

PVM aims to spearhead growth in travel retail's confectionery market

By **Jas Ryat** on September, 17 2019 | Confectionery & Fine Foods



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Perfetti Van Melle (PVM), the number one brand in the sugar confectionery category of travel retail, announced an ambitious plan to boost the category's performance by capitalizing on untapped potential.

As a whole, PVM is currently growing faster than the global confectionery category, with sales up 5.9% last year compared to 1.4% for the total confectionery category. Category growth is even more impressive in the gum category, where PVM grew 7.5% compared to 0.8% for the total gum category. Today, PVM's products are available in more than 150 countries worldwide and the company posted net sales of €2,429 million.

PVM also enjoyed a successful 2018 with a 14.5% share of travel retail's sugar confectionery market, according to Generation Research, and boosted its position by focusing on its best sellers – including international brands like Mentos and Chupa Chups – growing 6% year-on-year. However, the PVM global travel retail team isn't resting and has identified potential for huge growth within the sector.

Femke van Veen, Travel Retail Brand Manager, said: “The confectionery market is a cornerstone of travel retail and one of the key purchase drivers within our industry today. But it is also a sector with great potential to grow.

The current focus on chocolate means that the scope for developing the sugar and gum sectors is huge and as PVM is the market leader in this area, we are excited to share our vision for the future with the wider industry.

Confectionery is the best category for increasing the average spend by shoppers and has great impulse potential too, so making the most of this potential will be good news for all of travel retail.”

Currently the sugar sector makes up just 12% of the confectionery market in travel retail, compared to 45% in the global market, according to Generation Research. The PVM team believes a focus on value creation and innovation within the sector can increase this share and boost the whole category at the same time.

Three core principles

Central to PVM’s vision for the future of the category is a renewed focus on the refreshment and small treat items, which have the best potential to drive growth. This is based on three core principles: must haves, building the point of sale (POS) offer and improved visibility.

Research has shown that the majority of shoppers expect to see confectionery offered at the point of sale and chewing gum is currently the top performing item at the till, making it a must-have for shoppers. As a result, PVM’s latest addition to its offer include the Chupa Chups Box, designed for the point of sale, along with Mentos Pure Fresh watermelon gum and Mentos 2hr Clean Breath power mints.

Great visibility is key in Travel Retail because it gets shoppers in the door. With its bright and fun colors, confectionery displays are often a great way to get shoppers in the door. PVM has created a new range of visibility tools exactly for this purpose. A new Ferry display will attract kids and adults alike, and with customizable wall bays it is now possible to create excellent Mentos and Chupa Chups visibility for locations of any size.

“As the market leader in the sugar category, PVM is perfectly placed to lead the way in developing this sector. We have worked hard to create perfect in-store merchandising ideas and develop the point of sale offering. By raising the profile and presentation of our popular sugar brands we can help realize the category’s potential,” adds van Veen.