

# Winning through Brands and Innovations

**Vindi Banga**

President Foods, Home and Personal Care

**Geneviève Berger**

Chief R&D Officer



# Vindi Banga

**President Foods, Home  
and Personal Care**



# Leading Category Positions

## World Number 1

- Savoury
- Dressings
- Tea
- Ice Cream
- Spreads
- Deodorants
- Mass Skin

## World Number 2

- Laundry
- Daily Hair Care

## Local Strength

- Oral Care
- Household Cleaning

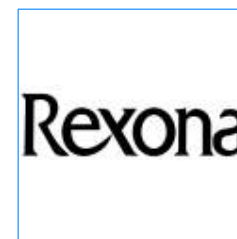
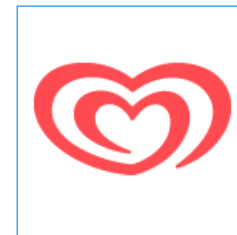
# Robust portfolio of brands with global scale



# Broad based brand share growth



Growing volume share



# Most geographies growing

19/24 MCOs growing



# Consumer Trends Recession Impact



Consumers cut back with a clear hierarchy

## BIG TICKET

Delay purchasing a new car.

SPEND



## LIFESTYLE

No holiday and keeping satellite TV.

SPEND



## DISCRETIONARY

Drink less coffee out of home (but more alcohol in the home).

SPEND



## EVERYDAY

Continue buying everyday essentials like food and washing powders but look for value.

SPEND



Unilever's categories have been less affected by the recession because they are everyday products; everyone needs to brush their teeth, wash their clothes & spread their bread.

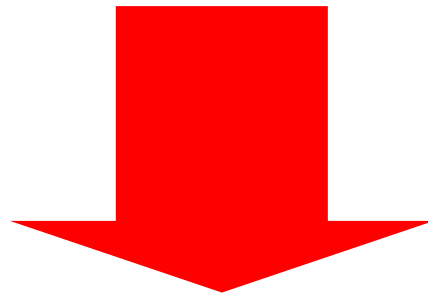
# 2009 Actions



- **Stepped up brand support**
- **Focused on bigger, better innovation**
- **30 Day Plans to focus fast on market-place issues**
- **Moved early to correct pricing**

# Winning in the new reality

**Greater consumer focus  
on the value equation**



**Step change the  
marketing execution**

## Step change marketing execution



# Step change marketing execution

## Superior product



Target unbranded preference



# Step change marketing execution

## Superior product **Rexona in Philippines**



Deodorants	<b>Unbranded Win</b>
Overall opinion	
Odour control	
Unique pack	

**Win driven by unique up-side down roll-on**



Rexona



Avon



**Rexona Won't let you down**

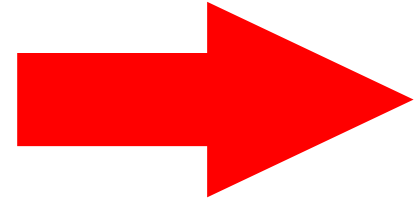
# Step change marketing execution

## Superior design



**From...**

- Productivity
- Efficiency
- Cost saving



# Step change marketing execution

## Superior design



► **To...**

- Consumer-led design culture
- Winning in the 'first moment of truth'



# Step change marketing execution

## Superior design



**Consumer  
Centric  
Design Culture**

**1 Unilever  
Packaging  
Organisation**

**Differentiating  
Technology**  
Structural Design  
Materials Design  
Decoration  
Sustainable Design

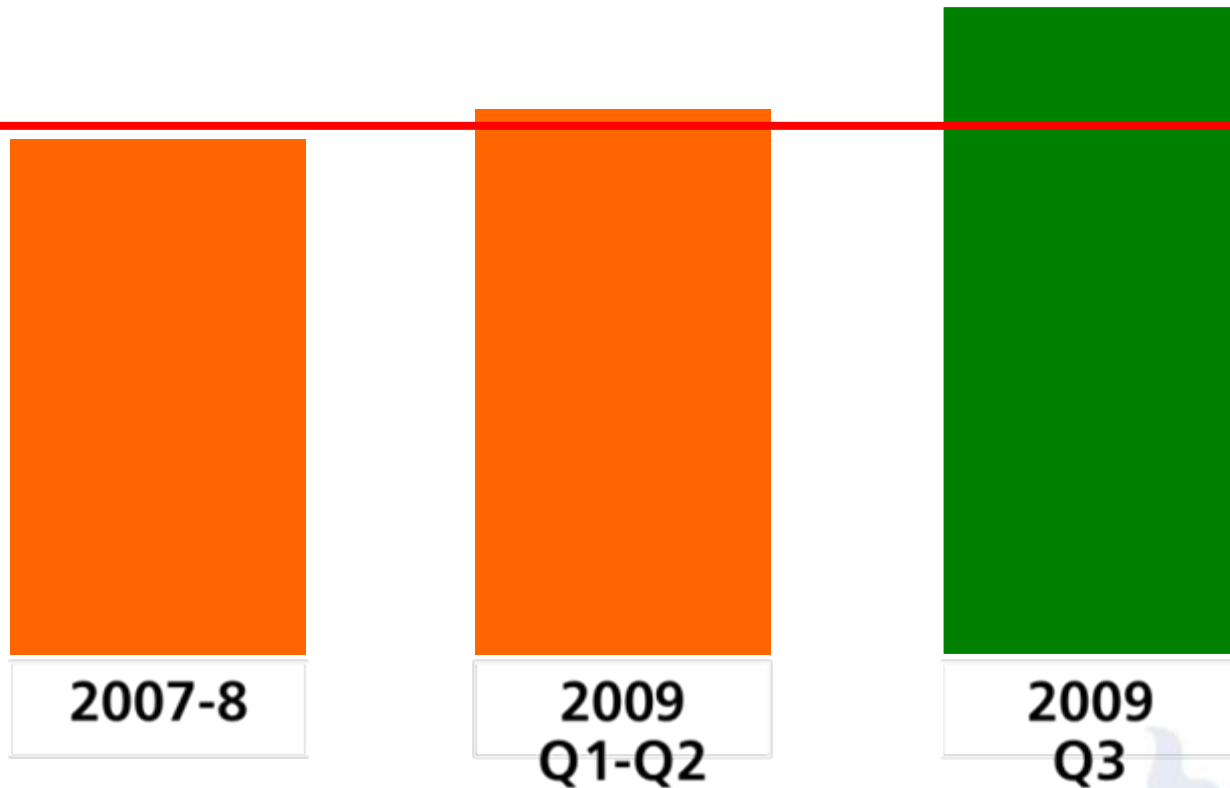
# Step change marketing execution

## Superior communication



Communication is improving

Industry  
standard



# Step change marketing execution

## Superior communication



With more compelling product claims

Use every day for 30 days to  
look as fair as the full moon



Zero dandruff  
48 hour protection

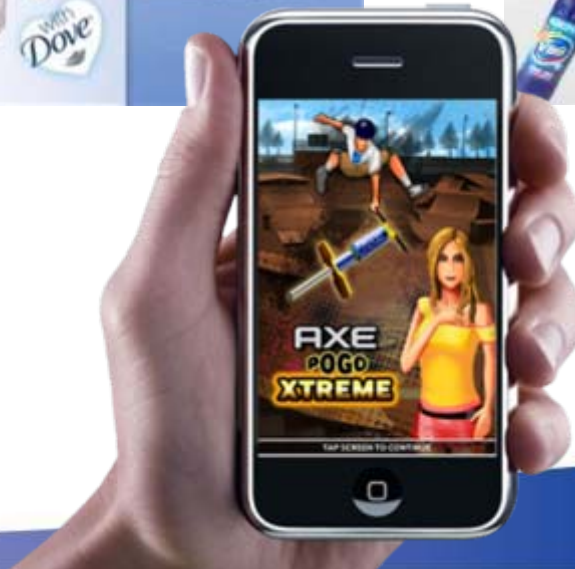


# Step change marketing execution

## Superior communication



Digital investment growing quickly



# Step change marketing execution



Superior products



Superior communication



Superior design



# Brands & Innovation: **Key thrusts**

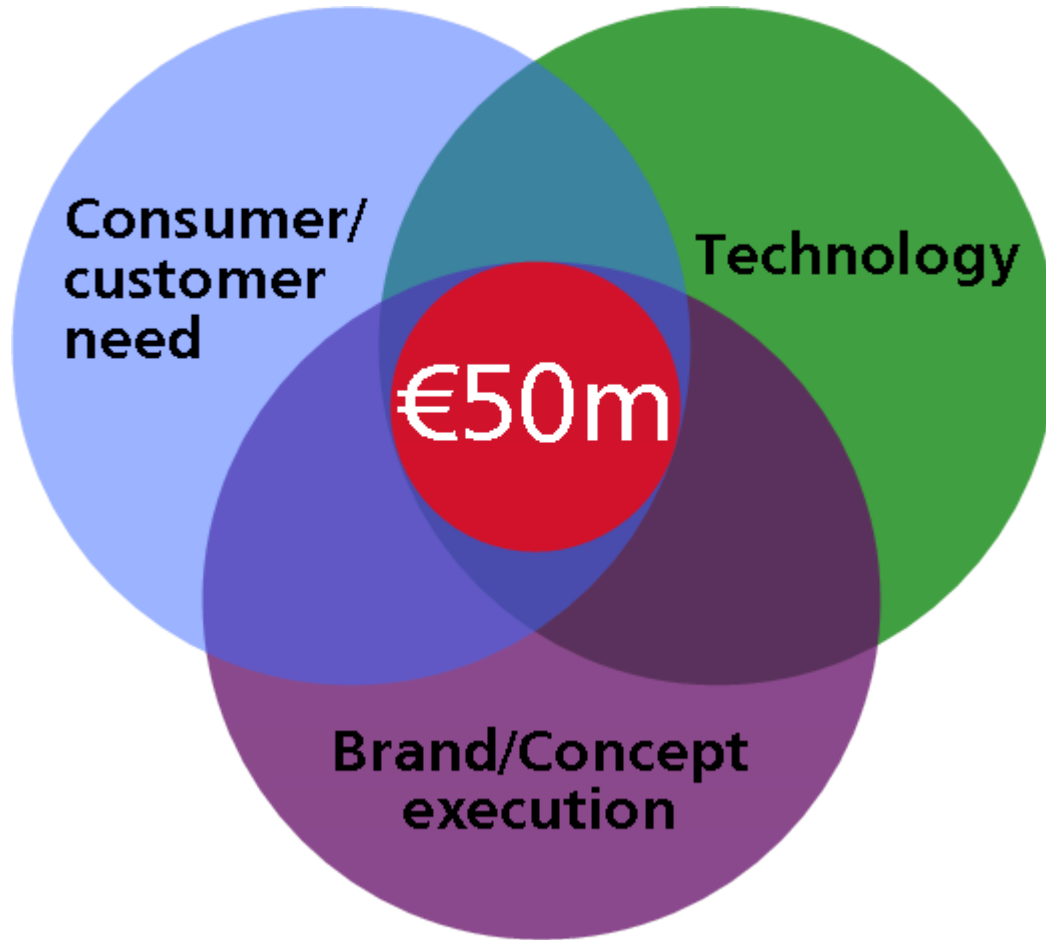


Step change marketing execution

**Bigger, better, faster innovations**

# Bigger, better, faster innovations

## Bigger, better projects



# Bigger, better, faster innovations

## Fast roll-out



Dove Fresh  
**64 markets**



Clear  
**35 markets**



Hair minimising deos  
**37 markets**



Axe Temptation  
**56 markets**



Pyramid bags  
**44 markets**



White Now  
**21 markets**



Knorr Stock Pot  
**12 markets**

# Bigger, better, faster innovations

## Getting faster- Sunsilk relaunch

A promotional advertisement for Sunsilk C-Creations. It features seven diverse individuals (three men and four women) standing in a line against a black background. Each person is holding a different colored bottle of hair product. A large, glowing, white, curved shape resembling a hair curl is positioned in the center. At the bottom, the text 'SUNSILK C-CREATIONS' is displayed in a white, dotted font, with a cluster of colorful dots between the 'C' and the second 'C'. Below this, a smaller line of text reads 'CO-CREATED BY THE 7 BEST HAIR EXPERTS IN THE WORLD TO CHANGE SUNSILK FOREVER'.

**SUNSILK C-CREATIONS**

CO-CREATED BY THE 7 BEST HAIR EXPERTS IN THE WORLD TO CHANGE SUNSILK FOREVER

# Bigger, better, faster innovations

## 2010: Key projects to double in size



**Incremental turnover  
from top 30 projects**  
Year 1, per project



A faint, light blue floral graphic in the top left corner of the slide.

# R&D

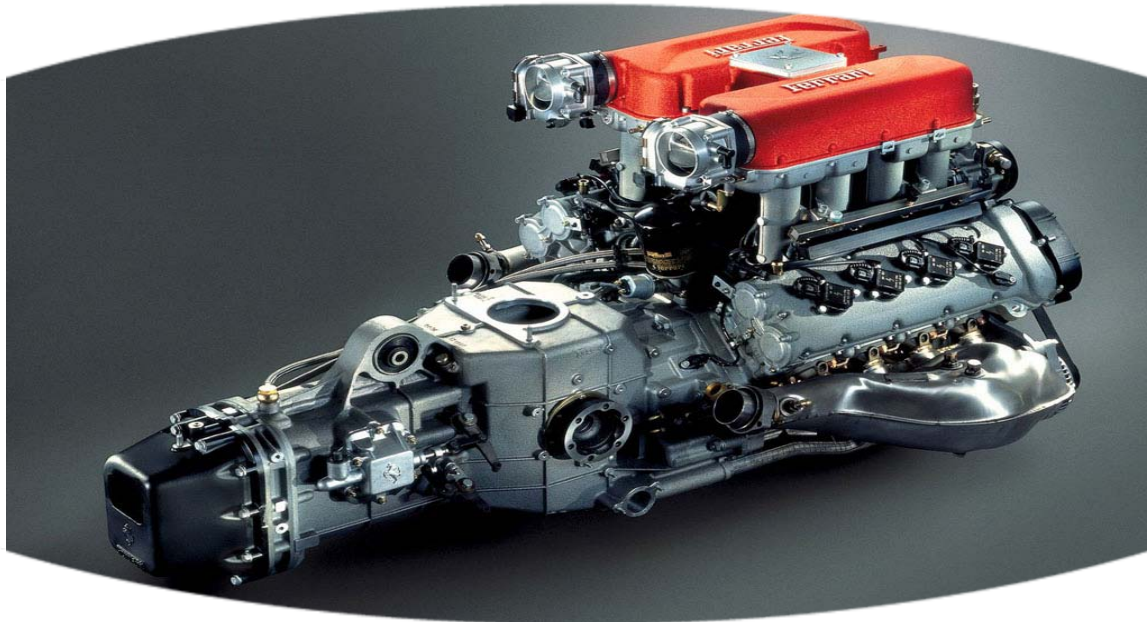
**The engine  
that drives profitable growth**

**Geneviève Berger  
Chief R&D Officer**

A faint, light blue floral graphic in the bottom right corner of the slide.

# From principle to practice

**November 2008:**  
**rebuilding the engine**



# From principle to practice

**November 2009:  
competing and winning**



**Bigger, better, faster**



**We now have  
a better  
organisation  
in place**



# We now have a better organisation in place

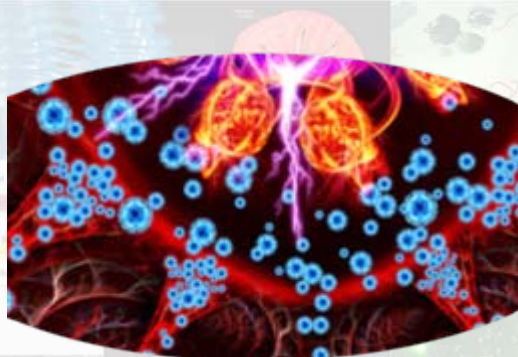


- 1** Prioritisation of programme
- 2** Leveraging network of major labs
- 3** Powerful Critical Functional Capabilities
- 4** Securing the long term

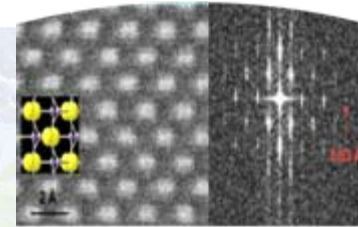


# 1 Prioritisation of programme

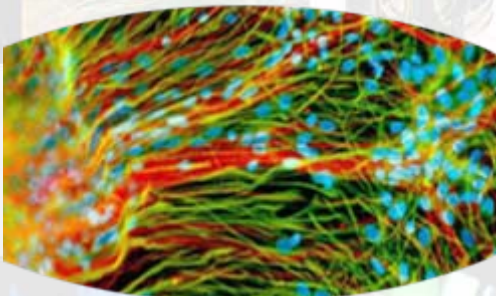
From a multitude of technologies  **Identify most disruptive**



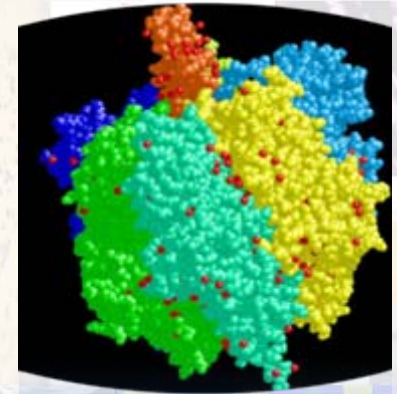
Technology 1



Technology 2



Technology 3



Technology 4



# 1 Prioritisation of programme



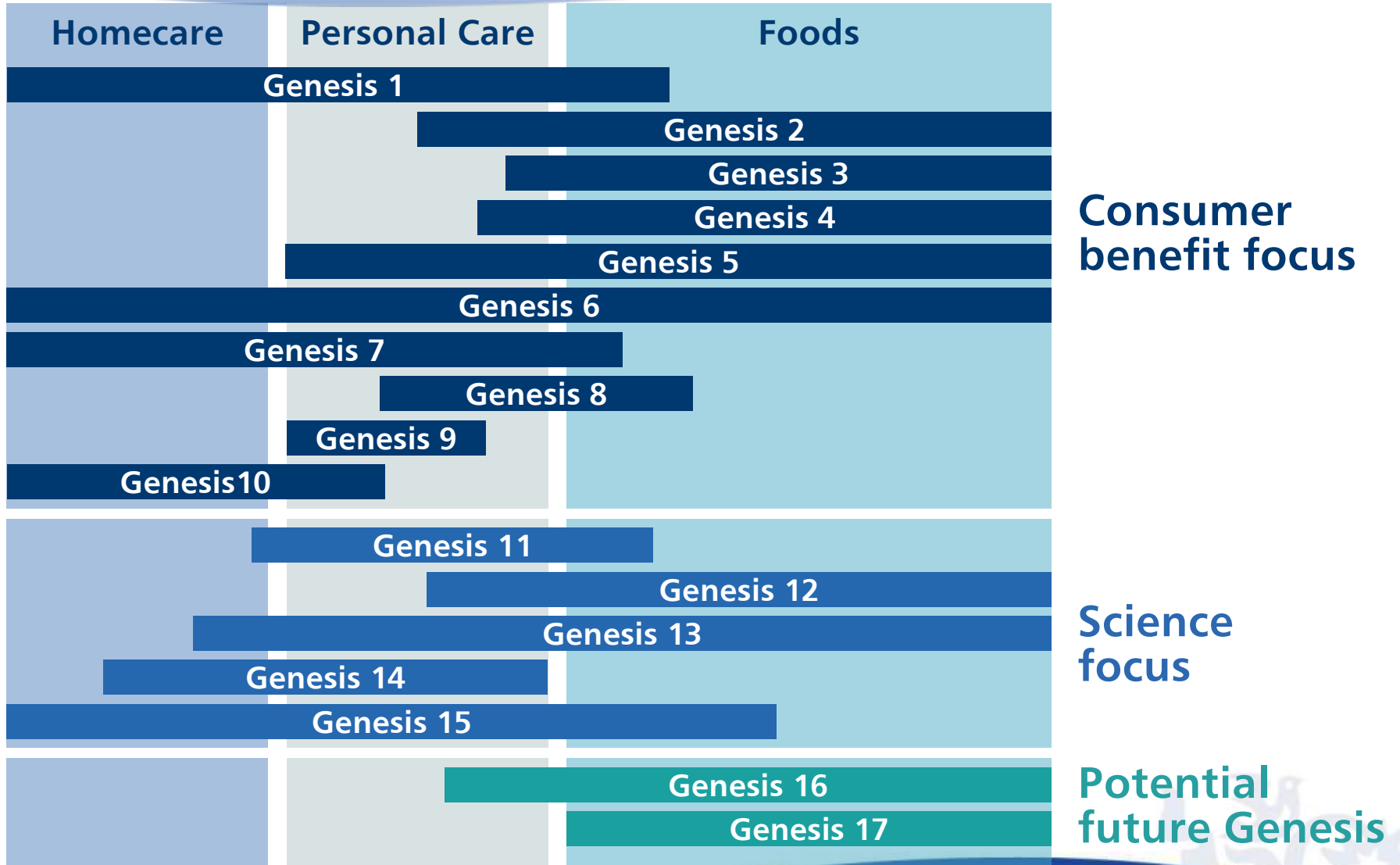
**Disruptive technologies**

**Consumer needs  
Category needs**

**Genesis**

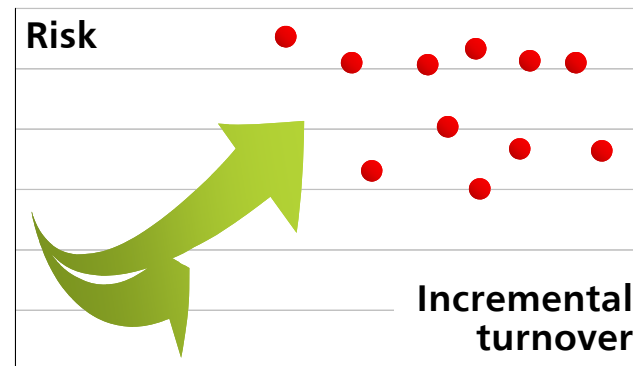
The diagram features a central dark blue rounded rectangle with the word 'Genesis' in white. Two large, light blue arrows point towards the rectangle from the left and right sides, suggesting a process or flow leading to the central concept.

# 1 Prioritisation of programme

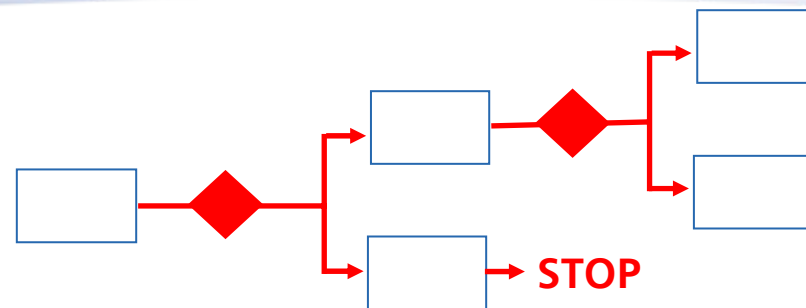


# 1 Prioritisation of programme

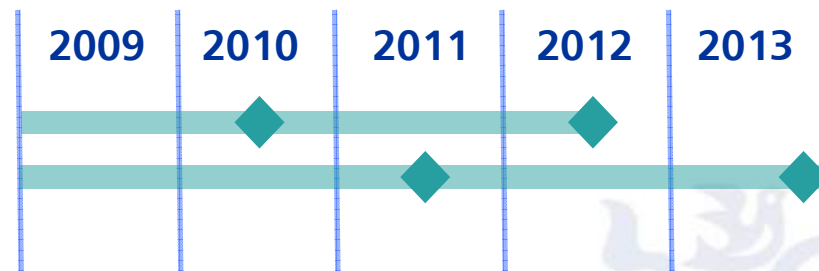
Risk management



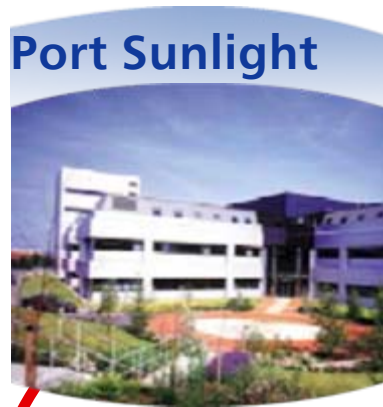
Decision trees



Roadmaps & milestones



# 2 Leveraging network of major labs



**Interdependent**



**Building Asia**

## 2 Leveraging network of major labs



### Shanghai 'One Unilever' R&D Centre

- Foods and HPC
- Global Lab

“Made in China innovations”  
for people everywhere

# 3 Powerful critical functional capabilities



Create competitive advantage

Safety

Clinicals

Open  
Innovation

Regulatory  
Affairs

Patents

IT for  
R&D

**We have raised the bar**

Resource, programme and new leaders

# 3 Powerful critical functional capabilities



**Proof of higher functionality**  
in healthy food and personal care

Clinicals



# 3 Powerful critical functional capabilities



Foods  
regulatory environment

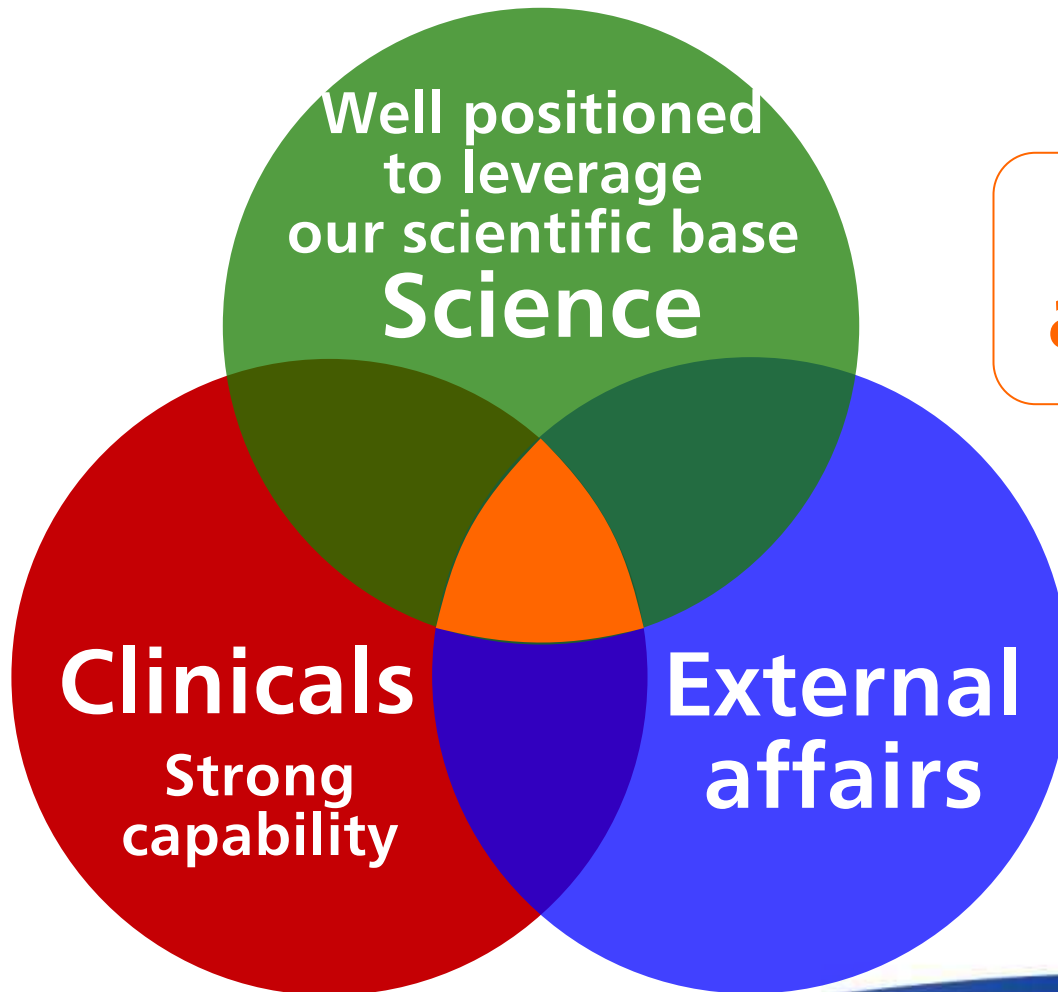
Clinicals



# 3 Powerful critical functional capabilities



Turning claims regulation into **an opportunity**



**Holistic approach**

# 3 Powerful critical functional capabilities



Open  
Innovation

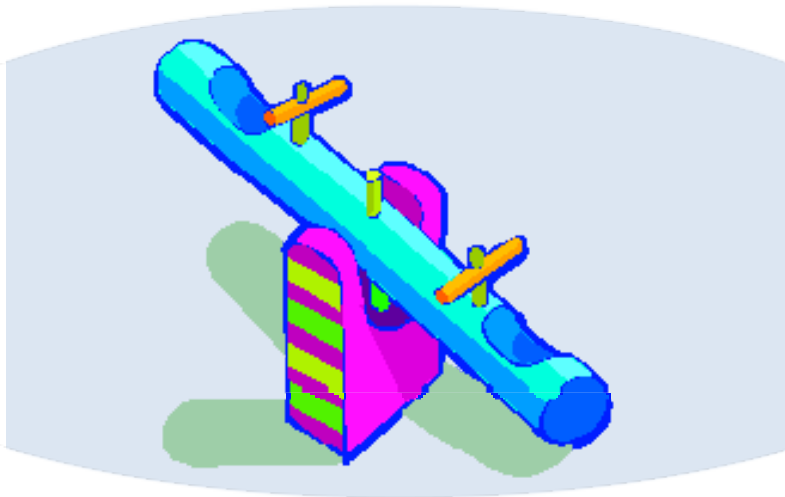
Key for **breakthrough** innovation

-  Increasing investment, building ambitious momentum
-  Building strategic areas

# 4 Securing the long term

## Discover science platforms

Balancing the short term and the long term



Forecast for the future  
– breakthrough leads





We have  
**a much more robust**  
innovation pipeline  
including **big innovations**  
(1-5 years)



# Innovation Pipeline Built



Key disruptive technologies in pipeline agreed by R&D and Category (approx 4 per category)

Built through partnership between R&D and category teams delivering to category innovation platforms





We are now organised  
to exploit  
**opportunities**  
**for new businesses**



# Business model that captures all consumer opportunities



Create new high growth business  
**beyond Unilever's current core**



# The role of R&D in a consumer-centric organisation



Deliver **breakthrough** science  
in areas of real **consumer need**...

...with a **long term vision**

...and develop innovations that  
**do what they claim**, and claims  
that **consumers really trust**



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# Brands & Innovation: Key thrusts



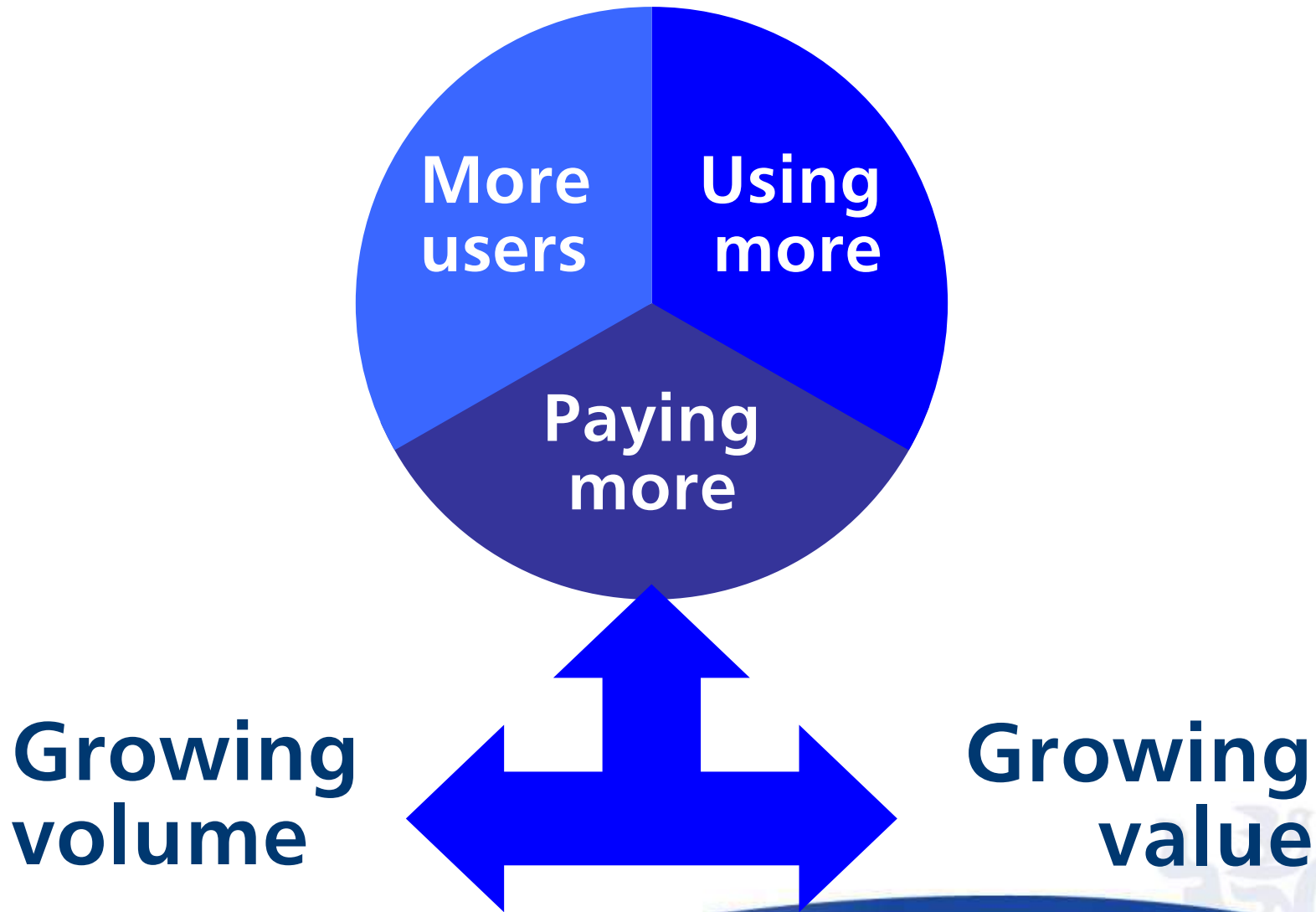
Step change marketing execution

Bigger, better, faster innovations

**Market development**

# Market development

Developing markets and our share of them



# Market development

## More users: Surface cleaners in India



Market development

Using more: Day and night Oral Care



GETTING KIDS TO BRUSH  
**DAY+NIGHT**  
FOR A LIFETIME OF HEALTHY MOUTHS



# Market development

## Paying more: trading up in Tea globally



# Market development example

## Skin Care in India – More usage



**Product as 'hero'**



**Product availability**



**Right Size**



**Aligned promo strategy**

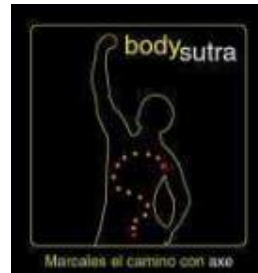


**Educational campaign**



**Daily Regime**

# Market development Embedded in category strategies



# Brands & Innovation: Key thrusts



**Step change marketing execution**

**Bigger, better, faster innovations**

**Market development**