

## Premium Chocolate Confectionery - US - February 2005 (\$2995.00)

Premium chocolate sales channels are numerous and seem to be growing. Industry experts estimate that 60% of premium chocolate sales come from non-FDM channels.

The last two years have brought a major shift in the preferred brands of premium chocolate, with sales influenced by perceptions of exclusivity. While Russell Stover and Hershey's premium chocolate sales have declined since 2002, brands like Lindt and Ghirardelli are on the rise. In addition, Consumers' more sophisticated tastes and tendency to snack are driving up sales of individually wrapped, bite-sized chocolates.

For the purposes of this report, the premium chocolate confectionery market is defined as chocolate candies with an upscale positioning and price tags exceeding \$0.50 an ounce. This definition is based on in-store and online investigation of chocolate retail prices and can be compared to the price of a regular Hershey's chocolate bar, which retails for roughly \$0.30 an ounce. As some brands are positioned as more upscale than others, the phrase "mass premium" in this report refers to brands between \$0.51 an ounce and \$0.99 an ounce. "Higher-end premium" brands are \$1.00 or more an ounce. This definition makes no distinction between boxed or individually sold candies.

This report covers all types of chocolate, including dark, milk and white. Any premium candies containing chocolate are included, such as chocolate mints, truffles, bon bons and chocolate-covered fruit.

This report excludes cocoa powders, baking chocolates, and mainstream chocolates, such as a regular Hershey's Bars or Kisses. Finally, the sales figures in this market size of this report do not include low sugar or low-carb chocolate bars, such as the Russell Stover Net Carb line.

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