

Super Premium Brands

Bruno Cosentino

Director Super Premium Brands



Connection with Strategy: Super Premium as a trendy need for Chinese consumers

Dream: #1 in Asia

Pillar

Brands
Bonding
with
Consumers
& Trade Up

Expansion

Maximize
Strongholds

Sales
Machine

Disruptive
Growth

Operational
Efficiency

Better
World

People
Pipeline

Personal Introduction

Name

Bruno Carreira Cosentino

Education

Business Bachelor, SP Business School MBA

Hire date

01/03/1997

Working Location

Shanghai HQ, APAC

Position

Super Premium BU head

Career Path

Sales Manager - Brazil

Trade Marketing Manager - Brazil

Bohemia National Marketing Manager - Brazil

Andean Marketing Head - Hila

Soft Drinks Marketing Director - Brazil

Brahma/Antarctica Marketing Director - Brazil



Globalization is driving trade up trends and creating new areas to play: new capabilities needed

Urban Centers Growth

- Consistently strong growth of urbanization
- Over 90 million Chinese tourists traveled overseas, and are becoming more & more familiar with urban trends
- There are more than 78 cities around the world with more than 5MM citizens and a sizeable number of these cities are in China



Interest in Brands with Authenticity and Origin

- Consumers are looking for brands with authenticity and origin
- AB InBev has a strong portfolio of brands with deep heritage and stories (e.g. Stella Artois, with over 600 years of brewing expertise)



New Channel Opportunities

- New channel opportunities for ABI such as western restaurants, bars, and 4-5* hotels
- Increasing trend for in-home consumption
- E-Commerce growing at 40%+ in China, 200%+ in beer category. China is the largest e-commerce market in the world with est. \$450B USD annual revenue

淘宝网
Taobao.com

天猫 TMALL.COM

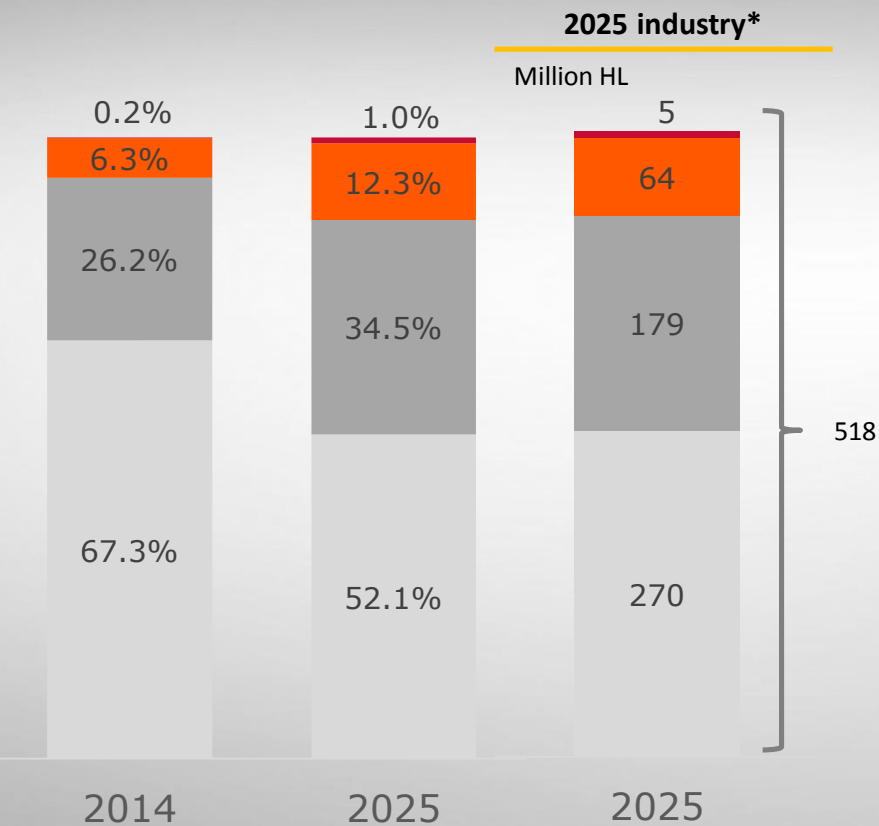


Consumer trade-up trend is driving Super Premium growth ahead of the average.

Segment has 9x gross margins vs. core & value segment

Industry by segment

% of volume by segment



Index of prices and profitability

Indexed at 100 for core & value segment

	Price to consumer	Net revenues	Gross Margin
Super Premium	5.0x	7.0x	9.0x
Premium	2.5x	3.0x	5.0x
Core +	1.5x	1.5x	1.6x
Core & Value	100%	100%	100%

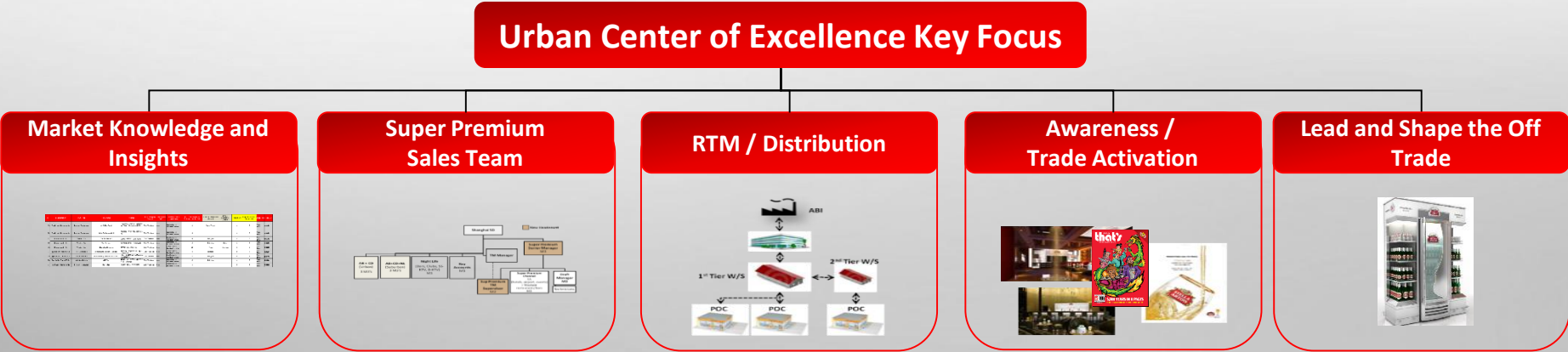
* Simulation assuming market CAGR between 1.5% and 2.0%
Source: BCG

Urban Centers: a concentration trend that is leading to premiunization and a new operational approach



Focus Urban Center - City Selection Criteria				
BU	City	GDP 2014 (USD Bn)	Population 2014 ('000s)	Selection Comments
SH	Shanghai	384	24,257	Largest population
BUS	Guangzhou	272	14,080	Key national transportation hub
BUS	Shenzhen	258	10,630*	China's most successful Special Economic Zone
BUN	Beijing	347	21,516	Capital of China, second most populous city
BUW	Chengdu	164	14,048**	Capital of Sichuan province, and one of the most important economic centers in western China
BUS	Hong Kong	310	7,235	Westernized, trend setting and influential city for China.

* 2013 population data available
 ** 2010 population data available



Super Premium: small today but huge opportunity driven by trade-up trend and globalization

Focus Brands



- Focus brands to target new channel opportunities and occasions

Route to Market



- Dedicated sales team
- Wholesalers focused on new channels and opportunities

Digital / Social Media



- Targeted e-commerce, digital media, social media to drive awareness and engagement

Super Premium: Unparalleled portfolio

Corona has a unique approach by bringing the beach spirit to consumer's lives



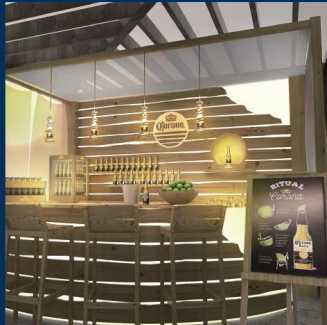
Super Premium: Unparalleled portfolio

We are building Corona from the western bars, with connection to the brand promise

On-trade Activation

Beach experience to activate main hot spots in on-trade POC's

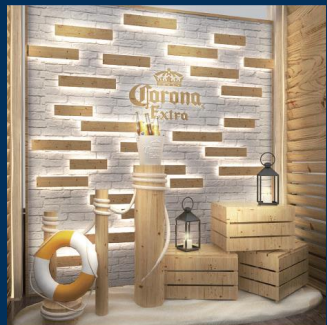
PREFERRED AREA



BAR



ENTRANCE

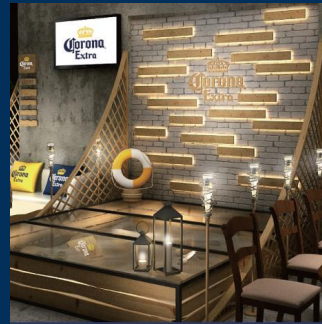


BOTTLE DISPLAY



VIP AREA

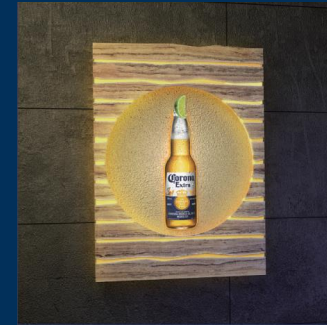
ALTERNATIVE AREA



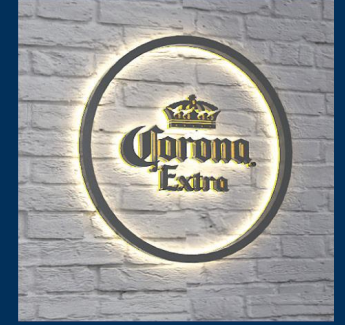
STAGE



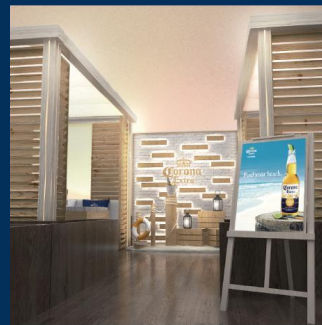
CHANDELIER



BOTTLE DECO



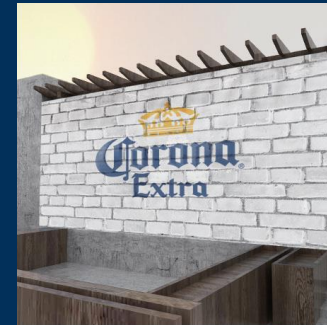
LOGO LIGHT



OUTDOOR AREA



IMAGE WALL



OUTDOOR WALL



WALL

Super Premium: Unparalleled portfolio

In the off-trade channels we are bringing beach atmosphere to the POC

Off-trade Activation

Beach experience throughout the shopper journey



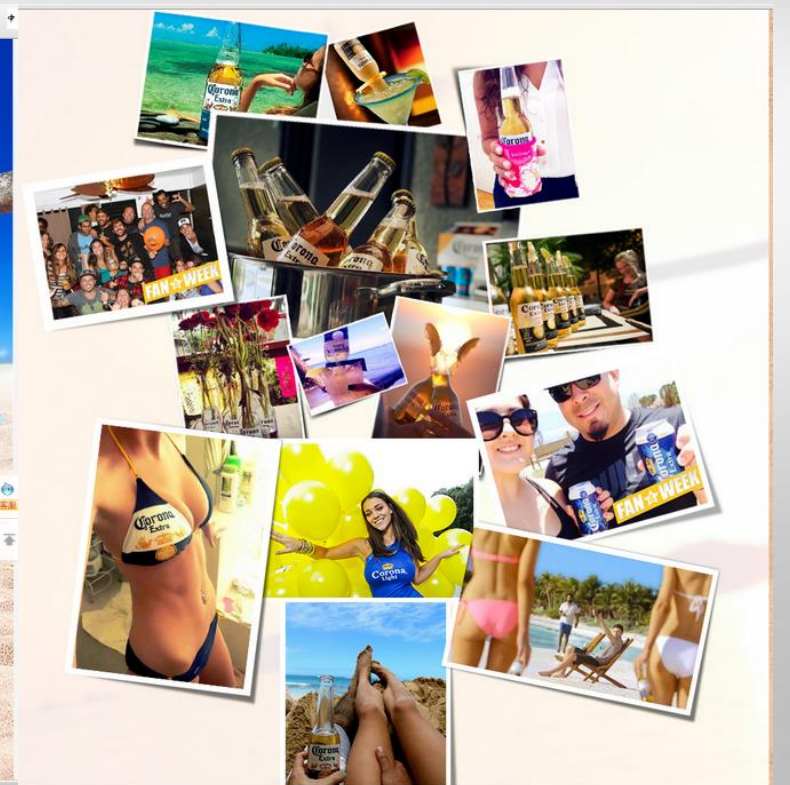
Convenience Store

An additional off-trade channel opportunity



In Home occasion will also be supported by e-commerce, which is also a brand building channel

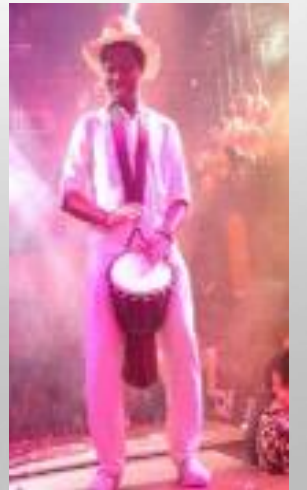
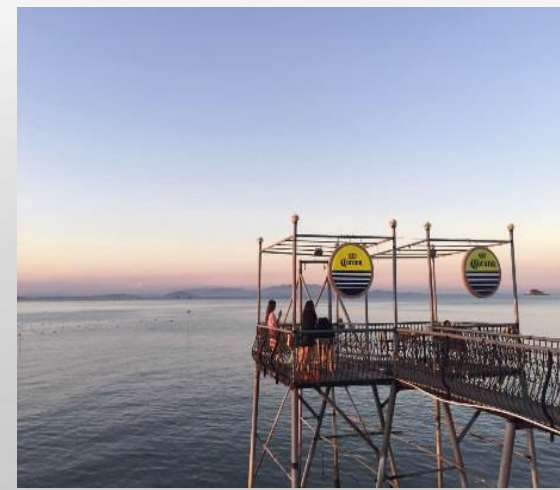
Presence in all main plays in E-commerce in China(Tmall, Yihaodian, JD) with more than 10MM consumer reach. E-commerce today is one of the main channels for total Corona sales in China



Super Premium: Unparalleled portfolio

Corona consistency through a unique brand building consumer experience, the Sunset Platform

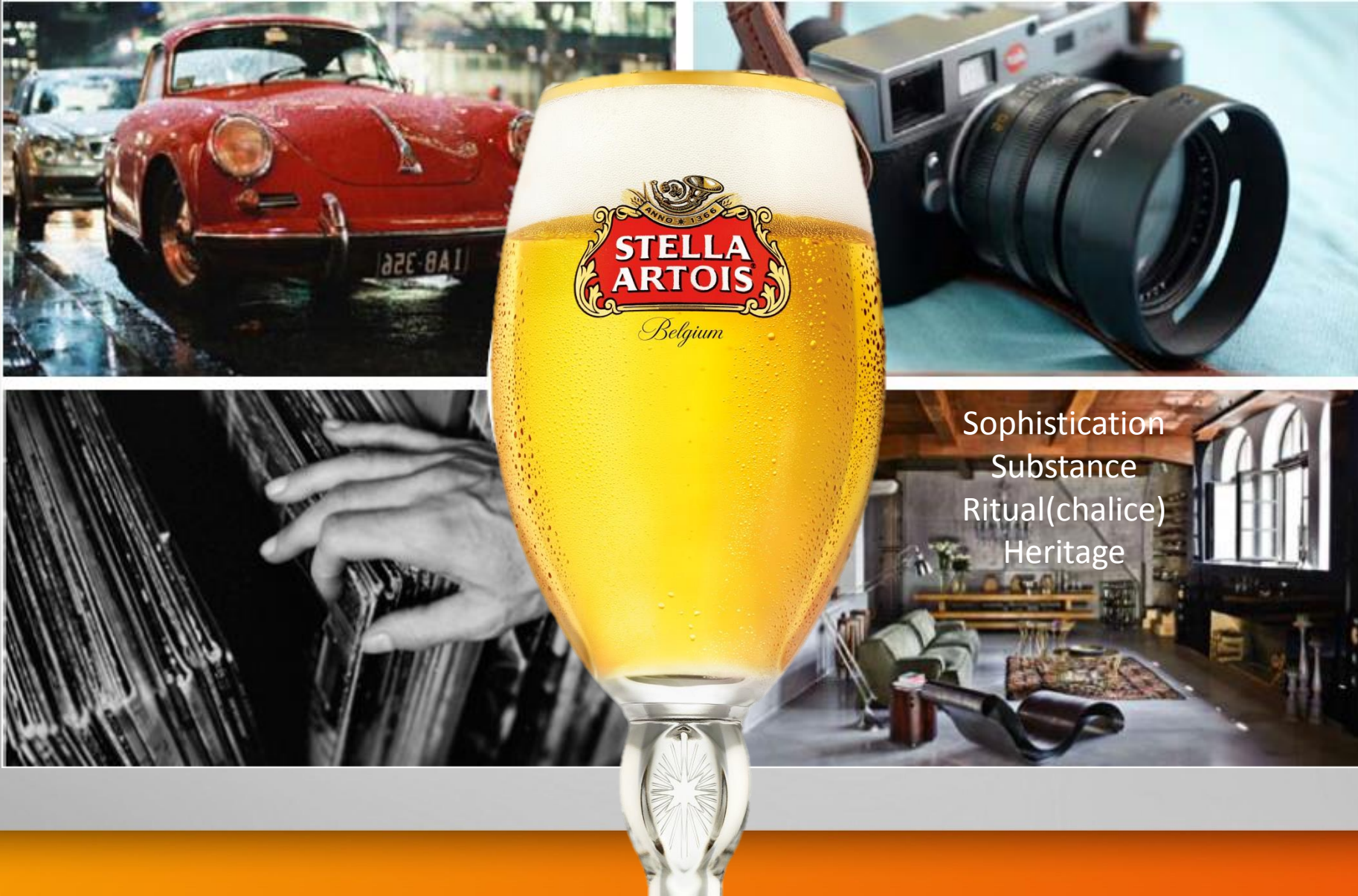
Execution & Performance





Super Premium: Unparalleled portfolio

Stella Artois as an icon of sophistication, reshaping the category



Sophistication
Substance
Ritual(chalice)
Heritage

Super Premium: Unparalleled portfolio

Hoegaarden is a refreshing beer with strong heritage and pairs well with spicy food



Clear Execution Guidelines: Where, How and When to play this game

Where to play:
Clear channel guidelines

- Clear premium execution guidelines, focused on restaurant, bar, hotel channels
- Branding focused on Corona, Stella Artois, and Hoegaarden



How to play:

POC Execution Standards

Trade Program

- Western Channel Trade Program focused on key levers



Flagship Stores

- Focused on key influential POCs with outdoor spaces for Corona



Unique Consumer Experiences

- Building Corona through strong experiences by bringing the “Spirit of the Beach” to consumers throughout China



Looking Forward Opportunities

3 exploration territories

Franchise Stores



- Study new distribution models that also build brand

Branded Stores



- Brand building on-trade channel and cultivating Food & Savor platform

New SKUs



- Continue to introduce new products to address consumer needs

Topline Result

High double digit growth in main KPI's gaining relevance as % of NR growth.

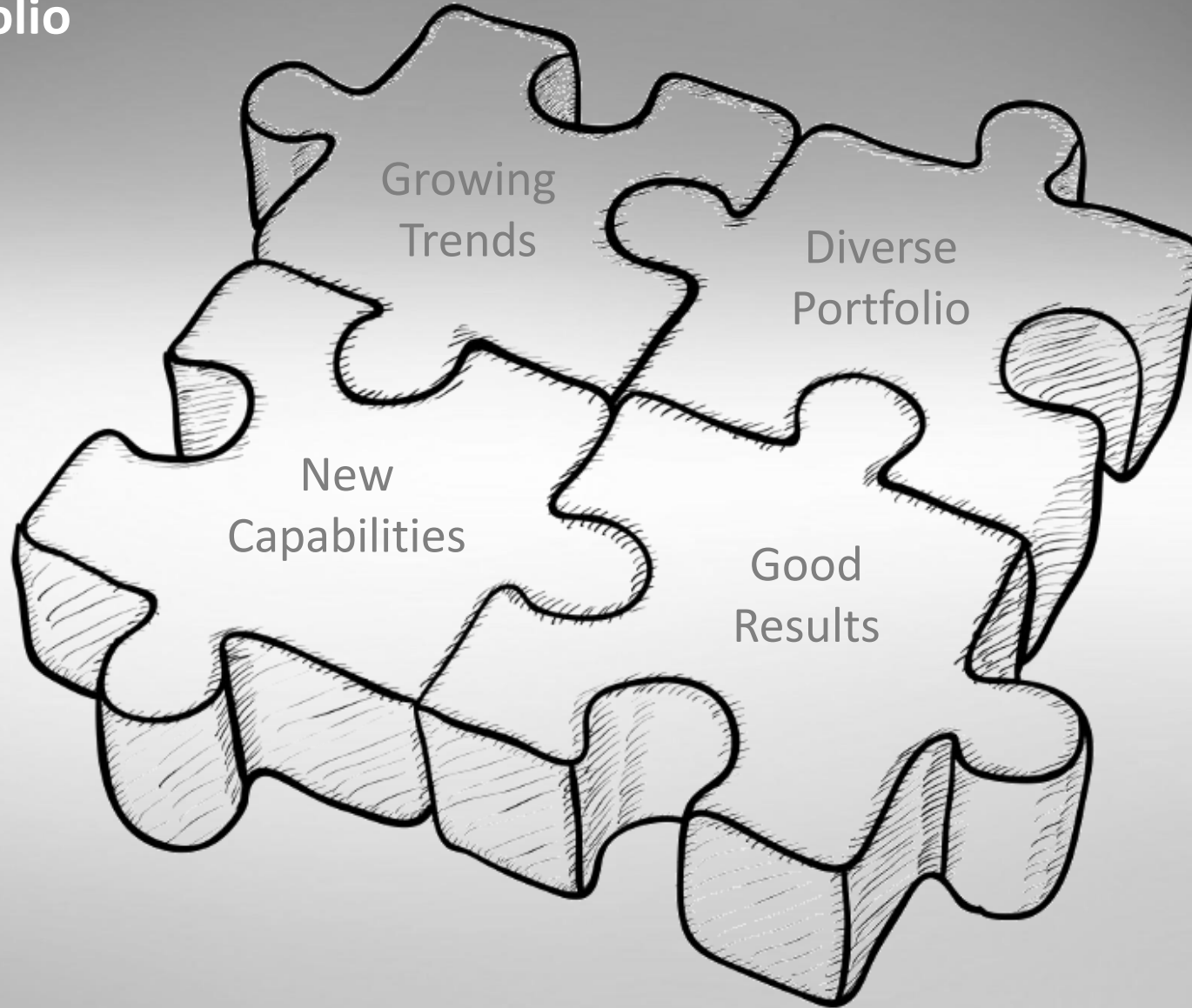
Topline Growth(%)



Contribution to Topline Growth(%)



Executive Summary: Positive initial results in growing market, leveraging ABI capabilities and brand portfolio



Thank You