

Nestlé debuts bonbon-like refrigerated snack as an afternoon pick-me-up

fooddive.com/news/nestle-debuts-bonbon-like-refrigerated-snack-as-an-afternoon-pick-me-up/608441

Christopher Doering



Dive Brief:

- Nestlé is launching chilled snacking "bombs" made with creamy nut butters and premium chocolate, the company said in a statement. The Nestlé Rallies Nut Butter Bombs — currently available in Brownie Almond Butter and Salted Cashew Butter, with a Raspberry Peanut Butter variety coming in early 2022 — are pitched by the company as an afternoon pick-me-up or as a reward.
- The world's largest food manufacturer said Rallies have no artificial flavors, colors or preservatives, and less added sugar than the leading chocolate nut butter candy. A pack of three has a suggested retail price of \$2.49.
- Michael Darman, innovation manager at Nestlé USA, said the CPG giant was looking for categories where it didn't have a major presence but could tap into unmet consumer needs. "We're not calling ourselves a wellness bar. We're not making functional benefit claims or anything like that, but we're also trying to show that there are better ways to get your indulgence," he said.

Dive Insight:

Nestlé has overhauled its portfolio in recent years to focus on faster-growing and better-for-you offerings like ionized water through the [purchase of Essentia](#), the acquisition of [plant-based brand Sweet Earth](#) and the [addition of Freshly](#), a provider of fresh-prepared meal

delivery services. At the same time, it has jettisoned its U.S. ice cream and candy businesses for billions of dollars to fund this expansion.

But the introduction of Rallies, touted by the company as an indulgence, shows the Switzerland-based CPG realizes that people aren't always going to turn to a healthier offering and sometimes just want a snack that makes them feel good. Nestlé is convinced a fresh, chilled offering will attract consumers by providing them with a more attractive alternative to the bars found in the center of the store that often have a long and sometimes unrecognizable ingredients list.

"This is something they're seeking for their indulgences and they're not finding right now, which means they're either on the sidelines, they're choosing not to indulge, or they're going back to the center aisle," Darman said. "Rallies is in keeping with the other [Nestlé] acquisitions in that we're really trying to engage with consumers who are being more mindful and choosy about their options. We need to be able to let them enjoy the treat and then not feel bad about it afterwards."

Nestlé highlighted data from The Hartman Group that estimated 74% of consumers say "treating oneself" is the primary way they look for a pick-me-up. While Nestlé doesn't go so far as to say the new treats are healthy, it does position the product as a better option by noting it has less added sugar than other nut butter chocolate candy brands.

The new indulgence hits on a lot of trends impacting the food space today. It uses real chocolate and real peanut, almond and cashew nut butters. It's pitched by Nestlé as a grab-and-go option for the on-the-move consumer spending more time snacking than ever. And the requirement that the bombs need to be chilled helps them maintain freshness and flavor.

According to [Mintel data cited by snacking giant Mondelez](#) in 2019, the U.S. refrigerated snacks segment generated \$20 billion in annual sales and represents a third of the total snacking market. Within that space, healthier snacks — such as nutrition bars, packs with nuts and fruits, yogurts and hummus — represented around \$7 billion in sales.

The prospect for potentially even bigger revenue going forward has prompted several large CPGs to enter the refrigerated nut bar space.

Kind announced in 2020 it was offering its [first-ever nut butter protein bar](#) to be sold in the refrigerated section. That same year, nut butter maker Justin's, owned by Hormel Foods, [entered the refrigerated bar category](#) with Almond Butter Protein Bars. And a year earlier, Mondelez International [purchased a majority stake](#) in Perfect Snacks, the manufacturer of organic, non-GMO, nut butter-based protein bars and bites.

Darman said Nestlé doesn't view Rallies as being in competition with those offerings that prioritize wellness because it targets permissible indulgence. The bonbon shape of its bombs also gives consumers the option of sharing the treat or consuming it themselves over a period of time.

"There's very much an unmet need, even with those brands," he said.

Nestlé has dabbled in refrigerated snacks before, but Rallies is the first refrigerated single snacking product with the company's name on the label.

It currently sells Toll House Edible Cookie Dough and Bites in stores. Nestlé also launched an organic, non-GMO, probiotic snack bar in September 2018 made with granola and Greek yogurt that it discontinued two years later. Darman said refrigerated snacking is "an appealing space" and one Nestlé could increase its presence in going forward with additional products.

Rallies are currently being sold at Hy-Vee and direct to consumer on the product's website. Darman added that Nestlé is in talks with other retailers, and plans to expand into major grocery chains and convenience stores next year.

Follow Christopher Doering on [Twitter](#)