

easy meal options by placing complementary items like nut butter and tortillas or red onion and balsamic reduction right near your strawberry display. Maybe even include recipe ideas.”

With SunRype’s new Good Bites adding to the company’s snack portfolio, Grant sees displays as key to driving sales. “Back-to-school is a busy time and reminding Mom to pick up juices and snacks is important,” she says.



SunRype’s Good Bites are new to the company’s snack portfolio.

Additional off-shelf displays are an important element in the merchandising mix according to Mendoza. “It would be easier to find our products. Our SnackKits are perfect for school lunches because they are healthy, delicious and convenient.”

Questioning the typical schematics is a

suggestion from Ferris. “The snacking section is in the centre of the store typically,” he says. “The centre of the store is often the one with the less foot traffic. Retailers need to look at their traditional snacking categories and ask themselves, does it meet the needs of the shopper. Like does pudding need 15 feet of the snacking section. Maybe provide a suggestion that helps Mom or Dad with their shopping that works around five days of snacking.”

New lunch options also include making use of familiar food in new ways like Grabowski’s suggestions to include berries in savoury foods, as stand-alone snacks, or included in salads and wraps.

Retailers need to ensure their product mixes align with shopper insights including today’s concern with allergies or dietary needs.

“Things like dairy, wheat, nuts, food colour are still a problem for many children,” says Kirk. “Almost 500,000 Canadian children under the age of 18 have food allergies. Categories such as juice, bread, granola bars are being



Materne Canada knows that school lunches are about simple ingredients and great taste.

substituted for healthier options such as water, whole grain wraps and nuts/seeds that contain nutritional benefits. These choices, along with products with simpler

ingredients, continue to grow.”

There is growth in sushi, bento boxes, rice bowls, salad bowls and pho in lunch choices along with hot trends like hummus packs, fruit sauce pouches (like those from Materne), meat and cheese packs, healthy chips (kale, coconut) seaweed snacks and kombucha. There is a decline in soft drinks and milk as they are replaced with water, sparkling water, sparkling tea (a new SunRype product) and almond milk, generally in reusable containers.

“I am most excited about ingredient transparency,” says Kirk. “The industry is working towards cleaner ingredient decks with simpler ingredients.”

This is great news for families that continue to deal with allergies. Nut-free has long been a concern overall, but other



Ocean Brands’ SnackKits recognizes the need for health and convenience.

allergens are certainly top-of-mind for many shoppers.

“The category most impacted is nuts and nut products for sure,” says Morello. “You are seeing more and more products introduced that are nut-free, dairy-free, lactose-free and gluten-free dealing with the concerns around allergies. None, however are as impactful as nut-free, which has changed the rules for all students in most schools today.”

Merchandising that anticipates needs helps parents deal with their ongoing challenges of allergies, diversity and healthier options and will go a long way to establish behaviours for the coming year of school lunch and snacking purchases. By becoming a helpful resource in the snack and lunch space, retailers make themselves a partner in family shopping. ●

Supermarkets in a Legalized Cannabis World

OPPORTUNITIES EXIST AS A LARGE NEW CATEGORY EMERGES

The date is official and as of October 17th, Canadians will be able to purchase and consume cannabis thanks to one of the most debated and anticipated decisions to be made by our current federal government.

While the provinces and cities have been busy for some time getting prepared to distribute and enforce the sale of recreational cannabis, there is still a lot to learn and a lot to do in order to be ready for the launch of this new “category” which could see annual sales of \$5 billion or more.

But what does this mean for supermarket operators?

On the surface the answer may appear to be: “nothing at all.”

But looking deeper, the supermarket industry actually has some direct and indirect opportunities that will come out of this emerging category.

The first wave of legalization will allow the sale of cannabis but will not allow for the sale of products that contain cannabis, most notably, edibles. These products will not come into the market as a finished product for at least another year.

While there will be a deluge of products from cookies, to gummy bears to cannabis

infused beer launched in a second wave of legalization, there will be a demand for ways for Canadians to consume cannabis without smoking it.

While it may seem like a cliché, one of the most common formats for edibles is the common brownie. One easy step for retailers to take advantage of the cannabis market is to focus on various baking mixes that non-smokers will be looking for after the first trip to the dispensary.

This could be as simple as increasing the assortment, display and promotion of packaged baking products in the store leading up to October 17th to build subtle awareness that these products are available.

Innovative retailers may also develop their own in-house baking mixes, sampling them to shoppers over the next few weeks and then making the take-home mixes available for sale just ahead of the legalization date.

However, communication to cannabis users must be subtle. While selling brownie mix is no different than selling the ginger ale that is mixed with rye whisky (legal in Western Canada since 1925), attitudes among the shoppers who do not plan to use recreational cannabis could be damaging to your brand if in-store communication goes against their moral stance.

In addition to the “tactical” opportunity noted above, the bigger “strategic” opportunity will be observing how this new category is brought to market, both in overall brand building as well as retail experiences.

The cannabis industry is rich in both financial resources and brilliant talent

recruited from a range of industries; all chasing the potentially huge profits to be made. This “perfect storm” will drive innovative branding and selling approaches in what will still be a heavily regulated category.

By way of being the first major economy to legalize cannabis, Canada is on the verge of developing a branding and retail expertise similar to the technology expertise developed in Silicon Valley, which can then be exported around the world as new markets are legalized. There is a good chance that the Gates or Jobs of the cannabis industry will be Canadian.

Smart brand marketers and retailers in the grocery industry will be very curious to observe and learn from this wave of innovation and quickly devise plans to employ this learning to their own businesses. You would do well to get out and experience cannabis retail, even if you don’t make a purchase.

This is by far the biggest development in consumer products since the end of Prohibition nearly a century ago. The opportunity is too big to be ignored and like any gold rush there will be winners and losers. In just a few weeks we will start taking score. ●



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