

TIME RIGHT FOR GLOBAL BRANDS TO SEIZE CUBA OPPORTUNITY

Groundbreaking WPP BrandZ study on Cuba highlights first-mover advantage as market comes in from the cold

10 March 2017, 7am GMT – Havana, Cuba - [WPP](#) and [Kantar Millward Brown](#) today release the groundbreaking BrandZ Spotlight on Cuba report, exploring the unique first-mover advantage brands have in this market at a time of change.

“Cuba is an island paradox and a market like no other in the world. A standard ‘fast-growing markets’ strategy just won’t work here,” says David Roth, CEO The Store WPP, EMEA and Asia.

“Negotiating the nuances of working and building brands in this country – and navigating apparent contradictions - requires local insight and a lot of patience, but now’s the time to invest that energy and those resources”.

Spotlight on Cuba is based on new, exclusive BrandZ consumer research in Cuba focused on 43 brands in four key categories: coffee, spirits, beer and tobacco.

It shows that Havana Club rum is seen as the most innovative brand in Cuba, and Cristal beer is the most loved brand, followed closely by Heineken and Café Serrano coffee. On the BrandZ measure of Brand Power, which measures how meaningfully different and well known a brand is, Havana Club tops the table.

The study shows that the proportion of brands that are ‘Clean Slates’ in Cuba is 38% – one of the highest rates tracked anywhere in the world. ‘Clean Slates’ are brands that most people don’t know exist, or people recognize the name but don’t know what the brand stands for. The global average is just 14%; this gap represents a huge opportunity for brands in Cuba.

BrandZ ‘personality’ analysis of brands already popular in Cuba shows there’s a high proportion of brands seen as sexy and desirable and brands seen as rebellious compared to the rest of the world. “Sexy” and “desirable” brands are three times as common in Cuba as they are globally, and Cuban “rebellious” brands were more than twice as common.

“Gradually, the Cuban consumer market will become more competitive and shoppers will have more choice; new brands will need to make a strong impression and those brands already successful here will have to work hard to maintain their position,” says Doreen Wang, Global Head of BrandZ, Kantar Millward Brown.

“And what many brands don’t realize is that even though they’re not operating in Cuba, they’re often already there – and so are their competitors. It’s less a question of whether you enter this market than of how you manage your presence.”

Spotlight on Cuba highlights the potential for local and international brands to grow in Cuba. This is a market of 11 million highly educated and entrepreneurial people who are broadly positive about their circumstances and their future.

WPP has a history of being an early mover in high-potential fast-growing markets. It was the first global communications network in China, and has built up more than 25 years’ experience there. More recently, WPP has been investing in Indonesia, Myanmar and Mongolia, helping global brands to keep up with the pace of change and working with local brands to grow.

In 2015, WPP became the first major communications group to develop a presence in Cuba. As well as having experts on the ground in Havana, the Group has fostered a network of expertise on Cuba through its companies in the region.

“Whether it’s a Rolling Stones gig, a Chanel fashion show or the announcement of broadband access in parts of Havana, change is happening gradually but constantly. This makes it easy to miss the opportunity”, says David Roth, CEO The Store WPP, EMEA and Asia.

“As Cuba continues to transform, there is a clear opportunity for local and international brands to play a part in the development of its economy - and grow their business in the process”.

David Roth, CEO The Store WPP EMEA & Asia, Doreen Wang, Global Head of BrandZ, and Martin Guerrieria, Global Director of BrandZ Research, Kantar Millward Brown, are available for interview. Hi-res photos from the BrandZ Spotlight on Cuba report are available for publication.

To download the report [please click here](#).

NOTES TO THE EDITOR

WPP, a UK registered company, has provided this report for general information purposes. WPP is aware that the US embargo on Cuba still exist, which restricts the performance of some international companies on the island. Before beginning to explore any potential opportunities in Cuba, individuals or companies should determine whether their proposed activities would be subject to any restrictions and prohibitions.

About KANTAR MILLWARD BROWN

Kantar Millward Brown is a leading global research agency specialising in advertising effectiveness, strategic communication, media and digital, and brand equity research. The company helps clients grow great brands through comprehensive research-based qualitative and quantitative solutions. Kantar Millward Brown operates in more than 55 countries and is part of WPP’s Kantar group, one of the world’s leading data, insight and consultancy companies. Learn more at www.millwardbrown.com.

About WPP

WPP is the world’s largest communications services group with billings of US\$74 billion and revenues of over US\$19 billion. Through its operating companies, the Group provides a comprehensive range of advertising and marketing services including advertising & media investment management; data investment management; public relations & public affairs; branding & identity; healthcare communications; direct, digital, promotion & relationship marketing and specialist communications. The company employs over 205,000 people (including associates and investments) in over 3,000 offices across 112 countries. For more information, visit www.wpp.com. WPP was named Holding Company of the Year at the 2016 Cannes Lions International Festival of Creativity for the sixth year running. WPP was also named, for the fifth consecutive year, the World’s Most Effective Holding Company in the 2016 Effie Effectiveness Index, which recognizes the effectiveness of marketing communications. In 2016 WPP was recognised by Warc 100 as the World’s Top Holding Company (second year running).

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