



THE DIRT ON CLEANING

**HOME CLEANING/LAUNDRY ATTITUDES
AND TRENDS AROUND THE WORLD**

APRIL 2016



nielsen
.....

AN UNCOMMON SENSE
OF THE CONSUMER™

CONTENTS

INTRODUCTION AND METHODOLOGY.....	02
THE GLOBAL FIGHT AGAINST GRIME.....	03
MACRO TRENDS SHAPING THE HOME-CARE INDUSTRY.....	05
PART I: THE GLOBAL HOUSEHOLD-CLEANING MARKET.....	07
THE HIS AND HERS OF HOUSEWORK.....	08
STORE WARS.....	10
TOOLS OF THE TRADE.....	12
CONSUMERS COME CLEAN ABOUT PREFERRED PRODUCT ATTRIBUTES.....	14
SCENT AND SUSTAINABILITY HAVE REGIONAL APPEAL.....	18
NATURALLY CLEAN.....	20
WHAT'S CLEANING UP AT THE CASH REGISTER?.....	22
PART II: THE GLOBAL LAUNDRY MARKET.....	24
LAUNDRY-DAY DIFFERENCES.....	25
EFFICACY AND EFFICIENCY TOP LAUNDRY LIST OF ATTRIBUTES.....	28
LAUNDRY BENEFITS DIFFER BY REGION.....	30
PART III: TAKEAWAYS FOR PRODUCT MANUFACTURERS.....	32

THE GLOBAL FIGHT AGAINST GRIME

Around the world:

- When it comes to household-cleaning chores, women predominantly run the show, but men are increasingly sharing the load, too.
- Large retail chains are popular self-reported places to shop for household-cleaning products, and e-commerce is showing promise, particularly in Asia. Direct online sales strategies and retail partnerships can help sellers merchandise products more effectively.
- Cleaning tools of the trade are as diverse as the regions themselves. Particularly preferred options include mops and brooms in Asia-Pacific, paper towels in North America, scrubbing brushes in Latin America, sponges in Europe, and cloth towels in Africa/Middle East. Products that complement prevailing habits are likely to hold significant appeal to consumers.
- New-product development strategies must fulfill primary needs of efficacy and value, but they also must differentiate through secondary attributes that appeal to salient trends like natural, ecofriendly offerings and single-dosage packaging. Convenience is also a key benefit that has driven many recent product successes.
- Some everyday household products have strong regional appeal for cleaning purposes. Especially popular are vinegar and baking soda in North America, rubbing alcohol in Latin America, and soap and water in every region.
- Laundry frequency reflects the method used for cleaning; and a shift from traditional hand-washing to appliance-supported methods in developing countries will be a strong driver for laundry-cleaning products.
- Value is being redefined in the laundry-care market. Lowest price is not always most important, as products with high-efficiency benefits are popular.

Benjamin Franklin said the only things certain in life are death and taxes. Perhaps we should add another to the list: dirt. It's not surprising, then, that we spend a significant amount of time trying to keep our homes and clothes clean and fresh. In a Nielsen online survey about home-cleaning and laundry habits, nearly one-third of global respondents (31%) say they clean every day, and the same percentage (31%) say they do laundry daily.

Aided by advances in technology and innovation, cleaning is not taking as much time as it used to: Government-sponsored time-use studies in several markets reveal that consumers are spending significantly less time on household chores than their parents and grandparents. Yet dirt, dust and stains remain inescapable foes for consumers worldwide.

“While cleaning is a common (and essential) practice everywhere around the globe, a one-size-fits-all strategy to get the job done doesn’t work globally,” said Sarah Peters, Nielsen Global Business Partner. “Home-care habits and preferences vary widely around the world. Taking an ‘under-the-covers’ look at today’s in-home practices, coupled with an understanding of the larger forces influencing the home-care industry, provides insight about the products consumers want and need—now and in the future.”

The Nielsen Global Home-Care Survey polled more than 30,000 online respondents in 61 countries to understand cleaning and laundry behaviors and sentiments around the world. We examine who’s cleaning, the tools they’re using and the benefits they’re looking for in home-care products. We also explore the underlying macroeconomic forces affecting the home-care industry, and we offer insights into how to adapt to the changing environment by aligning offerings to consumer needs and desires.

ABOUT THE SURVEY METHODOLOGY

The findings in this survey are based on respondents with online access in 61 countries (unless otherwise noted). While an online survey methodology allows for tremendous scale and global reach, it provides a perspective only on the habits of existing Internet users, not total populations. In developing markets where online penetration is still growing, respondents may be younger and more affluent than the general population of that country. In addition, survey responses are based on claimed behavior rather than actual metered data. Cultural differences in reporting sentiment are likely factors in the outlook across countries. The reported results do not attempt to control or correct for these differences; therefore, caution should be exercised when comparing across countries and regions, particularly across regional boundaries.

Where noted, the survey research is supplemented with purchasing behavior using Nielsen’s Retail Measurement Services data, which is adjusted for inflation.

MACRO TRENDS SHAPING THE HOME-CARE INDUSTRY

Consumers' shopping habits are shaped by various forces, including cultural tradition, product availability, innovation and financial considerations. They're also influenced by larger socioeconomic dynamics. For the home-care industry, several macro trends are worth noting:

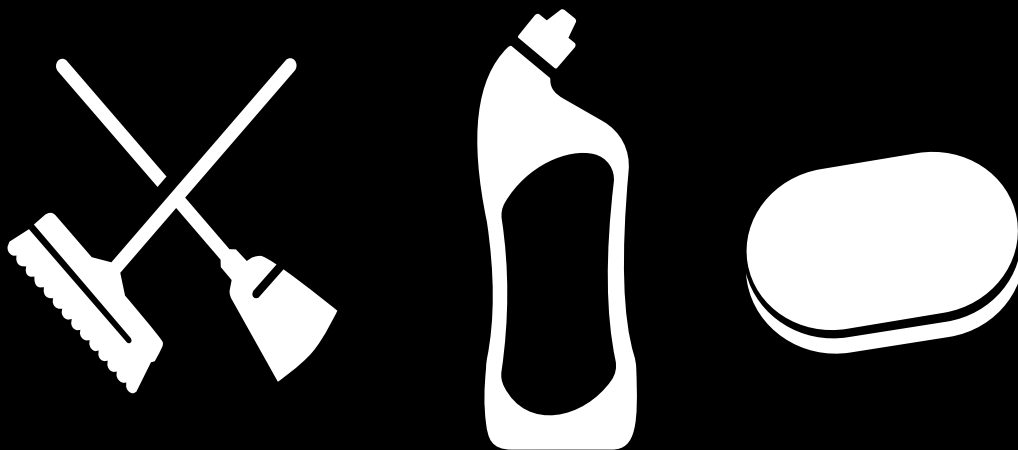
- **Moving up:** The Organization for Economic Cooperation and Development predicts the global middle class will increase from 1.8 billion in 2009 to 4.9 billion by 2030. Economic prosperity will be a growth engine for consumption, particularly when coupled with rising aspirations for products and services not previously available or affordable. With greater disposable incomes, consumers will likely trade up for premium cleaning and laundry products, and purchases of appliances, such as washing machines or dishwashers, considered by some to be affordable luxuries, will likely increase, creating greater demand for specialized products.
- **Working women:** Our global survey shows that women still do the majority of housework, even though the number of women working outside the home continues to grow. According to the World Bank, the percentage of women in the workforce (an average of 51% in the 61 markets included in the survey) grew more than four percentage points on average between 1990 and 2013. With more women balancing jobs, child rearing, household responsibilities and social activities, the need for efficient, convenient cleaning tools and supplies is greater than ever—and as disposable incomes rise, there will be more money to pay for the products that best meet their needs. Sharing the responsibilities with other members in the household is an important consideration for marketing efforts, too.
- **Living single:** As divorce rates and the average age at marriage have risen over the past few decades, there has been growth in single-person households, particularly in developed markets. According to Eurostat data, nearly 33% of people in the 28

European Union member countries lived alone in 2014. In the U.S., Census Bureau data shows that roughly 28% live in a single-person household. These households may desire package sizes that reflect their smaller size. Also, many of these single-person households are headed by men, who may desire different product attributes than women.

- **Bright lights, big cities:** The United Nations reports the world is currently undergoing the largest wave of urban growth in history. More than half of the world's population now lives in towns and cities, and this number will rise to about five billion by 2030. For many consumers, urbanization will mean smaller storage spaces, which may increase demand for smaller package sizes, concentrates and multiuse/multifunction products. Urbanization may also increase the importance of lighter and easy-to-transport products, as few consumers will want to carry heavy packages through crowded city streets. Finally, urbanization in developing markets may lead to greater adoption of modern cleaning appliances—and the products that support them—as urban residences are more likely to have the infrastructure needed to support these machines, such as electricity or a constant and reliable water source.
- **Life in the fast lane:** Today's consumers are moving in hyperspeed, and the need for products that reduce the time spent on cleaning tasks is strong. Life isn't likely to slow anytime soon, so products that are easy to use, clean quickly and deliver superior results will remain in high demand.
- **Shopping 2.0:** Omnichannel is the new retail reality as many consumers use digital devices to aid and/or complete their shopping experience. To succeed in the new retail landscape, manufacturers need to use a combination of online and offline strategies not only to help consumers make more informed decisions, but also to add value throughout the entire shopping experience—wherever and whenever that happens to be.
- **There's an app for that:** The on-demand economy has arrived in many markets. Consumers can summon just about everything with their mobile device. Home-cleaning and laundry services are no exceptions, with everyone from entrepreneurs to major product manufacturers jumping in on the trend. While the on-demand segment is still in its nascent stages for the home-care industry, its popularity in other segments (such as transportation) will likely have far-reaching implications for shopping in general. Consumers are changing their expectations of the shopping experience, and they're growing accustomed to getting what they want, when they want it.

PART I

THE GLOBAL HOUSEHOLD- CLEANING MARKET



THE HIS AND HERS OF HOUSEWORK

When it comes to home care, who does the majority of the cleaning? Perhaps not surprisingly, it's predominantly still women. Around the world, 44% of respondents say the female head of household does the majority of cleaning, with the highest percentages in Europe and Africa/Middle East (49% each).

But men are sharing some of the load. Globally, 28% say housecleaning is a shared responsibility between the two heads of the household, and 17% of respondents say men do the majority of cleaning. In North America, men are contributing to the cleaning duties at the highest levels: Nearly one-third of respondents (32%) say the male head of household does the majority of the cleaning, nearly double the global average.

Responsibility for product purchasing largely mirrors who is doing the cleaning—with even greater female influence. More than half of global respondents (51%) say the female head of household buys the majority of cleaning products. Nearly one-quarter (23%) say it's a shared responsibility, and slightly fewer (21%) say the male head of household is responsible for the majority of purchasing. Just as North America has the highest percentage of men who are primarily responsible for cleaning, the region also has the highest percentage who purchase cleaning products. One-third of North American respondents (33%) say the male head of household is primarily responsible for buying these items, 12 percentage points above the global average.

“The perception that home care is only women's work is inaccurate,” said Peters. “The female head of household remains a key stakeholder in the cleaning process in many homes, but as more men play an active role in housework, marketing strategies need to reflect a more balanced approach—from product innovations to marketing messages. This will require a deeper understanding of how each gender approaches the task of cleaning and where gaps in current offerings may exist.”

WOMEN TAKE ON THE PRIMARY RESPONSIBILITY FOR HOME CLEANING, BUT MEN ARE SHARING SOME OF THE LOAD

PERCENTAGE WHO SAY THEY DO THE MAJORITY OF CLEANING AND BUYING IN THE HOUSEHOLD



FEMALE HEAD OF HOUSEHOLD



MALE HEAD OF HOUSEHOLD



SHARED RESPONSIBILITY FOR 2 HEADS OF HOUSEHOLD



ASIA-PACIFIC



EUROPE



AFRICA/
MIDDLE
EAST



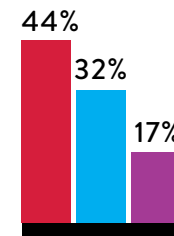
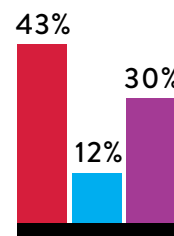
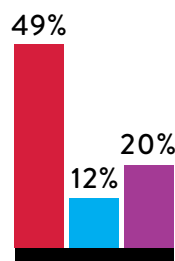
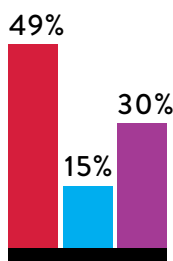
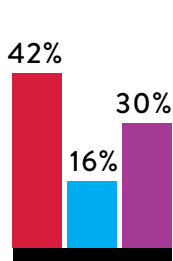
LATIN
AMERICA



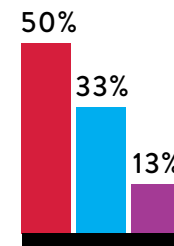
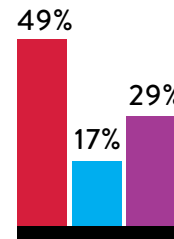
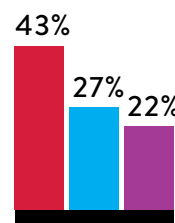
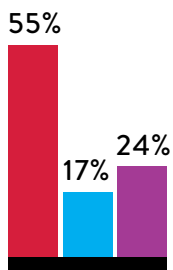
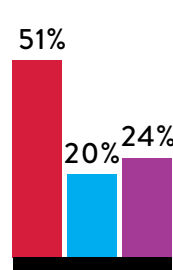
NORTH
AMERICA



DOES THE MAJORITY OF THE CLEANING



BUYS THE MAJORITY OF HOUSEHOLD CLEANING PRODUCTS



Note: Does not include "other" responses.

Source: Nielsen Global Home-Care Survey, Q3 2015

STORE WARS

Given that the online respondents in this survey are likely living where modern retailing options are routinely available, it's no surprise that modern retailers come out on top in every region as the self-reported place to purchase cleaning products. More than three-quarters (77%) of global respondents say they purchased household-cleaning products from a large retail chain (such as a mass merchandiser or hypermarket) in the past 12 months. While large chains have global appeal, there are some regional differences in shopping preferences.

E-commerce is an important channel in Asia-Pacific. Thirty-seven percent of respondents in this region say they have purchased household-cleaning supplies from an online retailer in the past 12 months, compared with 23% globally. Online shopping is particularly popular among online respondents in India (48%), China (43%) and South Korea (43%).

“Distribution is the top driver of product trial, and it is positively correlated with product volume,” said Peters. “At present, e-commerce accounts for only a small share of household products sales, but it is growing rapidly, particularly in Asia. As increasing economic prosperity in the region drives sales of household cleaners, establishing and maintaining strong relationships with both brick-and-mortar and pure-play online retailers will be important for capitalizing on this growth.”

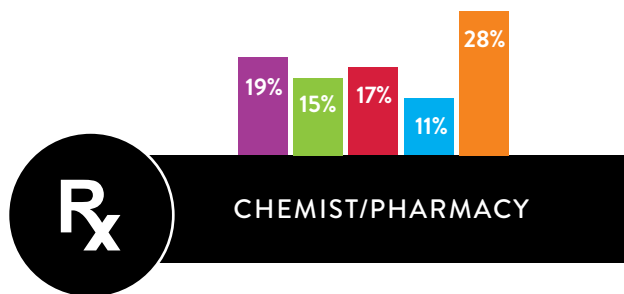
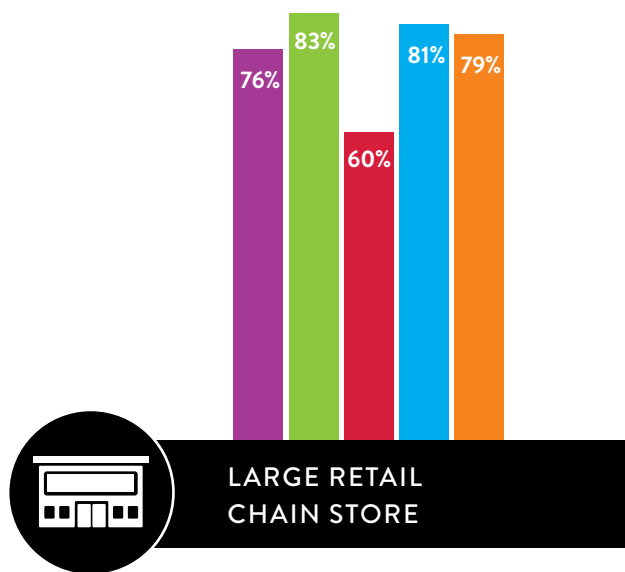
In addition, given the popularity of online channels in Asia-Pacific, package size should be a key consideration in this market. Large, bulky items can be expensive to ship and store, so options for smaller, lighter and easy-to-ship offerings are important considerations for innovation.

Respondents in Asia-Pacific are also inclined to shop at traditional stores. Four in 10 respondents in the region say they've purchased cleaning products from a small, family-owned shop during the past 12 months, 10 percentage points above the global average. But these shops are more popular in some countries in Asia-Pacific than others. Traditional store preference is highest in developing countries. More than half of Indian respondents (51%) and more than four in 10 Chinese respondents (45%) say they've shopped at a small, family-owned shop in the past 12 months, while fewer than one in 10 respondents in Japan (8%), Australia (7%) and New Zealand (7%) say they've done so.

LARGE RETAIL CHAINS ARE POPULAR WORLDWIDE, BUT SMALLER AND ONLINE FORMATS HAVE REGIONAL APPEAL

SELF-REPORTED STORE FORMATS SHOPPED FOR HOUSEHOLD CLEANING PRODUCTS IN THE LAST 12 MONTHS

● ASIA-PACIFIC ● EUROPE ● AFRICA/MIDDLE EAST ● LATIN AMERICA ● NORTH AMERICA



Source: Nielsen Global Home-Care Survey, Q3 2015

Why do consumers choose one store over another? Not surprisingly, it primarily comes down to price, product availability/assortment and convenience. Half of global respondents say they choose a particular store when shopping for household-cleaning products because it's where they can find the best price. This is the top reason for selecting a store in all regions but Asia-Pacific, where product availability tops the list. Globally, product availability is the second-most-important reason for selecting a store, with 46% of respondents saying they choose a shop because it has the products they desire. Convenient location (42%) and wide product assortment (41%) also are top selection factors globally.

TOOLS OF THE TRADE

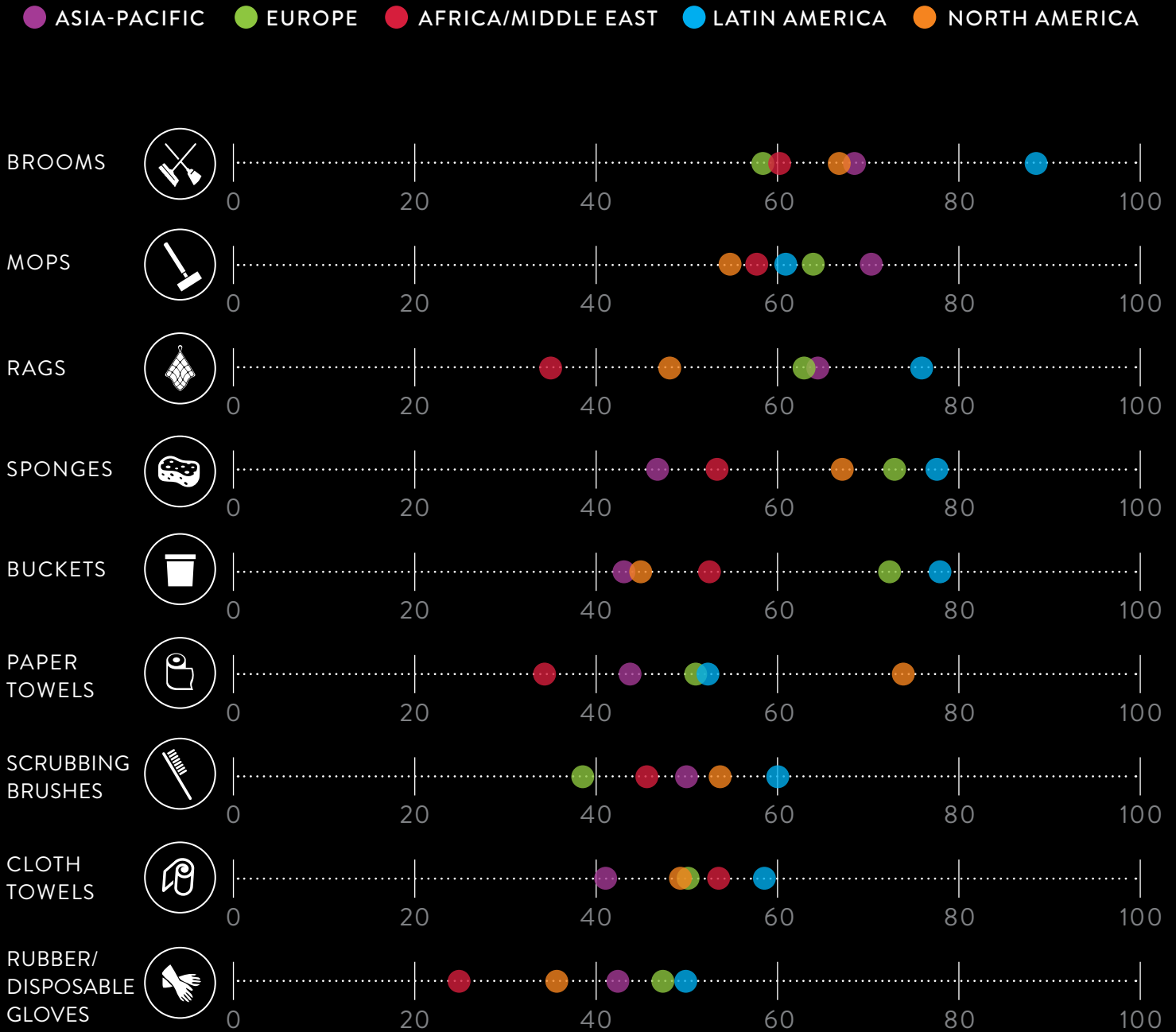
The tools consumers use to clean homes are as diverse as the regions themselves. Globally, brooms (68%), mops (65%) and rags (62%) are the most frequently used tools, but their popularity varies widely around the world, as home environments often dictate what is used and why. For example, in areas where hard-surface flooring is common, mops, brooms and sponges are popular. Home size and economics are factors, too. Smaller homes with less surface area to clean or storage capacity will often rely on just a few tools that serve many purposes. Homes with lower relative incomes show greater reliance on reusable tools such as rags and cloths. Meanwhile, homes with higher relative incomes rely more heavily on disposable options like paper towels. It's also important to note that even within a single household, consumers may use different products/tools for every day, convenience cleaning—such as wiping counters or sweeping floors—than for less-frequent heavy-duty, cleaning occasions, such as cleaning the shower/tub or mopping floors.

“When it comes to the tools consumers use for cleaning, one size really doesn't fit all,” said Peters. “While longstanding practices and traditions play a role in consumers' cleaning habits, household spending capacity, as well as the physical structure of the home and the cleaning occasion, are important considerations in the path to purchase. Products that are hugely popular in one country may be only marginally successful in another. Even within a country, consumers may have vastly different needs—for instance, rural consumers versus city dwellers.”

Also, as household materials trends change, so do consumers' cleaning needs and preferences. For example, granite and other new surface materials, such as concrete countertops, are gaining popularity and tend to require different cleaning materials and solutions than their predecessors. Wood floors in place of carpet and stainless steel appliances are other examples of trends gaining popularity. Manufacturers should keep up with these trends to avoid getting left behind once they hit critical mass.

THE TOOLS USED FOR CLEANING VARY BY REGION

SELF-REPORTED PERCENTAGE WHO REGULARLY USE TOOL FOR CLEANING



Source: Nielsen Global Home-Care Survey, Q3 2015

CONSUMERS COME CLEAN ABOUT PREFERRED PRODUCT ATTRIBUTES

When it comes to the cleaning products consumers are buying, which attributes are most important, and which are simply nice to have?

It should come as no surprise that efficacy tops the list of most important attributes in a cleaning product. Sixty-one percent of global respondents say performance (it cleans well) is very important when selecting a household-cleaning product. This is the top attribute in every region. Connected with efficacy are previous experience and trust. Four in 10 global respondents say previous experience is very important when selecting household-cleaning products, while slightly fewer (37%) say a trusted brand name is very important. Once a consumer has tried the product, they know it will or won't work, and a trusted brand name gives consumers confidence it will continue to meet their expectations.

Value is also an important product attribute. More than half of global respondents (54%) say good price/value is very important. According to an analysis of Nielsen retail sales data for 14 selected markets,¹ consumers seem to be backing up their desire for value with their wallets. For all cleaners combined,² in 10 of the 14 markets included in the study, private-label sales growth outpaced branded-product growth for the 12 months ending in fourth quarter 2015.³ The largest private-label sales growth over the period came from three developing markets: Russia (42.6%), Indonesia (31.3%) and Argentina (26.3%). It's important to note, however, that while private label showed strong growth in these markets, it still accounts for only a small portion of total sales. Private label accounts for only 4% of sales in Russia, 7% in Indonesia and 3% in Argentina. Moreover, branded-product sales also grew by double digits in Indonesia and Argentina, albeit at slower rates.

¹See methodology on page 36 for a list of countries included.

²Includes bathroom, floor, furniture, general-purpose surface, glass, kitchen, specialty and toilet cleaners.

Not all categories are included for all markets.

³The data collection period varies by market. See methodology on page 36 for more information.

The exceptions to the private-label growth trend came from Western Europe. Branded-product sales growth for all cleaners combined for the 12 months ending fourth quarter 2015 was notably higher than private-label sales growth in France (4.7% vs. -3.2%) and Germany (4.8% vs. 0.5%). In the U.K., branded-product and private-label sales declined at nearly equal rates (-3.1% and -3.2%, respectively). It's worth noting, however, that these countries are among those with some of the highest private-label shares in the study (27% in France, 31% in Germany and 22% in the U.K.).

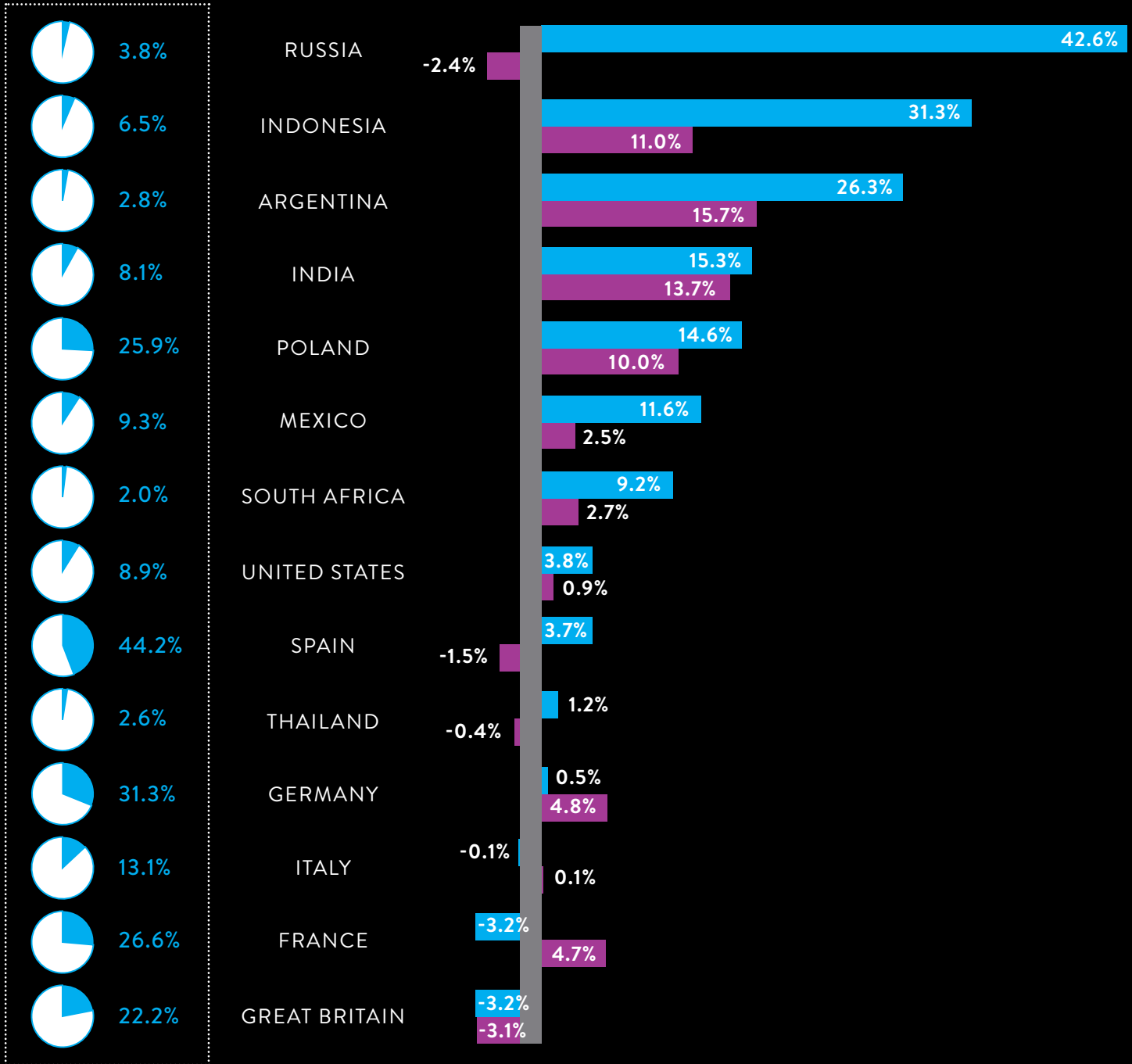


PRIVATE-LABEL GROWTH IS OUTPACING BRANDED-PRODUCT GROWTH IN MOST COUNTRIES

ALL CLEANERS COMBINED*, 2015 YEAR-OVER-YEAR SALES CHANGE

PRIVATE LABEL SHARE OF TOTAL SALES

● PRIVATE LABEL YOY CHANGE ● BRANDED YOY CHANGE



*Categories include: Bathroom, floor, furniture, general-purpose surface, glass, kitchen, specialty and toilet cleaners. Not all categories are included for all markets. See methodology on page 36 for list of categories included for each country.

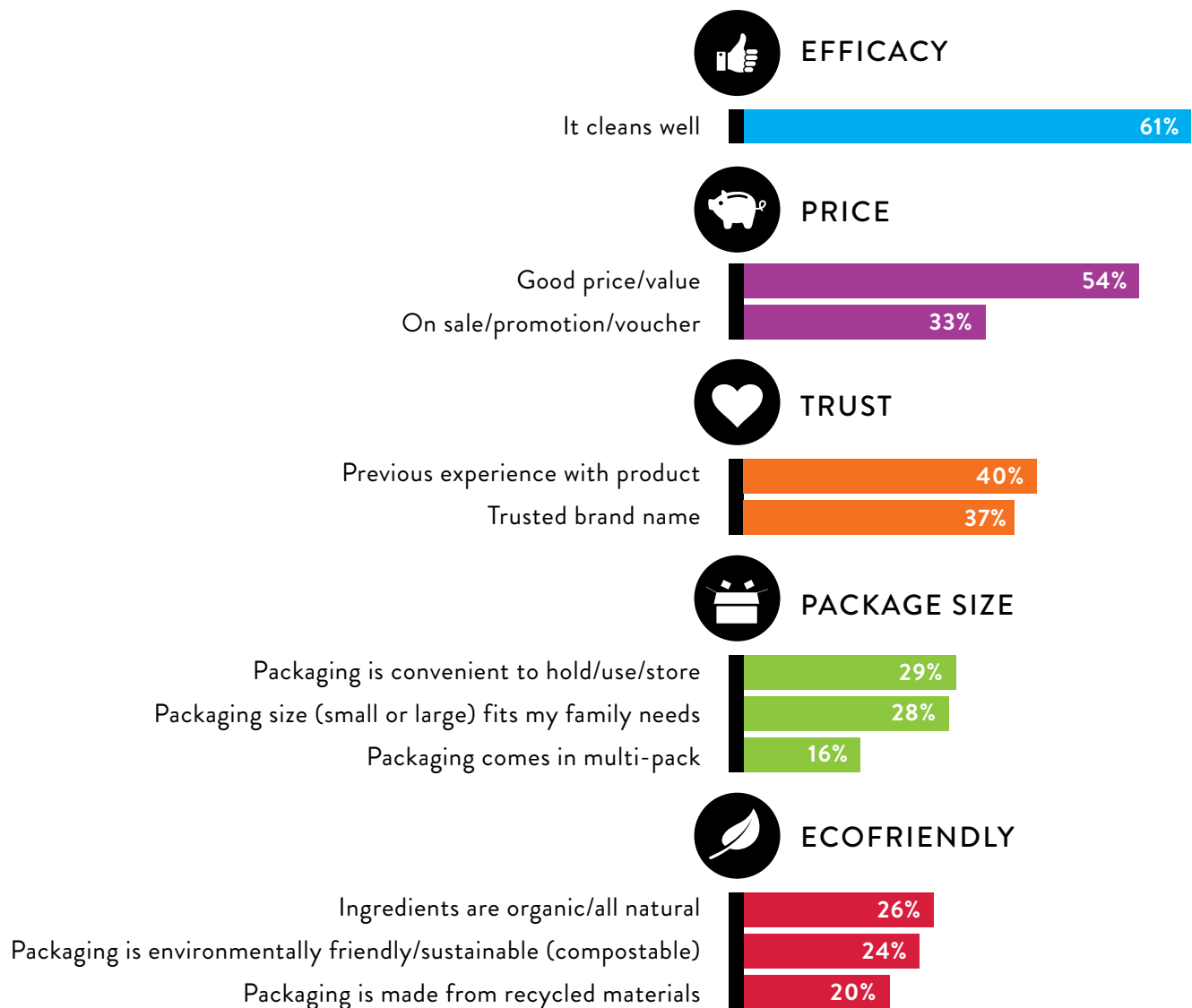
Note: Sales figures are adjusted for inflation.

Source: Nielsen Retail Measurement Sales data, 12 months ending Q4 2015

Cleaning products must be effective, but products that combine efficacy with innovative features offer a win-win solution for consumers. So which secondary attributes are most compelling for consumers? Nearly three in 10 respondents say packaging that is easy to use or store (29%) or that comes in a size that fits their family's needs (28%) is very important. In addition, some consumers are leaning green. Twenty-six percent of global respondents say organic/all-natural ingredients are very important, and 24% say environmentally friendly/sustainable packaging is very important.

EFFICACY IS A MUST-HAVE IN CLEANING PRODUCTS, BUT SECONDARY ATTRIBUTES CAN BE IMPORTANT DIFFERENTIATORS

GLOBAL PERCENTAGE WHO SAY ATTRIBUTE IS VERY IMPORTANT WHEN SELECTING HOUSEHOLD CLEANERS



Source: Nielsen Global Home-Care Survey, Q3 2015

SCENT AND SUSTAINABILITY HAVE REGIONAL APPEAL

Looking specifically at the benefits sought in all-purpose cleaners, effectiveness once again tops the list, cited by 61% of global respondents. Roughly half are looking for easy-to-use products (54%), the second-most-sought-after benefit. Both benefits are appealing worldwide, but there are some interesting regional differences to note.

Latin American respondents are significantly more likely than those in any other region to say they seek disinfectants and products with a scent/fragrance. In fact, these characteristics top the list of benefits sought in the region. Nearly two-thirds of Latin American respondents (66%) look for all-purpose cleaners that contain disinfectants, 22 percentage points above the global average (44%). Slightly fewer (62%) seek products with a scent or fragrance, double the global average (36%).

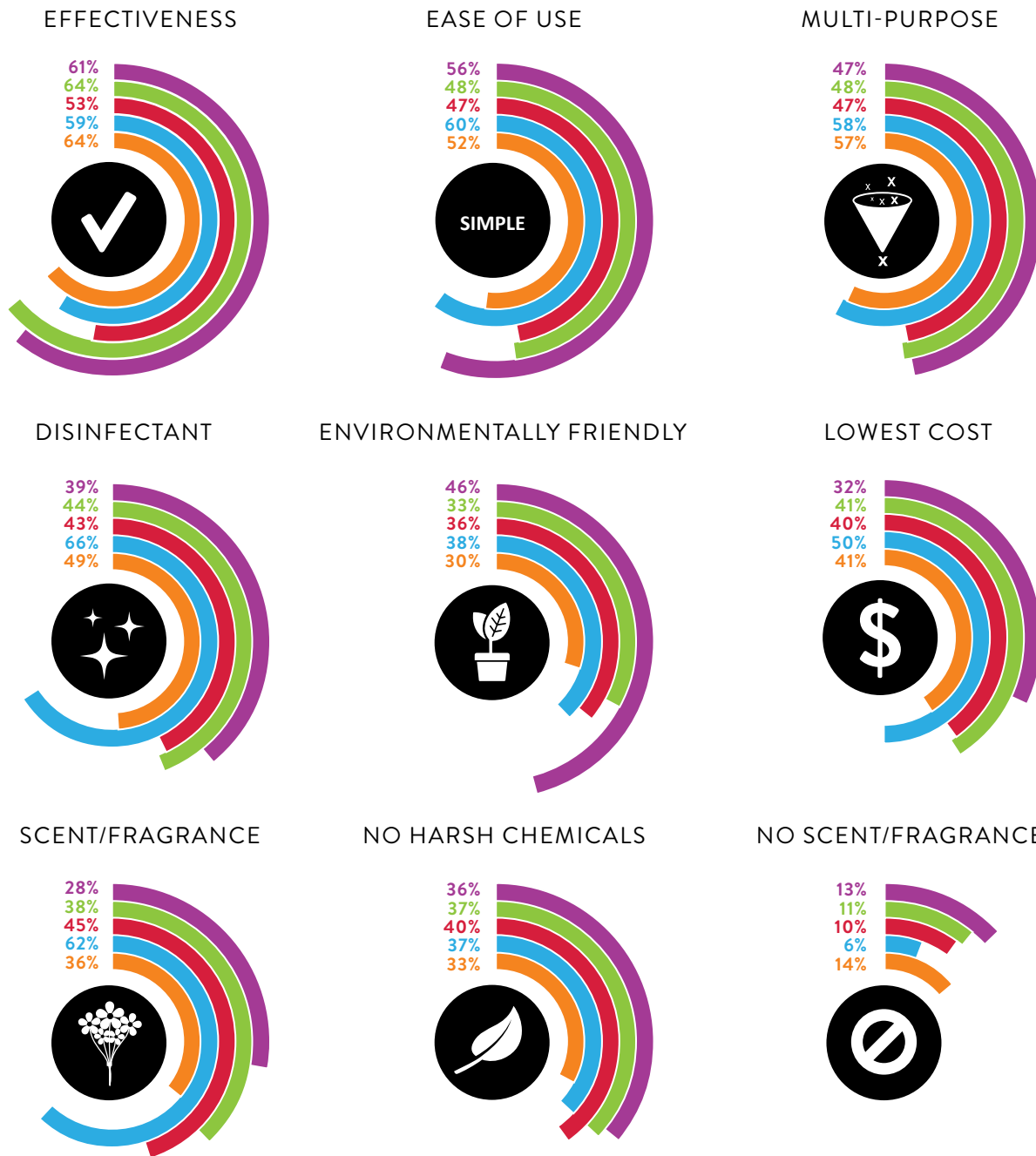
In Asia-Pacific, respondents are more inclined to say they're looking for ecofriendly all-purpose cleaners. Forty-six percent of respondents in the region say they seek environmentally friendly products, compared with 40% globally. North American respondents are the least likely to say they seek this benefit, but it's still a factor in purchase decisions for nearly one-third (30%) of respondents.

“Consumers are increasingly aware of how their actions can affect the environment, and those looking for ways to minimize their carbon footprint are thinking in new ways, which includes using home remedies,” said Peters. “While environmental considerations may be a secondary purchasing driver for many consumers, as more shoppers lean green, manufacturers that balance environmental benefits with strong performance results and cost effectiveness will be positioned well for success.”

EFFECTIVENESS AND EASE OF USE ARE IMPORTANT GLOBALLY, BUT OTHER BENEFITS HAVE REGIONAL APPEAL

BENEFITS SOUGHT WHEN PURCHASING ALL-PURPOSE CLEANERS

● ASIA-PACIFIC ● EUROPE ● AFRICA/MIDDLE EAST ● LATIN AMERICA ● NORTH AMERICA



Source: Nielsen Global Home-Care Survey, Q3 2015

NATURALLY CLEAN

The interest in ecofriendly cleaning products may reflect a larger move toward simpler, more natural-living attitudes occurring around the world. Consumers are looking for healthier, safer choices in the foods they eat and the products they use in their homes, and it goes beyond mass-marketed sustainable options. In fact, some consumers are relying on cleaning solutions that are basic products found in most homes, which may have the added benefit of being less expensive. Nearly three-quarters of global respondents (72%) say they regularly use soap and water for cleaning. According to a review of manual dish soap in 12 selected markets,⁴ sales grew 2.9% over the 12 months ending in fourth quarter 2015. The developing markets reviewed showed the greatest growth, with sales increasing 11.5% in the Philippines, 11.2% in Indonesia, 10.5% in Turkey and 5.1% in India.

A few other basic household ingredients also are popular with consumers for cleaning. About one-third of global survey respondents (32%) say they use vinegar, and this ingredient is especially popular in North America (41%) and Europe (38%). In addition, 28% say they use baking soda, with the highest response in North America (40%). Rubbing alcohol, cited by 23% of global respondents, is particularly popular in Latin America (38%)—a preference that aligns with the disinfecting properties these consumers seek in the all-purpose cleaners they purchase, as noted previously.

“For many consumers, a back-to-basics philosophy may be contributing to behaviors, but financial considerations are also factors—especially when consumers are looking to stretch their budgets,” said Peters. “Using natural-based, everyday household ingredients has the dual benefit of saving the environment and money, too. Manufacturers looking to tap into a more holistic, home-grown remedy trend may want to consider harnessing the power of basic ingredients in their products.”

⁴See methodology on page 36 for a list of countries included.

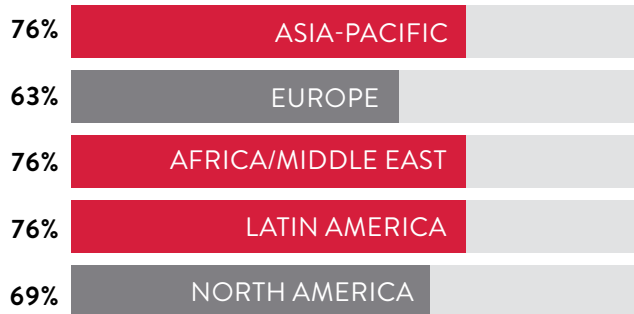
BACK-TO-BASICS APPROACHES TO CLEANING

SELF-REPORTED HOUSEHOLD INGREDIENTS REGULARLY USED FOR CLEANING

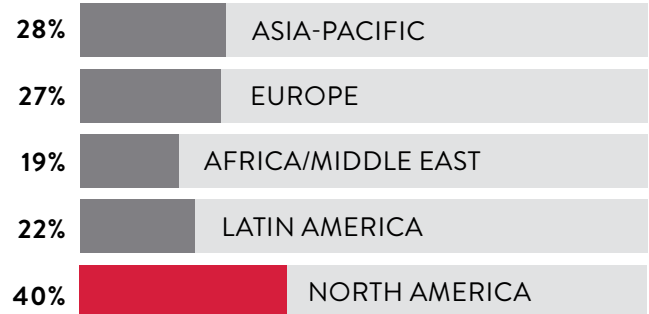
● INDICATES REGION WITH HIGHEST USE FOR EACH INGREDIENT



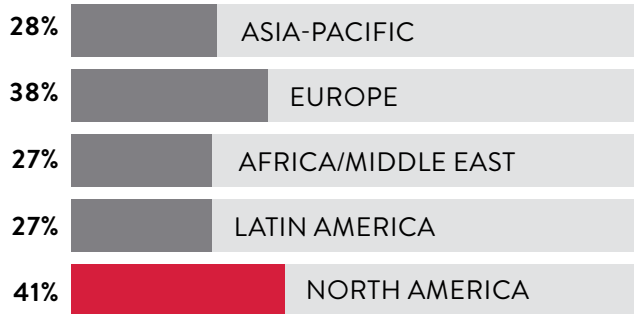
SOAP AND WATER



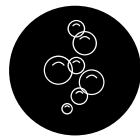
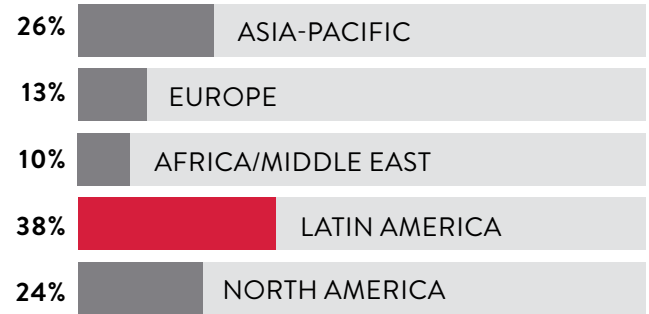
BAKING SODA



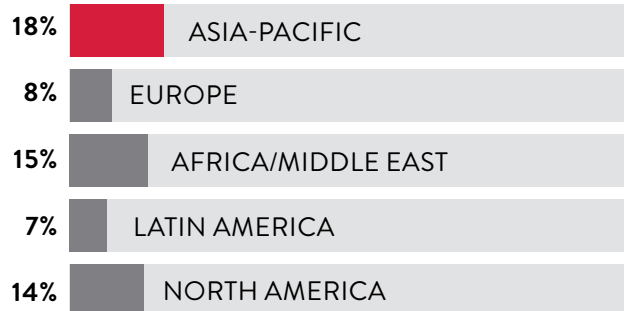
VINEGAR



RUBBING ALCOHOL



SODA WATER



Source: Nielsen Global Home-Care Survey, Q3 2015

WHAT'S CLEANING UP AT THE CASH REGISTER?

We know the kinds of attributes consumers look for in a cleaning product, but what types of products are they actually purchasing? From an examination of Nielsen retail sales data in 20 markets,⁵ we find that, in general, sales in both developed and developing markets tend to be concentrated in a few main cleaning categories: general-purpose surface, floor and toilet. In Indonesia, Thailand and Turkey, bathroom cleaners also account for a notable share of sales.

In general, annual sales growth in the developing markets reviewed outpaced growth in the developed markets. In Egypt and Argentina, sizable growth was reported for nearly all categories in the study, and in India, the bathroom, floor, specialty and toilet categories experienced strong growth.

In several developed markets, general-purpose surface cleaners showed year-over-year sales growth. The category grew 21.9% in Germany, 4.8% in Italy and 3.7% in the U.S. over the 12 months ending in fourth quarter 2015. In the U.K., sales in all categories declined from the previous year, but general-purpose surface cleaners showed the smallest decline (-0.4%).

⁵See methodology on page 36 for a list of countries included.



DEVELOPING COUNTRIES REPRESENT KEY GROWTH ENGINES FOR CLEANING CATEGORIES

TOP 10 COUNTRIES: YEAR-OVER-YEAR RETAIL SALES CHANGE



BATHROOM CLEANER

INDIA*	993.8%
EGYPT	40.7%
ARGENTINA	32.6%
INDONESIA	20.4%
POLAND	17.1%
BRAZIL	12.1%
MEXICO	10.9%
TURKEY	1.4%
SOUTH AFRICA	0.5%
VIETNAM	-0.3%



FLOOR CLEANER

ARGENTINA	34.4%
EGYPT	22.2%
INDIA	20.7%
RUSSIA	19.7%
INDONESIA	19.3%
TURKEY	10.4%
PHILIPPINES	8.0%
BRAZIL	6.8%
POLAND	4.0%
FRANCE	2.8%



FURNITURE CLEANER

EGYPT	35.2%
ARGENTINA	27.9%
MEXICO	6.4%
BRAZIL	3.4%
GERMANY	3.4%
THAILAND	2.0%
UNITED STATES	0.1%
ITALY	-1.5%
GREAT BRITAIN	-2.0%
SPAIN	-3.9%



GENERAL PURPOSE SURFACE CLEANER

EGYPT	26.5%
GERMANY	22.0%
TURKEY	17.1%
ARGENTINA	17.0%
RUSSIA	12.8%
POLAND	11.7%
MEXICO	7.0%
CHINA	6.6%
SOUTH AFRICA	5.5%
ITALY	5.0%



GLASS CLEANER

ARGENTINA	29.9%
EGYPT	27.2%
TURKEY	13.9%
INDIA	7.5%
PHILIPPINES	7.3%
VIETNAM	4.6%
MEXICO	4.1%
CHINA	2.9%
UNITED STATES	2.0%
ITALY	0.5%



KITCHEN CLEANER

ARGENTINA	33.0%
EGYPT	31.1%
BRAZIL	24.8%
CHINA	9.5%
MEXICO	6.7%
TURKEY	5.5%
GERMANY	4.3%
VIETNAM	3.9%
SOUTH AFRICA	2.9%
ITALY	2.0%



SPECIALTY CLEANER

EGYPT	76.6%
PHILIPPINES	54.4%
ARGENTINA	30.5%
INDIA	15.9%
RUSSIA	15.3%
SOUTH AFRICA	9.8%
TURKEY	3.2%
SPAIN	1.4%
UNITED STATES	1.2%
GERMANY	1.0%



TOILET CLEANER

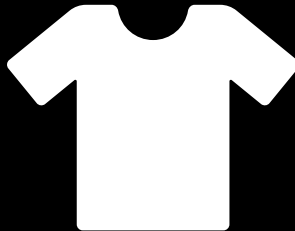
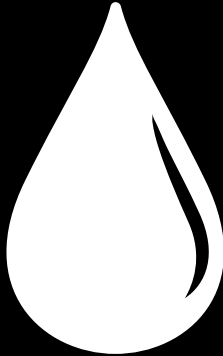
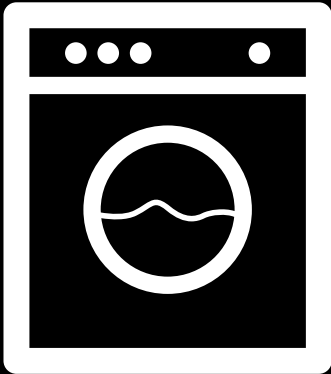
EGYPT	32.9%
ARGENTINA	32.3%
INDIA	16.6%
INDONESIA	15.2%
PHILIPPINES	13.4%
RUSSIA	13.0%
SOUTH AFRICA	11.8%
POLAND	10.5%
TURKEY	9.2%
GERMANY	7.4%

*Sales growth was driven by the introduction of new products.

Source: Nielsen Retail Measurement Sales data, 12 months ending Q4 2015

PART II

THE GLOBAL
LAUNDRY
MARKET



LAUNDRY-DAY DIFFERENCES

As they do with household cleaning, consumers spend a lot of time doing laundry. Two-thirds of global respondents (67%) say they do laundry at least twice per week—and nearly one-third (31%) say they do it every day.

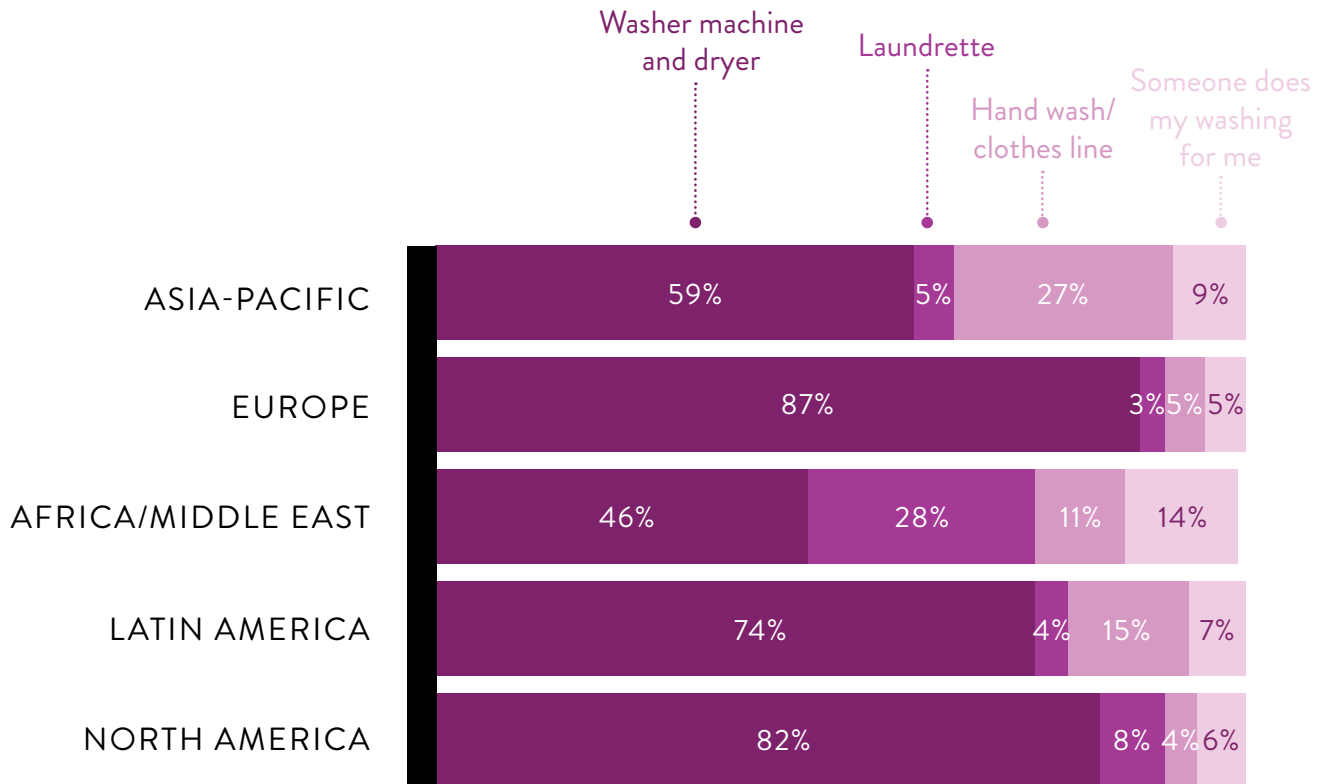
For the most part, how frequently consumers do laundry reflects the method they use for cleaning. Respondents in Asia-Pacific are particularly active, with 45% reporting they do laundry every day. Not surprisingly, hand-washing items is more common in this region than globally (27% in Asia-Pacific vs. 17% globally), while the use of machines is below the global average (59% vs. 69%). Meanwhile, in Europe, North America and Latin America, which have the highest self-reported use of washing machines and dryers (87%, 82% and 74%, respectively), respondents are more likely to report doing laundry only once per week or less often (27%, 39% and 40%, respectively). In Africa/Middle East, use of in-home washing machines and dryers (46%) is lower than in any other region, and laundrette use is particularly high (28% in the region vs. 6% globally).

Once again, however, there is significant variation within regions. In Asia-Pacific, washing machine use is high in developed markets such as Australia (83%), New Zealand (83%), Hong Kong (76%) and South Korea (75%) but is well below the global average in several of the developing markets in the region, including the Philippines (43%), Indonesia (51%), India (53%) and China (57%). In contrast, hand-washing, as expected, is particularly common in these markets—36% in Indonesia, 35% in the Philippines and 33% in both Vietnam and China, all roughly double the global average—while it is below average in Australia, New Zealand and Hong Kong (8% each) and in South Korea (7%).

“As disposable incomes continue to rise in developing markets, the shift from traditional hand-washing to appliance-supported methods will undoubtedly drive automatic-detergent consumption,” said Paulo Gonzalez, Nielsen Global Business Partner. “But adoption is happening at vastly different rates in developing markets, and even in markets using washing machines, old habits die hard, and traditional cleaning products will continue to remain viable. As such, strategies that improve the hand-washing experience, such as enhanced skin protection benefits or perhaps expanded fragrance options, should be considered.”

TRADITIONAL LAUNDRY METHODS ARE IMPORTANT IN SOME REGIONS

SELF-REPORTED LAUNDRY METHODS



Note: Percentages may not equal 100% due to rounding.

Source: Nielsen Global Home-Care Survey, Q3 2015

In 17 markets around the world,⁶ laundry cleaner (the category name for what people call laundry detergent) sales grew 1.6% over the 12 months ending in fourth quarter 2015, with the strongest growth coming from Argentina (9.2%) and India (4.6%). In contrast, sales were largely flat in the North American and western European countries included in the analysis over the same period. Germany and the U.S. showed the biggest growth of these countries, rising 2.6% and 1.3%, respectively.

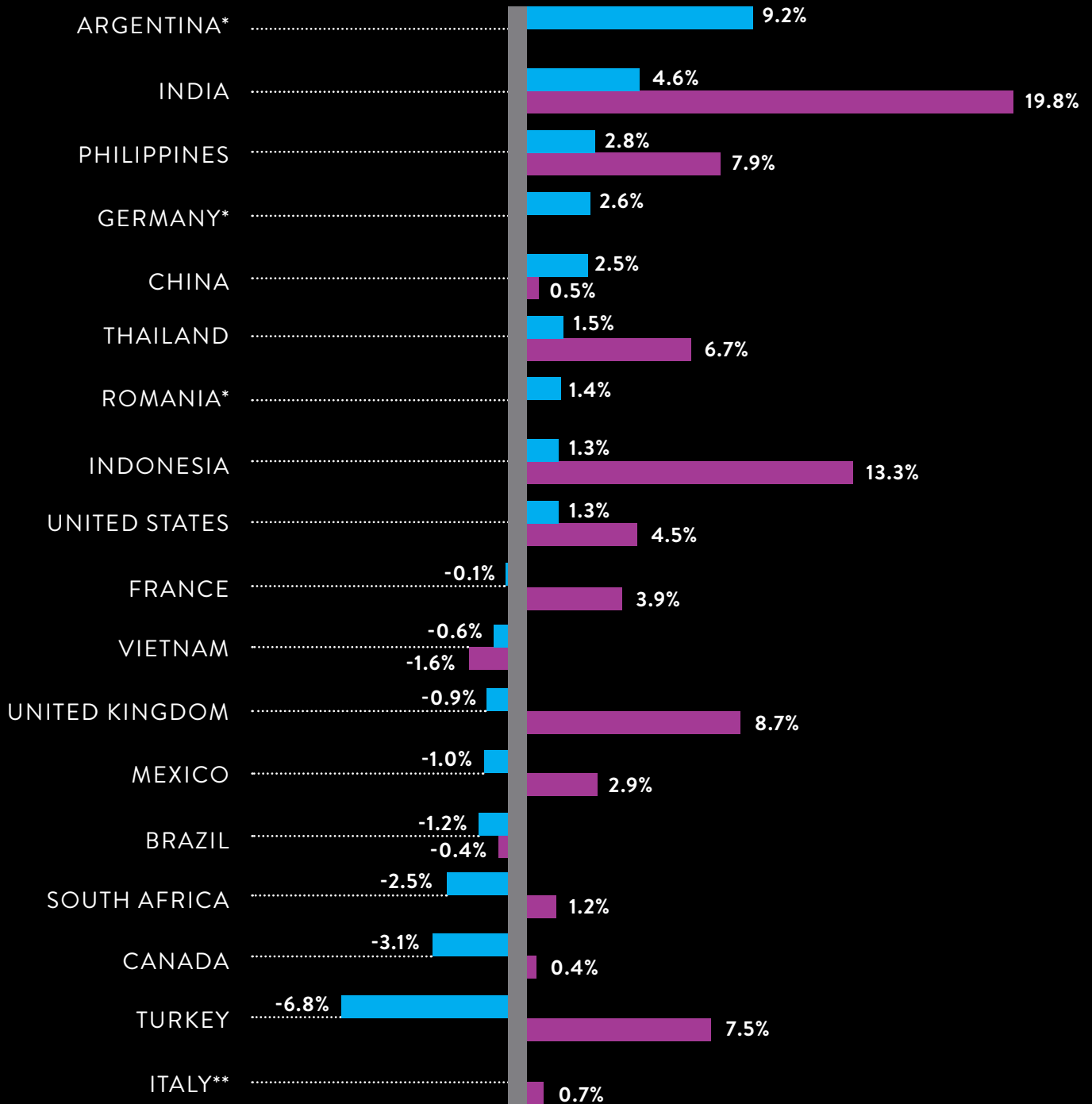
Growth in the fabric-conditioner (softener) category is more substantial. Sales grew 19.8% in India, 13.3% in Indonesia, 7.9% in the Philippines and 7.5% in Turkey over the 12 months ending in fourth quarter 2015. And it's not just the developing markets experiencing growth. Sales grew 8.7% in the U.K. and 4.5% in the U.S. over the same period.

⁶See methodology on page 36 for a list of countries included.

LAUNDRY CLEANER & FABRIC CONDITIONER SALES

2015 YEAR-OVER-YEAR SALES CHANGE ACROSS MEASURED MARKETS

● YEAR-OVER-YEAR LAUNDRY CLEANER CHANGE ● YEAR-OVER-YEAR FABRIC CONDITIONER CHANGE



* Data was not available for fabric conditioners in this country.

** Data was not available for laundry cleaners in this country.

Note: Sales figures have been adjusted for inflation.

Source: Nielsen Retail Measurement Sales data, 12 months ending Q4 2015

EFFICACY AND EFFICIENCY TOP LAUNDRY LIST OF ATTRIBUTES

What product attributes do consumers seek when purchasing a laundry detergent? As with household cleaners, performance tops the list.

Nearly six in 10 global respondents (59%) say they seek detergents that are best at getting stains out, and one-quarter say this is the most important benefit when purchasing a product. In addition, 42% look for detergents that provide the best color protection.

Not surprisingly, value also is a top attribute in the selection of a laundry detergent. More than half of global respondents (54%) say they look for high-efficiency products (i.e., products that require less water), and 20% say this is the most important attribute. In addition, 46% of global respondents say they're looking for detergents they can use on multiple types of items. Interestingly, lowest cost, cited by 32% of global respondents, ranks ninth on the list of benefits sought.

“Value is being redefined, and lowest price is not always most important,” said Gonzalez. “Consumers are also looking for value-oriented benefits that improve the laundry experience, such as enhanced efficiency or efficacy. Understanding what value means to various buyer segments will help manufacturers cater offerings accordingly.”

According to Nielsen's retail sales data, private-label sales in nine markets declined a combined 7.6% for laundry cleaners over the 12 months ending in fourth quarter 2015, and it declined a combined 0.6% for fabric conditioners in eight markets.⁷ In contrast, branded laundry cleaners in these same markets grew 1.8% overall, and fabric conditioners grew 5.7% over the same period. And some of the most successful laundry innovations in recent years, such as unit-dose products, are actually premium-priced offerings. These products have succeeded despite their higher price tag because they simplify the laundry experience, reducing the need for separate products and saving time by combining multiple steps in a single step. In short, they deliver performance on top of convenience.

⁷See methodology on page 36 for a list of countries included.

PERFORMANCE TOPS THE LIST FOR LAUNDRY DETERGENT BENEFITS

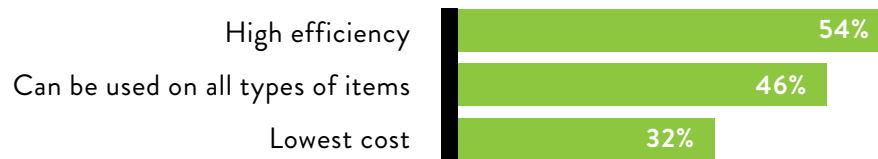
GLOBAL AVERAGE: BENEFITS SOUGHT WHEN PURCHASING LAUNDRY DETERGENT



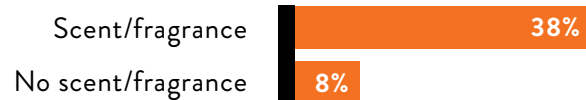
PERFORMANCE



VALUE



SCENT



ECOFRIENDLY



Source: Nielsen Global Home-Care Survey, Q3 2015

LAUNDRY BENEFITS DIFFER BY REGION

Stain removal and efficiency are highly sought attributes for laundry detergents around the world, but there are some notable regional differences when it comes to other benefits consumers are seeking.

Once again, respondents in Asia-Pacific are more inclined to say they're looking for natural and ecofriendly products. Forty percent of respondents in the region say they seek detergents that don't contain harsh chemicals, compared with 35% globally. Slightly fewer (38%) seek environmentally friendly detergents (32% globally).

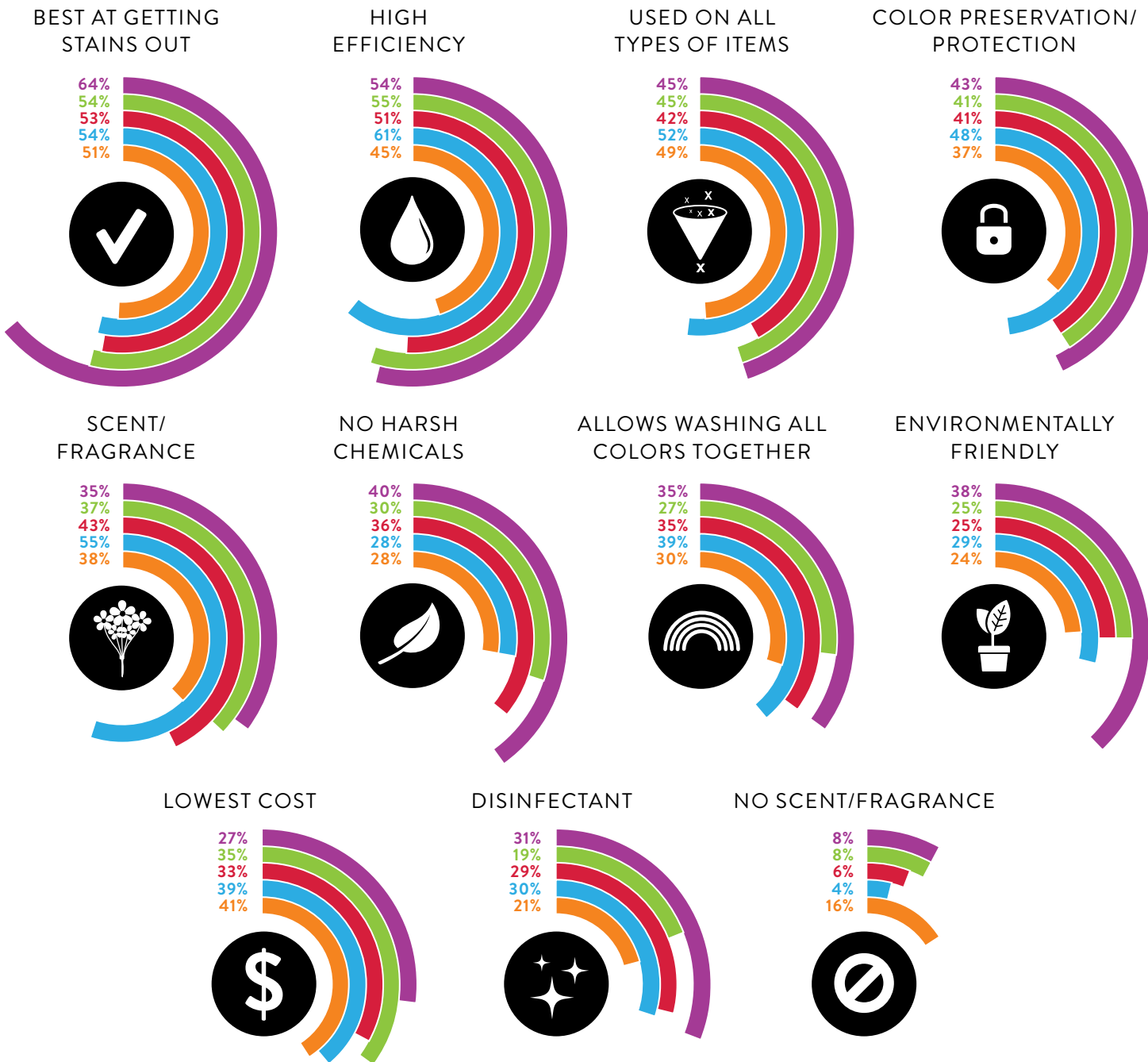
Price is particularly important in North America and Latin America. Roughly four in 10 respondents in each region say they seek the lowest-cost option when shopping for laundry detergent (41% and 39%, respectively), compared with 32% globally.

When it comes to fragrance, however, North American and Latin American respondents are at opposite ends of the spectrum. In Latin America, scent/fragrance once again rises near the top of the list of attributes sought. Fifty-five percent of respondents in this region say fragrance is a benefit they seek, 17 percentage points above the global average (38%). Meanwhile, North American respondents are the most likely to say they're looking for fragrance-free options. While the percentage of North American respondents who seek this option is relatively low (16%), it's twice the global average (8%).

LAUNDRY DETERGENT BENEFIT PREFERENCES VARY BY REGION

BENEFITS SOUGHT WHEN PURCHASING LAUNDRY DETERGENT

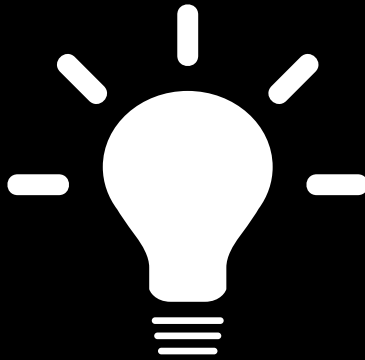
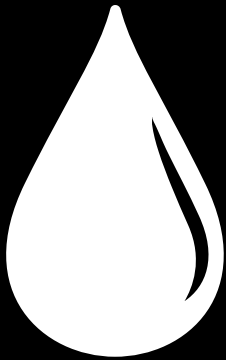
● ASIA-PACIFIC
 ● EUROPE
 ● AFRICA/MIDDLE EAST
 ● LATIN AMERICA
 ● NORTH AMERICA



Source: Nielsen Global Home-Care Survey, Q3 2015

PART III

TAKEAWAYS
FOR PRODUCT
MANUFACTURERS



Whether we're talking about home-care cleaners or laundry detergent, there are a few common themes to keep in mind when developing marketing strategies.

Performance is king, but convenience can drive consumption

Efficacy is a basic requirement for any cleaning product, but those that streamline life for consumers and deliver great results with minimal effort are in high demand. This includes products that clean more quickly and easily and reduce washing or drying time, such as three-in-one products, on-the-go formats and products with easier-to-use packaging, such as dispensers and premeasured sachets.

Spoiled for choice

The world is changing rapidly. There is no one-size-fit-all approach to cleaning, so there can be no one-size-fits-all cleaning product. One of the key characteristics of some recent product successes: an abundance of choice (package size, scent, etc.). Manufacturers should consider how they could modify or expand their offerings to better serve diverse consumer needs. For example, offering a variety of fragrances and package types.

Revisiting value

Consumers are dividing into unique segments based on their definition of value. Manufacturers can deliver better value with features and benefits such as these:

- **Package size**—Large, bulk sizes for long-term savings or smaller sizes for consumers who are trying to spend less, have smaller households, or live in cities, where they will often be carrying their purchases. Know your customers and what drives their purchase decisions. Value from package size could also mean offering refills and concentrates (which are also a more ecofriendly choice).
- **Enhanced energy and water efficiency**—These benefits could come from high-efficiency products that require less water and from cold-water formulations that deliver strong results at lower temperatures, reducing the amount of energy required for cleaning.
- **Convenience and simplicity**—Features that deliver fast results and are easy to use create value for consumers.

Mind the men

As males continue to take a more active role in housework, they present a strong growth opportunity. Perhaps products with masculine fragrances or rugged packaging designs are opportunities worth considering, but unlocking the segment's true potential will come from an in-depth understanding of how these users' needs aren't being met. In addition, marketers need to understand what motivates brand choice. Brands with higher equity tend to get considered more often, and typically represent a greater share of consumers' purchase requirement. For men and women, brand choice is both emotional and rational. To win consumers' hearts and minds, marketers need to capture attention and engage consumers to drive them to take action.

Keep innovation at the heart

In developing markets, sales will be driven in part by volume and premiumization as rising economic prosperity allows consumers to buy a greater array of cleaning products. In developed markets, however, where competition is intense and large volume growth is unlikely, innovation will be critical to growth. Convenience, value, and sustainability are a few areas where manufacturers can differentiate themselves and gain a competitive advantage. For a hands-on type of job, think about the benefits of a hands-off approach. In terms of packaging, consider the benefits of products that reduce the chances of getting hands or clothing dirty or overdosing. It's also critical to consider the job to be done, particularly on the home cleaning side. Products for everyday, convenience cleaning will require different tools and products than occasional deep cleaning. Overall, manufacturers should focus on how they can help consumers, delivering task-appropriate products that make cleaning easier, in the right quantities.

COUNTRIES IN THE GLOBAL SURVEY

ASIA-PACIFIC

MARKET	INTERNET PENETRATION
Australia	93%
China	50%
Hong Kong	81%
India	30%
Indonesia	31%
Japan	91%
Malaysia	68%
New Zealand	94%
Philippines	43%
Singapore	82%
South Korea	92%
Taiwan	84%
Thailand	56%
Vietnam	50%

LATIN AMERICA

MARKET	INTERNET PENETRATION
Argentina	80%
Brazil	58%
Chile	72%
Colombia	59%
Mexico	49%
Peru	53%
Venezuela	62%

EUROPE

MARKET	INTERNET PENETRATION
Austria	83%
Belgium	85%
Bulgaria	57%
Croatia	75%
Czech Republic	80%
Denmark	96%
Estonia	84%
Finland	94%
France	84%
Germany	88%
Greece	63%
Hungary	76%
Ireland	83%
Israel	75%
Italy	62%
Latvia	82%
Lithuania	82%
Netherlands	96%
Norway	96%
Poland	68%
Portugal	68%
Romania	56%
Russia	71%
Serbia	66%
Slovakia	83%
Slovenia	73%
Spain	77%
Sweden	95%
Switzerland	87%
Turkey	60%
United Kingdom	92%
Ukraine	43%

AFRICA/MIDDLE EAST

MARKET	INTERNET PENETRATION
Egypt	55%
Morocco	61%
Pakistan	15%
Saudi Arabia	66%
South Africa	49%
United Arab Emirates	93%

NORTH AMERICA

MARKET	INTERNET PENETRATION
Canada	95%
United States	87%

Source: Miniwatts Marketing, *Internet World Stats*, Nov. 30, 2015, www.internetworldstats.com

ABOUT NIELSEN RETAIL MEASUREMENT SALES DATA

Purchasing data is sourced from Nielsen's Retail Measurement Services for the 12 months ending October, November or December 2014 and 2015 for all countries except India, which is 12 months ending September, and Indonesia, which is 12 months ending May. A selection of 20 countries was included based on population size and regional representation. The data reflects Nielsen's retail coverage in these markets and is adjusted for inflation. The following countries were included in the analysis for the data point noted:

Household cleaner private-label and branded-product value sales (page 14-16):

The categories below were combined to arrive at the figure for all cleaners.

- *Bathroom*: Argentina, Germany, India, Indonesia, Italy, Mexico, Poland, South Africa, Thailand, U.K. and U.S.
- *Floor*: Argentina, France, Germany, India, Indonesia, Italy, Poland, Russia, Spain, Thailand, U.K. and U.S.
- *Furniture*: Argentina, France, Germany, Italy, Mexico, Spain, Thailand, U.K. and U.S.
- *General-purpose surface*: Argentina, France, Germany, Italy, Mexico, Poland, South Africa, Thailand, U.K. and U.S.
- *Glass*: Argentina, Germany, India, Italy, Mexico, South Africa, U.K. and U.S.
- *Kitchen*: Argentina, Germany, India, Italy, Mexico, South Africa, Thailand and U.K.
- *Specialty*: Argentina, Germany, India, Italy, Mexico, Poland, Russia, South Africa, Spain, Thailand and U.S.
- *Toilet*: Argentina, France, Germany, India, Indonesia, Italy, Mexico, Poland, Russia, South Africa, Spain, Thailand, U.K. and U.S.

Manual dish soap value sales (page 20):

Canada, China, India, Indonesia, Italy, Mexico, Philippines, South Africa, Thailand, Turkey, U.S. and Vietnam

Household cleaner category-level value sales (page 22-23):

- *Bathroom*: Argentina, Brazil, China, Egypt, Germany, India, Indonesia, Italy, Mexico, Philippines, Poland, South Africa, Thailand, Turkey, U.K., U.S. and Vietnam
- *Floor*: Argentina, Brazil, China, Egypt, France, Germany, India, Indonesia, Italy, Philippines, Poland, Russia, Spain, Thailand, Turkey, U.K., U.S. and Vietnam

- *Furniture*: Argentina, Brazil, China, Egypt, France, Germany, Italy, Mexico, Spain, Thailand, Turkey, U.K. and U.S.
- *General-purpose surface*: Argentina, Brazil, China, Egypt, France, Germany, India, Italy, Mexico, Philippines, Poland, Russia, South Africa, Thailand, Turkey, U.K., U.S. and Vietnam
- *Glass*: Argentina, China, Egypt, Germany, India, Italy, Mexico, Philippines, South Africa, Turkey, U.K., U.S. and Vietnam
- *Kitchen*: Argentina, Brazil, China, Egypt, Germany, India, Indonesia, Italy, Mexico, Philippines, South Africa, Thailand, Turkey, U.K. and Vietnam
- *Specialty*: Argentina, Egypt, Germany, India, Italy, Mexico, Philippines, Poland, Russia, South Africa, Spain, Thailand, Turkey and U.S.
- *Toilet*: Argentina, Brazil, China, Egypt, France, Germany, India, Indonesia, Italy, Mexico, Philippines, Poland, Russia, South Africa, Spain, Thailand, Turkey, U.K., U.S. and Vietnam

Laundry value sales (page 26):

- *Cleaners*: Argentina, Brazil, Canada, China, France, Germany, India, Indonesia, Mexico, Philippines, Romania, South Africa, Thailand, Turkey, U.K., U.S. and Vietnam
- *Fabric conditioners*: Brazil, Canada, China, France, India, Indonesia, Italy, Mexico, Philippines, South Africa, Thailand, Turkey, U.K., U.S. and Vietnam

Laundry private-label and branded-product value sales (page 26-27):

- *Cleaners*: Argentina, France, Germany, Mexico, Philippines, Romania, Thailand, U.K. and U.S.
- *Fabric conditioners*: France, India, Italy, Mexico, Philippines, Thailand, U.K. and U.S.

ABOUT THE NIELSEN GLOBAL SURVEY

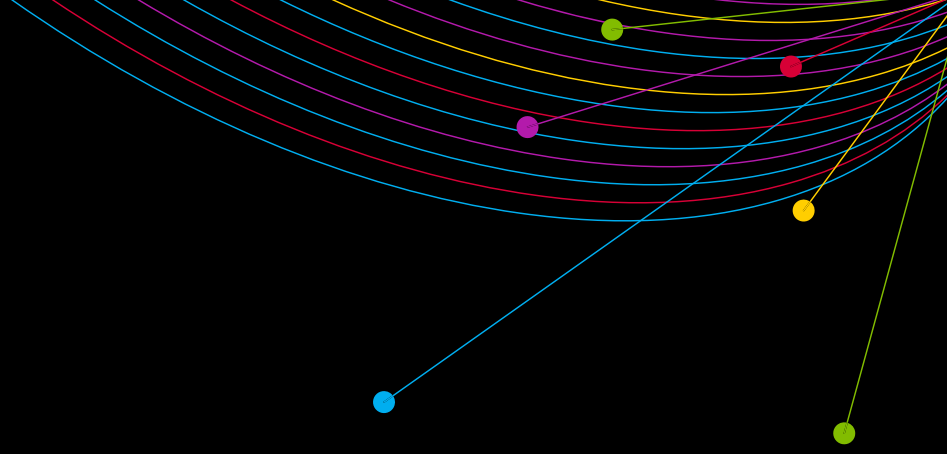
The Nielsen Global Home-Care Survey was conducted Aug. 10–Sep. 4, 2015, and polled more than 30,000 online consumers in 61 countries throughout Asia-Pacific, Europe, Latin America, the Middle East/Africa and North America. The sample includes Internet users who agreed to participate in this survey and has quotas based on age and sex for each country. It is weighted to be representative of Internet consumers by country. Because the sample is based on those who agreed to participate, no estimates of theoretical sampling error can be calculated. However, a probability sample of equivalent size would have a margin of error of $\pm 0.6\%$ at the global level. This Nielsen survey is based only on the behavior of respondents with online access. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60% Internet penetration or an online population of 10 million for survey inclusion.

ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population.

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AN UNCOMMON SENSE
OF THE CONSUMER™