AdNews 11 January 2008

SPECIAL REPORT

TOP BRANDS

AUSSIE BRANDS RAISE THE BAR

nielsen

BRANDS NEEDED TO EXCEED $66 MILLION IN SALES TO MAKE THIS YEAR'S TOP 100 BRANDS, ACCORDING TO NIELSEN'S LATEST REPORT.

The top three brands remained unchanged in 2007, with Winfield, Coca-Cola and Longbeach taking the top three positions. All three brands have held the top position since the inception of the Top 100 Brands report in 1994.

Winfield, Coke and Longbeach also remain the only three brands in Australia to be valued at over $750 million, after breaking through this barrier for the first time in 2005.

Although tobacco brands continue to dominate the Top 100 list, the number of brands dropped from 14 in 2005 to 13 brands in 2007. Other categories which performed well in 2007 included carbonated beverages, fruit juices and bread – all having four brands in this year's Top 100 list.

Growth in 2007 slowed to just 9.9% compared to 11.8% growth achieved in the two years to July 2005. The value of the Top 100 Brands is now around $15.5 billion, accounting for 37.5% of total packaged grocery, which remains fairly unchanged since 2005.

To make the 2007 Top 100 Brands list, brands needed to achieve sales in excess of $66 million, which is up $4 million in two years and up $11 million since 2003. This year saw five brands drop out from the previous Top 100 list, to be replaced by new entrants: Paradise Biscuits coming in at number 83, with annual sales between $75 million and $100 million, and Devondale (92), Lean Cuisine (93), Peter Stuyvesant (97) and Mortein (98), with sales of $50 million to $75 million. Each of these brands enjoyed strong growth in the past two years, particularly Devondale, which was up more than 60% and Paradise Biscuits, which had a 55% gain on its 2005 sales. Devondale and Paradise Biscuits recorded the strongest sales growth of any brands in this year's list.

The 2007 ranking of top 25 umbrella brands remains unchanged at the top, with Arnott's, Cadbury and Kellogg ranking as the top-selling umbrella brands. Overall, the composition of the umbrella brands was relatively unchanged with just one new entrant in 2005 – Mainland.

Concentrated ownership

Just 43 manufacturers own the top 100 brands, with 10 manufacturers owning close to half of the brands (48). Nestlé owns the most brands on the Top 100 list of any manufacturer with an impressive seven of the Top 100 Brands within its portfolio, including Peters, Nescafé and its newly acquired brand, Uncle Tobys. This was followed by Unilever, with six brands on the Top 100 list, and Simplot, British American Tobacco and National Foods, which hold five brands each.

Annual advertising expenditure

In the past 12 months, Nielsen Media Research estimates manufacturers of the top 100 brands spent around $252.8 million on advertising. This expenditure is relatively unchanged since the previous year where the top 100 brands spent $252.3 million.

Methodology

Nielsen has provided information to the grocery industry on consumer and retail trends for decades. The Top 100 Brands report is now in its 13th year and continues to generate much interest, feedback and the occasional animated debate.

Nielsen has made every effort to ensure the data in this analysis is accurate. However, due to the constant shifting of the marketplace, and the magnitude of the analysis, Nielsen cannot guarantee all errors or omissions have been corrected.

Comparisons with the 2005 compilation should be treated with some care, and consideration should be given to brand and definitional changes.

Definitions

Defining a brand can be difficult. Manufacturers often have different views of what makes up a brand, a sub-label or an umbrella brand.

As in previous years, Nielsen has compiled two lists. The top 100 brands list defines a brand within a single category (for example Colgate toothpaste). Range extensions under the same name are included: Diet Coke, for example, is included in the Coca-Cola brand.

The Top 25 Umbrella Brands apply to brand names that cross grocery categories (for example Heinz baked beans/spaghetti and soup), or where sub-brands can be viewed as brand names in their own right. One example of this is Arnott's, which has individual entries in the top 100 (for example Shapes and Tim Tam), but the Arnott's umbrella brand is included in the Top 25 list.

Coverage

The Top 100 Brands and Top 25 Umbrella Brands lists are based on annual sales through supermarkets and grocery stores for the year ending April 2007. For direct-delivery categories, such as bread and milk, the data is projected for warehouse accounts.

The coverage is national (including Tasmania) and covers all grocery accounts. The non-grocery channels not covered are the route trade (milk bars, newsagents, service stations), convenience stores, mass merchandisers (Kmart, Big W, Target), department stores, food service, vending and exports. <

Sources: Brand retail sales – Nielsen Australia. Estimated advertising expenditure – Nielsen Media Research. Main media estimated advertising expenditure in major metropolitan and regional TV and newspapers, consumer magazines, metro radio, cinema and outdoor.

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SPECIAL REPORT

TOP 100
GROCERY BRANDS

TOP 100 GROCERY BRANDS

04/05 RANK	2007 RANK	BRAND	CATEGORY	MANUFACTURER	SALES $m	EST MEDIA AD SPEND APRIL '06 TO MARCH '07 IN $m	% CHANGE AD SPEND YEAR-ON-YEAR
1	1	Winfield	Tobacco	British American Tobacco Australia	750+	–	0%
3	2	Coca-Cola	Carbonated beverages	Coca-Cola Company	750+	12.8	-9%
2	3	Longbeach	Tobacco	Philip Morris	750+	–	0%
4	4	Peter Jackson	Tobacco	Philip Morris	500 – 750	–	0%
5	5	Horizon	Tobacco	Imperial Tobacco Australia	500 – 750	–	0%
6	6	Benson & Hedges	Tobacco	British American Tobacco Australia	250 – 500	–	0%
8	7	Holiday	Tobacco	British American Tobacco Australia	250 – 500	–	0%
10	8	Tip Top	Proprietary bread	George Weston Foods	250 – 500	0.6	-85%
9	9	Cadbury Chocolate	Confectionery	Cadbury Schweppes	250 – 500	18.6	11%
7	10	Huggies	Disposable nappies	Kimberly-Clark	250 – 500	7.5	-10%
11	11	Nestlé/Peters	Ice cream	Nestlé	150 – 250	4.6	-11%
14	12	Pauls	Fresh white milk	Parmalat	150 – 250	1.9	-11%
19	13	Nescafé Blend 43	Coffee	Nestlé	150 – 250	–	-100%
21	14	Smith's	Snack foods	The Smith's Snackfood Company	150 – 250	3.0	865%
13	15	Yoplait	Yoghurt/desserts	National Foods	150 – 250	2.4	66%
18	16	Kleenex Cottonelle	Toilet tissue	Kimberly-Clark	150 – 250	4.9	30%
12	17	Pura	Fresh white milk	National Foods	150 – 250	0.6	-47%
16	18	Pedigree Pal	Dog food	Mars Australia	150 – 250	–	-100%
29	19	Dunhill	Tobacco	British American Tobacco Australia	150 – 250	–	0%
17	20	McCain	Frozen veg & potatoes	McCain	150 – 250	6.5	-5%
15	21	Sorbent	Toilet tissue	SCA	150 – 250	2.4	-1%
22	22	Whiskas	Cat food	MasterFoods	150 – 250	2.6	-24%
20	23	Birds Eye	Frozen veg & potatoes	Simplot	150 – 250	1.7	-68%
23	24	Colgate	Toothpaste	Colgate-Palmolive	150 – 250	6.7	18%
24	25	Pepsi	Carbonated soft beverages	Cadbury Schweppes	150 – 250	11.6	-25%
33	26	Bega	Cheese	Fonterra Brands	150 – 250	1.3	-62%
25	27	Kraft	Cheese	Kraft Foods	150 – 250	1.2	-52%
27	28	Dairy Farmers	Fresh white milk	Dairy Farmers	100 – 150	1.0	-78%
28	29	Ski	Yoghurt	Dairy Farmers	100 – 150	0.8	-82%
45	30	Streets	Ice cream	Unilever	100 – 150	5.5	26%
35	31	John West	Canned fish	Simplot	100 – 150	3.0	64%
31	32	Mainland Cheese	Cheese	Fonterra Brands	100 – 150	2.4	13%
47	33	Quilton	Toilet tissue	ABC Tissue	100 – 150	1.3	-36%
30	34	Alpine	Tobacco	Philip Morris	100 – 150	–	0%
37	35	Schweppes	Carbonated beverages	Cadbury Schweppes	100 – 150	5.6	-9%
34	36	Gillette	Razor & blade	Procter & Gamble	100 – 150	9.6	110%
32	37	Coon	Cheese	Dairy Farmers	100 – 150	1.1	-54%
26	38	Uncle Tobys	Nutritious snacks	Nestlé	100 – 150	3.3	2%
39	39	Mighty Soft	Proprietary bread	Goodman Fielder	100 – 150	–	-100%
40	40	Kleenex	Facial tissue	Kimberly-Clark	100 – 150	2.3	13%
36	41	Golden Circle	Fruit juices	Golden Circle	100 – 150	1.1	-36%
42	42	Helga's	Proprietary bread	Goodman Fielder	100 – 150	–	-100%
43	43	Berri	Fruit juices	National foods	100 – 150	0.1	-93%
38	44	Winfield	RYO Tobacco	British American Tobacco Australia	100 – 150	–	0%
44	45	Arnott's Shapes	Biscuits	Campbell Arnott's	100 – 150	3.2	151%
41	46	Wonder White	Proprietary bread	Goodman Fielder	100 – 150	0.9	-39%
63	47	Bulla	Ice cream	Regal Cream Products	100 – 150	2.0	-14%
57	48	Weet-Bix	Cereal	Sanitarium	100 – 150	6.0	19%
49	49	Hans	Small goods	Hans Continental Smallgoods	100 – 150	0.2	713%
46	50	Nestlé Yoghurts	Yoghurt	Nestlé	100 – 150	2.4	-38%
55	51	Old el paso	Mexican foods	General Mills	100 – 150	3.4	16%

TOP 100 GROCERY BRANDS

04/05 RANK	2007 RANK	BRAND	CATEGORY	MANUFACTURER	SALES $m	EST MEDIA AD SPEND APRIL '06 TO MARCH '07 IN $m.	% CHANGE AD SPEND YEAR-ON-YEAR
54	52	Goulburn Valley	Packaged fruit	SPC Ardmona	100 – 150	1.6	0%
62	53	San Remo	Pasta	San Remo	100 – 150	2.3	-52%
53	54	Greenseas	Canned fish	HJ Heinz & Co Australia	100 – 150	1.2	140%
51	55	Milo	Milk modifiers	Nestlé	100 – 150	1.4	-23%
59	56	Flora	Margarine	Unilever	100 – 150	3.0	20%
74	57	Primo	Small goods	P&M Quality Small Goods	75 – 100	0.1	-58%
52	58	Kirks	Carbonated beverages	Coca-Cola Company	75 – 100	1.7	0%
65	59	McCain	Frozen meals	McCain	75 – 100	3.7	50%
50	60	Libra	Sanitary protection	SCA	75 – 100	5.9	5%
64	61	Leggo's	Tomato products	Simplot	75 – 100	1.8	-10%
73	62	Finish	Dishwashing detergent	Reckitt Benckiser	75 – 100	5.0	40%
58	63	Heinz	Baked beans & spaghetti	HJ Heinz & Co Australia	75 – 100	0.5	-74%
61	64	Philadelphia	Cheese & dips	Kraft Foods	75 – 100	4.4	171%
66	65	Moccona	Instant coffee	Sara Lee	75 – 100	1.4	283%
56	66	Just Juice	Fruit juices	National Foods	75 – 100	–	0%
77	67	Cottee's	Cordial	Cadbury Schweppes	75 – 100	2.0	21%
72	68	Vegemite	Yeast spreads	Kraft Foods	75 – 100	1.5	-32%
82	69	Edgell	Canned vegetables	Simplot	75 – 100	0.6	5182%*
70	70	Marlboro	Tobacco	Philip Morris	75 – 100	–	0%
69	71	Campbell's	Wet soup	Campbell Arnott's	75 – 100	2.1	155%
67	72	Daily Juice	Fruit juices	National Foods	75 – 100	0.8	-52%
80	73	Rexona	Deodorants	Unilever	75 – 100	4.0	62%
75	74	McCain	Frozen pizza	McCain	75 – 100	2.2	-16%
86	75	Champion Ruby	RYO tobacco	Imperial Tobacco Australia	75 – 100	–	0%
60	76	VIP	Petfood	VIP Petfoods	75 – 100	0.3	-67%
79	77	Extra	Chewing gum	Wrigley	75 – 100	4.6	91%
88	78	Heinz	Soup	HJ Heinz & Co Australia	75 – 100	2.2	-24%
91	79	Birds Eye	Frozen fish	Simplot	75 – 100	2.9	40%
96	80	My Dog	Dog food	Mars Australia	75 – 100	1.1	-43%
94	81	Energizer	Batteries	Energizer Australia	75 – 100	5.0	3%
85	82	Tim Tam	Biscuits	Campbell Arnott's	75 – 100	3.5	204%
106	83	Paradise	Biscuits	Paradise Food Industries	75 – 100	1.2	-42%
76	84	Omo	Laundry detergents	Unilever	75 – 100	1.4	-8%
90	85	Latina	Pasta	General Mills	75 – 100	1.7	20%
92	86	Devondale	Dairy spreads	Murray Goulburn	75 – 100	0.6	107%
99	87	Heinz	Baby foods	HJ Heinz & Co Australia	75 – 100	1.1	528%
48	88	Pantene	Shampoo & conditioner	Procter & Gamble	75 – 100	7.7	87%
97	89	Meadow Lea	Margarine	Goodman Fielder	75 – 100	2.0	-2%
81	90	Continental	Packet soup	Unilever	50 – 75	3.0	-11%
83	91	Glad	Plastic bags & wraps	Clorox	50 – 75	1.7	145%
107	92	Devondale	Milk & creams	Murray Goulburn	50 – 75	2.7	59%
103	93	Lean Cuisine	Frozen meals	Nestlé	50 – 75	0.7	66%
71	94	Drum	RYO tobacco	Imperial Tobacco Australia	50 – 75	–	0%
68	95	Kellogg Nutri-Grain	Cereal	Kellogg Australia	50 – 75	7.1	-2%
98	96	Doritos	Snack foods	The Smith's Snackfood Company	50 – 75	–	-100%
104	97	Peter Stuyvesant	Tobacco	Imperial Tobacco Australia	50 – 75	–	0%
102	98	Mortein	Insecticides/pest killers	Reckitt Benckiser	50 – 75	4.2	-14%
78	99	Continental	Packet meals	Unilever	50 – 75	3.8	38%
100	100	Allen's	Sugar confectionery	Nestlé	50 – 75	1.1	-38%

* Increase off small base.

TOP 25 UMBRELLA BRANDS

2007 RANK	04/05 RANK	UMBRELLA BRAND	SUPPLIER	MAIN CATEGORIES	SALES $m
1	1	Arnott's	Campbell Arnott's	Biscuits & snack foods	500 – 750
2	2	Cadbury	Cadbury Schweppes	Confectionery & ice cream	500 – 750
3	3	Kellogg	Kellogg Australia	Cereal & nutritious snacks	500 – 750
4	4	Nestlé	Nestlé	Yoghurt, confectionery & ice cream	250 – 500
5	7	Dairy Farmers	Dairy Farmers	Dairy products	250 – 500
6	14	Nescafé	Nestlé	Coffee	250 – 500
7	5	Kraft	Kraft Foods	Cheese, spreads, salad dressing, bottled sauce & packet meals	250 – 500
8	11	Heinz	HJ Heinz & Co Australia	Various dry grocery	250 – 500
9	9	McCain	McCain	Frozen food	250 – 500
10	8	Huggies	Kimberly-Clark	Nappies & moist towelette	250 – 500
11	12	Kleenex	Kimberly-Clark	Paper products	250 – 500
12	6	Uncle Tobys	Nestlé	Cereal, nutritious snacks, snack food	250 – 500
13	13	Tip Top	George Weston Foods	Bread, flour & baking aids	250 – 500
14	16	Sanitarium	Sanitarium	Cereal, spreads & nutritious snacks	250 – 500
15	10	Golden Circle	Golden Circle	Beverages, fruit & vegetables	250 – 500
16	15	Pauls	Parmalat	Dairy products	250 – 500
17	17	Birds Eye	Simplot	Frozen food	150 – 250
18	19	Sorbent	SCA	Paper products	150 – 250
19	21	Colgate	Colgate-Palmolive	Oral care	150 – 250
20	18	Pura	National Foods	Dairy products	150 – 250
21	23	Devondale	Murray Goulburn	Dairy products	150 – 250
22	24	Smith's	The Smith's Snackfood Company	Snack foods	150 – 250
23	20	Continental	Unilever	Various dry grocery	150 – 250
24	22	Bulla	Regal Cream Products	Ice cream, yoghurt & cheese	150 – 250
25	27	Mainland	Fonterra Brands	Dairy products	150 – 250

WHICH BRANDS ARE DRIVING GROWTH?

Devondale milk & creams
Paradise biscuits
Bulla ice cream
Streets (Unilever) ice cream
Peter Stuyvesant cigarettes
Quilton toilet tissue
Lean Cuisine frozen meals
Primo small goods
Sanitarium Weet-Bix
My Dog dog food

Top 10 fastest growing brands growing at 28% or greater vs 2005

TOP MANUFACTURERS (by number of brands in top 100 list)

MANUFACTURER	BRANDS
Nestlé	Nestlé/Peters, Nescafé Blend 43, Uncle Tobys, Nestlé, Milo, Lean Cuisine, Allens
Unilever	Streets, Flora, Rexona, Omo, Continental (x 2)
British American Tobacco	Winfield (x2), Benson & Hedges, Holiday, Dunhill
National Foods	Yoplait, Pura, Berri, Just Juice, Daily Juice
Simplot	Birds Eye (x2), John West, Leggo's, Edgell
Cadbury Schweppes	Cadbury, Pepsi, Schweppes, Cottee's
Goodman Fielder	Mighty Soft, Helga's, Wonder White, Meadow Lea
Heinz	Greenseas, Heinz (x3)
Imperial Tobacco	Horizon, Champion Ruby, Drum, Peter Stuyvesant
Philip Morris	Longbeach, Peter Jackson, Alpine, Marlboro

10 manufacturers own almost half (48) of the top 100 brands

COCA-COLA STEERS A TIGHT SHIP

DESPITE CHANGING CONSUMER ATTITUDES TOWARDS NUTRITION, COCA-COLA REMAINS A JUGGERNAUT OF A BRAND, SITTING AT NUMBER TWO IN NIELSEN'S LATEST TOP BRANDS LIST. SHARON SPRINGELL REPORTS.

Coca-Cola Australia's strength as a brand is one of the mainstays of an advertising world in perpetual flux.

It has again snagged a dominant position in this year's Nielsen Top Brands list, sitting at number two behind tobacco Goliath Winfield, and retains the number one spot in the Interbrand BusinessWeek global brand ranking.

In Australia, Coca-Cola enjoys an enviable lead on rival cola brand Pepsi, with the former enjoying sales in excess of $750 million annually, compared with $150 million to $250 million for Pepsi, which sits at number 25 in this year's Top Brands list.

In the midst of a health craze and a tidal wave of new product offerings, Coca-Cola continues to make its way from sea to shining sea. So what keeps it at the helm in such turbulent times?

A big part of the answer lies in its incredible brand strength. According to brand research company Interbrand, Coca-Cola's physical assets comprise only 46% of the value of the company, while intangible assets, including the Coca-Cola brand, make up the remaining 54% of the company's market capitalisation.

By taking a multi-platform marketing approach to the Coca-Cola trademark, the company keeps awareness levels high and builds brand image. "Each campaign [contains] a strong and well-developed communications strategy, which informs the appropriate media channels," says Sarah Kelly, PR manager for Coca-Cola Australia. This is evidenced across a range of campaigns from TV, cinema, viral and online, to outdoor, print, packaging, in-store, sampling, experiential and PR.

And Coca-Cola is serious about its advertising – at least in monetary terms. It doesn't truck with under-funded campaigns. Over the past two years the company has significantly increased its ad spend for the original Coca-Cola brand. In the 12 months to October 2006, its main media spend for Coca-Cola soft drink/competitions was $6.6 million and in the 12 months to October 2007 it more than doubled to $13.5 million, according to Nielsen Media Research.

Coca-Cola has also been upping its spend online, with Nielsen Online reporting the soft drink king increased its ad impressions by 44% over the past year, to 165.6 million. Using some back of envelope calculations, and assuming an average CPM of $7, that puts Coca-Cola's online spend in 2007 at over $1.1 million.

Its business acumen and creative intelligence was writ large with the innovative and highly successful Coca-Cola Zero launch in 2006. Forking out $5.2 million on main media and using a multipronged and carefully staged approach to its unveiling, Kelly says the Australian launch positioning for Coca-Cola Zero "has since been used and adapted to launch the brand globally".

The campaign continued in 2007, albeit with a smaller budget ($500,000 on main media), with the Coca-Cola Zero AFL Dream Team and Coca-Cola Zero NRL Fantasy League this year tapping into the footy fixation of its target audience.

Being the juggernaut that it is, Coca-Cola uses the services of a range of agencies for its brands. For creative, Coca-Cola has dealings with Singleton Ogilvy & Mather, it uses Naked for its communications strategy, Ikon for media, Zing for PR, The White Agency for online and Momentum for promotions.

While Coca-Cola still rides the high seas, continuing to experiment with brand positioning and advertising campaigns, the Coca-Cola Classics line of brands has been hit by changing consumer attitudes towards nutrition and growing interest in health beverages – an affliction affecting the whole softdrink industry.

It will be interesting to see how new marketing director Lucie Austin, formerly marketing director of Arnott's biscuits, responds to this growing challenge in the year ahead.

Will Coca-Cola still be among the top five brands this time next year? You bet. But as with other leading global brands like McDonald's, it will need to adapt to stay relevant. <

NEW KIDS ON THE BLOCK

NINA LEES SURVEYS SOME OF THE NEW ENTRANTS ON THIS YEAR'S TOP 100 BRANDS LIST.

Louie the Fly – now in 4D – has kept the Mortein brand strong for five decades.

This year's Nielsen Top 100 Brands list includes five new faces: Paradise (biscuits), Mortein (insecticide), Devondale (milks and creams), Lean Cuisine (frozen meals) and Peter Stuyvesant (tobacco).

It should be noted that most of these brands only rose a few spots to join the list – all were within seven spots two years ago when the list was last compiled. However, one star performer over that time was biscuit giant Paradise, which rose 23 spots to number 83.

Part of the Paradise Food Industries umbrella brand, Paradise produces a range of sub-brands including Cottage Cookies, Vive, Veri Deli, Choc Pinkie Fingers and Asteroids as well as a range of biscuit products under the Paradise brand name.

According to marketing manager Marie Reushle, Paradise considers the likes of Arnott's, Kraft and Sakata as its competitors.

Its rise up the Top 100 Brands list is no surprise to Reushle: "We've deliberately invested heavily in new product development over the years to differentiate ourselves in the market and keep pace with changing consumer tastes and lifestyles."

With an annual marketing budget currently around $4 million, Reushle says she intends to increase the brand's marketing spend over the next few years.

That's good news for long-term media agency Carat and boutique creative agency Jack Watts Currie, which landed the Paradise account in March last year.

Jumping only four spots to reach this year's list at number 98 is Mortein. The Reckitt Benckiser insecticide brand competes in a cluttered sector against heavyhitters Bagon and Raid.

Setting Mortein aside from the competition is the much-loved Louie the Fly character, who has been gracing Australian TV screens just about as long as television itself. Despite being in market for over five decades, Louie looks better than ever thanks to new animation technologies.

"Louie the Fly has undergone a number of transitions over the years, and is now created with 4D computer graphics," says Rowan Dean, ECD at Euro RSCG – Mortein's agency of over 10 years.

Mortein has a marketing budget of around $7 million to promote the product, but Dean says the brand enjoys a strong place in the hearts of consumers thanks to the well-known Louie character.

Dean says a tactical campaign launched late last year asked consumers to help stop Louie the Fly from celebrating his 50th birthday. The comic-style campaign paid big dividends for the brand.

Another non-tobacco brand making waves on this year's list was Murray Goulburn milk and cream brand Devondale, which managed to jump 15 spots to number 92 this year, while Nestlé managed to nudge yet another of its brands onto the list. Its Lean Cuisine frozen meals jumped 10 spots to come in at number 93. <

NESTLÉ CHANGES CHANNELS

DESPITE A DROP IN OVERALL OFFLINE ADVERTISING EXPENDITURE, NESTLÈ CONTINUES TO BE THE DOMINANT GROCERY MANUFACTURER AT AUSTRALIAN CHECKOUTS, REPORTS LIA TIMSON

Nestlé has seven brands in this year's Nielsen Top 100 report, one more than last time.

Peters, Nescafé, Nestlé, Allens and Milo maintained their total sales brackets, while Lean Cuisine made an appearance on the list for the first time, having surpassed the $66 million sales entry point. Friskies, which last time featured in the 82nd spot, dropped out of the ranking this year but Uncle Tobys, which the company acquired worldwide in mid-2006, remains on the list having maintained its sales levels as well.

Director of group marketing & communications Ian Alwill attributes Nestlé's overall success to continued investment in new products under existing brands and the company's ability to move with the times.

"It's not advertising that drives perpetuity in brands, it's how good the products are. There's a constant need for renovation and innovation. They are the things that drive consumption," Alwill says.

Peters remains the top ice-cream brand in the country – ranked 11th overall, with annual sales between $150 million and $250 million despite an 11% drop in advertising expenditure to $4.6 million.

Its main competitor, Unilever's Streets, is far behind in 30th spot with sales of $100 million to $150 million. However, its 26% increase in ad spend seems to have paid off, with the brand moving up 15 spots on the ladder. The feat makes Streets the fourth fastest growing brand, according to Nielsen.

Nestlé's flagship Nescafé Blend 43 remains the biggest coffee brand in Australia, in 13th spot overall, up from 19th in 2004/05.

"We've spent about $12 million on Nescafé with some on Blend 43," Alwill says. Nescafé Blend 43 sells upwards of $150 million a year.

There is no doubt, however, over the company's commitment to online advertising and database marketing.

Although no official figures are available, Alwill confirms portions of the marketing budget have moved channels.

Nestlé makes extensive use of database marketing and dedicated websites for its brands to maintain direct contact with consumers and build their confidence in the products.

The miplace.com.au site for Milo cereal is a good example of such effort, says Alwill.

It features an upload facility for user videos plus free Mp3 music downloads, games, sports tricks and information for parents. "It's an important part of the mix to communicate nutritional benefits," says Alwill.

The company employs an email opt-out mechanism through its corporate website, similar to the national Do Not Call register for phone numbers. Customers can use it to ensure exclusion from any current or future email list.

Nestlé Australia has five main creative agencies on its roster following a worldwide reshuffle in September. Publicis Mojo handles ice cream, coffee and frozen foods, JWT handles chocolate and confectionery, Singleton Ogilvy & Mather has Milo, Nesquik and Uncle Tobys, while McCann Erickson handles cereals and cumminsnitro yoghurts. ZenithOptimedia is the media agency. Another dozen smaller outfits handle promotions, events and other below-the-line activities for various brands.

The company's new global Nespresso brand – a complete coffee system including POS outlets, espresso machines, fresh coffee capsules and online re-ordering facility – is available in Australia but is managed outside Nestlé Australia's marketing portfolio. Its global TVC featuring George Clooney has not yet run here. <

THIS YEAR'S BREADWINNERS

WITH A HALF-BAKED APPROACH TO ONLINE THIS YEAR, BREAD BRANDS PLOUGHED THEIR BUDGETS INTO MAIN MEDIA ADVERTISING, REPORTS HEATHER JENNINGS.

Total sales in the proprietary fresh bread market aren't looking too crummy, according to Nielsen ScanTrack data, accounting for $1.31 billion in supermarket sales for the year ending 1 July 2007 – a 4.3% rise on the previous year.

George Weston Foods' Tip Top brand, with sales of $250 million to $500 million, rose from 10th position to eighth in this year's Nielsen Top Brands list – making it the top-selling proprietary bread brand in the country.

George Weston Foods spent $3.3 million in the 12 months to October 2007 on main media, promoting its Tip Top Up and Tip Top Sunblest brands – up from $2.6 million in the previous period.

It was a big year for the George Weston Foods bread division, with new marketing director Bronwyn Heys appointed early in the year and undertaking a review of the company's advertising agencies.

In early November 2007, George Weston Foods decided its 10-year relationship with M&C Saatchi had gone stale, and moved its advertising account to DDB to handle its Tip Top, Golden and Noble Rise brands. The review didn't affect the brand's incumbent media buying agency, Mitchells.

Coming in at number 39 in this year's Top Brands list is Goodman Fielder's Mighty Soft – Australia's second highest selling propriety bread brand, despite having spent nothing on main media advertising in the two years to October, according to Nielsen Media Research.

"We tend to support brands with news, and there was no new story with Mighty Soft, plus we were supporting all the other brands. We had a big campaign for Helga's, and had just come off the back of a lot of Vogel's work," says Katy Elliott, group head at Whybin\TBWA, Goodman Fielder's then advertising agency.

In November, Goodman Fielder also moved its advertising account – from Whybin to BMF, keeping Ikon as its media agency.

Fellow Goodman Fielder bread brand Helga's significantly upped its main media spend from $200,000 to $2.1 million in the 12 months to October, keeping its position in the Top Brands pecking order at number 42.

Goodman Fielder's third highest selling bread brand, Wonder White, received the most advertising support in the 12 months to October, with Nielsen Media Research estimating a $2.5 million main media spend. The high spend didn't stop Wonder White from sliding down the Top Brands list, however, with its ranking dropping from 41 two years ago to 46 this year.

Bucking the trend of increased online budgets, all four top-selling bread brands steered clear of online advertising last year.

When Whybin held the Goodman Fielder account this year, Elliot says, it set up campaign-specific microsites for Helga's and Vogel's, but mainly concentrated its ad spend for the brands on TV and promotions.

"Other than this there has been no online activity," says Elliott, "[because] TV and promotions are proven to be successful in driving volume, and, with limited budgets available, there was a reticence to invest in 'the unknown'," she says.

Helga's also had a sponsorship deal with outdoor European Cinema in addition to its TV advertising.

So, while online may be the biggest thing since sliced bread in advertising, it's not gaining popularity among the upper crust of Australia's proprietary bread industry. <