

New Planogram, New Ideas for Holiday Sales



Taylor

With a new candy planogram rolled out in July, the Navy Exchange Service Command (NEXCOM) Buyer Lorel Taylor, who is responsible for buying candy, gum, nuts, gourmet food and greeting cards, among other categories, for Navy Exchange stores, said packaging has taken center stage as one of the top candy trends in NEXs.

TRENDS

According to Taylor, “Many packaging updates to the stand-up resealable pouches” have influenced candy sales in Navy exchanges thus far in fiscal 2017, “with Hershey leading the way followed by Mars,” she noted. “This really impacts the look of the planogram.”

In addition, Taylor said that the “sharing” size, also referred to as “king” size, “has been the single largest-growing segment within our single-bar classification. It has steadily increased particularly from 2015 to 2016, with year-over-year double-digit increases.

“Its growth has, however, impacted the standard size to a slight decline. Sales of the king, or sharing size are now, in fact, starting to level off, and we are currently about 3 percent over last year.”

The emerging millennial shopping demographic has also influenced sales in this area in fiscal 2017.

“Also, we are seeing some declines as it relates to the millennial shopper,” the buyer said. “They are seeking out ‘better-for-you’ snacks and are somewhat weary of sugary snacks. That is beginning to impact our everyday business negatively.”

Through the end of October, candy and nuts had produced \$27.40 million in fiscal 2017 sales, about a 2-percent difference from the \$27.98 million the categories recorded a year earlier.

“SNACK-FECTION”

Another major influence on candy is the emergence of snacks within the candy category in an area referred to as “snack-fection,” a term reportedly coined by Hershey and referring to a combination of candy and confections, like pretzels, into a new type of candy/snack.

“This is essentially categorized as hand-to-mouth eating with unwrapped candy that has inclusions of popular snack items,” Taylor explained. A “Hershey’s line of ‘snack-fection’ started the big trend,” the buyer said, “and it continues to be popular, with items like the Hershey Snack Mix, combining almonds, Hershey chocolate squares and pretzels, and Reese’s Snack Mix, which has mini-Peanut Butter Cups combined with mini-pretzels and Reese’s Pieces.”

Other companies have gotten into the “snack-fection” verve, with Edward Marc Brands’ Snappers line — which combine chocolate and mini-pretzels in a savory mix — as one prime example.

In addition, Taylor said that “thins” candy,

including Hershey Bark Thins and Almond Roca Thins, also influenced sales thus far in fiscal 2017.

“I think it will be important to the whole mix as our shoppers’ perceptions evolve,” she noted.

NEXCOM YTD Fiscal 2017 Best-Selling Candy by Unit Volume

- 1) Snickers (king size)
- 2) Snickers (single)
- 3) Reese’s Peanut Butter Cup (king size)
- 4) M&M’s with Peanuts (king size)
- 5) Haribo Gold Bears (5 oz.)
- 6) M&M’s with Peanuts (single)
- 7) Planters Nut & Chocolate Trail Mix (6 oz.)
- 8) Reese’s Peanut Butter Cup (single)
- 9) Twix Caramel (3.2-oz. king size)
- 10) Reese’s Fast Break (king size)
- 11) Cadbury Crème Egg (1.2 oz.)
- 12) BiGS Dill Pickle Sunflower Seeds (5.35 oz.)
- 13) Kit Kat (single)
- 14) Mentos Fruit Flavor (single)
- 15) Reese’s Peanut Butter Cup (2.8-oz. king size)
- 16) Kit Kat (king size)
- 17) Reese’s Peanut Butter Cup with Reese’s Pieces (2.8-oz. king size)
- 18) Trolli Sour Brite Crawlers (5 oz.)
- 19) Hershey Milk Chocolate (single)
- 20) Trident White Peppermint Gum (16 pieces)

Note: Sales through Oct. 31, 2017.
Source: NEXCOM

Sales of candy geared to Christmas and the other end-of-year holidays help to boost overall candy sales.

NEXCOM 2016 Top Sellers, Premium Holiday Candy by Unit Volume

- 1) See’s Nuts & Chews (1-lbs. box)
- 2) See’s Assorted Chocolates (1-lbs. box)
- 3) Ferrero Rocher Chocolates (12 pieces)
- 4) Harry & David Moose Munch Drum
- 5) Godiva Holiday Ballotin (19 pieces)
- 6) Godiva Holiday Ballotin (36 pieces)
- 7) Hawaiian Host AlohaMacs Milk Chocolate
- 8) Ferrero Collection Chocolates (12 pieces)
- 9) Ghirardelli Peppermint Bark
- 10) Almond Roca Milk Chocolate (canister)

Source: NEXCOM

HOLIDAY SEASON CANDY

For the 2017 holiday season, Taylor said that

extra-large items “are on trend now,” with Hershey offering a giant hollow Kiss, “and a nice 3-pack ‘break-away’ gift pack of small boxes of Kisses that could be a gift tower for one or opened for three different gifts.”

The buyer said that since Harry & David updates its holiday packaging every other year, it offered new holiday packaging during 2017.

Taylor said both Ghirardelli and Lindt offered a few new items for the 2017 holiday season: “Ghirardelli had an oversized version of the Peppermint Bark Square, which was made to look like a square as large as boxed candy,” she said. “Lindt added some new icon items as well, including an extra-large, wrapped truffle. It is the small iconic truffle made giftable by making it very large and oversized. Ferrero Rocher has a similar item — the Grand Ferrero Rocher — which was available in the prior year, too.”

The introduction of larger versions of traditional premium holiday candy has been a major trend that premium candy manufacturers have been pushing, and Taylor said that these are expected to be “big hits” during the 2017 holiday season.

HANDLING HOLIDAY CANDY IN STORE

At store level, Taylor had timely advice for associates looking to set up the holiday candy area to maximize sales for holiday season.

“I would recommend that prior to each season, the area is prepped to include gondola/Madix gondola shelving runs and also prepare some tables for special displays,” Taylor said. “As the product arrives, it is important to group together, by package type and then by brand, to ensure integrity once the seasonal product begins to be received. This will help as the promotions by brand and pack type start.

“Additionally, it’s important that as each of the prior seasons sell down, you start to make room to bring out the next season. Typically, the early promotions always include the candy dish and laydown bag product, so this should be the priority as you bring the new season to the floor.”

As far as everyday displays/shippers are concerned, Taylor said, “I would say it’s important to bring them to the floor immediately, if possible, as we order many of them based on vendor promos or launches or just opportunities to bring new flavors to the floor.”

Displays help to set the holiday spirit inside the store. Taylor said that NEXCOM typically orders between five and six shipper displays from January through September. “We do not order them in the back third since our floors are loaded with holiday merchandise. We work with the vendors for timing so that we are aligned for possible national free-standing insert (FSI) and promotional programs.”

—E and C NEWS