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The Evolution of Snacking

According to the State of Snacking Report by Mondelez International, Inc., 64% of global consumers prefer multiple small snacks throughout the day rather than a few big meals. The survey, which included over 3,000 adults, revealed that consumers seek out snacks to meet various needs. 91% of consumers listed convenience as their top attribute, with a close 90% listing freshness.

Gen Z consumers said they're more likely to snack to relieve stress and boredom, while millennials are more likely to snack to meet nutritional needs. The survey also showed that 80% of consumers seek snacks to improve physical health, and 75% to improve mental health.

The survey also found that functional snacks are on the rise, with 78% of consumers saying they snack to "take care of their body" or serve

"nutritional needs." Looking ahead, 40-48% of consumers plan to seek out snacks in the upcoming years that offer the following attributes: vitamin-rich, boost immunity, high in protein, support gut health, low in carbs, and natural/organic.

Our **infused dried ingredients** elevate a number of **applications**, especially snacks. Mondelez International's survey revealed that consumers are looking for immunity boosting, vitamin-rich, and gut healthy snacks, and our infused dried superfruits tick all the boxes! Whether it be a **nutrition bar** or **trail mix**, our infused dried ingredients add exceptional taste, texture, and a variety of health benefits.

Are you looking to add something new to your snacking innovations? Contact our **experts** today!



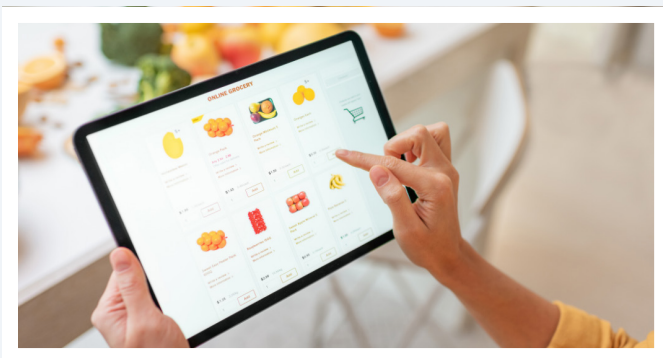
Survey Sees Convenience, not COVID, Driving Online Groceries

According to Chicory’s third annual Online Grocery Usership survey, online grocery shopping is more popular now than at the height of the pandemic. The digital commerce platform surveyed over 1,000 consumers in January and found that 72% purchased groceries in the past 90 days, and 52% reported ordering groceries online once a week.

Convenience was the leading driver of online grocery shopping, with 46% of respondents indicating time constraints as their primary motivation for ordering groceries online. Product availability was the second most common driver at 19.3%. This issue could become more salient in 2022 as brands continue to face supply chain disruptions. “The results of this latest survey re-affirm that digital grocery is here to stay, as consumers continue to prioritize convenience and simplicity,” said Yuni Sameshima, co-founder and chief executive officer at Chicory.

Chicory also saw an increase in year-over-year online grocery spend. One-in-three consumers indicated spending more than \$100 on an online order, up almost 16% from 2021. Pantry staples and supplies drove most of the spending for 33% of consumers, followed by dairy (18%), snacks (17.6%), and produce (16.6%).

Walmart was the most popular online grocery retailer for the third year in a row, with Amazon taking second place and Instacart taking third. Walmart was the most popular for consumers 45-60, and Instacart was the most popular for shoppers 18-29. Chicory expects households to embrace digital-first retailers like Instacart as the younger generation matures.



Application of the Month: Confectionery

Healthful indulgence is trending among consumers as they seek out food options that are both sweet and healthy.

Our exceptional **infused dried fruit ingredients** pair well with chocolate and other confectionery bases that create irresistible confections. Our robust portfolio is on-trend and buzz-worthy for its health benefits and crave-worthy for its intense flavor and chewy texture. Our ingredients can be precisely mixed and measured, retain their piece identity and vibrant color, are easy to store and handle, reduce labor costs, and offer extended shelf life.

Are you looking to add a health halo around your confections? Talk to our **experts** today!

Organic Produce Sales Surpassed \$9 Billion in 2021

According to a report by Organic Produce Network and Category Partners, there was a 5.5% sales increase in 2021 which pushed annual organic sales over \$9 billion for the first time.

The organic fresh berry led the way in year-over-year growth with a 13.9% increase in sales and a 10.2% increase in volume. Pre-packaged salads had the highest total sales with \$1.5 million, but this was only a 3.2% increase. By total volume, bananas topped the list with 547 million pounds, a 3.4% increase over 2020. Conventional produce held the highest share of produce sales and volume (88% and 93%, respectively); it had a 1.9% sales increase and a 3.3% volume drop for the year. On the other hand, organic produce grew by 5.5% in 2021 and had a 2.1% increase in volume, bringing its total volume share to 7%.



Innovations to Benefit the Food Industry

NSF International, a leading global public health and safety organization, commissioned an independent study in 2021 that was designed to identify concerns about food, safety, retention, employee training, and the supply chain.

A Global Work Crisis

The pandemic has resulted in employee shortages, understaffing, inadequate training, and even worker strikes. NSF International's

survey showed that 90% of brands reported that the pandemic has made recruitment and retention difficult. The food sector has made concentrated efforts to develop new ways to mitigate supply chain disruptions, maintain food safety, and train employees. Mobile apps and wearable technology have made it possible for companies to conduct everything from virtual audits to online training.

Transparency

When it comes to decisions about food, consumers are demanding transparency. The pandemic transformed consumers' eating habits by increasing health-focused diets, with consumers seeking plant-based and ethically sourced options. Food manufacturers must be knowledgeable, proactive, and

change food labels accordingly. The claims on packages must be specific and verifiable.

Sustainability and the Supply Chain

Crop production, water quality and scarcity, and higher demands for food are just a few problems that climate change has caused within the food sector. These impacts aren't only felt among restaurants but throughout the entire food ecosystem. New food supply practices can reduce, improve food preparation, wield more control over supplies, strengthen supplier relationships, and develop better storing solutions. Additionally, more effective training programs can better educate employees around food waste.

Upcoming Industry Events

Southern California IFT

Garden Grove, CA
March 10, 2022

Taipei International Bakery Show

Taipei City, Taiwan
March 17-20, 2022

Great Lakes IFT

Battle Creek, MI
April 26, 2022

Bakery China

Shanghai, China
April 26-29, 2022

Northern California IFT

Pleasanton, CA
May 10, 2022

Northwest IFT

Worcester, MA
May 17, 2022

USDA Sets Meal Standards to Help Ease School Supply Issues

The U.S. Department of Agriculture has issued standards on school meal programs to give schools time to transition towards healthier meals to combat operational issues caused by the pandemic. The standards, set for the 2022-2023 and 2023-2024 school years, will focus on whole grains, milk, and sodium.

Under the new standards, schools may offer flavored low-fat (1%) milk or non-fat flavored milk and non-fat or low-fat unflavored milk. At least 80% of grains in school lunches must be whole grain rich, and there will be a 10% decrease in the sodium limit in the school year 2023-2024.

“This new rule will help bring stability to schools as they continue to operate in an uncertain environment and put healthier foods back on the menu,” explains Donald Lloyd-Jones, MD, President of the American Heart Association. “By clarifying the standards for sodium, whole grains, and milk for the next two school years, this rule brings the meal standards closer to the strong, evidence-based standards that were adopted in 2012. However, closer will not ultimately be enough. These standards must be temporary and serve as a bridge to stronger nutrition standards based on the latest nutrition science.”



We deliver *delight.*

Graceland Fruit, Inc. is a leading producer and global distributor of premium quality dried fruit ingredients for the food industry. Our exceptional product and service performance make it easy for innovative food manufacturers and providers to create delicious, on-trend products to surprise and delight their consumers.

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