

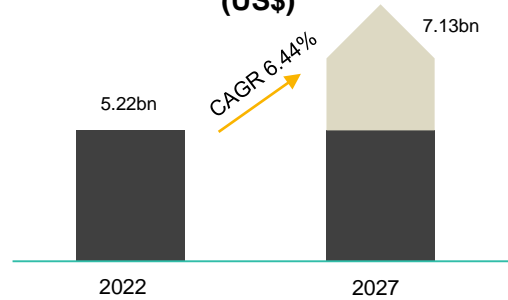


MARKET TRENDS IN PHILIPPINES:
CONFECTIONERY



KEY TRENDS

Philippines Confectionery Products Market (US\$)

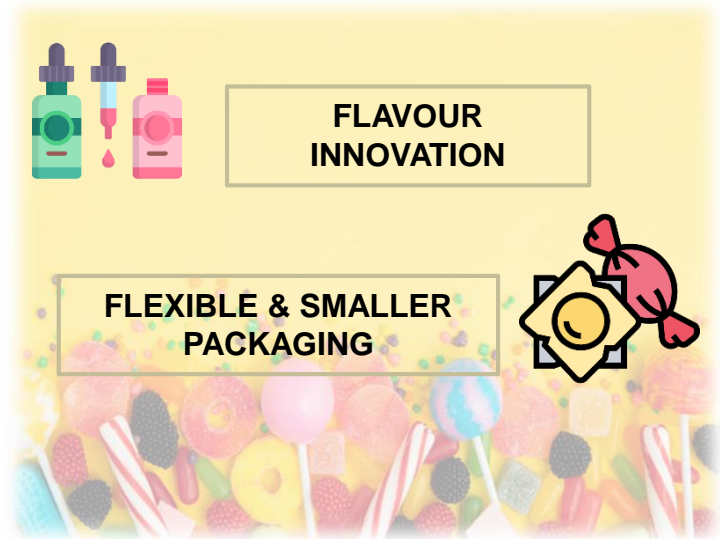


+ IN-SCOPE

- Chocolate products
- Sugar confectionery
- Cookies
- Ice Cream

- ▶ In confectionery segment, volume is expected to amount to 983.8mkg by 2027 & is expected to show a volume growth of 5.1% in 2023.
- ▶ In relation to total population figures, per person revenues of US\$46.40 are generated in 2022, the average volume per person is expected to amount to 7.5kg in 2022.

PROSPECTS AND OPPORTUNITIES

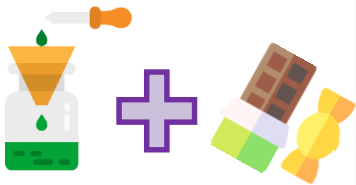


FLAVOUR INNOVATION

Innovation has been key to the growth of the confectionery market where **new flavours** of boiled sweets are constantly being introduced to the market and usually targets the adults.



- ▶ Naturally occurring herbs and spices flavour are now being added to the confectionery market.
- ▶ By using of herbs and spices in the formula, it creates new and unique taste profiles for confectionery products



Saltworks uses herbs and spices such as **espresso, vintage merlot, roasted garlic, rosemary, black truffle, thai ginger, ghost pepper, lime, chipotle, jalapeno, habanero, and sriracha** into their confectionery products.

MARKET EXAMPLES



GOYA Winter Chill Milk Chocolate Bar & GOYA Very Berries Yogurt Infused White Chocolate

- Cool. Calming. Crunchy! It's the new Goya Winter Chill. Milk chocolate delight infused with peppermint extract to get the chocolatey chill vibes going!
- Food: Strawberries & yogurt lovers, rejoice! Goya has new products that are fun, delicious and most importantly, Good For You. These are the Goya Very Berries, the first yogurt bar that has real fruit and real yogurt.
- Product of Philippines

FLAVOUR INNOVATION

MARKET EXAMPLES



Jack 'n' Jill XO Coffee, Chocolate, Milk Tea & Butter Caramel Flavour

- X.O. is a smooth and superior quality oval-shaped deposited candy with a unique blend of rich and luscious flavour. It gives an intense coffee, chocolate, milk tea, butter caramel, and even other flavours like lemon tea and assorted fruit flavours.
- Product of Philippines

Ingredients for Milk Tea Flavour: Sugar, Glucose, Creamer[Glucose, Hydrogenated Vegetable Fat(Palm, Palm Kernel or Coconut), Acidity Regulators(Dipotassium Phosphate, Sodium Citrate), Caseinate, Emulsifiers(Mono- and Diglycerides of Fatty Acids, Diacetyl Tartaric Acid Esters of Mono- and Diglycerides and Sodium Stearoyl Lactylate, Stabilizer(Modified Starch), Anticaking Agent(Silicon Dioxide), Sweetener(Sucralose), Colour(Riboflavin), Condensed Milk Powder, Whey, Artificial Flavours, Tea Extracts.

FLAVOUR INNOVATION

MARKET EXAMPLES



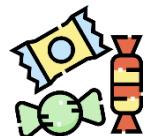
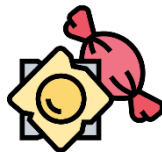
Giant Gummy Jalapeno Pepper

- This Gummy Pepper is made with real jalapeño pepper and will tickle your tongue with sweet and spicy! With a touch of heat and sour apple flavour, this mild gummy is an easy to handle spicy gummy!
- Made with Real HOT PEPPERS
- Green- JALAPENO (Medium Heat) Orange-HABENERO (Strong Heat) Red-GHOST PEPPER (Insane Heat)
- Product of USA

Ingredients: Corn Syrup, Sugar, Water, Gelatin, Jalapeno Pepper Powder, Citric Acid, **Sorbitol**, Natural & Artificial Flavours, **Pectin**, FD&C Yellow #5, Blue #1, Vegetable Oil, Carnauba Wax, Canola Oil, Lecithin From Soybeans, Water, Rosemary Extract.

FLEXIBLE & SMALLER PACKAGING

In the Philippines, **flexible plastic** remains the top packaging used in confectionery products due to its superior **economic edge** and **convenience**.



Smaller pack sizes became the most important trend in confectionery packaging in Philippines during the year 2020.

- ▶ Flexible plastic are the most widely used pack type in chocolate confectionery, gum and sugar confectionery and applies to both imported and local brands.



- ▶ For the past few years, inflation and growing health awareness in the Philippines has influenced the shift towards smaller pack sizes.
- ▶ Flexible plastic is widely used among sugar confectionery brands, for example, gum brand such as Mentos are likely to continue with the practice of individually wrapping pieces of gum.

MARKET EXAMPLES



Ricoa Rich Chocolate Curly Tops Candy

- The mouthfeel of Ricoa Curly Tops chocolate is distinctively waxy which may be because of the absence of cocoa butter, which is a difficult ingredient to use in tropical countries like The Philippines where the climate heat is intense. This makes Ricoa Rich Chocolate Curly Top Hard Candy a very unique and delightful chocolate which will please any chocolate lover's taste buds.
- Product of Philippines

Ingredients: Sugar, Partially Hydrogenated Vegetable Oil (Palm and Palm Kernel Oil), Buttermilk, Skim Milk, Whey, Cocoa Powder, Whole Milk, Lecithin (Emulsifier), **Vanillin** and Cinnamon (Flavours), Salt.

FLEXIBLE & SMALLER PACKAGING

MARKET EXAMPLES



Perfetti Mix of Minis Assorted Sweets

- Mini Mentos - Chewy Sweets With Apple, Lemon, Orange And Strawberry Flavours.
- Fruittella Mini - Assorted Chewy Sweets With Strawberry, Orange And Lemon Flavours.
- Chupa Chups Mini - Assorted Flavour Lollipops: Strawberry, Apple, Orange And Cola.
- Product of Holland

Ingredients for Mini Mentos: Sugar, Glucose Syrup, Fruit Juices from Concentrate (Strawberry, Apple, Orange, Lemon) (2%), Coconut Oil, Acid (**Citric Acid**), Starch, Cocoa Butter, Maltodextrin, Flavourings, Thickeners (Gellan Gum, Cellulose Gum, **Gum Arabic**), Emulsifier (Sucrose Esters of Fatty Acids), Glazing Agent (Carnauba Wax), Colours (Curcumin, Beta-Carotene, Anthocyanins, Beetroot Red)

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