



JUGGLING GROWTH PRIORITIES IN CHOCOLATE

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ASSESSING CHOCOLATE GLOBALLY THE JUGGLING ACT



JUGGLING GROWTH PRIORITIES IN CHOCOLATE

Chocolate in a nutshell



US\$101

billion

GLOBAL CHOCOLATE
RETAIL SALES

US\$237 per

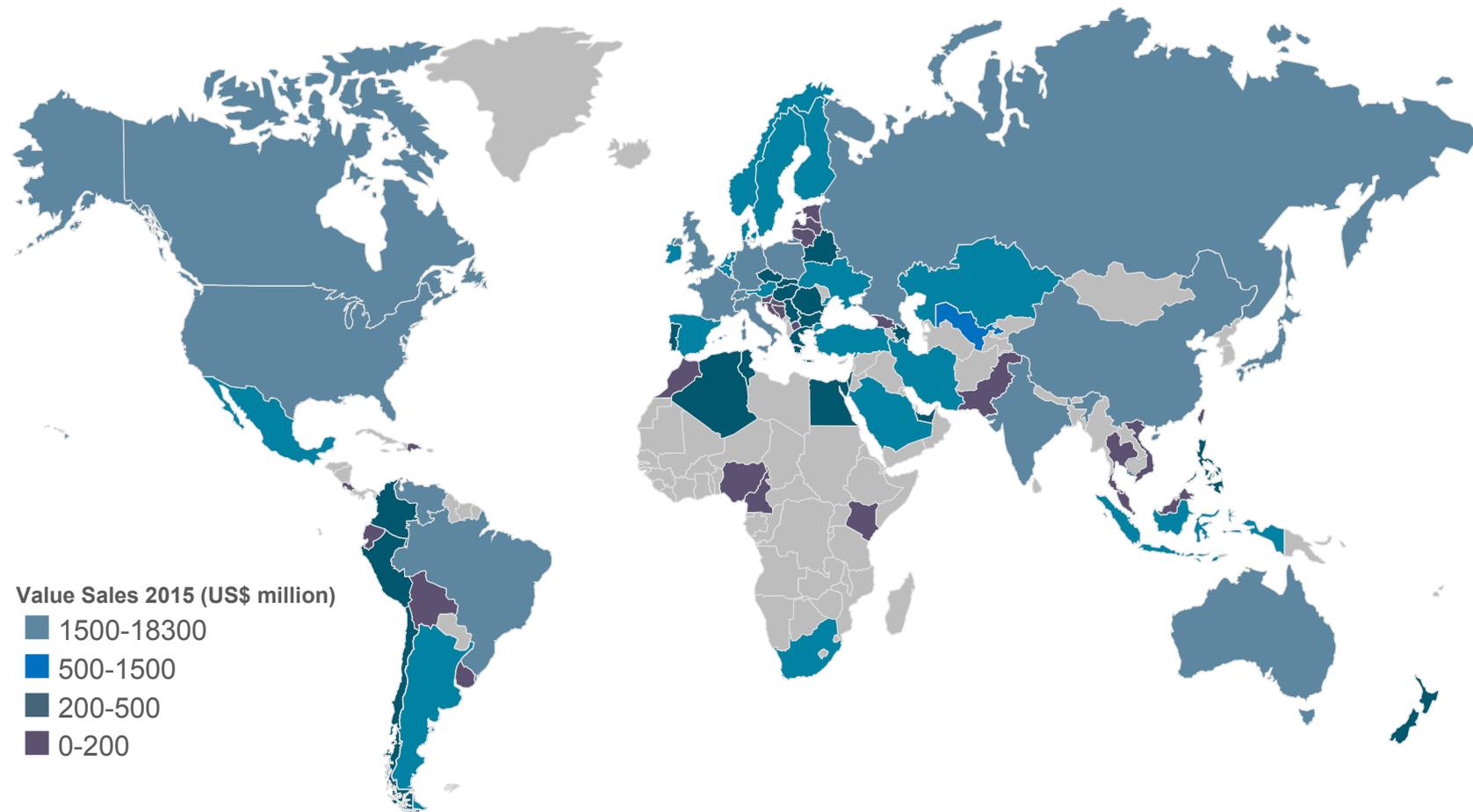
capita

HIGHEST -
SWITZERLAND

33%

GROWTH IN GLOBAL
SALES 2010-2015

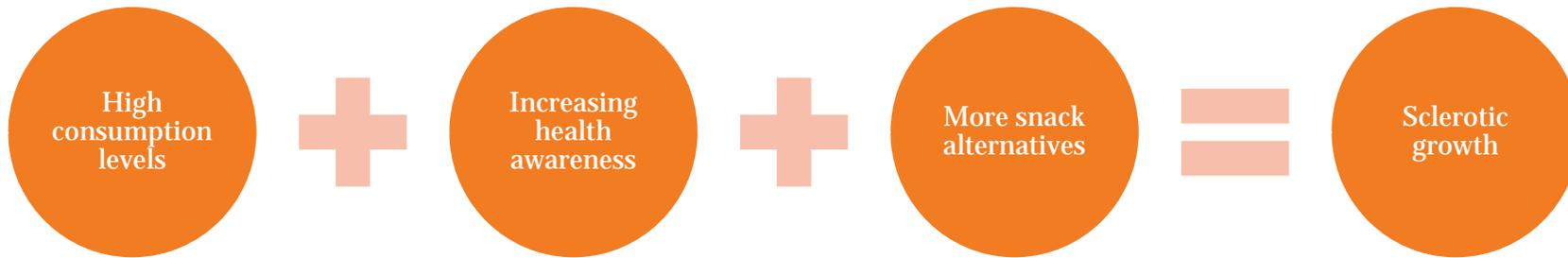
The Good News: Value Sales of Chocolate Have Grown



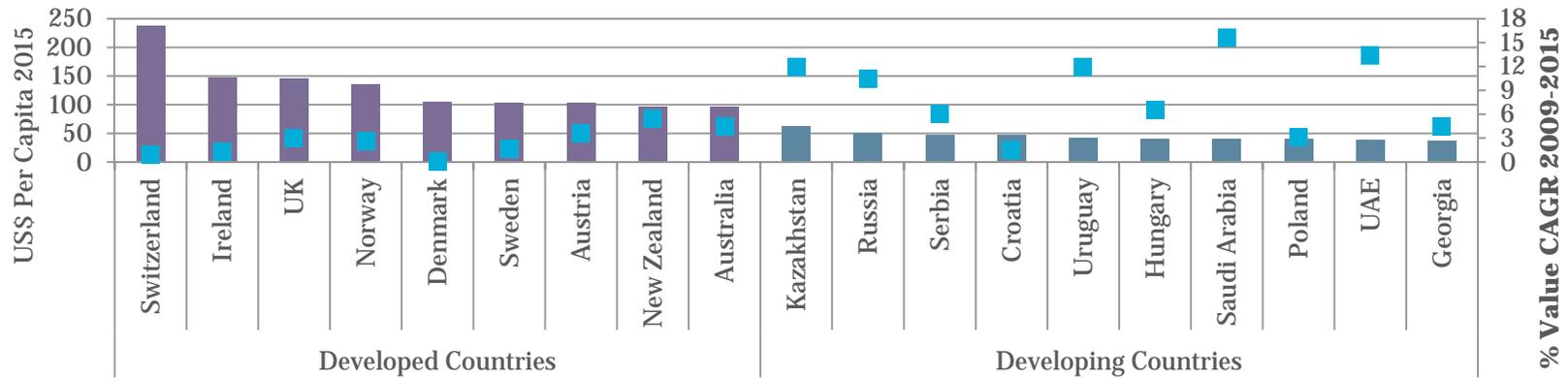
The Bad News: Consumption Is Stalling



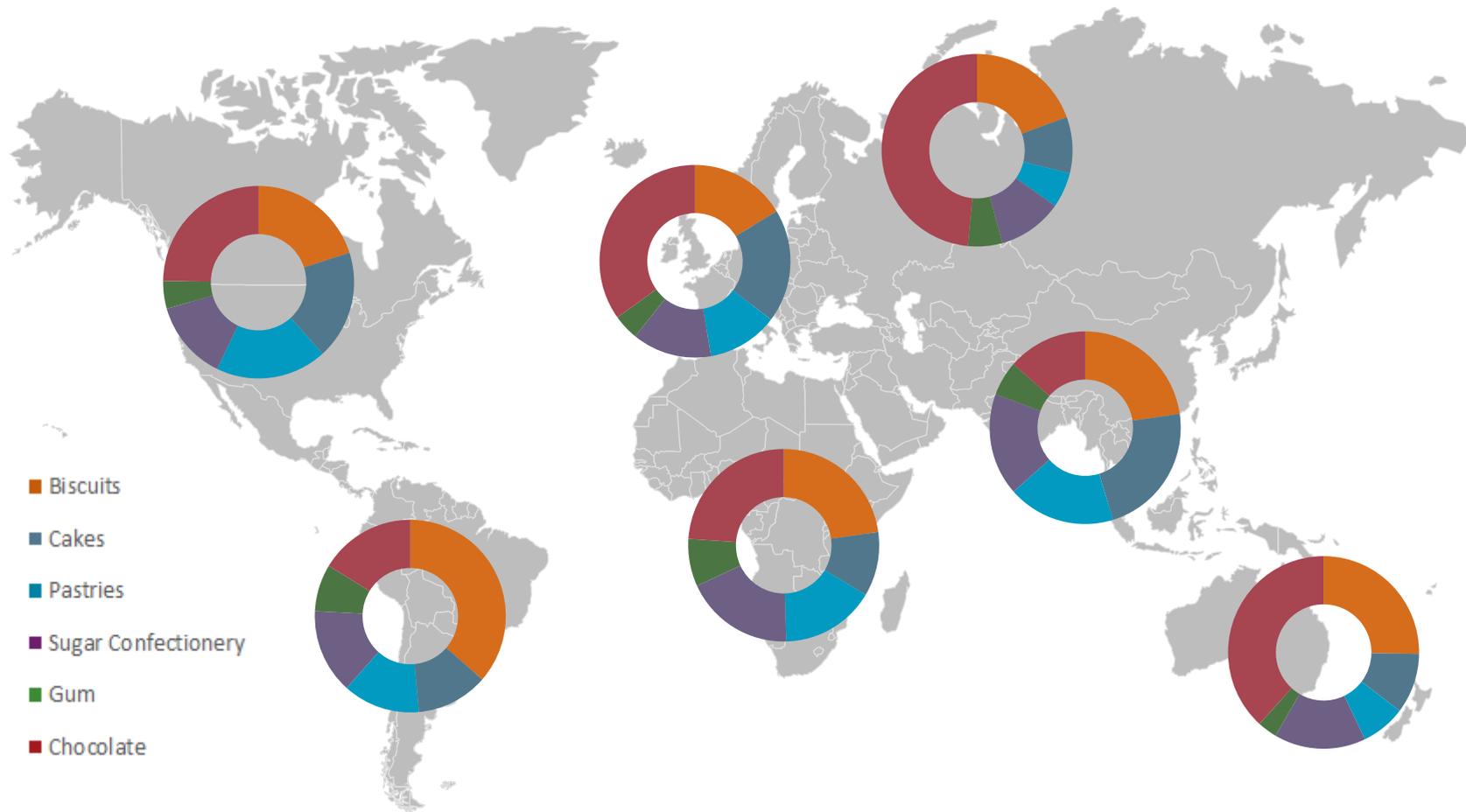
Explaining Developed Market Woes



US\$ Spend Per Capita 2015 and Value Growth 2010-2015



Buying chocolate less commonplace in developing regions

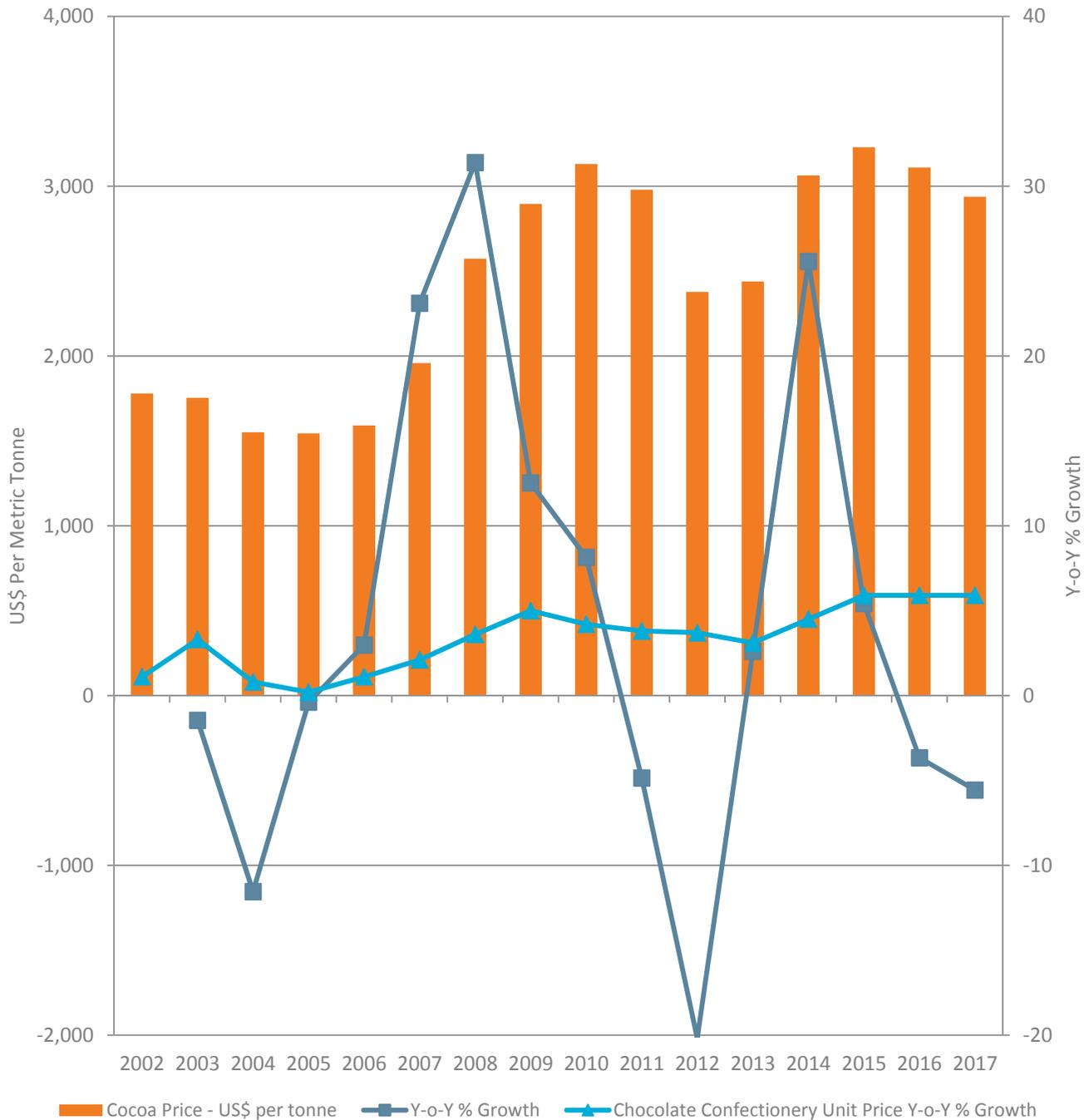


Retail Sales of Snacks 2015 (US\$ Fixed Exchange Rates)

Manufacturers face two different challenges



At a Time when Input Costs Are Increasing



51%

INCREASE IN CHOCOLATE CONFECTIONERY PRICES 2002-2015

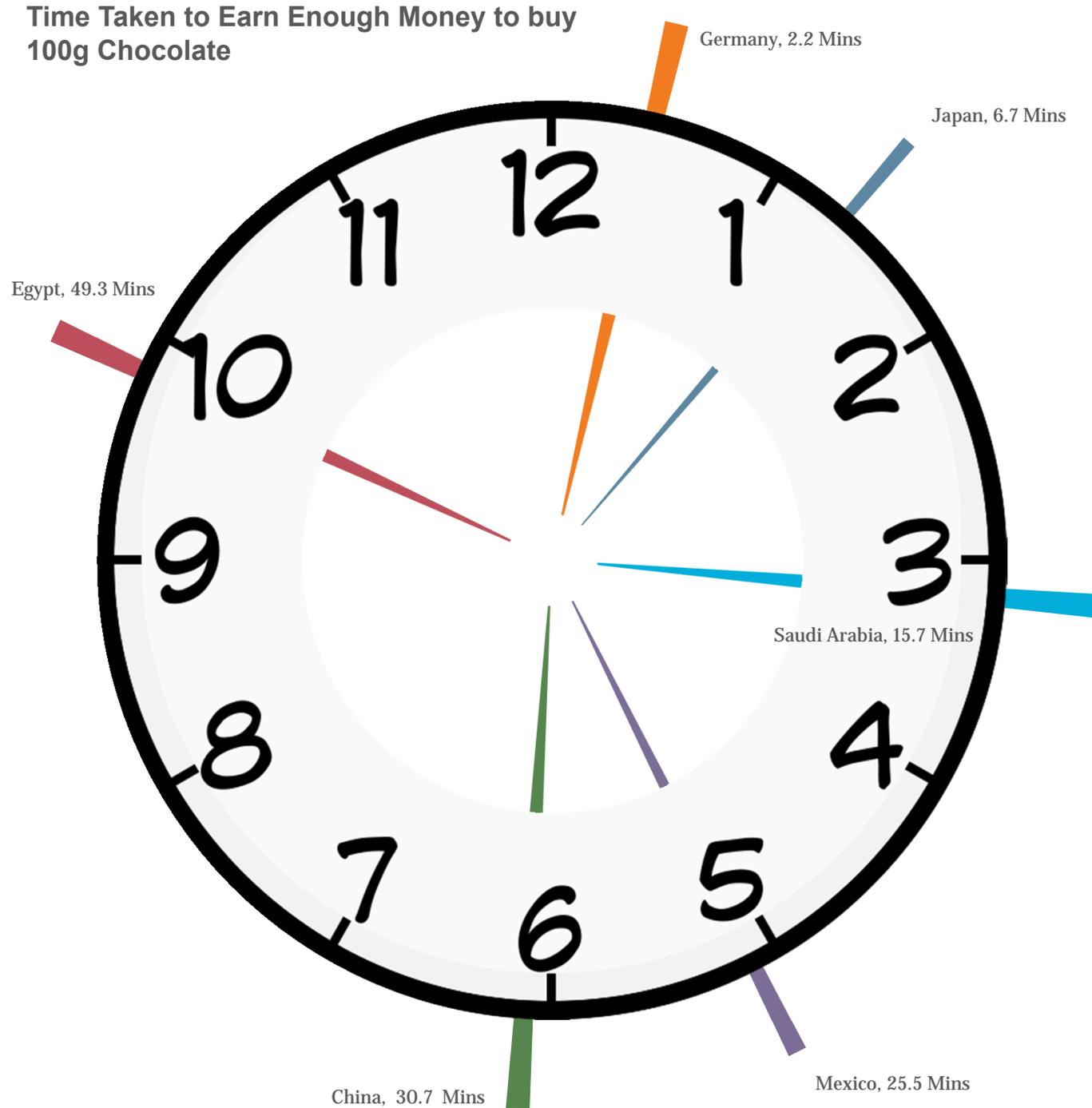
82%

INCREASE IN COCOA PRICES 2002-2015

70%

INCREASE IN PALM OIL PRICES 2005-2015

Time Taken to Earn Enough Money to buy
100g Chocolate



7.3
minutes

AVERAGE TIME TO
PURCHASE 100G IN
DEVELOPED
COUNTRIES

US\$2.15
PRICE PER 100G
CHOCOLATE IN ASIA
PACIFIC

US\$1.50
PER CAPITA SPEND
ON CHOCOLATE IN
INDIA

How to drive value: focus on premium in developed markets

Advantages of premium chocolate

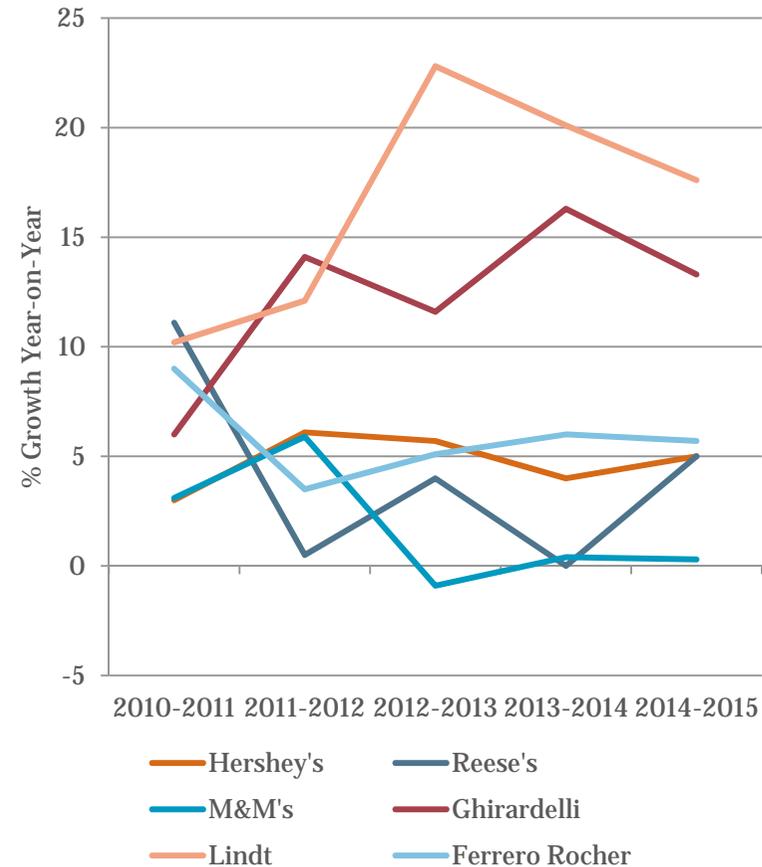
- Appeals to more demanding consumers
- Stands out in saturated markets
- Retains greater brand loyalty
- Justifies higher price points
- Achieves higher margins

Existing Examples...

- Hershey's Brookside; Lindt Hello; Divine Chocolate; Mondelez Coco



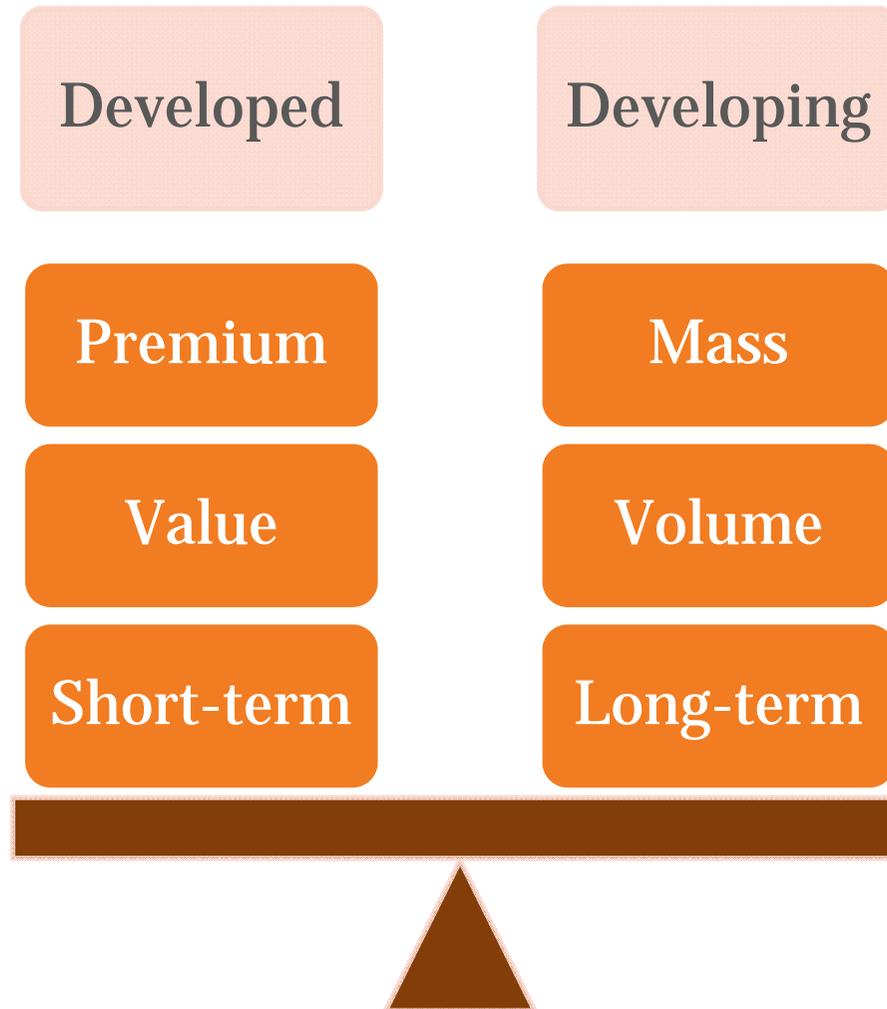
US Chocolate Confectionery Sales 2010-2015



Major players creating new price points in developing markets



The Juggling Act





THANK YOU FOR LISTENING

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