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News Release

Media Enquiries: Jackie Helliker
Tel: + 61 403 074 864
Email: jackie.helliker@nielsen.com
Twitter: Jackie_helliker

BRAND FAMILIARITY IMPROVES SUCCESS OF NEW PRODUCT LAUNCHES: NIELSEN

- More than half of Asia Pacific consumers prefer to buy new products from a familiar brand rather than switch to a new brand
- Three in five online Asia Pacific consumers wait for new products to be proven before purchasing

Singapore, Tuesday January 22, 2013: More than half (55%) of online Asia Pacific consumers prefer to purchase new products from a familiar brand rather than switch to a new brand, according to a new study from Nielsen, a leading global provider of information and insights into what consumers watch and buy.

The Nielsen Global Survey of New Product Purchase Sentiment surveyed more than 29,000 Internet respondents in 58 countries[1] and shows that brand familiarity resonates strongly with Asia Pacific consumers and the majority won't purchase a new product until it has been tried and tested in the market.

Almost two-thirds of Asia Pacific respondents (62%) wait until a new product or innovation has proven itself before making a purchase decision, and less than half (44%) of Asia Pacific respondents are willing to switch to a new brand, compared with 57 percent of respondents in the Middle East/Africa/Pakistan (MEAP) and North America, 56 percent in Europe and just under half in Latin America (47%). (See chart 1). Willingness to switch brands to try a new product is particularly low in countries such as Thailand (30%) and Japan (23%).

"Innovating on established brands that are already trusted by consumers in Asia can be a powerful strategy for companies who are shifting their attention to consumers in this growth engine market," confirmed Therese Glennon, Managing Director, Innovation Practice, Asia Pacific, Middle East and Africa.

[1] Findings based on respondents with online access across 58 countries. While an online survey methodology allows for tremendous scale and global reach, it provides perspective on the habits of existing Internet users, not total populations. Survey responses are indicative of respondent's beliefs about their purchasing habits rather than actual measured data.

Nielsen's survey shows that consumers in Asia Pacific are less likely than other global regions to consider local brands versus larger global brands when considering new product purchases. Less than two in five (38%) consumers in Asia Pacific say that they would prefer to purchase local brands over larger global brands, compared to 40 percent globally and 47 percent in North America.

"In Asia, the preference for global brands versus local brands is two-fold," noted Glennon. "Although local brands are increasingly becoming premium, perception around quality remains an issue. Additionally, much of the positive sentiment in Asia towards global brands is rooted in Asian consumers' perceptions around the status that ownership of global products provides. Over time, this is expected to change as local brands match global brands in premium positioning and high quality offerings."

When measuring the impact of new product and innovation messages, Nielsen's review of 21 methods to reach consumers across various media and advertising platforms, shows that a mix of word-of-mouth communication, traditional advertising, and Internet activity are the most persuasive ways to drive awareness of new products or innovative executions.

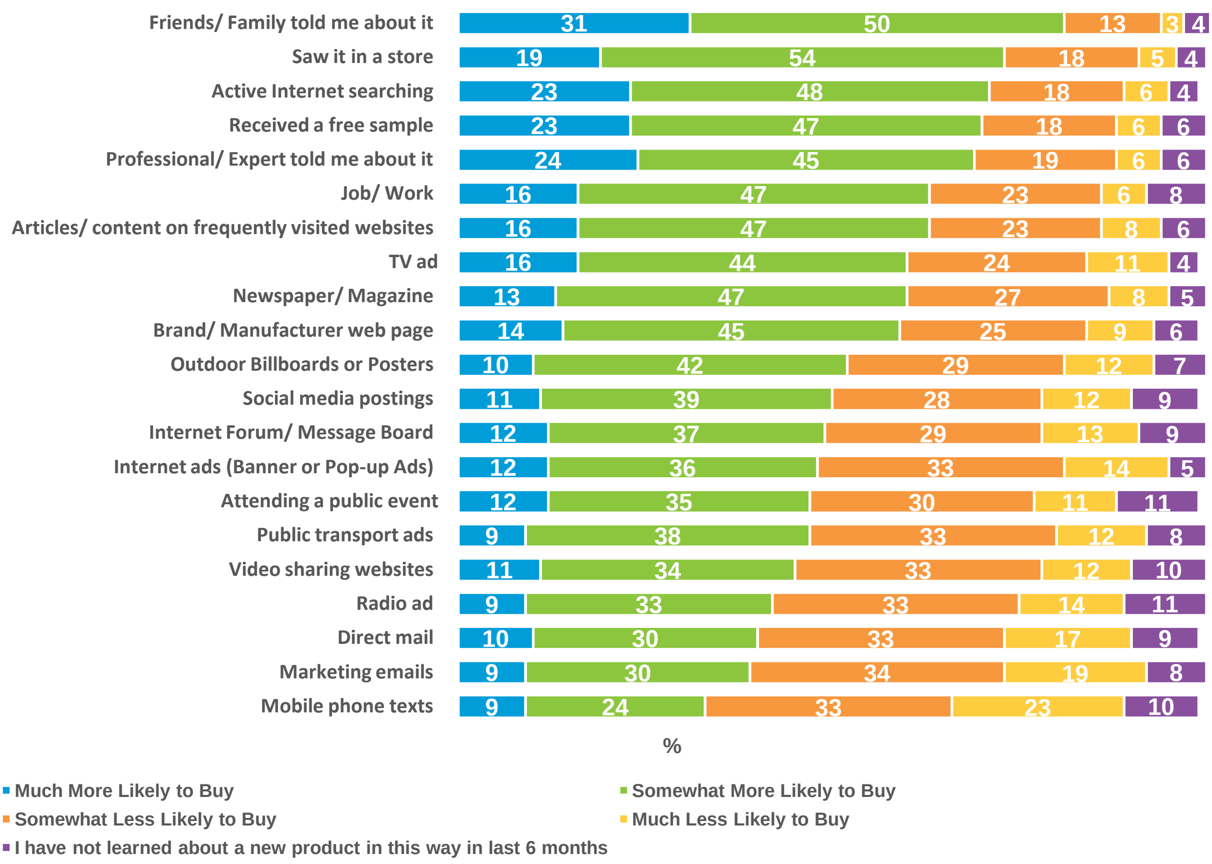
While 81 percent of Asia Pacific respondents say word-of-mouth advice from family and friends is the most persuasive source of new product information (compared to 77 percent globally), active Internet searching (71%), ads on frequently visited websites (63%) and traditional television advertising (60%) remain major components of the influencing mix. (See chart 2).

"There is no one-size-fits-all approach to successfully developing and marketing a compelling new product," said Glennon. "Just because we are seeing considerable growth across the Asia Pacific economy and consumer demand is shifting accordingly, this does not provide a guaranteed environment for a winning new product idea to succeed. By focusing on unmet needs, creating a distinct solution, and developing a market-ready offer, marketers and manufacturers will create the best opportunity to succeed with consumers in Asia-Pacific."

Chart 1. Percentage of regional respondents that definitely / somewhat agree with the statements related to the general purchase of new products:

	AP	EU	MEAP	LA	NA
I will purchase a store brand or value option when available	63%	66%	61%	64%	64%
I wait until a new innovation has proven itself before purchasing	62%	58%	61%	54%	61%
I prefer to buy new products from brands familiar to me	55%	60%	69%	72%	62%
I like to tell others about new products I have purchased	64%	49%	67%	61%	54%
I am generally willing to switch to a new brand	44%	56%	57%	47%	57%
Economic conditions and recent world events make me less likely to try new products	43%	45%	57%	50%	45%
I prefer to purchase local brands over large global brands	38%	41%	44%	42%	47%
I am willing to pay a premium price for innovative new products	43%	29%	46%	55%	31%

Chart 2. Likeliness to purchase new products when learnt through the methods below:



About the Nielsen Global Survey

The Nielsen Global Survey of New Product Purchase Sentiment was conducted between August 10 and September 7, 2012, and polled more than 29,000 online consumers in 58 countries throughout Asia-Pacific, Europe, Latin America, the Middle East, Africa, and North America. The sample has quotas based on age and sex for each country based on their Internet users and is weighted to be representative of Internet consumers and has a maximum margin of error of ±0.6%. This Nielsen survey is based on the behavior of respondents with online access only. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60-percent Internet penetration or 10M online population for survey inclusion. The Nielsen Global Survey, which includes the Global Consumer Confidence Index, was established in 2005.

Access the complete Global Survey of New Product Purchase Sentiment Report here

About Nielsen

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television, and other media measurement, online intelligence, mobile measurement, trade shows, and related properties. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA, and Diemen, the Netherlands. For more information, visit www.nielsen.com.

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