



A Global Ranking of the Most Chosen Consumer Brands





WELCOME TO KANTAR WORLD PANEL'S 2013 BRAND FOOTPRINT REPORT

The first ranking that reveals the 50 most chosen FMCG brands across the globe.



Josep Montserrat

I am delighted to launch our first global ranking of FMCG brands, which uses an insightful new metric called Consumer Reach Points.

The measure quantifies the true level of interaction a brand has with shoppers by untangling the 'moment of truth' when someone decides which brands to buy.

The Consumer Reach Points provides the clearest, most compelling and precise picture of a brand's global strength available today, by combining how many households around the world are buying a brand and how often. The Brand Footprint ranking is purely objective as it is based on what shoppers actually do. The depth and breadth of the supporting data is unrivalled; it is based on continuous shopper behaviour tracking of hundreds of thousands of households and millions of purchases across our unique global coverage.

As people's habits, tastes and needs evolve brands are driven to innovate and find new ways to engage with and be chosen by consumers and shoppers. Backed by brand and category case studies, this in-depth report identifies how much traction each FMCG brand's growth strategy is really gaining them – globally, in developed regions such as Europe and USA, and in the crucial emerging markets of Latin America, Asia and the Middle East.

As the world leader in consumer behaviour insights, Kantar Worldpanel gives you, for the first time, a unique read of your brand's and competitors' reach at global, regional and local level, helping you to understand and set ambitious and realistic targets. Brand Footprint and Consumer Reach Points have been created to deliver the complete picture of your brand's strength and its opportunity to grow.

You will find the Top 50 ranking and the insights, trends and themes behind the figures in the following report. This report delivers a global strategic perspective of each brand while we have designed the site www.brandfootprint-ranking.com which allows you to design precise plans by region, country and categories. I encourage you to visit it to navigate, interact with and interrogate the data to build them.

I see this as an exciting time for brands and consumers. Brand growth demands not only an expanding consumer base but also strong loyalty. Meeting local needs, competing with brands and private labels, building efficient global supply chains, negotiating complex distribution agreements will always be at the heart of a brand's strategy and the evidence of their success can be seen in our results. It is really encouraging that brands are investing in emerging regions for future growth, with the ambition to gain new buyers and new users. This report and its Consumer Reach Points metric reveal which brands are already doing this, and how important it is to include in the strategy.

I congratulate the brands who made it into the Brand Footprint Top 50, and I invite you to learn more about the most chosen brands, and to discover what your own Brand Footprint is.

Josep Montserrat,
Global CEO of Kantar Worldpanel

BRAND FOOTPRINT. A GLOBAL RANKING OF THE MOST CHOSEN CONSUMER BRANDS



Executive summary

The Kantar Worldpanel 2013 Brand Footprint presents the first ever ranking of the world's most chosen FMCG brands, based on consumers' and shoppers' actual preferences.

In order to grow, brands need to expand their consumer base and deepen loyalty. Brand Footprint gives exactly that, based on a new and simple metric – Consumer Reach Points – which combines penetration and frequency of purchase into a clear picture of a brand's reach, strength and depth.

This begins with an understanding of how consumers around the world buy their brands, and how well they are reaching and engaging different populations.

Covering 32 countries (62% population, 58% GDP), the Brand Footprint ranking gives owners of global and local FMCG brands valuable information to feed into their marketing strategies. It reveals which are achieving global success

and provides unique insight that will help brands design growth strategies more accurately.

Not surprisingly, top ranked brands in the Brand Footprint have gained traction by being strong on both penetration and frequency – with a particular focus on emerging growth markets with large populations. They manage to combine a consistent brand offer across the globe with an ability to understand and respond to specific local needs through innovative variants and packaging.

However, the results also tell a story of great untapped opportunities; all brands still have plenty of room to recruit more shoppers in new geographies, new segments or on new occasions.

To explore the Brand Footprint data, including detailed results for individual brands visit www.brandfootprint-ranking.com

13 Billionaire Brands achieve more than 1 billion Consumer Reach Points - is yours one of them?

GROWING BRAND REACH: THE FOUR GOLDEN RULES

The strongest global brands in the ranking excel at a combination of any of these four key areas.

Be Global. They have expanded their presence with a focus on penetration in larger, fast-developing countries – such as Indonesia and China. All having a consistent brand offer which brings economies of scale in production and marketing. There's a new centre of gravity for brands: their resources and focus are shifting to emerging regions.

Be Agile. They understand and respond quickly to local needs, innovating product content and packaging to appeal to different preferences, tastes, skin types, lifestyles, values, traditions, and demographics. They also adapt their portfolio to address the spectrum of consumers from those with lower incomes to those ready for a premium offer.

Be Available. They build the best distribution networks that reach the most remote shoppers in rural areas of countries like India and Vietnam. They also make their products accessible to new consumer segments and through new and alternative channels; often combining traditional, rural and digital.

Be Across Categories. They diversify and extend their brand equity to new product ranges across categories and segments – a strategy which has proved successful for Dove in skincare and personal wash and Knorr in food, among others.

Penetration is key – but it’s not everything

It’s the brands that combine high penetration with high frequency that feature in the Top 10.

Penetration drives share, but brands have to attract consumers more than once; they make a choice each time they go shopping. Coca-Cola doesn’t have the highest penetration, but it combines penetration of 44% with the highest global frequency of purchase 15 times per year on average.

Innovation is crucial for growing a brand’s footprint

Every one of the Top 10 global brands demonstrates innovation.

Investment in research and development drives market share and profits even more in difficult economic times. Adapting to changing consumer needs and habits in different territories, particularly in emerging markets, has played a big part in the performance of brands including Colgate, Maggi, Dove, Tide and Tang.

All brands have opportunities to recruit new customers

Colgate is the only FMCG brand bought by more than half of the world’s households.

The level of acceptance is still low in certain categories – in health and beauty, for example, more than 40% of the globe does not yet purchase deodorants, hair conditioner or make up.

Emerging growth markets

Emerging markets are responsible for 98% growth of the growing brands.

Six of the Top 10 show significant growth in these markets: Coca-Cola, Colgate, Dove, Maggi, Nescafe and Pepsi. Brands are responding to, and benefiting from, changes in habits and affluence – for instance, the growing interest in health and beauty. They are adapting to local markets – Heinz solves distribution challenges by acquiring and growing existing local brands, while Colgate builds awareness and sales with small pack sizes which encourage trial.

‘Success’ is not synonymous with ‘global’

12 local brands – all Asian – achieve more than 1 billion Consumer Reach Points; 23 more than 500 million.

While more and more consumers have the desire and the income to buy global brands, brands can achieve powerful traction without a presence in western markets – for instance, Japanese cooking seasoning brand Ajinomoto. Consumers feel enormous pride towards local brands, and they particularly like to buy local when it comes to food.

Some highlights: Brand Footprint at a glance

Coca-Cola is the world’s most bought brand, chosen 5.3 billion times per year. Coca-Cola is also the brand leading in the highest number of countries (8 out of 32).

Colgate – number two in the ranking – is bought by 65% of the world’s households, the highest penetration of all. It’s the only brand bought by more than half the world’s households.

There are 13 global brands being chosen by consumers more than one billion times in a year: Coca-Cola, Colgate, Nescafé, Pepsi, Lifebuoy, Maggi, Pantene, Knorr, Lay’s, Dove, Lux, Palmolive and Tide.

Unilever is the leading manufacturer, placing 15 brands in the Top 50 followed by Procter & Gamble (P&G) with eight, PepsiCo with five and The Coca-Cola Company with four. There are 18 different manufacturers in the Top 50.

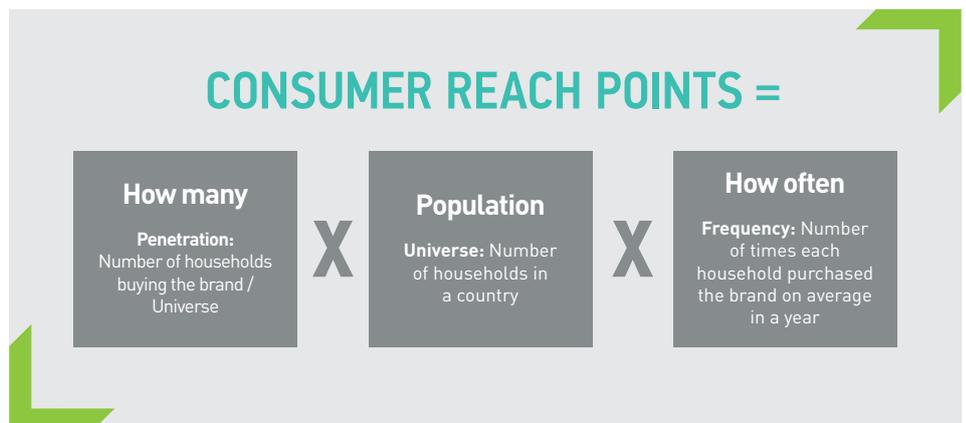
Dove is the top riser, growing its Consumer Reach Points by 18%. Other top risers are Mr Muscle, Tide, Vim, Oreo, McCormick, Head and Shoulders, Dettol and L’Oréal.

CONSUMER REACH POINTS: QUANTIFYING SHOPPER DECISIONS

Consumer Reach Points provides marketers and CEOs of FMCG companies with a clear, straightforward, objective indication of a brand’s inner and competitive strength.

It measures how many households are buying a brand (penetration x population) and how often (frequency), giving a true representation of shopper choice. Each time a consumer chooses a brand at the point of purchase, the brand earns a reach point.

FMCG brands can measure sales value and volume of their products and categories around the world, but Consumer Reach Points measures the true reach of the brand – how many times it wins at the moment of truth, when the shopper chooses to buy it. Our unique combination of penetration and frequency is critical: unless both are calculated it’s not possible for a brand to clearly understand its reach.



Global population used to estimate Consumer Reach Points is 820,157,590 households. 1 point of penetration means a brand reaches 8.2 million households.



THE BRAND FOOTPRINT GLOBAL RANKING TOP 50

Rank 2012	Rank 2011	Rank change	Brand name	Manufacturer	Consumer Reach Points (m)	Penetration%	Frequency	Consumer Reach Points growth%
1	1	↔		The Coca-Cola Company	5,295	43.9	14.7	0%
2	2	↔		Colgate-Palmolive Company	3,330	65.4	6.2	5%
3	3	↔		Nestlé	2,270	26.0	10.6	-2%
4	4	↔		PepsiCo	1,797	27.9	7.9	2%
5	5	↔		Unilever	1,751	27.3	7.8	1%
6	6	↔		Nestlé	1,580	26.7	7.2	4%
7	7	↔		Procter & Gamble	1,456	31.9	5.6	-2%
8	8	↔		Unilever	1,290	27.6	5.7	1%
9	10	1 ▲		PepsiCo	1,146	26.0	5.4	2%
10	14	4 ▲		Unilever	1,117	33.7	4.0	18%
11	9	2 ▼		Unilever	1,068	34.4	3.8	-10%
12	11	1 ▼		Colgate-Palmolive Company	1,062	18.6	7.0	5%
13	13	↔		Procter & Gamble	1,052	28.8	4.4	11%
14	12	2 ▼		Unilever	994	15.8	7.7	-1%
15	16	1 ▲		Mondelez International	948	13.2	8.7	4%
16	15	1 ▼		Unilever	924	21.8	5.2	-1%

Rank 2012	Rank 2011	Rank change	Brand name	Manufacturer	Consumer Reach Points (m)	Penetration%	Frequency	Consumer Reach Points growth%
17	20	3 ▲		Mondelēz International	916	28.2	4.0	8%
18	21	3 ▲	BIMBO	Bimbo	896	7.6	14.4	6%
19	17	2 ▼		Ajinomoto	890	7.1	15.3	-2%
20	18	2 ▼		The Coca-Cola Company	858	27.0	3.9	0%
21	19	2 ▼	PEPSODENT	Unilever	849	13.7	7.5	-1%
22	22	◀▶		Procter & Gamble	804	14.1	7.0	2%
23	23	◀▶		Nestlé	797	7.9	12.4	2%
24	25	1 ▲		Procter & Gamble	786	26.2	3.7	7%
25	24	1 ▼		Procter & Gamble	768	16.9	5.5	2%
26	26	◀▶		H.J. Heinz Company	739	15.9	5.7	4%
27	27	◀▶		Procter & Gamble	654	22.8	3.5	-4%
28	31	3 ▲		The Coca-Cola Company	625	21.0	3.6	5%
29	29	◀▶		General Mills	596	12.8	5.7	-6%
30	28	2 ▼		Danone	591	12.2	5.9	-8%
31	30	1 ▼		Unilever	591	16.2	4.5	-2%
32	33	1 ▲		PepsiCo	563	14.3	4.8	2%
33	35	2 ▲		PepsiCo	542	16.5	4.0	7%

Rank 2012	Rank 2011	Rank change	Brand name	Manufacturer	Consumer Reach Points (m)	Penetration%	Frequency	Consumer Reach Points growth%
34	32	2 ▼		Johnson & Johnson	532	20.9	3.1	-6%
35	38	3 ▲		Unilever	515	13.1	4.8	0%
36	37	1 ▲		Unilever	505	18.0	3.4	-2%
37	39	2 ▲		Unilever	496	15.4	3.9	0%
38	36	2 ▼		Unilever	488	18.8	3.2	-6%
39	42	3 ▲	L'ORÉAL	L'Oréal	480	17.0	3.4	4%
40	41	1 ▲		Procter & Gamble	461	15.2	3.7	-3%
41	46	5 ▲		Unilever	449	11.3	4.9	9%
42	34	8 ▼		Unilever	445	11.4	4.8	-18%
43	40	3 ▼		The Coca-Cola Company	444	17.0	3.2	-7%
44	45	1 ▲		Beiersdorf	441	17.5	3.1	3%
45	43	2 ▼		Unilever	424	13.3	3.9	-3%
46	44	2 ▼		Yakult	413	6.8	7.4	-4%
47	47	◀▶		PepsiCo	375	12.7	3.6	-2%
48	48	◀▶		Reckitt Benckiser	374	15.8	2.9	5%
49	49	◀▶		Procter & Gamble	344	13.0	3.2	-1%
50	50	◀▶		Kimberly-Clark	289	11.3	3.1	-1%

Global population used to estimate Consumer Reach Points is 820,157,590 households. 1 point of penetration means a brand reaches 8.2 million households.

MARKET PENETRATION IS KEY

The Top 50 succeed year after year in retaining and attracting new customers, while persuading loyal consumers to continue buying.

They are generally consistent in their approach and are recognised across the globe – yet the Kantar Worldpanel ranking reveals opportunities that still remain untapped for these brands, to increase their penetration across the globe.

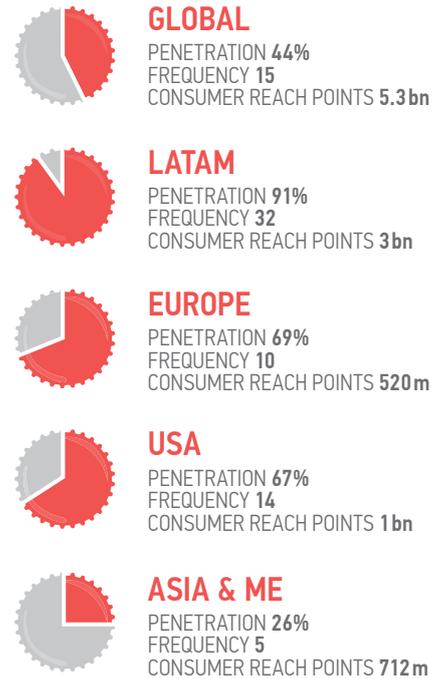
There is more variation in penetration than frequency across the Top 50: the range of lowest to highest penetration is 7% to 65%, whereas the lowest to highest frequency ranges from 3 to 15. **Only one brand – Colgate – has over 50% penetration, at 65%. There is great scope for growth here.**

Even Billionaire Brands have room for improvement in certain markets. Number one brand Coca-Cola (Consumer Reach Points 5.3bn) has much lower in-home penetration in India, Malaysia and Korea for example. Looking at India, the category of carbonated soft drinks

is purchased by only 25% of households, and the local consumer doesn't tend to purchase soft drinks for the home – so global brands in the category do show a weakness in that region. Despite having acquired local brands like Thums Up, Coca-Cola only reaches a maximum of 8% of Indian households, in terms of in-home consumption.

Colgate, the number two brand (3.3bn) in the global ranking, reaches two thirds of the world's households with a 65% global penetration and is the only brand reaching more than 50% of households globally. This is notable considering it is only purchased on average six times a year, and as a brand is not even present in such a large country as Indonesia. Coca-Cola reaches 44% of homes globally but is purchased 15 times in a year on average by each household, driving its number one position.

COCA-COLA 2012 BRAND FOOTPRINT



THE PRIVATE LABEL CHALLENGE

Brands will always face region specific challenges which vary most significantly between the emerging and the developed regions.

In the emerging markets most brands need to think about brand building, creating brand awareness and distribution. Pack formats and effective pricing are focus areas as brands look to set pricing that allows market entry.

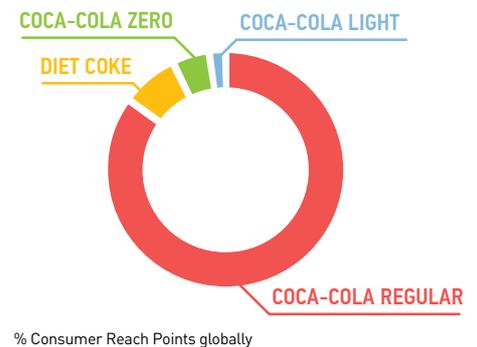
Consumers in developed markets are now more focused on reducing debt and saving money in the wake of recession. They have become more focused on price and value and these trends combined with ageing populations, smaller households and increasing ethnic diversity will affect purchase behaviour, pack sizes and innovation. It is clear that in order to thrive manufacturers must respond to these trends.

In the developed regions brands need constant rejuvenation; they are often looking to grow despite volume stability and need to manage not only the threat of other competitive brands but also that of private label. We can see from Colgate's brand footprint much higher penetration levels in emerging countries like Venezuela (100%) and Ecuador (98%) where private label levels are less than 1% for groceries. In contrast we can see lower penetration levels for Colgate in developed

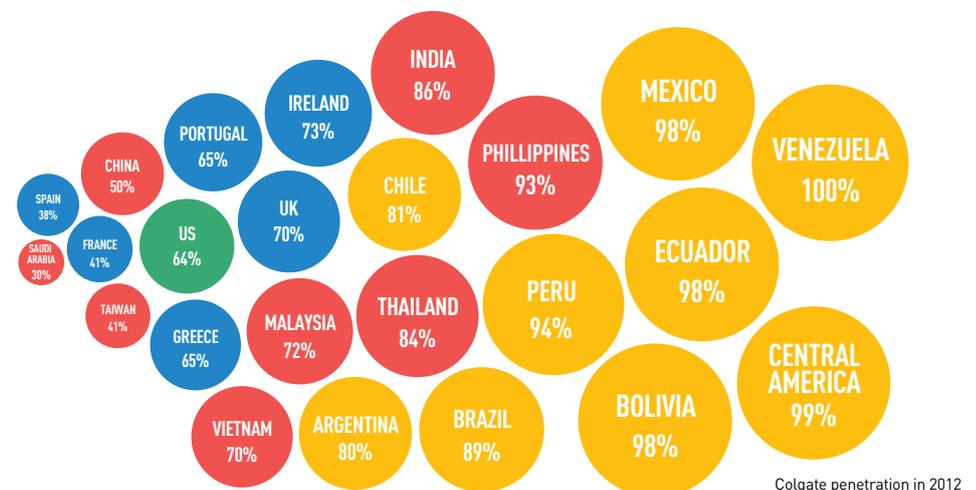
countries such as France (41%) and Spain (38%) as private label levels in these countries is greater than 35% thus offering more of a challenge to brands looking to grow in these developed regions.

However, with a continued focus on rejuvenation and innovation, Colgate has managed to hold private label at bay in these competitive markets.

COCA-COLA BY VARIANT



Breaking out Coca-Cola, Coca-Cola Regular would remain #1 and Diet Coke would reach #41 in the Top 50.



Colgate's brand footprint: Penetration in Europe challenged by private label





THE BILLIONAIRE CLUB

Thirteen global brands are being chosen by consumers more than one billion times in a year and so belong in the Billionaire Club.

These are Coca-Cola, Colgate, Nescafé, Pepsi, Lifebuoy, Maggi, Pantene, Knorr, Lay's, Dove, Lux, Palmolive and Tide.

Several factors influence the position of a brand in the Kantar Worldpanel ranking. A brand will rise up the listing if it has a strong presence in countries with a high population, such as China, India, Brazil and Indonesia, or if it is found in a category where frequency of purchase is high, like beverages.

Having an umbrella brand, such as Dove, which is successful across a number of categories will also boost a brand's Consumer Reach Points, as will the amount of competition it faces from private label or local brands in key regions and countries.

These Billionaire Brands own a wide and loyal consumer base. **However, all of them still have plenty of room to recruit more shoppers in new geographies, new channels, new targets, new segments, or on new occasions.**

Innovation also remains a crucial element of the marketing mix for growing brand footprint, as manufacturers adapt to changing consumer needs and habits in different territories – particularly in emerging markets where the growing middle class wants to buy brands and more consumers have the money to do it. As Nestlé states in its 2012 Annual Report 'Many

consumers are not looking to eat and drink more; they are looking to eat and drink better.'

One of the drivers for achieving Billionaire Brand status is to have different product variants across different continents. Unilever's Dove (1.1bn) has been investing heavily in new products such as Dove Men+Care and Dove Curls haircare products.

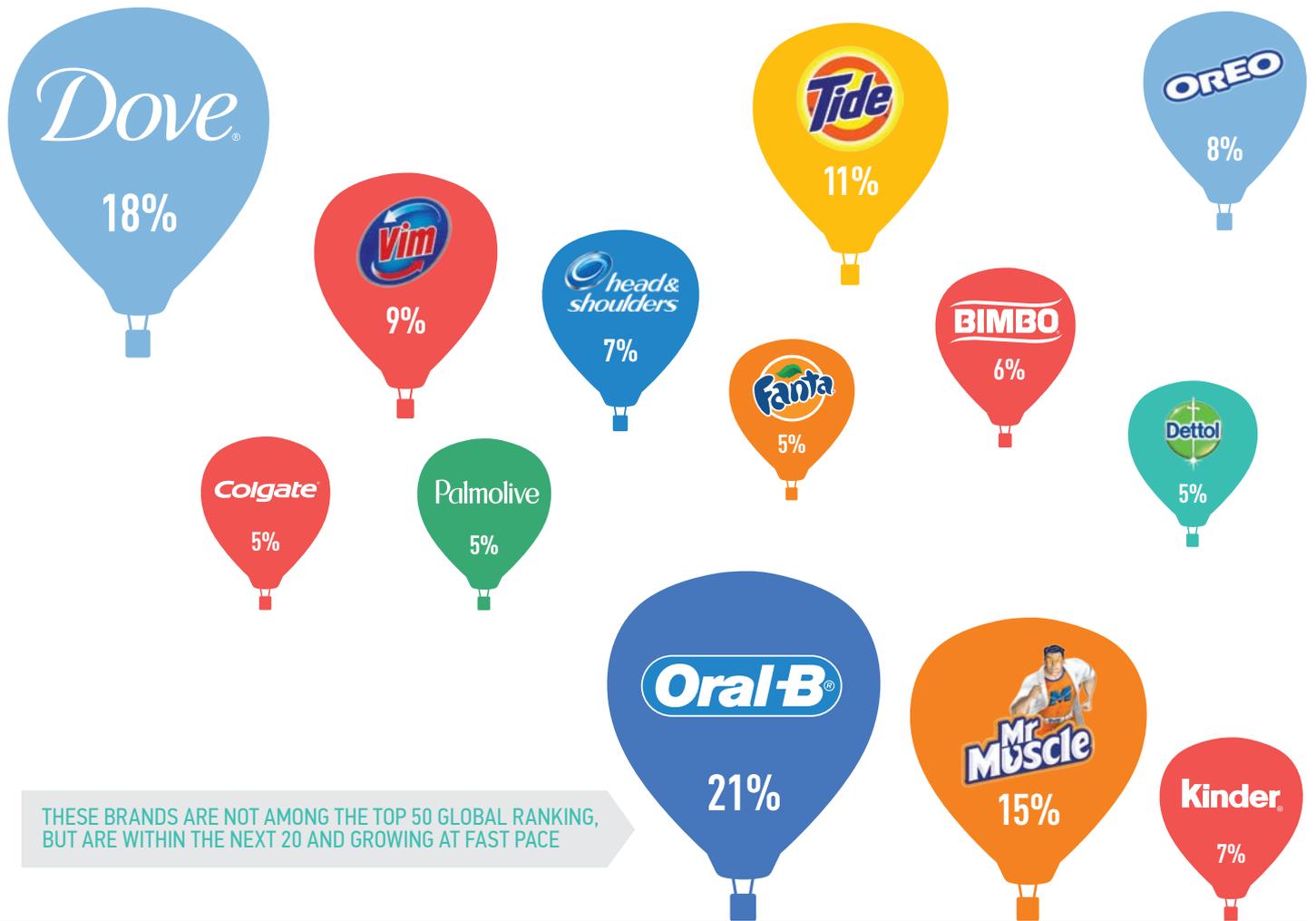
Looking forward, Tang is the most likely new entrant with 948m and growth of +4%. Another possible future Billionaire Brand is Mondelez International's (previously Kraft Foods) Oreo biscuit (916m) which has successfully launched different product variants across international markets and is growing by 8% in Consumer Reach Points.



Dove is the fastest growing brand in the Billionaire Club, with an increase in Consumer Reach Points of +18%.



TOP 10 RISERS (GLOBAL BRANDS RANKED ACCORDING TO CRP % GROWTH VERSUS PREVIOUS YEAR)



BRANDS TO WATCH

Only a few brands will ever be members of the Billionaire Club, but there are a number who could enter this exclusive group over the next few years.

Tide (1.1bn) is the most recent entry, while Surf (994m) and Tang (948m) are almost Billionaire Brands. Tang has a growth in CRPs of 4%, whereas Surf suffered a small decline of -1%, in emerging markets, but did experience an 8% growth in developed markets.

Another brand to watch is Mondelez International's Oreo (916m) at number 17 in the global ranking. It is the fourth top riser within the ranking, experiencing a Consumer Reach Points growth of 8%. It has a number of variants with Oreo Mini, Oreo Duo, Double Stuff Oreo, Green Tea Oreo and Blueberry Oreo among others. The manufacturer has cleverly

positioned the brand as 'The world's favourite cookie' with 100 years of history – while also building its profile on social media.

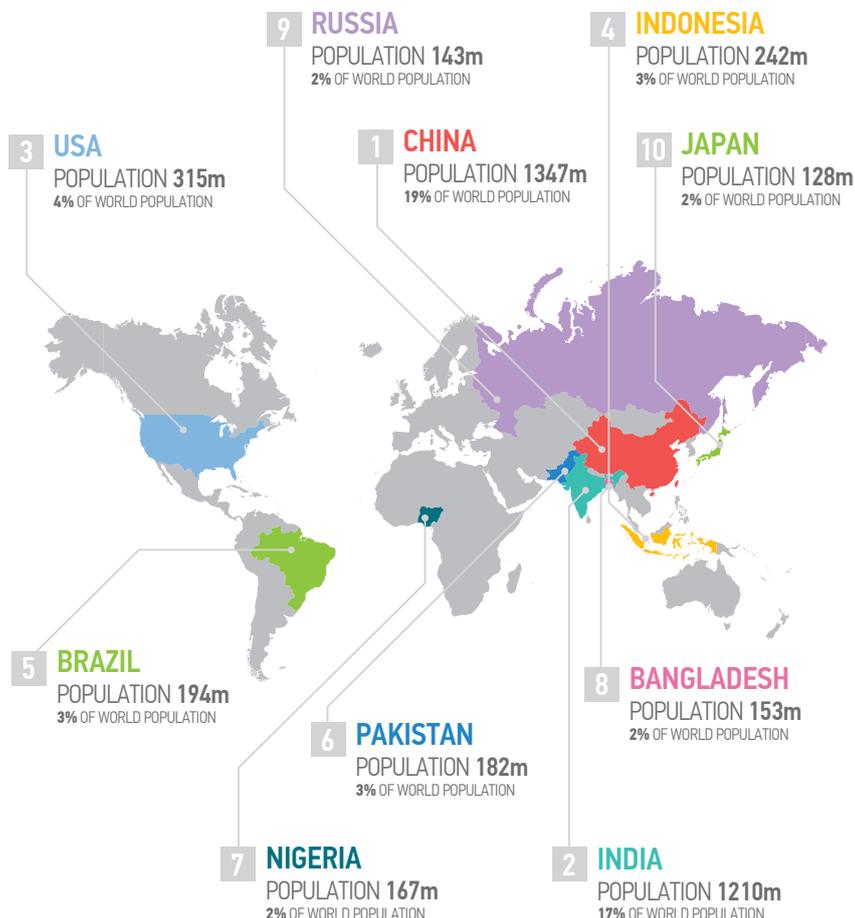
Sunsilk (924m) – also known as Sedal and Sedā in Latin America – is another brand to keep an eye on. Although its Consumer Reach Points growth is flat, it is still purchased by one in four households globally which is significant in such a crowded category. It is a billion dollar brand and its parent Unilever says it sees innovation as helping to fuel growth following the launch of a Sunsilk natural oils range.

Another contender for the Brand Footprint Top 50 is Mr Muscle (158m and currently ranked 65) which was the third highest riser behind Oral-B and Dove. Its global Consumer Reach Points growth is 15%, and it is particularly strong in emerging markets (20%) and in Brazil, China, Mexico and Colombia. It is now in 10% of households worldwide.

GLOBAL OR LOCAL?

THE TOP 10 MOST POPULATED COUNTRIES

Source: IMF



TOP 15 BRANDS IN BRAZIL

BRAND NAME	Consumer Reach Points (m)	Penetration%	Frequency
Coca-Cola	653	90	15
Ypē	345	88	8
Colgate	278	89	6
Omo	253	77	7
Tang	236	68	7
Antarctica	217	72	6
Qualy	216	71	6
Maggi	201	74	6
Soya	189	78	5
Nescau	185	71	5
Sadia	185	78	5
Vitarella	184	35	11
Sorriso	180	74	5
Itambē	174	65	6
Miojo	174	69	5

Highlighted brands are local

BILLIONAIRE BRANDS ARE NOT NECESSARILY GLOBAL

Local consumers feel enormous pride towards local brands and their heritage, particularly in food, and it could be argued that local brands can also be more flexible and responsive to local consumer needs.

The Brand Footprint ranking has revealed a number of brands that are reaching more than a billion local consumers. In India the biscuit and confectionery range Parle has a 40% share of the local biscuit market and 15% of total confectionery, whilst Active Wheel from Hindustan Unilever is the largest Indian detergent brand. In China, Master Kong instant noodles, drinks and biscuits has more than a billion Consumer Reach Points but as a local brand it isn't in the global ranking.

In important growth markets such as Brazil, about 70% of the biggest Consumer Reach Points food brands are local. Drinks brand Guarana Antarctica, producers of chilled and frozen foods Sadia and Perdigão, cookies and biscuits brand Vitarella and dishwashing brand Ypē are all reaching high numbers of Brazilian shoppers.

This liking for local means global manufacturers must react to cultural differences and spend time understanding local consumers' needs and wants to win shoppers' hearts. Colgate, for instance, achieves 86% penetration in India compared to 65% globally by having excellent urban and rural availability and by adapting to the local market with smaller pack sizes. It also relies on an excellent distribution network both in rural and urban areas. This example of best practice is something that other brands looking to expand into vast local markets can learn from.

It would be wrong to assume global brands are always competing with local alternatives for shoppers' attention. In reality, consumers love both.

International and national brand owners are driven by social-demographic and cultural trends and consumers often don't differentiate between a local and a global brand, yet globalisation is definitely on the rise judging by the results of the Kantar Worldpanel Brand Footprint ranking.

In some markets global brands promote their perceived quality and reliability and in non-food the strength of a global brand and its reputation can mean huge penetration.

Local brand giants

With production peaking at 14.5bn packs in 2011, Indonesia is the second-largest producer of instant noodles after China, which produces 42.5bn packs a year.

People in Indonesia prefer noodles with a strong flavour – popular flavours include chicken curry, onion and Chicken Soto, a traditional chicken soup. Most of the market share is owned by Indomie Mi Goreng: a form of instant noodle spiced for the Indonesian palate, owned by Indofood CBP Sukses Makmur, the world's largest instant noodle maker. Although Mie Sedaap of the Wings Group only made its first appearance in Indonesia in 2003, it is the biggest potential competitor to Indofood in the market and is also a Billionaire Brand.

Masako is accepted as the number one brand of flavoured seasoning, and is found in many kitchens. One of the biggest producers of seasoning in Indonesia, it uses real beef, fish, vegetable and chicken extract. The seasoning is used in a wide range of dishes, including soups and stir-fries, and applications including pre-seasoning.

The dominant Indian biscuit and confectionary range Parle reaches even the most remote villages with its most popular product the Parle-G biscuit.

Active Wheel, from Hindustan Unilever, is the largest Indian detergent brand. It is available in powders, bars and laundry soaps in three variants: lemon and orange, gold and lemon and jasmine. Other brand owners serving this market include Henkel and P&G, as rapid urbanisation brings more demand for better household products.

In China, Master Kong covers instant noodles, drinks and biscuits and its ready to drink tea is the number one player achieving sales all across this vast country. With production and distribution costs increasing, Master Kong has successfully increased its prices as the brand appeals to the growing middle class.

Another Billionaire Chinese brand is Mengniu. The Mengniu Dairy Company distributes liquid milk products (such as UHT milk, milk and yogurt),

ice cream, and other dairy products including milk powder and cheese across China. It regularly features in the WPP BrandZ Top 50 Most Valuable Chinese Brands ranking produced by Millward Brown. The third Chinese Billionaire Brand is rival dairy business Yili Group which produces ice-cream, milk powder, milk tea powder, sterilized milk and fresh milk under the Yili brand. Both Mengniu and Yili originated from Inner Mongolia, and have faced product quality challenges in recent years.



ABC Santos is the leading coffee brand in Indonesia, produced by Santos Jaya Abadi. Kapal Api and ABC are the company's two leading standard fresh ground coffee brands. ABC is the leading brand of mixed fresh ground coffee, and continually innovates by providing a variety of flavours. The most recently launched variant was ABC STMJ, a product which combines coffee with milk, egg, honey and ginger. The acronym STMJ stands for susu, telur, madu and jahe and is a popular traditional stamina drink in Indonesia.

As well as these local Billionaire Brands there are 23 local brands around the world reaching more than 500 million Consumer Reach Points: Roma, Tora Bika, Molto, So Klin, Energen, Sasa, Daia, Ekonomi and Sarimi in Indonesia; Lucky Me in the Philippines; Clinic Plus, Ghadi, Fair & Lovely and Tata Salt in India; Lala and Gamesa in Mexico; Wahaha, Shuanghui, Want Want and Bright in China; Almarai in Saudi Arabia and, finally, Oscar Meyer in the USA and Warburtons in the UK.

ECONOMIES OF SCALE

For the large brand owners, the consistency that comes with using the same name in every market brings valuable economies of scale – although the local heritage of some brands means keeping local names can be more appropriate. For example, Lay's is branded Walkers in the UK, and Tide as Ace in Latin America.

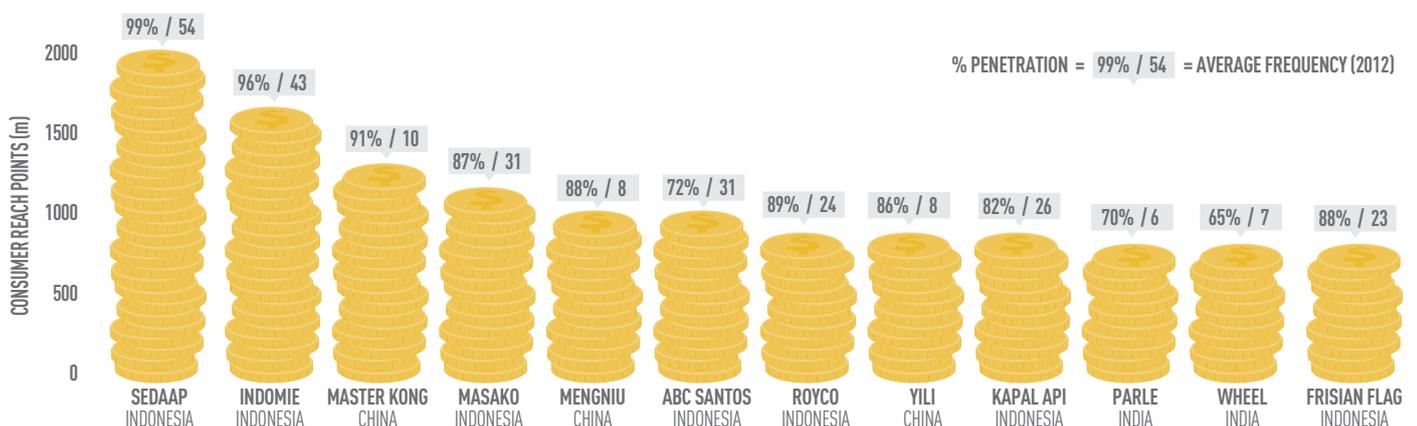


Availability in some emerging markets remains a challenge for global brands, which is why some manufacturers, such as Heinz, choose to acquire local brands.

Heinz has expanded its global footprint in the last 15 years through organic initiatives and its robust buy-and-build strategy to acquire and grow strong local brands. In 2005 it purchased HP Food Groupe from Groupe Danone for US\$852m which gave it the world's number one Worcestershire Sauce brand Lea & Perrins. In recent years it also bought an 80% stake in the Brazilian tomato-based sauces company Quero, and China's premium soy sauce manufacturer Foodstar. This deal included the Master Weijixian brand which was the premium soy sauce in China's southern region.

Heinz added 5m Consumer Reach Points in emerging markets in 2012, although most of its Consumer Reach Points growth did come from Europe.

LOCAL BILLIONAIRE BRANDS IN ASIA



TOP BRAND BY COUNTRY

*Consumer Reach Points (m)



SHOPPERS ARE LOCAL

To achieve significant household penetration locally a global brand must know its consumers intimately and not impose the brand's home culture on the local market.

There are many examples of where brands have got this right. For instance, Unilever has launched coconut ice-cream brands mixed with fruits and vegetables in China, while PepsiCo has asked consumers in local markets to devise regionally-inspired flavours for Lays/Walkers/Sabritas. These have included Tangy Carolina BBQ in the USA and Pickled Onion flavour in the UK, and in Greece consumers can choose a Feta Cheese flavour. Knorr produces local flavours for its instant soups: corn in Argentina and Brazil; mushrooms or fish soups in Spain.

Many international companies are choosing to create more consistency by having the same brand name in multiple countries, which means marketing activity is coordinated more effectively. Examples include P&G switching Oil of Olay to Olay, Unilever changing Jif to Cif and Mars renaming the confectionery brand Marathon as Snickers.

Non-food offers global manufacturers more opportunities in local markets. In Vietnam most of the non-food brands are global, which creates a competitive market and encourages

aggressive advertising activity. Top brands include Unilever's fabric detergent Omo (76% penetration) and its dishwashing detergent Sunlight (75%), and P&G's fabric conditioner Downy (53%).

People like to buy local, especially when it comes to food. In fact, consumers in many countries, such as France and Korea, can be staunchly loyal: we have seen Fleury Michon, and Amora among the top brands in France and Maeil, Shinramyun and Bulgaris in Korea.



THE LOCAL SCENE

Even the most fervent fan of global names still loves local brands, whose popularity is often linked to cultural references and a feeling of national pride.

In the UK, bread brand Warburtons is bought on average 23 times a year and has high household penetration, while the Walkers crisps brand, sold as Lay's elsewhere in the world, reflects the Brits' love of snacking.

In Mexico dairy brand Lala is one of a number of local milk brands in its top 10. Others include sister brand Nutri Leche, Alpura and Licsona.

In Colombia 68% of the top 50 main food brands in terms of Consumer Reach Points are local, with only two global brands in the top 10. Milk is an important category here too, with six of the top 50 brands belonging to local FMCG manufacturer Grupo Nutresa

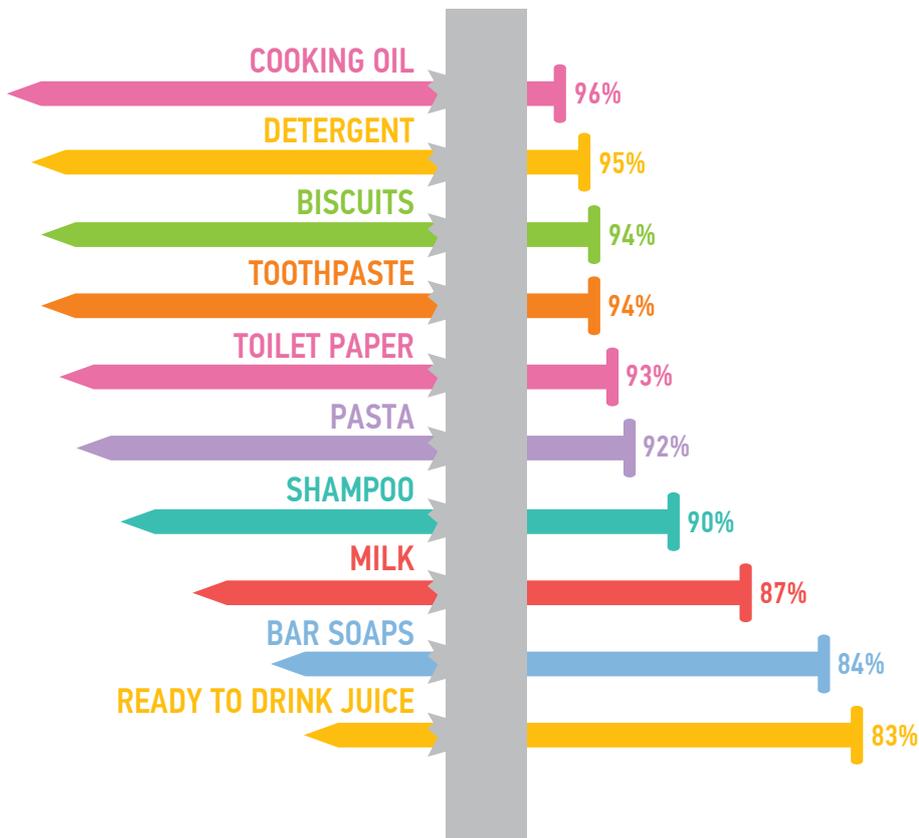
[Colcafé, Saltín, Doria and Comarrico and Ducales]. Coca-Cola is the first global brand in the local ranking.

Some strong regional brands have no intention of being global – they are successfully responding to and serving regional consumer tastes and trends. Powdered juice drink Tang, for example, has a 63% penetration in Latin America but reaches just 0.2% of European households.

CATEGORY WINNERS

TOP 10 CATEGORIES GLOBALLY WITH HIGHEST PENETRATION

1 point of penetration means a category is purchased by 8.2 m households.



The Kantar Worldpanel Brand Footprint global ranking comprises all the FMCG categories tracked around the world by Kantar Worldpanel, which includes those in beverages, food, health and beauty and home care.

The number one food brand globally is the Nestlé instant soups, stocks, noodles and sauces brand Maggi (1.6bn) which has achieved a Consumer Reach Points growth rate of 4% and now bought by 27% of households. Colgate is the top-ranked health and beauty brand and P&G's Tide (1.1bn) the highest placed home care name. Its commitment to innovation included the launch last year of premium Tide Pods.

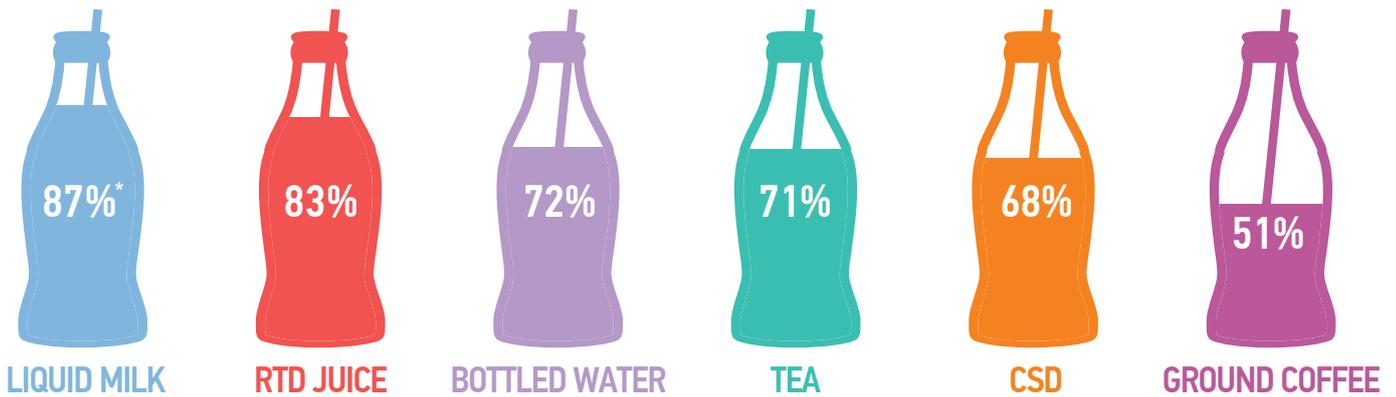
Kantar Worldpanel's Brand Footprint ranking also reveals how a brand can achieve high penetration and sales without a high presence in western markets. The Japanese cooking seasoning brand Ajinomoto (890m) is number 19 on the global ranking yet reaches virtually no households in Europe and just 2.6% in the USA. Although in the USA it is growing at 20%, demonstrating the brand's future potential.



BEVERAGES

TOP BEVERAGES CATEGORIES GLOBALLY BY PENETRATION

*Global penetration % 2012



Beverage brands benefit significantly in the Kantar Worldpanel ranking because in most countries they are in a frequently purchased category or consumed by the majority.

Products measured are powdered juices, carbonated soft drinks (CSD), ready to drink juices, waters, all types of milks and hot beverages such as tea and coffee.

Powdered drinks are a phenomenon in emerging regions. Brands such as Milo, Nesquik, Nescau, Nestea, Ovaltine and Tang are very popular, especially among households with kids aged 4 to 12. Fruit juice in powdered format is much cheaper per volume and can be stored in the cupboard. It is also available in sachets or sticks, and has a wide range of local flavours such as passion fruit in Brazil and added benefits such as vitamin C for children. The category is so well developed in Latin America that there are a number of established competitors such as Zuko, Arcor and Clight.

The fact that fruit-flavoured drink Tang is the fourth biggest global beverage brand despite only reaching 13% of households demonstrates the size of its customer base in the markets where it performs strongly. It is number nine in the all-brand ranking in emerging markets and number five in Latin America, yet it is not present in Europe's top 50 and is therefore outside the Top 50 ranking for developed regions overall. It is extremely popular in Brazil, Philippines, Venezuela, Mexico and Argentina and the brand is growing by developing a variety of flavours to suit local preferences.

Only Coca-Cola, Nescafé and Pepsi are ahead of Tang in the global ranking for beverages, yet these global brands face challenges. Coca-Cola, for instance, is only at number eight in Asia. In many countries the carbonated soft drinks (CSD) category is larger outside of home, which means brand awareness is high even if Consumer Reach Points rates are relatively low. India is one country where out of home purchases are strong but where rural penetration is very low. Flavours and pack sizes drive CSD sales in India.

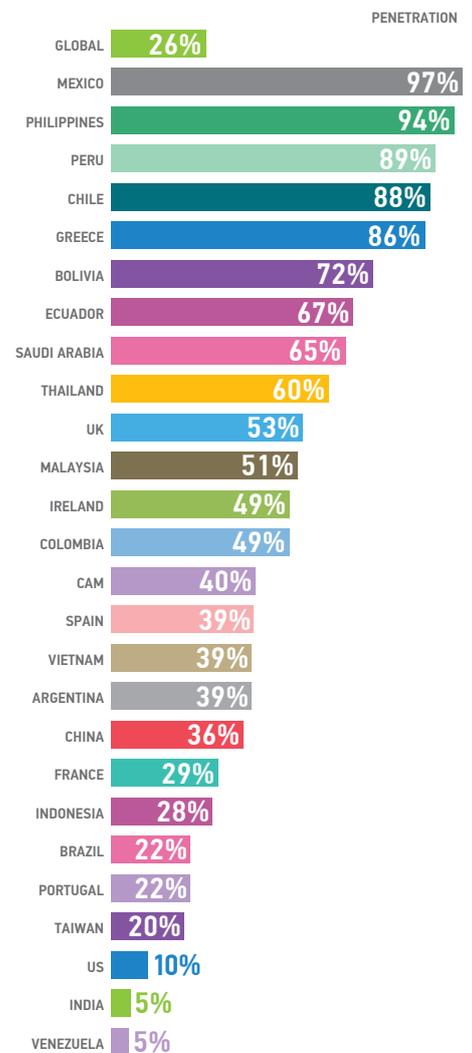
Cans are very small, with bottles preferred on the go.

CSD is very important in Mexico where consumption is second only to the USA, with Coca-Cola the top brand by far. Consumers prefer it to water or juice and Coca-Cola's efficient distribution network means it is available in even the smallest towns and villages. Coca-Cola is also a brand icon in Colombia, but is facing on-going aggressive marketing by its rivals, including brands such as Postobon. With 82% penetration it is Colombia's largest soft drinks maker, achieving annual sales of US\$1.1bn, and has a number of popular soft drinks including a cola.

For Nescafé, 90% of its Consumer Reach Points are in emerging markets – 60% of those in Asia. Interestingly, Nescafé is declining in some of its core markets such as the Philippines where the instant soluble market is falling and mixes (three in one) products are proving popular – in general consumers are now buying less coffee by making fewer trips. A number of local competitors are also on the rise, such as Kopiko and Great Taste, and this has hit the brand which is still heavily reliant on Nescafé Classic.

In the USA the coffee category is rising in penetration and frequency, but it is being driven by single cup coffee. Instant coffee has less than 25% penetration and is declining. Nescafé has the number one instant coffee (regular plus decaf) and the brand is challenged by the consumer trend for more single cup coffee. Nestlé does enjoy some other successes in the global Brand Footprint ranking with its chocolate and malt powder drink Milo (ranked 23 in the Top 50), which is growing well in the Philippines where it has attracted 9.6m more Consumer Reach Points.

NESCAFÉ'S PENETRATION BY COUNTRY



TOP 10 FOOD BRANDS GLOBALLY



FOOD

The number one food name globally is Maggi – the Nestlé brand of instant soups, stocks, sauces, taste enhancers and noodles – which is the sixth biggest brand (1.6bn) overall achieving a Consumer Reach Points growth rate of 4% as it reaches 27% of households.

It added 65m Consumer Reach Points in 2012, with its highest growth in Asia.

In Latin America its penetration rate is almost 60%, although it lost 24m Consumer Reach Points mainly due to a sharp decline in Colombia and Chile. Its instant noodles are a big hit in India, but the brand has weaknesses in the USA where its reach is only 4.8%, although its Consumer Reach Points growth rate is a healthy 11%.

Not surprisingly, innovation has played a part in Maggi's growth. Launches have included Maggi Liquid Seasoning in China, Maggi low fat noodles in Malaysia and the launch in India of Maggi Vegetable Atta, a wholegrain noodle with real vegetables.

Another rising food brand is Bimbo, which is achieving a Consumer Reach Points growth rate of 6%. This bakery brand is the sixth highest ranked food brand and has the second highest frequency in the sector, purchased on average 14 times a year. This is a brand with a strong presence in Latin America where frequency is 23. Its Consumer Reach Points growth in the USA is an impressive 10%, and in China 8%.

Evolving breakfast eating habits in many emerging markets is encouraging growth in many cereal brands. If the umbrella brand Kellogg's was treated as a single brand it would take number six position in the ranking with over 1.5 billion Consumer Reach Points

as well as being bought by more than one fifth of households. In Korea cereal has moved from being a substitute for a breakfast meal to being eaten as part of a healthy lifestyle, and this has helped sales of Kellogg's Special K. Kellogg's is also seeing brand penetration rise in Brazil where consumers are getting used to eating cereals for breakfast. There is still plenty of room for growth, as umbrella brand Kellogg's penetration in Asia and the Middle east is only 2%. Clearly, the goal is to get closer to the levels of developed markets where we see 82% household reach in the USA and 71% penetration across all developed markets.

Local attitudes are having an impact on how the yoghurt category is perceived. In Brazil yoghurt is the top category with 6% Consumer Reach Points growth, and consumers are buying the products more often. They are being tempted by new flavours, such as tropical fruits, and new segments including Greek-style and soya-based yoghurts.

In China, where yoghurt is seen as a gift and a premium product, Yakult and Weichuan are the top two fresh yoghurt brands with yoghurt drinks proving increasingly popular as a way to aid digestion and improve metabolism. In many countries, such as Korea, the category has expanded in recent years with drinking yoghurts and lactic acid yoghurts joining traditional spoon-eaten yoghurts.



HEALTH & BEAUTY

Local brands dominate the food ranking in many countries, but the global giants often lead the way in the health and beauty category.

Health and beauty brands account for 21 of the global Top 50 Brand Footprint ranking, and in Asia it is 20. In Europe there are still more food brands than health and beauty, which offers some insight into the variety of different cultures and attitudes outside of Europe when it comes to eating and cooking.

Colgate-Palmolive has the top two brands in this category, with Colgate and Palmolive performing consistently well in all territories. Palmolive is ranked 12 out of all brands globally. Both brands are trusted around the world and this trust is translating into household penetration and sales. Palmolive soap has been around since the 19th century and the brand has extended into shower gels, hand washes, bath foam, haircare and men-specific products.

Unilever's Dove, Lux and Lifebuoy are moving in different directions in the ranking but Unilever is benefiting from changing personal care purchasing habits in emerging markets as evidenced in increasing number of households building bathrooms. The growth in skin cleansing and deodorants is helping sales of Dove. Penetration of deodorants and antiperspirants will continue to grow – it is currently only 41% globally, mainly due to low acceptance in Asian countries.

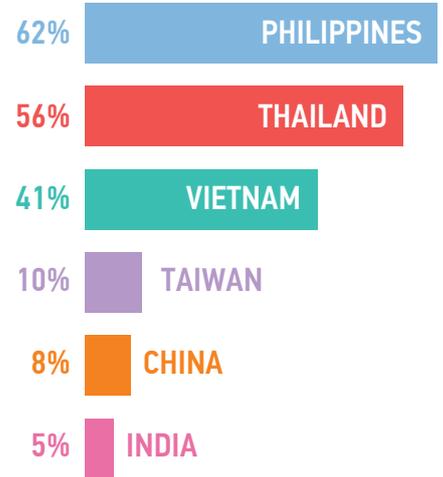
The anti-germ soaps market is seeing a boost after various regional health scares and campaigns on disease prevention. This segment targets mothers with kids, and there are lots of brands available. Lifebuoy, found in 32% of homes and with a Consumer Reach Points growth of 1%, is making hygiene products such as soap accessible in many emerging markets. It aims to change the hand washing habits of one billion people by 2015. Today the Lifebuoy brand is more than the classic red bar of soap launched in 1894. There are many soap variants and body washes, as well as liquid hand washes and hand sanitisers.

P&G's largest global personal wash brand is Safeguard which was first launched as a bar of soap in 1963. Its Consumer Reach Points growth is 2%, and the brand is also available as a bodywash, liquid hand soap and hand sanitiser. It is sold in more than 15 countries and has a market leader position in China and the Philippines. In Mexico the brand is sold under the brand name Escudo, and is very popular, with growth of 4%.

Shampoo has 90% penetration globally and is a relatively frequently purchased category. Easy entry through sachet formats has helped brands such as P&G's Head & Shoulders increase penetration in Asia and Latin America. Head & Shoulders achieves the highest Consumer Reach Points growth (7%) in the shampoo category; it is the sixth highest haircare brand and 24th overall in the ranking. The brand added 48m Consumer Reach Points globally with 57m in emerging markets. Head & Shoulders Classic Clean Shampoo is the biggest selling shampoo in the USA, and around the world the brand is using different marketing strategies for men and women, targeting male users with sports messaging. Its growth in emerging markets is 9% as Asian consumers with darker hair become more aware of dandruff control. The male shampoo market is growing in Asia too as other brand owners target men with products such as Unilever's Clear Men and Dove Men.

P&G's haircare range Pantene, which has been a billion dollar brand since the mid-nineties, is a concern for P&G as it has seen its Consumer Reach Points rating fall by -19% in the USA and by -14% in Europe (8m), and it is flat elsewhere. Its healthiest household penetration is in Latin America (35%). P&G has attempted to kick-start the brand on a number of occasions, and may have to again in 2013.

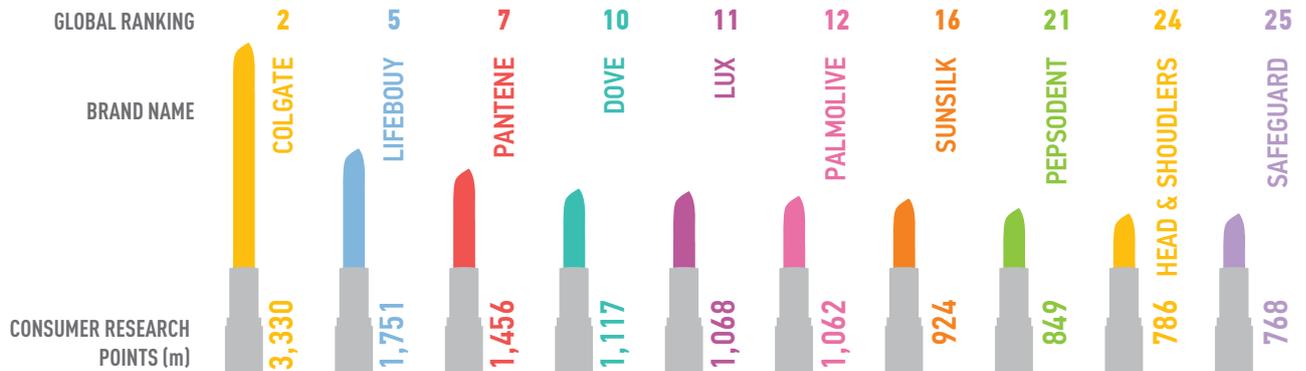
DEODORANTS HAVE ROOM FOR DEVELOPMENT IN ASIA



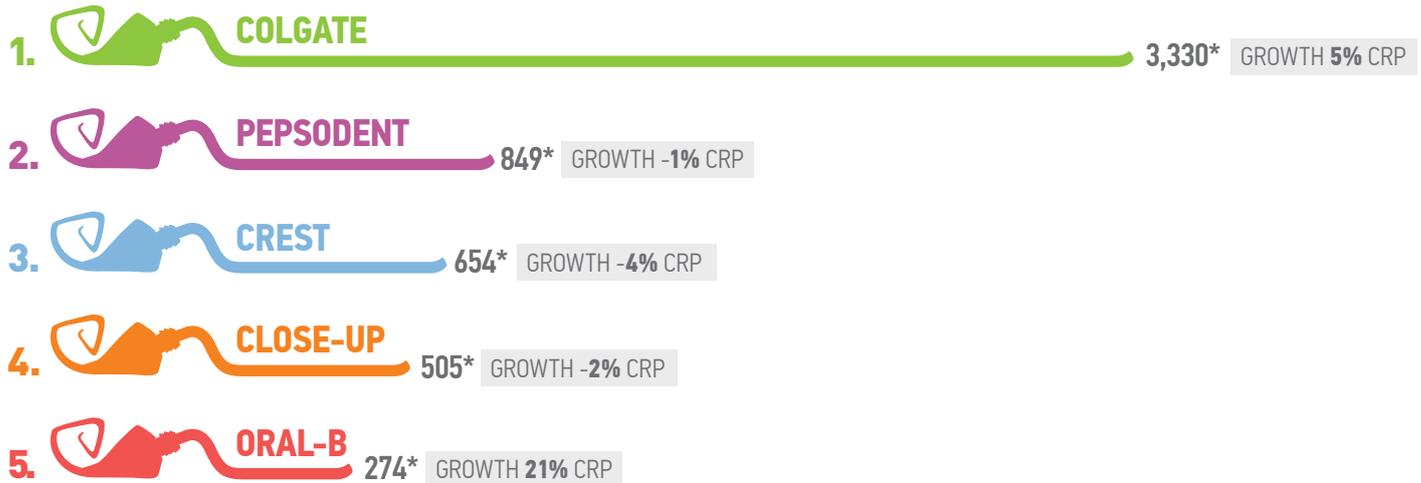
% Penetration 2012



TOP 10 HEALTH AND BEAUTY BRANDS GLOBALLY



TOP 5 ORAL CARE BRANDS



*Consumer Reach Points (m)

CASE STUDY ORAL CARE

The gradual increase in penetration and consumption within the oral care category has helped Colgate attain the number two position in the global Brand Footprint ranking, achieving 3.3 billion Consumer Reach Points and entering more homes (65%) than Coca-Cola (44%).

The brand has successfully expanded to different products in the oral care market, and is achieving an annual Consumer Reach Points growth of 5%. Colgate gained 158m Consumer Reach Points, exclusively from emerging regions. Its penetration levels are very high, even reaching 100% in Venezuela where its Consumer Reach Points growth is 4%.

Innovation is crucial to Colgate's brand performance, with recent launches including Colgate Total Pro Gum Health and Colgate Sensitive Pro-Relief mouthwashes, and the Colgate 360° battery toothbrush. Where Colgate toothpaste has a high penetration, it tends to focus on premiumisation or upsizing. The brand has over a third market share in the USA, driven by strong sales of Colgate Optic White toothpaste, for example (Source: Colgate Q3 2012 Results). The brand is also winning manual toothbrush sales internationally with products such as the Colgate 360° Total Advanced and Colgate Extra Clean brushes.

In Latin America the brand is at number two, and is increasing toothpaste sales in Brazil and Chile with Colgate Luminous White and Colgate Total Pro Gum Health.

In Europe the brand faces fierce competition from private label, and sits outside of the Top 10 in the ranking – however, it reports steady growth and is still the highest-placed health and beauty brand. Across the developed markets Colgate is at number nine, although only at number 19 in the USA.

Future opportunities for the brand to grow its global reach will come from China where the brand has toothpaste, manual brushes and mouthwashes. In 2012 Colgate launched Optic White in China with an advertising campaign featuring actress Solenn Heussaff, and this boosted awareness and sales. The use of toothpaste in China is becoming more frequent, and consumers are beginning to look for extra value such as whitening and sensitive variations. Shoppers are willing to pay more for product benefits like these – but currently the unit price for Sensodyne from GSK is five times higher than for mainstream Colgate toothpaste.

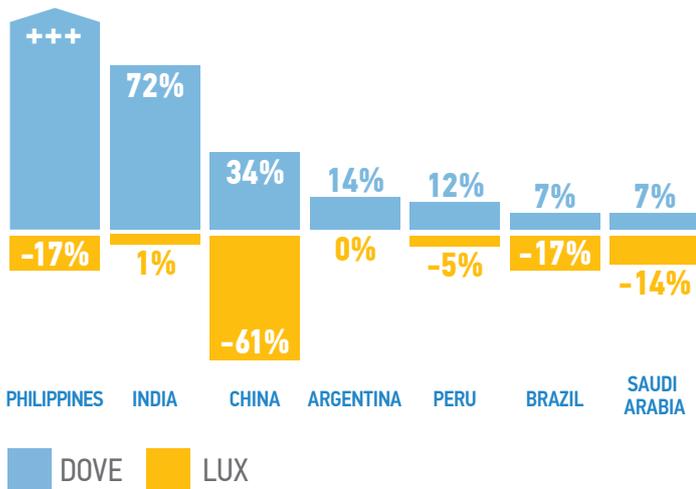
Colgate may also find more competition from P&G's Crest brand, which is at number 27 in the global ranking although its penetration is down in China. Its growth rate is -4% so P&G is heavily promoting the brand, particularly its mouthwashes. P&G is also aggressively grabbing market share in Latin America. P&G has seen huge success globally with its Oral-B brand of manual and power toothbrushes for children and adults. The brand is number 5 in its sector, and its Consumer Reach Points growth is an impressive 21% – driven by entry into the toothpaste market. P&G has identified huge potential for Oral-B toothpaste in Brazil, where the company says sales and reach are exceeding expectations. It seems Brazilians are increasingly willing to pay for premium products in the oral care sector.

India is one of the key emerging territories to benefit from Colgate's successful global marketing initiative Oral Care Month. The campaign, a partnership with the Indian Dental Association, is designed to boost awareness of oral health and covers six Indian cities. It is working: Colgate achieved the number one position in Brand Equity's Most Trusted Brands in India survey.

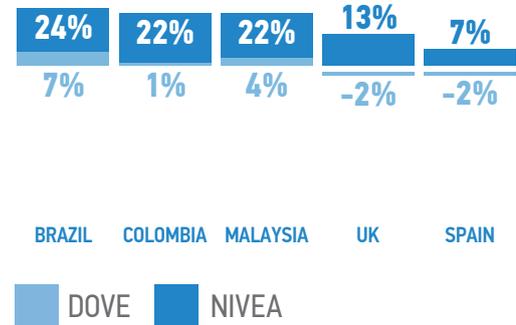
Other competitors closing the gap on Colgate include Unilever's Pepsodent toothpaste, which is growing brand awareness and sales in India, the Philippines and Indonesia where it is the oldest and most well-known toothpaste. The brand, number two behind Colgate in this category by Consumer Reach Points, has an active schools education programme in Indonesia and helps to fund free dental check-ups.

Asia is the main contributor to Colgate's growth, accounting for 82% of its gain in Consumer Reach Points.

DOVE v LUX CRP GROWTH RATES



DOVE v NIVEA CRP GROWTH RATES



CASE STUDY

DOVE VERSUS LUX

While Dove is in the Billionaire Club and enjoying double-digit growth, its sister Unilever brand Lux risks falling out of the group, experiencing a 10% decline.

Asia is the region with the highest number of Consumer Reach Points for Dove, and the main business contributing to this is haircare. In the Philippines and India Dove's haircare products are available in sachet format, making them accessible to a lot of consumers. Dove haircare is also driving Consumer Reach Points in Latin America. In China and Brazil the growth in Consumer Reach Points can be explained by the launch of Dove Nourish and Oil Care at the end of 2011. In Brazil, Dove added a Hair Fall variant to its portfolio in 2012.

Investment in innovation is central to Dove's success. The roll-out of Dove Men+Care is one example, and the brand has extended across different products. Its Dove Damage Therapy shampoo is driving growth across many markets, as is its body wash Dove Nutrium Moisture and the Dove Purely Pampering range, which has been widened to include hand and body.

Dove's footprint has strengthened in India, the Philippines, Argentina, Peru, Saudi Arabia and Brazil, where Dove Curls haircare products are extremely popular. The brand added 188m Consumer Reach Points in emerging markets. **Dove is present in growing markets like deodorants and skincare, where Lux is not.** Dove has bet on a men's range (Dove Men+Care) while Lux remains a brand for women or for the family. In India Dove is a premium brand, but penetration

has been strong because of Unilever's decision to introduce smaller 50g pack sizes for products such as Dove Face Wash - Go Fresh. In the Philippines, Dove is one of the fastest-rising brands thanks in part to the launch of shampoos and conditioners.

Lux was the first mass market beauty soap, launched in 1925, and remains the best-selling soap bar in the world. At 40% it still has a higher global penetration than Dove (34%) and it could stay in the Billionaire Club if its success continues in emerging markets, where washing habits are changing and consumers are building more bathrooms in their homes or building new homes.

In many markets Lux is mainly a skin cleansing brand and, unlike Dove, is viewed as a value proposition that drives category penetration and gets consumers interested in the market. It plays strongly on celebrity endorsement and beauty, and once consumers have bought into skin cleansing they tend to trade up to Dove which is a premium proposition. Lux remains the biggest skin cleansing brand in Asia and is big in Latin America, as shown by its Consumer Reach Points in these markets.

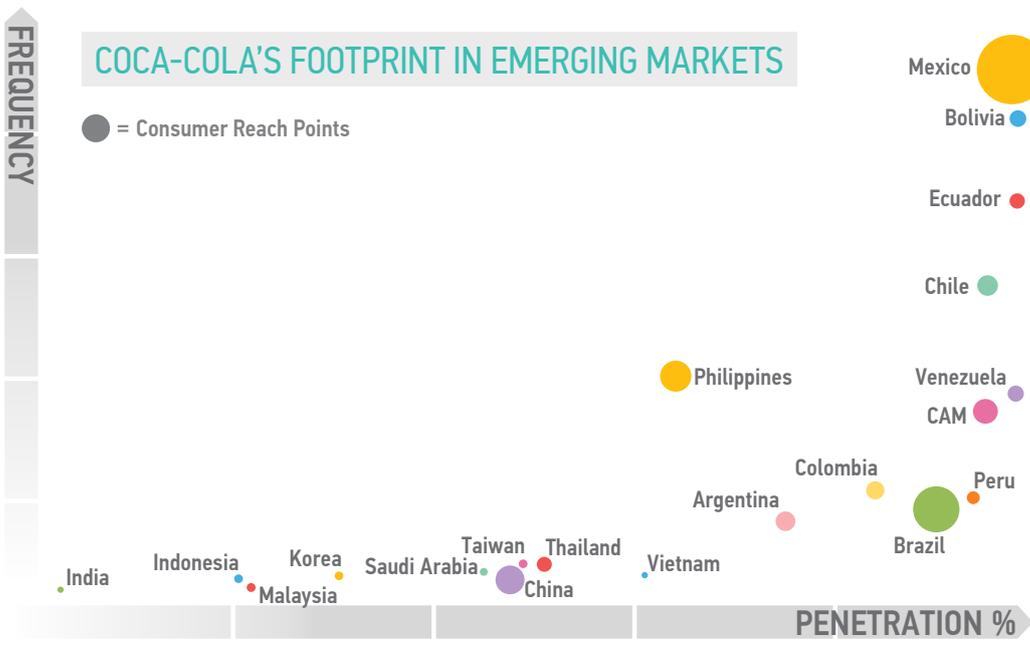
The decline in Lux's Consumer Reach Points is mainly driven by China, Brazil and Thailand. In Brazil and Thailand we see an increasing number of consumers moving to liquid soap, but Lux is

underperforming in this segment. Unilever does describe Lux's growth in emerging markets as 'broad-based' (it ranks at number nine across these territories) following a successful relaunch backed by strong advertising, improvements in quality and the use of fine fragrances.

Europe and developed regions are not a focus for the brand, where it does not even make the top 50. Dove is at number 11 across all developed markets.

Nivea on the other hand competes strongly with Dove and is growing 3% globally. Despite being a smaller player than Dove, Nivea is catching up at a faster pace than Dove in geographies like Brazil, Colombia, Malaysia, UK and Spain.

Lux still has the 11th highest Consumer Reach Points in Asia, ahead of Dove, which stands at number 24 in the region's Top 50 ranking.



EMERGING MARKETS

Global brand owners know there are billions of new consumers eager to enter their markets and buy branded products for the first time.

Over the next ten years the world's population will continue to boom with the majority of growth in developing markets. During that same period the world's middle class will also grow significantly - almost exclusively driven by developing markets. This offers clear opportunities to manufacturers and their growth strategies.

Coca-Cola has emerging markets to thank for much of its recent sales growth, with business brisk in Asia and Eastern Europe. Its Consumer Reach Points growth in emerging territories is up 7% (gaining 230m Consumer Reach Points) and the brand now reaches 37% of households, with the average frequency of purchase now 16 times a year. This compares with 15 times globally. Its success in emerging markets is driven by Latin America, where mature market Mexico continues to develop with a phenomenal frequency of 84. This comes at a time when volume sales of the brand in Europe are falling.

In Mexico one quarter of FMCG expenditure is in the beverages category, and half of this goes on sodas. This category prompts shopping trips to convenience, discount and traditional stores where impulse shopping is popular. The regular versions of sodas are the most developed in Mexico, with the diet segment very small, accounting for less than 5% of the volume. It is also worth noting that the price of sodas has increased and, with a budget to stick to, households are buying bigger sizes to get a better price per litre, which results in the purchase of fewer units per trip.

Unilever is also toasting success in emerging markets, particularly in haircare and personal wash. Dove, which sits at number 20 in the emerging markets ranking and 10th globally, is the star brand

with Dove Damage Therapy haircare a particular success. Heinz expects its sales in emerging markets to approach 25% in its latest financial year.

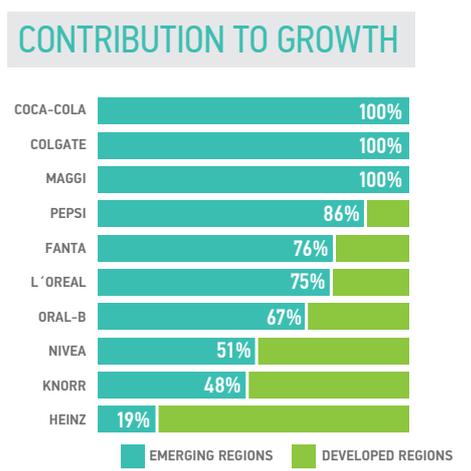
The number two ranked brand, Colgate, has a healthy 67% penetration in emerging markets, even higher than its global figure (65%). The brand is dominant in the key emerging countries of Brazil, India and China. A key opportunity remains for the brand in Indonesia and Korea where Colgate is not currently distributed, despite a few retailers importing this popular brand.

Manufacturers need to understand the different consumer segments in particular countries where a younger and increasingly wealthy population is changing its diet and household habits. Much of the growth is coming from the major and second tier cities, but rural areas are gradually getting a taste for global brands too as consumers' product and media consumption changes. The biggest challenge for brand owners is often effective distribution.

Pack size and the launch of different variants is encouraging trial. In the Philippines, sachets of shampoo and toothpaste and the multi-purpose use of soaps, backed by heavy advertising, is boosting the personal care category.

In China consumers now expect more choice. They still have deep relationships with local Chinese brands, but are tempted by foreign brands' fame and image. Big brands are also benefiting from a lack of consumer trust in local brands, which must often convince shoppers their products are safe. Many local manufacturers are forming alliances with international brands to rapidly achieve best practices.

Ultimately, global brands must keep up with evolving tastes and attitudes. This includes understanding a region's history, re-defining quality, marketing to shoppers' requirements to buy more 'essentials' and ideally identifying a niche.



Emerging markets are a key driver of growth for 93% of the growing brands in the Top 50 ranking.

BRAZIL



Average incomes are growing and unemployment is falling in Brazil, with consumers and brands excited by the economic benefits the 2014 FIFA World Cup and the Rio 2016 Olympics should bring.

Lower classes are powering consumption as they access more categories.

Despite this, the FMCG basket fell in 2012 due to frequency decreases and rising prices with many categories, including health and beauty, moving towards a premium offer.

The four biggest Consumer Reach Points categories are bread, carbonated soft drinks (CSD), biscuits and milk. Frequency decreases were seen in bread and CSD. Yoghurt is the fastest growing Brand Footprint category, up 6%. Cakes and breakfast cereals are also growing their household penetration, as is water – thanks

largely to the launch of Bonafont from Danone, larger pack sizes and soy-based beverages where the trend is to add fruit.

About 70% of the biggest Consumer Reach Points food brands are local (this is 50% for non-food), but Coca-Cola is the largest brand overall because of its strong distribution network which reaches even the most remote regions. However, its sales are down as the CSD category contracts and local soft drinks brands and Coca-Cola's sister brand Fanta gain share.

The brands which embrace innovation are growing. The fruit-flavoured children's powdered juice drink Tang, for instance,

has increased its frequency and penetration in Brazil with new packaging and flavours: Tang Tangolé has two flavours in one pack which can be mixed.

Food producer Perdigão and protein producers Sadia are now part of joint company BRF (formerly Brazil Foods) which is well positioned to take on the global brand owners.

In non-food, Procter & Gamble is aggressively advertising its brands Pampers, Pantene and Ariel, while Unilever is investing more in the haircare category.

CHINA



The money average Chinese households had to spend in 2012 rose by 10% in a year, while the value of the FMCG market went up 14%.

The brands performing well are not only achieving a high reach in traditionally strong areas such as Shanghai and Beijing, but also from the largely untapped central and western regions, as well as lower-tier cities.

Penetration for online shopping in China is approaching 25% (it was 18% the previous year), and as the logistics and e-commerce models improve more FMCG products will be purchased online. Top Consumer Reach Points categories include milk (fresh or not), bread, instant noodles, biscuits, confectionery, sausage, fruit juice, laundry detergent and female skincare. China will become the world's biggest packaged food and beverage market thanks to a rising desire for convenient, affordable and healthy choices.

The growing middle class and high income young consumers have led to strong new categories such as butter/margarine, energy drinks, infant milk powder, facial tissues, toothbrushes and moisturising and cleansing wipes. The fastest rising brands this year include Hershey's, which has invested heavily in TV advertising; Ferrero, which is grabbing gift sales; Yakult and Weichuan in the fresh yoghurt drink category, and the herbal skincare brand Inoherb.

New products helped well-known Chinese moisturiser brand Pechoin grow its household penetration in 2012. Other local brands reaching more homes are botanic and herbal toothpaste brand Yunnan Baiyao and tissue and paper brand Vinda. P&G is stealing a march on its rivals in China with strong relationships with retailers and intensive in-store promotions. The Vidal Sassoon haircare brand performed well thanks to its premium price and clear fashion equity. Another P&G brand growing its penetration and average spend per household in China is Safeguard, at number 25 on the global ranking.

INDIA



FMCG is the fourth biggest sector in the Indian economy – worth US\$13.1bn, it is expected to reach US\$33.4bn by 2015.

Each urban household buys around 23 categories each year; in rural areas this is 16.

Tea is the biggest Consumer Reach Points category, ahead of coffee in all regions except south India. Other categories with high penetration are hair oils (purchased by 88% of households), spices, wheat flour, talcum powder, insect repellents and skincare products.

The categories growing their Consumer Reach Points the fastest are soft drinks, purchased mainly during the summer and in large volume packs; hair colorants, where innovation is key with new products such as fast colouring Indica 10 from CavinKare; and Dentifrices agents, used more in rural areas to clean and polish natural teeth and available in smaller packs.

Among the biggest Consumer Reach Points brands are high frequency biscuit brands like Parle, Sunfeast (a biscuit brand which has extended into noodles and pasta), Priya, Tata Salt, Tata Tea and Brooke Bond. Only in south India does Brooke Bond have a higher consumer footprint than Tata Tea. Maggi, the Nestlé brand of instant soups and stocks, has launched a lower price point to target rural areas.

Non-food brands with high Consumer Reach Points include washing powders Wheel and Ghadi, shampoo Clinic Plus and toilet soaps Lux and Lifebuoy. The Indian marketing campaign for Lifebuoy Superfast Handwash won a 2012 Global Effie Bronze consumer products award. The judges liked its simple and innovative idea for encouraging children in a hurry to wash their hands. Dettol, which sneaked into the global ranking at number 48, has also launched a hand-wash dispenser which works on sensors that detect the hand and releases soap.

THE IMPORTANCE OF INNOVATION

INNOVATION REMAINS VITAL TO BRAND SUCCESS

Investment in research and development drives market share and profits even more in difficult economic times.

There is not a single brand in the Top 50 ranking that has not innovated in one form or another over the last year.

Colgate is the only brand to reach more than half of the world's households, so there is an opportunity for all brands to boost their Consumer Reach Points by continually innovating to encourage trial and raise awareness.

Innovation by global brands also helps to generate sales in local markets. By discovering new uses for their products, brands can enter new markets, broaden their household penetration and boost profitability – especially if some R&D creativity adds a new element whether it be convenience, health or premium related.

The heavy-duty P&G detergent Tide, at number 14 in the global Consumer Reach Points ranking, has had a strong history of innovation since its launch in 1946. Its brand extensions include Liquid Tide and Tide with bleach back in the eighties, and Tide Ultra Concentrate in the early nineties. In 2012 P&G launched Tide Pods, a premium product which has helped it grow its sales in a category in which price-sensitive consumers can be extremely fickle.

Umbrella brand Kellogg's aims for 15% of its net sales to come from innovation each year. It invests heavily in R&D across its cereal bars, crisps and crackers ranges through its sub-brands such as Nutri-Grain and Special K. It now has Special K Pop Corn Chips and Pringles seasonal cinnamon crisps, while Kellogg's Frosted Flakes Chocolate/Choco Zucaritas are now produced in bilingual packaging in some markets.

Spain and Portugal are seeing innovation in the coffee market, as consumers look to save money by moving the coffee bar experience into their homes. This has led to the launch of coffee capsules, for example Nestlé's Dolce Gusto coffee maker.

In the UK, new Nescafé Cappuccino has increased purchase frequency in the instant coffee market, while the breakfast cereals category is benefiting from a trend for hot cereals in traditional porridge and new instant formats where fruit, nuts and flavourings are added. In the snacks market, Lay's UK brand equivalent Walkers has continued to launch new variants and sub-brands such as Crinkle Cut, Deep Ridged and for the more health conscious, Baked Stars.

Coca-Cola and Pepsi have both trialled clever vending machines which engage consumers in their brands and provide data collection opportunities. Coca-Cola's Freestyle units, launched in the USA and now also in Europe, allow consumers to purchase brands including Coca-Cola and Sprite with added flavours such as vanilla or peach. PepsiCo has an interactive vending machine called Pepsi Touch which enables shoppers to buy drinks for their friends remotely via Facebook using a touchscreen.



PEPSI

Pepsi is rolling out a new shape for its 20oz (567g) bottle for the first time in almost two decades. The new bottle has a contoured bottom half that is designed to be easier to hold, and the wraparound label is shorter so more of the drink is exposed.



LAY'S

Lay's is letting potato chip lovers decide which one of three options will be its newest flavor. After trying them, fans could vote for their favourites through Lay's Facebook page, by text or through Twitter using the hashtags #SaveChickenWaffles, #SaveGarlicBread or #SaveSriracha. The flavor with the most votes will stay on store shelves.

NESCAFÉ

Nescafé Gold Crema is the latest addition to the Nescafé Gold Blend range.

The new product, said to deliver a layer of 'coffee crema', aims to provide a new smoother coffee for consumers to enjoy at any time of the day.

KNORR

Knorr recently launched a new product, jelly format gravy pots, following on the huge success of Knorr Stock Pots. The new product emphasises strong taste and flavour credentials as well as highlighting the easy-to-use format.

LIFEBUOY

Lifebuoy's liquid handwash has a special formulation that protects the user by removing 99.9% of germs within 10 seconds. Their new Color Changing Handwash contains tiny bead particles that release green colour when squished. When you've scrubbed your hands for about 10 seconds, the unique formula of the handwash changes its colour to green, signalling that it is ok to rinse. The association with Marvel's famous comic character "The Hulk" makes the brand's communication even more compelling for children.

BRAND FOOTPRINT FOOD FOR THOUGHT



The Kantar Worldpanel Brand Footprint report reveals some of the secrets to retaining and attracting new consumers around the world, and to being chosen again and again by consumers.

It demonstrates that brands with a consistent offer across many categories (such as Colgate and Dove), that launch new variants and formats, and which remain innovative as they expand their global penetration, will always grow their Consumer Reach Points and, subsequently, their sales.

Billionaire Brands

Thirteen global brands are being chosen by consumers more than one billion times in a year and so belong to the 'Billionaire Club'.

Successful brands offer a combination of being:

- Available
- Adaptable
- Across categories, channels and geographies
- Agile

Penetration is key

Penetration is key, and interestingly, only one brand in the world currently reaches more than 50% of the population, indicating huge opportunities for growth for most FMCG brands. In order to grow, brands have to expand their consumer base as well as look for ways to encourage more frequent purchases.

To grow Consumer Reach Points worldwide in 2013 and beyond, brand owners must focus on the largest developing countries and reach the most remote shoppers in markets such as China and Brazil.

Manufacturers must keep investing time and money in gathering local knowledge and adapting their packaging and product content. For example, successful food brands are introducing different flavours for varying consumer tastes, while in the health and beauty category the introduction of smaller pack sizes for toothpaste and haircare is increasing household reach and purchasing frequency in emerging markets.

It's not either local or global

This is not about switching people from local brands to global, because in reality consumers love both. Even the most fervent fan of global brands still loves to buy local names—especially when it comes to food, and particularly in

growth markets. In Brazil, for example, about 70% of the biggest food brands are local, including drinks brand Guarana Antarctica and instant noodles brand Miojo.

There are some local brands with an enormous 'footprint' in terms of the number of households they reach and how often they are purchased. As such, Billionaire Brands are not always global, in fact there are 12 brands, all Asian, that are reaching more than a billion local consumers such as Sedap in Indonesia and Master Kong in China. These underline the importance of the potential that is offered in large and growing populations.

Emerging markets key to growth

Emerging markets are a key driver of growth for 93% of the growing brands in the Top 50 ranking as global brand owners know that there are billions of new consumers eager to enter their markets and buy branded products for the first time.

The top-ranked manufacturers will always find new uses and new markets for their brands, and we expect to see more global manufacturers, as Heinz has done, purchasing successful local brand owners to grab a foothold in strategically-important markets.

Every brand with international ambitions can learn from the success of the 13 global giants with more than one billion Consumer Reach Points, and from the huge local and regional Billionaire Brands that will just keep on growing. These brands, such as the number one Coca-Cola, reach huge numbers of homes and are bought time and time again because they have found a place in the hearts of shoppers who cannot get enough of them or are discovering them for the first time. And with only one brand in the ranking with more than 50% penetration there are still plenty of opportunities for global brands to reach out to local consumers.

As leading providers of consumer and shopper insight we look forward to reporting on the progress of the Consumer Reach Points for your Brand Footprint in the coming year.

GLOSSARY OF BRANDS

Manufacturer	Brands	Ranking	Category
Coca-Cola Company	Coca-Cola	1	Beverages
	Sprite	20	Beverages
	Fanta	28	Beverages
	Minute Maid	43	Beverages
Colgate-Palmolive Company	Colgate	2	Health & Beauty
	Palmolive	12	Health & Beauty
Nestlé	Nescafé	3	Beverages
	Maggi	6	Food
	Milo	23	Beverages
PepsiCo	Pepsi	4	Beverages
	Lay's	9	Food
	Cheetos	32	Food
	Quaker	33	Food
	7-UP	47	Beverages
Unilever	Knorr	8	Food
	Surf	14	Home Care
	Dove	10	Health & Beauty
	Lux	11	Health & Beauty
	Lifebuoy	5	Health & Beauty
	Sunsilk	16	Health & Beauty
	Pepsodent	21	Health & Beauty
	Hellmann's	37	Food
	Close-Up	36	Health & Beauty
	Vim	41	Home Care
	Omo	42	Home Care
	Lipton	45	Beverages
	Clear	35	Health & Beauty
	Pond's	38	Health & Beauty
	Rexona	31	Health & Beauty

Manufacturer	Brands	Ranking	Category
Procter & Gamble	Tide	13	Home Care
	Head & Shoulders	24	Health & Beauty
	Pantene	7	Health & Beauty
	Safeguard	25	Health & Beauty
	Crest	27	Home Care
	Downy	22	Home Care
	Ariel	40	Home Care
	Olay	49	Health & Beauty
	Mondelēz International (previously Kraft Foods)	Tang	15
Oreo		17	Food
Bimbo	Bimbo	18	Food
Ajinomoto	Ajinomoto	19	Food
H.J. Heinz Company	Heinz	26	Food
Danone	Activia	30	Food
Johnson & Johnson	Johnson's	34	Health & Beauty
L'Oréal	L'Oréal	39	Health & Beauty
Beiersdorf	Nivea	44	Health & Beauty
Yakult	Yakult	44	Food
Reckitt Benckiser	Dettol	48	Health & Beauty
Kimberly-Clark	Kleenex	50	Health & Beauty



METHODOLOGY

What is Brand Footprint? Brand Footprint is a global research ranking by Kantar Worldpanel, revealing the most chosen FMCG brands across 32 countries. The ranking is based on a new metric, Consumer Reach Points, which measures a brand's strength based on how many shoppers are buying brands and how often.

Kantar Worldpanel has measured how many households purchased a brand at least once in 2012 (penetration) and the average number of times households bought the brand (frequency). These two numbers are multiplied to calculate each brand's Consumer Reach Points score. Kantar Worldpanel has also weighted the measurement by actual population to calculate the global reach for each brand.

DATA PERIOD

This report covers the period of 52 w/e October 2011 vs 52 w/e October 2012. Indonesia data is for 2012 only.

CATEGORIES

The ranking comprises over 200 FMCG categories tracked around the world by Kantar Worldpanel, including those in the Beverages, Food, Health and Beauty and Home Care sectors. The following categories have not been considered in the Brand Footprint ranking: fresh food, batteries, pet food, tobacco, diapers or alcoholic drinks.

MEASURES

The Consumer Reach Points measure is a combination of penetration and frequency, giving us the ability to measure each time a consumer chooses a brand. As such, two products from the same brand from two different categories chosen on the same occasion would be treated as two different reach points. For example, if a household purchased a Colgate toothpaste and a Colgate toothbrush on the same trip, Colgate achieves two reach points.



All the reported figures are in-home consumption figures only, and do not include out of home purchases. Health and beauty brands' penetration refers to the percentage of households buying the brands, not individuals.

BRAND DEFINITIONS

Brands listed in the Top 50 Global Brand Footprint are global brands; to be considered global each one must be available in at least two continents. The brands we've included in the regional rankings have a presence in at least two countries in the region. Local brands can be seen in country rankings on the microsite – www.brandfootprint-ranking.com

The definition of a brand does not include retailer brands.

Where brands have either a 'master' brand, or feature the 'manufacturer's endorsement' in the packaging, we have considered the 'daughter' brands separately as this is most prominent in the packaging – so Danone, Nestlé, Yoplait, Cadbury and Kellogg's brands are reported individually (i.e. Activia, Nesquik, Yop, Dairy Milk, Special K).

Brands listed in the Brand Footprint ranking include all variants, categories and formats within the defined brand. For instance:

- Colgate includes all Colgate toothpaste brands, toothbrushes, mouthwash, dental floss.
- Coca-Cola includes Coke Zero, Diet Coke, Coca-Cola Regular, Cherry.
- Fanta includes Fanta Orange, Fanta Lemon.
- Palmolive includes body wash, hand wash, shampoo, bar soap.

Manufacturer brands are not included in a brand's total. For example, Coca-Cola doesn't

include Sprite, Fanta, Schweppes, Relentless, Powerade, or Dr Pepper.

Brands with a name that has been directly translated into a local language are treated as one brand, because each of these is considered to be exactly the same brand in every other way – for example Mr Muscle and Mr Musculo (Latam and Spain). The data from each brand within the umbrella is combined to determine its overall Brand Footprint result.

Brands sold under different names in different countries are considered as individual brands, even though they are owned by the same manufacturer and use the same branding style in different markets:

- Tide, Alo, Vizir or Ace (P&G)
- Walkers, Elma Chips, Margarita, Sabritas and Lay's (PepsiCo)
- Cif, Jif, Vim, Viss (Unilever)
- Rexona and Sure (Unilever)
- Axe and Lynx (Unilever)
- Clear and Clinic (Unilever)
- Omo and Persil (Unilever)
- Downy and Lenor (P&G)
- BeceL, Flora, Promise, Primavera, Fruit d'Or, etc (Unilever).

If brands with different names that we have considered separately were combined, their position in the ranking would be improved.

Combining Local Brand Names

- 1 Tide + Ace (P&G)** would rise from #13 to #8 (1.3m CRP). Ace is mainly present in Latin America, where it is purchased by one in every two households.
- 2 Lay's + Walkers + Sabritas + Elma Chips + Margarita (all PepsiCo)** – all potato chips from Fritolay. Lays appears at #9, but if added together with local brands it would gain five positions and rise to #4 (1.8m CRP).
- 3 Rexona + Sure (Unilever):** Rexona stands at position #31. If combined with Sure it would be placed at #28 (646m CRP).
- 4 Vim + Cif + Jif (Unilever):** Vim stands at #41. If added together with Cif and Jif it would be #36 (0.5m CRP).

PANEL SIZE

We operate syndicated household consumer panels with samples of primary shoppers who provide a detailed view of products bought for the family across areas such as food, toiletries and cleaning products. We have a sample of over 400,000 households across the globe.

Argentina

3,500 households nationwide
(excl Patagonia)

Bolivia

950 households across 4 main cities

Brazil

8,200 households nationwide
(in cities over 10,000 inhabitants)

Central America

3,300 households across 6 countries
(in urban and rural cities over 20,000 inhabitants)

- Costa Rica
- El Salvador
- Honduras
- Guatemala
- Nicaragua
- Panama

Chile

2,000 households nationwide
(in cities of over 20,000 inhabitants)

China

40,000 households
(national urban)

Colombia

4,127 households across 27 cities

Ecuador

1,500 households across 2 main cities
and 2 main countryside regions

France

20,000 households nationwide

Greece

1,250 households nationwide

India

70,000 (diary) + bin + pantry check
(from IMRB International)

Indonesia

5,000 households representing urban
Sumatra, Urban Java and Makassar

Ireland

3,000 households nationwide

Korea

3,000 households nationwide

Malaysia

2,500 Peninsular Malaysia

Mexico

8,500 households
(in cities over 20,000 inhabitants)

Peru

3,800 households
(Lima and 13 other main cities)

Philippines

3,000 households nationwide

Portugal

4,000 households nationwide

Saudi Arabia

2,000 households nationwide

Spain

12,000 households nationwide

Taiwan

2,500 households nationwide

Thailand

4,000 households nationwide

United Kingdom

30,000 households nationwide

USA

85,000 active households
(from IRI)

Venezuela

2,300 households across 4 main cities

Vietnam

2,150 households representative
of the main urban centres

COUNTRIES

The ranking covers 32 countries from four continents (Asia, Latin America, Europe and North America). Regions are grouped by countries into Developed (Europe and USA) and Fast Growth (Asia, Latin America and Middle East) to get insights in both types of markets.

The universe of the 32 countries included in the report comprised 823 million households. This means penetration of 1% equals reaching 8,300,000 households.

Coverage in terms of GDP is 58% and 62% of the global population.

Emerging countries include all the above Latin America and Asian countries, plus Saudi Arabia.

Developed countries include USA and Europe.



India data supplied by
IMRB International.



USA data supplied
by IRI.

All information was correct at the time of publication.

Kantar Worldpanel reserves the right to make changes to the data and to the Report to ensure accurate representation of brands.



