

Yankee Candle Experience

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What we will cover

- Strategic objectives
- Industry background
- Our process
- Current brand awareness
- The experience
- Recommended steps



Executive summary

From March 1-3, 20119, Team Torch conducted fifteen street intercepts in San Francisco and San Diego to meet the following objectives:

1. Uncover the experiences driving customers who purchase and use candles to increase Yankee Candle's annual revenue 5% within 3-5 years to approximately \$866 million.
2. Increase Yankee Candle's market share from 46% to 55% within 3-5 years by tapping into the growing millennial self-care market segment.

From our research, the experiences that drove customers were Harmony, Beauty, and Community. These arose from setting the mood and making their home smell nice. And this generally took place at night and in the living, dining, bedroom, and bathroom spaces of the home.

Given the insights from our research, we believe that Yankee Candle should provide a curated subscription box service with complimentary companion products and rebrand to better enter the millennial customer segment. Companion products should be part of building and leveraging partnerships with adjacent products like bath salts, soaps, wine glasses, and cannabis products.

As a next step, Team Torch will test recommendations for experience subscription boxes and reposition the company to target millennial market.

Strategic objectives

1

Uncover the experiences driving customers who purchase and use candles to increase Yankee Candle's annual revenue 5% within 3-5 years to approximately \$866 million.

2

Increase Yankee Candle's market share from 46% to 55% within 3-5 years by tapping into the growing millennial self-care market segment.

Candles are trending up

\$3.4

BILLION

candle market

5.5%

CAGR

growth by 2025

3,865

RETAIL

US candle makers

What we did

Secondary research

Online:

- Yankee Candle
- Competition

Primary research

Street intercepts:

- 15 millennials
- City and suburban centers

Yankee Candle: mixed brand awareness

Artificial
smells

Derogatory
term for
Americans

High quality

Nice smells

Good jar
shape

Bougie

Never heard of
'em.

High price

You mean the
baseball team?

Yankee Candle: mixed brand awareness

4

Favorable
association

3

General
awareness

2

Negative
awareness

6

No
awareness

The experience



Association to relaxing in home

*What do you do to
relax at home?**

Looking for meaning in using candles

*What comes to mind
when thinking about
candles?*

Situation where the experience happens

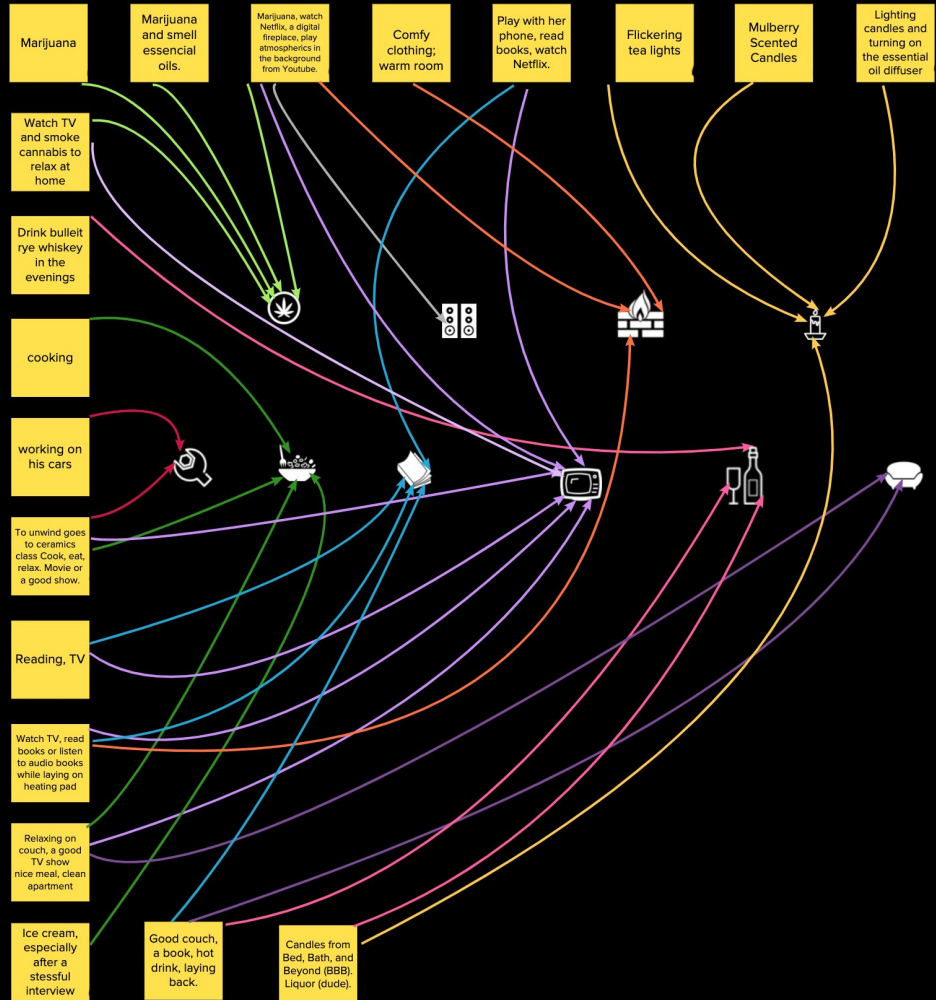
*What do you use
candles for? When and
where?*

**Assumption that YC wants to be in
the home goods space.*

Association to relaxing in home

What do you do to relax at home?*

*Assumption that YC wants to be in the home goods space.



Association to relaxing in home

What do you do to
relax at home?*

*Assumption that YC wants to be in
the home goods space.

Environment



Entertainment



Consumption



Research did not find
any significant
segmentation between
genders.



Looking for
meaning in using
candles

*What comes to mind
when thinking about
candles?*

HARMONY

Balance within self, work, life

BEAUTY

Elegance, light, shape

COMMUNITY

Connection and intimacy

What

Set the
Mood

Making
Home Smell
Nice

When

Evenings

Where

Living &
Dinning
Spaces

Bedroom

Bathroom

**Situation where
the experience
happens**

*What do you use
candles for? When and
where?*

Recommendations



Harmony, beauty, & community boxes

Curated experience subscription boxes with companion products

Leverage strategic partnerships with adjacent companion products to enter the millennial customer segment

Example companion products

- Bath salts and soaps
- Wine glasses
- Socks and blankets
- Cannabis products
- Scent diffuser
- Eye cover
- Aromatherapy



Reposition Yankee Candle

Yankee Candle exists to provide millennials in the US with a reverent space for personal rejuvenation. In so doing, it delivers harmony, beauty, and community to customers. Towards that end, it offers candles and curated boxes with companion products.

Next steps

- Test recommendations for experience subscription boxes
- Reposition the company to target millennial market

