

Capitalizing on the Modern-Day ‘Healthy Halo’

From high protein to non-GMO, healthy snacking means many different things to consumers By Danielle Romano

GONE ARE THE DAYS of a one-sided definition of “healthy.” Today, healthy can mean many different things to different consumers, like high protein, gluten free, keto, paleo, vegan, organic, local, fresh, all-natural, free from artificial ingredients, preservative free, and non-GMO.

As health and wellness takes on a larger role in consumers’ day-to-day lives, their snack choices are evolving to match their lifestyle needs. In fact, 41 percent of consumers want snacks to provide an energy boost, while 80 percent are willing to pay more for snacks with health attributes, according to The Hartman Group’s *The Future of Snacking* study.

“We’ve seen changes in the industry as certain fads have come and gone, [but] we are also seeing a trend that consumers are willing to spend more money on great-tasting, high-quality, healthy snacks, and manufacturers are filling that demand,” said Paige Brown, director of marketing at Stryve Biltong Snacks, a maker of meat snacks.

Just as today’s definition of healthy continues to evolve, so does the demographics of the healthy snack consumer. Healthy eating is becoming the new norm for men and women, both young and old, as they grow more mindful of nutrition and the role it plays in their everyday lives.

However, if there is one thing that rings true across healthy snack consumers, it is that they’ll flex different food values at different occasions.

“In terms of pre-packaged snacks, you see a lot of different need states represented in different ways than in the past,” said Betsy Frost, director of platform marketing innovation at General Mills Convenience. “‘Healthy’ snacking was for a time about low-calorie options, where you often traded taste or texture of the ‘real thing’ for a lower calorie option or portion-controlled 100-calorie pack. Now, we see healthy snacking mirror the core values of the consumers.”

As shoppers seek out brands that align with how they see themselves, more and more healthy snack brands are emerging in the packaged snacks categories. Three macro trends that are driving this, according to Minneapolis-based General Mills Convenience, are:

- **The changing of food values.** Consumers are looking for more real food experiences.
- **Consumers’ changing eating habits.** “People snack more throughout the day and are looking for snacks to do more jobs for them than they have in the past, such as a meal replacement or mini-meal, a before- or after-workout supplement, or a mental or energy boost,” Frost explained.
- **The boom of the food entrepreneur.** “With more snacks being in more non-traditional outlets, food entrepreneurs have found it easier to turn a home hack that served their personal needs into thriving, purpose-driven organizations,” she added.

Kirk Bailey, product director of grocery and snacks at convenience distributor McLane Co. Inc., identifies an additional trend he finds to be relevant to the topic: an increase in the amount of awareness of how someone’s diet can directly correlate with their health.

“As these health-conscious consumers become more educated on how to live a healthy lifestyle, they will continue to seek items that have simple ingredients and attributes that have a positive effect on their health vs. just grabbing anything to hold them over until their next meal,” said Bailey.

Building Up a Reputation

Amid this continuing shift, convenience store retailers shouldn’t miss out on the opportunity to serve healthy snack consumers — across all of their varied need states.

C-store operators that amp up their healthier snack offerings and make an effort to create awareness and promote these options will have the most success, according to Kelly Fulford, North Zone manager at General Mills Convenience.

"C-stores are generally known to be a good place to satisfy a sweet or savory indulgent craving or impulse, but may not have the same reputation when it comes to the other snacking need states," Frost added.

"There are also consumers who clearly live their food values all the time and for them, it is important to know that c-stores carry options that fit into their lifestyle."



"Healthy or better-for-you items are important, but are more niche, so retailers should not immediately expect to see the same turns."

— Kelly Fulford, General Mills Convenience

So, what's the best way for c-store retailers to offer healthier snacks to their customers?

McLane's Bailey suggests they incorporate a small section within their salty snack set that includes six to nine items that are in a highly visible area of the set, such as the top right corner.

Then, if retailers find these items do well for their stores, they should consider expanding to a three-foot "Better-for-You" endcap, preferably in a prime location within the store that lets customers know these healthier items are available.



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A Meaty Segment

Meat snacks continue to grow thanks to shifting demographics and format innovation

Much has been written in recent years about the rising popularity of snacking, as more time-pressed consumers opt to replace regular, full meals with on-the-go snacking. In their quest for satiating options, these consumers have sought better-for-you snacks that boast healthful benefits, like meat snacks, which promise high protein and, often, all-natural ingredients.

In 2017, meat snacks was No. 1 in the alternative snacks category in terms of dollar sales growth, rising 3.5 percent in sales per store year over year, according to the *2018 Convenience Store News Industry Report*. A recent report from Mintel also revealed that meat snacks account for 30 percent of market share in the snacks category and is the fastest-growing segment, with sales rising 45 percent over the past year to reach \$3.6 billion.

Format innovation is one of the factors behind the segment's meaty performance, especially with the recent introduction of meat bars.

New flavor profiles are important, too, noted Kirk Bailey, product director of grocery and snacks at McLane Co. Inc. Flavor profiles such as sweet and hot, barbecue and Cajun are driving meat snack sales, he observed.

Another factor propelling meat snacks is a better understanding of who today's meat snack consumer is. Once considered a segment dominated by Bubba, there is a shift taking place as meat snacks are now finding appeal across multiple demographics.

A major part of this shift has to do with Bubba growing up, according to Jeff Weber, brand manager for meat snack company Old Wisconsin.

"Young males are getting older and, as such, a number of meat snack brands will introduce different products to meet them at each stage of life. For example, satisfy their needs with a core product in their younger years before moving them on to more premium offerings as they enter adulthood," Weber explained. "You can't ladder people up, but it's not a bad strategy when you think about it."

Female consumers are also a chief part of the shift that's taking place.

"Women are big meat snack consumers because it's a simple way for them to sneak more protein into their diet," said Paige Brown, director of marketing for Stryve Biltong Snacks. "They're the reason you're starting to see healthier options and fancier flavor profiles among the category."

To further boost sales of meat snacks, Brown suggests convenience stores use marketing materials that call out high protein. She also believes in having secondary placement of meat snacks on an endcap around other better-for-you items, like bottled water.

McLane's Bailey agrees: "Signage, promotions, in-store displays and bundles when available are a great way to drive sales in the c-store channel," he said.



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For Stryve Biltong's Brown, a few key practices c-store retailers should exercise are:

- Choosing items that are in demand;
- Choosing items that are packaged in a modern way that steals attention from the shelf; and
- Choosing items that are expected to be trending in a year from now, "so that when the wave of demand comes, you'll be ready for it rather than trying to catch up with it."

While c-stores need to stock a wide variety of options across key healthier categories, Fulford cautions that the benchmarks for performance with these items should be different than the expectations retailers have for mainstream items.

"Healthy or better-for-you items are important, but are more niche, so retailers should not immediately expect to see the same turns," she said. "It takes a bit of patience and also takes working with manufacturers who are broadly marketing and promoting the products in the right way." **CSN**



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