

MASTER CASES



**Candy clash:
M&M's caught in the crossfire**

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The "Corporate Brand Management and Reputation: Master's cases" is a case series for applying the case method of teaching and learning in higher education. The cases are relevant to brand strategists in private and public sector organizations, as well as academics and students at universities, business schools, and executive education.

The cases are written by groups of master's students as a course project. The specially developed case format is defined as: *"A management decision case describes a real business situation leading up to a question(s) that requires assessment, analysis, and a decision reached by discussion in class. The alternative approaches and recommendations from the class discussion are followed by a description of the choices made by the case company. This description is then discussed by the class."*

The student groups select the topics of their case providing updated and relevant insights into the corporate brand management. The cases can be used as "written cases" (handed out and read in advance, later to be discussed in class) and/or as "live case" (presented by the teacher following a discussion in class). Each case includes teaching notes, visuals with speaker's notes, learning objectives, board plans, and references.

The mission of the series is *"to develop cases for discussion providing insights into the theory and practice of corporate brand management and reputation, with the intent of bridging the gap between academic teaching and managerial practice."*

The series is a result of co-creation between students and teachers at the elective course Corporate Brand Management (BUSN35 – five-credit course/eight-week half-time studies), part of the master's program International Marketing and Brand Management at Lund School of Economics and Management, Sweden. The cases represent the result of the intellectual work of students under the supervision of the head of course.

Although based on real events and despite references to actual companies, the cases are solely intended to be a basis for class discussion, not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. The cases are free to be used and are to be cited following international conventions.

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WRITTEN CASE

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Candy Clash: M&M's caught in the crossfire

It is January 2023, and there is a noticeable tension in the air at the thriving headquarters of Mars Wrigley, M&M's parent company. Jamie Baulier, Global Senior Manager for the M&M brand, rushes to the big conference room. The company's key players, including executives and marketing strategists, are gathered in the room for an urgent meeting. At the center of the discussion is a storm that has unexpectedly swept through the colorful world of confectionery: M&M's finds itself at the heart of a raging controversy.

It all began innocuously enough in January 2022, when M&M's unveiled small changes to its beloved spokescandies, designed to align with contemporary values and promote inclusivity (M&M'S Explore, n.d.). But instead of applause, the company received a vocal chorus of disapproval from right-leaning conservative circles. Influential personalities like Fox News host Tucker Carlson did not hold back, calling the changes a symbol of an oversized liberal agenda. A year later, as backlash mounts and online discourse rages once again, Mars Wrigley faces a critical decision: Move forward with the divisive changes or give in to the right-leaning conservatives and retreat to the safety of the status quo.

Background and History

M&M's, owned by Mars Wrigley, is a candy brand that was founded in the United States in 1941 starting by producing plain chocolate candies. In 1932, Forrest Mars Sr., manager of Mars Wrigley, moved to England to produce Mars bars for the American troops during the Spanish Civil War. Inspired by the soldiers who enjoyed heat-resistant chocolate pearls, Mars teamed up with Bruce Murrie upon his return to the US. Together they created M&M's, initially using Hershey's chocolate. To secure resources during World War II, they entered a partnership, with Murrie receiving a 20 percent share of the product, which was named after both, 'Mars' and 'Murrie' and formed the now world-famous product name 'M&M's'. This innovative candy, based on Mars' experience in Europe, marked the beginning of the iconic M&M's journey.

Patenting the manufacturing process in 1941, M&M's were originally packaged in colorful cardboard tubes, being an exclusive military treat during World War II due to their heat resistance and portability. The sweets were very popular with the soldiers and provided a lasting attraction when they returned home after the war (Schumm, 2023). During the 1950s, M&M's introduced the iconic 'm' label on each candy and launched its spokescandies in advertisements with the aim of attaching its brand an personalized and emotional touch (**Exhibit 1**). In 1957, peanut chocolate candies (**Exhibit 1**) made their debut, accompanied by a marketing campaign targeting children. This campaign showcased early versions of M&M's characters swimming in chocolate. This initiative sought to forge a lasting and affectionate bond with young consumers, infusing the brand with personalized charm and evoke emotions.

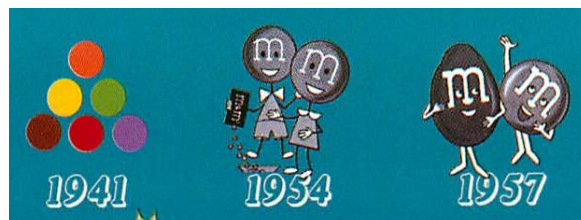


Exhibit 1: Spokescandies evolution 1941 – 1957 (adapted from amazon.ae, n.d)

In the 1980's M&M's opened the global business, expanding into Asia Pacific, Australia, Europe, and Russia. In 1995, faced with stagnating sales and a diluted brand identity, M&M's enlisted the marketing agency BBDO to revitalize their advertising. In a crucial meeting with the new CMO of Mars, Paul Michaels, the creative team suggested scrapping the existing M&M's characters to emphasize the excellence of the product, but Paul insisted on keeping them and encouraged the creation of new characters with passion and flaws (Credle, 2019). After initial hesitation and despite a limited budget, the agency devised the cost-effective strategy to transform each color of the candy into a comedic character, ultimately yielding a million-dollar idea. The team set about first evolving the M&M's Red and Yellow characters into a dynamic and engaging comedic ensemble (**Exhibit 2**).

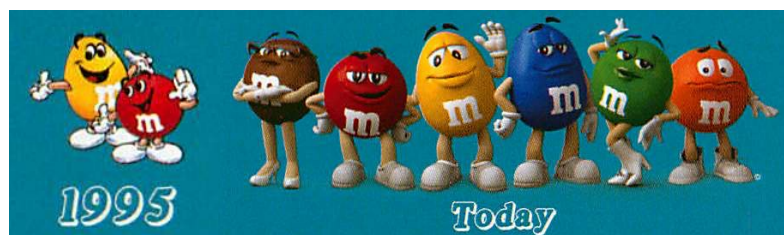


Exhibit 2: Spokescandies until 1995 vs after transformation by BBDO, 'Today' equals 2016 (adapted from amazon.ae, n.d)

Opting for a phased introduction of all six characters over a decade allowed for a sustainable and evolving narrative. In addition to the first launched Red and Yellow, the team introduced Blue based on a consumer-led voting followed by further characters like Green, Orange, and Brown, each with unique personalities. Despite initial hesitations about merchandising, the success of M&M's characters was evident with the establishment of M&M's World stores and a shift towards character licensing. The primary goal remained consistent - to craft characters that felt authentic and relatable to the audience. In the 2000s, M&M's TV ads featuring their characters achieved tremendous success, accumulating over 43 million YouTube views, and becoming a cultural phenomenon. This triumph expanded to outdoor advertising and global M&M's World stores, maintaining the ads' trademark humor and wit. Today, M&M's is a world-known chocolate brand with a rich history dedicated to its mission of championing the power of fun to create a world where everyone feels they belong (M&M'S Explore, n.d.).

The Incident

In January 2022 the popular spokescandies gained worldwide attention, but not in the way one would have expected. M&M's announced a new global brand purpose:

"At Mars we believe that in the world we want tomorrow, society is inclusive. And, as one of our most iconic brands, M&M'S® is announcing a new global commitment to create a world where everyone feels they belong." (Mars, 2022)

As part of this, M&M's updated their characters to align with modern values, emphasizing inclusivity as societal norms evolve. Jamie Baulier, Global Sr. Manager for the M&M's brand, and her team worked hard on the change, which aimed to create a welcoming environment where everyone feels valued, regardless of background or differences. It reflected M&M's commitment to fostering inclusivity and making a positive impact on society.

The new M&M's spokescandies feature only slight outer changes, refining the shape and color palette of each figure (**Exhibit 3**, p.4).

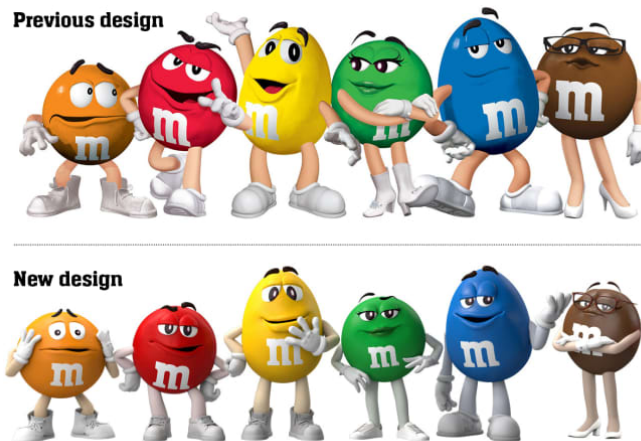


Exhibit 3: Spokescandies before and after design changes (Passy, 2023)

Adjustments include Red and Yellow having shoelaces on their shoes, while Orange's shoelaces are tied. The most significant changes can be seen in Green and Brown wearing new footwear. The 1997 introduced green character's white go-go boots have been replaced by sneakers and the 2012 introduced brown character simultaneously traded her stilettos for more comfortable-looking pumps with lower, block heels. These physical changes are accompanied by updates to the characters' personalities, with an emphasis on inclusivity and kindness. In addition, all characters have had their gender prefixes removed from their names, and new poses have been introduced to give a more welcoming and inviting feel.

The big announcement was out, Jamie finally felt relieve after working on the project for what felt like ages. Going out for celebratory drinks, sleeping a little longer – she felt great! She probably wouldn't have enjoyed the feeling of success, if she could have guessed what was about to come...

January 2022: The first wave of controversy

As she sat at home, enjoying a quiet evening, Jamie's phone suddenly rang, disrupting her tranquility. "Have you heard?" exclaimed the voice on the other end. Little did Jamie know, her upcoming weeks were about to take an unexpected turn, far beyond what she and her colleagues could have imagined. Enter Tucker Carlson, a familiar face to many as the conservative political commentator and host of the nightly talk show Tucker Carlson Tonight on Fox News, a conservative news station and the most-watched cable news network in the U.S. Known for his far-conservative leanings and unconventional critiques of pop culture, Carlson wasted no time expressing his strong disapproval of the redesigned M&M's cartoon characters, particularly lamenting the reduced sexiness of the green spokescandy:

"M&M's will not be satisfied until every last cartoon character is deeply unappealing and totally androgynous, until the moment you wouldn't want to have a drink with any one of them. That's the goal. When you're totally turned off, we've achieved equity. They've won." (Tucker Carlson, 2022 in Beshel News Service, 2022)

What started as a segment on a talk show quickly snowballed into a much larger controversy, with people across the nation picking up on the story and voicing their opinions on the internet leading to the formation of a right-wring connotated anti-community. Carlson, with a wide reach and devoted following, continued his tirade against M&M's and Mars Wrigley, persistently accusing them of pushing intolerance. On his show, he referred to the orange character as a "miserable, non-binary candy" (Mercado, 2023) and speculated about the character's secret sexism (**Exhibit 4**).



Exhibit 4: Tucker Carlson reacts to non-binary candy (Beshel News Service, 2022)

Fox News amplified the controversy further, hosting a four-person panel discussion on the show *Gutfeld!* (**Exhibit 5**, p.6), opening with the question 'Will M&M's still melt in your hands if M&M's are trans?'.



Exhibit 5: Gutfeld! panel reacts to M&Ms spokescandies' design changes (Hays, 2023)

It included derogatory remarks about the green character, describing her as a “snake” (Fox News, 2022) a “conniving, climbing little bitch” (Fox News, 2022) and “opportunistic little bitch” (Fox News, 2022) as well as suggesting viewers to „run from women like the green M&M“ (Fox News, 2022). The host asked questions like “What kind of message does it send to children when you devour these nonbinary bon bons?” (Fox News, 2022).

Despite the absurdity of the situation, Jamie and her team found themselves amidst countless crisis meetings, in disbelief about how such minor changes to candy characters could spark such uproar. Ultimately, they made the strategic decision to refrain from fueling the fire and chose to sit out the backlash by not reacting publicly to the controversy. After weathering the storm of previous controversies, Jamie and her team resumed their work peacefully, focusing on upcoming projects, including the production of an advertising campaign for the Super Bowl in February 2023. However, their peace was short-lived as M&M's once again found themselves at the center of attention soon after.

September 2022 – January 2023: The second wave of controversy

In September 2022, M&M's introduced the Purple (spokes)candy introducing a new color for the first time in over a decade, following a public voting process. This new addition, a feminine peanut candy, aimed to symbolize acceptance and inclusivity (M&M'S Explore, n.d.). According to M&M's, the introduction of Purple represented a commitment to increasing visibility and improving gender balance in their cast, while encouraging individuals to embrace their authentic selves. Later that year, in December 2022, M&M's unveiled a limited all-female packaging, featuring the green, brown, and purple characters, as a promotion for International Women's Day (**Exhibit 6**).



Exhibit 6: M&M's all female limited-edition packs (Mars, Incorporated, 2023)

Additionally, M&M's announced plans to donate almost a million dollars to various organizations supporting women, including \$1 from every pack sold, up to \$500,000, along with additional grants and donations.

Jamie could never have anticipated that her brand would once again become the focal point of controversy, especially considering the positive and innocent intentions behind the projects. However, after launching both initiatives, she couldn't help but think, "Here we go again." And this time, the backlash was even more intense than before.

Tucker Carlson once again stirred the controversy by declaring, "woke M&M's have returned" (Victor, 2023). He accused M&M's of brainwashing the audience with the brand's body-inclusive spokescandies to drive candy sales. Additionally, conservative political commentator and author Nick Adams condemned the new introductions as a "nuclear strike in the war on men" (Adams, 2023). Adams accused M&M's of perpetuating sexism and anti-male sentiments with their latest initiatives. Over time, Adams escalated his criticism, declaring, "These female M&Ms are a slap in the face to men everywhere" (Adams, 2023). He vehemently opposed the changes, deeming them outrageous and calling for a boycott of M&Ms and Mars Wrigley's products in a video, which has been streamed more than 13 million times.

"Any male that buys a packet of M&M's from today forward must hand in their 'man' card because they are soft, woke, beta, male feminist, who have serious, serious problems. [...] Until M&M's rectify this great wrong by giving us all male M&M's, this boycott will remain." (Nick Adams, 2022)

The critique of the famous right-leaning journalists was quickly picked up. Online commentators contributed to the backlash, with some suggesting that the new introductions were part of Mars' secret effort to promote lesbianism. Comments online ranged from "Stop ramming this down our throats – go woke, go broke" (Crouch, 2022), to "Yeah, we've had enough of the woke bulls**t. Just stop already" (Crouch, 2022). Others expressed disdain for what they viewed as an attempt to impose a leftist agenda, with remarks like, "I don't eat candy with a far-left communist agenda" (Crouch, 2022).

Another news anchor raised concerns that the campaign, particularly the inclusion of an 'inclusive' purple-colored character, could potentially undermine the United States' standing on the geopolitical stage:

"This is the kind of thing that makes China say 'oh good, keep focusing on giving people their own color of M&M's while we take over all the mineral deposits in the entire world'" (Martha MacCallum, 2022 in Luciano, 2023)

Jamie and her team found themselves grappling with disbelief as they navigated the unfolding situation. Could this all truly be happening because of them and their candies? While Jamie had been confident in her decision not to respond to critiques during the previous controversy, she now found herself uncertain.

She felt cornered by an entire community that shares her dislike of the brand she is responsible for. Reflecting on similar situations involving prominent brands caught in unexpected crossfires, whether by changing brand elements or unintentionally stirring political debates, she recalled instances like GB Glace discontinuing its beloved clown mascot, which led to disappointment and petitions for its return. Additionally, she remembered Instagram's drastic logo change. Examples of political backlash came to mind, such as Nike encountering opposition and product burnings after collaborating with Colin Kaepernick, and Bud Light facing boycotts following a TikTok video collaboration with a well-known transgender influencer. Her thoughts further underscored the unpredictability of public response should M&M's decide to react to the backlash.

Feeling overwhelmed for the first time in a long while, Jamie and her team at M&M's are facing a tough decision. Should they respond to appease these critics, or should they stay silent and see how things played out? Especially with the Super Bowl approaching, where M&M's will have a 30 second spot, Jamie is feeling indecisive and seeks guidance from her team to tackle the following question:

How should M&M's respond to the backlash and negative sentiment surrounding the redesign of their spokescandies, particularly in the face of affiliations with right-wing groups and the impending Super Bowl ad?

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