THE STRATEGIC VALUE OF PIONEERING AS A STRATEGY AND PIONEERING ADVANTAGES IN THE CONTEXT OF FMCG BRANDS ENTERING NEW GEOGRAPHIC MARKETS

SVEN H. BECKER

VOL 3

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TEXT IN ALL DOCUMENTS:

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bdfcz
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Retrieval for this document: 7 units out of 241, = 2.9%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

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* CHANGES IN RETAIL INFRA STRUCTURE: 38

------------ TEXT UNITS 47-47:

We now have customers who only get products when they
pay cash on delivery.   47

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* MAIN MARKETING TOOLS   97

------------ TEXT UNITS 101-101:

Since recently we started to give out samples to
consumers.   101

----
* ADVERTISING   112

------------ TEXT UNITS 115-116:

Once we have decided on a campaign we adapt it with
our specialists in Hamburg   115
until we think we have the optimum version for our
market.   116

----
*RANGE   121

------------ TEXT UNITS 122-124:

Our range is not as extensive as the range in Germany
for example.   122
We don't have the demand for all the niche products
we sell in other markets.   123
It is particularly the expensive products which we
have not yet introduced.   124

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CCPL
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Retrieval for this document: 33 units out of 439, = 7.5%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

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* MAIN MARKETING TOOLS   100

------------ TEXT UNITS 107-119:

We now also use consumer promotions 107
in order go get people to try the product 108
and increase its acceptability. 109
A good way are raffles 110
and we had one last year in which the first six
winners would get a VW Golf. 111
Consumers had to send in bottle tops of five of our
products to take part 112
and we had 1 million entries. 113
This was the most successful consumer promotion this
country has ever seen. 114
Now we stick to price promotions 115
which give the consumer an immediate saving over
Pepsi 116
and that works well on a long term basis. 117
The result is that we won't take part in the Coke
world wide world cup promotion activities 118
because the Polish consumer rather has a couple of
Zlotys of a bottle than a remote chance to win a trip
to the USA. 119

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* ADVERTISING 127

------------ TEXT UNITS 128-129:

We use only international campaigns 128
adapted to the Polish market. 129

----

* PRICING 133

------------ TEXT UNITS 138-143:

Pricing in Poland is closely related to packaging 138
because you have to give the consumer a choice of
sizes which he can afford 139
so in western markets we have mainly large bottles 140
here we work much more with smaller sizes. 141
If we only had large sizes we would not be affordable
to many consumers 142
an effect we have to avoid. 143

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* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 156

------------ TEXT UNITS 157-162:

Pepsi has the 0.33 litre bottle which is incredibly
cheap 157
compared to the rest of their range 158
and even more so compared to us. 159
The reason they are so cheap with that bottle is that
it is locally produced 160
and they pay next to nothing for the bottle 161
so they can sell it at a bargain price. 162

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* BRAND LOYALTY 389

------------ TEXT UNITS 400-405:

I told you about the promotion we had last year 400
after the promotion sales went down considerably 401
and what we found out was that people bought products
to take part in the promotion 402
and with that they preempted purchases for later. 403
After some time sales went back to normal 404
but no long term loyalty effect was achieved. 405

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COLPL
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Retrieval for this document: 20 units out of 453, = 4.4%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

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* MAIN MARKETING TOOLS 95

------------ TEXT UNITS 98-100:

and the stage of the product life cycle. 98
When we started advertising spend was really
important 99
but now you see more a trend towards consumer
promotions 100

----
*ADVERTISING 111

------------ TEXT UNITS 112-119:

We use western advertising 112
which works well 113
and is well perceived by our consumers 114
we use it with adaptation (Lip synch.) 115
or re-shooting. 116
By re-shooting I mean using Polish actors completely
re-doing the spot. 117
But it all depends on the product 118
and the campaign. 119

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* WESTERN BRAND WHICH FAILED 162

------------ TEXT UNITS 179-179:

People also dislike the packaging as they think it
looks cheap. 179

----
* TRADING DOWN 412

------------ TEXT UNITS 413-420:

For us not an alternative. 413

I know Procter and Lever did it in bringing prices down, 414
but it is not wise to do it. 415
We know that because Colgate tried it in some western markets. 416
If volumes go down to counter this by going down with the price you have as a result sales going down and everything takes a nose-dive 417
and you completely destroy your brand. 418
It is very difficult to upgrade again 419
and all in all a very tricky thing to do. 420

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DEHUN
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Retrieval for this document: 4 units out of 307, = 1.3%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

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* ADVERTISING 176

------------ TEXT UNITS 177-180:

All our advertising is developed here, 177
because our brands are from here. 178
We could use DE international material 179
but we want to keep it local because we are very much a local brand. 180

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HENHUN
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Retrieval for this document: 7 units out of 381, = 1.8%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* ADVERTISING 152

------------ TEXT UNITS 153-155:

We produce a lot of campaigns specially for central European markets. 153
I personally think that these campaigns are at least as good as west European campaigns if not better. 154
We have also used some international campaigns here as well 155

------------ TEXT UNITS 160-163:

We stress the brands in our commercials quite heavily 160
because we start from a very low level of brand awareness in general 161
and a low level of brand saturation. 162
I think that western life style commercials which don't show the brand have no justification in this market. 163

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HENPL
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Retrieval for this document: 12 units out of 328, = 3.7%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* ADVERTISING 89

------------ TEXT UNITS 90-100:

We can't work with image advertising as in western
markets 90
and we have to address the product advantages more
than anything else. 91
But we do start the image advertising in some areas 92
because we think that this is the future 93
and we are the first to go that way. 94
We have to carefully consider which advertising we
can use from other markets 95
but we have a mix mainly of international advertising 96
which we adapt carefully 97
and some other advertising which we develop for
Poland or central Europe, 98
depending on the product 99
and objective of the communication. 100

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* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 119

------------ TEXT UNITS 123-123:

There is a difference in packaging size which is
important taking purchasing power into consideration. 123

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JJCZ
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Retrieval for this document: 15 units out of 317, = 4.7%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* PRODUCT 133

------------ TEXT UNITS 136-136:

Only the labelling on the products is adapted to
local regulations. 136

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* ADVERTISING 137

------------ TEXT UNITS 138-143:

We tend to use international campaigns 138
because if it sells good in other markets it will
also sell good here. 139

The advertising usually has a universal quality and
most of it is adaptable. 140
We sometimes have a problem with commercials which
have a very strong sales pitch, 141
in this market it is better to use soft sell and give
them a good solid reason why 142
but you don't need to hit them over the head with it. 143

----
* PRICING 144

------------ TEXT UNITS 145-152:

Pricing is a country by country decision which I
appreciate. 145
The environment in central Europe is so different
between Poland, Hungary and the Czech Republic 146
so that it is necessary to have different pricing. 147
In Hungary for example we charge about 20% more than
here. 148
Looking at the local competition we want to be at a
position which we call a 'reasonable premium' 149
so that very much defines where we end up in our
pricing. 150
International brands also play a role in where we
position ourselves 151
but mainly the local brands. 152

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JJPL
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Retrieval for this document: 11 units out of 223, = 4.9%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* ADVERTISING 49

------------ TEXT UNITS 50-53:

Some executions are localised 50
although the campaigns are international. 51
The question what we use and how we use it depends on
the availability of suitable material from other
markets of the world, 52
budgets 53

----
* BRAND 66

------------ TEXT UNITS 67-68:

The brand remains the same throughout the world 67
although some advertising towards this brand may be
localised. 68

----
* HOW DO YOU REACT TO THESE CHANGES 198

------------ TEXT UNITS 199-203:

We have to look at our corporate image 199
and improve our advertising. 200
We have to look at the copy in our adverts 201
and change it. 202
Our products have to convene local Polish values
rather than international values. 203

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KJSCZ
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Retrieval for this document: 8 units out of 203, = 3.9%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

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* ADVERTISING 86

------------ TEXT UNITS 87-94:

We use international material 87
but we re-cut the commercials and arrange them in a
different way 88
to make them more relevant to this market. 89
Milka is clearly an international brand 90
so it's OK to use international campaigns 91
but for our local brands we need to produce local
commercials. 92
With Milka we mainly stress the brand 93
because that way it helps the whole range and brand
and not one single product. 94

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KJSHUN
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Retrieval for this document: 6 units out of 164, = 3.7%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

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* MAJOR COMPETITORS 22

------------ TEXT UNITS 33-33:

Within this re-launch we changed the blend of our
coffees, the packaging, we introduced new lines,
changed the price and introducd new POS materials. 33

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* ADVERTISING 78

------------ TEXT UNITS 79-83:

Most of our advertising is adapted although we
developed some commercials here. 79
International campaigns work quite well 80
and our research proves that we achieve high

awareness with our campaigns. 81
Consumers receive our advertising very well 82
and they are very attentive to advertising. 83

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NESCZ
+++++
Retrieval for this document: 12 units out of 371, = 3.2%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* ADVERTISING 184

------------ TEXT UNITS 185-196:

It depends on what we can have from other countries. 185
Our Maggi brand for example was not introduced into a
market for the last 25 years 186
so we had to produce a campaign for the market
introduction here ourselves. 187
What we produced was very good 188
and at a very good price. 189
In the future we will lead the work into some
campaign which we take from other countries. 190
Often you have to do your own work 191
because habits are different. 192
For coffee you see that people here drink Turkish
coffee in tiny cups. 193
If you have executions using normal cups or even mugs
you can't use them here, 194
people will not recognise this as their coffee
drinking experience. 195
This means you have to re-shoot or do your own. 196

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NESHUN
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Retrieval for this document: 3 units out of 221, = 1.4%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

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* ADVERTISING 102

------------ TEXT UNITS 103-105:

It depends on the product 103
and usually we do a mix of local and international
campaigns. 104
We use whatever fits our objectives best. 105

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PEPPL
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Retrieval for this document: 3 units out of 323, = 0.93%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

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* ADVERTISING 135

------------ TEXT UNITS 136-138:

We use international material 136
which we adapt to the local situation. 137
We use voice overs in TV and translations in print. 138

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PGHUN
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Retrieval for this document: 11 units out of 258, = 4.3%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

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* PRODUCT 113

------------ TEXT UNITS 117-120:

We localise only the packaging 117
because of local regulations. 118
That P&G localises a product in its formulation is
very very rare across the world. 119
On most packaging we now have local languages. 120

----
* ADVERTISING 121

------------ TEXT UNITS 122-128:

We use international campaigns as well as developing
our own. 122
It depends on the product. 123
Whatever exists and seems to be good for the market
we use 124
but if we can't find anything suitable we may
re-shoot or re-do a commercials. 125
A lot of advertising we do is testimonials and they
have to be re-done by definition 126
because only if the consumer can clearly identify
with the testimonial it makes sense. 127
For our re-shoots we use western scripts and just use
local actors or people. 128

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STOLHUN
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Retrieval for this document: 3 units out of 266, = 1.1%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

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* ADVERTISING 116

------------ TEXT UNITS 117-119:

Our advertising is typically Hungarian 117
and it works well according to our research. 118
We have the intention to be more Hungarian than our
competitors Nestle and Suchard. 119

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UNLCZ
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Retrieval for this document: 13 units out of 285, = 4.6%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* ADVERTISING 123

------------ TEXT UNITS 124-136:

It depends on the product category. 124
We use international campaigns with voice overs for
our PCP business 125
and for Omo we recently made two commercials here in
the Czech Republic. 126
We do have spots which are made for central Europe 127
but they may come from other markets in this area
like Poland or Hungary. 128
For our edible fats every commercial is made here. 129
For cost reasons we try to use as much from the
international campaigns as possible. 130
Adaptations done well and proper work just as well as
locally produced material. 131
A very important factor is that we don't exaggerate
as much as others, 132
so people believe what we say. 133
Advertising is definitively the most important factor
in this market. 134
Advertising really works here 135
you advertise and people rush to buy the products. 136

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UNLHUN
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Retrieval for this document: 5 units out of 175, = 2.9%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* ADVERTISING 47

------------ TEXT UNITS 48-50:

The advertising primarily depends on the brand
positioning. With Rama we have the position 'best
taste'. This position is the same across all markets
in which we sell Rama. The important aspect for
advertising is how you bring this across through
advertising. 48

This means that we use not necessarily identical advertising campaigns in different markets. here and in Poland we have a campaign which uses housewives comparing two products in an interview situation, which is an approach we use in many markets like Russia and South Africa. We do not use a lifestyle approach like in Germany for example. 49
In our advertising we emphasise the brand rather than the product as margarine is a basic product and we have to stress the brand in this case. 50

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*ADVERTISING 68

------------ TEXT UNITS 69-70:

As I said before also the advertising was brought in line with the world-wide Rama advertising when we gained control here in Hungary. 69
The advertising is also brought in line with local brands in the sense that the value for money brand is advertised in a similar and proven way as in other markets albeit with a local focus. 70

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UNLPL
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Retrieval for this document: 4 units out of 268, = 1.5%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

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*ADVERTISING 82

------------ TEXT UNITS 83-86:

We use spots which were successful in the west. 83
This is mainly a cost consideration 84
but we re-do spots if necessary 85
to make them relevant to the Polish consumer. 86

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Total number of text units retrieved = 177
Retrievals in 18 out of 19 documents, = 95%.
The documents with retrievals have a total of 5223 text units,
so text units retrieved in these documents = 3.4%.
All documents have a total of 5487 text units,
so text units found in these documents = 3.2%.

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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 7 units out of 439, = 1.6%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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* PROBLEMS FOR THE BRAND AT ENTRY 85

------------ TEXT UNITS 89-90:

Cola flavour is not the most favoured flavour in
Poland 89
and we also have to push our other flavours strongly
to get a hold in the overall market. 90

----
* PRODUCT 121

------------ TEXT UNITS 122-126:

The product differs from country to country slightly 122
depending on the local water 123
and the preference for sugar sweetness. 124
All changes are minor but you would detect small
differences if you compared coke from the US and
Poland. 125
But if you don't know you don't notice it. 126

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DEHUN
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Retrieval for this document: 3 units out of 307, = 0.98%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* PRODUCT 172

------------ TEXT UNITS 173-175:

We have improved the quality slightly 173
but kept very much to the taste it had 174
because that is what people like and what they want
when they buy Omnia. 175

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KJSHUN
++++++
Retrieval for this document: 2 units out of 164, = 1.2%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:

/COFFEE CONFECTIONERY

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* PRODUCT 75

------------ TEXT UNITS 76-77:

We have adapted the taste of our flagship brand
Krönung to the local preference 76
and we introduced a second brand especially for this
market. 77

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NESCZ
+++++
Retrieval for this document: 5 units out of 371, = 1.3%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* MARKET READINESS 125

------------ TEXT UNITS 130-130:

Obviously we had to adapt a lot of products to local
customs 130

----

* PRODUCT 172

------------ TEXT UNITS 173-174:

As we are selling food all our products have to be
adapted to the local market situation 173
in taste and local preferences. 174

------------ TEXT UNITS 182-183:

You have to remember that you should not attempt to
change the consumer 182
but change your product according to the preferences
of the consumer. 183

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NESHUN
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Retrieval for this document: 2 units out of 221, = 0.90%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

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* PRODUCT 97

------------ TEXT UNITS 100-101:

We adapt to local taste preferences 100
but we make no compromise in quality. 101

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PGCZ
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Retrieval for this document: 2 units out of 264, = 0.76%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

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* PRODUCT 113

------------ TEXT UNITS 114-115:

Our international products are standardised. 114
We do have local brands which are a different story. 115

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Total number of text units retrieved = 21
Retrievals in 6 out of 19 documents, = 32%.
The documents with retrievals have a total of 1766 text units,
so text units retrieved in these documents = 1.2%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.38%.

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(8 4) /Adaptation/Non Adapation
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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 6 units out of 439, = 1.4%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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* BRAND 148

------------ TEXT UNITS 149-150:

The brand Coca Cola stands world wide for the same thing 149
it's young dynamic and sociable. 150

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 156

------------ TEXT UNITS 162-163:

so they can sell it at a bargain price. 162
With that we can't and won't compete. 163

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* WESTERN BRAND WHICH FAILED 179

------------ TEXT UNITS 181-182:

because they are too expensive and they are too expensive 181
because they are not producing locally. 182

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COLPL
+++++
Retrieval for this document: 9 units out of 453, = 2.0%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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* PRODUCT 107

------------ TEXT UNITS 108-110:

The product we sell is a high quality product. 108
The product and packaging is completely standardised. 109
Everything is high quality. 110

----
* PRICING 127

------------ TEXT UNITS 129-134:

I would say it is dictated because we have to make
our contribution to our margin, 129
we have to pay import duties and taxes. 130
So you reach a certain price level, 131
as do your competitors. 132
Then we fix our price. 133
134

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HENPL
+++++
Retrieval for this document: 99 units out of 328, = 30%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* FORM OF ENTRY: 7

------------ TEXT UNITS 11-109:

and since recently we own 100% of the company. 11
12

* CHANGES IN RETAIL INFRA STRUCTURE: 13

During the time we have been here the retailing trade
has almost exploded 14
and is totally atomistic by now. 15
The retail trade is fixated on new product launches
and advertising. 16
Many cosmetic shops only stock products which are
advertised on TV 17
and if the advertising stops they will not reorder
even if it sold well. 18
On the other hand if we start advertising a new
product we have people calling in when they can buy
it. 19
If you don't have a re-launch or extension every two
or three months retailers loose interest in your
product. 20
Advertising is a key factor 21
and only if we advertise the retailers will stock and
sell our product. 22
You find only very few wholesalers and retailers who
operate rational according to a western profit
concept. 23
Many have very irrational ways of decision making, 24
which makes it sometimes difficult 25
but easy if you know how to handle them. 26
Retailing also has typically cash flow problems 27
so if cash is needed you see them selling at dumping
prices 28
and you can't explain to them that they have to
re-stock for more money at some point in the future. 29
There is a say in Poland that everybody with two legs
opens a retail business 30
and everybody with two legs and a car opens a
wholesale business. 31
32

* MAJOR COMPETITORS: 33

With a full range brand like FA it is very difficult
to determine a major competitor 34
because in every segment there is a different brand
which is the main competitor in that segment. 35
Generally we are up against all major companies 36
which are present in all western markets like
Unilever, Procter & Gamble, SKB, Johnson & Johnson
and others. 37
The peculiar situation in Poland is that we have more
competitors than in western markets. 38
You find German, French, British, Dutch, Spanish,
Italian and more cosmetic companies selling their
products in this market. 39
I doubt that there is a single market in the world
which has a greater choice of products in such a
small market. 40
This situation occurred because first those companies
came who always exported to Poland 41
like ourselves 42
than all the others came because they thought they
can easily claim the territory for themselves 43
and now we have the third wave of products sold
through importers 44
who think they can still benefit from the demand for
western brands. 45
46

* ORDER OF ENTRY: 47

The order of entry is impossible to determine 48
because of the vast range of products we have 49
which results in a vast number of competitors 50
and to keep a record of all this in a turbulent
market like Poland is impossible. 51
We were certainly amongst the first western companies
to enter with PCPs. 52
53

* PROBLEMS FOR THE BRAND AT ENTRY 54

In the beginning we had to import all PCPs from
Germany 55
which had a negative effect on pricing 56
because of import duties 57
and the brand FA which is a mass cosmetic product in
Germany ended up on a relatively high price level. 58
However that was a problem not particular to us but
all other PCP companies as well. 59
Nevertheless consumers wanted the product 60
and it was not really a problem to sell the goods 61
but to get them into the retailing channel. 62
63

* HOME MARKET STRENGTH VS. LOCAL MKT. STR. 64

We are market leader in Germany 65
but here we have not the long standing tradition we
have there 66

which means we have to fight on equal terms with many
competitors 67
and there is not yet a clear market leader in PCP 68
in most areas we are amongst the top 3. 69
In deodorants we are market leader, 70
in shampoos we are number 3. 71
72

* MAIN MARKETING TOOLS 73

We use mainly TV 74
which is a Henkel tradition in all markets 75
but we also use some radio, 76
press 77
and poster sites. 78
We use some retailer promotions but not to a high
degree. 79
Consumer promotions are difficult to administer 80
and so far we have not conducted to many of those. 81
82

* PRODUCT 83

The products are standardised 84
and whatever we produce here has the same quality as
in Germany. 85
Much is imported anyway 86
and therefore has the quality level as in the country
it came from. 87
Only in areas where legal restrictions require a
change in formulation we have differences to our
products in other markets. 88

* ADVERTISING 89

We can't work with image advertising as in western
markets 90
and we have to address the product advantages more
than anything else. 91
But we do start the image advertising in some areas 92
because we think that this is the future 93
and we are the first to go that way. 94
We have to carefully consider which advertising we
can use from other markets 95
but we have a mix mainly of international advertising 96
which we adapt carefully 97
and some other advertising which we develop for
Poland or central Europe, 98
depending on the product 99
and objective of the communication. 100

* PRICING 101

We have to have a relative price parity with the
German market 102
because otherwise the grey im & export affects us in
one of the two markets. 103
The pricing of our competition also plays a role 104
but we all have the same cost base so the prices are
determined through that 105
and that makes it similar across countries. 106

Only products on which we have to pay high import
duties are more expensive than in other markets. 107

* BRAND 108

The brand is not adapted. 109

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JJCZ
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Retrieval for this document: 2 units out of 317, = 0.63%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* PRODUCT 133

------------ TEXT UNITS 134-135:

All our products are imported 134
and made to standard formulas so the quality does not
vary. 135

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JJPL
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Retrieval for this document: 5 units out of 223, = 2.2%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* PRODUCT 44

------------ TEXT UNITS 45-48:

We work to world wide formulas 45
and the products are completely standardised. 46
Many products we import from factories in the west 47
so the quality of the products is undoubtedly the
same. 48

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* BRAND 66

------------ TEXT UNITS 67-67:

The brand remains the same throughout the world 67

++
KJSCZ
+++++
Retrieval for this document: 5 units out of 203, = 2.5%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* PRODUCT 80

------------ TEXT UNITS 81-85:

Much of our international brands is imported 81
so the product is similar to western markets. 82
These products which are made here are usually only
pressed here 83
so we get the raw chocolate in tanks from Germany 84
which means the product is also similar. 85

+++
NESHUN
++++++
Retrieval for this document: 4 units out of 221, = 1.8%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----
* PRODUCT 97

------------ TEXT UNITS 98-101:

All our western brands are made to western
formulations 98
and have the same high quality as in the west. 99
We adapt to local taste preferences 100
but we make no compromise in quality. 101

+++
PEPPL
+++++
Retrieval for this document: 3 units out of 323, = 0.93%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* PRODUCT 131

------------ TEXT UNITS 132-134:

The syrup comes from the US 132
and it is mixed in strict accordance with the recipe 133
and therefore the product is standardised all over
the world. 134

+++
PGCZ
++++
Retrieval for this document: 2 units out of 264, = 0.76%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* BRAND 132

------------ TEXT UNITS 133-134:

Our international brands are not adapted. 133
For adaptation to the local markets we have local brands. 134

++
PGHUN
+++++
Retrieval for this document: 7 units out of 258, = 2.7%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----
* PRODUCT 113

------------ TEXT UNITS 114-116:

Detergents are imported so they have the quality which is produced at our regional facilities. 114
The products we make here are made to our formulas and with our global policies 115
I don't think they differ from those produced anywhere else in the world. 116

----
* BRAND 133

------------ TEXT UNITS 134-137:

Our brands are not adapted 134
and they stand mostly for the same values as in western markets. 135
We have our international brands at the same positions as in other markets. 136
The positions we have have transferred very well into this market if I refer to our main brands like Ariel. 137

++
STOLHUN
+++++++
Retrieval for this document: 2 units out of 266, = 0.75%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----
* PRODUCT 110

------------ TEXT UNITS 114-115:

Our Alpia brand is exactly as in Germany 114
and we maintain the high quality standard. 115

++
UNLCZ
+++++
Retrieval for this document: 2 units out of 285, = 0.70%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* PRODUCT 116

------------ TEXT UNITS 117-118:

We import most of our products 117
which makes them similar to what is sold in other
markets. 118

++
UNLHUN
++++++
Retrieval for this document: 3 units out of 175, = 1.7%

----
* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* PRODUCT 59

------------ TEXT UNITS 60-62:

After taking over the local factories we changed the
product because once a factory belongs to the
Unilever group they have to be integrated in our
world-wide network and they have to function
according to our world wide rules and regulations. 60
We have some global products which has the same name,
advertising, quality etc. around the world like Rama
for example. For this we have a central
co-ordination and regulating board in the Netherlands. 61
When we took over the factory all recipes were
changed to our standard Unilever recipes. 62

++
UNLPL
+++++
Retrieval for this document: 1 unit out of 268, = 0.37%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* PRODUCT 78

------------ TEXT UNITS 81-81:

The product is completely standardised around the
world. 81

++
Total number of text units retrieved = 150
Retrievals in 14 out of 19 documents, = 74%.
The documents with retrievals have a total of 4023 text
units,
so text units retrieved in these documents = 3.7%.
All documents have a total of 5487 text units,
so text units found in these documents = 2.7%.

****

(8 5) /Adaptation/Restricted Adapt.
****
TEXT IN ALL DOCUMENTS:

++
bdfcz
+++++
Retrieval for this document: 2 units out of 241, = 0.83%

----
* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* ADVERTISING 112

------------ TEXT UNITS 113-114:

Our central office in Hamburg has a vast collection
of advertising materials 113
and they let us select what we think is appropriate. 114

++
CCPL
++++
Retrieval for this document: 7 units out of 439, = 1.6%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* ADVERTISING 127

------------ TEXT UNITS 130-132:

We have a vast pool of advertising at the Coca Cola
headquarters in Atlanta 130
from which we can choose what we think is appropriate 131
and then we produce a Polish adaptation. 132

----
* PRICING 133

------------ TEXT UNITS 144-147:

We try to achieve our preferred margin 144
and also allow the retailer to get his preferred
margin 145
but that is not always possible 146
because of the Pepsi price which we have to watch. 147

++
Total number of text units retrieved = 9
Retrievals in 2 out of 19 documents, = 11%.
The documents with retrievals have a total of 680 text units,
so text units retrieved in these documents = 1.3%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.16%.

(9) /Consumer Education
****

TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

****

(9 1) /Consumer Education/Need for
****

TEXT IN ALL DOCUMENTS:

++
BDFCZ
+++++
Retrieval for this document: 5 units out of 241, = 2.1%

----

* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----

*HOW DO YOU EDUCATE CONSUMERS 161

------------ TEXT UNITS 162-166:

In cosmetics we have a lot of education to do 162
because traditionally Czech women did not use a lot
of cosmetics 163
and we are specialised in skin care 164
which people didn't do at all, 165
apart from using some Nivea cream every now and then. 166

++
COLPL
+++++
Retrieval for this document: 2 units out of 453, = 0.44%

----

* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

----

* ADVERTISING 75

------------ TEXT UNITS 82-83:

This is because people still have to be educated on
specific product features. 82
If you stop advertising they forget you within one
year. 83

++
HENHUN
++++++
Retrieval for this document: 9 units out of 381, = 2.4%

----

* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----

* MARKET READINESS 109

------------ TEXT UNITS 113-121:

Supra was introducing a new product category 113
and also tried to change ways consumers are doing
certain things. 114
That means you have to explain a lot 115
and educate consumers. 116

This is all very expensive 117
and to change the habits of the consumer is almost
impossible for just one player in an industry. 118
It is easier when all competitors move into a similar
direction. 119
We were also unable to completely explain the new
benefits to the consumer 120
and the infra structure of consumers was not there. 121

+++
JJCZ
++++
Retrieval for this document: 2 units out of 317, = 0.63%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* DISADVANTAGES OF BEING FIRST 245

------------ TEXT UNITS 250-251:

We also had to do a lot of educating 250
because people wouldn't know what to do with the
talcum or how to use the baby oil etc. 251

+++
NESCZ
+++++
Retrieval for this document: 2 units out of 371, = 0.54%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* PRODUCT 172

------------ TEXT UNITS 182-183:

You have to remember that you should not attempt to
change the consumer 182
but change your product according to the preferences
of the consumer. 183

+++
Total number of text units retrieved = 20
Retrievals in 5 out of 19 documents, = 26%.
The documents with retrievals have a total of 1763 text
units,
so text units retrieved in these documents = 1.1%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.36%.

****

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TEXT IN ALL DOCUMENTS:

+++

BDFCZ

+++++

Retrieval for this document: 6 units out of 241, = 2.5%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----

*HOW DO YOU EDUCATE CONSUMERS 161

------------ TEXT UNITS 167-172:

We now do advertising 167
which is with very long copy 168
to tell people about their skin and how our products
can help them. 169
We also have little leaflets for our products which
explain how they work. 170
Our TV commercials also explain rather than sell 171
so that consumers understand what the product is for. 172

+++

COLPL

+++++

Retrieval for this document: 7 units out of 453, = 1.5%

----

* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

----

* ADVERTISING 75

------------ TEXT UNITS 81-83:

Our advertising is more product than brand focused. 81
This is because people still have to be educated on
specific product features. 82
If you stop advertising they forget you within one
year. 83

----

* HOW DO YOU EDUCATE CONSUMERS? 198

------------ TEXT UNITS 199-201:

For toothpaste there are different ways. 199
Firstly through the profession, 200
through advertising, public relation, leaflets. 201

----

* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 243-243:

Contacts is another important point for gaining endorsements for the toothpaste. 243

++
HENPL
+++++
Retrieval for this document: 3 units out of 328, = 0.91%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* HOW DO YOU EDUCATE CONSUMERS? 189

------------ TEXT UNITS 190-192:

Mainly through advertising. 190
People do read long copy in press ads 191
and that makes it a good medium to explain and
educate. 192

++
JJCZ
++++
Retrieval for this document: 5 units out of 317, = 1.6%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
*HOW DO YOU EDUCATE CONSUMERS 220

------------ TEXT UNITS 221-225:

We do a lot of work in schools. 221
We provide teachers with materials like books,
posters, overheads, to base their lessons on 222
and we also provide free samples for classes. 223
We benefit from J&J Germany who has achieved
perfection in this eduction support over many years. 224
For us now the 12 year olds are the consumers of the
future. 225

++
PGCZ
++++
Retrieval for this document: 4 units out of 264, = 1.5%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* EDUCATING CONSUMERS 83

------------ TEXT UNITS 84-87:

We made consumers aware of our superior cleaning
power at the beginning 84
with a sample promotion 85
and an extremely strong advertising campaign when
media was really cheap. 86

They became aware of our product features extremely
quickly. 87

++
UNLPL
+++++
Retrieval for this document: 5 units out of 268, = 1.9%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* HOW DO YOU EDUCATE CONSUMERS? 138

------------ TEXT UNITS 139-143:

We use television advertising 139
because you can get to the majority of consumers with
this medium. 140
We also try to give dentists free samples 141
to give to their patients 142
and recommend it to them. 143

++
Total number of text units retrieved = 30
Retrievals in 6 out of 19 documents, = 32%.
The documents with retrievals have a total of 1871 text
units,
so text units retrieved in these documents = 1.6%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.55%.

****

(10) /Positioning
****

TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

****

(10 1) /Positioning/Product
****

TEXT IN ALL DOCUMENTS:

++
COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* PRODUCT DIFFERENCE TO WESTERN COMPETITORS 157

------------ TEXT UNITS 158-160:

Local manufacturer really use good ingredients. 158
They may not deliver the same performance in the end 159
but you can not call them a bad toothpaste. 160

----
* COMMENTS WHILE DRAWING GRID 267

------------ TEXT UNITS 268-269:

Everybody from the west is up here, 268
we are the best quality and the highest price. 269

++
HENHUN
++++++
Retrieval for this document: 3 units out of 381, = 0.79%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 290-292:

The risk of buying a western brand is much higher
than buying a local brand. 290
The pricing of western brands is similar to western
markets 291
so in local currency you have enormous prices 292

++
JJCZ
++++
Retrieval for this document: 2 units out of 317, = 0.63%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 80

------------ TEXT UNITS 81-82:

Our products are a lot better than local products. 81
In shampoos you would need much more local shampoo to
achieve the same degree of cleaning as compared to
our product. 82

++
JJPL
++++
Retrieval for this document: 2 units out of 223, = 0.90%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* WHAT HAS CHANGED/WILL CHANGE IN THIS GRID? 127

------------ TEXT UNITS 128-129:

Western brands have to move this way 128
because they need to improve their margins. 129

++
KJSCZ
+++++
Retrieval for this document: 2 units out of 203, = 0.99%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* MAJOR COMPETITORS 14

------------ TEXT UNITS 15-16:

We have two main brands in this market one is Milka
and the other is Suchard. 15
They compete in different segments 16

++
PEPPL
+++++
Retrieval for this document: 3 units out of 323, = 0.93%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* WHAT HAS CHANGED/WILL CHANGE IN THIS GRID? 206

------------ TEXT UNITS 207-209:

I think the positions are pretty fixed in this market 207
as we only have the two players Coke and Pepsi 208
and the local brands don't really play a great role. 209

++
PGCZ
++++
Retrieval for this document: 2 units out of 264, = 0.76%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

----
* FUTURE OF THE GRID 109

------------ TEXT UNITS 110-111:

So far the difference between the western premium and
the local/western brands has been reduced 110
and that trend will continue. 111

+++
UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

----
* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* PRODUCT 59

------------ TEXT UNITS 66-67:

The taste preferences of the local consumers are very
much a factor in our product policies. We pre-test
consumer preferences in great detail and we produce
the products according to local preferences, the
taste of Rama although the quality may be the same is
not the same because people have different
preferences. The process of testing starts with the
internally proven recipe and if that is accepted and
tests well we introduce that product as it is if it
fails in taste tests we alter it according to the
test results until it is completely acceptable to the
consumers. 66
This is also a reason why globalisation is not as
easy in food as in other areas. 67

+++
UNLPL
+++++
Retrieval for this document: 2 units out of 268, = 0.75%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* COMMENTS WHILE DRAWING GRID 168

------------ TEXT UNITS 169-170:

We are here at the top. 169
Local brands are in this area. 170

+++
Total number of text units retrieved = 23
Retrievals in 9 out of 19 documents, = 47%.

The documents with retrievals have a total of 2607 text
units,
so text units retrieved in these documents = 0.88%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.42%.

****

(10 2)　　/Positioning/Quality
****

TEXT IN ALL DOCUMENTS:

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bdfcz
+++++
Retrieval for this document: 7 units out of 241, = 2.9%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS　49

------------ TEXT UNITS 50-52:

They all use different formulas　50
and it is difficult to tell where the differences are.　51
In creams there is no better all purpose cream in the
world than Nivea.　52

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS　64

------------ TEXT UNITS 65-68:

The Czech cosmetics industry was always good in
producing shampoos and soaps　65
so these are very good.　66
Other products have a rather low quality　67
and can not be compared to western products.　68

++
CCPL
++++
Retrieval for this document: 9 units out of 439, = 2.1%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS　153

------------ TEXT UNITS 154-154:

No real differences apart from a perceived taste
difference.　154

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS　173

------------ TEXT UNITS 174-177:

There is a huge difference in taste, ingredients and
packaging.　174
Most local competitors are only available in one
packaging size most times the 1 litre bottle.　175
Taste and the look of the packaging is usually
terrible　176

and I rather not know what they put in apart from
sugar and water. 177

----
* COMMENTS WHILE DRAWING GRID 293

------------ TEXT UNITS 294-297:

The consumer has basically two choices 294
one is the premium products Coke and Pepsi up here in
this corner 295
and down here some B brands 296
which deliver a different product at a much lower
price. 297

++
COLPL
+++++
Retrieval for this document: 4 units out of 453, = 0.88%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 142

------------ TEXT UNITS 143-146:

They don't differ from us. 143
We are better but then everybody thinks that of
themselves. 144
We have a different formulation than our competitors 145
and we are more effective against cavity fighting. 146

++
HENHUN
++++++
Retrieval for this document: 5 units out of 381, = 1.3%

----
* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 98

------------ TEXT UNITS 101-103:

The performance difference is quite considerable 101
but difficult to prove in reality. 102
The perceived difference is smaller than the
theoretical or scientific difference. 103

----
* PRODUCT 145

------------ TEXT UNITS 147-148:

The quality is comparable 147
and only the product appearance differs from western
markets. 148

++
HENPL
+++++
Retrieval for this document: 13 units out of 328, = 4.0%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* PRODUCT 83

------------ TEXT UNITS 85-87:

and whatever we produce here has the same quality as
in Germany. 85
Much is imported anyway 86
and therefore has the quality level as in the country
it came from. 87

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 119

------------ TEXT UNITS 125-128:

It all depends on the ingredients and all western
manufacturers use about the same quality 125
which makes the products similar in quality. 126
Within a category there are no or very little
differences in the product 127
if you leave smell and positioning, branding out of
the equation.. 128

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 137

------------ TEXT UNITS 138-143:

Depending on the product category. 138
Some local products are quite good like shampoos 139
but others are not as sophisticated in their
formulation than we are used to. 140
Companies lack in some areas the know how. 141
Generally I think the Polish products are frequently
underrated in their quality. 142
They just lack packaging and marketing. 143

++
JJCZ
++++
Retrieval for this document: 1 unit out of 317, = 0.32%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 70

------------ TEXT UNITS 71-71:

The quality of our products is slightly better than those of our western competitors. 71

+++
KJSCZ
+++++
Retrieval for this document: 7 units out of 203, = 3.4%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994, INDUSTRY: CONFECTIONERY

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 46

------------ TEXT UNITS 47-49:

I don't really know 47
because we did not yet do a proper quality analysis
of all the competitors 48
but I expect that the differences will not be too big. 49

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 54

------------ TEXT UNITS 57-60:

but improve the quality. 57
Milka our premier brand is a milk chocolate 58
which is quite different from those made here 59
and it is of a much higher quality. 60

+++
NESCZ
+++++
Retrieval for this document: 9 units out of 371, = 2.4%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 81

------------ TEXT UNITS 82-85:

If we take instant coffee we are by far the leader in
quality across the world. 82
No other company has invested such a lot of money
into research and development as we have 83
and it has translated in a clear product advantage. 84
No other instant coffee tastes as good as Nescafe. 85

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 98

------------ TEXT UNITS 100-104:

In chocolates we have to admit that some of the bars
are quite good. 100
Particularly those which have a biscuit base, 101
but then they have all been taken over either by
ourselves or United Biscuits. 102

The plain chocolate is not too high a quality 103
and ours is much better. 104

++
NESHUN
++++++
Retrieval for this document: 7 units out of 221, = 3.2%

----
* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 73

------------ TEXT UNITS 74-80:

There are different types of local chocolate. 74
The worst is not even chocolate according to EC food
laws 75
and the real local chocolate is still very bad
compared to western quality. 76
In coffee you have black market coffee 77
which is almost a health hazard 78
and on an acceptable level you find bad and cheap
coffee 79
and in the top segment you find pretty god coffee
like Omnia or our top brand Franck. 80

++
PEPPL
+++++
Retrieval for this document: 8 units out of 323, = 2.5%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 151

------------ TEXT UNITS 152-157:

Coca Cola has a secret recipe as have we, 152
the taste is slightly different but that's about it, 153
if we are not talking image and branding. 154
People can't tell the difference usually and they buy
what they can afford 155
or what they perceive as being better in a way. 156
157

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 165

------------ TEXT UNITS 166-167:

Local competitors try to produce something which
looks like a cola drink ant tastes sweet, 166
they do that with more or less success. 167

++
PGCZ

++++
Retrieval for this document: 5 units out of 264, = 1.9%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 46

------------ TEXT UNITS 47-51:

Differences are marginally between us and the western
companies. 47
Henkel for example matches us almost exactly in all
the product positioning 48
and performance. 49
They use a different technology for their Persil 50
compared to our Ariel and each one works better on
some sort of stain 51

++
PGHUN
+++++
Retrieval for this document: 9 units out of 258, = 3.5%

----
* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 66

------------ TEXT UNITS 67-72:

Different manufacturers use different formulations
and different technology. 67
Different detergents are good at different stains 68
and therefore they are different in terms of
performance 69
but similar in terms of quality. 70
Every now and then one competitor has an edge here or
there 71
but most of the time it is all very level. 72

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 74

------------ TEXT UNITS 75-77:

When we started the performance difference was huge. 75
Since then local brands have been upgraded several
times 76
and the gap diminishes. 77

++
STOLHUN
+++++++
Retrieval for this document: 4 units out of 266, = 1.5%

----

* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 76

------------ TEXT UNITS 77-78:

We all have more or less the same quality in tablets. 77
In bars it varies we have a wide range which has bars
which are not as good as those of our competitors and
we have now introduced some new bars which are much
better than those of the competition. 78

----
*LOCAL MANUFACTURING 137

------------ TEXT UNITS 143-144:

For Alpia a lot of the raw materials we import from
Germany 143
because we can't buy such a high quality here in the
country. 144

++
UNLCZ
+++++
Retrieval for this document: 6 units out of 285, = 2.1%

----
* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 77

------------ TEXT UNITS 78-79:

Our products and those of our western competitors are
in terms of quality comparable. 78
Only very little differences. 79

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 89

------------ TEXT UNITS 90-93:

There is still a huge difference between western
premium products and local brands 90
although they have been upgraded by the new western
owners. 91
The main changes during the re-launch where in
packaging 92
and now also advertising. 93

++
UNLPL
+++++
Retrieval for this document: 10 units out of 268, = 3.7%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* PRODUCT 78

------------ TEXT UNITS 79-81:

The product is the best toothpaste in the market 79
which was proven in the biggest ever product trial
under clinical supervision in Scotland. 80
The product is completely standardised around the
world. 81

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 98

------------ TEXT UNITS 102-102:

All are of very high quality. 102

----
* PRODUCT DIFFERENCE TO WESTERN COMPETITORS 112

------------ TEXT UNITS 113-118:

Local manufacturer don't have the scientific know how
we have. 113
We put a lot of resources into research on a world
wide basis 114
and it results in superior technology 115
and product quality, 116
no local competitor is able to match this. 117
As I said Signal has been tested and is of very high
quality. 118

++
Total number of text units retrieved = 104
Retrievals in 15 out of 19 documents, = 79%.
The documents with retrievals have a total of 4618 text
units,
so text units retrieved in these documents = 2.3%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.9%.

****

(10 3) /Positioning/Price
****

TEXT IN ALL DOCUMENTS:

+++
bdfcz
+++++
Retrieval for this document: 9 units out of 241, = 3.7%

----

* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----

* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 54

------------ TEXT UNITS 55-63:

We try to be at the lower end of the western brands. 55
Most other companies position themselves above us in
price 56
although their quality does not justify the higher
price. 57
58

* PRICE DIFFERENCE TO LOCAL COMPETITORS 59

The difference in price to local products is
considerable 60
and again depends on the product category you look
at, 61
but in general we are now at a ratio which is 1 / 5. 62
63

+++
CCPL
++++
Retrieval for this document: 33 units out of 439, = 7.5%

----

* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

----

* PRICING 133

------------ TEXT UNITS 134-147:

We charge a competitive price 134
just over Pepsi a position we hold world wide. 135
With price promotions we may be below Pepsi for some
time during the year 136
but in general we stay at a level slightly above
Pepsi. 137
Pricing in Poland is closely related to packaging 138
because you have to give the consumer a choice of
sizes which he can afford 139
so in western markets we have mainly large bottles 140
here we work much more with smaller sizes. 141
If we only had large sizes we would not be affordable
to many consumers 142
an effect we have to avoid. 143

We try to achieve our preferred margin 144
and also allow the retailer to get his preferred
margin 145
but that is not always possible 146
because of the Pepsi price which we have to watch. 147

----

* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 156

------------ TEXT UNITS 157-163:

Pepsi has the 0.33 litre bottle which is incredibly
cheap 157
compared to the rest of their range 158
and even more so compared to us. 159
The reason they are so cheap with that bottle is that
it is locally produced 160
and they pay next to nothing for the bottle 161
so they can sell it at a bargain price. 162
With that we can't and won't compete. 163

------------ TEXT UNITS 165-166:

On a litre basis the difference is maybe 10% over
Pepsi, 165
not looking at the 0.33 bottle. 166

----

* PRICE DIFFERENCE TO LOCAL COMPETITORS 168

------------ TEXT UNITS 169-171:

A bottle of Coke may cost twice as much as a local
brand 169
and in some areas you may even find a regional brand 170
which costs less than a third of Coca Cola. 171

----

* COMMENTS WHILE DRAWING GRID 293

------------ TEXT UNITS 294-297:

The consumer has basically two choices 294
one is the premium products Coke and Pepsi up here in
this corner 295
and down here some B brands 296
which deliver a different product at a much lower
price. 297

----

* MAIN LIMITATIONS FOR WESTERN BRANDS 420

------------ TEXT UNITS 423-425:

The other option is to erase the price difference 423
western brands would then immediately capture the
markets 424
however that is not possible because of the much
higher cost base western brands have. 425

++

COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 148

------------ TEXT UNITS 149-152:

There are no real price differences. 149
You may find differences in sizes 150
which results in different prices on the shelf 151
but on a millilitre basis they are all the same. 152

----
* PRICE DIFFERENCE TO WESTERN COMPETITORS 154

------------ TEXT UNITS 155-155:

In toothpaste it is between 40 - 50% 155

++
DEHUN
+++++
Retrieval for this document: 2 units out of 307, = 0.65%

----
* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* MAJOR COMPETITORS 45

------------ TEXT UNITS 48-49:

4% of the market are divided between 8 or 10 small roasters 48
who try to play price competition. 49

++
HENPL
+++++
Retrieval for this document: 18 units out of 328, = 5.5%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* PROBLEMS FOR THE BRAND AT ENTRY 54

------------ TEXT UNITS 55-58:

In the beginning we had to import all PCPs from Germany 55
which had a negative effect on pricing 56
because of import duties 57
and the brand FA which is a mass cosmetic product in Germany ended up on a relatively high price level. 58

----
* PRICING 101

------------ TEXT UNITS 104-107:

The pricing of our competition also plays a role 104
but we all have the same cost base so the prices are
determined through that 105
and that makes it similar across countries. 106
Only products on which we have to pay high import
duties are more expensive than in other markets. 107

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 130

------------ TEXT UNITS 131-132:

Within the premium segment price differences are
small 131
and that depends on the question whether it is
imported or locally produced. 132

----
* PRICE DIFFERENCE TO LOCAL COMPETITORS 134

------------ TEXT UNITS 135-135:

Western PCPs are about 30 - 50% more expensive than
local brands. 135

----
* WHAT ARE THE ADVANTAGES OF BEING LATE? 219

------------ TEXT UNITS 220-224:

In a market like Poland, 220
in which the price is a key factor, 221
you can determine the price in a way depending on the
pioneer. 222
You just set your price slightly below the pioneer 223
and immediately you will win over a good part of his
business. 224

----
* WHAT HAS CHANGED/WILL CHANGE IN THIS GRID? 231

------------ TEXT UNITS 232-233:

I think in the western premium area we will see even
more competition. 232
Both general areas will see a move towards higher
prices. 233

++
JJCZ
++++
Retrieval for this document: 8 units out of 317, = 2.5%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 73

------------ TEXT UNITS 74-74:

Johnson lies slightly under the western competitors
in price. 74

----
* PRICE DIFFERENCE TO LOCAL COMPETITORS 76

------------ TEXT UNITS 77-78:

We are up to 5 times as expensive as a local brand. 77
This means we have to convince a lot of people across
the chain to sell or buy our products or even to give
it a shot. 78

----
* PRICING 144

------------ TEXT UNITS 149-150:

Looking at the local competition we want to be at a
position which we call a 'reasonable premium' 149
so that very much defines where we end up in our
pricing. 150

----
* WESTERN BANDS EVERYDAY PRODUCTS 295

------------ TEXT UNITS 300-302:

and have not entered everyday life routine. 300
This is partly a price thing 301
because of the out of pocket costs in comparison to
local brands 302

++
JJPL
++++
Retrieval for this document: 4 units out of 223, = 1.8%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* PRICING 61

------------ TEXT UNITS 62-65:

Prices here are below prices in the west 62
albeit only slightly. 63
We have to take the low purchasing power into
consideration as much as we can 64
but obviously we have margin and cost to cover. 65

++
KJSCZ
+++++

Retrieval for this document: 7 units out of 203, = 3.4%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 51

------------ TEXT UNITS 52-52:

They are all roughly at the same price level. 52

----
* PRICING 95

------------ TEXT UNITS 96-101:

There is not a big difference in price between the
Czech market and the German market, 96
but the position is completely different. 97
In this market we are positioned at the premium end
of the market, 98
in Germany Milka is a relatively cheap but good
chocolate. 99
You find products which are much more expensive like
Lindt, Feodora and handmade chocolates, 100
all those apart from Lindt are not available in this
market. 101

++
NESCZ
+++++
Retrieval for this document: 14 units out of 371, = 3.8%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 87

------------ TEXT UNITS 88-90:

We are the cheapest chocolate in the premium segment 88
but the differences to Milka let's say are not great, 89
a few crowns but not more. 90

----
* PRICE DIFFERENCE TO LOCAL COMPETITORS 92

------------ TEXT UNITS 93-96:

A Nestle red chocolate is at the top of the price
range 93
together with the other western competitors 94
which are even more expensive 95
but we are roughly 100% over local products. 96

----
* PRICING 197

------------ TEXT UNITS 198-204:

In the premium segment we have prices which are
roughly equal to western markets. 198
In the lower segments we have our local brands. 199
In both cases we have to watch our cost base 200
and the fact that we want to capture more market
share 201
so we have to find a balance. 202
We also have high and low margin products 203
and we have to find the right mix for this market. 204

++
NESHUN
++++++
Retrieval for this document: 8 units out of 221, = 3.6%

----
* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----
* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 61

------------ TEXT UNITS 62-67:

We all watch the competition closely 62
and as soon as somebody goes down all others follow 63
because so much depends on the price. 64
Market shares only change hands when somebody comes
with a product at a cheaper price 65
and the competition does not react fast enough. 66
In coffee Eduscho brought a cheap coffee of extremely
low quality called 'Wiener Extra' on the market and
captured immediately 30% of the market. 67

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 69

------------ TEXT UNITS 70-71:

We are all very close in the premium segment 70
and we all watch each other carefully. 71

++
PEPPL
+++++
Retrieval for this document: 8 units out of 323, = 2.5%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* PRICING 139

------------ TEXT UNITS 140-144:

We have our cost base 140
which is determined by the syrup, water and packaging
plus some overhead expenses. 141
We also have a margin plus the retailer and

wholesaler margin to consider, 142
which results in a price. 143
We also have to watch that we have to remain under
Coke in our price. 144

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 158

------------ TEXT UNITS 159-160:

Pepsi being sold in different regions by different
franchisees has no common price policy in Poland.
Prices on a litre basis vary between regions and
between bottle sizes. 159
On the shelf we are about 15% cheaper on average than
Coca Cola. 160

----
* PRICE DIFFERENCE TO LOCAL COMPETITORS 162

------------ TEXT UNITS 163-163:

Local brands, which do not play a big role, are about
half our price. 163

++
PGCZ
++++
Retrieval for this document: 9 units out of 264, = 3.4%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 54

------------ TEXT UNITS 55-55:

Prices are very closely matched between us and the
rest of the western brands. 55

----
* PRICE DIFFERENCE TO LOCAL COMPETITORS 57

------------ TEXT UNITS 58-60:

Initially we were three times more expensive 58
and now we are still about 50% more expensive, 59
which is still a lot. 60

----
* PRICING 126

------------ TEXT UNITS 127-131:

We have got certain profit margin objectives 127
and we have costs and the price is the result of that. 128
Our products have defined formulas 129
which also means defined costs 130
so there is very little room to adapt the price. 131

++
PGHUN
+++++
Retrieval for this document: 3 units out of 258, = 1.2%

----
* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----
* PRICING 129

------------ TEXT UNITS 130-132:

Prices are determined by our costs 130
and the margin we have to achieve 131
so there is not much scope for adaptations. 132

++
STOLHUN
+++++++
Retrieval for this document: 8 units out of 266, = 3.0%

----
* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 70

------------ TEXT UNITS 71-74:

Most expensive western chocolate tablet is Milka, 71
followed by Nestle's red 72
and only then followed by our Alpia, 73
which is consistently 10 - 15 Forint cheaper than the others. 74

----
* PRICE DIFFERENCE TO LOCAL COMPETITORS 80

------------ TEXT UNITS 81-82:

Similarly with our local brands we are 5 - 7% under other local brands per tablet. 81
In the segment of Hungarian chocolate bars we have a price which is similar to Suchard. 82

----
* PRICING 120

------------ TEXT UNITS 121-122:

In markets in which you can not expect a growth in volume within the next couple of years and the average per capita income remain under the inflation rate the price is the most important instrument. 121
Even more so than in western markets where price is also increasingly important. 122

++

UNLCZ

+++++

Retrieval for this document: 10 units out of 285, = 3.5%

----

* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----

* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 81

------------ TEXT UNITS 82-82:

The price position of the western brands are also
very similar. 82

----

* PRICE DIFFERENCE TO LOCAL COMPETITORS 84

------------ TEXT UNITS 85-87:

Local products are positioned a bit higher in price
than it would be justified by the quality. 85
Czech products have not risen in price during the
last two years, 86
in most categories the differential is about 30%. 87

----

* PRICING 138

------------ TEXT UNITS 139-144:

Basically it reflects the position of the product 139
Omo is the top quality brand of Unilever detergent 140
so it keeps a proportion to other brands which are
locally produced brands. 141
Pricing is mainly based on costs 142
so there can't be a huge difference to western
markets. 143
All competitors have the same problem or tactics. 144

++

UNLHUN

++++++

Retrieval for this document: 2 units out of 175, = 1.1%

----

* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----

* PRICING 73

------------ TEXT UNITS 74-75:

The price level we have here is similar to the German
market. This is because the main ingredient of
margarine is oil and oil is purchased on an
international basis from the world markets, which
makes it the same whether you sell here or in
Germany. The salaries are only a fraction of the
cost base. The lower levels in salaries is an

advantage for us here but the efficiency in our local
factories is not as high as in other places 74
An important issue in our calculation is the relation
between US dollar and Forint as we buy our raw
materials internationally. 75

++
UNLPL
+++++
Retrieval for this document: 9 units out of 268, = 3.4%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* PRICING 87

------------ TEXT UNITS 88-90:

We need to achieve a certain margin 88
and we have the cost base as a fixture 89
so this determines the price. 90

----
* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 104

------------ TEXT UNITS 105-106:

We all have roughly the same price 105
and if anyone changes the others usually follow. 106

----
* PRICE DIFFERENCE TO WESTERN COMPETITORS 108

------------ TEXT UNITS 109-110:

The price difference to local products is
considerable 109
and according to market intelligence it is 30 - 40%. 110

----
* WHAT HAS CHANGED/WILL CHANGE IN THIS GRID? 172

------------ TEXT UNITS 175-176:

We could only go further up into this direction 175
but then nobody would be able to afford us anymore. 176

++
Total number of text units retrieved = 157
Retrievals in 17 out of 19 documents, = 89%.
The documents with retrievals have a total of 4942 text
units,
so text units retrieved in these documents = 3.2%.
All documents have a total of 5487 text units,
so text units found in these documents = 2.9%.

****

(10 3 1) /Positioning/Price/International
****
TEXT IN ALL DOCUMENTS:

++
bdfcz
+++++
Retrieval for this document: 3 units out of 241, = 1.2%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* PRICING 117

------------ TEXT UNITS 118-120:

We have the same price level as in Germany for our
imported products 118
only the cream which is produced here is cheaper in
comparison 119
but only about 10%. 120

++
HENHUN
++++++
Retrieval for this document: 7 units out of 381, = 1.8%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 290-293:

The risk of buying a western brand is much higher
than buying a local brand. 290
The pricing of western brands is similar to western
markets 291
so in local currency you have enormous prices 292
and in compared purchasing power you price at a level
which is a multitude of the western level. 293

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 331

------------ TEXT UNITS 333-335:

We don't realise higher margins than in other
countries 333
and the production process is not much cheaper than
in western markets, 334
which means we have not much room for manoeuvring in
price. 335

++
HENPL
+++++
Retrieval for this document: 2 units out of 328, = 0.61%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* PRICING 101

------------ TEXT UNITS 102-103:

We have to have a relative price parity with the
German market 102
because otherwise the grey im & export affects us in
one of the two markets. 103

++
JJPL
++++
Retrieval for this document: 2 units out of 223, = 0.90%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* PRICING 61

------------ TEXT UNITS 62-63:

Prices here are below prices in the west 62
albeit only slightly. 63

++
KJSCZ
+++++
Retrieval for this document: 6 units out of 203, = 3.0%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* PRICING 95

------------ TEXT UNITS 96-101:

There is not a big difference in price between the
Czech market and the German market, 96
but the position is completely different. 97
In this market we are positioned at the premium end
of the market, 98
in Germany Milka is a relatively cheap but good
chocolate. 99
You find products which are much more expensive like
Lindt, Feodora and handmade chocolates, 100
all those apart from Lindt are not available in this
market. 101

++
NESCZ
+++++
Retrieval for this document: 1 unit out of 371, = 0.27%

----

* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----

* PRICING 197

------------ TEXT UNITS 198-198:

In the premium segment we have prices which are
roughly equal to western markets. 198

+++

Total number of text units retrieved = 21
Retrievals in 6 out of 19 documents, = 32%.
The documents with retrievals have a total of 1747 text
units,
so text units retrieved in these documents = 1.2%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.38%.

****

(11) /Market Readiness
****

TEXT IN ALL DOCUMENTS:

+++
DEHUN
+++++
Retrieval for this document: 3 units out of 307, = 0.98%

----
* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* MARKET READINESS 147

------------ TEXT UNITS 148-150:

I don't think that it was a question of market
readiness 148
as our products were on the market longer than in any
other European market. 149
When Hungarians had already developed a coffee
culture Brits didn't even know what coffee looked
like. 150

+++
HENPL
+++++
Retrieval for this document: 6 units out of 328, = 1.8%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* ADVERTISING 89

------------ TEXT UNITS 90-95:

We can't work with image advertising as in western
markets 90
and we have to address the product advantages more
than anything else. 91
But we do start the image advertising in some areas 92
because we think that this is the future 93
and we are the first to go that way. 94
We have to carefully consider which advertising we
can use from other markets 95

+++
NESCZ
+++++
Retrieval for this document: 13 units out of 371, = 3.5%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* MARKET READINESS 125

------------ TEXT UNITS 126-129:

Research by BBDO has shown that those living in
border areas have watched western TV for many years. 126
They were better informed on western brands than some
western consumers. 127
The market was ready product wise 128
but not purchasing power wise. 129

------------ TEXT UNITS 131-132:

but with that many of our products came just at the
right time to accompany major changes in society, 131
if you look at our Maggi ready soups for example 132

----
* PRODUCT 172

------------ TEXT UNITS 180-181:

Many of our products are new to the Czech consumer 180
and it takes some time for them to get used to them. 181

----
*RANGE 205

------------ TEXT UNITS 206-210:

Our range is much smaller than in western markets 206
and it will remain smaller for some time. 207
This is partly due to limitations in purchasing power 208
but more to do with differences in life style 209
and the need to adapt to new ways of doing things. 210

++
PEPPL
+++++
Retrieval for this document: 2 units out of 323, = 0.62%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 179

------------ TEXT UNITS 180-181:

We sold our product already for many years 180
so the market was already there. 181

++
PGHUN
+++++
Retrieval for this document: 1 unit out of 258, = 0.39%

----
* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* WESTERN BRAND WHICH FAILED 79

------------ TEXT UNITS 86-86:

The failure occurred because the market wasn't ready
yet for that kind of product. 86

++
UNLCZ
+++++
Retrieval for this document: 3 units out of 285, = 1.1%

----
* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* MARKET READINESS 100

------------ TEXT UNITS 101-103:

Most of our products were available before we started
through our export division 101
and in most categories I would say yes that the
market was ready. 102
Many products were well known and even without
advertising at the start we sold very well. 103

++
UNLHUN
++++++
Retrieval for this document: 1 unit out of 175, = 0.57%

----
* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 77

------------ TEXT UNITS 78-78:

The product was available before we took the factory
over and margarine is clearly a basic product and it
has been before we came. 78

++
UNLPL
+++++
Retrieval for this document: 2 units out of 268, = 0.75%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 145

------------ TEXT UNITS 146-147:

Yes, I would think so. 146
If we would have waited longer the competition would
be too far ahead. 147

++
Total number of text units retrieved = 31
Retrievals in 8 out of 19 documents, = 42%.

The documents with retrievals have a total of 2315 text units,
so text units retrieved in these documents = 1.3%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.56%.

****

(11 1) /Market Readiness/Waiting Market
****
TEXT IN ALL DOCUMENTS:

++
bdfcz
+++++
Retrieval for this document: 2 units out of 241, = 0.83%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* MARKET READINESS 78

------------ TEXT UNITS 79-80:

When we entered the market was ready 79
and consumers were more or less waiting for many
products which we introduced. 80

++
HENPL
+++++
Retrieval for this document: 4 units out of 328, = 1.2%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* PROBLEMS FOR THE BRAND AT ENTRY 54

------------ TEXT UNITS 59-62:

However that was a problem not particular to us but
all other PCP companies as well. 59
Nevertheless consumers wanted the product 60
and it was not really a problem to sell the goods 61
but to get them into the retailing channel. 62

++
PGCZ
++++
Retrieval for this document: 3 units out of 264, = 1.1%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* MARKET READINESS 89

------------ TEXT UNITS 90-92:

Yes and no. 90
Consumers were very excited 91
and willing to try the product. 92

++
PGHUN
+++++

Retrieval for this document: 4 units out of 258, = 1.6%

----
* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----
* MARKET READINESS 88

------------ TEXT UNITS 89-92:

Oh yes the market was ready, 89
consumers were almost waiting for a western style detergents. 90
When we introduced Ariel the local brands were of very low quality 91
and the difference was huge. 92

++
Total number of text units retrieved = 13
Retrievals in 4 out of 19 documents, = 21%.
The documents with retrievals have a total of 1091 text units,
so text units retrieved in these documents = 1.2%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.24%.

****

(11 2) /Market Readiness/Purchasing Power
****

TEXT IN ALL DOCUMENTS:

+++
bdfcz
+++++
Retrieval for this document: 12 units out of 241, = 5.0%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* MARKET READINESS 78

------------ TEXT UNITS 84-87:

For some products however the market is not yet ready 84
but this is mainly a question of price 85
rather than the product itself. 86
The markets still lacks the purchasing power for the
real expensive products. 87

----
*RANGE 121

------------ TEXT UNITS 123-124:

We don't have the demand for all the niche products
we sell in other markets. 123
It is particularly the expensive products which we
have not yet introduced. 124

----
* DISADVANTAGES OF BEING FIRST 184

------------ TEXT UNITS 185-188:

The disadvantage was that when we took over from the
licensee we had to raise the price of Nivea 600% 185
in order to be able to sell it just over our cost
base. 186
This was obviously not a welcome change for the
consumers 187
and it was very difficult to make this change in this
economic climate. 188

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 218

------------ TEXT UNITS 219-220:

In this economic climate the purchasing power of the
consumers is the main limitation 219
because people can't afford to buy western brands all
the time. 220

+++
COLPL
+++++
Retrieval for this document: 4 units out of 453, = 0.88%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 203

------------ TEXT UNITS 204-205:

It is not only a matter of market readiness 204
but also purchasing power 205

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 448

------------ TEXT UNITS 449-450:

The price is the main limitation. 449
Products need to be accessible for a large proportion
of the population to have success. 450

++
JJCZ
++++
Retrieval for this document: 5 units out of 317, = 1.6%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* MARKET READINESS 110

------------ TEXT UNITS 111-112:

I don't think readiness is appropriate. 111
From the absolute standpoint of consumer purchasing
power the market is still not ready for our products. 112

------------ TEXT UNITS 114-116:

but if you wanted to wait until the economic
situation has reached western levels your brands will
be dead because everybody else will have carved out
their niches and you have no chance. 114
The market wasn't and still isn't ready 115
but we have to make it ready. 116

++
JJPL
++++
Retrieval for this document: 2 units out of 223, = 0.90%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* HOW DO BRAND NAMES INFLUENCE CONSUMERS? 169

------------ TEXT UNITS 170-171:

I don't think that the average Polish consumer has
sufficient disposable income to buy products just
because of their image, 170
maybe in 10 years time they will but now, no. 171

+++
NESCZ
+++++
Retrieval for this document: 1 unit out of 371, = 0.27%

----

* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----

* MARKET READINESS 125

------------ TEXT UNITS 129-129:

but not purchasing power wise. 129

+++
PGCZ
++++
Retrieval for this document: 5 units out of 264, = 1.9%

----

* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----

* MARKET READINESS 89

------------ TEXT UNITS 90-94:

Yes and no. 90
Consumers were very excited 91
and willing to try the product. 92
No because the disposable income has not improved as
quickly as we would have wished 93
so that people can't buy it frequently. 94

+++
Total number of text units retrieved = 29
Retrievals in 6 out of 19 documents, = 32%.
The documents with retrievals have a total of 1869 text
units,
so text units retrieved in these documents = 1.6%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.53%.

****

****
TEXT IN ALL DOCUMENTS:

+++
BDFCZ
+++++
Retrieval for this document: 4 units out of 241, = 1.7%

----
* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
*HOW DO YOU EDUCATE CONSUMERS 161

------------ TEXT UNITS 162-165:

In cosmetics we have a lot of education to do 162
because traditionally Czech women did not use a lot
of cosmetics 163
and we are specialised in skin care 164
which people didn't do at all, 165

+++
COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 203

------------ TEXT UNITS 204-208:

It is not only a matter of market readiness 204
but also purchasing power 205
and whether people know how to clean their teeth. 206
It all has to do with product life cycle. 207
The situation we face here today resembles the
situation 10 or 15 year ago in the West. 208

+++
HENHUN
++++++
Retrieval for this document: 24 units out of 381, = 6.3%

----
* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* MARKET READINESS 109

------------ TEXT UNITS 110-124:

We talked about Persil Supra which came too early 110
but for our other products the market was quite
obviously ready. 111
It becomes clear when you look at our market shares. 112

Supra was introducing a new product category 113
and also tried to change ways consumers are doing
certain things. 114
That means you have to explain a lot 115
and educate consumers. 116
This is all very expensive 117
and to change the habits of the consumer is almost
impossible for just one player in an industry. 118
It is easier when all competitors move into a similar
direction. 119
We were also unable to completely explain the new
benefits to the consumer 120
and the infra structure of consumers was not there. 121
50% of Hungarian washing machines are not capable of
using Persil Supra 122
so it was a number of factors which lead to a level
of sales which is so low 123
that we will not continue it. 124

----

* PRODUCT 145

------------ TEXT UNITS 149-151:

An example is detergents in which we still sell
mainly big box powders 149
and no concentrated versions 150
because the consumers have not yet made the step to
understand that a concentrate is more convenient but
gives the same performance. 151

----

*RANGE 169

------------ TEXT UNITS 171-172:

because many of the products we sell in western
markets are not suitable for this market 171
and have no relevance to the consumer's needs in this
market. 172

----

* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 312-315:

This was not a matter of lacklustre marketing or
little commitment 312
but the relevance of a concentrated detergents 313
is not yet there. 314
The consumer still thinks value for money is visible
in the size of the box. 315

++
HENPL
+++++
Retrieval for this document: 15 units out of 328, = 4.6%

----

* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
*RANGE 112

------------ TEXT UNITS 116-116:

Some niche products or niche varieties we don't offer 116

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 173

------------ TEXT UNITS 174-187:

Again that depends on the product category. 174
Poles are not used to showers which means they don't
even have a word in Polish for shower. 175
To launch a shower gel in such a market is a
difficult operation. 176
However in the West shower gels are quite important
and therefore many companies launched their shower
gels in Poland although I would say the market was
and still is not quite ready. 177
The infra structure is not there 178
which is necessary to use the product 179
because only 8% of all households have showers and
more than 40% take a bath still in a metal tub. 180
People then take it as a liquid soap for which it is
too expensive and not well packed. 181
Similar with colouring shampoo which is new for this
market. 182
Some people made surprising experiences with
colouring shampoo. 183
For most products however the market was ready 184
and the consumer was waiting. 185
We sold things like soap and deodorant from day one 186
and many consumers were also familiar with more
advanced PCPs. 187

++
JJCZ
++++
Retrieval for this document: 4 units out of 317, = 1.3%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* DISADVANTAGES OF BEING LATE 208

------------ TEXT UNITS 211-212:

It took us probably some extra effort 211
but once we were able to show what the difference is
between ours and Tampax it was okay. 212

----
* DISADVANTAGES OF BEING FIRST 245

------------ TEXT UNITS 250-251:

We also had to do a lot of educating 250
because people wouldn't know what to do with the

talcum or how to use the baby oil etc. 251

+++
Total number of text units retrieved = 52
Retrievals in 5 out of 19 documents, = 26%.
The documents with retrievals have a total of 1720 text units,
so text units retrieved in these documents = 3.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.95%.

****

(11 4) /Market Readiness/Competition
****

TEXT IN ALL DOCUMENTS:

+++
CCPL
++++
Retrieval for this document: 1 unit out of 439, = 0.23%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 231

------------ TEXT UNITS 236-236:

The readiness was less important than the competition which was in place. 236

+++
Total number of text units retrieved = 1
Retrievals in 1 out of 19 documents, = 5.3%.
The documents with retrievals have a total of 439 text units,
so text units retrieved in these documents = 0.23%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.02%.

****

(12) /Main Marketing Tools
****
TEXT IN ALL DOCUMENTS:

++
bdfcz
+++++
Retrieval for this document: 3 units out of 241, = 1.2%

----
* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* MAIN MARKETING TOOLS 97

------------ TEXT UNITS 98-100:

We use mainly advertising on TV 98
and on Poster sites. 99
We also advertise a lot in women's magazines. 100

++
CCPL
++++
Retrieval for this document: 9 units out of 439, = 2.1%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* MAIN MARKETING TOOLS 100

------------ TEXT UNITS 101-109:

We didn't do any advertising until 1989 101
when we started to manage the operations here in
Poland. 102
We mainly use TV advertising to reach the mass market. 103
A Cola drink is a mass product so we have to use mass
media. 104
We also use some radio advertising 105
and press advertising sometimes. 106
We now also use consumer promotions 107
in order go get people to try the product 108
and increase its acceptability. 109

++
DEHUN
+++++
Retrieval for this document: 5 units out of 307, = 1.6%

----
* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* MAIN MARKETING TOOLS 165

------------ TEXT UNITS 166-170:

We use all available media mainly TV, 166

billboards 167
and press. 168
Sales promotion 169
and retail promotion are becoming more important but
not a major issue. 170

++
HENHUN
++++++
Retrieval for this document: 6 units out of 381, = 1.6%

----
* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* MAIN MARKETING TOOLS 134

------------ TEXT UNITS 135-140:

Advertising above the line is our main tool. 135
We spend most of our budget on TV 136
and use other media only as a topical supplement to
our TV 137
but not as something which carries a lot of weight. 138
As secondary media we use poster sites 139
and some radio but it's not too important. 140

++
HENPL
+++++
Retrieval for this document: 8 units out of 328, = 2.4%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* CHANGES IN RETAIL INFRA STRUCTURE: 13

------------ TEXT UNITS 21-21:

Advertising is a key factor 21

----
* MAIN MARKETING TOOLS 73

------------ TEXT UNITS 74-78:

We use mainly TV 74
which is a Henkel tradition in all markets 75
but we also use some radio, 76
press 77
and poster sites. 78

------------ TEXT UNITS 80-81:

Consumer promotions are difficult to administer 80
and so far we have not conducted to many of those. 81

++
JJCZ
++++

Retrieval for this document: 4 units out of 317, = 1.3%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* MAIN MARKETING TOOLS 127

------------ TEXT UNITS 128-131:

Advertising is important 128
but I would not rank it as number one. 129
Trade promotions are very very important. 130
To link trade promotions and advertising is the key
to success. 131

++
JJPL
++++
Retrieval for this document: 6 units out of 223, = 2.7%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* MAIN MARKETING TOOLS 34

------------ TEXT UNITS 35-40:

We use all marketing instruments in classic
communication 35
and below the line instruments as well. 36
A lot of what we do is trade promotions and trade
incentives. 37
You need consumer pull so mass communication is key 38
going hand in hand with consumer promotions. 39
Advertising and particularly TV will always be the
areas where we spend most of our budget. 40

++
KJSCZ
+++++
Retrieval for this document: 3 units out of 203, = 1.5%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* MAIN MARKETING TOOLS 75

------------ TEXT UNITS 76-78:

Advertising is our main tool. 76
Particularly in this market where retailing is so
diverse 77
you also market to them through the TV and print. 78

++
KJSHUN
++++++

Retrieval for this document: 3 units out of 164, = 1.8%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

----

* MAIN MARKETING TOOLS 65

------------ TEXT UNITS 66-68:

We do a lot of advertising and we mainly do TV (about
75%) 66
we also have a good sales force and we constantly do
retailer promotions. 67
We are very well suited to become the number 2 in
this market because we have more experience than any
other company in retail and more international
exposure than any of the others. 68

++
NESCZ
+++++
Retrieval for this document: 20 units out of 371, = 5.4%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----

* MAIN MARKETING TOOLS 146

------------ TEXT UNITS 147-166:

We mainly use TV, 147
print 148
and poster sites. 149
TV is the cheapest medium to reach large audiences 150
and as we are selling into mass markets it is the
most appropriate medium for us. 151
We supplement TV with print and posters 152
but the emphasis is on TV. 153
We also do promotions 154
and tastings in supermarkets 155
to bring the product to the consumer and get them to
try it. 156
Recently we put coupons on all Maggi dry soups and if
you collect them you can earn yourself a nice board
with different kitchen instruments. 157
We also have an address on all our products 158
so our customers can write to us and we get a lot of
mail back from them. 159
The addresses we then use for direct mail. 160
We use all the marketing resources Nestle has
world-wide 161
and we are taking a very professional attitude
towards this issue, 162
just as we would in any western market. 163
Finally we also have a very comprehensive trade
approach 164
which means we are very actively marketing to
retailers. 165

People are getting more and more sceptic about TV advertising 166

++
NESHUN
++++++
Retrieval for this document: 8 units out of 221, = 3.6%

----
* NESTLE HUNGARY, 23.6.1994, INDUSTRY: COFFEE/CONFECTIONERY

----
* MAIN MARKETING TOOLS 88

------------ TEXT UNITS 89-96:

We use mainly TV, 89
but also poster sites 90
and print, 91
even some radio since recently. 92
We also make taste testings in supermarkets 93
and consumer promotions 94
and retailer promotions. 95
96

++
PEPPL
+++++
Retrieval for this document: 11 units out of 323, = 3.4%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* MAIN MARKETING TOOLS 118

------------ TEXT UNITS 119-129:

We use mainly TV 119
because it is the cheapest medium to reach a large audience 120
plus national press in newspaper and magazines. 121
We also use billboards 122
and illuminated signs in Warsaw. 123
We also have signs across the city here in Warsaw which are on lampposts and traffic signs. 124
POS materials 125
and consumer promotions are very important. 126
Here we mainly use price promotions. 127
Sometimes we do taste testing 128
and sample the product in supermarkets. 129

++
PGCZ
++++
Retrieval for this document: 11 units out of 264, = 4.2%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

----
* MAIN MARKETING TOOLS 105

------------ TEXT UNITS 106-107:

Mainly TV 106
and press. 107

----
* ADVERTISING 116

------------ TEXT UNITS 117-125:

We use international campaigns 117
re-shooting locally 118
and on local brands we have more liberty to develop
campaigns locally. 119
International campaigns if they are the appropriate
ones work just as well as locally produced material. 120
In the beginning we went very heavy on advertising 121
and people said it was too much. 122
We probably made too much use of the opportunity 123
but we have not seen any negative outcome in sales. 124
In sales the advertising clearly went into volumes. 125

+++
PGHUN
+++++
Retrieval for this document: 7 units out of 258, = 2.7%

----
* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* MAIN MARKETING TOOLS 104

------------ TEXT UNITS 105-111:

Like anywhere else in the world mainly TV advertising 105
some press 106
and posters. 107
We also do increasingly sales promotion 108
but still at a lower level compared to a western
market. 109
Sampling we do with hygiene products 110
but not with detergents and cleaners. 111

+++
STOLHUN
+++++++
Retrieval for this document: 4 units out of 266, = 1.5%

----
* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* MAIN MARKETING TOOLS 105

------------ TEXT UNITS 106-109:

We use all marketing tools 106
and we are carefully building an umbrella brand
Stollwerck which covers all our products. 107
Most important for us is that we build a strong brand. 108
109

++
UNLCZ
+++++
Retrieval for this document: 5 units out of 285, = 1.8%

----
* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* MAIN MARKETING TOOLS 109

------------ TEXT UNITS 110-114:

Advertising is our most important tool 110
and I guess that 90% of our marketing budget goes
into advertising, 111
mainly TV. 112
We also do since recently some consumer promotions 113
but that is not the main focus but it gains in
importance. 114

++
UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
*ADVERTISING 68

------------ TEXT UNITS 71-72:

We do little print advertising but a lot of poster
sites, bus sites and sponsoring. 71
We also do a lot of promotion as that is a very
effective tool much more so than in western Europe.
We do many tastings to bring the product to the
people. I imagine hat promotion will be less
successful in the future because so far they were new
to the public but once they are used to it and faced
with as many of the a their western counterparts
their interest will fade. 72

++
UNLPL
+++++
Retrieval for this document: 16 units out of 268, = 6.0%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* ADVERTISING 51

------------ TEXT UNITS 52-59:

Our advertising is both product and brand focused. 52
People need to recognise the brand and its quality 53
but at the same time we have to explain the product
features which are unique to us. 54
I don't think that media overspill was important 55
because most people don't speak western languages 56
and why should they watch foreign TV anyway. 57
Some people travelled to western countries 58
but I don't think toothpaste was something they
looked out for. 59

----
* MAIN MARKETING TOOLS 68

------------ TEXT UNITS 69-76:

Definitely TV advertising. 69
Polish people still watch a lot TV 70
and take in messages well through the TV advertising.
71
TV is still inexpensive compared to western markets 72
and it is the most effective medium. 73
We also use press 74
and for toothpaste promotions 75
which are increasingly important. 76

++
Total number of text units retrieved = 131
Retrievals in 18 out of 19 documents, = 95%.
The documents with retrievals have a total of 5034 text units,
so text units retrieved in these documents = 2.6%.
All documents have a total of 5487 text units,
so text units found in these documents = 2.4%.

****

(13) /Perceived Rewards of Pio.
****
TEXT IN ALL DOCUMENTS:

++
BDFCZ
+++++
Retrieval for this document: 13 units out of 241, = 5.4%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* IMPORTANCE OF BEING FIRST 126

------------ TEXT UNITS 128-128:

in order to establish your brand name as the
trademark for a whole category. 128

------------ TEXT UNITS 130-131:

and we achieved what we have relatively easy 130
because of the fact that we started early. 131

----
* ADVANTAGES OF BEING FIRST 133

------------ TEXT UNITS 134-140:

When we started there were not many adverts on TV, 134
so our advertising was very cheap 135
and very effective at the same time. 136
We gained distribution relatively easy 137
because everybody knew our trademark 138
and not many western brands were around at that time 139
so we immediately got onto the shelves. 140

----
* DISADVANTAGES OF BEING LATE 148

------------ TEXT UNITS 153-155:

Late comers also had to pay much more for their
advertising 153
as prices have multiplied since we started 154
so to get the same effect we had at the start you
would now pay a fortune. 155

++
CCPL
++++
Retrieval for this document: 19 units out of 439, = 4.3%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

----
* PROBLEMS FOR THE BRAND AT ENTRY 85

------------ TEXT UNITS 86-88:

There was not a real problem 86
if we are talking about branding, 87
a slight problem was that in the Pepsi regions some
consumers saw and still see Pepsi as a generic term
for cola drinks. 88

----
* IMPORTANCE OF BEING FIRST 257

------------ TEXT UNITS 258-259:

I think that in our business the first is bound to be
market leader 258
unless, as it happened here, in Poland the first in
this case Pepsi does not move fast enough. 259

------------ TEXT UNITS 265-269:

I think for Pepsi the start was easier than it was
for us 265
because they already had higher volumes 266
and better distribution infra structure than we had
at the start. 267
Once you are in the market the race is on to be first
in niche markets 268
but that is less important because we all have the
products in place. 269

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 276

------------ TEXT UNITS 277-282:

As I said before in the restaurant business you can
block out your rivals 277
if you are first to make contracts with the
restaurants. 278
This is of vital importance in our business. 279
With the free fridge we give to retailers it is a
similar attempt in small grocery stores 280
which do most of the food retailing in Poland right
now 281
but there is no real exclusivity in the market. 282

----
* OBJECTIVES BEFORE COMPETITION 358

------------ TEXT UNITS 359-361:

Our market is divided between the home market and the
restaurants business 359
if you get first to the restaurants and make
contracts you completely block out your competitor 360
because no restaurant stocks two cola drinks. 361

++
COLPL
+++++
Retrieval for this document: 18 units out of 453, = 4.0%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----

* IMPORTANCE OF BEING FIRST 223

------------ TEXT UNITS 224-224:

It is vital to be first 224

----

* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 230-236:

You start to educate the consumer. 230
You create the market. 231
If you make a market by educating the consumers 232
they will stay with you even when competition comes,
although you may loose some. 233
You effectively own the market 234
it is your product category. 235
People will ask for your brand rather than a category
description. 236

------------ TEXT UNITS 251-252:

However, it is easier in a market in which you start
of as the number one 251
than to fight your way to the top. 252

----

* BENEFITS OF LONG TRADITION IN THE MARKET 280

------------ TEXT UNITS 287-288:

It helps that we have been here longer than Procter
and Lever 287
but our history is too short to rely on it. 288

----

* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 311

------------ TEXT UNITS 313-315:

In Rumania we were first 313
and we own our markets to 100%. 314
Others follow now and they find it very very hard. 315

------------ TEXT UNITS 320-322:

We were first in Indonesia but not very successful 320
so we were taken over by Lever 321
who came later but was more successful. 322

++
DEHUN
+++++
Retrieval for this document: 11 units out of 307, = 3.6%

----

* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----

* ORDER OF ENTRY: 37

------------ TEXT UNITS 40-43:

For them it was very easy to pick up 15/20% of the
market 40
because it was new and western something exciting. 41
However, they got their volume mainly from the lower
price segments 42
which was fortunate for us. 43

----

* ADVANTAGES OF BEING FIRST 188

------------ TEXT UNITS 189-192:

We made a pre-emptive move 189
in setting the threshold very high in investing
heavily at an early point. 190
We raised the barriers of entry so high that it is
very difficult for others to come in and establish
themselves. 191
We put up the entry barriers so high that others have
a really hard time in following. 192

----

* CONTROL OF SCARCE ASSETS 194

------------ TEXT UNITS 195-197:

We control sales and distribution in Budapest 195
and in the country side people have no money for
expensive coffee 196
so it is very difficult to move around us. 197

+++
HENHUN
++++++
Retrieval for this document: 40 units out of 381, = 10%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* FORM OF ENTRY: 4

------------ TEXT UNITS 15-19:

The strategy in terms of brands was similar, 15
we started with working on local brands 16
before we introduced our international brands. 17
This was also risk avoidance in terms of allowing for
mistakes to be made with local brands 18
which would be disastrous with our international
brands. 19

----
* IMMEDIATE OBJECTIVES 52

------------ TEXT UNITS 58-59:

At the beginning it is quite cheap to introduce a brand 58
but it still has to be done quickly and as early as possible 59

----
* MARKET READINESS 109

------------ TEXT UNITS 118-118:

and to change the habits of the consumer is almost impossible for just one player in an industry. 118

----
* ADVANTAGES OF BEING FIRST 174

------------ TEXT UNITS 175-193:

Well, the first always has the advantage that he can introduce systems as he likes them. 175
An example would be the contact to retailers. 176
The first can implement his retailer contact system as the standard, 177
which means that pricing and rebates, 178
deliveries and selection criteria become the standard. 179
On the other hand this means that you have to do a lot of educating 180
but only the pioneer has the chance of introducing his favourite system. 181
This applies also to the consumer, 182
the pioneer has the chance of an empty space which he can fill as he likes it. 183
Therefore we have introduced many standards in dealing with agencies, suppliers, media etc. 184
In all areas where we came into contact with other institutions companies or people we introduced western industry standards. 185
Thus we were able to be beneficial to the economy as a whole, 186
although we did not patronise 187
but we held workshops and meetings to find solutions which were positive for all parties involved. 188
We have benefited quite considerably from being able to introduce our standards and our systems in this country. 189
However, with the consumer we were not really able to achieve a better position because of being first. 190
We still have advantages of having been the pioneer in those segments which we introduced to Hungary. 191
Those segments which now go by our brand name. 192
Apart from that the pioneering advantages are lost with the consumers. 193

------------ TEXT UNITS 200-203:

We made a good choice with buying the brands and

factory which we bought 200
and I am glad that we bought it and not the
competition, 201
if you want to count that as a pioneering advantage. 202
This is actually something which will remain
important throughout the future. 203

----
* IMPORTANCE OF BEING FIRST 205

------------ TEXT UNITS 206-214:

Now there are not many viable companies left which
are to be sold, 206
if you came into the market now there would be
nothing left in our segments 207
so being here early was beneficial in that respect. 208
209

* TAKE OVERS OF LOCAL BRANDS 210

Many experts were quite wrong with their prophecies
on the importance of local brands. 211
We made a good choice with our local brands 212
and we now have a great advantage from that. 213
214

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HENPL
+++++
Retrieval for this document: 9 units out of 328, = 2.7%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* IMPORTANCE OF BEING FIRST 206

------------ TEXT UNITS 207-210:

You can build an image and an awareness at a time
when advertising is cheap. 207
If you now wanted to make as much advertising as we
did during the past couple of years you would have to
spend many times more the amount we spent. 208
Late comers also can usually not achieve the leading
position 209
if you are continuously working on holding your
position. 210

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 212

------------ TEXT UNITS 213-217:

You create categories and your product becomes the
leading product in this category. 213
In a market like Poland the work in product
categories is vital. 214
Everything is made from scratch people have blank
minds for products brands and differentiation. 215

We have to present them with a range before they feel
the need 216
so that the choice is in place when they feel the
need. 217

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JJCZ
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Retrieval for this document: 21 units out of 317, = 6.6%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* IMPORTANCE OF BEING FIRST 158

------------ TEXT UNITS 161-163:

The baby cosmetics range which carries our name is
our flagship brand. 161
From the baby platform we launch all other brands 162
so it was important to us to get that right in this
market. 163

----
* CONTROL OF SCARCE ASSETS 165

------------ TEXT UNITS 166-172:

We were the first with baby cosmetics so we got all
the sampling boxes in hospitals for young mothers. 166
This exclusivity is for us very important. 167
Particularly Nivea tried to get in there but they
couldn't. 168
Because we were first in many areas we still have an
advantage in the small stores. 169
If they decide only to carry one international brand
they already have us 170
so it is difficult for others to gain access. 171
We make it hard for them not to carry us as opposed
to other international brands. 172

----
* ADVANTAGES OF BEING FIRST 174

------------ TEXT UNITS 175-177:

As the tampon market here is completely
underdeveloped this was a severe disadvantage. 175
Tampax had developed the whole category here 176
and they also had achieved a relatively high level of
distribution. 177

------------ TEXT UNITS 181-182:

Having been first in baby cosmetics two years ago
does not play a big role for consumers 181
but the better recognition we have achieved because
we have been around for longer still helps us. 182

----

* DISADVANTAGES OF BEING FIRST 245

------------ TEXT UNITS 246-249:

To a certain extent we were first in that category 246
charging such a high premium that consumers were
wondering how can this possibly be worth that much. 247
Now having more western brands at the same price
point people are less likely to think you just want
to rip them off. 248
This was certainly a disadvantage. 249

------------ TEXT UNITS 254-255:

You are first you build a reputation 254
and you can count on that later. 255

+++
JJPL
++++
Retrieval for this document: 17 units out of 223, = 7.6%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* IMPORTANCE OF BEING FIRST 94

------------ TEXT UNITS 95-98:

It is important 95
and if it is done right it pays. 96
At the same time the pioneer attracts competition 97
by doing his job good. 98

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 102

------------ TEXT UNITS 103-113:

You encounter much lower media costs and 103
products have a much higher novelty value. 104
You also have a pent up demand which you can satisfy
if you are first. 105
At the beginning people also have cash available for
these products 106
because they are something really new. 107
You do have a holiday as long as you are on your own 108
the mere fact that you have an infra structure in
place gives you a tremendous advantage 109
until your competitor has his in place. 110
Being the reference brand in your categories is also
one of the core advantages of the pioneer. 111
You are the architect of your category 112
and you can design it to exactly fit your product. 113

----
* DIFFICULT FOR FOLLOWERS 173

------------ TEXT UNITS 174-175:

In a way yes 174
in creating a certain degree of brand loyalty amongst consumers. 175

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KJSCZ
+++++
Retrieval for this document: 11 units out of 203, = 5.4%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994, INDUSTRY: CONFECTIONERY

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* ADVANTAGES OF BEING FIRST 111

------------ TEXT UNITS 112-115:

It is always beneficial to be first in a market. 112
If your brand is first in a market it is your brand which becomes the category. 113
It's also important to contact the consumer first 114
and make your brand known. 115

----
* DISADVANTAGES OF BEING LATE 129

------------ TEXT UNITS 130-136:

I think Nestle had an advantage in being earlier than we were. 130
They had more time to promote their brands 131
and establish them amongst the consumers. 132
They also went ahead in distribution 133
and we had to catch up in all areas. 134
Our awareness always lagged behind those who came earlier 135
which is a big problem. 136

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KJSHUN
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Retrieval for this document: 8 units out of 164, = 4.9%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

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* ADVANTAGES OF BEING FIRST 95

------------ TEXT UNITS 96-103:

The main advantage of those who entered early was that they were able to acquire local companies 96
with the possibility of having bought a good brand 97
and build their market from that perspective. 98
In distribution a pioneer has no advantage even if they acquire an existing distribution system because no existing company had a sales force 99
and the pioneer has to introduce that just as we had

to. 100
The pioneer also has to introduce new distribution
systems as the existing systems are no longer
sufficient. 101
Douwe Egberts who was about first had the advantage
that they inherited a good presence on the shelves 102
but they had to build a sales force as everybody else. 103

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NESCZ
+++++
Retrieval for this document: 15 units out of 371, = 4.0%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* ADVANTAGES OF BEING FIRST 212

------------ TEXT UNITS 213-216:

Most markets in central Europe saw a swing back to
protectionism recently. 213
This is very nice if you are in and competition can't
follow 214
but if you are out you might as well forget that
particular market. 215
This policy however is deliberately designed the way
it is to protect the jobs in the factories which have
been taken over by western companies. 216

----
* IMPORTANCE OF BEING FIRST 218

------------ TEXT UNITS 219-225:

The best reason of being first or early is not to be
late. 219
You can much better take part in the early days 220
and be part of those who shape the market 221
and the consumer perception 222
than to come late and have to adapt to what your
competitors did. 223
As I said earlier for us it was important to take
over good local brands, 224
if you are early or even first you are the one who
can select amongst the brands which are on offer to
be privatised, 225

----
* CONTROL OF SCARCE ASSETS 229

------------ TEXT UNITS 230-233:

Good local brands are an asset 230
once you have bought them they are worth a lot of
money 231
because they are your market shares for the near
future. 232
Apart from this there is not much you can control and
prevent competitors access to it. 233

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NESHUN
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Retrieval for this document: 16 units out of 221, = 7.2%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY: COFFEE/CONFECTIONERY

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* ADVANTAGES OF BEING FIRST 107

------------ TEXT UNITS 108-119:

In chocolates we were first and we have obvious market share advantages now. 108
Being first in these markets gives you a huge advantage. 109
These pioneering advantages are something which stays with you forever. 110
If we look at the west, in chocolate tablets, Milka and Nestle if one was first may be by 2 years some 40 years ago the advantage stayed with the first. 111
Distribution and sales are also an advantage for the pioneer, 112
if you are first you get your POS material and your displays into the channels, 113
if you are late you don't. 114
Also the production side of things 115
if you take a large volume to start with you can rationalise your production facilities 116
and produce at lower costs. 117
Particularly those who have acquired companies here have a time advantage 118
in getting their house in order. 119

----
* CONTROL OF SCARCE ASSETS 121

------------ TEXT UNITS 122-125:

The first thing was that Douwe Egberts bought the biggest roaster in this country. 122
The second point is listings in the Meinl stores the country's largest retailing chain, 123
Eduscho and Douwe Egberts got in there and we couldn't get access. 124
I don't think we are blocked from anything else. 125

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PEPPL
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Retrieval for this document: 19 units out of 323, = 5.9%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

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* WHAT ARE THE ADVANTAGES OF BEING FIRST? 194

------------ TEXT UNITS 195-201:

I don't think they are of major importance 195
because everything in Poland changes so quickly. 196
Here in Warsaw Coke spent a lot of money on signs and
outdoor advertising 197
going down these roads now you see hardly any Coke
signs 198
but thousands of Pepsi signs so we made up ground
here. 199
Because of the lack of brand loyalty the minute you
stop advertising people forget and switch 200
so after Coke had spent most of the advertising
budget we went in and immediately increased our sales. 201

----
* YOUR STRENGTHS 220

------------ TEXT UNITS 221-225:

The name Pepsi is easy and short 221
whereas Coca Cola is long and difficult 222
and 'Coke' does not work in the Polish language 223
so we also have a name advantage 224
because if you just say Cola that is short for Pepsi
as well. 225

----
* UNABLE TO ACHIEVE CERTAIN ISSUES? 227

------------ TEXT UNITS 228-234:

Coca Cola blocked out a part of the market because we
aim at exactly the same target group. 228
If you look at media for example local radio stations
we would have liked to work with, Coke already had a
contract with, effectively blocking us out. 229
The minute they stop advertising on these channels we
can go in and work with them 230
but as long as they pay they are in. 231
There is also a situation in which Coke went to small
and medium sized grocers and said we give you this
and that usually a refrigerator and don't charge you
as long as you don't sell Pepsi, 232
which is really unfair trading. 233
That made it quite difficult for us. 234

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PGCZ
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Retrieval for this document: 29 units out of 264, = 11%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* MAJOR COMPETITORS 35

------------ TEXT UNITS 43-44:

Ariel and Persil which are the longer established
brands have better brand images 43
and are recalled much better than the brands which
were introduced later. 44

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 62

------------ TEXT UNITS 63-64:

When we started the difference between western
premium detergents and local detergents was really
night and day. 63
The first year in this market was tremendously
successful because of the huge difference in product
effectiveness. 64

----
*CHANGES IN CONSUMER BEHAVIOUR 66

------------ TEXT UNITS 67-67:

We had wonderful trials of our premium products
during the first year. 67

----
* PROBLEMS FOR THE BRAND AT ENTRY 100

------------ TEXT UNITS 101-103:

There were no products on our performance level when
we started 101
and we sold very well. 102
We had no particular problems. 103

----
* ADVERTISING 116

------------ TEXT UNITS 122-123:

and people said it was too much. 122
We probably made too much use of the opportunity 123

----
* IMPORTANCE OF BEING FIRST 142

------------ TEXT UNITS 143-145:

The name of P&G has been entrenched in the consumers
mind 143
because we used it much more in advertising than in
western markets, 144
but I don't think it still influences the consumer. 145

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 147

------------ TEXT UNITS 148-158:

Because of the longer time we have been here we have
stronger brand than our competitors. 148

Our research shows that our brands always rate higher in all strategic factors than those of our competition. 149
The internal structure of P&G in the Czech Republic is also very efficient 150
and that probably is also due to the fact that we have been here longer. 151
A very strong retail presence and a 152
strong sales force. 153
In the beginning we had a strong media advantage 154
because of the low prices we could afford lots of advertising 155
which nobody can match now after prices for media have gone up. 156
The chance has gone 157
but our asset from that is still there. 158

----
* MORE DIFFICULT FOR FOLLOWERS 160

------------ TEXT UNITS 161-164:

In providing good products which fitted the market well and 161
creating brand loyalty. 162
We set the advertising expenditure at a very high level to start with 163
if people want to get equal exposure it costs them much more. 164

----
* WHAT ARE THE DISADVANTAGES OF BEING FIRST? 172

------------ TEXT UNITS 173-173:

I don't think being first had any disadvantages in any case. 173

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PGHUN
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Retrieval for this document: 10 units out of 258, = 3.9%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

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* MARKET READINESS 88

------------ TEXT UNITS 90-92:

consumers were almost waiting for a western style detergents. 90
When we introduced Ariel the local brands were of very low quality 91
and the difference was huge. 92

----
* ADVANTAGES OF BEING FIRST 144

------------ TEXT UNITS 145-149:

One of the advantages was that when we introduced
Ariel the difference in performance was huge 145
and the performance of Ariel looked all the better 146
because of the poor performance of local brands. 147
I don't think we had that much of an advantage in the
categories which we pioneered 148
because our competitors would follow quickly with
their products into these categories. 149

----
* DISADVANTAGES OF BEING FIRST 190

------------ TEXT UNITS 191-192:

It's not worth it if the risk involved is too high. 191
Although I don't see a risk which is special to
eastern Europe, countries are moving to
westernisation and politics have become relatively
stable. 192

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STOLHUN
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Retrieval for this document: 4 units out of 266, = 1.5%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* ADVANTAGES OF BEING FIRST 124

------------ TEXT UNITS 125-126:

Main advantage was the fact that they were able to
rationalise earlier. 125
Establishing brands was the other great advantage 126

----
* CONTROL OF SCARCE ASSETS 133

------------ TEXT UNITS 134-135:

I don't think that there was anything which we
couldn't get or get access to because of our
competition. 134
I don't think we had any problems of that kind. 135

++
UNLCZ
+++++
Retrieval for this document: 17 units out of 285, = 6.0%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* MAJOR COMPETITORS 61

------------ TEXT UNITS 69-70:

The position of the two who came in first Henkel and
P&G is very strong 69
but it is not a monopoly. 70

----
* IMPORTANCE OF BEING FIRST 155

------------ TEXT UNITS 156-165:

I don't think this plays a huge role in this market 156
because all the brands came within one year of each
other 157
and nobody had a huge time advantage 158
so I think the benefits are not too big. 159
I don't think we have any big disadvantage. 160
Although I don't believe in first mover 161
I admit that this market was special 162
in a way that they started with well made advertising
at a time at which advertising and marketing was not
really done in this market. 163
Their main advantage is that they have local brands 164
because that is where they get their volume. 165

----
* WHAT ARE THE DISADVANTAGES OF BEING FIRST? 194

------------ TEXT UNITS 195-199:

A problem of the pioneer stage is that you start with
commercials with people who are clearly not the Czech
type 195
and you only have poor voice overs which is bad to
start with. 196
Cheaply done marketing materials are also a problem
of pioneers. 197
People really think about commercials 198
and a single detail which is not credible may spoil
the whole effect of that commercial. 199

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UNLHUN
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Retrieval for this document: 9 units out of 175, = 5.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* HOME MARKET STRENGTH VS. LOCAL MKT. STR. 52

------------ TEXT UNITS 55-55:

Here in Hungary we are currently the only margarine
producing company. When we took over the factory we
had 60% market share and 40% were imported.
Currently this relation is 90% being from us and 10%
are still imported. 55

----

* WAS THE MARKET READY FOR YOUR PRODUCT? 77

------------ TEXT UNITS 79-79:

We introduced the clear branding in this product area
to such a success that Rama became the generic term
for spreads like margarine and butter. Margarine is
usually called Rama in Hungary as it is the standard
in the whole product category. 79

----

* WHAT ARE THE ADVANTAGES OF BEING FIRST? 89

------------ TEXT UNITS 90-96:

Rama our mass market product is the generic term for
margarine which is quite a good thing. 90
Secondly a time advantage because we were here first. 91
Our market position as strong leader. 92
Advantage in investments in production facilities as
much as in advertising. 93
Loyalty advantages and awareness advantages. 94
Organisational aspects in respect of sales
organisation and logistics being in place already. 95
All this needs time to be developed and does not
happen over night. 96

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UNLPL
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Retrieval for this document: 12 units out of 268, = 4.5%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

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* IMPORTANCE OF BEING FIRST 152

------------ TEXT UNITS 154-157:

It is less important to be first, but you should be
early. 154
The markets get easily used to the product of the
pioneer 155
and all other products are then compared to the
pioneer 156
it is therefore important not to let this happen for
too long if you are not the pioneer. 157

----

* WHAT ARE THE ADVANTAGES OF BEING FIRST? 159

------------ TEXT UNITS 160-162:

People get used to the brands they see around for a
long time. 160
Colgate now has an advantage 161
because of their local manufacturing capacities. 162

----

* KEY LEARNINGS FROM COMING LATE 185

------------ TEXT UNITS 186-190:

It is easier if you are the pioneer. 186
In some segments we pioneered new products 187
and it is much easier in these areas than for example
in toothpaste. 188
We have achieved a good market share 189
but it is quite difficult and I think if we had been
here a couple of months earlier we could easily be
first in the market. 190

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Total number of text units retrieved = 298
Retrievals in 19 out of 19 documents, = 100%.
The documents with retrievals have a total of 5487 text
units,
so text units retrieved in these documents = 5.4%.
All documents have a total of 5487 text units,
so text units found in these documents = 5.4%.

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(13 1) /Perceived Rewards of Pio./Importance of Pio.
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TEXT IN ALL DOCUMENTS:

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BDFCZ
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Retrieval for this document: 2 units out of 241, = 0.83%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

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* IMPORTANCE OF BEING FIRST 126

------------ TEXT UNITS 127-127:

It is very important o be first 127

------------ TEXT UNITS 129-129:

For us it was very important to be first in this market 129

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Total number of text units retrieved = 2
Retrievals in 1 out of 19 documents, = 5.3%.
The documents with retrievals have a total of 241 text units,
so text units retrieved in these documents = 0.83%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.04%.

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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 6 units out of 439, = 1.4%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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* MAJOR COMPETITORS: 66

------------ TEXT UNITS 67-67:

Pepsi has been in the market for the same length of time as we have. 67

----
* ORDER OF ENTRY: 78

------------ TEXT UNITS 79-83:

As I said it's almost impossible to say who was first in the market 79
we both came originally under the same governmental agreement in the 60s. 80
Recently both companies went into the other's territory 81
and maybe you can say that Pepsi was quicker with that 82
and they got ahead for some time. 83

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COLPL
+++++
Retrieval for this document: 9 units out of 453, = 2.0%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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* DATE OF ENTRY: 1

------------ TEXT UNITS 2-2:

This depends on what you regard as being Colgate. 2

----
* ORDER OF ENTRY: 55

------------ TEXT UNITS 58-58:

So you can not really say they were before us or we were before them. 58

----

* DECISION TO ENTER INFLUENCED BY COMPETITION? 210

------------ TEXT UNITS 211-212:

No, I think everybody saw the opportunity 211
and if you are too late you can forget it. 212

----
* RISKS AT/OF ENTRY 216

------------ TEXT UNITS 217-218:

It seems not everybody realised there were risks. 217
Everybody jumped in 218

----
* CHANGES IN MKTG. STRATEGY AFTER COMPETITION ARRIVED 262

------------ TEXT UNITS 263-265:

Because we all arrived more or less at the same time 263
there was no before or after. 264
There were changes in tactics but no strategy changes. 265

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HENPL
+++++
Retrieval for this document: 5 units out of 328, = 1.5%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* ORDER OF ENTRY: 47

------------ TEXT UNITS 48-52:

The order of entry is impossible to determine 48
because of the vast range of products we have 49
which results in a vast number of competitors 50
and to keep a record of all this in a turbulent
market like Poland is impossible. 51
We were certainly amongst the first western companies
to enter with PCPs. 52

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UNLPL
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Retrieval for this document: 1 unit out of 268, = 0.37%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

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* ORDER OF ENTRY: 37

------------ TEXT UNITS 38-38:

I don't really know who came when, 38

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Total number of text units retrieved = 21
Retrievals in 4 out of 19 documents, = 21%.
The documents with retrievals have a total of 1488 text units,
so text units retrieved in these documents = 1.4%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.38%.

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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 11 units out of 439, = 2.5%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 320

------------ TEXT UNITS 321-331:

We try to be first wherever it makes sense 321
but quite often that had to do with politics in the
past 322
and it is very difficult to stick to a company policy
or strategy if international politics are involved. 323
It is also a rule rather than a principle 324
because we want to make profits 325
and if that does not to seem possible 326
we are rather second than loose a lot of money. 327
If we have to make too many compromises 328
or too heavy losses 329
at the start we are not going. 330
We tried to be first in many other markets in central
and eastern Europe like Croatia, Bulgaria and Russia
but it always depends on the local situation. 331

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COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 311

------------ TEXT UNITS 312-312:

There is no policy at all. 312

------------ TEXT UNITS 316-319:

Often I think it has to do with a manager making the
decision. 316
We currently do a little bit in some Russian
republics 317
were opportunities were seen by local subsidiaries to
start with an export business and take it from there. 318
It always has to do with local opportunities. 319

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DEHUN
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Retrieval for this document: 2 units out of 307, = 0.65%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* DECISION TO PIONEER 19

------------ TEXT UNITS 20-21:

The decision to be first is a high risk strategy. 20
The question always is whether your shareholders
permit such a strategy. 21

++
HENHUN
++++++
Retrieval for this document: 4 units out of 381, = 1.0%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* DECISION TO PIONEER 21

------------ TEXT UNITS 22-25:

The decision to go in as a pioneer was taken
consciously 22
because Henkel saw a great opportunity in these
markets to grow. 23
The cascade approach did not harm us in a way that we
were not early in other markets 24
because the markets in central Europe ripened at
different speed. 25

++
HENPL
+++++
Retrieval for this document: 12 units out of 328, = 3.7%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* DECISION TO ENTER INFLUENCED BY COMPETITION? 194

------------ TEXT UNITS 195-196:

It was a strategic decision of Henkel to go into
central Europe. 195
As we were amongst the first I don't think the
decision was influenced by competitors. 196

----
* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 250

------------ TEXT UNITS 251-260:

This is an area of decision making which is up to the board of directors of the company. 251
Money factors play a role, 252
local factors 253
as well as company internal factors 254
but wherever feasible we would try to be first 255
or at least amongst the first. 256
In many countries in central and eastern Europe we could have not entered earlier than we did anyway 257
and for this region our company has decided that we want to play a major role 258
and that means we were first or early in most of the countries. 259
260

+++
JJCZ
++++
Retrieval for this document: 6 units out of 317, = 1.9%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* IMPORTANCE OF BEING FIRST 158

------------ TEXT UNITS 159-164:

In baby cosmetics on the other hand we were first 159
which is of crucial importance to us. 160
The baby cosmetics range which carries our name is our flagship brand. 161
From the baby platform we launch all other brands 162
so it was important to us to get that right in this market. 163
164

+++
JJPL
++++
Retrieval for this document: 13 units out of 223, = 5.8%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* DECISION TO ENTER INFLUENCED BY COMPETITION? 85

------------ TEXT UNITS 86-88:

We were one of the first 86
but it is always the same if you see your competitor going some place you think that you should be there as well in case you miss the boat. 87
So in places we are not first we will follow quickly if somebody else makes a move. 88

----
* RISKS AT/OF ENTRY 90

------------ TEXT UNITS 91-92:

Sometimes however you may ask yourself why am I first 91
and the answer is that others have looked at the
opportunity and found that there was nothing there. 92

----
* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 149

------------ TEXT UNITS 150-157:

We were one of the first American companies to go
truly international, 150
we put a lot of money into research and development
in our different businesses 151
and we like to be at the forefront. 152
We were one of the first in Hungary in the Czech
Republic and as I said in Poland. 153
Local considerations play a role in this more than
one would like. 154
One would always like to do what one thinks would
work, 155
but sometimes things don't work as planned 156
and one has to experiment what fits the local
situation. 157

+++
KJSHUN
++++++
Retrieval for this document: 1 unit out of 164, = 0.61%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

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* DECISION TO BE LATE 19

------------ TEXT UNITS 20-20:

Being late was a decision which was made against the
background of PM being a company which believes in
early return on investments and immediate
profitability. 20

+++
NESCZ
+++++
Retrieval for this document: 4 units out of 371, = 1.1%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* HOW MAKE UP FOR LOST GROUND? 267

------------ TEXT UNITS 273-276:

Nestle is a company which is usually late 273
because it is not fast to make decisions 274
but once it is on course it moves very steady 275
and with a lot of commitment. 276

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PEPPL
+++++
Retrieval for this document: 3 units out of 323, = 0.93%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 215

------------ TEXT UNITS 216-218:

With Pepsi this is difficult to answer 216
and I don't think people at PepsiCo HQ could answer
this question. 217
The many different areas Pepsi works in make that
difficult to define. 218

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PGCZ
++++
Retrieval for this document: 10 units out of 264, = 3.8%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* DECISION TO ENTER INFLUENCED BY COMPETITION? 138

------------ TEXT UNITS 139-140:

If we see a market as an opportunity we go in
regardless of the competition. 139
More often than not we would be earlier than most of
our competitors. 140

----
* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 207

------------ TEXT UNITS 208-215:

We have a clear leadership strategy 208
we try to be first in any market. 209
In central Europe P&G has followed this pretty
consistently 210
although there were some priorities 211
in respect of the attractiveness of the markets. 212
Sometimes you can't afford to be first in all markets 213
so you have to focus on the most important ones. 214
215

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PGHUN
+++++
Retrieval for this document: 8 units out of 258, = 3.1%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:

DETERGENTS

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* IMPORTANCE OF BEING FIRST 152

------------ TEXT UNITS 153-160:

We pioneered a lot of product categories 153
and for us it is quite important to be early. 154
In general I wouldn't know whether P&G wants to be
the pioneer 155
but we are definitively trying to be early. 156
But being early or not is only the start 157
we are in a market for the long term 158
and we are not so much interested in short term gains 159
but in long term perspectives. 160

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UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* IMPORTANCE OF BEING FIRST 81

------------ TEXT UNITS 82-83:

For Unilever it is paramount to be the first in a
market in its core business sectors. If it is not a
core business of Unilever it is not important. 82
But even if we don't make it as the pioneer in a core
area we still go into that market with the clear
vision of becoming the market leader in all of our
core businesses. 83

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Total number of text units retrieved = 81
Retrievals in 13 out of 19 documents, = 68%.
The documents with retrievals have a total of 4003 text
units,
so text units retrieved in these documents = 2.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.5%.

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(16) /Freerider Effects
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TEXT IN ALL DOCUMENTS:

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CCPL
++++
Retrieval for this document: 12 units out of 439, = 2.7%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* FREERIDER EFFECTS 310

------------ TEXT UNITS 311-318:

We learned some lessons from Pepsi 311
mainly that we should not try to work with a great
number of bottlers 312
who have mainly interests other than their cola
business. 313
A lot of other decisions we made without looking at
Pepsi 314
and , as it seems, we did it right and they did it
wrong. 315
One example is a central office 316
we immediately set up a central office which
co-ordinated all efforts. 317
Pepsi only set up an office last year, before that
everything was attached to the breweries who handled
Pepsi business. 318

----
* KEY LEARNINGS FROM COMING LATE 345

------------ TEXT UNITS 346-349:

One key is that you can learn from the pioneers
mistakes 346
and avoid them. 347
Another lesson we learned is that 348
with the right investment you can make up lost time
quickly. 349

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COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* FREERIDER EFFECTS 298

------------ TEXT UNITS 299-303:

I don't see it, obviously others can see how we do

things in Poland 299
but I think it is more important that you as a
company gain experience in Poland 300
which you may use when you roll out in Russia. 301
I see this as the main learning curve effect 302
rather than companies coming in late and learning
from others. 303

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DEHUN
+++++
Retrieval for this document: 3 units out of 307, = 0.98%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* ORDER OF ENTRY: 37

------------ TEXT UNITS 42-43:

However, they got their volume mainly from the lower
price segments 42
which was fortunate for us. 43

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* FREE RIDER EFFECTS 212

------------ TEXT UNITS 213-213:

I don't think they benefited from our experience, 213

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HENHUN
++++++
Retrieval for this document: 5 units out of 381, = 1.3%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* DISADVANTAGES OF BEING FIRST 221

------------ TEXT UNITS 222-226:

The pioneer has the disadvantage that he has to
invest a lot of time and effort 222
until his systems are in place. 223
The follower only needs to copy what the pioneer has
achieved 224
and can be up and running much faster. 225
226

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HENPL
+++++
Retrieval for this document: 7 units out of 328, = 2.1%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* WHAT ARE THE ADVANTAGES OF BEING LATE? 219

------------ TEXT UNITS 220-224:

In a market like Poland, 220
in which the price is a key factor, 221
you can determine the price in a way depending on the
pioneer. 222
You just set your price slightly below the pioneer 223
and immediately you will win over a good part of his
business. 224

----
* FREERIDER EFFECTS 246

------------ TEXT UNITS 247-248:

Every advertising effort we make also benefits our
competitors. 247
If we were first with a new product category we also
paved the way for our competitors who entered that
category later. 248

+++
JJCZ
++++
Retrieval for this document: 4 units out of 317, = 1.3%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* DISADVANTAGES OF BEING FIRST 245

------------ TEXT UNITS 252-253:

That is just the way it goes. 252
You build a category you build it for everybody. 253

----
* FREERIDER EFFECTS 257

------------ TEXT UNITS 258-259:

Tampax who was first has now started a similar
programme in schools to educate young consumers. 258
259

+++
JJPL
++++
Retrieval for this document: 10 units out of 223, = 4.5%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* FREERIDER EFFECTS 137

------------ TEXT UNITS 138-147:

If you don't have the right staff you just hire it
from the pioneer 138
and benefit from the training and education they have
received there. 139
When you deal with institutions they know what you
want 140
if you are the second or later so it is easier with
them. 141
Investors know what to expect 142
because you want what the pioneer wanted. 143
You also know how large to plan your set up 144
because you see the pioneer and then you just decide
whether you want to start with something smaller, of
the same size or even larger than the pioneer. 145
When you are first you also don't know the commitment
to put behind your brand in a new market high, low or
medium investment 146
and if you come later you also take that from the
pioneer. 147

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KJSCZ
+++++
Retrieval for this document: 5 units out of 203, = 2.5%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* ADVANTAGES OF BEING LATE 145

------------ TEXT UNITS 146-147:

Once the pioneer has taken his position it is easier
to attack him. 146
If you are pioneer and position yourself it is
sometimes more difficult to grow from that position. 147

----
* FREERIDER EFFECTS 149

------------ TEXT UNITS 150-152:

I think you can learn from the pioneer 150
but it is the bigger advantage to be first, 151
but I don't think that we benefited from any other
company who came into this market before we did. 152

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KJSHUN
++++++
Retrieval for this document: 11 units out of 164, = 6.7%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----
* DISADVANTAGE OF BEING LATE 113

------------ TEXT UNITS 115-120:

Apart from that it doesn't matter to be late in
markets of central and eastern Europe 115
because consumers are not loyal, 116
they are uneducated in branding 117
and they are very willing to try new things. 118
I would even say in some respects its better to be
late 119
because it is much easier for you to enter the
segments the pioneer had to build with a lot of
effort. 120

----
* FREERIDER EFFECTS 122

------------ TEXT UNITS 123-127:

For us it was very much to come late and benefit from
what the pioneers had done. 123
But we have not only learned from our competitors 124
but also from other PM in other central European
markets and from their experience of being late. 125
Eduscho showed us what consumers are willing to
accept in terms of low quality 126
so we benefited a lot from their experience with
cheap coffee. 127

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NESCZ
+++++
Retrieval for this document: 7 units out of 371, = 1.9%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* DISADVANTAGES OF BEING FIRST 289

------------ TEXT UNITS 290-294:

You are vulnerable to late comers 290
who are willing to invest a lot and 291
who are ruthless enough to attack you 292
with a low price strategy 293
and buying out your best people. 294

----
* FREERIDER EFFECTS 296

------------ TEXT UNITS 297-298:

You can save time on training your own people in
buying them from those who were earlier in the market. 297
You can also learn from the mistakes of the people
who came in early. 298

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PEPPL
+++++

Retrieval for this document: 4 units out of 323, = 1.2%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----

* KEY LEARNINGS FROM BEING FIRST 236

------------ TEXT UNITS 237-240:

Unless you make sure you hold on to your position you
may loose it. 237
This may well include huge investments if you know
your competition is investing a lot of money. 238
You can not take your position for granted 239
and it is vital to guard it well. 240

++
PGCZ
++++
Retrieval for this document: 13 units out of 264, = 4.9%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

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* WHAT WERE THE DISADVANTAGES OF BEING LATE? 181

------------ TEXT UNITS 182-191:

We have two models here to look at. 182
The first being Benckiser who are very good at
learning from the pioneers. 183
They usually take the right lessons from the early
starters and are quite successful with that. 184
They also launched some new brands with some success 185
which was much more expensive for them than it was
for us to launch our brands 186
but they made the commitment and it seems to have
paid of. 187
They have achieved some decent market shares. 188
For them it has not been a problem to be late. 189
They also have a policy to hire pioneer staff at
relatively high costs 190
but they get all the know how by that. 191

----

* FREERIDER EFFECTS 202

------------ TEXT UNITS 203-205:

I don't think that competitors could make to much use
of our experience, 203
but we showed them pretty much how success was made 204
and they decided then they want a slice of that cake
too. 205

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STOLHUN
+++++++

Retrieval for this document: 11 units out of 266, = 4.1%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----
* ADVANTAGES OF BEING FIRST 124

------------ TEXT UNITS 126-131:

Establishing brands was the other great advantage 126
which luckily they did not do all too well. 127
Most of them have not used their pioneering
advantages as they could have. 128
Their changes in administration and production were
very very slow 129
and cumbersome 130
and not guided by very clear objectives. 131

----
* FREERIDER EFFECTS 191

------------ TEXT UNITS 192-196:

I don't think that we were able to benefit in any way
from our competition, 192
which was definitively a mistake. 193
We were very much looking into our own backyard 194
rather than what the others were doing, 195
we could have probably learned a lot but we didn't. 196

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UNLHUN
++++++
Retrieval for this document: 3 units out of 175, = 1.7%

----
* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* FREERIDER EFFECTS 109

------------ TEXT UNITS 110-112:

We don't expect any latecomer to have such an amount
of experience which we have. We see our experience
in general management and marketing as a key
ingredient to our success and I doubt that any
newcomer could match this. 110
If a major company would enter the market and make a
firm commitment it would most probably mean that we
would have hard battle to fight. 111
It is not only a matter of entering a market like
Hungary and go down with your price that is not the
whole story, you have to manage a number of different
skills and advertising is certainly one of the most
important factors. 112

++
UNLPL

+++++
Retrieval for this document: 4 units out of 268, = 1.5%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* FREERIDER 212

------------ TEXT UNITS 213-216:

I don't see any benefits we took from the others. 213
Maybe at the time we entered the others had educated
the consumers 214
more on toothpaste and the necessity to clean twice a
day, 215
but they benefited more from that than we did. 216

+++
Total number of text units retrieved = 104
Retrievals in 15 out of 19 documents, = 79%.
The documents with retrievals have a total of 4482 text
units,
so text units retrieved in these documents = 2.3%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.9%.

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(16 1) /Freerider Effects/Outspending
****
TEXT IN ALL DOCUMENTS:

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CCPL
++++
Retrieval for this document: 18 units out of 439, = 4.1%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* MAJOR COMPETITORS: 66

------------ TEXT UNITS 71-76:

However their New York head office was not so quick
to decide on major investments 71
as we were 72
so we got ahead recently 73
but now they have released a major sum of money 74
to take over the bottlers and make them 100% company
owned. 75
Currently they try to cancel their contracts with
their licensees in order to gain more control. 76

----
* DECISION TO ENTER INFLUENCED BY COMPETITION? 238

------------ TEXT UNITS 241-243:

However, when that decision was made a real amount of
investment was put behind that decision 241
which made it possible to catch up with Pepsi 242
and even become number 1. 243

----
* IMPORTANCE OF BEING FIRST 257

------------ TEXT UNITS 258-264:

I think that in our business the first is bound to be
market leader 258
unless, as it happened here, in Poland the first in
this case Pepsi does not move fast enough. 259
We jumped onto the train later 260
but because of our serious commitment and investment 261
we beat Pepsi in many areas 262
and now we are leading the market 263
and Pepsi will find it very difficult to get back
into the lead. 264

----
* KEY LEARNINGS FROM COMING LATE 345

------------ TEXT UNITS 348-349:

Another lesson we learned is that 348
with the right investment you can make up lost time

quickly. 349

++
COLPL
+++++
Retrieval for this document: 8 units out of 453, = 1.8%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* IMPORTANCE OF BEING FIRST 223

------------ TEXT UNITS 224-227:

It is vital to be first 224
unless you have so much funds 225
which you can throw behind your brand. 226
But it still is a waste of money if you are not
number one. 227

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 246-249:

Lever was a pioneer in some segments, 246
showergels for example, 247
and they are still leader 248
but their share has been continuously eaten up by the
second launcher P&G 249

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DEHUN
+++++
Retrieval for this document: 10 units out of 307, = 3.3%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* BRAND WHICH FAILED 132

------------ TEXT UNITS 140-145:

The re-launch was half-hearted 140
and they did nothing apart from changing the name 141
and the packaging of the product. 142
When they re-launched their coffees we had the
largest ever billboard campaign on coffee this
country has ever seen 143
so we outspent them and their advertising went under. 144
For them it was a total disaster. 145

----
* ADVANTAGES OF BEING FIRST 188

------------ TEXT UNITS 189-192:

We made a pre-emptive move 189

in setting the threshold very high in investing
heavily at an early point. 190
We raised the barriers of entry so high that it is
very difficult for others to come in and establish
themselves. 191
We put up the entry barriers so high that others have
a really hard time in following. 192

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JJCZ
++++
Retrieval for this document: 4 units out of 317, = 1.3%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* HOW MAKE UP FOR LOST GROUND? 227

------------ TEXT UNITS 230-231:

Tampax also has two disadvantages which are limited
resources 230
because they are a relatively small company 231

------------ TEXT UNITS 237-238:

Time has made a big difference for us 237
and we are much stronger now. 238

++
KJSHUN
++++++
Retrieval for this document: 2 units out of 164, = 1.2%

----
* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----
* MAIN MARKETING TOOLS 65

------------ TEXT UNITS 71-72:

It will take us 3 more years until we will be number
2 in this market 71
and we will use all our power and financial strength
to get there. 72

++
NESCZ
+++++
Retrieval for this document: 9 units out of 371, = 2.4%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* DISADVANTAGES OF BEING LATE 249

------------ TEXT UNITS 257-265:

However, in Poland we started Maggi only this month 257
and here we were quite late with Nesquick, 258
with good employees and our resources we still were
able to be successful with it. 259
After we had made our first order we thought that we
totally misjudged the market 260
and that it would take us two years to sell the
product 261
but it turned out that we even underestimated the
sales of the small packaging size 262
so we were out of stock after 3 months. 263
So, if you are late and you are Nestle you have a
long breath 264
and you just invest and sit it out. 265

+++
PEPPL
+++++
Retrieval for this document: 35 units out of 323, = 11%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* DATE OF ENTRY: 1

------------ TEXT UNITS 16-24:

In the early 90s Coca Cola came in with a huge direct
investment 16
and at the same time Pepsi did not really react. 17
The reasons were that as a company is now an
investment company more than a soft drinks bottler. 18
It not only focuses on the cola business - 19
Coke's only objective is the brown fizzy water. 20
Pepsi is also into buying and bartering raw materials
and Vodka from Russia. 21
But more important is Pepsi's involvement in the fast
food business, 22
now this meant that Pepsi did not know what to do
first 23
and sitting with a 90% market share in the cola
drinks business made this not the most urgent sector
to go into. 24

------------ TEXT UNITS 32-34:

Had Pepsi spent 2 or 3 million back in 1990 32
they could have raised the entry costs for Coca Cola
by 3 or even 4 times 33
which would have raised it above the profitability
line for them. 34

----
* MAJOR COMPETITORS: 61

------------ TEXT UNITS 72-82:

Coca Cola at the early 90s saw the chance and they
really got their teeth into it. 72

They spent about 250 million dollars in Poland alone
to get their act together. 73
We now trail Coca Cola in market shares 74
but the total market has expanded. 75
In the darkest age we went from 100% market share in
our areas down to 30% 76
we are winning back market shares now. 77
Of a bigger market we now have 40 - 45% of the market. 78
The distribution of Coke is, in those areas they
cover, 90%, 79
so if they operate an area they do it right if they
don't they don't. 80
Coke usually works with western price promotions 81
which are not as successful as they would be if they
were more tailored to the Polish market. 82

----

* CHANGES IN RETAIL INFRA STRUCTURE: 84

------------ TEXT UNITS 95-98:

Coke went out and put fridges into shops which sell
less than 4 cases a week. 95
It is a very easy calculation to come to the result
that these fridges will not be paid by profits from
that shop within the next 20 or so years. 96
This is only a tool to keep us out 97
because if we are not giving them a fridge we won't
supply this shop any longer. 98

----

* ORDER OF ENTRY: 100

------------ TEXT UNITS 101-103:

We were first in most areas as I explained with the
exclusivity we had. 101
We also committed ourselves earlier to go into the
Coca Cola regions, 102
but we were then overtaken by Coca Coal's huge
investment. 103

----

* PROBLEMS FOR THE BRAND AT ENTRY 105

------------ TEXT UNITS 106-110:

The first time round it was quite easy as it was
relatively easy licensing agreements and the supply
of syrup. 106
Apart from this we had a monopoly in our areas so no
big problems. 107
The second time round we had the competition 108
which was well entrenched in many areas 109
and it is difficult now to make up for lost ground. 110

+++
Total number of text units retrieved = 86
Retrievals in 7 out of 19 documents, = 37%.
The documents with retrievals have a total of 2374 text
units,

so text units retrieved in these documents = 3.6%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.6%.

****

(17) /Penalties for Latecomers
****

TEXT IN ALL DOCUMENTS:

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BDFCZ

+++++

Retrieval for this document: 7 units out of 241, = 2.9%

----

* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----

* DISADVANTAGES OF BEING LATE 148

------------ TEXT UNITS 149-155:

Any company who came late or would still come would
face a market which is already very crowded 149
and very hard. 150
Right now you have many more brands available than
people are willing to buy 151
and any addition makes it more difficult for all of
us. 152
Late comers also had to pay much more for their
advertising 153
as prices have multiplied since we started 154
so to get the same effect we had at the start you
would now pay a fortune. 155

+++

COLPL

+++++

Retrieval for this document: 6 units out of 453, = 1.3%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----

* DECISION TO ENTER INFLUENCED BY COMPETITION? 210

------------ TEXT UNITS 211-212:

No, I think everybody saw the opportunity 211
and if you are too late you can forget it. 212

----

* DO YOU HAVE A POLICY ON BEING FIRST OR LATE? 311

------------ TEXT UNITS 315-315:

Others follow now and they find it very very hard. 315

------------ TEXT UNITS 320-322:

We were first in Indonesia but not very successful 320
so we were taken over by Lever 321
who came later but was more successful. 322

+++

DEHUN
+++++
Retrieval for this document: 8 units out of 307, = 2.6%

----
* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* DISADVANTAGE OF BEING LATE 224

------------ TEXT UNITS 225-232:

The internationally big companies which are confined
to minor roles in this market, like Jacobs or Tchibo,
are so small because of the fact that they were late. 225
Late in the market or late to make the decision to
buy this company. 226
If they would have come in earlier with a stronger
commitment they would have had an easier start 227
and could be much more dangerous to us now. 228
Jacobs for example never made the decision to put a
full swing operation in place 229
they half-heartedly exported a few tonnes of coffee
to Hungary 230
and only recently really established an operation
here 231
but by that time it was too late in my opinion. 232

+++
HENHUN
++++++
Retrieval for this document: 18 units out of 381, = 4.7%

----
* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* DISADVANTAGE OF BEING LATE 227

------------ TEXT UNITS 228-245:

Procter has no local brands 228
because when they arrived they were all gone. 229
This is a distinctive disadvantage for them 230
as they have no brand in the lower price segment. 231
In the medium segment they introduced their central
Europe brand TIX 232
which is a brand they have to import 233
which means they have to pay a lot in customs duties. 234
More severely is the fact that this brand means
nothing to the consumers 235
which means advertising has to create a brand 236
just as in the premium segment 237
but the margin is not as high as in the premium
segment 238
which means that it is quite difficult for them to be
profitable with this brand. 239
They run into serious problems if customs regulations
are imposed and they can only import according to
certain quotas. 240
Procter is quite restrictive in their commitment to

this market 241
and the range of brands they introduce 242
because they know that they can't serve the market
once customs regulations get tougher. 243
They will remain limited in their options in the
future 244
as long as they have no local manufacturing. 245

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HENPL
+++++
Retrieval for this document: 1 unit out of 328, = 0.30%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* IMPORTANCE OF BEING FIRST 206

------------ TEXT UNITS 209-209:

Late comers also can usually not achieve the leading
position 209

++
JJCZ
++++
Retrieval for this document: 14 units out of 317, = 4.4%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* MARKET READINESS 110

------------ TEXT UNITS 114-114:

but if you wanted to wait until the economic
situation has reached western levels your brands will
be dead because everybody else will have carved out
their niches and you have no chance. 114

----
* ADVANTAGES OF BEING FIRST 174

------------ TEXT UNITS 178-180:

Because the category was not so successful retailers
did not see the huge demand 178
and did not want to stock another tampon. 179
That made it really difficult for us. 180

----
* DISADVANTAGES OF BEING LATE 208

------------ TEXT UNITS 209-218:

In tampons I don't see it as a huge disadvantage
anymore. 209
If you would have asked me last year I would have
said yes it was a huge disadvantage. 210

It took us probably some extra effort 211
but once we were able to show what the difference is
between ours and Tampax it was okay. 212
Once we demonstrated to the retailer that ours were
much more demanded by consumers we got our
distribution. 213
We really had to convince retailers to take us on 214
but not so with the consumers. 215
Once our product was available it was immediately
preferred. 216
The biggest challenge in that market is not Tampax 217
but to grow the whole segment because it still very
small. 218

++
JJPL
++++
Retrieval for this document: 6 units out of 223, = 2.7%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* WHAT ARE THE ADVANTAGES OF BEING LATE? 120

------------ TEXT UNITS 121-126:

You can have the right staff in place before you go
in. 121
You have the benefit of being able to copy from those
who went in first. 122
You don't have to discover yourself what the
regulations are and what is necessary to set up shop. 123
The risk is as a pioneer you test the water 124
and once you are in people know what to expect. 125
126

++
KJSCZ
+++++
Retrieval for this document: 10 units out of 203, = 4.9%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* DIFFICULTY OF THE MARKET 68

------------ TEXT UNITS 69-73:

The fact that all the other companies were already in
the market made it difficult for us. 69
The strongest western chocolate brand is Nestle red
label 70
which in other markets is rather unimportant. 71
They have basically the position we would like to
have 72
and which we have in most other markets. 73

----

* CONTROL OF SCARCE ASSETS 117

------------ TEXT UNITS 118-122:

Nestle was very successful in creating a strong brand
in this market with their red label chocolate, 118
that made it much more difficult for us. 119
We now have to live with being compared to Nestle 120
rather than the other way round. 121
122

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KJSHUN
++++++
Retrieval for this document: 9 units out of 164, = 5.5%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

----
* TAKE OVERS OF LOCAL BRANDS 109

------------ TEXT UNITS 110-111:

We have not taken over any local brands 110
but we developed two brand specially for this market
which are only available in Hungary. 111

----
* DISADVANTAGE OF BEING LATE 113

------------ TEXT UNITS 114-120:

The only disadvantage is that we don't have a local
brand. 114
Apart from that it doesn't matter to be late in
markets of central and eastern Europe 115
because consumers are not loyal, 116
they are uneducated in branding 117
and they are very willing to try new things. 118
I would even say in some respects its better to be
late 119
because it is much easier for you to enter the
segments the pioneer had to build with a lot of
effort. 120

++
NESCZ
+++++
Retrieval for this document: 11 units out of 371, = 3.0%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* ORDER OF ENTRY: 26

------------ TEXT UNITS 31-32:

In coffee Jacobs came much later 31

and they still can't get their feet to the ground. 32

----

* IMPORTANCE OF BEING FIRST 218

------------ TEXT UNITS 226-227:

if you are late you can be lucky to get an
unimportant brand 226
if you are unlucky even those are gone. 227

----

* DISADVANTAGES OF BEING LATE 249

------------ TEXT UNITS 250-256:

The main disadvantage is that your competitors are
already there. 250
They have started advertising, 251
built their distribution, 252
know the market to a degree, 253
employed people, 254
sorted out their products, 255
obtained licenses etc. 256

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NESHUN
++++++
Retrieval for this document: 4 units out of 221, = 1.8%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----

* DISADVANTAGE OF BEING LATE 138

------------ TEXT UNITS 139-142:

In roasted coffee we have the disadvantage of coming
as number 4. 139
If you look at Jacobs who came last, they spend an
enormous fortune here but they will never make it. 140
In ground coffee the situation for us is quite
difficult 141
because the products are quite equal and product
advantages, like in soluble coffee, can't come to our
aid. 142

++
PGCZ
++++
Retrieval for this document: 11 units out of 264, = 4.2%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----

* WESTERN BRAND WHICH FAILED 72

------------ TEXT UNITS 77-81:

Omo came too late 77
offered no innovations 78
and follows a typical me-too strategy. 79
Unilever also has a very poor distribution 80
and Omo therefore has a very poor shelf presence. 81

----
* WHAT WERE THE DISADVANTAGES OF BEING LATE? 181

------------ TEXT UNITS 192-197:

Lever on the other hand is the model for not having
success 192
they have not learned from P&G and Henkel 193
who were the successful pioneers. 194
They are duplicating a western approach 195
and get stuck into that, 196
which does not really fit the local market situation. 197

++
PGHUN
+++++
Retrieval for this document: 4 units out of 258, = 1.6%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* DISADVANTAGE OF BEING LATE 195

------------ TEXT UNITS 196-198:

Henkel and Lever have a big advantage because of the
local brands they took over. 196
This is very difficult for us to match 197
because they have practically bought the major share
of the detergents market. 198

----
* CONTROL OF SCARCE ASSETS 200

------------ TEXT UNITS 201-201:

I don't think that any competitor controlled or
controls anything which is of importance to us. 201

++
STOLHUN
+++++++
Retrieval for this document: 9 units out of 266, = 3.4%

----
* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* DISADVANTAGE OF BEING LATE 174

------------ TEXT UNITS 175-183:

Well yes, we had disadvantages 175
if we would have been earlier we could have achieved
a considerably stronger position in the market. 176
We still suffer from being late 177
and that we only recently achieved the distribution
our earlier competitors had for a long time is a good
example of the continued disadvantages we suffer. 178
Another factor is that we could start to rationalise
only much later than those who came earlier 179
which means production facilities as well as cutting
back the range. 180
We were basically later all the way until now 181
and every step the pioneers could take at some point
we had to follow with some delay. 182
If we would have started earlier in let's say 1990 or
91 we would today almost have a monopoly in Hungary. 183

++
UNLCZ
+++++
Retrieval for this document: 22 units out of 285, = 7.7%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* IMMEDIATE OBJECTIVES 38

------------ TEXT UNITS 39-45:

You know Unilever was a little bit handicapped from
the start 39
because the other competitors had acquired local
factories and brands. 40
Our first main objective therefore was to begin
somehow. 41
We were lacking people 42
we had no ex-pats in detergents 43
and the real aim was to begin an operation somehow 44
and see later what we could do. 45

----
* MAJOR COMPETITORS 61

------------ TEXT UNITS 74-75:

In detergents there are no local independent brands
left 74
they were all taken over by Henkel and Procter. 75

----
* PROBLEMS FOR THE BRAND AT ENTRY 105

------------ TEXT UNITS 106-107:

Our main competitors had their brands already in
place. 106
We came last and that mad it difficult. 107

----
*BRAND 151

------------ TEXT UNITS 152-153:

Omo's image is that of a top quality brand, 152
but people just don't buy it as much as we would wish. 153

----
* DISADVANTAGES OF BEING LAST 171

------------ TEXT UNITS 172-180:

Our data shows that we had a disadvantage of being
last in the market 172
but in some categories we could make up for it 173
especially in toothpaste and deodorants but not in
detergents. 174
In distribution the disadvantage was not too big 175
because retailers still wanted to get western brands
onto their shelves 176
so we gained access relatively easy. 177
We had it definitively more difficult than the early
entrants 178
but I think this has been levelled out 179
and in time there will be no trace of that. 180

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UNLHUN
++++++
Retrieval for this document: 3 units out of 175, = 1.7%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* DIFFICULT FOR YOUR LATE COMING COMPETITORS 136

------------ TEXT UNITS 137-139:

The first obstacle is to come to a fitting strategic
positioning and to come to terms with the preferences
and characteristics of Hungarian consumers. 137
I think that they have a hard time to learn the
appropriate marketing skills and that will cost them
precious time. 138
But this is all very general and applies to all
markets. You are only as strong as you are a master
of these skills. And all the classic brand
manufacturers are master of these skills in their
segments. 139

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UNLPL
+++++
Retrieval for this document: 6 units out of 268, = 2.2%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----

* PROBLEMS FOR THE BRAND AT ENTRY 45

------------ TEXT UNITS 46-47:

We had no particular problems at the beginning 46
apart from competition which is not really a problem. 47

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 145

------------ TEXT UNITS 147-147:

If we would have waited longer the competition would
be too far ahead. 147

----
* IMPORTANCE OF BEING FIRST 152

------------ TEXT UNITS 153-153:

The later one enters the market the more difficult it
gets. 153

----
* WHAT ARE THE ADVANTAGES OF BEING LATE 164

------------ TEXT UNITS 165-166:

I think there are no advantages of being late 165
and I think if we would have been here earlier we
would be more successful now. 166

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Total number of text units retrieved = 149
Retrievals in 17 out of 19 documents, = 89%.
The documents with retrievals have a total of 4725 text
units,
so text units retrieved in these documents = 3.2%.
All documents have a total of 5487 text units,
so text units found in these documents = 2.7%.

****

(18) /Relative Time Advantage
****
TEXT IN ALL DOCUMENTS:

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CCPL
++++
Retrieval for this document: 7 units out of 439, = 1.6%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* IMPORTANCE OF BEING FIRST 257

------------ TEXT UNITS 268-274:

Once you are in the market the race is on to be first
in niche markets 268
but that is less important because we all have the
products in place. 269
Pepsi beat us with diet Pepsi 2 months 270
but that's no big deal and the time is too short to
really gain an advantage. 271
By the time they have their product distributed on a
wide enough basis 272
we are there as well 273
because of our advantages in distribution and central
co-ordination. 274

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COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 256-260:

With a time advantage of 3 or 4 month you can't
really talk of pioneering, 256
for that you need at least 1 year. 257
Companies like Wedel chocolates 258
who have been in the market for generations 259
they are the real pioneers. 260

++
HENHUN
++++++
Retrieval for this document: 10 units out of 381, = 2.6%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* ADVANTAGES OF BEING FIRST 174

------------ TEXT UNITS 194-203:

Some pioneering advantages were lost 194
because the followers came to close after us into the
market. 195
We had not enough lead time to really benefit from
our pioneering advantages. 196
The consumer has not experienced our entry as that
much earlier, 197
so we are not entrenched in the consumer's mind as a
pioneer. 198
He has experienced all brands coming in at roughly
the same point of time. 199
We made a good choice with buying the brands and
factory which we bought 200
and I am glad that we bought it and not the
competition, 201
if you want to count that as a pioneering advantage. 202
This is actually something which will remain
important throughout the future. 203

++
NESCZ
+++++
Retrieval for this document: 5 units out of 371, = 1.3%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* HOW MAKE UP FOR LOST GROUND? 267

------------ TEXT UNITS 268-272:

It also depends on how strong the pioneer has become
in the time until a late comer wants to enter the
market. 268
If the pioneer has cornered a considerable share of
the market 269
let's say more than 75% than nobody stands a chance
of getting very far in this market. 270
If the pioneer only secured 10 or 20% it's no problem
to go in 271
because the pioneer's position is not strong. 272

++
PGHUN
+++++
Retrieval for this document: 1 unit out of 258, = 0.39%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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* ADVANTAGES OF BEING FIRST 144

------------ TEXT UNITS 150-150:

The time between our introduction and the competition was too short to gain any real advantage. 150

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Total number of text units retrieved = 28
Retrievals in 5 out of 19 documents, = 26%.
The documents with retrievals have a total of 1902 text units,
so text units retrieved in these documents = 1.5%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.51%.

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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 36 units out of 439, = 8.2%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* WESTERN BRAND WHICH FAILED 179

------------ TEXT UNITS 189-195:

I don't really see any strategy 189
and that is what makes them fail, 190
they have no image 191
no distribution 192
no pricing strategy 193
no advertising 194
and that breaks their back in the long run. 195

----
* YOUR STRENGTHS 333

------------ TEXT UNITS 334-343:

We are committed to our course of action 334
once we have taken a decision. 335
We have the strength of our trade mark our brand. 336
We have a superior product. 337
We are a good company to work for 338
and we attract good employees. 339
We also have the full backup from our world wide
operating company. 340
If I need a specialist for a certain problem he can
be here in 24 hours 341
and he will solve our problem here in Poland 342
and he may be based in South America or wherever. 343

----
* KEY LEARNINGS FROM COMING LATE 345

------------ TEXT UNITS 348-349:

Another lesson we learned is that 348
with the right investment you can make up lost time
quickly. 349

----
* IMMEDIATE OBJECTIVES AFTER ENTRY 351

------------ TEXT UNITS 352-356:

For any soft drinks business the distribution is a
key success factor. 352
We had to gain control of distribution immediately 353

to set up a efficient and effective distribution
organisation. 354
First we needed to solve the problem of availability 355
and now we are on the next stage to increase the
acceptability. 356

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 374

------------ TEXT UNITS 378-380:

Quality is so important because Poles never had
quality for most of the past so now they look for it. 378
Branding alone however is not enough 379
the products must deliver what the brand promises. 380

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 420

------------ TEXT UNITS 421-421:

Western brands need to deliver a real added value for
the price difference the charge. 421

------------ TEXT UNITS 423-425:

The other option is to erase the price difference 423
western brands would then immediately capture the
markets 424
however that is not possible because of the much
higher cost base western brands have. 425

----
* THE FUTURE OF BRANDS IN POLAND 427

------------ TEXT UNITS 428-432:

Western brands have a chance here in Poland 428
and if they are careful enough they will succeed. 429
They need to understand the local consumers 430
and that is the key to success. 431
Too few companies now realise how little they
understand the Polish consumer. 432

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COLPL
+++++
Retrieval for this document: 46 units out of 453, = 10%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

----
* PROBLEMS FOR THE BRAND AT ENTRY 63

------------ TEXT UNITS 68-71:

When we started the subsidiary here we first looked
at channelling the product selling, 68
so we did not want the slow movers from the west 69

or what everybody requested 70
but to focus on the major equities. 71

----
* ADVERTISING 75

------------ TEXT UNITS 84-86:

You have to be on air continuously 84
with new creative advertising 85
otherwise you are out. 86

----
* HOME MARKET STRENGTH VS. LOCAL MKT. STR. 88

------------ TEXT UNITS 89-93:

We are funny if you compare us to Procter & Gamble
which is very strong in the home market but not so
strong overseas. 89
We are much stronger overseas than in the home market
so its a completely different approach. 90
We enter overseas markets at a much earlier stage
than Procter 91
and Lever you clearly see that they are strong in
their old colonial strongholds 92
but they don't really follow one strategy across the
world. 93

----
* MAIN MARKETING TOOLS 95

------------ TEXT UNITS 101-105:

but a vital factor is your distribution. 101
Dominating all this is if you manufacture local or not 102
not only in terms of consumer perception 103
but also for the import duties you have to pay. 104
We do produce locally. 105

----
*ADVERTISING 111

------------ TEXT UNITS 125-126:

You can be very successful with advertising if you
really target it to Polish consumers, 125
they love that. 126

----
* WESTERN BRAND WHICH FAILED 162

------------ TEXT UNITS 180-182:

There are a lot of things you could have known before
you started marketing the products here in Poland. 180
The Polish market is different in some aspects 181
and you have to recognise the differences. 182

----
* RISKS AT/OF ENTRY 216

------------ TEXT UNITS 220-221:

I think it is more a matter of coming well prepared
to a market 220
than taking a risk. 221

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 238-238:

If you have a good distribution in place you
basically own the shelf 238

------------ TEXT UNITS 245-245:

lasting in that position makes it necessary to
maintain the ad-spend. 245

------------ TEXT UNITS 253-255:

If you are able to buy a state monopoly and maintain
that you a really reaping pioneering advantages. You
have to divide the market into the usual segments and
put brands into each of them 253
but you effectively own the market 254
and nobody can get a foothold. 255

----
* KEY LEARNINGS FROM PIONEERING 325

------------ TEXT UNITS 326-335:

There are a lot of things 326
but they are not recorded in our company. 327
The main thing would be to document what happened
here 328
for other roll outs to look at it. 329
Now nobody has time for it 330
but managers should record their key learnings every
six months and write it down. 331
If you learn you should communicate these learnings
properly. 332
One key to success is continuity. 333
You need to maintain your position with new budgets
new advertising campaigns and never stop. 334
Even more important than being pioneer is the
continued commitment with funds and support from
parent companies. 335

----
* DISTRIBUTION 361

------------ TEXT UNITS 368-369:

Distribution still remains the key area to success. 368
Only with a good distribution you can be in this
market. 369

----

* TRADING DOWN 412

------------ TEXT UNITS 421-422:

You can always introduce a second brand for a lower
segment 421
but you must never touch your premium brand. 422

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 440

------------ TEXT UNITS 446-447:

which really hurt their credibility. 446
447

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 448

------------ TEXT UNITS 450-450:

Products need to be accessible for a large proportion
of the population to have success. 450

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DEHUN
+++++
Retrieval for this document: 28 units out of 307, = 9.1%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

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* KEY LEARNINGS FROM HUNGARY 28

------------ TEXT UNITS 29-33:

Our key success factor is that we took something
uniquely Hungarian 29
and our international experience 30
as opposed to the others coming in with totally new
names, brands and concepts. 31
People can still identify with the product 32
because it is still Omnia but it is also Douwe
Egberts. 33

----
* MAJOR COMPETITORS 45

------------ TEXT UNITS 55-56:

so they are basically doomed to sell cheap coffee, 55
but cheap coffees make no profits. 56

------------ TEXT UNITS 68-69:

and they also suffer from selling too much low price
coffee 68
which amounts to 60 - 70% of their sales. 69

------------ TEXT UNITS 77-78:

but they are too highly priced 77
and too highly imaged. 78

----

*DISTRIBUTION 88

------------ TEXT UNITS 98-99:

We are very experienced in shelf management
programmes internationally 98
which is an asset nobody else has. 99

------------ TEXT UNITS 102-105:

We have a marketing and sales organisation which is
better than any other in this country 102
and when I say 'marketing' I mean marketing and sales 103
and not some half-hearted sales team like the others
may have. 104
Distribution is one of the key success factors in
this market. 105

----

* BRAND WHICH FAILED 132

------------ TEXT UNITS 138-139:

Nestle has no concept with this re-launch 138
and they are too busy with all their other segments
like soups, sweets, chocolate and what else they have
got. 139

----

* TAKE OVERS OF LOCAL BRANDS 199

------------ TEXT UNITS 200-204:

Omnia our main brand was for a long long time the
standard in Hungarian coffee. 200
You must not forget that we bought coffee brands not
just a factory. 201
The value for us was not that this company had a
couple of machines 202
but that it had a market 203
and that people recognised the name Omnia. 204

----

* ADVANTAGES OF YOUR COMPANY 234

------------ TEXT UNITS 238-241:

We have unique experience in selling coffee around
the world 238
which no other company has. 239
We are also a multinational culture company 240
which is a strength of our company. 241

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HENHUN
++++++

Retrieval for this document: 4 units out of 381, = 1.0%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
*DISTRIBUTION 62

------------ TEXT UNITS 63-63:

Distribution is a key success factor. 63

----
* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 316-318:

In western markets you find hat many innovations are
in packaging or minor adaptations 316
which amount to nothing or little at best. 317
Here you need real product innovations which really
give better performance to convince the consumer. 318

+++
HENPL
+++++
Retrieval for this document: 2 units out of 328, = 0.61%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 212

------------ TEXT UNITS 216-217:

We have to present them with a range before they feel
the need 216
so that the choice is in place when they feel the
need. 217

+++
JJCZ
++++
Retrieval for this document: 13 units out of 317, = 4.1%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* WESTERN BRAND WHICH FAILED 87

------------ TEXT UNITS 100-109:

The problem is they are basically a me-too. 100
If a small mom&pop decides to carry an expensive
western range of baby cosmetics they take Johnson in
most cases 101
because they know the name 102
and they understand the brand. 103
Although Sara Lee is quite successful with other

products they have no clout in cosmetics 104
so they are not getting very far. 105
Their distribution is minimal even in Prague 106
and non existent in the country 107
and they have a real hard time. 108
109

----

* MAIN MARKETING TOOLS 127

------------ TEXT UNITS 131-131:

To link trade promotions and advertising is the key
to success. 131

----

* MAIN LIMITATIONS FOR WESTERN BRANDS 290

------------ TEXT UNITS 292-293:

This can also be a significant advantage to companies
who produce locally. 292
If you can sell at a price point close to local
brands you would have a significant advantage. 293

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JJPL
++++
Retrieval for this document: 2 units out of 223, = 0.90%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* MAIN MARKETING TOOLS 34

------------ TEXT UNITS 41-42:

But the product must be right 41
if the product is not good it will not be successful
in the long term in spite of any fancy promotion or
advertising. 42

++
NESCZ
+++++
Retrieval for this document: 20 units out of 371, = 5.4%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* IMMEDIATE OBJECTIVES 41

------------ TEXT UNITS 42-51:

Our immediate objectives were to secure successful
local brands 42
at an acceptable price in our product segments 43
to take over and re-launch them. 44
When you do this you don't look for the factories or

the land which comes with the deal 45
but the name 46
and the market share 47
and the distribution that's what counts. 48
Only those things count 49
because every idiot can buy a factory put some new
machines in and find people to operate them. 50
Another immediate objective was to get a good
distribution system off the ground as early as
possible. 51

----
*DISTRIBUTION 53

------------ TEXT UNITS 54-57:

The key success factors in this market is not
branding and marketing 54
it is sales and distribution. 55
You need to have your marketing house in order 56
but the real successful companies are those who have
their sales and distribution right. 57

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 340

------------ TEXT UNITS 343-348:

It's also the western brands themselves, 343
if they continue to apply global branding without
adaptation 344
and concern for the local market situation 345
they won't get very far. 346
Brands however global they may think they are need to
fit the local market 347
if they don't they are not successful. 348

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NESHUN
++++++
Retrieval for this document: 9 units out of 221, = 4.1%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----
* DISADVANTAGE OF BEING LATE 138

------------ TEXT UNITS 143-149:

We were also late in setting up a head quarter in
Budapest, 143
we were originally located at one of our factories
200 km east of here 144
and many administrative functions were spread out. 145
WE took the offices here 3 years after the market
opened and much too late. 146
You need a headquarters to administrate the whole
operation efficiently 147
and you can only do that from Budapest 148

because of the infra structure. 149

----
* THE FUTURE OF BRANDS IN HUNGARY 217

------------ TEXT UNITS 218-219:

The important factor is price versus quality 218
and it is important that we understand the different
segments in the market. 219

+++
PEPPL
+++++
Retrieval for this document: 13 units out of 323, = 4.0%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* RISKS AT/OF ENTRY 183

------------ TEXT UNITS 184-188:

Misunderstanding of the market. 184
The strength of the competitor. 185
Incorrect evaluation of the Polish economic situation 186
which means that not enough money was invested. 187
Wrong risk evaluation. 188

----
* HOW DID PEPSI REACT TO THESE CHANGES 302

------------ TEXT UNITS 303-307:

Pepsi reacted very badly 303
because Pepsi itself was in transition and had no
chance to concentrate on other issues than itself. 304
Pepsi had a very difficult time 305
and I think it was not too aware of what was going on
on the outside 306
because of a bad information system. 307

----
* THE FUTURE OF BRANDS IN POLAND 314

------------ TEXT UNITS 321-323:

My advise for anybody going into Poland would be
either sell at a lower price than local products 321
or have a strong brand name with a lot of advertising
and promotion. 322
323

+++
PGCZ
++++
Retrieval for this document: 8 units out of 264, = 3.0%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:

DETERGENTS

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* HOW SUSTAIN? 166

------------ TEXT UNITS 167-170:

Provide superior products and 167
do better advertising. 168
It depends how well we nurture our advantages and
brand images. 169
It always depends on how you preserve your advantages. 170

----
* HOW DO YOU REACT TO THESE CHANGES 253

------------ TEXT UNITS 254-257:

We produce locally 254
and we deliver the right products at the right price. 255
We also have invested a lot into Czech brands even
before this trend started. 256
257

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PGHUN
+++++
Retrieval for this document: 6 units out of 258, = 2.3%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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* MAKE UP LOST GROUND 203

------------ TEXT UNITS 204-209:

By excellent marketing 204
and by doing things better than our competition. 205
The quality of our products 206
as well as the quality of our advertising. 207
I think that we were able to make up for most
disadvantages 208
and that we levelled the playing field in many
respects. 209

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STOLHUN
+++++++
Retrieval for this document: 13 units out of 266, = 4.9%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* KEY SUCCESS FACTORS 9

------------ TEXT UNITS 10-13:

We are not a multinational company. 10
We are a true German company 11
which is lead by a strong leader personality Dr. Imhoff, who really has chocolate in his veins 12
and he personally takes care of the company with great success. 13

----
* MAJOR COMPETITORS 29

------------ TEXT UNITS 47-49:

The grave strategic mistake the local competitors make is that they neglect the niche markets and go head over heels into the large market segments 47
forgetting that it is exactly there, where they are up against all the big ones from the west. 48
Even ourselves with 2 billion DM turnover world wide have to be careful there not to be squeezed out. 49

----
*LOCAL MANUFACTURING 137

------------ TEXT UNITS 145-147:

But our principle is that if a raw material or a packaging material meets our requirements in quality and price we procure locally. 145
We have educated our suppliers over a long time 146
with a lot of effort to supply the qualities we need and want. 147

----
* DISADVANTAGES OF BEING FIRST 169

------------ TEXT UNITS 170-172:

Some of those who came early have disadvantages compared to us, 170
not because they were early but because of their multinational structure 171
which is often slow and ineffective. 172

+++
UNLCZ
+++++
Retrieval for this document: 23 units out of 285, = 8.1%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* MAJOR COMPETITORS 61

------------ TEXT UNITS 63-68:

At the beginning Procter put their logo at the end of every spot on TV for every product 63
this caused a negative awareness 64
because every second and third spot was Procter. 65
People thought have they bought our TV? 66

Henkel they also have their logo on every commercial 67
but they did not advertise so strongly. 68

----
* ADVERTISING 123

------------ TEXT UNITS 134-136:

Advertising is definitively the most important factor
in this market. 134
Advertising really works here 135
you advertise and people rush to buy the products. 136

----
* HOW MAKE UP FOR LOST GROUND? 182

------------ TEXT UNITS 183-192:

We re-launched Omo this January with improved
ingredients 183
and a new technology. 184
We shot a new commercial 185
which was used quite heavily. 186
This is our chance: to communicate well the
superiority of our products. 187
We now have a consumer promotion every second month 188
which is usually combined for consumers and trade. 189
We also have to come up with something new soon 190
to keep the brand alive 191
because the changes in this market demand that you
always have something new. 192

----
* WHAT ARE THE DISADVANTAGES OF BEING FIRST? 194

------------ TEXT UNITS 200-201:

People here are not used so much to commercials 200
and they really watch it and every detail is
important. 201

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 262

------------ TEXT UNITS 263-264:

The importance of being western or local gets less
and less important. 263
The real importance for brands is going to be quality
and price. 264

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UNLHUN
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Retrieval for this document: 8 units out of 175, = 4.6%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* MAIN MARKETING TOOLS 57

------------ TEXT UNITS 58-58:

It is very important to get to know the consumers and to produce good advertising. Important is not to try to patronise local consumers by adapting old west European advertising. If the local consumer is not taken seriously the results are disastrous. As in other markets the first step is a thorough analysis of how the consumer thinks and reacts. Based on that knowledge you have to develop the positioning and only then fitting campaigns can be developed. We are not afraid to develop local campaigns if that seems necessary. We are just as good in what we do as the German or Dutch subsidiary of Unilever and we expect the same high service of our agencies and suppliers here in Hungary. 58

----

* IMPORTANCE OF BEING FIRST 81

------------ TEXT UNITS 84-84:

It is easier to achieve the market leader position if I am pioneer in a market. Particularly here in Central Europe speed is a decisive factor. 84

------------ TEXT UNITS 87-87:

Speed is the decisive factor in this to gain market leadership and use the position to ones advantage. 87

----

* FREERIDER EFFECTS 109

------------ TEXT UNITS 110-110:

We don't expect any latecomer to have such an amount of experience which we have. We see our experience in general management and marketing as a key ingredient to our success and I doubt that any newcomer could match this. 110

------------ TEXT UNITS 112-112:

It is not only a matter of entering a market like Hungary and go down with your price that is not the whole story, you have to manage a number of different skills and advertising is certainly one of the most important factors. 112

----

* BRAND NAMES INFLUENCE CONSUMERS? 147

------------ TEXT UNITS 151-151:

For an international company it is very easy to adapt a global brad to a market like Hungary. I is much more difficult to take a local brand understand its core values and history and transform that into a successful modern brand. This affords very sensitive marketing skills and approaches. When that is handled correctly that is a ticket to success. The problem however is that you don't have any rules and guidelines to follow in this process. 151

----

* MAIN LIMITATIONS FOR WESTERN BRANDS 165

------------ TEXT UNITS 168-168:

Too little respect and recognition of the local situation is a major danger of western companies. We have to identify local habits and traditions and find answers to them if they affect our business. 168

------------ TEXT UNITS 171-171:

So this means that you have to be aware of all sorts of potential pitfalls through differences in tradition and habits and you can gain competitive advantages if you are good in identifying and adapting to these local peculiarities. 171

+++

Total number of text units retrieved = 231
Retrievals in 15 out of 19 documents, = 79%.
The documents with retrievals have a total of 4611 text units,
so text units retrieved in these documents = 5.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 4.2%.

****

(20) /Brand Loyalty
****

TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

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TEXT IN ALL DOCUMENTS:

+++
BDFCZ
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Retrieval for this document: 10 units out of 241, = 4.1%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* BRAND LOYALTY 213

------------ TEXT UNITS 214-216:

We see quite a lot of consumers who are loyal to our brands, 214
although we would wish that the percentage was even higher 215
but I would say yes, Czech consumers are relatively brand loyal. 216

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 218

------------ TEXT UNITS 219-220:

In this economic climate the purchasing power of the consumers is the main limitation 219
because people can't afford to buy western brands all the time. 220

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* WESTERN BANDS EVERYDAY PRODUCTS 225

------------ TEXT UNITS 226-230:

I don't think that many Czech consumers use western products everyday. 226
Some rich consumers surely do, 227
but the majority I think still can't afford to buy them frequently 228
so they remain something special reserved for special occasions 229
or as gifts. 230

+++
CCPL
++++
Retrieval for this document: 16 units out of 439, = 3.6%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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* BRAND LOYALTY 389

------------ TEXT UNITS 390-405:

You do not find brand loyalty in this country. 390
People don't buy the same brand again and again. 391
This is certainly a problem if you look at our
situation i 392
n which we have the highest share of voice 393
we have the highest recall a 394
nd good product ratings 395
still people say they switch between our products and
the competition all the time. 396
I don't think you can create brand loyalty purely
through advertising. 397
Brand loyalty comes with the experience of a couple
of years 398
and this needs time to develop. 399
I told you about the promotion we had last year 400
after the promotion sales went down considerably 401
and what we found out was that people bought products
to take part in the promotion 402
and with that they preempted purchases for later. 403
After some time sales went back to normal 404
but no long term loyalty effect was achieved. 405

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COLPL

+++++

Retrieval for this document: 19 units out of 453, = 4.2%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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* ADVERTISING 75

------------ TEXT UNITS 83-83:

If you stop advertising they forget you within one
year. 83

----

*CHANGES IN CONSUMER BEHAVIOUR 184

------------ TEXT UNITS 185-187:

People build up a lot of knowledge about the products. 185
I think they all discover that western products may
be better 186
but the price difference is not really justified. 187

----

* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 242-242:

No brand loyalty from consumers means no brand
loyalty from retailers. 242

----

* BRAND LOYALTY 424

------------ TEXT UNITS 425-438:

There is no brand loyalty in the Polish market. 425
What we know from our research is that Polish
consumers try try and try again. 426
They are still in the trial phase and 427
they attribute ingredients from Procter to our
toothpaste and attribute Lever's with our
characteristics. 428
This means they rate western brands as very high
quality 429
even overrate the abilities of the products 430
but they can not yet distinguish clearly between the
individual western brands. 431
Everything that is new is tried by the consumer. 432
We have been here only for three years 433
and it is our job to build brand preference and brand
loyalty 434
but it takes time. 435
You advertise and re-launch again and again 436
so that the consumers try again and again 437
and you hope that some day they stick with your
product. 438

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DEHUN
+++++
Retrieval for this document: 4 units out of 307, = 1.3%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 259

------------ TEXT UNITS 271-272:

All companies together are wasting an incredible
amount of money on advertising 271
because we are all fighting for this tiny amount of
money people have left over of their income. 272

----
* BRAND LOYALTY 274

------------ TEXT UNITS 275-276:

I think that our competitors totally under estimated
the loyalty Hungarians had to our brands. 275
They misjudged totally that we were able in a
relative short period of time to make consumers loyal
to the new Omnia. 276

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HENHUN
++++++
Retrieval for this document: 10 units out of 381, = 2.6%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* BRAND LOYALTY 320

------------ TEXT UNITS 321-330:

As opposed to western markets Hungarian consumers are
not loyal. 321
The brand loyalty is not well developed in this
market. 322
However, this is understandable if you think that
people came here and promised heaven on earth. 323
The consumer may try this if he can afford it. 324
However, consumers are not shaped by a very long
presence of brands 325
so they try if something new comes a long. 326
This means that it is still relatively easy to
conquer markets 327
and achieve positions. 328
The cards have been shuffled but they have not yet
been given out. 329
330

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HENPL
+++++
Retrieval for this document: 8 units out of 328, = 2.4%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* BRAND LOYALTY 299

------------ TEXT UNITS 300-307:

Consumers in Poland are loyal 300
if they are satisfied with a product. 301
Different to other markets is that people do not
think in product range terms as in the West. 302
In Germany if consumers are happy with one product
you will find that they buy other products of that
range for two reasons. 303
The first is they expect that product to be just as
satisfactory 304
but the second is that they wish to have proper sets
consisting of similar products. 305
This is here different. 306
People buy one shampoo a second conditioner and a
third soap and finally they use a fourth deodorant. 307

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JJCZ
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Retrieval for this document: 9 units out of 317, = 2.8%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* BRAND LOYALTY 281

------------ TEXT UNITS 282-288:

Brand loyalty is not very well developed. 282
You see a lot of consumers trying all the different brands. 283
Trying to find out what the differences are for themselves. 284
According to our research over a third of consumers find it risky to be brand loyal 285
because they wouldn't know what the other brands have on offer. 286
And every week you can find new offers in every product category, 287
so maybe in three years from now you will find brand loyal consumers. 288

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 305

------------ TEXT UNITS 313-314:

The next one or two years will still be very difficult in winning consumer loyalty 313
and to remain in the market 314

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JJPL
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Retrieval for this document: 14 units out of 223, = 6.3%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 162

------------ TEXT UNITS 166-167:

What you hope to be able to with your brand is to develop a consumer trust that they believe they will receive what you promise to deliver. 166
One thing is certain that a lot more research and development has gone into western brands than has gone into local brands. 167

----
* DIFFICULT FOR FOLLOWERS 173

------------ TEXT UNITS 174-175:

In a way yes 174
in creating a certain degree of brand loyalty amongst consumers. 175

----
* BRAND LOYALTY 177

------------ TEXT UNITS 178-187:

Very difficult to say in Poland at the moment. 178
Right now brand loyalty is not very high 179

and I think there is a lot of experimenting going on. 180
The consumers are being spoilt for choice. 181
You find that in most dynamic markets people will
choose new and improved products 182
and not stick to one product for ever but try new
products. 183
It is only in the mature market that people begin to
become sceptical of new offerings 184
and the value of incremental improvements 185
and stay with the brand they have had in the past. 186
With only so few years of exposure loyalty could not
develop. 187

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KJSCZ
+++++
Retrieval for this document: 6 units out of 203, = 3.0%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

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*DISTRIBUTION 24

------------ TEXT UNITS 38-38:

but brand loyalty is low in general. 38

----
* BRAND LOYALTY 175

------------ TEXT UNITS 176-180:

I think they keep trying brands, 176
they never had western brands and now they make up
for the long time when they had no brands 177
so they try and compare. 178
People also like to have a choice of brands at home, 179
in coffee for example they would offer you a choice
of four or five brands at their homes when you visit
them. 180

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KJSHUN
++++++
Retrieval for this document: 5 units out of 164, = 3.0%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

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* BRAND LOYALTY 148

------------ TEXT UNITS 149-153:

Consumers are not very loyal 149
and they try every new product 150
and they have not yet reached a stage at which they
would come back to the same brand again and again. 151

You also have to remember that disposable incomes are
not that high 152
and being brand loyal is out of the question for most
consumers anyway. 153

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NESCZ
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Retrieval for this document: 11 units out of 371, = 3.0%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* BRAND LOYALTY 327

------------ TEXT UNITS 328-338:

The lack of purchasing power almost prohibits brand
loyalty, 328
the only exception being cigarettes. 329
As I said before if consumers could afford it they
would buy only western brands 330
but currently they have to switch between western and
local brands all the time. 331
Another factor is time and exposure, 332
consumers have not been exposed to western brands for
long enough 333
to have a favourite brand from their own experience. 334
They still try a lot 335
and to compare brands for them is like a process of
trial and error. 336
You can't establish brand loyalty in 2 or 3 years, 337
it takes much longer than that. 338

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NESHUN
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Retrieval for this document: 8 units out of 221, = 3.6%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

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* BRAND LOYALTY 174

------------ TEXT UNITS 175-182:

Consumers in this market are less loyal than they are
in the west. 175
Here they are even more price conscious 176
and price sensitive. 177
There is some brand loyalty 178
and you notice if consumers trade down in price they
stay mostly with the same umbrella brand. 179
You notice that particularly in coffee where Omnia
the number 1 has lost a lot of ground during the last
couple of month 180
and most of it has gone to Paloma which is the
cheaper version of it. 181

We would like it to be stronger but it is even lower
than in the west. 182

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PEPPL
+++++
Retrieval for this document: 5 units out of 323, = 1.5%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* BRAND LOYALTY 282

------------ TEXT UNITS 283-287:

I think a degree of brand and product loyalty is
beginning to develop. 283
The swing back to local products is for me a sign of
loyalty to these products 284
and I think that this is also true for western brands 285
although only on a very low level 286
because of income restrictions. 287

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PGCZ
++++
Retrieval for this document: 7 units out of 264, = 2.7%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

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* BRAND LOYALTY 233

------------ TEXT UNITS 234-240:

Yes and no. 234
Up to pretty recently consumers were very eager to
try all new products 235
but they tend to switch back to what they liked best 236
and what they can afford in the long run. 237
This in most cases happens to be a brand which has
been here originally 238
and is now re-launched by a western company. 239
People will always change as long as better or
cheaper products come along. 240

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PGHUN
+++++
Retrieval for this document: 7 units out of 258, = 2.7%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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* BRAND LOYALTY 235

------------ TEXT UNITS 236-242:

Consumers here are not very loyal. 236
You find a lot of cross usage 237
and people buy a different brand every time they shop. 238
In detergents people may have two or three different
detergents at home 239
using the one they think is most appropriate for the
clothes they are washing. 240
I think this behaviour is mainly a result of the
economic situation 241
because people can't afford to be loyal to just one
brand without trying all others at one time. 242

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STOLHUN
+++++++
Retrieval for this document: 4 units out of 266, = 1.5%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

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* BRAND LOYALTY 230

------------ TEXT UNITS 231-234:

Loyalty is much less developed than in western Europe. 231
Brand bonding does not exist here. 232
To establish brand loyalty will take a long time 233
and that will be a very difficult and expensive way
to go. 234

+++
UNLCZ
+++++
Retrieval for this document: 6 units out of 285, = 2.1%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* BRAND LOYALTY 233

------------ TEXT UNITS 234-239:

It is very difficult to judge. 234
In PCP I believe people still try a lot 235
but eventually will stick to what they liked best. 236
Right now I wouldn't value loyalty too high. 237
If something is advertised on TV everybody buys it 238
people are not loyal at all in this market. 239

+++
UNLHUN
++++++
Retrieval for this document: 4 units out of 175, = 2.3%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* BRAND LOYALTY 153

------------ TEXT UNITS 156-159:

Consumers are not not loyal. I would say that
younger consumers are less likely to be loyal whereas
older consumers are more likely to stick to old
routines and brands they know. It is much more
difficult to persuade older consumers to change their
habits than younger consumers. 156
There is not so much a brand loyalty but a loyalty to
old habits amongst the older generations. The only
way to change that is through continuos advertising. 157
It also depends on the competitive situation. In
margarine where we don't have a high pressure you
find consumers being rather loyal. 158
In detergents where many companies fight for shares
and launch new products every couple o weeks the
loyalty is low. 159

++
UNLPL
+++++
Retrieval for this document: 10 units out of 268, = 3.7%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
*CHANGES IN CONSUMER BEHAVIOUR 124

------------ TEXT UNITS 131-132:

Polish consumers are not loyal to a brand. 131
They want to test a lot of brands and get their own
experience. 132

----
* BRAND LOYALTY 232

------------ TEXT UNITS 233-240:

Polish consumers like to sample a lot of products. 233
They buy one brand and then another. 234
Often they also have a number of different brands in
the house at the same time. 235
You also find they us a local product for everyday 236
and a western brand on special occasions. 237
They are not yet loyal to one brand 238
although our research indicates that we have a high
number of rebuys. 239
240

++
Total number of text units retrieved = 163
Retrievals in 19 out of 19 documents, = 100%.
The documents with retrievals have a total of 5487 text
units,
so text units retrieved in these documents = 3.0%.

All documents have a total of 5487 text units,
so text units found in these documents = 3.0%.

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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 3 units out of 439, = 0.68%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 276

------------ TEXT UNITS 280-282:

With the free fridge we give to retailers it is a
similar attempt in small grocery stores 280
which do most of the food retailing in Poland right
now 281
but there is no real exclusivity in the market. 282

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COLPL
+++++
Retrieval for this document: 4 units out of 453, = 0.88%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* WHAT ARE THE ADVANTAGES OF BEING FIRST? 229

------------ TEXT UNITS 238-241:

If you have a good distribution in place you
basically own the shelf 238
but the problem is do you remain on the shelf? 239
As long as retailers have no idea to measure shelf
value everybody struggles to remain on a shelf 240
in a market in which daily new products are launched
and everybody wants the latest this is difficult. 241

++
HENHUN
++++++
Retrieval for this document: 4 units out of 381, = 1.0%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* CHANGES IN RETAIL INFRA STRUCTURE: 83

------------ TEXT UNITS 84-87:

Retailers do what promises the highest profits. 84
If a new product is launched and it seems to be well

received by consumers, 85
retailers will stock it 86
regardless of agreements with other suppliers. 87

++
JJCZ
++++
Retrieval for this document: 3 units out of 317, = 0.95%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* CHANGES IN RETAIL INFRA STRUCTURE: 46

------------ TEXT UNITS 66-68:

Some shopkeepers are loyal to some western brands 66
and others are not. 67
We were quite lucky so far in keeping the
distribution we earned. 68

++
KJSCZ
+++++
Retrieval for this document: 3 units out of 203, = 1.5%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
*DISTRIBUTION 24

------------ TEXT UNITS 36-38:

Loyalty in retailing is very low 36
and if somebody offers them an attractive gift they
may give them the whole shelf 37
but brand loyalty is low in general. 38

++
KJSHUN
++++++
Retrieval for this document: 2 units out of 164, = 1.2%

----
* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----
*DISTRIBUTION 43

------------ TEXT UNITS 47-48:

When we came into the market we had to squeeze Douwe
Egberts shelves or bring in extra shelves, 47
but the retailing trade is happy to accept POS
material. 48

++

PGHUN
+++++
Retrieval for this document: 3 units out of 258, = 1.2%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----
*DISTRIBUTION 40

------------ TEXT UNITS 47-48:

Gaining distribution is not as difficult as
maintaining the distribution 47
because retailers are not very loyal 48

------------ TEXT UNITS 51-51:

It happens that you visit a store and an hour later your competitor comes in and puts your products out of the shelf into the storage room or takes away your displays. 51

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UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* BRAND LOYALTY 153

------------ TEXT UNITS 154-155:

The newcomer will have no difficulty in gaining distribution as the retailing trade is not only not loyal but very open to new products and brands. 154
Particularly in margarine were we are the only supplier I expect the retailing trade has a vested interest to have a second supplier to have an opportunity to play us off against each other. 155

++
Total number of text units retrieved = 24
Retrievals in 8 out of 19 documents, = 42%.
The documents with retrievals have a total of 2390 text units,
so text units retrieved in these documents = 1.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.44%.

****

(21) /Image of western Brands
****
TEXT IN ALL DOCUMENTS:

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BDFCZ
+++++
Retrieval for this document: 3 units out of 241, = 1.2%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* WESTERN BANDS EVERYDAY PRODUCTS 225

------------ TEXT UNITS 229-230:

so they remain something special reserved for special
occasions 229
or as gifts. 230

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 232

------------ TEXT UNITS 237-237:

They also enjoy a high degree in trust and confidence
by the consumers. 237

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HENPL
+++++
Retrieval for this document: 8 units out of 328, = 2.4%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 286

------------ TEXT UNITS 288-288:

Western brands stand for solid quality and superior
performance. 288

----
* BRAND NAMES INFLUENCE CONSUMERS? 291

------------ TEXT UNITS 292-298:

You find people buying a FA foam bath as a Christmas 292
or birthday present for their friends or family. 293
In the West nobody would dare to do that. 294
People use western brands as a treat for themselves. 295
The quality expectation is very high 296
and people often overrate western products. 297
298

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Total number of text units retrieved = 11
Retrievals in 2 out of 19 documents, = 11%.

The documents with retrievals have a total of 569 text units,
so text units retrieved in these documents = 1.9%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.20%.

****

(22) /Limitations to western Brands
****
TEXT IN ALL DOCUMENTS:

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BDFCZ
+++++
Retrieval for this document: 11 units out of 241, = 4.6%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 218

------------ TEXT UNITS 219-223:

In this economic climate the purchasing power of the
consumers is the main limitation 219
because people can't afford to buy western brands all
the time. 220
In the future once the economic situation has
improved I suspect that the main limitation will be
the size of the total market 221
which is rather small in the case of the Czech
republic, 222
but that is far away in the future. 223

----
* WESTERN BANDS EVERYDAY PRODUCTS 225

------------ TEXT UNITS 226-230:

I don't think that many Czech consumers use western
products everyday. 226
Some rich consumers surely do, 227
but the majority I think still can't afford to buy
them frequently 228
so they remain something special reserved for special
occasions 229
or as gifts. 230

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 232

------------ TEXT UNITS 233-233:

I guess because of the increasing purchasing power
the future looks quite good. 233

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CCPL
++++
Retrieval for this document: 5 units out of 439, = 1.1%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 420

------------ TEXT UNITS 421-425:

Western brands need to deliver a real added value for
the price difference the charge. 421
As long as they can't deliver that, they will have
difficulties. 422
The other option is to erase the price difference 423
western brands would then immediately capture the
markets 424
however that is not possible because of the much
higher cost base western brands have. 425

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COLPL
+++++
Retrieval for this document: 4 units out of 453, = 0.88%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* BRAND NAMES INFLUENCE CONSUMERS? 398

------------ TEXT UNITS 401-402:

People now get good improved local brands for less
money than western brands 401
and it all comes down to the money in the purse at
one point. 402

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 448

------------ TEXT UNITS 449-450:

The price is the main limitation. 449
Products need to be accessible for a large proportion
of the population to have success. 450

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HENHUN
++++++
Retrieval for this document: 5 units out of 381, = 1.3%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* MAIN LIMITATIONS FOR WESTERN BRANDS 331

------------ TEXT UNITS 332-333:

Most important is the purchasing power. 332
We don't realise higher margins than in other
countries 333

------------ TEXT UNITS 336-338:

This means we have to ask a certain price 336

which can only be afforded by a small group of people. 337
This gap is a very strong limitation for us. 338

++
HENPL
+++++
Retrieval for this document: 6 units out of 328, = 1.8%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* MAIN LIMITATIONS FOR WESTERN BRANDS 318

------------ TEXT UNITS 319-324:

Price is the single most important factor 319
which holds back the expansion of western brands. 320
The trend back to local brands benefits those which
are now western owned 321
but hurts those which are western premium. 322
I imagine this is only a trend which will fade 323
but currently it makes many people nervous. 324

++
JJCZ
++++
Retrieval for this document: 1 unit out of 317, = 0.32%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* MAIN LIMITATIONS FOR WESTERN BRANDS 290

------------ TEXT UNITS 291-291:

Price is the only factor here. 291

++
JJPL
++++
Retrieval for this document: 5 units out of 223, = 2.2%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 205

------------ TEXT UNITS 206-210:

Mainly price. 206
For western manufacturers there are some minimum
standards concerning quality, environmental issues,
health etc. and they will not deviate from these
standards 207
whereas local manufacturers may not be bound to these
minimum standards for some reason or another 208
so as a result are able to produce inferior products
at a much lower price. 209

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KJSCZ
+++++
Retrieval for this document: 8 units out of 203, = 3.9%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994, INDUSTRY: CONFECTIONERY

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 182

------------ TEXT UNITS 183-190:

From the consumers point of view it is the fact that
many now want to buy Czech. 183
The government also will push local products more
than they do now. 184
However, I think it will only apply to some product
segments 185
and not to all western brands. 186
Western brands all belong to these big multinationals 187
and they will stick it out come what may 188
but they have the money to wait. 189
190

++
KJSHUN
++++++
Retrieval for this document: 3 units out of 164, = 1.8%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 155

------------ TEXT UNITS 156-158:

Price versus purchasing power, 156
as that relation will develop into a positive
direction western brands will be even more successful. 157
158

++
NESCZ
+++++
Retrieval for this document: 14 units out of 371, = 3.8%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* MAIN LIMITATIONS FOR WESTERN BRANDS 340

------------ TEXT UNITS 341-348:

Again I think it's purchasing power. 341

If people would earn more money they would buy more
western brands. 342
It's also the western brands themselves, 343
if they continue to apply global branding without
adaptation 344
and concern for the local market situation 345
they won't get very far. 346
Brands however global they may think they are need to
fit the local market 347
if they don't they are not successful. 348

----
* WESTERN BRANDS EVERYDAY PRODUCTS 350

------------ TEXT UNITS 354-359:

We have to aim to make our products everyday products 354
because we can not live making products for the happy
few. 355
We need the wide middle class of the society 356
to buy our products 357
but currently there is no real middle class in this
country 358
and we have to wait until it develops. 359

++
NESHUN
++++++
Retrieval for this document: 1 unit out of 221, = 0.45%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

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* MAIN LIMITATIONS FOR WESTERN BRANDS 184

------------ TEXT UNITS 185-185:

Price is the main limitation. 185

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PEPPL
+++++
Retrieval for this document: 3 units out of 323, = 0.93%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 309

------------ TEXT UNITS 310-312:

Buying power is the most important limitation. 310
Western brands will always be perceived as expensive 311
so if you have a discount concept it may end up
looking more expensive because it is western than it
is in reality. 312

++

PGCZ
++++
Retrieval for this document: 1 unit out of 264, = 0.38%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

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* MAIN LIMITATIONS FOR WESTERN BRANDS 258

------------ TEXT UNITS 259-259:

Only price. 259

+++
PGHUN
+++++
Retrieval for this document: 197 units out of 258, = 76%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----
*DISTRIBUTION 40

------------ TEXT UNITS 52-248:

52

* CHANGES IN RETAIL INFRA STRUCTURE: 53

Trade has changed a lot. 54
At the beginning there was a regional organisation 55
and there was a sate owned wholesaler for each county. 56
Now there is total confusion with wholesalers, state owned and private, stores in private ownership and state owned. 57
Currently we see an explosion of retailing outlets. 58
I guess that with the big retailers from the west moving in 59
we will see a concentration process in the future 60
but that has not yet started. 61
Our research shows amazing figures of how many new small retail outlets have opened during the last 2 years. 62
Retailers have not yet grasped a western style profit concept 63
and it will take some time before they adopt western style methods. 64
65

* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 66

Different manufacturers use different formulations and different technology. 67
Different detergents are good at different stains 68
and therefore they are different in terms of performance 69
but similar in terms of quality. 70

Every now and then one competitor has an edge here or there
but most of the time it is all very level.

* PRODUCT DIFFERENCE TO LOCAL COMPETITORS

When we started the performance difference was huge.
Since then local brands have been upgraded several times
and the gap diminishes.

* WESTERN BRAND WHICH FAILED

Failing is a hard word.
I can't see any big failures.
The only one which was a failure in my book is Persil Supra.
I think it's a failure because people here see value for money directly related to weight and size.
They buy big boxes and think they have more for their money than buying a small box with concentrate.
It is not yet possible to make clear to them that the small box is just as effective and worth its money than the big box.
The failure occurred because the market wasn't ready yet for that kind of product.

* MARKET READINESS

Oh yes the market was ready,
consumers were almost waiting for a western style detergents.
When we introduced Ariel the local brands were of very low quality
and the difference was huge.

* DIFFICULTY OF THE MARKET

You can't really project the economic development of a market like Hungary
and the direction developments go
so that makes it difficult from my point of view.

* PROBLEMS AT INTRODUCTION

In the pharmaceutical area of our company the licensing process is very difficult and lengthy
but apart from that I can't think of any particular problems we had.
Distribution was a big challenge but not a problem.

* MAIN MARKETING TOOLS

Like anywhere else in the world mainly TV advertising
some press

and posters. 107
We also do increasingly sales promotion 108
but still at a lower level compared to a western
market. 109
Sampling we do with hygiene products 110
but not with detergents and cleaners. 111
112

* PRODUCT 113

Detergents are imported so they have the quality
which is produced at our regional facilities. 114
The products we make here are made to our formulas
and with our global policies 115
I don't think they differ from those produced
anywhere else in the world. 116
We localise only the packaging 117
because of local regulations. 118
That P&G localises a product in its formulation is
very very rare across the world. 119
On most packaging we now have local languages. 120

* ADVERTISING 121

We use international campaigns as well as developing
our own. 122
It depends on the product. 123
Whatever exists and seems to be good for the market
we use 124
but if we can't find anything suitable we may
re-shoot or re-do a commercials. 125
A lot of advertising we do is testimonials and they
have to be re-done by definition 126
because only if the consumer can clearly identify
with the testimonial it makes sense. 127
For our re-shoots we use western scripts and just use
local actors or people. 128

* PRICING 129

Prices are determined by our costs 130
and the margin we have to achieve 131
so there is not much scope for adaptations. 132

* BRAND 133

Our brands are not adapted 134
and they stand mostly for the same values as in
western markets. 135
We have our international brands at the same
positions as in other markets. 136
The positions we have have transferred very well into
this market if I refer to our main brands like Ariel. 137

*RANGE 138

We have a much more restricted range of products in
this market. 139
We want to concentrate on some of our brands 140
and when they are very well established 141
we may introduce more brands. 142

143

* ADVANTAGES OF BEING FIRST 144

One of the advantages was that when we introduced Ariel the difference in performance was huge 145
and the performance of Ariel looked all the better 146
because of the poor performance of local brands. 147
I don't think we had that much of an advantage in the categories which we pioneered 148
because our competitors would follow quickly with their products into these categories. 149
The time between our introduction and the competition was too short to gain any real advantage. 150
151

* IMPORTANCE OF BEING FIRST 152

We pioneered a lot of product categories 153
and for us it is quite important to be early. 154
In general I wouldn't know whether P&G wants to be the pioneer 155
but we are definitively trying to be early. 156
But being early or not is only the start 157
we are in a market for the long term 158
and we are not so much interested in short term gains 159
but in long term perspectives. 160
161

*LOCAL MANUFACTURING 162

We don't have any detergent manufacturing here in Hungary. 163
We have a regional sourcing strategy, 164
which means that we produce detergents for the region in the Czech Republic 165
and we supply the region with paper products from Hungary. 166
Currently we are not restricted by any quota system or restrictive customs policies 167
so we can import whatever we want. 168
169

* TAKE OVERS OF LOCAL BRANDS 170

We don't have any local detergent brands 171
but we import a Czech brand TIX 172
which is positioned in a medium price segment. 173
At the beginning we were quite concerned whether a Czech brand would take off in Hungary 174
particularly because of the Czech language on the packaging 175
but I think that people are quite easy going about it. 176
177

* BENEFITS OF LONG TRADITION IN THE MARKET 178

As far as I know Ariel was not sold in hard currency stores. 179
Some Ariel was around 180
but it must have been private imports on a very small

basis. I don't think that you could talk of a presence in the market. I don't think there was any kind of advantage in that. The name was known from advertising in Austria and Germany through media spill overs. The media spill overs were quite important in the beginning. However, the importance and the influence of the spill over effect are not visible in any market research because there is very little research from that time, it is mainly common sense.

* DISADVANTAGES OF BEING FIRST

It's not worth it if the risk involved is too high. Although I don't see a risk which is special to eastern Europe, countries are moving to westernisation and politics have become relatively stable. But in my position risk evaluation is not part of the job.

* DISADVANTAGE OF BEING LATE

Henkel and Lever have a big advantage because of the local brands they took over. This is very difficult for us to match because they have practically bought the major share of the detergents market.

* CONTROL OF SCARCE ASSETS

I don't think that any competitor controlled or controls anything which is of importance to us.

* MAKE UP LOST GROUND

By excellent marketing and by doing things better than our competition. The quality of our products as well as the quality of our advertising. I think that we were able to make up for most disadvantages and that we levelled the playing field in many respects.

* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY

Western brands have only captured a limited part of the market. The brand names stand for western quality which is regarded as very high. The image and the reputation are important but prices are also taken into consideration.

I don't think that local brands still have the
negative connotation 216
they used to have 217
because many of them have been upgraded and their
quality has improved. 218
219

*WESTERN BRANDS EVERYDAY PRODUCTS 220

I think that many consumers would like to buy western
brands everyday 221
but only few can afford that. 222
Most of the Hungarian consumers can't afford western
brands in their every day life 223
so they buy them and keep them for special occasions. 224
225

* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

There have been political tendencies recently towards
buy local campaigns 227
but that has not had a great impact. 228
I think that the general attitude towards western
brands has changed as the products have changed. 229
Local brands which were very bad in former times were
not very well regarded for a long time 230
but since they have been improved their reputation
grows. 231
In the beginning people may have been more
enthusiastic about western brands 232
but people still like western brands. 233
234

* BRAND LOYALTY 235

Consumers here are not very loyal. 236
You find a lot of cross usage 237
and people buy a different brand every time they shop. 238
In detergents people may have two or three different
detergents at home 239
using the one they think is most appropriate for the
clothes they are washing. 240
I think this behaviour is mainly a result of the
economic situation 241
because people can't afford to be loyal to just one
brand without trying all others at one time. 242
243

* MAIN LIMITATIONS FOR WESTERN BRANDS 244

The main limitation lies in their pricing. 245
Consumers here are not thinking in value terms 246
they are thinking in price terms. 247
This means that western brands are always in a bad
position 248

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STOLHUN
+++++++
Retrieval for this document: 4 units out of 266, = 1.5%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

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* MAIN LIMITATIONS FOR WESTERN BRANDS 243

------------ TEXT UNITS 244-247:

Western brands will according to my prognosis never reach a market share of more than 20 - 25% here in Hungary. 244
They are loosing out quickly currently 245
partly because of the price policy 246
and partly because of the improved local brands. 247

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UNLCZ
+++++
Retrieval for this document: 4 units out of 285, = 1.4%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* MAIN LIMITATIONS FOR WESTERN BRANDS 256

------------ TEXT UNITS 257-260:

Purchasing power is the main limitation. 257
If people would be able to spend more they would buy more western brands. 258
People can't afford too many western products 259
and if the price was different it would be easier. 260

++
UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* MAIN LIMITATIONS FOR WESTERN BRANDS 165

------------ TEXT UNITS 166-167:

Price and 166
too high quality. 167

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UNLPL
+++++
Retrieval for this document: 3 units out of 268, = 1.1%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 257

------------ TEXT UNITS 258-260:

Western brands are too expensive. 258
If the brands were cheaper they would sell better, 259
as they are not this is their main limitation. 260

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Total number of text units retrieved = 277
Retrievals in 18 out of 19 documents, = 95%.
The documents with retrievals have a total of 5180 text units,
so text units retrieved in these documents = 5.3%.
All documents have a total of 5487 text units,
so text units found in these documents = 5.0%.

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(23) /Attitude to Brands
****

TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

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(23 1)   /Attitude to Brands/Western
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TEXT IN ALL DOCUMENTS:

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CCPL
++++
Retrieval for this document: 10 units out of 439, = 2.3%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* MAIN MARKETING TOOLS 100

------------ TEXT UNITS 107-109:

We now also use consumer promotions 107
in order go get people to try the product 108
and increase its acceptability. 109

----
* BRAND 148

------------ TEXT UNITS 151-152:

However a can of Coke is something more special here
than it is in the USA for example. 151
152

----
*CHANGES IN CONSUMER BEHAVIOUR 197

------------ TEXT UNITS 220-222:

When you go into a supermarket and look into trolleys
you see people buy 1 bottle of Coke and 5 bottles of
a local B brand. 220
They use Coke when they have guests or a party 221
and when they are alone they drink the local brand. 222

----
* DISTRIBUTION 368

------------ TEXT UNITS 371-372:

We have such a good reputation as a company 371
that we even have University graduates driving our
delivery trucks. 372

+++
COLPL
+++++
Retrieval for this document: 22 units out of 453, = 4.9%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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*ADVERTISING 111

------------ TEXT UNITS 120-124:

Polish are very critical on advertising 120
and they don't like western ads with lip synch. 121
However their TV consists only of films with the
worst voice overs you have ever listened to, 122
one person reading all roles and you still hear the
English language in the background. 123
They are very critical and they recall elements of
spots I don't even remember. 124

----
* WESTERN BRAND WHICH FAILED 162

------------ TEXT UNITS 168-169:

Procter and Gamble may have used an approach with too
much and too strong advertising. 168
It reminded people of communist style propaganda. 169

----
*CHANGES IN CONSUMER BEHAVIOUR 184

------------ TEXT UNITS 185-187:

People build up a lot of knowledge about the products. 185
I think they all discover that western products may
be better 186
but the price difference is not really justified. 187

----
* BRAND LOYALTY 424

------------ TEXT UNITS 426-432:

What we know from our research is that Polish
consumers try try and try again. 426
They are still in the trial phase and 427
they attribute ingredients from Procter to our
toothpaste and attribute Lever's with our
characteristics. 428
This means they rate western brands as very high
quality 429
even overrate the abilities of the products 430
but they can not yet distinguish clearly between the
individual western brands. 431
Everything that is new is tried by the consumer. 432

------------ TEXT UNITS 436-438:

You advertise and re-launch again and again 436
so that the consumers try again and again 437
and you hope that some day they stick with your
product. 438

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 440

------------ TEXT UNITS 441-442:

Consumers are very critical. 441
They really check if a western brand is delivering
its performance. 442

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DEHUN
+++++
Retrieval for this document: 23 units out of 307, = 7.5%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* KEY LEARNINGS FROM HUNGARY 28

------------ TEXT UNITS 34-35:

I think what is also appreciated is that we are
international 34
and not a German or Austrian cultured company. 35

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 243

------------ TEXT UNITS 252-257:

Our competitors thought that when they came in that
the fact that their brands were western would give
them an advantage. 252
That was not the case because Hungarians were already
fed up with all the junk which came into their market
with an American flag on 253
so they were much more sceptical of imported products
at the time than they were towards their local brands. 254
At the beginning the American flag and the Uncle Sam
image were totally exploited in sticking it on every
rubbish 255
which then sold because of the fact that it was
supposed to be American, 256
but people realised this very quickly and became
critical and sceptical. 257

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 259

------------ TEXT UNITS 260-272:

People became quality conscious quickly 260
because you must not forget that 5 years ago there
was no commercial exploitation whatsoever 261
and in this very short span of time the Hungarians
went through all this. 262
First they are flooded with all these commercial
messages 263
and then they get all the rubbish from all over the
world 264
and now they are more careful. 265
In order to convince consumers you have to do so much
more 266
because people are so sceptical these days 267

and buy so selective. 268
The world around the consumer has changed so much during the last 3 years 269
so that they are now very selective in what they take on and what not. 270
All companies together are wasting an incredible amount of money on advertising 271
because we are all fighting for this tiny amount of money people have left over of their income. 272

----

* THE FUTURE OF BRANDS IN HUNGARY 282

------------ TEXT UNITS 295-296:

We have to be more creative in convincing customers that there is something more about our coffee than to other coffees 295
and it has to be tangible and not only hype. 296

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HENHUN
++++++
Retrieval for this document: 2 units out of 381, = 0.52%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* ADVERTISING 152

------------ TEXT UNITS 155-156:

We have also used some international campaigns here as well 155
but they are not as well received as those we produce here. 156

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HENPL
+++++
Retrieval for this document: 17 units out of 328, = 5.2%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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*CHANGES IN CONSUMER BEHAVIOUR 158

------------ TEXT UNITS 159-164:

People are keen on everything new, as described about the retailers, 159
whatever is new or re-launched or improved or re-designed attracts a lot attention. 160
Everybody wants only the latest product. 161
People like to buy western brands 162
but at the same time they look for added values 163
and compare prices. 164

----

* BLACK/GREY MARKETS 267

------------ TEXT UNITS 268-275:

In our business these markets are quite important 268
because we find many products which have been
smuggled into Poland 269
which means they are sold at prices which are under
our wholesale price. 270
The problem with that is that we have no control over
the quality 271
and if, what happens quite frequently, 272
we find out of date stock on black markets it damages
our image and our brand. 273
Currently there is only little which can be done 274
but it affects all manufacturers not only us. 275

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 286

------------ TEXT UNITS 287-289:

Western products are still something special for the
average Polish consumers. 287
Western brands stand for solid quality and superior
performance. 288
Whenever they deliver that, people accept higher
prices, if they fail to deliver they have no chance
in the long run. 289

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JJCZ
++++
Retrieval for this document: 12 units out of 317, = 3.8%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN THE CZECH
REPUBLIC 260

------------ TEXT UNITS 261-264:

They are important, yes. 261
They do carry some weight, 262
but it is dangerous to assume that allows you to do
everything price-wise. 263
People are very sceptic in terms of quality and price. 264

----
* WESTERN BANDS EVERYDAY PRODUCTS 295

------------ TEXT UNITS 296-303:

Not yet. 296
Right now, our research shows, that they use our
products on an occasional basis. 297
Some of our products are very popular gift items. 298
Our products remain something extra special 299
and have not entered everyday life routine. 300

This is partly a price thing 301
because of the out of pocket costs in comparison to
local brands 302
but it is also an attitude thing with western brands
still being something of a luxury. 303

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JJPL
++++
Retrieval for this document: 4 units out of 223, = 1.8%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 162

------------ TEXT UNITS 166-167:

What you hope to be able to with your brand is to
develop a consumer trust that they believe they will
receive what you promise to deliver. 166
One thing is certain that a lot more research and
development has gone into western brands than has
gone into local brands. 167

----
* HOW DO BRAND NAMES INFLUENCE CONSUMERS? 169

------------ TEXT UNITS 170-171:

I don't think that the average Polish consumer has
sufficient disposable income to buy products just
because of their image, 170
maybe in 10 years time they will but now, no. 171

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KJSCZ
+++++
Retrieval for this document: 6 units out of 203, = 3.0%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 54

------------ TEXT UNITS 61-62:

However, quality perception of consumers is quite a
different thing 61
and difficult to evaluate. 62

----
* BRAND 107

------------ TEXT UNITS 108-109:

I think that Milka here is something more special
than in Germany or France. 108

However, we try to establish it as a premium high
quality chocolate. 109

----
* WESTERN BRANDS EVERYDAY PRODUCTS 191

------------ TEXT UNITS 192-193:

Western products remain special for most Czech
consumers. 192
The people have not yet adapted western products as
their every day products. 193

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KJSHUN
++++++
Retrieval for this document: 12 units out of 164, = 7.3%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 133

------------ TEXT UNITS 134-138:

The importance of western brands is still increasing
overall 134
because most.local brands are now owned by western
companies 135
and consumers remain open to western concepts, 136
they have this view that they are per se positive. 137
It is the task of international companies to develop
local brands to target price sensitive consumers. 138

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 140

------------ TEXT UNITS 141-147:

Until 2 years after the market opened people were
almost dying to get western brands 141
but that has now changed 142
and people are much more buying local brands now than
they used to. 143
However, they keep in touch with western brands 144
and still try new ones 145
as well as buying occasionally western. 146
147

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NESCZ
+++++
Retrieval for this document: 17 units out of 371, = 4.6%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN THE CZECH

REPUBLIC 300

------------ TEXT UNITS 301-307:

I think that Czech consumers are familiar with a lot
of western brand names. 301
I don't think however, that it is the brand name
alone which makes them buy a certain product. 302
People appreciate western brands 303
and they are still status symbols. 304
Advertising has worked well in these countries 305
so people have adapted well to brands 306
and their images. 307

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 309

------------ TEXT UNITS 314-319:

When you go into the supermarkets you see a lot of
western brands on the shelves and in the trolleys. 314
Czech people become a bit more nationalistic 315
but we don't feel it in our sales. 316
It is understandable that people swing back 317
from products which were developed for western
lifestyles 318
but as a general tendency western brands are still
very popular. 319

----
* WESTERN BRANDS EVERYDAY PRODUCTS 350

------------ TEXT UNITS 351-354:

Not yet, as the consumers have to buy local products
for money reasons 351
they have to leave the western brands for special
occasions or as a treat. 352
It's also very popular to use western brands as gifts. 353
We have to aim to make our products everyday products 354

+++
PEPPL
+++++
Retrieval for this document: 10 units out of 323, = 3.1%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

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* BRAND NAMES INFLUENCE CONSUMERS? 274

------------ TEXT UNITS 275-280:

It may not be true for our products but you find
people using a western brand packaging and refill it
with local products. 275
This means they react strongly to the brand 276
but they can't afford to continue buying it 277
so their commitment is not 100%. 278
It could also be that the commitment is only to the

brand 279
but not the product behind the brand. 280

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 289

------------ TEXT UNITS 297-300:

Meat and dairy products were the first to experience
a strong swing back to local products. 297
Nowadays they are more open in all directions 298
which means they will consider Polish products as
well as western 299
and try to figure out which one gives them the better
deal. 300

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PGCZ
++++
Retrieval for this document: 7 units out of 264, = 2.7%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

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* HOW DO BRAND NAMES INFLUENCE CONSUMERS? 222

------------ TEXT UNITS 223-224:

You appeal to their pride 223
and it is only the question which sort of brand fits
their current mood western or Czech. 224

----
* WESTERN PREMIUM BRANDS - EVERYDAY LIFE OBJECTS? 226

------------ TEXT UNITS 227-231:

For some up-scale consumers yes. 227
For the majority of people on an occasional basis. 228
With Ariel you find people using it for special
clothes 229
or on special stains 230
besides a local product. 231

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PGHUN
+++++
Retrieval for this document: 6 units out of 258, = 2.3%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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*WESTERN BRANDS EVERYDAY PRODUCTS 220

------------ TEXT UNITS 221-224:

I think that many consumers would like to buy western

brands everyday 221
but only few can afford that. 222
Most of the Hungarian consumers can't afford western brands in their every day life 223
so they buy them and keep them for special occasions. 224

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 232-233:

In the beginning people may have been more enthusiastic about western brands 232
but people still like western brands. 233

+++
STOLHUN
+++++++
Retrieval for this document: 4 units out of 266, = 1.5%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----
* CONSUMER BEHAVIOUR 226

------------ TEXT UNITS 227-228:

The consumer who has the choice between our premium brand Alpia and our local brand Tibi buys three times as often Tibi than Alpia. 227
With Bocia you find that they buy 5 or 6 times as often Bocia compared to Nestle. 228

----
* EVERYDAY PRODUCTS 236

------------ TEXT UNITS 238-239:

Compared to the west we are all much more expensive in real terms 238
which makes it very difficult for local consumers to afford our products. 239

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UNLCZ
+++++
Retrieval for this document: 8 units out of 285, = 2.8%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* HOW DO BRAND NAMES INFLUENCE CONSUMERS? 221

------------ TEXT UNITS 222-223:

I often wonder how Czech people manage to buy western brands from their relatively small income. 222
They see it on TV and they want to buy it. 223

----

* WESTERN PREMIUM BRANDS - EVERYDAY LIFE OBJECTS? 225

------------ TEXT UNITS 226-231:

Not really, because our products are within the
premium segment 226
so they use it for special clothes 227
or on special occasions. 228
The majority of people does not use it as everyday
products. 229
It still is the treat for special occasion. 230
They buy x number of Czech products and as a
supplement a western brand which they use only every
now and then. 231

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UNLHUN

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Retrieval for this document: 2 units out of 175, = 1.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 161

------------ TEXT UNITS 162-163:

There is a problem of generations being in conflict
with each other here in Hungary. You have the older
generation which is mainly employed in old state
owned companies who are paying very little. They
often can not afford western brands. The younger
generation is able to get much better jobs which are
better paid and with their western outlook and
orientation they are buying western brands. This has
produced a considerable gap between the two and this
is widening which may well lead to conflicts in the
future. This is a point which has to be taken into
account in the marketing not only in Hungary but in
Central and Eastern Europe in general. 162
Furthermore you have lessons learned in what was East
Germany where you had the initial euphoria when the
wall came down and then a growing opposition to west
brands and finally a state of disillusion. All this
happens here just as well. People find that change
takes too long and that changes have not such an
immediate effect on their own standards of living so
that they loose the initial euphoria. This is one of
the reasons why I said that local brands will be the
better bet in the long term. 163

+++

UNLPL

+++++

Retrieval for this document: 4 units out of 268, = 1.5%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* BRAND NAMES INFLUENCE CONSUMERS? 226

------------ TEXT UNITS 227-230:

People are paying more money because of brand names. 227
Consumers also buy western brands to show off. 228
They would serve Coca Cola to their guests while they
drink the local cola when they are on their own. 229
Western brands are still a status symbol. 230

++
Total number of text units retrieved = 166
Retrievals in 17 out of 19 documents, = 89%.
The documents with retrievals have a total of 5025 text
units,
so text units retrieved in these documents = 3.3%.
All documents have a total of 5487 text units,
so text units found in these documents = 3.0%.

****

(23 1 1) /Attitude to Brands/Western/Changes
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TEXT IN ALL DOCUMENTS:

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BDFCZ
+++++
Retrieval for this document: 5 units out of 241, = 2.1%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 200

------------ TEXT UNITS 201-203:

I see a change in recent months 201
which is away from western brands 202
back towards local brands. 203

------------ TEXT UNITS 210-211:

One has to add that many of the local brands are now
owned by western companies 210
but they are still more local than the western brands. 211

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CCPL
++++
Retrieval for this document: 39 units out of 439, = 8.9%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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*CHANGES IN CONSUMER BEHAVIOUR 197

------------ TEXT UNITS 198-222:

Consumer behaviour has changed dramatically over the
last two years. 198
In the beginning when the market opened up consumer
were overwhelmed by the choice 199
and extremely curious 200
because suddenly everything was available. 201
They bought things for their image 202
and tried products they thought were representing
western lifestyle. 203
Now after 1.5 or 2 years things look different. 204
People have tried a lot of western products 205
and they experienced that they are not as good as
they expected them to be. 206
This is because of two errors. 207
One is a marketing error on behalf of the companies
who promised things they could not deliver 208
and the second is the expectation error on the side
of the consumers 209
who expected too much from western products. 210
This all resulted in a certain feeling of frustration

on the part of the consumer. 211
Suddenly people see that western brands and products
are imported 212
and local manufacturers have to close down 213
and they realise that they are damaging their own
economy. 214
Furthermore with an inflation rate of 35% pa 215
the disposable income went down 216
and real term prices went up. 217
The resulting changes in consumer behaviour is that
people look at their local brands 218
and are more critical of western products. 219
When you go into a supermarket and look into trolleys
you see people buy 1 bottle of Coke and 5 bottles of
a local B brand. 220
They use Coke when they have guests or a party 221
and when they are alone they drink the local brand. 222

----
* BRAND NAMES INFLUENCE CONSUMERS? 385

------------ TEXT UNITS 386-387:

Consumers have learned in a very short time span that
brands stand for something. 386
Some can identify with some messages and images
others not. 387

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 407

------------ TEXT UNITS 408-419:

Consumers have become much more critical. 408
When western brands were first sold people would buy
them just because they were western 409
this is over now 410
and people compare products 411
and also think whether the western brand is really
worth the money. 412
Cases in which imports from western brands consisted
of products which were past their sell by dates
certainly didn't help the attitude towards western
brands in general 413
and all incidences got well publicised 414
and ruined some companies' image. 415
Polish consumers want to be treated as good as they
think western consumers are treated 416
and not different. 417
They are almost allergic to be patronised. 418
419

++
COLPL
+++++
Retrieval for this document: 9 units out of 453, = 2.0%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

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*CHANGES IN CONSUMER BEHAVIOUR 184

------------ TEXT UNITS 185-189:

People build up a lot of knowledge about the products. 185
I think they all discover that western products may
be better 186
but the price difference is not really justified. 187
This is the most important change I can see. 188
Consumers are very critical based on their knowledge. 189

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 440

------------ TEXT UNITS 441-444:

Consumers are very critical. 441
They really check if a western brand is delivering
its performance. 442
You see a change in attitude towards labelling 443
which they now expect to be in Polish. 444

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DEHUN
+++++
Retrieval for this document: 8 units out of 307, = 2.6%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 259

------------ TEXT UNITS 263-270:

First they are flooded with all these commercial
messages 263
and then they get all the rubbish from all over the
world 264
and now they are more careful. 265
In order to convince consumers you have to do so much
more 266
because people are so sceptical these days 267
and buy so selective. 268
The world around the consumer has changed so much
during the last 3 years 269
so that they are now very selective in what they take
on and what not. 270

++
HENHUN
++++++
Retrieval for this document: 18 units out of 381, = 4.7%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 264

------------ TEXT UNITS 265-277:

Consumers have become disillusioned over time. 265
Consumers have noticed that western brands look
better 266
but do not perform that much better. 267
You could say they are back on the grounds of reality 268
after a flight in fantasy 269
of what they thought western brands would be or do. 270
You have to see that the brands on the lower price
levels, which have been taken over by western
companies, are up-graded and re-launched all the time, 271
so they increase the pressure from the bottom. 272
At the top of the range you find new western brands
all the time 273
and the gap between western premium brands and local
brands shrinks all the time 274
and the motivation to buy a western brand diminishes 275
because the local brands can now offer a performance
which was initially only offered by western brands, 276
but they do it at a much better price. 277

----
* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 291-295:

The pricing of western brands is similar to western
markets 291
so in local currency you have enormous prices 292
and in compared purchasing power you price at a level
which is a multitude of the western level. 293
This results in a much higher purchasing risk 294
but also in a much higher expectation. 295

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HENPL
+++++
Retrieval for this document: 12 units out of 328, = 3.7%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 309

------------ TEXT UNITS 310-317:

Polish consumers like western brands 310
but they have become more critical. 311
They want to get the same quality as in western
markets 312
and if they find multi language text in some central
European languages plus Russian you find they
consider this a special, meaning lower, quality made
for these markets. 313
Many Polish consumers had bad experiences with
western companies dumping old and out of date stock
onto the market 314
which lead to a negative reaction of press and media 315
which made consumers more alert and careful. 316

317

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* MAIN LIMITATIONS FOR WESTERN BRANDS 318

------------ TEXT UNITS 321-324:

The trend back to local brands benefits those which
are now western owned 321
but hurts those which are western premium. 322
I imagine this is only a trend which will fade 323
but currently it makes many people nervous. 324

+++
JJCZ
++++
Retrieval for this document: 11 units out of 317, = 3.5%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 266

------------ TEXT UNITS 267-274:

There is an attitude and I would called it a mixed
attitude. 267
In some ways there is a lot of respect for western
brands, 268
but in general they are sceptic 269
and suspect that you are asking too much money for
what you offer. 270
They also wonder what is the big difference between
that local brand 271
which may cost only a fraction of the western product
and the western brand. 272
If anything this scepticism has increased during the
last two years 273
because of the ever-growing number of brands
available. 274

----

*CHANGES IN CONSUMER BEHAVIOUR 276

------------ TEXT UNITS 277-279:

Czech consumers are quite sceptical to pay extra for
western brands. 277
Once they have tried our products they see for
themselves that the quality difference is huge
compared to the relatively little difference in price. 278
On an item by item basis consumers judge whether it
is worth it or not to buy the western brand. 279

+++
JJPL
++++
Retrieval for this document: 12 units out of 223, = 5.4%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* CHANGES IN CONSUMER BEHAVIOUR 80

------------ TEXT UNITS 81-83:

Consumers have become more critical 81
and they don't just buy western brands anymore
because they are western. 82
Western brands have to deliver added values and
relevant benefits more than ever. 83

----

* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 189

------------ TEXT UNITS 190-196:

I understand from our research it is changing. 190
Local brands are coming back 191
and consumers are being loyal to their local products. 192
Marketers have made promises which the products
couldn't hold. 193
Consumers have become more sceptical 194
with which they treat the communication and the
western brands. 195
Advertising is now sometimes compared with propaganda
of the old days. 196

----

* THE FUTURE OF BRANDS IN POLAND 211

------------ TEXT UNITS 212-213:

The market has become more crowded with many more
competitors 212
and at the same time people have lost their
enthusiasm for western brands 213

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KJSCZ
+++++
Retrieval for this document: 20 units out of 203, = 9.9%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN THE CZECH
REPUBLIC 154

------------ TEXT UNITS 155-158:

I would say they were very important 155
and particularly after the revolution in 1991 156
but since then it has changed 157
and the fact that products are western brands is not
anymore as important as it used to be. 158

----

* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 160

------------ TEXT UNITS 161-174:

In the early days everybody wanted to try western
brands 161
and it was a whole new experience to try western
brands 162
and to be able to buy them because it was almost
prohibited all the time before. 163
Products at that time were not all too beautiful 164
and western brands were really something important
and fascinating. 165
People now tend to return to their local brands 166
because of the economic situation 167
but also because of pride in their own products. 168
Some of the local brands are much better than western
brands and much cheaper. 169
I would say that most people still want to try
western brands 170
but they now look to local brands as well and they
compare. 171
Local brands are also perceived as 'our' brands 172
and western brands as 'not ours'. 173
174

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 195

------------ TEXT UNITS 198-199:

Being western was an advantage until now, 198
it may be a disadvantage in the future. 199

++
NESCZ
+++++
Retrieval for this document: 5 units out of 371, = 1.3%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* MAIN MARKETING TOOLS 146

------------ TEXT UNITS 166-170:

People are getting more and more sceptic about TV
advertising 166
in a healthy way they argue how realistic the claims
are 167
and they doubt many claims. 168
I think this is a positive development 169
demonstrating more familiarity with the advertising
media. 170

++
NESHUN
++++++
Retrieval for this document: 3 units out of 221, = 1.4%

----
* NESTLE HUNGARY, 23.6.1994, INDUSTRY: COFFEE/CONFECTIONERY

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 157

------------ TEXT UNITS 158-159:

In the first step consumers were very willing to try
and buy. 158
Now there is a big turn back to the local products in
many markets. 159

------------ TEXT UNITS 168-168:

They have realised that there is no need anymore to
buy foreign for the sake of it. 168

+++
PEPPL
+++++
Retrieval for this document: 13 units out of 323, = 4.0%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
*CHANGES IN CONSUMER BEHAVIOUR 169

------------ TEXT UNITS 170-171:

Consumer have less money to spend and more choice. 170
They choose more carefully and think whether the
added investment gives added value. 171

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 289

------------ TEXT UNITS 290-300:

Western brands used to be on a pedestal. 290
You could observe a sort of life cycle in consumer
attitudes towards western brands. 291
They started of as being something sent straight down
from heavens. 292
Then they became widely available 293
and people tried them out 294
and were confronted with a reality which was not as
glorious as they expected. 295
So they started to see that Polish brands were not so
bad after all. 296
Meat and dairy products were the first to experience
a strong swing back to local products. 297
Nowadays they are more open in all directions 298
which means they will consider Polish products as
well as western 299
and try to figure out which one gives them the better
deal. 300

+++

PGCZ
++++
Retrieval for this document: 4 units out of 264, = 1.5%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 242

------------ TEXT UNITS 246-249:

Western brands were very fashionable initially, 246
because local products were quite bad in packaging
and quality. 247
As local products have been improved significantly
people can and do feel proud of them 248
and that means a reversed trend. 249

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PGHUN
+++++
Retrieval for this document: 1 unit out of 258, = 0.39%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 229-229:

I think that the general attitude towards western
brands has changed as the products have changed. 229

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STOLHUN
+++++++
Retrieval for this document: 8 units out of 266, = 3.0%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 216

------------ TEXT UNITS 217-224:

The borderless acceptance and admiration of western
brands has stopped 217
and given way to a critical evaluation regarding
price, appearance and general acceptance. 218
Having lost the leading patterns of their socialist
lives 219
Hungarians search for new idols which have a
stability in their values. 220
The traditional Hungarian brands seem to have this
much more than the western brands. 221

This process is ongoing 222
and it will hold many surprises in the future for us
from the west. 223
It also does not only apply to Hungary but also to
Poland the Czech Republic Russia and all another
countries. 224

++
UNLCZ
+++++
Retrieval for this document: 13 units out of 285, = 4.6%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 241

------------ TEXT UNITS 242-254:

Changes are definitely taking place. 242
Initially everybody tried to buy western brands 243
which they had seen somewhere in an Otto catalogue
for example. 244
But now it is changing a little bit, 245
not very strongly, 246
towards Czech produced products. 247
Western products probably still have an advantage 248
but it is less than it was 249
and still narrows down. 250
Some people I would go as far that they are totally
against foreign products 251
because you pay for the advertising 252
and the profits go out of the country etc. 253
but a lot of people believe in western brands and
their quality. 254

++
UNLPL
+++++
Retrieval for this document: 10 units out of 268, = 3.7%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 241

------------ TEXT UNITS 242-247:

Western brands were something new when they first
arrived. 242
Everybody went crazy about western products and
brands in the beginning. 243
At the same time many western companies dumped old
products and seconds on the Polish market 244
this was disappointing for many consumers. 245
The attitude has changed to almost a negative
attitude now 246
because of the high prices and the quality which is
not always there. 247

------------ TEXT UNITS 252-255:

A lot of people are unhappy about the patronising
style of many western companies 252
in their advertising and marketing 253
and also in the way they buy out all of the best
Polish companies 254
and leave the bad ones behind to close down. 255

+++
Total number of text units retrieved = 191
Retrievals in 17 out of 19 documents, = 89%.
The documents with retrievals have a total of 5148 text
units,
so text units retrieved in these documents = 3.7%.
All documents have a total of 5487 text units,
so text units found in these documents = 3.5%.

****

****
TEXT IN ALL DOCUMENTS:

++
CCPL
++++
Retrieval for this document: 1 unit out of 439, = 0.23%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
*CHANGES IN CONSUMER BEHAVIOUR 197

------------ TEXT UNITS 220-220:

When you go into a supermarket and look into trolleys
you see people buy 1 bottle of Coke and 5 bottles of
a local B brand. 220

++
KJSCZ
+++++
Retrieval for this document: 3 units out of 203, = 1.5%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994, INDUSTRY: CONFECTIONERY

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 160

------------ TEXT UNITS 170-171:

I would say that most people still want to try
western brands 170
but they now look to local brands as well and they
compare. 171

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 182

------------ TEXT UNITS 183-183:

From the consumers point of view it is the fact that
many now want to buy Czech. 183

++
NESCZ
+++++
Retrieval for this document: 4 units out of 371, = 1.1%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 309

------------ TEXT UNITS 310-313:

I was amazed when I recently saw research which shows
a preference for Czech made products, 310
but I don't see it in real life. 311
This may be that some researchers totally misread the
public opinion 312
or those questioned were a hard core group of
protectionists. 313

+++
PGCZ
++++
Retrieval for this document: 11 units out of 264, = 4.2%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* HOW DO BRAND NAMES INFLUENCE CONSUMERS? 222

------------ TEXT UNITS 223-224:

You appeal to their pride 223
and it is only the question which sort of brand fits
their current mood western or Czech. 224

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 242

------------ TEXT UNITS 243-251:

Czech and Slovak people are extremely nationalistic 243
and the fact that the cheap brands are their local
brands will help them 244
but be a problem for western premium brands. 245
Western brands were very fashionable initially, 246
because local products were quite bad in packaging
and quality. 247
As local products have been improved significantly
people can and do feel proud of them 248
and that means a reversed trend. 249
People now seem to prefer to buy Czech 250
and a logo has been developed to give 'Made in Czech'
an identity which is easy to recognise. 251

+++
PGHUN
+++++
Retrieval for this document: 3 units out of 258, = 1.2%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 211

------------ TEXT UNITS 216-216:

I don't think that local brands still have the negative connotation 216

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 230-231:

Local brands which were very bad in former times were
not very well regarded for a long time 230
but since they have been improved their reputation
grows. 231

++
UNLPL
+++++
Retrieval for this document: 8 units out of 268, = 3.0%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
*CHANGES IN CONSUMER BEHAVIOUR 124

------------ TEXT UNITS 125-128:

Consumers go back to local products in many areas. 125
Especially in food they buy more local products than
a couple of months ago. 126
It is that western products are often too expensive
for Polish consumers 127
and after they have tried it they buy local products
again. 128

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 241

------------ TEXT UNITS 248-251:

Recently some Polish business men founded a movement
called 'Teraz Polska' 248
which gives recommendations to very high quality
products made in Poland. 249
People recognise the label 250
and many take a pride in these products and are proud
to buy them. 251

++
Total number of text units retrieved = 30
Retrievals in 6 out of 19 documents, = 32%.
The documents with retrievals have a total of 1803 text
units,
so text units retrieved in these documents = 1.7%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.55%.

****

(23 2 1) /Attitude to Brands/Local/Changes
****
TEXT IN ALL DOCUMENTS:

++
BDFCZ
+++++
Retrieval for this document: 11 units out of 241, = 4.6%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 200

------------ TEXT UNITS 201-211:

I see a change in recent months 201
which is away from western brands 202
back towards local brands. 203
Local brands have improved a lot 204
since western brands first entered the market. 205
Particularly their packaging 206
and also quality has improved 207
many also have now proper advertising 208
and that makes it easier for people to switch back to
local products. 209
One has to add that many of the local brands are now
owned by western companies 210
but they are still more local than the western brands. 211

++
CCPL
++++
Retrieval for this document: 2 units out of 439, = 0.46%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
*CHANGES IN CONSUMER BEHAVIOUR 197

------------ TEXT UNITS 218-219:

The resulting changes in consumer behaviour is that
people look at their local brands 218
and are more critical of western products. 219

++
NESHUN
++++++
Retrieval for this document: 10 units out of 221, = 4.5%

----
* NESTLE HUNGARY, 23.6.1994, INDUSTRY: COFFEE/CONFECTIONERY

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 157

------------ TEXT UNITS 159-168:

Now there is a big turn back to the local products in
many markets. 159
People realise that once local products have been
re-launched 160
in better quality 161
and better packaging 162
and with a strong corporate brand 163
they are well worth buying. 164
People understand that these products have been
produced in this country 165
and they are providing jobs for locals 166
and they offer good value for money. 167
They have realised that there is no need anymore to
buy foreign for the sake of it. 168

++
PGHUN
+++++
Retrieval for this document: 5 units out of 258, = 1.9%

----
* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 211

------------ TEXT UNITS 216-218:

I don't think that local brands still have the
negative connotation 216
they used to have 217
because many of them have been upgraded and their
quality has improved. 218

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 230-231:

Local brands which were very bad in former times were
not very well regarded for a long time 230
but since they have been improved their reputation
grows. 231

++
Total number of text units retrieved = 28
Retrievals in 4 out of 19 documents, = 21%.
The documents with retrievals have a total of 1159 text
units,
so text units retrieved in these documents = 2.4%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.51%.

****

(24) /Changing Brands
****

TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

****

(24 1)   /Changing Brands/Western
****

TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

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(24 1 1) /Changing Brands/Western/Results
****
TEXT IN ALL DOCUMENTS:

+++
HENPL
+++++
Retrieval for this document: 2 units out of 328, = 0.61%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 309

------------ TEXT UNITS 310-311:

Polish consumers like western brands 310
but they have become more critical. 311

+++
Total number of text units retrieved = 2
Retrievals in 1 out of 19 documents, = 5.3%.
The documents with retrievals have a total of 328 text units,
so text units retrieved in these documents = 0.61%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.04%.

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TEXT IN ALL DOCUMENTS:

+++
BDFCZ
+++++
Retrieval for this document: 8 units out of 241, = 3.3%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 200

------------ TEXT UNITS 204-211:

Local brands have improved a lot 204
since western brands first entered the market. 205
Particularly their packaging 206
and also quality has improved 207
many also have now proper advertising 208
and that makes it easier for people to switch back to
local products. 209
One has to add that many of the local brands are now
owned by western companies 210
but they are still more local than the western brands. 211

+++
CCPL
++++
Retrieval for this document: 6 units out of 439, = 1.4%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 374

------------ TEXT UNITS 381-383:

Local manufacturers now start to brand their products 381
and they learned quite quickly in some cases. 382
They realised how important branding is. 383

----
* THE FUTURE OF BRANDS IN POLAND 427

------------ TEXT UNITS 437-439:

I think the real surprises will be the local brands 437
which will gain in importance 438
and they may even overtake some western brands in the
future. 439

+++
COLPL
+++++
Retrieval for this document: 5 units out of 453, = 1.1%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* BRAND NAMES INFLUENCE CONSUMERS? 398

------------ TEXT UNITS 406-410:

The strategy of many companies is to acquire a local
brand with a local manufacturing base 406
and use that as a weapon to play with price and try
to get shares. 407
If you are able to manufacture at really low cost 408
you have a lot of opportunities to fight in the
market for share and positions 409
with a low selling price. 410

++
DEHUN
+++++
Retrieval for this document: 17 units out of 307, = 5.5%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* BRAND WHICH FAILED 132

------------ TEXT UNITS 140-142:

The re-launch was half-hearted 140
and they did nothing apart from changing the name 141
and the packaging of the product. 142

----
* PRODUCT 172

------------ TEXT UNITS 173-175:

We have improved the quality slightly 173
but kept very much to the taste it had 174
because that is what people like and what they want
when they buy Omnia. 175

----
* TAKE OVERS OF LOCAL BRANDS 199

------------ TEXT UNITS 200-210:

Omnia our main brand was for a long long time the
standard in Hungarian coffee. 200
You must not forget that we bought coffee brands not
just a factory. 201
The value for us was not that this company had a
couple of machines 202
but that it had a market 203
and that people recognised the name Omnia. 204
Omnia was the quality standard for almost 40 years 205
and everything else which was available was below
that quality. 206

With Omnia we experience that people just don't want anything else 207
even if you give them coffee which is really a lot better. 208
When we took over the company we had 1 person in sales, no marketing and 10 customers, 209
since then this changed quite dramatically. 210

+++
HENHUN
++++++
Retrieval for this document: 51 units out of 381, = 13%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* FORM OF ENTRY: 4

------------ TEXT UNITS 15-19:

The strategy in terms of brands was similar, 15
we started with working on local brands 16
before we introduced our international brands. 17
This was also risk avoidance in terms of allowing for mistakes to be made with local brands 18
which would be disastrous with our international brands. 19

----
* MAJOR COMPETITORS 46

------------ TEXT UNITS 47-47:

Most local competitors have been taken over by western multinationals. 47

----
* TAKE OVERS OF LOCAL BRANDS 210

------------ TEXT UNITS 211-214:

Many experts were quite wrong with their prophecies on the importance of local brands. 211
We made a good choice with our local brands 212
and we now have a great advantage from that. 213
214

----
* CHANGES IN THE GRID 279

------------ TEXT UNITS 285-287:

In the medium segment you will find more central European brands 285
which will be sold by western companies, 286
but only in these markets. 287

----
* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 296-298:

You don't fight with other international brands which
differ about 5% in price 296
but you are up against local brands 297
which cost only half of your product 298

----
* TAKE OVER OF LOCAL BRANDS 340

------------ TEXT UNITS 341-375:

We have done this very carefully 341
and the transition of our local brands was one of my
most important responsibilities. 342
We have taken over the brand Tommy in September 1993. 343
In upgrading the brand 344
we were very much aware and respected the tradition
and the history of the brand. 345
It had at the time 25 - 30% market share 346
and was market leader in the detergents sector. 347
We did not want to put all or western marketing know
how 348
into a slick western style re-launch 349
but we wanted to do it carefully 350
and over a longer period. 351
The current stage is already the second stage 352
and the first stage was much more basic 353
and a continuity of what this brand was before we
took it over. 354
During our time we up-graded the brand in all factors
of the marketing mix. 355
We designed new packaging, 356
developed new communication, 357
improved the quality 358
and increased the margin of the retailer and
wholesaler, 359
we also introduced POS materials 360
and increased prices very carefully. 361
We also reduced the range 362
and concentrated on the important products under this
brand 363
to focus on the best selling products. 364
The whole process was extremely delicate 365
but it taught us a lot on local brands 366
and consumers. 367
In our view we were very successful with Tommy. 368
Since we took it over the market share has grown
constantly every quarter 369
which is a very positive sign. 370
You have to remember that we increased our market
share despite the competition became harder all the
time. 371
At the time we took over Tommy 372
Lever did the same to Biopont and their other brands 373
and many more western brands were introduced 374
so we are quite proud on what we achieved. 375

++
JJCZ
++++

Retrieval for this document: 15 units out of 317, = 4.7%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* TAKE OVERS OF LOCAL BRANDS 191

------------ TEXT UNITS 192-206:

In the paper business you have Mölnlyke a Swedish
company who has bought a Czech company 192
and changed their brand to 'Libresse' 193
which is their brand throughout Europe. 194
In the transition they improved quality 195
but also they increased the price pretty
substantially 196
and then the market shares started to go down. 197
It has now stabilised but they went from about 25% of
the market down to around 15%. 198
'Hartman' from Germany took over a brand called
'Rico' 199
and they are still one of the best selling brands 200
but they kept some of the products at the low price
point 201
and at the low quality, 202
the same it always was, 203
but those are still selling the best for them. 204
They are now using that as a cash cow to support
their premium brand 205
which is of west European quality 206

++
KJSCZ
+++++
Retrieval for this document: 2 units out of 203, = 0.99%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 54

------------ TEXT UNITS 55-56:

Local confectionery products are made in a different
way 55
and with the brands we have taken over we maintain
these ways 56

++
KJSHUN
++++++
Retrieval for this document: 5 units out of 164, = 3.0%

----
* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----

* WESTERN BRAND WHICH FAILED 55

------------ TEXT UNITS 56-58:

I think Nestle's re-launch of the brand Franck was a
failure. 56
They took over the cheap coffee brand Zamat and
everybody knew this was cheap and nasty coffee. 57
They re-launched it under the brand name Franck which
is a very old but not very well known brand name,
made a lot of noise with promotions and advertising
and basically the content was still the same old
Zamat coffee only in a flashy new pack supported by
advertising and at a higher price. 58

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 133

------------ TEXT UNITS 134-135:

The importance of western brands is still increasing
overall 134
because most local brands are now owned by western
companies 135

++
NESCZ
+++++
Retrieval for this document: 5 units out of 371, = 1.3%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* TAKE OVERS OF LOCAL BRANDS 242

------------ TEXT UNITS 243-247:

We have taken over local brands 243
in all areas apart from instant coffee 244
which did not exist in former times in this market. 245
We upgraded and re-launched the local brands 246
but left them at a low price level. 247

++
NESHUN
++++++
Retrieval for this document: 28 units out of 221, = 13%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----
* TAKE OVER OF LOCAL BRANDS 187

------------ TEXT UNITS 188-215:

We took over the 'Zamat' coffee company. 188
'Zamat' was no brand name but the name of the factory. 189
We found that we still owned the 'Franck' brand from

a chance purchase after world war two. 190
It was by and large the biggest name in coffee all
over central Europe 191
between 1890 and 1940. 192
The Franck brand was the leader in all central
European markets. 193
The property of the company was nationalised in 1948 194
and they through out the brands 195
and it was turned into 'Zamat' coffee. 196
It was therefore a logic step for us to revamp the
brand which is almost 200 years old. 197
Older consumers still knew the brand 198
particularly those over 50 knew the brand very well. 199
The awareness was going down with the age of
respondents. 200
The last appearance of the brand was in the mid 50s
when they still had the name Franck on the packaging. 201
We were very successful in re-launching this brand 202
because we were able to stop the decline of the
market share to 15% of the market 203
and it has stayed there now for over 1 year. 204
Prior to the re-launch it was loosing ground fast. 205
The brand has stabilised and the volumes are going up 206
because the total market is going up. 207
We made a good brand out of a factory making cheap
and nasty coffee, 208
which was packed in awful brown paper bags 209
with only the factory name 'Zamat' printed on the
pack. 210
Out of nothing we built a range and a strong brand. 211
We revamped a brand which really means something to
Hungarians 212
and which is a real Hungarian brand 213
and not something which comes from Germany. 214
Our research shows that Franck is regarded as a 100%
Hungarian brand. 215

++
PGCZ
++++
Retrieval for this document: 11 units out of 264, = 4.2%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

----
* FORM OF ENTRY: 8

------------ TEXT UNITS 9-16:

We bought some of the big brands in each category. 9
In detergents we bought TIX which had 10%, another
one with 5% share, 10
the leader in dish washing liquid 11
and one of the biggest names in fabric softener. 12
We bought key detergents of this market, 13
the leading detergent was bought by Henkel, 14
and we also introduced our international premium
brands Ariel in 1991 15
and Vizir in 1992. 16

----
* CHANGES TO LOCAL PRODUCTS 31

------------ TEXT UNITS 32-33:

A big part of our plans was to change the formulation
and effectiveness of our local brands. 32
We have re-launched TIX and that has increased our
market share tremendously. 33

----
*CHANGES IN CONSUMER BEHAVIOUR 66

------------ TEXT UNITS 68-68:

As we keep improving the local brands and make them
better, 68

+++
STOLHUN
+++++++
Retrieval for this document: 9 units out of 266, = 3.4%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* PRODUCT 110

------------ TEXT UNITS 111-113:

We have many local products which we keep local 111
because the consumer always bought them for what they
were 112
and we will provide them with what they want. 113

----
* TAKE OVERS OF LOCAL BRANDS 155

------------ TEXT UNITS 156-161:

We took over a number of local brand names 156
and we take great care of them 157
and build them into real brands as we would in the
west. 158
Those brands have a very great respect in our company 159
and I see them as very important assets of the
company. 160
161

+++
UNLCZ
+++++
Retrieval for this document: 5 units out of 285, = 1.8%

----
* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* ORDER OF ENTRY: 22

------------ TEXT UNITS 26-27:

The main bulk of detergents now is sold under
re-launched local brands 26
which are owned by Henkel and Procter. 27

----

* MAJOR COMPETITORS 61

------------ TEXT UNITS 71-73:

Some local manufacturer in the PCP area have recently
started doing advertising 71
and improved their quality 72
I expect that they will have to increase their prices
as well in the near future. 73

++
UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----

* BRAND NAMES INFLUENCE CONSUMERS? 147

------------ TEXT UNITS 149-149:

The strongest brands will be those which are
basically local in their roots and which have a close
affinity to the local market and the consumers, if
you succeed in keeping the old values and transfer
the brand into a new and modern concept. 149

------------ TEXT UNITS 151-151:

For an international company it is very easy to adapt
a global brad to a market like Hungary. I is much
more difficult to take a local brand understand its
core values and history and transform that into a
successful modern brand. This affords very sensitive
marketing skills and approaches. When that is
handled correctly that is a ticket to success. The
problem however is that you don't have any rules and
guidelines to follow in this process. 151

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UNLPL
+++++
Retrieval for this document: 1 unit out of 268, = 0.37%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

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*CHANGES IN CONSUMER BEHAVIOUR 124

------------ TEXT UNITS 129-129:

Local products have been improved now in many cases 129

++
Total number of text units retrieved = 170
Retrievals in 15 out of 19 documents, = 79%.
The documents with retrievals have a total of 4355 text units,
so text units retrieved in these documents = 3.9%.
All documents have a total of 5487 text units,
so text units found in these documents = 3.1%.

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TEXT IN ALL DOCUMENTS:

+++
BDFCZ
+++++
Retrieval for this document: 5 units out of 241, = 2.1%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 200

------------ TEXT UNITS 207-209:

and also quality has improved 207
many also have now proper advertising 208
and that makes it easier for people to switch back to
local products. 209

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 232

------------ TEXT UNITS 239-240:

Maybe a smart Czech company in an area will be able
to make it difficult for some western brands 239
but this will be single cases. 240

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COLPL
+++++
Retrieval for this document: 7 units out of 453, = 1.5%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

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* BRAND NAMES INFLUENCE CONSUMERS? 398

------------ TEXT UNITS 401-401:

People now get good improved local brands for less
money than western brands 401

------------ TEXT UNITS 405-410:

The improving quality and performance of local brands
available at a relatively low price is a big risk for
western brands. 405
The strategy of many companies is to acquire a local
brand with a local manufacturing base 406
and use that as a weapon to play with price and try
to get shares. 407
If you are able to manufacture at really low cost 408
you have a lot of opportunities to fight in the
market for share and positions 409
with a low selling price. 410

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HENHUN
++++++
Retrieval for this document: 11 units out of 381, = 2.9%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 264

------------ TEXT UNITS 274-277:

and the gap between western premium brands and local
brands shrinks all the time 274
and the motivation to buy a western brand diminishes 275
because the local brands can now offer a performance
which was initially only offered by western brands, 276
but they do it at a much better price. 277

----
* TAKE OVER OF LOCAL BRANDS 340

------------ TEXT UNITS 369-375:

Since we took it over the market share has grown
constantly every quarter 369
which is a very positive sign. 370
You have to remember that we increased our market
share despite the competition became harder all the
time. 371
At the time we took over Tommy 372
Lever did the same to Biopont and their other brands 373
and many more western brands were introduced 374
so we are quite proud on what we achieved. 375

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HENPL
+++++
Retrieval for this document: 4 units out of 328, = 1.2%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* MAIN LIMITATIONS FOR WESTERN BRANDS 318

------------ TEXT UNITS 321-324:

The trend back to local brands benefits those which
are now western owned 321
but hurts those which are western premium. 322
I imagine this is only a trend which will fade 323
but currently it makes many people nervous. 324

++
JJCZ
++++
Retrieval for this document: 7 units out of 317, = 2.2%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

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* TAKE OVERS OF LOCAL BRANDS 191

------------ TEXT UNITS 197-198:

and then the market shares started to go down. 197
It has now stabilised but they went from about 25% of
the market down to around 15%. 198

------------ TEXT UNITS 200-204:

and they are still one of the best selling brands 200
but they kept some of the products at the low price
point 201
and at the low quality, 202
the same it always was, 203
but those are still selling the best for them. 204

++
JJPL
++++
Retrieval for this document: 2 units out of 223, = 0.90%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 189

------------ TEXT UNITS 191-192:

Local brands are coming back 191
and consumers are being loyal to their local products. 192

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KJSCZ
+++++
Retrieval for this document: 2 units out of 203, = 0.99%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

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* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 195

------------ TEXT UNITS 196-197:

I think that local brands will become more important 196
and western brands will remain something special for
most people. 197

++
KJSHUN
++++++
Retrieval for this document: 1 unit out of 164, = 0.61%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

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* WESTERN BRAND WHICH FAILED 55

------------ TEXT UNITS 59-59:

Consumers felt cheated on and the result is that they have lost almost half of their initial market share in a few months. 59

++

PGCZ

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Retrieval for this document: 63 units out of 264, = 24%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

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* DATE OF ENTRY: 1

------------ TEXT UNITS 7-68:

7

* FORM OF ENTRY: 8

We bought some of the big brands in each category. 9
In detergents we bought TIX which had 10%, another one with 5% share, 10
the leader in dish washing liquid 11
and one of the biggest names in fabric softener. 12
We bought key detergents of this market, 13
the leading detergent was bought by Henkel, 14
and we also introduced our international premium brands Ariel in 1991 15
and Vizir in 1992. 16
17

*MARKET DIVISION WESTERN/LOCAL 18

You are talking an 80/20 split in volume. 19
20

*DISTRIBUTION 21

We have a wholesaler network we work with. 22
They distribute to local supermarkets and small mixed goods outlets. 23
The distribution is more difficult in a market with such a great number of outlets 24
and furthermore a lot of the clients are not paying their bills. 25
26

* CHANGES IN RETAIL INFRA STRUCTURE: 27

The market is expanding. 28

The number of outlets keeps multiplying in the Czech
market. 29
30

* CHANGES TO LOCAL PRODUCTS 31

A big part of our plans was to change the formulation
and effectiveness of our local brands. 32
We have re-launched TIX and that has increased our
market share tremendously. 33
34

* MAJOR COMPETITORS 35

All major companies are present in the Czech market. 36
We have here Henkel, Benckiser and Unilever in
detergents. 37
Unilever is the least important 38
because they only serve the premium segment with
their brand Omo. 39
They have probably made a strategic choice 40
to invest in other countries or other segments 41
which is also the reason why they don't put a lot of
money behind detergents in this market. 42
Ariel and Persil which are the longer established
brands have better brand images 43
and are recalled much better than the brands which
were introduced later. 44
45

* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 46

Differences are marginally between us and the western
companies. 47
Henkel for example matches us almost exactly in all
the product positioning 48
and performance. 49
They use a different technology for their Persil 50
compared to our Ariel and each one works better on
some sort of stain 51
but it is a pretty good match. 52
53

* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 54

Prices are very closely matched between us and the
rest of the western brands. 55
56

* PRICE DIFFERENCE TO LOCAL COMPETITORS 57

Initially we were three times more expensive 58
and now we are still about 50% more expensive, 59
which is still a lot. 60
61

* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 62

When we started the difference between western
premium detergents and local detergents was really
night and day. 63

The first year in this market was tremendously
successful because of the huge difference in product
effectiveness. 64
65

*CHANGES IN CONSUMER BEHAVIOUR 66

We had wonderful trials of our premium products
during the first year. 67
As we keep improving the local brands and make them
better, 68

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 242

------------ TEXT UNITS 248-248:

As local products have been improved significantly
people can and do feel proud of them 248

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PGHUN
+++++
Retrieval for this document: 3 units out of 258, = 1.2%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 211

------------ TEXT UNITS 216-218:

I don't think that local brands still have the
negative connotation 216
they used to have 217
because many of them have been upgraded and their
quality has improved. 218

++
STOLHUN
+++++++
Retrieval for this document: 3 units out of 266, = 1.1%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

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* MAIN LIMITATIONS FOR WESTERN BRANDS 243

------------ TEXT UNITS 245-247:

They are loosing out quickly currently 245
partly because of the price policy 246
and partly because of the improved local brands. 247

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UNLPL
+++++

Retrieval for this document: 5 units out of 268, = 1.9%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

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*CHANGES IN CONSUMER BEHAVIOUR 124

------------ TEXT UNITS 130-130:

and therefore people find they are better value for
money than the expensive western brands. 130

----

* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 241

------------ TEXT UNITS 248-251:

Recently some Polish business men founded a movement
called 'Teraz Polska' 248
which gives recommendations to very high quality
products made in Poland. 249
People recognise the label 250
and many take a pride in these products and are proud
to buy them. 251

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Total number of text units retrieved = 113
Retrievals in 12 out of 19 documents, = 63%.
The documents with retrievals have a total of 3366 text
units,
so text units retrieved in these documents = 3.4%.
All documents have a total of 5487 text units,
so text units found in these documents = 2.1%.

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TEXT IN ALL DOCUMENTS:

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CCPL

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Retrieval for this document: 9 units out of 439, = 2.1%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----

* DATE OF ENTRY: 1

------------ TEXT UNITS 6-8:

There was no competition as the areas were clearly defined. 6
This situation went on until 1989 when the market opened. 7
The then new government which was more market oriented allowed competition and foreign investments. 8

----

* CHANGES IN RETAIL INFRA STRUCTURE: 41

------------ TEXT UNITS 60-63:

The interesting side of this is that Poland had no tradition of people going out for meals 60
a couple of years ago you had restaurants only in the big hotels for foreigners 61
because Poles would not go out to eat. 62
This changes now slowly 63

----

*CHANGES IN THE MARKET 224

------------ TEXT UNITS 225-226:

Consumer habits change 225
and this changes the market. 226

+++

COLPL

+++++

Retrieval for this document: 1 unit out of 453, = 0.22%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----

* BRAND NAMES INFLUENCE CONSUMERS? 398

------------ TEXT UNITS 399-399:

A lot of Polish consumers loose their purchasing power 399

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KJSCZ
+++++
Retrieval for this document: 6 units out of 203, = 3.0%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----

* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 160

------------ TEXT UNITS 166-168:

People now tend to return to their local brands 166
because of the economic situation 167
but also because of pride in their own products. 168

------------ TEXT UNITS 172-173:

Local brands are also perceived as 'our' brands 172
and western brands as 'not ours'. 173

----

* MAIN LIMITATIONS FOR WESTERN BRANDS 182

------------ TEXT UNITS 183-183:

From the consumers point of view it is the fact that
many now want to buy Czech. 183

++
NESCZ
+++++
Retrieval for this document: 8 units out of 371, = 2.2%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* MARKET READINESS 125

------------ TEXT UNITS 130-131:

Obviously we had to adapt a lot of products to local
customs 130
but with that many of our products came just at the
right time to accompany major changes in society, 131

----

* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 309

------------ TEXT UNITS 320-325:

Important is to recognise that many consumers now
have access to satellite TV 320
or travel to the West 321
so they want the same quality of products 322
they see in the West or on their TV. 323
They don't want to be treated as second class

Europeans 324
they demand the best just as western consumers. 325

++
PEPPL
+++++
Retrieval for this document: 5 units out of 323, = 1.5%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

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*CHANGES IN CONSUMER BEHAVIOUR 169

------------ TEXT UNITS 170-174:

Consumer have less money to spend and more choice. 170
They choose more carefully and think whether the
added investment gives added value. 171
A lot of burning desires have already been fulfilled
during the last two years 172
so retailing starts slowing down 173
as people cope with loans and credit agreements. 174

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PGCZ
++++
Retrieval for this document: 2 units out of 264, = 0.76%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 242

------------ TEXT UNITS 243-244:

Czech and Slovak people are extremely nationalistic 243
and the fact that the cheap brands are their local
brands will help them 244

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PGHUN
+++++
Retrieval for this document: 1 unit out of 258, = 0.39%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 227-227:

There have been political tendencies recently towards
buy local campaigns 227

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Total number of text units retrieved = 32

Retrievals in 7 out of 19 documents, = 37%.
The documents with retrievals have a total of 2311 text units,
so text units retrieved in these documents = 1.4%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.58%.

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TEXT IN ALL DOCUMENTS:

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COLPL

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Retrieval for this document: 4 units out of 453, = 0.88%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----

* BRAND NAMES INFLUENCE CONSUMERS? 398

------------ TEXT UNITS 399-402:

A lot of Polish consumers loose their purchasing
power 399
and because the western brands take over local brands
it is difficult for them. 400
People now get good improved local brands for less
money than western brands 401
and it all comes down to the money in the purse at
one point. 402

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PEPPL

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Retrieval for this document: 3 units out of 323, = 0.93%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----

*CHANGES IN CONSUMER BEHAVIOUR 169

------------ TEXT UNITS 175-177:

For us this is partly positive as people think twice
if they should by Coke or Pepsi 175
and because we are cheaper we often come out on top. 176
However some people go even further and buy the local
brands which are half our price. 177

++

PGCZ

++++

Retrieval for this document: 4 units out of 264, = 1.5%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

----

* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 242

------------ TEXT UNITS 248-251:

As local products have been improved significantly

people can and do feel proud of them 248
and that means a reversed trend. 249
People now seem to prefer to buy Czech 250
and a logo has been developed to give 'Made in Czech'
an identity which is easy to recognise. 251

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PGHUN
+++++
Retrieval for this document: 2 units out of 258, = 0.78%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

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* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 227-228:

There have been political tendencies recently towards
buy local campaigns 227
but that has not had a great impact. 228

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Total number of text units retrieved = 13
Retrievals in 4 out of 19 documents, = 21%.
The documents with retrievals have a total of 1298 text
units,
so text units retrieved in these documents = 1.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.24%.

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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 17 units out of 439, = 3.9%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* PROBLEMS FOR THE BRAND AT ENTRY 85

------------ TEXT UNITS 89-89:

Cola flavour is not the most favoured flavour in
Poland 89

------------ TEXT UNITS 91-94:

A problem not so much with the brand was to get the
license to sell all over Poland which took a long
time. 91
Whenever we want to introduce a new product we need a
license 92
and it takes a very very long time to get them. 93
The bureauocracy in this country is a great
difficulty for anybody doing business. 94

----
* WAS THE MARKET READY FOR YOUR PRODUCT? 231

------------ TEXT UNITS 233-235:

Consumption is still increasing 233
and we still have to fight our battle against the tea, 234
which is the most popular drink in Poland, and is
consumed at any time of the day. 235

----
* RISKS AT/OF ENTRY 245

------------ TEXT UNITS 248-251:

The main risks resulted from the political framework 248
and the big question was and still is 249
will there be a switch back to communism 250
or will the market forces prevail? 251

------------ TEXT UNITS 254-255:

Infra structure also posed a risk 254
because it was by no means clear whether we would get
our highly sophisticated bottling plants and the
major distribution efforts of the ground in this
infra structure. 255

----

* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 374

------------ TEXT UNITS 376-378:

because they stand for quality. 376
Quality is a very important factor in Poland. 377
Quality is so important because Poles never had
quality for most of the past so now they look for it. 378

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DEHUN
+++++
Retrieval for this document: 21 units out of 307, = 6.8%

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* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* DIFFICULTY OF THE MARKET 152

------------ TEXT UNITS 153-163:

The market is very unstable 153
and decreasing in volume constantly 154
I expect a further decrease in total volume once the
latest price increase comes into effect. 155
Personally I think it will shrink by at least 10%. 156
Coffee not only is a product taxed with luxury tax
but the product itself becomes a luxury. 157
According to our calculations a Hungarian works 10
times as long for a pack of coffee than a west
European this show how much a luxury coffee is. 158
The market is totally overtaxed. 159
Everybody is paying for the inefficiencies of the
government. 160
We are the biggest so we have the most to loose 161
and everybody is attacking us rather than anybody
else. 162
Many companies are not used to deal with a high
inflation situation when they start up a business or
want to get a foothold in the market. 163

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 243

------------ TEXT UNITS 244-251:

The important factors in this are added value 244
and disposable income. 245
The idea of added value comes from the west 246
where people have disposable incomes 247
and here the first question is always can I afford it? 248
In the west people buy in terms of added value 249
here they buy a price. 250
This makes it a different story. 251

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 259

------------ TEXT UNITS 271-272:

All companies together are wasting an incredible
amount of money on advertising 271
because we are all fighting for this tiny amount of
money people have left over of their income. 272

++
HENHUN
++++++
Retrieval for this document: 35 units out of 381, = 9.2%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----
* FORM OF ENTRY: 4

------------ TEXT UNITS 11-12:

The strategy was a risk avoidance strategy 11
which means risk avoidance primarily in the choice of
countries to operate in 12

----
* KEY LEARNINGS FROM HUNGARY 30

------------ TEXT UNITS 31-33:

The marketing of consumer brands in western markets
is a very sophisticated and delicate process 31
in which you mainly deal in figures behind the comma. 32
Your impact is almost negligible. 33

------------ TEXT UNITS 35-36:

Here in Hungary marketing is much more down to earth 35
and concentrates on more essential issues. 36

----
* DIFFICULTY OF THE MARKET 126

------------ TEXT UNITS 127-132:

New products or product introductions can throw a
whole market structure into total confusion 127
by achieving high market shares 128
and damaging positions of the more established brands
in different ways. 129
In Germany everybody is upset if market shares change
behind the comma, 130
here you may fall from market leadership into
unimportance in no time. 131
Markets are still extremely fragile and elastic. 132

----
* PRICING 164

------------ TEXT UNITS 165-168:

We have to increase prices three or four times a year 165
because of the inflation 166
but it is each time only an adaptation of the

inflation rate 167
not a real price increase. 168

----
* CONSUMER BEHAVIOUR 289

------------ TEXT UNITS 293-295:

and in compared purchasing power you price at a level
which is a multitude of the western level. 293
This results in a much higher purchasing risk 294
but also in a much higher expectation. 295

------------ TEXT UNITS 298-312:

which cost only half of your product 298
If somebody usually buys Tommy detergent 299
and now thinks whether he can afford Persil at a
price twice of what Tommy costs 300
he buys Persil with an extreme expectation of what it
will do for him. 301
His expectation of performance will be
disproportionately higher for the premium he paid. 302
He probably expects something which is close to a
miracle cure. 303
Unfortunately reality can't fulfil this 304
which makes it in many cases much more difficult for
western brands 305
because the performance which people expect can not
be delivered. 306
Particularly in detergents a better performance is
very difficult to experience 307
so that the real experience which was predetermined
by a high expectation 308
has to be disappointing. 309
We tried to introduce the concentrated Persil Supra
recently 310
but we did not achieve a viable level of market share. 311
This was not a matter of lacklustre marketing or
little commitment 312

++
HENPL
+++++
Retrieval for this document: 21 units out of 328, = 6.4%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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* CHANGES IN RETAIL INFRA STRUCTURE: 13

------------ TEXT UNITS 20-20:

If you don't have a re-launch or extension every two
or three months retailers loose interest in your
product. 20

----
* MAJOR COMPETITORS: 33

------------ TEXT UNITS 38-40:

The peculiar situation in Poland is that we have more
competitors than in western markets. 38
You find German, French, British, Dutch, Spanish,
Italian and more cosmetic companies selling their
products in this market. 39
I doubt that there is a single market in the world
which has a greater choice of products in such a
small market. 40

----

*CHANGES IN THE MARKET 166

------------ TEXT UNITS 167-169:

As I said more and more western companies come into
the market 167
and currently markets are still growing slightly 168
which indicates that there is no saturation yet. 169

----

* WAS THE MARKET READY FOR YOUR PRODUCT? 173

------------ TEXT UNITS 175-180:

Poles are not used to showers which means they don't
even have a word in Polish for shower. 175
To launch a shower gel in such a market is a
difficult operation. 176
However in the West shower gels are quite important
and therefore many companies launched their shower
gels in Poland although I would say the market was
and still is not quite ready. 177
The infra structure is not there 178
which is necessary to use the product 179
because only 8% of all households have showers and
more than 40% take a bath still in a metal tub. 180

----

* RISKS AT/OF ENTRY 201

------------ TEXT UNITS 202-203:

The risks were maybe political 202
but in my eyes it was a win/win situation. 203

----

* BRAND LOYALTY 299

------------ TEXT UNITS 302-307:

Different to other markets is that people do not
think in product range terms as in the West. 302
In Germany if consumers are happy with one product
you will find that they buy other products of that
range for two reasons. 303
The first is they expect that product to be just as
satisfactory 304
but the second is that they wish to have proper sets
consisting of similar products. 305

This is here different. 306
People buy one shampoo a second conditioner and a
third soap and finally they use a fourth deodorant. 307

++
JJCZ
++++
Retrieval for this document: 272 units out of 317, = 86%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

------------ TEXT UNITS 35-306:

*DISTRIBUTION 35

We mainly sell through drugstores 36
not so much through pharmacies. 37
The understanding of business rules within most small
stores is very little. 38
All the stores are either new start ups or newly
privatised. 39
They have sold tyres last year and this year they
have a shot at cosmetics. 40
They have very little knowledge of a profit concept 41
or an idea of margins on one product versus another. 42
They are just not used to thinking in profit terms 43
and that makes it a constant battle. 44
45

* CHANGES IN RETAIL INFRA STRUCTURE: 46

The changes have been quite frustrating 47
and not at all what we would have expected. 48
When we came into the market we knew very little 49
and had very little research data too. 50
We had an idea of how to approach it which
wholesalers to talk to 51
and we also expected that distribution would be quite
difficult for the first six month but would then
become easier. 52
Now after 2 years we are still struggling with
distribution, 53
mainly because the number of retail outlets has
increased rather than decreased. 54
At the same time the turnover per client has
decreased 55
which means we have more smaller customers today than
we had 2 years ago. 56
This is very frustrating from a logistics point of
view. 57
Because they are all independently owned 58
we all have to approach them separately and introduce
new products to every mom and pop store across the
country. 59
Each of them then decides individually to take it or
not, 60
each of them is a decision maker. 61
In order to gain distribution you need to demonstrate
that the brand is supported with advertising. 62

Other important factors in retail are trade
promotions, 63
sampling 64
and consumer promotion. 65
Some shopkeepers are loyal to some western brands 66
and others are not. 67
We were quite lucky so far in keeping the
distribution we earned. 68
69

* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 70

The quality of our products is slightly better than
those of our western competitors. 71
72

* PRICE DIFFERENCE BETWEEN WESTERN COMPETITORS 73

Johnson lies slightly under the western competitors
in price. 74
75

* PRICE DIFFERENCE TO LOCAL COMPETITORS 76

We are up to 5 times as expensive as a local brand. 77
This means we have to convince a lot of people across
the chain to sell or buy our products or even to give
it a shot. 78
79

* PRODUCT DIFFERENCE TO LOCAL COMPETITORS 80

Our products are a lot better than local products. 81
In shampoos you would need much more local shampoo to
achieve the same degree of cleaning as compared to
our product. 82
In hygiene paper the number one brand is the lowest
quality you an imagine selling at the lowest price, 83
which has to be increased once the company becomes
private 84
because they can not possibly make a profit at that
price. 85
86

* WESTERN BRAND WHICH FAILED 87

I think there are a lot of failures to be quite frank. 88
I would say not failed in a sense that they pack up
and go home, 89
but they have not performed near to the expectations
of the company for sure. 90
Procter & Gamble's 'always' was introduced in
November 1992, 91
they spent heavily on advertising, 92
they sampled extensively, 93
they pushed it through distribution on the back of
Ariel, 94
but it failed because it never went above a 1.4%
market share and now it is at 0.7%. 95
They introduced it as a high priced premium product
more than 5 times the price of the highest local

competitor. 96
They did say on TV why it was so good and they gave out samples for people to see for themselves but it just didn't work. 97
Another example is Sara Lee's Zwitsal Baby cosmetics which is very much modelled in packaging and price on our own baby range. 98
But they have not achieved any success. 99
The problem is they are basically a me-too. 100
If a small mom&pop decides to carry an expensive western range of baby cosmetics they take Johnson in most cases 101
because they know the name 102
and they understand the brand. 103
Although Sara Lee is quite successful with other products they have no clout in cosmetics 104
so they are not getting very far. 105
Their distribution is minimal even in Prague 106
and non existent in the country 107
and they have a real hard time. 108
109

* MARKET READINESS 110

I don't think readiness is appropriate. 111
From the absolute standpoint of consumer purchasing power the market is still not ready for our products. 112
Because of the quality of the ingredients our products are more expensive, 113
but if you wanted to wait until the economic situation has reached western levels your brands will be dead because everybody else will have carved out their niches and you have no chance. 114
The market wasn't and still isn't ready 115
but we have to make it ready. 116
117

* DIFFICULTY OF THE MARKET 118

The key to the difficulties to begin with is distribution 119
we spent some money on advertising probably before we should have, 120
in the states you would not advertise on TV before you have a distribution level of 60% because you would advertise to empty shelves, so what's the point. 121
Here we advertise significantly earlier, 122
mainly because we advertise to the shopkeepers to carry our products. 123
A very expensive way to gain distribution, 124
but unfortunately we have no choices. 125
126

* MAIN MARKETING TOOLS 127

Advertising is important 128
but I would not rank it as number one. 129
Trade promotions are very very important. 130
To link trade promotions and advertising is the key to success. 131
132

* PRODUCT 133

All our products are imported 134
and made to standard formulas so the quality does not
vary. 135
Only the labelling on the products is adapted to
local regulations. 136

* ADVERTISING 137

We tend to use international campaigns 138
because if it sells good in other markets it will
also sell good here. 139
The advertising usually has a universal quality and
most of it is adaptable. 140
We sometimes have a problem with commercials which
have a very strong sales pitch, 141
in this market it is better to use soft sell and give
them a good solid reason why 142
but you don't need to hit them over the head with it. 143

* PRICING 144

Pricing is a country by country decision which I
appreciate. 145
The environment in central Europe is so different
between Poland, Hungary and the Czech Republic 146
so that it is necessary to have different pricing. 147
In Hungary for example we charge about 20% more than
here. 148
Looking at the local competition we want to be at a
position which we call a 'reasonable premium' 149
so that very much defines where we end up in our
pricing. 150
International brands also play a role in where we
position ourselves 151
but mainly the local brands. 152

*RANGE 153

The range is not yet fully introduced to the market 154
but we are introducing new brands and brand
extensions pretty frequently 155
so it should not be too long before we have all the
appropriate products in the market. 156
157

* IMPORTANCE OF BEING FIRST 158

In baby cosmetics on the other hand we were first 159
which is of crucial importance to us. 160
The baby cosmetics range which carries our name is
our flagship brand. 161
From the baby platform we launch all other brands 162
so it was important to us to get that right in this
market. 163
164

* CONTROL OF SCARCE ASSETS 165

We were the first with baby cosmetics so we got all
the sampling boxes in hospitals for young mothers. 166
This exclusivity is for us very important. 167
Particularly Nivea tried to get in there but they
couldn't. 168
Because we were first in many areas we still have an
advantage in the small stores. 169
If they decide only to carry one international brand
they already have us 170
so it is difficult for others to gain access. 171
We make it hard for them not to carry us as opposed
to other international brands. 172
173

* ADVANTAGES OF BEING FIRST 174

As the tampon market here is completely
underdeveloped this was a severe disadvantage. 175
Tampax had developed the whole category here 176
and they also had achieved a relatively high level of
distribution. 177
Because the category was not so successful retailers
did not see the huge demand 178
and did not want to stock another tampon. 179
That made it really difficult for us. 180
Having been first in baby cosmetics two years ago
does not play a big role for consumers 181
but the better recognition we have achieved because
we have been around for longer still helps us. 182
183

*LOCAL MANUFACTURING 184

If they can get the local input to their products, 185
if the local input can produce products on the level
which is required by their western guidelines. 186
I think that the western companies who have
facilities here have a hard time doing that. 187
In fact I think that in the final analysis a lot of
them found that it costs them just as much to make a
product here than it would in Germany 188
because the raw material have to be imported and that
means no price advantage. 189
190

* TAKE OVERS OF LOCAL BRANDS 191

In the paper business you have Mölnlyke a Swedish
company who has bought a Czech company 192
and changed their brand to 'Libresse' 193
which is their brand throughout Europe. 194
In the transition they improved quality 195
but also they increased the price pretty
substantially 196
and then the market shares started to go down. 197
It has now stabilised but they went from about 25% of
the market down to around 15%. 198
'Hartman' from Germany took over a brand called
'Rico' 199
and they are still one of the best selling brands 200
but they kept some of the products at the low price

point 201
and at the low quality, 202
the same it always was, 203
but those are still selling the best for them. 204
They are now using that as a cash cow to support
their premium brand 205
which is of west European quality 206
207

* DISADVANTAGES OF BEING LATE 208

In tampons I don't see it as a huge disadvantage
anymore. 209
If you would have asked me last year I would have
said yes it was a huge disadvantage. 210
It took us probably some extra effort 211
but once we were able to show what the difference is
between ours and Tampax it was okay. 212
Once we demonstrated to the retailer that ours were
much more demanded by consumers we got our
distribution. 213
We really had to convince retailers to take us on 214
but not so with the consumers. 215
Once our product was available it was immediately
preferred. 216
The biggest challenge in that market is not Tampax 217
but to grow the whole segment because it still very
small. 218
219

*HOW DO YOU EDUCATE CONSUMERS 220

We do a lot of work in schools. 221
We provide teachers with materials like books,
posters, overheads, to base their lessons on 222
and we also provide free samples for classes. 223
We benefit from J&J Germany who has achieved
perfection in this eduction support over many years. 224
For us now the 12 year olds are the consumers of the
future. 225
226

* HOW MAKE UP FOR LOST GROUND? 227

We made up for it because our product is simply
better. 228
We have better quality and also an advantage in
product design. 229
Tampax also has two disadvantages which are limited
resources 230
because they are a relatively small company 231
and also the fact that they work through a
distributor 232
and have no own sales people in the country. 233
They just lack the leverage. 234
Tampax is also a one brand company 235
so they have a disadvantage that they can not use the
leverage of a good brand portfolio to help one brand
which needs support. 236
Time has made a big difference for us 237
and we are much stronger now. 238

239

* BENEFITS OF LONG TRADITION IN THE MARKET 240

In baby cosmetics we were present in the Tusek hard
currency stores, 241
but that gave us only a sort of ghostly recognition
by consumers. 242
So we had not really a great advantage. 243
244

* DISADVANTAGES OF BEING FIRST 245

To a certain extent we were first in that category 246
charging such a high premium that consumers were
wondering how can this possibly be worth that much. 247
Now having more western brands at the same price
point people are less likely to think you just want
to rip them off. 248
This was certainly a disadvantage. 249
We also had to do a lot of educating 250
because people wouldn't know what to do with the
talcum or how to use the baby oil etc. 251
That is just the way it goes. 252
You build a category you build it for everybody. 253
You are first you build a reputation 254
and you can count on that later. 255
256

* FREERIDER EFFECTS 257

Tampax who was first has now started a similar
programme in schools to educate young consumers. 258
259

* HOW IMPORTANT ARE WESTERN BRAND NAMES IN THE CZECH
REPUBLIC 260

They are important, yes. 261
They do carry some weight, 262
but it is dangerous to assume that allows you to do
everything price-wise. 263
People are very sceptic in terms of quality and price. 264
265

* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 266

There is an attitude and I would called it a mixed
attitude. 267
In some ways there is a lot of respect for western
brands, 268
but in general they are sceptic 269
and suspect that you are asking too much money for
what you offer. 270
They also wonder what is the big difference between
that local brand 271
which may cost only a fraction of the western product
and the western brand. 272
If anything this scepticism has increased during the
last two years 273
because of the ever-growing number of brands

available. 274
275

*CHANGES IN CONSUMER BEHAVIOUR 276

Czech consumers are quite sceptical to pay extra for western brands. 277
Once they have tried our products they see for themselves that the quality difference is huge compared to the relatively little difference in price. 278
On an item by item basis consumers judge whether it is worth it or not to buy the western brand. 279
280

* BRAND LOYALTY 281

Brand loyalty is not very well developed. 282
You see a lot of consumers trying all the different brands. 283
Trying to find out what the differences are for themselves. 284
According to our research over a third of consumers find it risky to be brand loyal 285
because they wouldn't know what the other brands have on offer. 286
And every week you can find new offers in every product category, 287
so maybe in three years from now you will find brand loyal consumers. 288
289

* MAIN LIMITATIONS FOR WESTERN BRANDS 290

Price is the only factor here. 291
This can also be a significant advantage to companies who produce locally. 292
If you can sell at a price point close to local brands you would have a significant advantage. 293
294

* WESTERN BANDS EVERYDAY PRODUCTS 295

Not yet. 296
Right now, our research shows, that they use our products on an occasional basis. 297
Some of our products are very popular gift items. 298
Our products remain something extra special 299
and have not entered everyday life routine. 300
This is partly a price thing 301
because of the out of pocket costs in comparison to local brands 302
but it is also an attitude thing with western brands still being something of a luxury. 303
304

* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 305

The future will be a strong future for western brands 306

+++
JJPL

++++
Retrieval for this document: 8 units out of 223, = 3.6%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* ADVERTISING 49

------------ TEXT UNITS 57-60:

However you can produce a 25.000 $ commercial here 57
which is really cheap 58
but because you deal with people who have not much experience doing commercials 59
you don't know whether you get a usable spot at the end. 60

----

*LOCAL MANUFACTURING 70

------------ TEXT UNITS 71-74:

You can't produce to your world wide standards and be cost effective in a market for only 40 million people of which a majority can't afford your products. 71
This however results in a huge barrier 72
which is importing and customs regulations and taxes, duties etc. 73
74

++
KJSHUN
++++++
Retrieval for this document: 18 units out of 164, = 11%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

----

* RISKS 11

------------ TEXT UNITS 14-26:

14

* KEY FACTORS 15

We have very strict volume and share targets. 16
We want to achieve high consumer trials and then maximum repurchase rates over time. 17
18

* DECISION TO BE LATE 19

Being late was a decision which was made against the background of PM being a company which believes in early return on investments and immediate profitability. 20
21

* MAJOR COMPETITORS 22

Jacobs is now present in all segments of the coffee
market 23
and has to compete with Douwe Egberts who took over
Compack, Tchibo, Nestle and Eduscho. 24
In recent months the competition has launched an
attack in the low price segment and we have to try to
get our share of that market because that is where
the volumes are sold in Hungary. 25
The leading aggressor in Hungary is definitively
Tchibo. They do a lot in advertising and promotion
and work really hard to gain market share. 26

----
* DIFFICULTY OF THE MARKET 61

------------ TEXT UNITS 62-62:

For us it is quite difficult that we want to attract
mainly the lower price segment in order to capture
large volumes of the market but at the same time we
want to maintain our premium image. 62

----
* PRICING 84

------------ TEXT UNITS 85-86:

Pricing is a highly sensitive issue in this market 85
and every change up or down has an immediate impact
on the market. 86

----
* BLACK MARKETS 129

------------ TEXT UNITS 130-131:

In coffee the black market is very important 130
and Nielsen estimates that more than 50% of the
coffee is bought at black markets. 131

++
NESCZ
+++++
Retrieval for this document: 31 units out of 371, = 8.4%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* FORM OF ENTRY: 7

------------ TEXT UNITS 12-13:

Six month after that the country split. 12
First of all we have a rather complicated situation
within the country. 13

------------ TEXT UNITS 16-21:

We had to put directors into that factory 16
and fulfil legal requirements, 17
then we have the difficulties with the currency 18
and different levels of inflation. 19
It is highly complicated for us 20
but nevertheless we achieved good market shares in
both markets. 21

----
* MARKET READINESS 125

------------ TEXT UNITS 134-134:

But a rural society like this has totally different
needs in cooking supplements than a city based
society like most western societies. 134

----
* DIFFICULTY OF THE MARKET 136

------------ TEXT UNITS 137-143:

I find it difficult because there are no rules to
follow, 137
who could be your advisor on these markets? 138
Everything you do is a first and might be right or
wrong. 139
How can you make judgements on products which were
developed in totally different environments 140
and how they may work in this market. 141
You know everything about the brand and the marketing
from its home country 142
but it's far from certain that this applies here as
well. 143

----
* PRODUCT 172

------------ TEXT UNITS 175-177:

For our Nesquick brand we did extensive consumer
research into how people like their chocolate: 175
sweet, not so sweet, very chocolaty, not so strong in
taste, creamy rich or whatever. 176
The results determined the form and the taste of the
product which we sell here. 177

----
* ADVERTISING 184

------------ TEXT UNITS 193-196:

For coffee you see that people here drink Turkish
coffee in tiny cups. 193
If you have executions using normal cups or even mugs
you can't use them here, 194
people will not recognise this as their coffee
drinking experience. 195
This means you have to re-shoot or do your own. 196

----

* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 309

------------ TEXT UNITS 324-325:

They don't want to be treated as second class
Europeans 324
they demand the best just as western consumers. 325

----

* WESTERN BRANDS EVERYDAY PRODUCTS 350

------------ TEXT UNITS 354-359:

We have to aim to make our products everyday products 354
because we can not live making products for the happy
few. 355
We need the wide middle class of the society 356
to buy our products 357
but currently there is no real middle class in this
country 358
and we have to wait until it develops. 359

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NESHUN
++++++
Retrieval for this document: 4 units out of 221, = 1.8%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY: COFFEE/CONFECTIONERY

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* CONSUMER BEHAVIOUR 170

------------ TEXT UNITS 171-172:

80% of the purchasing decision is made on price 171
and only 20% on all other factors. 172

----

* BRAND LOYALTY 174

------------ TEXT UNITS 177-178:

and price sensitive. 177
There is some brand loyalty 178

++
PEPPL
+++++
Retrieval for this document: 4 units out of 323, = 1.2%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----

* DATE OF ENTRY: 1

------------ TEXT UNITS 12-15:

When changes took place in the early 1990s a lot of
western companies took an interest in the region 12
and the 40 million people living in Poland made it a
good place for them to start 13
because 40 years earlier Poles had a market economy 14
and other places like Russia never ever had one. 15

+++
PGCZ
++++
Retrieval for this document: 1 unit out of 264, = 0.38%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
*MARKET DIVISION WESTERN/LOCAL 18

------------ TEXT UNITS 19-19:

You are talking an 80/20 split in volume. 19

+++
PGHUN
+++++
Retrieval for this document: 5 units out of 258, = 1.9%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* DIFFICULTY OF THE MARKET 94

------------ TEXT UNITS 95-97:

You can't really project the economic development of
a market like Hungary 95
and the direction developments go 96
so that makes it difficult from my point of view. 97

----
* PROBLEMS AT INTRODUCTION 99

------------ TEXT UNITS 100-101:

In the pharmaceutical area of our company the
licensing process is very difficult and lengthy 100
but apart from that I can't think of any particular
problems we had. 101

+++
STOLHUN
+++++++
Retrieval for this document: 25 units out of 266, = 9.4%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* MAJOR COMPETITORS 29

------------ TEXT UNITS 45-46:

The interesting fact is that all western companies
invested heavily into the market 45
and now the sales are not coming as expected which
will make it more difficult. 46

----
* CHANGES IN RETAIL INFRA STRUCTURE: 59

------------ TEXT UNITS 60-63:

A problem in retailing is the very weak cash flow
base 60
which means that if a retailer has no money he
doesn't buy what is not essential which means he
doesn't by our chocolate. The only reason being that
he couldn't pay the wholesaler 61
and the wholesaler wouldn't deliver unless he paid. 62
We have to live with this for the moment 63

----
* DIFFICULTY OF THE MARKET 98

------------ TEXT UNITS 99-104:

I think everybody operating in this market has made
some sort of misjudgement. 99
We overestimated the size of the market in volume and
value. 100
We underestimated by far the difficulty and the time
needed to change structures within the company as
well as with the consumers. 101
We had great difficulties with the local management
and 102
we totally underestimated the investment necessary to
get a decent production going. 103
104

----
*LOCAL MANUFACTURING 137

------------ TEXT UNITS 148-148:

You can't imagine how cumbersome this process is to
deal with those communist aparatschiks with no
dignity and no respect for consumers and customers. 148

----
* BLACK MARKETS 198

------------ TEXT UNITS 199-208:

The black market is very important in Hungary 199
and there is no country in Europe where so much is
stolen. 200
In confectionery the black market takes about 25%, 201
in coffee ore than 40% 202

and in cigarettes more than 55% according to Nielsen. 203
In confectionery Suchard is hit hardest 204
because their prices are much higher than in western
neighbour countries 205
and that invites black imports and black markets. 206
We have a more restrained price policy 207
which means we are not so much affected by the black
markets. 208

----
* EVERYDAY PRODUCTS 236

------------ TEXT UNITS 240-241:

It is a very disproportionate relationship because
the products are much cheaper in western Europe and
consumers have a much higher disposable income. 240
It is very sad but our products remain luxury items
for most Hungarians. 241

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UNLCZ
+++++
Retrieval for this document: 12 units out of 285, = 4.2%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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*MARKET DIVISION WESTERN/LOCAL 32

------------ TEXT UNITS 33-36:

That depends on the category 33
in toothpaste for example you have 14% western and
the rest is local products 34
but then local toothpaste is quite good 35
so it is difficult for western brands to justify the
difference in price. 36

----
* WHAT ARE THE DISADVANTAGES OF BEING FIRST? 194

------------ TEXT UNITS 200-201:

People here are not used so much to commercials 200
and they really watch it and every detail is
important. 201

----
* FINALLY 268

------------ TEXT UNITS 273-278:

The influence of communism and the old regime make
this market a bit special. 273
I still have the feeling that companies sometimes
overestimate the purchasing power, 274
which does not mean I want to say you can't sell
premium products 275
but you will never gain a big share of the market. 276

This market will become more and more similar to western markets 277
and it will become more and more difficult for local producers. 278

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UNLHUN
++++++

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* PROBLEMS FOR THE BRAND AT ENTRY 39

------------ TEXT UNITS 43-45:

We had difficulties in keeping up with the demand, as we underestimated the immediate reaction of the public at our re-launch. Whenever you have a re-launch people are extremely quick in trying the new product which leads to immense pressures in demand. 43
Here you are either successful or you are not and you are what you are from a start there is no build up it is either there from day one or it will never come. 44
After three months you have either adapted to the demand or it will be lost as other products and brands fill the need you created. 45

----
* IMPORTANCE OF BEING FIRST 81

------------ TEXT UNITS 84-84:

It is easier to achieve the market leader position if I am pioneer in a market. Particularly here in Central Europe speed is a decisive factor. 84

----
* BENEFITS OF LOCAL MANUFACTURING 104

------------ TEXT UNITS 105-105:

The first disadvantage of relying on imports is that a quota system is in place which means that you can not import as much margarine as you might like to import. This severely limits ones ability to supply the markets. 105

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 165

------------ TEXT UNITS 169-170:

Here in Hungary for example our biggest competitor is the domestic pig which is held and slaughtered by many families at home. The fat which is produced by this process is available to them at no extra cost and they have a long tradition to use that as a spread for their bread. We have to live with this

and find answers to overcome this. 169
Another example is the relatively little use of all
in one detergents. Here you have a tradition of
doing the washing in different steps to soak and
bleach before you put the washing in the machine and
these extra products are quite big in this market.
So you have to decide whether to change the consumer
habits or invest in these extra washing products. 170

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UNLPL
+++++
Retrieval for this document: 7 units out of 268, = 2.6%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* CHANGES IN RETAIL INFRA STRUCTURE: 13

------------ TEXT UNITS 19-19:

Some products are also found in the bazaars. 19

----
* IMPORTANCE OF BLACK/GREY MARKETS 92

------------ TEXT UNITS 93-96:

They have no relevance for us. 93
It is different for other industries but not for us. 94
The Polish law also recently changed to make it
easier to police black markets 95
and that works quite well I think. 96

----
*CHANGES IN THE MARKET 134

------------ TEXT UNITS 135-136:

The most important fact is that everything in the
Polish market changes so rapidly. 135
Change is the only constant factor in this market. 136

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Total number of text units retrieved = 488
Retrievals in 16 out of 19 documents, = 84%.
The documents with retrievals have a total of 4590 text
units,
so text units retrieved in these documents = 11%.
All documents have a total of 5487 text units,
so text units found in these documents = 8.9%.

****

(27) /Euphoria
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TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

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(27 1) /Euphoria/Manufacturer
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TEXT IN ALL DOCUMENTS:

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CCPL
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Retrieval for this document: 1 unit out of 439, = 0.23%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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*CHANGES IN CONSUMER BEHAVIOUR 197

------------ TEXT UNITS 208-208:

One is a marketing error on behalf of the companies
who promised things they could not deliver 208

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Total number of text units retrieved = 1
Retrievals in 1 out of 19 documents, = 5.3%.
The documents with retrievals have a total of 439 text units,
so text units retrieved in these documents = 0.23%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.02%.

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(27 2) /Euphoria/Retailer
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TEXT IN ALL DOCUMENTS:

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COLPL
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Retrieval for this document: 1 unit out of 453, = 0.22%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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* PROBLEMS FOR THE BRAND AT ENTRY 63

------------ TEXT UNITS 72-72:

Between 1989 and 1992 it was the wholesaler's objective to have a western product on their shelves whatever brand it was. 72

++
Total number of text units retrieved = 1
Retrievals in 1 out of 19 documents, = 5.3%.
The documents with retrievals have a total of 453 text units,
so text units retrieved in these documents = 0.22%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.02%.

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TEXT IN ALL DOCUMENTS:

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CCPL
++++
Retrieval for this document: 5 units out of 439, = 1.1%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
*CHANGES IN CONSUMER BEHAVIOUR 197

------------ TEXT UNITS 199-201:

In the beginning when the market opened up consumer
were overwhelmed by the choice 199
and extremely curious 200
because suddenly everything was available. 201

------------ TEXT UNITS 209-210:

and the second is the expectation error on the side
of the consumers 209
who expected too much from western products. 210

++
KJSCZ
+++++
Retrieval for this document: 3 units out of 203, = 1.5%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994, INDUSTRY: CONFECTIONERY

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 160

------------ TEXT UNITS 161-163:

In the early days everybody wanted to try western
brands 161
and it was a whole new experience to try western
brands 162
and to be able to buy them because it was almost
prohibited all the time before. 163

++
KJSHUN
++++++
Retrieval for this document: 3 units out of 164, = 1.8%

----
* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 140

------------ TEXT UNITS 141-143:

Until 2 years after the market opened people were
almost dying to get western brands 141
but that has now changed 142
and people are much more buying local brands now than
they used to. 143

+++
PGHUN
+++++
Retrieval for this document: 2 units out of 258, = 0.78%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY:
DETERGENTS

----
* CHANGES ATTITUDE TOWARDS WESTERN BRANDS 226

------------ TEXT UNITS 232-233:

In the beginning people may have been more
enthusiastic about western brands 232
but people still like western brands. 233

+++
UNLHUN
++++++
Retrieval for this document: 2 units out of 175, = 1.1%

----
* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* BRAND NAMES INFLUENCE CONSUMERS? 147

------------ TEXT UNITS 148-148:

I think that western brands have lead to a short but
strong increase in demand which will fade eventually.
148

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 161

------------ TEXT UNITS 163-163:

Furthermore you have lessons learned in what was East
Germany where you had the initial euphoria when the
wall came down and then a growing opposition to west
brands and finally a state of disillusion. All this
happens here just as well. People find that change
takes too long and that changes have not such an
immediate effect on their own standards of living so
that they loose the initial euphoria. This is one of
the reasons why I said that local brands will be the
better bet in the long term. 163

+++

UNLPL
+++++
Retrieval for this document: 2 units out of 268, = 0.75%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 241

------------ TEXT UNITS 242-243:

Western brands were something new when they first
arrived. 242
Everybody went crazy about western products and
brands in the beginning. 243

++
Total number of text units retrieved = 17
Retrievals in 6 out of 19 documents, = 32%.
The documents with retrievals have a total of 1507 text
units,
so text units retrieved in these documents = 1.1%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.31%.

****

(28) /HQ Relations
****
TEXT IN ALL DOCUMENTS:

++
CCPL
++++
Retrieval for this document: 4 units out of 439, = 0.91%

----
* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----
* YOUR STRENGTHS 333

------------ TEXT UNITS 340-343:

We also have the full backup from our world wide
operating company. 340
If I need a specialist for a certain problem he can
be here in 24 hours 341
and he will solve our problem here in Poland 342
and he may be based in South America or wherever. 343

++
DEHUN
+++++
Retrieval for this document: 12 units out of 307, = 3.9%

----
* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* ADVANTAGES OF YOUR COMPANY 234

------------ TEXT UNITS 235-237:

We have the advantage that we also operate in Poland
in Czech and in many other markets around the world. 235
We can draw from world wide resources and get support
from all the other operations in this company. 236
We have a clear advantage against regional companies
like Eduscho which is only operating in Germany and
Austria. 237

----
* FINALLY 298

------------ TEXT UNITS 299-307:

I think that headquarters in the west have no clue
what is going on here in these markets. 299
Wherever they are they do not have any sympathy 300
that we are in an existing market where we had to
build up everything from scratch, 301
where no organisation was in place 302
where we had to set up restructure and rationalise
the whole business at the same time. 303
They want the same information flow 304
and they expect us to go through all the stages the

west went through during the last 40 years in just 3
years, 305
that is very hard to stomach. 306
I spend a lot of my time educating people here and in
our Dutch headquarters. 307

++
JJPL
++++
Retrieval for this document: 4 units out of 223, = 1.8%

----
* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

----
* THE FUTURE OF BRANDS IN POLAND 211

------------ TEXT UNITS 216-219:

Because most companies will have overestimated their
sales either unknowingly or knowingly 216
to achieve better support from their HQs in the early
days 217
but this lead to huge investments for which interests
and dividends have to be earned. 218
This again means everybody will be fighting for the
small market and parts thereof 219

++
KJSHUN
++++++
Retrieval for this document: 2 units out of 164, = 1.2%

----
* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----
* MAIN MARKETING TOOLS 65

------------ TEXT UNITS 69-70:

We can get support from all over the world in an
instant 69
and we have all the skills necessary. 70

++
NESCZ
+++++
Retrieval for this document: 5 units out of 371, = 1.3%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* MAIN MARKETING TOOLS 146

------------ TEXT UNITS 161-161:

We use all the marketing resources Nestle has
world-wide 161

----
* HOW MAKE UP FOR LOST GROUND? 267

------------ TEXT UNITS 277-280:

We also get a lot of help from western countries 277
and the world wide resources of Nestle 278
so we are doing well in getting experts on certain
issues to help us with our particular problems. 279
280

++
PEPPL
+++++
Retrieval for this document: 7 units out of 323, = 2.2%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* DATE OF ENTRY: 1

------------ TEXT UNITS 25-31:

The delay in reacting also had to do with Pepsi's
internal structure in which no office in Poland
co-ordinated the interests of the company, 25
which meant that the bottlers had to deal with Vienna
and Vienna reported to Cyprus and Cyprus, which was
co-ordination centre for middle East and central
Europe, reported to the New York head office. 26
So this structure certainly lead to a situation in
which New York had no idea what was going on in
Poland. 27
Pepsi had a more global approach and did not see the
need to commit funds to Poland at the time. 28
At the time Pepsi also actively colonised South
America so Poland was not on their priority list. 29
Unfortunately the revolution in Poland was not
included in the Pepsi corporate plan for that year 30
and so there was nothing which could be done about it. 31

++
UNLCZ
+++++
Retrieval for this document: 3 units out of 285, = 1.1%

----
* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* FINALLY 268

------------ TEXT UNITS 282-284:

The Czech market is a 'Peripheral Market' in the
internal hierarchy 282
and the headquarters in Holland are not willing to
really commit money to this market 283
which means we can not really do too much about our

situation.

++
Total number of text units retrieved = 37
Retrievals in 7 out of 19 documents, = 37%.
The documents with retrievals have a total of 2112 text units,
so text units retrieved in these documents = 1.8%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.67%.

****

(29) /Future of Brands
****
TEXT IN ALL DOCUMENTS:

++
BDFCZ
+++++
Retrieval for this document: 3 units out of 241, = 1.2%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----
* MAIN LIMITATIONS FOR WESTERN BRANDS 218

------------ TEXT UNITS 221-223:

In the future once the economic situation has
improved I suspect that the main limitation will be
the size of the total market 221
which is rather small in the case of the Czech
republic, 222
but that is far away in the future. 223

++
COLPL
+++++
Retrieval for this document: 1 unit out of 453, = 0.22%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY:
TOOTHPASTE

----
* THE FUTURE OF BRANDS 452

------------ TEXT UNITS 453-453:

I don't see major shifts or changes in the Polish
market for the next 2 to 3 years. 453

++
PEPPL
+++++
Retrieval for this document: 9 units out of 323, = 2.8%

----
* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

----
* THE FUTURE OF BRANDS IN POLAND 314

------------ TEXT UNITS 315-323:

I don't think the differentiation between western and
Polish brands will continue. 315
I think it will be a differentiation between good and
bad brands regardless were they are from,
particularly with all the joint ventures and
take-overs of Polish brands. 316
The concept of branding will continue to develop 317

and eventually people will stop to ask for generic
products like yellow cheese or bread but for brands. 318
People more and more get used to the concept. 319
Brands in Poland are playing an ever greater role. 320
My advise for anybody going into Poland would be
either sell at a lower price than local products 321
or have a strong brand name with a lot of advertising
and promotion. 322
323

+++
PGHUN
+++++
Retrieval for this document: 4 units out of 258, = 1.6%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

----

* THE FUTURE OF BRANDS IN HUNGARY 254

------------ TEXT UNITS 255-258:

This is difficult because it is difficult to define
'western brand'. 255
The premium brands will eventually, 256
depending on an improving economic situation, 257
become more and more dominant. 258

+++
STOLHUN
+++++++
Retrieval for this document: 6 units out of 266, = 2.3%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

----

* THE FUTURE OF BRANDS IN HUNGARY 249

------------ TEXT UNITS 250-255:

The lower segments will fade out over time 250
and the premium segments will increase in their
importance 251
because nobody has an interest in producing cheap
products. 252
It will take some time, 253
definitely more than 2 or 3 years, 254
until western brands will become normal way of life
for the majority of Hungarians. 255

+++
Total number of text units retrieved = 23
Retrievals in 5 out of 19 documents, = 26%.
The documents with retrievals have a total of 1541 text units,
so text units retrieved in these documents = 1.5%.
All documents have a total of 5487 text units,

so text units found in these documents = 0.42%.

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TEXT IN ALL DOCUMENTS:

++
BDFCZ
+++++
Retrieval for this document: 8 units out of 241, = 3.3%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----

* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 232

------------ TEXT UNITS 233-240:

I guess because of the increasing purchasing power
the future looks quite good. 233
They have a big advantage 234
that they have enough money to support their
activities and sales 235
which is very important in this market. 236
They also enjoy a high degree in trust and confidence
by the consumers. 237
I can't see a reason why they should not succeed. 238
Maybe a smart Czech company in an area will be able
to make it difficult for some western brands 239
but this will be single cases. 240

++
CCPL
++++
Retrieval for this document: 4 units out of 439, = 0.91%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

----

* THE FUTURE OF BRANDS IN POLAND 427

------------ TEXT UNITS 433-436:

Western brands in general will continue to play their
role 433
and eventually dominate the market 434
if they are managed careful they will increase in
their importance 435
if they are in for the short term revenue they may
not survive to see the long term. 436

++
HENHUN
++++++
Retrieval for this document: 4 units out of 381, = 1.0%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----

* THE FUTURE OF BRANDS IN HUNGARY 377

------------ TEXT UNITS 378-381:

The process goes into one direction that is no
question. 378
The only question is how long it may take. 379
The other side is that so many factors influence this
development process 380
which makes it difficult to foresee the speed of any
developments. 381

++
HENPL
+++++
Retrieval for this document: 2 units out of 328, = 0.61%

----
* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

----
* THE FUTURE OF BRANDS IN POLAND 326

------------ TEXT UNITS 327-328:

If they deliver their promises in terms of quality
and reliability they have a good future. 327
If they are in for the quick buck they will not even
make that. 328

++
JJCZ
++++
Retrieval for this document: 12 units out of 317, = 3.8%

----
* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 305

------------ TEXT UNITS 306-317:

The future will be a strong future for western brands 306
because the brands are strong. 307
But it's still going to be a long way. 308
I know that the local brands are still very strong 309
and it will take time until the No. 1 western brands
will also achieve the No. 1 position in this market. 310
I think it's a long road ahead 311
but well worth it. 312
The next one or two years will still be very
difficult in winning consumer loyalty 313
and to remain in the market 314
but we have pretty good chances of succeeding. 315
People have started to re-evaluate their expectations 316
and have realised that it is not such an easy game
after all. 317

++
KJSCZ

+++++
Retrieval for this document: 2 units out of 203, = 0.99%

----
* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 195

------------ TEXT UNITS 202-203:

In the future when purchasing power is on a higher
level, comparable to western Europe, it may be then
that western brands will dominate the market 202
but that is a long time away. 203

++
KJSHUN
++++++
Retrieval for this document: 5 units out of 164, = 3.0%

----
* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY:
/COFFEE CONFECTIONERY

----
* THE FUTURE OF BRANDS IN HUNGARY 159

------------ TEXT UNITS 160-164:

There is no future without western brands 160
as they have established their position in the market 161
and also taken over most local brands so they will
dominate the market in the future 162
as they do in most markets around the world. 163
The bigger the company the more know how in marketing
and branding the better they will do in any market. 164

++
NESCZ
+++++
Retrieval for this document: 10 units out of 371, = 2.7%

----
* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 361

------------ TEXT UNITS 362-371:

Well, I would say not any different than any other
market. 362
I have to say I find it difficult to subscribe to
your term 'western' brand. 363
If you look at 'Nescafe' that is sold from the North
to the Southpole and from Russia to the USA. 364
It is a local and a global brand. 365
You can not fool the consumer in the long term, 366
if you deliver a good product at the right price you

will sell, 367
if you don't deliver the quality you will not sell
for long. 368
I believe we don't sell because we are a 'western'
brand 369
but because we sell a product under a brand name
which is of high quality 370
and we sell it at a price the consumer finds
justified for what we offer. 371

++
NESHUN
++++++
Retrieval for this document: 4 units out of 221, = 1.8%

----
* NESTLE HUNGARY, 23.6.1994, INDUSTRY:
COFFEE/CONFECTIONERY

----
* THE FUTURE OF BRANDS IN HUNGARY 217

------------ TEXT UNITS 218-221:

The important factor is price versus quality 218
and it is important that we understand the different
segments in the market. 219
If managers understand that, they will be successful 220
if they don't care for the consumer they will find it
increasingly difficult. 221

++
PGCZ
++++
Retrieval for this document: 3 units out of 264, = 1.1%

----
* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY:
DETERGENTS

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 261

------------ TEXT UNITS 262-264:

They will work 262
but it will not be as quickly 263
and as big as initial figures suggested. 264

++
STOLHUN
+++++++
Retrieval for this document: 8 units out of 266, = 3.0%

----
* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY:
CONFECTIONERY

----
* MAJOR COMPETITORS 29

------------ TEXT UNITS 43-44:

We will see many of the very small competitors leave
the market 43
and we will also see that the weaker of the
international competitors like Suchard will loose
ground which we and Nestle will take. 44

----
* THE FUTURE OF BRANDS IN HUNGARY 249

------------ TEXT UNITS 250-255:

The lower segments will fade out over time 250
and the premium segments will increase in their
importance 251
because nobody has an interest in producing cheap
products. 252
It will take some time, 253
definitely more than 2 or 3 years, 254
until western brands will become normal way of life
for the majority of Hungarians. 255

++
UNLCZ
+++++
Retrieval for this document: 6 units out of 285, = 2.1%

----
* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

----
* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 262

------------ TEXT UNITS 263-266:

The importance of being western or local gets less
and less important. 263
The real importance for brands is going to be quality
and price. 264
I think the future is optimistic because of the
experience of the companies selling them 265
and the good quality combined with well developed
advertising. 266

----
* FINALLY 268

------------ TEXT UNITS 279-280:

The western brands are already leading in value terms 279
and it is only a question of time until they will
also lead in volume terms. 280

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UNLHUN
++++++
Retrieval for this document: 3 units out of 175, = 1.7%

----
* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* CHANGES IN ATTITUDES TOWARDS WESTERN BRANDS 161

------------ TEXT UNITS 163-163:

Furthermore you have lessons learned in what was East
Germany where you had the initial euphoria when the
wall came down and then a growing opposition to west
brands and finally a state of disillusion. All this
happens here just as well. People find that change
takes too long and that changes have not such an
immediate effect on their own standards of living so
that they loose the initial euphoria. This is one of
the reasons why I said that local brands will be the
better bet in the long term. 163

----
* THE FUTURE OF BRANDS IN HUNGARY 173

------------ TEXT UNITS 174-175:

All the global brands in Hungary have a good chance
in the future as have good local brands which have
been successfully transferred to a new position. 174
I don't think that the big global brands will act any
differently here from any other western market. 175

+++
UNLPL
+++++
Retrieval for this document: 7 units out of 268, = 2.6%

----
* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* WHAT HAS CHANGED/WILL CHANGE IN THIS GRID? 172

------------ TEXT UNITS 174-174:

apart from the fact that I imagine the proportion of
western sales will go down. 174

----
* THE FUTURE OF BRANDS 262

------------ TEXT UNITS 263-268:

Western brands will have it more and more difficult 263
if the trend back to local brands continuous. 264
It was quite easy for western brands in Poland during
the last couple of years 265
but these times are over. 266
The 'Teraz Polska' movement is one development which
western brand manufacturers should watch carefully 267
as they will feel the shift in consumer preference
even stronger in the future. 268

+++
Total number of text units retrieved = 78

Retrievals in 14 out of 19 documents, = 74%.
The documents with retrievals have a total of 3923 text units,
so text units retrieved in these documents = 2.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.4%.

****

(29 2) /Future of Brands/Local
****

TEXT IN ALL DOCUMENTS:

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KJSCZ

+++++

Retrieval for this document: 2 units out of 203, = 0.99%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----

* THE FUTURE OF BRANDS IN THE CZECH REPUBLIC 195

------------ TEXT UNITS 200-201:

I can see a lot of local products *which will* become
brands in the future 200
and I don't subscribe to the theory that all local
products will either die or be taken over by western
companies. 201

++

UNLPL

+++++

Retrieval for this document: 6 units out of 268, = 2.2%

----

* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----

* THE FUTURE OF BRANDS 262

------------ TEXT UNITS 263-268:

Western brands will have it more and more difficult 263
if the trend back to local brands continuous. 264
It was quite easy for western brands in Poland during
the last couple of years 265
but these times are over. 266
The 'Teraz Polska' movement is one development which
western brand manufacturers should watch carefully 267
as they will feel the shift in consumer preference
even stronger in the future. 268

++

Total number of text units retrieved = 8
Retrievals in 2 out of 19 documents, = 11%.
The documents with retrievals have a total of 471 text
units,
so text units retrieved in these documents = 1.7%.
All documents have a total of 5487 text units,
so text units found in these documents = 0.15%.

****

(30) /Portfolio Development
****

TEXT IN ALL DOCUMENTS:

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bdfcz
+++++
Retrieval for this document: 6 units out of 241, = 2.5%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

----

* MARKET READINESS 78

------------ TEXT UNITS 81-83:

We now introduce the more advanced products step by
step 81
to let the consumer adapt to the new products
gradually 82
and take her further once she has adapted to the
previous generation of products. 83

----

*RANGE 121

------------ TEXT UNITS 122-124:

Our range is not as extensive as the range in Germany
for example. 122
We don't have the demand for all the niche products
we sell in other markets. 123
It is particularly the expensive products which we
have not yet introduced. 124

++
CCPL
++++
Retrieval for this document: 5 units out of 439, = 1.1%

----

* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT
DRINKS

----

*CHANGES IN THE MARKET 224

------------ TEXT UNITS 227-229:

We have recently introduced a mineral water 227
which is something quite new in Poland 228
and that has been very successful. 229

----

* IMPORTANCE OF BEING FIRST 257

------------ TEXT UNITS 268-269:

Once you are in the market the race is on to be first
in niche markets 268

but that is less important because we all have the
products in place. 269

++
COLPL
+++++
Retrieval for this document: 2 units out of 453, = 0.44%

----
* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 391

------------ TEXT UNITS 395-396:

Brand umbrellas are very important in this market 395
because you can easily build a strong brand portfolio, 396

++
DEHUN
+++++
Retrieval for this document: 8 units out of 307, = 2.6%

----
* DOUWE-EGBERTS HUNGARY, 22.6.1994, INDUSTRY: COFFEE

----
* DATE OF ENTRY: 1

------------ TEXT UNITS 8-9:

We also had a lot more to offer than our competitors 8
to make this company successful because we don't only
deal in coffee and a little bit of tea like Tchibo 9

----
*RANGE 181

------------ TEXT UNITS 182-187:

We have cut down the range because it was by far too
big 182
and we can only sell a certain range of products
successfully 183
and we also have to have certain volumes in our
distribution for an item 184
as well as all the advertising is only worth while 185
if an item has a certain weight for us. 186
187

++
HENHUN
++++++
Retrieval for this document: 13 units out of 381, = 3.4%

----
* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

----

* MARKET READINESS 109

------------ TEXT UNITS 113-121:

Supra was introducing a new product category 113
and also tried to change ways consumers are doing
certain things. 114
That means you have to explain a lot 115
and educate consumers. 116
This is all very expensive 117
and to change the habits of the consumer is almost
impossible for just one player in an industry. 118
It is easier when all competitors move into a similar
direction. 119
We were also unable to completely explain the new
benefits to the consumer 120
and the infra structure of consumers was not there. 121

----

*RANGE 169

------------ TEXT UNITS 170-171:

Our range is much smaller than in western markets 170
because many of the products we sell in western
markets are not suitable for this market 171

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* CHANGES IN THE GRID 279

------------ TEXT UNITS 283-284:

In the premium segment you will find new brands line
extensions and innovations. 283
Some international brands which have not yet been
introduced will come. 284

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HENPL
+++++
Retrieval for this document: 10 units out of 328, = 3.0%

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* HENKEL COSMETICS POLAND, 11.5.1994, INDUSTRY: PCP

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*RANGE 112

------------ TEXT UNITS 113-117:

We have started with rather small ranges under our
umbrella brand names FA and POLY. 113
Since then we have slowly increased the ranges 114
and we are now at a stage at which we have almost
complete ranges compared to the German market. 115
Some niche products or niche varieties we don't offer 116
but basically we have the same assortment range as in
Germany with the brands we have in this market. 117

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* PRODUCT DIFFERENCE BETWEEN WESTERN COMPETITORS 119

------------ TEXT UNITS 120-122:

Product differences are category differences. 120
In soaps for example there is beauty soap, facial
soap, cleaning soap, pH neutral soap, baby soap etc. 121
For shower gel it is the same varieties and shampoos
are similar. 122

----

* WHAT ARE THE ADVANTAGES OF BEING FIRST? 212

------------ TEXT UNITS 216-217:

We have to present them with a range before they feel
the need 216
so that the choice is in place when they feel the
need. 217

++

JJCZ

++++

Retrieval for this document: 7 units out of 317, = 2.2%

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* JOHNSON&JOHNSON CZECH REP., 8.6.1994, INDUSTRY: PCP

----

* DATE OF ENTRY: 1

------------ TEXT UNITS 3-6:

We started with ob tampons and J&J baby care
products, 3
since then we introduced 5 more brands to the market. 4
We aim to introduce 1 or 2 brands every 2 or 3 month
over the next year or two. 5
Because Johnson&Johnson has such a wealth of brands. 6

----

*RANGE 153

------------ TEXT UNITS 154-156:

The range is not yet fully introduced to the market 154
but we are introducing new brands and brand
extensions pretty frequently 155
so it should not be too long before we have all the
appropriate products in the market. 156

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KJSCZ

+++++

Retrieval for this document: 4 units out of 203, = 2.0%

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* KRAFT JACOBS SUCHARD CZECH REP., 8.6.1994,
INDUSTRY: CONFECTIONERY

----

* RANGE 102

------------ TEXT UNITS 103-106:

For the international brands we only have a limited
range of products available here. 103
Our ranges are not as diverse as in western markets. 104
With our local brands we also cut back the number of
lines we sell 105
because some factories would produce hundreds of very
little unimportant brands. 106

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KJSHUN
++++++
Retrieval for this document: 7 units out of 164, = 4.3%

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* KRAFT JACOBS SUCHARD HUNGARY, 17.6.1994, INDUSTRY: /COFFEE CONFECTIONERY

----
* MAJOR COMPETITORS 22

------------ TEXT UNITS 23-24:

Jacobs is now present in all segments of the coffee
market 23
and has to compete with Douwe Egberts who took over
Compack, Tchibo, Nestle and Eduscho. 24

----
*RANGE 87

------------ TEXT UNITS 88-92:

We have really created a local range 88
with some products taken from western portfolios 89
and creating new ones which fit the market better
than those we could have taken from other markets. 90
The international flagship brand has not as many
extensions here as we have in western markets 91
and we want to keep it that way as long as possible. 92

++
NESCZ
+++++
Retrieval for this document: 4 units out of 371, = 1.1%

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* NESTLE CZECH REP., 6.6.1994, INDUSTRY: CONFECTIONERY

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* PRODUCT 172

------------ TEXT UNITS 178-179:

In western markets we sell very sophisticated
varieties of dry soups or niche coffees, 178
here we have to remain in more basic segments before
we need to go into that direction. 179

----
*RANGE 205

------------ TEXT UNITS 206-207:

Our range is much smaller than in western markets 206
and it will remain smaller for some time. 207

++
PGCZ
++++
Retrieval for this document: 6 units out of 264, = 2.3%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

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* DATE OF ENTRY: 1

------------ TEXT UNITS 4-7:

Since then we have been expanding in sales, products
and categories. 4
We are now present in all P&G key categories 5
which are detergents, dish washing liquids, fabric
softener, paper products, cosmetics and dental care. 6
7

----
*RANGE 135

------------ TEXT UNITS 136-137:

The range is smaller than in western markets but we
are present in all P&G core categories. 136
137

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PGHUN
+++++
Retrieval for this document: 4 units out of 258, = 1.6%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

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*RANGE 138

------------ TEXT UNITS 139-142:

We have a much more restricted range of products in
this market. 139
We want to concentrate on some of our brands 140
and when they are very well established 141
we may introduce more brands. 142

++
STOLHUN
+++++++

Retrieval for this document: 9 units out of 266, = 3.4%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

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* KEY SUCCESS FACTORS 9

------------ TEXT UNITS 14-20:

The other reason is that we have changed our view
towards the Hungarian market drastically last year
and have made equally drastic changes. 14
We have started to concentrate, cleaning the range
from over 1100 products down to under 90 products now. 15
We have stopped whole product segments 16
which lead to a much more efficient production. 17
We have cut costs drastically 18
which gave us advantages which we can use actively in
the market to our benefit. 19
The secret for us is that we cover the whole price
range as well as the whole taste range. 20

----

* MAJOR COMPETITORS 29

------------ TEXT UNITS 41-42:

We have confectionery products ranging from extremely
cheap products like the 'Hassertassy' cookie which
has a reasonable quality going up to expensive
products which are on a price level like in Germany. 41
The span of all confectionery ranges is extreme. 42

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UNLCZ
+++++
Retrieval for this document: 5 units out of 285, = 1.8%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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*RANGE 145

------------ TEXT UNITS 146-150:

Half of our product range which we currently sell was
started in 1992 when Unilever first entered the
market. 146
We now launch successively all other brands. 147
In detergents we had a different position we started
with Omo, 148
then came Sunlicht dish washing liquid 149
and Ziff surface cleaner. 150

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UNLHUN
++++++
Retrieval for this document: 1 unit out of 175, = 0.57%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

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* BRAND NAMES INFLUENCE CONSUMERS? 147

------------ TEXT UNITS 150-150:

This means that for a company like us it is important not only to have global brands in our portfolio but also to have strong local brands which will play a bigger role in the future. these local brands are particularly important for the volume, which can not be achieved with western brands alone. 150

++
Total number of text units retrieved = 91
Retrievals in 15 out of 19 documents, = 79%.
The documents with retrievals have a total of 4452 text units,
so text units retrieved in these documents = 2.0%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.7%.

****

(31) /Importance of Brandname
****
TEXT IN ALL DOCUMENTS:
(This node indexes no documents.)

****

(31 1) /Importance of Brandname/Western
****
TEXT IN ALL DOCUMENTS:

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BDFCZ
+++++
Retrieval for this document: 3 units out of 241, = 1.2%

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* BEIERSDORF BDF CZECH REP., 7.6.1994, INDUSTRY: PCP

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* HOW IMPORTANT ARE *WESTERN* BRAND NAMES IN THE CZECH REPUBLIC 195

------------ TEXT UNITS 196-198:

Western brand names are very important 196
and people appreciate western brands for their quality 197
and their image. 198

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CCPL
++++
Retrieval for this document: 2 units out of 439, = 0.46%

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* COCA COLA SYSTEMS POLAND, 10.5.1994, INDUSTRY: SOFT DRINKS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 374

------------ TEXT UNITS 375-376:

Western brand names are very important 375
because they stand for quality. 376

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COLPL
+++++
Retrieval for this document: 10 units out of 453, =2.2%

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* COLGATE PALMOLIVE POLAND, 9.5.1994, INDUSTRY: TOOTHPASTE

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* ADVERTISING 75

------------ TEXT UNITS 76-80:

Media overspill was an important factor 76
as people in Poland were able to receive western television 77
therefore they were already aware of western products. 78
This is a big difference to Russia where people were not aware of western products. 79
Poles also travelled to other countries so they were

really open. 80

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 391

------------ TEXT UNITS 392-396:

They are very important. 392
For one Ajax variety we don't do any advertising 393
but it sells because of the western name. 394
Brand umbrellas are very important in this market 395
because you can easily build a strong brand portfolio, 396

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HENHUN
++++++
Retrieval for this document: 11 units out of 381, = 2.9%

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* HENKEL HUNGARY, 22.6.1994, INDUSTRY: DETERGENTS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 251

------------ TEXT UNITS 252-262:

That differs a lot within different product segments. 252
In our segments it is between 20 and 30% in value. 253
I think brands have a much higher prestige value than
in other countries. 254
People are proud if they can afford a Persil
detergent or 255
they give each other FA deodorants as a Christmas
present. 256
The image value has a much higher importance in
Hungary than in western markets. 257
However on the other hand 258
the mistrust 259
and the scepticism 260
at the promises brands make is, as a tendency, higher
than in other markets, 261
but I believe that this is something particular
Hungarian. 262

++
JJPL
++++
Retrieval for this document: 3 units out of 223, = 1.3%

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* JOHNSON&JOHNSON POLAND, 8.6.1994, INDUSTRY: PCP

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 162

------------ TEXT UNITS 163-165:

I think the quality standard is important 163
and the benefits which come with the product. 164
The brand name is only the name by which these things
are sold. 165

++
NESHUN
++++++
Retrieval for this document: 4 units out of 221, = 1.8%

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* NESTLE HUNGARY, 23.6.1994, INDUSTRY: COFFEE/CONFECTIONERY

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 151

------------ TEXT UNITS 152-155:

It is very important to have a very strong corporate brand 152
you can not live with just product brands anymore. 153
There are only very few local corporate brands 154
and western brands jump into the breach. 155

++
PEPPL
+++++
Retrieval for this document: 4 units out of 323, = 1.2%

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* PEPSI POLAND, 11.5.1994, INDUSTRY: SOFT DRINKS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 269

------------ TEXT UNITS 270-273:

Very important. 270
Absolutely. 271
Mega importance. 272
273

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PGCZ
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Retrieval for this document: 5 units out of 264, = 1.9%

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* PROCTER&GAMBLE CZECH REP., 8.6.1994, INDUSTRY: DETERGENTS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN THE CZECH REPUBLIC 216

------------ TEXT UNITS 217-221:

The split between western and local brands is 20/80 % 217
so right now their importance is limited. 218
Their importance will grow undoubtedly in the future 219
in line with the economic development. 220
221

++

PGHUN
+++++
Retrieval for this document: 4 units out of 258, = 1.6%

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* PROCTER&GAMBLE HUNGARY, 16.6.1994, INDUSTRY: DETERGENTS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 211

------------ TEXT UNITS 212-215:

Western brands have only captured a limited part of the market. 212
The brand names stand for western quality which is regarded as very high. 213
The image and the reputation are important 214
but prices are also taken into consideration. 215

+++
STOLHUN
+++++++
Retrieval for this document: 4 units out of 266, = 1.5%

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* STOLLWERCK HUNGARY, 20.6.1994, INDUSTRY: CONFECTIONERY

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 210

------------ TEXT UNITS 211-214:

The importance of western brands has clearly been overrated in the past. 211
It now starts to get back to a normal status. 212
We never rated the brand and the westerness of the brand as very important 213
because we have a tradition from our German company where we have missed the chance of establishing a power brand like Milka so we are not too much in brands. 214

+++
UNLCZ
+++++
Retrieval for this document: 7 units out of 285, = 2.5%

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* UNILEVER CZECH REP., 7.6.1994, INDUSTRY: DETERGENTS

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* HOW IMPORTANT ARE WESTERN BRAND NAMES IN THE CZECH REPUBLIC 212

------------ TEXT UNITS 213-219:

I think they are important. 213
The importance of the brand name also depends on the product category. 214

In dish washing liquid the brand name does not play a
big role. 215
People try to buy a decent quality and pay as little
as possible. 216
In consumer electronics for example the name plays a
big role. 217
The advertising made people aware and the brands
wanted 218
so it becomes more important all the time. 219

++
UNLHUN
++++++
Retrieval for this document: 4 units out of 175, = 2.3%

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* UNILEVER HUNGARY, 9.7.1994, INDUSTRY: EDIBLE FATS

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN HUNGARY 141

------------ TEXT UNITS 142-145:

This is difficult to answer and it depends a lot on
the product area and the target consumer you are
talking about. 142
In the younger target groups western brands are very
important and the identification with western
standards of living are very important criteria. 143
Older consumers as in 45+ the brand is less important
and the trust more in their old and proven brands,
they however appreciate when these brands are revived
and modernised. Particularly when they improve in
quality and price/quality relation. 144
It also depends on the product category if you look
for example into PCP in which western brands play a
vital role compared to basic food products. 145

++
UNLPL
+++++
Retrieval for this document: 6 units out of 268, = 2.2%

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* UNILEVER POLAND, 13.5.1994, INDUSTRY: TOOTHPASTE

----
* HOW IMPORTANT ARE WESTERN BRAND NAMES IN POLAND 218

------------ TEXT UNITS 219-224:

A lot of people are still very impressed with western
brand names 219
and they are still important. 220
They used to be more important. 221
In recent months they have lost a lot of their
specialness 222
and people think twice before they spend a lot of
money for a product with a brand name 223
which is not that much better than a local product. 224

++

Total number of text units retrieved = 67
Retrievals in 13 out of 19 documents, = 68%.
The documents with retrievals have a total of 3797 text units,
so text units retrieved in these documents = 1.8%.
All documents have a total of 5487 text units,
so text units found in these documents = 1.2%.

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Appendix A8

Specimen Correspondence with Respondents

A8.1 Facsimile Confirmation

UNIVERSITY OF STRATHCLYDE

Johnson & Johnson Poland
Mr Roger Southworth
Managing Director
ul. Korkowa 89
04 - 519 Warszawa

Fax: 022 15 32 27

10.05.1994
Research Project: Brands in Central European Markets

Dear Mr Southworth,

I would like to confirm our meeting, which we scheduled for Friday, May 13, at 10.30 am, at your offices in Warsaw. I appreciate your commitment to my research and I am very much looking forward to meeting you. Please let me take the opportunity to reassure you that any information will be dealt with in the strictest confidence. I have asked my supervising Professor, to also send you a fax stating, that any information you want to give me is only for the purpose of my research and will not be disclosed to any other party.

The questions which I would like to discuss with you centre around three main issues, namely issues in branding in central European markets, the attitude of consumers towards western brands and finally the advantages and disadvantages of being first in these markets. If you want to contact me in the meantime please send a fax to me at the Technical University in Lodz under the number: 042 36 28 24.

Yours sincerely,

Sven H. Becker

MAR KET ING

Student Research Project

A8.2 Facsimile Prof M J Baker

UNIVERSITY OF
STRATHCLYDE

7 May 1994

Mrs Renata Swiderska
Business Unit Director
Kraft Jacobs Suchard

Dear Mrs Swiderska

This is to confirm that Mr Sven Becker is a bona fide student of Strathclyde University who is carrying out his doctorate studies in the Department of Marketing under my supervision. You may rest assured that any information divulged to Mr Becker will be treated with the utmost confidence.

Yours sincerely

Michael J Baker
Professor of Marketing

MAR
KET
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[illegible] BUILDING, [illegible] CATHEDRAL STREET GLASGOW G4 0RQ
[illegible]