

A close-up photograph of a person's hand pushing a metal shopping cart with green handles in a brightly lit grocery store aisle. The background is blurred, showing shelves stocked with various products.

ECRM Ad Comparisons

THE LEADING PROVIDER OF PROMOTIONAL
DATA AND BUSINESS INTELLIGENCE

Valentine's Day Candy Promotional
Reflection
2015 versus 2014 Season

METHODOLOGY & DEFINITIONS:

Effective Ad Count: Effective Ad Count gives partial credit to any product that shares an ad block with other products in order to provide more context in promotional analysis. For example: If 4 products are present in an ad block each will only receive a .25 count for that particular promotion. If 3 products are present each one receives .33 count.

Percent of Space: We measure and aggregate the percent of physical space your brand receives in a particular channel of trade or even at a specific retail chain.

Manufacturer Exclusivity: Shows the percent of time that one manufacturer shares the same ad blocks with another manufacturer.

Time Periods: Seven Weeks Prior to 2/15/2014; 2014 (Previous Year): 12/29/2013-2/15/2014
Seven Weeks Prior to 2/14/2015; 2015 (Current Year): 12/28/2014-2/14/2015

Retailers: Unless noted otherwise: All US ECRM retailers used for analysis had two or more years of promotional data. Representative Markets. Kroger ATL and Kroger CIN Marketplace used to represent Kroger banners. Supermarket, Mass, Drug, Dollar retail channels studied.

Select Retailers: CVS, Walgreens, Safeway Stores, Kmart, Jewel-Osco (NAI), Price Chopper (Golub), Giant Food Carlisle, Target Stores, Walmart-US, Kroger ATL, Dollar General, Albertsons SOC, Meijer, Publix Super Markets, Family Dollar.

Digital Promotions: Web Promotions, Email Promotions and Bonus Pages.



- **Circular Promotions Best Practices**
 - Macro Circular Overview
 - Exclusivity
 - Percent of Space
 - Pricing Trends & Promotional Tactics
 - Macro Web Overview

CIRCULAR BEST PRACTICES – JEWEL-OSCO

This Valentine's Day page provided several gift giving options from wine, plush toys, cards, in-store bakery, presentation box candy and niche confectionery.

Jewel-Osco (NAI) – Chicago, IL – 2/11/2015
Circular Wrap (2)

Great ad placement for a smaller, local manufacturer. This mid-page promotional block also contained the “exclusively sold at Jewel-Osco.” The only other direct candy competition on this page came from the major brand presentation box candy.

CIRCULAR BEST PRACTICES – A & P

This Baci Chocolate brand promotion (Colavita USA) was included on a full Valentine's Day circular page. This was the only Premium Chocolate bar brand promotion on this page. Inclusion in a holiday themed page such as this one may provide sales lift and brand equity for smaller candy manufacturers.



PRICES GOOD THRU SATURDAY, FEBRUARY 14TH

CELEBRATE VALENTINE'S DAY WITH SOMEONE SPECIAL

Chocolate Dipped Strawberries
Freshly Prepared. Just For You. **9.99** (12 ct.)
NOTHING SAYS FRESH LIKE HAND-DIPPED STRAWBERRIES!
Only the sweetest strawberries are hand-dipped and coated in our finest dark chocolate by our master chefs. Decorated to perfection with a messy white chocolate drizzle.

Valentine's Day Decorated Single Layer Cakes
Choose from Yellow or Chocolate. **6.99** (12 ct.)

12 Pack Valentine's Day Decorated Cupcakes
Store Made! Choose from Yellow or Chocolate. **6.99** (12 ct.)

6 Pack Valentine's Day Decorated Cupcakes
Store Made! Choose from Yellow or Chocolate. **3.99** (6 ct.)

Valentine's Day Decorated Message Cookie
Personal Card. **8.99** (12 ct.)

Store Made Brownie Squares
Choose from: Chocolate, Vanilla or Candy. **3.99** (12 ct.)

Valentine Sweets for your Sweetheart

Ferrero Rocher Heart Gift Boxes
10 Pieces or 18 Pieces. **6.99** (10 ct.) / **9.99** (18 ct.)

Russell Stover or Whitman's Valentine's Heart
Assorted Five Chocolates, with card! **9.99**

Shearwell Valentine's Impressions Chocolate Squares
18.5 oz. 12 Pack. Choose from: Caramel or White. **4.99** (12 ct.)

Dove Promises Hearts Dark Chocolate
1.5 oz. 12 Pack. **2.57** (12 ct.)

Russell Stover or Whitman's Valentine's Heart Tiramisu, Fudge or Tiramisu
with card! **2.99** (12 ct.)

Hershey's Valentine's Giant Kisses
with card! **3.49** (1 ct.)

American's Choice Valentine's Candy
18.5 oz. 12 Pack. Choose from: Milk Chocolate or Fudge. **2.56** (12 ct.)

Hershey's Valentine's Candy
From Whimsy, Sugar or Toss Me Heart Box. **2.57** (12 ct.)

Baci Chocolate
with card! **3.99** (5 oz.)

Village Candle Candle Jar
with card. Where Available. **9.99**

18.5" Plush with Accessory
Choose from: Bear or Bunny. **12.99**

Classics 12 x 17 Valentine's Clings
Assorted Themes, with card! Where Available. **1.29**

Valentine's 6 x 12 Gift Clings
Assorted Themes, with card! Where Available. **1.99**

Share YOUR LOVE
SAVE \$2 with 2-card purchase
Cards purchased must be \$1.99 or greater in price.
Offer valid: 1/18/15 - 2/14/15

Visit the card aisle for coupons and details. AMERICAN GREETINGS

A & P – Randolph, NJ – 2/6/2015
Circular Middle (3)

CIRCULAR BEST PRACTICES – TARGET

The Lovely Candy Co. and Ripple Brand Collective with Lovely and BarkThin brands respectively, received placements within a Target's Valentine's Day candy section. The 3/\$10 offer priced these products competitively against the larger branded products.




2 for \$7
 Brookside 7-oz. candy and select other Brookside, Dove and Lancaster candy.
 • Select Bark Thins and Lovely Candy, sale 3 for \$10

2 for \$12
 Tyson 22-oz. grilled chicken breast strips



3 for \$10
 SALE All EVOL 8- to 9-oz. bowls and entrées



free \$5 GiftCard
 when you buy any ten meal solutions shown & more
Quantities limited, no rain checks. Terms and conditions apply to gift cards.



Meal solutions Select Ragu, Barilla, Archer Farms, Pace, Old El Paso, Hormel and more.

2 for \$7
 Brookside 7-oz. candy and select other Brookside, Dove and Lancaster candy.
 • Select Bark Thins and Lovely Candy, sale 3 for \$10



289
 SALE Dish candy Hershey's 10-oz. Truffle Kisses, M&M's 11.4-oz. milk chocolate and select others.



2 for \$8
 5.5-oz. Ghirardelli and select others.
Candy shown on this page is seasonal merchandise. No rain checks.



299
 SALE Candy Jolly Rancher 12.88-oz. lollipops, 11-oz. M&M's and select others.



5 for \$5
 Chocolates 2.4-oz. Reese's, 1.6-oz. Whitman's and select others.



expect more, pay less. 19

Target Stores – Minneapolis, MN - 1/18/2015
 Circular Middle (19)

Frankford Candy & Chocolate Company received an Excellent ECRM BASE Rating promotion on this circular page. This “Sweetheart Sale” themed page was a great placement for these candy products.

75TH ANNIVERSARY est. 1939

HI-SCHOOL pharmacy[®]

...your neighborhood drug & variety store!

Sweetheart Sale

Woodstock VALENTINE CRYSTAL ORNAMENTS & WIND CHIMES

- Choose from a variety of wind chimes in wood, copper and more, or crystal ornaments in assorted styles

30% OFF THE REGULAR PRICE

10" Pots SPRING COLOR BOWL

- Filled with primroses and spring bulbs
- Great addition to porch or patio

12⁹⁹
REGULAR 14.99

Fairy Gardening MINIATURE FAIRY GARDEN PLANTERS

- 9 x 9" wooden container with liner is filled with succulents and other plants, and tiny furniture accents with LED lights

19⁹⁹
REGULAR TO 49.99

4 Inch Pots PANSIES & PRIMROSES

- Early spring bloomers for pots and flowerbeds

YOUR CHOICE 99¢

4.33" Pots CYCLAMEN

- For semi shady gardens
- Choice of colors

REGULAR 4.99 3⁹⁹

4 Inch Pots POTTED BULBS

- Choose from daffodils, tulips, hyacinths, irises or crocuses

REGULAR 3.49 2⁹⁹ FOR \$5

Brown & Haley ALMOND ROCA

- Toffee buttercrunch confection covered in chocolate and almonds
- 10 oz.

REGULAR 5.99 3⁹⁹

Frankford VALENTINE CANDY & CARD KITS

- Assortment of character cards and lollipops
- 28 cards with candy

REGULAR 3.49 2⁴⁹

HERSHEY VALENTINE CANDY

- Kisses, Reese's Peanut Butter Cup Miniatures or York • 8.5 oz.

REGULAR 3.99 2⁹⁹ FOR \$5

BOXED CHOCOLATES

- Whitman's Sampler, or Russell Stover fine chocolate assortments
- 12 oz.

REGULAR 9.99 BUY 1, GET 1 FREE

Frankford VALENTINE CANDY & CARD KITS

- Assortment of character cards and lollipops
- 28 cards with candy

REGULAR 3.49 2⁴⁹

This particular brand ad block is classified as **Excellent**.

Positive Scoring Factors

- Ad Block Location
- No Recent Bulk Quantity in Category
- No Competing Private Brand
- Manufacturer Exclusive to Ad Block
- Ad Timing

Hi-School – Portland, OR – 2/3/2015
Circular Front (1)

Farley's & Sathers Candy Co received this Excellent ECRM BASE Rating promotion at Rite Aid. Although there was same pack type competition, the x/For offer, low net unit price, and inclusion on the Valentine's Day theme page were good tactics for possible unit sales increase.

2/\$3
SINGLE PURCHASE PRICE \$1.69
WITH WELLNESS+ CARD

Brach's 12 oz. or Valentine Gifts with Candy
Regular Retail \$1.79 - \$1.99

This particular brand ad block is classified as **Excellent**.

Positive Scoring Factors

- ✔ No Recent Bulk Quantity in Category
- ✔ No Competing Private Brand
- ✔ Manufacturer Exclusive to Ad Block

Valentine Candy

YOU PAY 5.99
GET **100 UP** REWARD

Russell Stover Bowline 8.25 - 12 oz., Whitman's Sampler 7 - 12 oz., Hershey's Pot of Gold 2.7 - 10 oz.

3/\$9
SINGLE PURCHASE PRICE \$9.00 WITH WELLNESS+ CARD

Save \$5 on a \$25 Visa gift card when you buy 3 DOVE™ "Promotion bags" Cards not sold in Vermont. *see store for details WITH WELLNESS+ CARD

Dove Chocolate Candy Bags 7.94 - 8.5 oz. Selection may vary by store

3.99
WITH WELLNESS+ CARD

Reese's Peanut Butter Hearts 6 Pack 1.2 oz. each or Hershey's Valentine Novelty Candy Selection may vary by store

2/\$1
SINGLE PURCHASE PRICE \$1.00 WITH WELLNESS+ CARD

Russell Stover Valentine Singles 1 - 1.25 oz.

2/\$3
SINGLE PURCHASE PRICE \$3.00 WITH WELLNESS+ CARD

Brach's 12 oz. or Valentine Gifts with Candy Regular Retail \$1.79 - \$1.99

25% OFF
REGULAR RETAIL WITH WELLNESS+ CARD

Assorted Valentine Cards, Novelties, Decor, Gifts and Gift Bags Selection may vary by store

25% OFF
REGULAR RETAIL WITH WELLNESS+ CARD

All Valentine Plush Regular Retail \$19.99 and Below Selection may vary by store

Great Gifts

JCPenney or Bed Bath & Beyond Gift Cards
GET **100 UP** REWARD WHEN YOU BUY \$50 OF THESE GIFT CARDS WITH WELLNESS+ CARD

Family Night

Domino's, Buffalo Wild Wings, Cracker Barrel, Microsoft Xbox, Hulu Plus or Fandango Gift Cards
GET **500 UP** REWARD WHEN YOU BUY ANY ONE OF THESE GIFT CARDS WITH WELLNESS+ CARD

Rite Aid – Los Angeles, CA - 1/25/2015
Circular Middle (9)

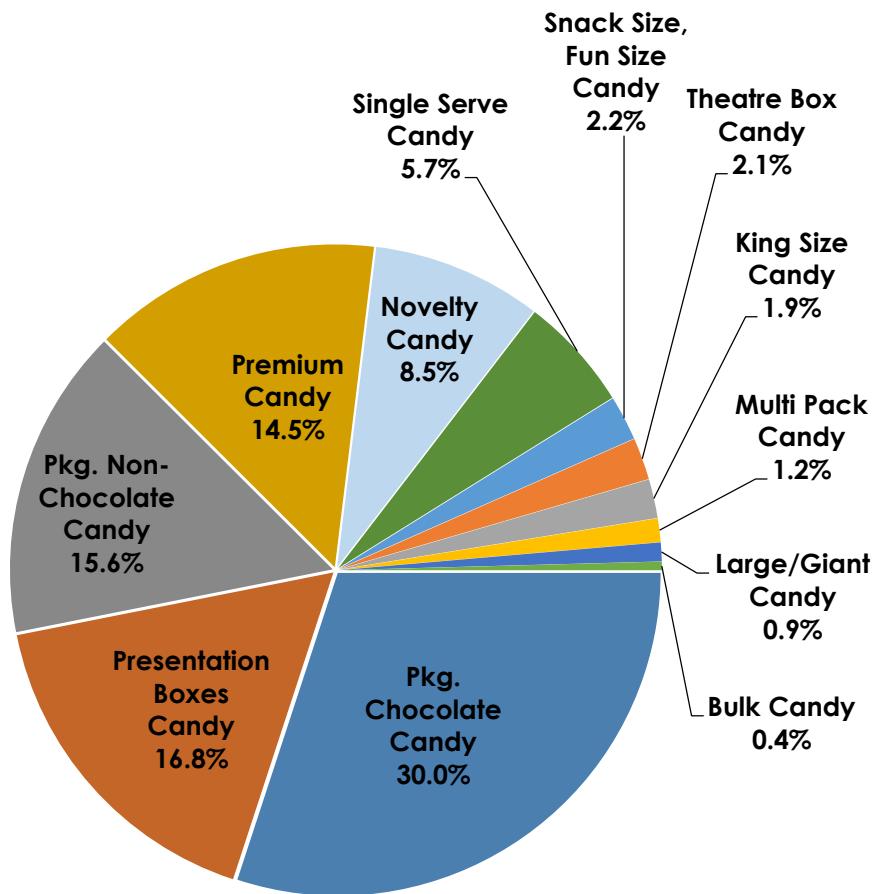


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- **Macro Circular Overview**
 - Exclusivity
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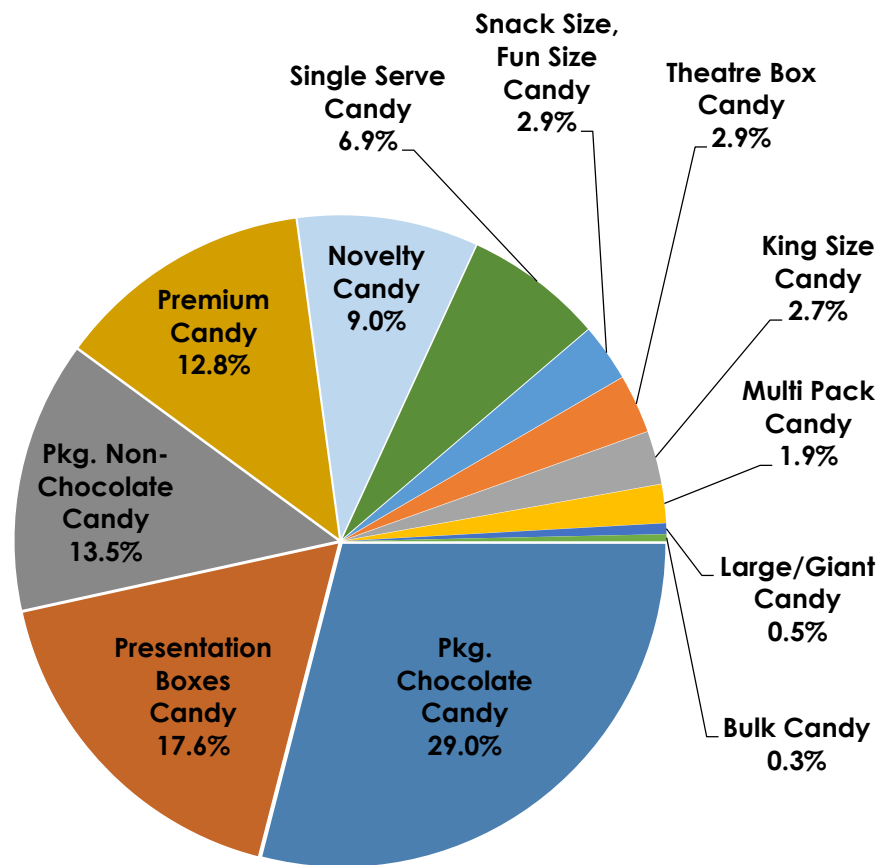
SHARE OF PROMOTIONAL VOICE – CANDY SUBCATEGORIES Y/Y

Presentation Box Candy lost promotional share in the 2015 Valentine's Day season; down 9% in effective ad support accounting for a 1% loss in promotional share. Pkg. Non-Chocolate Candy gained nearly 10% in effective ad support boosting share by 2%. Single Serve Candy promotions down 23% translating to loss of 1% in promotional share.

2015 Season



2014 Season

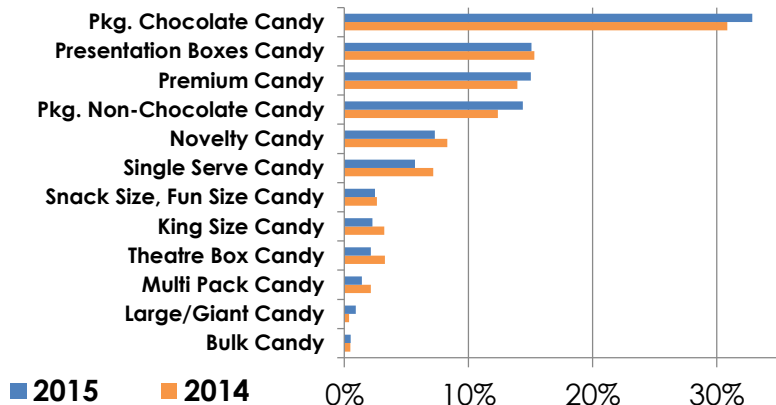


Everyday & Seasonal Candy Categories, Circulars Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

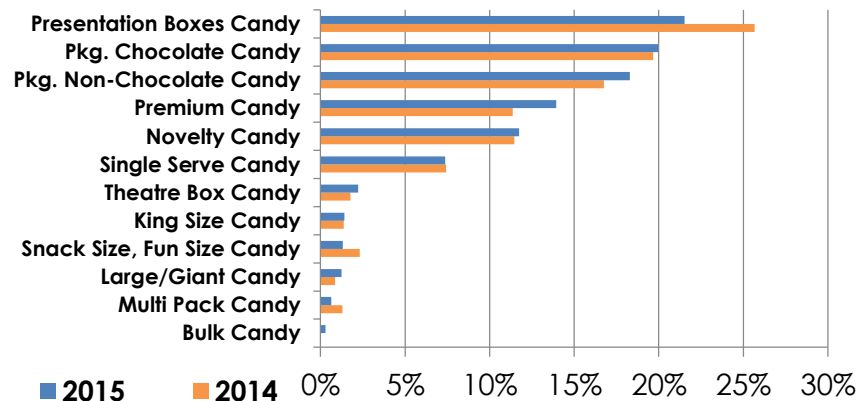
SUBCATEGORY PROMOTIONAL SUPPORT Y/Y BY RETAIL CHANNEL

Presentation Box Candy lost promotional share during Valentine's Day 2015 in the Supermarket and Drug channels. A decrease in share can be caused by fewer promos and/or an increase in competitor promos. However, Y/Y Presentation Box effective ad count decreases of 14% (Drug), 7% (Mass) and 6% (Supermarket) were seen. Pkg. Non-Chocolate Candy had promotional increases of 11% at Supermarket and Mass retailers and 12% at Drug retailers and as a result gained share. Pkg. Chocolate Candy effective promotional counts edged up slightly in Supermarkets and Drug channels; also causing share to increase.

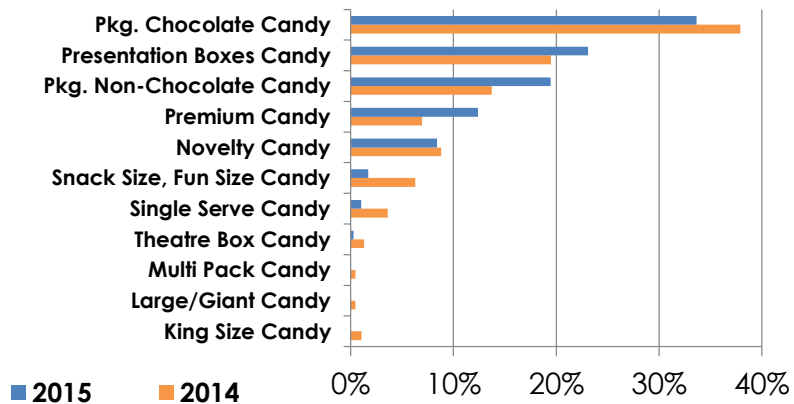
Supermarkets



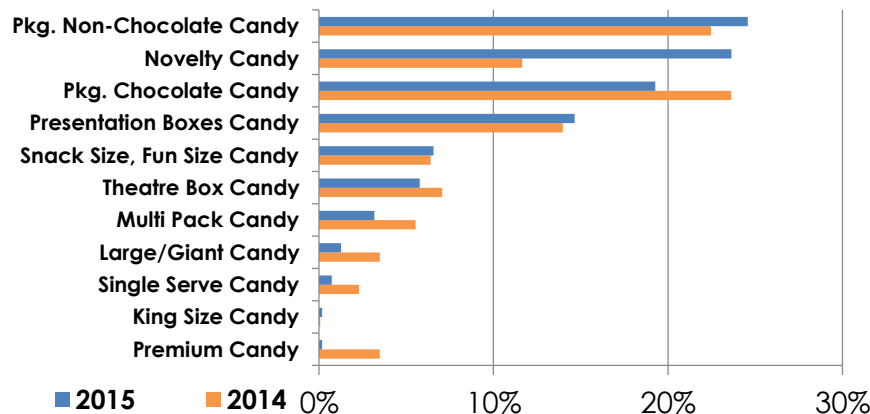
Drug



Mass



Dollar



Everyday & Seasonal Candy Categories, Circulars Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

PROMOTIONAL BRAND RANKING - TOP 20 BRANDS

Whitman's and Nestle had respective promotional decreases of 27% & 41%. Dove and Ghirardelli climbed the rankings by each gaining 4 ranks through promotional increases of 65% & 63% respectively.

Brands	Top Promoted Everyday & Seasonal Candy Brands		Ad Support Chg vs. Ygo
	2015 Season Rank	2014 Season Rank	
Hershey's	1	1	+8%
M&M Mars Candy	2	2	+8%
No Brand Assigned	3	3	-5%
Russell Stover	4	4	-19%
Dove Chocolate	5	9	+65%
Lindt	6	5	-2%
Ghirardelli	7	11	+63%
Brach's	8	7	+1%
Private Brand	9	10	+1%
Skinny Cow Candy	10	15	+57%
Brookside	11	18	+66%
Whitman's	12	8	-27%
Nestle	13	6	-41%
Hershey's Kisses	14	13	+6%
Reese's	15	12	-9%
Starburst	16	32	+219%
Ferrero Rocher	17	17	+14%
Skittles	18	27	+158%
Twizzlers	19	19	+27%
Snickers	20	14	-29%
Total Candy Brands Ad Support			+4%

Everyday & Seasonal Candy Categories , Circulars Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

PROMOTIONAL MANUFACTURER RANKING – TOP 20 MANUFACTURERS

Mondelez gave some rank away to companies such as Brookside and Just Born with a 20% drop in promotional support. Russell Stover declined 24% in 2015 season. Endangered Species and Wrigley were serious movers; Wrigley's Starburst and Skittles brands both enjoyed nearly 3X the 2015 Valentine's Day promotional support versus 2014.

Top Promoted Everyday & Seasonal Candy Manufacturers

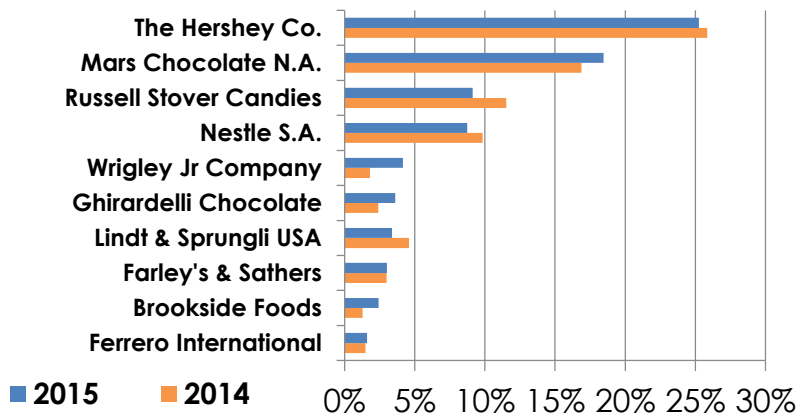
Manufacturers	2015 Season Rank	2014 Season Rank	Ad Support Chg vs. Ygo
The Hershey Company	# 1	# 1	+6%
Mars Chocolate N.A.	# 2	# 2	+11%
Russell Stover Candies	# 3	# 3	-24%
Nestle S.A.	# 4	# 4	-15%
Undefined Manufacturer	# 5	# 5	-5%
Lindt & Sprungli Usa Inc	# 6	# 6	-2%
Wrigley Jr Company	# 7	# 10	+115%
Ghirardelli Chocolate Co.	# 8	# 9	+63%
Farley's & Sathers Candy Co.	# 9	# 7	+0%
Private Brand Manufacturer	# 10	# 8	+1%
Brookside Foods, Ltd.	# 11	# 13	+66%
Ferrero International	# 12	# 11	+11%
Tootsie Roll Industries	# 13	# 12	-16%
Just Born Inc	# 14	# 18	+35%
NECCO	# 15	# 15	+14%
Mondelez International, Inc.	# 16	# 14	-20%
American Licorice Company	# 17	# 22	+59%
Endangered Species Choc.	# 18	# 23	+107%
Storck USA, L.P.	# 19	# 21	+23%
Chocolove	# 20	# 16	-31%
Total Candy Ad Support			+4%

Everyday & Seasonal Candy Categories , Circulars Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

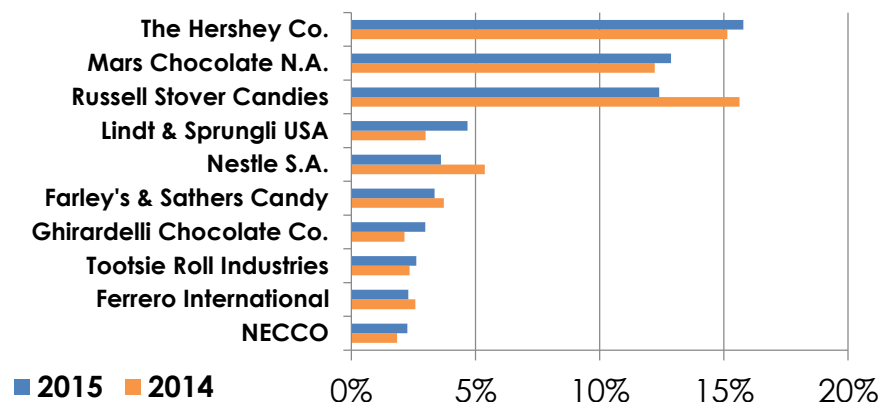
MANUFACTURER PROMOTIONAL SUPPORT Y/Y BY RETAIL CHANNEL

Effective ad support was down across Supermarket, Mass and Dollar trade channels; respective decreases of 5%, 22%, 37%. The overall decrease in Dollar promotional support mimics Mass promotional activity. Drug Channel retailers increased Valentine's Day promotions by 2%. Lindt & Sprungli promotions jumped 60% in the Drug channel, in contrast Russell Stover Drug channel promotions were down 19%. Hershey gained promotional share in the Mass channel despite a drop in 2015 season ads in larger part due to greater declines observed for other candy manufacturers. Wrigley promotions at Supermarkets more than doubled for the 2015 Valentine's Day holiday.

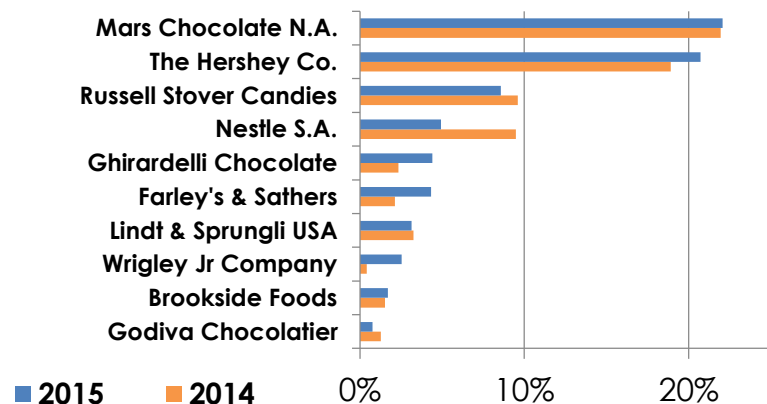
Supermarkets



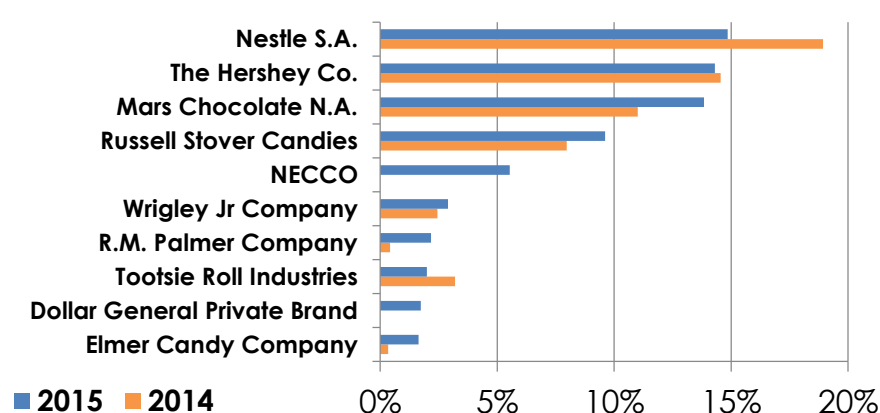
Drug



Mass



Dollar



Undefined Manufacturers Removed From Charts

Everyday & Seasonal Candy Categories, Circulars Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

SELECTED RETAILER PROMOTIONAL SUPPORT Y/Y

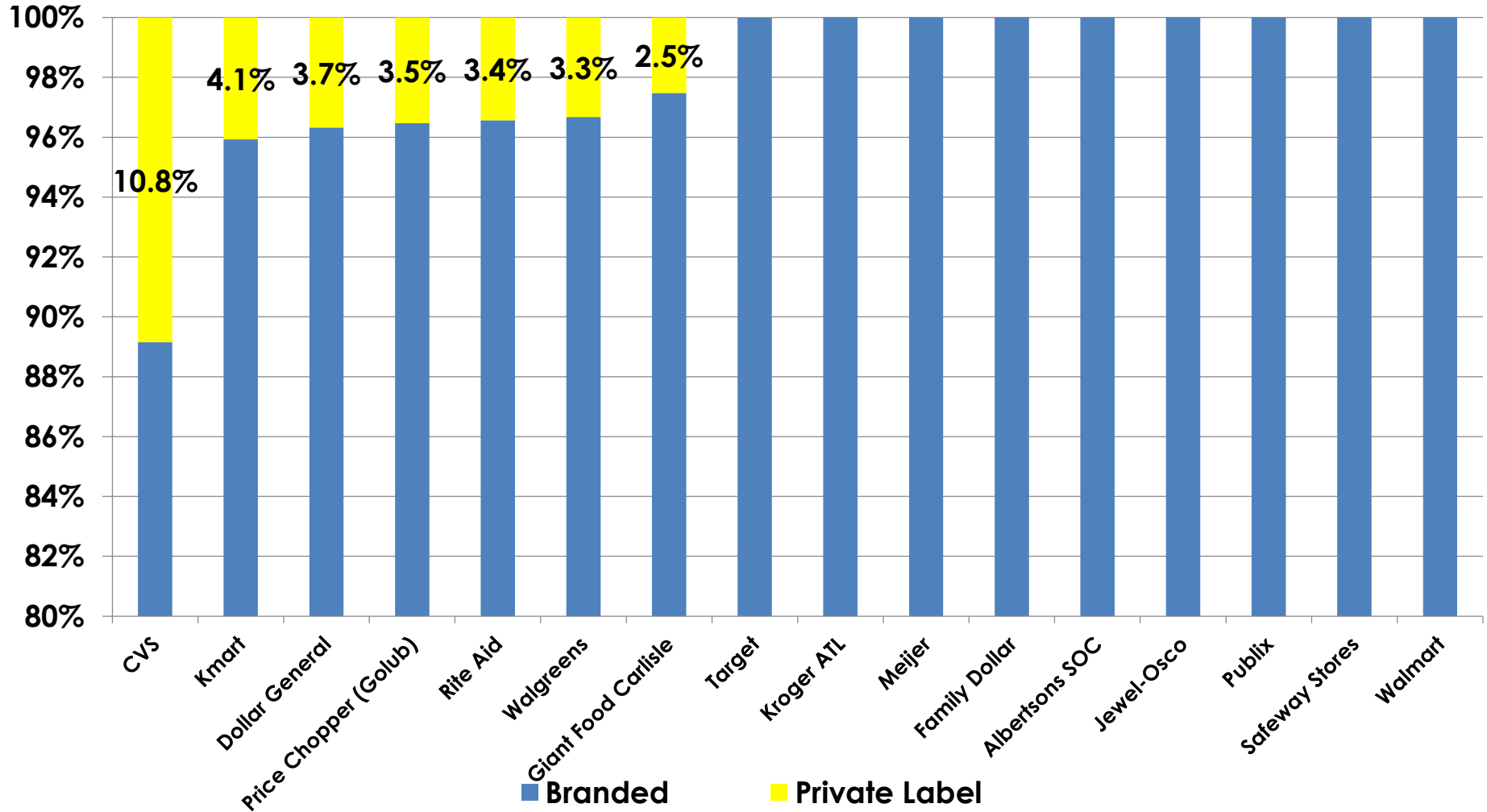
CVS posted a 17% increase in effective support; supported by 1.5X rise in candy category ads (ads lacking specific brands/manufacturer mentions). Jewel-Osco gave Mars 8X more promotional support and added 2015 promotions for smaller manufacturers such as Long Grove and Zachary. Safeway Stores increased 16% giving more 2015 support to Mars, Lindt and Wrigley. Dollar General added more variety in 2015 Valentine's Day candy promotions by adding ads for Farley's & Sathers, Spangler, Ce De Candy, Sweet Rama, Sweetworks and Mondelez.

Retailer	2015 Effective Ad Count	2014 Effective Ad Count	Season/Season % Change
Rite Aid	145.5	146.1	-0.4%
CVS	92.9	79.5	+16.9%
Walgreens	75.3	81.8	-7.9%
Safeway Stores	50.2	43.4	+15.6%
Kmart	24.6	94.3	-74.0%
Jewel-Osco (NAI)	42.0	13.5	+211.1%
Price Chopper (Golub)	28.3	37.5	-24.4%
Giant Food Carlisle	39.7	42.7	-7.0%
Target	35.6	34.2	+4.1%
Walmart	21.0	27.0	-22.2%
Kroger ATL	19.0	23.8	-20.3%
Dollar General	21.6	17.9	+20.2%
Albertsons SOC	14.0	25.8	-45.7%
Meijer	19.4	18.3	+5.6%
Publix	11.0	10.0	+10.0%
Family Dollar	6.7	33.4	-80.1%

Everyday & Seasonal Candy Categories, Circulars Only, Effective Ad Count, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

VALENTINE'S DAY 2015 DEDICATION TO P/L – SELECT RETAILERS

Little Private Label (P/L) ad support was observed at these selected retailers. In fact, P/L share of promotions only increased in the Drug channel with a slight tick up of 0.4%. P/L promotions at CVS were mainly Pkg. Chocolate Candy and Pkg. Non-Chocolate Candy.



Everyday & Seasonal Candy Categories, Circulars Only, Effective Ad Count, Select retailers, 7 Weeks Prior to 2/14/2015, Representative Markets



- Circular Promotions Best Practices
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AD BLOCK COUNT VS. EFFECTIVE AD COUNT

Both Ads Feature Seasonal Candy – Should They be Counted the Same?

Exclusive:



Esther Price
Chocolate Box
16 oz

13⁹⁹
With Card

[Kroger CIN – Cincinnati, OH – 2/11/2015](#)
[Circular Wrap \(6\)](#)

Shared:

2 Brands with **0.5** True Ad Count Each

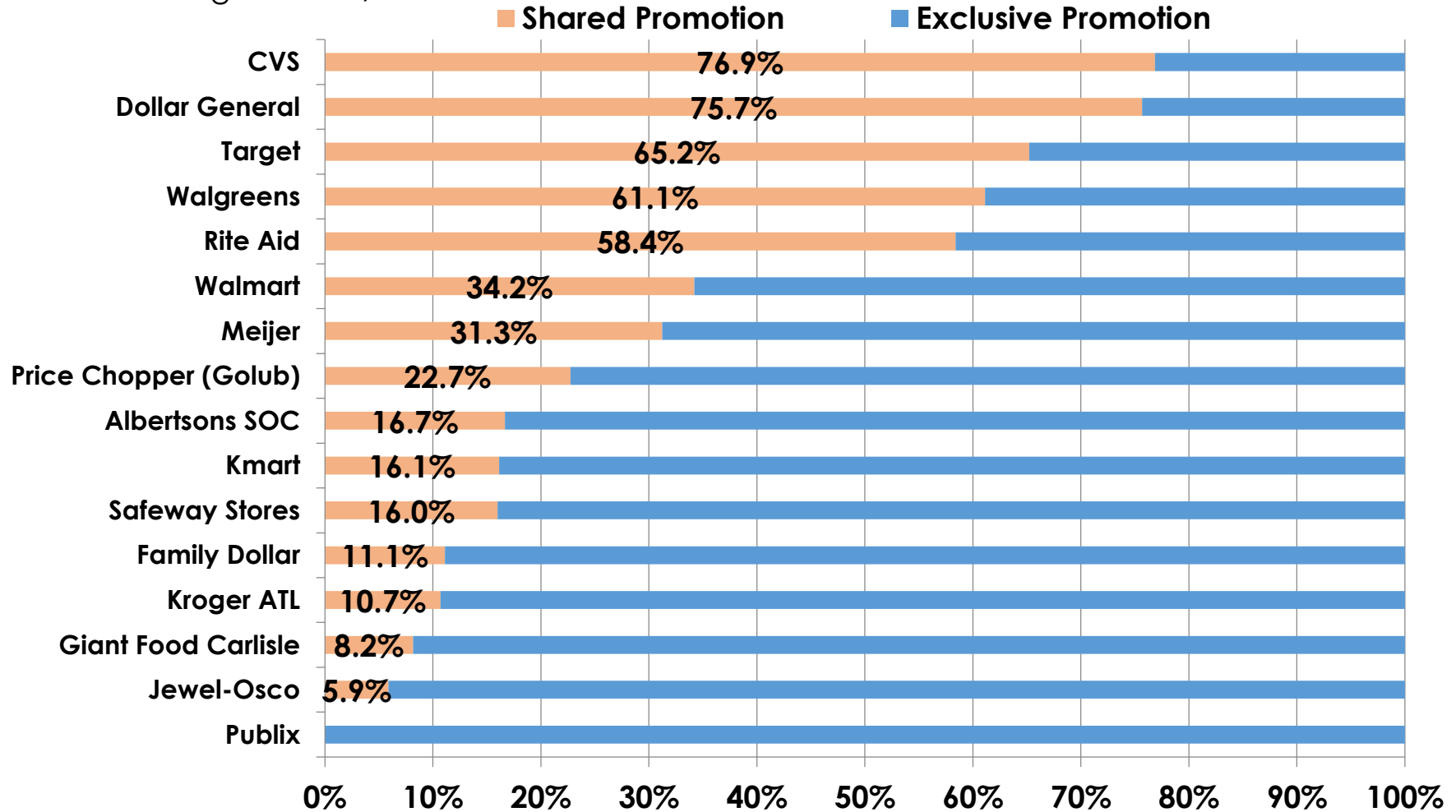


exclusive
9⁹⁹
Boxed chocolates
Russell Stover
9.5-oz. heart,
Godiva caramels
gold gift box and
select others.

[City Target – Chicago, IL – 2/8/2015](#)
[Circular Middle \(4\)](#)

VALENTINE'S DAY 2015 PROMOTIONAL EXCLUSIVITY - SELECT RETAILERS

Key drug retailers used more shared promotions in 2015 season with 68% of promotions featuring multiple manufacturers compared to just 48% in 2014. Mass retailers also used more multiple manufacturers ads jumping to 51% of 2015 ads versus 36% in prior season. The Supermarket channel maintained nearly 20% shared ad usage season/season.

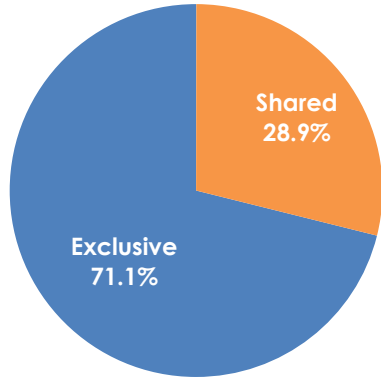


Everyday & Seasonal Candy Categories, Circulars Only, Feature Ad Count, 7 Weeks Prior to 2/14/2015, Representative Markets

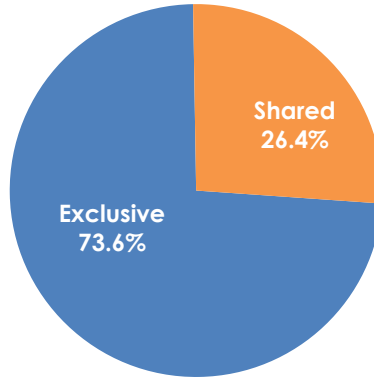
CURRENT YEAR **MANUFACTURER PROMOTIONAL EXCLUSIVITY**

1/3rd of Nestle promotions were shared with possible competitors in 2015 season. Wrigley gained better exclusivity in 2015 with a 8% climb in exclusive ad share. In contrast, Hershey's lost some exclusivity share of total promotions; down from 77.3% in 2014 season.

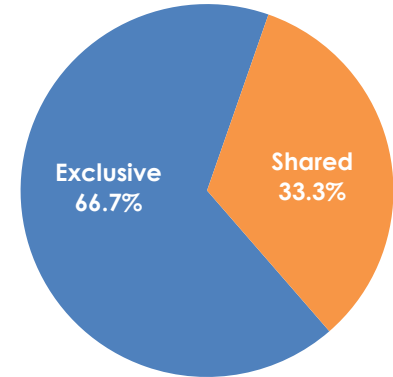
Hershey's



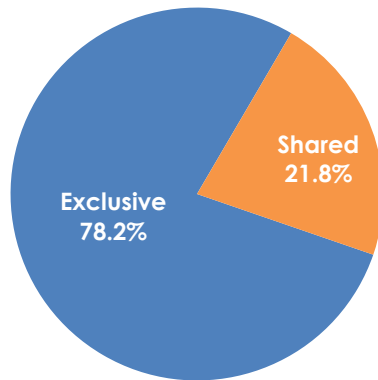
Mars



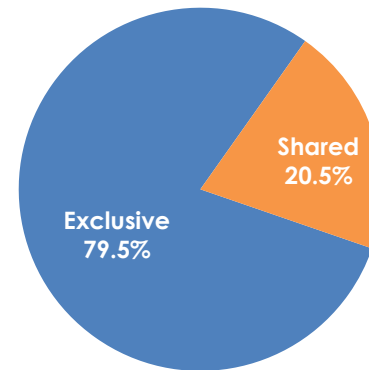
Nestle



Wrigley Jr Co.



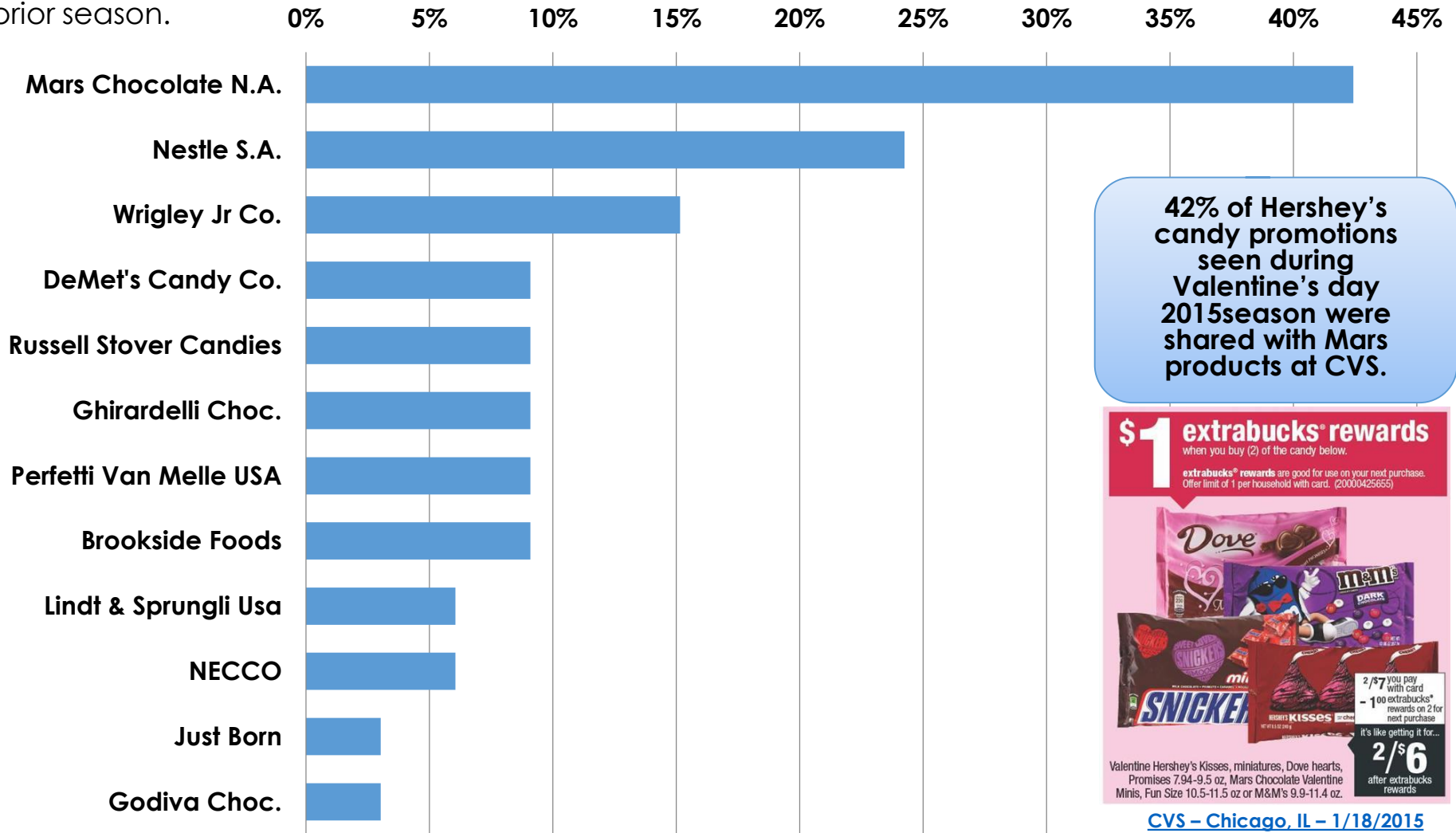
Russell Stover Candies



Everyday & Seasonal Candy Categories, Circulars Only, All Retailers. 7 Weeks Prior to 2/14/2015, Representative Markets

EXPLORING SHARED AD SPACE – HERSHEY'S AT CVS

64% of Hershey's 2015 Valentine's Day promotions were shared with competitors. This was a big increase from the 2014 season share of 40%. CVS did add a sum of 14 Effective ads for Hershey's versus prior season.



42% of Hershey's candy promotions seen during Valentine's day 2015 season were shared with Mars products at CVS.

\$1 extrabucks® rewards
when you buy (2) of the candy below.

extrabucks® rewards are good for use on your next purchase. Offer limit of 1 per household with card. (20000425655)

2/\$7 you pay with card - 100 extrabucks® rewards on 2 for next purchase

2/\$6 after extrabucks rewards

Valentine Hershey's Kisses, miniatures, Dove hearts, Promises 7.94-9.5 oz, Mars Chocolate Valentine Minis, Fun Size 10.5-11.5 oz or M&M's 9.9-11.4 oz.

CVS – Chicago, IL – 1/18/2015
Circular – Middle (4)

Everyday & Seasonal Candy Categories, Circulars Only, 7 Weeks Prior to 2/14/2015, Representative Markets



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NOT ALL ADS ARE CREATED EQUAL

There is a clear difference...why should they be counted the same?

Inside page of the 1/28/2015 Ralphs circular
Russell Stover received 1% of the page

Inside page of the 2/1/2015 Target circular
Russell Stover received 7% of the page

2015 CIRCULAR PHYSICAL SPACE ALLOCATION – SELECT RETAILERS

If share of space is larger than share of effective ad count, your ads at that retailer tended to be larger than the average. Rite Aid, Walgreens and Dollar General had slightly larger candy ads than other category ads. Kroger ATL and Kmart used smaller ads to promote candy during the Valentine's Day 2015 season.

Retailer	Share of Circular Space	Share of Effective Ads
Albertsons SOC	0.8%	0.9%
CVS	4.9%	5.9%
Dollar General	3.1%	2.8%
Family Dollar	2.2%	2.0%
Giant Food Carlisle	1.5%	1.8%
Jewel-Osco (NAI)	1.5%	1.8%
Kmart	1.2%	2.0%
Kroger ATL	1.3%	1.8%
Meijer	0.8%	1.0%
Price Chopper (Golub)	0.9%	1.0%
Publix Super Markets	0.7%	0.7%
Rite Aid	10.3%	9.9%
Safeway Stores	2.0%	2.1%
Target	2.3%	2.4%
Walgreens	5.4%	5.3%
Walmart	1.4%	1.5%

Everyday & Seasonal Candy Categories, Circulars Only, 7 Weeks Prior to 2/14/2015, Representative Markets



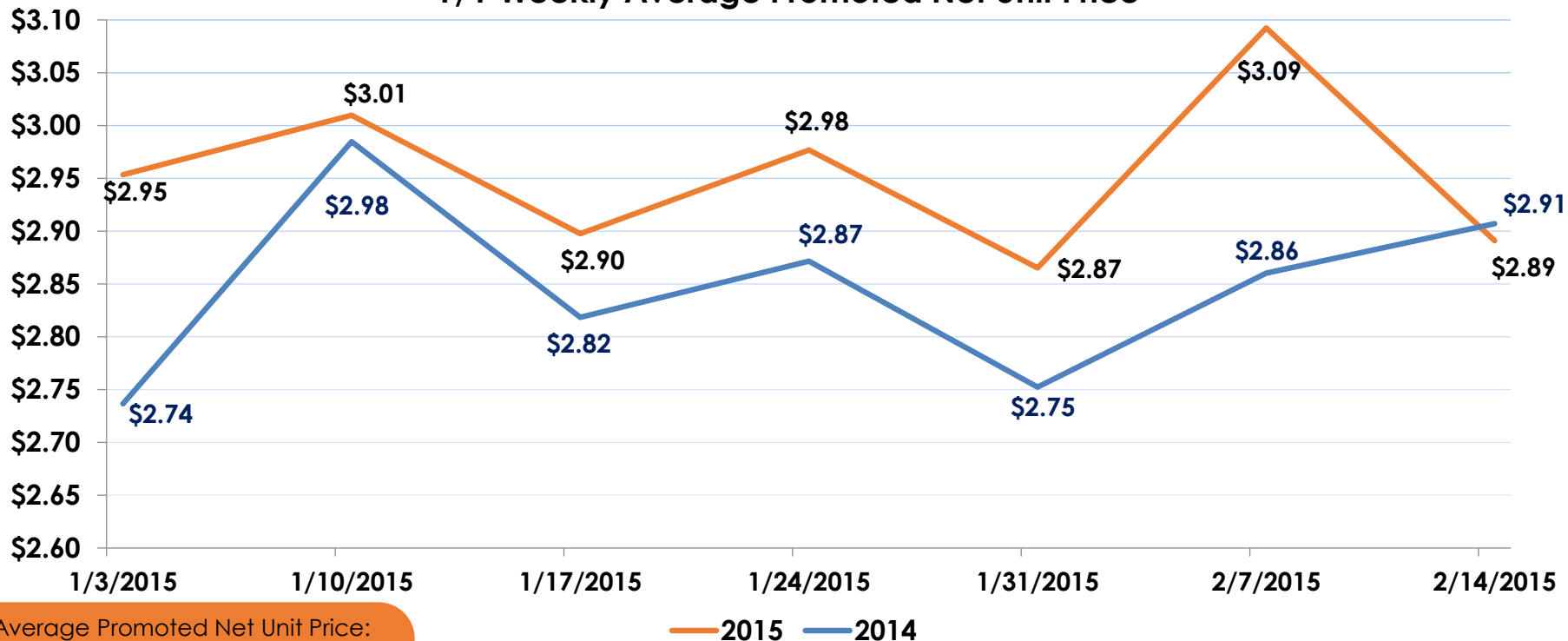
- Circular Promotions Best Practices
- Macro Circular Overview
- Exclusivity
- Percent of Space
- **Pricing Trends & Promotional Tactics**
- Macro Web Overview

WEEKLY AVERAGE PROMOTED NET UNIT PRICE

Everyday & Seasonal Packaged Chocolate Candy, 7 – 16 oz. Size Range Only, All Brands

Promoted Net Unit Prices were higher across the Valentine's Day 2015 season.

Y/Y Weekly Average Promoted Net Unit Price



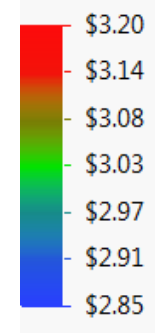
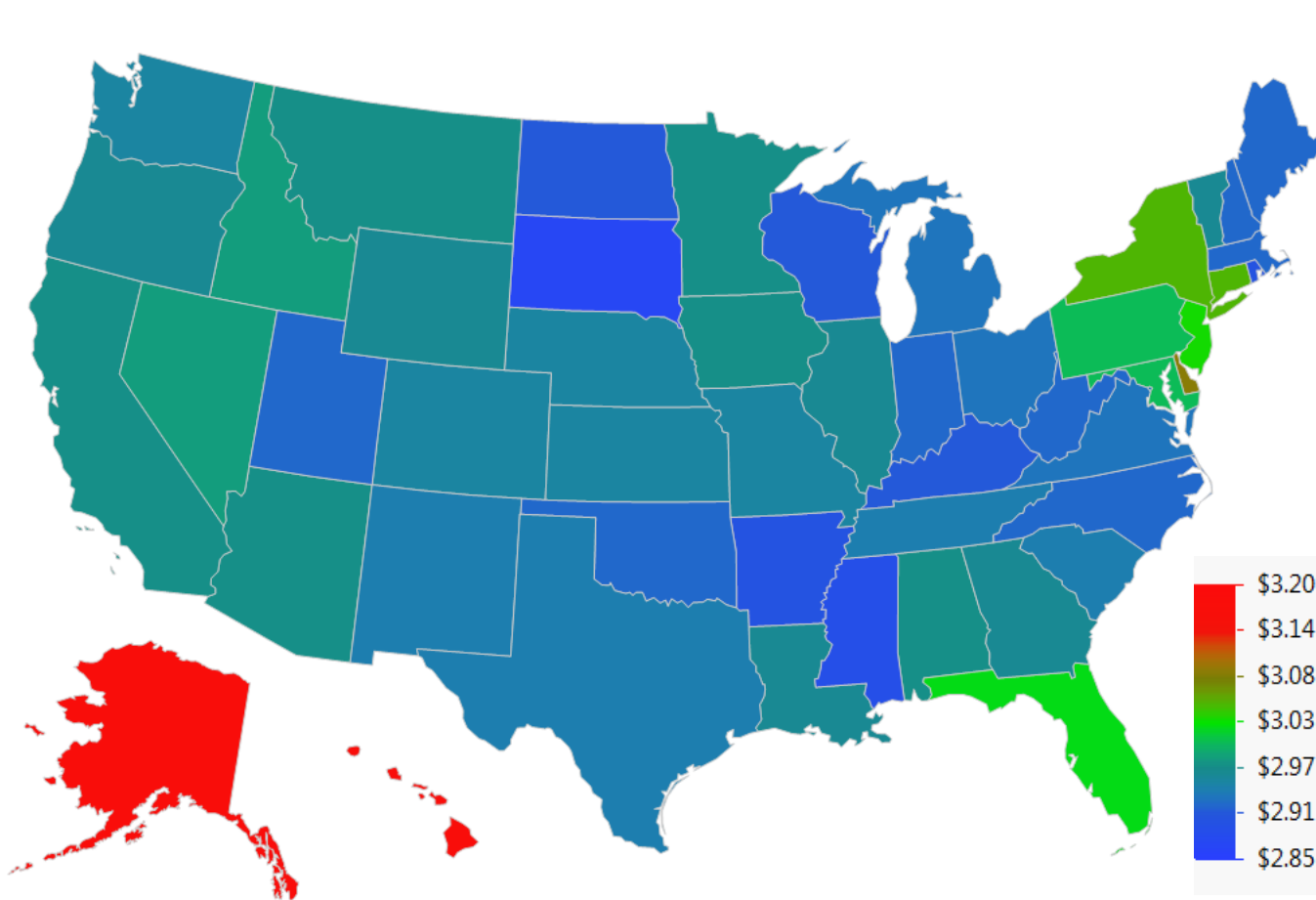
Average Promoted Net Unit Price:
 Valentine's Day 2015: \$2.96
 Christmas Holiday 2014: \$3.18
 Halloween 2014: \$2.74
 Easter 2014: \$2.76
 Valentines Day 2014: \$2.82
 Christmas Holiday 2013: \$3.83

Everyday & Seasonal Candy Categories, Circulars Only, 7 Weeks Prior to 2/14/2015 vs. Year Ago, All ECRM 2+ Year Retailers, All Markets

AVERAGE PROMOTED NET UNIT PRICE BY STATE

Everyday & Seasonal Packaged Chocolate Candy Pricing

7 -16 oz. Size Range, 12/28/2014 – 2/14/2015, All Channel Circular Promotions Only



State	Average Net Unit Price	State	Average Net Unit Price
AK	\$3.18	MT	\$2.97
AL	\$2.97	NC	\$2.92
AR	\$2.90	ND	\$2.91
AZ	\$2.97	NE	\$2.95
CA	\$2.97	NH	\$2.92
CO	\$2.95	NJ	\$3.03
CT	\$3.05	NM	\$2.94
DC	\$2.94	NV	\$2.98
DE	\$3.09	NY	\$3.05
FL	\$3.02	OH	\$2.93
GA	\$2.96	OK	\$2.92
HI	\$3.18	OR	\$2.96
IA	\$2.97	PA	\$3.00
ID	\$2.98	RI	\$2.90
IL	\$2.96	SC	\$2.94
IN	\$2.92	SD	\$2.87
KS	\$2.95	TN	\$2.94
KY	\$2.91	TX	\$2.94
LA	\$2.96	UT	\$2.92
MA	\$2.92	VA	\$2.93
MD	\$3.00	VT	\$2.96
ME	\$2.92	WA	\$2.95
MI	\$2.93	WI	\$2.91
MN	\$2.97	WV	\$2.92
MO	\$2.95	WY	\$2.96
MS	\$2.89		

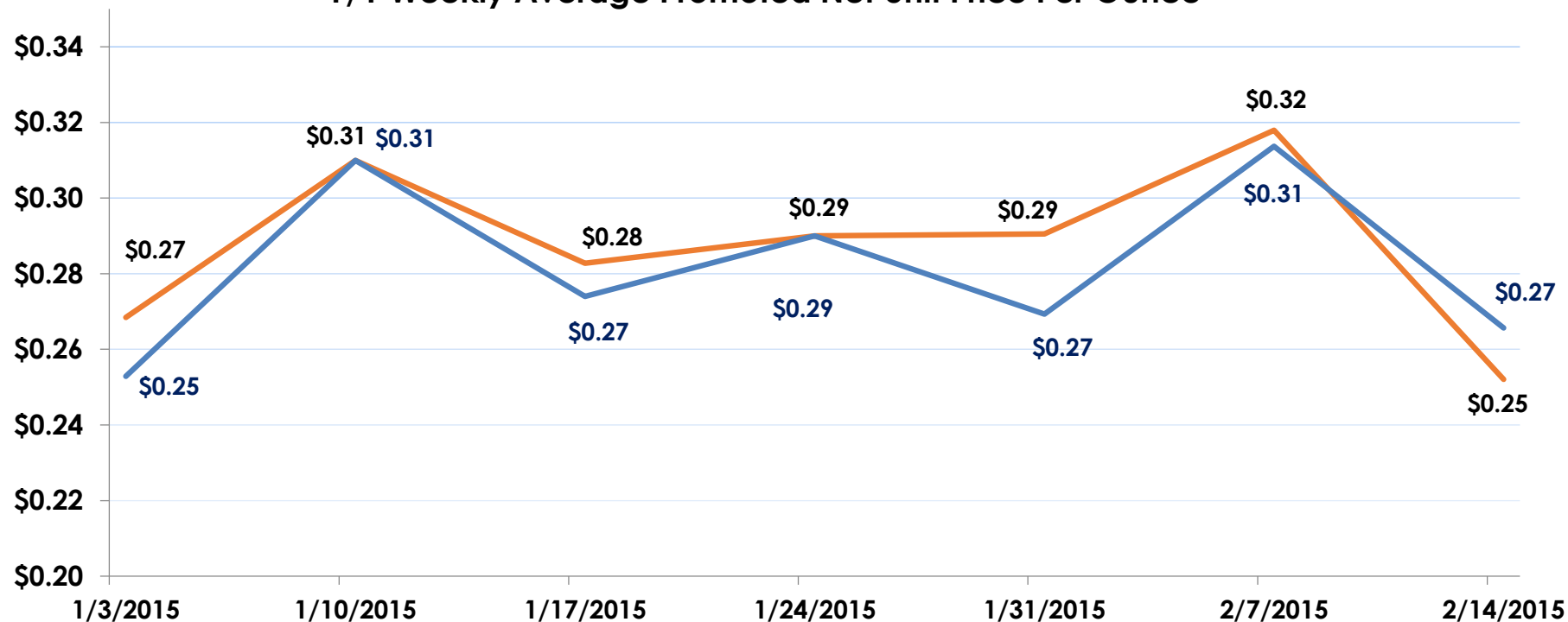
Everyday & Seasonal Candy Categories, Circulars Only, 7 Weeks Prior to 2/14/2015, All ECRM 2+ Year Retailers, All Markets

WEEKLY AVERAGE PROMOTED NET UNIT PRICE PER OUNCE

Everyday & Seasonal Packaged Chocolate Candy, 7 – 16 oz. Size Range Only, All Brands

Similar Promoted Net Unit Price Per Ounce activity was seen over both seasons.

Y/Y Weekly Average Promoted Net Unit Price Per Ounce



Average Promoted Net Unit Price Per Ounce:

- Valentine's Day 2015: 29¢
- Christmas Holiday 2014: 31¢
- Halloween 2014: 26¢
- Easter 2014: 27¢
- Valentines Day 2014: 27¢
- Christmas Holiday 2013: 33¢

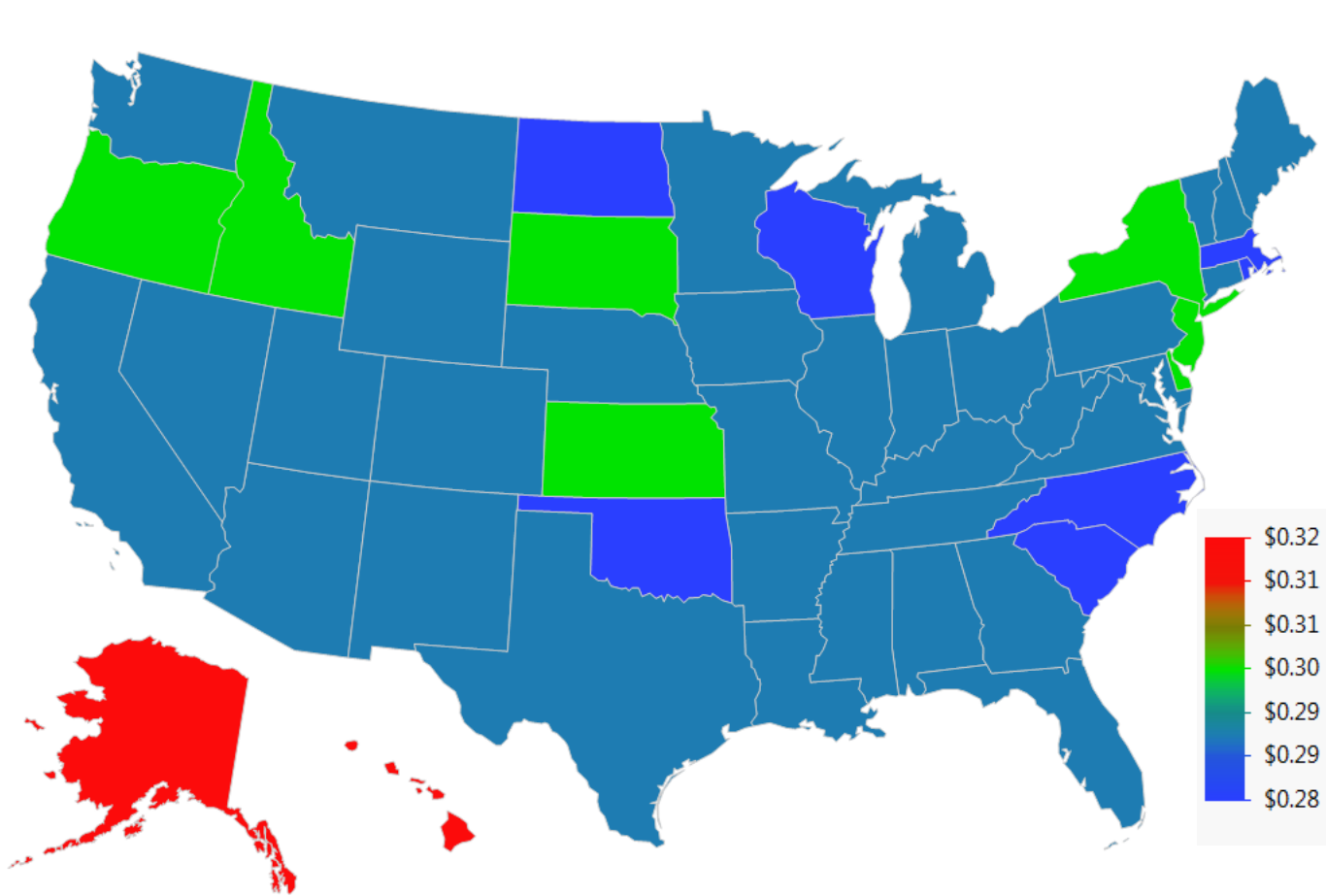
— 2015 — 2014

Everyday & Seasonal Candy Categories, Circulars Only, 7 Weeks Prior to 2/14/2015 vs. Year Ago, All ECRM 2+ Year Retailers, All Markets

AVERAGE PROMOTED NET UNIT PRICE PER OUNCE BY STATE

Everyday & Seasonal Packaged Chocolate Candy Pricing

7 -16 oz. Size Range, 12/28/2014 – 2/14/2015, All Channel Circular Promotions Only



State	Average Net Unit Price	State	Average Net Unit Price
AK	\$0.32	MT	\$0.29
AL	\$0.29	NC	\$0.28
AR	\$0.29	ND	\$0.28
AZ	\$0.29	NE	\$0.29
CA	\$0.29	NH	\$0.29
CO	\$0.29	NJ	\$0.30
CT	\$0.29	NM	\$0.29
DC	\$0.29	NV	\$0.29
DE	\$0.30	NY	\$0.30
FL	\$0.29	OH	\$0.29
GA	\$0.29	OK	\$0.28
HI	\$0.32	OR	\$0.30
IA	\$0.29	PA	\$0.29
ID	\$0.30	RI	\$0.28
IL	\$0.29	SC	\$0.28
IN	\$0.29	SD	\$0.30
KS	\$0.30	TN	\$0.29
KY	\$0.29	TX	\$0.29
LA	\$0.29	UT	\$0.29
MA	\$0.28	VA	\$0.29
MD	\$0.29	VT	\$0.29
ME	\$0.29	WA	\$0.29
MI	\$0.29	WI	\$0.28
MN	\$0.29	WV	\$0.29
MO	\$0.29	WY	\$0.29
MS	\$0.29		

Everyday & Seasonal Candy Categories, Circulars Only, 7 Weeks Prior to 2/14/2015, All ECRM 2+ Year Retailers, All Markets

COMPARING PRODUCT PRICING BY RETAILER & MARKET

Net Unit Prices for M & M's Pkg. Candy 9.9-13.0 oz. Atlanta, GA Market
Circulars Only

Retailer	Minimum	Average	Maximum	Most Seen Price
CVS	\$2.50	\$2.97	\$3.50	\$2.50
Ingles Markets	\$3.00	\$3.25	\$3.50	\$3.00
Kroger ATL	\$2.49	\$2.49	\$2.49	\$2.49
Rite Aid	\$2.50	\$2.83	\$3.50	\$2.50
Target Stores	\$2.66	\$2.84	\$2.99	\$2.66
Walgreens	\$2.00	\$2.17	\$2.50	\$2.00
Walmart-US	\$2.88	\$2.93	\$2.98	\$2.88
Aggregate Totals	\$2.00	\$2.76	\$3.50	\$2.00



ea
With Card ~~2.99~~
-50¢
2.49
ea
WHEN YOU BUY ANY 6
Participating Items With Card

M&M's
Candy
Select Varieties,
11.4-12.6 oz Bag

Kroger ATL – Atlanta, GA – 1/28/2015
Circular Wrap (5)

**Walgreens won minimum
promoted price seen!**



2/\$5 you pay with card
- 100 mfr's coupon on 2 in most Sunday newspapers*
it's like getting it for...
2/\$4
after savings

M&M's 9.9-12.6 oz.

CVS – Atlanta, GA – 1/11/2015
Circular Back (16)




coupon savings
with card ~~2.99 ea. or 2/\$5~~
less coupon online or in store on 2! \$1
final cost **2/\$4**

Mars M&M's or Minis 9.9 to 12.6 oz.

Walgreens – Atlanta, GA – 1/25/2015
Circular Middle (6)



new at Target
289
SALE Dish candy Hershey's 10-oz. truffle Kisses, M&M's 11.4-oz. milk chocolate and select others.

Target Stores – Atlanta, GA – 1/18/2015
Circular Middle (19)



288
each
M&M's® Red Velvet, Reese's® Peanut Butter Cup Miniatures, or Hershey's® Kisses® Candy • 9.9-11 oz.

Walmart-US – Atlanta, GA – 1/25/2015
Circular Middle (5)

7 Weeks Prior to 2/14/2015, Atlanta, GA Market

COMPARING PRODUCT PRICING BY RETAILER & MARKET

Net Unit Prices for Hershey's Kisses Packaged Candy 7.8 – 15.0 oz. Chicago, IL Market
Circulars Only

Retailer	Minimum	Average	Maximum	Most Seen Price
City Target	\$2.89	\$2.89	\$2.89	\$2.89
CVS	\$2.00	\$2.92	\$3.50	\$3.00
Fair-play Foods	\$2.50	\$2.66	\$2.99	\$2.50
Food 4 Less	\$2.99	\$2.99	\$2.99	\$2.99
Walmart-US	\$2.88	\$2.88	\$2.88	\$2.88
Aggregate Values	\$2.00	\$2.86	\$3.50	\$3.00



CVS – Chicago, IL – 1/11/2015
Circular Middle (14)

CVS won on minimum promoted price seen!



City Target – Chicago, IL – 1/18/2015
Circular Back (8)



Food \$ Less – Chicago, IL – 2/4/2015
Circular Front (1)



288 each
Hershey's® Chocolate Truffle Kisses®, Hershey's® Valentine's Kisses®, or M&M's® Milk Chocolate Candy • 10–12.6 oz.

Walmart-US – Chicago, IL – 2/1/2015
Circular Middle (17)

7 Weeks Prior to 2/14/2015, Chicago, IL Market

COMPARING PRODUCT PRICING BY RETAILER & MARKET

Net Unit Prices for Hershey's Pot of Gold Presentation Box Candy 8.7 -10 oz. Los Angeles, CA Market, Circulars Only

Retailer	Minimum	Average	Maximum	Most Seen Price
Kmart	\$4.99	\$5.00	\$5.00	\$4.99
Ralphs	\$4.99	\$4.99	\$4.99	\$4.99
Rite Aid	\$4.99	\$5.74	\$5.99	\$5.99
Aggregate Totals	\$4.99	\$5.42	\$5.99	\$4.99



Kmart – Los Angeles, CA – 2/8/2014
Circular Middle (3)



Ralphs – Los Angeles, CA – 2/4/2015
Circular Wrap (6)



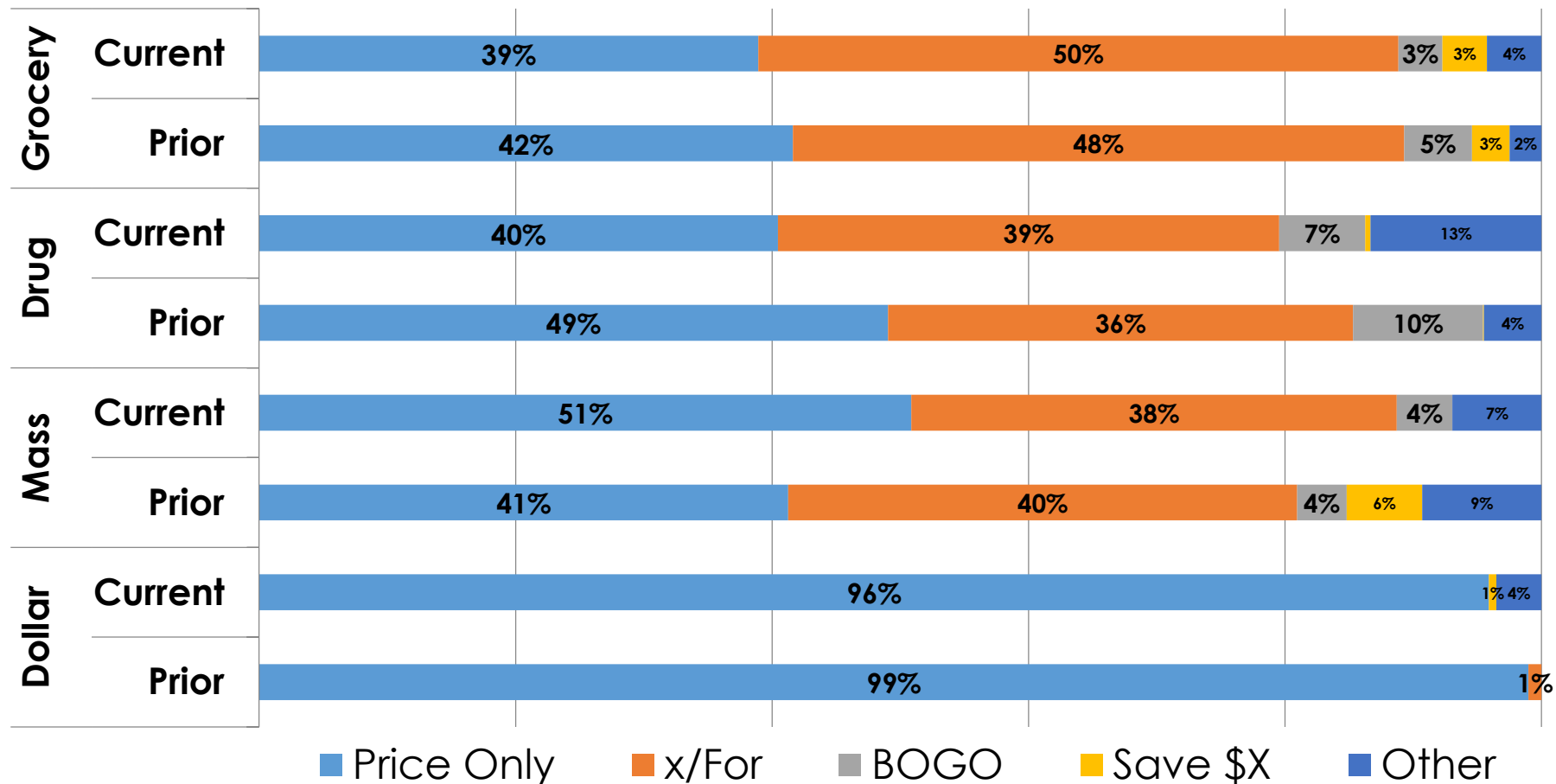
Rite Aid – Los Angeles, CA – 2/1/2015
Circular Middle (15)

These Los Angeles retailers tied on minimum promoted price seen!

7 Weeks Prior to 2/14/2015, Seattle, WA Market

Y/Y OFFER TACTICS SEEN IN CIRCULAR PROMOTIONS

Mass retailers increased Price Only promotional share for Valentine's Day season. This shift was also seen in Mass channel for Christmas 2014. Grocery and Drug utilized a larger x/For offer share, shifting a bit away from Price Only tactics.



Other*: Incentive, % Off, w/Purchase/X, Free w/Digital Coupon.

Everyday & Seasonal Candy Categories Feature Promotions, Circulars Only, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

Y/Y OFFER TACTICS SEEN IN CIRCULAR PROMOTIONS

Rite Aid, Walgreens and Target used a larger share of x/For tactics in 2015 season moving slightly away from Price Only promotions. CVS consolidated promo tactics on Incentive offers with Earn \$X Extra Bucks the commonly seen tactic. Publix had less BOGO offers in 2015 promotional share opting to add x/For offers. Kroger ATL used x/For and Price Only offers in over 85% of 2015 promotions compared to just 75% in prior season.

Retailer	Price Only		x/For		BOGO		Save \$X		Other	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Rite Aid	41.9%	58.0%	54.9%	36.4%	2.2%	2.1%	0.0%	0.0%	1.0%	3.6%
CVS	8.5%	10.2%	28.9%	42.1%	16.5%	42.8%	0.4%	0.4%	45.7%	4.6%
Walgreens	31.8%	34.4%	60.2%	59.2%	4.3%	3.2%	0.0%	0.0%	3.8%	3.2%
Safeway Stores	34.7%	43.6%	62.7%	53.8%	0.0%	2.6%	1.3%	0.0%	1.3%	0.0%
Kmart	35.5%	27.3%	61.3%	64.6%	3.2%	8.1%	0.0%	0.0%	0.0%	0.0%
Jewel-Osco (NAI)	50.0%	20.0%	39.7%	50.0%	4.4%	30.0%	4.4%	0.0%	1.5%	0.0%
Price Chopper (Golub)	53.0%	43.7%	39.4%	56.3%	7.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Giant Food Carlisle	36.7%	26.4%	61.2%	54.7%	0.0%	7.5%	2.0%	11.3%	0.0%	0.0%
Target	34.8%	39.7%	47.8%	28.6%	4.3%	0.0%	0.0%	20.6%	13.0%	11.1%
Walmart-US	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kroger ATL	21.4%	11.3%	64.3%	64.2%	7.1%	9.4%	7.1%	7.5%	0.0%	7.5%
Dollar General	94.6%	100.0%	0.0%	0.0%	0.0%	0.0%	1.4%	0.0%	4.1%	0.0%
Albertsons SOC	25.0%	60.0%	25.0%	26.0%	29.2%	4.0%	20.8%	8.0%	0.0%	2.0%
Meijer	25.0%	19.4%	53.1%	64.5%	15.6%	12.9%	0.0%	0.0%	6.3%	3.2%
Publix	22.2%	20.0%	33.3%	4.0%	44.4%	76.0%	0.0%	0.0%	0.0%	0.0%
Family Dollar	100.0%	97.6%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Other*: Incentive, % Off, w/Purchase/X, Free w/Digital Coupon.

Everyday & Seasonal Candy Categories Feature Promotions, Circulars Only, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets



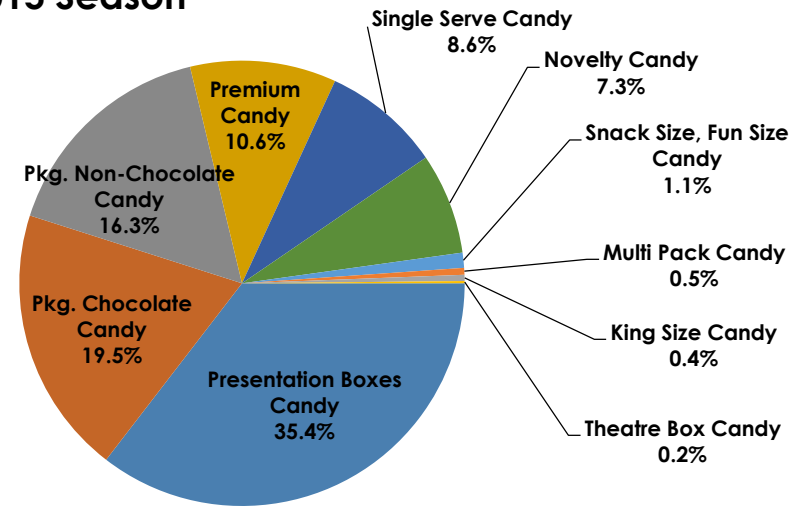
- Circular Promotions Best Practices
- Macro Circular Overview
- Exclusivity
- Percent of Space
- Pricing Trends & Promotional Tactics
- **Macro Web Overview**

DIGITAL PROMOTIONS OVERVIEW

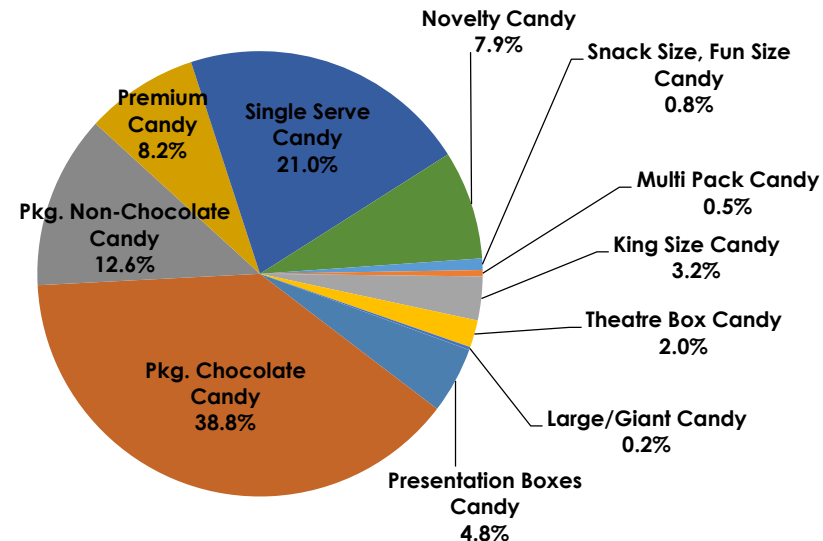
Presentation Box Candy promotional share jumped to 35% from 5% seen in 2014 season. Digital promotional support was down across most of the selected retailers.

Select Retailers	2015	2014	Y/Y Growth
Walgreens	45.1	66.9	-33%
Albertsons SOC	6.0	88.0	-93%
Acme Markets (NAI)	8.0	104.0	-92%
Target Stores	56.0	95.8	-42%
Walmart-US	9.0	64.3	-86%
H.E.B.	5.3	64.0	-92%
Safeway Stores	8.0	113.3	-93%
CVS	8.0	56.3	-86%
ShopRite	6.0	14.0	-57%
Amazon.com	14.7	7.3	103%
Kroger ATL	13.0	18.0	-500%
Kmart	2.0	42.0	-95%
Publix Super Markets	5.0	61.0	-92%
Rite Aid	0.0	53.0	-100%
Meijer	0.1	0.0	100%

2015 Season



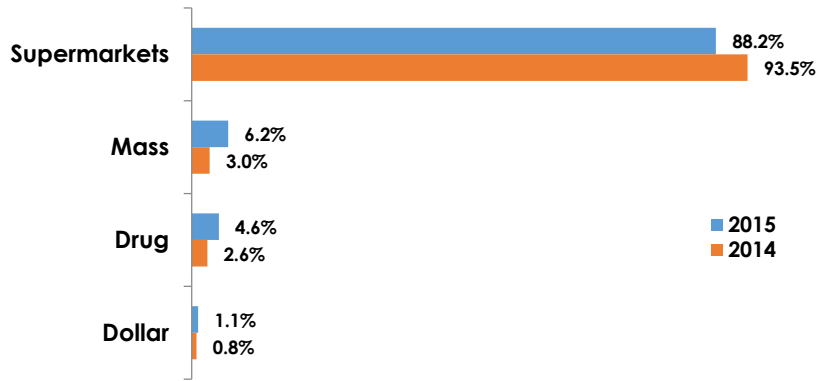
2014 Season



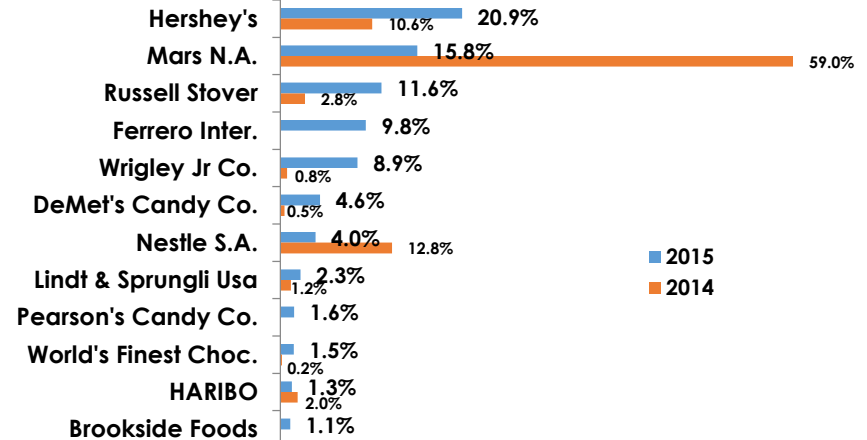
Everyday & Seasonal Candy Categories , Digital Promotions Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

DIGITAL PROMOTIONS OVERVIEW

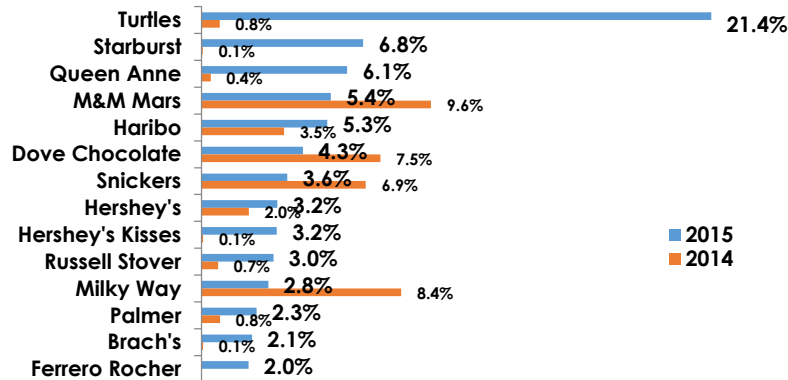
Channel Promotional Share



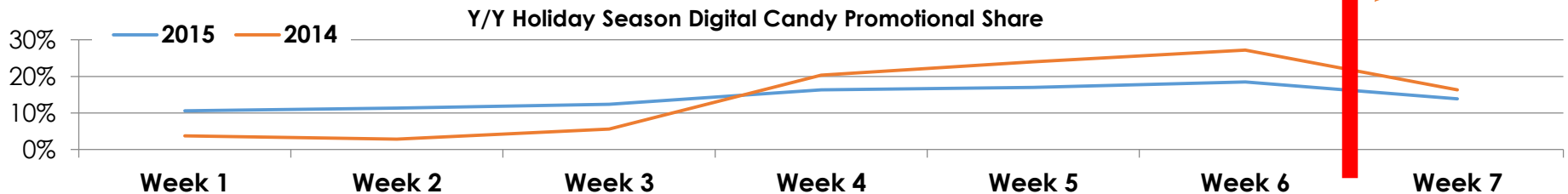
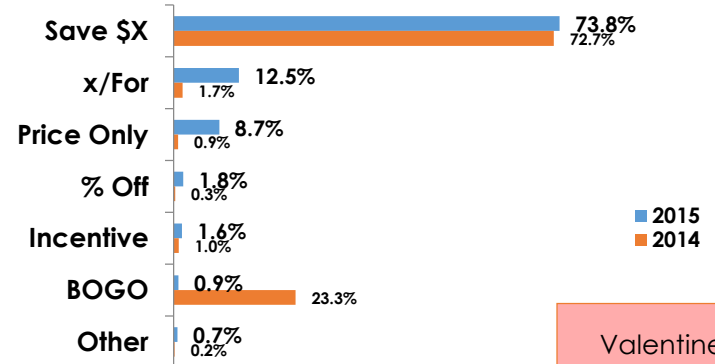
Top Promoted Manufacturer Promotional Share



Top Promoted Brand Promotional Share



Offer Tactics Share



Everyday & Seasonal Candy Categories, Digital Promotions Only, Effective Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

Y/Y BONUS PAGE PROMOTIONAL SUPPORT

Y/Y Bonus Page support is shown here for the studied retailers. Walgreens did not use candy Bonus Page promotions for the 2015 Valentine's Day season. Hy-Vee Foods Stores had many Bonus Page candy promotions. Kroger ATL reduced Nestle and Russell Stover Bonus Page promotions in 2015 season.

Retailer	2015	2014
Hy-Vee Food Stores	22	3
Kroger ATL	17	30
Target Stores	5	
Walgreens		30

Manufacturer	Hy-Vee		Kroger ATL		Target		Walgreens	
	2015	2014	2015	2014	2015	2014	2015	2014
The Hershey Co.	1	1	8	10				5
Nestle S.A.	4		2	8				6
Russell Stover	4	2	2	6				
Walgreens P/L								9
Mars N.A.			3	4				1
Tootsie Roll Ind.	4				1			
Wrigley Jr Co.	3							2
Duane Reade P/L								4
Jelly Belly Candy Company	3							
Frankford Candy & Chocolate Company	2							
Brookside Foods			1		2			
Chase Candy Company	1							
Ferrara Pan Candy Co.								1
Farley's & Sathers								1
HARIBO								1
Mondelez Inter.				1				
Target Private Brand					1			
Endangered Species Choc.				1				
Lindt & Sprungli USA			1					



Hershey's Bliss Valentine's Candy

8.8 oz Bag or Giant Kiss, 7 oz; Select Varieties

2\$7
for

With Card

Kroger ATL – Atlanta, GA – 2/4/2015
Bonus Pages Middle (1)



3.98

Wonka or Nestlé Valentine kit
select varieties 5.17 to 12 oz.

Hy-Vee Food Stores – Des Moines, IA – 1/17/2015
Bonus Pages Middle (6)



5 for \$5 All theater box candy

Target Stores – Minneapolis, MN – 2/1/2015
Bonus Pages Middle (7)

Everyday & Seasonal Candy Categories , Digital Promotions Only, Brand Feature Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

Y/Y CROSS-MEDIA PROMOTIONAL SUPPORT - DIGITAL & CIRCULAR

Kroger ATL supported Hershey's with equal Circular and Bonus Page support during the 2015 Valentine's Day season. Kroger ATL also tended to use Bonus Page promotions for larger manufacturers. Target and Hy-Vee used Bonus Page promotions for manufacturers with less market share such as Tootsie Roll Industries, Brookside Foods and Jelly Belly.

Manufacturers	Hy-Vee				Kroger ATL				Target		
	2015		2014		2015		2014		2015		2014
	Circular	Bonus Pages	Circular	Bonus Pages	Circular	Bonus Pages	Circular	Bonus Pages	Circular	Bonus Pages	Circular
The Hershey Co.	24	1	20	1	8	8	16	10	13		10
Mars N.A.	26		7		8	3	10	4	18		11
Russell Stover Candies	22	4	8	2	1	2	7	6	6		5
Nestle S.A.	1	4			7	2	10	8	4		6
Undefined	5		4				5		6	1	19
Farley's & Sathers Candy	7		4						3		1
Wrigley Jr Co.	2	3			2				2		1
Lindt & Sprungli USA						1	1		4		4
Ghirardelli Choc.			1						5		2
Brookside Foods	2				1	1			3	2	
Tootsie Roll Ind.	1	4								1	
Godiva Choc.			1						1		3
Endangered Species Choc.					1		1	1			
Jelly Belly Candy Company		3									
Target Private Brand									2	1	
World's Finest Chocolate	2										
Mondelez Inter.							1	1			
Kroger Private Brand							2				
Frankford Candy & Chocolate Company		2									
Hy-Vee Private Brand			2								
NECCO											1
Ripple Brand Collective									1		
Chase Candy Company		1									
Lovely Candy Co.									1		
Totals	92	22	47	3	28	17	53	30	69	5	63

Everyday & Seasonal Candy Categories , Digital Promotions Only, Brand Feature Ad Count, All Retailers, 7 Weeks Prior to 2/14/2015 vs. Year Ago, Representative Markets

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