



Nestlé

Good Food, Good Life

THE MARKET

The food market presents an extremely diverse and ever-changing environment.

The market offers products for preparation with both low involvement (snacking, heat and eat) and high involvement (cooking from scratch) occasions.

Within the food market, Nestlé (the manufacturer of Maggi) has expanded beyond the traditional cooking aid segment into both the snacking and frozen food segments. This move reflects the increasing consumer need for quick and easy meal solutions as traditional cooking skills and the time available to use them are declining.

A majority of Australians claim that they have consciously changed their eating habits in the past five years. There is growing evidence of a number of key trends in food including the demand for lighter, fresher foods, more “real” foods and health and nutrition information. The increasing importance of variety in both taste and international cuisine choices is another key trend.

ACHIEVEMENTS

Maggi is a well-known brand with strong equity and awareness in both the retail market and the Food Service market. Over time, the scope of the Maggi brand has been extended from a predominantly dehydrated

cooking aids brand towards a general savoury food brand, including many types of ready snacks and frozen food.

Within the supermarket, Maggi products are immediately recognisable on the shelves. The brand ‘shouts’ to the consumer by means of the yellow packaging which is consistent across all the brand’s products. Building a yellow wall in the supermarket aisle creates high brand visibility and recognition. This in turn ensures the attention of consumers, who are exposed to thousands of messages daily in their supermarket.



HISTORY

Maggi as a culinary brand is more than 100 years old. Its heritage is in bouillon, dehydrated soups and liquid seasoning.

Jules Maggi, born in Switzerland in 1846, had a passion for producing a soup that would be both appetising and nutritious, and also easy to prepare in a household where the housewife was working in industry. The first product Jules launched was Maggi’s Leguminous Flour and then Maggi Seasoning, which is still around today. Jules Maggi died in 1912, but his descendants continued to build on the success of his products and company.

In 1947 Jules Maggi’s company merged with Nestlé. Nestlé strengthened the distribution and financial base of Maggi and enabled it to become

a world leading food brand.

The Maggi brand was first launched in Australia in 1951, with dehydrated soups. Over time the scope of the brand has been extended and now includes many different types of ready meals as well as frozen food.

THE PRODUCT

Maggi boasts a broad range of food products within its brand portfolio, across a number of food segments. Maggi has strong heritage in the noodles, stocks, recipe mixes and sauces and gravy markets.

Over the years Maggi has also become Australia’s leading noodle snack manufacturer. The range consists of 2 Minute noodles and bowl noodles, and these products offer a tasty carbohydrate snack suitable for both children and adults.

Maggi stocks add great taste and flavour to many meals such as casseroles, stir fries, soups and risottos. The stocks were first developed in a cube, but Nestlé has broadened the offering of this product range to take account of changing consumer needs on the one hand and to drive category growth. The range now includes cubes, powders, liquids and, most recently, concentrated liquids.

Within the recipe mix segment, Maggi began with the traditional “Cook in the Pot” range and over recent years has launched a

range of additional sub-brands. These products include the “Taste of Asia”, “Vegetable Sensations”, “Stir Fry” and “Marinade in Minutes” ranges. Aggressive innovation in this category has enabled the Maggi range to gain strong market share and drive category growth.

In 1996, frozen food became part of the Maggi range when the Findus range of frozen products merged with Maggi. After years of further research and development Maggi is now associated with a range of quality frozen products to Australians such as pasta, lasagne and complete prepared meals.



RECENT DEVELOPMENTS

The success of Maggi has been due to the brand’s ability to offer consumers more easy and convenient, good tasting products and meal ideas. Constant renovation and innovation is essential,



and Maggi makes a point of launching new products and continually renovating existing ones to ensure that it supplies the market with high quality products that are relevant to today's consumers' needs.

In 2000, Nestlé launched the successful Vegetable Sensations range. The product is a recipe mix, specifically created for vegetable dishes. The consumer purchases a Maggi Vegetable Sensations product along with fresh vegetables, and creates an interesting, healthy and flavoursome vegetable dish. This product was developed based on the key consumer insight that consumers wanted to eat more vegetables but didn't know how to make them more interesting day by day. The Maggi range experienced growth within this sub-category of 30% after launch, and grew the total category by 11%.

The Maggi family favourite 2 Minute noodles launched a 99% fat free version in 2001. Consumers today are looking for tasty, healthier, low fat snack or meal, ready in minutes.

A new and exciting way to liven up a meal was created in 2001 with the launch of Maggi Concentrated Liquid Stocks. The product has a rich



home-made taste and the consistency of real stock. Analysis of key consumer trends shows that consumers are looking for fresh and convenient products, and this versatile, easy to use range was developed to meet that requirement.

PROMOTION

Over the years, Australians have grown to trust Maggi products to provide an enjoyable meal experience in their homes. Nestlé has made a point of continuously promoting and supporting the product range and brand image since its introduction into Australia.

Each year, Nestlé invests millions of dollars in

various means of communication including television, magazines, sampling, consumer promotions, demonstrations, associations, sponsorships and outdoor advertising.

The brand's communication heritage, going back more than ten years, was the "flavour" story. This still resonates with consumers today.

In 1997 came the development of the "Make the Most of It" campaign, which has built modernity for the brand. The 2000 campaign included an integrated execution of in-store leaflets, television commercials, magazine advertisements and recipe booklets. The success of this campaign was evident. It led to strong positive growth in market share.

Much work has been done to ensure the communication of the Maggi brand embraces its positioning of "real food for real people". Reflected in this sentiment is not only delicious food but relating to people and their lifestyles. The "Make the Most of It" campaign is working to build an

optimistic Maggi brand that empathises with how people live their lives. Beyond the creative approach, the communication is keeping up with media trends and 2001 saw the launch of Maggi products on-line.

BRAND VALUES

Maggi understands that consumers are under great pressures – time, budget, declining traditional cooking skills and the constant need for variety. The Maggi range has established a reliable bond with consumers through giving ideas and advice that make it easier to provide interesting meals.

The core values of the Maggi brand position it as a welcome and trusted helper, and a source of inspiration. Maggi products make providing tasty and interesting meals simple and easy. They make food more of an enjoyable sensory experience. Maggi products offer great taste, flavours, colours and presentation. Maggi products are accessible every day, convenient, wide ranging, priced within budget, and easily available.



THINGS YOU DIDN'T KNOW ABOUT MAGGI

- Australians consumed more than 43 million packets of Maggi 2 Minute noodles in 2000.
- The Maggi range has more than ten sub-brands across a broad spectrum of segments and more than 200 different varieties of products in Australia.
- The first Maggi product launched was Leguminous Flour, followed by the Maggi Seasoning which is still around today.
- Maggi Vegetable Sensations was developed when it was discovered that consumers wanted to eat more vegetables but didn't know how to make them interesting.