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Sweet and Savory Snacks

Report Categories:

Snack Foods

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Report Highlights:

The market for sweet and savory snacks was valued at \$1.8 billion in 2011, 5 percent over the previous year. The most successful snack food products were new, exotic flavors, healthy foods. The strongest performers were chips/crisps, and popcorn. Opportunities for U.S. suppliers exist for healthy innovative products offering great flavors plus packaging design.

General Information:

Exchange rate for calendar year 2011:

USD 1 = 0.72 Euros

Source: The International Monetary Fund

SECTION I. MARKET OVERVIEW

The market for sweet and savory snacks was valued at \$1.8 billion in 2011, 5 percent over the previous year. U.S. exports to France have been trending up since 2005, with snacks valued at \$217,022 in 2011. The most successful were those featuring new, exotic flavors, healthy foods. The strongest performer was chips and crisps with total sales of \$507 million in 2011, followed by fruit and nut mixes. Fruit and nut snacks have a healthy image. Popcorn, thanks to the microwave products registered, increased by 2 and 3 percent in volume and value respectively in 2011.

SECTION II. MARKET ENTRY

As consumers are increasingly to feel the effects of the economic situation, many have chosen to enjoy dinners at home instead of eating at restaurants and as the previous year, “home snacking” remained strong in 2011. Also, the growing trend towards hosting dinner parties at home such as aperitif dinatoire (a drink and buffet dinner) strongly boosted the consumption of sweet and savory snacks. The exceptional climate in spring of 2011 also contributed to increase consumption occasions for cocktails and aperitifs.

Popcorn, a less popular type of sweet and savory snacks than crisps in France is expected to continue increase. This product suffers from the confusion about the best merchandising strategy to adopt for this snack type in retail stores, meaning that some retailers display popcorn with fruit and vegetables, while others display it with aperitif-related products. There were some outstanding peaks in sales of popcorn in the food service channel and cinemas thanks to the success of certain films.

Other snack types such as snack bars, confectionery and ice cream; do not compete directly with sweet and savory snacks, as they are not positioned for the same consumption occasion. However, competition may come from other products aimed at the aperitif and aperitif dinatoire. The availability of snack options like vegetable mixes with sour cream sauce is booming in retail outlets. The popularity of fruit snacks, bringing some naturalness to sweet and savory snacks is growing. In that regard, manufacturers such as Maitre Prunille and McCormick France offer more natural snack options.

SECTION III. COMPETITION

PepsiCo France is the leading player in this market with a 21 percent share of retail value sales. The company offers a wide range of brands positioned across sweet and savory snacks. The multinational operates through key brands in each category and have high marketing investments. The second player

in sweet and savory snacks, Intersnack France SAS, lost one percent value market share as a result of the private label players' strong competition. Innovations focusing on naturalness and health are a trend followed by manufacturers in response to growing publicity about obesity. International manufacturers including Pepsi Co, Intersnack and The Procter & Gamble Co., accounted for about half of the retail value sales of the sector. Multinationals invest large amounts in promoting their brands, whereas domestic companies such as Benoit SNC or Althlo SAS are much more financially limited.

Triomphe-SNAT launched in 2011 and distributed a new healthy soy and potato chip "TooGood Crispo" first at Monoprix stores and then through the whole grocery channel. This product claims less than a 9 percent fat content, or 70 percent less than regular chips. There are new original box formats in sweet and savory snacks such as the Dwitch Box, launched by Sauces et Creations, a French company and is a snack cocktail kit composed of three parts: a cup with sauce in five new recipes, 12 pieces of toast, lightly roasted and a spoon and knife designed for the kit. Private labels in the sweet and savory snacks sector represented 20% retail value sales in 2011.

SECTION IV. BEST PRODUCT PROSPECT

Sweet and savory snacks may continue benefit from the popularity of the aperitif and aperitif dinatoire in coming years. However, this trend may also hamper value sales growth as the competition is expected to intensify between traditional snack types and other snacks used for aperitif dinatoire such as tapenades or dips. As a result the demand for traditional sweet and savory snacks such as chips/crisps or extruded snacks and other snacks may slow down slightly, although it is expected to grow one percent yearly.

Consumption of sweet and savory snacks should be boosted by the launch of new flavors and healthier innovations. U.S. Suppliers still have opportunities in this market provided they offer high quality low fat content and nice packaging design products. To be more price competitive, U.S. suppliers may target the private label sector.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

Internet Home Pages

Internet home pages of potential interest to U.S. food and beverage exporters are listed below:

USDA/Foreign agriculture Service	http://www.fas.usda.gov
U.S. Mission to the European Union	http://useu.usmission.gov/agri/usda/html
European Importer Directory	http://www.american-foods.org
FAS/Paris	http://www.usda-france.fr
Web site for Professional Trade Shows and Events	http://www.salons-online.com

Questions/Comments and Assistance

If you have any questions or comments regarding this report, need assistance exporting to France or desire French buyers contact lists, please get in touch with the U.S. Agricultural Affairs Office in Paris

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