International Journal for Multidisciplinary Research (IJFMR)
E-ISSN: 2582-2160 ● Website: www.ijfmr.com ● Email: editor@ijfmr.com

Chocolate Market Report

Michelle Edwina Rodrigues

Student, Grade XII, Gems New Millennium School, UAE

Abstract

The report will provide an overview of the production, distribution, and marketing strategies of chocolates across various markets. Starting with the history of how the bitter ceremonial drink evolved into the tasty everyday delicacy that we know today, it goes on to explain the process of chocolate making and what types of chocolate exist. Next, using the marketing mix framework, it will compare five different types of chocolate: Cadbury, Galaxy, Lindt, Ferrero Rocher, and Patchi. In particular, it will examine their pricing, product packaging, and promotion (including social media and free samples as part of the promotions strategy). The comparison of the five brands will clearly illustrate the distinction between the affordable daily chocolate brands and gifting ones. According to the survey, customers value mostly the quality of taste, affordable prices, good packaging, and variety.

Few foods carry as many feelings as chocolate does. It turns up at birthdays and weddings, in lunchboxes, on hotel pillows, and in the bag someone grabs on the way to an apology. Chocolate begins its journey from the seeds of the cocoa tree, a tropical plant known significantly as Theobroma cocoa. Those seeds are processed into cocoa solids and cocoa butter, then combined with sugar and, in milk chocolate, with milk.

Cocoa does contain natural compounds such as flavanols and minerals, but most chocolate products also carry a fair amount of sugar and fat, which is worth remembering when we talk about how brands present themselves.

Because nearly everyone buys chocolate, the market is crowded. Brands compete on flavor, size, packaging, price, and the story they tell about themselves. This report looks at that competition. It covers where chocolate came from, how it is made, and how the major brands sold in the UAE (Cadbury, Lindt, Ferrero Rocher, Galaxy and Patchi) use the marketing mix, pricing, packaging and promotion to win customers. The aim is to understand the ideas behind the shelves, not just list what is on them.

Abstract

Chocolate was first enjoyed as a drink rather than the sweet treat we know today. The cacao tree grows naturally in the tropical regions of the Americas. The Maya people used to grind cacao beans and mix them with water and spices to prepare a special drink, which was mainly served during ceremonies and important celebrations. The Aztecs valued it just as much. Their bitter drink, *xocolatl*, was so prized that cacao beans were sometimes used as money.

The jump to the chocolate we know came in Europe, and especially during the 18th and 19th centuries, when new machines made production faster and cheaper. A few moments stand out:

- **1828:** Coenraad van Houten developed a process for making cocoa powder.
- **1847:** Joseph Fry's company produced an early version of the modern solid chocolate bar.

- **1875:** Daniel Peter introduced milk chocolate by mixing chocolate with powdered milk, creating a smoother and creamier version that became popular among chocolate lovers.
- **1879:** Rodolphe Lindt developed conching, the step that makes chocolate smoother and creamier.

By the 20th century chocolate was mass-produced and sold everywhere, in bars, truffles, pralines, filled chocolates and chocolate-covered snacks. Today most cacao is grown in West Africa and Latin America, and the finished product ends up in almost every country in the world. In short, it traveled from a ceremonial bitter drink to one of the most popular foods on the planet.

Types of chocolate

The four main types differ mostly in what goes in besides the cocoa.

- **Dark chocolate** is rich in cocoa and usually less sweet, with a deep, slightly bitter flavor.
- **Milk chocolate** contains milk and more sugar, which makes it creamy and sweeter.
- **White chocolate** is made from cocoa butter, milk and sugar. It has no cocoa solids at all.
- **Ruby chocolate** is naturally reddish pink, with a fruity, slightly tangy taste.

This matters for marketing because each type appeals to a slightly different buyer. Milk chocolate is the everyday crowd-pleaser, dark chocolate attracts people who want something less sweet, and ruby and white are often used to make a range feel fresh or special.

How chocolate is made

Everything starts on the farm. Cacao grows in warm regions of the Americas, Africa and Asia, and the seeds sit inside long, cucumber-shaped pods. When the pods are ripe, workers cut them from the tree and remove the seeds. The seeds are left for several days to ferment and are then dried, either in the sun or in an oven. Once dried they are called cocoa beans, and they are shipped to factories.

At the factory the beans are roasted in large ovens to bring out their flavor, and machines remove the hard outer skin. The beans are then ground into a thick paste called chocolate liquor, which is made of cocoa solids and cocoa butter.

From there the path splits. Pressing some of the cocoa butter out of the liquor leaves a dry powder, which is sold unsweetened for baking or mixed with sugar and milk for hot chocolate. To make chocolate for eating, extra cocoa butter is added to the liquor. Adding sugar gives dark chocolate, and adding sugar and milk gives milk chocolate. The mixture is then poured into molds to make bars, pieces and fillings.

The marketing mix in the chocolate market

The four Ps (product, price, place and promotion) are a simple way to see why two chocolate brands that use almost identical ingredients can feel completely different.

- **Product:** In marketing, a product is not just something a company sells. It is also about the benefits, value and satisfaction that customers receive from buying and using it.
- A chocolate bar solves different problems for different people: a quick treat, a gift, a snack to share. The brands in this report offer bars, sharing packs, boxed assortments, truffles and seasonal editions, and each range is built around one of those needs.
- **Price:** Price is the only one of the four Ps that brings money in rather than costing it. It also sends a message. A low price says everyday and easy; a high price says occasion and care. The pricing section below shows how widely the brands here differ.

- **Place:** Place means where and how customers can get the product. Mass-market brands such as Cadbury and Galaxy aim to be everywhere, in supermarkets, convenience stores and online. Premium and luxury names such as Lindt and Patchi rely more on their own boutiques, gifting displays and online shopping, because the setting is part of what they are selling.
- **Promotion:** Promotion is how a brand tells people it exists and why they should care. The next section goes through the main methods.

How chocolate brands promote themselves

Promotion in this market usually works by connecting chocolate to an emotion rather than describing the taste. Cadbury, for example, often links its chocolate to happiness, sharing and special moments. Several tools show up again and again.

- **Social media:** Instagram, TikTok and Snapchat suit chocolate well because the product photographs beautifully. Brands use photos, short videos, new-product announcements and customer reviews to stay visible and to start conversations.
- **Discounts and special offers:** Short-term deals such as "buy two, get one free", combo packs and festival discounts lift demand quickly. They work best for products people buy on impulse, which chocolate often is.
- **Free samples:** Handing out a small taste at events, exhibitions and stalls removes the risk from trying something new. If the chocolate is good, the sample does the selling.
- **Contests and giveaways:** A prize in exchange for a share, a sign-up or a customer photo builds engagement and spreads awareness at a modest cost.
- **Influencer partnerships:** Food and lifestyle creators already have the trust of their followers. A recommendation from someone they follow tends to land better than an advert.
- **Festive and occasion-based campaigns:** This is where chocolate is at its strongest. Valentine's Day, birthdays, Christmas, Eid and Ramadan gifting all bring special boxes, limited editions and targeted offers. Buying intent is high around these dates, and gifts are bought with emotion more than logic.
- **Word of mouth:** Satisfied customers recommending a brand to friends and family is the cheapest and most trusted form of promotion, and it is the one that brands can influence but never fully control.

Packaging and social responsibility

In a chocolate aisle, packaging is often the first and only thing a customer has to judge by. Recognizable colors and logos help a brand stand out, as Cadbury's purple does, and Ferrero Rocher's gold wrapping signals a treat before anyone tastes it. Gift boxes and festive designs add to the sense of occasion. Packaging also has practical jobs. It protects the chocolate from heat and damage, and it has to carry the ingredients, nutritional information, allergens, expiry date and storage instructions.

Customers increasingly expect brands to care about more than profit. Several areas come up repeatedly:

- **The environment:** recyclable packaging, less unnecessary plastic, and less waste during production.
- **Sourcing:** since most cacao is grown in West Africa and Latin America, fair treatment of farmers and responsible sourcing are a growing concern for buyers.
- **Community:** donations to schools and charities, and support for local events.
- **Honest products:** clear ingredient and allergen labeling, proper hygiene and food safety, and advertising that doesn't mislead.

- **Workplaces:** safe conditions and fair treatment for employees.

These are not just nice extras. A brand that gets them wrong can lose trust quickly, and one that gets them right gives people another reason to choose it.

Pricing across the market

The prices below were collected from local stores and online listings. They are not like-for-like, because pack sizes differ, so they are best read as a picture of positioning rather than a strict comparison.

Brand	Price range (AED)	Positioning
Cadbury	2.50 – 3.50	Everyday, mass market
Galaxy	Pieces 2 – 4; standard bar 12 – 25	Everyday and sharing
Lindt	17 – 23	Premium
Ferrero Rocher	32.22 – 57.00	Premium gifting
Patchi	250 g: 149 – 159; 500 g: 319	Luxury gifting

The spread is huge. A Cadbury bar can cost a few dirhams, while a Patchi box costs hundreds. That says a lot about how differently the brands see their customers.

Brands usually mix a handful of pricing methods:

- **Cost-plus pricing:** add up the cost of ingredients, packaging and production, then add a profit margin.
- **Competitive pricing:** set prices with an eye on what similar brands charge.
- **Value-based pricing:** charge more when premium flavors or beautiful packaging make customers willing to pay more.
- **Promotional pricing:** discounts and combo offers to get people to buy more.
- **Psychological pricing:** a price like AED 9.90 feels noticeably cheaper than AED 10, even though the difference is ten fils.

The competitors

Cadbury

Cadbury has a long history and a famously smooth, creamy milk chocolate. Its range covers bars, sharing blocks and boxed chocolates, and its marketing keeps coming back to happiness and sharing. The purple packaging is instantly recognizable, and the range spans several price points, so almost anyone can afford it.

Its weak spots are mostly the flip side of its size. Some products are high in sugar and calories, which puts off people who want lighter options. And as a mass-market brand, it feels less exclusive and less personal than smaller or luxury names. It also faces competition from Lindt, Ferrero Rocher, Galaxy and Patchi.

Lindt

Lindt is built on Swiss heritage, craftsmanship and an unusually smooth texture. Elegant packaging and a wide premium range make it a popular choice both for personal indulgence and for gifts. It has put real effort into standing apart from mass-market chocolate, and that effort shows.

The price is its main limit. At AED 17 to 23 it works as an occasional treat more than a daily habit. Customers who want heavily customized chocolates or unusual local flavors may also find less to choose from than they would at a smaller specialist.

Ferrero Rocher

Ferrero Rocher is recognized by its hazelnut center, its crunchy shell and its gold wrapper. That presentat-

ion makes it a go-to for gifts and celebrations, which is where most of its sales come from.
It sits at a noticeably higher price than everyday chocolate, so people don't buy it often. Its strong hazelnut identity can also be a limit for anyone who wants something very different.

Galaxy

Galaxy is known for smooth, creamy chocolate with a rich taste. A wide range of flavors and accessible prices make it easy to buy and easy to share, which suits everyday eating.
Its focus on milk chocolate means people looking for something specialized or premium may go elsewhere, and it competes with plenty of other affordable brands.

Patchi

Patchi is about luxury, elegance and gifting. The packaging is refined, the presentation is careful, and customized gift options make it a natural choice for weddings, holidays and other special occasions.
That positioning is also its limit. The prices put it out of reach for everyday buying, and the focus on gifting means it has less pull for someone who just wants an inexpensive bar after lunch.
The market splits clearly. Cadbury and Galaxy are built for affordability and everyday eating. Lindt, Ferrero Rocher and Patchi are built for premium moments and gifting. The middle ground, chocolate that is good enough to give as a gift but priced for regular buying, is much less crowded, and that is the gap a new entrant would find most interesting.

Product life cycle in the chocolate market

The product life cycle describes four stages in a product's life: introduction, growth, maturity and decline.

- **Introduction:** Sales are low and awareness is lower. Companies spend heavily on advertising, samples and eye-catching packaging to get people to try something new.
- **Growth:** As more customers find out about a product, sales and profits rise. Brands add flavors, widen distribution and lean on reviews and promotions.
- **Maturity:** The product is well known, and competition is at its strongest. Here the aim is to hold on to customers, through new flavors, improved packaging, loyalty offers and limited editions.
- **Decline:** Tastes change and new competitors appear, and sales slip. Brands can respond by launching new products, redesigning the packaging or repositioning altogether.
- Most of the big names in this report are in maturity. That is why they release seasonal editions and new variations so often. It is how an old brand stays interesting.

What customers want

The survey and the market observations point the same way. When people choose chocolate, they look for good taste first, then reasonable prices, attractive packaging, variety, and good-quality ingredients. Many also want chocolate that works as a gift or something to share with friends and family.
Competitor research supports this. Cadbury and Galaxy focus on affordability and everyday eating, while Lindt, Ferrero Rocher and Patchi hold the premium and gifting positions. Social media, discounts, free samples, festive offers and good packaging all appear to help build awareness for a chocolate brand.

Where the research could go wrong

No survey is perfect, and this one has some obvious limits.

- **Small sample:** Only a limited number of people responded, so the results may not reflect all chocolate buyers.

- **Similar respondents:** Most answers probably came from people in a similar age group, which can skew the findings.
- **Rushed or inaccurate answers:** Some participants may have answered quickly or without much thought.
- **Personal taste:** Individual preferences for flavors, prices and packaging can color the results.
- **Changing prices:** Competitor prices move with discounts, promotions and market conditions, so the figures here are a snapshot.

Conclusion

Chocolate is a simple product wrapped in a lot of marketing. Looking at how it is made and sold shows how the four Ps work together: the product has to fit a real need, the price has to match the image, the brand has to be where its customers shop, and the promotion has to connect with how people actually feel about chocolate.

The research shows that customers want taste, quality, fair prices, appealing packaging and variety. The competitor study shows how Cadbury, Galaxy, Lindt, Ferrero Rocher and Patchi each chose a different spot in the market and built their marketing around it. Everyday brands win on price and availability, while premium brands win on presentation and prestige, with relatively little in between.

For me, the biggest takeaway is how closely every piece depends on the others. A beautiful package can't rescue a poor product, and a great product can sit on the shelf if nobody hears about it. Brands that do well keep paying attention to what customers say, and keep adjusting as tastes and competition change.

Sources

Investopedia: marketing concepts such as pricing strategies, USP and market segmentation. https://www.investopedia.com/

Kotler & Armstrong, *Principles of Marketing:* consumer needs, value proposition and the marketing mix.

Cadbury official website: products, packaging, pricing and brand promotion. https://www.cadbury.co.uk/

Lindt official website: products, premium positioning and packaging. https://www.chocolate.lindt.com/en

Ferrero Rocher official website: products, packaging and brand identity. https://www.ferrero.com/int/en/

Galaxy Chocolate official website: product and brand information. https://www.galaxychocolate.co.uk/

Patchi official website: premium chocolates, packaging and gifting. https://patchi.com/

Primary research: a customer questionnaire on chocolate preferences, pricing, packaging and buying behavior.

Personal observation and market research: chocolate products, prices, packaging and promotions seen in local stores and online marketplaces.