

HERSHEY'S MARKET RESEARCH

This two-part activity is designed to familiarize your students with basic market research. The purpose of the activity is to give students an opportunity to, in Part 1, design a simple market research survey. In Part 2, your students will implement the results of the market research survey.

PREPARATION

- Purchase materials needed for activity.
- Decide how you will form the teams and the number of responses to the survey the teams need to receive.

INTRODUCTION

- Hershey's Chocolate Bars have the lowest market share in the chocolate industry. More and more consumers choose Hershey's competitors' products over the simple Hershey's Milk Chocolate Bar. Once the leader in the chocolate industry, Hershey's has lost considerable popularity among the fastest growing population, youth ages 12-18. Youth prefer Reese's, Snickers, Twix, Kit Kat and other more innovative chocolate bars.
- Still, Hershey's Milk Chocolate Bar is considered top quality and has 100% mind share. Everyone knows and recognizes Hershey's Milk Chocolate Bar brand. The problem: no one in the youth market buys them.
- Hershey's is looking to invest in a new chocolate bar company owned and operated by a team of young entrepreneurs. However, it has yet to find a team that has an innovative and exciting new product and brand that caters specifically to the market of youth ages 12-18.

ACTIVITY STEPS

1. Divide your class into teams of 4-5 students. Tell your students the following: Hershey's has hired your teams to conduct market research to identify the tastes of young consumers of chocolate ages 12-18.
2. Each of your teams must complete the following:
 - a. Design a simple survey to conduct market research to learn more about the interests of your target market.
 - b. Implement the findings from your survey to design a new chocolate bar that would appeal to your target market.
3. Design and implement a simple market research survey. Possible questions include but are not limited to the following:
 - a. Rank the top 3 criteria for chocolate selection from ingredients, price, quality, and packaging
 - b. What are your top 3 favorite ingredients?
 - c. What are your 3 favorite brands?
 - d. How often do you purchase chocolate bars?
 - e. What is the price you are willing to pay for a chocolate bar?
4. Analyze the survey results. Draw conclusions based on the results of the market research surveys. Consider what you learned about the likes and dislikes of your target market and how you might design a new candy bar based on those results.
5. Allow students 30 minutes to design the brief survey and gather responses.
6. Based on the results of the market research and the conclusions you have drawn you must now:
 - a. Create a NEW product based on the results of the survey. This includes designing a NEW product name, logo, tag line, and packaging.

ACTIVITY TIME	120 Minutes
FOUNDATIONAL PRINCIPLES	
Integrity	Knowledge
Sound Judgment	
KEY CONCEPTS	
<ul style="list-style-type: none"> • Market Research • Target Market • Empathy • Subjective Value • Market Signals • Innovation • Humility • Freedom to Enter and Compete 	
MATERIALS NEEDED	
<ul style="list-style-type: none"> • Poster board or large Post-It paper • Markers, scissors, and tape • Hershey's Milk Chocolate Bars - 1 per group, plain, regular size • 1 bag of assorted bite-sized chocolate candy bars (Snickers, Twix, Kit Kat, 100 Grand, etc.) Hershey's Market Research Instruction Sheet • Hershey's Market Research Worksheet • Empowered Currency - Printed or Virtual 	

- b. Create a strategy that addresses EACH part of the Marketing Mix (whatever method you used to teach your students the Marketing Mix).
 - c. Explain the reasoning behind the strategy.
 - d. Create a 30 second commercial advertising the product. Your 30 second commercial will be your “pitch” at the end of the project. It should include the name, logo, and tagline at minimum.
7. Give each team a Hershey’s Milk Chocolate Bar to eat and enjoy while they work. Allow your students 60 minutes to complete the project.
 8. Once 60 minutes has passed, ask each group to share their new candy bar design and 30 second commercial. You can award the best product and commercial with the bag of assorted chocolates.

ACTIVITY DEBRIEF

PRINCIPLES + MARKETS

- In what ways does Market Research provide valuable Knowledge for product developers and business owners?
- How did your group use the Knowledge you gained in Market Research to guide your product decisions?
- Why is it important to have Integrity when creating a new product? What would be the potential pitfalls if you did not use Integrity?
- What market signals was Hershey’s receiving? Can you give examples of companies who made changes based on market signals they were receiving? (Uber Eats, Ford (electric trucks), Coke/Pepsi (carbonated waters))
- How did your new brand address a gap in the market?
- How does creativity, empathy and innovation create value in the market?
- What is Hershey’s current brand image with 12–18-year olds? What can Hershey’s do to boost sales of their Hershey’s Milk Chocolate Bar?
- Was your team Free to Enter and Compete during this activity? How important is it for individuals and businesses to have the Freedom to Enter and Compete in the marketplace? What are the benefits to individuals and to society as a whole are created by having this freedom?
- What did you experience in this activity that relates to the real world?
- As you think about M&M/Mars, Hershey, Nestle, Cadbury and all of the companies competing in the chocolate industry, what role does humility play in the company’s success or failure?

MINDSET

- When your group took your ideas, came together to find the best solution for your customer, and developed a new product, how did this make you feel personally? As a team? Is the ability to collaborate an important skill for all of us to have?
- How did it feel to get feedback on your idea? How important is it for individuals, teams, and organizations to have the humility, and face the reality of feedback that is telling you, you need to pivot or go a different direction?



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