



2020  
Valentine's  
AAR

Spread Love

MARS WRIGLEY  
SPREAD LOVE TOUR



# Spread Love

## Road Map:



High-Level Summary



What Worked Well



What Can Be Improved



How We Will Get There



Drive  
efficiency



Engage  
often



Enhance  
gifting



# MW Increased Shipments, but Market Sales Declined

## Internal Metrics

Metrics	2020	2019
GSV	\$123.1M	\$234M
MAC	12.3%	23.4%
Case-Fill	123.12%	234.34%

- GSV increased by \_\_% (on a plan of +\_\_%) driven by lorem ipsum. Increased shipment volume on Starburst, Celebrations, Skittles, & Dove.
- 2019 Chocolate MAC was XX% (+\_\_ ppts); Fruity MAC was YY% (an XX ppt change).
- Portfolio MAC up +XX% vs. Last Year driven by Project Cooper (XX% MAC improvement), Dove lorem ipsum MAC improvements, and portfolio mix changes
- Fruity MAC change driven by lorem ipsum e pluribus unum (affected several high-volume items).

## Consumer Support



### Media Spend:

- +XX% in Media Spend
- +YY% in Choc and \_\_% in Fruity Conf.
- Overall increase in spend driven by Snickers media (+XX%; +\$YYM) due to Super Bowl, and Twix Media (+XX%; +\$YYM) due to Cookies & Crème Launch.
- The \_\_\_\_ on FC driven by Skittles spend (XYZ% change)

### Coupon Support:

Flat vs 2019. lorem ipsum

### In-Store POS:

Declined in display activity.

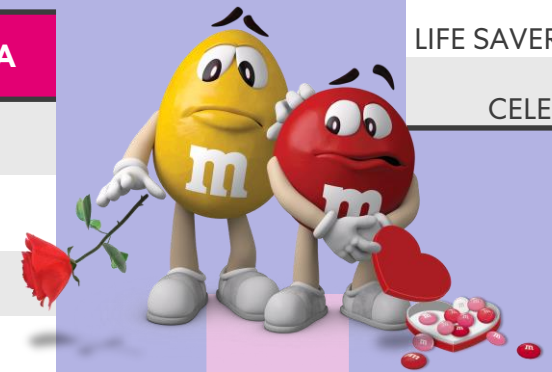
- Lorem ipsum lorem ipsum driven by lorem ipsum

## Assortment & In-Market Performance

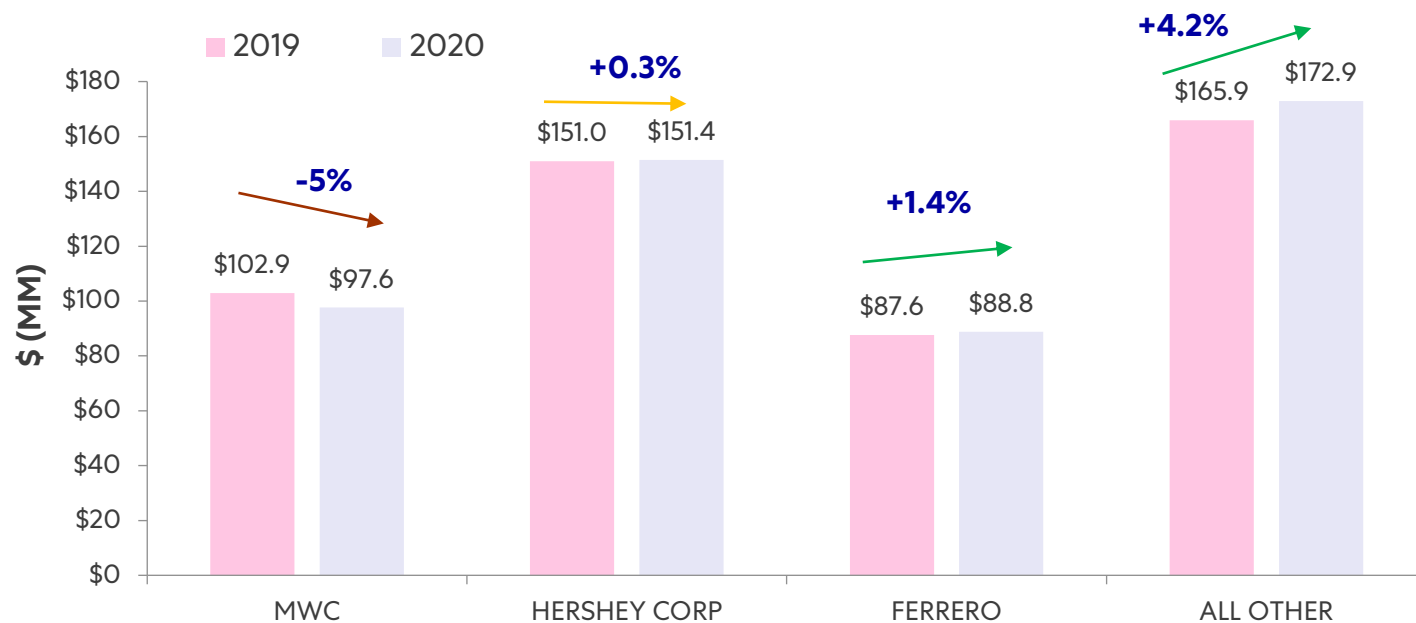
Customer	TDP % CYA	\$/TDP CYA
xAOC	-1.2	-3.9
WMT	+2.6	-1.7
TGT	+1.8	-3.7
DRUG	-8.2	-4.3
FOOD	-8.1	+2.7
VALUE	+11.4	-12.7
C-STORE	-62.4	+3.7

Channel	\$ Shr. CYA	Brand	\$ % CYA
xAOC	-0.8	DOVE	-4.8
WMT	-0.2	M&M'S	-9.7
TGT	-1.2	MARS VRTY	-5.3
DRUG	-1.5	SKITTLES	-4.1
FOOD	-0.2	STARBURST	+9.2
DOLLAR	-0.5	TWIX	-15.8
C-STORE	-9.2	SNICKERS	-10.8
		LIFE SAVERS	+0.1
		CELEB.	-11.4

\$/Share	\$ % CYA	Shr. CYA
CATEGORY	+0.3%	0.0
MWC	-5.1%	-0.8
HERSHEY	+0.3%	0.0
LINDT	-0.6%	+0.9
FERRERO	+1.4%	+0.1
AO MANUF.	+4.2%	0.0

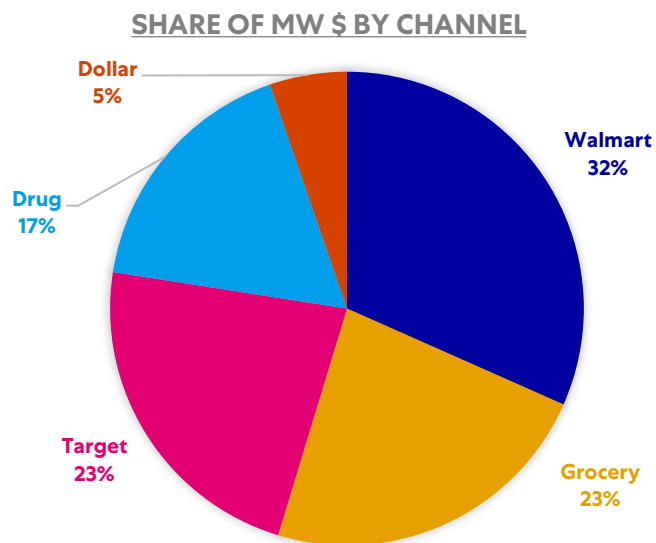


## The only substantial growth came from Ferrero & AO Manufacturers



	Shr. CYA
MWC	(0.8)
HERSHEY CORP	0.0
FERRERO	+0.1
LINDT	+0.9
ALL OTHER	0.0

3-Year CAGR:	
MARS WRIGLEY	+0.1%
HERSHEY	-0.3%
FERRERO	+14.7%
Lindt	-2.7%



MW \$ % Chg YA	
C-Store	-61.1
Drug	-12.2
Grocery	-5.6
Walmart	+0.9
Target	-2.0
Dollar	-2.7
Club	+13.1

- Target:** dominated by Ferrero & HSY in 2020
- Walmart:** MW gained distribution (Dove® and Skittles®). High sell-through on Dove® Tin Tubes and Fruity Conf.

\*Note: Channel data is Nielsen-based and differs from retailer Point of Sale data





# FERRERO® is steadily growing via Innovation & Casual Gifting

How they Won: Core growth, Nerds Rope, new Golden Gallery

FERRERO  
ROCHER

+\$4M  
(up 10%)

WONKA  
Nerds

+\$1M  
(up 63%)

CRUNCH

+\$90k  
(up 20%)

- ↑ Promo \$
- ↑ Distribution
- ↑ Velocities



Disruptive 2<sup>nd</sup>-year innovation  
\$1.2M



Innovation

Top Usage Occasions & Channels

Casual Gifting

(growing their core blockbusters)

+18%

Target  
CVS  
Value



MARS WRIGLEY



# This year's results were driven by a few key factors

Factor 1  
verbiage



Data  
-XX%

Factor 2  
verbiage



Data  
-XX%

Factor 4 verbiage

Factor 3  
verbiage



2019



2020



# XYZ had an effect on 2020 shipments

## Sampling of Project XYZ Items









## Effect on Distribution



Save money. Live better.

Lorem ipsum

**DOLLAR GENERAL**

Save time. Save money. Every day!™

Lorem ipsum

Even so...

**Total Shipment GSV +XY%**





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# Spread Love

VALENTINE'S DAY 2021

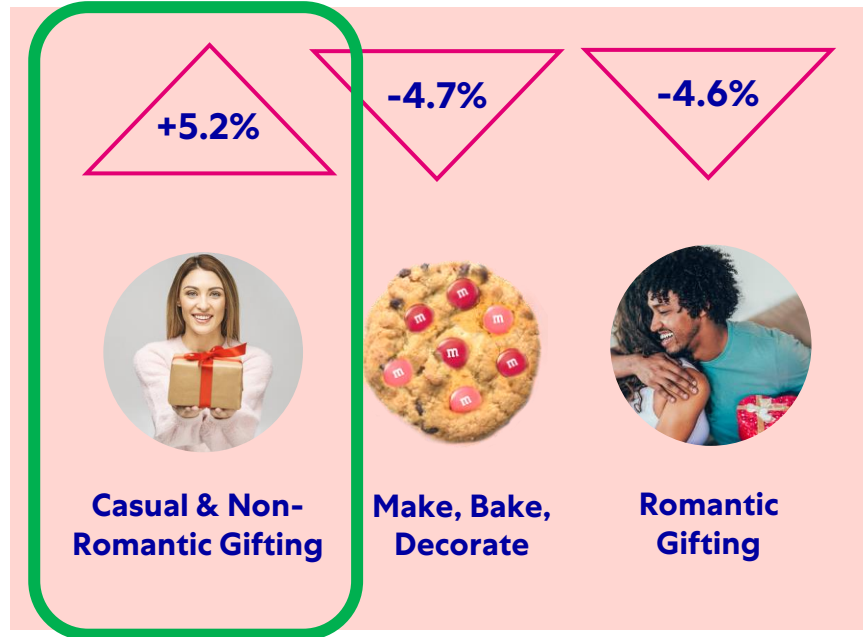
## WHAT WORKED WELL

- Product & Channel Performance
- Growing Usage Occasions
- Profitability



## In Non-Romantic Gifting usage MW outpaced category growth

### Category Usage Occasion Performance



### MW Usage Occasion Performance



**Casual/Non-Romantic Gifting is now the biggest usage occasion at Valentine's Day, now **39%** of total sales.**

**ACTION: Continue to lean into untapped growth potential in non-rom gifting and stem declines in make/bake & romantic gifting.**



# Our Dove® Gifting Tubes achieved success, even with limited distribution!

\$2.1M

TOTAL GSV

+90%

SELL-THRU @ TOP 2 CUSTOMERS



**2020 POSITIVE PRESS:**

**People**

**Candy**  
INDUSTRY

**rachael ray**  
IN SEASON

Unlike your typical heart-shaped box of chocolates, the pink tubes are meant to be shared with friends, family, teachers or even yourself!

-Candyindustry.com – Jan. 22, 2020

**MARS WRIGLEY**

Source: Nielsen Valentine's Day Total US x AOC Incl Conv 7 w/e 2.15.20  
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## This year, a lot of our growth came from xyzzyzxyz items

### Growth Drivers



+81%

(went National)



+72%



+59%

\*Still #1 in Category!



+37%

### Innovation



\$2.2M

combined



\$750K



\$544K



\$325K

Our top 10 Valentine's Day items drove XY% of sales again, and all were preserved during COVID19 portfolio cuts



# Walmart had a great Valentine's Day season with us

↑ +XY%  
&  
yzyz% S.T.

MARS  
WRIGLEY

Chocolate






\$\_\_M

90.8% S.T.

Fruity

\$\_\_\_M

94.6% S.T.

M&M's	Celebrations	Bubble Tape	M&M Peanut Cane	Dove Truffle Tubes
				
\$3.4M	\$942.8K	\$460.3K	\$406.0K	\$919.7K
POS	POS	POS	POS	POS
84.14% Sell Thru	87.29% Sell Thru	85.05% Sell Thru	74.98% Sell Thru	89.71% Sell Thru

Supply

99.10% Fill Rate | 95.60% OTIF

Dove

+XY%

Skittles

+XY%  
in  
Sales &  
velocities

Twix

+XY%  
Velocities  
up +10%

Celebrations

Velocity  
+XY%

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# MW also performed well @ Target, all things considered

## Up until final week.



MW outpacing the category, **on track** to finish the season up **+XY% vs. PY**

## In last few days of season...



**XYZ issue** that affected MW the most



Even so...

Total MW Sales +XY%

### Highlight-Reel Items:



90+% sell-thru

And we still finished **#1**

- #1 MARS WRIGLEY**  
↑ +2.33 share pts.
- #2 Lindt**  
↑ +0.73 share pts.
- #3 HERSHEY'S**  
↓ -0.28 share pts.
- #4 FERRERO**  
↑ +1.88 share pts.

\*Vendor share @ Target 13

## Two top retailers implemented a winning strategy, leading to major growth on M&M'S® laydown bags

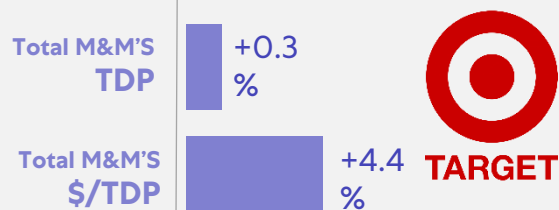
### What they did

- ✓ **Replaced the tail** of their assortment
- ✓ Accepted **new relevant flavor SKU** (M&M'S® White Cheesecake)
- ✓ **Strong in-store presence** via bold signage and/or longer shelf sets
- ✓ **Promo support** during extra set week

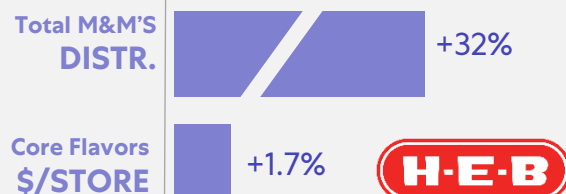


### Refreshed assortment and M&M'S® velocities grew

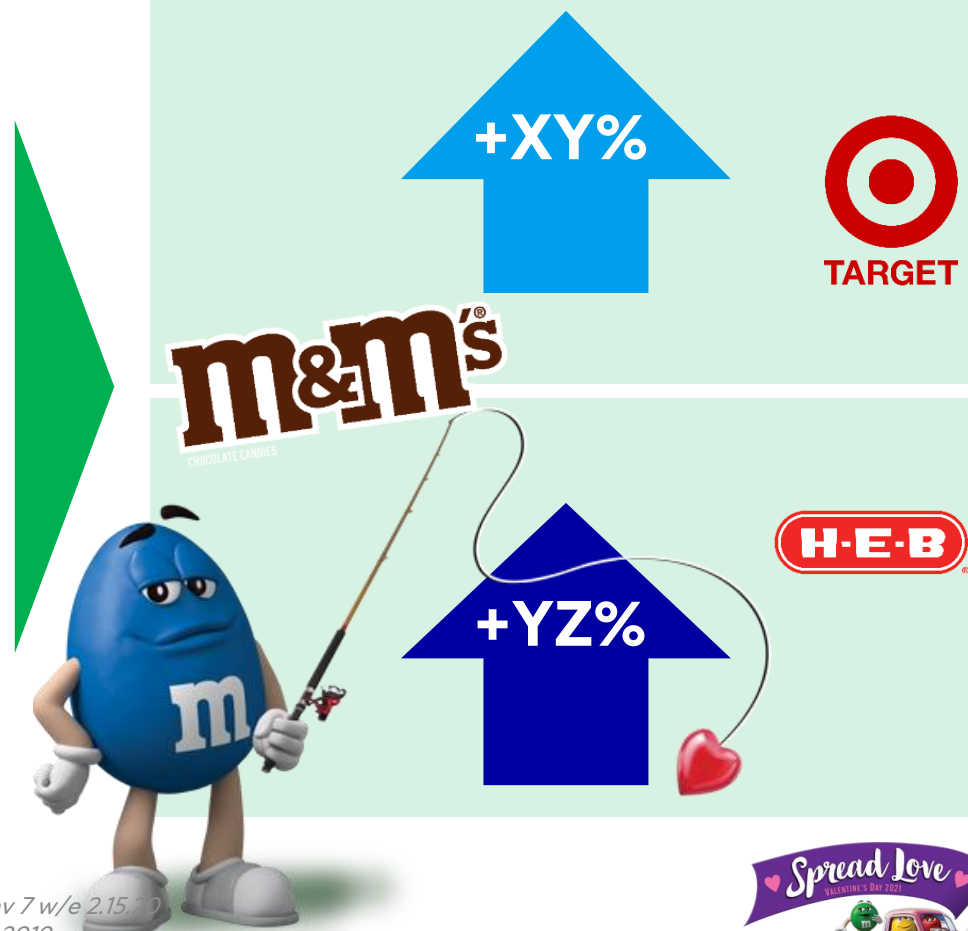
Velocity and Distribution % Change vs. YA



### Increased distribution of M&M'S® & maintained velocities of core flavors



### The outcome was impressive

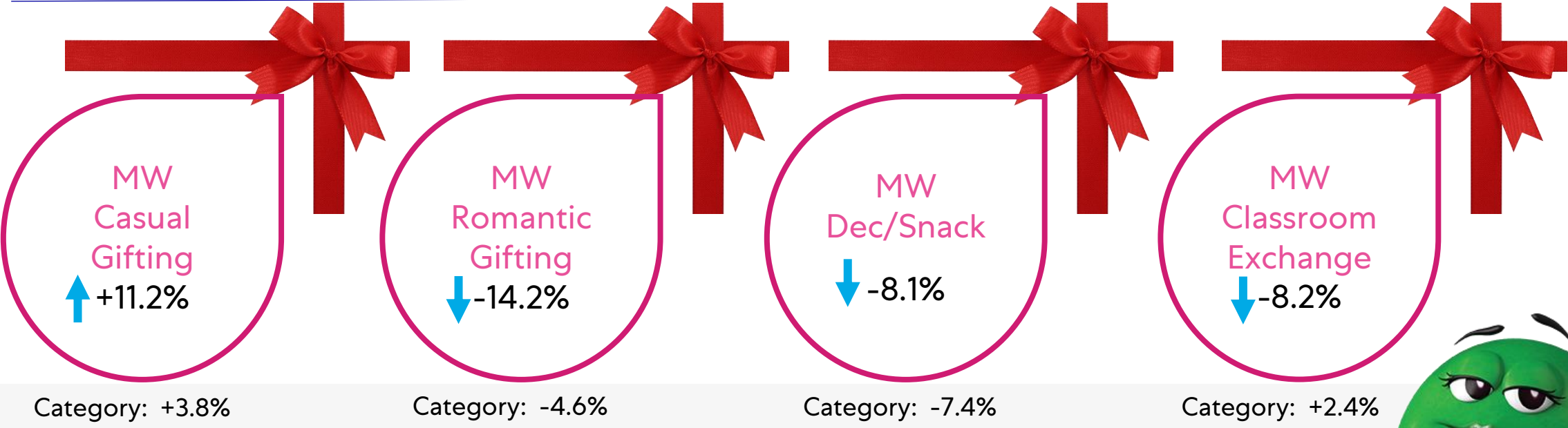


Source: Nielsen Valentine's Day Total US x AOC Incl Conv 7 w/e 2.15.20  
 Source: Retailer POS Valentine's Day 2020 vs. 2019

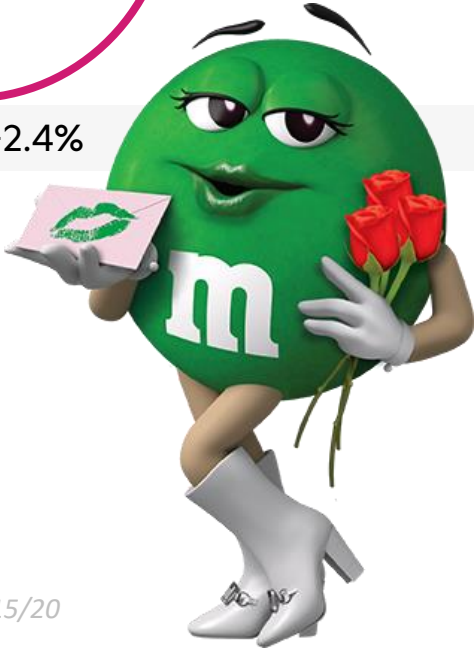




MW outpaced category growth in Casual Gifting, but led declines in all other usage occasions



Usage Occasion	MW Share of \$	Cat'y Share of \$	MW Index to Cat'y
Casual Gifting	40.1%	49.9%	82
Romantic Gifting	12.2%	49.9%	49
Make, Bake, Decorate	47%	25.4%	185



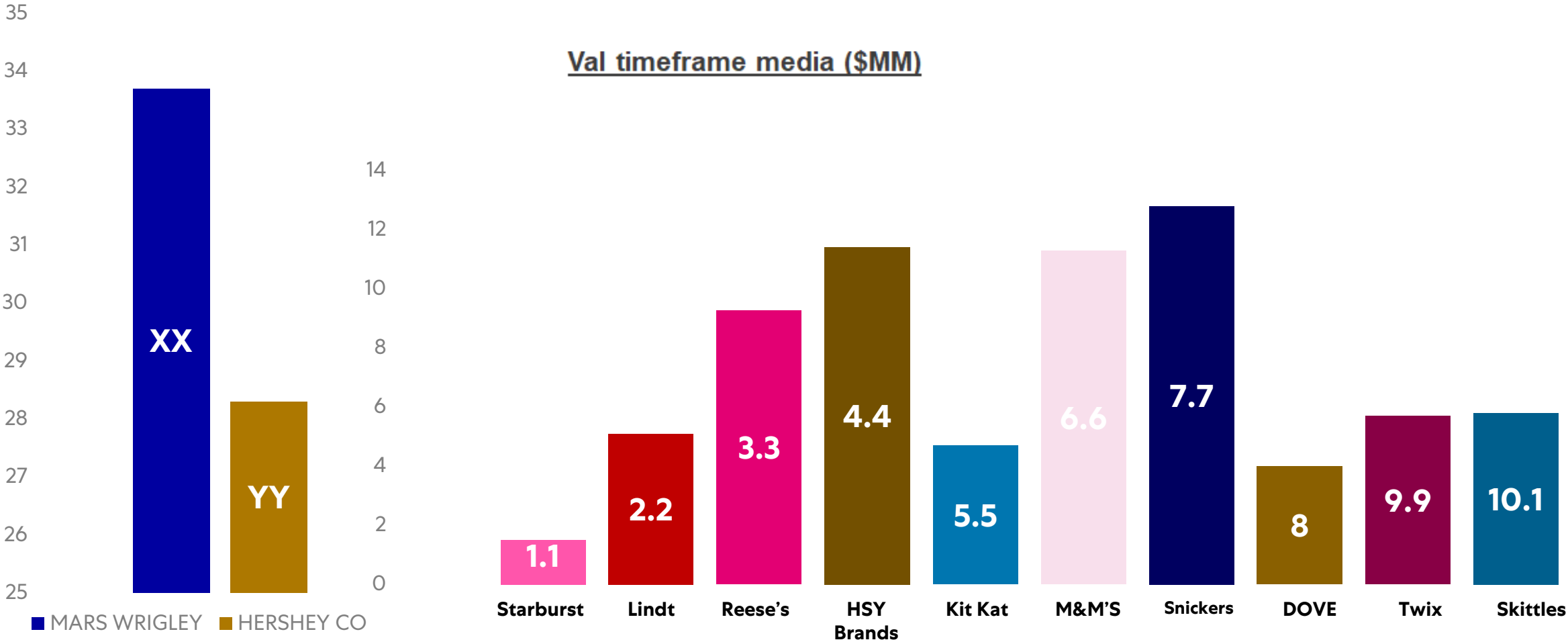
\*Casual Gifting includes Mainstream Heart Box Gifting, Non-Heart Box Gifting, Gifting SUP, Novelty      Source: Nielsen Total US xAOC Incl. Conv. 7 W/E 02/15/20

**ACTION:** *Grow the category by boosting support of XYZ XYZ XZY...*



Slide title regarding Media Spend...

Media Support



**ACTION:** Continue to maintain support in 2021 to drive Mental Availability, especially on Dove brand



# MW improved MAC by over XYZ points this year!

Our bottom line grew faster than our topline this year! GSV was up +XYZ% but MAC increased +XYZ ppts.

## Valentine's Day 2020 (Season)

	2019 Val	2020 Val
MAC \$	\$number	\$number
MAC %	number%	number%

Chocolate  
MAC:

↑ +XY%

Fruity  
MAC:

↓ -YZ%

### Chocolate MAC Drivers:

- Project XYZ
- Portfolio Mix Changes
- Reason 3

### Fruity MAC Drivers:

- Reason 1
- Reason 2

- **ACTION:** *continue to improve shape of Valentine's portfolio via lorem ipsum, ipsum lorem, strategy, strategy, and strategy.*





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VALENTINE'S DAY 2021

## WHAT CAN BE IMPROVED



**Assortment Efficiency**



**Promotional Support**



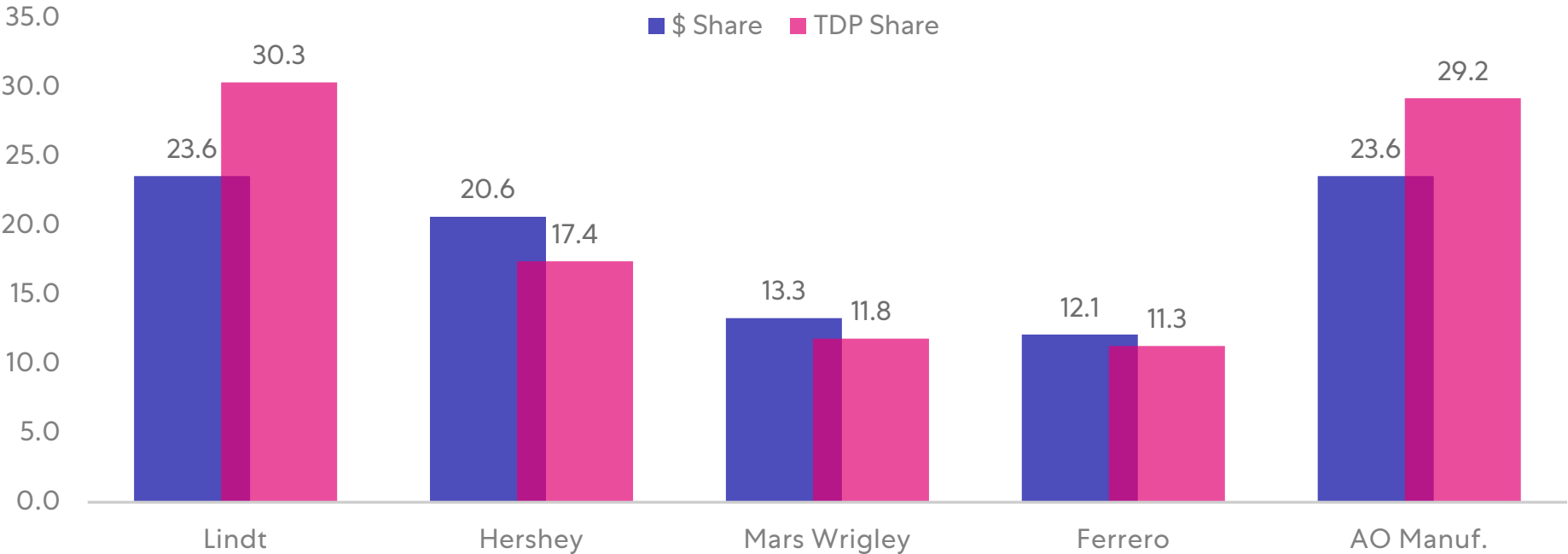
**M&M'S® & Dove® Flavor News**





Slide Title ...

Share of Sales and Distribution  
(Sales to Space)



Productivity Index (Last Yr. -> This Yr.)	XY-> YZ ↓	XY-> YZ	XY-> YZ ↓	XY-> YZ	XY-> YZ
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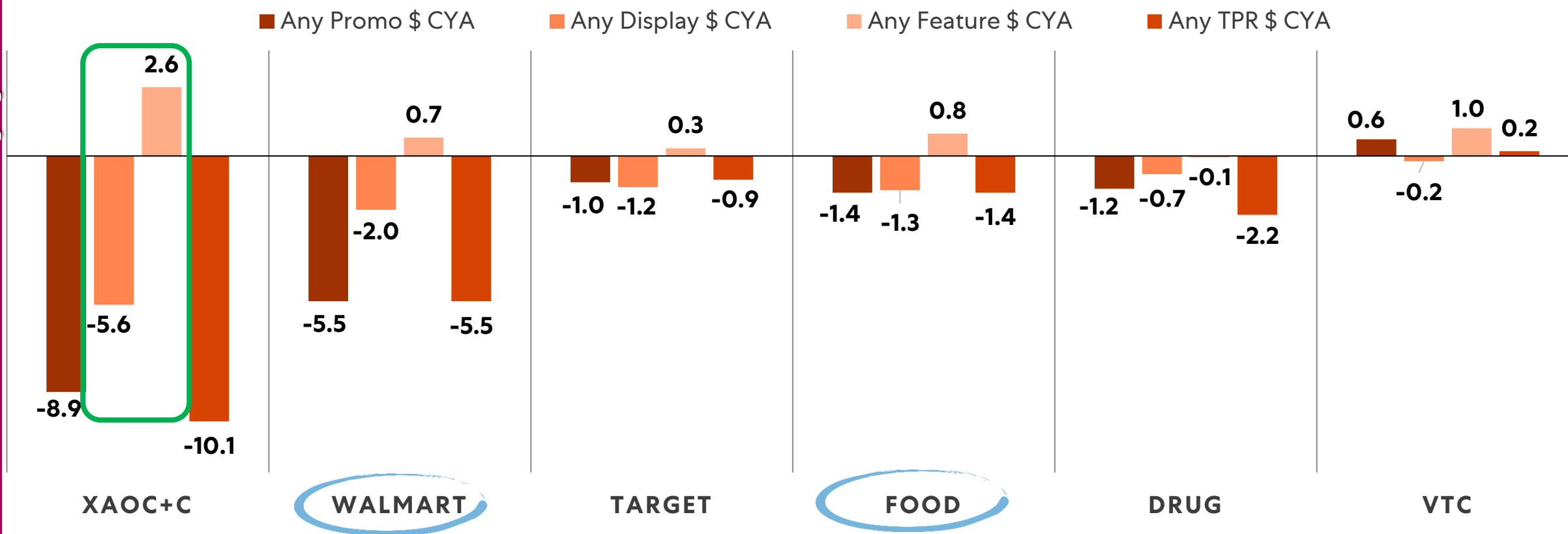
MW’s assortment was lorem ipsum lorem ipsum in 2020 Val than in 2019 Val Season, with a wider gap to ZWIJ than LY.

**ACTION:** Streamline our portfolio to maximize the benefit of our hardest working items in order to earn increased distribution



# XYZ promo declines were driven by display declines in most channels

MW VAL – \$ CYA – 7 W/E 02/15/20



In contrast, last year our Sales \$ from lorem ipsum was up +XYZ% YOY. This year total promo \$ lorem ipsum lorem ipsum; we lorem ipsum causing lorem ipsum lorem ipsum.

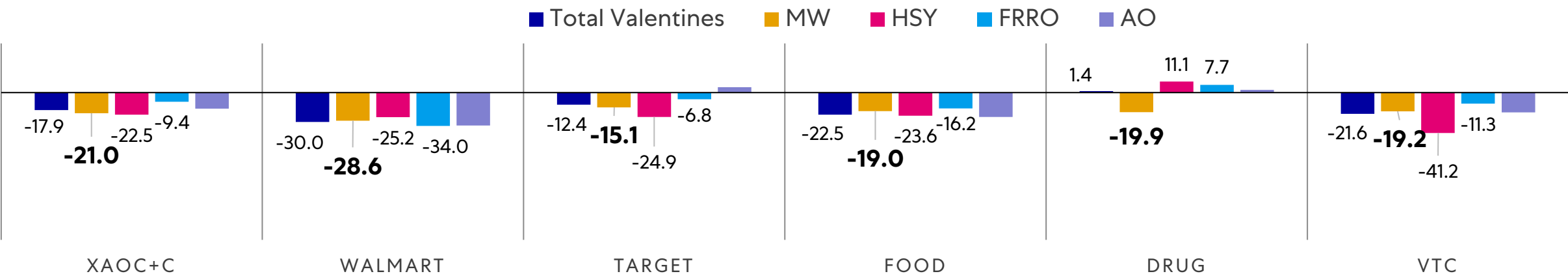
**NOTE:** We expect XYZ XYZ given XYZ plans. However, lorem ipsum lorem ipsum for 2022 season.



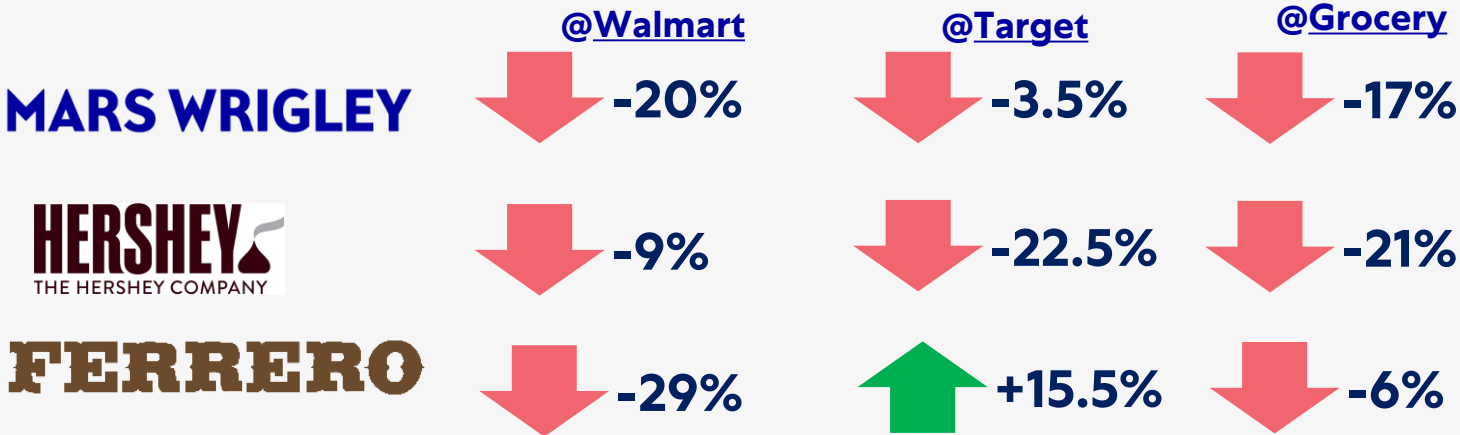


# Competitors also had decreased focus on Display in Val 2020

ANY DISPLAY \$ %CYA



Change in # of Displays



#1 barrier to purchase:

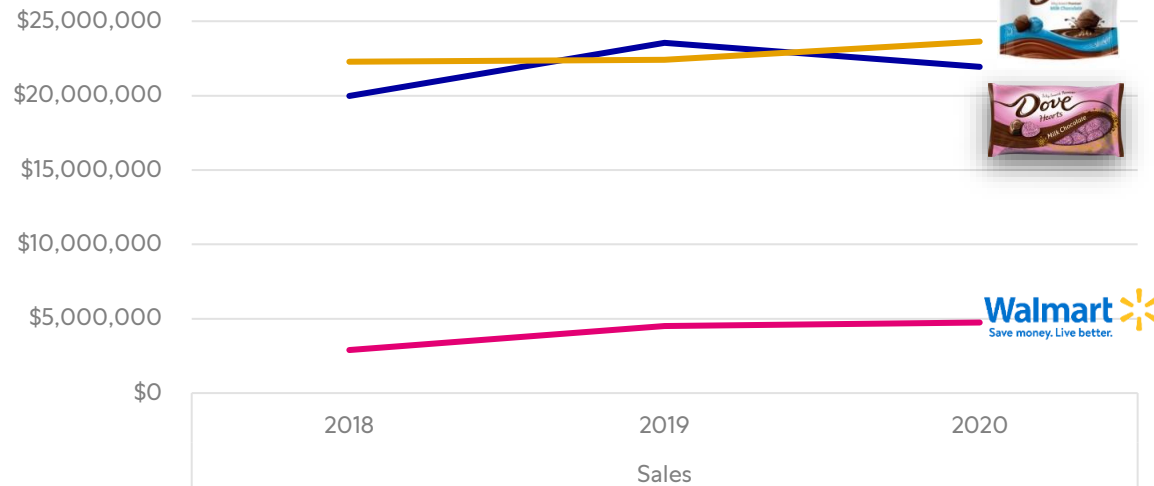


-Kantar Valentine's Day 2019 Path to Purchase

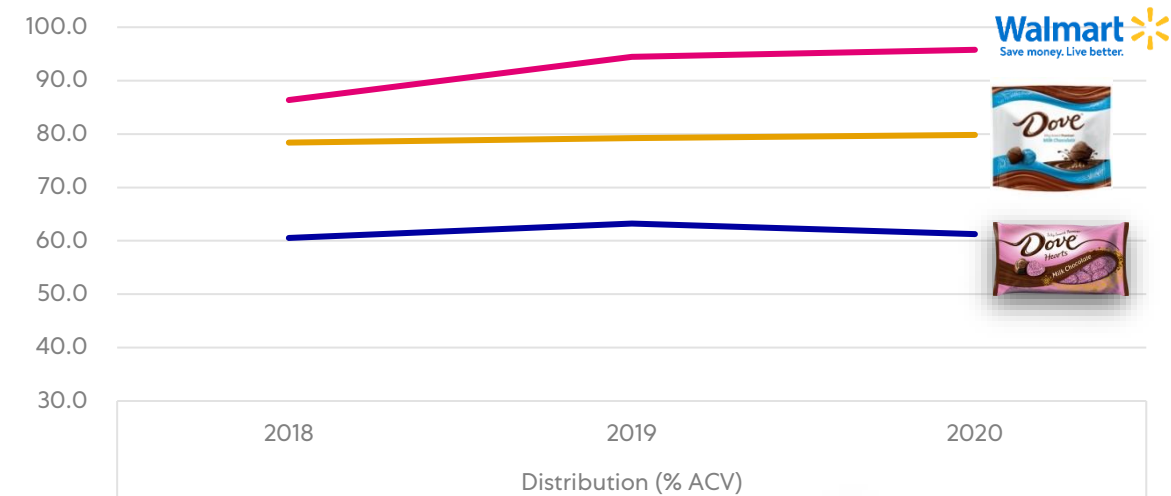
**ACTION:** Strategy strategy strategy strategy strategy.

# Seasonal Dove® Promises XYZ XYZ compared to XYZ XYZ in channels where we did XYZ XYZ

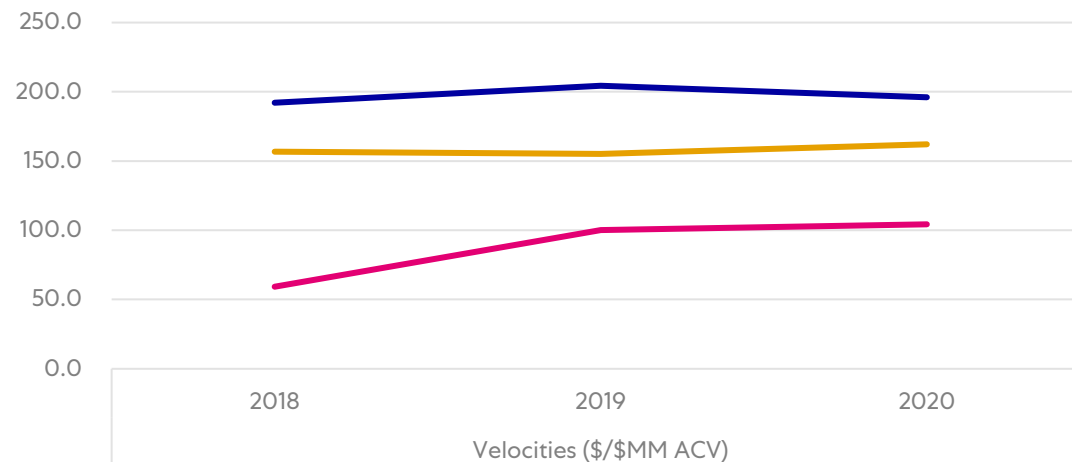
Dove Seasonal vs. Everyday \$ Sales YOY



Dove Seasonal vs. Everyday Distribution YOY

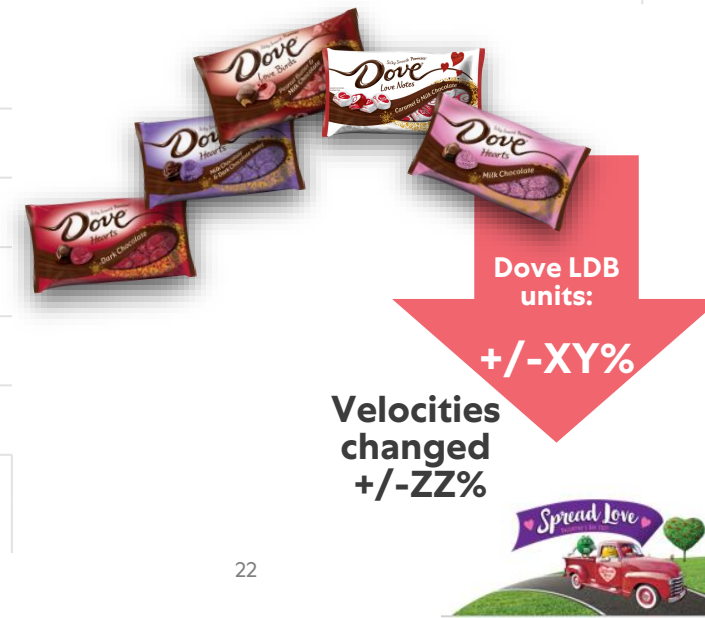


Seasonal vs. Everyday Velocities YOY



## LEGEND:

- Dove Val Promises LDB's
- Dove Val Promises LDB's @ WMT
- Dove Everyday Promises SUP's





# Slide title has been modified here

## 2019 Val:



## 2021 Upcoming News in Val:



Sample  
"DARE"  
foils:



**ACTION:** *Implement XYZ strategy*



# Slide title has been modified here

Steepest distribution losses & lowest velocities among these 3 SKUs



2<sup>nd</sup> lowest velocity in M&M'S® set (units/TDP)



Lowest velocity in M&M'S® set (units/TDP)



YOY declines  
-25.7%  
3-yr. CAGR

(all old news at this point)

**Solution: We will cut the tail for a more efficient, productive M&M'S® portfolio**

IN: ►



◀ OUT:



Source: Nielsen Valentine's Day Total US x AOC Incl Conv 7 w/e 2.15.20





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## HOW WE WILL GET THERE



**Drive Efficiency**



**Increase Assortment Productivity**



**Profitable Growth**





# Simplify the shopper experience to boost productivity

Drive Efficiency

↻ **REFRESH** the aisle & screen to drive category performance



Engage Often

Encourage more **SHARED MOMENTS** by leveraging multiple occasions



Enhance Gifting

Offer a variety of solutions to **CELEBRATE** the season





# So All In All...



## These Things Worked:

- GSV up +1.1%; MAC up +2.3% pts.
- Product performance & strong results at Walmart and Target
- Grew faster than Category in Casual Gifting usage



## We Need to Work on These Areas:

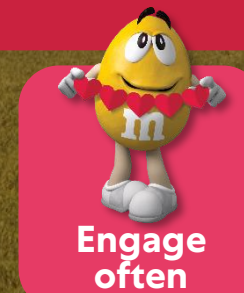
- Point 1
- Point 2
- Point 3



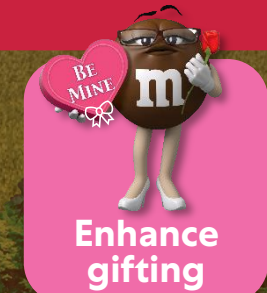
## How We Will Get There



Drive  
efficiency



Engage  
often



Enhance  
gifting



♥ Until next year... ♥





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## APPENDIX





# Display support was down across the board (ex. Drug) for all manufacturers, with the # of displays driving down total display dollar performance

