

22 July 2019

To whom it may concern

Vibrand, a SAMRA accredited independent research agency with more than 15 years' experience in both qualitative and quantitative research, was appointed by Parmalat in 2016 and again in 2018 to conduct product testing on Parmalat Custard using our sensory research division, The Testing Panel.

CUSTARD PRODUCT RESEARCH

70% preference claim:

In August 2016, Parmalat SA commissioned a blind product preference and liking test with Vibrand Research (a SAMRA accredited research agency). A sequential monadic research approach was followed and all product was tasted blind in unmarked cups. All products used in the study were purchased by the research agency from retailers in South Africa.

The product was tasted with a sample of 206 custard users across race groups and regions. At this time, Parmalat and Danone Ultramel combined accounted for between 86% and 90% of the total volumes of custard sold in SA. Including Clover, the main players accounted for between 94 and 97% of all custard sales (IRI, August 2016).

The results of the independent blind consumer preference test showed that 67.3% of all respondents preferred Parmalat custard to Ultramel custard.

Best tasting claim:

In 2018, Parmalat SA commissioned two blind taste test studies, again with Vibrand's sensory research division, The Testing Panel. A sequential monadic research approach was used and all products were tasted blind (in unmarked cups). All products tested were bought by the independent market research company from retail outlets in South Africa.

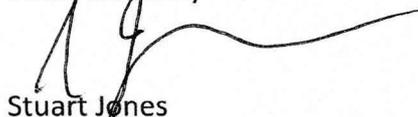
Product was tested with a sample of custard users (must have used custard in the last 3 months or more often). A sample of 206 custard users across race groups in the Western Cape and Gauteng were used in each test. The Gauteng sample of 126 users was split across Weltevreden Park, Soweto and Ormonde in Johannesburg, whereas the Western Cape sample of 80 users was split across Charlesville and Welgemoed in Cape Town. The first study was conducted in May 2018 where the preference and liking of Parmalat custard and Clover custard were tested. The results showed that 72% of all respondents preferred Parmalat custard to Clover custard. On the specific attribute of how much they liked the taste (on a scale out of 5), Parmalat scored 4.1 vs 3.3 for Clover – so significantly more liked than Clover.

A similar study was conducted in September 2018 where the preference and liking of Parmalat custard and Danone Ultramel were tested. The results show that 57% of all respondents preferred Parmalat custard to Ultramel custard (i.e. the majority). On the specific attribute of how much they liked the taste (on a scale out of 5), Parmalat scored 4 vs 3.8 – thus rated higher on taste than Ultramel.

Combined, Parmalat + Clover + Danone Ultramel make up between 92 and 94% of all custard sales in South Africa (IRI, 2019), thus representing the vast majority of the market.

Parmalat custard was overall preferred by respondents versus both Clover and Danone Ultramel. On a taste liking scale (out of 5 = best testing), Parmalat custard also scored higher than both Clover and Danone Ultramel.

Yours sincerely



Stuart Jones
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