

The Analysis of the Marketing Strategy of MARS Regarding Social Media and Decision-Making Aspect

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Abstract. The confectionery sector, as a segment of the fast-moving consumer industry, represents a rapidly changing market. This has led to continuous innovation in the field of confectionery products that may drive consumption because consumer behavior in this industry is constantly changing and evolving. As confectionery items are frequently purchased as a result of impulsive buying, brands keep concentrating on developing distinctive strategies to seek consumer attention. This paper focuses on Mars, one of the most successful confectionery companies, with the analysis of the marketing strategy it uses to create consumer centricity and drive consumers' purchasing behavior based on social media and consumer decision-making perspective. A questionnaire is designed to identify consumer behavior and psychology, with 70 respondents finishing it. It can be found that the strategies of Mars focus on using high-impact emotional motivators to gain consumers' attention and influence their purchasing behavior, which establishes consumers' resonance and leaves a deep impression in their minds. This result could help Mars to keep optimizing the brand marketing tactics in the post-pandemic era when consumers are more complex than before.

Keywords: Mars; Marketing Strategy; Consumer behavior; Decision-making; Social media advertising.

1. Introduction

Developing and executing a marketing strategy is central to marketers and CMOs to help navigate and adapt to consumer needs that change as a result of the advancement in technology, the Internet, and the pandemic [1]. It is a challenge to implement the appropriate and efficacious marketing strategy that creates bigger customer-centricity and engagement, which maintains the competitiveness of modern enterprises. Understanding consumers' reaction to a specific brand and their involvement is a major objective for every marketer [2].

The firm chosen for this paper is Mars, one of the most successful firms in the confectionery sector. In order to analyze the effect of Mars's marketing strategy in an accurate way, a questionnaire was created by the author to identify consumers' traits and motivations when they choose to buy chocolate products from Mars. The finding is that consumers purchasing chocolate products from Mars will show diverse emotional motivators, and their needs are not only to satisfy the taste or appetite. These consumers are likely to please themselves and achieve communication needs by purchasing chocolate products. Depending on the questionnaire, 59% of respondents will try to relieve stress through chocolate consumption and 53% of them promote their mood with chocolate. The marketing strategy utilized by Mars makes an effort to make its consumers feel a sense of emotional resonance that drives consumers' motivation to make a purchase.

This paper is structured as follows. The first part provides a description of the company selected, Mars, covering a brief introduction and analysis of its performance in recent years. Then, there is a session for analyzing Mars's marketing strategy in social media and consumer decision-making.

At last, SWOT analysis and recommendations for Mars are followed.

2. Firm Description

2.1 Overview

Mars incorporate is a leading multinational company in Consumer Package Goods (CPG) industry. Its history could be dated back to 100 years ago when its founder Frank C. Mars commenced his first candy business. In 1932, the son of Frank C. Mars expanded the company by moving to the United Kingdom and establishing “mutuality of benefits for all stakeholders.”, which serves as the founding of Mars, incorporated.

Mars has concentrated on confectionery, chocolate, pet food, other food products, and pet care service for a long period of time. The portfolio of Mars is extremely impressive, and there are many famous brands owned by Mars that impress consumers in a distinctive way such as Dove Chocolate, M&Ms, Snickers, Extra, Twix, Crispy, Orbit, and so on.

Five important principles are always followed by Mars for nearly one hundred years: quality, responsibility, mutuality, efficiency, and freedom [3]. These principles are created by Frank C. Mars and they are the foundation of the company’s management philosophy.

Mars has 140,000 employees and 80 branch offices globally, and its products are well sold in over 100 nations and regions. It develops entirely different global marketing strategies aimed at different countries, helping the company’s products become famous all over the world.

2.2 Performance

As a successful company, Mars has outstanding financial performance and strong cash flow. Surprisingly, the company sticks to not initiated the IPO until today, but it still ranks at a leading position compared with other listed companies. This is attributed to their management wisdom, and executives believe that the independence of the company’s management and control of profits can be guaranteed without IPO.

Table 1. Top5 Candy Companies from 2018 to 2022

	2018	2019	2020	2021	2022
1	Mars	Mars	Mars	Mars	Mars
2	Ferrero Group	Ferrero Group	Ferrero Group	Ferrero Group	Ferrero Group
3	Mondelez International	Mondelez International	Mondelez International	Mondelez International	Mondelez International
4	Meiji	Meiji	Meiji	Meiji	Hershey
5	Nestle	Hershey	Hershey	Hershey	Nestle

Table 1 demonstrates the data organized from the Candy Industry Magazine website, a business-to-business publication that covers the list of the global top 100 candy companies each year. From 2018 to 2022, Mars undoubtedly dominates the top 1 candy company even though the competition is fierce, which shows its extraordinary competence in keeping steady growth and maintaining the global market share.

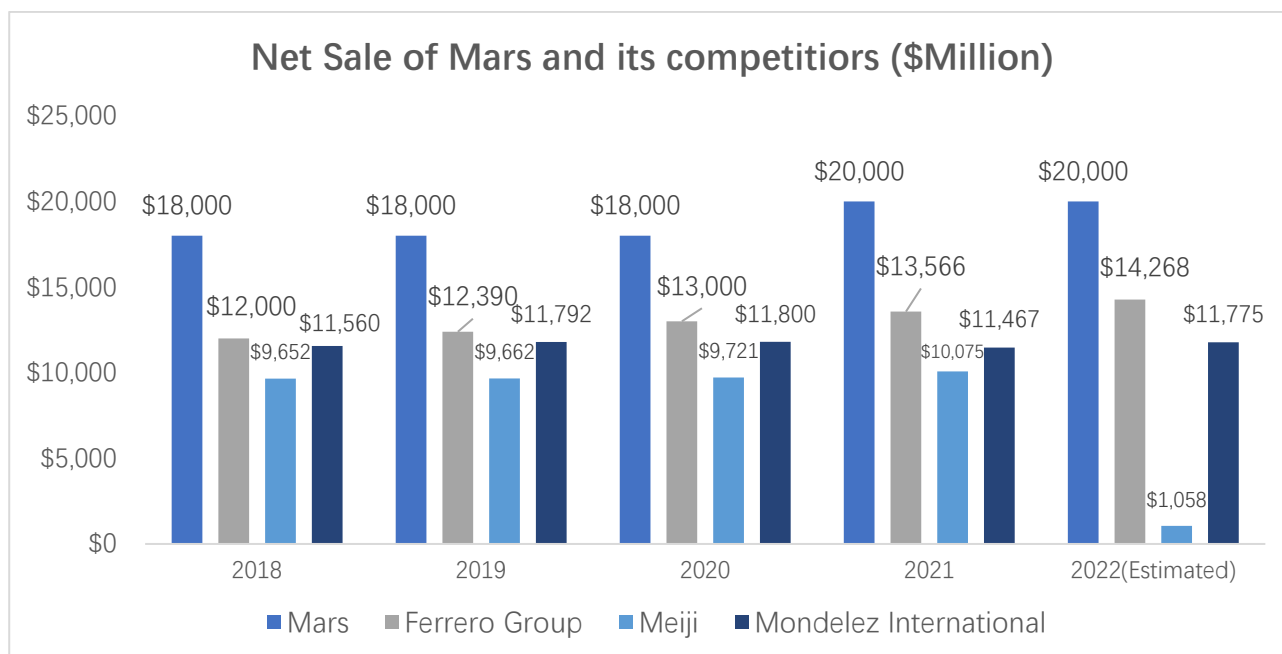


Fig. 1 Sale performance of Mars and its major competitors from 2018-2022

From 2018-2022, the net sale of Mars is higher than its competitors such as Ferrero Group and Mondelez International based on Figure 1. It can be seen that Mars achieves a stable sales performance, with the profit gaining \$18,000 million between 2018 and 2020. Then, there is followed by a sale growth that boosts total profit to reach \$20,000 million between 2021 and 2022. Compared to other competitors, Mars shows stronger and more stable performance, especially in a situation where the negative impact brought by Covid-19 influenced many companies in the past 3 years.

Mars explores a unique way for its resilience and competitiveness in this pandemic era. According to Fortune, Mars probably has secretly become bigger than Coca-Cola, a global soft drink giant. Before CEO Grant F. Reid steps down, the number of Mars employees nearly doubled from 60,000 in 2014 to 140,000 in 2021. And a statement of the company said that the company revealed that sales grew 50% in 2021.

Overall, Mars sets an example to the whole CPG industry with its perfect performance in many aspects.

3. Marketing Strategy Analysis

The marketing strategy of Mars is consumer-driven. The company tries to reach out to consumers in all categories and generate their awareness to establish brand images in a short time. And in Mars's marketing philosophy, brand loyalty is placed in an important position, since it is one of the key factors to retain customers and even potential customers. Mars tries to create a relationship with customers so that they are not only satisfied by the brand, but also are able to perceive brand differentiation, and the goal is to realize the value of emotional connection with these customers.

There is no doubt that Mars is a model among candy manufacturers. However, In July 2022, a piece of news reported that the Titanium Dioxide contained in Skittles was excessive and did not meet the safety standard, which caused queries from American consumers. Hence, it is also quite critical to accord with regulations and laws when doing localized marketing.

3.1 Social Media

Due to the Covid-19 pandemic, increasingly more marketers realize the effect of social media marketing on consumers. How to gain consumers' attention and increase its turnover rate online has become an issue that should be carefully considered by marketers, since it is undoubtedly a business opportunity that might lead to rapid growth.

Before launching an online marketing campaign, Mars will have a deep insight into the media consumption behavior of target consumer groups. And then the company will choose the advertisement fitting that behavior or trait. A typical case is Mars's campaign for its chewing gum "5" in the Chinese market, which is a product that only utilizes online mediums to promote including video sharing websites, E-commerce platforms, and smartphone apps in 2019 since their target consumer group is young people whose life is fully digitalized. A winter swimming challenge video with suspensive elements was released, asking consumers whether they dare to accept that challenge. And that video gained 190 million views on social media platforms. The reason for the success is that the brand conveys a spirit for taking the challenge and being yourself, which matches young consumers' traits and arouses their empathy. And the challenge is also a stimulus that captures attention and emotional-appealing to the personal values and lifestyles of young minds.

3.2 Consumer Behavior and Psychology

Consumer decision journey (CDJ) is used by marketers to identify and track the consumer decision-making process, and it is divided into five independents but mutually connected stages: need recognition, search for product information, product evaluation, product choice and purchase, post-purchase use and disposal of the product [4]. And consumer decision journey is viewed as the process a consumer establishes a relationship with brands or experiences that they are satisfied [5].

By directing consumers at each stage of the consumer decision journey, Mars is seeking every opportunity to capture consumers' needs as they are open to influence and start with a number of potential brands in their minds. This is a process of transferring consumers' awareness to the ultimate loyalty to a brand.

One of the best product categories of Mars is chocolate. The chocolate highlights its high quality and unique taste, which brings a sweet and enjoyable experience to customers. Besides, its chocolate products value pleasure, romance, and smooth taste. Dove chocolate is a typical example that shows those characteristics. Therefore, consumers can perceive their need quickly for Mars chocolate products, and they know clearly what the chocolate will bring to them. In addition, Mars takes advantage of Omni-channel resources and coordinates several of its brands, creating innovative content with pleasure on all channels to increase interaction and exposure and making campaigns radioactive. This move improves consumers' search intensity when they make a purchase since it creates a context filled with Mars's own style, which also influences one's consideration set of chocolate brands.

The results of a questionnaire from 70 respondents show variance in consumer psychology when they purchase chocolates.



Fig. 2 The places consumers will choose to buy chocolate products

Figure 2 shows the major places where the consumer will buy chocolate products. And online shopping (30%), convenience stores (30%), and supermarket (27%) are the popular way for buying chocolate products.

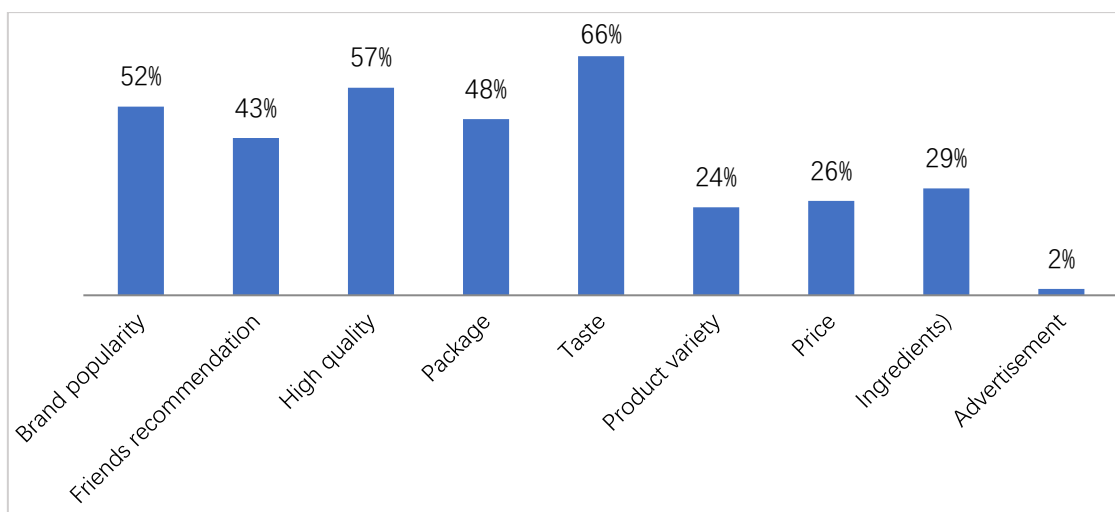


Fig. 3 Factors that affect consumer decision-making when buying chocolate products

Figure 3 illustrates the most important factors that consumers will consider when they choose to buy chocolate products. It is clear to see that taste, quality, and brand popularity will influence consumer decision-making to the biggest extent. Meanwhile, packages and recommendations from friends will also be factors that consumers will focus on.

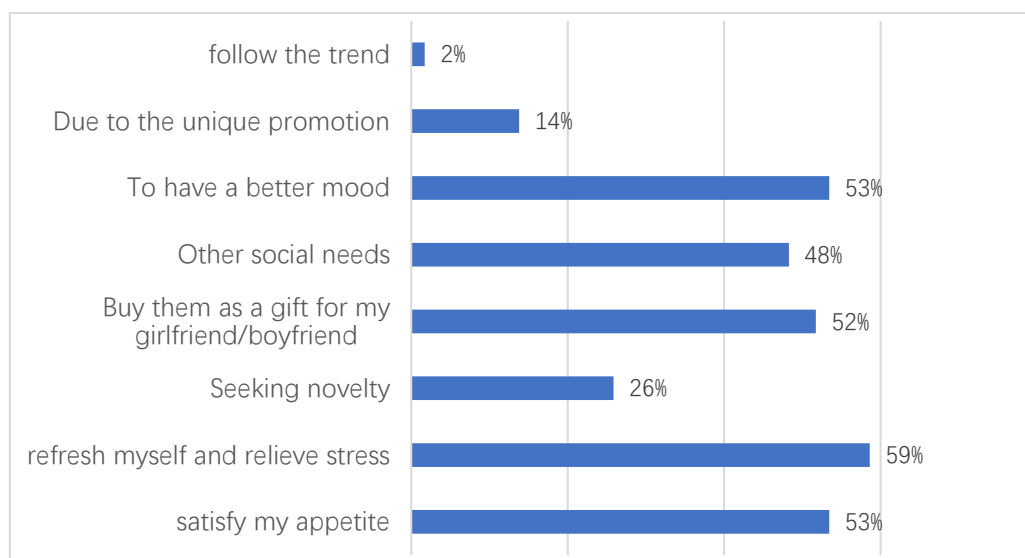


Fig. 4 Consumers' motivation for buying chocolate products

Figure 4 demonstrates that the consumer's mind is complicated. Apart from satisfying their appetite, consumers are likely to focus on something beyond chocolate. There are more emotional appeals such as love, socialization, and relieving stress from life. The experience brought by chocolate is the thing that consumers carefully think over.

4. SWOT Analysis

SWOT has been used by countless marketing researchers for decades. Its simplicity and concept perpetuate its usage in business and beyond as the tool is used to assess many complicated situations

during strategic planning [6]. The business environment is competitive, and “the survival of the fittest” could almost be the slogan that virtually preempted all debate. A SWOT analysis is frequently used by managers to formulate competitive strategies based on strengths, weaknesses, threats, and opportunities in a different context [7]. It can be seen that SWOT analysis is an important source of information for businesses. Therefore, using SWOT to conduct a thorough analysis of Mars can better this study, identifying problems and making proposals for Mars’s future development.

4.1 Strengths

As a giant in the industry, the advantages Mars has is obvious. The company's excellence in understanding target consumers from different backgrounds contributes hugely to its marketing strategy. Mars has a clear positioning of different brands, which helps the company expand its market share. For example, Dove chocolate's target consumer group is female lovers, while Snickers mainly focuses on male consumers [8]. And Mars is an expert in localized marketing, the company is welcomed and performs well in the Chinese market due to its differentiated tactics. Another critical aspect of Mars’s merit is innovation. With persistent innovation in products, services, management, corporate culture, and so on, Mars could always maintain its own path forward.

4.2 Weaknesses

Many brands are owned by Mars, and those brands cover different categories. Sometimes, the conflict and competition within its own brands may rise up, which might be unfavorable to the company in terms of brand management. In addition, Mars does not pay too much attention to mergers & acquisitions to expand the business scale, which hampers its potential business growth. Nevertheless, its competitors such as Nestle will acquire some other companies in the local market, and this will be conducive to localization of marketing. Regarding public relations, Mars has received protests for using animal rennet in its product, which causes some negative impact on the brand image.

4.3 Opportunities

With the continuously improving per capita consumption level in major markets especially China, Mars's market share and penetration rate of products will be granted a chance to keep increasing. Nowadays, social media and E-commerce platforms have been commonly used by consumers in their daily life, and this trend could increase Mars’s exposure in online campaigns and omnichannel marketing. And there will be new opportunities for Mars to achieve sale growth and expand market share because more potential consumers are reached out. Mars could also collaborate with technological giants such as Microsoft, Tencent, and Alibaba to accelerate digitalization to better its intelligent development.

4.4 Threats

The competition in the confectionery sector is extremely fierce, and Mars has many competitors with strong business performance such as Mondelez International, Hershey, and Ferrero Group. These competitors also have a huge business scale and they will seize every possible opportunity to occupy the market share of Mars. Considering that Mars has products across different categories, the company has to face powerful competitors in pet food sectors and so forth, which causes much more stress on the profitability. Furthermore, consumers are now concerned about product safety, and whether candy or chocolate products are healthy will be treated as an aspect of evaluating a product.

4.5 Recommendations for Mars

Although Mars has been very successful, the company still needs to keep exploring a sustainable way for long-term development. Based on the previous analysis, Mars may encounter issues like consumers’ complaints about some products. Therefore, maintaining a positive and good brand image in the target country is vital, since it is a way to deepen consumers’ trust in Mars.

In addition to that, it is rewarding for the company to increase the penetration rate of the Chinese market, which is an emerging market with a new chance for improving sales. For example, markets in lower-tier cities in China shows rapid growth, and some differentiation strategy targeted to those market will lead to unexpectedly desirable results.

Mars could also invest more into the O2O model that boosts retailing. The business transaction of O2O is dealt with online, but elements behind the transaction include products, supply chain, marketing, and so forth are connected with stores in all regions [9]. If Mars enhances coordination between all these channels, the efficiency and benefits will be maximized.

5. Conclusion

Today consumers have more options and alternatives when purchasing, and they expect consistent, integrated, and uniform experiences across all sales channels [10]. To deal with a fast-changing market environment in the post-pandemic era, marketers should understand consumer behavior and psychology in order to establish a connection with them, since the traditional way of marketing could not be in line with the major trend of this era. The popularization of social media provides a massive amount of information for consumers, prolonging their decision-making process. In some cases, the brand occupying the minds of consumers will gain strong popularity. Mars is selected for this paper because it is one of the most successful companies in the consumer-packaged goods industry, and its chocolate brands are outstanding among others. In the marketing strategy analysis session, a questionnaire is made by the author to understand the consumer decision-making process when purchasing Mars products.

By analyzing the advertising case on social media and quantitative data on consumer decision-making traits. It can be concluded that the marketing strategy of Mars focuses on using “stimuli” to generate target consumers' awareness on social media and drive consumer behavior. And the stimuli will be personally relevant to both material and spiritual life, which can be regarded as high-impact motivators to consumers. And Mars also focuses on directing consumer decision-making journeys. The company leverages multi-brand tactics to create the consumption scenario for consumers, leaving a lasting impression in potential touchpoints to connect consumers' emotions when they perceive a need for Mars products. Moreover, the SWOT analysis illustrates that Mars's strength is its ability in making unique consumer insights. And the weakness is the brand management risk of Mars, and the company is threatened by too many competitors across different sectors. But Mars still has huge opportunities for business growth due to new trends in the market.

This paper has some limitations due to the time availability and research method. The sample of the questionnaire is too small and that will influence the study outcome on consumer behavior and psychology. Further studies on this topic could guarantee the data from the questionnaire is more comprehensive and thorough. And psychology can be combined with this study topic.

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