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Master Kong is the Most Chosen Brand in China in Kantar Worldpanel Brand Footprint ranking

Local brands outpace global in China

(Shanghai, China, May 14th, 2014) –Master Kong is the Most Chosen Brand in China for the second year in Kantar Worldpanel's Brand Footprint ranking.

Master Kong is the only brand with largest shopper base being bought by more than 91% of households in China. It is also the brand purchased the most often, 9 times per year on average. It was chosen more than 1.3 billion times in the last year, a growth of 5.6%.

The Brand Footprint ranking reveals the brands that are being bought by more people, the most often in 35 countries around the world, across the food, beverage, health and beauty and homecare sectors. The report outlines the winning strategies that most successful global FMCG brands are employing as well as key global industry trends.

The state owned dairy company Bright added the most new purchases in the last year, expanding its reach by 40% to 487 million and shining a light on this rising star as one of China's Top 10 Most Chosen Brands. Bright has capitalized on the Chinese consumers' willingness to pay premium prices for products by offering international credibility with its Momchilovtsi UHT yoghurt from Bulgaria that enables it to overcome the barriers of limited availability of refrigeration units in more remote regions and lower tier cities.

While some global brands – including Oreo, L'Oreal, Knorr, Nescafe, Omo, Fanta and Lay's - derived most of their growth in the last year from China (as well as Indonesia and India), Asian brands still capture more than 75% of all brand purchases in China.

In fact local brands in Asia continue to outpace global brands in many ways. They capture more than two thirds (69%) of all FMCG purchases and have grown their reach by 3.1% in the last year compared to global brand growth of 2.6%. But it is in China where local brand growth is the fastest. They grew their reach by 7.3% in the last year, compared to 5.9% for global brands operating in China.

Jason Yu, General Manager China, Kantar Worldpanel says, "The brands in the Brand Footprint ranking are masters at making their brands matter to consumers. Their responsiveness to fast changing consumer trends across China is critical to their success. They continue to grow by solving functional needs while bringing significance, and a little luxury, to people's lives beyond mere consumption.
As Chinese businesses become more market-oriented they are leveraging their extensive knowledge of consumers' lives and acting boldly in response to local trends to establish a strong brand affinity."

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The 10 Most Chosen Brands in China revealed by Kantar Worldpanel's Brand Footprint study are:

Rank	Brand	Consumer Reach Points (Million)	Penetration %	Frequency of purchase	Consumer Reach Points Growth % 2013 v 2012
1	Master Kong	1,332	91,4	9,6	5.6%
2	Yili	1,063	88,5	7,9	13.6%
3	Mengniu	1,036	88,3	7,7	12.6%
4	Want Want	659	75,4	5,8	2.7%
5	Wahaha	550	69,9	5,2	-9.1%
6	Uni President	540	72,5	4,9	5.8%
7	Shuanghui	506	66,4	5,0	9.0%
8	Orion	489	62,8	5,1	10.6%
9	Bright	487	45,5	7,0	39.7%
10	Liby	394	69.4	3.7	1.3%

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Other brand and category highlights for China in the Brand Footprint ranking include:

• **A Thirst for Premium** – while shoppers in Europe and the USA remain cautious after a long period of economic gloom, Chinese shoppers are spending more on premium products because they can and love to. Food safety issues and increased disposable income are key consumer drivers for this trend. Categories such as beverages, cooking oil and personal care provide a clearly marked path for consumers to trade up to more advanced formats or add a new step to an existing regime, which has been quite common in oral care where consumers have moved from a two-step toothbrush and toothpaste daily care regime to a four step regime that includes toothbrush, toothpaste, mouthwash and dental floss. Chinese FMCG brands have responded to the desire for premium and luxury products and have been especially successful in the top tier cities where the consumption is already very developed.

• **Desire for a healthier lifestyle** – as Chinese middle classes expand, consumers are more aware and have more money to spend on their health and wellbeing. Many food and drink brands are leveraging the consumer desire for a healthier lifestyle introducing products with added health benefits and functions. Where trust in the safety of products such as milk has been shaken, consumers are prepared to pay more for quality.

• **Ecommerce energises Chinese brands** - and has played a critical part in the growth of the most successful brands. Although value sales through this channel remain relatively small in the world of FMCG, the fast growth in 2013 helped add incremental growth to the FMCG market as shoppers bought more expensive products online. Nearly a third (30%) of all FMCG purchases are now online in China, up from 18% two years ago. As e-commerce retailers expand their network and reach, Kantar Worldpanel expects more lower-tier cities to catch up to these high levels of penetration over the next few years.

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To access the full global, regional, country and sector rankings and a complete index of the brands included in the Global Top 50, please visit www.kantarworldpanel.com/brandfootprint

Brand Footprint Methodology

Kantar Worldpanel's Brand Footprint ranking covers 66 percent of the global population; a total of 956 million households across 35 countries, and 69% of the global GDP. It ranks the most chosen FMCG brands across over 200 FMCG categories across the beverages, food, health and beauty, homecare, alcoholic drinks, confectionery and nappies sectors. The ranking is based on an innovative metric created by Kantar Worldpanel called Consumer Reach Points, which measures every time a consumer chooses a brand. The data for this year's ranking was collected over the 52 week period between October 2012 and October 2013. All data relates to purchases that are brought into the home.

About Kantar Worldpanel – high definition inspiration™

Kantar Worldpanel is a CTR service in China.

We are the world leader in continuous consumer panels. Our global team of consultants apply tailored research solutions and advanced analytics to bring you unrivalled sharpness and clarity of insight to both the big picture and the fine detail. We help our clients understand what people buy, what they use and the attitudes behind shopper and consumer behaviour.

We use the latest data collection technologies best matched to the people and the environment we are measuring. Our expertise is rooted in hard, quantitative evidence – evidence that has become the market currency for local and multinational FMCG brand and private label manufacturers, fresh food suppliers, retailers, market analysts and government organisations. We are not limited to the grocery sector; we have a wide range of panels in fields as diverse as entertainment, communications, petrol, fashion, personal care, beauty, baby and food-on-the-go.

It's what we do with our data that sets us apart. We apply hindsight, insight, foresight and advice to make a real difference to the way you see your world and inspire the actions you take for a more successful business.

We have over 40 years experience in helping companies shape their strategies and manage their tactical decisions; we understand shopper and retailer dynamics; we explore opportunities for growth in terms of products, categories, regions and within trade environments.
Together with our partner relationships, we are present in more than 50 countries – in most of which we are market leaders – which means we can deliver inspiring insights on a local, regional and global scale. Kantar Worldpanel was formerly known as TNS Worldpanel.
For more information, please visit www.kantarworldpanel.com

About CTR

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