



ONWARD AND FORWARD WITH CANBACK DANGEL

Fall 2007

Learning and growing together with our clients

Building an experience base through organic growth is truly rewarding. Our progress since 2004 has given us insight into what makes us unique and useful to the clients we serve.

We do well when we are asked to understand and predict markets and consumers globally by integrating various strands of information and analysis into a coherent whole.

We do well when we communicate findings in managerial terms, but use sophisticated and time-saving analytical methods to substantiate the findings.

And we do well when we work collaboratively with the client organization across multiple geographies and functions.

Since our last newsletter a bit over a year ago, Canback Dangel has worked successfully on projects in the United States, Germany, Argentina, Brazil, Mexico, China, India and the Philippines, ranging from mutual funds and brokerage, to food and beverages, to telecom.

To support this, we have added two offices—Mexico City and Manila—and strengthened our senior leadership. We are now fully active in all major emerging countries.

Reaching the three corners of the earth



The Bunting cloverleaf map (1581)

People

Frank D'Agnese, who joined the firm in 2004, is now head of our Global Consumer Goods and Retail practice. In this capacity, he oversees all client work in these sectors and is the lead consultant for some of our most important clients.



Frank D'Agnese

This responsibility is commensurate with Frank's immense contribution to clients and our firm.

We are delighted to have **Francisco Maciel** and **Albert Cuadrante** join our senior management team.



Francisco Maciel

Francisco leads our Mexico City office with responsibility for Mex-

ico, Central America, Venezuela and Colombia. He is also a lead member of our financial services practice. Francisco is a veteran consultant from McKinsey and a banker with deep experience in both consumer insights and financial modeling.

Albert leads our Manila office. He is a former marketing manager at P&G and a well-established management consultant in the Philip-



Albert Cuadrante

pines. Albert is taking a key role in our Consumer Goods practice.

**Canback
Dangel**
Predictive
Analytics
Integrators

Management Consulting

Clients typically retain us when there is significant uncertainty about how to succeed in a market. Most often, this means working on opportunities in emerging countries where data is hard to find and markets have not yet settled into clear structures.

Our most ambitious project during 2007 is a good example. We were asked by a US company with more than 100,000 employees to assess the market potential in China, the Philippines, Mexico and Brazil for a revolutionary health & wellness product.

The work included quantifying the magnitude of the health problem and who is afflicted. We surveyed more than 4,700 consumers in 15 cities across the 4 countries to understand attitudes and test product concepts. The results were used to outline distribution options and as input for a complete financial model.

Market Research

We have by now done so many consumer surveys in emerging countries that it is becoming a service line in its own right.

We take turnkey responsibility for the entire survey process, including defining scope, writing questionnaires, creating data maps, statistically analyzing survey results and creating reports. We outsource the field work either to our clients' preferred vendors or to our own field work partners.

When we analyze results, we

prefer to use multivariate techniques over cross-tabs (we always provide a cross-tab report as well). This approach gives more robust results, is less sensitive to quota definitions and allows for smaller sample sizes. In short, it is faster, less expensive and more accurate than other methods.

Apart from the difficult analytics, there was also a major organizational challenge. The work spanned the client's country subsidiaries, central functions and several layers of management. It also included managing survey field-work through four different local research firms.

Few companies in the world can handle such an assignment. We are proud to have been chosen for the effort and thrilled to contribute to the success of a fantastic new idea.

In the Press

★ Canback Dangel is cited in *Investors Chronicle* on the "elusive pursuit of growth." The article discusses how difficult it is for large companies to grow.

★ Xingxing Liu is quoted in *Modern Executive* on Danone's brand strategy in the Chinese market

★ Staffan Canback is quoted in *Management Today*, the leading British business magazine, on diseconomies of scale in large corporations.

★ Canback Dangel is cited in *The Times (of London)* in an article on inefficiencies within government bureaucracies.

★ Canback Dangel is widely quoted by the Jersey Telecom privatization panel on the merits and demerits of merging with another operator.

Further, our global market research experience allows us to control for cultural factors by comparing response patterns between different countries.

Databases

We continue to enhance our core databases. Our retailing database now covers store locations and formats in China, Russia, Brazil, Mexico and the Philippines for both modern and traditional trade.

Our flagship database—C-GIDD—will soon be available as a commercial product over the Internet. C-GIDD contains economic, demographic, social and psychographic data for 210 countries/territories. In large countries, the data is available at the provincial level (300 prefectures in China). For all countries, data is also

available by individual city.

Step 1 is to make the income distribution data available. This will allow companies to quickly assess how many potential customers exist in a given city and how, e.g., the middle class will grow by city over the next 5-10 years.

We use the database daily and see it as a great tool for marketing, business planning and finance professionals, as well as consultants.

"Really cool"

Nothing is more gratifying than positive client feedback. The Chief Marketing Officer of one of the world's largest consumer goods companies offered this impromptu comment during a recent presentation:

"I've heard of you guys before but never seen you in action. What you do is really cool. It's great the way you bring all of these analyses together into a coherent whole. Great work."



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