

Brand

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 is 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 edge.

Growth

- Create innovative marketing
- Differentiate brand platform
- Invest in premium brands

The launch of innovative, Electrolux-branded products in Europe, North America and other markets worldwide has strengthened the Group's position in the global premium segment. The position of the Electrolux brand as a global, premium brand is confirmed by such activities as the extensive launch of appliances under the Electrolux brand in North America in 2008. As a result of the launch, the proportion of consumers that associate Electrolux with household appliances in the premium segment has increased from 10% in 2007 to nearly 70% in 2011. This position will greatly benefit the Group when demand rebounds. Electrolux is also focusing on a number of regional and strategically robust brands. One of them is the 125-year-old AEG brand. Its long history, with a strong focus on design and quality, has ensured AEG a leading position in the German market, the Benelux countries and Austria. The 2011 launch of new, innovative AEG-labeled appliances for the built-in segment in Europe has further bolstered this position.

Strong consumer dialog using PR and Internet

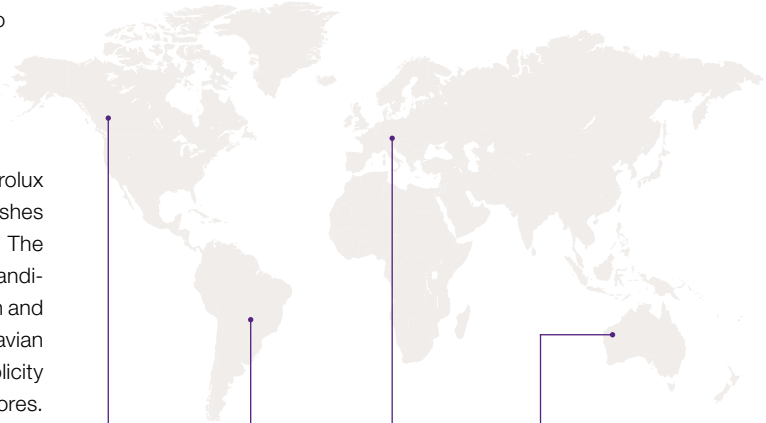
Consumer decisions regarding the purchase of household appliances are more frequently based on visits to websites and participation in social media. Instead of launching broad advertising campaigns, Electrolux is increasingly focusing on smart and cost-efficient PR and web-campaigns. The aim of these activities is to maintain a dialog with consumers and create awareness of the brand that will ensure that Electrolux is top-of-mind among consumers when the time has come to make a purchase. The majority of the customers who subsequently 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. Electrolux thus develops Internet solutions that are well conceived, stimulating and innovative and that support the consumer throughout the purchasing process, from start to finish. Visit www.electrolux.com to read more.

Professional connection and Scandinavian heritage

Electrolux holds a unique market position as a manufacturer of kitchen and laundry products for consumers and professional users. The lessons learned by Electrolux when developing innovative and efficient solutions for professional kitchens are used to improve the technology in kitchen appliances for consumers. Maintaining a continuous dialog with chefs and supplying restaurants and hotels across the globe with new products and solutions not only provides valuable insight that can be transferred to other parts of the Group, it also builds the Electrolux brand. Being the brand of choice for the best chefs establishes credibility for Electrolux in terms of quality and innovation. The Group's professional connection, combined with a distinct Scandinavian heritage, plays a key role in shaping the products' design and in the development of new and sustainable appliances. Scandinavian design values – freedom, intuition, authenticity, comfort and simplicity – render the products more visible than others in the retailers' stores.

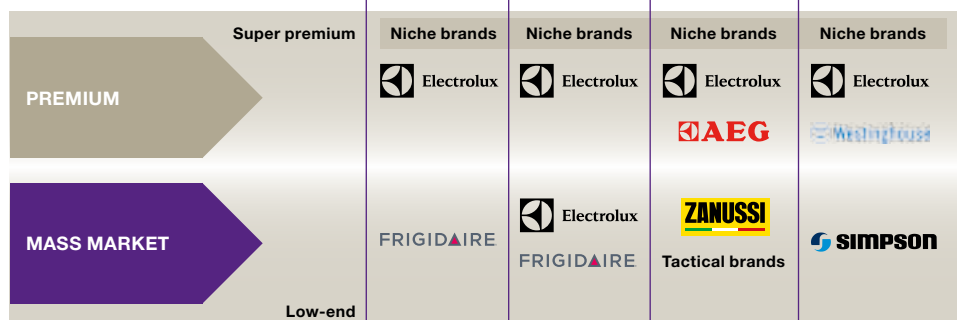
Innovative marketing

Electrolux Design Lab, Ergorapido, Vac from the Sea and the Cube are a few examples that clearly demonstrate the Group's focus on design, innovation and sustainability.



Global and strategic brands, major appliances

To increase value, investments will be made in premium brands in all markets. Electrolux aims to reach more consumer segments with strategic brands and with products for which consumers have expressed a preference.





reddot design award winner 2011



MUSEU DA CASA BRASILEIRA

Design awards

Electrolux products received several design awards during 2011 for combining cutting-edge design with functionality.

Design Lab 2011

Electrolux Design Lab is an annual design competition that helps strengthen dialog with design students regarding tomorrow's design and product development. The theme of the competition's ninth edition was intelligent mobility. A total of 1,300 students from more than 50 countries took the chance to submit ideas. Adrian Mankovecký from Bratislava, Slovakia, won for his portable washing machine for stain-removal. Visit www.electrolux.com/designlab



Vac from the Sea

The Electrolux Vac from the Sea initiative raises awareness of the large volumes of plastic waste floating in the oceans while it is difficult to source sufficient amounts of recycled plastic to produce green vacuum cleaners. Vac from the Sea has become one of the most successful campaigns in Electrolux history and was honored by the United Nations with the International Public Relations Association Golden Award. In 2011, Vac from the Sea continued its journey in new countries ranging from Taiwan and New Zealand to Brazil. Sales teams have crafted and created their own activities on the theme of sea plastic. See www.electrolux.com/vacfromthesea



Innovative design

Consumer surveys have shown that household cleaning patterns have changed. Instead of regularly vacuuming large areas, a need has developed to immediately clean up small spills. Electrolux therefore developed a combined, upright handheld vacuum cleaner – Ergorapido – featuring a design enabling it to be left in sight. There was a huge response, and an entirely new, global segment for vacuum cleaners was created. Although the competition has grown in strength, Electrolux, with the Ergorapido, remains the market leader in the segment. Since the launch in 2004, 5.7 million models of the vacuum cleaner have been sold. New versions of the style icon are launched continuously, the most recent being the Ergorapido Plus Green.



The Cube

The Cube by Electrolux is a pop-up restaurant celebrating the professional heritage of Electrolux. It offers a spectacular and inspiring restaurant dining experience in the most extraordinary locations across Europe. The restaurant adventure began in Brussels, Belgium, in spring 2011 on top of Arc du Triumf du Cinquantenaire and continued its journey to Milan, Italy, in late 2011. Read more about The Cube by Electrolux on page 42.