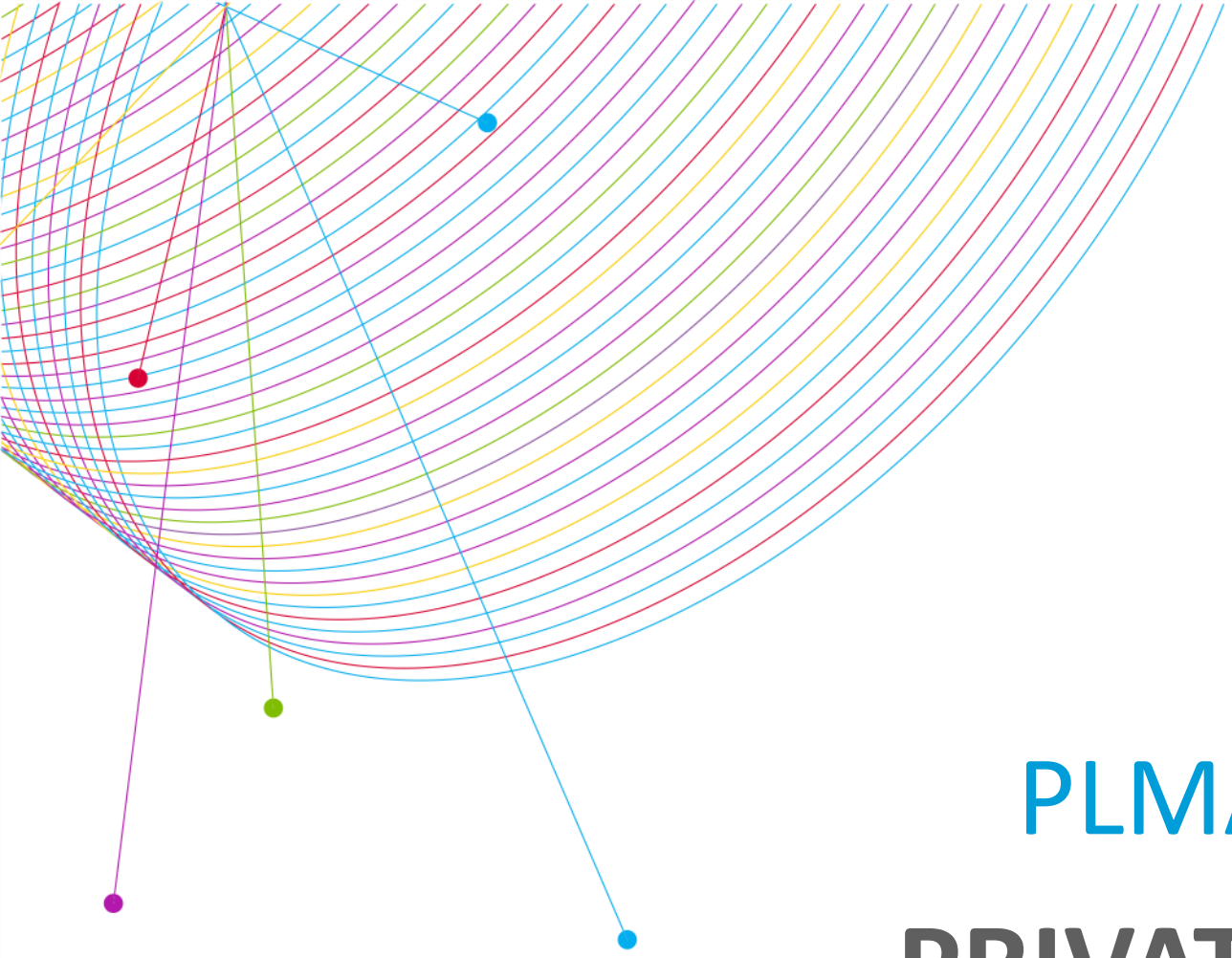


nielsen

PLMA 2014

PRIVATE LABEL LATEST TRENDS

Paolo Politi

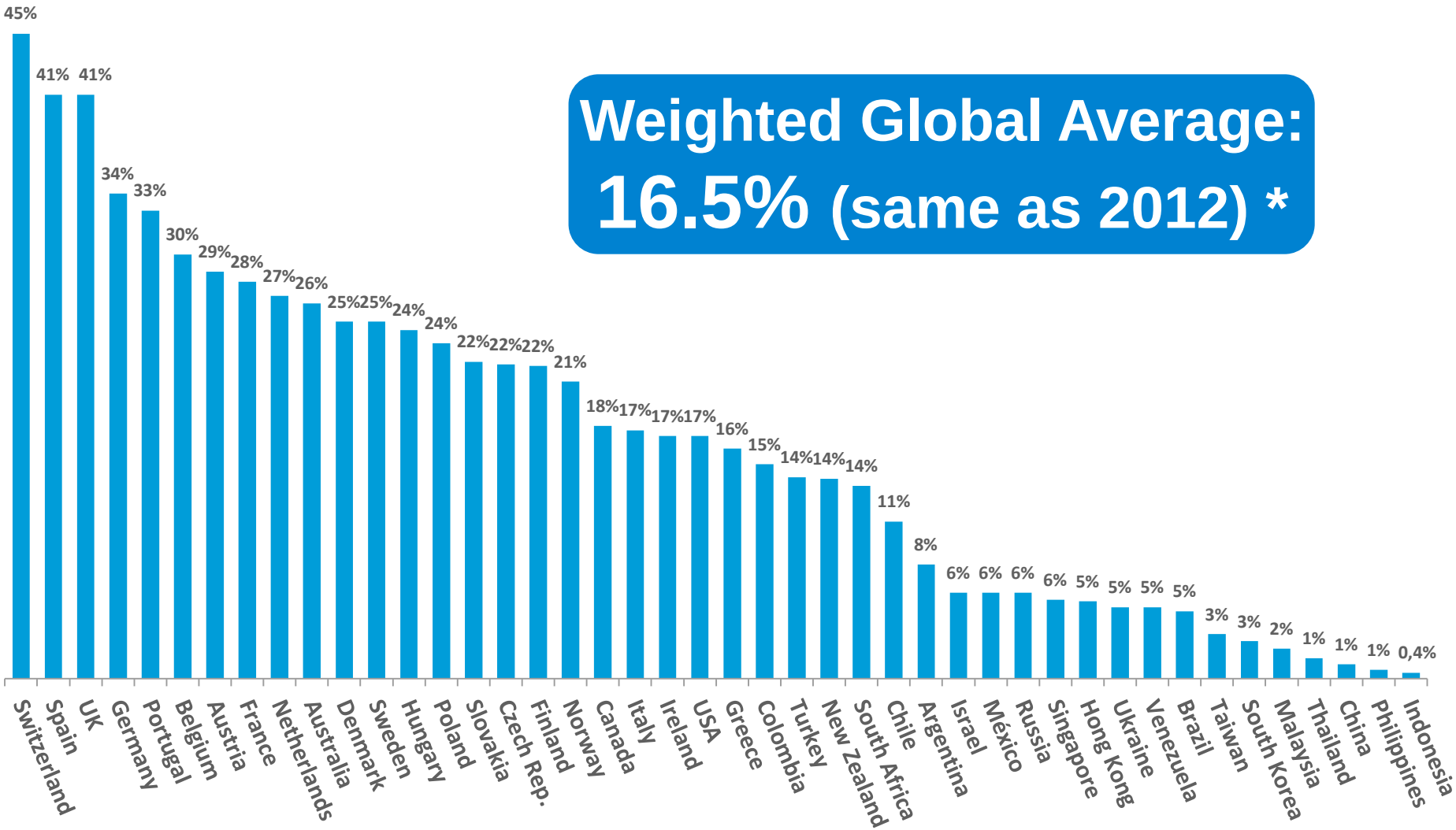
May 19, 2014

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

AGENDA

- Private Labels Market Share in 44 Countries (Global – 2013) and Market Share Trend (2013 vs. 2012)
- Private Labels Market Share in Europe 2005 – 2013 (18 Countries)
- Categories with highest Market Share and highest Growth
- Focus on Europe “Big 5” Countries: PL Price Positioning
- Latest Private Labels innovation trends

2013 PRIVATE LABELS VALUE SHARE IN 44 GLOBAL COUNTRIES

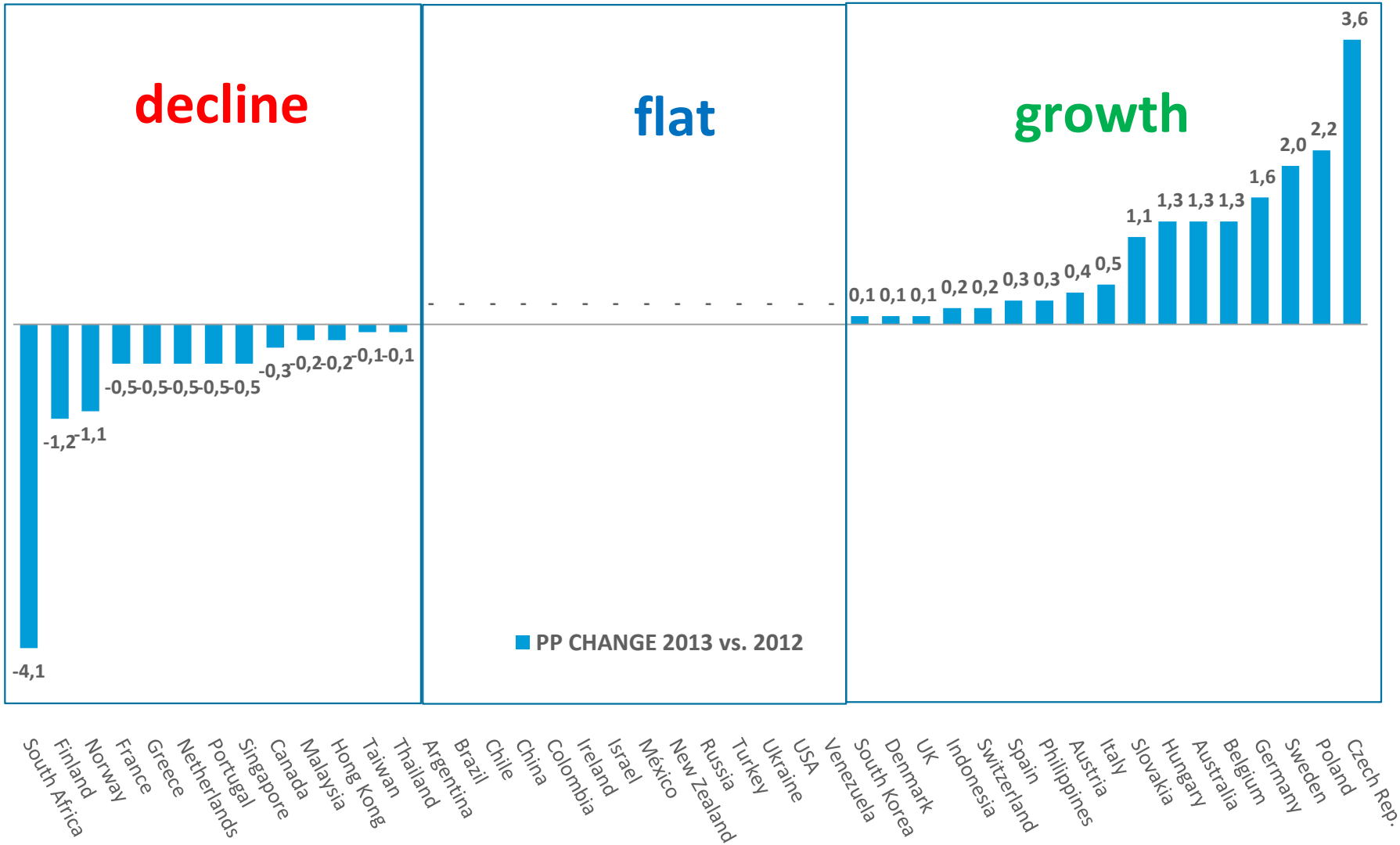


Weighted Global Average: 16.5% (same as 2012) *

**** Based on PPI corrected population*** *(US and China PL value share is flat)*

Copyright ©2013 The Nielsen Company. Confidential and proprietary.

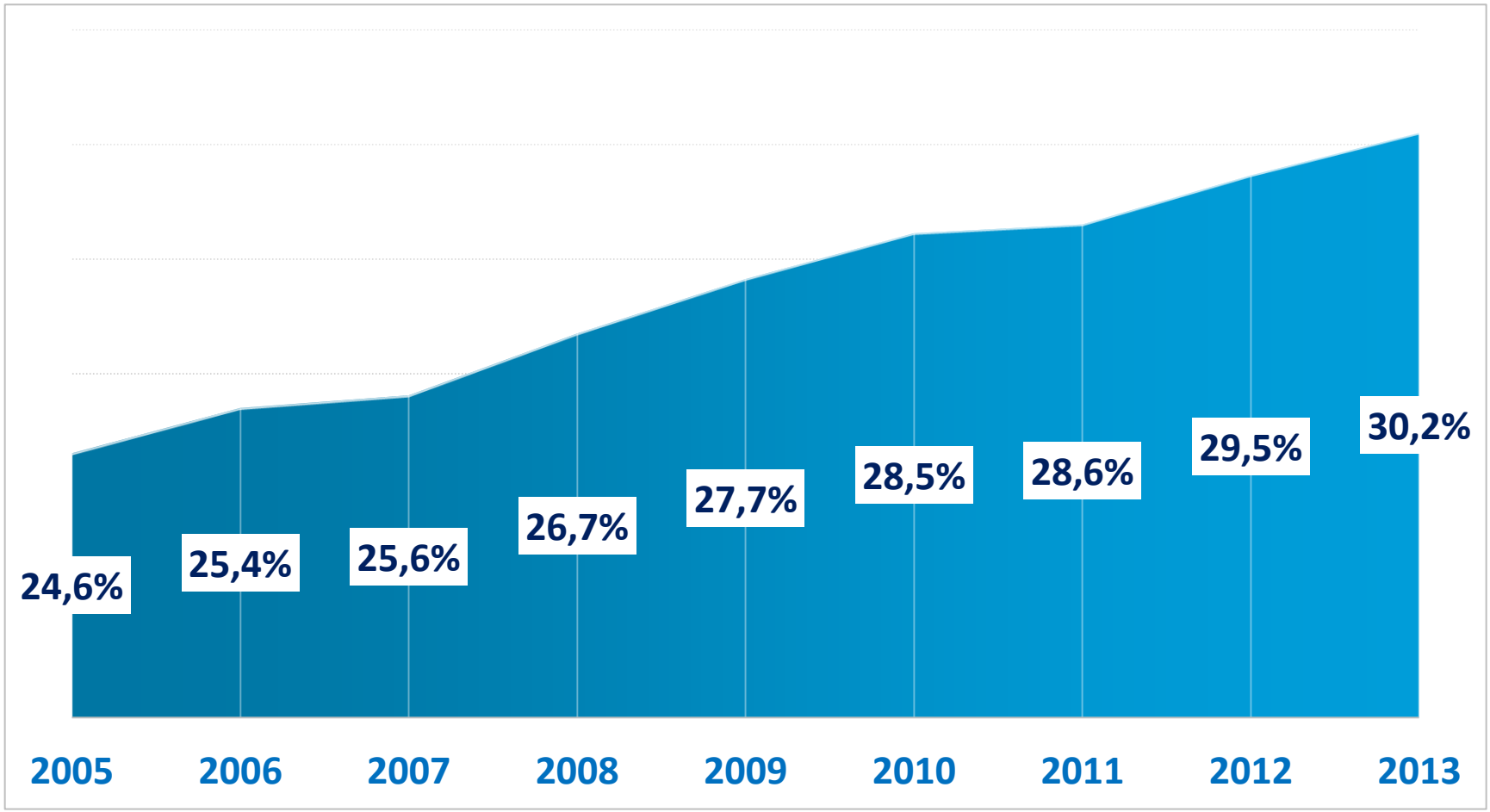
2013 PL VALUE SHARE TREND IN 44 GLOBAL COUNTRIES



Copyright ©2013 The Nielsen Company. Confidential and proprietary.

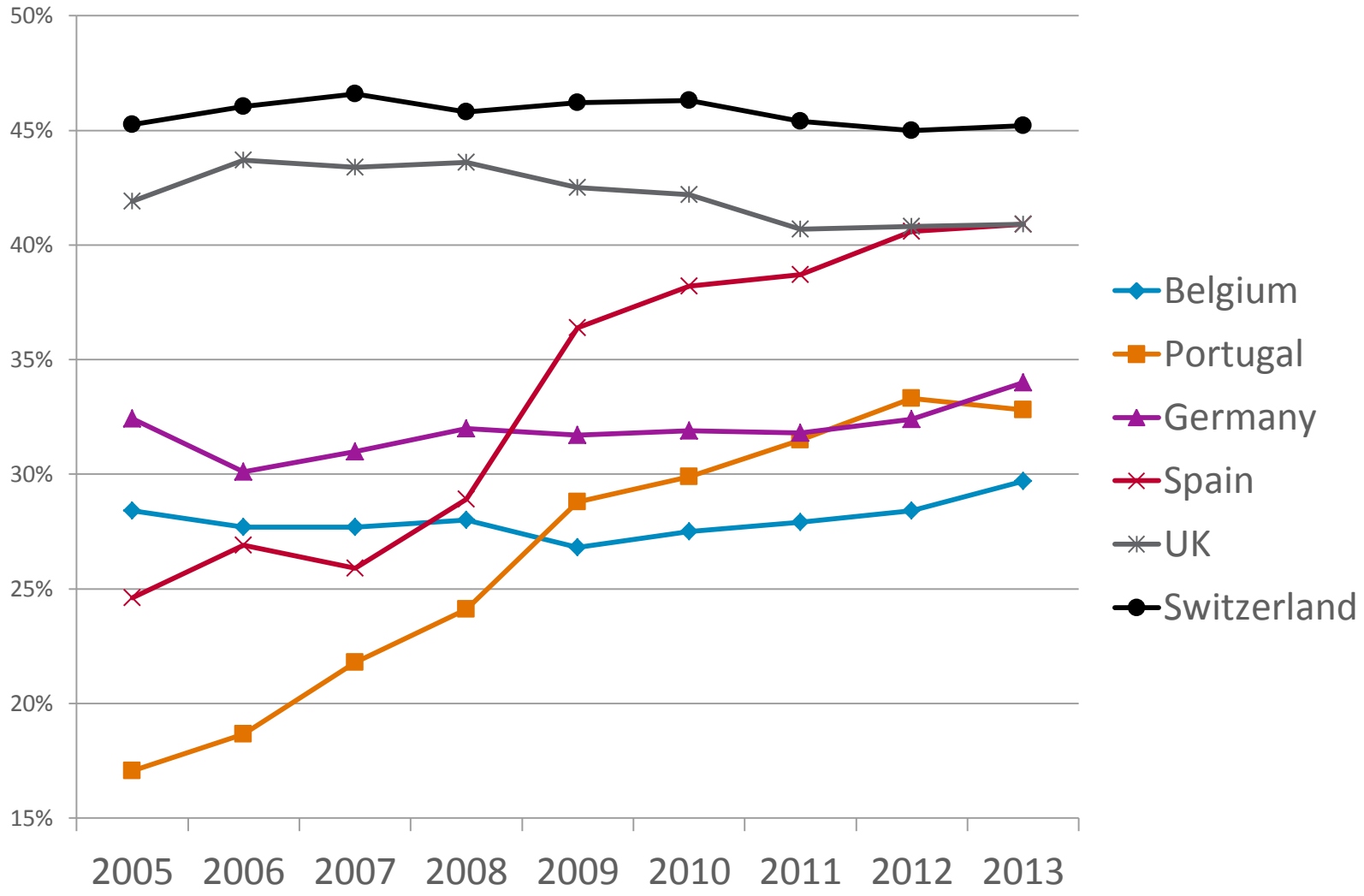
Copyright ©2012 The Nielsen Company. Confidential and proprietary.

PRIVATE LABELS VALUE SHARE TREND IN EUROPE: 9 YEARS AND 18 COUNTRIES



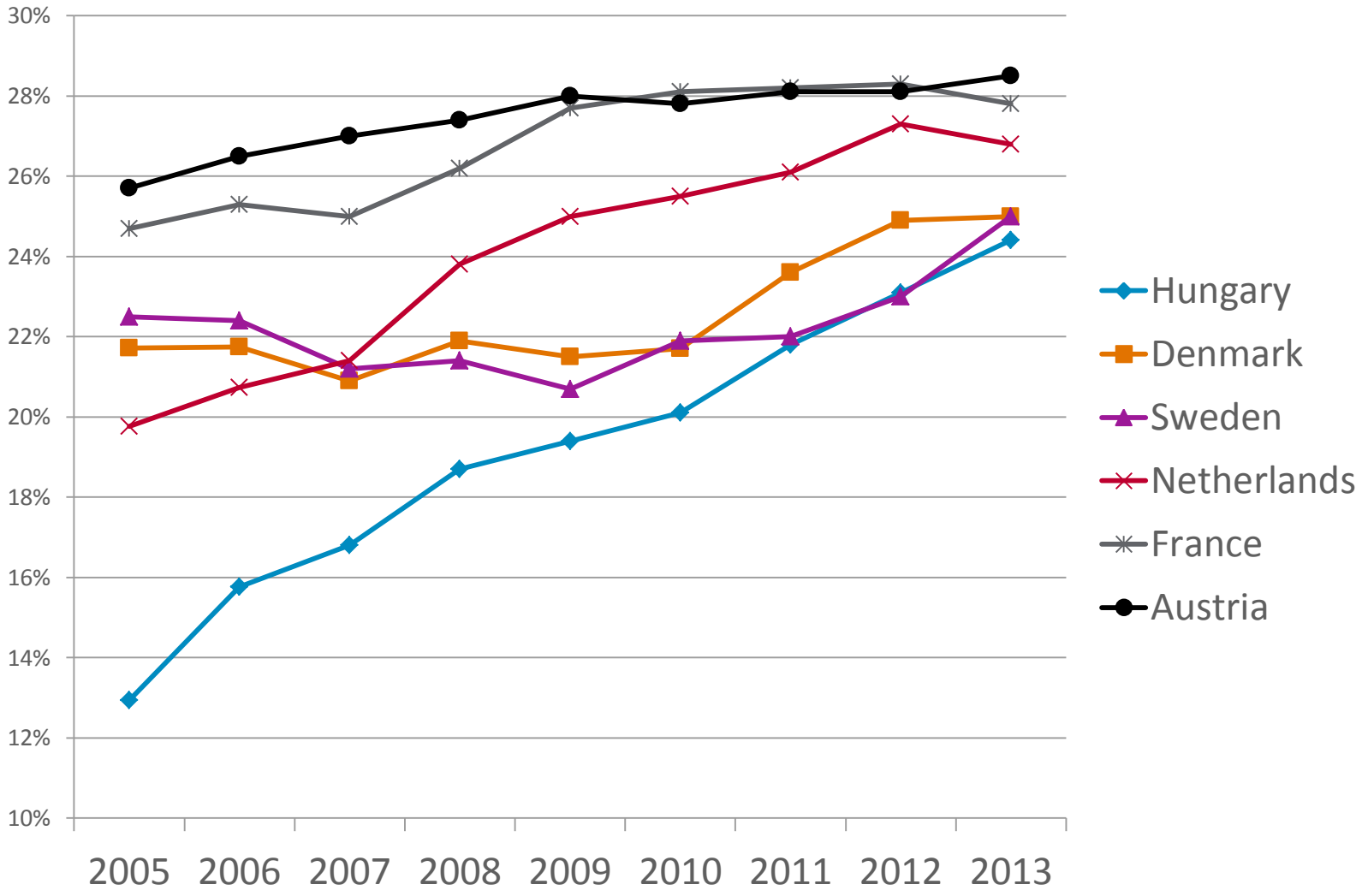
Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland, United Kingdom

PL VALUE SHARE TREND: STRONGEST TIER



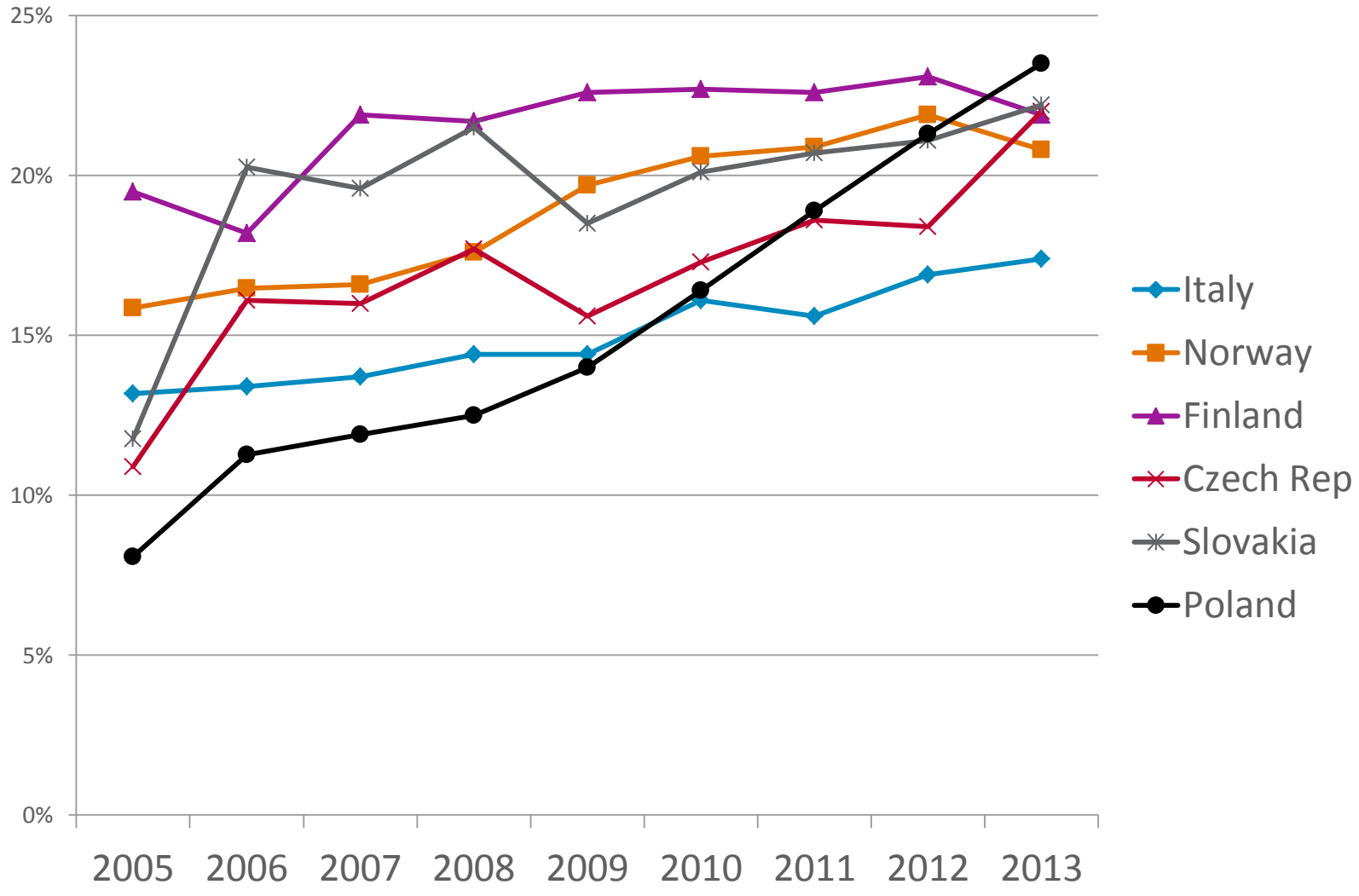
Copyright ©2013 The Nielsen Company. Confidential and proprietary.

PL VALUE SHARE TREND: MEDIUM TIER



Copyright ©2013 The Nielsen Company. Confidential and proprietary.

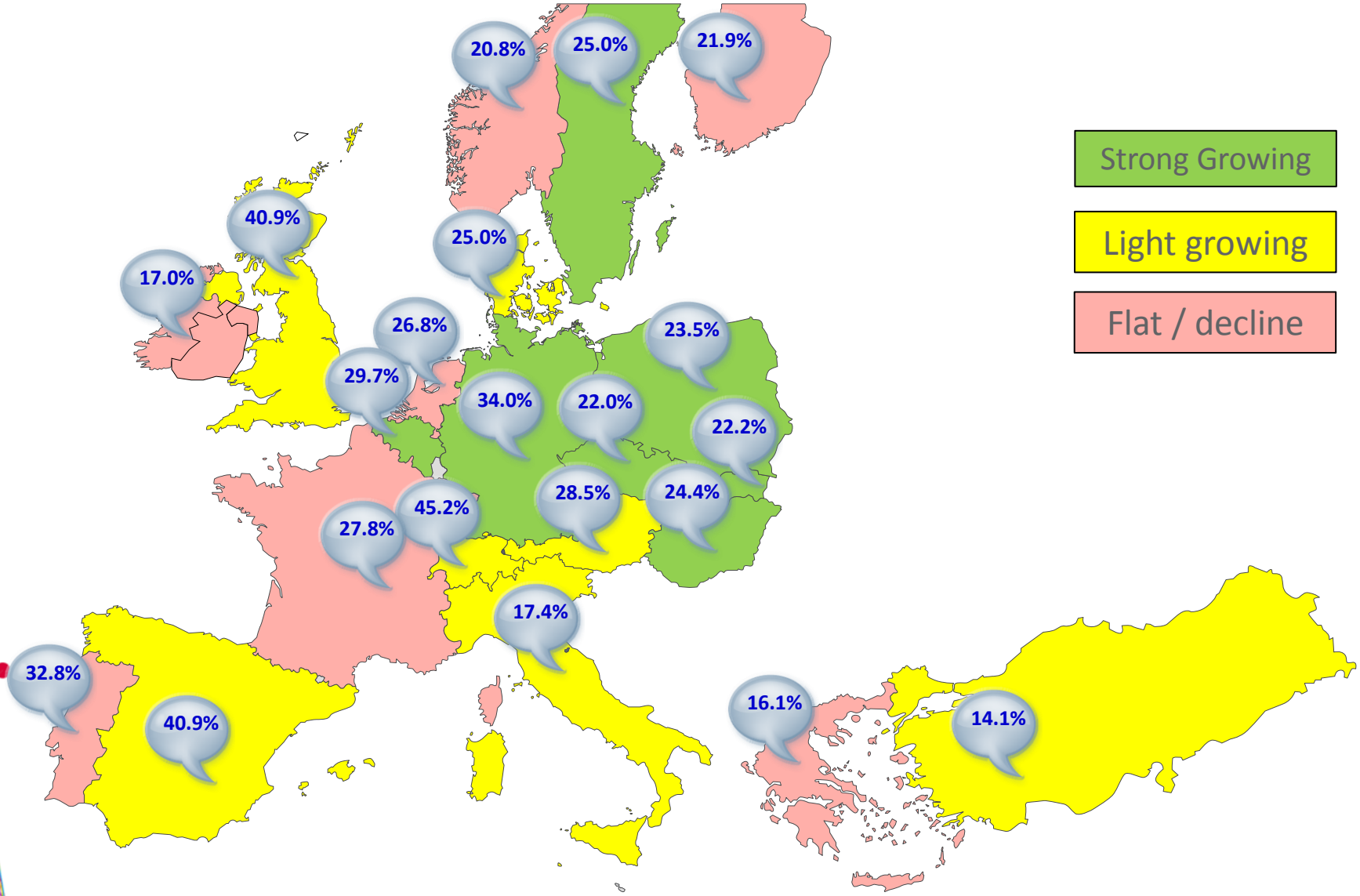
PL VALUE SHARE TREND: LOWEST TIER



Copyright ©2013 The Nielsen Company. Confidential and proprietary.

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

PRIVATE LABEL SHARE AND TREND BY COUNTRY

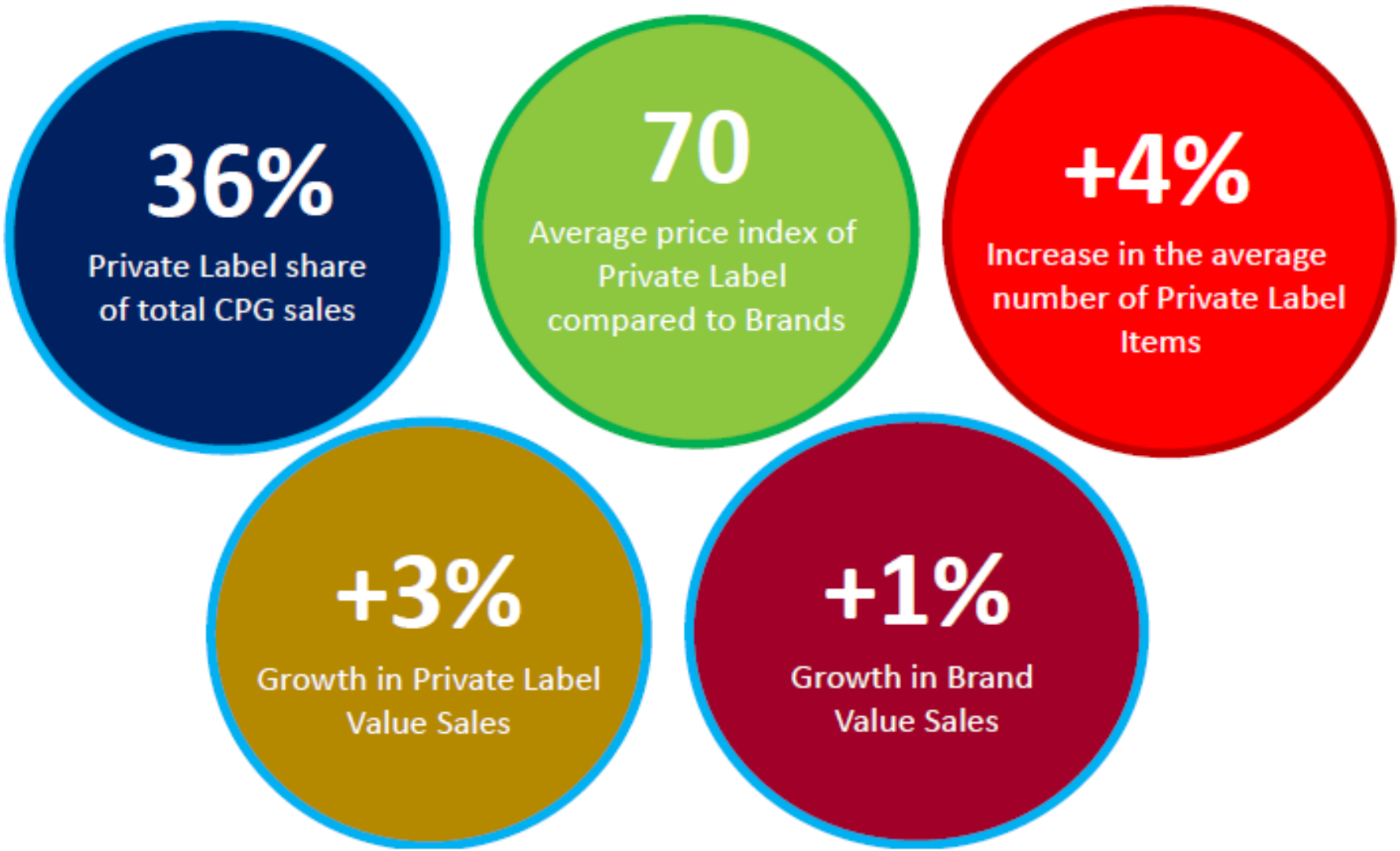


TOP CATEGORIES

Country	Category with highest Value Share	Category with highest VS growth
Austria	NATURAL SWEETENER (90%)	MOUSSE (+18 PP)
Belgium	PEAUX DE CHAMOIS (94%)	EGGS SURPRISE (+ 55 PP)
Czech Rep	POPCORN (85%)	ANISEED ALCOHOL (+ 57 PP)
Denmark	PAPER TOWELS/DISPOSABLE WASHCLOTHS (90%)	CANNED FRUIT (+ 9 PP)
Finland	PROCESSED FRUITS AND VEGETABLES (82%)	FABRIC PRESERVATIVES (+ 29 PP)
France	LEGUMES JUICE (84%)	LEGUMES SALAD (+ 32 PP)
Germany	BEAUTY WIPES (90%)	CREAM WAFER (+ 34 PP)
Greece	KITCHEN ROLLS (63%)	LIQUEUR (+ 8 PP)
Hungary	FURNITURE CARE DRY WIPES (71%)	BABY POWDER (+ 9 PP)
Italy	DISPOSABLE CUPS (87%)	DISPOSABLE CUPS (+ 29 PP)

Country	Category with highest Value Share	Category with highest VS growth
NL	DV DESSERTS E.M. (84%)	FRUIT JUICES E.M. (+ 13 PP)
Norway	FROZEN BERRIES (89%)	OTHER PETFOOD (+ 7 PP)
Poland	SMOKED SALMON (65%)	BILLBERRIES & CRANBERRIES (+ 19 PP)
Portugal	FROZEN DESSERTS (86%)	ISOTONICS DRINKS (+ 22 PP)
Slovakia	BLEACH AND DISINFECTANTS (100%)	BLEACH AND DISINFECTANTS (+ 69 PP)
Spain	P.F. STERILE GAUZE (92%)	P.F. ADHESIVE BANDAGE (+ 38 PP)
Sweden	DRY WASHCLOTHS (100%)	DRIED PEAS/BEANS/LENTILS (+ 16 PP)
CH	EGGS (95%)	READY-TO-COOK DISHES (+ 48 PP)
Turkey	READY-TO-EAT PUDDING (44%)	JAM (+ 6 PP)
UK	FROZEN ASPARAGUS (100%)	FRESH TARTARE SAUCE (+ 86 PP)

FOCUS ON EUROPE “BIG 5”



France, Germany, Italy, Spain, United Kingdom

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

FOCUS ON EUROPE "BIG 5"

THE KEY TREND IN PRIVATE LABEL IN 2013



Move towards Premium



Double digit sales growth in Baby Care/Conf. & Snacks



Lowest Price Index and Value share has fallen



Growing across all categories



Becoming more price competitive to brands

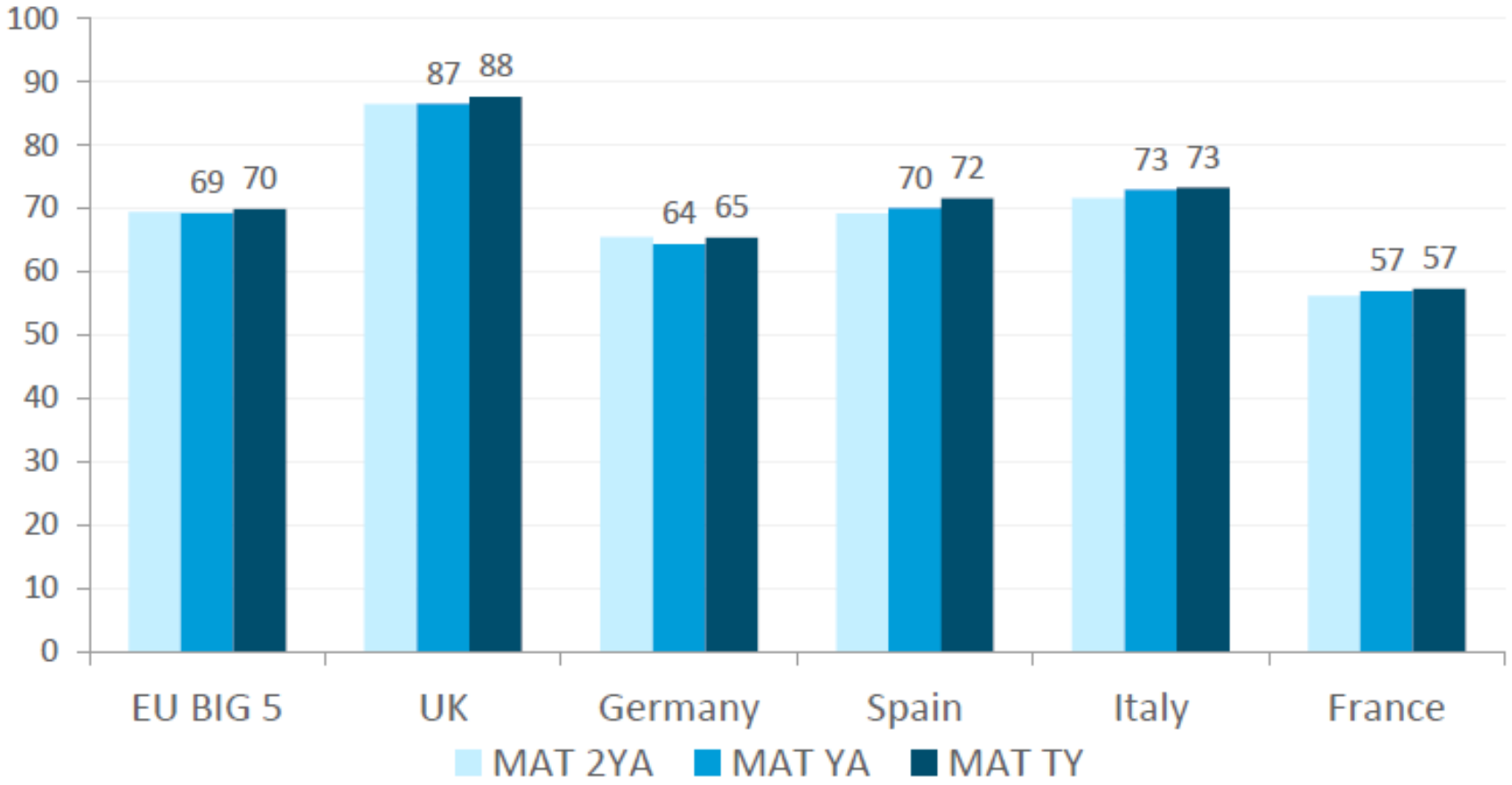
Copyright ©2012 The Nielsen Company. Confidential and proprietary.

FOCUS ON EUROPE "BIG 5"

30 PERCENT LESS EXPENSIVE THAN BRANDS

Price Index increases slightly in Spain, UK, Germany

Total FMCG

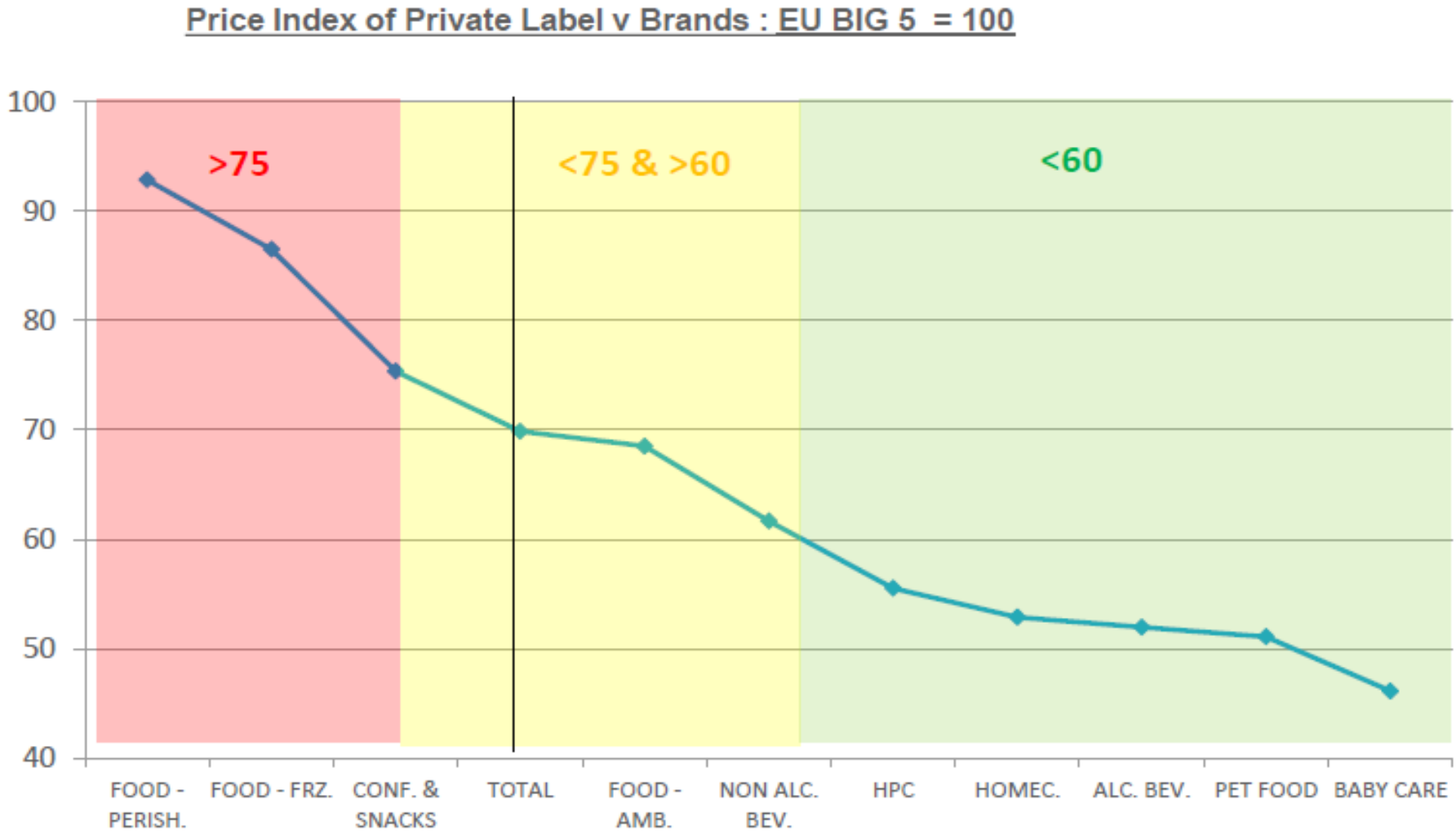


Copyright ©2012 The Nielsen Company. Confidential and proprietary.

FOCUS ON EUROPE "BIG 5"

UP TO 60 PERCENT LESS EXPENSIVE

In Baby, Pet Food, Alcoholic Beverages, Homecare, Health Personal Care

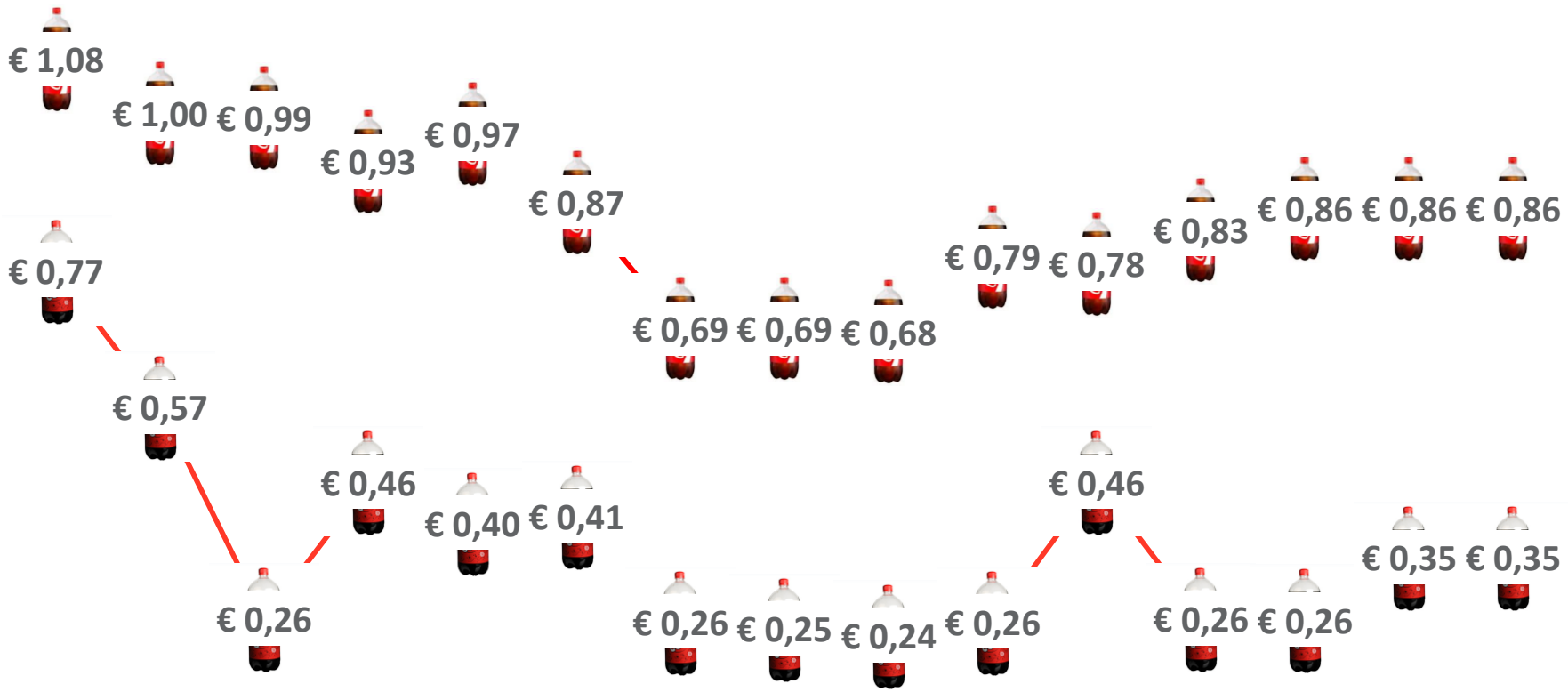


Copyright ©2012 The Nielsen Company. Confidential and proprietary.

FOCUS ON EUROPE "BIG 5"

Private Label Price Positioning: real cases from "Online Price Tracking"

Cola 1,5 - 2 lt (price per litre – online prices May 16)



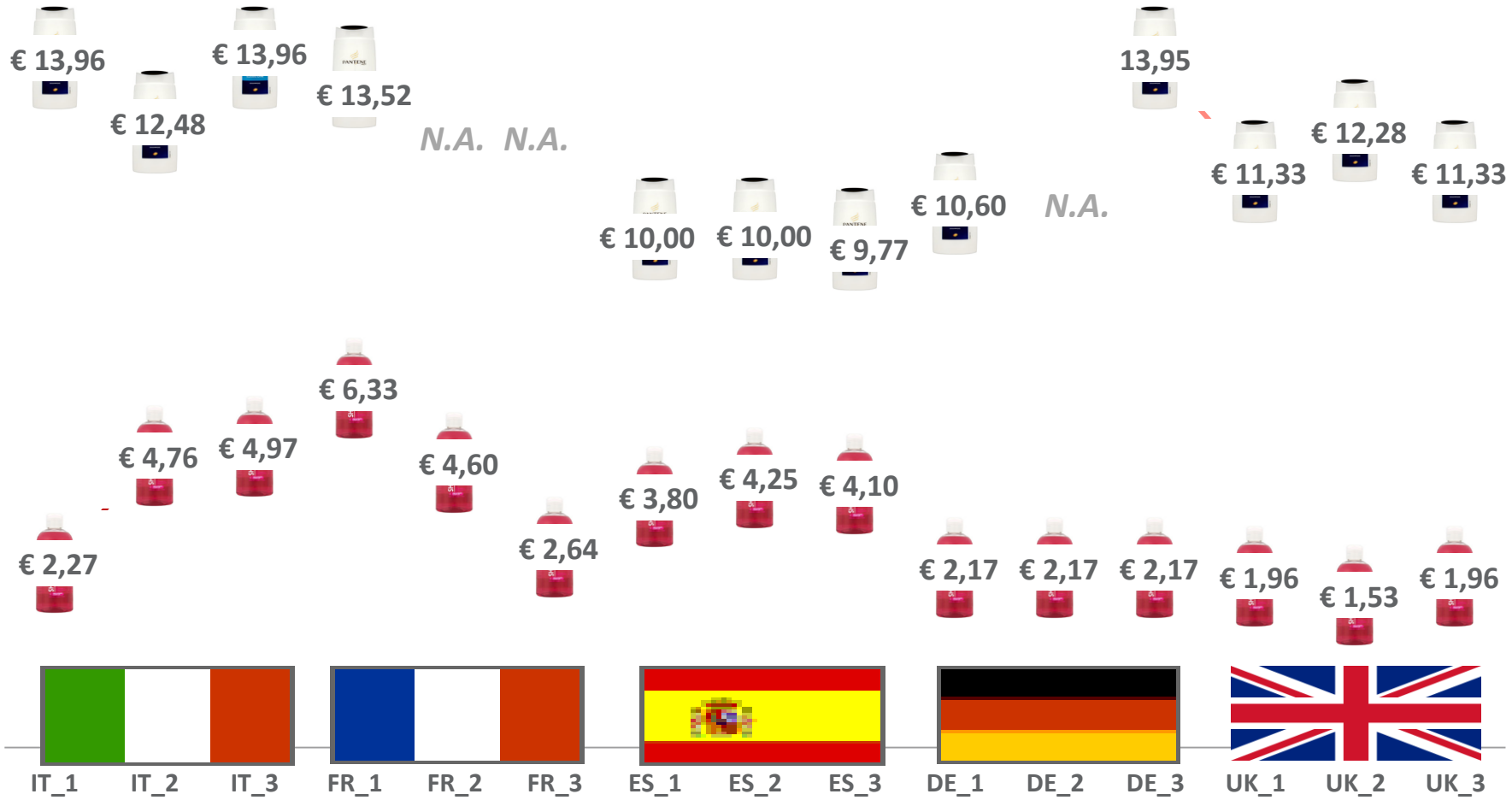
1£ = 1,2278€

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

FOCUS ON EUROPE "BIG 5"

Private Label Price Positioning: real cases from "Online Price Tracking"

Shampoo 250 - 500 ml (price per litre – online prices May 16)



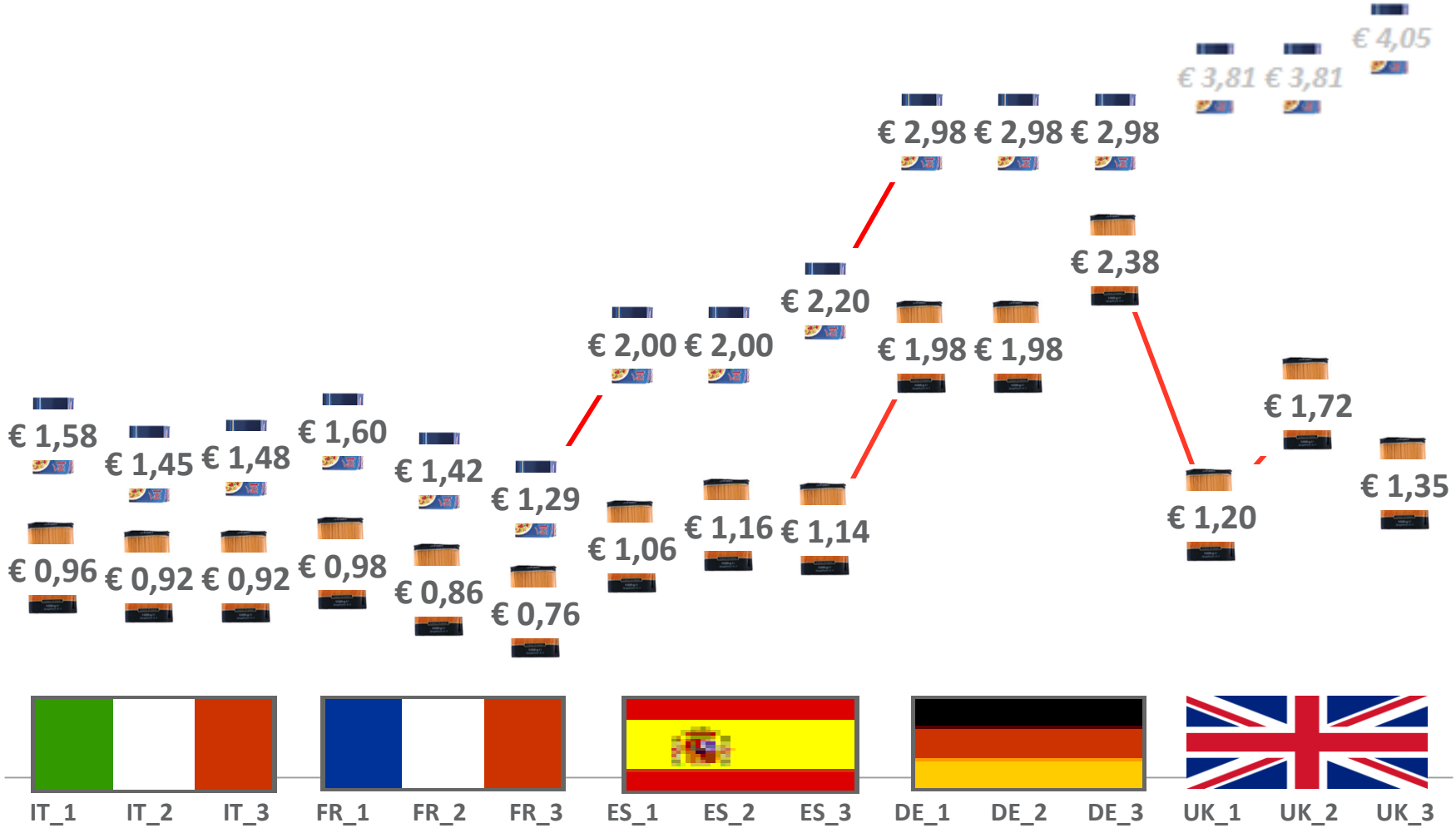
1£ = 1,2278€

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

FOCUS ON EUROPE "BIG 5"

Private Label Price Positioning: real cases from "Online Price Tracking"

Spaghetti 500 – 1.000 gr (price per Kilo – online prices May 16)



1£ = 1,2278€

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

LATEST PRIVATE LABELS INNOVATION TRENDS

Many of the latest Private Label launches are concentrated in innovative and targeted segments as:

- **"Green" / "Ethical"** (organic, eco-friendly, biodegradable, fully natural, recyclable packaging, Fairtrade, Rainforest Alliance, UTZ certification, sustainable fishing, 'grown by women' coffee…)
- **"Healthy"** (free-from, low-on, rich-in, veggie, vital, …)
- **"Geo"** (Km.0, local, regional, 100% from, ethnic, exotic, …)
- **"Kids / "Baby"** (… sometimes also loved by adults)
- **"Food-to-go"**
- **"Premium"**

Copyright ©2012 The Nielsen Company. Confidential and proprietary.

LATEST PRIVATE LABELS INNOVATION TRENDS

Even if these new "niche" Private Label items usually have lower sales per unit, compared with core Private Label, they can bring high value to Retailers, thanks to:

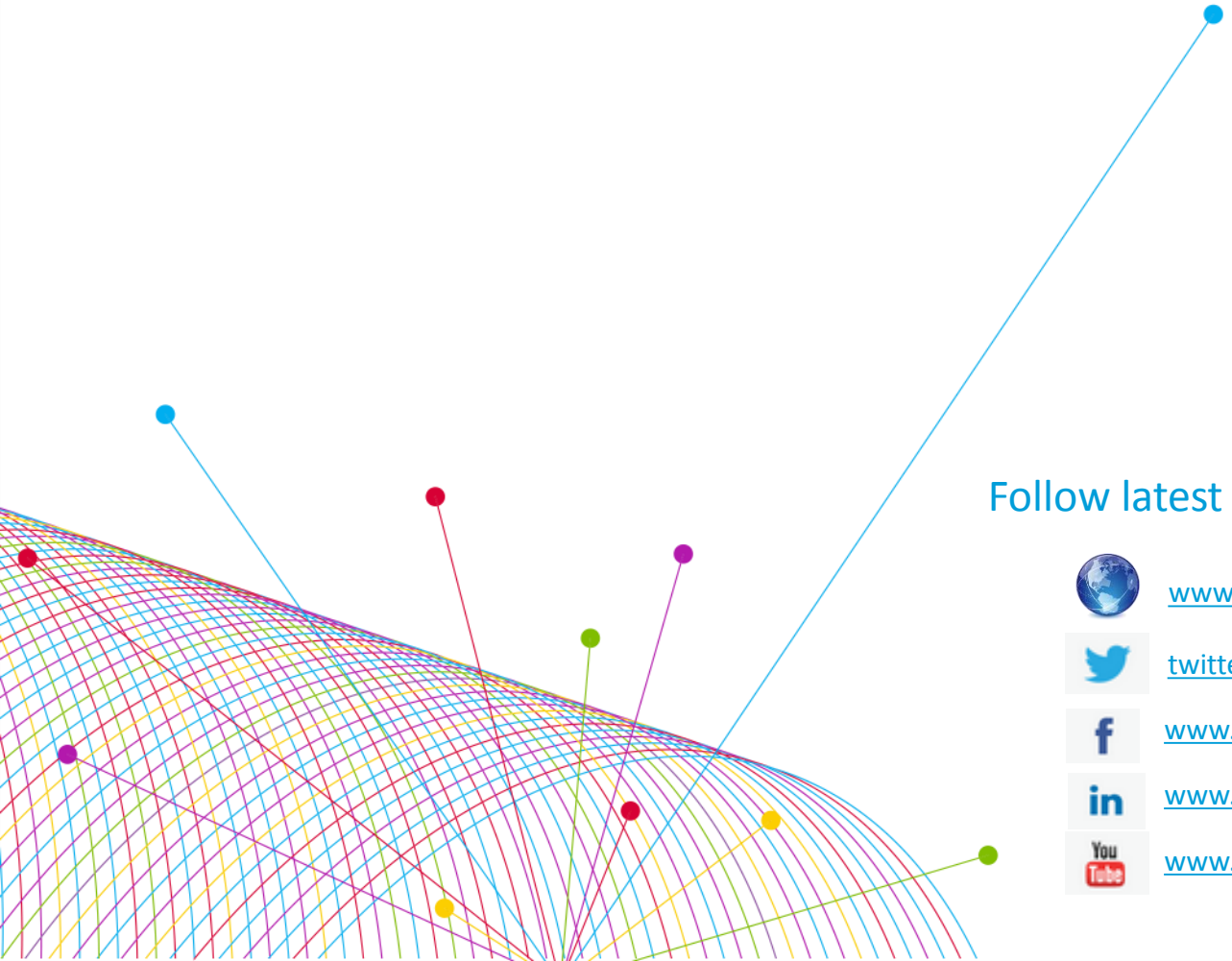
- ***Higher Margin***
- ***Premium Price Positioning***
- ***Improved Retailer Image***
- ***Loyalty of Targeted Consumer Groups***
- ***Specific Needs not covered by Brands***

"It is not the strongest species that survive, nor the most intelligent, but the ones most responsive to change"

Charles Darwin

nielsen

AN UNCOMMON SENSE OF THE CONSUMER™



Follow latest Nielsen news and insights on :

www.nielsen.com

twitter.com/nielsen

www.facebook.com/nielsencompany

www.linkedin.com/company/1714

www.youtube.com/user/TheNielsenCompany