

Chocolate Confectionery - China - June 2016

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"Geographical expansion will be the big issue for foreign companies to achieve sales growth. The lessons from Hershey's acquisition of Shanghai Golden Monkey will lead foreign players to be cautious when acquiring Chinese companies for their local distribution power. Enhancing the health image of chocolate is critical for the category's growth."

Karen Liu, Senior Research Analyst

This report looks at the following areas:

- Lessons from Hershey – The risk of expansion
- Is healthy chocolate an opportunity?
- Seek growth by product extension

What you need to know

Volume sales of chocolate have declined since 2015 and value sales are estimated to have declined over 2015-16. Increasing prices are driving consumers away from eating chocolate and have caused the market to decline.

Foreign companies are quite competitive in chocolate category due to chocolate's strong image association with being foreign goods. Geographic expansion is the big issue for sales growth for foreign companies. The lessons from Hershey's acquisition of Shanghai Golden Monkey will lead foreign players to be cautious when acquiring Chinese companies for their local distribution power.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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- Chocolate market volume sales fall in 2015
- Increasing price of chocolate drives consumers away

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Gifting market decreases, while opportunity exists in daily consumption

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Chocolate market in China is quite consolidated

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