

## White paper identifies dairy snacking potential

By Guy Montague-Jones, 21-Jul-2010

**Significant potential exists for dairy product innovation in the snack market, according to a new white paper from the Innovation Center for US Dairy.**

The paper estimates that dairy products make up just 13 per cent of snacks eaten between meals, leaving plenty of scope for growth.

As snacking continues to grow in popularity, pursuing the market for dairy snacks is not just a case of competing with established alternatives. Potential exists to charter new territory.

According to the Innovation Center, which is run and staffed by Dairy Management, 30 per cent of consumers currently eat mini meals throughout the day instead of three main meals, and another quarter desire to do so.

These snackers and potential converts are not all interested in the unhealthy snacks of old. The white paper claimed that nutritious snacks now make up half of all snacking.

According to the industry organisation, this gives the dairy industry a great chance to grow its share of the snack market because of the nutritional qualities its products .

*"Dairy is underdeveloped in the snacking eating occasion despite its ability to provide food and beverage manufacturers with the tools to develop great tasting and healthy snacks that consumers demand,"* said Lynn Strachura, senior VP of strategic insights with Dairy Management.

*"Innovations in this area will not only grow dairy's share of the occasion but also fill a void for consumers as the market continues to grow."*

When thinking about product development in dairy snacks, the white paper recommends that companies look beyond what is available today. It identified five different segments of the snack market that offer the best opportunities for dairy processors and ingredients suppliers. These were summarised as:

- Morning Energy – a quick need for energy in the morning
- Tasty PM Meals – consumed with a meal, such as chips or cheese
- Substantial Crunch – more filling snacks, usually consumed after lunch to tide the consumer over
- Naturally Nutritious – eaten between breakfast and lunch, and often less processed
- Sweet Bites – tasty and often poppable to eat between meals while doing something else