



Executive Summary

Seasonal Confectionery Purchase Decisions: 2020

An in-depth look at channel choices, decision factors and parents' seasonal engagement

Part 3 of a 3-part series exploring everyday, seasonal and confectionery shopper insights in a COVID-19 world

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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.

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Key Highlights

- Seasonal confectionery enjoys high engagement as 84 percent see it as a fun part of special celebrations and 78 percent say sharing and gifting seasonal confectionery is a great American tradition. This is exactly why seasonal permissibility is high, with 82 percent of Americans agreeing that it is okay to enjoy seasonal confectionery during holidays and special occasions.
- Supermarkets are the most commonly shopped channel for seasonal confectionery, followed by supercenters. But it is e-commerce that leaped years ahead in engagement, with online candy sales up 100.3 percent during the 26 weeks ending September 6, 2020. Online ordering with the local grocery store for delivery or pickup overtook online retailers as the biggest online channel for confectionery.
- The seasonal aisle is fun and inspiring to 77 percent of shoppers and 76 percent like browsing for new items when buying seasonal confectionery.
- Shoppers like to celebrate the seasons in style; 87 percent prefer seasonal confectionery featuring packaging, shapes, colors, flavors or characters that reflect the season.
- The pandemic has resulted in financial pressure for many Americans and more are prioritizing promotions and price in their decisions. Seasonal confectionery already enjoyed very high promotional efficiencies pre-pandemic.
- Purchases are influenced by shoppers' own preferences (59 percent), price (43 percent) and sales promotions (40 percent).
- Parents see confectionery as integral to seasonal celebrations and 90 percent discuss the importance of balance and treating with their children. Key educational years are when the kids are between seven and 12 years of age.
- At the same time, nine in 10 parents monitor their kids' candy consumption, with limiting consumption to a few pieces a day until it runs out being the most popular system as it relates to the seasonal haul.



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Introduction

The pandemic uprooted many grocery shopping habits, from when and where people shopped to the types, amounts and brands they purchased. These changes were driven by spending more time at home, out-of-stocks, and anxiety over in-store visits that prompted fewer and shorter trips. E-commerce and traditional grocery won big, whereas other channels, such as drug, convenience and mass stores, experienced loss of share. Seven months since the onset of COVID-19, the virus remains in control of the ever-changing shopping patterns.

Amid all this change, confectionery's role remained the same. Consumers see confectionery treating as integral to a happy, balanced lifestyle during regular, holiday and COVID-19 times. They recognize treats as serving an important role in their emotional well-being. Treats help consumers explore new experiences, delight others with sharing and gifting, relive childhood memories, take a break or trigger positive moments, rewards or motivations.

Importantly, consumers see seasonal confectionery as being permissible. Across holidays, more than nine in 10 Americans feel it is okay to treat with seasonal confectionery to celebrate holidays and special occasions. Today's parents enjoy these traditions as much as any generation before them as evidenced by above-average engagement in virtually all seasonal activities. Many parents embrace balance and talk with their children about making informed choices, understanding candy portions and the role of candy as a treat.

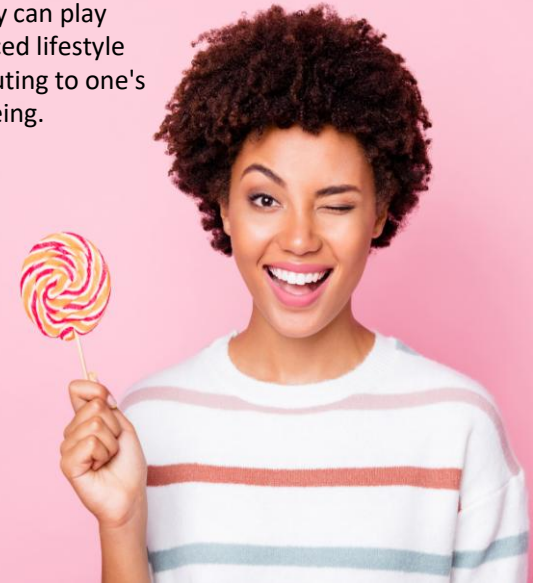
This research outlines general consumer and parent decision-making and channel choices as it relates to seasonal confectionery to help the candy industry and its retail partners best understand and optimize the seasonal opportunity.

Methodology

This study is based on a consumer survey conducted in September 2020 among 1,556 qualified shoppers. The survey data is complemented by household panel and retail measurement data provided by IRI for the 52 weeks ending September 6, 2020 and the seasonal periods. For more details, definitions used and a sample overview, please refer to the Methodology chapter.

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.



Retail measurement and household panel data overlay are provided by insights firm IRI For questions or comments, please contact Dan Sadler at:

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S⁵ — Practical Principles for Optimizing Seasonal Sales

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
- Millennials: ages 24 to 39
- Boomers: ages 56 to 73

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

