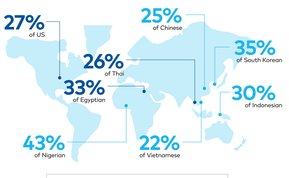
FAST FACTS

Evolving snacking opportunities: Dairy into Healthy Snacks

Snacking as an opportunity is not new but it is evolving.

Fast-paced lifestyles and the ever-growing need for convenience remain key drivers fuelling this trend. However, as snacks increasingly become a substitute for meals, consumer snacking demand continues to evolve. Quality and health become higher in the agenda while indulgence and treating remain a given. Keeping in tune with these evolving consumer demands will be key in maximising future opportunities.

Snacks are taking market share from traditional meals



Health plays an increasingly important role

Consumers pay more attention to the nutritional value of their snacks.

Percentage of who are paying more attention to the nutritional value of their snacks[1]

Snacks are fuelling hectic lifestyles

Evolving snacking demand has resulted in consumers wanting snacks to satisfy their mental as well as physical health needs. Consumers who feel high levels of social stress look for the moment of 'escape' that snacking can offer[2,3].

IN CHINA
33%
of Chinese consumers snack to release stress

IN THE US
24%
of US snackers snack to relieve stress

IN BRAZIL
38%
of consumers have an interest in snacks that are made with ingredients to benefit emotional health (eg. improves mood)

Beverages well placed to satisfy on the go consumption[4].

AMBIENT DRINKING YOGURT
35%
of Chinese consumers prefer to drink ambient over chilled yogurt as a snack

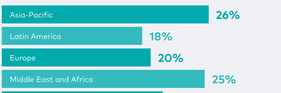
SOUP ON-THE-GO
16%
of Germans aged 25-34 drink soup as a snack while on the go

CARBONATED SOFT DRINK
33%
of US CSD drinkers will have a CSD as a snack, while 38% will drink them with a snack

Dairy opportunities grow in snacking

Snackable products are coming from beyond traditional snack and confectionery categories; Meats, cheeses, yogurt, dairy and a range of other categories are providing strong competition.

Percentage of consumers who prefer snacking on dairy[5]



Percentage of consumers who typically snack on[6]

Consumers are treating themselves in a healthy way through dairy

Percentage of who eat dairy products as a health indulgence[7]

Opportunities

The key to tapping into future opportunities in snacking is to be mindful of how consumer needs are evolving. Satisfying the need for convenience alone will not be enough.

As the snacking segment matures and more options become available to consumers, the demand for better quality, authentic, healthier options will continue.

This presents opportunities for dairy given its established health credentials. However, continuous innovation is required.

For Example:

- On the go consumption will require ambient solutions or rethinking distribution channels to bring dairy closer to the moment of consumption.
- Competing with traditional, go to snacks like salty chips and crackers may require re-designing dairy's texture.

Sources:
1 FMCG Gurus Snacking survey 2019
2 Euromonitor/Mintel, Lightspeed Market China: 4,000 internet users aged 20-40 in Shanghai, Beijing and Guangzhou, Nov 2018
3 Global latest developments in health snacking
4 Euromonitor/Mintel, Kuffu-Gracia/Mintel, Lightspeed/Mintel, Kuffu-Gracia/Mintel, Lightspeed, US: 1,013 internet users 18+ who consumed CSDs; Germany: 1,268 internet users aged 16-44 who consumed CSDs; Brazil: 1,000 and 2,217 internet users aged 20-49 who ate at least ambient to-go/on-the-go drinks in Japan
5 GlobalData 2017 Dairy consumer insight survey
6 FMCG Gurus consumer survey 2019
7 FMCG Gurus Dairy consumer survey 2019

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