



Why Honey Matters!



October 21, 2017



TOPICS FOR DISCUSSION

- ❖ Why do honey sales matter?
An overview of shoppers buying



- ❖ Food Safety Modernization Act (FSMA)
What is it and why



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SHOPPERS ARE BUYING MORE HONEY

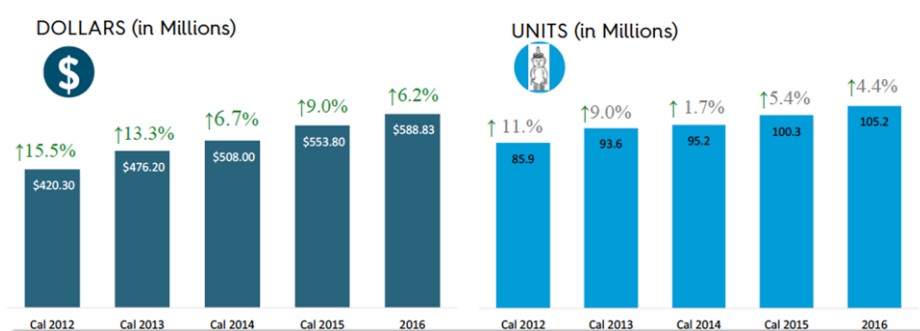
A SHIFT IN CONSUMERS BUYING



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HONEY IS A \$589MM CATEGORY

STEADY GROWTH



Source: Nielsen Scantrak – Answers on Demand Core, xAOC + Convenience (C'12, C'13, C'14, C'15, 52 Weeks Ending 12/3/16)

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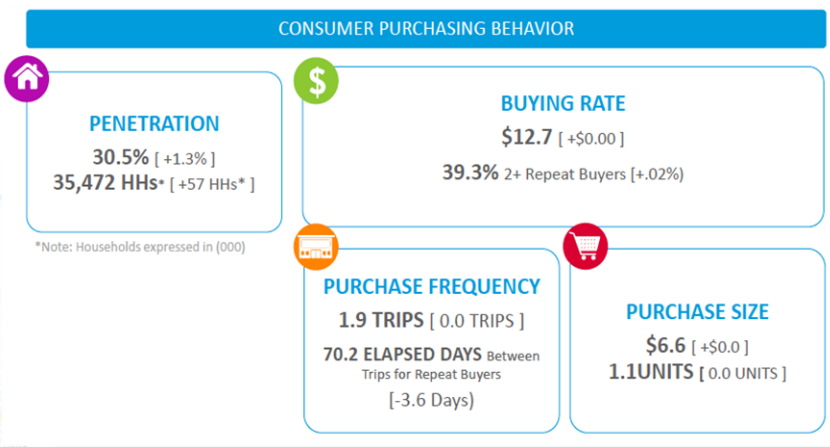
HONEY IS THE 11TH FASTEST DRY GROCERY CATEGORY OUTPERFORMING THE GROCERY DEPT IN \$ GROWTH (+1.2%)



Source: Nielsen Scantrak - Answers on Demand Core, xAOC + Convenience 52 Weeks Ending 12/3/16 AOD

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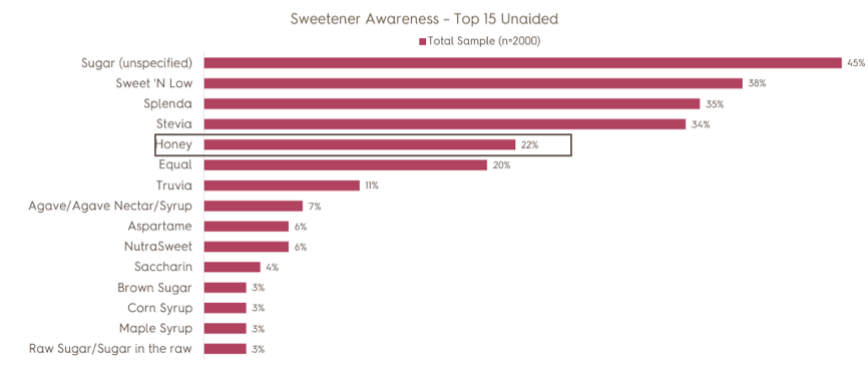
57,000 NEW HOUSEHOLDS BUY THE CATEGORY MORE HOUSEHOLDS PURCHASING MORE FREQUENTLY



Source: Nielsen Homescan 2016

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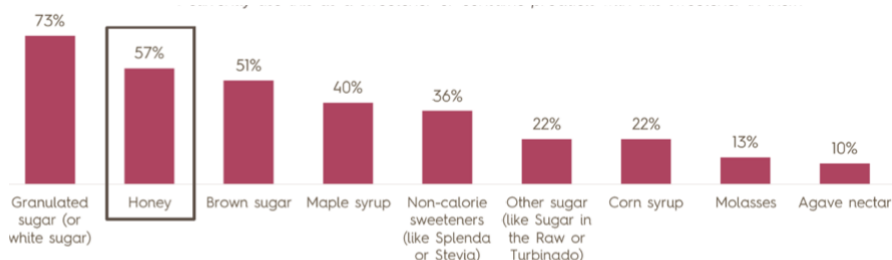
HOWEVER, HONEY AWARENESS IS STILL LOW UNADIDED VERSUS AIDED AWARENESS



Source: National Honey Board Consumer A&U 2017

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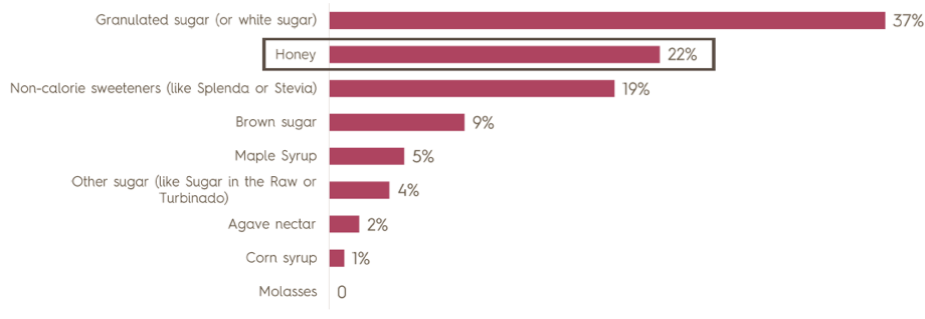
SWEETENER FAMILIARITY (AIDED) HONEY IS SECOND MOST COMMONLY USED SWEETENER



Source: National Honey Board Consumer A&U 2017

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HONEY IS THE 2ND MOST PREFERRED SWEETENER WHICH IS YOUR FAVORITE SWEETENER?



Source: National Honey Board Consumer A&U 2017

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MILLENNIALS HIGHER PREFERENCE FOR HONEY LITTLE DIFFERENCE BETWEEN GENDER



Sweetener Preference - Which of the following sweeteners is your favorite? (Index to Total)							
	Total Sample	Men	Women	Millennials (Ages 18-34)	Gen X (Ages 35-54)	Boomers (Ages 55-64)	Silent (Ages 65+)
Granulated sugar (or white sugar)	37%	92	108	92	108	97	100
Honey	22%	109	95	114	91	95	95
Non-calorie sweeteners (like Splenda or Stevia)	19%	100	100	74	105	121	153
Brown sugar	9%	111	100	122	89	111	56
Maple Syrup	5%	140	80	160	60	80	120
Other sugar (like sugar in the raw or turbinado)	4%	75	100	75	100	100	50
Agave nectar	2%	100	150	150	100	50	0
Corn syrup	1%	100	0	100	100	0	0

Source: National Honey Board Consumer A&U 2017

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WHY THE SHIFT TO HONEY? HEALTH AND WELLNESS BETTER FOR ME AND MY FAMILY



- Health and wellness is top of mind
- Consumers more conscious of what they are eating
- Natural ingredients and clean labels driving choice
- Sugar is the new enemy
- Seeking natural, convenient, solutions that "taste good"



Motivations to use honey support market trends:
Perceived to be "better for you", considered "all natural", and high usage versatility.

Source: National Honey Board Consumer A&U 2017

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HEALTH AND WELLNESS ATTITUDES STRONG TAILWINDS

"I read the ingredient list first, looking for a short list and recognizable ingredients. If that passes the test, then I look at the calories, sugar and sodium content."

"Honey has benefits – no one ever talks about the benefits of sugar."

"I would never pour sugar on my oatmeal or cereal. Honey is very different than sugar – it is healthier, less processed, less refined and tastes better."

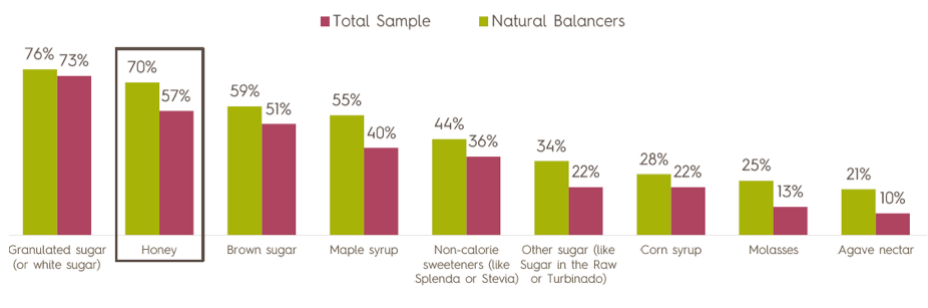
"I won't eat anything with high fructose corn syrup."



Source: National Honey Board Consumer A&U 2017

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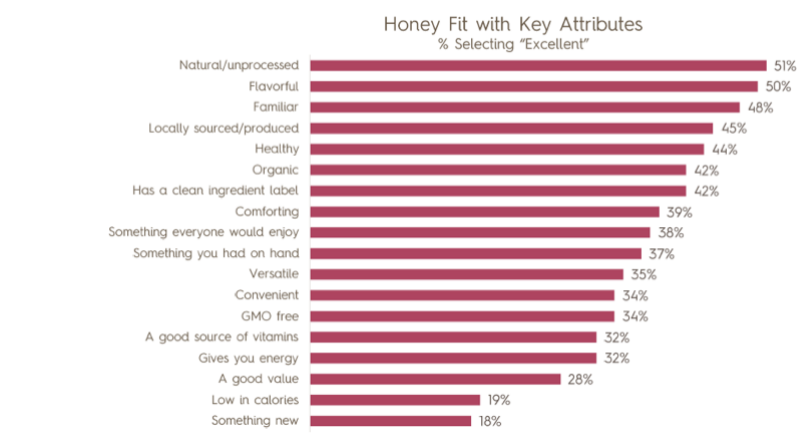
HEALTHY CONSCIENCE SHOPPERS USE MORE HAVE A HIGHER HONEY CONSUMPTION



Source: National Honey Board Consumer A&U 2017

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HONEY GETS MOST CREDIT FOR BEING NATURAL UNPROCESSED, FLAVORFUL, AND FAMILIAR



Source: National Honey Board Consumer A&U 2017

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SUGAR REMAINS HONEY'S MAIN COMPETITOR WHEN IT COMES TO PREFERRED SWEETENER ATTRIBUTES



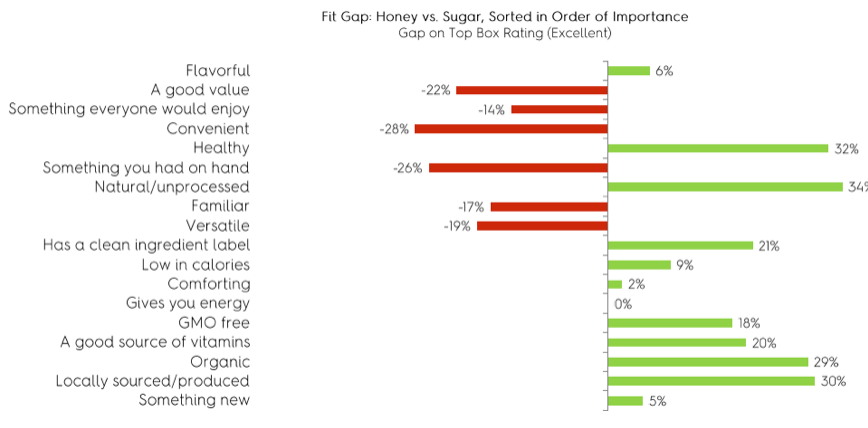
Sweetener Best Described by Attribute, In order of Importance
(n=2000, Total Sample)

	Granulated sugar	Brown sugar	Non-calori sweetener	Honey	Corn syrup	Molasses	Agave nectar	Maple syrup
Flavorful	18%	15%	6%	32%	2%	5%	4%	18%
A good value	50%	8%	11%	19%	3%	2%	3%	4%
Something everyone would enjoy	42%	8%	8%	28%	2%	1%	3%	9%
Convenient	31%	6%	15%	18%	2%	1%	2%	4%
Healthy	6%	4%	15%	33%	2%	3%	15%	4%
Something you had on hand	49%	8%	12%	21%	2%	1%	2%	5%
Versatile	42%	9%	11%	24%	4%	2%	4%	5%
Familiar	48%	7%	9%	22%	3%	2%	2%	8%
Natural/unprocessed	11%	7%	6%	38%	2%	5%	10%	8%
Has a clean ingredient label	15%	5%	10%	46%	2%	3%	15%	6%
Low in calories	6%	4%	57%	20%	2%	2%	8%	3%
Comforting	23%	13%	7%	37%	2%	3%	3%	13%
GMO free	12%	5%	16%	37%	3%	3%	16%	7%
Gives you energy	31%	6%	7%	33%	4%	3%	7%	6%
A good source of vitamins	6%	4%	6%	40%	3%	8%	16%	6%
Organic	7%	4%	7%	48%	3%	4%	18%	8%
Locally sourced/produced	11%	4%	5%	54%	4%	4%	4%	10%
Something new	5%	4%	21%	10%	4%	9%	40%	5%

Source: National Honey Board Consumer A&U 2017

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HONEY OUTPERFORMS SUGAR ON MOST NATURAL, HEALTHY ASPECTS



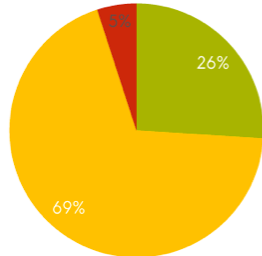
Source: National Honey Board Consumer A&U 2017

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EATING THE SAME OR MORE HONEY CONSUMERS EXPECTING TO EAT SAME OR MORE NEXT YEAR



Next year, do you plan to change how much honey you are eating?
(Total Sample)



■ Yes, I will eat more honey in the next year

■ I will eat the same amount of honey I eat now

■ No, I will eat less honey than I eat now

Total Sample

26%

69%

5%

Net Positive:
21%

24. Next year, do you plan to change how much honey you are eating?

Source: National Honey Board Consumer A&U 2017

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HOWEVER, THERE ARE MANY BARRIERS IMPACTING FREQUENCY OF USAGE



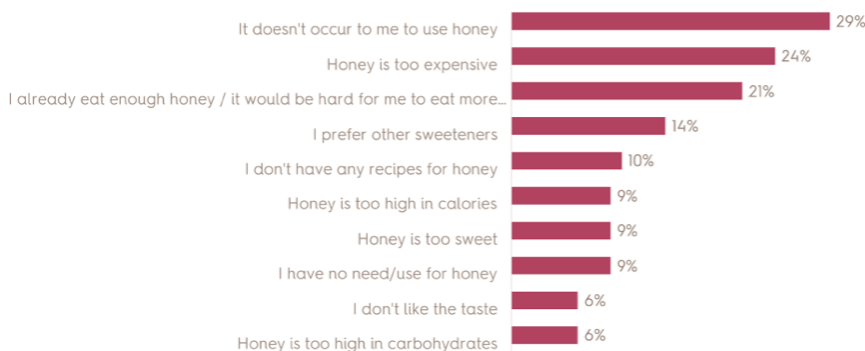
- Price/value
- Perception consume enough honey
- Not "top of mind"
- Not enough variety
- Not convenient

These are real consumer concerns - understanding these barriers in more depth, in context, will unlock growth opportunities.

Source: National Honey Board Consumer A&U 2017

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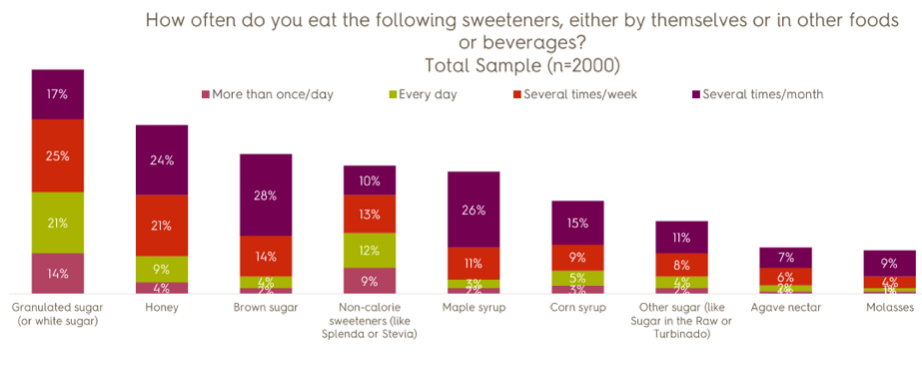
LACK OF TOP-OF-MIND AWARENESS AND PRICE BARRIERS TO MORE FREQUENT CONSUMPTION



Source: National Honey Board Consumer A&U 2017

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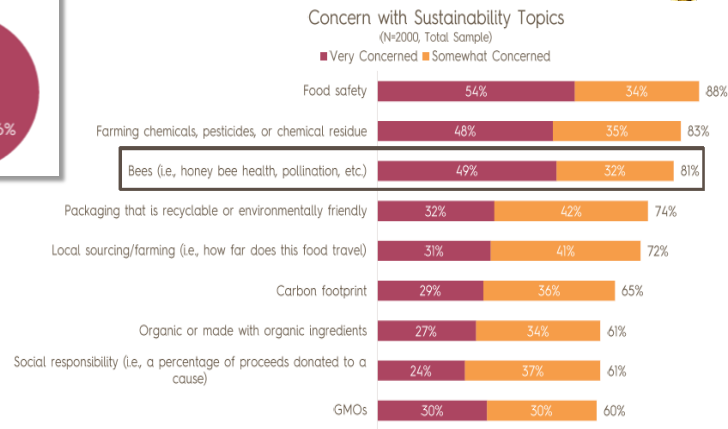
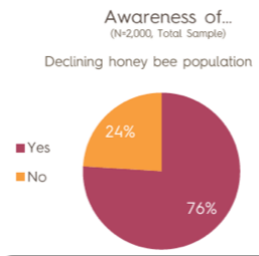
SUGAR IS THE MOST COMMONLY CONSUMED FOLLOWED BY HONEY AND BROWN SUGAR



Source: National Honey Board Consumer A&U 2017

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CONSUMERS AWARE OF DECLINING BEE POPULATION HOWEVER, FOOD SAFETY RANKS #1 WITH SUSTAINABILITY



Source: National Honey Board Consumer A&U 2017

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