

Hershey's: High Chinese SPH on confectionery

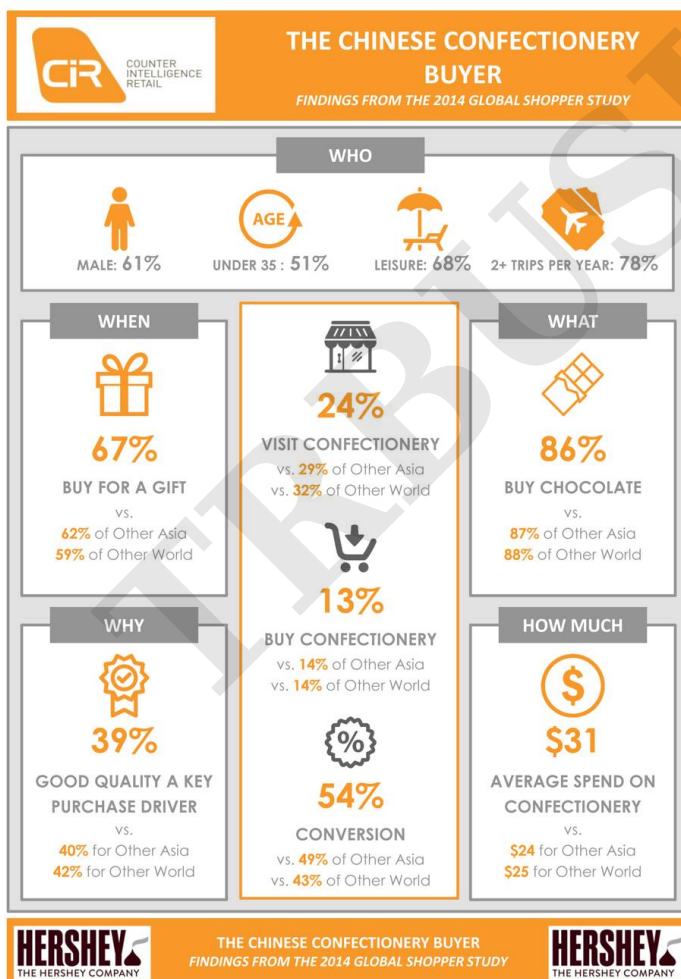
Following research undertaken earlier this year for the North American region, Hershey World Travel Retail says that it will once again share its 'important insights' this time into the Chinese confectionery buyer through Counter Intelligence Retail (CiR), at the upcoming TFWA Asia Pacific Exhibition and Conference (stand G29).



The survey looked at consumers in China, other countries in Asia (Other Asia), as well as countries in the rest of the world (Other World). The research was carried out in partnership with Counter Intelligence Retail (CiR), cementing Hershey's dedication to growing the channel and sharing its knowledge with all of its retail partners.

With findings ranging from average spend, purchasing motivations, and buying habits, one of the main stand-outs was conversion rates, where Chinese consumers rate considerably higher (57%) than the Other World (43%), and even Other Asia (49%).

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"Partner these figures with a much higher average spend (\$31) compared to \$24 Other Asia, and \$25 Other World, and the opportunity for confectionery is huge, both in China and key Chinese destinations," comments Hershey Company Regional Director, Europe and Strategy for WTR, Amy Wilson.

HIGHER CONVERSION RATE

"Conversion rates are significantly higher in Asia than they are in the rest of the world, but there is still significant room for improvement.

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"It is clear that the Chinese traveller is willing to spend significantly more per person on confectionery, but the overall figure of Chinese travellers visiting the confectionery sector is still relatively low — 24% in comparison to 29% Other Asia, and 32% Other World.

"Chinese travellers have the capacity for significant spending, but we must find new and unique ways of attracting them into the stores."

According to CiR, gifting is also an important aspect for the Chinese traveller, with 67% purchasing confectionery for a friend or loved one, compared to 62% Other Asia, and 59% Other World.

"Insights like this can help Hershey plan better for the future. If a certain region is much more focused on gifting than self-purchase, then we will focus on providing products that suit those needs," added Wilson.

"This region clearly has a lot of potential for the confectionery category, so we are excited to be sharing this information with our customers at TFWA AP. We want to work with retailers to improve all aspects of the confectionery category, from shopper engagement to the perfect retail activations with the right product offering, and research like this is an ideal base to start."