NIQ Perspectives

October 8, 2025

SNAP Changes Signal a New Food & Beverage Landscape

The 2025 federal SNAP updates introduce changes to program structure, including revised eligibility, work requirements, and benefit adjustments. Beginning in 2026, twelve states will implement measures to align SNAP with public health objectives by excluding items, such as soda and candy. These developments will require manufacturers and retailers to reassess product assortments, promotional strategies, and merchandising practices to maintain relevance and accessibility.

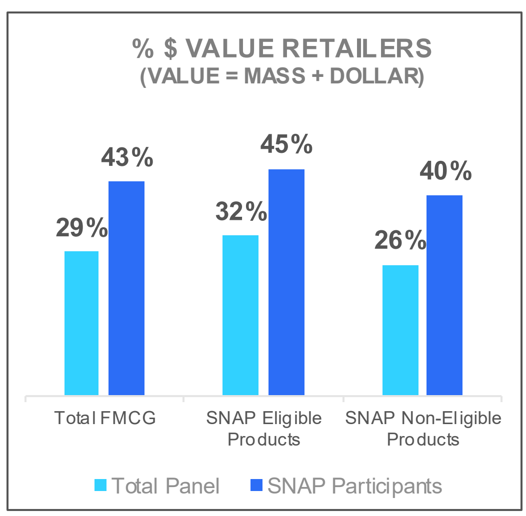
Jim Presley
GM / SVP Consumer Panel Services

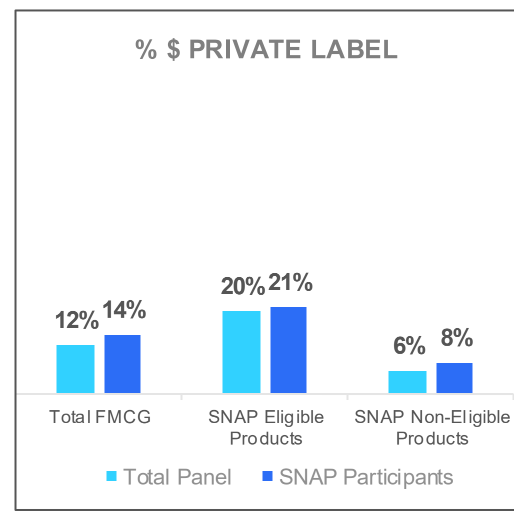
NIQ's Expanded Omnishopper Panel—the largest of its kind—links quarterly survey responses from current, past and non-SNAP users to verified purchase behavior. Paired with our POS truth set and Trip Projection methodology, it delivers unmatched accuracy in tracking in-store and online sales with these groups, empowering manufacturers and retailers with deep, actionable insights.

Carol Blake
Director, Thought Leadership, Omnishopper Panel

Will SNAP users lean further into value retailers as benefits shrink?

Current SNAP users give 4 in 10 dollars to value retailers to stretch food & beverage budgets. This is their dominant value-seeking strategy, particularly for SNAP eligible products. Their reliance on Private Label to save money is a distant second.



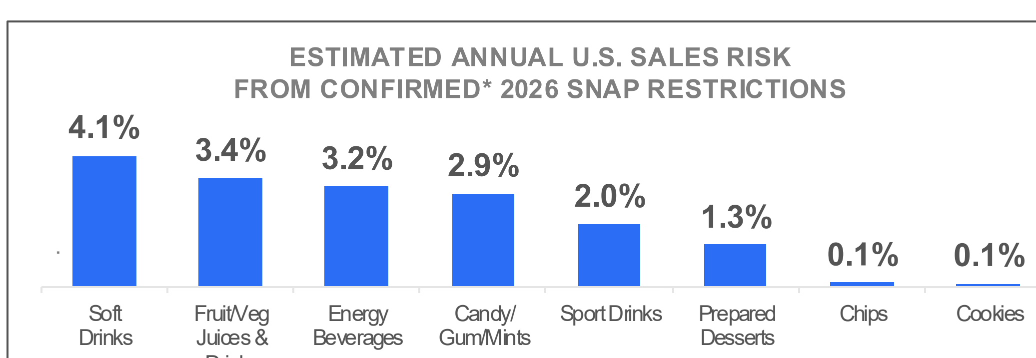


SNAP product restrictions may cut US sales by up to 4% in key categories

Based on current SNAP user purchasing behavior, confirmed 2026 restrictions across 12 states could reduce U.S. sales by up to 4% in impacted food and beverage categories.

While most states plan to implement changes in January 2026, there is variability in timing and definitions are still being interpreted. Additional states are either awaiting USDA approval or actively submitting waiver applications.

These shifts present a strategic opportunity for manufacturers and retailers to reassess product offerings and engagement with retailers.



*Sources: FMI, The Food Industry Association, Current as of 10/2/2025
Further restrictions may be announced as eligibility finalized
Syndicated NIQ Category Definitions

Implications for Manufacturers & Retailers

Manufacturers:

- **Reformulate and reposition** products to meet SNAP's new eligibility.
- **Tailor pack sizes and pricing** to maintain or increase affordability.
- **Collaborate with retailers** on compliant assortment and promotional strategies.

Retailers:

- **Optimize value product messaging** to SNAP-eligible consumers
- **Enhance merchandising** to reflect SNAP shopper preferences in both value retailers and in other retailers with sizable SNAP customer bases.
- **Leverage shopper insights** to target promotions that resonate with value-seeking households, especially those impacted by benefit changes

---

Have questions? Want to calculate your risk? Contact:
Carol Blake (carol.a.blake@nielseniq.com) Brad Carlson (brad.carlson@nielseniq.com)

Source: NielsenIQ Expanded Omnishopper Panel, Total US Total Outlets, 52 weeks ending 08/09/2025

NielsenIQ