

NUTS gaining favor

Products with nuts are being positioned as healthy snacking options

After experiencing a phase of being labeled as too high in fat and calorie content, nuts are making a comeback and being positioned as a healthy snack.

Key to the healthy positioning is the Food and Drug Administration statement that nuts may help reduce the risk of cardiovascular disease and the overall marketing efforts of snack companies to help consumers see nuts as healthy.

Datamonitor named nuts as one of the top trends in packaged goods to watch for in 2009 and noted that snack products are "increasingly going 'naked' to showcase nut ingredients." Specifically, PepsiCo's Quaker True Delights Chewy Granola Bars are not covered in chocolate so consumers may see the large chunks of macadamia nuts.

One of the largest product introductions in the nut category during the past year has been the TrueNorth Line from Frito-Lay, Plano, Texas. The line offers different types of nuts in various formats. For example, there are peanut and almond clusters; pistachio, peanut and almond crisps; and whole nuts offered in a mixed package of almonds, pistachios, walnuts and pecans.

"We really wanted to bring variety to the category ... from an innovation standpoint it was limited," said Michelle Rule, director of marketing for TrueNorth. "Mother Nature made a wonderful product from the get-go, so there is no need to do a whole lot to it, and a lot of companies haven't for very long. We thought there was a ripe opportunity to take all the wonderful nutrients and try to make something more interesting."

Ms. Rule said baby boomers are driving the category and are the consumer group most interested in snack nuts.

While boomers are the specific group the TrueNorth brand is targeting, Ms. Rule said there is a general interest from anyone interested in innovative snacking, and their consumer base emphasizes consumers as young as 35.

The specific nutrition benefits consumers are looking for in nuts includes protein, fiber and heart-healthy fat. In addition, nuts are a filling snack that require less quantity to feel full.

"That consumer group (boomers) is growing, and nuts in and of themselves have a lot of nutrients that fit that group's needs," Ms. Rule said. "Within Frito-Lay, we thought that was a really appealing category for us to get into and better understand. When we looked at the nut category, we thought not only is it large and growing and has a very large appeal, but there was an opportunity to bring innovation to the category."

Ms. Rule said when Frito-Lay was developing the TrueNorth product line, the company looked into how to develop a product with a relatively low fat and calorie content.

The nut clusters are the most popular form with the pecan, almond, peanut clusters being a favorite. The pistachio crisps are also popular.

Ms. Rule said Frito-Lay plans to expand the TrueNorth line, and for the holiday season the company introduced an almond, cranberry, vanilla cluster seasonal product. She said Frito-Lay is considering what other additions the company may bring in to the line.

Despite many consumers having issues with nut allergies, Ms. Rule said it hasn't been a barrier as they are targeting specifically nut-loving consumers.

Diamond Foods, Inc., Stockton, Calif., is also noted for its innovation in the snack nut category, and will begin offering 100-calorie Emerald snack nuts starting this month. It will offer cocoa roast almonds; natural walnuts and almonds; Emerald natural almonds; and Emerald dry roasted almonds in a portion-controlled form.

"The trend in the snack aisle is toward 100-calorie packs, and in January Emerald will offer nutritionally

dense products in a controlled-calorie format," said Andrew Burke, senior vice-president of marketing for Diamond Foods. "Those looking to improve their eating habits without sacrificing taste will find unique combinations of nuts and flavors."

Kraft Foods Inc., Northfield, Ill., is offering various better-for-you snack nuts through its Planters Nut-rition line. The line has several varieties, including a heart healthy mix, an energy mix, a digestive health mix and a South Beach Diet Recommended Mix — all products formulated specifically for health benefits. For example, the Heart Healthy Mix has less than half the sodium of regular Planters mixed nuts, 170 calories per serving and is a good source of fiber, copper, magnesium, phosphorus and manganese. The digestive health mix is a blend of pistachios, almonds, cranberries, granola clusters and cherries.

Kar's Nuts offers various convenience store and vending products, including flavors such as yogurt apple nut mix and strawberry pineapple nut mix.

According to The Nielsen Co., total sales of nuts for the year ended Nov. 29 in channels excluding Wal-Mart Stores, Inc. was \$2,321,592,994, up 3.8% from the previous year. TM

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