

ACNielsen Top-100 Brands 2000

Get big, or else...

ACNielsen Top-100 brands grow twice as fast as average brand

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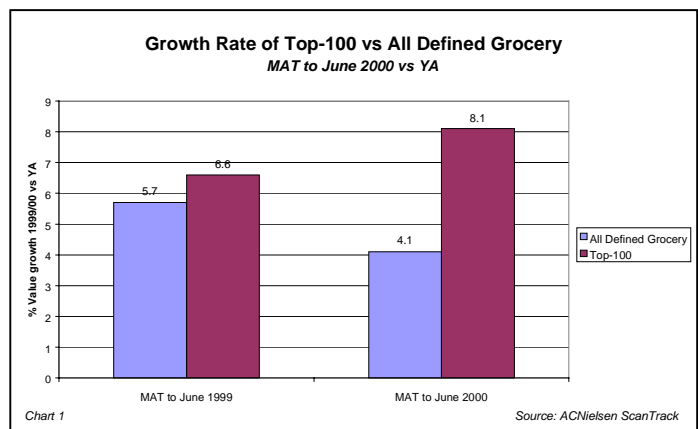
Big brands are growing at twice the rate of small brands, but despite this, eight new brands made it into the Top-100 this year. This is the conclusion from the ACNielsen Top-100 brands for 2000, the seventh consecutive study of top-selling grocery brands.

Coca-Cola remains the leading brand, with annual supermarket sales of over \$593m. The brand has occupied the top spot since the establishment of the Top-100 in 1994. As in previous years, tobacco brands continue to dominate, taking up 6 spots in the top-10. For the first time in years, we have a new top-10 entry with Huggies - up from 13 last year.

As in previous years, we have also put together a top-25 of umbrella brands. This is to accommodate brands that operate in a variety of categories – none of which would necessarily make it onto the top-100 (see also Methodology). Arnott's, Kellogg's and Cadbury remain the top-selling umbrella brands. The composition of the top-25 has remained unchanged.

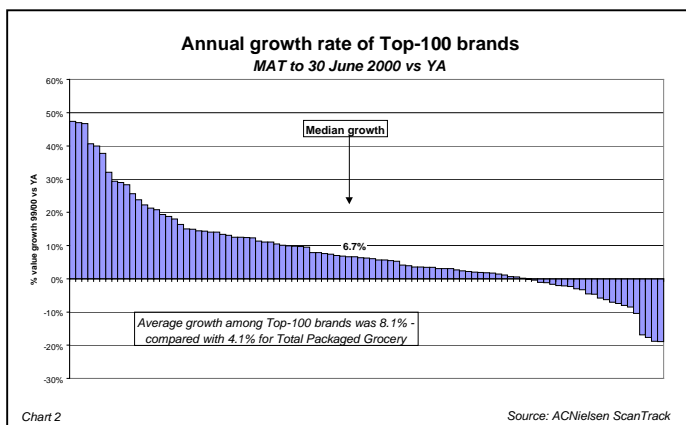
BIG, BIGGER, BIGGEST

The top-100 brands achieved combined supermarket sales of \$10.5 billion over the 1999/2000 financial year. This represents one-third of total packaged grocery sales in Australian supermarkets – and this share is growing. Last year, we saw the top-100 growing at 6.6% compared with the ACNielsen-defined average of 5.7% (based on a fixed basket of 105 grocery categories). This year, the gap has widened: the top-100 grew by 8.1% compared with 4.1% for the average brand (see Chart 1).



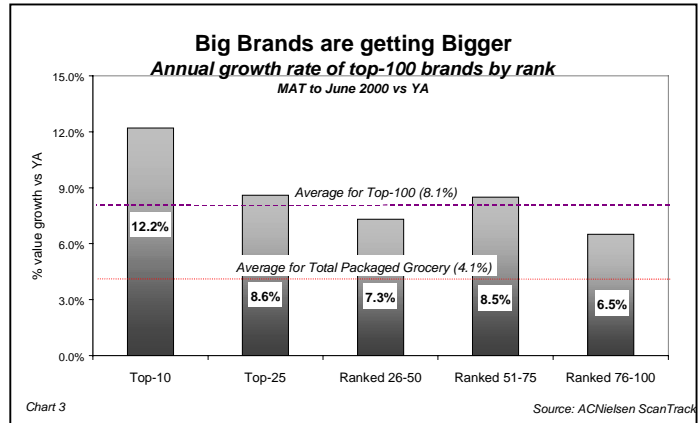
And because top-100 brands are bigger, the difference in absolute growth is even more significant: the combined top-100 brands account for 33% of packaged grocery sales but are responsible for almost 60% of the total growth.

Chart 2 illustrates the spread in growth rates achieved by top-100 brands – ranging from +47% to -19%. To prove that a top-100 spot does not guarantee top performance: 23 brands remained stagnant



or went backwards.

Even within the top-100, it is apparent that the largest brands are outpacing the smaller ones (see Chart 3). The average growth for the top-10 brands was 12.2%, the mid-order brands achieved 7% to 8%, whilst the bottom-25 brands performed worst at 6.4% (although still better than the All Grocery average of 4.1%).



NEW TOP-100 ENTRANTS

Last year, just 3 new brands made it into the top-100. This year has seen an increased level of volatility, with no fewer than eight new entries. In snack foods, Doritos, Lays and Sakata achieved strong growth, driven at least in part by a strong media presence. New products (Country Ladle) helped propel Campbell’s Soup into the top-100. Other new entrants are Surf, Lucky Dog, KR Darling Downs and Leggos.

Which brands are driving growth?	
The 12 fastest growing brands (in alphabetical order) - MAT to June 2000	
BENSON & HEDGES Tobacco	
CAMPBELL'S Soup	
DAILY JUICE Fruit Juice	
DUNHILL Tobacco	
FLORA Margarine	
HEL GAS Bread	
LAYS Potato Chips	
LUCKY DOG Pet Food	
SAKATA Rice Crackers	
SURF Laundry Detergent	
WINFIELD Tobacco	
YOPLAIT Yoghurt	

Chart 4 Source: ACNielsen ScanTrack

This year, the cut-off point for the top-100 has moved to \$45m (up from \$40m last year). Most of the new entrants had little difficulty making this hurdle, as their average growth was around 40%. As a result, many new entrants were amongst the fastest growers in the top-100. Other strong growers (see Chart 4) include Flora - driven by the cholesterol-lowering Pro-Activ-, and Yoplait Yoghurt.

WHO OWNS WHICH BRANDS?

Strong brands have a value that is recognised by company boards and accountants. This has turned brands into commodities that can be bought and sold. Brands are also becoming increasingly global, with 70 of the top-100 brands owned by global packaged goods players.

In Australia, ten manufacturers control 42 out of the top-100 brands. These brands account for \$6.9b in annual sales – or 22% of total packaged grocery sales. Chart 5 lists who owns these

WHO owns WHICH brand?					
MAT to June 2000					
Manufacturer/brands	Top 100 value (\$'000's)	Manufacturer/brands	Top 100 value (\$'000's)	Manufacturer/brands	Top 100 value (\$'000's)
PHILIP MORRIS	\$1,152.8	UNILEVER	\$671.1	THE COCA-COLA COMPANY	\$593.4
ALPINE		CONTINENTAL		COCA-COLA	
LONGBEACH		FLORA		DAIRY FARMERS	\$512.6
MARLBORO		JOHN WEST		COON	
PETER JACKSON		LIPTON		DAIRY FARMERS	
BRITISH AMERICAN TOBACCO	\$1,115.4	OMO		SKI	
BENSON & HEDGES		REXONA		KIMBERLY-CLARK	\$493.8
DUNHILL		STREETS		HUGGIES	
HOLIDAY		SURF		KLEENEX	
STRADBROKE		ARNOTT'S CAMPBELL'S	\$631.0	SNUGGLERS	
WINFIELD		ARNOTT'S		WONDERSOFT	
NESTLE	\$677.8	CAMPBELL'S		IMPERIAL TOBACCO	\$487.1
INTERNATIONAL ROAST		SHAPES		DRUM	
LUCKY DOG		TIM TAM'S		HORIZON	
MAGGI		GOODMAN FIELDER	\$602.4		
MILO		BUTTERCUP			
NESCAFE		HEL GAS			
NESTLE		MEADOW LEA			
PETERS		UNCLE TOBYS			

Source: ACNielsen ScanTrack

brands, and the combined value of these Top-100 or Top-25 brands. Over the next decade, continued consolidation is likely to increase concentration of brand ownership even further.

ABOUT THE TOP-100: METHODOLOGY AND COVERAGE

Definitions

Defining a brand is tough. Manufacturers have different views of what makes up a brand, a sub label or an umbrella brand. As in previous years, we have compiled two lists. The top-100 list defines a brand within a single category (for example, John West Canned Fish). Range extensions under the same name are included – for example, Diet Coke is included in the Coca-Cola brand.

The top-25 umbrella brands apply to brand names that cross grocery categories (e.g. Kleenex Toilet and Facial Tissue), or where sub-brands can be viewed as brand names in their own right. An example of this is Kellogg's, which has individual entries in the Top-100 (e.g. Nutri-grain) but the Kellogg's umbrella brand is included in the top-25.

Coverage

The top-100 and top-25 brands are based on annual sales through supermarkets and grocery stores for the year ending 30 June 1999. For direct delivery categories such as bread and milk, the data is projected for warehouse accounts. The coverage is national (including Tasmania) and covers most grocery accounts. The non-grocery channels not covered are the route trade (milk bars, newsagents, service stations), convenience stores (Shell Select, BP Food Plus, 7-Eleven, Road Pantry, Quiz, and so on), mass merchandisers (Kmart, Big W, Target), department stores, food service, vending and exports.

These non-grocery channels are without doubt important to some categories and brands, and their inclusion would result in a very different top-100. The scope of this study is however confined to supermarkets and grocery stores only.

“DAMNED IF YOU DO, DAMNED IF YOU DON'T”

Providing feedback to the grocery industry on consumer and retail trends has been an area of focus for ACNielsen over recent years. The top-100 is now in its seventh year and continues to generate much interest, feedback and the occasional animated debate and some criticism. ACNielsen has made every effort to ensure the data in this analysis is accurate. However, due to the magnitude of this analysis, we cannot guarantee that all errors or omissions have been corrected.

Comparisons with last year's compilation should be treated with some care. Due to the inclusion of some brands which arguably should have been included in previous years, a comparison of this year's rank order with that of last year's is generally not valid and should be avoided.

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99/00 RANK	BRAND	MANUFACTURER	CATEGORY	99/00 SALES (\$m)
1	COCA-COLA	THE COCA-COLA COMPANY	CARB. BEVS.	\$ 593.4
2	LONGBEACH	PHILIP MORRIS	TOBACCO	\$ 542.6
3	WINFIELD	BRITISH AMERICAN TOBACCO AUSTRALIA	TOBACCO	\$ 482.6
4	HORIZON	IMPERIAL TOBACCO AUSTRALIA	TOBACCO	\$ 440.1
5	PETER JACKSON	PHILIP MORRIS	TOBACCO	\$ 429.0
6	PURA	NATIONAL FOODS	FRESH MILK	\$ 274.1
7	BENSON & HEDGES	BRITISH AMERICAN TOBACCO AUSTRALIA	TOBACCO	\$ 272.2
8	HOLIDAY	BRITISH AMERICAN TOBACCO AUSTRALIA	TOBACCO	\$ 217.1
9	TIP TOP	GEORGE WESTON FOODS	BREAD	\$ 203.4
10	HUGGIES	KIMBERLY-CLARK	DISP NAPPIES	\$ 190.5
11	BUTTERCUP	GOODMAN FIELDER	BREAD	\$ 190.2
12	NESCAFE BLEND 43	NESTLE	COFFEE	\$ 187.7
13	CADBURY	CADBURY	CHOCOLATE BLOCKS	\$ 157.1
14	SORBENT	CARTER HOLT HARVEY	TOILET ROLLS	\$ 155.8
15	PEDIGREE PAL	UNCLE BEN'S OF AUSTRALIA	PETFOOD	\$ 155.1
16	DAIRY FARMERS	DAIRY FARMERS	FRESH MILK	\$ 152.4
17	KRAFT	KRAFT FOODS LTD	CHEESE & DIPS	\$ 141.6
18	WHISKAS	UNCLE BEN'S OF AUSTRALIA	PETFOOD	\$ 126.7
19	MCCAIN	MCCAIN	FROZEN VEGES & POTATO	\$ 119.2
20	KLEENEX	KIMBERLY-CLARK	TOILET ROLLS	\$ 118.9
21	BIRDS EYE	SIMPLOT	FROZEN VEGES & POTATO	\$ 118.1
22	COLGATE	COLGATE PALMOLIVE	TOOTHPASTE	\$ 117.6
23	SMITH'S CRISPS	THE SMITH'S SNACKFOOD COMPANY	SNACK FOODS	\$ 115.6
24	PEPSI	PEPSI COLA BOTTLERS AUST	CARB. BEVS.	\$ 109.5
25	BEGA	BONLAC / BEGA CHEESE TRADING (NSW)	CHEESE & DIPS	\$ 108.5
26	JOHN WEST	UNILEVER	CANNED FISH	\$ 104.0
27	ALPINE	PHILIP MORRIS	TOBACCO	\$ 103.6
28	PAULS	PARMALAT	FRESH MILK	\$ 101.0
29	SKI	DAIRY FARMERS	YOGHURT	\$ 98.5
30	SCHWEPPE	SCHWEPPE COTTEE'S	CARB. BEVS.	\$ 95.6
31	ARNOTT'S SHAPES	ARNOTT'S CAMPBELL'S	BISCUITS	\$ 94.0
32	BERRI	BERRI LIMITED	FRUIT JUICES	\$ 92.8
33	KLEENEX	KIMBERLY-CLARK	FACIAL TISSUES	\$ 92.1
34	NESTLE PETERS	NESTLE	ICECREAM	\$ 90.4
35	WEETBIX	SANITARIUM	CEREALS	\$ 81.6
36	HEINZ	HEINZ WATTIES	BAKED BEANS & SPAGHETTI	\$ 80.6
37	DUNHILL	BRITISH AMERICAN TOBACCO AUSTRALIA	TOBACCO	\$ 78.1
38	MARLBORO	PHILIP MORRIS	TOBACCO	\$ 77.6
39	GOLDEN CIRCLE	GOLDEN CIRCLE	FRUIT JUICES	\$ 76.8
40	FLORA	UNILEVER	MARGARINE	\$ 76.6
41	LIBRA	CARTER HOLT HARVEY	SAN.PRO	\$ 76.2
42	VEGEMITE	KRAFT FOODS LTD	YEAST SPREAD	\$ 73.7
43	HEINZ	HEINZ WATTIES	BABY FOODS	\$ 73.1
44	YOPLAIT	NATIONAL FOODS	YOGHURT	\$ 72.5
45	KELLOGGS NUTRI-GRAIN	KELLOGG AUSTRALIA	CEREALS	\$ 71.3
46	PANTENE	PROCTER & GAMBLE	SHAMPOO/COND	\$ 71.3
47	STREETS	UNILEVER	ICE CREAM	\$ 70.5
48	MAINLAND	MAINLAND DAIRIES	CHEESE & DIPS	\$ 69.3
49	INTERNATIONAL ROAST	NESTLE	COFFEE	\$ 69.2
50	BULLA	REGAL CREAM PRODUCTS	ICECREAM	\$ 68.8
51	DAILY JUICE	BERRI LIMITED	FRUIT JUICES	\$ 68.6
52	STRADBROKE	BRITISH AMERICAN TOBACCO AUSTRALIA	TOBACCO	\$ 65.4
53	MEADOW LEA	GOODMAN FIELDER	MARGARINE	\$ 64.6
54	COTTEE'S	SCHWEPPE COTTEE'S	CORDIALS	\$ 64.3
55	SAN REMO	SAN REMO	PASTA	\$ 64.0
56	LAYS	THE SMITHS SNACKFOOD COMPANY	SNACK FOODS	\$ 63.3
57	OLD EL PASO	PILLSBURY AUSTRALIA	MEXICAN FOODS	\$ 63.1
58	INGHAMS	INGHAMS ENTERPRISES	POULTRY	\$ 61.4
59	MOCCONA	DOUWE EGBERTS	COFFEE	\$ 61.3
60	COON	DAIRY FARMERS	CHEESE & DIPS	\$ 61.2
61	EDGELL	SIMPLOT	CANNED VEGES	\$ 61.1
62	LIPTON	UNILEVER	TEA	\$ 60.0
63	MILO	NESTLE	MILK MODIFIERS	\$ 58.6
64	THINS	SNACK BRANDS AUSTRALIA	SNACK FOODS	\$ 58.5
65	GREENSEAS	HEINZ WATTIES	CANNED FISH	\$ 58.2

Top 25 Umbrella Brand ranking

1999/00			1999/00	
rank	Umbrella Brand	Manufacturer	Nat. Sales (\$m)	Main Categories
1	Arnott's	Arnott's	\$ 580.5	Biscuits & Snack Foods
2	Kelloggs	Kellogg	\$ 426.2	Cereal & Nutritious Snacks
3	Cadbury	Cadbury	\$ 396.4	Confectionery & Icecream
4	Uncle Tobys	Uncle Tobys	\$ 292.6	Cereal, Bread & Nutritious Snacks
5	Kraft	Kraft Foods	\$ 272.9	Cheese, Spreads, Salad Dressing & Meals
6	Dairy Farmers	Dairy Farmers	\$ 261.7	Dairy products
7	Nescafe	Nestle	\$ 259.8	Coffee
8	Heinz	Heinz Watties	\$ 232.8	Various Dry Grocery
9	McCain	McCain Foods	\$ 225.9	Frozen Foods
10	Golden Circle	Golden Circle	\$ 211.2	Beverages, Fruit and Vegetables
11	Kleenex	Kimberly-Clark	\$ 211.0	Paper products
12	Huggies	Kimberly-Clark	\$ 199.6	Nappies & Wipes
13	Nestle	Nestle	\$ 194.8	Yoghurt, Confectionery, Icecream
14	Pauls	Parmalat	\$ 191.5	Dairy products
15	Sorbent	Carter Holt Harvey	\$ 183.9	Paper products
16	Birds Eye	Simplot	\$ 181.0	Frozen Foods
17	Continental	Unilever Foods	\$ 176.3	Various Dry Grocery
18	Colgate	Colgate-Palmolive	\$ 144.5	Oral Care
19	Sanitarium	Sanitarium	\$ 138.2	Cereal, Spreads & Nutritious Snacks
20	John West	Unilever Foods	\$ 124.9	Herbs & Spices, Canned Fish & Fruit
21	Smiths	Smiths	\$ 121.1	Snack Foods
22	Berri	Berri	\$ 118.6	Beverages & Fruit
23	Inghams	Inghams	\$ 112.8	Poultry & Meals
24	Devondale	Murray Goulburn	\$ 112.1	Dairy products
25	Cottee's	Schweppes Cottee's	\$ 107.7	Beverages & Jam