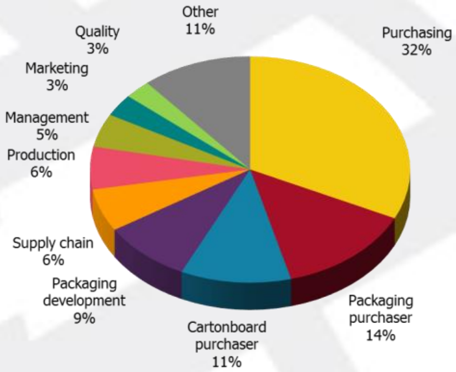
News Release

Opticom International Research

Usage of cartonboard no guarantee for cartonboard brand awareness among consumer goods brand owners

Stockholm, Sweden, September 4, 2014 - Opticom International Research today announces the "Part II – Brand Owners" of the results from "The Brand Tracking Survey – Cartonboard for consumer packaging 2014" defining and ranking the most valuable virgin fibre cartonboard brands in Western Europe **according to consumer goods brand owners**.

The ranking of brands, the Opticom Brand Equity Index, takes into account both awareness of and satisfaction with the brand. Satisfaction encompasses quality and service associations, perceived brand performance as well as loyalty towards the cartonboard brand.



The results are based on interviews conducted in February-April 2014 with 377 brand owners located in Western Europe, representing six different end use segments: Cosmetics & beauty care, Pharmaceuticals & healthcare, Chocolate & confectionery, Frozen & chilled food, Dry food, Wines & spirits. In total 45 different brands were evaluated by the brand owners. To qualify for the ranking a brand must be evaluated by a minimum of ten respondents. Respondents cover a range of functions although most are related to purchasing and selection of cartonboard.

Most valuable brands in Western Europe - based on the Opticom Brand Equity Index[1]

This year's ranking presents 11 brands qualifying for the index (12 in 2012); and the 3 most valuable brands, overall, are Tambrite (from Stora Enso), Invercote and Incada (both from Iggesund). These brands were also in the top three in both 2010 and 2012 but have since then switched places as may be seen in the ranking list below:

Ranking 2014 (2012*)	Brand	Owner of the brand
1 (3)	Tambrite	Stora Enso
2 (1)	Invercote	Iggesund
3 (2)	Incada	Iggesund
4 (6)	Performa	Stora Enso
5 (7)	Simcote	Metsä Board
6 (5)	Alaska	International Paper
7 (11)	Carta range	Metsä Board
8 (8)	Rochcoat/blanc/perle	Careo
9 (9)	Ensocoat	Stora Enso
10 (12)	Chromolux	Metsä Board
11 (10)	CKB	Stora Enso

** BEI 2012 based on recalculation including the 2012 data from Switzerland for comparison.*

[1] *To qualify for the European ranking a brand must be evaluated by minimum ten respondents of whom three or more in at least two of the six end use segments covered in the survey. The BEI consists of four different sub indices: spontaneous brand awareness, top of mind, quality associations and loyalty.*

Brand knowledge differs across the six segments surveyed

When looking on a segment level, Invercote (from Iggesund) takes the lead among the brand owners active in Chocolate, Cosmetics & beauty care as well as Wines & spirits; while Tambrite (Stora Enso) is number one in the Pharma & healthcare and food segments. Incada, although not number one in any of the segments, is in the top-three in four segments (all but Dry food and Wine & spirits).
Segment related differences between top brands are illustrated by the following table showing top three brands[2] per segment based on the Brand Equity Index scores:

Pharmaceuticals & health care	Chocolate & confectionery	Cosmetics & beauty care	Dry food	Frozen & chilled food	Wines & spirits
Tambrite	Invercote	Invercote	Tambrite	Tambrite	Invercote
Alaska	Incada	Incada	Incada	Simcote	Chromolux
Incada	Carta range	Algro Design	Simcote	CKB	

No significant improvement of brand awareness

Spontaneous awareness of both supplier and product brands is overall very low. Stora Enso maintains its leading position with the highest supplier awareness and the highest brand awareness (Tambrite). Following closely, Invercote, Incada and Alaska are the most known product brands each mentioned by a similar share of respondents. In comparison to 2012, the awareness levels are similar overall; however segment related differences may be observed.

On the other hand, levels of prompted awareness levels are much higher than spontaneous, indicating a "passive" knowledge of the brands.

Performance and value for money; main drivers for brand selection

Unlike the converters, the usage of a specific brand is not a guarantee for higher awareness.

The survey also looks into purchasing behaviour such as how influential brand owners are when selecting cartonboard grade and/or brand, how often they use a certain brand and the most important drivers for brand usage. The most important drivers for using a brand in 2014 are product performance and value for money. These results vary somewhat depending on the segment and brand.

Quality expectations are met and brand owners are still loyal

Another important finding from the survey is that the cartonboard brands are meeting the quality and performance expectations overall. The 2014 edition also follows up in identifying demands on a number of service and relationship aspects and how satisfied brand owners are with those – supply chain related aspects in particular being the hot topic of the year.

Brand owners are still loyal to their current main brand. They are likely to continue using the brand, but on a group level, not at all as likely as converters to recommend their main brand to others mainly due to a larger diversity among users of the same brand.

[2] *Brands evaluated by 5 or more respondents qualify for the segment specific comparison.*

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Sustainability & environmental aspects

For the first time in 2010, Opticom looked into the environmental aspects of choosing a cartonboard brand. In 2012, a follow-up was done and it was also expanded to cover sustainability in a wider scope. The 2014 results show that the brand owners still have a limited knowledge of these aspects and most of them do not recognise a leading brand and/or a supplier in this area. What will it take then for a brand and/or supplier to take the lead in the coming years?

Cost issues are challenging

For the first time, Opticom looked more closely at the most critical challenges that brand owners need to overcome to maintain and strengthen their competitiveness as well as what a cartonboard producer can do in order to help the brand owners meet their challenges. Among others, cost related issues are the main challenges for the brand owners. And consequently, brand owners ask for producer support related to these aspects.

The Opticom Brand Tracking Survey adds value to you if you are interested in finding out any of the following:

> How do the end users of the board (the brand owners) view your brand? What overall strengths and weaknesses does it have?
> What do users of your brand value when it comes to quality and service characteristics?
> How well does your brand fulfil brand owner demands; both in absolute terms and in relation to competition?
> How loyal are brand owners to your brand? Are they sensitive to changes in e.g. pricing, product quality or logistics?
> How do brand owners view sustainability and environmental aspects and how do they rate the performance of different suppliers and brands in that respect?
> What makes a brand better than others when it comes to environmental aspects? And what makes a supplier better than others when it comes to sustainability?
> What are the most critical challenges brand owners need to overcome to maintain and strengthen their competitiveness? And how can a cartonboard producer help brand owners to meet their critical challenges?

The findings provide useful information that enables owners of the cartonboard brands to for example:

> Define where to focus efforts to create a stronger brand position; is it question of raising awareness of the brand or more about influencing brand owners' quality perceptions or even improving the actual quality of the brand?
> Analyse brand positions in the various end-use segments to see where they have competitive advantages and not.

For more information, or ordering of the survey, please contact Camilla Wiwe at:

Opticom International Research, Grev Turegatan 30, SE-114 38 Stockholm, SWEDEN
Direct phone: +46 (0)8 50 30 90 06
Mobile phone: +46 (0)708 39 90 06
E-mail: camilla@opticom.se

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