



CANDLE-LITE

Candles

Mark Cunningham, vice president sales and marketing for Candle-lite, says retailers can leverage candle and home décor space by partnering with a reliable candle resource utilizing category management to drive sales.

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How is the Candles category performing?

Mark Cunningham: The outlook for candles is stable, with slow growth expected during the next three to five years. Candles will remain a favorite way for consumers to reduce odors and freshen the air.

To highlight an outstanding market segment, the food channel is performing significantly better than drug or mass and is responsible for most of the growth we are seeing in the category.

What consumer preferences are you seeing now?

Driven by impulse purchases, one of the reasons the category is doing so well in grocery is because that's the channel consumers are in most frequently. Studies show shoppers are cutting back on trips made to other outlets but we don't see the number of trips dropping off in grocery. Our buyers are usually women and she buys candles for a variety of reasons from functional and practical to emotional.

That said, there is a clear hierarchy of what attracts consumers to candles. First, they are attracted to the candle color and packaging because they are purchasing it as home décor. Finally, they are drawn to purchase based on the fragrance.

Glass-filled and jar candles account for approximately 70% of all candle sales. Consumers like the fact that they don't need any accessories or holders with glass candles and perceive them to be more convenient and safe.

With so many retail channels competing for the limited consumer dollars, how can grocers best compete in this category?

Grocers can compete by stocking a candle assortment that assures consumer satisfaction and confidence with every purchase. Grocers need to trust their suppliers will track fragrance trends, perform rigorous testing prior to and after launching new products and adhere to all governmental and industry safety guidelines.

As a domestic manufacturer, Candle-lite is a reliable resource for a broad assortment of everyday and trend home décor and fragrance products at affordable pricing, with-

out sacrificing quality or burn performance. We have been around for more than 160 years and have grown our business based on our ability to generate repeat purchases. That said, success in this category comes by offering a high-quality product at a great value. After assuring that you are working with a reputable candle resource, then consider the appearance and fragrance, since this is the attractors consumers identify with when shopping for candles. It is important that the candles themselves visually communicate a trend or fragrance message on their label. Bold, compelling graphics are highly effective in helping consumers understand what the fragrance is all about.

What can retailers do to increase consumer awareness of the category at the store level?

The category really benefits from cross merchandising which is why one of the most important things retailers can do is leverage secondary display space in the seasonal, floral, wine or bakery departments and back that with quarterly or monthly promotions such as temporary price reductions or in-store ads.

How can retailers best organize this section for maximum potential?

Four to eight feet is an ideal inline set size. A minimum of 50% of the available shelf base should be dedicated to core products or what we call everyday essentials, comprising six to eight colors and fragrances of the highest volume, most common home décor colors and on-trend fragrances. Within that space, 60% to 65% of that should be populated with glass filled candles and the remaining space given to pillars, votives, tea lights and the like.

Food-scented candles remain popular, followed by floral fragrances and fruit scents. Additionally, fresh fragrances are a fast emerging scent group in the category.

Increasingly, consumers are attracted to smaller candles because they allow them to try a particular fragrance at a lower cost. Speaking of price, grocery should carry a range of options from 99 cents to \$7.99 retail.

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