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FACT SHEET

WHAT'S NEW: Mars Chocolate Converts Laydown Bags to Stand-Up Pouch Format

DESCRIPTION:

In 2017, Mars Chocolate continues its industry-leading initiative to convert laydown bags to a stand-up pouch (SUP) format for M&M'S® Brand Candies, SNICKERS® Bites and TWIX® Bites. The transition began in September 2016.

Research shows the SUP format delivers numerous benefits: it drives both dollar and unit sales, makes it easier for retailers to promote and merchandise across brands, and it improves the shopping experience for consumers. Candy is currently ranked last in ease of shopping, and SUPs will enable shoppers to find items faster. ¹

This conversion aims to transform the candy aisle by aligning packaging sizes and names across Mars Chocolate Bite-sized portfolio to make candy shopping easier and deliver better value. New SUP sizes, names and suggested retail prices are:

- New Grab & Go: 4.5 5.5 ounces (for 2 people), SRP \$2.00-\$2.99
- Sharing Size: 8.0 10.7 ounces (for 2-4 people), SRP \$2.98-\$4.29
- Family Size: 15.4 19.2 ounces (for 4+ people), SRP \$4.74-\$7.49
- Party Size: 30.0 42.0 ounces (M&M'S® Brand only), SRP \$8.98-\$13.49

BRAND/PRODUCT INSIGHTS:

Mars Chocolate is leading this major aisle conversion initiative that will offer multiple benefits for the category, retailers, shoppers and consumers.

For the Bite-sized category, SUPs will drive both dollar and unit sales as the category is projected to grow as treating becomes more prevalent, especially with Millennials.² SUPs will improve the shopping experience by enabling shoppers to find items faster, take advantage of evolving consumer trends by recruiting light and lapsed users with new price points and enable the growing consumer trend of treating over time.²

Retailers can now easily promote and merchandise across both Filled Bar Bites and M&M'S® Candies, given the newly aligned pricing across the

portfolio. The new Grab & Go size addresses the need for a lower-priced pack size and recruits shoppers back into the chocolate category. Additionally, new, simplified pricing delivers 10-12 percent greater value for shoppers wanting to trade up to larger sizes.²



For shoppers, Mars' redesigned packaging helps shoppers understand which pack is right for them and their usage occasion: 73 percent prefer the Grab & Go size for travel; 70 percent said Sharing Size bags provide good value for 2-4 people; and 62 percent would use the Family Size bag as a treat for their household (4+ people).³

Consumers benefit from improved shopability as research shows consumers picked up their first item 25 percent faster in the SUP bag.² Additionally, 82 percent of consumers thought the new SUP range was a better value versus the current range of M&M'S® Brand offerings, and 67 percent indicated that resealability influenced trading up to larger sizes.³

Mars has proven results around the globe, having converted to SUPs in the United Kingdom in 2006. Results there included a 22.2 percent increase in product penetration, a 9.5 percent increase in spending per trip and a 3.2 percent increase in packs purchased per trip. Mars also has been an industry leader in the category transition to SUPs in Canada, Germany and the Netherlands.⁴

AVAILABILITY: Convenience Store, Drug, Mass, Grocery, Value

DATE AVAILABLE: The three-phase SUP conversion initiated in September 2016.

The final phase began in April 2017.

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^{1.} POPAI research, 2013

^{2.} Kantar Retail Virtual Store Test January 2016.

^{3.} The Candy Dish iCommunity: M&M'S® SUP Naming Research Sept 2015 & 2016 Google Consumer Survey Research

^{4.} Nielsen data

^{*}List price/weight subject to change; retail price is the sole discretion of the retailer