News Release

Opticom International Research

Improved brand awareness among board converters – leading suppliers challenged by other companies

Stockholm, Sweden, August 31, 2012 - Opticom International Research today announces the results from "The Brand Tracking Survey – Cartonboard for consumer packaging 2012" defining and ranking **the most valuable cartonboard brands in Western Europe according to carton converters**.

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 brand.

The results are based on interviews conducted in February-March 2012 with 206 carton converters from seven Western European countries: Germany, the UK, France, Belgium, the Netherlands, Spain and Italy. All the converters who participated in the survey use virgin fibre cartonboard for their cartons and they produce folding cartons for at least one of the following end use segments: Cosmetics & beauty care, Pharmaceuticals & healthcare, Chocolate & confectionery, Frozen & chilled food, Dry food, Wines & spirits. Totally 58 different brands were evaluated by the converters and to qualify for the ranking, a brand must be evaluated by minimum ten respondents. Respondents cover a range of functions though most are related to purchasing and selection of cartonboard.

Main findings

The survey shows a very positive development with regards to awareness. There are improvements across most markets and brands and **Jessica Tommila**, Project Manager at Opticom, relates this to the intensified focus on branding of cartonboard seen in the last few years, saying: *"The work put into branding by the cartonboard producers is really starting to show results. For many brands there is an impressive improvement in spontaneous awareness."*

Another important finding from the survey is that converters put higher demands on the quality of the cartonboard than seen in previous studies and in particular on aspects relating to productivity. For the first time, the study also identified demands on a number of service and relationship aspects and how satisfied converters are with those.

Loyalty in the sense of being likely to continue using the current main brand remains very high overall although about half of the converters prove to be more price sensitive than others.

When taking into account brand awareness, performance and loyalty and thus ranking the brands based on Opticom's *Brand Equity Index*[1], the most valuable cartonboard brands in Western Europe according to carton converters are:

Ranking 2012 (2010)	Brand	Owner of the brand
1 (5)	Tambrite	Stora Enso
2 (4)	Incada	Iggesund
3 (1)	Invercote	Iggesund
4 (new)	Carta Range	M-real
5 (8)	Performa	Stora Enso
6 (2)	Korsnäs	Korsnäs
7 (new)	Algro Design	Sappi
8 (10)	Rochcoat/blanc/perle	Careo
9 (7)	Simcote	M-real
10 (3)	Ensocoat	Stora Enso
11 (new)	Linoplex/freeze	Mayr-Melnhof

Stora Enso is the most frequently mentioned cartonboard supplier followed by Iggesund, and those two companies also own the most valuable brands according to the ranking. However, compared to 2010, they are being more challenged as there is less difference to brands of other suppliers.

Compared to earlier editions, there are some changes in positions and there are also brands qualifying for the ranking for the first time: the Carta Range (Elega, Integra and Solida) from M-real (straight into 4th place), Algro Design from Sappi and Linoplex / freeze from Mayr-Melnhof. On the other hand, brands no longer qualifying due to fewer converters evaluating them are Alaska (from International Paper) and Chromolux (from M-real).

The two brands showing the most positive development vs. 2010 – thanks to improved awareness in particular – are definitively Stora Enso's Tambrite and Iggesund's Incada; both are now even slightly ahead of Invercote (Iggesund) that used to be the clear number one brand in these studies. Other brands with a relatively stronger development vs. 2010 are Performa (Stora Enso) and the Roch-range by Careo.

Besides the brands qualifying for the total Western European Brand Equity Index ranking, there are ten other brands that qualify for the Brand Equity Index ranking in only one geographical market respectively. Three of them are top three in that market: CMPC (from CMPC) in the UK, CKB (from Stora Enso) in Italy and Pankaboard (from Pankaboard) in Spain.

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

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Results have also been analysed per main end use segment for the converter and it shows that when pharma & health care or cosmetics & beauty care is the main segment, converters tend to concentrate their purchases to a few strong brands, whereas converters with chocolate, food or wines & spirits cartons as their main segment use a wider range of different cartonboard brands.

The survey does not only measure how well known and appreciated brands are and how loyal users are towards them. It also looks into purchasing behaviour such as how influential converters are when selecting cartonboard grade and/or brand, how often they buy a certain brand and what the since most important driver is behind the brand selection. Is it quality, price, service, relationship, specification or something else?

In 2010, Opticom for the first time looked into the environmental aspects when choosing a cartonboard brand. In this study, a follow-up was made and it was also expanded to cover sustainability in a wider sense. A separate news release will be published around those results.

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

- How do your customers (the converters) view your brand? What overall strengths and weaknesses does it have?
- Is your brand well-known where distributed? That is, does its awareness reflect its availability in the various markets?
- What do users of your brand value when it comes to quality and service characteristics?
- How well does your brand fulfil converter demands; both in absolute terms and in relation to competition?
- How loyal are converters to your brand? Are they sensitive to changes in e.g. pricing, product quality or logistics?
- How do converters view sustainability and environmental aspects and how do they rate the performance of different suppliers and brands in that respect?

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 converters' quality perceptions or even improving the actual quality of the brand?
- Analyse brand positions in the various markets and end use segments to see where they have competitive advantages and not.

For more information, or ordering of the survey, please contact Jessica Tommila at:
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