Hershey's is giving its best candy bar a makeover

By Jordan Valinsky, CNN Business June 19, 2019

Hershey's had a problem: It was making a critically acclaimed candy bar that barely anyone was buying. Something had to change. It was time to act.



The Take5 bar, made of chocolate, caramel, peanuts, pretzels and peanut butter, is basically a candy-lover's dream. It just topped the Los Angeles Times' <u>candy bar power rankings</u>. Yet only 3% of US households purchased a Take5 bar last year.

<u>Hershey</u> decided that the issue was the green and black label. It didn't stand out, and the brand didn't resonate with people. Hershey decided to elevate one of Take5's five flavors: Reese's peanut butter.



Hershey will add Reese's to Take5's name and logo on its wrappers to remind people about its most iconic ingredient.

The candy bar has been sold since 2004. The new wrappers will feature Reese's eye-catching orange with a new "Reese's Take5" logo. The ingredients aren't changing.

Jack Wilder, Reese's senior brand manager, told

CNN Business that the company rebranded the candy bar because Hershey's wanted to attract new customers beyond its small base. He noted that 62% of US households bought a Reese's in 2018. "We believe marrying Take5's small but loyal followers with an iconic brand name people know and love, Reese's, could help the product breakthrough," Wilder said.

Hershey (<u>HSY</u>) conducted a test to see if people liked the candy bar more when the Reese's name was on it. It had fans try a candy bar with the old and new packaging. The company said that fans "nearly always" preferred the bar in the new packaging, even though they were exactly the same.

"With the power of the Reese's brand and the tastes and textures of Take5, we can wake a sleeping giant whose time has come in the category," Wilder said. This is the second time Hershey's has relaunched the candy in the past three years.

The pivot from Millennials to using the Reese's name, a 91-year-old brand, comes at a time when <u>sugar is falling out of favor with consumers</u>. Hershey said last year it was <u>increasing</u> <u>prices and going healthier</u> to drive growth. The company has also introduced new products, like Reese's Outrageous, a peanut butter chocolate bar with Reese's candy inside.

Last month, <u>Hershey's changed the design</u> of its flagship chocolate bar and added emojis. The redesign is only available in limited qualities in an attempt to create buzz for the 125 year-old chocolate bar.

Questions to answer as you read the article:

1. What problem did Hershey's have with Take 5 candy bars?

2. How many households purchased Take 5 last year?

- 3. What was the issue with the Take 5 label?
- 4. What will be added to the new Take 5 label?
- 5. How long has Take 5 been sold?
- 6. Did Hershey's change any of the ingredients of the "new" Take 5 candy bar?
- 7. What percentage of U.S. households bought Reese's in 2018?
- 8. What does Hershey's expect Reese's to do for the Take 5 candy bars?

9. When Hershey's did a taste test with consumers with Take 5 with the old and new labels, what did they find?

10. How is the current demand for sugar with customers?