



# Salty Snacks Remain Strong

**Salty snacks stood strong under the pandemic's weight, and now that recovery is well on the way, all systems are go for this category.**

BY PAMELA MILLS-SENN



Salty snacks withstood the pandemic relatively well—after all, what's movie streaming without popcorn or chips? In fact, eating occasions for salty snacks actually increased during the pandemic, said Stefanie Nobly, consumer and market intelligence manager at General Mills Convenience in Minneapolis, who added the company expects this snacking behavior to remain at “similar levels” post-pandemic.

**W**elcome news for sure, but this doesn't mean the category isn't facing some challenges. For one thing, obtaining goods has become especially vexing, said Marty Glick, senior vice president, national sales for Farmingdale, NY-based, National Convenience Distributors (NCD).

“The supply chain is a mess, and we see no signs of it improving in the future,” he said. “It seems that we're receiving price-increase letters from our suppliers daily.”

Chad Owen, president of Chambers & Owen, Inc., in Janesville, WI, has experienced the same. The company provides a variety of c-store staples, like chips, popcorn and snack mixes, pork rinds and pretzels, among other items. “Dot's pretzels has been a great item for us since we brought it on a few years ago,” said Owen. “They just added Southwest and Cheese Curl flavors that have been doing well.”

“The demand is still there as we move past the pandemic,” he said. “But unfortunately, there [remain] some lingering supply issues. Manufacturers are struggling with packaging, transportation and mostly with labor issues. We're seeing recovery, but it has been slow, and issues will probably last through the end of 2021.”

Still, the category gained in dollar and unit sales during the first half of 2021. According to data from Pittsburgh, PA-based Management Science Associates' C-Metrics between Jan. 2 and June 19, 2021, salty snack market dollars ascended by 13.8% compared to the same 2020 timeframe, for a ring of \$746.5 million on market unit activity of 381 million, a 7.6% bump.

Nearly every subcategory lifted, according to C-Metrics. Dollar sales of ready-to-eat popcorn soared by 36.5%,



Sweet and salty combos, like this new Muddy Buddies line, continue to be on trend.

pulling in \$10.1 million. Unit sales surged by 32.9% with 4.5 million packages heading out c-store doors.

Next up was crackers, where dollar sales rose by 19.9%, generating \$121.2 million on unit activity of 80.1 million, a bounce of 11.8%. Dollar sales of pretzels leaped 16.6% to \$61 million. The unit activity of 25.1 million nudged forward by 10%. Dollar sales of potato chips ascended by 14.1%, bringing in \$153.2 million on unit activity of 74.3 million, up by 7.6%. Illustrating the better-for-you (BFY) trend, dollar sales of nuts/seeds hit \$203.6 million, climbing by 13%. Unit activity for these items stood at 104.5 million, an increase of 5.5%.

## In Demand

Fueling sales activity is the consumer love of big, bold, spicy flavors, said Steven DeFrino, associate director, commercial marketing for Mondelez International. With global headquarters in Chicago and North American headquarters in East Hanover, NJ, the company offers Ritz and premium cracker brands, along with other salty snacks.

“Spicy, crunchy snacks do extremely well in c-stores and are sort of like ‘boredom breakers’ for the on-the-go c-store consumer who tends to skew a bit younger than the average shopper and is more likely to prefer bolder flavor profiles,” said DeFrino, who added that to-go packaging is also popular.

Sales of better-for-you (BFY) snacks are also accelerating. There has been a change in how consumers view salty snacks, resulting in a split between the BFY premium items—such as Pretzel Crips, Kettle Chips and Skinny Pops—and flavored-focused brands like Lay’s, Cheetos, Doritos, etc., DeFrino explained. They may seem alike, but how they’re perceived is different.



Flavorful salty snack lines, like Gardetto's Spicy Italian, are hot sellers in c-stores.

“Brands like Late July, which is organic and non-GMO, or Skinny Pop, which is non-GMO, have carved niches for themselves in the competitive salty snack space by making products with BFY claims in categories that are typically more taste-forward,” he said.

Glick agrees BFY customers are looking for new options. For example, in addition to providing strong sellers like COMBOS, Bugles, Chex Mix, Planters and DAVID Seeds, NCD offers Uncle Ed’s, a proprietary line of peggable salty snacks and bakery goods, many items of which are heart-healthy and approved by the Partnership for a Healthier America. The line, packaged in resealable bags that can fit into a cup holder, is doing “extremely well,” says Glick. Sales of Kind Bars are also benefiting from BFY customers, as are Blue Diamond Almonds in bold flavors like Sriracha, Sweet Thai Chili and Wasabi, he added.

Wellness trends like Keto, Paleo and Whole30, are continuing to “dominate” the category and aren’t going away, said Wade Batten, vice president of sales for Benestar Brands. Located in Charlotte, NC, the company offers pork snacks under the Turkey Creek and PORQ brands. Turkey Creek has heritage products like skins, curls, skinny cracklins and crackling strips; PORQ is a premium, zero-carb brand geared towards the low-carb-lifestyle consumer, offering light, crispy, zero-carb, gluten-free, low-sodium rinds.

Erin Tamm, director, protein snacking at Conagra Brands in Chicago, also noted the rising interest in Keto and high-protein diets as well as in lower-sugar, but still flavorful, options. “In 2020, Google searches for ‘low-sugar snacks’ were up 300%, and 63% of adults say they want more protein in their diets,” said Tamm.

The company’s Slim Jim brand is the largest in the c-store channel, said Tamm, and the “number-one, fastest-growing meat stick brand in the category.” Slim Jim Original Giant is the top-performing SKU in sales of all meat sticks, followed by the Slim Jim Original Monster. The products not only benefit from interest in high-protein snacks, but they’re also transportable, a plus for c-store customers.

Another strong seller is DAVID Seeds, Conagra’s second-largest c-store brand and the top-selling seed brand in terms of sales, said Carrie Swanson, director, popcorn and salty snacks.

“Flavor isn’t a new trend but it remains as important as ever,” said Swanson. “In fact, 56% of total snacking is

motivated by flavor. “We’ve addressed this through a variety of products in our portfolio. One to note is our newest flavor offering in our BIGS Sunflower Seed collection—BIGS Takis Fuego Sunflower Seeds.”

Bacon and cheese is a top flavor pairing, said Jim Dodge, vice president of convenience at Mars Wrigley in Newark, NJ. In response, the company recently added Cheddar Cheese and Bacon to its COMBOS portfolio, which so far is “delivering highly incremental sales,” said Dodge. Take-home packaging is also gaining traction as are share-sizes and larger-sized packaging. According to Dodge, the company has seen demand increase for its 6- and 13.5-ounce pack types. “Ideal sizes for sharing on summer road trips,” he added. Dodge anticipates as more people get out and about, c-store sales of salty snacks will increase.

During the pandemic, consumers sought comfort in “nostalgia snack brands,” explained Daniel DeMeyer, senior director, sales strategy, for Battle Creek, MI-based Kellogg Co. He added this interest won’t subside post-pandemic.

Consequently, even though Kellogg has multiple category stables like Pringles and Cheez-It, the company innovated new flavors, textures and formats, such as Pringles Scorchin’ or Cheez-It Snap’d. These versions, launched over the past year, are experiencing “continued momentum and solid growth,” said DeMeyer. Cheez-It Snap’d saw double-digit increases in c-stores since the pandemic’s start.

## Incentivizing, Supporting Sales

Manufacturers always look for ways to send sales upwards, but since the pandemic and the resultant strain on supplies and resources, this has gotten trickier, resulting in fewer new programs as vendors try to meet this year’s demands, said Owen.

“They’re still promoting new items as they’re launched,” he said. “But many new items have also been held back due to production issues.”

NCD offers the MAP (Maximum Accrual Program) for its c-store customers. Requirements vary depending on manufacturer opportunity, but stores can earn “thousands of additional monies if they meet the



Along with flavorful varieties, salty snacks are providing single-serve and larger, share-size packaging options to meet demand.

requirements,” Glick said. They also offer a free Salty Snack MVE (Multi-Vendor Endcap), enabling retailers to receive “money off” on the invoice.

The Trophy Nut Co. runs a series of off-invoice promotions throughout the year to help reduce prices and incentivize multi-pack purchases, said Scott Reindel, the company’s vice president of business development and retail strategy. Headquartered in Tipp City, OH, Trophy Nut Co. offers snack nuts and trail mixes as well as a complete line of natural dry-roasted certified non-GMO snack nuts under the Trophy Farms brand. Packaging ranges from single-serve to resealable

standup pouches and peg bags.

“We’re finding consumers are more aware of the BFY offerings and particularly natural and certified non-GMO items,” said Reindel. “Retailers are beginning to carve out sections to feature the BFY items within their snack sets. We offer 12-count caddies that can be merchandised at the checkout, with or without our custom racks. Each bag is also pre-punched for merchandising on a pegboard.”

In addition to other promos, Mars Wrigley has created Smiley, an autonomous robot that travels the aisles, prompting impulse purchases by displaying and delivering items usually found at checkout to customers throughout the store. The first pilot launched at a ShopRite store in Monroe, NY.

Big campaigns for Mondeléz involve partnerships with the Summer Olympics and NBA, said DeFrino. For the Olympics, c-stores saw custom graphics, in-store displays and customized digital support

across social media—Facebook, Twitter and Instagram.

“The NBA partnership includes being the official cracker for the 2021–2022 season and an exciting addition to our packaging with a smartphone scannable image that will take consumers to videos of iconic NBA moments to relive exciting content within dynasty NBA teams,” DeFrino said.

For motivating salty snack sales, distributors must not only provide retailers with well-loved favorites, they need to inject adrenaline into the assortment by offering innovation. **CD**



Hot and spicy line extensions include new Chex Mix Max'd in jalapeno chili.