THE POWER OF SNACKING:
HOW WELL DO YOU KNOW YOUR SNACKER?

What will your next snack be? Have you already decided or will you pick something up on a whim? Will you go for a trusted favourite or try something new? Will you eat it on your own or share with family and friends? Do you snack every day or is it more confined to a particular time of the week, maybe even just a weekend indulgence?

The traditional approach to the snacking category has been widely based on the view that snacking decisions are generally unplanned, and therefore brands need to make themselves highly visible in store to be considered. The belief is that shoppers only decide to buy a snack when they’re at the shelf and where impulsive cues and instinct, combined with price, take over as the deciding factors.

This isn’t the case today. The snacking category is now much more expansive, and its purpose is not only to meet an immediate shopper need, but to create new shopper needs and occasions.

Understanding the context around how your shoppers make their snacking decisions and purchases can help unlock growth opportunities and better challenge the way that this category is tackled today.
MEET THE MAGNIFICENT SEVEN

A recent Nielsen Snacking Study shows that both functional need (e.g. immediate hunger) and emotional engagement are key influencers driving shoppers to the snacking category.

The study also identified seven key snacking profiles as a basis for better understanding the shopping behaviours and dynamics driving this category.

1. IMPULSIVE SNACKERS
This is how we traditionally think of snack buying, and 89% of shoppers say they've bought snacks on a whim. An impulsive snacker is much more likely to try new snacks, to pick up a snack near the checkout, and to eat it straight away.

Targeting these impulsive snackers is key to driving trial of new products and getting conversion into their baskets.

2. PLANNED SNACKERS
These snackers regularly pre-plan the various snacks they'll eat over the course of the day, and even the week. It's this group that has helped to fuel the growth in subscription snacking services, such as Graze and Degustabox, making the subscription model a successful new channel to purchase snacks.

These snackers make decisions about what snacks to buy before they've even reached the shelf, and the products they buy are more likely to be picked up in the main aisle and to be consumed with friends and family.

For brands and retailers, it's critical to remember the power of the main aisle. Setting up the main aisle to drive conversion in snacking is as important as it is to secure secondary locations in store.
3. MEAL REPLACEMENT SNACKERS

This is the most functional snacker type of all and their mission is simple: to refuel.

These are snackers who have missed a core meal and want something to refuel and keep them going; 75% of shoppers identify with this state. But these snackers can be both impulsive and planned. For some shoppers, meal replacement snacks have become an important part of their daily meal plan, and these are planned snacking occasions.

It's important to note that these snackers are looking for good sized snacks, so don't let shrinking pack sizes erode the opportunity that these shoppers bring. Remember, they're looking to replace a meal and will want to purchase something more than a calorie controlled mini bar.

4. HEALTHY SNACKERS

These snackers are actively looking for fruit and vegetable based snacks that are low in sugar or salt, have natural sugars and are organic.

It's still a functional mission, with 67% of shoppers actively looking for healthy snacking products, and a third willing to pay a premium for products that boast health claims. Again, this state can be planned or impulsive, but is overall a more considered purchase.

To meet the needs of this shopper, brands need to make bold, clear claims about health, organic and sustainability directly on pack to engage healthy snackers. Don't save this info just for online product descriptions, call it out.

5. INVESTIGATOR SNACKERS

This is a discerning snacker who takes a more investigatory and considered approach to their snacking. These shoppers base their purchase decisions on more than just health or price, for example. They will take into account the mix and sustainability of ingredients, pack size, promotional offer, choice of brands and more, when deciding what to buy. As a result, this snacker tends to be more planned, rather than impulsive, and follows a more emotive decision making process.

Help these shoppers navigate the vast array of choices by educating them about your product. Clear on pack information alongside a strong digital presence and a high standard of content on retailer websites will help these more considered snackers in their purchase decisions.
6. PROMO SNACKERS

Price is king for this snacker; their snack buying decisions are functional and based solely on price.

This is the smallest group of the seven, with only 46% of shoppers saying that they have purchased in this way, highlighting the key role that emotion plays in driving snacking choices.

To attract these snackers, simple promotions and bold in store activations are critical to converting into that additional basket spend.

7. INDULGENT SNACKERS

On the flip side, indulgent snackers purchase their snacks based on emotion, and specifically as a treat.

Shoppers in this category are likely to spend more and choose snacks that are overtly indulgent. These snackers claim to treat themselves regularly with premium branded snacks. 67% of snacking shoppers claim to purchase in this state, showing that despite the booming health trend, being able to indulge and treat oneself still remains a key purchase driver.

To attract these snackers, it’s important to develop the emotive sense of the occasion around treating oneself. Premium packaging and wrapping will make the experience more indulgent and a true “treat”, appealing to this snacker’s desire for comfort or reward.

UK SNACKERS

UK SHOPPERS IDENTIFY WITH MORE THAN ONE SNACKER PROFILE

<table>
<thead>
<tr>
<th>Snacker Profile</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impulsive</td>
<td>89%</td>
</tr>
<tr>
<td>Planned</td>
<td>88%</td>
</tr>
<tr>
<td>Investigator</td>
<td>76%</td>
</tr>
<tr>
<td>Meal Replacement</td>
<td>75%</td>
</tr>
<tr>
<td>Healthy</td>
<td>67%</td>
</tr>
<tr>
<td>Indulgent</td>
<td>67%</td>
</tr>
<tr>
<td>Promo</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: Nielsen Shopper Survey Data - July 2017

Ultimately, snacking is wrapped up in a mixture of physiological and emotional needs. The seven snacking profiles are not exclusive and it’s possible for a single snacker to move through all seven of the profiles we’ve identified.

The key is to better understand your shoppers’ needs and identify where the opportunities exist to unlock growth, both through shoppers and through new or different purchasing occasions.
TRENDS DRIVING GROWTH

Let’s take a look at the four biggest category trends coming through in snacking.

WEEK VS WEEKEND SNACKING

There is a stark difference in how we snack during the week versus at the weekend.

Across all seven of the snacking profiles we see that people consume healthier products during the week and turn to more indulgent snacks at the weekend.

This suggests that shoppers are looking for snacks that fulfill a more functional need during the week and are looking for snacks that meet their emotive needs at the weekend. These more indulgent weekend snacks are also more likely to be shared with family and friends than the standard weekday snack.

This opens up a big opportunity for manufacturers and retailers to better tailor and flex ranges to meet the needs of different snacking shoppers at specific points in the week. At the start of the week, consider ranging and promoting healthier products in a variety of smaller and single pack formats. Towards the end of the week, in preparation for the weekend, shift the focus to more indulgent treat products as well as sharing pack formats.

Source: Nielsen Shopper Survey Data - July 2017
FRUIT AND VEG BASED SNACKS

Across all seven snacking profiles, fruit and veg comes top of the list for a weekday snack. When shoppers were asked which snacks they were most likely to consume in the week, 93% of shoppers turn to fruit and veg.

If fruit and vegetables are the major cues that shoppers use to make their weekday snacking decisions, manufacturers can use this insight to better tailor their products. This could be through recipe changes or increased communication on pack to highlight the natural fruit and veg ingredients, with the aim of drawing demand for that mid-week consumption.

Clarity of health messaging or claims on pack are also important cues that shoppers in the healthy snacking mindset use to determine whether a product is more premium, for which they’re willing to pay more. Communication on pack is critical to realising category value.

TOP 5 WEEKDAY SNACKS BY SNACKER TYPE

<table>
<thead>
<tr>
<th>IMPULSIVE</th>
<th>PLANNED</th>
<th>INVESTIGATOR</th>
<th>MEAL REPLACEMENT</th>
<th>HEALTHY</th>
<th>INDULGENT</th>
<th>PROMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit &amp; Veg</td>
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<td>Fruit &amp; Veg</td>
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<tr>
<td>Tea</td>
<td>Tea</td>
<td>Tea</td>
<td>Tea</td>
<td>Water</td>
<td>Tea</td>
<td>Tea</td>
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<tr>
<td>Water</td>
<td>Water</td>
<td>Water</td>
<td>Water</td>
<td>Tea</td>
<td>Water</td>
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</tr>
<tr>
<td>Coffee</td>
<td>Coffee</td>
<td>Coffee</td>
<td>Coffee</td>
<td>Coffee</td>
<td>Coffee</td>
<td>Coffee</td>
</tr>
<tr>
<td>Breakfast Bars</td>
<td>Breakfast Bars</td>
<td>Breakfast Bars</td>
<td>Yoghurts</td>
<td>Yoghurts</td>
<td>Yoghurts</td>
<td>Biscuits</td>
</tr>
</tbody>
</table>

Nielsen Snacking Shopper Study 2017
INDULGENT TREATS

Although the health and wellness trend shows no sign of abating, all seven different snacking profiles see a place for an indulgent treat in their snacking repertoire.

Even the healthier snackers, while definitely on the lookout for nutritional benefits to their snacks, are just as likely to consume snacks that contain high sugar and fat.

So, while health is key on the snacking agenda, there is still a big role for the traditional core snacking products to play in driving growth, and should be supported accordingly in store.

**TOP 5 WEEKEND SNACKS BY SNACKER TYPE**

<table>
<thead>
<tr>
<th>IMPULSIVE</th>
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<th>INVESTIGATOR</th>
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<th>PROMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Chocolate</td>
<td>Chocolate</td>
<td>Chocolate</td>
<td>Chocolate</td>
<td>Sugar Confectionery / Sweets</td>
<td>Chocolate</td>
<td>Chocolate</td>
</tr>
<tr>
<td>2 Sugar Confectionery / Sweets</td>
<td>Cola</td>
<td>Sugar Confectionery / Sweets</td>
<td>Cakes</td>
<td>Chocolate</td>
<td>Sugar Confectionery / Sweets</td>
<td>Popcorn</td>
</tr>
<tr>
<td>3 Cola</td>
<td>Cakes</td>
<td>Cakes</td>
<td>Popcorn</td>
<td>Cakes</td>
<td>Cakes</td>
<td>Cakes</td>
</tr>
<tr>
<td>4 Cakes</td>
<td>Popcorn</td>
<td>Popcorn</td>
<td>Sugar Confectionery / Sweets</td>
<td>Popcorn</td>
<td>Popcorn</td>
<td>Fruit &amp; Veg</td>
</tr>
<tr>
<td>5 Popcorn</td>
<td>Fruit &amp; Veg</td>
<td>Cola</td>
<td>Cola</td>
<td>Fruit &amp; Veg</td>
<td>Cola</td>
<td>Coffee</td>
</tr>
</tbody>
</table>

Nielsen Snacking Shopper Study 2017

MILLENNIAL POWER

Age, along with differences in tastes and lifestyles, influence the variance we see across the seven snacking profiles. For example, we can see that millennials are more likely to be promotionally driven when buying a snack, with 39% of shoppers in the promo snacker category being under 35.

Millennials also score highly in the investigator and healthy snacker profiles, which highlights how much more considered they can be when buying their snacks. This is thanks, in part, to generally being better informed about the products they purchase through online engagement, searches, reviews, price comparisons and more.
Generation X (35-54) are more likely to be snacking to treat themselves (Index 111 in the treating mindset), and are also more impulsive in their snacking purchases. The Baby Boomers, on the other hand, are seeking out healthier snacks and are more planned in their purchasing decisions, indexing at 108 for both of the healthy and planned mindsets.

Understanding these variances will help to shape customer marketing strategies and targeted communications to each of the generations about snacking choices.

So, how do you use this information to unlock growth?

The key is to better understand which of the seven snacker profiles your brand caters for today, and which you want to prioritise in the future. This will help to inform the claims to prioritise on pack, the promotional strategy to execute in store, the channels to win with, the pack sizes to implement, the recipe or product development to lead with, the emerging trends to tap into, and future innovations to invest in.

ARE YOU READY FOR THE FUTURE OF SNACKING?

If you would like to find out more about how the seven snacking profiles interact with your brand or how to drive conversion in their baskets, please contact:

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