

# Sweeten PERFORMANCE WITH NEXT-LEVEL Merchandising

## Shopping shifts

Consumers changed the way they shopped C-stores during the pandemic. Unplanned and “treat myself moments” remained key drivers, but fill-in and stock up trips became more common and a spike in larger pack purchases boosted basket rings.

### Shifts in shopping behavior to look for:

- Consumers still prefer to **shop the channel in-store.**
- Shopper preference for larger pack sizes are likely to pivot back to **instant consumables packs.**
- Online and app ordering is growing, but still represents less than **10% of transactions.**
- “**Need it now**” is still a top motivator.
- Retailers are seeing an **uptick in afternoon visits** for treats/meals.

## Candy builds baskets

Candy/mint/gum category is a top dollar sales category for the channel. A highly impulsive category with high household penetration, it's a powerful basket builder.

Candy is purchased with another item  
**83%**  
of the time.



The average c-store ring increases by  
**\$1**  
when candy is in the basket.

Everyday multiple pricing has a positive impact on the category and on baskets. Retailers who adopt a multiple pricing strategy on king and/or standard candy experience **100% unit conversion.**



## Merchandising is critical to boosting unplanned purchases

Effective merchandising is essential to sparking impulsive purchases. Hershey's Strike Zone Optimization Merchandising is rooted in the consumer decision process to help them locate products quickly.



Average consumer shopping time for CMG category is **27 seconds.**



**2/3** of CMG purchases are picked in the aisle, one-third are picked elsewhere.



Out-of-aisle merchandising throughout the store **drives sales.**



of category purchases are **partially planned** or **not planned at all.**

## Strike Zone closes the sale

C-store shoppers move quickly—if they can't find their CMG product fast, they may leave the aisle.

Retailers who use Hershey's Strike Zone Optimization see an average of **+4-6% lift** in the first year and **+1-3%** every year after.

During the pandemic, the gap between retailers using Strike Zone Optimization and those not using it widened as **consumers were willing to spend even less time in stores.**



## Proven Merchandising Strategies Boost Sales



Position Kit Kat, Ice Breakers and Reese's Snack Cake near coffee in the morning.

Reese's is the afternoon and evening powerhouse brand. Merchandise near fountain drinks, carbonated soft drinks, deli cooler and food service.



Consumers want meal bundles – especially at lunchtime—and 93% of meal combo shoppers prefer a standard to a king size candy bar as part of the package.

Reserve premium under-the-checkout counter spots for top performers.



## Innovation drives

Core brands are the bedrock of the business while new products and limited-edition products create excitement and encourage consumers to enter the category. Finding the sweet spot is the key to optimizing the category.

Fan faves (Hershey Milk Chocolate, Hershey Milk Chocolate with Almonds, Reese's and Kit Kat) **generate 18% of category sales.**

New and limited-edition products **improve package upsizing rates.**

Out-of-aisle merchandising and core items **spark add-on purchases.**

Exclusive c-store launches (Reese's Snack Cake) **make the channel a destination.**



Seasonal promotions, occasions and key partnerships (NCAA and Olympics) **drive excitement.**



## Connect with Today's Total Shopper

Learn how data and precision planning create more engagement across the shopper's journey and help build bigger baskets.

Tap into Hershey's expertise beyond chocolate