Table 27.6 Top 10 chocolate brands on social media, June 2014. Source: Leatherhead Food Research (2011, 2013).

Brand (company)	Number of Facebook "likes" (million)
KitKat (Nestlé)	23.5
Ferrero Rocher (Ferrero)	19.0
Reese's Peanut Butter Cups (Hershey)	12.4
M&Ms (Mars)	12.0
Snickers (Mars)	10.9
Cadbury Dairy Milk (Mondelez International)	9.2
Milka (Mondelez International)	8.2
Twix (Mars)	8.2
Hershey's (Hershey)	6.3
Toblerone (Mondelez International)	3.6

Social media has also been utilised by manufacturers of chocolate confectionery in order to develop new flavour variations for their products – for example, Nestlé UK and Ireland recently ran a campaign called "Choose a Champion" for its KitKat Chunky brand, which made heavy use of social media. Consumers voted *Mint* as the flavour they would most like to see introduced, ahead of *Chocolate Fudge*. This trend of using social media for developing new flavour variants has also been evident within other sectors of the food industry, one example of which is potato crisps. It has been suggested by social media experts that engaging with consumers in product development in this way encourages a greater sense of involvement on their part and can in turn strengthen brand loyalty.

Another favourite marketing tactic of chocolate manufacturers is to extend their brands with different formats. One of the best examples of this strategy has been the success of the twist-wrap assortments sector, as evidenced by the Miniature Heroes and Celebrations brands from Mondelez International and Mars respectively. These consist of assortments of miniature versions of popular countlines. As is the case with new flavour varieties, the purpose of introducing new formats of established brands is to create additional demand for the product in question. Although some of these new flavours and formats establish themselves as successful long-term products in their own right, others are marketed as limited editions to encourage purchasing during the limited period that they will be available.

Brand extension into other sectors of the food and drinks industry has also featured in the marketing of chocolate products. Since many of the world's leading chocolate brands are well-known and widely recognised by consumers, they are appearing in ever greater numbers in related categories such as biscuits, cakes, ice cream, dairy desserts and flavoured milk drinks. This marketing strategy holds the advantage for manufacturers of tapping into and building upon existing loyalty for established brands, rather than devoting time and money into creating new ones.

Price is another crucial component of the marketing mix. As far as pricing strategy is concerned, most of the world's leading chocolate confectionery manufacturers cater towards all ends of the income spectrum, although it is perhaps significant to note that chocolate sales tend to lag in less affluent countries where income levels are lower than the world average. Meanwhile, since chocolate is frequently perceived as an indulgence, certain products – most notably chocolate blocks/tablets and boxed assortments – tend to command more premium prices and, as such, are purchased less frequently. At the other end of the spectrum, the post-2008 squeeze on consumer spending increased the appeal of own-label chocolate in some quarters.

In recent years, the pricing strategy of chocolate manufacturers has been heavily influenced by the rising cost of raw materials. The ingredients most affected by this have generally been cocoa (the cost of which stood at over US$ 3100 per tonne as of June 2014), as well as sugar and milk powder. Some industry suppliers have been reluctant to pass these costs on the consumer in the form of raised prices at the retail level. Instead, portion sizes have been decreased in order to protect margins. According to chocolate manufacturers, this strategy has the added advantage of assisting consumers with their calorie intake and therefore helps to combat rising obesity levels.

As alluded to already, the global chocolate industry can be segmented into mass-produced products, which are sold in large quantities by the world's leading manufacturers, and the output of smaller artisanal operators, whose production levels tend to be much lower. These latter firms tend to specialise in certain market niches – examples have included organic and Fairtrade chocolate, as well as so-called “origin” chocolate, whereby much is made in the marketing of the provenance of the cocoa beans. Typically, these are sourced from parts of the world which carry a strong association with cocoa, and therefore command a premium price (Chapter 18).

In order to cater to their wide consumer base, multinational chocolate suppliers utilise a wide variety of retail channels to sell their products. In western markets such as the UK and the USA, chocolate purchasing has typically been heavily skewed towards smaller convenience stores, including what in the former market are referred to as the CTN (Confectioner, Tobacconist and Newsagent). These have traditionally been ideally suited towards impulse purchases of chocolate confectionery – for example, a UK survey carried out in 2002 by the Office of Fair Trading found that confectionery accounted for 15% of sales within an average CTN.

In recent years, however, the number of independent CTNs within the UK retail industry has fallen sharply. As a result, supermarkets and larger food retailers now account for an ever growing share of chocolate confectionery sales, with