

A premium brand

A strong global brand, attractive design and innovative products provide Electrolux with the competitive edge to increase sales and capture market shares. The Electrolux brand is now positioned in the profitable premium segment throughout the world.

Commanding a significant position in the premium segment is a crucial component of the Group's strategy for profitable growth. The rapid emergence of a large global middle class generates, for example, increasing demand for products with innovative design under a well-known global brand. As one of the few global producers of household appliances, Electrolux has a clear competitive advantage.

Innovative product launches

For product launches, Electrolux works primarily with full product series under one brand and not with individual product categories. All products launched must be clearly differentiated, convey a consistent feeling and integrate both design and emotional aspects. The launch of innovative, Electrolux-branded products in Europe, North America and other world markets has strengthened the Group's position in the global premium segment. In North America, the share in the premium segment has grown continuously since the launch in 2008. At the end of 2010, an extensive launch of new innovative products for the rapidly growing and profitable European built-in segment was initiated. Kitchen specialists account for a growing portion of the Electrolux retailer network in both Europe and Asia.

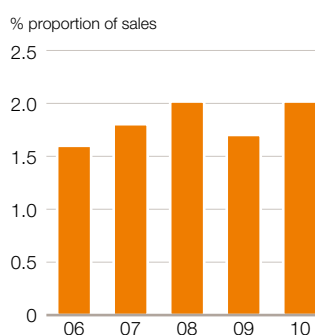
Greater recognition of the Electrolux brand

As household appliances are infrequent purchases, consumers have limited knowledge of market events since the last purchase. A strong brand constitutes a strong sales point. In the US, the proportion of consumers that associate the Electrolux brand with household appliances has increased from 10% to approximately 70% since 2007. This will facilitate future launches of Electrolux-branded products, including vacuum cleaners and Professional Products. In Brazil, where Electrolux is already a strong, well-known brand in all product categories, a new product is not launched unless at least 70% of consumers in the test groups prefer the product over similar alternatives in the market.

Professional and Scandinavian

Electrolux is a global brand with premium products both for consumers and professional users. The connection to professional products is of increasing importance to Electrolux. Becoming the selection of choice for the best professional users of kitchen appliances imparts credibility to Electrolux innovations in consumer appliances.

Investment in the brand as a proportion of sales



In 2010, investment in brand communication increased in conjunction with preparations for new, extensive product launches.

Electrolux is a global brand with Scandinavian values, an attribute that fills an important function in the creation of the products' design and in the development of new, green and responsible products. Scandinavian design values – freedom, intuition, authenticity, comfort and simplicity – render the products more visible than others in the retailers' stores.

Focus on PR and the Internet

Marketing is coordinated globally and across product categories to increase its impact and penetration. Concentration on the Electrolux brand enables more effective use of resources. At first hand, the focus is on cost-effective campaigns with a high degree of PR and Internet utilization.

The majority of the customers who buy Electrolux products visit the Group's websites during the purchasing process, thus making the websites one of the most important tools for convincing customers. Therefore, Electrolux develops Internet solutions that are well conceived, stimulating and innovative and that support the consumer through the purchasing process, from start to finish. In 2010, the Group rolled out completely new websites all across Europe, which will assist in strengthening the brand and increasing sales in conjunction with future product launches.

Campaigns that strengthen the brand

During 2010, Electrolux conducted a number of successful advertising and PR campaigns that have strengthened the brand and led to increased sales by utilizing the Internet as the central channel. A few of the most attention-grabbing is featured below:



In Australia, a campaign was conducted to strengthen the consumer perception of Electrolux as an innovative premium brand in household appliances.
► www.electrolux.com.au



The Vac from the Sea campaign should increase awareness worldwide concerning the lack of recycled plastic while increasing volumes of plastic debris are polluting the oceans.
► www.electrolux.com/vacfromthesea

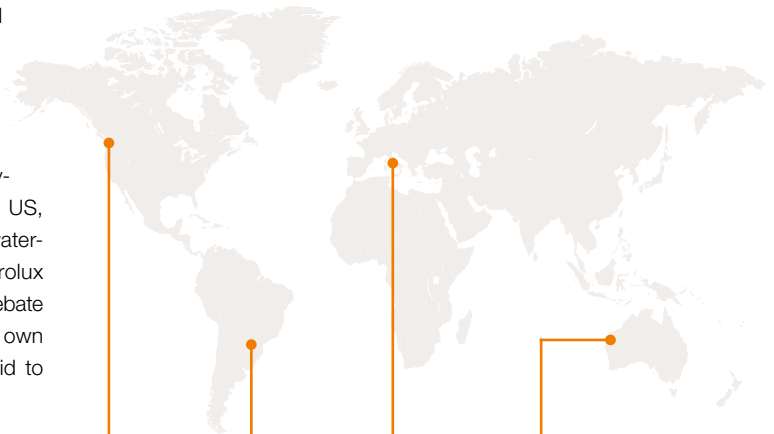


In connection with the launch of the new air-o-steam Touchline Oven, a campaign was conducted aimed at lifting Professional Products' innovative and green solutions for the professional kitchen.
► www.electrolux-touchline.com



Sustainable brand

Across the globe, interest is increasing in sustainably manufactured products that are energy- and water-efficient, and can be recycled. This trend is particularly pronounced in areas facing substantial environmental challenges, such as China and Australia. In addition to the desire of many consumers to assume greater responsibility for the environment, many governments are introducing measures to stimulate demand. During 2010, new discount programs or other incentives to purchase energy-efficient products were introduced in countries including the US, Mexico and Germany. As a leading brand for energy- and water-efficient products for consumers and professional users, Electrolux can leverage these trends. Concurrent with the Federal rebate program, Cash for Appliances, in the US, Electrolux launched its own green campaigns for its household appliances, including Paid to Upgrade (Frigidaire) and Green for Green (Electrolux).



The Electrolux brand is positioned in the premium segment throughout the world. In Latin America and Southeast Asia, the majority of the Group's appliances and all vacuum cleaners are sold under the Electrolux brand. Investments in dual brands include primarily AEG-Electrolux, which is a major premium brand in several European markets. The Group also invests in strong, regional brands, such as Zanussi, Eureka and Frigidaire.

