SNACKS BECOMING TOP PICKS

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By Bob Johnson July 1, 2018



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Preference for hand-held over sit-down meals can be boon to produce sales ... so grab shoppers' attention.

The snack has steadily emerged as a significant category within produce, as hand-held fruits and packaged products have enjoyed years of double-digit growth.

"Packaged produce items for snacking, which represent a \$1.1 billion category, have seen a compounded annual growth rate of 10 percent since 2012," says Kellen Stailey, vice president of marketing at <u>Grimmway Farms</u>, Bakersfield, CA. "The \$19.3 billion snackable fruit and vegetable category has seen 5.1 percent growth year-over-year."

This category figures to keep growing because, as the latest consumer survey shows, younger customers are most likely to replace meals with convenient, smaller eating events.

A healthy 80 percent of respondents say they snack at least once a day, according to <u>Technomics</u>' 2018 Snacking Occasion Consumer Trend Report, and the number of people likely to replace a meal or two a day with snacks is up from just two years ago.

"I think current snackability trends are largely being driven by Millennials, who are not eating what we think of as 'traditional' meals but tend to snack more for convenience," says Joan Wickham, director of communications at <u>Sunkist Growers</u>, Valencia, CA. "Millennials are seeking healthy options they can eat on the go — and citrus fits the bill there."

Food retailers still account for 63 percent of snack purchases, according to <u>Hartman Group</u> statistics cited in the <u>International Dairy Deli Bakery Association</u>'s *What's In Store 2018*, although they are losing ground to foodservice outlets.

A large group of snackers comes through the produce department, and there are rewards for getting their attention.

EYE-CATCHING DISPLAYS

When they walk into the produce department, as many as 80 percent of consumers, according to the Technomic findings, are looking for hand-held snacks as much or more than ingredients for dishes served at sit-down meals.

A first step toward capturing a share of this growing market is to grab the attention of shoppers.

"In-store displays offer impulse buys to consumers," says Stephanie Harralson, director of marketing for North America at Sunsweet (Yuba City, CA), which has had great success with its individually packaged Ones. "Place in produce or cross-promote with other healthful products such as granola, yogurt and salads."



Two or more snacking items can be displayed or cross-merchandised for greater impact.

"Cross-merchandising snack 'pairings' can be effective; for example, marketing fruit like citrus with nuts as a healthy energy booster with healthy carbs, Vitamin C, protein and fiber for satiety," notes Wickham.

The merchandising gold standard that takes displays to another level is an entire eye-catching section that highlights many snackable produce products.

"Retailers can create healthy destination categories in their stores; a place where consumers can conveniently find fresh vegetables, snacking trays and specialty vegetables," says Jacob Shafer, senior marketing and communications specialist at Mann Packing, Salinas, CA. "Destination categories help consumers find new and innovative products, and the addition of a healthy snacking section in produce makes it easy for consumers to try healthy snack alternatives."

Many producers advise retailers to pay close attention in their snack merchandising to young parents.

"Parents are looking for quick meal and snack options that are priced right and convenient," says Shafer. "Mann's recently launched a line of innovative snacking trays that are ideal for consumers who are on-the-go. These mini-meals have enticing combinations of premium ingredients and a great variety of flavor options."

Sunkist, too, is targeting younger parents looking for healthier snacks to include in lunches or to hand their children in the back seat of a car without fear of a mess.

"We focus our marketing efforts on parents to highlight how citrus can be a healthy (and fun) snack for families instead of marketing directly to children," says Wickham. "Parents are looking for ways to help their kids eat healthier, and we're happy to be a resource there."

Other suppliers are also targeting young families as they roll out snack options for the produce department. Because younger consumers are the target market, social media is particularly important as a way to reach them.

"Every day, we share healthy recipes involving Dole fresh produce created by our chefs and nutritionists on our social media platforms to help make healthy snacking ideas accessible and easy for parents and their families," says Bil Goldfield, director of corporate communications at <u>Dole Food Company</u>, Westlake, CA. "The best part about this is when our customers comment back on social media posts and share how they have tried one of our tips or recipes."

The most effective social media promoting snacks both engages and entertains would-be consumers.

"Our social media posts are continuously providing moms with ideas for snacking fun, DIY projects and family engagement with Cuties and our Mighties kiwifruit," says Katie Reeb, director of marketing at <u>Sun Pacific</u>, Pasadena, CA, which markets social media efforts through #sharesunshine.



A GROWING FIELD

The growing demand for snacks has already impacted what farmers grow, as varieties that lend themselves to eating out-of-hand are replacing those that are too large or messy.

"First and foremost, snackability starts with growing the right products; take Cuties for instance," says Reeb. "At Sun Pacific, we grow and pack Clementines from November through January, and after Clementines finish for their season, we pack Murcotts from February through April. The selection of these two varieties was extremely important in providing the snackability quality of a Cutie, which is the ability for little hands to be able to peel the Mandarin without creating a dripping mess."

Smaller, easier-to-handle citrus fruits are steadily replacing the classic Navel oranges in California's Central Valley orchards.

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In addition to the hand-held, easy-peeler citrus, Sun Pacific also ships a variety of highly portable kiwifruit.

"Our Mighties kiwifruit is a great example of promoting snackability with packaging, both on the packaging and in the packaging," says Reeb. "The Cuties and Mighties brands were created specifically to promote and encourage healthy snacking with young kids. Our logos incorporate our brand mascots "Lil Zipper" for Cuties and "Fuzzy" for the Mighties specifically to resonate with young kids who love brightly colored, fun characters."

Snacking has made packaged baby carrots at least as prominent as the traditional bundle.

"Our fresh-cut, value-added carrot items are conveniently packaged for school lunches and snacks on-the-go," says Grimmway Farms' Stailey. "Many of our organic vegetables also make excellent snack options for active families and busy lifestyles — broccoli, cauliflower, radishes and carrots to name a few."

Along with the popular prune Ones, available in a number of flavors, Sunsweet also has introduced a number of other snackable fruit products.

"We have launched new Sunsweet Fruit Packs, which are convenient, portable Fruit Packs, available in three varieties – Amaz!n Prune, Apricot and Dates," says Harralson. "Each retail unit has six 'Fruit Packs' with no sweeteners added, and only 50 to 60 calories per serving. This new product makes it easy to get real fruit nutrition during your busy day."

It is worth keeping an eye out for new varieties and products because these young consumers are drawn to them.

"We find kids want to try more different and unique fruit and veggie snacks," says Jeremy Taylor, vice president of sales and marketing at <u>DNO Inc.</u>, Columbus, OH. "Items like baby carrots and apple slices are decreasing in popularity while more unique and uncommon snacks are building bigger fans."

EDUCATIONAL CAMPAIGNS TO KIDS

In designing a merchandising program for snacks, help is available both from suppliers and from an army of organizations dedicated to helping kids eat more fruits and vegetables.

"We work year-round with our produce company partners to relay messaging around the diversity of fruits and vegetables through in-store campaigns, including the snack category," says Amanda Keefer, director of marketing communications at Produce for Kids, Orlando, FL. "Produce for Kids has a dedicated snack section on the website, and we also host an after-school snack section on poweryourlunchbox.com. All of our snack ideas are approved by our registered dietitian."



Produce for Kids was started in 2002 by Vidalia onion grower-shipper <u>Shuman Produce</u>, Reidsville, GA, and has since developed support from more than 50 fruit and vegetable growers and thousands of supermarkets.

Some shippers have also developed merchandising campaigns they execute in cooperation with retailers.

"Our merchandising team partners with produce managers and dietitians at the store level to plan demos and promotions showing consumers how to prep our produce for snacking and encouraging them to replace fried and salty snack items with carrots chips, celery sticks and other fresh produce alternatives," says Stailey. "Our team participates in health-focused events such as the Fit Foodie festival and race series to show consumers how our healthy snack items can fit their active lifestyles."

Other shippers have developed educational campaigns engaging directly with consumers on the subject of healthy snacks.

"Sunsweet conducted a campaign called *I Eat Right Because* running January-March 2018," says Harralson. "This program has been a huge success, giving consumers the opportunity to share their personal reasons for eating right and providing shared inspiration to achieve health and wellness goals."

As retailers develop programs to merchandise healthy snacks for kids, they benefit from an extraordinary background of efforts to change how we think about feeding kids and how kids think about eating.

"Produce for Kids will kick off our fifth-annual <u>Power Your Lunchbox Promise</u> in August," says Keefer. "We are partnering with several produce companies to encourage families and classrooms to "promise" to eat healthy for the school year. For every promise, our produce partners collectively give back \$1 to Feeding America programs that benefit families and

children. A huge part of this campaign circles around busy families and snackability/on-the-go foods."

Other nonprofit agencies are promoting produce snacks by spreading the word about the importance of healthy eating for young kids.

"The <u>Produce for Better Health Foundation</u> (PBH) is doing a lot of work with media-centric influencers, which are a great tool for reaching parents seeking healthy tips for their families," says Sunkist Growers' Wickham. "I would urge produce companies to get involved with PBH to access their research and growing network of influencers who want to help the produce industry arm consumers with information to make healthier choices for their families."

Other major grower-shippers are also working with agencies devoted to healthier eating for kids.

"We have partnered with <u>Action for Healthy Kids</u> — an organization dedicated to fighting childhood obesity, undernourishment and physical inactivity by helping schools become healthier places so kids can live healthier lives," says Goldfield. "Dole will be donating \$2 to Action for Healthy Kids every time a person uploads a photo of what healthy means to their family on Dole.com/Disney. *Incredibles 2* stickers will be featured on Dole bananas, perfect for snacking, as well as brand new snacking recipes at Dole.com/Disney."

DNO Inc. specializes in delivering fresh-cut fruits and vegetables to schools.

"We wash/clean and cut produce into 'munchable' sizes for kids at schools. We're big fans of the FFVP (Fresh Fruit & Vegetable) Snack Program," says Taylor. "It's a way for kids to snack on fresh produce in schools. We also tie this in with classroom events and educational material."

Other produce suppliers also have creative programs to connect directly with children.

"In our 100 Days of Sunshine campaign, we teamed up with After-School All-Stars to deliver a special holiday gift to Bowman Ashe/Doolin K-8 Academy in South Florida," says Sun Pacific's Reeb. "The Cuties Buddy Bench was created as a safe place where kids can find someone to play with on the school grounds and avoid bullying."