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BITE-SIZED INSIGHTS

Pandemic Snacking

October 2021

PANDEMIC SNACKING BEHAVIORS

WHAT'S COVERED?

DEPARTMENT OVERVIEW

Snack shopping has seen growth over the last two years as pandemic influences have driven up several key metrics including Buy Rate, Purchase Frequency, Spend per Trip, and Projected Sales.

SHOPPER PROFILES

Specified groups of shoppers are acting as major catalysts for the growth trends seen.

CHANNEL/RETAILER BREAKDOWN

While most channels and retailers have seen success stemming from overall snacking increases, some rise above others.

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Snacking on the Rise

DEPARTMENT OVERVIEW

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SNACKING DEPARTMENT OVERVIEW

With period-over-period sales growth for the past two years, some shoppers show that they will continue to increase their snacking post-pandemic with elevated Buy Rate, Purchase Frequency, and Spend per Trip.

Snacks Department Level Key Metrics

2021, 2020, 2019

	Past 6 Months *March 2021 – August 2021*	Peak-COVID *March 2020 – August 2020*	Pre-COVID *March 2019 – August 2019*
Buy Rate	$346.35	$325.90	$299.77
Projected Sales	$44.7M	$41.9M	$38.4M
Purchase Frequency	46.4	44.4	45.7
Spend Per Trip	$7.47	$7.33	$6.56
Basket Size	$60.07	$61.22	$48.66

Source: Numerator Insights March 2021 – August 2021, Peak-COVID March 2020 – August 2020, Pre-COVID March 2019 – August 2019

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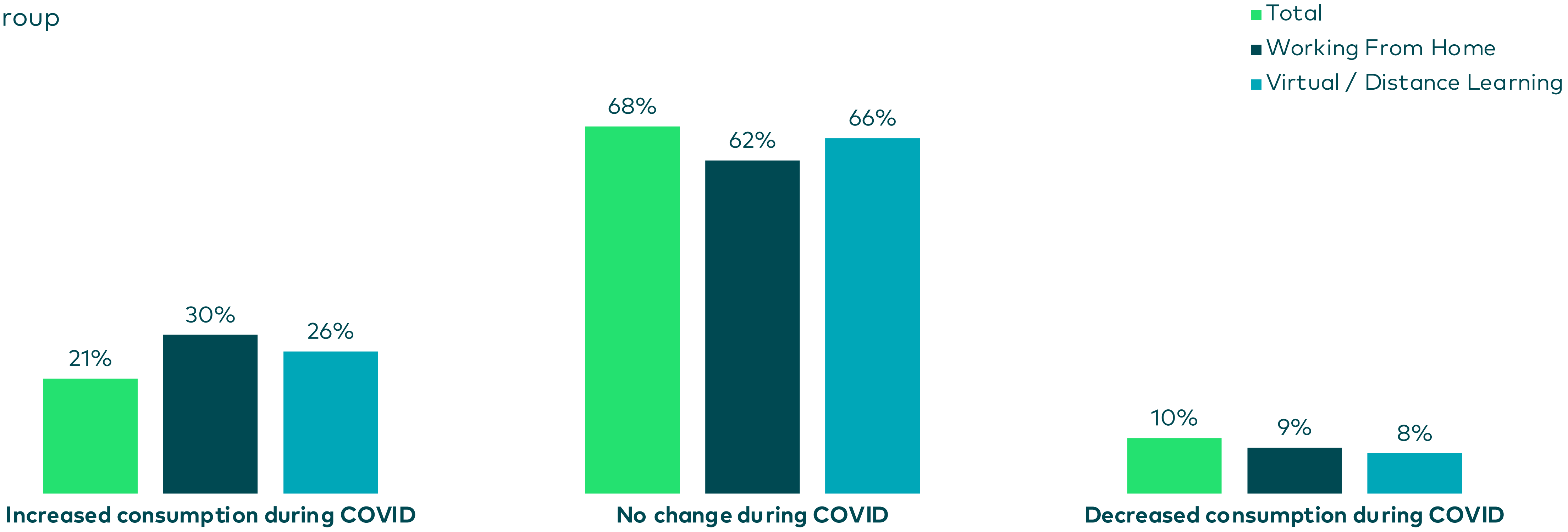
HOW HAVE LIFESTYLE CHANGES AFFECTED CONSUMPTION?

Households with someone who began working from home were more likely to increase their snacking during the pandemic than the average shopper, as were households with children at home for virtual or distance learning.

COVID Behaviors: Purchasing Snacks

% of group



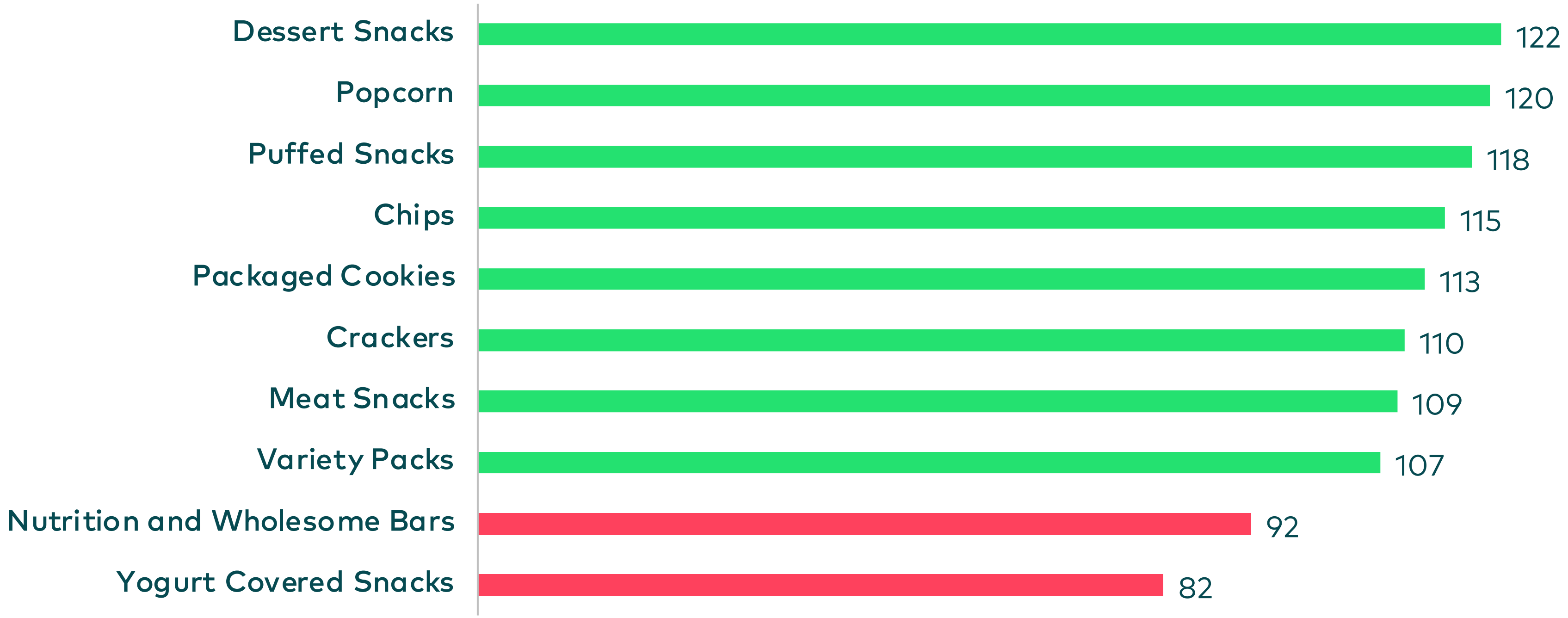
Source: Numerator August Sentiment Survey 08/13/21 (n=1,108)
How did [purchasing snacks] change for your household – if at all – during COVID compared to pre-COVID?

CATEGORY GROWTH: PEAK-COVID VS. PRE-COVID

With the Snack Department growing 9% between 2019 and 2020, most categories saw growth in projected sales, with Dessert Snacks, Popcorn, and Puffed Snacks leading the way.

Category Growth

Index of peak-COVID v. pre-COVID Sales



8.9%

Overall Snack Department Projected Sales Growth: March 2020 – August 2020 vs. same time period 2019

Source: Numerator Insights Peak-COVID March 2020 – August 2020, Pre-COVID March 2019 – August 2019

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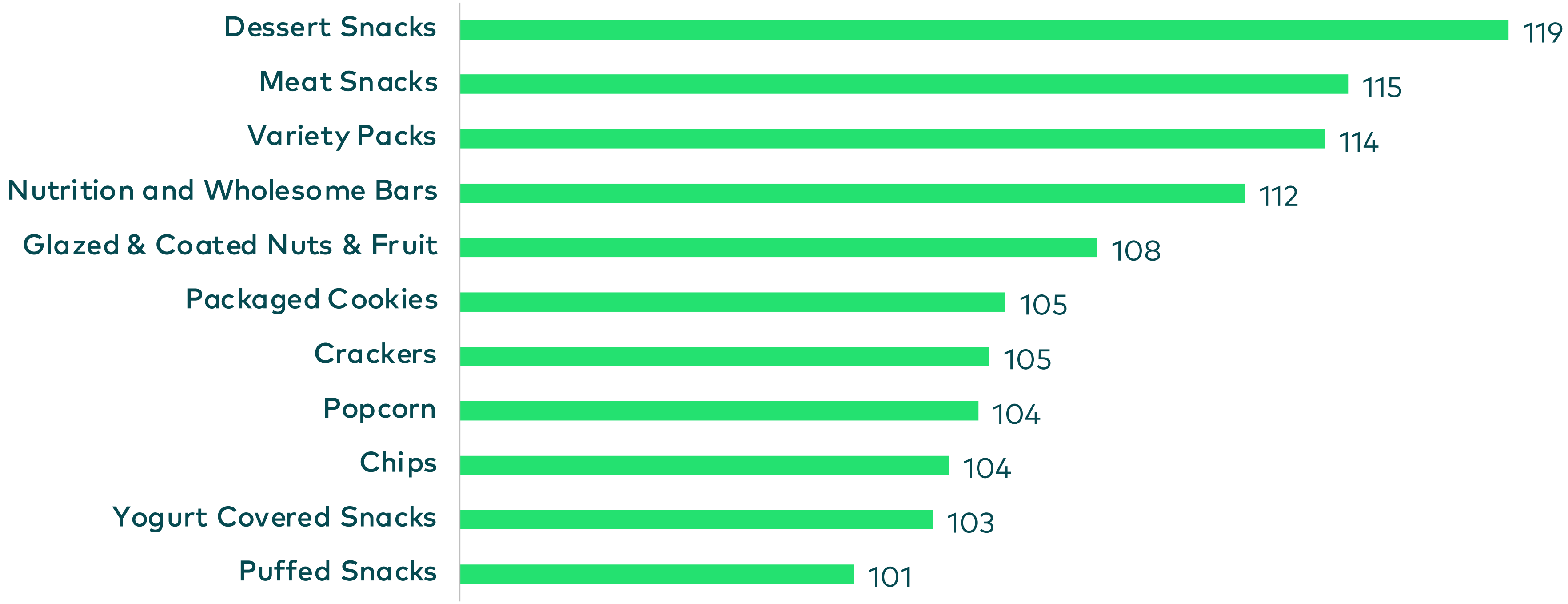
CATEGORY GROWTH: PAST 6 MONTHS VS. PEAK-COVID

Momentum has carried into 2021, as sales growth continues at both a department and category level. Nutrition/Wholesome Bars and Yogurt Covered Snacks are seeing increased growth after under-indexing in the previous year.

Category Growth

Index of past 6 months v. peak-COVID Sales



6.6%

Overall Snack Department Projected Sales Growth: March 2021 - August 2021 vs. same time period 2020

Source: Numerator Insights March 2021 – August 2021, Peak-COVID March 2020 – August 2020

The Snack Shopper

SHOPPER PROFILE

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A Deeper Dive into the Snack Shopper

SHOPPER PROFILES

PARENTAL SNACK SHOPPING

Households with children have noteworthy shopping habits, ranging from their key metrics to their specific categories and brands shopped.

HEAVY, MEDIUM, LIGHT SHOPPERS

Additional shifts in behavior can be seen in breaking out consumers into segments based on their engagement in the snacking space with the following splits:

- Heavy (top 30% of total item spend per household)
- Medium (middle 40% of spend)
- Low (bottom 30% of spend)

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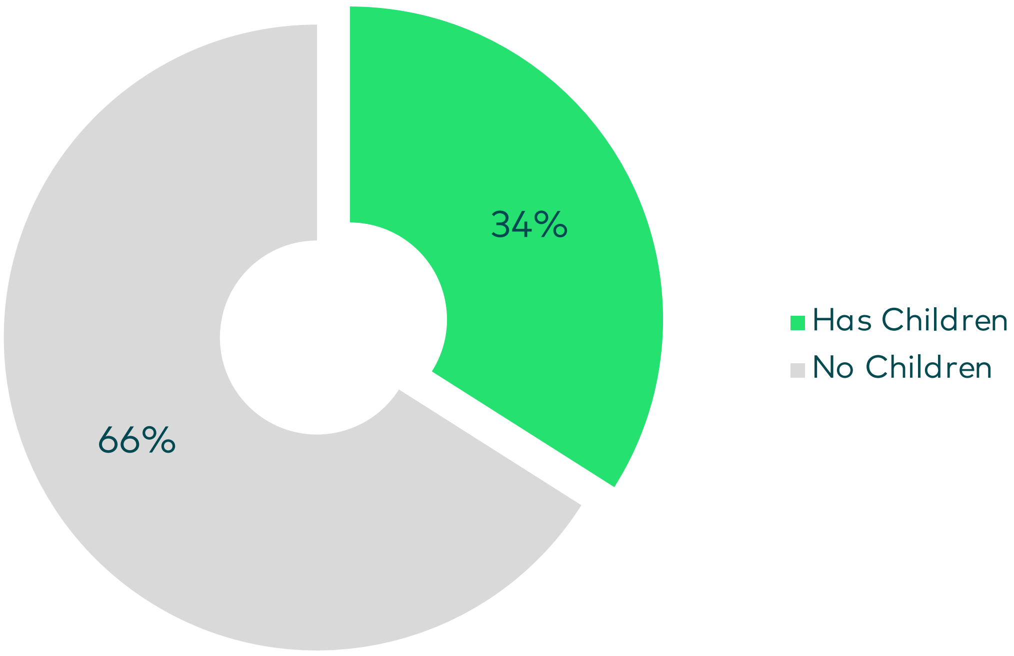
DEEP-DIVE: HOUSEHOLDS WITH CHILDREN

Despite accounting for a smaller subset of shoppers, those with children over-index against those with no children in most metrics, especially Buying Rate, Basket Size, Spend per Trip, and Purchase Frequency.

Base Size – Has Children v. No Children

% of Snack Shoppers



Snack Habits for HH with Children

Index v. HH with No Children

BUYING RATE **$434.65** | Index **145**	**PURCHASE FREQUENCY** **51.5** | Index **120**
BASKET SIZE **$69.04** | Index **124**	**UNITS PER TRIP** **2.6** | Index **117**
SPEND PER TRIP **$8.44**| Index **121**	**SPEND PER UNIT** **$3.20** | Index **103**

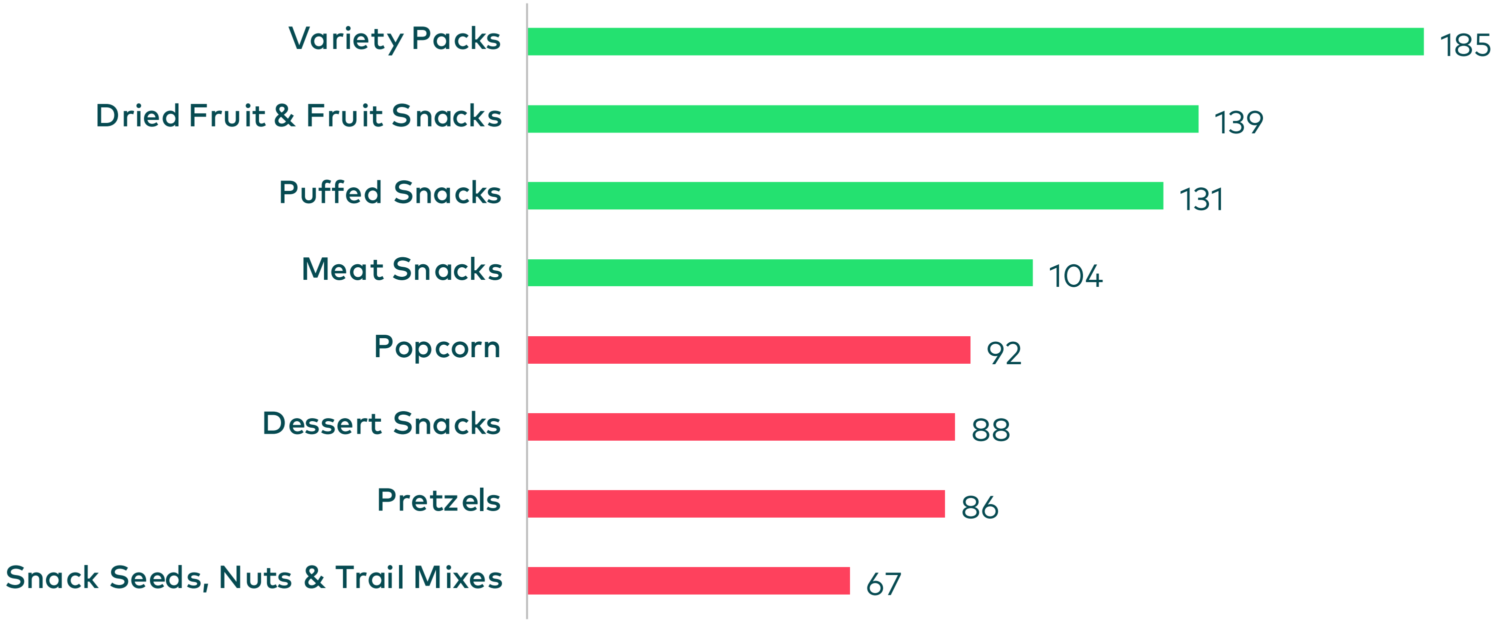
Source: Numerator Insights March 2021 – August 2021

WHAT CATEGORIES ARE PARENTS SHOPPING?

Having children in the household increases spending on the likes of Variety Packs, Dried Fruit/Fruit Snacks, Puffed Snacks, and Meat Snacks. Pepperidge Farms, Pringles, and Doritos are some top brands showing success amongst this shopper group.

Parents' Shopping Habits

Index % Share of Spend – Shoppers with Children v. No Children



Top 5 Brands Shopped by Parents

Index % Share of Spend – Shoppers with Children v. No Children

1. Pepperidge Farms **178**
2. Pringles **154**
3. Doritos **152**
4. Quaker **150**
5. Frito-Lay **142**

Source: Numerator Insights March 2021 – August 2021

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SHOPPER PROFILE: HEAVY SNACKERS

Heavy Snack Shoppers are more likely to be high income, middle-aged, married women. Also, despite only accounting for 9% of total shoppers in this subset, they highly over-index in holding the title of Homemaker for employment.

Heavy Snack Shoppers

Top 30% of Snack Shoppers Index v. All Shoppers

HIGH INCOME
51% | Index **116**

AGE 35-44
27% | Index **125**

SUBURBAN
40% | Index **104**

HOMEMAKER
9% | Index **153**

FEMALE
80% | Index **104**

MARRIED
66% | Index **119**

Source: Numerator Insights March 2021 – August 2021

SHOPPER PROFILE: MID-LEVEL SNACKERS

Mid-Level Snack Shoppers skew on the older side, being more likely to be 65+ and retired than the other shopper breakouts. Similar to the Heavy Shoppers, a majority are still married and female.

Mid-Level Snack Shoppers

Mid 40% of Snack Shoppers Index v. All Shoppers

MIDDLE INCOME
30% | Index **103**

AGE 65+
20% | Index **109**

SUBURBAN
40% | Index **102**

RETIRED
18% | Index **153**

FEMALE
78% | Index **102**

MARRIED
58% | Index **104**

Source: Numerator Insights March 2021 – August 2021

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SHOPPER PROFILE: LIGHT SNACKERS

Light Snack Shoppers fall on the younger side, over-indexing in both generation (Gen Z) and profession (Student). They are least likely to be married of the three and have a higher count of both urban and male purchasers.

Light Snack Shoppers

Bottom 30% of Snack Shoppers Index v. All Shoppers

LOW INCOME
34% | Index 124

GEN Z (18-24)
7% | Index 167

URBAN
39% | Index 121

STUDENT
3% | Index 149

MALE
26% | Index 121

NEVER MARRIED
29% | Index 149

Source: Numerator Insights March 2021 – August 2021

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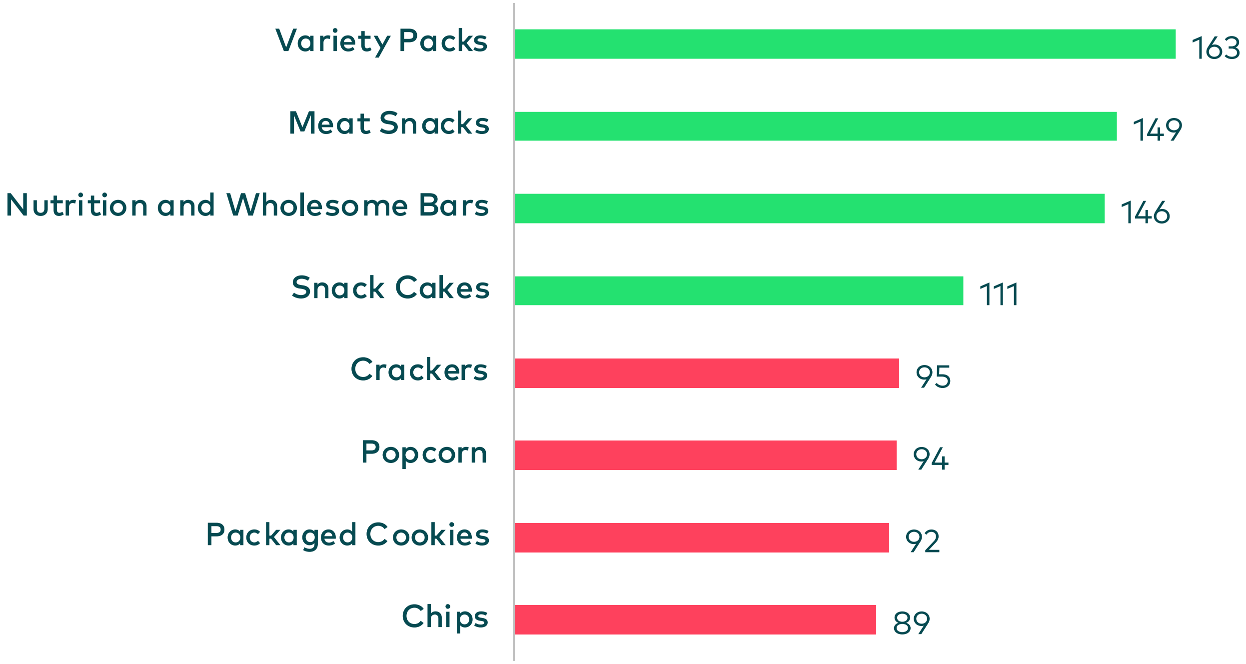
WHAT PRODUCTS DIFFERENTIATE HEAVY VS. LIGHT BUYERS?

Heavy snack buyers over-index in categories that complement family-style snacking, such as Variety Packs, Meat Snacks, and Nutritional Bars. Chips, Packaged Cookies, and Popcorn fall more in line with the Light Shopper habits.

Top Categories Heavy v. Light Snackers

Index % Share of Spend – Heavy Snack Buyers v. Light Snack Buyers



Top 5 Brands Shopped by Heavy Buyers

Index % Share of Spend – Heavy v. Light

1.	Jack Links	228
2.	Pepperidge Farms	138
3.	Kind	137
4.	Little Debbie	136
5.	Frito-Lay	136

Source: Numerator Insights March 2021 – August 2021

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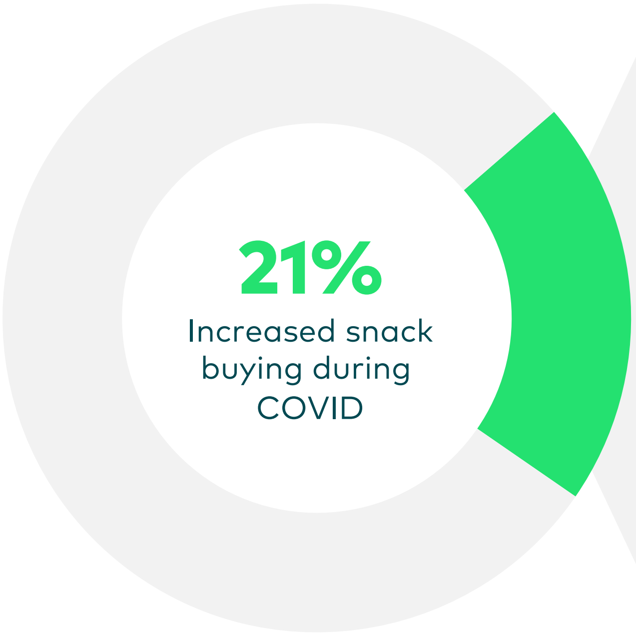
WILL SNACK BUYERS CONTINUE TO CATALYZE GROWTH?

1 in 5 households say they purchased more snacks during COVID with most of those shoppers expecting to return to pre-pandemic buying levels in the future. However, a subset of 16% of shoppers expect their spend to remain elevated post-COVID.

COVID Snack Buying
% of all shoppers



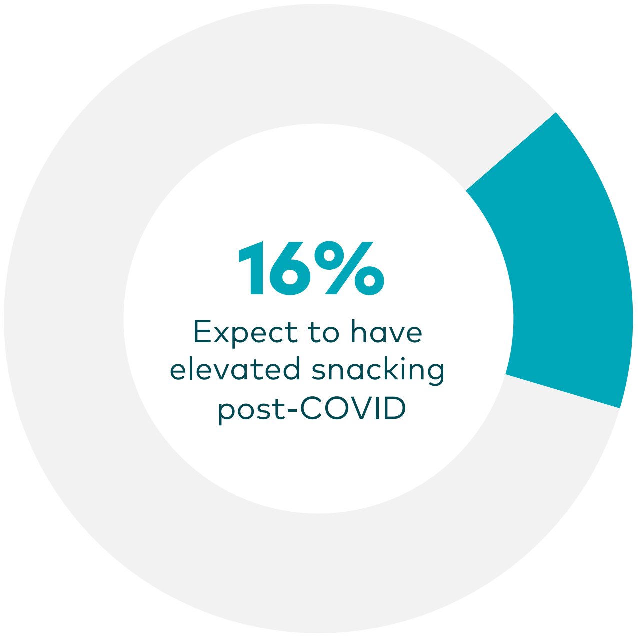
Of those who increased snacking during COVID…

63%
Will return to pre-COVID buying levels

21%
Will buy less than they did pre-COVID

16%
Will buy more than they did pre-COVID

Post-COVID Snack Buying
% of all shoppers



Source: Numerator August Sentiment Survey 08/13/21 (n=1,108)
How did [purchasing snacks] change for your household – if at all – during COVID compared to pre-COVID?
How do you expect your post-COVID [snack buying] to compare to pre-COVID levels?

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Sharing the Snacking Dollars

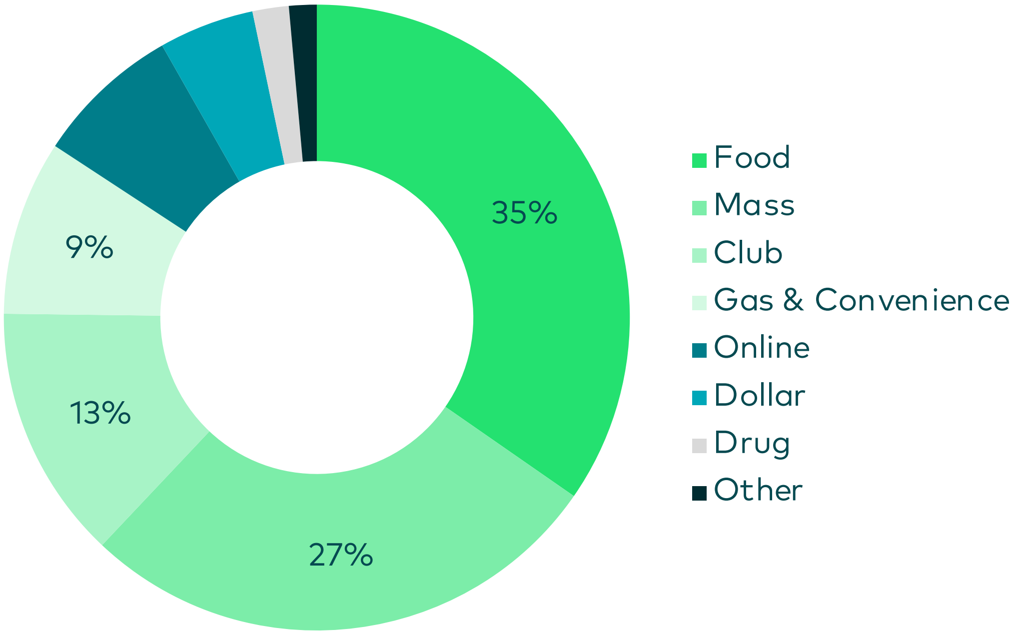
CHANNEL/RETAILER BREAKDOWN

WHAT CHANNELS ARE SEEING GROWTH?

While Food and Mass stores still hold over half (53%) of sales over the last 6 months, their growth has been exceeded by Online, Club, and Dollar. Online growth has been the most notable shift seen at a channel level in the last two years

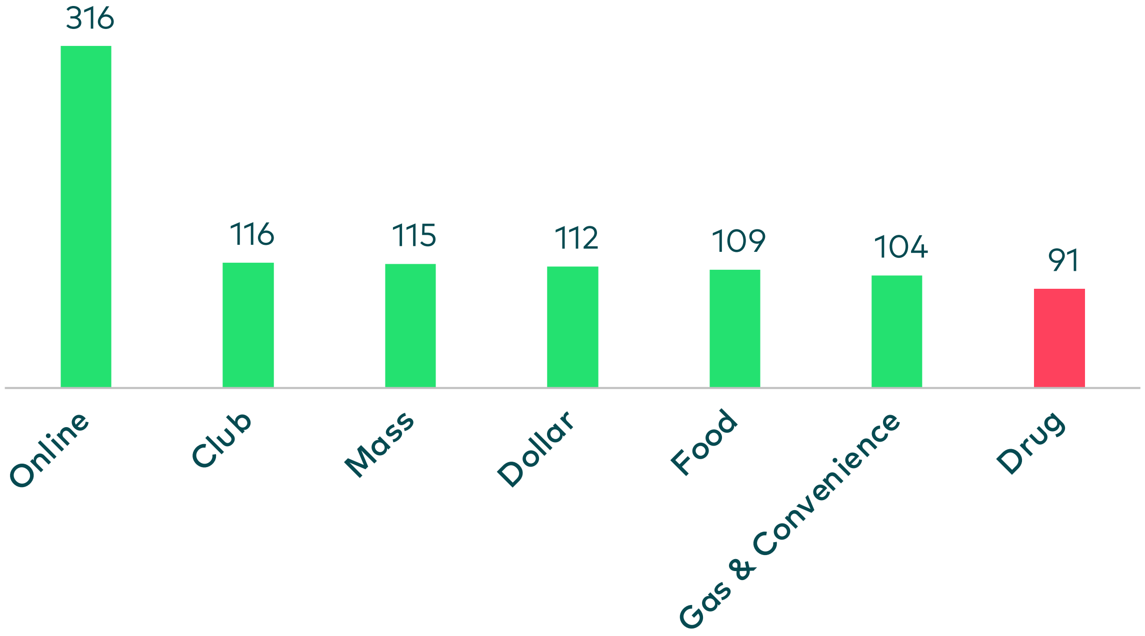
Leading Snack Channels

% Share of Sales – Past 6 months



Channel Sales Growth

Sales Index Current Year v. pre-COVID (2019)



Source: Numerator TruView March 2021 – August 2021 v. Pre-COVID March 2019 – August 2019

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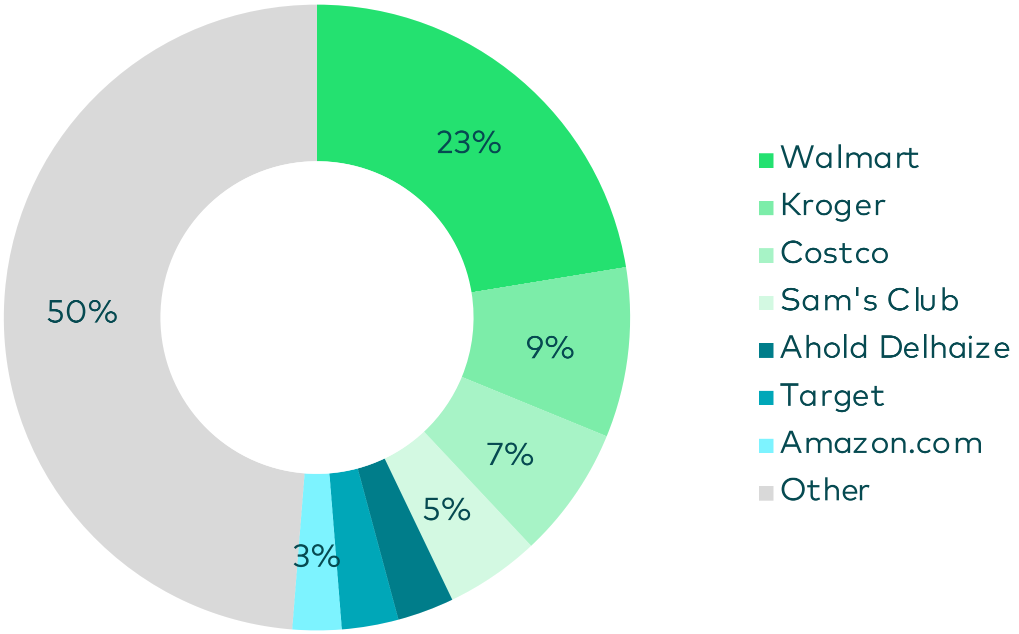
WHAT RETAILERS ARE SEEING GROWTH?

Seven retailers make up half of total snacking sales in the past 6 months, and they're all showing sales growth vs. pre-pandemic. While Walmart holds the largest share, Amazon has seen the most growth

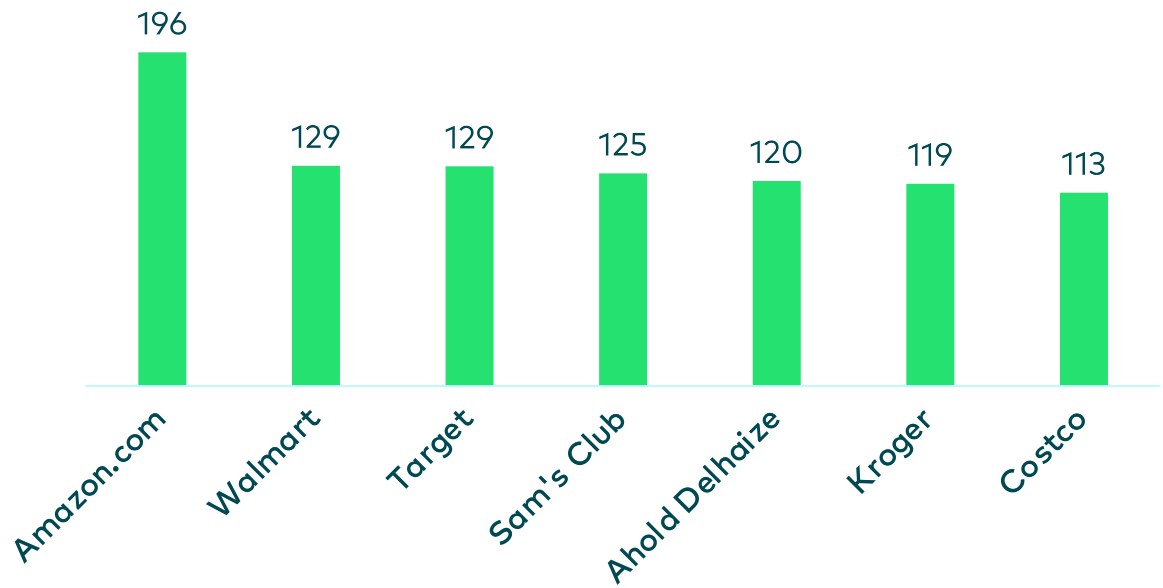
Leading Snack Retailers

% Share of Sales – Past 6 months



Retailer Sales Growth

Sales Index Current Year v. pre-COVID (2019)



Source: Numerator TruView March 2021 – August 2021 v. Pre-COVID March 2019 – August 2019

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THERE'S MORE TO KNOW.
REACH OUT FOR CUSTOM INSIGHTS.

Additional questions we can help to answer:

- **Did new pandemic snack buyers** purchase different brands than existing snack buyers?
- How does snacking behavior **differ by income level**?
- Does snacking behavior have different trends across different **regions?**
- How do key metrics **very between various shopper groups?**

Learn More.
Contact your Numerator representative or reach out to us at
hello@numerator.com

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