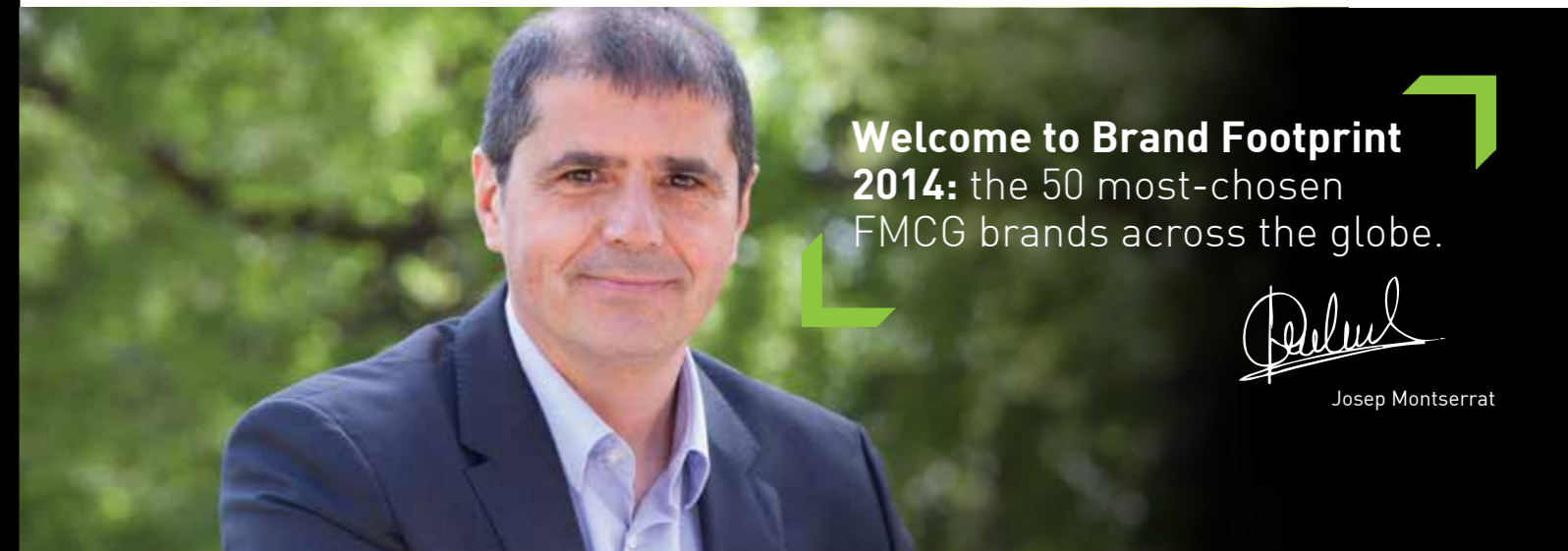




A Global Ranking of the Most Chosen Consumer Brands

2014 Brand Footprint Report

Authentic, meaningful and engaging – the brands that make themselves matter to consumers.



Welcome to Brand Footprint 2014: the 50 most-chosen FMCG brands across the globe.

Josep Montserrat

It is my pleasure to introduce Kantar Worldpanel's second annual Brand Footprint ranking.

This is the most far-reaching and comprehensive study of global FMCG brands, providing the clearest, most detailed and most actionable picture of your brand's global footprint.

This year, we have enhanced the report and ranking in order to deliver additional benefits to you. We have wider geographical coverage, a greater number of categories and enhanced interactivity on our microsite. We have also introduced the Global Brand Compass: a new brand typology that reveals how the individual footprint of any brand, in any category, is composed. Brand Footprint now covers more brands, across more of the globe, and delivers more intelligence that allows you to compare your brand's global footprint, as well as richer insights on specific sectors and countries.

THE SHIFTING CENTRE OF GRAVITY

There are opportunities for FMCG brands to grow their footprint in both emerging and developed markets.

The pace of GDP growth across the major emerging markets has slowed, but continues to outstrip that of developed countries. However, the average per capita GDP in developed countries is still significantly ahead of the emerging countries. The countries that are

richest per capita today will still be the richest in 2050 – so no brand should focus all of its growth efforts exclusively on the emerging regions.

The manufacturers that know how to take advantage of these opportunities will thrive. Here's where Brand Footprint's rich insights come in – helping FMCG companies with international aspirations to develop their roadmap for growth by:

- **Providing a vital guide to which regions present the biggest opportunities.** Brand Footprint gives you the clearest perspective of your category and brand growth dynamics across the globe, in context with comparable and competing brands.
- **Highlighting the cause and effect of the global trends shaping markets.** We examine existing and emerging global trends, enabling manufacturers to tap into consumers' needs.
- **Illustrating how brands and manufacturers have anticipated and responded to these trends.** This year we're featuring 'Brands in Action': showcasing game-changing local and global brands, and how their often innovative and sometimes unexpected strategies and actions have worked.

BE MEANINGFUL TO BE CHOSEN

Every brand in the Brand Footprint 2014 ranking has been chosen at least 500 million times across the globe in the last year, which is an achievement in itself.

The brands that dominate and grow within the Brand Footprint ranking are the ones that engage most effectively with consumers, forging powerful and long lasting connections with people. They make themselves widely accessible to the market, and wow shoppers with bold campaigns that are talked about. They make consumers' lives happier, healthier or easier through innovation that is relevant and authentic. In short, these brands make themselves matter to us.

I congratulate each and every brand, and commend the efforts they've made to achieve their position in the ranking. These are brands to admire and to learn from.

I invite you to read on, visit the microsite to explore the data in detail and see the full regional and category rankings, and learn more about your global Brand Footprint.

WELCOME
PAGE 3

BEHIND THE
NUMBERS
PAGE 4

HEADLINES
PAGE 6

GLOBAL AND SHOPPER
TRENDS
PAGE 14

REGIONS
PAGE 18

THE GLOBAL BRAND
COMPASS
PAGE 26

NON-FOOD
PAGE 28

FOOD
PAGE 31

BEVERAGES
PAGE 34

WINNING AT THE
MOMENT OF TRUTH
PAGE 37

METHODOLOGY
PAGE 38

Behind the Numbers

The 2014 Brand Footprint ranking reveals the FMCG brands that more shoppers around the world choose more often.

Today's shoppers across the globe expect many different things from FMCG brands depending on their location and circumstances. Some want affordable basics to help them budget whilst others are looking for premium quality products that provide a little luxury.

Today's consumers are more connected and digitally savvy, and many like the brands they buy to communicate with them as individuals. Many consumers are looking for products that multi-task, combining benefits and attributes, or indeed that just make their lives simpler. Some require brands to help them live the lives they want, whether it be healthier, greener or with more time for themselves. All in all, today's consumers and shoppers are demanding more, which is sometimes less of FMCG brands.

The results of this year's study also highlight the huge opportunities that still exist for brands to grow their footprint.

SHOPPERS ARE NOT YET BUYING MORE FMCG

The total number of Consumer Reach Points achieved by the world's most-chosen brands has increased by 1.7% year-on-year. This is in line with the growth of the global population over the same period.

The penetration of seven of the Top 10 brands is either flat or declining as their power is

challenged by agile, authentic local brands. Here is where the biggest opportunities for growth lie: in getting more shoppers to buy the brand. Only 16 global brands are chosen more than one billion times per year and the average penetration across the entire Top 50 is just 20%. The game is wide open.

THE MODEL FOR GROWTH

The brands that attracted the highest numbers of new shoppers during the year are mostly found outside the Top 10. Each added more than seven million new households.

Many of the brands that have expanded their consumer reach points have shown evidence of connecting with consumers as well as understanding and tapping into their needs either more quickly or more effectively than their competitors. They made consumers' lives happier (Oreo, Cheetos, Snickers and Downy), healthier (Yakult, Lifebuoy and Nestlé) or easier (Maggi and Vim), or communicated with them in a highly impactful way (Dove).



The global brands in the 2014 Brand Footprint Top 50 have lost ground to local brands. The Consumer Reach Points of local brands have increased at twice the rate of global brands, showing that local brands are currently winning the battle for space in consumers' baskets.

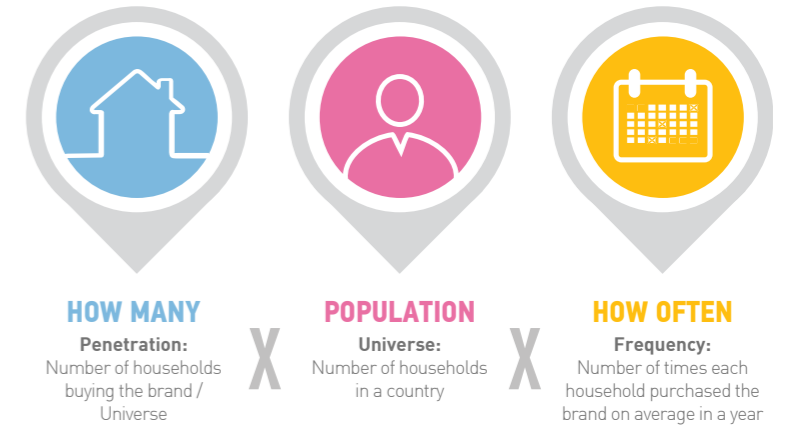
Brand Footprint at a glance



Exposing the 'moment of truth':

Measuring an FMCG brand's Consumer Reach Points gives a clear picture of its strength in terms of the number of times it is chosen by consumers in a year. There is a decision point in every FMCG purchase; a point at which the shopper decides to buy one brand instead of another. The Brand Footprint ranking reveals which brands are winning at that moment of truth. Combining the number of households that purchased a brand over a year with the number of times they bought it, shows the size of each brand's global footprint, and where there is room to grow penetration and frequency.

CONSUMER REACH POINTS



FOUR GOLDEN RULES

As well as examining the global context around the results of the 2014 Brand Footprint, this report digs deep into the stories behind the numbers, looking at the actions taken by brands and how they led to a growth or decline in Consumer Reach Points.

Four key themes are apparent across all regions and all sectors; four critical success factors that brands must understand and respond to if they are to increase their footprint in the coming year.

1. Focus on building local strength

Local brands are outpacing global players in terms of growth, particularly in the food and beverage categories. Far from copying the strategies of their global rivals, these smart brands are using their proximity to the market to engage consumers and build loyalty. They are able to develop the market by quickly identifying and accurately responding to local requirements, whether with new flavours or marketing campaigns with a local slant.

Brands must not underestimate the ability of these local players to take advantage of an increasingly interconnected world. In the near future we should expect brands

from emerging markets to expand into other fast-growth countries: we already see Korean cosmetic brands selling their products in Latin America and Africa, and Russian dairy brands entering Asian markets, for example. Global brands should be ready to respond to local consumer needs, as well as collaborate, where relevant, across borders and categories. They may need to work with local brands, or indeed local consumers, to co-create products that address their requirements.

2. Find creative ways to make it easy for shoppers to buy the brand

Reaching the highest possible number of consumers means giving them access to the brand through effective distribution and making products affordable to all. The strongest brands in the Top 50 have highly effective market access strategies. They use every channel available to them, including door-to-door selling, traditional stores, local retailers and e-commerce. If their products are beyond the budget of most consumers, they put them within reach by developing smaller formats, smart sizing or develop lower tier ranges or brands.

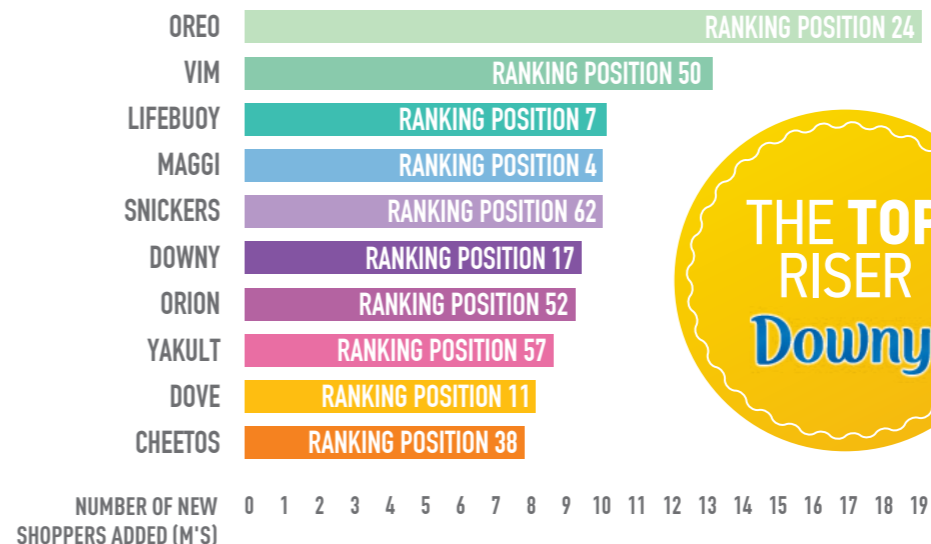
3. Respond more rapidly to the right trends in the right way

The brands which expanded their footprint in the past year are masters at rejuvenating the market. They have surprised consumers by responding to needs they did not yet realise they had in a highly relevant way. These brands targeted new groups and occasions by adding steps into beauty or cleaning regimes, producing new formats and even creating new segments. There is room for brand innovation in today's FMCG industry. Even in the least developed markets and staple categories like sugar and toilet tissues, consumers have embraced new launches where brands have offered attributes and propositions that manifest the most suitable response to the needs of a market or target consumer.

4. Create conversations

Many of this year's fastest-growing brands have executed creative, multi-channel campaigns in which digital played a central role. They developed their brand personality through campaigns that invited consumers to share experiences and have fun. They put the brand right next to consumers, seamlessly blending online and offline marketing, and engaged consumers through crowdsourcing – giving them a say in the development of new variants and allowing them to co-create the brand's future.

THE BRANDS ATTRACTING THE MOST NEW SHOPPERS



Downy is the fastest growing of all the brands in the Top 50 ranking, performing particularly well in emerging regions:

- 26% growth
- Up 12 positions
- 9.5 million more households



KEY



Indonesia, China and Vietnam growth based on urban population
CRP growth based on top FMCG brands in each country.

A World of Choices

The 2014 Brand Footprint ranking reveals that the last year has presented a challenging environment for global consumers and brands. Food price inflation has been stubbornly high and levels of unemployment remained constant around the world. Yet in the face of these challenges consumer confidence has been stable.

Year-on-year, Consumer Reach Points have expanded by 1.7% globally, which is in line with the growth of the number of households in the world. Consumer Reach Points are up 2.4% in the emerging markets, with Asia being the fastest-

growing region at 2.9% followed by Latin America at 1.2%. As a whole, developed markets are flat in terms of growth (-0.1%). Although the US increased its Consumer Reach Points by 0.8% it was not enough to compensate for a -1% decline across Europe.

GROWING AROUND THE GLOBE

This picture of global growth is not simply a case of emerging markets versus developing. At a country level the fastest growing countries are spread across Latin America, Asia and Europe.

Thailand has the fastest Consumer Reach Points growth in the world at +9%. This is

primarily driven by beverages which are growing +14%. Bolivia and Peru have both increased +7% as modern trade continues to expand in each country. Beverages are the major contributor to this growth with an increase in Consumer Reach Points of +8% in both markets. A boom in Peruvian consumers focusing on their appearance has also delivered +10% Consumer Reach Points growth in health and beauty.

China, which has grown its Consumer Reach Points +7%, remains amongst the world's fastest growing countries. However the speed of its growth has dramatically decelerated

from last year as China's economy slows leading consumers to become savvier and more price conscious.

DECLINING WORLDWIDE

The countries where Consumer Reach Points are declining most sharply are also spread across the world, although Eurozone members dominate. In Italy, where price inflation continues across all FMCG categories, Consumer Reach Points have declined by -8%. Ireland (-4%) and Greece (-3%) are fellow Eurozone countries tackling debt crises, sluggish economies and high unemployment.

South Korea's overall Consumer Reach Point decline of -3.2% has been caused by the -5% drop in home care, where a high number of shoppers have left the fabric softener segments, and a -1% fall in beverages. This overall decline reflects the 'new normal' for South Korean consumers caused by a post-recession economy in which the country's GDP growth has stalled.

LOCAL VS. GLOBAL BRANDS

Local brands are growing their Consumer Reach Points almost twice as fast (2%) as global brands (1.2%), and local brands continue

to account for the majority of shoppers' purchase decisions (60%). This is the case across all regions - particularly Asia, where local brands hold 69% of the total Consumer Reach Points achieved.

Global brands still perform more strongly in some countries: Bolivia, Central America, Peru, urban Vietnam, Malaysia, Saudi Arabia, Indonesia, India, France and the UK. In the US, 75% of Consumer Reach Points are held by global brands.

Brand Footprint Global Ranking Top 50

Rank 2013	Rank 2012	Rank change	Brand name	Manufacturer	Consumer Reach Points (m)	Penetration%	Frequency	Consumer Reach Points growth%
1	1	◀▶		The Coca-Cola Company	5,788	44.0	13.7	2
2	2	◀▶		Colgate-Palmolive Company	3,660	63.4	6.0	3
3	3	◀▶		Nestlé	2,173	23.8	9.6	-4
4	4	◀▶		Nestlé	2,027	31.2	6.8	4
5	5	◀▶		Pepsico	1,926	26.2	7.7	2
6	7	1 ▲		Unilever	1,688	30.1	5.9	0
7	6	1 ▼		Unilever	1,683	25.5	6.9	-1
8	9	1 ▲		Pepsico	1,503	26.0	6.0	7
9	8	1 ▼		P&G	1,339	28.4	4.9	-6
10	10	◀▶		Kraft Foods Group	1,291	18.0	7.5	-1
11	11	◀▶		Unilever	1,252	33.7	3.9	5
12	12	◀▶		Colgate-Palmolive Company	1,183	19.8	6.3	1
13	13	◀▶		Unilever	1,087	31.7	3.6	-1
14	15	1 ▲		Nestlé	1,055	29.4	3.7	3
15	14	1 ▼		P&G	1,052	26.4	4.2	-4
16	16	◀▶		Unilever	1,046	13.8	7.9	3
17	29	12 ▲		P&G	966	13.1	7.7	26
18	17	1 ▼		Unilever	947	18.8	5.3	-1
19	18	1 ▼		Ajinomoto	905	6.8	14.0	-2
20	21	1 ▲		Bimbo	897	6.4	14.6	1
21	22	1 ▲		The Coca-Cola Company	891	25.2	3.7	2
22	19	3 ▼		Mondeléz	888	11.5	8.1	-4
23	23	◀▶		H.J. Heinz Company	884	17.6	5.3	3
24	26	2 ▲		Mondeléz	883	24.7	3.7	10
25	27	2 ▲		Unilever	835	12.6	6.9	9

Rank 2013	Rank 2012	Rank change	Brand name	Manufacturer	Consumer Reach Points (m)	Penetration%	Frequency	Consumer Reach Points growth%
26	20	6 ▼		Danone	830	14.0	6.2	-9
27	25	2 ▼		Nestlé	810	7.7	11.0	0
28	24	4 ▼		P&G	796	24.0	3.5	-1
29	28	1 ▼		Pepsico	767	16.2	5.0	0
30	31	1 ▲		The Coca-Cola Company	749	21.5	3.6	4
31	30	1 ▼		P&G	714	13.6	5.5	-1
32	32	◀▶		The Coca-Cola Company	701	17.9	4.1	-1
33	33	◀▶		McCormick & Company	690	14.0	5.1	1
34	37	3 ▲		The Hershey Company	684	13.0	5.5	5
35	34	1 ▼		Danone	677	14.3	5.0	-1
36	36	◀▶		Ferrero	668	11.9	5.9	1
37	35	2 ▼		Barilla Group	660	12.8	5.4	-1
38	45	7 ▲		Pepsico	654	14.1	4.8	9
39	42	3 ▲		Unilever	648	14.6	4.6	7
40	40	◀▶		Beiersdorf	624	21.5	3.0	2
41	39	2 ▼		Unilever	621	16.3	4.0	-1
42	41	1 ▼		General Mills	607	11.2	5.7	0
43	47	4 ▲		Unilever	607	15.3	4.1	5
44	44	◀▶		P&G	596	18.1	3.4	-1
45	38	7 ▼		Nestlé	594	7.9	7.8	-8
46	43	3 ▼		Johnson & Johnson	588	20.2	3.0	-5
47	46	1 ▼		P&G	561	21.5	2.7	-3
48	48	◀▶		Pepsico	543	9.1	6.3	0
49	53	4 ▲		Pepsico	540	10.5	5.4	6
50	59	9 ▲		Unilever	534	11.9	4.7	15

The Next 20: The brands knocking on the door of the Top 50

Rank 2013	Rank 2012	Rank change	Brand name	Manufacturer	Consumer Reach Points (m)	Penetration%	Frequency	Consumer Reach Points growth%
51	54	3 ▲	HELLMANN'S	Unilever	529	13.5	4.1	5
52	58	6 ▲	ORION	Orion Food	525	11.7	4.7	11
53	50	3 ▼	PHILADELPHIA	Mondelēz/Kraft Foods Group	517	12.0	4.5	-3
54	51	3 ▼	Kleenex	Kimberly Clark	516	13.3	4.1	-3
55	57	2 ▲	POND'S	Unilever	504	16.7	3.2	4
56	56	◀▶	7UP	Pepsico	501	5.2	10.0	3
57	65	8 ▲	Yakult	Yakult Honsha	499	7.1	7.4	18
58	52	6 ▼	close up	Unilever	497	15.5	3.4	-3
59	55	4 ▼	ARIEL	P&G	485	14.3	3.5	-1
60	49	11 ▼	CLEAR	Unilever	470	11.3	4.4	-13
61	62	1 ▲	M&M'S	Mars	448	13.4	3.5	1
62	67	5 ▲	SNICKERS	Mars	441	13.2	3.5	5
63	60	3 ▼	CLOROX	The Clorox Company	434	10.3	4.4	-4
64	63	1 ▼	Del Monte	Del Monte Foods	432	10.7	4.2	-3
65	61	4 ▼	Tropicana	Pepsico	428	9.9	4.5	-4
66	64	2 ▼	Dr Pepper	The Coca-Cola Company	420	5.2	8.4	-1
67	66	1 ▼	Pampers	P&G	415	6.4	6.8	-2
68	68	◀▶	Dr Oetker	Dr. Oetker	397	9.0	4.6	1
69	74	5 ▲	L'ORÉAL	L'Oréal	393	13.3	3.1	9
70	69	1 ▼	Dettol	Reckitt Benckiser	391	14.2	2.9	3

These are the brands most likely to challenge and displace the position of the global leaders.

The strongest growth among the next 20 brands is achieved by Yakult, the Japanese probiotics company, and Orion, the South Korean bakery brand, which increased its Consumer Reach Points by 11%.

What is particularly exciting about the success of these two brands is that they originate from countries outside of the US and Europe. If and when Yakult and Orion join the Top 50, they will be the second and third non-western brands, along side from Japan's Ajinomoto, to have entered the top of the Brand Footprint ranking.

REVERSAL OF FORTUNE

Yakult is a compelling success story from the 2014 Brand Footprint ranking. Last year Yakult was declining 4%. Yet the brand has successfully revised its fortune; delivering 18% positive growth. It now sits at position 57 and has bucked the trend of decline for probiotics – as demonstrated in Activia's



loss of 5.6 million shoppers globally. Yakult's principle of delivering health-promoting products at an accessible price was executed across the 33 markets it serves. Its network of 80,000 door-to-door sales people – the 'Yakult Ladies' – provided a creative means of making itself available as well as directly educating consumers about the product's health benefits.

Success in Indonesia, Yakult's biggest growth market in which 4.5 million new households have been added in the last year, is driven by the growth (in numbers) of its Yakult Ladies, which increased from 760 to 4,600 at the end of 2012.

This year Yakult aims to extend its reach with the launch of new products, including a drink combining the benefits of probiotics and fermented soy milk, while also increasing its footprint in countries including Indonesia. Yakult hopes to firmly embed itself into the daily lives of its target middle class consumers

with new products to attract new buyers, and marketing initiatives such as Yakult-branded refrigerators to boost recognition.

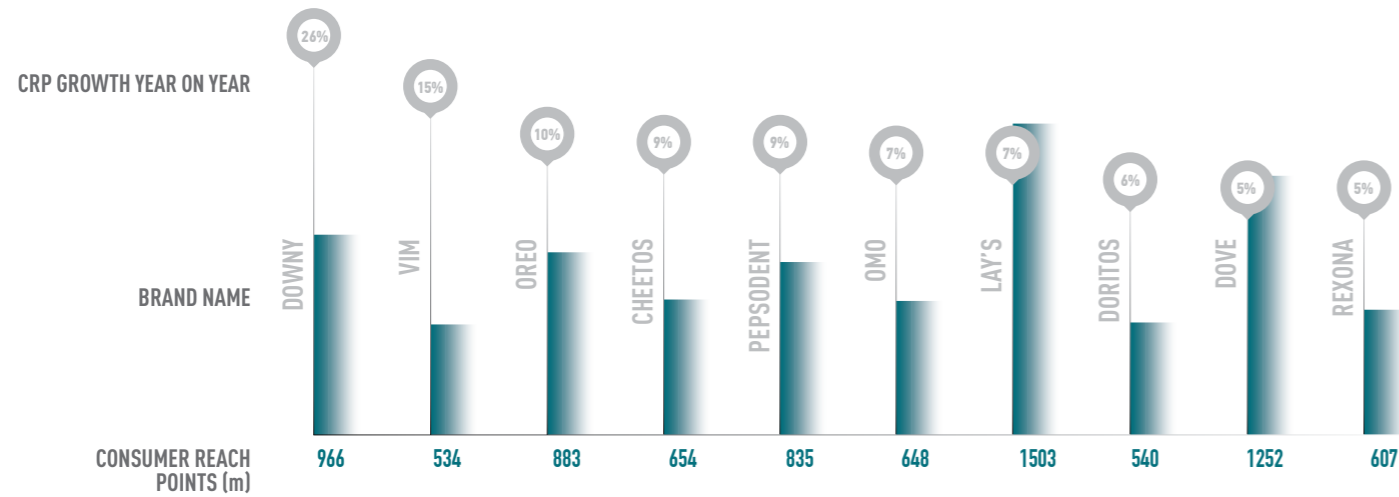
GOOD FORTUNE FOR ORION COOKIES

South Korean brand Orion has jumped six positions in the 2014 Brand Footprint ranking, having grown its buyers by 9% in the last year. The brand has continued to invest in its long-term strategy of global expansion with localised production in nine countries including Vietnam, Russia and China, its three biggest markets. Orion is one of the most popular snacking brands in China, with 62% of Chinese households purchasing the brand's products. The brand advertises its famous Orion Choco-Pie as 'A Good Friend' for the Chinese market. It also changed the design of its packaging to a bold red in response to the local preference for the colour.

In Vietnam, Orion has succeeded with localisation and a detailed understanding of the market. This led to Orion's products establishing a premium positioning and Choco-Pie has become part of ancestral rites in the country. Last year, 1.15 million urban Vietnamese households purchased Orion. Its presence in Russia is a stepping stone to Europe, and in Russia, Orion has tailored its pack sizes to meet retailer needs and consumer demands. Its 24-piece box is sold in large discount stores, the 12-piece in modern trade and the 6-piece available in convenience stores and kiosks. Orion has increased penetration in Russia to 18%.

Movers and Shakers

TOP 10 RISERS BASED ON CRP GROWTH



Of the 10 fastest-rising brands in the Top 50, it is fabric softener brand Downy that stands out from the crowd with an impressive 26% growth in Consumer Reach Points. Downy has succeeded in becoming a 'top riser' by increasing both penetration and frequency. Only three brands in the 10 fastest-rising brands this year were also among the top risers last year: Oreo, Vim and Dove.

DOWNY SUCCEEDS WITH A MULTI-SENSORY BRAND EXPERIENCE

Fabric softeners is the fourth fastest-growing market globally in terms of Consumer Reach Points, growing by 7%. Downy is by far the strongest rising brand this year, moving from 29 to 17 in the Top 50 ranking. It achieved this impressive increase with strategies that engaged with consumers all over the world, and appealed to multiple senses. These included new products such as Downy Infusions, partnering with other brands – to launch Tide with a touch of Downy, for instance – and innovative marketing campaigns such as a series of live music events in the US and interactive digital marketing including an online drama series in Indonesia.



Scan the QR code to read more about Downy on our website.

OMO AND VIM CLEAN UP

Also exhibiting a healthy performance is Vim, which moved from 59 to 50 in the ranking, with its bleach driving growth in some countries and dishwashing products in others. Popular new products included a bleach in gel format that is more efficient.

We have seen some polarisation within the laundry market with growth at both the premium and value ends of the market. As washing machines have become more widespread and product use more sophisticated we see more households buying the premium liquids. However, we also see more households buying cheaper powder formats as an entry into the market. Omo has driven this trend: present across a range of formats, it has grown its Consumer Reach Points by 7.4%.

The increase in Consumer Reach Points within the laundry segment has largely been driven by China, where Omo's liquid format is gaining buyers fast – in particular its Total Handwashing range. The overall penetration of Omo's liquid detergents increased 2.5% over the last year, and a new variant called Omo TT is already bought by 11% of Chinese households. Sold at a lower price point, this brand was able to attract new buyers to the category as well as encouraging existing shoppers to purchase it in addition to powder, rather than switching from other brands. Omo has also successfully maintained its lead in powder and bars in China by offering new and relevant mixes.

CHEETOS' NEW FLAVOURS SPICE UP THE MARKET

Winning 7.8 million more shoppers over the year, Cheetos moved up seven positions in the global ranking to number 38. Its strongest performance was in Indonesia, Thailand, Greece and Brazil. The brand launched six new flavours – including Super Flamin' Hot which developed a cult following in the US.

In Mexico, an award-winning marketing campaign called 'Let's jump together with Chester Cheetos' effectively connected with families and positioned Cheetos as a fun brand that encourages exercise.



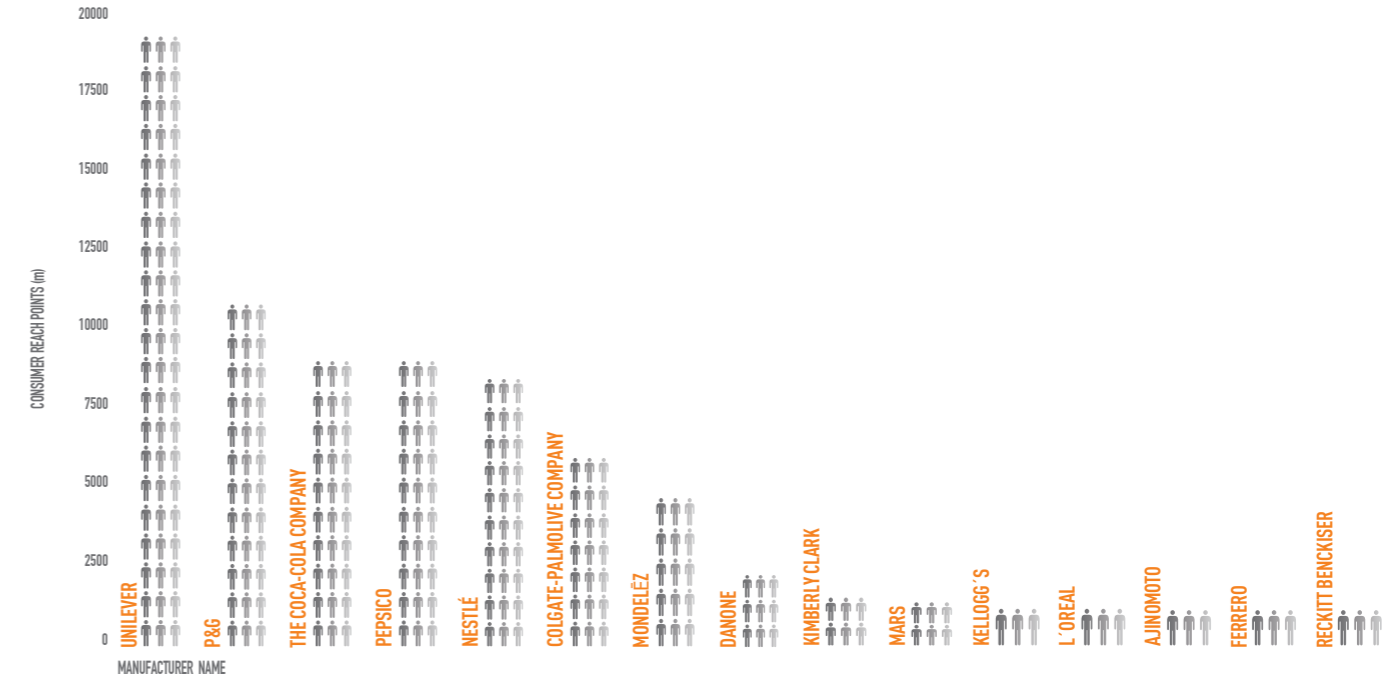
Scan the QR code to read the full Snack Attack case study on our website.

OREO: THE WORLD'S FAVOURITE BISCUIT

Biscuit brand Oreo is the third fastest growing brand in the Top 50 ranking, having achieved a 10% growth in Consumer Reach Points. One of Oreo's key strengths is its ability and willingness to localise its products. From blueberry ice-cream flavour in Indonesia to banana and dulce de leche in Argentina, the brand is not afraid of adapting the recipe in order to gain buyers. Perhaps its greatest success story is in China, where the brand has become the number one biscuit and now sits at position 17 in the Chinese FMCG ranking having climbed four places. Research with Chinese consumers led the Mondelez-owned brand to change its formula to make the product less sweet and introduce Mini Oreo packs to position the biscuit as a more affordable snack. This approach to product innovation has also been reflected in its marketing. Its adaptable and real-time digital campaigns, such as the 'You Can Still Dunk in The Dark' tweet executed during the black-out at the 2013 Super Bowl, have helped the cream-filled sandwich biscuit to become an iconic brand around the world.

The Billionaire Brand Owners

BILLIONAIRE BRAND OWNERS BASED ON CRP



By looking at the total Consumer Reach Points achieved across a manufacturer's portfolio, Brand Footprint reveals the combined strength of its brands. Independent of turnover, it exposes the number of times a consumer chooses a brand at point-of-sale, whatever the price of the item.

Fifteen global FMCG manufacturers achieved more than one billion Consumer Reach Points each over the last year. If we were to extend our universe and consider all FMCG choices made by global consumers, including private label, then these companies account for 17% of consumers' brand choices around the world. The remainder are in the hands of other global manufacturers, private label brands or local players.

Nestlé occupies the premier position for revenue amongst the global FMCG manufacturers, whilst Unilever leads in terms of Consumer Reach Points. This reflects the fact that Unilever and P&G have more brands in the Brand Footprint Top 200*. Nestlé operates in a number of markets outside the Brand Footprint universe, while Unilever is active across a whole host of categories and segments that are covered in Brand Footprint. Furthermore, Unilever and P&G have a series of global brands with consistent names whereas Nestlé has many food brands in different markets that have localised names.

Unilever achieves the highest number of Consumer Reach Points, with its brands being chosen 18 billion times annually – an increase of 2% from last year. This has been driven by the performance of its three rising star brands

TRESemmé, Vim and Sunlight. Unilever brands Omo and Pepsodent have grown too.

In comparison, P&G has four brands which have enjoyed extraordinary growth: Downy, Oral-B, Dawn and Fairy in Europe.

After 175 years of standing behind a long list of iconic brands, P&G is now speaking to consumers as the corporate 'face' that unites them. P&G is seeking to unite its brands, delivering its mission to make every day a little better.

According to their annual reports, P&G and Unilever have very different core markets. Sales from emerging regions account for 58% of Unilever's global revenue, compared with 38% of P&G's, yet both are investing to dramatically increase this share. Unilever aims to grow emerging markets to 75% by 2020 and P&G has pledged \$1 billion in capital and marketing to expand its share to 50% by 2025.

Unilever has a head start. It owns a number of powerful food brands and has a stronghold in India, which brings it five billion Consumer Reach Points alone. Unilever is present in the household cleaning market with brands Vim, Cif and Domestos earning 700 million Consumer Reach Points between them.

Pepsico, Mars and L'Oréal are the manufacturers with the highest increase in Consumer Reach Points, each gaining more than 2%.

Most likely to join the Billionaire Club next are Johnson & Johnson and S.C. Johnson, both of which are currently chosen 900 million times per year.

A local Brazilian billionaire: Hypermarcas

Hypermarcas was formed in 2001 with the acquisition of a home care company – owner of the renowned Assolan brand. Today, the company has 10 thousand employees and brings in revenues of US \$1.8 billion. Hypermarcas has the most diversified brand portfolio in the country, developing, producing and selling a wide range of pharmaceutical, home care and personal care products. Its success is built on a talent for identifying and acquiring high potential brands which it then grows and develops through an investment in marketing.

*Based on each manufacturer's brands ranked within the Top 200 brands at a global level.

Brand Footprint in Context

This chapter examines overarching global trends and how they affect all FMCG manufacturers to varying degrees. The masterclasses illustrate how brands have successfully addressed them.



The Top 50 brands are masters at solving functional needs, making life easier and bringing significance beyond consumption. The analysis our experts have carried out across the globe has identified common behaviours being displayed by consumers:

THE QUEST FOR A HEALTHY LIFE

Health continues to be a key aspiration for global consumers. Increased literacy and connectivity have made consumers more aware of what they put in their mouths and on their bodies. They want more control, healthier options and greater transparency around ingredients and labelling. Manufacturers have responded with products with added health benefits and functions, such as gluten and lactose-free, lighter options and the introduction of natural sweeteners.

A MASTERCLASS IN HEALTH

- Natural sweeteners are on the rise, with brands launching variants that incorporate stevia – such as Coca-Cola Life, launched in Argentina and Chile in 2013.
- In the UK, Warburtons has built on its strong brand equity by launching a gluten-free range which includes bread, rolls, muffins and fruit loaves. Since the launch of the range, Warburtons' gluten-free products are growing faster than the UK market leader Genius.



Scan the QR to read more about Nivea's Shower Cream and Knorr's Gravy Pots in the UK.

CONSUMERS WILL PAY FOR CONVENIENCE

For the growing middle classes around the world convenience and health are both important. They have greater awareness of health matters and more money to spend on their wellbeing. Technology, along with changing working and social patterns, is making their professional and personal lives busier than ever. Brands are succeeding with new format meal solutions and culinary aids such as cooking bags, gravy pots and ready-to-eat variants – all with a premium price tag. In health and beauty, products are combining attributes to make the personal wash and hygiene routine more efficient and consumers' lives easier.

A MASTERCLASS IN CONVENIENCE

- Unilever developed its Vaseline Spray & Go moisturiser, which applies moisturiser rapidly and evenly without the need to be rubbed in.
- A key launch for McCain in the UK in 2013 was McCain Jackets – microwaveable jacket potatoes that give people a home-baked taste without the long cooking time.



Scan the QR code to read more about Brand Angel's success in Peru.

NEW MODEL FOR AFFORDABILITY

In emerging markets, where private label is underdeveloped, brands need to provide a new kind of affordability. Larger pack sizes are often beyond the average person's budget, brands need to deliver products in ways that are financially accessible. Smart sizing – such as small packets or sachets – are essential for brands to succeed in South East Asia and rural Latin America. Innovative approaches to sizing and pricing will also be vital for getting a foothold in Africa.

A MASTERCLASS IN AFFORDABILITY

- In South Korea, Amore Pacific has made luxury affordable and accessible with single-use face treatments in premium packaging.
- In Peru, Brand Angel created ready-to-eat cereal 'bags' which can be enjoyed as a snack or as part of a packed lunch.

THE DIGITAL ERA UPS THE ANTE ON TRANSPARENCY AND 'TALKABILITY'

Digital connectivity, increased internet access and social media are enabling consumers to share information on brands like never before. If a brand's promises are not aligned with the experience of consumers, then trust will be eroded. This new transparent marketplace has caused brands to transform their communications strategies, becoming more genuine, relevant and timely. The most successful brands are connecting and conversing with consumers in a meaningful way, and creating campaigns which not only engage but get people talking.

A MASTERCLASS IN 'TALKABILITY'

- Lynx/Axe ran a Space Academy campaign that involved a competition for 23 people to go into space under the tagline 'Leave a man, come back a hero'. It received more than one million entries worldwide.
- Pepsi very recently captured the imagination of consumers with an augmented reality experience at a single bus shelter in central London; the video of people's reactions has brought in five million YouTube hits and rising.

INDIVIDUALS EXPECT A PERSONAL BRAND EXPERIENCE

Consumers increasingly want to express themselves through the FMCG choices they make. Brands in turn are seeking deeper and closer relationships with consumers. By finding ways to 'speak' directly and personally to consumers, brands have succeeded in giving their consumers a voice.

A MASTERCLASS IN INDIVIDUALITY

- Downy encouraged shoppers to create a 'personalised' scent by combining two different Downy products, promoting the idea through a website with a 'Fortune Smeller' who revealed consumers' personal fragrance.
- Coke's 'Share a Coke' campaign, which featured the 150 most popular names on bottles from each of the 33 countries it covered, is a showcase example from 2013.



Did you know?

In the UK, adult obesity rates have almost quadrupled in the last 25 years, with 23.1% of British people now being obese.



FMCG HAS BECOME POLARISED

As shoppers redefine what 'value' means to them, consumers are moving away from mainstream products towards premium ranges which offer affordable luxury or basic ranges. The trend is also reflected in the retail landscape. In the UK, for instance, growth is coming from both poles with discounters such as Aldi and Lidl at one end and premium retailers like Waitrose at the other.

A MASTERCLASS IN MANAGING POLARISATION

- In Latin America Oral-B is using supermodel Gisele Bündchen and pop-star Shakira to front campaigns for its premium products, as well as a local popular tv presenter in communications targeted at lower-tier shoppers.



Scan the QR code to read more about Oral-B on our website.



Did you know?

In China a new FMCG product enters the market every two minutes.

Shopper Trends

The FMCG retailing landscape is predominantly local and one that is evolving over time. Traditional trade continues to dominate in the emerging markets, discounter shares have increased just over 2% in the last seven years in Western Europe and online share in FMCG markets is still less than 4%, despite having been around for over a decade.

The FMCG industry is faced with shopper behaviours that are far from universal and consistent. The global similarities include a demand for greater flexibility in how and when they shop, a focus on value for money and an injection of fun in the retail experience. This requires a significant degree of local adaptation and flexibility within a global strategy that takes into account both the opportunities and challenges that exist across regions.

DIGITAL IS REINVENTING THE WAY PEOPLE SHOP

Technology is shaping new shopper behaviour. With the advent of online shopping, time is changing. It's a 7 days a week, 24 hours a day, non-stop shopping environment. Online shoppers buy more brands, are more loyal and buy bigger pack-sizes.

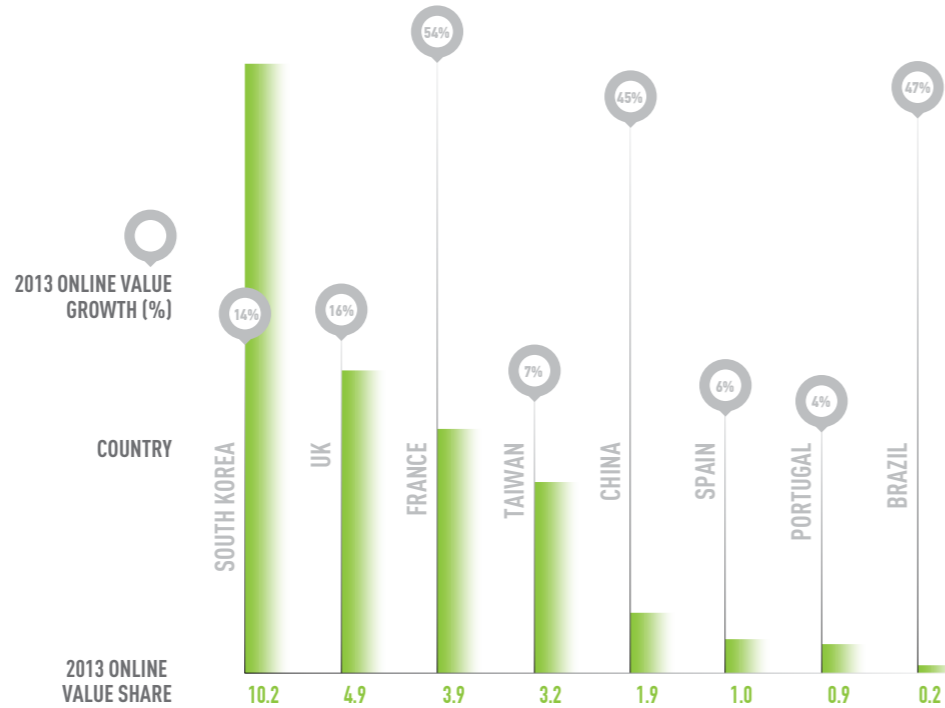
Online currently has 3.7% share of FMCG spend across the barometer countries of UK, France, US, China, Spain, Taiwan and South Korea. If these markets continue with 'business as usual' and do not innovate their online offering, we predict online will increase to 5.2% by 2016.

South Korea is currently the world's most developed online retail market with household penetration of 50%. South Korea has created the perfect environment for mobile commerce to thrive: it has the highest penetration of internet and mobile in the world, and its retailers offer free delivery on all purchases.

Another digitally-led retail trend is the 'Click and Collect' or 'Drive' phenomenon. Shoppers' online purchases are delivered directly to a store or location for collection at a time convenient to the customer. In France, the 'Drive' format is used by 25% of households across 2,600 locations. In the UK, the trend of convenient collection is set to continue as transport companies introduce 'click and collect' at rail and underground stations.

Clearly, the online channel cannot be ignored and offers a multitude of opportunities. If and when Amazon Fresh significantly extends its launch then the future of e-commerce could look very different for brands and retailers across the world.

FMCG ONLINE VALUE SHARE AND GROWTH



To find out more about *The Future of Global e-commerce*, read Kantar Worldpanel's report launching June 2014.

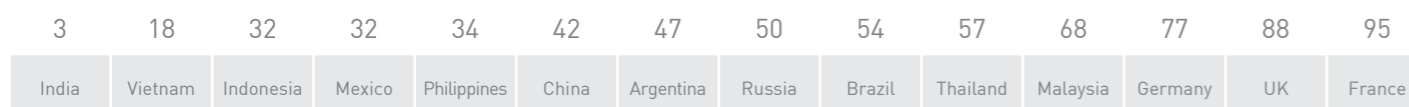
GLOBAL CHAINS FACE LOCAL CHALLENGES

Global retailers such as Walmart, Tesco and Carrefour are struggling to gain traction in many emerging markets where traditional trade is still the dominant channel for FMCG sales.

Despite this, modern trade is growing, driven by convenience stores and mini-marts which are growing particularly strongly in Asia. Convenience stores (CVS) are emerging in Asia thanks to local retailers opening new stores in central locations. In countries such as the Philippines and Indonesia, which present specific challenges for global retailers due to their complex geography and poor infrastructure, convenience stores offer a solution to consumers.



% OF FMCG SALES VIA MODERN TRADE



In Indonesia, 1.5 million new households shopped in the convenience market last year. It is dominated by Alfamart which offers manufacturers a wide distribution with more than 7,000 outlets across the country. Seven Eleven is also growing and has succeeded by establishing its stores as 'social destinations' for young Indonesians to hang-out with an offering of free wifi and live music, cheap food and long opening hours.

OPPORTUNITIES IN EMERGING CHANNELS

Wherever a brand is operating you need a strategy for emerging channels and local retailers.

In the developed markets we are seeing the emergence of partial substitutes to traditional one stop shopping. Online shopping, food box deliveries, direct sourcing, on-the-go vending platforms, drive and collect formats to name but a few.

In the developing markets online is also growing. Singles day in China on the 11th of November (11/11) has become the world's biggest online retail event and, as the name suggests, specifically targets the 'singles' market.

In Africa, rapid technology advancements have enabled the region to leapfrog developed nations in the adoption of mobile payment. Leading this trend is Kenya, where access to bank accounts remains low and mobile penetration is 77%. M-pesa, a pay-as-you-go mobile payment method, is now used by 80% of the Kenyan population — compared to just 15% globally. Anyone hoping to enter the African market needs to consider how they can work with these existing and trusted structures.

Growth is also coming from direct selling, popular in personal care categories as well as in those with bulky, heavy items such as beverages and in countries where car ownership is low.

Door to door also provides a solution for FMCG brands to educate consumers about products and reach rural consumers. The main challenge for FMCG brands is how to manage multiple networks of locally-focused direct sellers alongside existing trade partners.

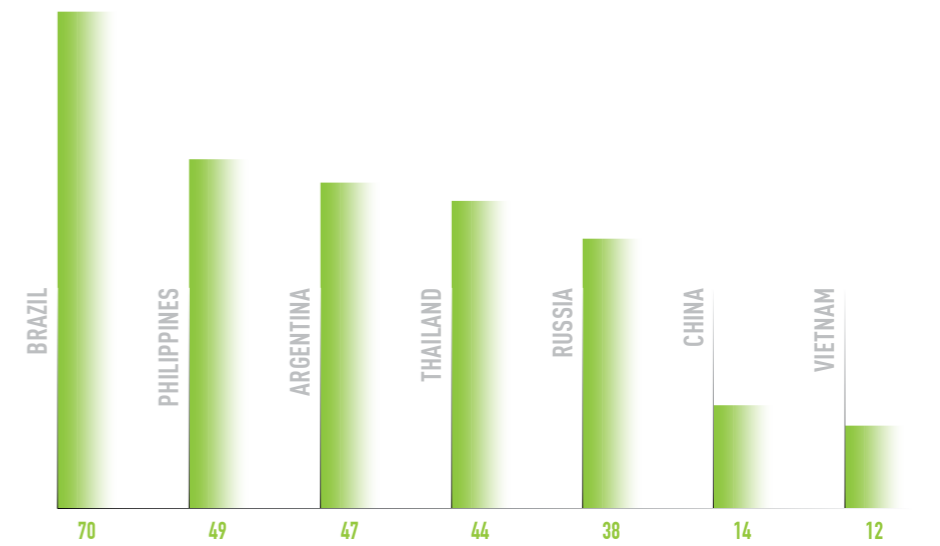
THE PRIVATE LABEL CHALLENGE

Continued focus on price in many developed countries will mean FMCG brands face further pressure from private label.

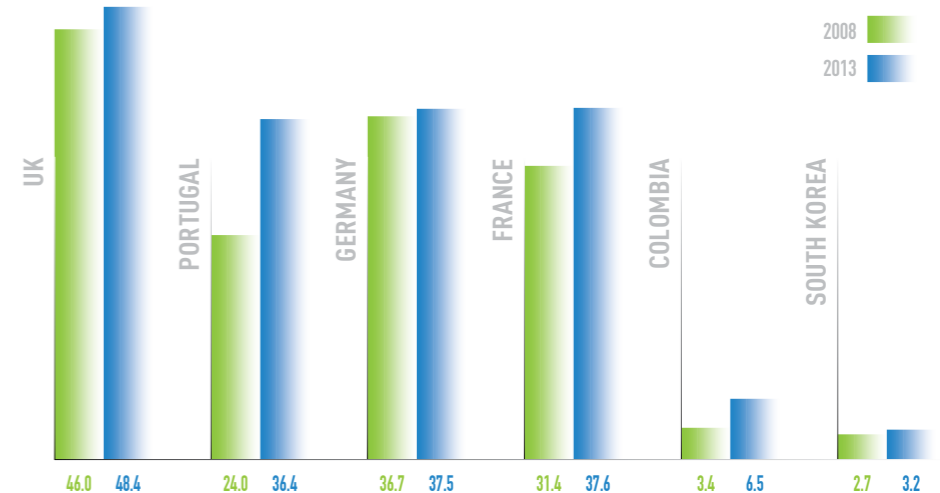
Private label levels will continue to increase in many of the developed markets where there is trading down, focus on price and an increased share of hard discounters.

In Spain there is further pressure on manufacturers from Mercadona, with a strategy of decreasing its range of categories and pre-selecting a limited number of brands it considers to be the best value. As it continues to grow its market share, getting on Mercadona's privileged list could be make or break for FMCG brands in Spain.

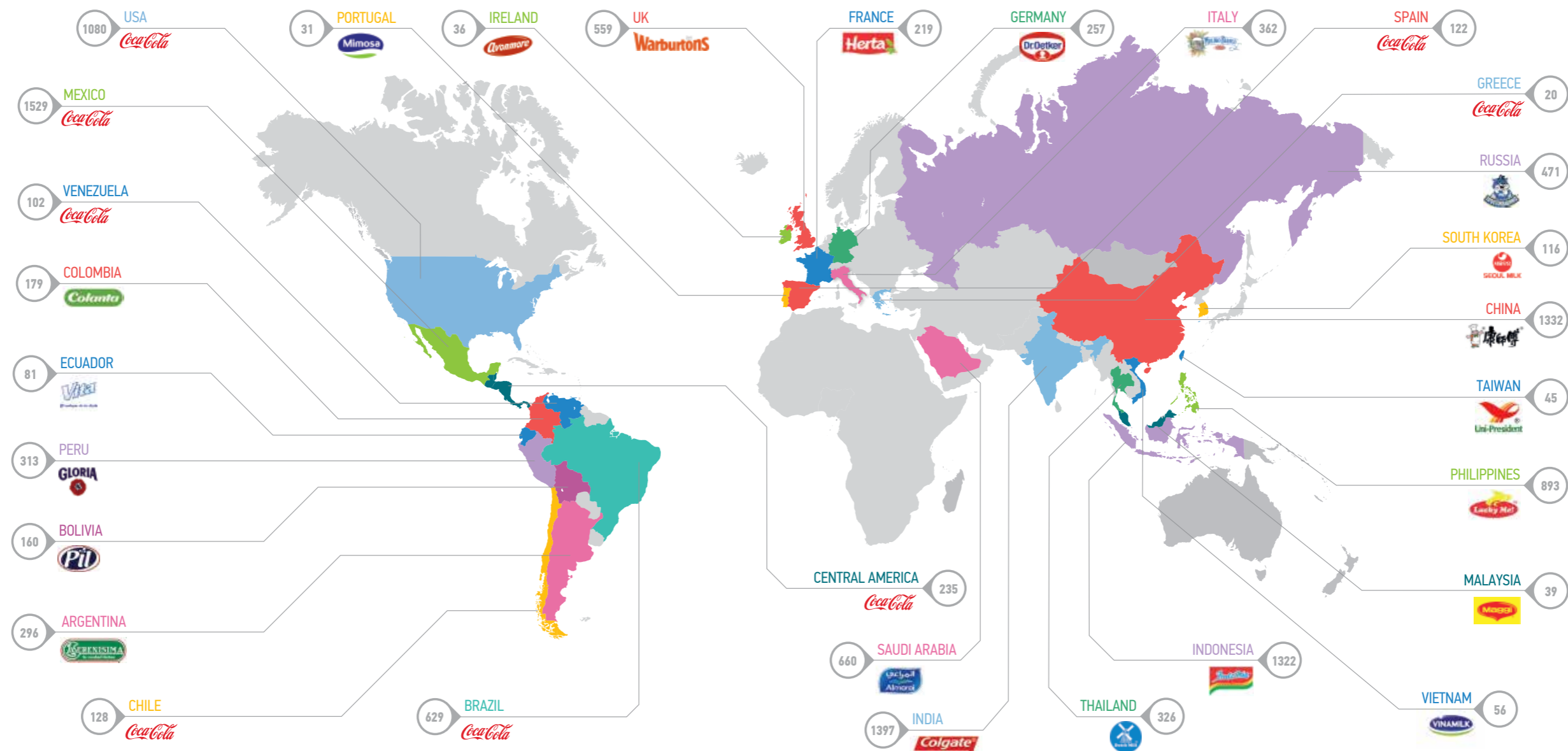
% HOUSEHOLDS BUYING THROUGH DIRECT SELLING



% SALES THROUGH PRIVATE LABEL



NUMBER ONE BRAND BY COUNTRY BASED ON CRP



Number One Brand by Country

Consumer Reach Points (m)

Beverages continue to dominate the national rankings, with milk, coffee and carbonated soft drinks retaining their popularity. Two countries have a new number one brand this year: Russia and the Philippines.

In Russia, Danone's dairy brand Prostokvashino has overtaken cheese brand Rossiyskiy to gain number one position thanks to significantly enlarging its shopper base.

THE PHILIPPINES: A STORY OF COFFEE

Noodle brand Lucky Me! is now the most purchased brand in the Philippines. It reaches 98% of households and is bought by the average

household every week. Yet Lucky Me! has experienced only modest growth in the last year. It has benefited from Nescafé's decline, caused by Filipino shoppers moving to other local coffee brands.

Great Taste, one local challenger, has added three million households this year. It moved 12 positions up the country ranking and is one of the Philippines' top three risers. The brand has attracted consumers with its coffee mixes – the three-in-one sachet which includes milk, coffee and sugar – which have replaced the traditional black 'pure coffee'.

LOCAL TRUST IN FAMILY BRANDS

Across the 35 countries, 15 have a home grown local brand in the number one position and all sit in either the food or milk category.

In Germany, Dr Oetker has retained its position as the most popular FMCG brand, being purchased by eight out of 10 German households. Its broad product offering combined with a trusted family-brand image has ensured its local success has continued alongside global expansion.

In Italy, Mulino Bianco from Barilla retains its place as the country's most chosen. The brand positions itself as creator of Italy's tastiest treats

and biscuits, supported by TV commercials featuring Antonio Banderas as the 'Man of the Mill' revealing the brand's laboratory. Mulino Bianco claims that its "sweetness" has entered the home of every Italian – a statement that rings true as it was purchased by 96% of Italian households in 2013.

THE 'MILKY WAY'

Milk has the highest global penetration of all beverages, except tap water, and is chosen by 82% of the world's households. The number one brand in 12 out of 35 of the 2014 Brand Footprint countries is a dairy brand. Far from being concentrated in one particular region

these countries are dispersed across the globe and include South Korea, Saudi Arabia, Ireland and Portugal.

The five countries with the highest penetration of liquid milk are all in Latin America. Consumption here is driven by the region's sizeable population of children – 51% of households have at least one child under the age of 12. Dairy products are also popular snacks in Latin America: of the 63% who snack between meals, 59% choose yogurt, milk or milkshakes.

In addition to milk's broad reach it is also bought very frequently: on average every two weeks. In Ecuador, where dairy brand Vita is number one,

households purchase milk 163 times per year. This is due to fresh milk being almost half of the price of the UHT alternative.

A NEW TASTE FOR SUCCESS

Milk variants, including beverages flavoured with chocolate, strawberry and even Mars chocolate bars are already part of manufacturers' portfolios. This year, goats' milk and variants using ingredients such as soy, rice and almond have risen in popularity. This is particularly seen in developed markets, such as the US and UK, where consumers have embraced the trend for lactose-free diets.

Regional Review: Asia



Asian consumers are proud of their traditions, and devoted to their families. Extremely tech-savvy, they embrace innovation, and love when products are given a 'premium touch' with packaging and quality. They care about both inner balance and outer beauty, and when it comes to food they have a discerning palate. The ability to offer products that recognise and answer these priorities is what sets Asia's most-chosen and fastest rising brands apart.

RIISING STARS ARE REGIONAL AS WELL AS GLOBAL

Colgate is the brand with the biggest footprint in Asia, although its rival Pepsodent is gaining Consumer Reach Points at double the rate, driven by success in India and Indonesia. Downy grew its Consumer Reach Points 40%. Its exceptional performance in Indonesia was helped by the launch of its own online interactive drama series called 'The Scent of Passion'. Oreo (+12%) grew in every Asian market except Vietnam and Taiwan. Other fast climbers were Sunlight (23%), Yakult (19%), Vim (15%), Indonesian confectionery brand Kopiko and South Korean confectionery brand Orion.

INDONESIA: THE NEXT MUST-WIN MARKET

With GDP growth of 5.6% year on year, as well as a rapidly enlarging population, Indonesia's economy is expected to surpass that of Germany and the UK by 2030 – bringing 80 million new consumers into the FMCG market.

A complex market

Brands looking to grow their footprint face plenty of challenges, including poverty and underdeveloped infrastructure. They must develop extensive distribution networks to navigate a complex market: the population is dispersed, with few large cities, while the retail landscape is fragmented and dominated by small format traditional channels.

The chances of being chosen by Indonesian shoppers are diminishing, too, as shopping frequency decreases and competition gets fiercer: 234 new food and beverage brands entered the market in 2013.

Category creation is another route to leadership. Pocari Sweat created the isotonic drinks category in Indonesia, adapting the positioning to local consumers, developing different pack sizes for various needs and educating through marketing to drive demand.

Big is the new normal for pack size

In Indonesia more than half of categories have seen shoppers upsizing in their FMCG choices. This is delivering volume growth, particularly in shampoo, ready-to-drink (RTD) coffee and liquid milk. The purchase of smaller formats, including sachets, is declining.

'FMCG luxury' is becoming a trend

Demand for premium FMCG products is already growing. Premium chocolate,

mouthwash, baby shampoo, facial care, liquid soap and cheese brands all capture a larger share of the market than they did last year – 60% of shampoo is now sold at premium price, including Dove and Pantene.



Scan the QR code to view the Asia Top 50 Ranking on our website.



Did you know?

Instant noodles are the most frequently bought product in Vietnam. The average person consumes one pack per week.

Regional Review: Latin America

Pepsi is the only Top 10 brand to improve its position in this year's Latin American ranking. In contrast, there has been a great deal of movement among the brands in the rest of the Top 50. These changes include four new entries: Ruffles, Kotex, Suave and Nivea.

Local brands are growing much faster in the region at 1.5% than global brands, at 0.7%.

Panco (bakery products) and Limpol (home care) in Brazil, Doña Gusta (bouillons) and Angel in Peru, Maruchan (instant noodles) in Central America, Mexico and Bolivia, Nosotras (feminine protection) in Ecuador, Colombia and Argentina and Alpura in Mexico are all among the local heroes to put in a strong performance.

PREMIUM FOR ME, VALUE FOR MY HOME

In the health and beauty sectors, premium brands like Dove, Oral-B and Nivea have climbed positions in the ranking. One global star that shone was Oral-B, which sits in position 52 and is likely to join the Top 50 next year after a major investment in new launches and campaigns featuring local celebrities like Shakira that are recognized globally.

On the other hand, local brands – often lower priced – control home care in Latin America. Home care brand leaders include: Ype in Brazil, Bolivar in Peru, Nova in Chile, Las Llaves in Venezuela and AS in Colombia.

A TALE OF TWO FAMILY FAVOURITES: FIZZY DRINKS AND SNACKS

Beverages is the fastest growing category across the Latam region. It is also the only FMCG category households buy more from traditional trade channels than modern channels.

Coca-Cola is the most-chosen brand in Latin America, with 90% market penetration. The average consumer purchases the drink 32 times per year – the highest frequency of any region in the world. Core market Mexico is still the main contributor to the brand's sustained growth.

However, Pepsi grew its Latin American footprint further than any other Top 10 brand, with an 11% increase in Consumer Reach Points making it the region's second fastest riser overall. Fanta climbed one position, propelled by its iconic 'Play Fanta' campaign.

Potato chip brand Ruffles is Latin America's overall top riser, with an incredible 21% expansion in its footprint.

Doritos is one of the 10 fastest-rising brands in the world. Particularly popular in Brazil and Argentina, it aimed to connect fans across the world with its first ever global campaign in 2013 – 'For the Bold', climbing 6 positions in Latin America.



Cheetos rose four places in the Latin American Top 50. Its success in Mexico was supported by an award-winning marketing campaign called 'Let's jump together with Chester Cheetos', which effectively connected with families and positioned Cheetos as a fun and responsible brand.

RELATIONSHIPS MATTER TO LATINOS

There are two central pillars of Latin American life – family and friends – and they have the greatest influence on FMCG purchase decisions.

When it comes to deciding which channel to buy from, a relationship with the salesperson is a key factor for 42% of shoppers. This is why traditional channels remain so important. Door-to-door is still popular, with 70% of households buying at least one product this way each year; they appreciate the salesperson's knowledge and the bond of trust that develops.

RIDING THE WORLD CUP WAVE

Three quarters of all Latin American consumers watch sport, with half viewing coverage or reading sport news at least once a week. The marketing opportunities for brands are exciting – and never more so than now, with both the World Cup and the 2016 Olympic Games being hosted in Brazil.

Latinos (and Latinas) are fanatical about football, but they are also interested in volleyball, basketball, swimming and boxing. Fans say that football makes them feel joyful, proud and celebratory. Beside the competitive element, people enjoy the sense of belonging and fun. This creates a really conducive environment in which to be heard.



Scan the QR code to view the Latin America Top 50 Ranking on our website.

Regional Review: Europe

Europe's 10 most-chosen brands remain stable in their positions. Of the five that grew their Consumer Reach Points this year Colgate, Heinz and Coca-Cola performed most strongly.

Outside the Top 10, Lay's, McVitie's and Milka showed particularly vigorous growth. McVitie's expanded its range to take advantage of new trends in the biscuit and snacks category with healthy breakfast biscuits and mini or bitesize versions of its most popular brands. Milka's successful co-branding efforts have been popular with consumers in Europe, especially in France.

Fairy, which was historically a dishwashing brand, has expanded into other home markets, most notably laundry and it sits alongside Lenor as the biggest riser in home care.

Oral-B and Elvive/Elseve shone in the health and beauty category. Oral-B's growth is partly due to its premium toothpaste launches of 3D White Luxe and Pro Expert 3D Gum Protection. Its performance is strong in France, supported by these recent launches.

SIGNS OF RECOVERY APPEAR – BUT CONSUMERS CONTINUE TRADING DOWN

Recovery has been seen in some areas, but consumers remain cautious in their spending. Consumers in many countries are buying less or finding cheaper products, which has changed the dynamic of the industry in two key ways:

1. Private label products are winning a larger market share

According to our European 'barometer', the average European share of private label grew from 26% in 2012 to 27% in 2013. This trend was particularly apparent in the UK, Ireland, Spain and Russia where growth was higher than the European average at +1.9pts, +1.4pts and +0.9pts respectively, perhaps surprising for the UK which already has the highest private label share in Europe. France is one of the main countries which bucks this trend, as retailers and consumers there have placed a greater emphasis on brands.

The growth of discounter retailers is also aiding private label development due to greater private label shares in these stores.



Scan the QR code to view the Europe Top 50 Ranking on our website.



2. Discounters are outperforming other retailers

Discounters such as Lidl, Aldi, Kaufland and Netto have been growing their store numbers across Europe, enabling them to attract more shoppers with their value for money offer. As well as this, they have been working to improve their brand perception through advertising, enhanced product ranges and a move into fresh food. While helping consumers to better manage their budgets, this trend has the potential to affect overall sales growth in the market.

Discounters (and Mercadona in Spain) came out ahead and increased their presence in many markets in the last year. In Italy, where 80% of shoppers state they are more price aware, discounters are the only channel that is growing. The UK is seeing polarisation as the discount and premium retailers achieve strong growth, while the mainstream retailers are challenged. In Germany, however, discounters have seen little growth because the market is saturated in terms of store numbers. France is also an exception, where an already smaller number of stores are being challenged by the deep discounts being made by hypermarkets.

CREATING NEW VALUE

Many consumers in Europe are now more focused on reducing debt and saving money in the wake of recession. They have become more focused on price and value and these trends combined with ageing populations, smaller households and increasing ethnic diversity will affect how brands build their portfolios for the future.

Did you know?

Around 25% of Russians who consume baby juices and purees are over 18.

Regional Review: The US



Did you know?

Of the more than 9,500 new brands launched in the US in 2013 only seven went on to earn more than \$100m in their first year. (Source: IRI)

Half of the Top 10 US brands have moved position since last year. Lay's is one of three brands to improve their ranking position, taking Pepsi's place at number four.

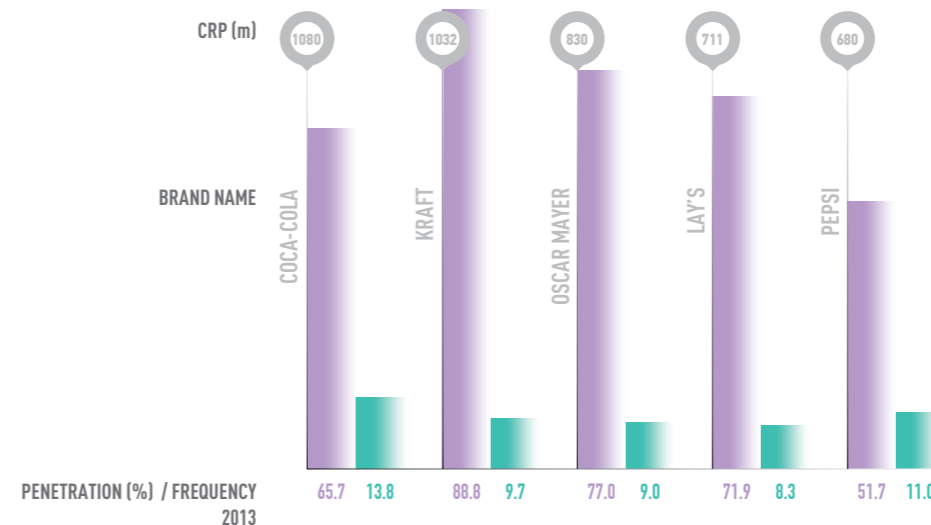
Local sweet bakery brand Little Debbie is the fastest-growing US brand within the Top 10, largely influenced by the bankruptcy of Hostess Twinkies in 2012. However, after a dramatic recovery, Twinkies returned to the shelves in July 2013, so this year may not be such a smooth ride for Little Debbie.

Outside of the food brands, category winners include Colgate which takes the number one position in the health and beauty ranking after driving growth through strong product innovation. Kleenex drops back to number two, while Glade climbs four positions to enter the

home care Top 10 following successful launches of products including the Glade Expressions Oil Diffuser. In the beverages category only Mountain Dew has managed to move up a position – overtaking Gatorade for third – with the launch of its 'Kickstart' breakfast drink, as the rest of the Top 10 brands retain their dominant positions in terms of consumer reach.

"In the US, inflation remains high and FMCG value continues to suffer. Thanks to the tough market conditions that US consumers face, trading down to cheaper products is widespread. Brands looking to increase their footprint in the US should consider developing innovative products that enhance consumers' wellbeing across all aspects of their lives. They should create true value for money through effective functions or simplicity of use. Rapid and long lasting results, or completely new flavours, are likely to win new shoppers."

Susan Viamari,
Editor, Thought Leadership
IRI



To find out more about consumers and shoppers in the US, visit www.iriworldwide.com.

Regional Review: Africa – the next and final frontier

In five years' time Africa will be the fastest-growing economy in the world. With seven of the world's 10 most rapidly growing countries, its remarkable demographics, modernisation programmes and rising consumer market, Africa will eclipse Asia as the region with the greatest potential to contribute to FMCG growth.

As developed markets stagnate, the rush for a place in Africa's brand landscape is gathering momentum. Brands which enter early and establish themselves will have the opportunity to build long-standing relationships with consumers. In Nigeria, Close-Up has 87% penetration – and is the number one toothpaste brand – after entering the market in 1975.

WHY AFRICA'S TIME IS NOW

- **The size of the market and consumer base:** Africa's territory is larger than the US, India, China, Japan and all of Europe combined. It contains 15% of the world's population – more than one billion people in total – and its population is growing faster than any other market, even India. It will comprise 1.75 billion people by 2040
- **The demographics:** The region includes the highest proportion of young people in the world. By 2040, 1.1 billion people will be of working age. Africa's population is increasingly urbanised: 40% of people in Africa live in cities and by 2030 that number will have risen to 50%.
- **The rising middle class:** Today, 35% of Africa's population – 365 million people – is middle class, – Africa's spending power is set to double; the number of households with discretionary incomes is expected to rise by 53%, from 85 million to 130 million, by 2020.



• **The emergence of modern trade:** Street markets still represent over 60% of trade in Africa, but shopping in supermarkets and hypermarkets is expanding. Kenya is one of the most developed modern trade markets in Africa, supermarkets account for 30% of urban food sales.

• **The connected consumer:** Household PC and laptop ownership is only 12%, but mobile penetration has reached 80% across Africa, with countries such as Cote D'Ivoire (93%), Senegal (88%) and Ghana (88%) exceeding the global average. In Kenya the pioneering mobile payment platform M-Pesa is used by 80% of the population and accounts for 40% of all transactions.

Did you know?

Food seasonings can be found in 99% of Nigerian kitchens. Consumers there buy seasoning products 59 times a year – that's more than once a week.

"Africa is a complex market. It is made up of 61 countries and several regions, each with its own distinct shopping and usage habits – for example, bar soap is bought by 97% of Nigerians but only 50% of Kenyans, who tend to use laundry soap in their baths

as well as to wash clothes. A 'blanket approach' to building a brand will not be effective; these differences need to be explored and understood."

Tina Ummuna,
Business Development Director,
Kantar Worldpanel Nigeria



The Global Brand Compass

Introducing the 2014 Global Brand Compass, which defines a brand's global typology based on its penetration and frequency to deliver an understanding of its global footprint and where it should focus in order to grow.

WHAT ARE THE ATTRIBUTES OF A NORTH BRAND?

- **High penetration:** it reaches at least one in five of the world's households.
- **High frequency:** it is purchased by shoppers at least six times a year – once every two months.
- It is present in a high number of territories (like Coca-Cola) or in populous markets (like Lifebuoy).
- It is a market leader in terms of share.
- It keeps successfully enlarging its consumer base – Maggi and Lay's are both masters in this area.

HOW TO BECOME A NORTH BRAND

These four golden rules for growing brand reach were introduced in last year's Brand Footprint report. While the market is continually developing, these rules are still valid for brands with international aspirations.

- **Be global:** Have one name around the world, with relevant translations, to maintain strength of global identity. Support this with globally-led marketing campaigns that are adapted locally. This consistency brings economies of scale in production and marketing.
- **Be available:** Make access easier with affordable packs and smart sizing tailored to the needs of different global consumers. By embracing traditional and innovative retail channels, a brand can ensure it is present everywhere its consumers are shopping.
- **Be agile:** Not only embracing local cultures and festivities, from Chinese New Year to Halloween, but developing knowledge of local preferences and tailoring products and positioning accordingly.
- **Be across categories:** Exploiting strong brand equity can aid in entering new markets whenever relevant – for example, Lifebuoy has built on its health and hygiene profile to penetrate the haircare, hand and body wash categories.

Through analysing those brands that exhibit strong growth, additional guidelines for brands aiming to move North have come to light.

- **Partner and co-operate:** Leverage leadership by collaborating with retailers, prominent food outlets (such as McDonalds), airlines and hotel chains. Manufacturers should also maximise opportunity within their own portfolio. Those with successful North Brands should use them as 'anchors' to leverage other smaller brands in their portfolio.

- **Have a social mission:** Brands driving actions that tackle important issues have the opportunity to make stronger connections with consumers. Obesity, dental care for children and education about hand-washing are all examples where brands are leading the conversation.
- **Don't ignore digital:** Global, transparent and interactive communication should be at the heart of any FMCG brand strategy. The forward-thinking brands are using social media to connect with and better understand their consumers.
- **Build a smart portfolio:** manufacturers should look at all brands in their portfolio, complementing existing ones with newer brands that solve the needs of consumers who are not yet being reached. This can mean adding brands in complementary or competing categories, and looking out for opportunities to acquire strong local brands.

Did you know?

Mobile users have increased from one billion to seven billion in the last decade, while internet users have increased from 350 million to three billion in the same period.



THE GLOBAL BRAND COMPASS: THE TOP 50 FMCG BRANDS



NORTH IS NOT THE ONLY WAY UP

The north quadrant is occupied by an exclusive list of brands that are both bought often and by many. Some brands will simply never sit at the North point of the Brand Compass. This can be due to the nature of the categories in which they operate, the result of a tightly defined target consumer or occasion, or it can simply be a strategic choice.



Scan the QR code to read the full Dove case study: an East brand heading North

EAST BRANDS

These brands reach a high number of consumers, but their products are not purchased very often. While Gillette is present in many countries across the globe, the consumer it currently aims to engage is primarily men of shaving age. The brand also specialises in a category which is typically not bought very often – Gillette is purchased just three times per year on average. Opportunities exist for Gillette to expand its reach by attracting more consumer groups through new categories and innovations.

SOUTH BRANDS

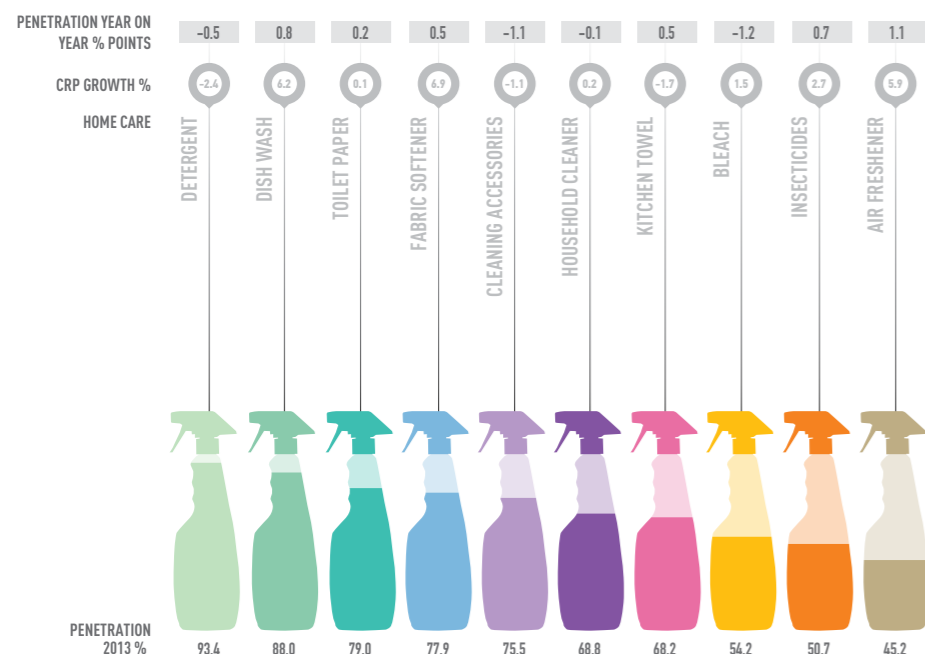
More targeted than North Brands, these brands are not bought by as many people nor as often. Pampers, despite being the world's biggest nappy brand, remains a South brand due to the niche appeal of its products – only purchased for babies and for a limited period of time. The opportunity for Pampers to extend its penetration and frequency are limited.

WEST BRANDS

They do not reach as many consumers as North Brands, but those buying their products do so on many occasions. Bimbo is an exceptionally strong player in bakery products – a very frequently-bought category. The brand's focus on specific markets such as Latin America, China, the US and Spain give it an average penetration of 6%. But Bimbo's lack of presence in most of Europe, and large markets including Indonesia, limits the number of consumers it can reach.

Category focus: Home Care

TOP HOME CARE CATEGORIES GLOBALLY BY PENETRATION



Downy, the global fabric softener brand from P&G, is the fastest growing brand in the FMCG Top 50 and in home care it retains third position, behind only Tide and Surf. The brand grew its Consumer Reach Points by 26%, achieving the greatest success in Indonesia, Brazil, Thailand, Peru and Venezuela.

Downy positioned its range of fabric softeners as personal scents for women to be worn as part of a stylish outfit. It furthered this link with fashion through celebrity endorsements, media partnerships and digital campaigns which engaged local consumers in conversation.

Vim also performed well, moving up one position and attracting 13 million additional households. Its largest gains were in India, Argentina, Vietnam, and Brazil – a completely new market for the brand. Downy and Vim are also the two fastest risers in the 2014 Brand Footprint Top 50 FMCG ranking.

PREMIUM SEGMENTS BOOST THEIR REACH

Total Consumer Reach Points for the home care category remain flat in the 2014 Brand Footprint ranking. But several segments experienced positive growth: dishwashing detergent, fabric softeners and air fresheners grew most strongly. Glade and Febreze were the star performers in the air freshener segment. Febreze delivered success in the UK, US and Germany with multi-region advertising which positioned its product as one which not just freshens but also cleans – allowing consumers to ‘clean the unwashable’ items such as mattresses and sofas. Glade placed its focus on the sensory experience of smell.

An integrated marketing campaign, led by TV advertising, engaged consumers in social media conversations about how smell can deliver the ‘best feelings in the world’.



Scan the QR code to read more about Renova's innovation in toilet tissue on our microsite.

LATIN AMERICA STAYS LOCAL IN THE HOME

Local brands control home care in Latin America, where the sector is more fragmented and home-grown brands often offer lower price options. Home care brand leaders include: Ype in Brazil, Bolivar in Peru, Nova in Chile, Las Llavas in Venezuela and AS in Colombia.

IS INCREASED PENETRATION POSSIBLE FOR TOILET PAPER?

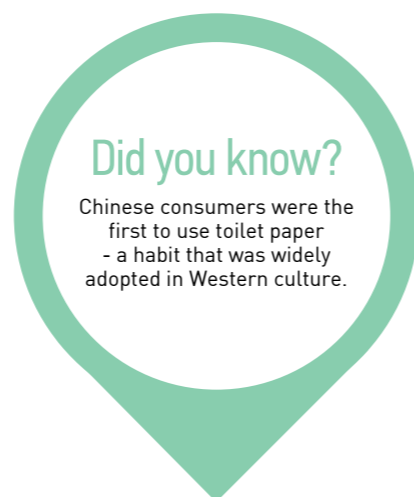
Almost a quarter of the world's households (21%) never purchase toilet paper – and habits are difficult to change. Consumers in countries across the Philippines, Thailand, Indonesia, Malaysia and Turkey still prefer to use water and soap. Global brands are balancing low penetration in such markets with an expansion of frequency in engaged markets by increasing the steps in toilet hygiene regimes, as seen with Charmin's Freshmates moist tissues, or adding attributes, such as Renova's coloured toilet paper.

Game Changer: P&G's 'supersavvy' website

P&G's supersavvy website is a best practice example of building an engaged community and positioning home care brands firmly at the heart of shoppers' lives. Designed to help consumers across the world to tackle life's everyday challenges – from getting chewing gum out of a school uniform to sprucing up a living room – it includes expert tips and articles, money-off coupons and a 'savvy circle' forum for members to review products and share experiences. Through the site, P&G has found a way to showcase its family of brands, reinforce its relevance to shoppers and gather authentic insights on consumer experience.

A NEW ERA FOR FAIRY

Fairy dominates the home care market across Europe. It is the most chosen home care brand in Spain, the UK and Ireland. Fairy has expanded beyond its traditional dishwashing products into other segments – most notably laundry detergent, successfully introduced in liquid, powder and capsule formats. It has also launched a new eco-friendly, convenient 'all in one' dishwasher tablet giving powerful cleaning in short wash cycles.

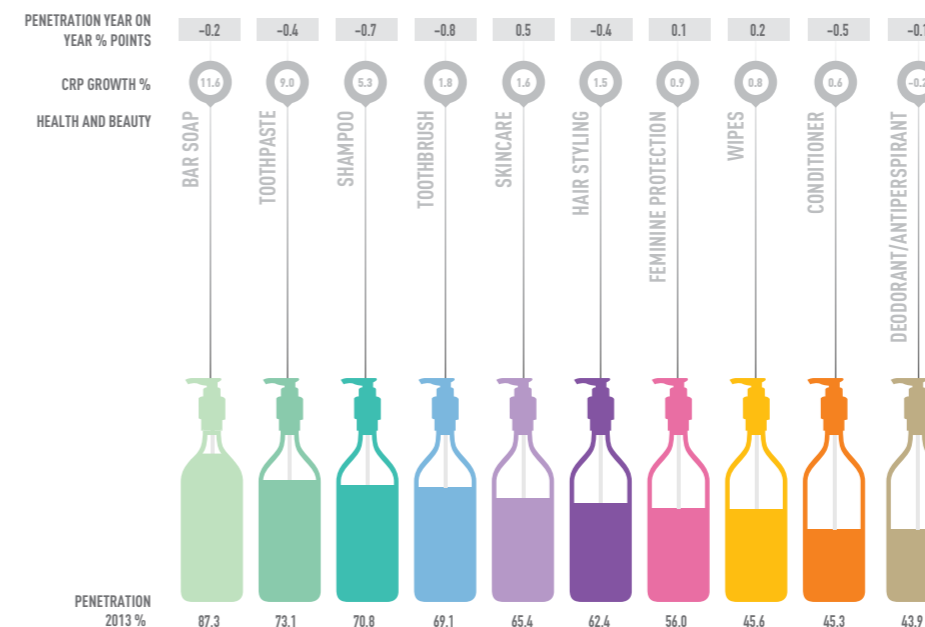


Did you know?

Chinese consumers were the first to use toilet paper - a habit that was widely adopted in Western culture.

Category focus: Health and Beauty

TOP HEALTH AND BEAUTY CATEGORIES GLOBALLY BY PENETRATION



RISING STARS CLIMB THE RANKING

The 2014 global health and beauty Top 10 has not seen any major changes. Only Pepsodent moves upwards this year, displacing Head & Shoulders. However, movement is happening lower down the Top 50 as established brands are challenged by rising stars. These are often from the same manufacturers, such as Unilever's TRESemmé and P&G's Oral-B. As manufacturers look for new channels of growth they are giving focus and investment to the rising star brands.

TRESemmé SHINES

Pantene and Sunsilk have felt the force of TRESemmé's challenger status. The brand jumped two positions to 33 in the health and beauty ranking thanks to a global campaign uniting the brand with high-end fashion.

CHALLENGING COLGATE

The oral care powerhouse Colgate retains its position as the number one health and beauty brand globally. However its dominance has been disturbed by Oral-B. The P&G highflier has the strongest Consumer Reach Points growth of all health and beauty brands. Oral-B has shot up to 76 in the overall FMCG ranking from 90 last year.

As well as entering Latin America and extending its product range in Europe, Oral-B solidified its presence in developed markets with pioneering



Scan the QR code to read our male grooming case study on our website.

digital campaigns such as 'Scary things come to those who don't brush', which generated 7.5 million YouTube views.

LOCAL FOCUS DELIVERS RESULTS

In the country rankings Colgate remains the most-chosen health and beauty brand in a total of 16 countries. Pepsodent is the fastest growing brand in the Health and Beauty Top 10. Pepsodent saw its focus in India pay dividends, with an increase of 2.9 million shoppers. The brand's 2013 Indian TV advertising campaign directly challenged Colgate. The advert featured two children brushing their teeth accompanied by a voiceover stating that Pepsodent Germicheck is 130% better than Colgate when it comes to attacking germs.

THE UP-AND-COMING SEGMENTS

Antibacterial hand sanitisers are growing faster than any other segment, driven by consumer demand for hygiene products that protect against the spread of germs. Also evident is the adoption of liquid cleansing formats, such as shower gel and liquid hand wash, which are growing at a faster rate than traditional bar soaps.

The increased use of intimate washing and cleansing products across Europe was triggered by the pharmaceutical industry introducing a new step into the sanitary routine – a change that was picked up on by FMCG brands such as Carefree and Dove.

Did you know?

65% of women in China use a conditioner at least once a week, compared with 32% of women in France.

Brands in Action: TRESemmé

TRESemmé has gained nine million new shoppers since 2012 – a rise of 18%. It is now bought by more than a quarter of all households in the US and UK, and one in 10 across Ireland, Brazil, Mexico and Argentina.

Unilever acquired the brand in 2010 and leveraged its decades of experience to launch TRESemmé in emerging countries, including India and Indonesia. It used the same strategy that helped TRESemmé beat P&G's Pantene into second place in Brazil less than a year after its launch: forging relationships with retailers, distributing free samples and engaging consumers through social media. The approach paid off; TRESemmé's strongest growth last year was in India and Indonesia.

The brand's global power was boosted by focused, high-profile marketing tactics. It sponsored the TV show Asia's Top Model, a partnership first launched in the UK in 2011, then extended to the US, Australia, Africa, Latin America and Asia. This is the first time the brand has pitched itself globally. Furthering its fashion credentials, TRESemmé sponsored Mercedes-Benz Fashion Week – an eight month campaign spanning New York, Miami, Berlin, Sydney and Istanbul.

Moving North in Home Care and Health and Beauty

GLOBAL BRAND COMPASS NON-FOOD BRANDS



Four ways to win

• Be a pioneer

- **Add a new step to a regime.** Brands offering affordable, salon-quality experiences at home have successfully extended personal care regimes. Haircare has expanded its reach beyond the classic shampoo and conditioning steps to include hair treatments, masks, oils and even fragrances. Garnier's recent launch of Ultimate Blends targeted UK audiences with the promise to deliver smooth hair even in damp British weather. Washable hair chalks are now being positioned as an accessory in the hair colourant segment.
- **Create a new format.** Vim took a pioneering approach to bleach by reinventing it in a gel format. The launch of the new format included an educational campaign for germ-free toilets in Vietnam aimed at improving health and hygiene within the population. Vim now holds first or second place as most-chosen bleach in 10 of its 35 markets, including Vietnam.

• Make home care personal

- Premium fragrance positioning proved a winner for Downy, which launched its Infusions range in the US and Latin America in late 2012. The unique, luxurious fragrances – which include Honey Flower, Sage Jasmine and Sweet Dreams as well as locally tailored scents such as Downy Parfum Mystique in Thailand – were targeted at women to be worn as a part of their overall wardrobe. An interactive website enabled consumers to personalise their own scents by combining Downy's fabric softeners with its Unstopables in-wash scent boosters. To build on their 'fragrance equity' home care brands including Febreze, Glade and Fairy are using the same fragrance across their entire product portfolio and encouraging shoppers to purchase in different categories.

• Make life easier

- **Help consumers multitask.** Busy lifestyles are leading consumers to demand more from their personal care products. Brands which meet multiple needs and speed-up essential processes – such as getting ready for work – have proven successful across the world. Nivea's in-shower moisturiser, which removed the need to dry-off before applying, and Oral-B's whitening toothpaste for sensitive teeth, are two multi-tasking examples.

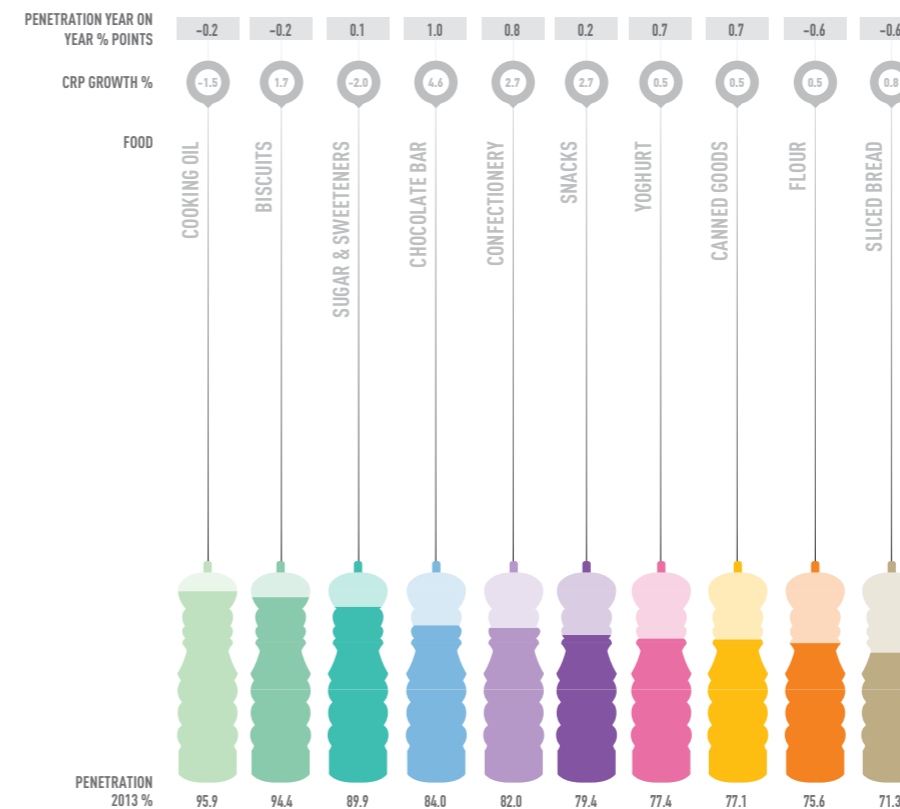
- **Make products immediately accessible and disposable.** The wipe format has been embraced by the beauty sector to deliver on a wealth of personal needs. Now wipes have evolved across home and personal care; from multi-surface cleaning to intimate wash, nail polish removal and flushable wet toilet tissue. One opportunity not yet captured is India's metal polish market: 60% of Indian households buy metal polishes to make jewels, plates and cups shine but as yet no wipe format exists.

• Transfer successful benefits to other categories

- Anti-ageing properties were once only found in skincare products. Haircare brands have recently incorporated age-defying attributes alongside the traditional shampoos and hair treatment properties. Sun protection has been incorporated into make-up and hair care as well as skin creams, lotions and sprays. Disinfectant and anti-germ ingredients, typically used in household cleansers, can now also be seen in hand soaps, dishwashing products, hand sanitisers and oral care, as Pepsodent's Germicheck toothpaste in India illustrates. We have also seen 'gluten free' move from food to toothpaste with Oral-B, Aquafresh and Crest.

Category focus: Food

TOP FOOD CATEGORIES GLOBALLY BY PENETRATION



TIMES ARE CHANGING AT THE TOP

The top of the global food ranking has the biggest changes of all the FMCG categories. Six brands move position.

Oreo is the standout star of the food category. It has increased penetration in established and emerging markets with creative social marketing, powerful co-branding and exciting local flavours.



Scan the QR code to read the Oreo case study on our microsite.

Activia has dropped out of the Top 10 after being affected by multiple challenges: reduced spending in the Eurozone, increased milk prices in late 2013, questions regarding its health claims and a boom in Greek-style yoghurt led by Chobani in the US. In response to these challenges Activia is moving its marketing away from a focus on digestive health. It has signed global celebrity Shakira for a new "feeling-good from the inside" campaign launching in 55 markets.

SNACK ATTACK

The snack category delivers one of the most impressive performances in the 2014 Brand Footprint food ranking. The category has grown its Consumer Reach Points by 2.7%. As well as Oreo, the 10 fastest risers in the food Top 20 include Cheetos, Lay's and Doritos. These brands are succeeding through new product development, localised flavours and innovative communications which generate excitement and engagement.



Brands in Action: Doritos and Lay's

DORITOS BRINGS FANS CLOSER TOGETHER

With 3.8 million new shoppers around the world, Doritos climbed four positions in the global ranking. Doritos achieved this with consistently bold brand positioning, a focus on its 'extreme' flavours and brave, youth focused communications. Doritos recently launched its first ever global campaign – 'For the Bold' – alongside revamped packaging and logos consistent across all markets. The brand's greatest successes were seen in Argentina, Thailand, Brazil, Spain and Korea.

In Argentina the brand embraced its bold, irreverent positioning with the 'La Actitud Garpa', which encouraged brand fans to submit selfies to earn points in order to win a trip to Las Vegas. In Thailand, the Doritos Extreme Action photography app let consumers add 'extreme action' frames and sounds to their images, and encouraged sharing on Facebook to win delicious weekly prizes.

Its annual 'Crash the Superbowl' competition – which invites amateur filmmakers to create an ad for Doritos to be shown during the Superbowl Final – continues to engage US consumers with 111.5 million people tuning in to watch, and contributing to the 4% growth in US. Also in the US, Doritos extended its presence at the South by Southwest (SWSX) festival with The Doritos Bold Stage – a 62-foot-tall, functional Doritos vending machine powered by Tweets which dispensed one-of-a-kind gigs and interactive performances.

CROWDSOURCING WORKS FOR LAY'S

When it comes to localising flavours Lay's is a veteran and has involved consumers in deciding new variants since 2008. The continued strength of the 'Do us a Flavor' campaign in the US has helped the brand climb the ranking and deliver a 7% growth in Consumer Reach Points. The latest campaign uses social media to broaden its reach with consumers able to submit ideas via Instagram and Twitter for the first time in 2013.



Scan the QR code to read the Barilla story in France.



CONVENIENCE AND NUTRITION PROVE A WINNING COMBINATION

The 2014 Brand Footprint food ranking reveals two key trends: consumers say they want health, but they often choose convenience.

Health is an important consideration for consumers worldwide when making food choices. Rising obesity, higher levels of education and food contamination scares are all motivating factors for the focus on health. Alongside this is a demand for food brands to offer convenience. The needs of time-poor consumers, changing social habits and on-the-go eating are creating the desire for food options which are easy to prepare and to eat.

Manufacturers have responded with healthy options and 'better for you' variants that replace high-sugar, sodium and fat products, and convenient solutions which meet new consumption occasions or consumer needs such as breakfast biscuits which offer slow release energy.

In Asia, health benefits are considered as important as safety within food. Both attributes are especially valued by women: 72% of urban Vietnamese housewives want products with additional 'active' ingredients such as vitamins, ginseng and calcium. Convenience is also a growing priority with more than half of rural Vietnamese housewives now preferring food that doesn't require much preparation. One global brand responding to these needs is Maggi which positions itself as 'the friend of consumers' with a strategy to make its products indispensable in the kitchens of every Vietnamese family.

In Spain, where the penetration of ready-to-eat food peaked in 2011, home-made dishes returned to popularity with households using healthier methods such as boiling, stewing and grilling. This trend has boosted the growth of brands including Knorr which created new convenient home-cooking solutions.

Despite their concern for healthy eating consumers in some countries, such as the UK

and US, have increased the average sugar and saturated fat content in the food they buy. This is partly influenced by the trend for 'natural' products – butter is higher in saturated fat than 'light' margarine – but also due to a move towards more convenient processed foods.

Did you know?
The portions eaten by men in the UK are on average 20% larger than those consumed by women. Women choose 'healthy' brands 25% more often than men.

Moving North in Food

WHAT WILL SHOPPERS WANT NEXT?

Innovation in food is shaped by changing, often local, consumer requirements. In response, food brands are seeking more engagement with consumers – particularly through social media – to put themselves at the forefront of understanding what they will want next and how they can respond.

Four ways to win

- **Play an active role in the fight against obesity.** Danone's new Light and Fit range of fat-free yogurts in the US and Walker's air-popped Pops snack in the UK meet consumers' health needs as well as enhancing the brands' position as trusted and responsible. Bread brands including Bimbo and Brazil's Panco are also responding, launching more wholegrain, light and seeded variants. Understanding that people don't want to skimp on taste, treat brands such as Cornetto and Oreo have launched mini options that allow shoppers to indulge themselves with a smaller portion.
- **Take a different approach to 'healthy' in different countries.** In Asia the focus is on 'naturalness' and supplementing products with herbal-based benefits. Knorr and Maggi's success in Asia is led by a strong emphasis on natural ingredients in the taste enhancer segment. Latin Americans are more interested in weight loss. Danone's Ser brand has outdone competitors in Latin America with its tasty low calorie products.
- **Co-create products and experiences with consumers.** This solidifies a brand's role in consumers' lives and enables it to tap into genuine experiences and needs, then produce products based on their specifications. It also generates engagement and excitement by involving consumers in the development of something new and unique.
- **Use co-branding to extend reach.** Combining the best elements of two brands – as Cadbury did with Ritz crackers and French biscuit LU to create Dairy Milk Ritz and Dairy Milk LU – can lead to new products that appeal to different consumers and markets. Mondelēz is a pioneer of co-branding. Milka was partnered with Oreo in the UK and Philadelphia spread in France. Retailer partnerships can produce exciting new offerings, for instance the Oreo McFlurry in McDonalds.

THE GAME CHANGER: HEALTHY BISCUITS AND BREAKFAST BISCUITS

As the second most purchased category within the food market, biscuits have had an exciting year.

GLOBAL BRAND COMPASS FOOD BRANDS



The category has innovated with new pack sizes, flavours and variants, creating new consumption occasions. One of the most revolutionary trends has been the growth of 'healthy biscuits', chosen for their low salt, fat and sugar content with added fibre and vitamins.

BELVITA: REDEFINING BREAKFAST IN THE UK

Belvita was first launched in France more than 10 years ago. The 'breakfast biscuit' was created to address a gap in the French market for ready-to-eat breakfasts that could be consumed on the go. Following its success in France, Belvita brought its products to the UK – which is a nation keen on biscuits, with 70% of the population eating the product in a typical week.

Mondelēz, the owner of Belvita, combined this local preference for biscuits with the need of UK consumers for a convenient and nutritious breakfast food. Mondelēz spent \$12.7m on marketing in the UK emphasising the product's benefits: it's easy to eat on the move, both tasty and satisfying, with energy that is released slowly.

Following the success of the sub-segment in the UK, Belvita has exported the idea of eating healthy biscuits for breakfast to three continents. Belvita grew its Consumer Reach Points by 13% in the last year and jumped two positions in the global ranking. Growth was driven by Colombia and Saudi Arabia as well as the UK, where penetration

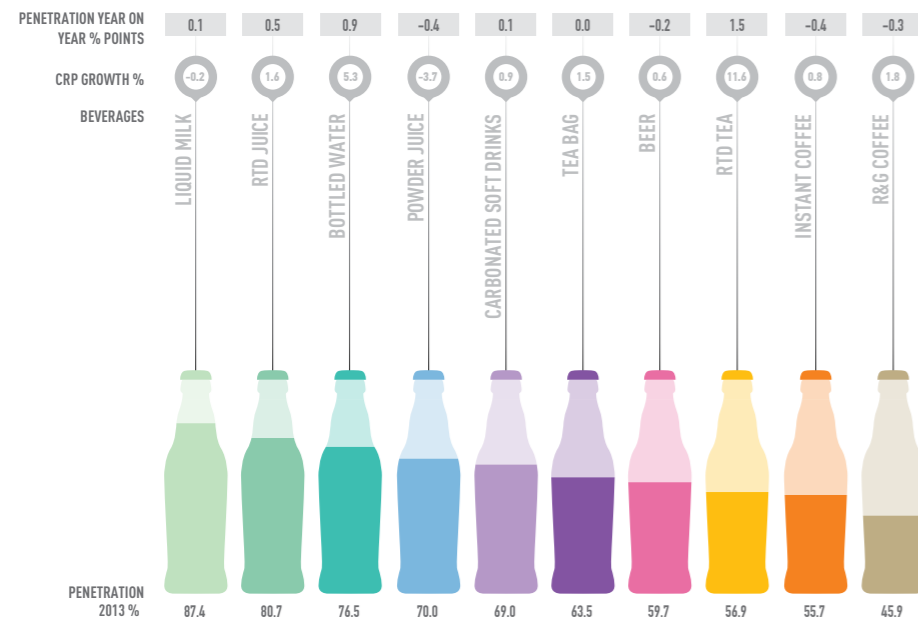
increased 5%. It has been less successful in Portugal and France where it has been challenged by local competitors such as Gullón and Nacional.

So far the brand has protected its market-leading position in the UK with aggressive promotions, however the breakfast biscuit sub-segment is becoming more crowded with competitors such as Hovis, Quaker, Weetabix and McVitie's all with their own breakfast biscuit variants. How long will Belvita's lead be sustained?

Did you know?
Every household in Chile buys a tomato sauce at least once a year.

Category focus: Beverages

TOP BEVERAGE CATEGORIES GLOBALLY BY PENETRATION



HEALTHY HYDRATION AND FRESH FLAVOURS

Health is the key trend for beverages. Last year all the healthier beverage options grew their Consumer Reach Points.

Ready-to-drink (RTD) tea is the fastest growing beverage segment. Its positioning as a natural, low-sugar and antioxidant rich refreshment has delivered 15 million new households. Bottled water has increased its popularity of in-home consumption globally and added over 14 million households. Energy, sports and isotonic drinks gained 10 million new shoppers.

The emerging strength of these healthier categories reflects new global purchase patterns. The greatest impact of which has been on instant tea, which declined -8% in Consumer Reach Points.



Scan the QR code to read more about the TH Truemilk in Vietnam story.

LOCAL BRANDS TASTE SUCCESS

The other major trend in the beverage category is the emergence of strong local brands. In Thailand, Pepsi Cola lost ground to home-grown competitors such as Est – which is bought by one third of the Thai population.

In Latin America, Tang and Clight have been attacked by local manufacturers Quala and Arcor.

Their brands – BC La Campagnola, a low sugar powder juice, Suntea, a powdered ice tea drink, and Arcor Powder Juice – are newcomers with a regional appetite.



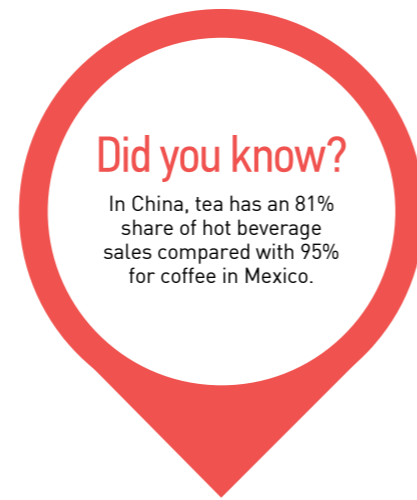
Scan the QR code to read more about the Est story.

LEADING THE GLOBAL BEVERAGE PLAYERS

When it comes to attracting new consumers there is one clear winner: Fanta. The brand increased its Consumer Reach Points by 4.4% globally and is the fastest grower in the 2014 Brand Footprint Beverage Top 10.

Consumers in developed markets continue to move away from carbonated soft drinks (CSDs) and opt for beverages that are perceived to be healthier – as shown in Fanta's loss of 3.5 million shoppers in these countries. But Fanta has concentrated its effort in emerging regions, where consumers are embracing CSDs, and has added 9.1 million new households in emerging markets last year.

The Coca-Cola owned brand has also benefited from continued investment in its public profile. Global marketing campaigns have positioned Fanta as a socially cool beverage choice for teenagers under the tagline 'More Fanta. Less Serious.'



Brands in Action: Fanta

Central to the brand's success in the last year is Play Fanta; an integrated marketing campaign which targets teenagers in 190 countries. The campaign encourages young people to rediscover play through an online graphic novel game featuring the 'Fanta Crew' characters. The characters are used across the brand's TV, outdoor and digital advertising – which has helped to engage its 13 million facebook fans. Fanta's global campaign is supported by local websites with digital games, brand stories and activations tailored for local audiences.

Play Fanta cemented Fanta's position as the drink of choice among teenagers, especially in Latin America. In Bolivia 83% of households purchase Fanta, while in Chile it is bought by 76% of households. Fanta has served an award-winning lesson in how to engage a target audience in the digital world.



Scan the QR code to read about Bright brand in China.

Scan the QR code to read about the Bonafont story in Mexico.



Moving North in Beverages

BUILDING BEVERAGE GROWTH

Beverage brands hold three of the top four places in the 2014 Brand Footprint ranking. The average penetration of the Top 10 beverage brands is just 20% and only Coca-Cola reaches over 40% of households worldwide. It is clear that there is still enormous potential for growth.

For global beverage brands the challenge is two-fold: they need to convert more households into customers while also addressing the growing challenge of emerging local brands.

FOUR WAYS TO WIN

- **Ensure products are available:** Strong local distribution networks are essential to ensure availability to global consumers. As beverage brands attempt to expand global penetration they should look to new solutions which address accessibility. In emerging markets beverages underperform in modern trade due to lower car ownership as shoppers cannot transport heavy purchases. As a result door-to-door distribution of water, and now Coca-Cola, is on the increase in India and across Latin America – where home delivery is often viewed as a standard requirement from retailers.

- **Focus on specific groups and new consumption occasions**

- **Man appeal:** Coca-Cola Zero was Coca-Cola's biggest launch in 22 years and its first product targeted at men. Rather than being a 'diet' beverage, Coca-Cola Zero is positioned as 'calorie-free'. Its masculine focus is supported through celebrity endorsements, advertising and sponsorships, including the James Bond franchise.

- **Indulgent refreshment:** Twinings identified a gap in the market, and supported its premium brand positioning, by establishing itself as an indulgent treat for European consumers. Its Signature Blends range, with flavours including After Dinner Mint and Garden Party, created new refreshment occasions. The result was 2.6 million new households choosing the brand last year.

- **Get specific:** Pocari Sweat, the isotonic drink brand, repositioned itself from a sports-only beverage to a rehydration and recovery drink. It tailored its communication to provide a solution for Indonesian consumers after Ramadan fasting. This rapidly increased its leadership in both urban and rural Indonesia.

- **Localise flavours and campaigns**

- **Provide an authentic response to local tastes:** In Vietnam Nescafé's products were considered too 'light'. In response the brand launched its stronger Café Viet variant which has flourished.

GLOBAL BRAND COMPASS: BEVERAGES

LOW PENETRATION & HIGH FREQUENCY



HIGH PENETRATION & HIGH FREQUENCY



LOW PENETRATION & LOW FREQUENCY



HIGH PENETRATION & LOW FREQUENCY



- **Deliver a personal touch:** Coca-Cola's 'Share a Coke' campaign took personalisation to 32 countries. It produced 800 million bottles with the most popular 150 names from each market.

- **Join the celebration:** Fanta capitalised on the growing popularity of Halloween in the UK with themed packs including ghostly jokes and gruesome recipes.



Scan the QR code to read more about the Pocari Sweat story.

- **Build in-home consumption with out-of-home marketing:** Beverage brands have maintained awareness by connecting with out-of-home drinking occasions and by optimising all consumer touchpoints. Bubble tea could be the next beverage battleground. It is currently only available for out-of-home consumption. Which manufacturer will capture this potentially lucrative opportunity?



Brands in Action: Kopi Luwak

Indonesia is one of the world's biggest coffee-drinking nations. With over 300 coffee brands available in the market it is difficult to make an impact. Yet Kopi Luwak has entered the Top 50 Indonesian brands ranking this year as a result of its low-acid white coffee.

Luwak White Koffie, which is sold in single-serve sachets and can be enjoyed hot or cold, was the first white coffee to launch in Indonesia. White coffee doesn't mean 'with milk': it refers to the way the coffee beans are prepared. By freezing them to -40 C the acid content is reduced to 80%, meaning drinkers get a caffeine hit which is less harsh on the stomach.

Kopi Luwak has positioned itself as an affordable drink which is "healthy for the stomach and the heart". Its advertising has drawn public attention by using local celebrities. Since launching in 2011 it has gone from just 1% volume share of the coffee market to 10% in 2013, and has risen 14 positions in the Indonesia ranking. Other brands have followed Kopi Luwak's lead and introduced their own versions of white coffee.

Indonesia's white coffee-drinking is predicted to spread. With a strong coffee culture in Vietnam and the Philippines this innovative coffee is likely to become a popular drink.



Brands in Action: Est

The fight to be the top cola brand has traditionally been between two heavyweights: Pepsi Cola and Coca-Cola. But in Thailand the cola war has been disrupted by local players.

In 2012 newcomer brand Est took the Thai cola market by storm and transformed the competitive landscape in this Southeast Asian country. In just one year, Est has wooed 32% of households to purchase its products and has gained a top 20 position in the Thailand beverages ranking.

Est, previously a bottler and distributor of Pepsi Cola, decided to break a 50-year relationship and stop working with the cola brand – and instead became its rival. Est has positioned itself as a youthful brand, with a logo that looks strikingly similar to the blue, red and white colours of the Pepsi Cola logo, and leveraged its existing distribution power.

The global cola brands were already facing increasing competition in Thailand following the launch of budget cola brand Aje in 2000. Aje was popular in the provinces and had been gaining market share in urban areas. The launch of Est has led to Aje dropping three positions in Thailand's beverage category ranking.

Thai households are still buying Pepsi Cola and penetration of the brand has risen from 40 to 43%. But it is bought less frequently – 6.7 times a year on average, down from 8 times and as a result Pepsi Cola has fallen six places in the local beverage ranking.

Coca-Cola, however, has embraced the opportunity. It has worked on its distribution network, which has improved its penetration from 51% to 54%. Thailand is the fastest growing market for Coca-Cola in 2014, thanks in part to Est!

Brands in Action: Ichitan Tea

Thai brand Ichitan is reaping the rewards of entering the ready-to-drink (RTD) tea market at a time when sales are booming. RTD tea – or iced tea – is the fastest growing beverage in the world. It expanded its global reach by 12% in the last year and is purchased by 40% of households worldwide.

While the success of Ichitan mirrors that of the overall segment, the Thai population has embraced the availability of iced tea within the country with consumer spend increasing by almost 100% in two years.

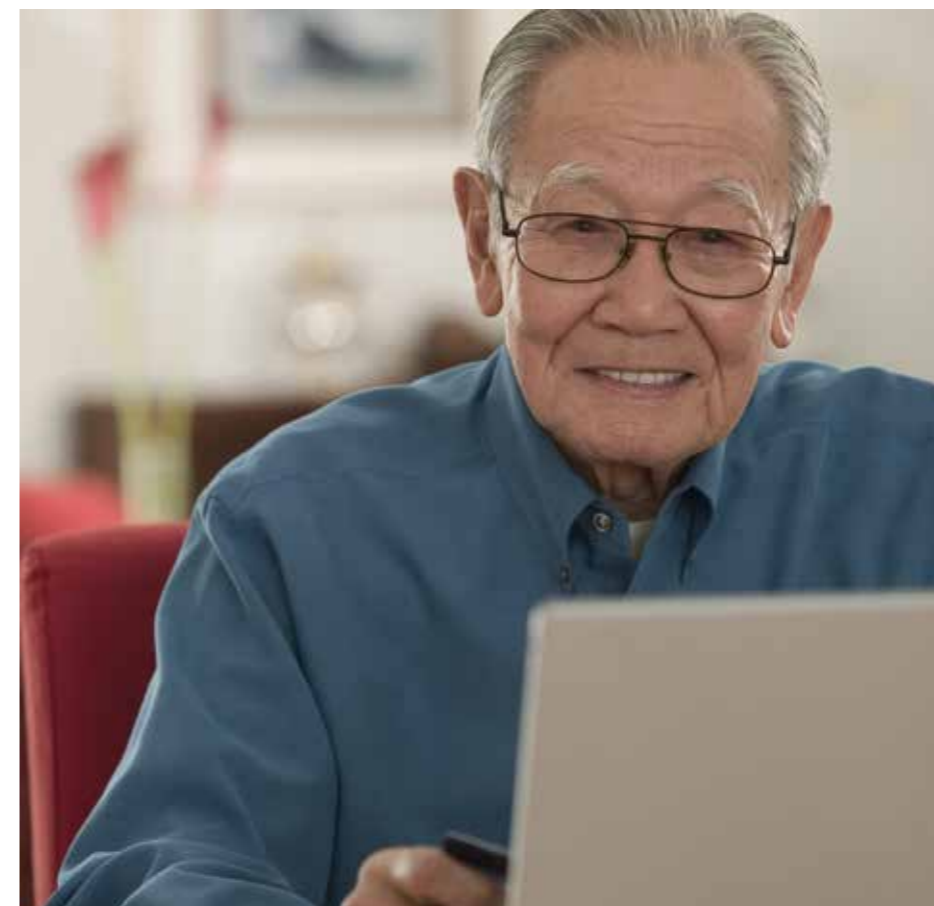
As well as being Thailand's number one iced tea brand, Ichitan is the country's fastest-growing brand. In Thailand, Ichitan has as many Consumer Reach Points as Coca-Cola and 53% of Thai shoppers have purchased its products. Ichitan has gained 49 places in the country's Brand Footprint FMCG ranking since last year to become number 16.

At the heart of Ichitan's success is the brand's charismatic founder, Tan Passakornnatee. Tan fronts Ichitan's advertising and in 2013 he launched a promotion to give away one million baht to 60 individuals over 60 days. Tan amplified the promotion by showcasing the personal stories of the winners on his facebook page – which now has more than 2.7 million fans.

Ichitan has also concentrated on building a powerful supply chain which combines traditional retail with distribution through Tan Passakornnatee's nationwide network of restaurants.

Winning at the Moment of Truth

What does it take to make it into the global ranking of the most chosen FMCG brands and what of the future?



people consume digital media, such as Fanta's 'Play Fanta' campaign. They focus on building a community around a brand – something P&G achieved with its supersavvy website.

BRANDS THAT RUTHLESSLY PURSUE GROWTH

They know where to focus their growth strategies and how to command attention in any market.

There are opportunities in both emerging and developed markets. Coca-Cola, for instance, is growing in both Germany and Mexico. However, the biggest scope for increasing Consumer Reach Points is in emerging countries. With increasing populations, middle classes and GDP the countries making the key contribution to growth for global FMCG brands were China, India and Indonesia.

What's next? Four trends shaping the future of FMCG

- 1) Emerging regions will continue to grow ahead of developed markets. Watch out for Indonesia and Africa, which will be the rising stars.
- 2) Online FMCG sales will grow at a steady pace, reaching 5.2% global share by 2016. Watch out for Amazon Fresh, and Taobao in China, which could disrupt the landscape and escalate the growth of online's share.
- 3) Convenience, health, affordability, individuality and talkability will all remain important to consumers. Watch out for the resurgence of sustainability, provenance and the environment as priorities. Consumers will expect products to be more natural, while delivering the same benefits.
- 4) Local players will keep expanding their boundaries. Watch out for the 'gateway strategies' of brands including Orion, which expanded into Russia to help it enter Western Europe, and into Vietnam as a route into Asia.

WINNING AT THE MOMENT OF TRUTH

Every one of the global brands in the 2014 Brand Footprint ranking was chosen at least 500 million times in the last year. This means consumers chose to buy it over another brand on millions – and for 16 brands – billions of occasions.

The brands that win at the moment of truth, that pivotal point at which the shopper makes their purchase decision, are:

BRANDS WITH MEANING

They connect with consumers, and many – like Lay's – give them a say in the future of the brand. Their ideas make people's lives happier, healthier or easier, with innovations and communications tailored to what's important in different markets.

Health, for instance, has different meanings around the world. In India, where 'healthy' means 'hygienic', Lifebuoy printed messages on chapatis at the 2013 Kumbh Mela asking 'Have you washed your hands with Lifebuoy?'. In Mexico, where obesity is rising, Cheetos launched a campaign encouraging the whole family to exercise together.

The rising middle classes bring a multitude of opportunities, but brands must recognise that each country's 'middle class' is unique. This is why Omo offers a premium liquid laundry detergent in Europe, alongside a more accessible handwashing formula in China.

BRANDS THAT UNDERSTAND THEIR SHOPPERS

They respond to the trends and influences that shape consumers' lives and expectations. Using two-way communication and social media, they pinpoint what motivates consumers' choices and what will stir them into action.

These brands do not treat consumers as broad targets or demographics; they talk to them as individuals. The ultimate example of this in 2013 was Coke's 'Share a Coke' campaign.

BRANDS WITHOUT BOUNDARIES

They make themselves accessible to the highest number of shoppers, and both online and offline distribution is vital: the proliferation of 'Yakult Ladies' is likely to make Yakult a Top 50 brand next year.

Their campaigns create a multi-channel experience that is as seamless as the way

Scan the QR code to explore the 2014 Brand Footprint data and compare the Global Footprint of two brands.



The Methodology

Brand Footprint is Kantar Worldpanel's global ranking of the most chosen FMCG brands in the world.



The research behind the ranking covers 63% of the global population: a total of 956 million households across 35 countries, and 68% of the global GDP.

For 2014, Brand Footprint has expanded to include four new markets – Germany, Italy, Russia and rural Vietnam – and four new categories – alcoholic drinks, confectionery, nappies and razors and blades.

THE CATEGORIES

The complete ranking comprises over 200 FMCG categories tracked around the world by Kantar Worldpanel across the beverages, food, health and beauty, home care, alcoholic drinks, confectionery, razors and blades and nappies sectors. Fresh food, batteries and pet food are not included in the global ranking – but brands in these categories may appear in local rankings where they are tracked within a specific country.

THE MEASURE

The Brand Footprint ranking is based on an innovative metric created by Kantar Worldpanel called Consumer Reach Points, which measures each time a shopper chooses a brand. The Consumer Reach Points of each brand is calculated by multiplying two numbers: how many households purchased the brand at least once during the year (penetration) and the average number of times they purchased it (frequency). The measurement is then weighted by actual population to calculate the brand's global reach.

When a shopper chooses two different products from the same brand on the same occasion, we treat this as two Consumer Reach Points. For example, if a household purchases Colgate toothpaste and a Colgate toothbrush on the same trip, Colgate achieves two reach points

THE 'UNIVERSE'

The 35 countries included in the report comprise 956 million households. This means that penetration of 1% equals reaching approximately 9.6 million households.

THE DATA PERIOD

Brand Footprint data was collected over the 52-week period between October 2012 and October 2013. All data relates to purchases that are brought into the home.

FOOTNOTE:

If your brand or company would like to use Brand Footprint or Consumer Reach Points data in advertising, promotion or publicity, please contact: brandfootprint@kantarworldpanel.com

Due to the introduction of four new markets and four new categories the ranking used in this year's Brand Footprint may differ from that which was published last year.

Brand Definitions

- To be considered global a brand must be available on at least two continents, while regional rankings require a brand to be present in at least two countries in the region. Local brands can be seen in country rankings at www.brandfootprint-ranking.com. Brand Footprint only covers consumer brands; retailers' private label brands are not included.
- Brands listed include all variants, categories and formats that sit within them – for instance Pantene includes all of its shampoo, conditioner, hair treatment, hairspray, hair oil and mask products.
- For brands with names that have been directly translated into a local language, for example Mr Muscle and Mr Músculo, both are counted as the same brand. However, brands sold under different names in different countries are considered as individual brands – for instance Tide and Ace.
- If a 'master' brand features the manufacturer's endorsement in the packaging, we consider the 'daughter' brands separately as their branding is most prominent. For instance, Special K from Kellogg's would be counted separately whereas Kellogg's Corn Flakes would be reported as part of the Kellogg's overall brand. Similarly for Cadbury's, Dairy Milk is reported individually but Cadbury's Crème Eggs are part of the master brand. However, where a manufacturer also has a brand of the same name such as Kraft (e.g. mayonnaise), Danone (e.g. yoghurts) and Nestlé (e.g. ice cream) the individual brand has been included in the ranking.

Glossary of Brands

Manufacturer	Brands	Ranking	Category
Ajinomoto	Ajinomoto	19	Food
Barilla Group	Barilla	37	Food
Beiersdorf	Nivea	40	Health & Beauty
Bimbo	Bimbo	20	Food
Colgate-Palmolive Company	Colgate	2	Health & Beauty
	Palmolive	12	Health & Beauty / Home
Danone	Activia	26	Food
	Danone	35	Food
Ferrero	Kinder	36	Food
General Mills	Yoplait	42	Food
H.J. Heinz Company	Heinz	23	Food
J&J	Johnson's	46	Health & Beauty
McCormick & Company	McCormick	33	Food
Mondelēz/Kraft Foods Group	Tang	22	Beverages
	Kraft	10	Food
	Oreo	24	Food
Nestlé	Nescafé	3	Beverages
	Maggi	4	Food
	Nestlé	14	Food
	Milo	27	Beverages
	Coffee Mate	45	Beverages
Pepsico	Pepsi	5	Beverages
	Lay's	8	Food
	Quaker	29	Food
	Cheetos	38	Food
	Gatorade	48	Beverages
	Doritos	49	Food

Manufacturer	Brands	Ranking	Category
P&G	Pantene	9	Health & Beauty
	Tide	15	Home
	Downy	17	Home
	Head & Shoulders	28	Health & Beauty
	Safeguard	31	Health & Beauty
	Crest	44	Health & Beauty
The Coca-Cola Company	Gillette	47	Health & Beauty
	Coca-Cola	1	Beverages
	Sprite	21	Beverages
	Fanta	30	Beverages
The Hershey Company	Minute Maid	32	Beverages
	Hershey's	34	Food
Unilever	Knorr	6	Food
	Lifebuoy	7	Health & Beauty
	Dove	11	Health & Beauty
	Lux	13	Health & Beauty
	Surf	16	Home
	Sunsilk	18	Health & Beauty
	Pepsodent	25	Health & Beauty
	Omo	39	Home
	Lipton	41	Beverages
	Rexona	43	Health & Beauty
Vim	50	Home	



Kantar Worldpanel in collaboration with IMRB in India



Purchase data for the US was supplied by IRI.



Data for Germany, Russia and Italy was supplied by GfK.



Kantar Worldpanel in collaboration with CTR in China

For full global, regional, country and sector rankings, information on panel sizes and a complete index of the brands included in the global Top 50, visit www.brandfootprint-ranking.com.

KANTAR WORLD PANEL

brandfootprint@kantarworldpanel.com



