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7TH Annual Best New Product Awards Reveals Key Insights into the Minds of Canadian Consumers

Over 25,000 Canadian Consumers Weigh in with Their Top Choices for the 7TH Annual BrandSpark Canadian Shopper Study



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January 19, 2010 (Toronto, ON) – BrandSpark International’s Best New Product Awards (BNPA), one of the largest North American consumer survey programs focussed on new product development and innovation, today revealed research and insights from its seventh annual BrandSpark Canadian Shopper Study. The study, which surveyed more than 25,000 Canadian consumers, uncovered key findings in the areas of: Environmental Accountability, with 82% of consumers believing that companies are exploiting environmentally friendly claims. Healthier Options in Food and Beverage, with 88% of Canadians believing that “there is a lot I can do with food and nutrition to prevent illness.” Finally, Private Label Versus Premium Brands with 47% of survey respondents stating that they have purchased more private label/in-store brands versus premium and name brands. The study is used to compile the winners of the 2010 Best New Product Awards where consumers voted upon 144 products in 47 product categories.

The Top 2010 Best New Product Award Winners are:

Best in Food & Beverage Category and Best in Show: **Astro Zer0 Superfruit Yogourt**

Best in Health & Beauty Category: **Burt’s Bees Replenishing Lip Balm with Pomegranate Oil**

Best in Household Products Category: **Ziploc Evolve Sandwich Bags**

For a complete list of winning products, please visit www.bestnewproducts.ca.

Known as “The Peoples’ Choice Awards” for consumer products, the Best New Product Awards are Canada’s preeminent gauge of habits, trends and key insights into the minds of consumers. “Now in its seventh year, the Best New Product Awards has become the most widely acknowledged seal of approval for Canadian consumers – and with good reason. With over 25,000 Canadians – more than double from previous years – participating in the survey, the BNPAs are an accurate gauge of consumer trends and attitudes, looking at a wide range of factors that influence decision-making,” says Robert Levy, President of BrandSpark International and Founder of the Best New Product Awards. “The survey not only provides us with valuable insights about current products and innovations but also larger movements and shifts in Canadians’ viewpoints and approaches toward what they purchase, and more importantly why.”

Recession Impact – More Canadians Eating at Home, Not Time Crunched as in Previous Years

“We can see the impact of the recession on attitudes towards the environment and health – with both losing ground in terms of importance,” says Levy, “even so – the vast majority of Canadians (65%) still like trying new products. People have made a big shift to eat at home more and as a result are spending more time and money in the grocery store. Finding new products that really deliver is more important than ever, especially with shoppers demanding greater value for money. Canadians (73%) also enjoy cooking at home more and aren’t as time crunched as we might think.”

- 65% of Canadians like trying new products.
- 73% of Canadians agree that they “enjoy cooking for myself and my family.”
- 27% of Canadians agree that they “often don’t have time to cook.”
- 22% of Canadians agree that they “would be happy to never have to cook.”

Attention: Assignment Editors and Consumer Reporters

Environmental Accountability

“Over the past seven years since we’ve been conducting the survey, environmental accountability has grown to become a primary concern for Canadian consumers,” says Levy. “Consumers are demanding companies to be more accountable in terms of their environmental claims and they are willing to pay for products with realistic and tangible claims such as reduced packaging.”

- 69% of Canadians feel that it is important that a new product is better for the environment, a slight decrease from 76% as reported in 2009.
- 82% of Canadians still feel that companies are exploiting environmentally friendly claims for marketing purposes, virtually no change from last year.
- Packaging is still one of the top environmental concerns with consumers, and 89% believe that manufacturers still have a long way to go to reduce the amount of packaging.
- Reusable shopping bags are becoming the norm with Canadians as 87% agree to purchase reusable bags to reduce the amount of plastic.

Healthier Options in Food & Beverage

“Healthy living is still the number one concern for Canadians,” says Levy. “Consumers want products with added health benefits and they are willing to pay more for products that will help to prevent illness. One of the most interesting facts is consumer confidence in food safety, we saw an improvement by nearly 10% in 2010 when compared with 2009.”

- 83% of Canadians want products that offer healthier options, a 2% increase from the 81% as reported in 2009.
- 59% of consumers are concerned about receiving added health benefits from the products that they purchase.
- Confidence in food safety improved in 2010, with 72% of Canadians becoming more concerned about food safety down from 81% in 2009.
- The top five health concerns Canadians reported:
1. Healthy Living 2. H1N1 3. Weight Loss 4. Cancer 5. Nutrition.
- 88% of Canadians believe that “there is a lot I can do with food and nutrition to prevent illness.”
- Although the debate between natural versus organic products rages on, 60% of Canadian consumers believe that “it is important that a new product is made from all-natural ingredients” and 45% believe that “it is more important to me that a product is natural than organic.” “Part of this can be explained by consumer scepticism,” adds Levy. Among consumers who did not purchase organic products, 53% stated that they “don’t trust that all products labelled as organic are actually organic” and 48% stated that they “are confused by what the term organic actually guarantees.” “It appears that further consumer education is required in the natural versus organic debate,” adds Levy.

Private Label Versus Premium Brands

“Understandably Canadians want more value for their dollar,” says Levy, “and many are turning to private label or in-store brands to deliver. Although consumer perception of private label quality has decreased slightly, more Canadians are still buying private label brands versus premium brands as they perceive they offer extremely good value for money.”

- 61% of Canadians think that private label or in-store brand products are just as good as brand name products, a slight decrease from 65% as reported in 2009.
- 64% of consumers believe that private label brands are usually extremely good value for money.
- 47% of Canadians have purchased more private label products in the past 12 months.
- The top five trusted brands Canadians reported:
1. Kraft 2. President’s Choice 3. Tide 4. Campbell’s 5. Procter & Gamble
- 7 in 10 Canadians tend to purchase the same brands on a regular basis.

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What Makes Canadians Buy Certain Products?

The BrandSpark Canadian Shopper Study also asks why consumers make the purchases that they do. Following are the top five “Purchase Drivers” in the three categories the survey tracks.

- Food & Beverage:
1. Taste 2. Price 3. Fresh 4. Healthy 5. Looks Appetizing
- Health & Beauty:
1. Price 2. Proven Effective 3. Simple to Use 4. Trusted Brand 5. Allergy Tested
- Household Products:
1. Effective 2. Cleans Thoroughly 3. Price 4. Delivers as Promised 5. Works the First Time

First Annual Global Trends Study

In addition to the BrandSpark Canadian Shopper Study, the company also conducted trend research in several key global markets including the U.S., the U.K., France, Germany, Australia, Brazil and China. “What became clear is that on certain issues shoppers globally had similar views but on many critical issues the views of the shoppers in these countries differed significantly – especially in the areas of the economy and confidence,” says Levy.

- Canadians (24%) are more confident than Americans (7%) about the economy and have views similar to Australia (28%).
- Canadians (69%) are much more concerned about the environment than Americans (52%) but still behind the other countries in the survey.

For more information about the Best New Product Awards, please visit www.BestNewProducts.ca.

About BrandSpark International

BrandSpark is an international independent market research and brand strategy firm with a strong grasp on North American consumer segmentation, innovation, new product research and consumer trends. www.BrandSpark.com.

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For interview requests, to receive a list of the 2010 Best New Product Award Winners, or for more information about the BrandSpark Canadian Shopper Study or the BrandSpark American Shopper Study, please contact:

BrandSpark International
Robert Levy, President
647-727-4576 | rlevy@brandspark.ca

Jefferson Darrell & Associates (JDA)
Jefferson Darrell
416-357-0234 | jeffersondarrell@gmail.com