About Euromonitor International

- Global provider of Strategic Market Intelligence
- 12 Regional offices - 800+ analysts in 80 countries
- Cross-country comparable data and analysis
- Consumer focused industries, countries and consumers
- 5 - 10 year forecasts with matching trend analysis
- All retail channels covered
- Subscription services, reports and consulting
ASSESSING CHOCOLATE GLOBALLY
THE JUGGLING ACT
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

Kg per Capita % CAGR 2010-2015
- 5-15
- 2-5
- 0-2
- -7-0
Explaining Developed Market Woes

- High consumption levels
- Increasing health awareness
- More snack alternatives
- Sclerotic growth

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

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Buying chocolate less commonplace in developing regions

Retail Sales of Snacks 2015 (US$ Fixed Exchange Rates)
Manufacturers face two different challenges:

- **Developing Markets**: Improving accessibility
- **Developed Markets**: Driving value
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
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

Time Taken to Earn Enough Money to buy 100g Chocolate

- Germany, 2.2 Mins
- Japan, 6.7 Mins
- Saudi Arabia, 15.7 Mins
- Mexico, 25.5 Mins
- China, 30.7 Mins
- Egypt, 49.3 Mins

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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

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JUGGLING GROWTH PRIORITIES IN CHOCOLATE

Major players creating new price points in developing markets

Lower price points
Improving accessibility
Cross-branding
Greater distribution
The Juggling Act

Developed

Premium

Value

Short-term

Developing

Mass

Volume

Long-term
THANK YOU FOR LISTENING

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