

Bumper Year For Easter Chocolate Innovation Reports Mintel

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It's™ that time of year again, when the shops are chock a bloc with Easter goodies and this year could prove to be a bumper year for egg hunters as new research from Mintel finds the number of global Easter egg new product launches has risen a sweet 45% over the past year.

Latest research from Mintel finds around a quarter (25%) of all global chocolate launches in 2011 were for chocolate products with a "seasonal" positioning e.g., Christmas, Easter, Halloween themed etc. While global new product chocolate launches declined by 7% between 2010 and 2011, products with seasonal claims increased a tasty 6% over the same period. And it seems that this year has seen a real hive of activity around Easter chocolate NPD as research shows that there has been a spectacular 45% rise in the number of Easter products launched globally during 2012 compared to Easter 2011.

In terms of value, last year the seasonal chocolate market represented a \$4.9 billion market in the US, up 6.4% on 2010; in the UK, the market is equally robust with 2010 sales at more than Â£500 million.

Marcia Mogelonsky, Director of Insight for Mintel Food and Drink, said:

"This year has proved to be a real hot-bed of activity for Easter chocolate NPD. Seasonal chocolate is, if anything more recession resistant than the overall market, as the products have broad appeal as gifts for a wide range of recipients, from friends to relatives and co-workers. Easter has consistently led other holidays in innovation - and in sales - as it is a holiday with a strong affinity for confectionery through gift baskets, egg hunts, and other family-focused traditions."

Today, the US accounts for the largest percentage of all seasonal launches at 18%, while the UK is the second most active region accounting for 12% of all launches, meanwhile Germany accounts for 10%. Canada has seen the biggest increase in seasonal activity, increasing 89% between 2010 and 2011, today Canada accounts for 7% of all NPD activity. Other impressive performers between 2010 and 2011 are the UK, where activity has increased by 53% and France where there has been a 41% increase in NPD activity.

However, while seasonal activity is thriving, the number of seasonal launches aimed at children aged between 5 and 12 has declined in a number of regions over the past 12 months. In 2011, child-focused launches were down 62% in the USA; a pattern which is also seen in Brazil (-62%) a nation which is also struggling with controlling obesity levels. In the US, the decline in launches are likely to be tied to a shift in gifting habits. As many as 21% of parents report that over the past year they have switched to giving their children healthier treats than chocolate or candy for holidays.

Meanwhile, in the UK the number of seasonal launches for children aged 5-12 has remained static.

"This change is not enough to affect the overall market in any significant way, but could suggest that manufacturers will be paring down their efforts to introduce seasonal products aimed directly at children in the next few years. It will be interesting to see if other markets follow suit in the future, as childhood obesity continues to be a concern." Marcia continues.

While seasonal chocolate has been the star performer of the industry, the research shows it has been less than positive for posh chocs as premium activity slowed in 2011. Between 2010 and 2011 launches of premium chocolate products declined 10%. In the US, the biggest market for new premium launches, new introductions declined by 28%. Innovation in the UK (-31%) and Australia (-24%) also slowed, but Japan, known for its highly dynamic approach to new product launches, continued to bring new premium products to market at a rapid pace, with activity increasing 71% between 2010 and 2011.

"The decline in launches of premium products is due, in part, to the challenges in the cocoa market. Raw materials from more exclusive regions in South and Central America, Asia, and Africa added to the price of premium products, and gave manufacturers pause to consider whether forays into higher-priced cocoa would grant an appreciable return on investment. The pull-back on launches did not stem creativity however, and premium launches over the year were notable for inventiveness. Chocolatiers experimented with a broad range of new ingredients, including a greater foray into herbal and floral notes, as well as extensions on savoury or spicy themes (e.g. bacon, curry, and chili). The quest for rarer sources continued, even with high prices, and cocoa from the Caribbean and Central America began to appear in a number of countries." Marcia concludes.

Source: Mintel GNPD, Mintel Oxygen Reports

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