

# SNACKS FOR THE AGES

How to  
balance the  
snacking needs  
of young  
parents and  
their kids

BY BRETT DWORSKI



**M**eet Jane, a 32-year-old advertising executive who is always on the go. When Jane's not working, she's usually out buying food for her son, Danny. At the ripe age of 4, Danny loves to snack on potato chips, gummy bears and chocolate bars. Jane, a token millennial, is weary of Danny's sugar intake and wants him to live a healthier lifestyle. But with limited time to shop, snagging a bag of chips is easier than roaming the produce aisle for an on-the-go veggie snack that may not even exist. Jane is frustrated with her lack of nutritious snack options.

Today, millennial parents like Jane are driving demand for healthier snack options, both for themselves and for their children. So how can retailers and snacking companies meet their needs?

A look at the numbers is a starting point. Forty-two percent of millennials say they eat healthy at least half of the time, while only 34% of baby boomers say the same, according to the 2018 New Products Survey conducted by Chicago-based research firm IRI. And they may be influencing their kids: More than 50% of millennial mothers say their kids are more likely to choose a better-for-you snack compared to another prepackaged snack, according to a 2017 study from The Center for Generational Kinetics, an Austin, Texas-based research firm.

Susan Viamari, vice president of thought leadership for IRI, says these generational differences influence how millennials feed their children. Snack manufacturers and retailers should recognize that millennials seek a balance between healthy and indulgent snacks more

than other groups, she says.

"This [not only] means offering healthier and more indulgent options but also thinking about blending the two: making indulgent treats that are healthier for you and offering healthy options that are indulgent," she says. Products that achieve this include Hershey's Simply chocolate syrup and Jell-O Simply Good, Viamari says.

Betsy Frost, director of platform marketing innovation for Minneapolis-based food manufacturer General Mills Convenience, concurs. She says that while millennial parents support snacks that contain natural, recognizable ingredients, indulging is also part of the balance. "The way millennials observe health and wellness has shifted from reactive to proactive," she says. "And they are thinking about wellness more holistically—mind, body [and] soul."

### The Value Equation

Millennials also seek value in their kids' snacks, and not just in terms of price. They want products that meet various needs, Viamari says. Nearly half (46%) of millennials are willing to pay more for food and beverage solutions that offer more than just basic nutrition, according to IRI data. Viamari cites items such as Yo-plait Dippers and Pressed by Kind snack bars, which achieved IRI New Product Pacesetter status in 2017, reaching a high sales benchmark within their first year on shelves. Focusing on the needs and wants of both children and parents, especially value, is an effective way to reel these adults into the snacking category, Viamari says.

Millennials seek to meet their nutritional needs when they make food choices based on values such as organic or natural claims, Frost says. "They may be seeking healthy grains or protein, which requires manufacturers to offer a wide variety of snack products to offer unique benefits across multiple need states," she says.

General Mills has attempted to meet multiple consumer needs by expanding its health and wellness portfolio. This includes snack-bar brands such as Epic, GoodBelly Probiotics and Larabar, which fit the healthy snack bill and are soon headed to convenience stores, Frost says.

## TOP 5 SNACK BARS

Snack bars have a variety of functions. Some are positioned as energy boosters, while others are regarded as protein enhancers or low-calorie alternatives to products such as potato chips and pork rinds. The top four snack bars by c-store dollar sales in 2017 are promoted as better-for-you options, according to IRI.

**C-store sales (\$ millions),  
52 weeks ending Dec. 31, 2017**



**THINKTHIN PROTEIN  
BARS \$692.4**



**AWAKE ENERGY BARS \$333.3**



**QUEST PROTEIN BARS \$156.9**



**INIT NUT & FRUIT BARS \$91.0**



**JOYVA HALVAH BARS \$23.4**

Source: IRI



Meanwhile, Nature Valley Biscuits With Creamy Nut Butter and Nature Valley Granola Cups are examples of indulgent snacks that millennial parents seek. “Both offer protein and fiber and give consumers an option without any artificial flavors or colors from artificial sources,” she says.

Transparency is key. Ninety-four percent of all consumers are likely to remain loyal to a brand that offers complete transparency, and 56% of millennial shoppers use their phones to read about products while in stores, according to data from Label Insights, a Chicago-based food-label data provider. This transparency includes highlighting the lack of additives and the presence of functional ingredients, Viamari says.

And it extends beyond the product portfolio to a brand’s business practices and charitable efforts. “Millennial parents also want to know that the brands they support are promoting causes that are important to them, such as wellness and environmental initiatives,” she says.

### Pack It Up

Another way retailers and snacking companies can target health-conscious millennial parents is through unique, eye-catching packaging. For example, Stemilt Growers, a tree-fruit products company based in Wenatchee, Wash., offers a line of Lil Snappers apples and pears in grab-and-go stand-up pouches with a zip-close seal and a handle on top, resembling the design of a traditional lunch box.

Roger Pepperl, marketing director for Stemilt, says the company switched to the stand-up pouches from poly (plastic) bags, which had failed to capture the attention of kids and parents. Now the pouches feature fun, dancing fruit characters and informative apple descriptions, making them appealing to kids and parents, says Pepperl.

“It’s grab-and-go, easy to pick up and fun and colorful,” Pepperl says. “We describe the apple flavor in the bag [either Pink Lady, Pinata or Fuji] and mom and dad know what to expect—an item that you can put anywhere in the fridge and looks just as snappy as it did in the store.”

Pepperl admits that while snacking companies such as Stemilt look to meet millennial parents’ desires for healthy options, they must compete with traditional



snacks that often have flashier packaging. This remains a competitive challenge for snacking companies, he says.

Snack product innovation is also critical because of the various shopping outlets consumers have access to, such as c-stores, organic shops and the internet, Pepperl says. This heightens the need for snack manufacturers to develop innovative products that can attract multiple demographics, because millennial parents’ spend is so spread out across these outlets. “Just because you have a product aimed for kids doesn’t mean people always understand that,” he says. “We don’t want to sell [the products] once; we want to sell them all the time.”

### Online and In-Store

To target millennial parents, retailers should consider a plan-o-gram for merchandising healthy snacks, Pepperl says. He suggests placing these items in the front and center of the store, grabbing parents’ attentions as soon as they walk in. Otherwise, parents are forced to “look and find them,” which is a lost cause, he says.

“You’ve got to dedicate the space,” says Pepperl. “Retailers should merchandise the products in high-volume areas with lots of visibility.”

Stemilt also collaborates with retailers for seasonal promotions. These include apple-themed pop-up display bins and point-of-sale signage that describe Stemilt’s new Fuji apples as “the apple for a sweet tooth.” These initiatives are what keep customers coming back, he says.

Retailers should also consider their digital retail promotions. Pepperl suggests promoting healthy snacks on the main section of the homepage to increase engagement and awareness of the store offer.

In fact, millennials’ habitual use of technology is a significant differentiator for this group compared to previous generations. More than nine in 10 millennials today (92%) own smartphones, compared to 85% of Gen Xers and 67% of baby boomers, according to a recent study from the Pew Research Center in Washington, D.C. Retailers and healthy snack manufacturers can employ technology to pinpoint millennial parents with social

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media and digital advertising, Pepperl says.

"There's more you can do to find them other than traditional print methods," he says. "The fact that we can use digital ads [to] hit millennials is key."

## The Future of Kids' Snacking


Although Viamari believes innovation of "core" snack brands has plateaued in recent years, she sees greater activity in healthier snacks. This includes new flavors and forms for hand-held appetizers, frozen pizza and beverages as snacks. "Innovation is strong and will continue to focus on portability, satiation, flavor and texture experiences, wellness and indulgence," she says.

But whether parents seek the healthiest options on shelves depends on their kids' ages, because snack choices converge as children get older. Forty-five percent of parents with children ages 12 or younger say they prefer different snacks for their kids than they do for themselves, according to Technomic's 2018 *Snacking Occasion Consumer Trend Report*. However, only 33% and 41% of parents with kids ages 13-17 and 17 and older, respectively, say the same.

Children gain more control of what they eat as they age and often develop diverse palates. They also have fewer dietary restrictions. This may provide an opportunity down the line for retailers and marketers to focus snacking efforts on moments when parents and kids share favorite snacks.

Snacking trends may also shift with consumers' definition of "healthy." The term is constantly evolving, says Frost of General Mills. "In the past, 'healthier' often meant low-calorie or low in carbs," she says. "Today, 'healthier' is more likely to be defined as fresh or less processed."

This means healthy snacks—especially fresh fruit and vegetables—can't rest on their nutritional label to win over millennial parents, especially as they compete with traditional snack options, Pepperl says.

"When it comes down to it, people snack on things that taste good," he says. "It's important for anyone in the fresh sector to recognize that we're competing against fatty, salty snacks." 

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