Executive Summary

Celebrating Confectionery Seasons: 2020

Exploring consumer engagement with seasonal confectionery

Part 1 of a 3-part series exploring everyday, seasonal and confectionery shopper insights in a COVID-19 world
The National Confectioners Association is the trade organization that promotes the unique role of chocolate, candy, gum and mints in a happy, balanced lifestyle and the companies that make these special treats. Through advocacy and regulatory guidance, communications, industry insights, and retail and supply chain engagement, NCA helps create an environment that enables candy makers and confectionery retailers to thrive. As the leading association for the $36 billion U.S. confectionery industry, NCA works to ensure that chocolate and candy are celebrated for their contributions to culture, society, the economy and everyday moments of joy. Confections are produced in all 50 states, creating jobs for approximately 55,000 workers in more than 1,300 manufacturing facilities across the country. More than 600,000 jobs in agriculture, retail, transportation and other industries rely in part on the sale of confections for their livelihood. Learn more about at CandyUSA.com, or follow NCA on Facebook, Twitter and Instagram.

With access to top-notch sales and performance data and proprietary consumer research, NCA curates relevant content for its membership and retail customers, providing timely education, insights and analytics on the trends and disruptions likely to impact business. NCA’s Sweet Insights provide exclusive access to valuable domestic and global data, as well as analytics that explore in-depth seasonal and annual category performance, consumer attitudes and behavior, and business trends and disruptions.
Key Highlights

- About nine in 10 Americans celebrate the Big Four confectionery seasons – Valentine’s Day, Easter, Halloween and the Winter Holidays – with confectionery gifting and sharing.

- Secondary seasons, such as Mother’s Day and Father’s Day, have lower but still substantial engagement, with 50 to 60 percent of Americans sharing and gifting confectionery.

- Seasonal confectionery has an exceptional ability to drive incremental sales, but seasons have seen compression over time, with more of the total sales happening in the final two weeks before the holiday.

- The pandemic affected the performance of all spring and summer holidays, starting with Easter. About two in 10 Americans who normally celebrate Easter, Mother’s Day, Father’s Day and the summer holidays with confectionery gifting, did not do so this year due to COVID-19.

- Four in five Americans feel people will find creative and safe ways to enjoy the Halloween season this year, though not everyone — particularly older generations — is comfortable with trick-or-treating this year.

- Consumers endorse a variety of safety precautions, led by masks worn by children and adults (56 percent) and handing out pre-packaged, store-bought candy only (52 percent).

- Eighty percent of parents and 70 percent of all consumers anticipate they will celebrate Halloween this year, including 42 percent who plan to celebrate a bit differently than normal.

- Importantly, 80 percent of those who plan to celebrate anticipate they will purchase as much or more Halloween candy as before.

- Confidence in Americans finding safe and creative ways to celebrate the Winter Holidays is even higher (85 percent) and 87 percent anticipate they will celebrate the Holidays themselves. These shoppers, by and large, expect to purchase as much or more Holiday candy as normal.

- All the big confectionery holidays offer a wide variety of usage occasions to merchandise against in store and online. Examples are crafting, baking, candy bowls and decorating using seasonal candy. Engagement among parents is highest across all activities.

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Introduction

Confectionery has been an area of growth for the retail industry for many years and 2019 was no exception. With annual sales of $35.7 billion across many channels, confectionery is a powerful category. In 2019, dollar sales increased 2.4 percent, driven by robust sales gains in non-chocolate (+3.4 percent), chocolate (+2.2 percent) and gum (+1.2 percent). Confectionery enjoyed very high engagement in 2019, with household penetration of 98.8 percent, an average of 35 trips and an average spend of $5.52 per visit.

To support consumers’ continued integration of confectionery in these and other holidays in years to come, this study delves into the different ways Americans celebrate each season. The study also identifies attitudinal and behavioral differences by generation, area, income, parental status and other demographics.

Methodology

Celebrating Confectionery Seasons 2020 is based on a consumer survey conducted in September 2020 among 1,558 consumers, of whom 733 are parents with children between the ages of zero and 18. Where possible, the attitudinal survey data is complemented by retail measurement and household panel data provided by IRI for the 52 weeks ending September 6, 2020, or the relevant holiday period. For more details, definitions used and a sample overview, please refer to the Methodology chapter.

Implications and considerations are called out throughout the study by the symbol shown to the right.

NCA finds that confectionery is an honest, affordable and transparent treat, from its fun and unique nature to its strong emotional and nostalgic connections. Consumers understand the unique role that confectionery can play in a happy, balanced lifestyle as a treat contributing to one’s emotional well-being.

Most Americans enjoy chocolate and candy two to three times a week, averaging about 40 calories and just one teaspoon of added sugar per day.

For survey purposes, seasonal candy was defined for consumers as:

“Seasonal chocolate and candy are treats you buy to celebrate holidays such as Halloween, Valentine’s Day and Easter. Examples are candy canes, chocolate Easter bunnies, candy corn, conversation hearts, etc. They may or may not have specific holiday packaging, shapes or colors.”
**S1**

**Significance** — The “Big Four” seasons drive more than $15 billion in sales for the category, with multi-year strength in sales performance. To accomplish additional growth, the industry has the opportunity to address many new usage occasions, from crafting and decorating to baking with seasonal confectionery.

**S2**

**Secondary** — While the power of the “Big Four” is undeniable, there is ample opportunity in smaller and self-invented holidays — particularly in the summer months. Sales during smaller holidays, such as Mother’s Day and Father’s Day, graduation or Independence Day can add up quickly.

**S3**

**Shopper** — Approaching the holidays and occasions through the eyes of the shopper is important in a market with increased regional, age, income and ethnic diversity. Sharing and gifting are the top drivers for seasonal confectionery, but preferences and habits vary.

**S4**

**Support** — Supporting the seasons with strong merchandising and operational planning/execution can pay off big, with trade efficiency upwards of 75%. Feature and display support generates an average increase in volume of near 300% for seasonal chocolate and near 200% for seasonal non-chocolate. Get out early and finish strong!

**S5**

**Sizzle** — Offer an inspiring, fun environment that drives seasonal trips and purchases, in-store and online. Use clear communication across platforms and create a true destination as well as mini destinations throughout. Satisfied shoppers shop more, spend more and are more likely to recommend your store.

Learn more about S5 on candyusa.com
Methodology and Study Definitions

Methodology
Shopper data was collected using an online survey, conducted September 2020 with a national sample of 1,556 U.S. shoppers between the ages of 18 and 75. The margin of error associated with the survey is 2.4% at the 95% confidence level. Percentages may not always add up to 100% due to rounding.

Definitions

Generations
- Generation Z: ages 18 to 23
- Young Millennials: ages 24 to 29
- Older Millennials: ages 30 to 39
- Generation X: ages 40 to 55
- Young Boomers: ages 56 to 66
- Older Boomers: ages 67 to 73
- Matures: Ages 74 to 75

Annual household income
- Lower-income households: <$45,000
- Medium-income households: $45,000-$75,000
- Higher-income households: $75,000-$125,000
- Affluent households: >$125,000

Parents
All households with children ages 0-18 living at home. Children are divided into three age groups:
- Young children: ages 0-6
- Tweens: ages 7-12
- Teens: ages 13-18

Nine and four Census regions

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