

A decorative graphic on the left side of the slide consists of several overlapping, colorful abstract shapes. From top to bottom, there is a large pink teardrop shape, a blue diamond shape, a large orange teardrop shape, a purple oval shape, a green teardrop shape, and a red teardrop shape. A yellow triangle is also partially visible on the left edge.

Consumer Driven Packaging Innovation

消費者推動包裝的創新

Agenda

- Kraft Foods and Kraft Foods China briefing
卡夫食品及卡夫食品中国简介
- Win with consumer in two 5-seconds
五秒定江山
- Packaging Technology Platforms (flexible)
软包装技术平台

Our Vision

make today delicious



Our Position

**At Kraft Foods
delicious is our difference!**

卡夫食品：美味使我们与众不同

- We begin with our consumers

我们从消费者开始

- We make delicious foods you can feel good about

我们创造让你感到美好的美味食品

- We believe we can make a delicious difference, everywhere

我们相信我们能创造不同！



Kraft Foods At a Glance

Annual revenues of **\$49 billion**

The world's **second** largest food company

No. 1 share position in biscuits and confectionery

Consumers reach for our products in more than **160** countries

Offices in more than **70** countries

127,000 employees

Donated nearly **\$1 billion** in cash and food since 1997



Kraft Foods China Packaging

卡夫食品中国包装

Win with consumer in two 5-seconds.

五秒定江山



Kraft China Packaging Vision

■ To be the business equal partner with packaging innovation

- Driven by consumer insights
- Leverage technology platforms

Two 5 seconds for package to delight consumer

- 1st 5 second is to pick up a package on shelf
- 第一个五秒是当消费者从货架取下产品（包装）的时候
- 2nd 5 second is when consumer use the package
- 第二个五秒是当消费者使用这个包装的时候

Packaging makes consumer FEEL good!!!

Competitively advantaged packaging address consumer needs in two 5-seconds



Project background

1. QL - Home visit

a) City: BJ, MY

b) Sample size: 4 home visit per city (Aware, Trial-Loyal/Brand switch, Repeat)

BJ



MY



2. QT - BHT

a) City: Nationally (4 K cities, 4 A cities, 4 B cities)

b) Sample size: N=600 (50 per city)



Successful launch of New package Tang

From the perspective of consumers, the success results from...

New package Tang can

Drive

Frequency/
Amount per time



Enhance

Functional
brand image



Drive consumption

The launch of New package is most likely to give rise to more consumption of Tang, in terms of frequency and amount per time.

	Old package	New package	Implication
Who do the preparation	Mom exclusively	Mom or Kids	1. More frequently 2. More amount per time

BJ Tang new package user-

*I am busy, and I feel comfortable that my **kid do the preparation by himself**, as the new package is more convenient, no powder will spill out...*

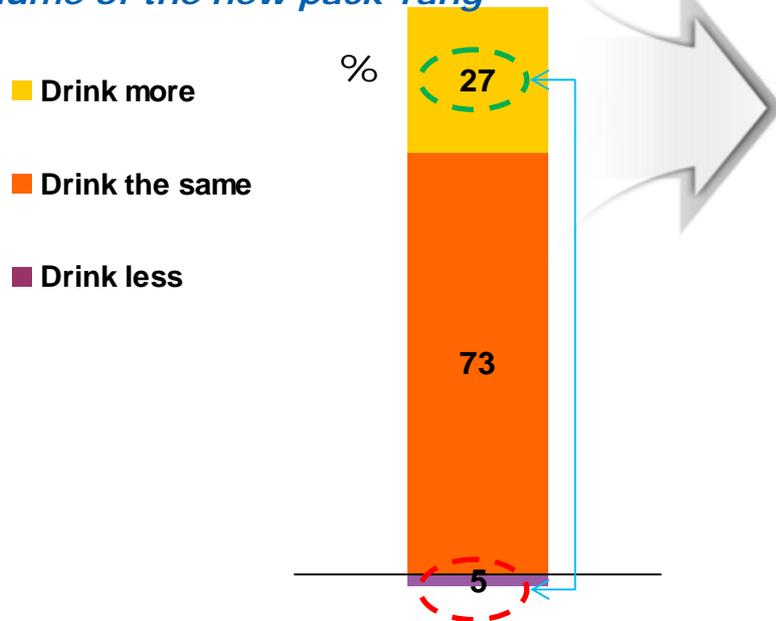
*And My kid would drink **more frequently** and **more amount per time**, if he take over the preparation, as compared with my habits...*



Drive consumption

And among the P3M Tang purchaser, positive feedback on kids' intention towards new package Tang's consumption volume is observed ...

Kids' intent consumption volume of the new pack Tang



Base: Tang P3M purchaser with kids n=41

Reason for drinking more ...	
	Tang P3M Purchaser
Base:	13*
	s
Pack包装	96
Overall pack包装总体	43
Pack is beautiful / pretty 包装漂亮/好看	19
Pack is novelty / unique 包装新颖/独特	10
Pack is attractive 包装吸引人	10
Usage of pack 包装使用	22
Easy to drink / use 饮用方便/使用方便/开口方便饮用	16
Easy to carry 携带方便	6
Easy to store / conserve 容易储存/保存/方便储存	10
Big volume 容量大/量大	23
Has a nozzle 有吸嘴/有吸口	10
There are kids / characters 图案有人物/有小孩	-
Color is bright 颜色鲜艳/亮丽	17
good for health 喝后会更健康/喝后身体 有好处/更有益于健康	6
affordable 价格实惠	15



Brand image

Functional images are well received, e.g. easy open, eye-catching, uniqueness. However, relatively limited effectiveness in improving emotional brand perception.

New package Tang is...PB Purchaser



BJ Tang user-
New package Tang can be **easily found** out on shelf, while it's **hard** to **identify** the **old** package Tang.

MY Nestle user-
Obviously the new package Tang is more **convenient**... resulting from the **new spout format**

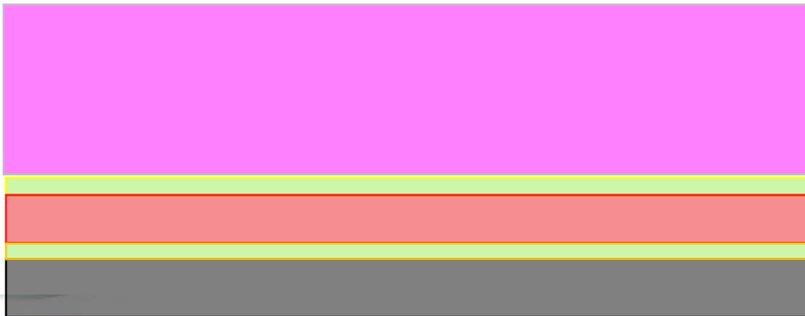
BJ Tang user-
Colorful and eye-catching, **but nothing else**...

Tang Spout Packaging Development: Open Innovation

1 Kraft R&D and Supplier Open Innovation to develop special Spout bag for Tang Powder Beverage, to improve consumer using feeling, easy opening & close, provide fabulous shelf attraction.



2 Develop unique high barrier metallic film for Tang powder beverage to keep same product shelf life as aluminum material.

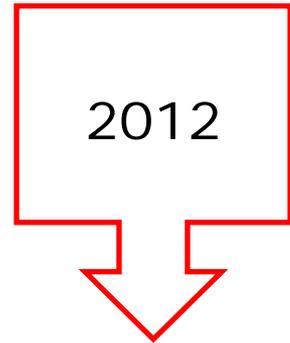


- LDPE – Body, sealing layer (with spout part)
- Tie layer – Bonds dissimilar resin types
- VMPET – High barrier metallic PET
- Tie layer – Bonds dissimilar resin types
- PET – Surface layer, for printing

Mini platform Portfolio achieved a big success since July of 2009 which delivery consumer 1st 5 second need on shelf

Sweet Pleasure

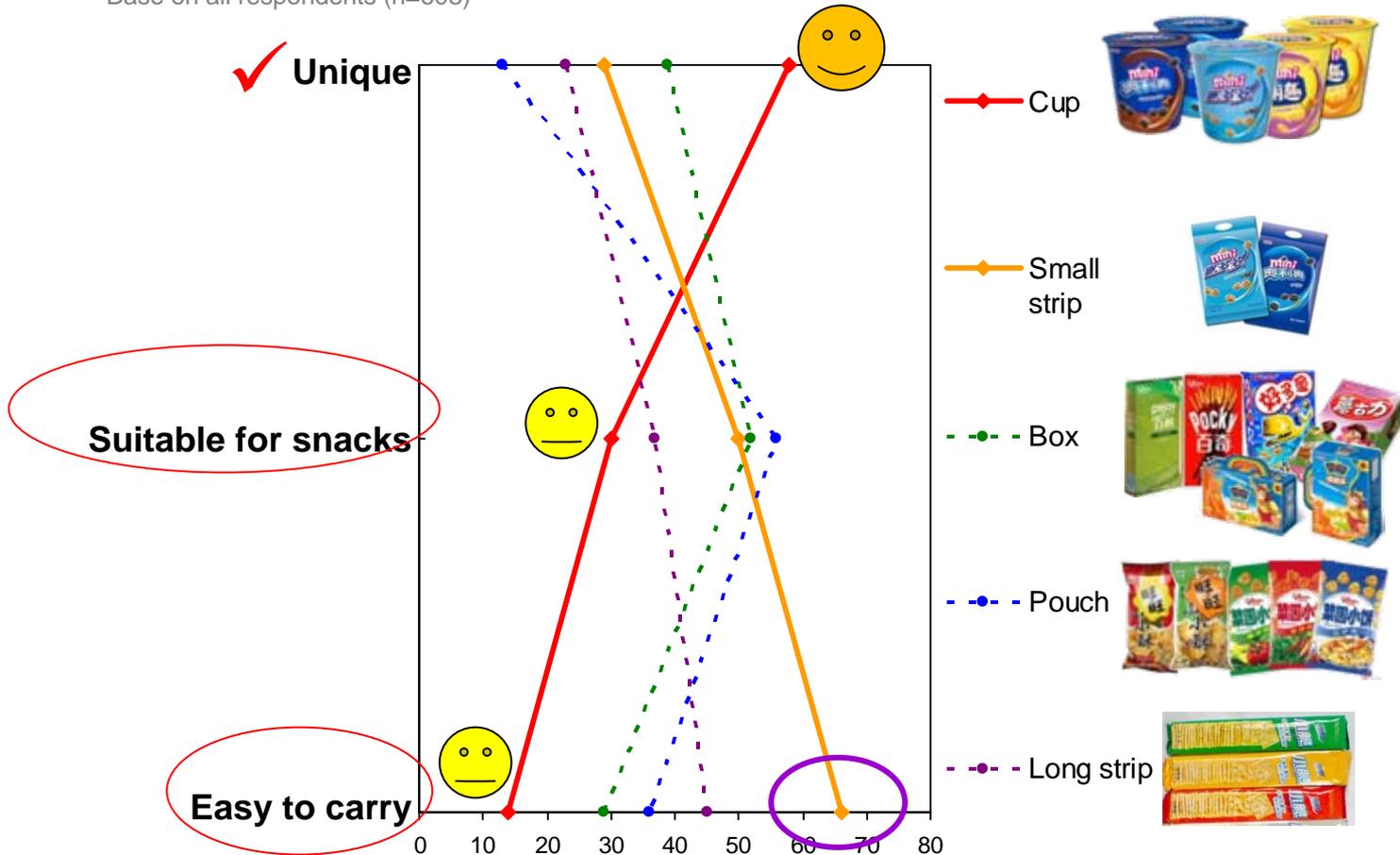
Savory Munching



Current Mini Cup wins over on uniqueness, while has improvement area on 'suitable for snacks' and portability

Package Format Comparison

Base on all respondents (n=608)



Source: Ipsos Report of Mini Post Launch Study, Mar 2011

Packaging Technology Platforms (flexible)

(软) 包装技术平台



Kraft China Packaging New Technology Platform



**High speed
Biscuit film**

**Ultra barrier film
for foil replacement**

**Monolayer
Biscuit film**

**Easy peel
film**

Re-closable pack

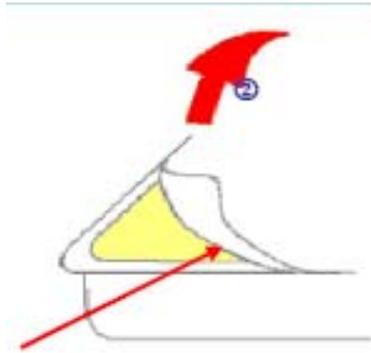
Active pack

**Sustainable
pack**

New technology proposal examples

- Consumer add-value

Peelable film, Jiapu, Nov



Re-closable pack, Jiapu

Peel & seal pack, Jiapu



Spout pack for Tang, Zijiang

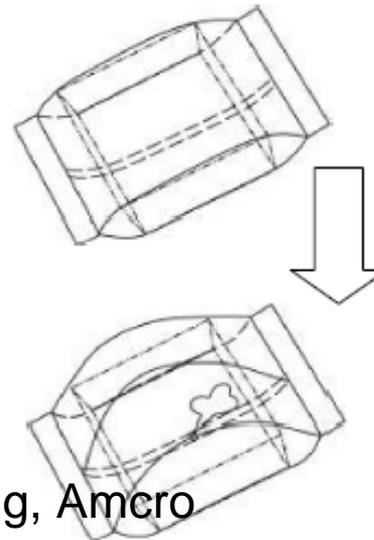


Micro wave-able pack, Jiapu

Sleeve in Pouch, Secure



New UV lacquer coating, Amcro
Flat bottom pack, Secure



Peel & Seal-continue label

■ Technology

- Unique laser or die cut opening feature leveraging pressure sensitive adhesive system to deliver reclose

■ Consumer Benefit

- Provides Easy Opening without cutting or tearing package.
- Keep product fresh without having to repack in storage bags or containers

■ Sustainable Competitive Advantage

- Kraft Patented technology
- Consumer prefer the reclose.
- Latest development of **Continues Label** technology make Peel& seal more cost effective.

■ Status update

- China localized Peel & seal 1st generation technology for Aus CA! 250g in 2011.
- **Continues label** pilot plant trial is on-going in Kraft US.
- Kraft India will have line trial for Continues label for biscuit packaging in early 2012.



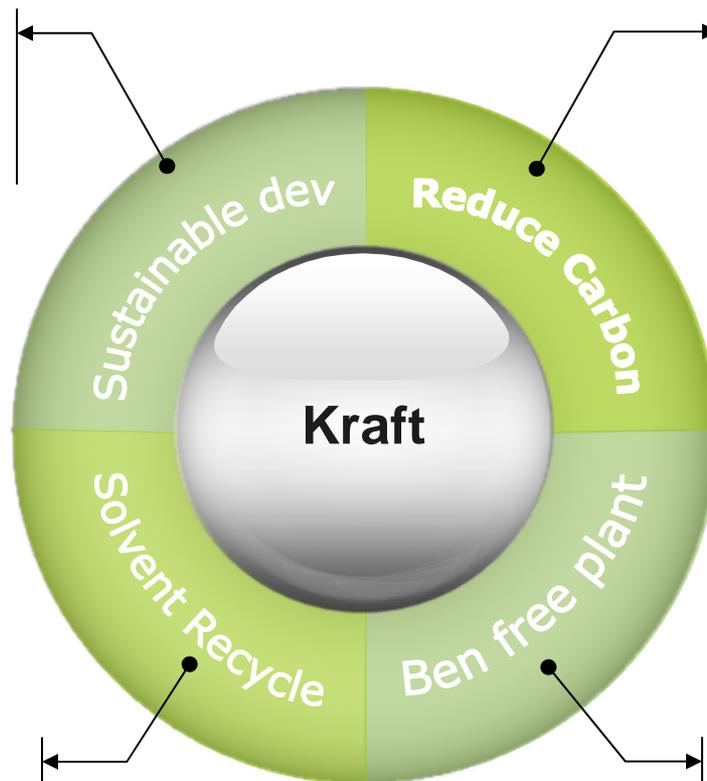
New technology proposal examples

-Sustainable packaging

Develop strategic relationship with supplier for sustainable development



Install solvent recycle system. Reduce pollution and save material. Solvent less lamination roll out.



Reduce material usage, optimizing logistic to reduce carbon foot print



Attention to Food Safety
Build Ben free plant

创新让今天更美味!



**Oreo Sandwich
Double fruit**



Mini Oreo



Mini Uguan

我们以“让今天更美味”
“我们创造美味”为己任
坚持创新



**Oreo Wafer
Ice Cream**



Pacific Wholegrain



**Tang Spout
pack**
craft foods



Packaging: To Be An Equal Business
Partner

Thank You!