Good afternoon, ladies and gentleman, in next 20 minutes I will explain to you the journey that Budweiser has gone through and how Budweiser has been continuously built as the leader of the premium beer in China.

Before that, let me quickly introduce myself. My name is Matt Che. I joined AB in 2006, I have worked in different functions in the past 9 years. In 2014, after 5 years working on the Harbin brand, I was assigned to lead the Budweiser brand in China. The first bottle of Budweiser was distributed in China in 1995, and the brand has become a leader of the premium beer brand in China, yet with a huge potential to grow.

For every marketing dollar we spend, we do monthly consumer tracking to evaluate if we are on track. In 15 cities of China we ask consumers what is their top favorite brand when they choose a beer brand. Take a look at the chart, from year 2011 till now; Budweiser has continuously grown in the top one favorite index and we hope to further enlarge the gap with other major competitors.

It is essential for any brand to own an enduring and differentiated brand position. It is essential for Budweiser to own a powerful premium brand positioning and build relevance with premium drinkers. Three Key Words for the Budweiser brand are: ambition, freedom and authenticity. Let’s see a brand manifesto video.

We have three strategic pillars for delivering this positioning. 1) To build Budweiser as the ICON of premium, 2) To build a brand which is perceived as an inspiring brand and which is trendy and cultural 3) To own the most meaningful celebration moments. I will explain each of these pillars with some key initiatives.

Nowadays in China, when there are many concerns about pollution and food safety, it is essential that a brand have a trustworthy reputation with consumers. In the most recently quality campaign, we have leveraged the core creative idea of “Brewed The Hard Way” to conduct an integrated campaign throughout China. Here is a short video to demonstrate how this campaign was executed in a holistic way.

This was a three month long campaign and we achieved very positive results, including a 26% increase in top line increased and a 23% increase in total volume. Consumer top one favorite brand scores are up 16% among high incomer drinkers.

Now a few words on Brewmaster Reserve where we are trying to establish a new benchmark for premium. We have world-class brewmasters coming up with the best recipes, we have applied the finest ingredients, packaged into the bottle you see here. Budweiser Brewmaster Reserve was launched 2 years ago. It is only distributed at top high-end outlets and through e-commerce platforms. Let’s see a short video for the type of disruptive experience that we are bringing to consumers in re-setting the definition for a premium beer experience.

Now onto the second pillar, how to leverage consumer passion points to establish a brand which is perceived as leading in trend and culture.
Budweiser has leveraged the music platform since 2006, when Karaoke competitions were very hot. Budweiser did a lot of activation in those days around Karaoke competitions. Starting in 2013, still on the music platform, we moved from mainstream Karaoke competitions to the music that represents Youth, Attitude and more importantly, trend setters which is EDM or Electronic Dance Music. Let’s see a short video about the EDM experience that Budweiser can bring.

In an attempt to engage both core EDM fans as well as mainstream music fans, we have conducted a series of “artist collaborations”. Let’s take a look at a video that describes this.

In 2014 worked with top DJ Avicii to co-create music videos with top tier TW musician Lee Hong Wang. In 2015, we worked with the legendary DJ Tiesto and another Top tier Chinese musician, Jane Zhang. This collaboration generated huge attention from music fans in China.

Starting in 2014, we also co-sponsored the biggest EDM festival called “Budweiser Storm”. Last year, we had over 70,000 people attend a 2 day event in Shanghai. In 2015, the Budweiser Storm events will be expanded from Shanghai to ShenZhen, and in total we are expecting over 100,000 people.

Nightlife channel, specifically Bars and Clubs, have always been key consumer touch points for any brand to lead the trend. Budweiser has had a competitive advantage in this channel for many years. The question is how to continuously offer unique nightlife experiences which are different from other players in this cluttered channel? Let’s see a short video on how Budweiser can offer innovative experiences in the nightlife channel.

As you can see in this video about X-KTV, we are bringing fun digital experiences from the iPad to the bar table, from one person to a large group of friends. This innovation has generated enormous publicity since we launched. In 2016, we will roll this initiative out in the nightlife channel in most key cities in China.

Capturing meaningful celebration occasions is the third strategic pillar that I will address. For many years, Budweiser has successfully delivered the Chinese New Year (CNY) campaigns to capture the most important Chinese celebration occasions. Year after year, an integrated CNY campaign has helped to drive volume and strengthen brand equity.

I would like to describe what we did for 2014 CNY campaign. As it was the year of horse, we leveraged the Budweiser Clydesdales as the core creative asset. We executed a 360 degree campaign around the Clydesdales at Retail, with packaging, digital etc. Here is a summary video of that campaign.

Let me just highlight a few key numbers: volume grew 30.5% versus the previous year, whereas Brand Top 1 Favorite grew 16% during this event.

In China, more than 50% of beer volumes are connected with meal occasions. As the premium beer leader, it is especially critical for Budweiser to capture volume in Chinese restaurant in order to drive long term volume growth. With this ambition, we launched Budweiser Supreme 2 years ago. Look at the shape and label design of the bottle. This ultra fine liquid has set a new premium experience for consumers in Chinese restaurants. The brand’s slogan is: Budweiser Supreme, turning an ordinary dinner into a meaningful celebration.

Most recently, we have collaborated with top gourmet food variety shows and celebrity chef Nic Xie to build the premium association between Budweiser Supreme and celebrating at the high-end Chinese restaurants. Please have a look at a teaser of this program.
Budweiser Supreme was launched 2 years ago. It’s not available in over 100 cities with distribution in approximately 15,000 POCs. Volume is up over 80% versus last year.

Since 1995, when the first bottle Budweiser was distributed in China, the brand has grown significantly. Continuing to win consumers’ hearts, especially premium consumers, will be an on-going challenging. We firmly believe that we have the winner, however, the journey has just begun! Thanks very much!