

Mars Inc. Market Research

Focusing on Mars confectionery goods

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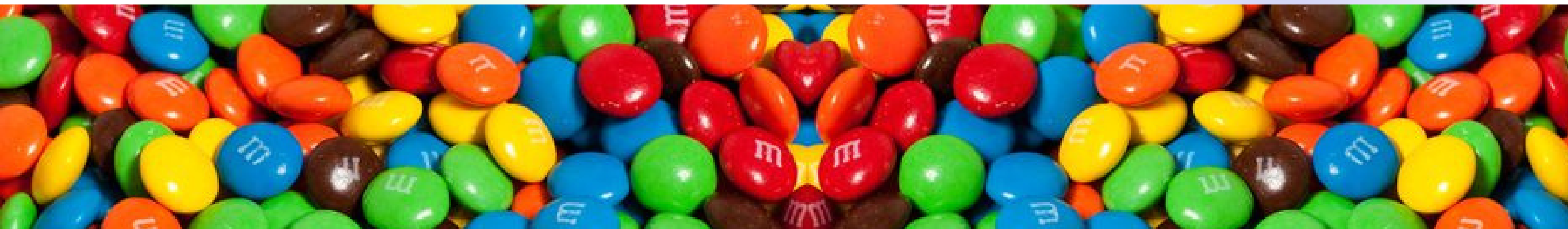
Industry Background

Market Share

- Mars (27.2%) and Hershey (32%) continue to vie for the top US market share of the confectionery industry (Statista).
- The global confectionery industry amounts to over \$210 billion (Allied Market Research).
- Western Europe accounts for the highest consumption of chocolate per capita, globally (Statista).

Current Market Trends

- Consumers are looking for increased sustainability and are willing to pay more for sustainable products (Businesswire)
- Globally about 85% of consumers have shifted their purchasing in the past 5 years for sustainable options (Businesswire).



US v Western Europe Markets

US Market

- With rising obesity and diabetes, consumers are looking for more reduced sugar and sugar-free products (Expert Market Research).
- About 72% of American consumers agree that candy/sweets contribute to their emotional wellbeing (National Confectioners Association).
- In 2021, chocolate sales grew by 9.2% and non-chocolate confectionery grew by 14.5% (National Confectioners Association).
- Hypermarkets and supermarkets dominate the sales locations of most confectionery products (Grand View Research)

Western Europe Market

- Consumers largely prefer chocolate confectionery items over other sugary treats, spending twice as much on chocolate than sugar and nearly ten times as much on chocolate than gum (Euromonitor International).
- Sales took an initial hit with Covid, but grew with a rise in in-home snacking (Market Research).
- Vegan confectionery items have risen by 17% since 2016 (Food Beverage Insider)





☆ **Top Competitors in the Western European Market**

1. Mondelez International
 2. Mars Incorporated
 3. Ferrero International SA
 4. Perfetti Van Melle Group BV
 5. Nestle SA
- (Mordor Intelligence)

☆ **Top Competitors in the United States Market**

1. The Hershey Company
 2. Mars Incorporated
 3. Nestle SA
 4. Ferrero International SA
 5. Mondelez International
- (Expert Market Research)

Survey Responses

- Distributed in a snowball sample through social media and word-of-mouth
- Conducted on through Qualtrics



1 out of 27

chose sustainable
confectionery brands
over nonsustainable
brands



88.9%

of respondents tend to
select their
confectionery goods
because of **TASTE**



77.78%

of respondents do **NOT**
actively seek out
confectionery products
associated with brand
activism



33.3%

of respondents would
like to see more candy
options that offer vegan,
dairy-free, gluten-free
etc options



55%

of respondents did not
care about the M&Ms
character rebrand

One-on-One Interviews

Highlights

- Conducted over Zoom and in-person to better understand consumer purchasing behavior and motivations

01

Male, 60

- The only time confectionery goods are not an impulse item is Halloween

02

Female, 24

- Wishes there were more gluten-free confectionery products available

03

Female, 21

- Doesn't seek out brand activism, but if she hears about it she cares

04

Female, 59

- Would rather confectionery goods had healthier, natural ingredients

05

Male, 21

- Doesn't care about ingredients, sweets are sweets, and if he's eating the candy he doesn't care about the health concerns

Consumers...

- Several customers only looked briefly at the products without stopping or grabbing an item
- Moms with children tended to spend more time in the aisle, as their children continually tried to get them to buy them several sweets
 - Some children even started grabbing cheaper candies to see if that would sway their parents
- Plenty of customers went down the aisle quickly at first, then eyed the chocolate and grabbed a bag quickly, almost impulsively
- Some customers started looking at the candy and sweets, but noticed the dried fruit, nuts, and other healthier sweets and ultimately chose to spend their money on those products instead

Blind Shopping

Conducted at Target on an
afternoon, watching the
confectionery/sweets aisle

Insights & Summary

- Consumers, all over the global markets, are increasingly looking for healthier options, especially health-inclusive options like vegan, gluten-free, or dairy-free.
- Especially in the US market as there are the ever-prevalent diabetes and obesity concerns, the healthier options will continue to remain on consumers' minds.
- Western Europe markets dominate global chocolate consumption. These consumers see chocolate as a necessary indulgence for their mental well-being.
- While consumers are increasingly caring about nutrition, sustainability, and diversity/inclusivity, it appears that that has not been fully translated into the consumer culture of confectionery goods in the Midwest, as revealed by the three primary research instruments.
- Several research reports and feedback from primary research showed that many consumers use chocolate and other confectionery goods as a way to enhance their well-being. It is a comfort food to many.
- While brand activism and sustainability are on the minds of many right now, it could be less of a consideration for small products like confectionery goods - many don't even think to consider it before buying. This is increased as they view the products as impulse buys.

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