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Push Those Peanuts!

No matter what the season or trend, peanuts are a favorite with shoppers.

BY MIKE DUFF

Peanuts are as basic as you can get in the nut category, but they're inexpensive and fun to eat, shelled or unshelled. As a member of the legume family, peanuts are not true nuts, but they're a staple of any retail nut presentation. And peanuts are also enjoying renewed attention as a nutritional and environmentally friendly protein.

The Kroger Co., Cincinnati, OH, made plant-based — or as it put it, “PLAN-eT-based” — food one of its 2022 Food Trend Report's 10 big trends for the year, both for reasons of sustainability and nutrition. Peanuts are not only one of the eco-friendliest crops, they also are relatively inexpensive, so they can be a great staple protein for consumers.

Sally Speciale, owner of Rotten Ralph's Candy and Nuts in Centereach, NY, is attuned to the evolution of the peanut category. As a specialty retailer, Speciale has experienced solid consumer demand for peanuts in salted, roasted and sweet-coated varieties, and has seen greater recognition of the benefits the category offers, including price. She says although her costs have varied significantly over the course of the COVID-19 pandemic, consumers have found peanuts, often sold at half the price of other nuts, more attractive.

The peanut is a product that keeps moving, despite trend, seasonal and cyclical change.

“Peanuts are always pretty popular,” Speciale says.

In some areas, nutrition and sustainability are pushing nuts, including peanuts. At Brooklyn Harvest Market, a grocery store group with five stores, four in its namesake New York borough and one a bit north in Astoria, Queens, noted nuts are becoming the go-to protein among the company's customer base — young, educated and professional shoppers who have adopted organic, vegetarian and vegan diets in full or part. Brooklyn Harvest's newest location in the Williamsburg community has a conspicuously placed machine grinding peanut and almond butter as part of the presentation, and also includes nuts in tubs throughout the produce section.

Aridio Guzman, who heads up produce operations for Brooklyn Harvest, says they have a butter machine in all the stores.



“Many people are giving up eating meat and are looking for a supplement,” he adds.

VERSATILE PROTEIN

“Plant-based eating has been a major trend, and as more consumers pay attention to their health, they are looking to add more plant-based sources of protein, like peanuts, to their diet,” says Lauren Highfill Williams, director of communications at the National Peanut Board, Atlanta, GA.

“This trend absolutely benefits peanuts because they contain more protein than any other nut: 7 grams per serving. They're affordable, they taste great and they're versatile.”

She cites recent consumer research that shows millennials report being more likely to seek out variety and bold new flavors, consider themselves ‘foodies,’ eat more/smaller meals, be influenced by sustainable farming and be a vegetarian. Fifty-seven percent of millennials agree peanuts are a more sustainable food when compared to other protein sources such as tree nuts, meat, eggs and dairy.

“Water usage plays a big role in sustainability and peanuts are the most water-efficient nut, using 3.2 gallons of water to produce 1 ounce of peanuts.”

Ashley Collins, chief executive, North Carolina Peanut Growers Association, Nash-

ville, NC, says the idea of promoting sustainability starts from the ground up.

“Farmers are going to be more vocal in how they operate their farms,” she says. “More people are environmentally conscious, so they're looking to make purchasing decisions based on products that pick up on that. We're very sustainable. From a grower perspective, we have to prove it, we have to put numbers out.”

Collins says making sure consumers understand that peanuts are sustainable — both in terms of water use, as most growers don't need much or any irrigation, and as a means of making soil naturally more fertile as a nitrogen-fixing legume plant — has become a priority for growers. “From the farmer's perspective, they're more conscious of sustainability and that's a part of the business decisions they make.”

Dan Ladhoff, National Peanut Board consultant and president of Fresh Smart Solutions, says peanuts have benefited from the trend toward choosing more nutritious foods. “Peanuts can be promoted any time of year and, given their long shelf life compared to other produce items and low shrink, they are a low-risk option for retailers to display and feature any time of year.”

There are certainly variations in how

dried fruits & nuts ► Peanuts

peanuts are enjoyed around the U.S., such as the boiled peanuts found throughout the South, Ladhoff says. "However, a more noteworthy shift may be occurring across demographics as younger consumers increasingly favor shelled nuts over in-shell. Retailers all across the U.S. should be offering their shoppers a full assortment of in-shell and shelled peanuts."

In terms of trends, Speciale's customers like salted and sweet, including old-fashioned beer nuts. Although she carries some unsalted peanuts for customers with health concerns, they're slow movers.

During the pandemic, however, Hampton Farms saw an increase in unsalted sales, perhaps due to purchasing by consumers who had wellness weighing on their minds.

"Sales spiked during the pandemic, with unsalted leading the way. We saw this growth in all channels, both retail and online," says Jeanne Cashman, director of brand marketing, Hampton Farms, Severn, NC.

NEW FLAVORS LURE SHOPPERS

Nutrition and sustainability are fine, but flavor is a big way to attract consumers.

Nutridge Farms recently released Chamoy Fiesta peanuts and almonds. Tess Mercado, owner of Nutridge Farms, Chino, CA, noted

the Fiesta flavor incorporates chamoy, a condiment generally composed of apricot, plum or mango, chilies, salt, and lime juice, and a flavoring popular in Mexico and increasingly in the United States.

"My product line is sweet and spicy nuts and pretzels," Mercado says. "People asked me for something savory, and someone suggested I should try chamoy. I started trying different spices with it. Then I found the magic."

New products and new flavors can jumpstart peanut sales, and sales of nuts in general in a market where consumers are increasingly exposed to a variety of cuisines and flavors. Thai cuisine, for instance, uses peanuts as cooking and sauce components for main dishes.

Ladhoff says with the pandemic changing the way consumers shop, less-perishable produce items like peanuts have "an outsized opportunity in the new world of omnichannel shopping."

"In addition, the pandemic has encouraged shoppers to seek healthier foods and snacking choices, and savvy retailers can capitalize on this trend by promoting peanuts as a nutritious snack on their own or paired with other produce items like berries and dried fruits."

PEAK PERIODS

Although peanuts enjoy year-round sales,

occasions for peanut promotions include the National Football League playoffs and especially the Super Bowl. Hampton Farms' Cashman notes that a big peanut push for Super Bowl is a good start to an annual promotional schedule, but adds retailers can take a similar merchandising approach on other occasions to keep sales momentum going.

Ladhoff says in-shell peanuts enjoy strong sales during the football playoffs that culminate in the Big Game and are a promotional mainstay throughout the entire baseball season, with strong sales around the Memorial Day and July Fourth holidays.

"This is a proven sales strategy for retailers, and we don't see this changing," Ladhoff says. "However, we are finding more seasonal distribution of other varieties, such as shelled redskin peanuts as a baking selection during the holidays, as well as increased distribution of flavored peanut SKUs."

Innovative and aggressive merchandising is critical to increasing peanut sales and maximizing the opportunity they offer.

"Incremental display is critical, as peanuts do not always make the shopping list," says Cashman. "Multiple points of interruption are needed to remind the shopper to put them in the cart."

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