as a dessert. That said, adults are more likely to consume snack bars as a meal or instead of a meal.

Among those who eat snack bars (including adults and kids), they are most likely to be consumed as an afternoon snack between lunch and dinner.

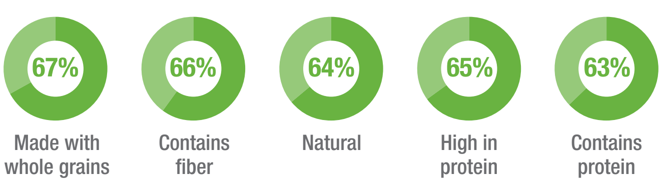
Snack bar consumption (extremely/very likely)



Top 5 snack bar attributes for the general population (extremely/very likely)

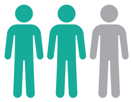


Top 5 snack bar attributes for children (extremely/very likely)

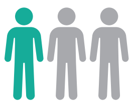


Bars for kids

When choosing a snack bar to serve to kids:



Two in three parents say they are extremely/very likely to seek products made with whole grains and fiber.

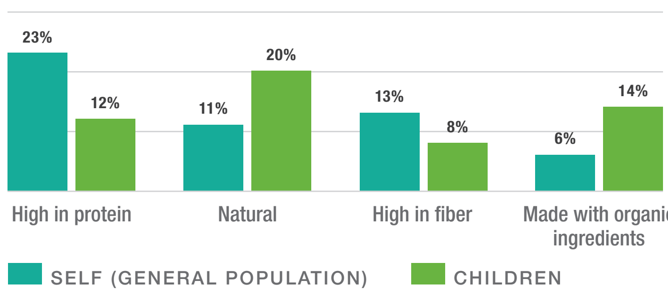


One in three parents is extremely likely to purchase products that they consider to be natural, made with organic ingredients and high in protein.

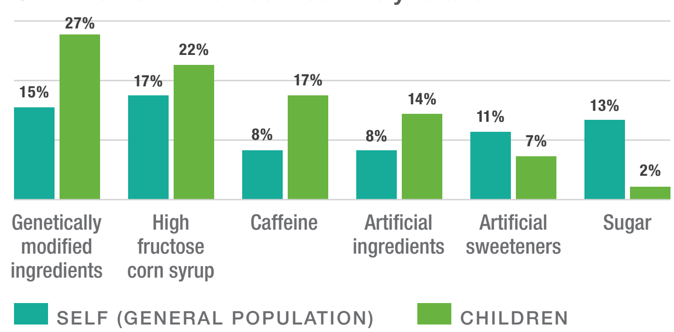
Importantly, the popular bar attributes are largely dependent upon who the parent is buying for, themselves or their children. Generally, respondents hold snack bars for children to higher standards than for themselves. One exception is bars that contain sugar. Adults buying for themselves are far more likely to avoid bars that contain sugar than those who are buying bars for children.

By a wide margin, adults seek bars that are high in protein, while natural tops the list of most important attributes for kids.

Important snack bar attributes



Snack bars: Attributes most likely to avoid



Snapshot: Salty snacks

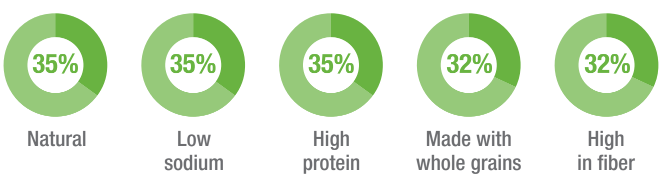
Branching out for better snacks

Even though the competition from sweet treats and snacks is ramping up, salty snacks are holding their own in the overall snacking market, with Packaged Facts predicting the market will reach $29 billion by 2022, as the category branches out into new taste and flavor combinations that meet better-for-you standards.[11]

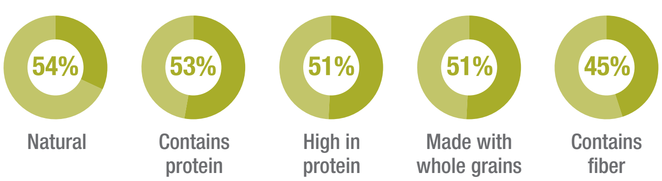
As noted earlier, savory flavors have a slight edge over sweet, so this bodes well for the salty snack category, which is by far the most popular as a between-meal snack. Like snack bars, consumption of salty snacks is frequent, with average use of these products at about 10 times per month for adults, and slightly higher at 11 times per month for children. Salty snacks are also the go-to solution for the afternoon nosh, with close to seven in 10 consumers saying they consume these types of snacks between lunch and dinner.

Similar to bars, top purchasing criteria are dependent upon who's buying and who's eating—with the top two criteria of taste and nutrition for adults flipping in importance when buying for children, where nutrition trumps taste.

Top 5 salty snack attributes for general population (extremely/very likely)

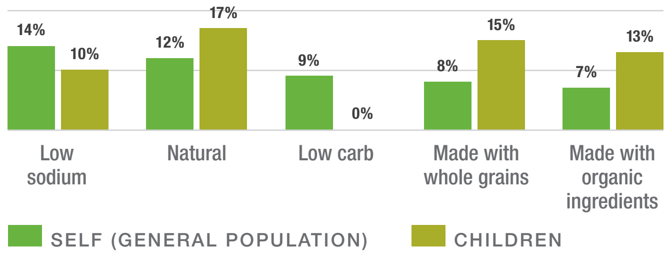


Top 5 salty snack attributes for children (extremely/very likely)

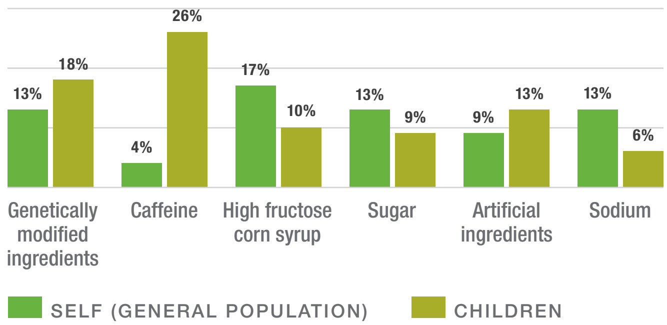


In general, many of the top attributes for salty snacks are the same whether the consumer is shopping for themselves or their children. But when considering the *most* important qualities, naturalness is most important among both adults and parents. Parents seeking salty snacks for their kids also tend to find whole grains and organic ingredients important.

Salty snacks: Attributes most likely to seek



Salty snacks: Attributes most likely to avoid

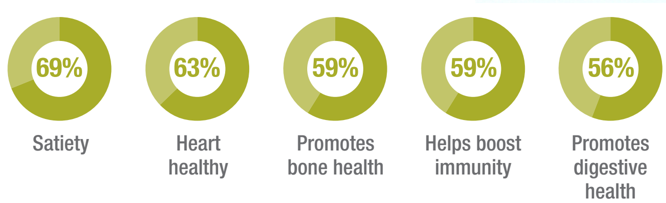


When buying salty munchies for themselves, adults are most likely to avoid HFCS, followed by GMO ingredients, sugar and sodium. Parents, however, say they most often skip caffeine-containing products in this category by a wide margin. Overall, their reasons for these choices boil down to the fact that consumers prefer products that they perceive as natural, whether for themselves or their children. Nevertheless, respondents did say they pass on products with artificial sweeteners because of a perceived bad aftertaste, and they steer clear of GMO ingredients because they generally perceive them as bad.

When it comes to kids' snacks, think benefits

Generally, the importance of benefits in salty snacks is higher when buying for children than for adults. Satiety (keeping the snacker full until their next chance to eat), is the most important benefit for both adults and kids, followed by heart health.

Top benefits for kids



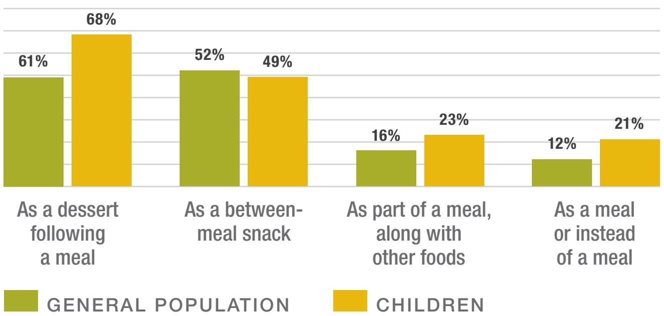
Snapshot: Candy

Time-honored indulgence

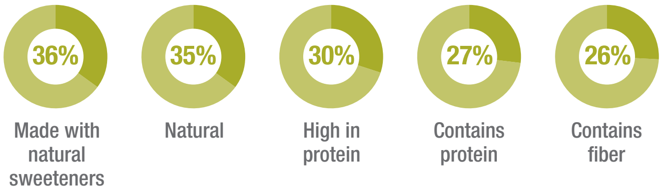
Candy is big business in the U.S., generating annual sales of $36 billion with household penetration of nearly 99%.[12] Americans still love their sweets. But with growing concern about sugar intake, attitudes about these products are shifting. So it is not surprising to see that adults consume candy as a snack on par with other categories—on average, about 10 times per month. Candy does rank lowest of the four snack types in terms of parents' frequency serving it as a snack to kids, which is, on average, just under 8 times per month.

Candy is also different from other snacks in that it is most likely to be consumed as a dessert among adults and children, and it is least likely to be eaten as part of a meal compared to the other four snack types.

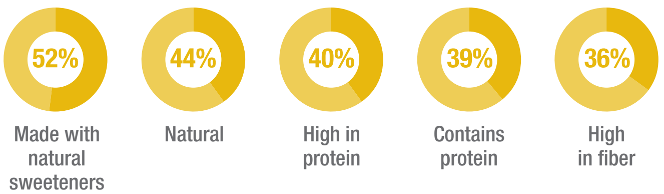
Candy snacking occasions (extremely/very likely)



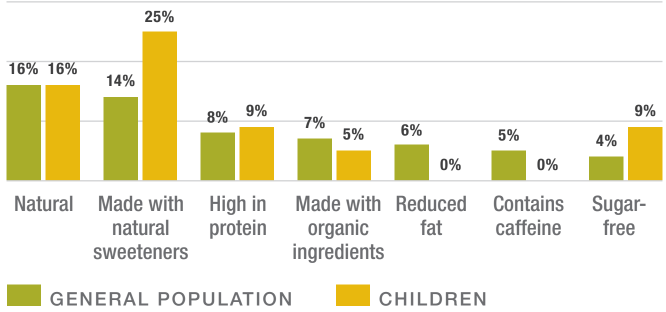
Top 5 candy attributes for general population (extremely/very likely)



Top 5 candy attributes for children (extremely/very likely)

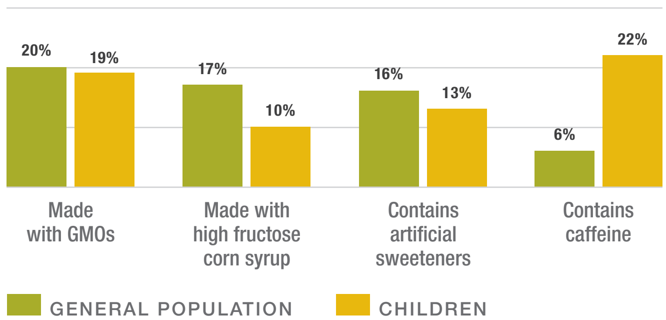


Candy: Attributes most likely to seek



Consumers are most likely to seek candy that is natural and made with natural sweeteners, regardless of whether they are purchasing it for themselves or their children. Parents are especially likely to seek products made with natural sweeteners compared to adult respondents; they also seek sugar-free candy more often.

Candy: Attributes most likely to avoid



Adult candy consumers say they avoid GMOs most often in candy at a rate well above average, while parents by a wide margin most often stay away from caffeine in candy products. Interestingly, HFCS is avoided at higher rates among adults than among parents buying candy for their children. Overall, consumers are most likely to skip these ingredients because they see them as unhealthy. When it comes to caffeine specifically, parents avoid it in candy because they believe it could cause hyperactivity.

Snapshot: Sweet baked goods

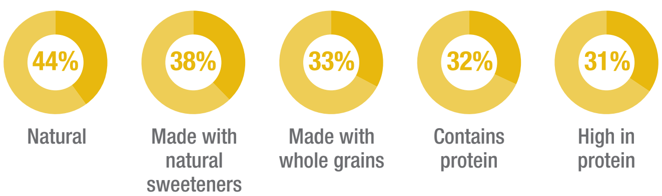
The comfort snack

Consumers have deeply rooted attitudes about bakery products—associating them with home, comfort and family—so it is little wonder that bakery product sales make up 8% of the total U.S. food and beverage market, at about $46 billion annually.[13]

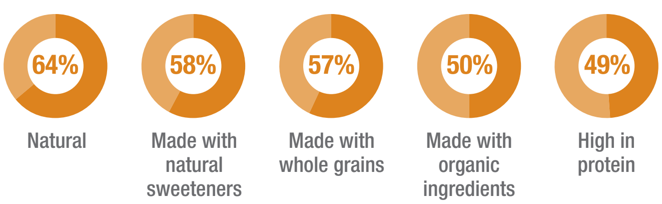
But as consumer attitudes about eating shift toward health, Americans are generally becoming more demanding of their bakery products. They are also increasingly careful about what they eat. When it comes to sweet baked products, they tend to consume them (on average) at a slightly lower frequency than the other snack foods, at just under 10 times per month for adults and kids.

Not surprisingly, these foods are consumed most as a dessert following a meal for both adult consumers (74%) and for children (79%) and most prominently after dinner. Taste and flavor are important criteria when adults buy these products for themselves, but when purchasing for a child, parents again tend to put more emphasis on nutritional value, although the child liking the bakery treat is also critical.

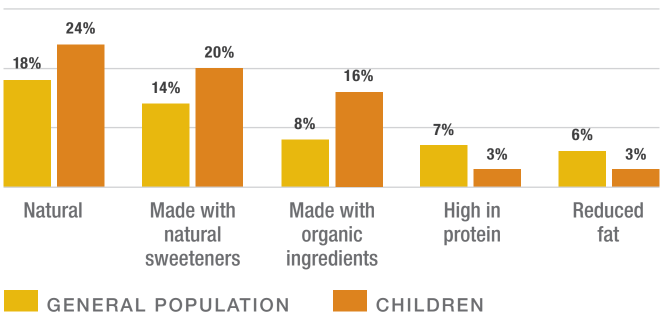
Top 5 sweet baked goods attributes for adults



Top 5 sweet baked goods attributes for children

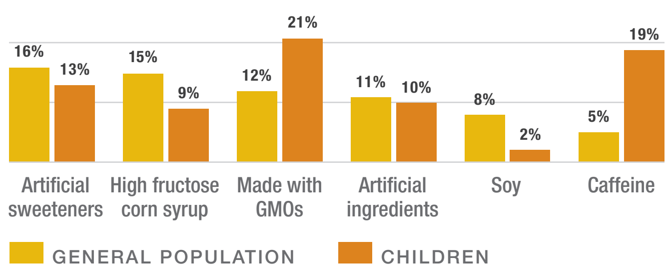


Sweet baked goods: Attributes most likely to seek



When you're talking sweet baked goods, both adult consumers and parents most often seek the same three attributes—natural, made with natural sweeteners, and made with organic ingredients—and all three are most important as shoppers buy for their kids. Parents typically seek these attributes because they view them as healthy.

Sweet baked goods: Attributes most likely to avoid



Benefits are an emerging priority in baked goods for consumers overall, but adults still place most importance on satiety, as well as on products that can improve mood or boost energy. Parents are now seeking long-term benefits from these products for their kids, such as boosting immunity and supporting bone and heart health.

Conclusion

Snacking 3.0: State-of-the-art snacks

Snacking has become such a prominent eating style that it has begun to transform product development in every food and beverage category. According to *NNB's* 2020 report, consumers are increasingly willing to buy all kinds of innovative snacks, especially those that offer new and unique ways to consume them as a meal and on-the-go. So anything can now be a snack. But the bar for creativity in the category is progressively high and there seem to be no limits to where formulators can go. Here are a few insights and opportunities for the future of snacks.

Super snacks

More consumers are looking for products that offer functional benefits, and the snack category will be at the forefront of this. The benefits of ingredients like protein and fiber have had great success in bars, beverages and other snacks, but the next generation of products with superfoods and botanical ingredients is just around the corner.[14] These ingredients add both flavor and functionality to snacks. Products that feature turmeric, CBD, pumpkin seed, matcha, and probiotics will take functional snacking to the next level.

Feel-good snacks

Consumers are showing greater interest in the role nutrition can play beyond physical health, and will look for snacks that also support emotional wellbeing.[15] There is increased understanding that diet and gut health have an impact on mental and emotional health.

Function and personalization

Consumers are now researching their own health, and are becoming progressively more fragmented in the way they pursue health and consume food. What this means for the snacking world is that there may no longer be huge, high-volume snack brands.[16] But there can be a snack for every kind of consumer: those who want to indulge, reward themselves, eat on-the-go, relax or clear their mind. The key to success may be in finding new niches and meeting consumers' snacking needs before they themselves know what they are.

* There is no single definition of "non-GMO" in the USA. Contact Cargill for source and processing information.

Learn more about Cargill's broad portfolio of label-friendly ingredients at http://cargill.com/labelfriendly

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