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Explore secondary channels

Snack bars

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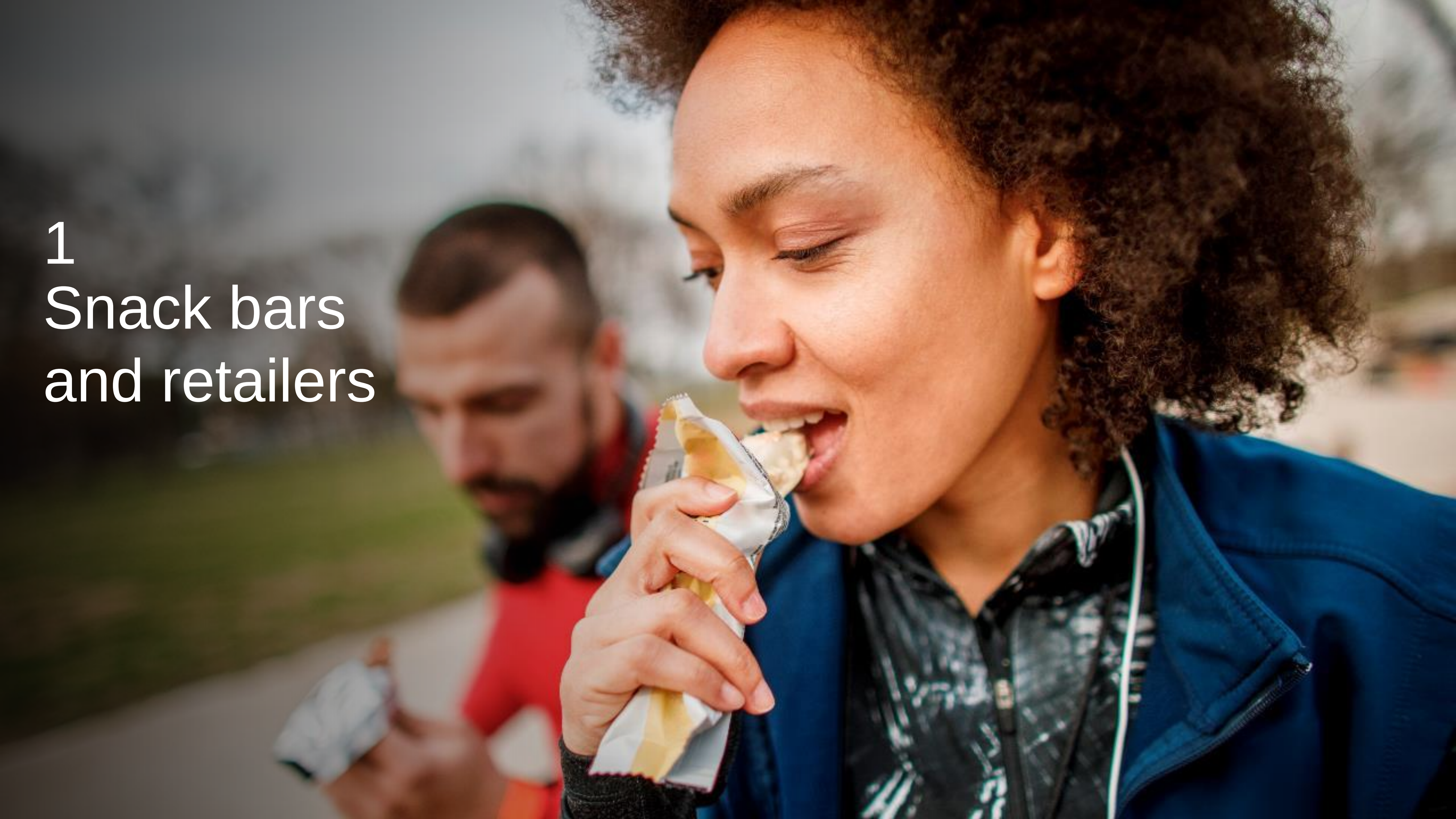
Snack bars: Key channel takeaways

- Mass and dollar are the largest channels for snack bars. Smaller channels include club, drug, and convenience.
- Each channel has a role in the snack bar category:
  - **Club:** Millennial and Hispanic shoppers who prioritize product quality and good customer service
  - **Drug:** Higher-income shoppers and millennials shopping for lower prices and convenience
  - **Convenience:** Millennials, Hispanics, and men looking for lower prices, a quick shop, and quality products

1
Snack bars and retailers



Snack bars shoppers skew middle HHI, Gen X, and Amazon Prime members

Household income

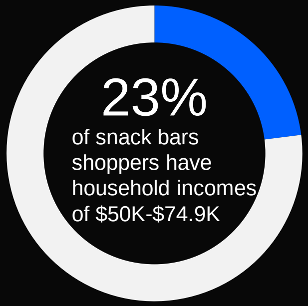
Snack bars shoppers overindex on household incomes of $50K-$74.9K.

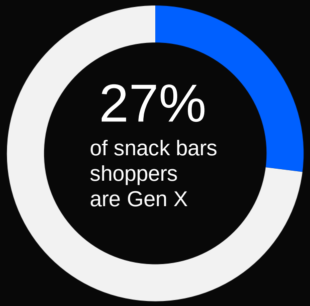
Generation

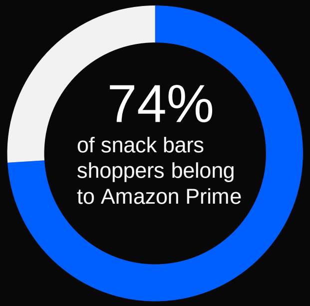
Snack bars shoppers overindex on Gen X.

Prime membership

Close to three-quarters of snack bars shoppers are Amazon Prime members.







Snack bars shopper demographic profile

		All shoppers of edible groceries	Snack bars shoppers
HH income	<$25K	16%	20%
	$25K-$49.9K	21%	26%
	$50K-$74.9K	16%	23%
	$75K-$99.9K	13%	12%
	$100K+	34%	20%
Generation	Gen Z (born after 1996)	10%	9%
	Millennials (born 1979-96)	33%	35%
	Gen X (born 1965-78)	21%	27%
	Boomers (born 1946-64)	32%	27%
	Matures (born before 1946)	5%	4%
Ethnicity	White non-Hispanic	65%	77%
	Black non-Hispanic	12%	15%
	Hispanic	16%	21%
Residence	Rural/small town	30%	31%
	Large town/suburb	48%	49%
	Urban/city	22%	21%
Gender	Male	47%	47%
	Female	52%	53%
Amazon Prime members		63%	74%
Kids in household		35%	36%

Significantly < vs. all shoppers (95% confidence level)
Significantly > vs. all shoppers (95% confidence level)

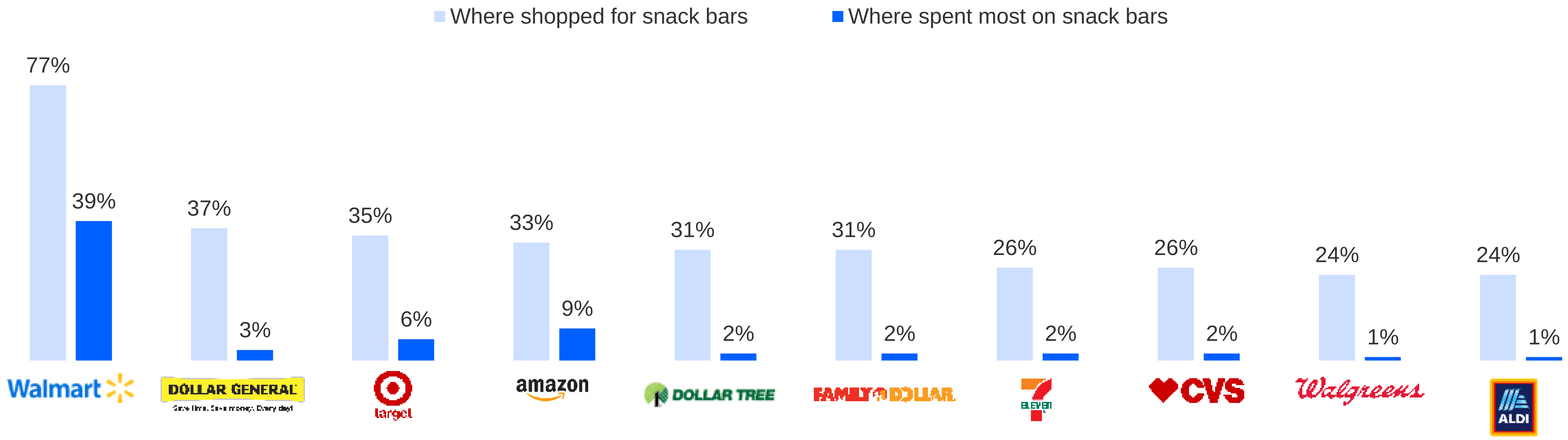
Source: ShopperScape, January/April/July/October 2022; Category IQ Monthly Pulse, May 2023

Walmart captures the highest percentage of snack bars shoppers and category spend

Remaining category retailers include a wide mix of dollar, mass, online, and convenience retailers

Top 10 Retailers Where Shoppers Shop for and Spend Most for Snack Bars

(among shoppers who purchased snack bars in past four weeks)



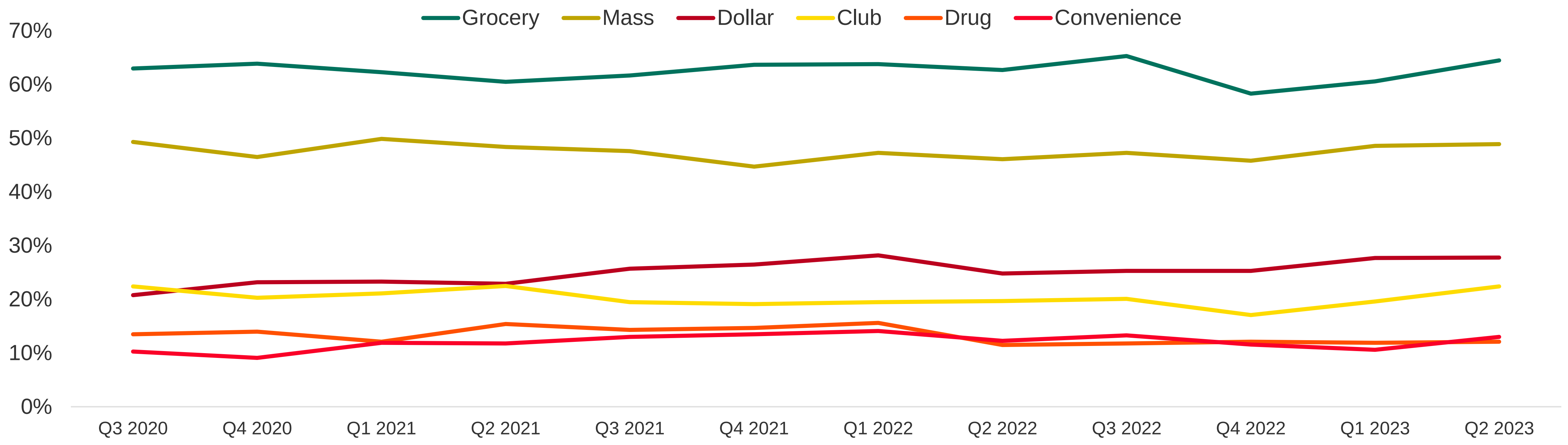
Note: Walmart includes Walmart, WMSC, Walmart Neighborhood Market.

Source: ShopperScape, January/April/July/October 2022; Category IQ Monthly Pulse May 2023

Grocery and mass remained top two channels for sweet snacks throughout the pandemic

Dollar, club, drug and convenience represent smaller channels for potential growth in sweet snacks

Where Shoppers Purchase Sweet Snacks
(among shoppers who purchased sweet snacks in past four weeks)



KANTAR SHOPPERSCAPE®

Source: ShopperScape, Q3 2020-Q2 2023

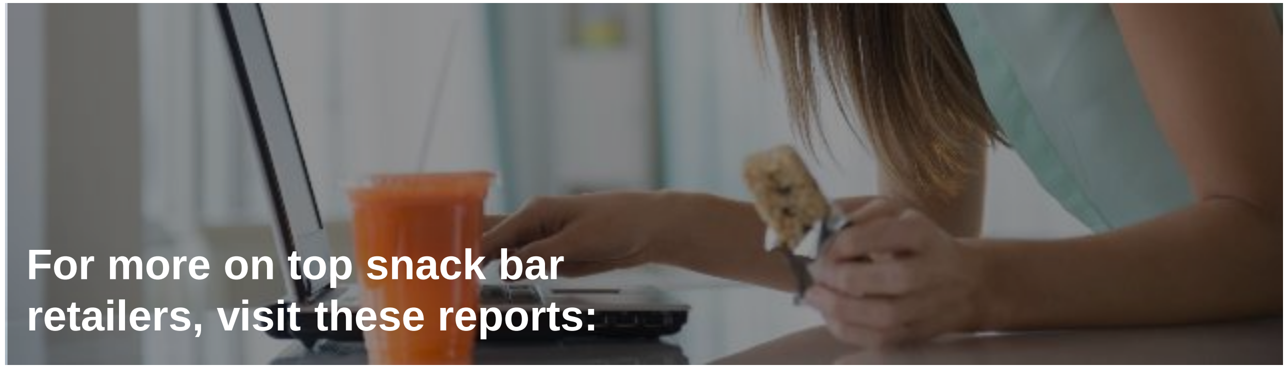
This report focuses on the smaller channels for snack bar shoppers

Focus of this deck:

Club

Drug

Convenience



[Category close-up]

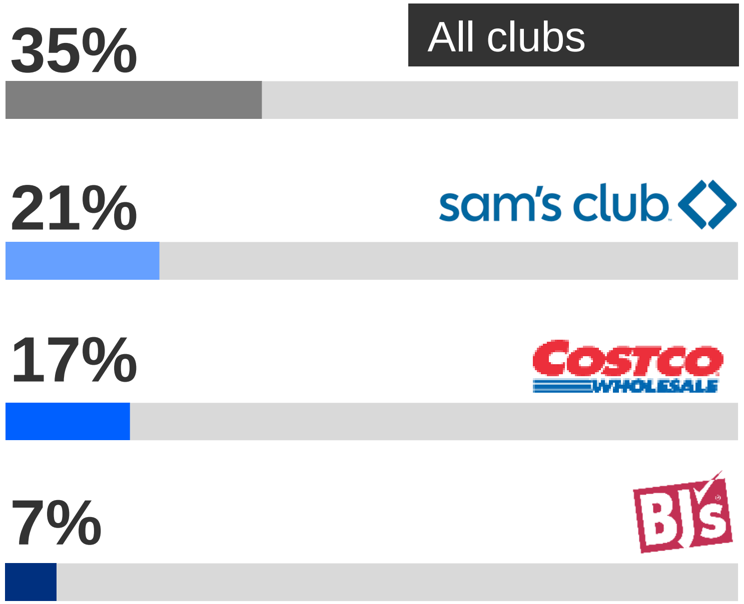
[Shopper dynamics]

2
Club channel

Over one-third of snack bar shoppers visit the club channel, primarily fulfilling in store

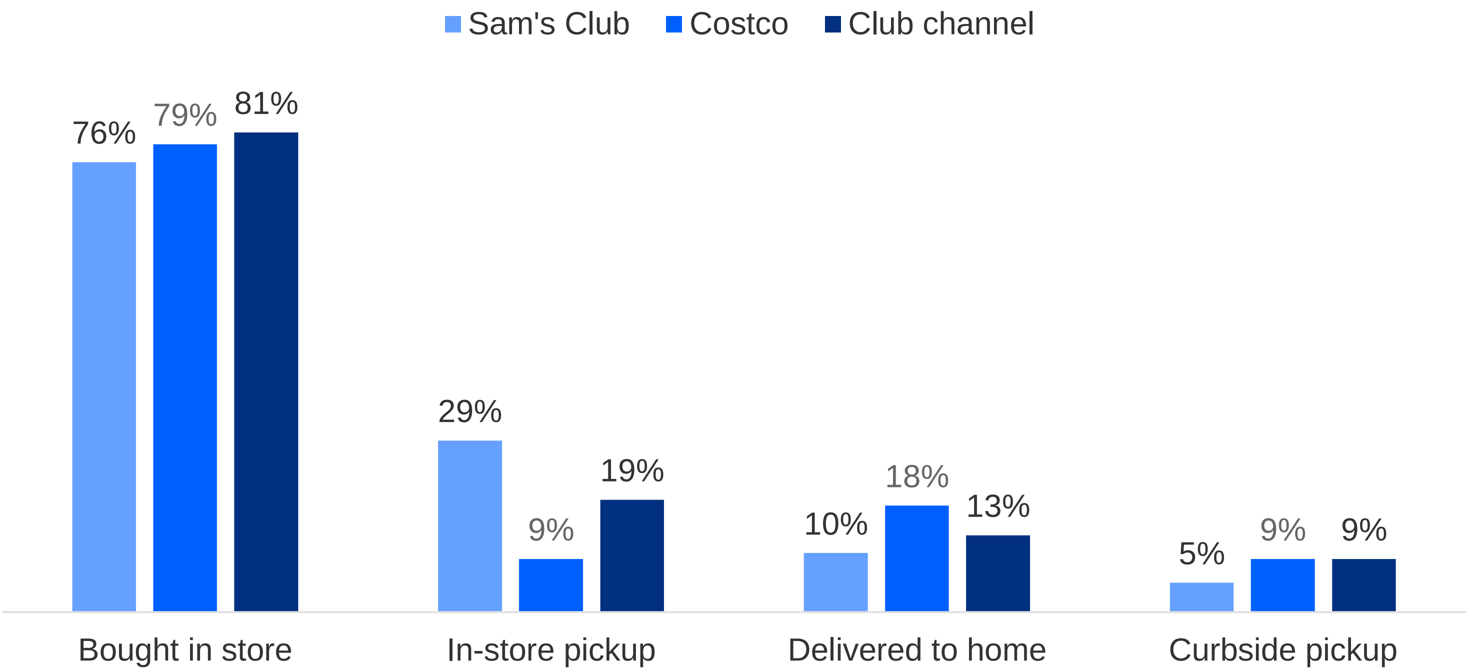
Sam’s Club and Costco lead in capturing club channel snack bar shoppers

Where Purchased Snack Bars in Past Four Weeks



How Trips to Club Retailers Were Fulfilled*

(among shoppers who purchased snack bars in past four weeks)



* BJ’s sample size is too small to show.

Club channel snack bar shoppers skew millennials and Hispanic

Demographic Profile of Club Channel Shoppers*

		All snack bar shoppers	Sam's Club snack bar shoppers	Costco snack bar shoppers
HH income	<$25K	20%	14%	3%
	$25K-$49.9K	26%	31%	29%
	$50K-$74.9K	23%	24%	21%
	$75K-$99.9K	12%	10%	15%
	$100K+	20%	21%	32%
Generation	Gen Z (born after 1996)	9%	14%	15%
	Millennials (born 1979-96)	35%	55%	44%
	Gen X (born 1965-78)	27%	24%	29%
	Boomers (born 1946-64)	27%	7%	9%
	Matures (born before 1946)	4%	-	3%
Ethnicity	White non-Hispanic	77%	69%	77%
	Black non-Hispanic	15%	24%	12%
	Hispanic	21%	31%	47%
Gender	Men	47%	50%	59%
	Women	53%	50%	41%

* BJ's sample size is too small to show.

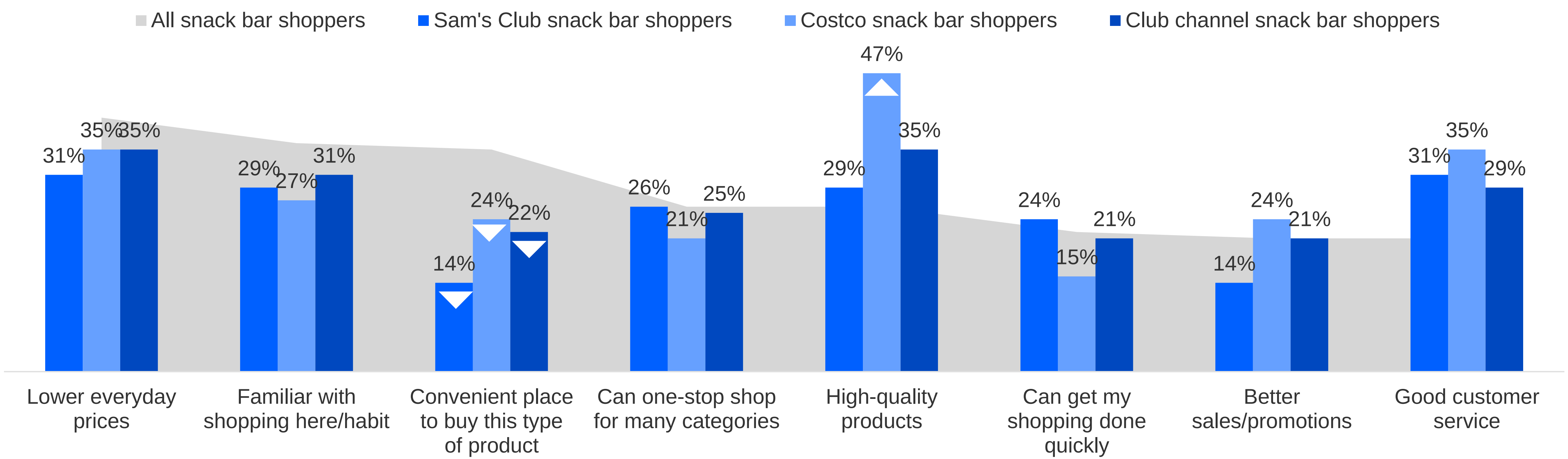
Significantly < vs. all category shoppers (95% confidence level)   Significantly > vs. all category shoppers (95% confidence level)

Club snack bar shoppers are driven by quality products and good customer service

Club retailers underindex on convenience for snack bar shoppers

Why Snack Bar Shoppers Choose to Spend the Most at Club Retailers*

(among shoppers who purchased snack bars in past four weeks)



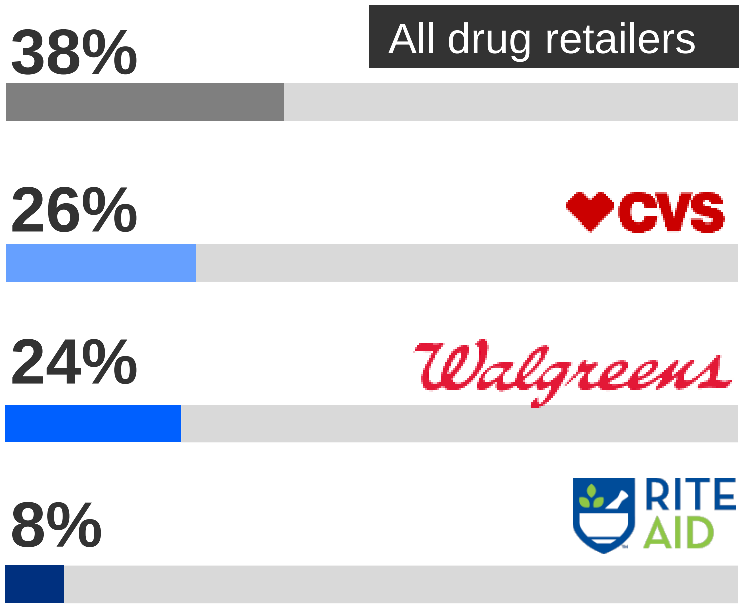
Note: Arrows indicate significant difference vs. all snack bars shoppers (95% confidence level).
* BJ's sample size is too small to show.

3
Drug channel

Over a third of snack bar shoppers visit the drug channel, primarily fulfilling in store

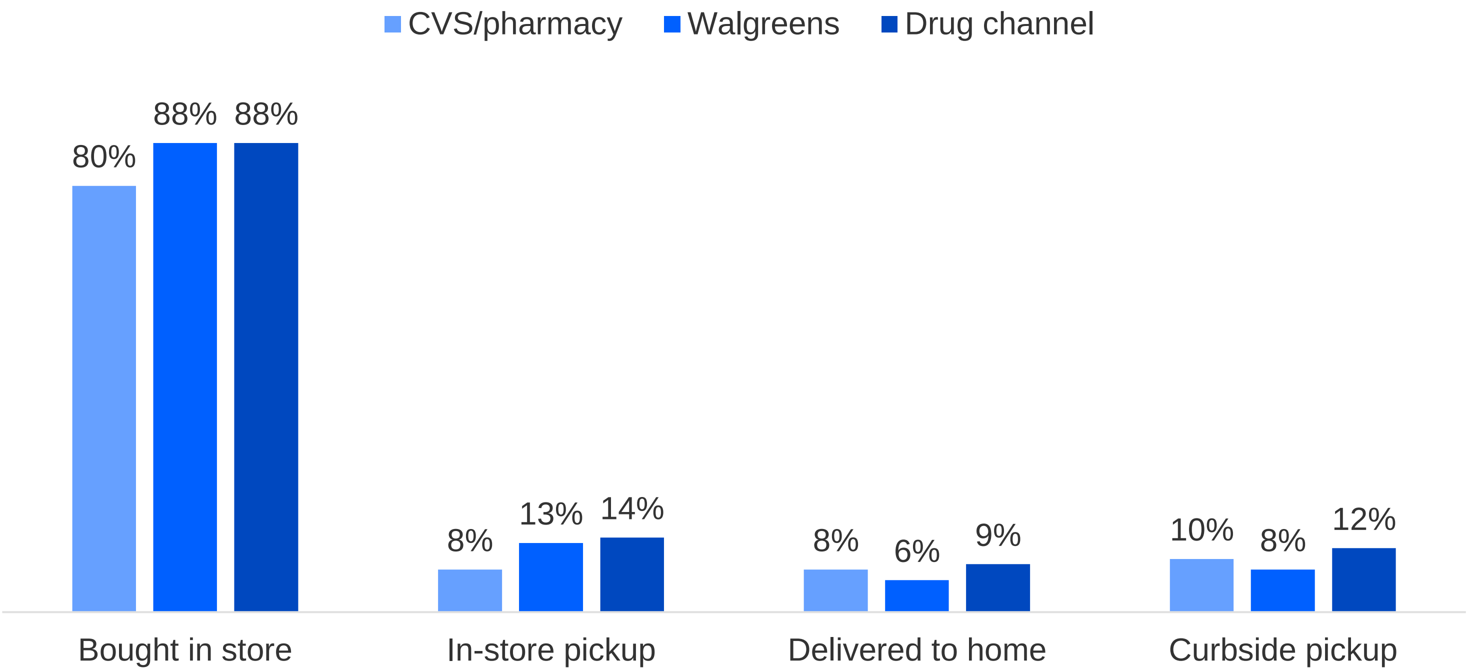
CVS and Walgreens lead in capturing drug channel snack bar shoppers

Where Purchased Snack Bars in Past Four Weeks



How Trips to Drug Retailers Were Fulfilled*

(among shoppers who purchased snack bars in past four weeks)



* Rite Aid sample size is too small to show.

Drug channel snack bar shoppers skew higher income and millennial

Demographic Profile of **Drug Channel Shoppers***		All snack bar shoppers	CVS snack bar shoppers	Walgreens snack bar shoppers
HH income	<$25K	20%	6%	17%
	$25K-$49.9K	26%	22%	29%
	$50K-$74.9K	23%	26%	23%
	$75K-$99.9K	12%	20%	6%
	$100K+	20%	28%	25%
Generation	Gen Z (born after 1996)	9%	10%	10%
	Millennials (born 1979-96)	35%	49%	52%
	Gen X (born 1965-78)	27%	22%	25%
	Boomers (born 1946-64)	27%	18%	13%
	Matures (born before 1946)	4%	2%	-
Ethnicity	White non-Hispanic	77%	78%	75%
	Black non-Hispanic	15%	14%	21%
	Hispanic	21%	26%	27%
Gender	Men	47%	55%	63%
	Women	53%	45%	38%

* Rite Aid sample size is too small to show.

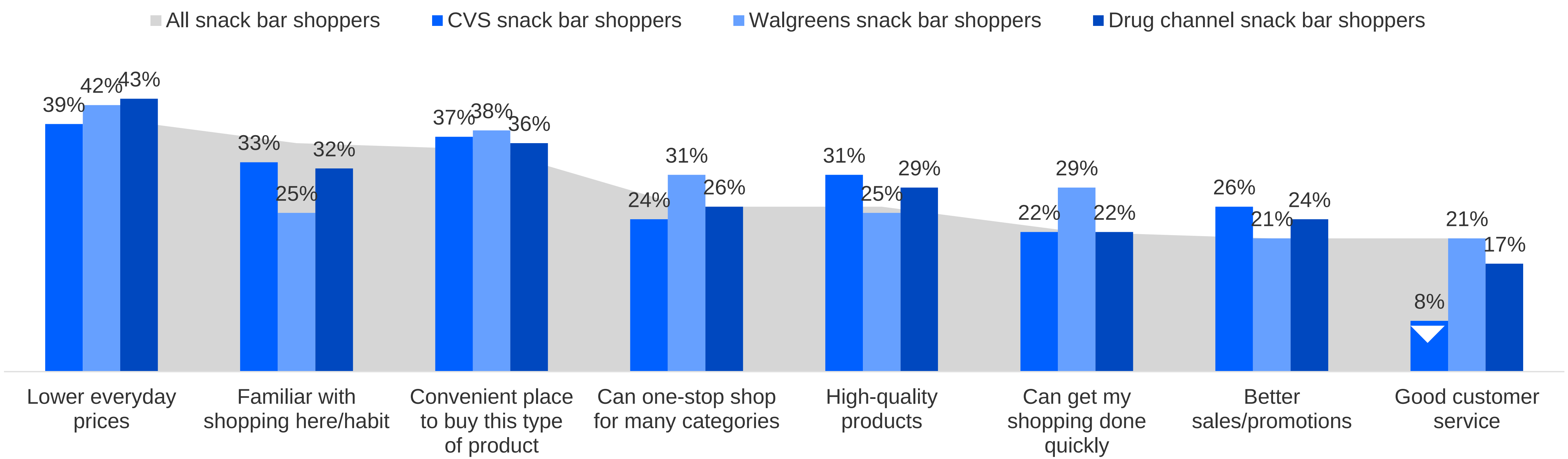
Significantly < vs. all category shoppers (95% confidence level)
Significantly > vs. all category shoppers (95% confidence level)

Source: Category IQ Monthly Pulse, May 2023

Snack bar shoppers choose to spend the most at drug retailers because of lower prices and convenience

Why Snack Bar Shoppers Choose to Spend the Most at Drug Retailers*

(among shoppers who purchased snack bars in past four weeks)



Note: Arrow indicates significant difference vs. all snack bars shoppers (95% confidence level).

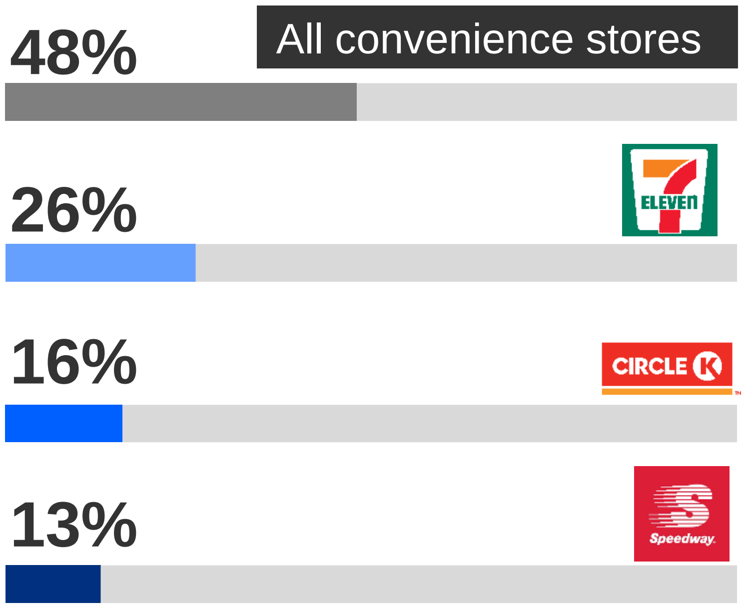
* Rite Aid sample size is too small to show.

4
Convenience channel

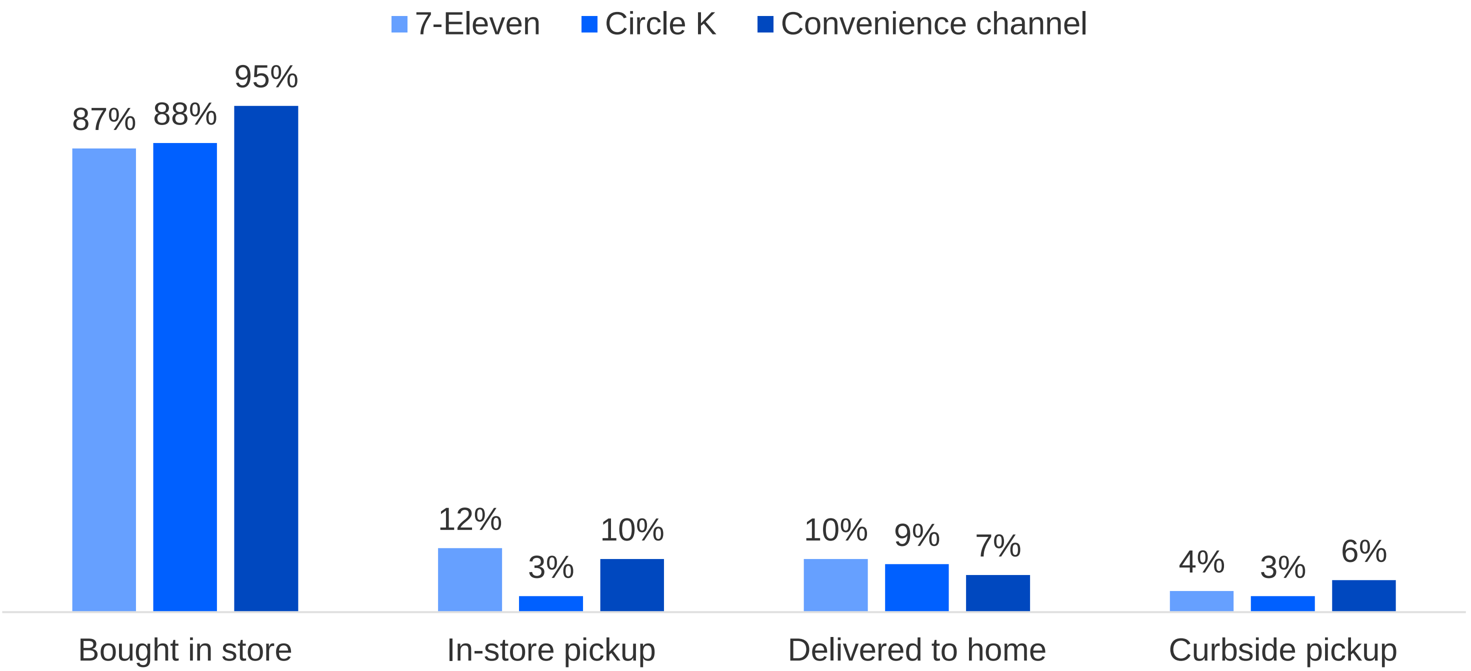
Nearly half of snack bar shoppers visit convenience stores, primarily fulfilling in store

7-Eleven leads in capturing convenience channel snack bar shoppers

Where Purchased Snack Bars in Past Four Weeks



How Trips to Convenience Retailers Were Fulfilled*
(among shoppers who purchased snack bars in past four weeks)



* Speedway sample size is too small to show.

The convenience channel snack bar shopper skews millennial, Hispanic, and male

Demographic Profile of Convenience Channel Shoppers*

		All snack bar shoppers	7-Eleven snack bar shoppers	Circle K snack bar shoppers
HH income	<$25K	20%	8%	19%
	$25K-$49.9K	26%	23%	31%
	$50K-$74.9K	23%	27%	22%
	$75K-$99.9K	12%	25%	13%
	$100K+	20%	17%	16%
Generation	Gen Z (born after 1996)	9%	15%	6%
	Millennials (born 1979-96)	35%	52%	50%
	Gen X (born 1965-78)	27%	25%	31%
	Boomers (born 1946-164)	27%	8%	13%
	Matures (born before 1946)	4%	-	-
Ethnicity	White non-Hispanic	77%	79%	78%
	Black non-Hispanic	15%	15%	19%
	Hispanic	21%	40%	28%
Gender	Men	47%	62%	72%
	Women	53%	39%	28%

* Speedway sample size is too small to show.

Significantly < vs. all category shoppers (95% confidence level)

Significantly > vs. all category shoppers (95% confidence level)

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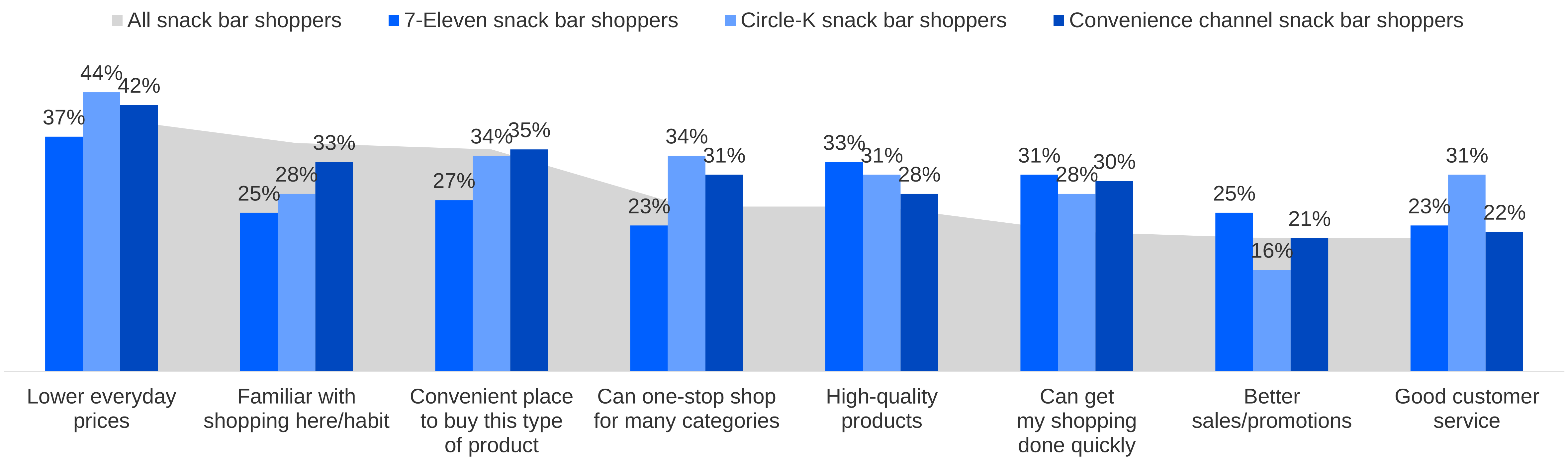
Source: Category IQ Monthly Pulse, May 2023

Snack bar shoppers choose convenience retailers for lower prices, speed of shopping, and quality products

Why Snack Bar Shoppers Choose to Spend the Most at Convenience Retailers*

(among shoppers who purchased snack bar in past four weeks)



* Speedway sample size is too small to show.

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Source: Category IQ Monthly Pulse, May 2023

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