

# What We're Watching

No. 06 – 2024

It's likely that you've heard all the buzz about consumers and snacking.

**But have you also heard about a key ingredient supporting the innovation and growth: Grains.**

- ◆ Consumer approach to snacking is not only quickening but also evolving. Occasions are up but so are expectations for the snack. It's no longer just about a 'bridge' food occasion. Snacks are now expected to deliver functional benefits, to support wellness, even to replace meals. All while providing a great taste experience. Fortunately, consumers recognize grains as a versatile ingredient that can help snacks achieve the new demands of snacks.
- ◆ Food industry stakeholders are racing to connect with changing consumer interest in snacks: through new product development, menu additions, utilizing effective ingredients, differentiation through claims. One constant seems to be the use of grains: about one-half of new Snack Category products launched in 2024 (ytd) have included grains.<sup>2</sup>

## Implications and Opportunities:

- Leverage the fact that, yes, any food item can be a snack by delivering against these leading snack credentials: Great Taste, Minimal Preparation, Small Portion, Portability, Provide Energy.
- Include grains in new snack product development, options from Wheat Flour to Ancient Grains have strong presence and impact.
- Items that can be viewed as, and eaten as, a snack should be on your foodservice menu: introduce new items that align to snack criteria (smaller portion, portability, lesser-priced etc.) or reposition current items that might now be listed under other menu categories (appetizers, desserts, add-ons, etc.).

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Snacking is growing and changing; so is the impactful role of grains.

There may be a lack of specific definition for what type of food makes a snack, but there's consensus on other characteristics.

'Just About Anything can be a Snack'

**92%**

of Snackers Agree<sup>1</sup>

If anything can be a snack what do Snackers agree on? Here are some mandatory characteristics:

Characteristic	% Agree <sup>1</sup>
Taste Great	98%
Little/No Preparation	95%
Small Portion	91%
Portable	88%
Provide Energy	87%

Grains overall, and Wheat Flour specifically, are playing a very active role in snacks' innovation momentum in 2024.

**+9%**

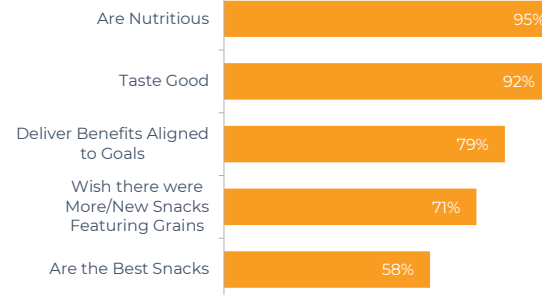
Share of new product Snack Category launches including Grains: 2024 (ytd) vs 2023<sup>2</sup>

**+23%**

Share of new product Snack Category launches including Wheat Flour: 2024 (ytd) vs 2023<sup>2</sup>

Grain-based Snacks are viewed very favorably by Snackers and there's strong interest in discovery of new options.

% Agree: Snacks featuring Grains<sup>1</sup>



Ancient Grains have pull with Snackers too: unit sales of snack-type food items with an Ancient Grain claim are outperforming their counterparts.

Units Sold Last 52 Weeks: Two Year CAGR<sup>3</sup>

Category	With Ancient Grain Claim	Without Ancient Grain Claim
Crackers	+11%	-4%
Cereal & Granola Bars	+6%	-7%
Cereal*	+6%	-4%
Pretzels	+34%	NC

\*Cereal can indeed be a snack for some. In fact, nearly 5% of Snackers identify cereal as the food item consumed at their most recent snack occasion.<sup>1</sup>

Consumers are also snacking away-from-home, and foodservice operators with options on their menus are benefitting.

**50%** of Foodservice operators claim that snack-offering sales have **increased** over the last year.<sup>4</sup>

That's compared to only **5%** of operators reporting that snack-offering sales have declined.<sup>4</sup>