How America Eats:

THE SNACKING FRENZY IN 2021 AND BEYOND

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IRi
Growth delivered.

At-Home Occasions Impacted Snacking In Multiple Ways

79% of core categories $ sale increase

At-home increase

Online acceleration

Less on-the-go

Size shifted to **larger sizes**

21% Less New Products

Mobility is the 2021 Trigger that will impact at-home occasions, especially snacking

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO
New Products based on $10k & above $ Sales

We will Focus on These Key Consumer Trends to Help Unlock Growth Opportunities

Maneuver the Muddled Consideration Set

Command Channel Complexities

Generations as Growth Generators

Heed Holistic Health

Move with Mobility

Serve Sustainability

Idolize Innovation

Activate Actions

Maneuver the Muddled Consideration Set

There Were a Few Indicators that Snack Sales were Going to Be Strong in 2020

25% Snacking more frequently
+5 pts vs 2016

23% Snacking less frequently
NC

At-home increase

Source: *IRI 2021 Snacking Survey % of Consumers*

Snacks Serve Multiple Purposes and These Were Accentuated in 2020

	2021	2019
For enjoyment	66%	+7
To satisfy hunger	49%	+2
To refuel	31%	NC
For someone in the family	29%	+6
As a gift for a holiday	10%	+3
As a gift for a special occasion	8%	+2

On Average, Consumers are Snacking 2.7 Snacks/day
With an Uptick in 5+ Snacks Per Day

5+

snacks/day

up 3pts vs. 2016

Source: IRI 2021 Snacking Survey % of Consumers

With the Increase in Overall At-Home Eating and Drinking Occasions, Core Snack Sales were Strong

But Behind Total Food & Beverage and the Expanded Consideration Set

	Total Store	Total Food & Beverage	Total Macrosnacking	Total Core	Total Expanded
$	+10%	+13%	+8%	+6%	+13%

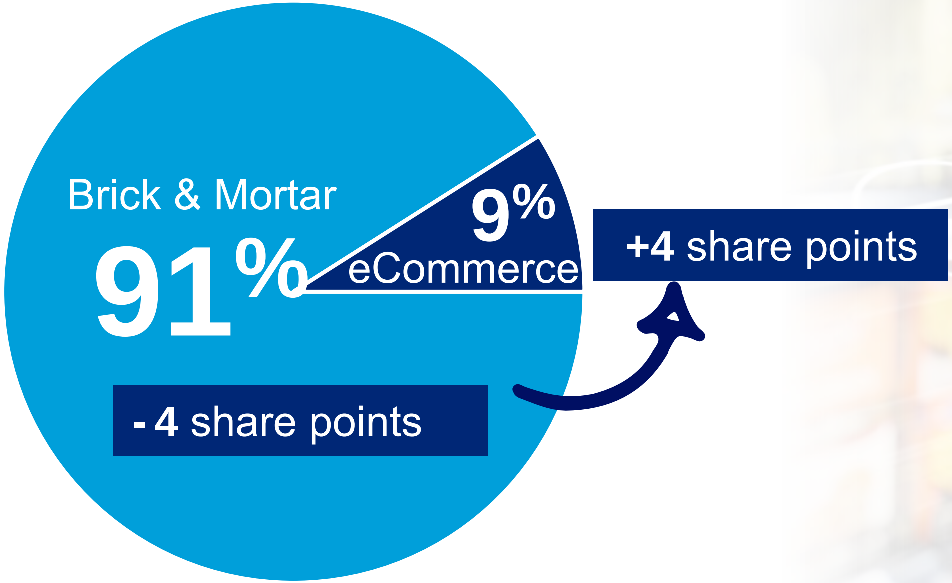
Source: IRI Integrated Fresh - 52 Weeks Ending 12/27/20 vs YAGO; COVID-19 = 3/8 - 4/26/20; Path Forward = 5/3 – 12/27/2020 vs YAGO

Units and Volume Suffered from Smaller Pack Size Declines due to Less On-the-Go

	Total Store	Total Food & Beverage	Total Macrosnacking	Total Core	Total Expanded
$	+10%	+13%	+8%	+6%	+13%
Units	+5%	+6%	+1%	-1%	+8%
Volume	+10%	+8%	+7%	-.3%	+11%

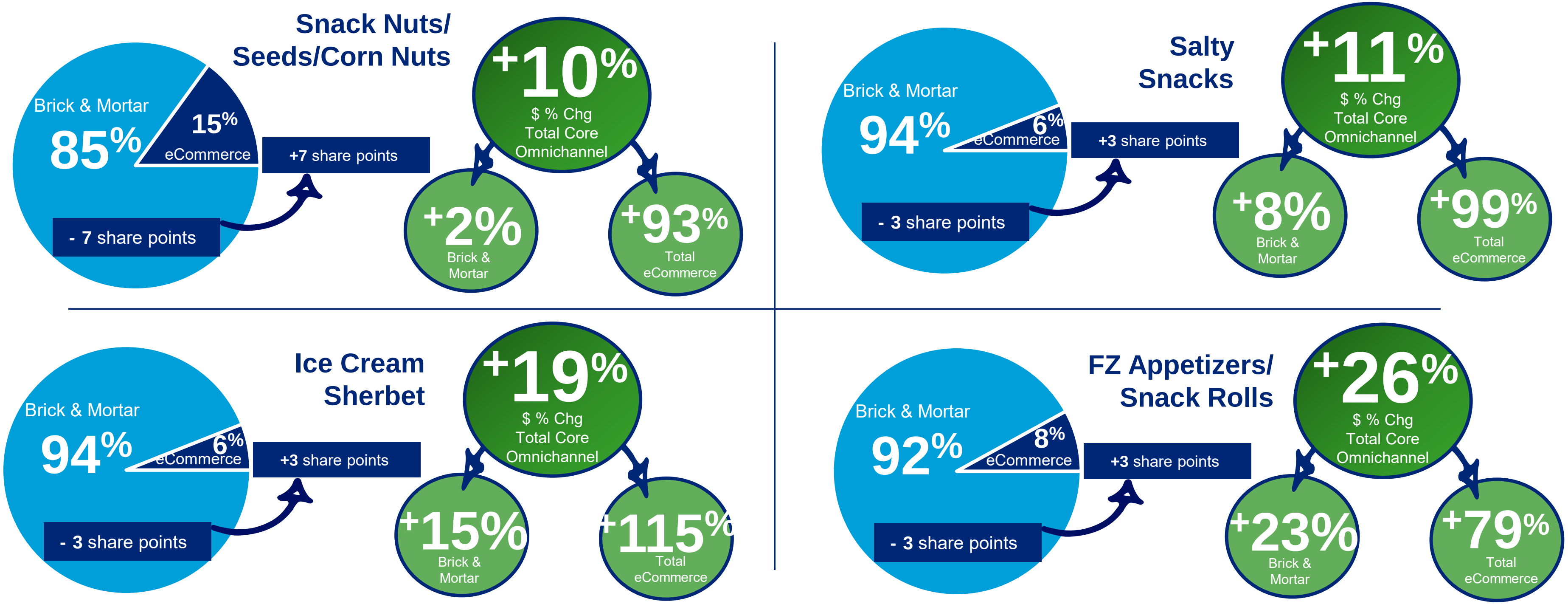
Source: *IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO*

The Growth Came from Both eCommerce and Brick & Mortar, but Online Shifted Share 4 pts from In-Store



Source: IRI Omnichannel Market - 52 Weeks Ending 12/22720 vs YAGO

Some Categories are More Developed Online vs Others But All Had Online Gains



Source: IRI Omnichannel Market - 52 Weeks Ending 12/22720 vs YAGO

Within MULO+C, Top Snacks Categories Were Impacted by At-Home Occasions – both Positively and Negatively










	$	Units	Volume
Chocolate Candy	+4%	-2%	-1%
Potato Chips	+7%	+0.1%	+4%
Crackers	+7%	+1%	+6%
Non-chocolate Candy	3%	-2%	-1%
Cookies	+8%	+0.6%	+6%
Ice Cream	+17%	+12%	+10%
RFG Yogurt	+4%	-3%	+4%
Tortilla Chips	+11%	+4%	+9%
Frozen Novelties	+19%	+11%	+15%
All Other Salted Snacks	+11	+3%	+8%

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO; COVID-19 = 3/8 - 4/26/20; Path Forward = 5/3 – 12/27/2020 vs YAGO – Based on Dollar Sales Rank

There Were Themes Within the Top $ Growth That Helped These Categories Grow – One is Variety


49%
All Other Snack/ Granola Bars


33%
Dairy Natural Cheese-cube - IF


33%
FZ Fruit


31%
Ice Mlk/FZ Dairy Dessert


28%
FZ Pretzels


28%
RFG Snack Cakes/Doughnuts – IF


27%
Kernel Popcorn


27%
FZ Dips


24%
FZ Appetizers/ Snack Rolls


21%
SS Microwave Popcorn

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO; Based on $ % Change

Frozen was Another Theme with Categories that Include Snacks Getting a Big Boost from Consumers

$ | Units | Volume

43%

of consumers state that Frozen snacks offer nutrition that is as good as fresh

+4 pts vs 2019
+5 pts vs 2016

FZ Appetizers/ Snack Rolls

24% | 8% | 23%

FZ Handheld Entrees (Non-breakfast)

15% | 7% | 9%

FZ Fruit

33% | 26% | 28%

FZ Pretzels

28% | 28% | 18%

FZ Dips

27% | 23% | 22%

Source: IRI 2021 Snacking Survey % of Consumers

Consumers Also Turned Toward Other Categories When Looking for Variety and Alternatives to Core Snacks

9%

Ready-to-eat Cereal

18%

Fresh Eggs

11%

RFG Sliced Lunch Meat - IF

21%

Fz Pizza

20%

Soup*

6%

Cappuccino/ Iced Coffee

-0.9%

RFG Meat Cheese Cracker Dessert - IF

28%

FZ Plain Potatoes/ Fries/Hashbrowns

19%

Cream Cheese

19%

Jellies/Jams/Honey

9%

Peanut Butter

*Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO; Ranked on Dollar Sales, *Non-cooking Soups*

Categories that Struggled Were Severely Impacted by Less “On the Go” Consumers

Breath Fresheners

Sugarless Gum

Regular Gum
(No Sugarless)

Deli Appetizers

Nutritional/Intrinsic
Health Value Bars

Sunflower/
Pumpkin Seeds

Granola Bars

RFG Pastry/Danish/
Coffee/Cakes

RFG Handheld
Non-Breakfast Entrees

Toasted Corn
Nut Snacks

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO; Ranked on Dollar Sales

For Several Years, We Have Shared Our Snacking Segments

The Category Breaks are Based on Product Roles And Attributes

Wellness	Permissible Indulgence	True Indulgence	Treats
Inherently healthier &/or nutrition claims	Products consumers feel are more permissible because they have less of or added benefits to their indulgent favorites	"Fully loaded" traditional categories	Confections

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Examples Showcase the Differentiation

Wellness

Snk and Granola Bars (GMO+ Claims)

Permissible Indulgence

All Other Snk and Granola Bars (w/o GMO+ Claims)

True Indulgence

Treats

The 2020 Restrictions Also Influenced How Consumers Viewed Indulgent Snacks

26%

are eating indulgent snacks more often as a ***comfort food***

+7 pts vs 2019
+7 pts vs 2016

Source: IRI 2021 Snacking Survey % of Consumers

Their Attitudes and Purchases Align –
True Indulgence Drove the Most Growth in Snacking

$ Shr **$ % Chg**

Wellness 27% | +5%

Permissible Indulgence 25% | +5%

True Indulgence 30% | +12%

Treat 18% | -0.2%

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO

Categories are Blurring Due to Added Benefits and With Changes In Why They Consumers Eat them – For Example, Chocolate

TYPICALLY over 20% of Consumers total	**GAINING % CONSUMERS** vs 2018	**INGREDIENTS INCLUDE**
• Satisfy Sweet Craving • Indulgence • Hunger Satisfaction	• Provides Energy/Fuel • Provides Antioxidants/ Health Benefits • Satisfy Savory Craving	• Peanuts • Peanut Butter • Almonds • Almond Butter • % Cocoa • Fruits

Source: IRI 2021 Snacking Survey % of Consumers

Cookies with Benefits are Evolving the Role This Category This Category Plays with Consumers

TYPICALLY over 20% of Consumers total	**GAINING % CONSUMERS** vs 2018	**INGREDIENTS/CLAIMS INCLUDE**
• Satisfy Sweet Craving • Indulgence • Hunger Satisfaction • Satisfy Craving for Crunchy/Crispy • Satisfy Craving for Chewy	• Provides Energy/Fuel • Provides Antioxidants/ Health Benefits • Helps to Achieve Daily Nutritional Goals	• Low Calories/Serving • Gluten Free • Grain Free • Low Sugar • Prebiotics • Probiotics

Source: IRI 2021 Snacking Survey % of Consumers

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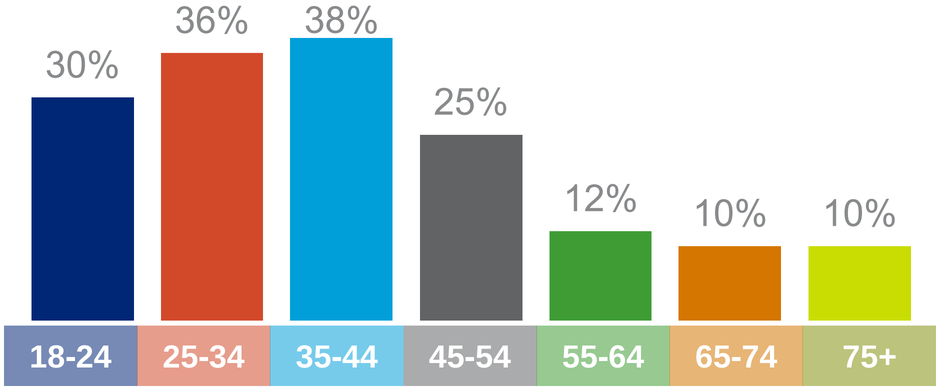
We Saw a Baking Renaissance in 2020 and It Had An Impact in Snacking Too

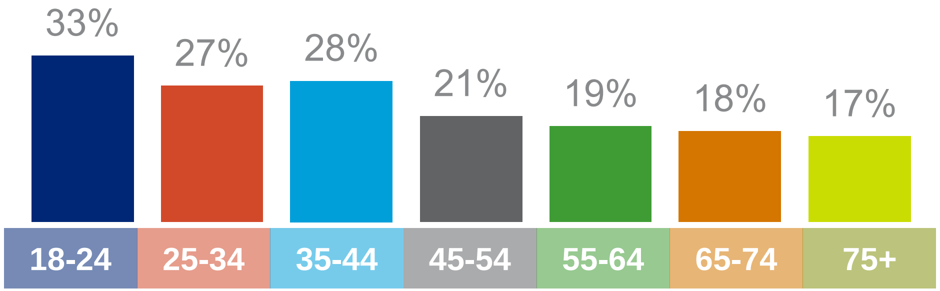
24%

of consumers have switched to baking snack bars instead of buying them



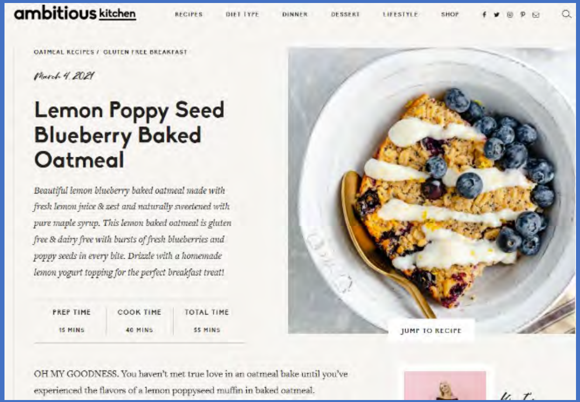
23%

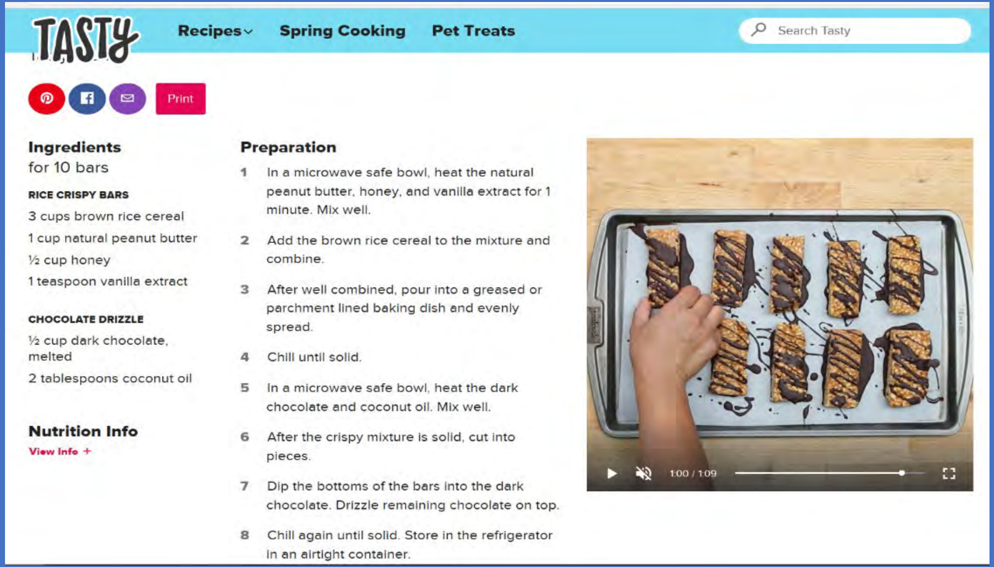
of consumers are making more homemade snacks



Source: IRI 2021 Snacking Survey – new questions so no compare % of Consumers

Online Sites Provided Recipes and Video Tutorials





Command Channel Complexities

Getting the Most Out of Shopping Trips and Search for Value Won with Shoppers

2020 $ % Chg

Grocery

+10%

Mass

+5%

Drug

-6%

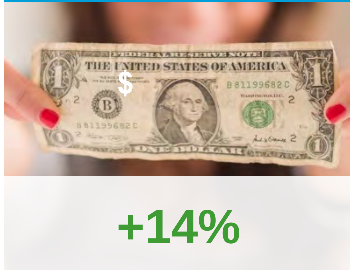
Convenience

-4%

Club

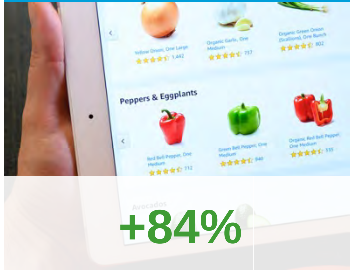
+12%

Dollar



+14%

eCommerce



+84%

Source: IRI TSV - Total Core Definition - Source: IRI TSV - 52 Weeks Ending 12/27/20 vs YAGO;

To Capture Shoppers, it Will Take Strategies and Tactics In and Out of Stores – Growth Can be Found by Focusing on the **4 Main Ways** Consumers Purchase and Consume Snacks

Planning for Shopping Trips is Evolving But Opportunity for Brands to be "In The Cart" Especially Online

Planned

Of those consumers who have shopped for groceries online in the past two months:

32% accessed list of pre-purchased items and reordered from that list

instacart

By purchase number 10, **+25%** of all purchases come from "previously ordered" items

63%

of consumers state that brand of choice is important when selecting snacks

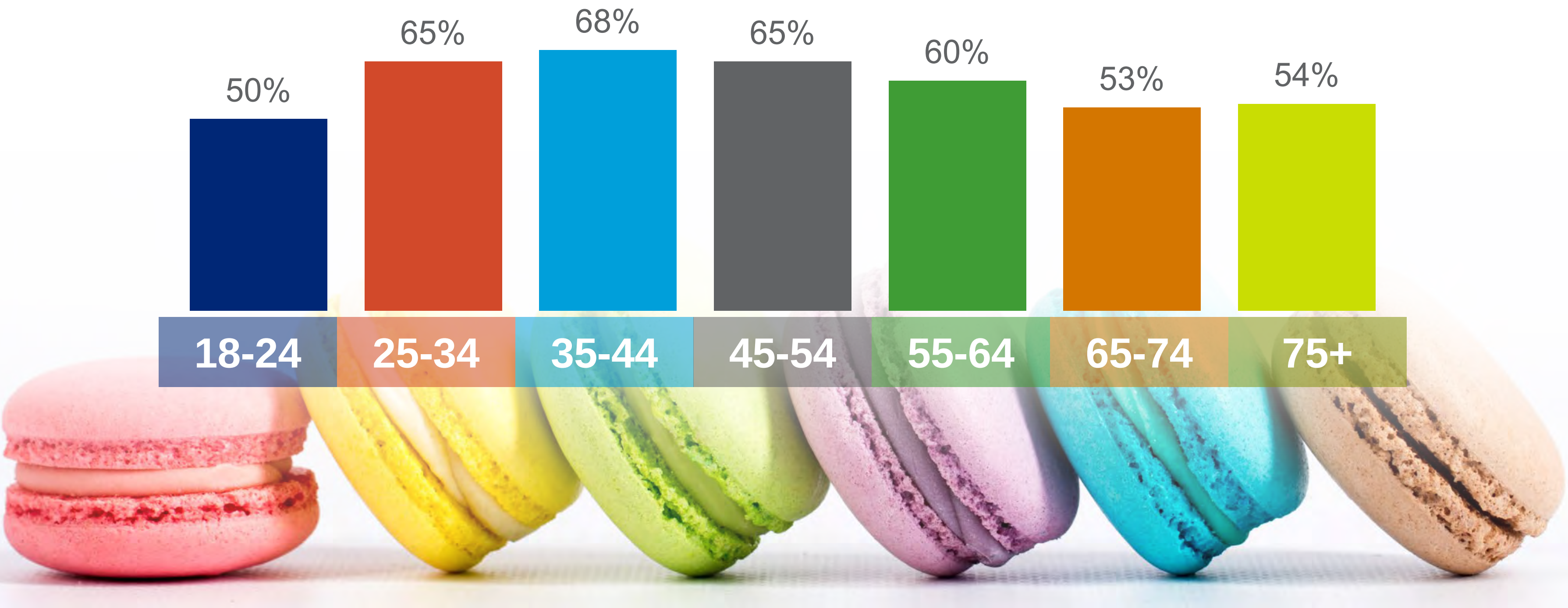
+3 pts vs 2019

Source: IRI Consumer Network™ Panel Survey representing Total U.S. Primary Grocery Shoppers – 5/22 – 5/24 - Shopping behaviors during last online shopping experience;

Source: IRI COVID-19 and Navigating the Path Ahead

Planned

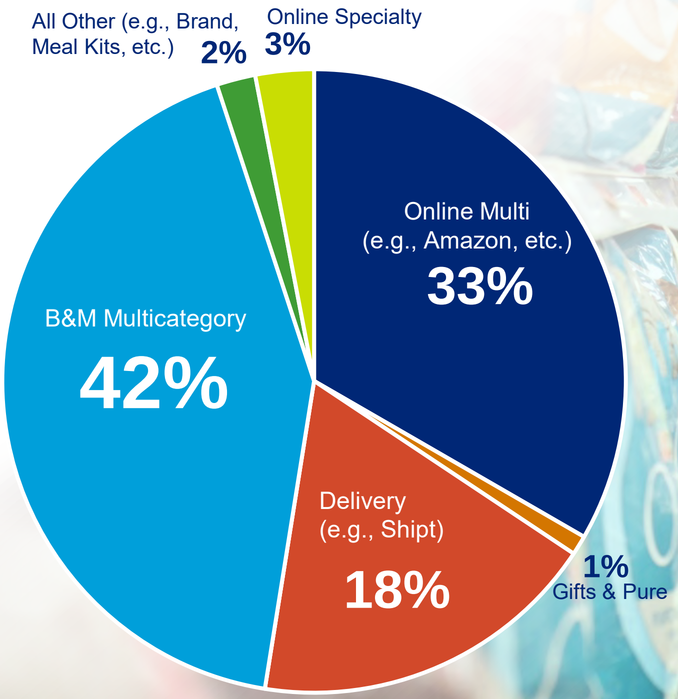
60% of Consumers State That Premium Snacks are Worth Paying Extra



Source: IRI 2021 Snacking Survey – Reframed Question so no compare % of Consumers

Online and B&M Multicategory Represent ~75% of Snack Sales Driving Significant Growth

On Demand



*Source: IRI TSV eMarket Insights Model – 52 Weeks Ending 12/29/20, vs YAGO Core Snacks is an aggregate of the releasable Snack Categories//*Select Brick & Mortar Retailers ; *Share of Select Retailers*

Within Brick & Mortar, Click & Collect Drove a Large Portion of Online Snack Growth

On Demand

Total Click & Collect*	
83% Shr*	+197%

Total Delivery*	
17% Shr*	+180%

*Source: IRI TSV eMarket Insights Model – 52 Weeks Ending 12/29/20, vs YAGO Core Snacks is an aggregate of the releasable Snack Categories//*Select Brick & Mortar Retailers ; *Share of Select Retailers*

However, There are Still Some Barriers for Some Shoppers to Buy Online

On Demand

	% of consumers	Vs 2018
Don't think to purchase snacks online	30%	-9 pts
Concerned about crushed products	24%	+3 pts
Too expensive	24%	+2 pts
Concerned about the product melting	22%	+6 pts
Do not want to buy large pack sizes	14%	+4 pts
Can't find the type of snack I want	10%	+3 pts
Can't find the brand I prefer	8%	+3 pts

Source: IRI 2021 Snacking Survey % of Consumers – What prevents you from buying snacks online?

Providing Experiential Experiences Whether Through Product or Package Can Win with Consumers

Experiential

67%
of consumers want snacks that are fun to eat
+3 pts vs 2019

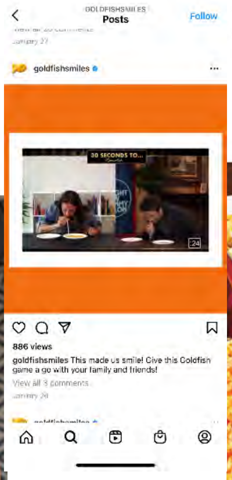
52%
of consumers like to eat snacks that add excitement to their daily diet
+3 pts vs 2019

51%
of consumers look for authentic or unique snack experiences
+7 pts vs 2019

67%
of consumers often eat snacks just for enjoyment, not because they are hungry
+3 pts vs 2019

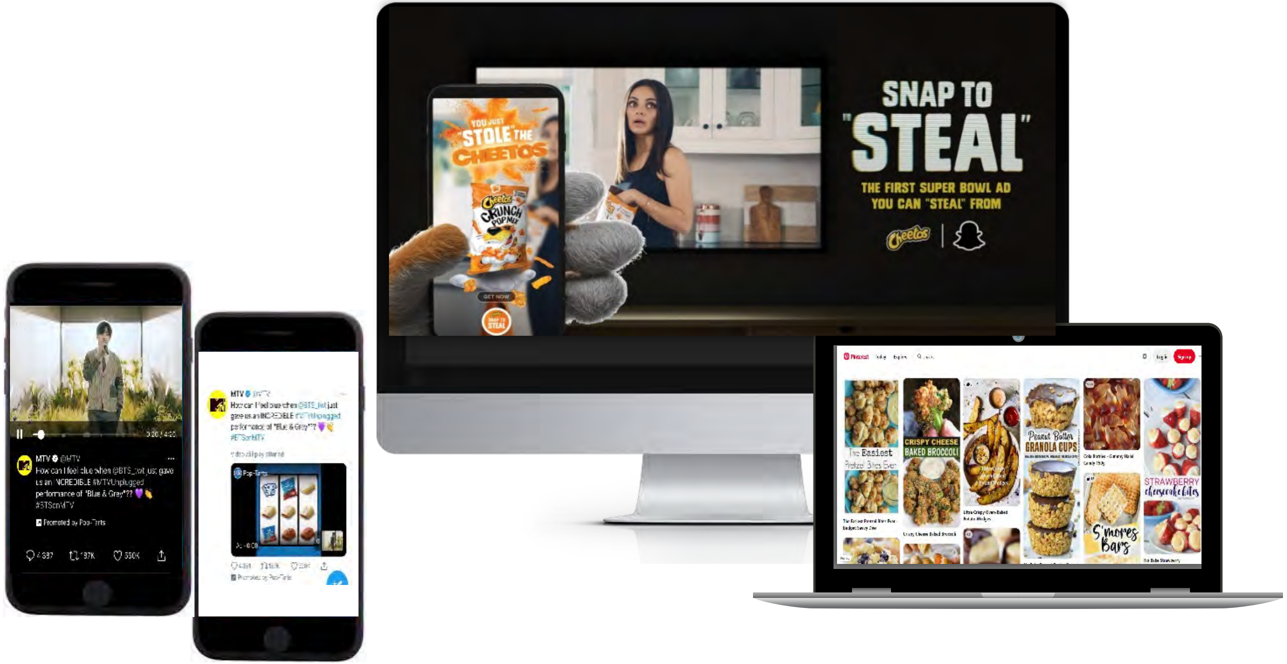
Source: IRI 2021 Snacking Survey % of Consumers

Instagram Kept Consumers Engaged in a Variety of Ways



Snapchat Provided an Innovative Platform for Snack Enthusiasts

QR Codes Provided Experiential Moments in 2020, however Not Prevalent with Snacks



Fewer Shoppers are Reducing Impulse Purchases vs 5 Years Ago

Impulse

28%

of consumers state they are reducing 'impulse' snack purchases

-5 pts vs 2019

Source: IRI 2021 Snacking Survey % of Consumers

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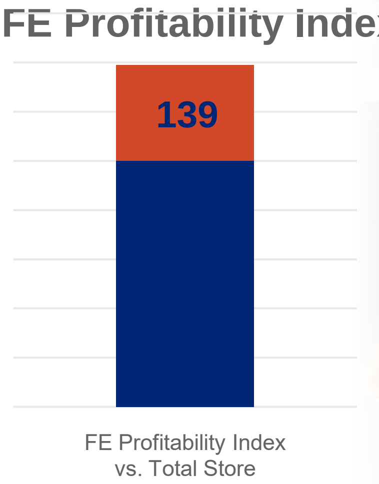
In Looking at Pre-covid, Checkout Merchandising Was a Top 10 'Category' Which Overdelivered on Profitability

Impulse

Rank	Category	Dollar Sales % Chg vs YA
1	SALTY SNACKS	4.7%
2	CARBONATED BEVERAGES	3.1%
3	BEER/ALE/ALCOHOLIC CIDER	6.2%
4	MILK	0.6%
5	NATURAL CHEESE	2.1%
6	FRESH BREAD & ROLLS	0.2%
7	WINE	2.2%
8	BOTTLED WATER	6.4%
9	PET FOOD	7.0%
10	**CHECKOUT**	**4.3%**
11	DINNERS/ENTREES - FZ	0.4%
12	COFFEE	0.6%
13	CHOCOLATE CANDY	3.6%
14	COLD CEREAL	-0.8%
15	COOKIES	3.2%



IRI TSV Calendar Year 2019 Ending 12-29-19, Grocery+Mass/Supercenter; Checkout includes UPCs commonly found at front end.

In Fact, Consumers State They want Variety at the Checkout

Out of the 37% of Consumers Who are Influenced at Checkout, They Want Indulgent and Healthier Options

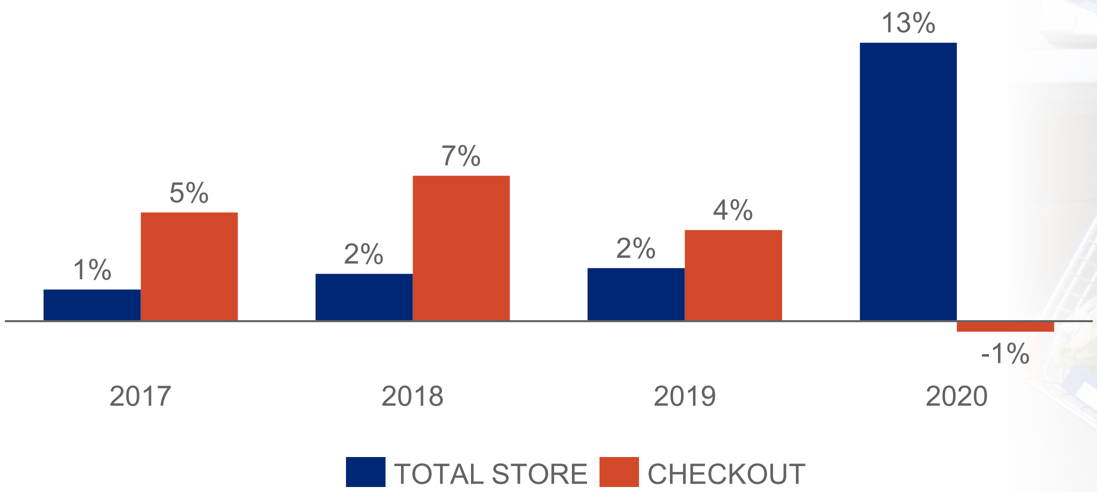
	Total	Vs 2019
Indulgent Snacks	54%	+1 pts
Healthy Snacks	53%	+5 pts
Cold Carbonated Beverages	41%	NC
Cold Bottled Water	41%	NC
Healthy Ready-to-Drink (smoothies, juices, etc.)	41%	+8 pts

Source: IRI 2021 Snacking Survey/2019 = First year to ask the question

Impulse

Front End Items Historically Exceeded Total Store Growth, but Have Been Stalled Due to COVID and Self Checkout Expansion

Multi-year comparison of growth rates Total Store vs. FE



IRI TSV Checkout includes UPCs commonly found at front end – Grocery+Mass/Supercenter.

Good Merchandising Across Self-Checkout and Alternative Transaction Points Can Recoup Some of These Impulse Sales

For example, **adding a queue wall at self-checkout** delivered **an incremental $20k** versus a store with limited merchandising at checkout

Effective merchandising across all transaction points and categories has been proven to **lift sales** for the checkout category **by 20% or more**

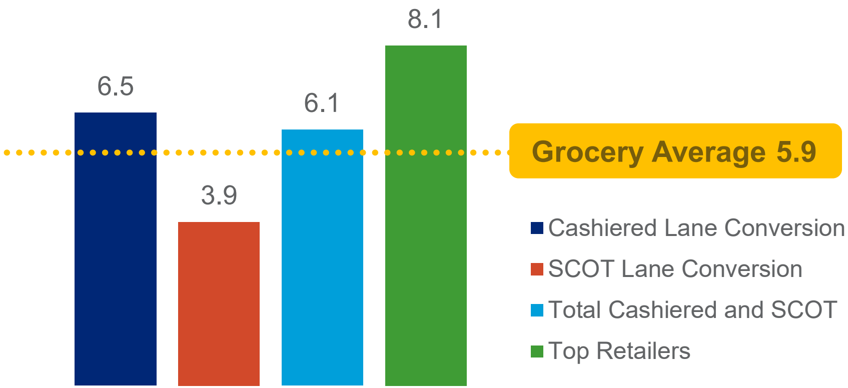
Source: Impulse Marketing Co Proprietary Research 2019

Treating the Front-End Like A Category Will Help Ensure a Great Experience for Your Shoppers and Drive Single Serve Sales

Understanding what shoppers are buying today, where they are buying, and how this compares to competitors is key

Shoppers expect the convenience of finding their favorite items at checkout – no matter the transaction type

Beverage Category Conversion



Evaluating throughput by transaction type can help effectively balance equipment and merchandising layout across stores

Source: Impulse Marketing Co Proprietary Research 2020

Generations as Growth Generators

Gen Z's and Millennials are Fanatical for Snacks!

5+
snacks/day

18-24	**Up** 7 points vs 2018
25-34	Up 12 points
35-44	Up 13 points

Source: IRI 2021 Snacking Survey % of Consumers

Early Morning and Late-Night Targeting Opportunities with Gen Z and Millennials Continue

	18-24	25-44 average
Early morning	21%	28%
Vs YAGO	+8 pts	+6pts
Morning	18%	23%
Vs YAGO	+4pts	NC
Evening	39%	43%
Vs YAGO	+9pts	+5pts

Source: IRI 2021 Snacking Survey % of Consumers

Understanding When Consumers Are Eating Snacks Can Present Opportunities for Marketing and Innovation Efforts

More At Home Options Impacted Some Traditional Snacking Categories Across The Day

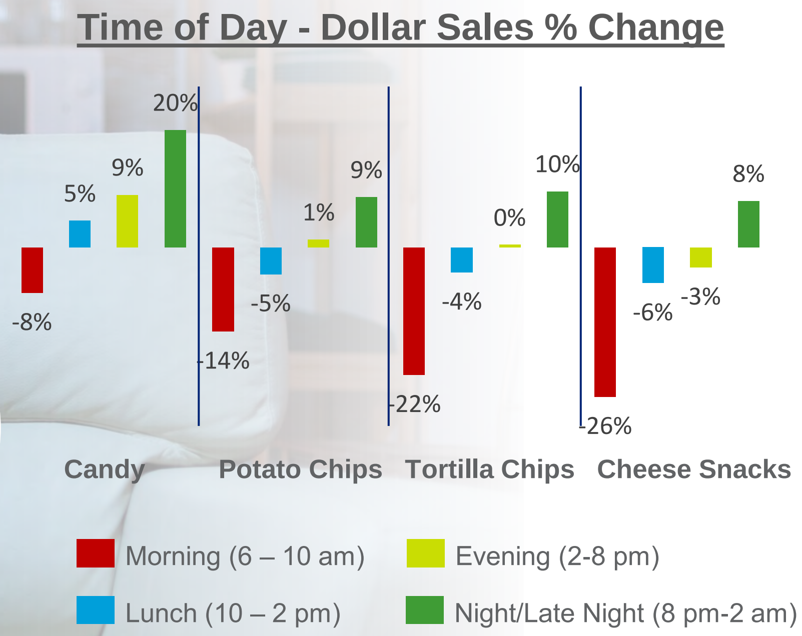
% of Consumers vs 2019

	18-24	25-34	35-44	45-54
AFTERNOON	Chocolate 38% (+13pts) Nuts 26% (down 15 pts) Snack/Protein/Energy Bars 45% (+3 pts)	Non Chocolate 31% (down 8pts) Nuts 48% (down 2 pts) Meat Snacks 32% (down 3 pts) Snack/Protein/Energy Bars 18% (down 7 pts) Frozen Novelties 29% (+10pts)	Chocolate 48% (+5pts) Cookies 43% (+7pts) Nuts 47% (down 4 pts) Meat Snacks 41% (+5 pts) Snack/Protein/Energy Bars 44% (+3 pts) Frozen Novelties 24% (+3pts)	Non Chocolate 37% (+4pts) Cookies 39% (+4pts) Nuts 52% (+4 pts)
EVENING	**Non Chocolate 28% (+4)** **Salty Snacks 46% (+7)** Nuts 34% (+16pts) Meat Snacks 34% (+11 pts) Snack/Protein/Energy Bars 24% (+ 4 pts) Frozen Novelties 27% (down 5pts)	**Salty Snacks 48% (+8)** Nuts 37% (+2 pts) Meat Snacks 28% (down 4pts) Frozen Novelties 40% (+7pts)	**Salty Snacks 58% (+14)** Non Chocolate 39% (+8pts) Cookies 53% (+10 pts) Nuts 52% (+20 pts) Meat Snacks 38% (+8pts) Snack/Protein/Energy Bars 29% (+7 pts) Frozen Novelties 41% (+13pts)	
Special Occasions	Frozen Novelties 23% (+3pts)		Cookies 27% (+3pts) Frozen Novelties 24% (+3pts)	Non Chocolate 22% (9pts) Nuts 17% (+2 pts) Frozen Novelties 22% (+8pts)

Source: IRI 2021 Snacking Survey % of Consumers - Vs 2109 and index higher than total or significantly down vs 2019

In Addition, Collaboration Between Retailers and Manufacturers Can Co-Promote In-store and/or Online – Convenience Was Able to Attract The Evening Snackers

Retailers need to reach out to consumers and remind them about getting their snacks across the day at their store(s)



Source: IRI 2021 Snacking Survey % of Consumers

Heed Holistic Health

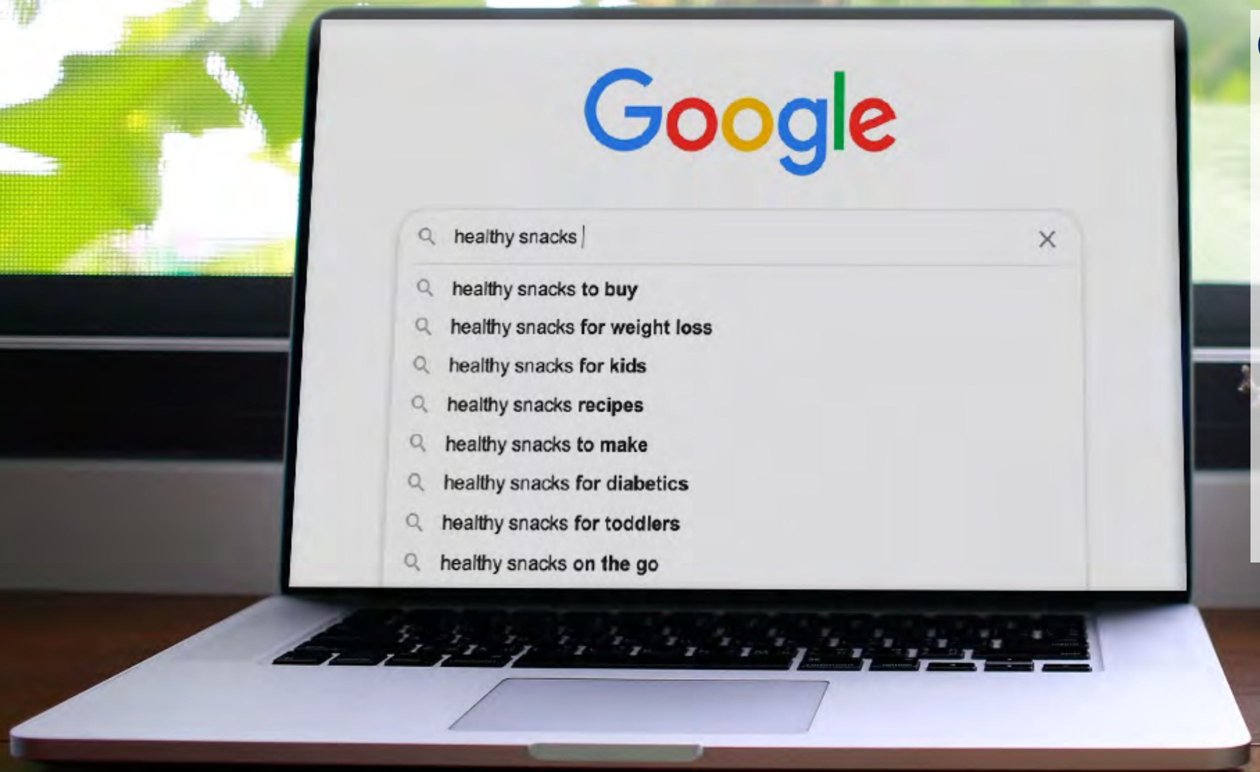
56%

of consumers want snacks that have additional health benefits beyond nutrition (eg, antioxidants, micronutrients, etc.)

-2 pts vs 2019

Source: IRI 2021 Snacking Survey % of Consumers/2019=Frist year to ask the question

Consumers are Searching for these Benefits Online – For Example, Crackers



Search Terms

- **Low Sodium**
- **Salt Free**
- **Reduced Fat**
- **Healthy**
- **Low Carb**
- **Keto**
- **Paleo**

Source: Label Insight

Consumer Attitudes and Searches Are Leading to Snack Products with Certain Benefits Seeing Strong Increases in Sales

$ Percent Change

More Vitamin

A	C	D	E
+19%	+19%	+8%	+1030%

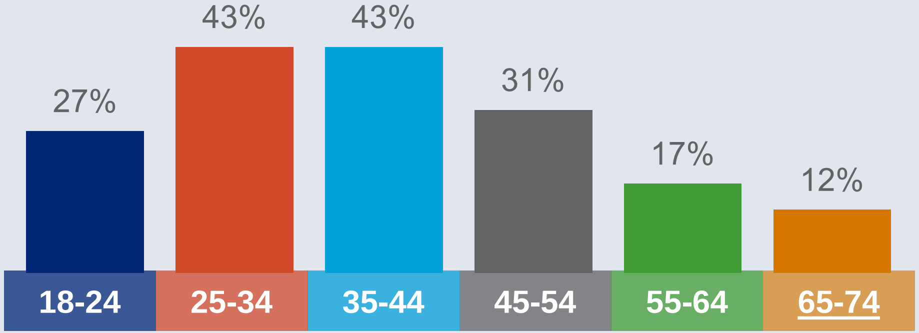
More Potassium	+5%
Reduced Cholesterol	+38%
Cholesterol Free	+2%
Low Cholesterol	+3%
Low Sodium	+3%

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO

The Role of Snacks Varies Especially if for Specific Diets vs Daily Diet Needs

28%

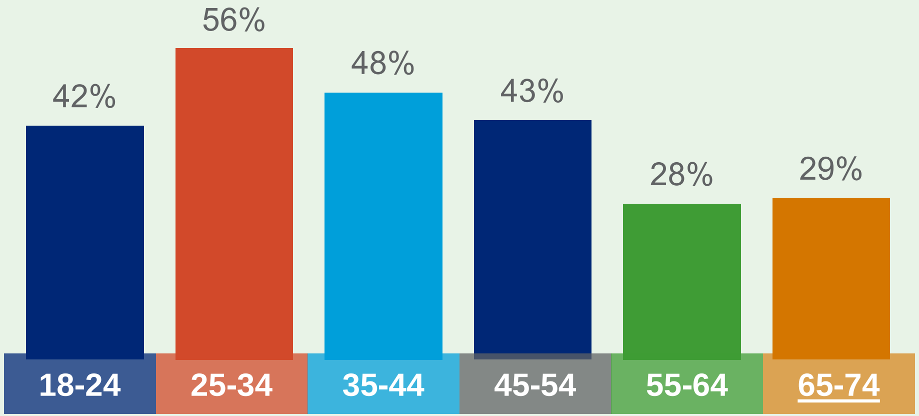
buy snacks to
support the diet they follow
(Atkins, Keto, Paleo, etc.)



versus

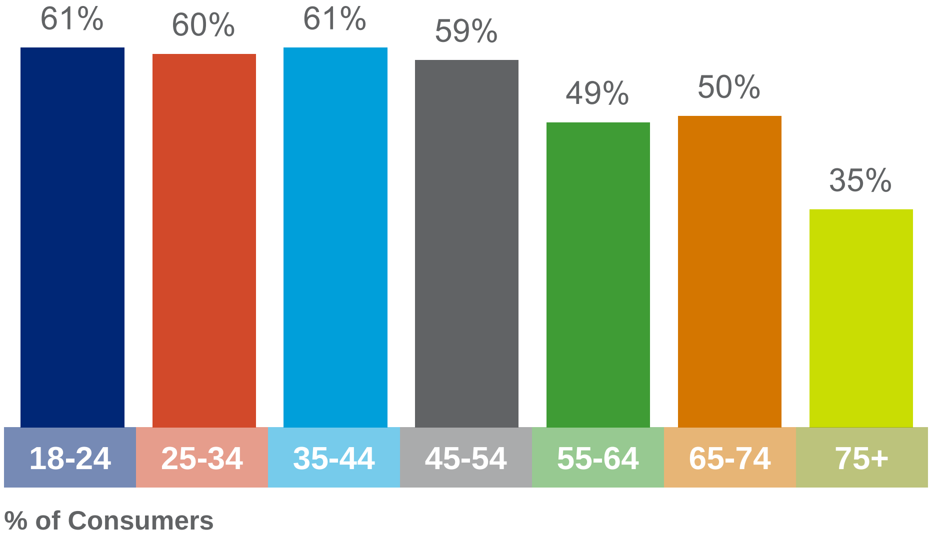
40%

state that snacks they eat help
manage daily calories



Source: IRI 2021 Snacking Survey – new question no compare % of Consumers

Product Labels are Influencers for Snack Purchases, so Online Capabilities Need to Provide Full Visibility



Source: IRI 2021 Snacking Survey % of Consumers

There is a Segment of Consumers Who Look for Snacks that Align to Specific Diets and They are a "Growth Pocket" Going Forward

18%

of consumers want snacks that are **VEGAN**

Up 9% $ Chg

19%

of consumers want snacks that are **VEGETARIAN**

Up 8% $ Chg

Source: IRI 2021 Snacking Survey – new questions in 2020 % of Consumers//IRI Claims// IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO

Natural and Organic Products are Still Resonating with Consumers

41%

of consumers still look for Natural and Organic Snacks

+3 pts vs 2018

	$ % Change
Organic	**+7**
Natural Product	**+5**

Source: *IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO*

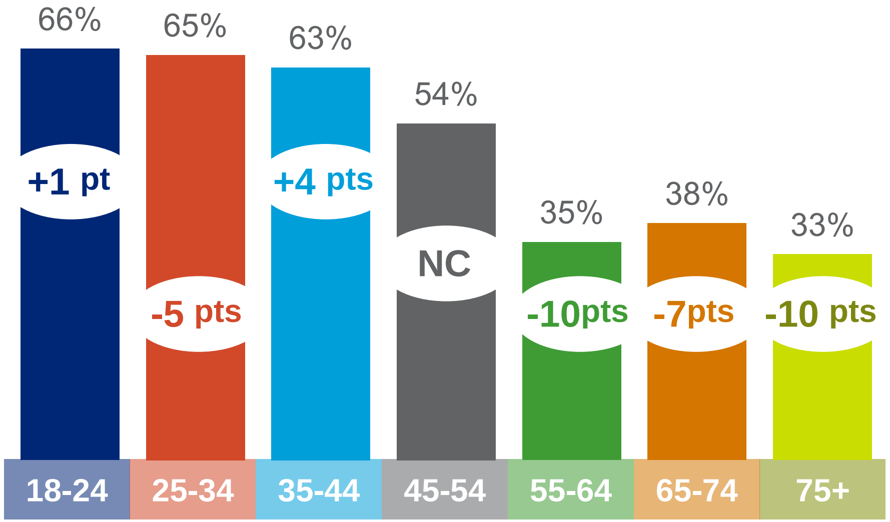
Domestic Snacks Are Driving Double Digit Interest

+10%

Made in the USA

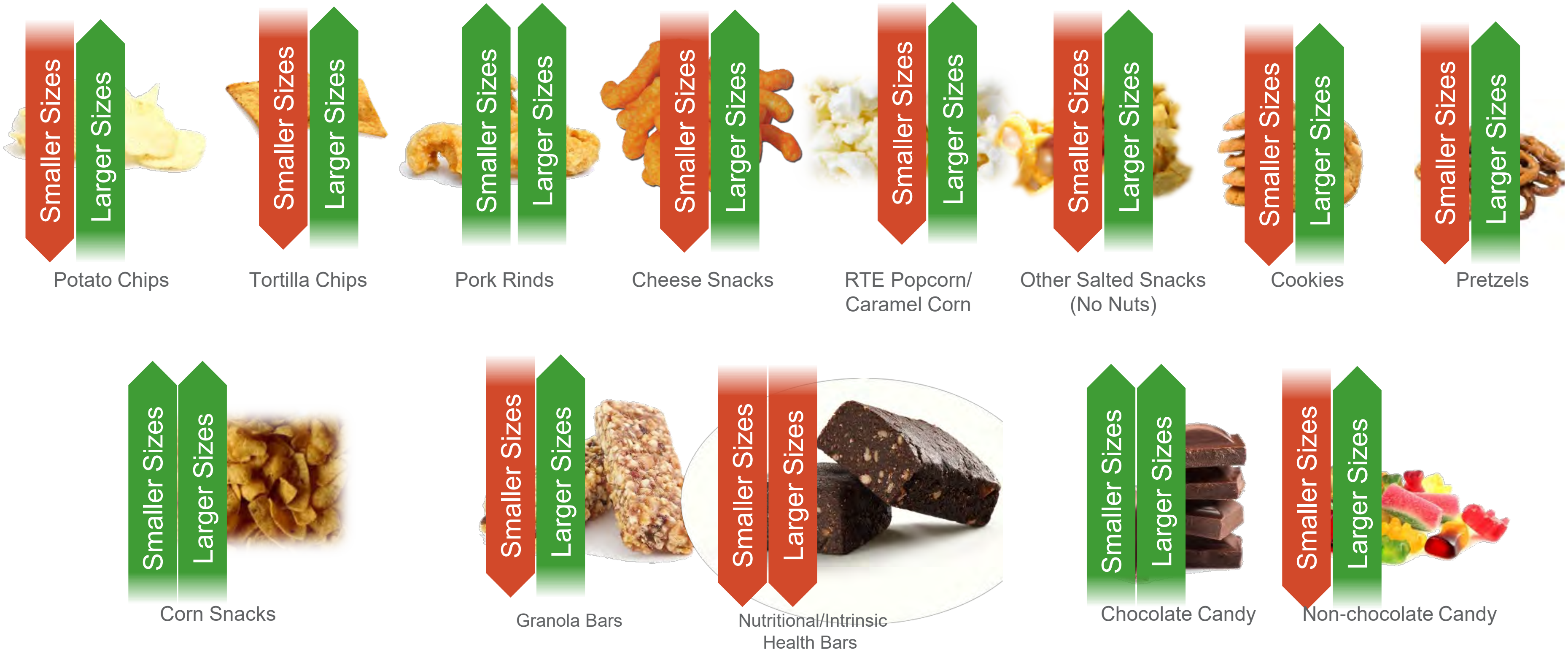
Move with Mobility

Even Though There Was an Overall Dip in Consumers Looking for Portable Snacks in 2020, Certain Age Groups Still Felt Important



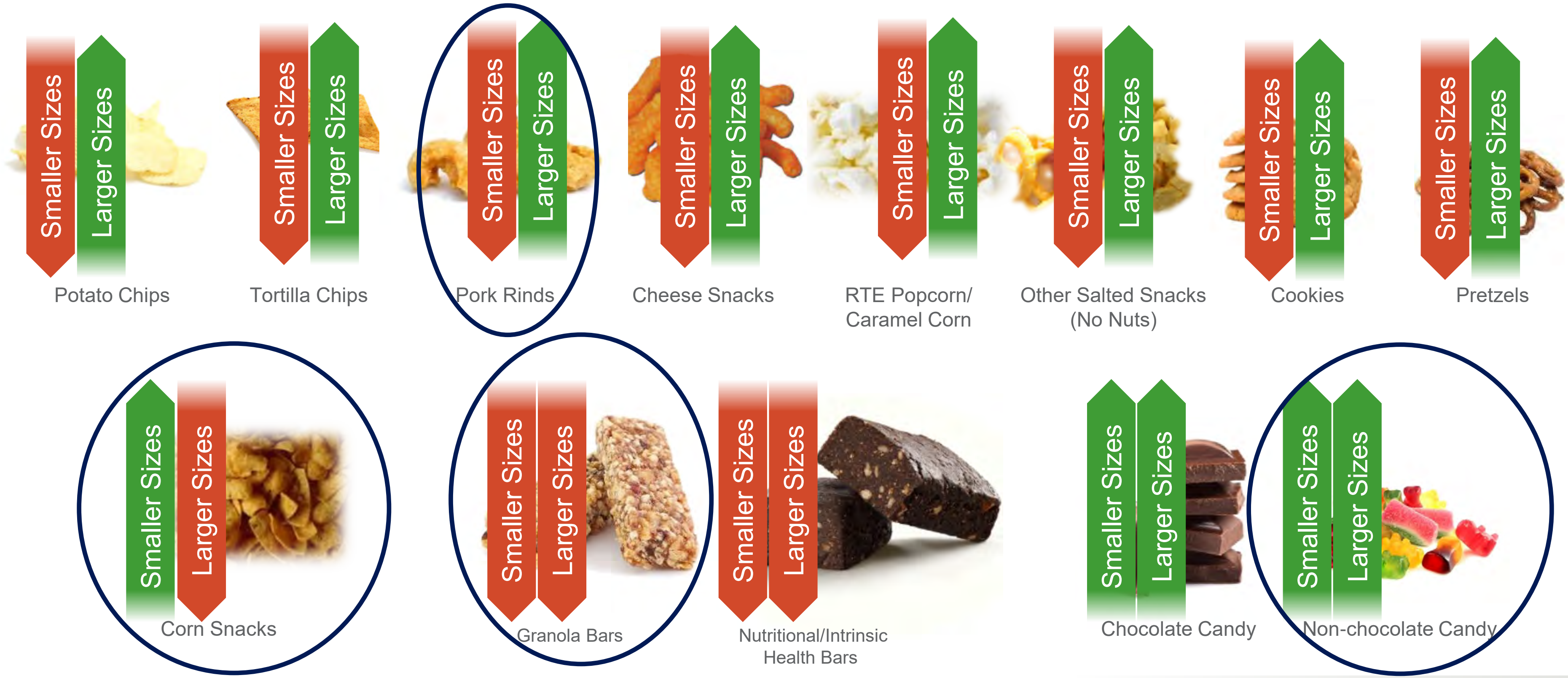
Source: IRI 2021 Snacking Survey % of Consumers

In Fact, During the COVID Period, the Majority of Snack Categories Realized Shifts to Larger Pack Sizes as Consumers are Not Seeking as Many "On the Go" Snacks



Source: IRI TSV Model – Dollar Sales % Change – 52 Weeks Ending 12/27/20 vs YAGO; Definitions: Non-Chocolate, Bars, Chocolate Smaller Sizes less than 3.5oz and greater than or Equal to 3.5oz; Salty Snacks Categories – Smaller Sizes Less Than or Equal to 4.2 oz & Larger Size is Greater Than 4.2oz; Cookies – Smaller Sizes Less than 3 oz & Larger Sizes is Greater Than or Equal to 3.0oz

Looking at all of 2020, the Shift Took Hold for Majority of Snack Categories– Bars Struggling Due to More At-Home Activities and We Have Seen a Boost in Treating



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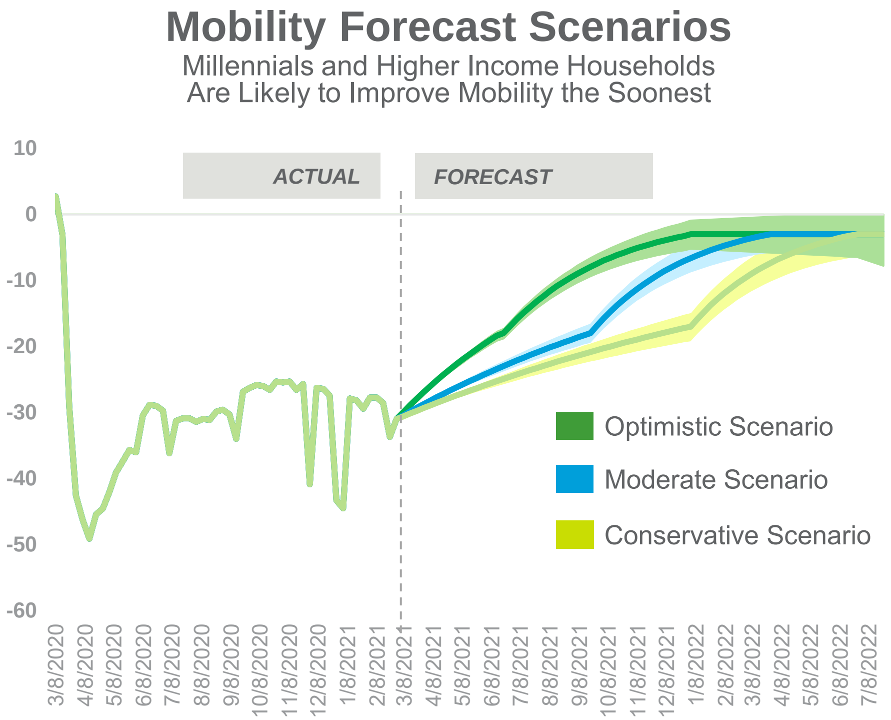
As We Work Towards Herd Immunity, Mobility will Begin to Play a Role in Snack Size Sales and Channels Shopped



Drug | Convenience

will Increase

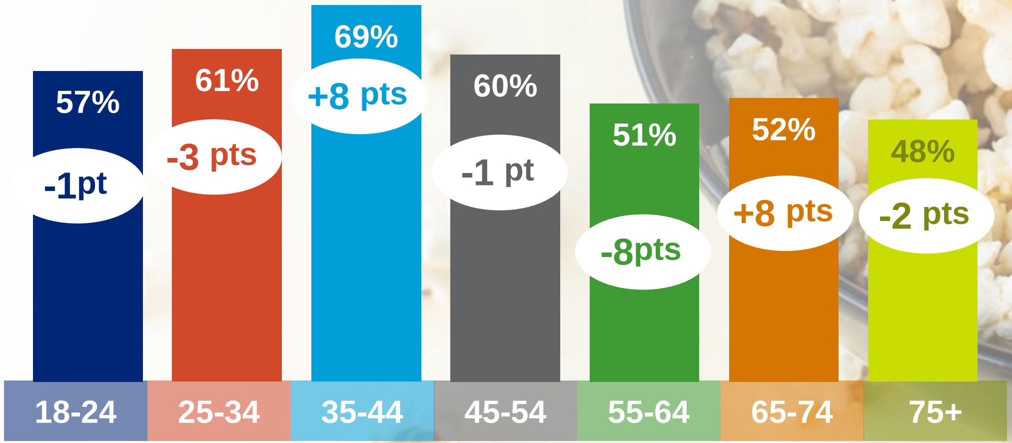
Smaller Sizes will Rebound as well

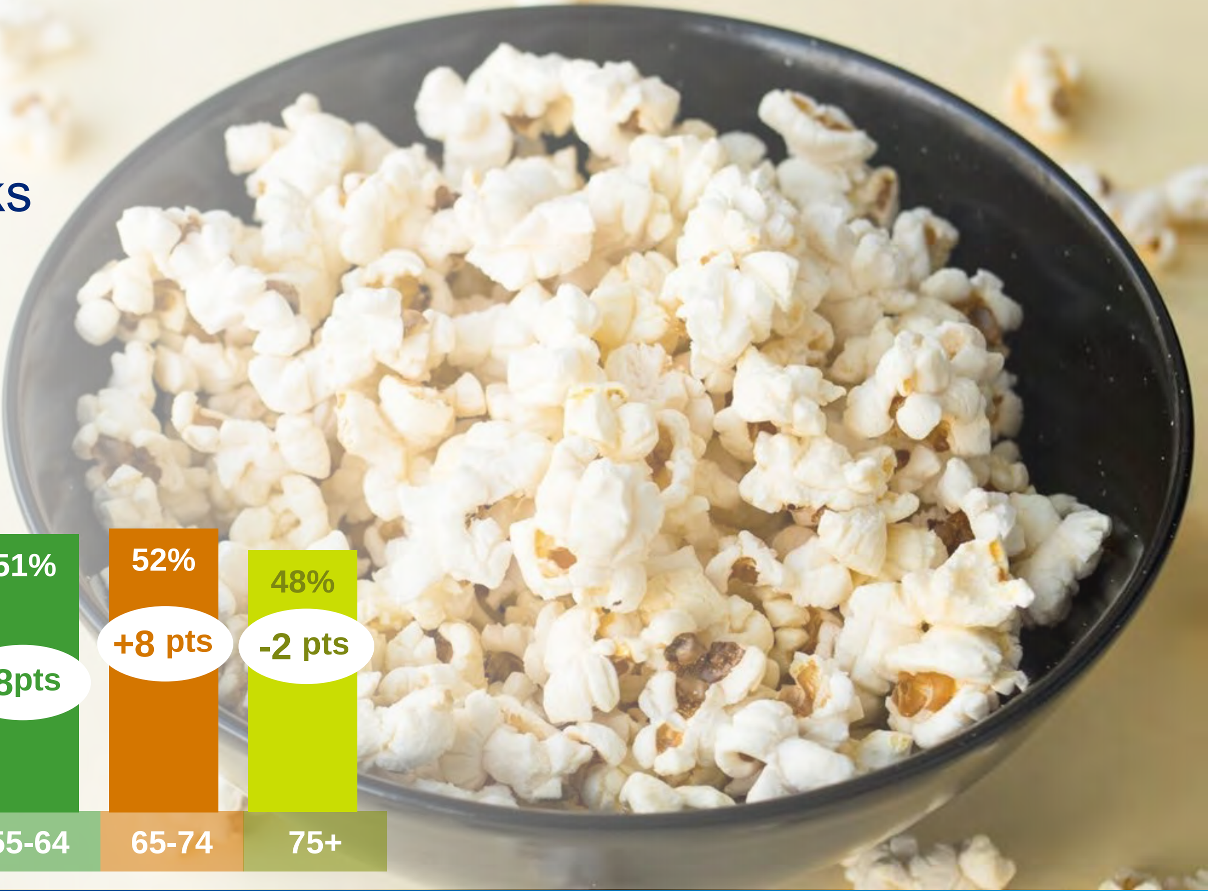
Source:, Google Workplace Mobility, Mobility forecasts represent IRI Strategic Analytics POV.

58%

of consumers want snacks that appeal to multiple people in the household

NC vs 2018





Source: IRI 2021 Snacking Survey % of Consumers

17% of consumers are buying more larger sized packages with the intention of sharing as a means of reducing overall snack expenditures

+2 pts vs 2018

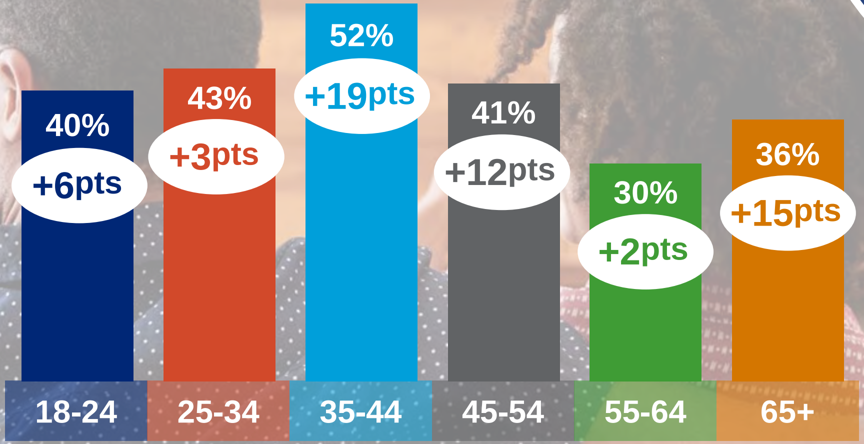
+10%

Core Snack Multipacks

$ % Chg

Source: IRI 2021 Snacking Survey % of Consumers

TV Had Heavier Influence on Snack Purchases Than in Previous Years But That Will Change For Some Going Forward



36%

of consumers are influenced by TV or Radio advertising for their snack purchase

+6 pts vs 2018

Source: IRI 2021 Snacking Survey % of Consumers

Leverage Social Media, Online and Websites to Continue to Capture Snacking Attention

32%

of consumers are influenced by information from website or email for snack purchase decisions

+6 pts vs 2018

27%

of consumers are influenced by information from blogs or social networking sites for snack purchase decisions

+3 pts vs 2018

Source: IRI 2021 Snacking Survey % of Consumers

Serve
Sustainability

As Younger Generations Age, These Facts Will Become Even More Important With Snack Selections – Like Sustainability…

44%

Reduced packaging to be more environmentally friendly

+6 pts vs 2018

38%

of consumers want snacks with biodegradable packaging

+7 pts vs 2018

Not Only Do Consumers State Sustainability is Important, but They are also Purchasing More and More Snacks with Sustainable Marketed Attributes

Recyclable	11%
Sustainability Certified	12%
Post Consumer Recycled Material	7%
Recycled Packaging	4%
Rainforest Alliance Certified	5%

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO - $ % Chg

Not Only Do Consumers State Sustainability is Important, but They are also Purchasing More and More Snacks with Sustainable Marketed Attributes

Ethical	11%
Fair Trade	20%
Cage Free	26%
B Corporation	25%
Humane	104%

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO - $ % Chg

Idolize Innovation

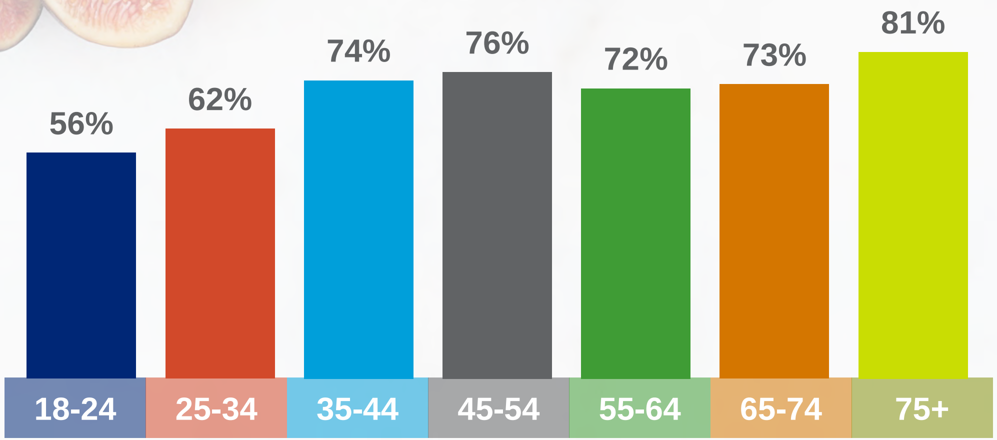
Taste has Become Even More Important for Snacks and Flavor is Still Important for the Majority of Consumers

Source: IRI 2021 Snacking Survey % of Consumers

Premium Flavors & Quality Grow in Importance Through the Generations

70%

of consumers want snacks that have premium flavors and/or premium quality



Source: IRI 2021 Snacking Survey – Revised question – no compare available % of Consumers

Consumers Search for Flavors as Well – Keep this In Mind with Your Targeted Communications

Dried Fruit:

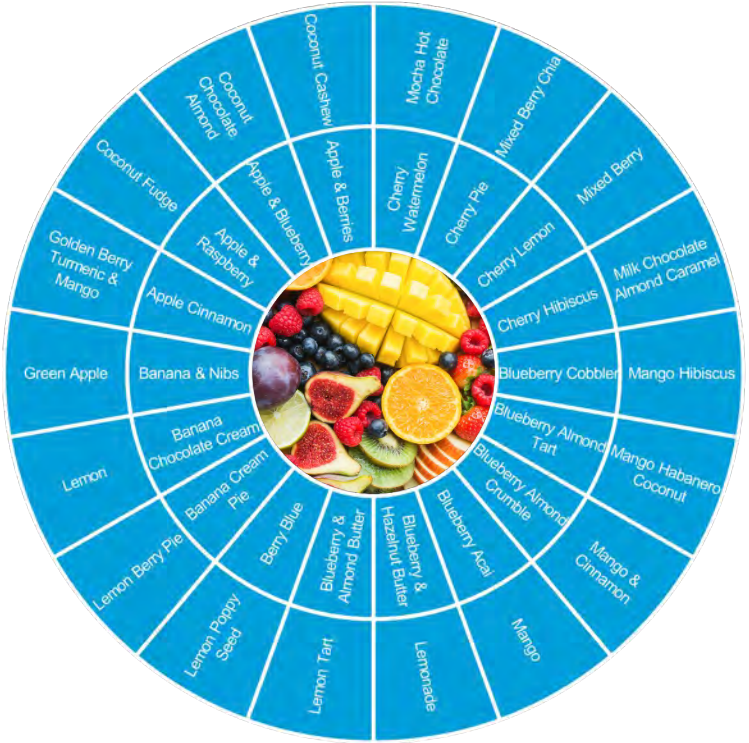
Searches for **dried mangos** and **spicy flavor profiles** was a clear new trend in January search data.

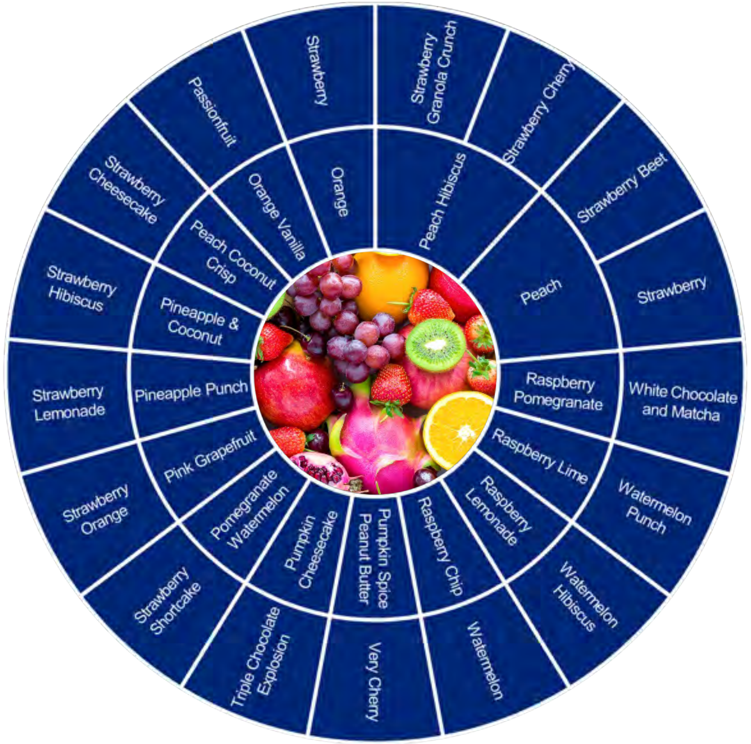
“Dried mango with chili powder” and “habanero” as being top emerging trends in the dried fruit category.

Source: IRI Integrated Fresh - 52 Weeks Ending 12/22720 vs YAGO

Over the Past 14 Months Fruit Flavor Trends have Exploded With Sweet Flavors Dominating Starting with Fruit

Top Flavor Trends Included:



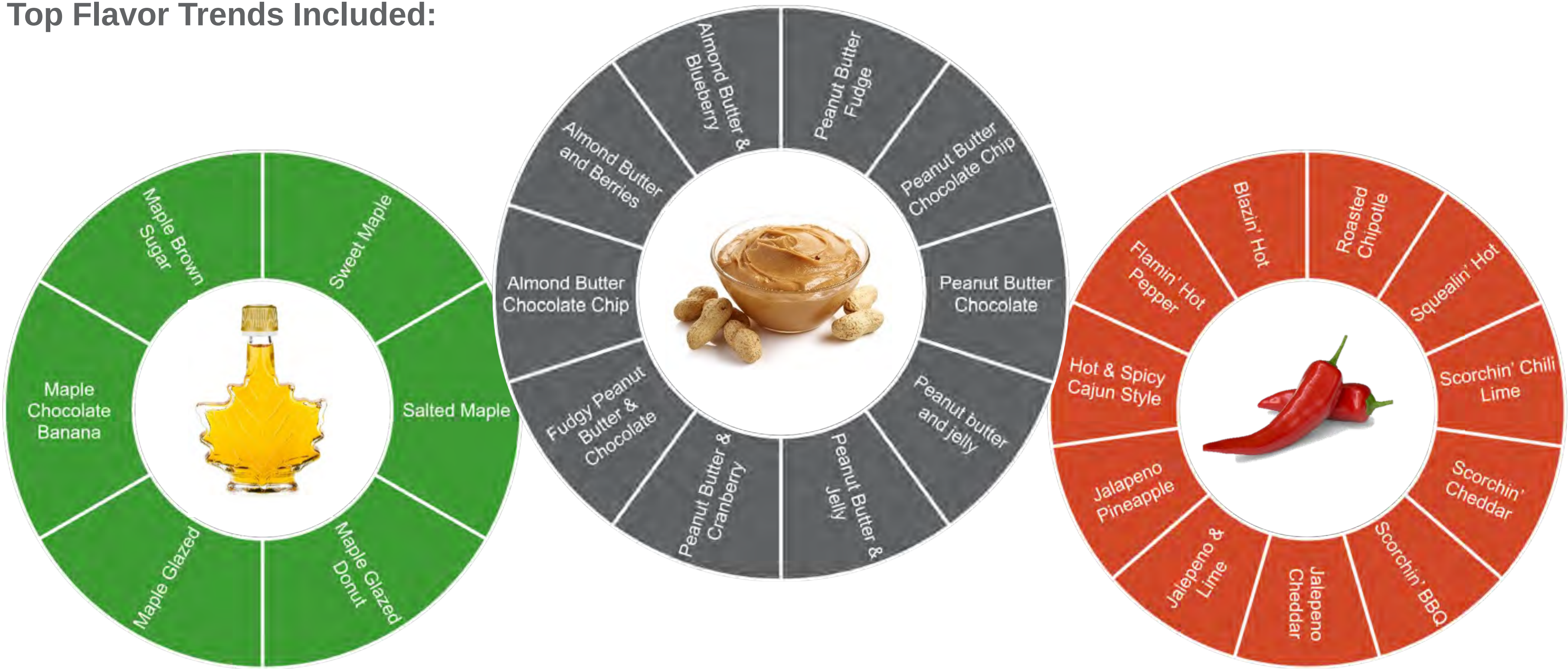


Chocolate and Dessert-type Flavors Hit the Shelves, as well as…

Top Flavor Trends Included:

Maple, Nut Butter and Hot & Spicy Flavored New Products Were Introduced Too

Top Flavor Trends Included:



Other Innovation Themes Covered Nutrition and…

Nutritional benefits	Free From	Diet Focused
Coconut Base	Dairy	Keto
Energy	Dairy Free	Paleo
Extra Fiber	Egg	
Made with Avocado Oil	Gluten and Grain Free combo	
Milk Protein Isolates	Gluten Free	
No Added Sugar	No Added Sugar	
Plant-based	No Artificial Sweeteners	
Probiotics	No Sugar Alcohols	
Protein	Non-GMO	
Sweetened with Allulose	Soy Free	
Sweetened with Erythritol	Yeast	
Sweetened with Honey		
Sweetened with Stevia		

…and Kids…


VEGGIES YOU CAN'T SEE OR TASTE!
PEEKABOO
ICE CREAM + HIDDEN VEGGIES
ORGANIC CHOCOLATE WITH HIDDEN CAULIFLOWER
USDA ORGANIC
14 FL OZ (414 mL)


Stonyfield ORGANIC
STRAWBERRY YOGURT
AND
ENVIROKIDZ
ChoCo CHiMPS
35% LESS SUGAR
10g PROTEIN
USDA ORGANIC
NON GMO Project VERIFIED
4 CUPS


THIS SAVES LIVES
Kids
UNICORN
SPRINKLE SURPRISE
NET WT 0.78 OZ (22g) BAR


• SIMPLY SQUEEZE •
Jif
CREAMY PEANUT BUTTER
SAME Great PEANUT BUTTER
PER 2 TBSP
190 CALORIES
NET WT 13 OZ (369g)

…and Plant-based…

…and Permissibility with Bites, Minis and Thins…

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…and Brand Extensions/Crossovers

Activate Actions

Core Snacks is Poised for Growth in 2021 and 2022, So Activate Your Actions to Capture Your Share of the Growth

3-4pts

Pricing gain

3-4%

Core Snacks growth estimate

Source: IRI Strategic Consulting

Ten Action Ideas for Your Consideration

1. Continually monitor the role(s) your snack products play with your consumers, as well as your competitive set
2. Ensure each brand's role in your portfolio provides incrementality for consumer targets and/or occasions and/or nutritional needs
3. Let the 4 main ways consumers purchase and consume snacks inform your marketing & sales strategies
4. Engage with your consumers with personalized solutions and variety (flavors, packs) via digital and social media
5. Build unique experiences both in-store and online to attract, retain, and /or gain consumers

Ten Action Ideas for Your Consideration

6 Collaborate with retailers to execute assortments and variety to address mobility and at-home occasions, as well as, treating the Front-end as a category providing variety consumers want

7 Understand the effect of your pricing and promotion on specific shopper segments to drive penetration and incremental revenue

8 Invest in paid search, social media and shopping apps aligned to key product attributes & nutritional benefits to build online presence and drive consumers in-store and online

9 Focus innovation on attributes and wellness benefits that really matter to your most valuable consumers and with packs relevant and tailored to channels (e.g., e-commerce, dollar)

10 Utilize personalization to talk with consumers about specific assets of your product(s) that align to their needs, as well as your sustainability practices

thank you!

Sally Lyons Wyatt
Sally.LyonsWyatt@IRIworldwide.com

APPENDIX

The category breaks have been based on consumer attributes – part 1

WELLNESS - CORE

Apple Chips
Bfast Cereal and Snk Bars (Other Natural+ Claims)
Canned/Bottled Fruit (Non GMO+GF+Low Sugar+Organic+ Claims)
Cheese Snacks (Fat+ Claims)
Crackers (Other Grain+ Claims)
Dried Fruit
Dried Meat Snacks (Fat+ Claims)
Dry Fruit Snacks (Gluten Free + Organic + Non GMO+ Claims)
FZ Fruit
Snack/Granola Bars (Natural+Organic+Non GMO+Grain+ Claims)
AO Snack/Granola Bars
Kernel Popcorn (Organic+Natural+Home Grown+ Claims)
AO Kernel Popcorn (w/o Organic+Natural+Home Grown+ Claims)
Luncheon Meats (Natural+No Preservatives+ Claims)
Microwave Popcorn
Natural Cheese (Fat+ Claims)
AO Natural Cheese (w/o Fat+ Claims)
Nutri and Intri Hlth Vlu Bars
Nutritional Snacks/Trail Mixes (w/Claims)
Olives
Peanut Butter (Non GMO+Low Fat+Organic+Sugar+ Claims)
Picante Sauce
Pretzels

RFG Appetizers/Snack Rolls - Sushi
RFG Yogurt (Fat+ Claims)
AO RFG Yogurt (w/o Fat+ Claims)
RFG Yogurt Drinks (Fat+ Claims)
RFG Yogurt Drinks (w/o Fat+ Claims)
Rice Cakes/Popcorn Cakes
RTE Popcorn Savory (Fat+ Claims)
Snack Nuts
Soups - BFY
Specialty Nut Butter (Non GMO+Natural/Organic+ Claims)
SS Yogurt/Yogurt Drinks (Fat+ Claims)
AO SS Yogurt/Yogurt Drinks (w/o Fat+ Claims)
Sunflower/Pumpkin Seeds
Total Snack Size Produce

PERMISSIBLE INDULGENCE - CORE

AO FZ Appetizers/Snack Rolls (w/o Sushi)
AO Bfast Cereal and Snk Bars (w/o Other Nat+)
AO Canned/Bottled Fruit (w/o Non GMO+GF+Low Sugar+Organic+ Claims)
AO Cheese Snacks (w/o Fat+ Claims)
AO Dried Meat Snacks (w/o Fat+ Claims)
AO Dry Fruit Snacks (w/o Gluten Free + Organic + Non GMO+ Claims)
AO Granola Bars (w/o Natural+Organic+Non GMO+Grain+ Claims)
AO Nutri and Intri Hlth Vlu Bars (w/o Other Protein+ Claims)
Carob/Yogurt Coated Snacks
Chocolate Covered Salted Snacks
Cookies (Energy+ Claims)
Crackers(w/o Other Grain+ Claims)
Fz App and Snk Rolls (Protein+Natural+ Claims)

Fz HH Entrees Non Bkfast (GF+ Claims)
Fz Ice Cream and Ice Milk Desserts (100% Natural+ Claims)
Fz Novelties (100% Natural+ Claims)
FZ Pretzels
FZ Yogurt/Tofu
Ice Cream (Low Fat+High Protein+Organic+ Claims)
Ice Milk and Fz Dairy Desserts (Low Fat+Gluten Free+Natural+ Claims)
Ice Pop Novelty (Natural+Low Fat+ Claims)
Oth Salted Snack xNuts (Gluten Free+Non GMO+Low Fat+ Claims)
Rfg Dips (Fat Claims+Natural+Calories/serving+ Claims)
Sherbet/Sorbet/Ices
Tortilla and Tostada Chips (100% Natural+ Claims)

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The category breaks have been based on consumer attributes – part 2

TRUE INDULGENCE - CORE		TREATS - CORE
Aerosol/Squeezable Cheese Spreads AO Cookies (w/o Energy+ claims) AO Fz App and Snk Rolls (w/o Protein+Natural+ Claims) AO Fz HH Entrees Non Bkfast (w/o GF+ Claims) AO Fz Ice Cream and Ice Milk Desserts (w/o 100% Natural+ Claims) AO Fz Novelties (w/o 100% Natural+ Claims) AO Ice Cream (w/o Low Fat+High Protein+Organic+ Claims) AO Ice Milk and Fz Dairy Desserts (w/o Low Fat+Gluten Free+Natural+ Claims) AO Ice Pop Novelty (w/o Natural+Low Fat+ Claims) AO Oth Salted Snack xNuts (w/o Gluten Free+Non GMO+Low Fat+ Claims) AO Potato Chips (w/o High Fiber + Low Fat+ Claims) AO Rfg Pastry/Danish/Coffee Cakes (w/o GF+ Claims) AO Rfg Desserts (w/o Low Sugar+Gluten Free + Natural+ Claims)	AO Rfg Dips (w/o Fat Claims+Natural+Calories/serving+ Claims) AO Rfg Snack Cakes and Donuts (w/o GF+ Claims) AO Tortilla and Tostada Chips (w/o 100% Natural+ Claims) Corn Snacks (No Tortilla Chips) Doughnuts FZ Cookies FZ Dips Rfg Pastry/Danish/Coffee Cakes (GF+ Claims) RFG Handheld Non-Breakfast Entrees Rfg Snack Cakes and Donuts (GF+ Claims) SS Toaster Pastries and Pop Tarts (Organic+GF+ Claims) AO SS Toaster Pastries and Tarts (w/o Organic+GF+ Claims) Toasted Corn Nut Snacks	Chocolate Candy Non-Chocolate Candy Regular Breath Fresheners Regular Gum (No Sugarless) SF Breath Fresheners Sugarless Gum

The category breaks have been based on consumer attributes – part 3

TOTAL CORE	TOTAL CORE	TOTAL CORE
AEROSOL/SQUEEZABLE CHEESE SPREADS	FZ HANDHELD ENTREES (NON-BREAKFAST)	RFG SNACK CAKES/DOUGHNUTS
ALL OTHER SNACK/GRANOLA BARS	FZ ICE CREAM/ICE MILK DESSERTS	RFG YOGURT
APPLE CHIPS	FZ NOVELTIES	RFG YOGURT DRINKS
BAKERY SNACKS	FZ PRETZELS	RICE CAKES/POPCORN CAKES
BREAKFAST/CEREAL/SNACK BARS	FZ YOGURT/TOFU	RTE POPCORN SAVORY
BREATH FRESHENERS	GRANOLA BARS	RTE POPCORN SWEET
CANNED/BOTTLED FRUIT	ICE CREAM	SHERBET/SORBET/ICES
CAROB/YOGURT COATED SNACKS	ICE MLK/FZ DAIRY DESSERT	SNACK NUTS
CHEESE SNACKS	ICE POP NOVELTIES	SNACK PRODUCE
CHEESE SPREADS/BALLS	KERNEL POPCORN	SS MICROWAVE POPCORN
CHOCOLATE CANDY	NATURAL CHEESE-CHUNKS	SS TOASTER PASTRIES/TARTS
CHOCOLATE COVERED SALTED SNACK	NATURAL CHEESE-CUBE	SS YOGURT/YOGURT DRINKS
COOKIES	NATURAL CHEESE-STRING/STICK	SUGARLESS GUM
CORN SNACKS (NO TORTILLA CHIPS)	NON-CHOCOLATE CANDY	SUNFLOWER/PUMPKIN SEEDS
CRACKERS	NUTRITIONAL SNACKS/TRAIL MIXES	TOASTED CORN NUT SNACKS
DESSERTS - RFG	NUTRITIONAL/INTRINSIC HEALTH VALUE BARS	TORTILLA/TOSTADA CHIPS
DIP/DIP MIXES - SS	OTHER SALTED SNACKS (NO NUTS)	
DOUGHNUTS	PORK RINDS	
DRIED FRUIT	POTATO CHIPS	
DRIED MEAT SNACKS	PRETZELS	
DRY FRUIT SNACKS	REGULAR GUM (NO SUGARLESS)	
FZ APPETIZERS/SNACK ROLLS	RFG APPETIZERS/SNACK ROLLS	
FZ COOKIES	RFG DIPS	
FZ DIPS	RFG HANDHELD NON-BREAKFAST ENTREES	
FZ FRUIT	RFG PASTRY/DANISH/COFFEE CAKES	