

Snacking innovations an opportunity for retailers

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Canadians love their snacks. In fact, research shows that nine in 10 Canadian consumers snack multiple times a day(1) on a wide variety of foods that include everything from traditional salty snacks to cookies, crackers, jerky, fruit, nuts and confectionery(2).

This evolving preference for small bites throughout the day is fuelling growth in the broader snacking category, already worth \$12.6B in Canada(2). With variety important to consumers—Nielsen reports the average Canadian enjoys 12 different types of snacks in a 30-day period²retailers have an opportunity to connect with the consumer at multiple points throughout the day.

Not surprisingly, confection represents the largest—and still growing—segment in the country's snacking wheel. Manufacturers like Hershey Canada understand the evolving consumer needs and the growing demand for products that blur traditional lines by combining popular snacking textures and flavours.

With surging interest in sweet and salty flavour combinations, especially chocolate paired with snacking textures, Hershey's latest product innovations aim to meet consumer demand and fuel further growth in the burgeoning snacking category.

Last April, Hershey acquired the barkTHINS brand, a mass premium snacking chocolate made with fair trade certified ingredients and non-GMO certified. The snacking chocolate brand is now launching four new on-trend varieties that combine chocolate with snacking textures in 150g pouches: Dark Chocolate Almond with Sea Salt, Dark Chocolate Pretzel with Sea Salt, Dark Chocolate Coconut with Almond, and Chocolate Pumpkin Seed with Sea Salt.

Hershey's Mix platform also has two new offerings that join the highly successful REESE® Mix and HERSHEY'S Mix. Both launched in 2015 and were highly incremental to growth in the chocolate singles category. The lineup will now include HERSHEY'S Cookies 'n' Creme Mix and OH HENRY! Mix, both available in immediate consumption and future consumption package sizes.

Another innovative flavour and texture combo projected to drive incremental growth in confection is the new HERSHEY'S COOKIE+ line. Two flavours—HERSHEY'S COOKIE+ Caramel chocolate and HERSHEY'S COOKIE+ Vanilla Crème chocolate—pair cookie bits with chocolate to deliver on consumer interest in chocolate with snacking texture.

The broader snack category already has 99% household penetration, with consumers purchasing snacks almost weekly and spending more on snacks per trip, according to Nielsen Homescan(3). New offerings in the confectionery/snack aisle not only give consumers more options but also provide retailers with lots of opportunity to build baskets and drive incremental sales.

In the highly impulsive snacking category, display at retail can go a long way towards encouraging purchase and helping consumers satisfy their daily snacking needs.

Sources:

1. The Hartman Group, Hartman Eating Occasions 2013
2. Snacking beyond the Snacking Aisle: How to take a bite out of Canada's snacking demand - Nielsen 2015
3. Nielsen Homescan, National All Outlets, 52 Weeks Ending December 12, 2015

