



BRAND FOOTPRINT

THE UK RANKING OF THE MOST CHOSEN FOOD BRANDS

MAY 2017

FOOD

Introduction

Reflecting what was in many ways a very disruptive year, the 2016 Brand Footprint Food Ranking features brands which have found innovative ways to move with the trends, and others which continue to struggle with them. The shock Brexit vote in June 2016 ultimately led to higher prices for many products and the longer-term impact is uncertain. In addition, our figures show that many brands have struggled against the rise of own-label lines which grew CRPs by 6.5% last year. Many retailers put a renewed focus on their own label offerings and the continued growth of brand-shy discounters Aldi and Lidl put a further squeeze on brands. The food market has therefore been challenging for brands, with only 8 out of the top 20 growing CRPs.

You Are What You Eat

Bread as a category is in decline due to changing ideas about health, with more consumers choosing related products like wraps or moving away from carbohydrates altogether. So for much of 2016 bread brands battled to win shoppers from each other. That said, Warburton's remains the UK's biggest FMCG and food brand this year, chosen almost as much as the next two brands combined. Despite the health challenges in the category, Warburton's, as a family-owned business, is primed to innovate quickly and react to changes in tastes and preferences.

With consumers' attitudes to health having moved past cutting out particular food groups or ingredients, the industry has responded by including healthy ingredients in products such as fibre, protein, vitamins - whether natural or added. One example is the high protein variant of Weetabix which launched in March 2016 and helped the brand to reach position 39 in this year's ranking.

Danone tackled the health challenge head on with the launch of Light & Free - a yoghurt with no added sugar and

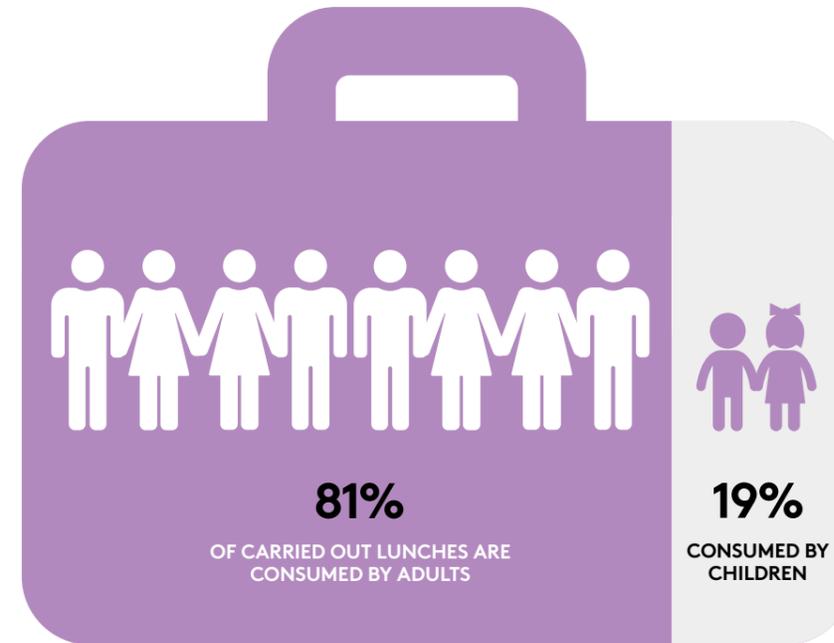
UK Top 20 table		CONSUMER REACH POINTS (MILLIONS)		
		2015	2016	YR/YR %
1	WARBURTONS	615	574	-7
2	HEINZ	386	375	-3
3	KINGSMILL	286	309	8
4	MCVITIE'S	312	306	-2
5	HOVIS	331	290	-12
6	WALKERS	210	217	3
7	MULLER	204	208	2
8	BIRDS EYE	217	202	-7
9	CADBURY'S DAIRY MILK	170	169	0
10	CADBURY'S	154	155	0
11	JACOBS	155	152	-2
12	MCCAIN	137	142	4
13	MR KIPLING	125	111	-11
14	KIT KAT	111	107	-3
15	AUNT BESSIES	112	106	-6
16	BATCHELORS	103	100	-3
17	CATHEDRAL CITY	108	100	-8
18	FOXES	97	99	2
19	PRINCES	106	91	-15
20	BISTO	98	87	-11

52 we October 2016

zero percent fat which looked to tick both the health and indulgence boxes. Another brand in the Danone stable, Greek-style yoghurt brand Oykos, saw strong growth through a 4% increase in penetration. It also launched a new Whip 'n' Mix luxury mousse in 2016 with "brand hunk" Peter Andre at the centre of a £1m marketing push.

Yeo Valley in position 33 saw a 21% increase in CRPs due largely to its mainstay natural yoghurts which play well to the trend for holistic health. One source of this growth is the overall trend for yoghurt to increasingly be eaten at breakfast as people move away from traditional carb-laden cereal and toast into something lighter.

ADULTS ARE KEY TO CARRIED OUT LUNCHES, ACCOUNTING FOR 8 IN 10 LUNCHBOXES



Whilst the government's policy of free school meals for younger pupils has led to a decline in children taking lunch to school, there has been a rise in adults taking out food prepared at home. This is up 5% overall year on year, with health a key motivator and fruit now a staple of the lunchbox. At the moment there is a gap between the products on offer for lunchboxes and the reality of whom is actually consuming them, so this will be a rich opportunity for brands to exploit in future.

A Proper Treat

But the overall focus on healthier eating has not necessarily dampened our enthusiasm for snacks. The mantra of everything in moderation still rules, but in order to permit ourselves an unhealthy treat, it needs to feel like a real indulgence.

Pringles, at number 23 in this year's ranking, has seen a 23% increase in CRPs. The growth comes from success in the 40g size; a move towards individual consumption from a brand traditionally

aimed at the sharing market. In addition, limited edition flavours in support of the Olympics and Euro Championships tapped into consumer and trade interest and performed strongly.

Conversely, the core Walker's brand moved in a major way into the sharing

The industry has moved towards including healthy ingredients like fibre, protein and vitamins - whether natural or added

Brand Focus: McCain

McCain has grown by 4% in terms of Consumer Reach Points this year by using all the levers for growth.

The brand targeted more occasions with their wedges products aimed at family nights in, adding ridged wedges and more flavours to their repertoire. In addition the brand's expansion from the freezer into the chiller has brought an extra 191,000 shoppers to the chilled potato market.

In terms of geographies, McCain has seen growth throughout the UK, but particularly strongly in the East of England where growth has been over 10%. In addition, wider demographic appeal - with a £11.4m increase in spend from shoppers under 45 - is generating great results for a brand traditionally reliant on older shoppers.

space for the first time with the launch of their Tear 'N' Share product, opening up more occasions. Tear 'N' Share was the fourth most successful new sub-brand of 2016 generating sales of £16m. Another innovation from PepsiCo was the premium popcorn product Popworks, which was launched in September 2016. Offered in a range of dessert flavours, this product hits the sweet spot of balancing indulgence and health.

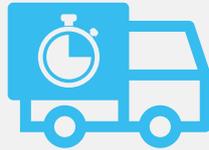
McVitie's also expanded into a new category this year, launching Nibbles in sharing bags; learning from confectionery where pouches make up 20% of sales. This was a highly incremental launch for the brand, opening up occasions and listings beyond the traditional biscuits category.

Small and Homely

The rise of smaller households in the UK offers opportunities for brands in terms of the size and type of products offered. McCain, in position 12 this year, launched their chilled range, following roll-out in France last year. This offers a smaller, more premium product which appeals to couples or single people.

Over the course of the coming year we expect to see a rise in meal kits as retailers look to piggyback on the success of specialist direct to consumer companies like "Hello Fresh" and "Gousto". Shoppers are continually looking for convenient meal solutions as demonstrated by the continued rise of chilled ready meals, which are in growth of +3.9% over the last year. Meal kits which include exact portions of ingredients for a recipe in a pre-prepared box are likely to have big appeal.

Possible Disruptors



**LAUNCH OF
AMAZON FRESH
IN THE UK**



**POLITICS: BREXIT
AND THE GENERAL
ELECTION**



**AGEING
POPULATION**

There is no doubt that much more change lies ahead for the UK food market. The full effects of Brexit on both supply and demand are yet to be understood. The results of the 2017 General Election will add another layer of complexity, as a new government may choose to look again at potential nutritional regulations and issues of packaging waste. In addition, demographic changes such as an

ageing population will change the types and formats of products demanded. Perhaps the biggest unknown is the effect of Amazon, which launched its Fresh offer during 2016. With its delivery infrastructure, online expertise and ability to fit shopping seamlessly into everyday life – see the dash button and Echo – it seems clear that the online giant has the ability to really shake things up in the near future.

About Brand Footprint

Kantar Worldpanel believe that in order to grow brands need to be chosen more often by more people.

There are five strategic levers which we have identified that lead to brand growth.

Now in its fifth year, Brand Footprint is our global study of which brands shoppers are choosing to buy, and why. The metric used to measure this is called Consumer Reach Points (CRP) and it is calculated by looking at penetration and frequency in combination with the number of households in the country.



Find the full global report at www.kantarworldpanel.com/brand-footprint-ranking