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Hot & Spicy Snacking on Fire

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Of the top 10 fastest growing UPCs across Candy, Sweet Snacks, Cookies and Crackers, and Salty Snacks categories, hot and spicy salty snacks rose to the top based on year over year quantity growth in the N aional Retail Solutions network of 18,000 independent conve-nience and other small format outlets.

Twenty of the top fifty net growth products were a hot and spicy flavor which represents the top flavor snacking trend of 2022 in the NRS network. These twenty items, combined, grew 3.2x faster than the Snack-ing categories combined - at a rate of 41.3%. There were 36,180 unique snack items sold in 2021 and 2022 in across the Network wich in aggregate grew 13% based on quantity sold.

While the hot and spicy growth was predominantly salty snack offerings, it was across a variety of different manufacturers, brands, catego-ries and forms including tortilla chips, cheese snacks, hot fries, potato chips, churrumais and even meat snacks.

Salty Snacks made up forty of the Top 50 growth UPCs Of these 50, only 4 items were new to the NRS Network in 2022 - with the majority enjoying organic growth versus pipeline growth.

Overall - Doritos, Cheetos, and Taki's made up 50% of the Top 50 Salty Snack growth skus but other brands made it to the list including: Pringles (Kellogg Company), Lay's (Fri-to-Lay Inc.), Ruffles (Frito-Lay Inc.), Chester's (Frito-Lay Inc.), Slim Jim (Conagra Foods), Wise (Wme Foods Inc), Smart-food (Smartfoods, Inc.), Crujitos (Frito-Lay Inc.), Zambos (Cor-poracion Dinant S.a. De C.v.), Wise Cheez Doodles (Wise Foods Inc), Funyuns (Frito-Lay Inc.), Churrumais (Frito-Lay Inc.), Diana (Productos Alimen-ticios Diana Sa), Sabritas (Fri-to-Lay Inc.).

The remaining Top 50 gowth items included:
FIVE - Candy/Gum/Mints
FOUR - Sweet Snacks
ONE - Cookies and Crackers

Within the Candy/Gum/Mints Super Category, all five were candy with three being confec-tions and two being chocolate. The top growth confections fell into the "novelty" segment with Kidsmania and Toxic Waste leading the way. The top growth in chocolate was owned by legay brands Reese's and Snickers.

Across the board, singles can-dy items grew faster than king or multi-serve offerings, likely a sign of the economic times.

Also pointing to a sign of eco-nomic times is the top growth in the Sweet Snacks category – all o[the four skus in the Top 50 growth and the majority of the thirteen in the Top 100 had an average retail price below a $1.50 price point. The average of the four in the Top 50 hovered right around the $1.00 price-point Little Debbie brand made up 10 of those 13 growth items.

Price, however, did not seem to be a driver for top growing Cookies and Crackers items. All but one of the top twenty Cookies and Crackers growth items were Cookies. Seven o[the top ten and thirteen of the top twenty were Hispanic brands, all Cookies. PepsiCo International and Grupo Bimbo had the best showing with the Gamesa and Marinela brands respectively while Prodiana, Rio Grande and Goya also had stand-out brands. This 2022 results continue to validate an existing trend of popularity growth among Hispanic snack-ing brands.

Regional variability and va-riety did come into pl, when comparing the top growth performers, although hot & spicy still dominated the Top 50 regardless of geography. When comparing stores in the New York OMA, California, Florida, and Texas:

In California, salty snacks items dominated the Top 50 growth ranks, with hot & spicy flavors representing four of the top 5. Hostess claimed two spots on this list whereas they fell lower on the NRS Nation-al ranking including the top ranked non-salty snack item at #10. Toxic Waste Slime Licker Sour was the top growth Can-dy/ Gum/Mints UPC at #15.

Non-spicy/hot UPCs per-formed better in Florida than at a national level. Several Re-gional Brands made an appear-ance including Dutchess, Rap Snacks, and The Whole She-bang while Hispanic salty snack brands also enjoyed greater growth in Florida than overall.

Hot & spicy salty snacks growth in Texas mirrored national trends, however the Candy items that grew the most looked very different from the National aggregate. Ferrra, which did not show up on the National rank until #103 - held four of the seven UPCs that were in the Top 50 growth in Texas. These items were within the Lemonheads, Laffy Taffy, and Now and Later brands.

Candy/Gum/Mints had a stronger presence in the New York OMA than National or oth-er regions. Nine o[the Top 50 growth items were Candy/Gum/ Mints with four of the Top 5 being Hershey's chocolate offer-ings. Gum also made a Top 50 appearance in New York, with Trident Spearmint 14ct the #49 top growth Snack UPC. Nation-ally, the item placed at# 124.

Consumers enjoyed snack-ing in 2022 and all categories experienced growth in dollars and units over 2021 levels. Salty Snacks, especially hot and spiy flavors, helped propel the growth and welcome 2023 on a high note. To capitalize on these trends, retailers and brands need to:

- Be tuned in to emerging fla-vor and form trends and ad· Just portfolio accordingly
- Offer a variety of price points to provide options for shop-pers on a fixed budget during inflationary times
- Don't abandon core products of leading legacy brands keep the top selling skus in stock!

The independent c-store and bodega shoppers captured through the NRS data often foretell broader and longer-term mainstream trends. Their buying behaviors of snacking categories is no different. The 2022 insights can be leveraged to maximize 2023 and beyond snacking opportunities.

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