

## Chocolate Confectionery - UK - May 2015

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"While low/no/reduced sugar chocolate innovation in the UK is still very much a niche area, there are tentative signs that operators are placing a greater focus on it. Chocolate products with a low/no/reduced sugar claim grew from 1% of new launches in 2012 to 4% in 2014."

– Douglas Faughnan, Senior Food and Drink Analyst

### This report looks at the following areas:

- Sugar cuts and portion control can help chocolate combat health concerns
- Premiumisation holds potential for mass-market brands
- Point of sale holds much sway in chocolate choices

Chocolate remains an ingrained part of Britons' diets, eaten by nine in 10 people, with 30% of people eating it at least four times a week. However, the market lost momentum in 2013 as sales in the chocolate confectionery segment fell, the modest growth in assortments failing to offset this.

The negative publicity surrounding sugar played a role here, with 28% of people who eat chocolate reporting to limit the amount they eat due to the high sugar content. However, the market was also hit by falling adspend and a slowing down in high-profile launches. Rising prices fuelled by the rising price of cocoa are also likely to have contributed to the volume decline.

The market should benefit to some extent from the expected rise in real incomes in 2015, the consumer research for this report suggesting marked scope for premiumisation. The openness among chocolate eaters towards low-sugar variants and portion control offers some good news as operators continue to face pressure to play their part in improving the nation's health.

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### DID YOU KNOW?

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## Table of Contents

### Introduction

Definition

Abbreviations

### Executive Summary

The market

Figure 1: Value sales and forecast in the UK chocolate market, 2009-19

Market factors

Increased media coverage on sugar sees some users limit chocolate intake

250kCal cap on confectionery adopted by FDF members

Consumers see a role for treats

Ageing population poses a challenge to confectionery

Companies, brands and innovation

Brands see mixed fortunes in the highly competitive market

Figure 2: Leading brands' sales in the UK retail chocolate confectionery market, by value, 2014/15\*

Low-sugar claims growing but niche in NPD

Adspend continues to fall

The consumer

Nine in 10 people eat chocolate

Figure 3: Frequency of eating chocolate, February 2015

Despite media focus on sugar, few have cut back on chocolate

Figure 4: Attitudes towards chocolate confectionery, February 2015

Brand extensions offer growth potential in chocolate

Figure 5: Usage and interest in different types of chocolate products, February 2015

Chocolate remains an impulse purchase for many

Figure 6: Attitudes towards buying chocolate, February 2015

What we think

### Issues in the Market

Sugar cuts and portion control can help chocolate combat health concerns

The facts

The implications

Premiumisation holds potential for mass-market brands

The facts

The implications

Point of sale holds much sway in chocolate choices

The facts

The implications

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## Trend Application

Moral Brands  
Sense of the Intense  
Locavore

## Market Drivers

Key points  
Increased media coverage on sugar sees users limit chocolate intake  
250kCal cap on confectionery adopted by FDF members  
Consumers see a role for treats  
Ageing of the population poses a challenge to the market  
Figure 7: Trends in the age structure of the UK population, 2009-14 and 2014-19

## Strengths and Weaknesses

Strengths  
Weaknesses

## Who's Innovating?

Key points  
Branded players fight back against own-label on the NPD front  
Figure 8: Share of new chocolate confectionery products, private label vs. branded, 2008-14  
Lidl's level of NPD puts it on a par with confectionery giant Nestlé  
Figure 9: Share of new launches within the UK chocolate confectionery market, by company (top 10), 2012-14  
Smaller formats attract attention from brands in 2014  
Limited editions continue to provide scope for NPD  
Low-sugar NPD is growing, but niche  
Figure 10: L/N/R sugar innovation as a share of all new chocolate launches, by country, 2012-14  
Selected low-sugar launches in 2014  
Drop in 'true' innovation partly accountable for sales slump  
Figure 11: Share of new chocolate launches in the UK, by launch type, 2012-14  
Selected flavour innovation  
Ethical/environmental claims still lag significantly behind coffee and tea  
Figure 12: Share of new coffee/tea/chocolate launches in the UK carrying an ethical/environmental claim, 2012-14  
Beyond fair trade: the next wave of ethical/environmental claims for chocolate

## Market Size, Segmentation and Forecast

Key points  
Volatile performance continues in chocolate  
Figure 13: UK value and volume retail sales of chocolate, 2009-19  
Figure 14: Value sales and forecast in the UK chocolate market, 2009-19  
Figure 15: Volume sales and forecast in the UK chocolate market, 2009-19

Methodology

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## Market Share

### Key points

Many leading players feel the troubles of chocolate confectionery

Dairy Milk retains top position

Ferrero ramps up NPD and advertising to drive Kinder forward

M&M's enjoys volume growth of 22%

Mars loses ground following cut to size of bar and adspend

Figure 16: Leading brands' sales in the UK retail chocolate confectionery market, by value, 2013/14 and 2014/15

Figure 17: Leading brands' sales in the UK retail chocolate confectionery market, by volume, 2013/14 and 2014/15

Confectionery assortments post mixed performances

Ferrero's adspend hike drives growth, price cuts support Terry's

Figure 18: Leading brands' sales in the UK retail chocolate assortments market, by value, 2013/14 and 2014/15

Figure 19: Leading brands' sales in the UK Retail chocolate assortments market, by volume, 2013/14 and 2014/15

## Companies and Products

Ferrero

Product range

Product Innovation and promotion

Mars

Product range

Product innovation and promotion

Mondelēz International

Product range

Product Innovation and promotion

Nestlé

Product innovation and promotion

Lindt

Recent activity

## Brand Communication and Promotion

### Key points

Above-the-line advertising spend drops by 6 percentage points in 2014

Figure 20: Above-the-line advertising spend on chocolate confectionery, 2011-14

Aldi surpasses Nestlé to become the fourth highest-spending advertiser in 2014

Nestlé cuts back on chocolate advertising

Mars shrinks advertising spend

Mondelēz' spend falls as it reduces support for Marvellous Creations

Ferrero steps up adspend on its brands

Figure 21: Above-the-line advertising spend on chocolate confectionery, by company, 2011-14

Figure 22: Above-the-line advertising spend on chocolate confectionery, by brand, 2011-14

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## Brand Research – Chocolate Confectionery

### What you need to know

#### Brand map

Figure 23: Attitudes towards and usage of selected brands, February 2015

#### Key brand metrics

Figure 24: Key metrics for selected brands, February 2015

#### Brand attitudes: Thorntons has strongest premium brand image

Figure 25: Attitudes, by brand, February 2015

#### Brand personality: Most brands associated with accessibility

Figure 26: Brand personality – Macro image, February 2015

#### Green & Black's fair trade proposition promotes other positive associations

Figure 27: Brand personality – Micro image, February 2015

### Brand analysis

#### Maltesers is likely to maintain high user base

Figure 28: User profile of Maltesers, February 2015

#### Cadbury Dairy Milk uses whole product range to entice consumers

Figure 29: User profile of Cadbury Dairy Milk, February 2015

#### Galaxy promotes accessible luxury

Figure 30: User profile of Galaxy, February 2015

#### Green & Black's has a strong point of difference

Figure 31: User profile of Green & Black's, February 2015

#### Thorntons is seen as special and indulgent

Figure 32: User profile of Thorntons, February 2015

#### Twirl struggles to stand out from the crowd

Figure 33: User profile of Twirl, February 2015

#### Mars has high usage but is most likely to be seen as unhealthy

Figure 34: User profile of Mars, February 2015

#### Wispa and Twirl have a similar brand image

Figure 35: User profile of Wispa, February 2015

## Social Media – Chocolate Brands

### What you need to know

#### Social media metrics

Figure 36: Social media metrics of selected brands, March 2015

#### Online mentions: Thorntons dominates conversation due to occasion-based mentions

Figure 37: Online mentions of selected brands, 2 March 2014-28 February 2015

#### Topics of discussion: Consumption and taste take precedence over brand-based topics

Figure 38: Topics of discussion around selected brands, 2 March 2014-28 February 2015

### Analysis by brand

#### Thorntons hits the headlines but also uses Twitter to its advantage

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Figure 39: Topic cloud around mentions of Thorntons, 2 March 2014-28 February 2015

Maltesers' sharing format may help promote conversation

Figure 40: Topic cloud around mentions of Maltesers, 2 March 2014-28 February 2015

Mars comes into spotlight around Scotland referendum and World Cup

Figure 41: Topic cloud around mentions of Mars, 2 March 2014-28 February 2015

Cadbury Dairy Milk brings different products under one account

Figure 42: Topic cloud around mentions of Cadbury Dairy Milk, 2 March 2014-28 February 2015

Galaxy's advertising lacks same online impact as in 2013

Figure 43: Topic cloud around mentions of Galaxy, 2 March 2014-28 February 2015

Green & Black's also uses Twitter competitions to its advantage

Figure 44: Topic cloud around mentions of Green & Black's, 2 March 2014-28 February 2015

Wispa and Twirl lack online conversation

## The Consumer – Usage

Key points

Despite concerns around sugar/calorie content, nine in 10 still eat chocolate

Figure 45: Frequency of eating chocolate, February 2015

Younger consumers and those in households with children are among the highest users

Not all formats achieve the same penetration

Figure 46: Types of chocolate confectionery eaten in the last three months, February 2015

## The Consumer – Attitudes towards Chocolate Confectionery

Key points

Despite concerns over sugar, only three in 10 have cut back because of it

Figure 47: Attitudes towards chocolate confectionery, February 2015

For many, low sugar means inferior taste, presenting a challenge for the market

Brands should take control of the debate around smaller pack sizes

## The Consumer – Interest in Types of Chocolate Products

Key points

The UK lacks premium chocolate spreads, unlike elsewhere in Europe

Figure 48: Usage and interest in different types of chocolate products, February 2015

High-protein snacks in the style of their favourite chocolate interest 56%

Figure 49: New products launched in the UK food market carrying high-protein claims, by category, January 2013-April 2015

Protein-boosting ingredients offer a route into protein chocolate

Cobranding opportunities for protein chocolate

Like coffee, chocolate can explore single origin beyond country

## The Consumer – Chocolate Purchasing Behaviours

Key points

Discounters gain ground, but supermarkets still dominate chocolate purchases

Figure 50: Channels used to buy chocolate, February 2015

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Specialists stores remain the preserve of high earners

Four in 10 decide what to buy when looking at the products in-store

Figure 51: Attitudes towards buying chocolate, February 2015

Figure 52: Share of new chocolate confectionery launches in the UK, by launch type, 2014

Chilled chocolates offer a way to compete in the dessert aisle

## Appendix – Market Size and Forecast

Figure 53: UK value and volume retail sales of chocolate confectionery, 2009-19

Figure 54: UK value and volume retail sales of chocolate assortments, 2009-19

Figure 55: Value sales and forecast in the UK chocolate confectionery market, 2009-19

Figure 56: Volume sales and forecast in the UK chocolate confectionery market, 2009-19

Figure 57: Value sales and forecast in the UK chocolate confectionery assortments market, 2009-19

Figure 58: Volume sales and forecast in the UK chocolate confectionery assortments market, 2009-19

## Appendix – Market Share

Figure 59: Leading manufacturers' sales in the UK retail chocolate confectionery market, by value, 2013/14 and 2014/15

Figure 60: Leading manufacturers' sales in the UK retail chocolate confectionery market, by volume, 2013/14 and 2014/15

Figure 61: Leading manufacturer sales in the UK retail chocolate assortments market, by value, 2013/14 and 2014/15\*

Figure 62: Leading manufacturers' sales in the UK chocolate assortments market, by volume, 2013/14 and 2014/15

## Appendix – Brand Communication and Promotion

Figure 63: Share of adspend in chocolate confectionery, by format, 2011-14

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