

# Pernod Ricard South Africa

## Jameson Success Story



# JAMESON®



IRISH WHISKEY

## Pernod Ricard South Africa

South Africa - a country of contrasts

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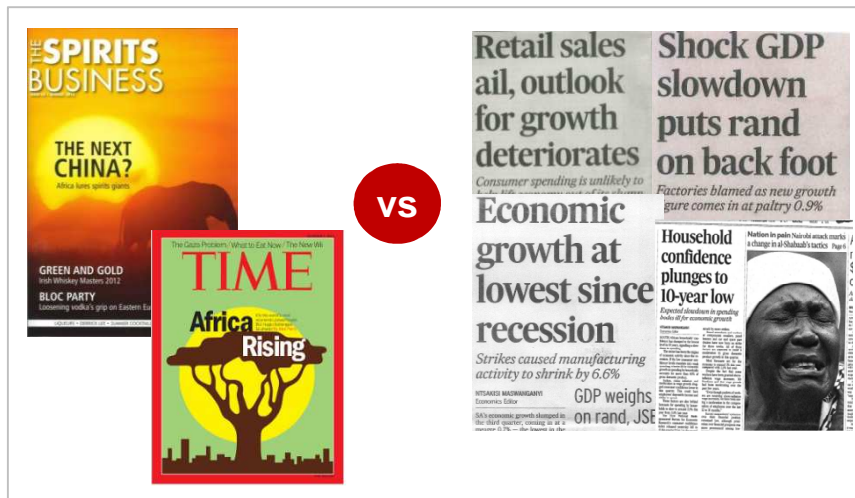




## Pernod Ricard South Africa

Positive economic dynamic across Africa, yet increasing pressure in South Africa

### ECONOMIC CONTEXT




### RAND DEVALUATION VS EURO



## Pernod Ricard South Africa

Impending marketing restrictions under discussion.

### LEGISLATIVE CONTEXT




#### Megan Power

Home > The Times > Article >

##### Minister prepared to lose friends over booze

KATHARINE CHILD | 04 April, 2013 00:44




Health Minister Aaron Motsoaledi

THE TIMES > PEOPLE >

#### Booze ad ban is 'on track'


KATHARINE CHILD | 08 August, 2013 01:24



Health Minister Dr Aaron Motsoaledi. File photo

A proposal that alcohol advertising be banned has been approved by an inter-ministerial committee on substance abuse.

Proud members of the



INDUSTRY ASSOCIATION FOR RESPONSIBLE ALCOHOL USE



## Pernod Ricard South Africa

### Market context – whisky market ranking

Million 9lt cases  
Trend 2013 vs 2012

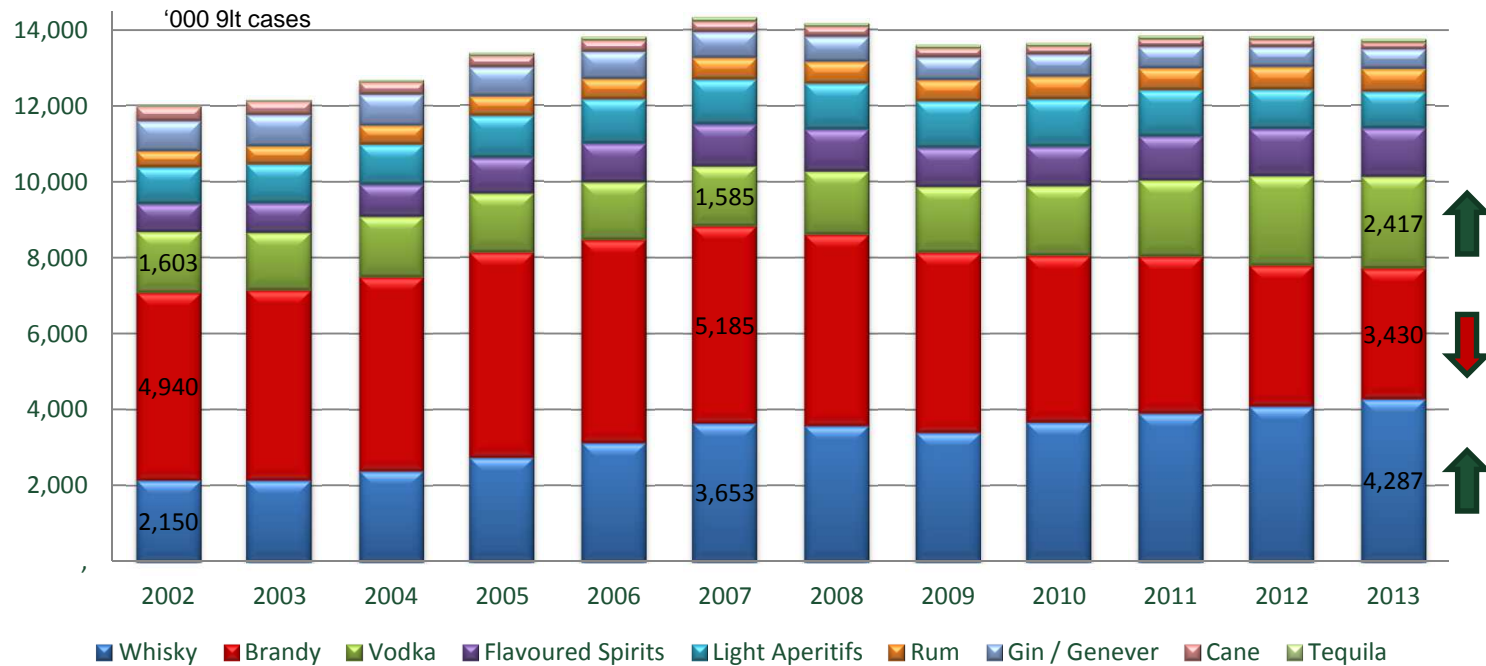
	1. United States	50,532	+ 5%
	2. France	14,965	+ 1%
	3. United Kingdom	7,773	- 1%
	4. Brazil	5,042	+ 7%
	5. Russia	4,800	+ 4%
	6. Canada	4,685	- 1%
	7. Germany	4,239	+ 6%
	8. Spain	3,978	- 11%
	9. Mexico	3,629	+ 10%
	10. South Africa	3,588	+ 5%

Source: IWSR 2013 (Irish, Scotch, American & Canadian whisky)



## Pernod Ricard South Africa

Whisky now the largest category in volume & value



Category	CAGR '02 - '13
<b>Whisky</b>	<b>0.8%</b>
Brandy	-1.7%
<b>Vodka</b>	<b>1.7%</b>
Flavoured Spirits	0.8%
Light Aperitifs	-2.1%
Rum	0.4%
Gin / Genever	-0.8%
Cane	-1.8%
Tequila	-0.2%

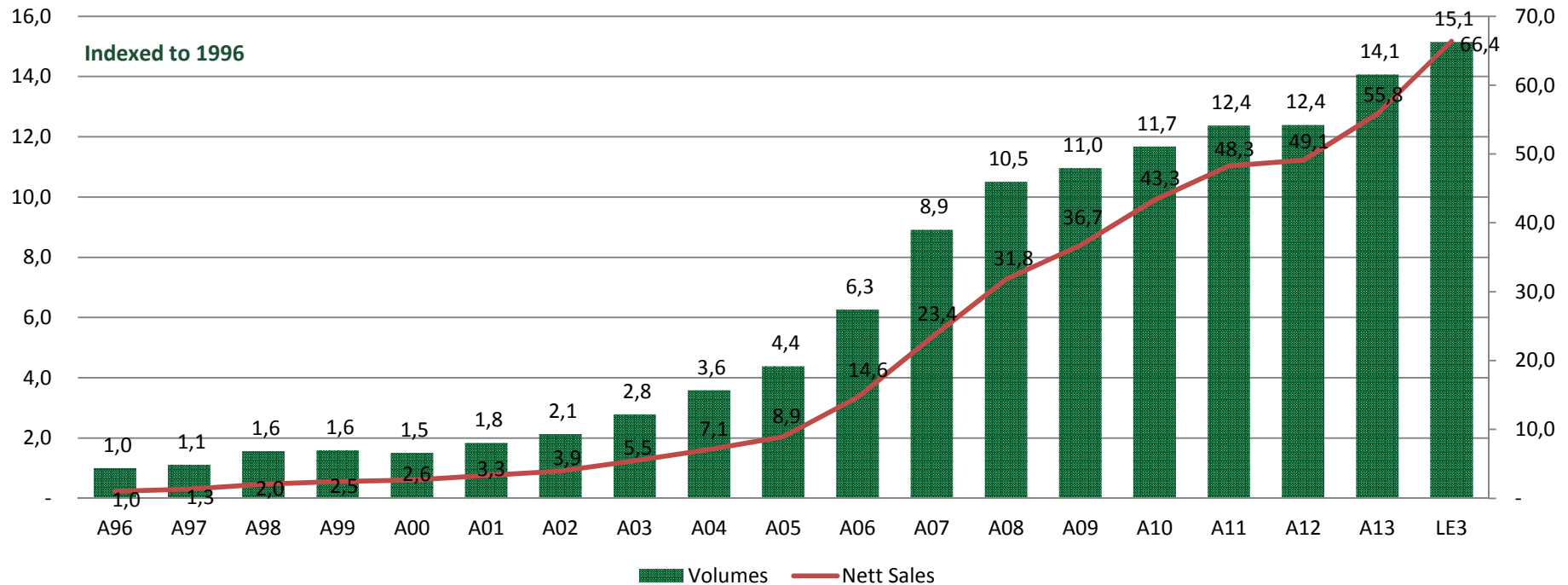
Source: IWSR 2013





## Pernod Ricard South Africa

Jameson has had an impressive performance

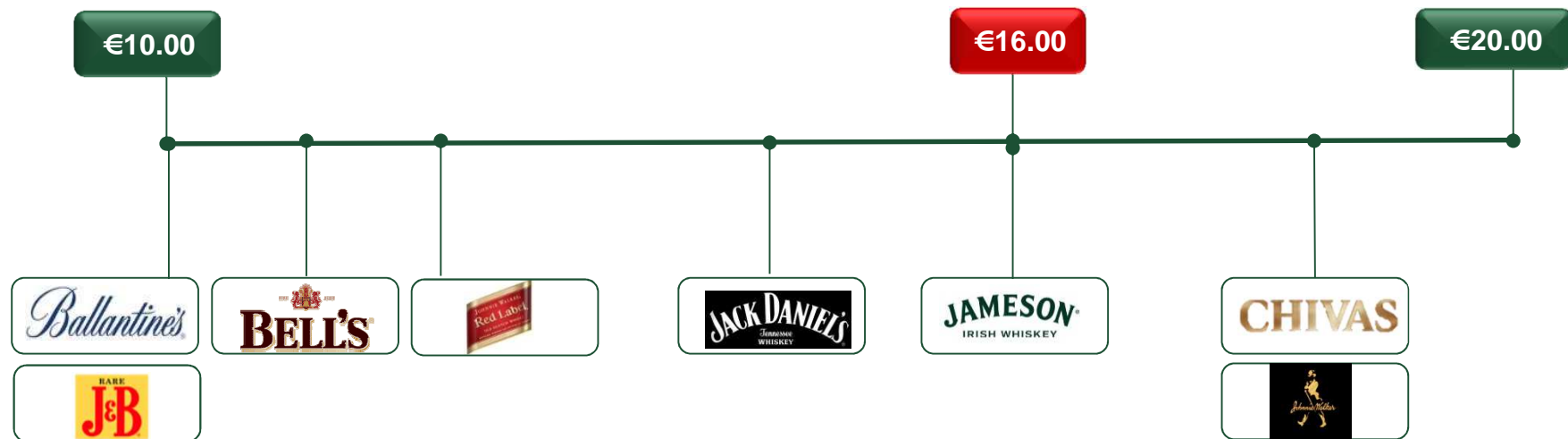


Source: Pernod Ricard



## Pernod Ricard South Africa

Significant price premium to competitive set



15 ZAR : 1 Euro

Source: Pernod Ricard South Africa internal data





## Pernod Ricard South Africa

We believe in the future market growth potential

	BRANDY	WHISKEY PREMIUM	WHISKEY SUPER PREMIUM	WHISKEY ULTRA PREMIUM	VODKA PREMIUM
CATEGORY GROSS MARGIN CAGR FY13 – FY17	-3%	+6%	+8%	+13%	+19%
PRSA SHARE FY13	2.5%	1.3%	40%	14%	25%



# Pernod Ricard South Africa

Strong market share super premium whiskey

		WHISKY SHARE	
FY 13	'000 (9lt) Cases	VOL	33%
	GM €m	VAL	50%

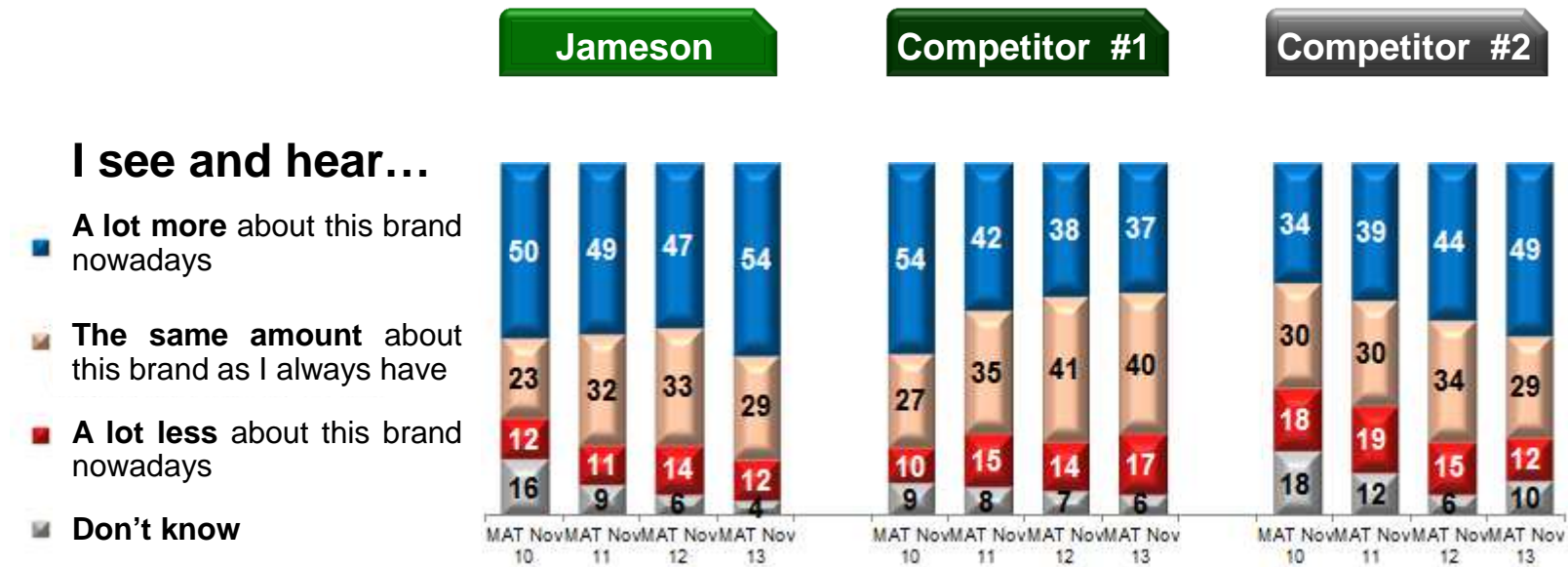
WHISKY				
STANDARD	PREMIUM	SUPER PREMIUM	ULTRA PREMIUM	
< €6	Between €6 & €11	Between €11 & €27	> €27	
				
VOL SHARE	49 %	33 %	17 %	
VAL SHARE	14 %	33 %	46 %	
		JAMESON VAL SHARE	26 %	

15 ZAR : 1 Euro  
 Source: Pernod Ricard



## Pernod Ricard South Africa

Brand with momentum vs. the competition



Source: PRSA

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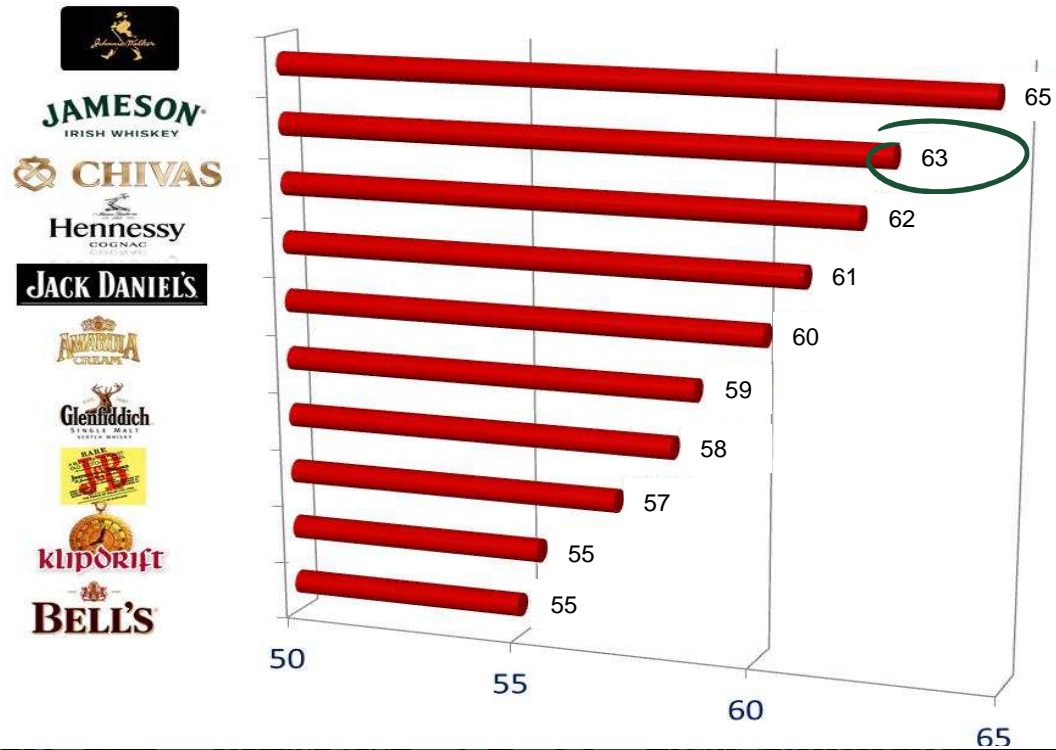




## Pernod Ricard South Africa

Established brand prior to an impending dark market

**Sunday Times**  
**TOP BRANDS**



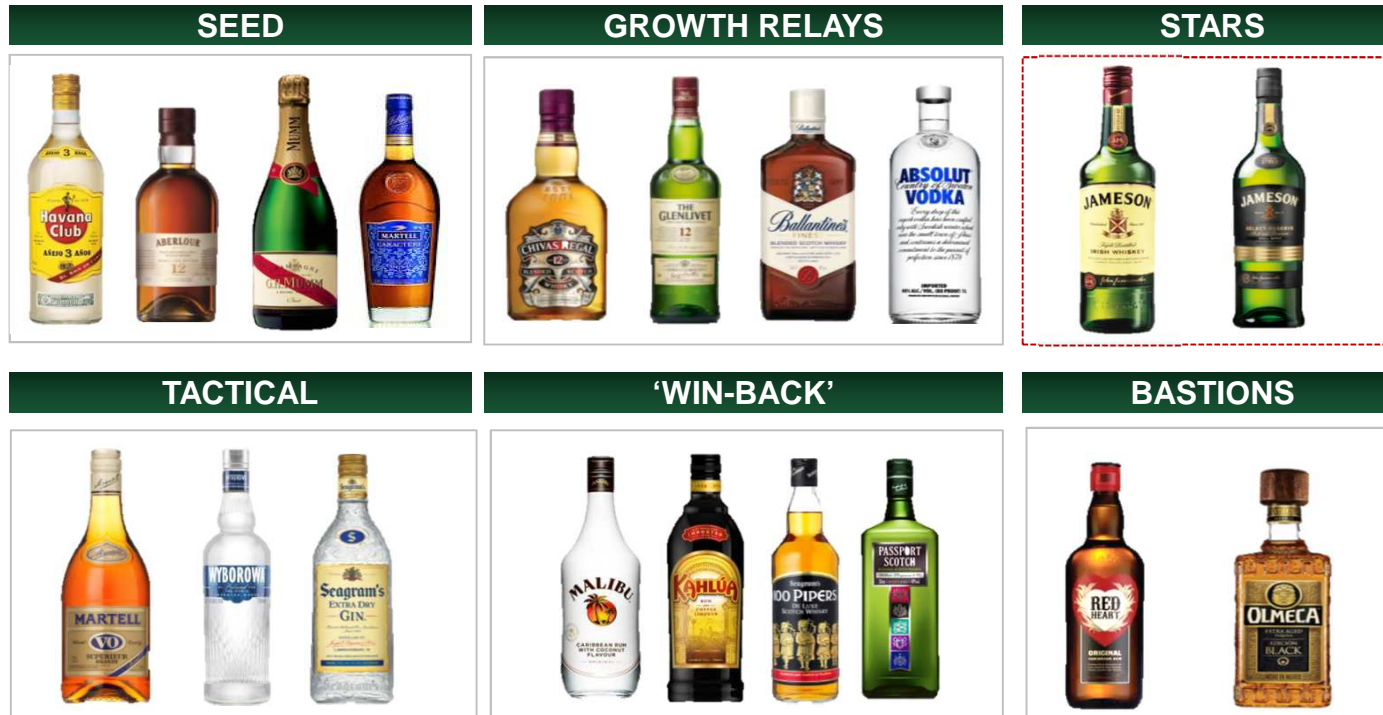
Source: Sunday Times ; TNS South Africa

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## Pernod Ricard South Africa

Playing a key role in the portfolio



Source: Pernod Ricard

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## Pernod Ricard South Africa

A consistent strategy excellently executed



CONSISTENCY



TARGETING



TASTE



PASSION FOR  
FILM



PRICING



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## Pernod Ricard South Africa

Consistency above the line: 'triple distilled twice as smooth': TVC

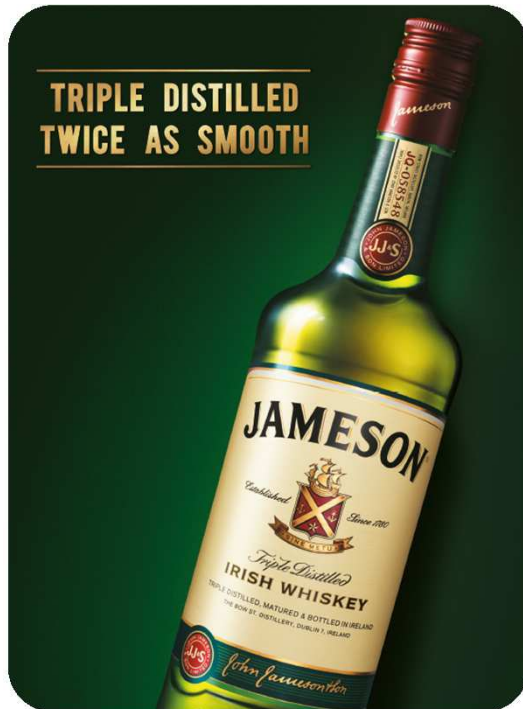


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## Pernod Ricard South Africa

Consistency above the line: 'triple distilled twice as smooth': impactful outdoor

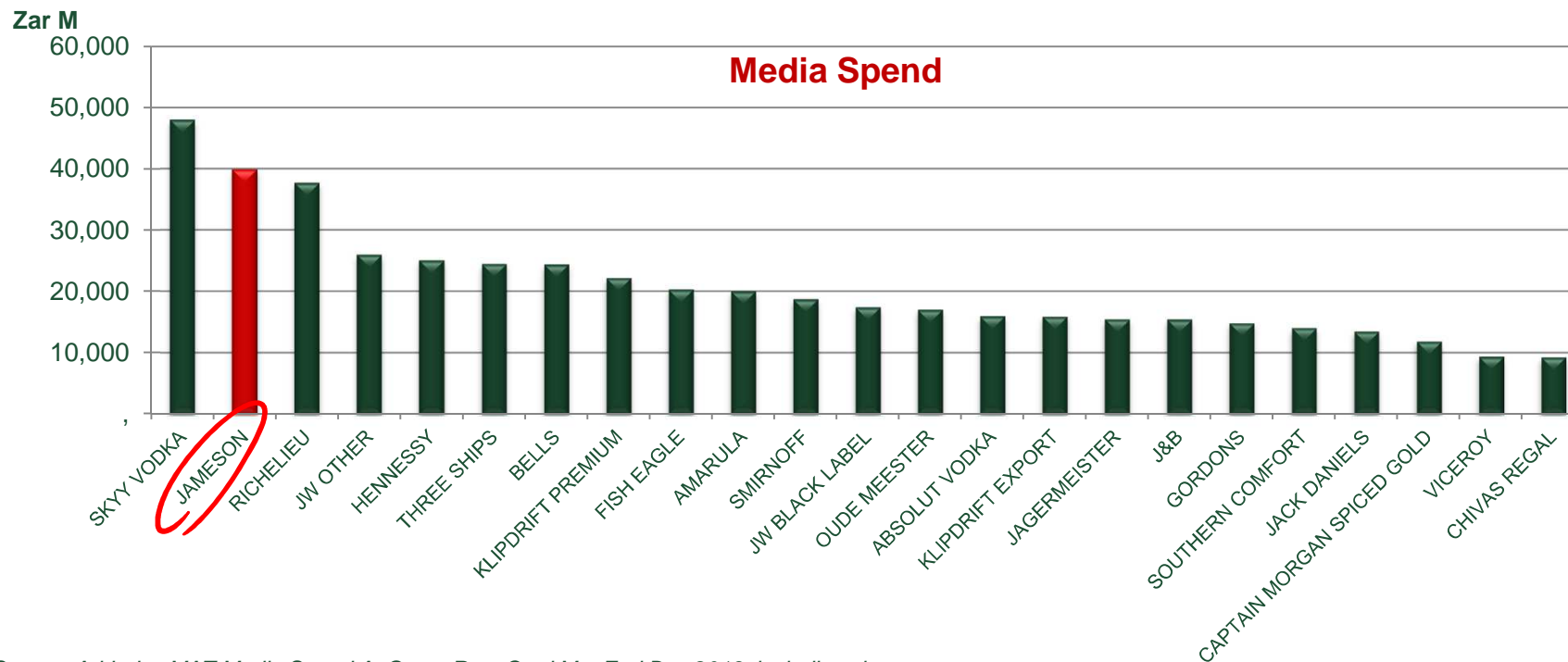


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## Pernod Ricard South Africa

Consistency: investing aggressively in ATL



Source: Ad Index MAT Media Spend At Gross Rate Card Mat End Dec 2013, including cinema

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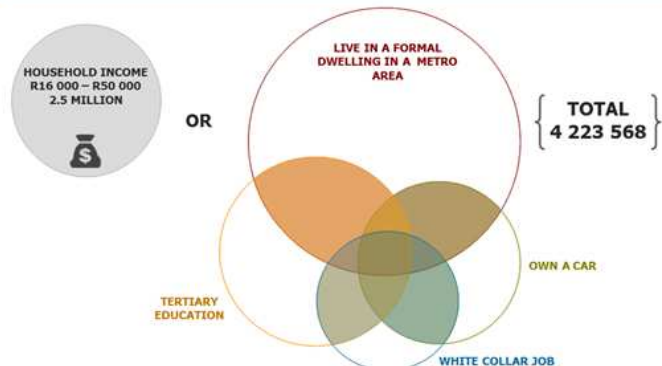
# Pernod Ricard South Africa

Targeting: growing emerging middle class adopting Jameson as whiskey of choice



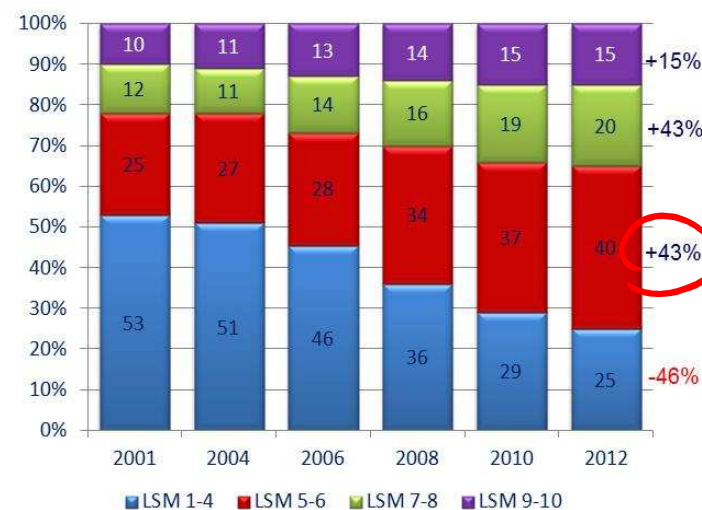
## EMERGING BLACK MIDDLE CLASS DEFINED

The black middle class is defined as black adults over the age of 18 who have an income of between R16 000 to R50 000 OR meet at least TWO of the following criteria: live in a formal dwelling in a metropolitan area, own a car, have a tertiary education, have a white collar job



Source: AMPS 2012 Individual

## EMERGING MIDDLE CLASS GROWING



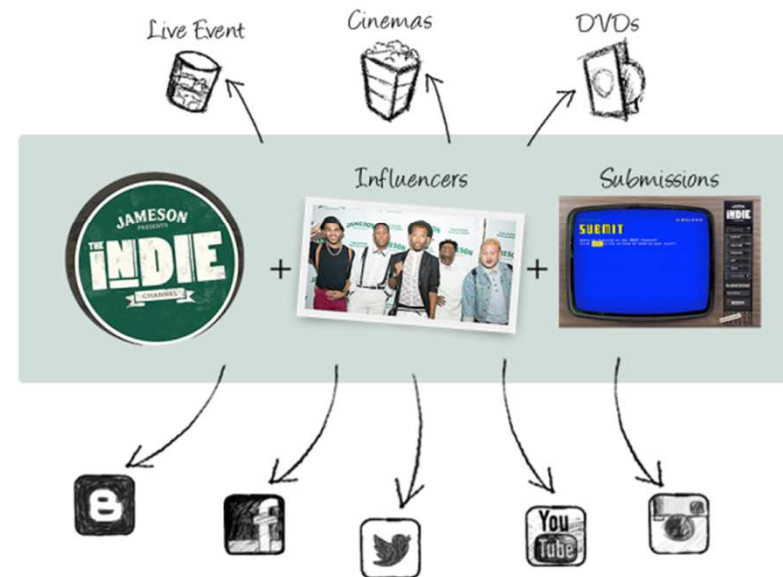
LSM = "Living Standard Measure" : A continuum of living standards based on degree of urbanisation, access to finance, facilities, and ownership of major appliances

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## PERNOD RICARD SOUTH AFRICA

Targeting: independent DUDEs prevalent



## Pernod Ricard South Africa

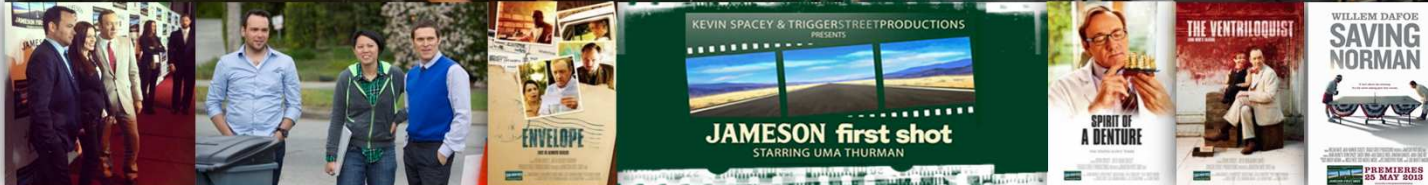
Taste: 'triple distilled twice as smooth' rational benefit





## Pernod Ricard South Africa

Passion for film: Jameson first shot



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## Pernod Ricard South Africa

Opportunity to extend the brand franchise - Jameson Select Reserve



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# Pernod Ricard South Africa

Conclusion: a bright future ahead!



## 1. Positive market dynamics



## 2. Growing momentum toward whiskey consumption



## 3. A simple & successful strategy well executed



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IRISH WHISKEY