



Michael Browne

IRI expects sales volumes for snack foods to remain elevated, although consumers will likely have an increased focus on value amid the economic downturn.

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Snacks fit the bill as shoppers turn to comfort foods

Consumers dip into indulgent snacks during pandemic, but their health focus remains

Mark Hamstra | Jul 13, 2020

Consumer interest in clean-label, better-for-you and functional snacks remains strong, despite a shift toward indulgent bingeing in the early stages of the COVID-19 pandemic.

“People aren’t necessarily eating differently, but they are shopping differently,” said Melissa Abbott, VP of Hartman Retainer Services at research firm The Hartman Group. “That has huge implications for snacking.”

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Before the pandemic, consumers had been noshing frequently on both healthy and indulgent snack foods, a habit that was fueled by the grab-and-go convenience of these items. During the pandemic, however, shopping patterns changed abruptly as consumers made fewer trips to the store, purchased food in larger quantities and shifted their shopping to online channels.

Consumers were also seeking to cope with the anxiety of the pandemic, and turned to comfort foods, including indulgent or nostalgic snacks, as an escape, Abbott said. Often those foods were “permissible indulgences,” however, with better-for-you ingredients or cleaner labels, she explained.

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Retailers including Coborn’s and Natural Grocers by Vitamin Cottage reported that consumers have been stocking up on larger quantities of groceries, including popular snack foods, but they have remained cognizant of the importance of eating healthy.

“Like many other retailers, we saw our guests buying products in larger containers and larger quantities,” said Emily Parent, a dietitian at Coborn’s, based in St. Cloud, Minn. “As all of us realized that this pandemic was going to last longer than a few weeks, we started to have more guests looking for better-for-you shelf-stable foods and recipes that used the ingredients that they had initially stocked up on.”

Consumers cooped up at home were tempted to snack throughout the day, she said, as their traditional routines were disrupted and their pantries were fully loaded and within easy reach.

“We heard from a lot of our guests that there was much more grazing and snacking going on in their households,” said Parent. “Once we realized that this situation was going to be our new normal, guests started asking more questions about better-for-you snacks, since they knew they were going to continue to graze.”

Consumers showed an increased interest in value-priced healthy snacks and meal ideas, as well as eating to support a healthy immune system, she said. With whole families often sheltering at home together, consumers were also seeking better-for-you snacks for both adults and children.

Coborn’s promoted healthy snack ideas through its Coborn’s Dietitian Corner page and through its Facebook Live and TV segments, Parent said. In addition to highlighting healthy shelf-stable snacks, Coborn’s also posted information about how to properly store fresh produce to maximize its shelf life.

“Right now, it’s all about creativity,” said Parent. “When it comes to snacking, we are making a shift from ‘grab-and-go’ to ‘at home convenience’ options. It’s a change for many families, but health is still a priority for many when it comes to snacking.”

Banking sales with bulk snacks

Prepackaged bulk foods, including snacks, have been an important element of sales growth at Lakewood, Colo.-based Natural Grocers by Vitamin Cottage during the

COVID-19 pandemic.

The organic retailer's highest-volume bulk-snack items — nuts, seeds and dried fruits — remained atop consumers' shopping lists during the pandemic, but achieved higher sales levels in recent months, said Kemper Isely, co-president. Top-selling bulk snacks before and during the pandemic included cashews, walnuts, almonds, pecans, sunflower seeds, pumpkin seeds, mango, cranberries, raisins and coconut.

The retailer has also seen a large increase in sales of bulk items such as dried strawberries, energy bar snack chunks, mini chocolate peanut butter cups, organic gummy fruits, popcorn, figs, dates and pineapple rings, he said.

"Volume is the main trend we've been seeing," said Isely. "People were buying more to stock up their pantries. We've seen this for snack items like nuts and dried fruits, and even more so for pantry staples such as rice and other grains, dried beans, and oatmeal."





Natural Grocers' highest-volume bulk-snack items remained atop consumers' shopping lists early during the pandemic, but achieved higher sales levels in recent months.

Natural Grocers has continued to promote select bulk products through its “Always Affordable” price messaging, its good4u Health Hotline magazine and its {N}power rewards program, he said.

The retailer's longstanding practice of buying items in bulk and packaging them itself, and refrigerating some to reserve freshness, have served it well during the pandemic, Isely said. The chain has been highlighting its reasons for prepackaging bulk items as a selling point during the pandemic, he said.

“We’ve never believed that the logistics of self-service bulk bins were good for product quality, or that those bins were hygienic,” Isely said. “Our thoughtful approach to how we store and sell our bulk items means that our organic and 100% non-GMO bulk selections check off all the right boxes during this time — sanitary, affordability and freshness.”

Pandemic accelerates sales growth

Research from IRI showed that sales of snack foods across all retail channels spiked in the weeks ending March 15 and 22, with sales increases of 40% and 35%, respectively, compared with 2019. Volumes remained high, with single-digit percentage increases, in the following weeks.

“Snacking is alive and well, and doing quite well, going through COVID,” said Sally Lyons Wyatt, executive VP and practice leader, client insights, IRI, in a recent webinar hosted by SNAC International.

She noted that many packaged snack foods had already been seeing strong sales growth in 2019, but the pandemic accelerated that growth in several categories. Subtracting the 2019 sales growth rate from the sales growth rate during the first several weeks of the pandemic, IRI found that some of the specific categories that most benefited from the crisis included crackers, tortilla chips, potato chips, popcorn (both kernel and microwave), aerosol/squeezable cheese spreads and canned/bottled fruit. Several frozen snack foods also saw big increases in dollar growth rates, including frozen cookies and frozen pretzels, as did some refrigerated snack foods, including yogurt and yogurt drinks.

Going forward, Wyatt said she expects sales volumes for snack foods to remain elevated, although consumers will likely have an increased focus on value amid the economic downturn.

Consumers’ use of online shopping, which accelerated significantly in recent months, also will have implications for retailers seeking to promote better-for-you snacking opportunities, said Parent of Coborn’s.

“Our goals as dietitians are shifting to how we are educating our guests virtually and to help steer them toward healthier options when they shop online,” she said.

In addition, Abbott of The Hartman Group noted that with many consumers expected to continue working from home, there may be demand for products that can somehow help them control portion sizes while at the same time minimizing packaging waste.

“When you open up the big bag of crackers, even if they are made from ancient grains, it’s so easy to just plow through them,” she said.

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