

# MONDELEZ WORLD TRAVEL RETAIL BUSINESS UNIT STRATEGY



MAKE YOUR  
JOURNEY  
DELICIOUS

INTERNAL USAGE ONLY



Dear Colleagues,



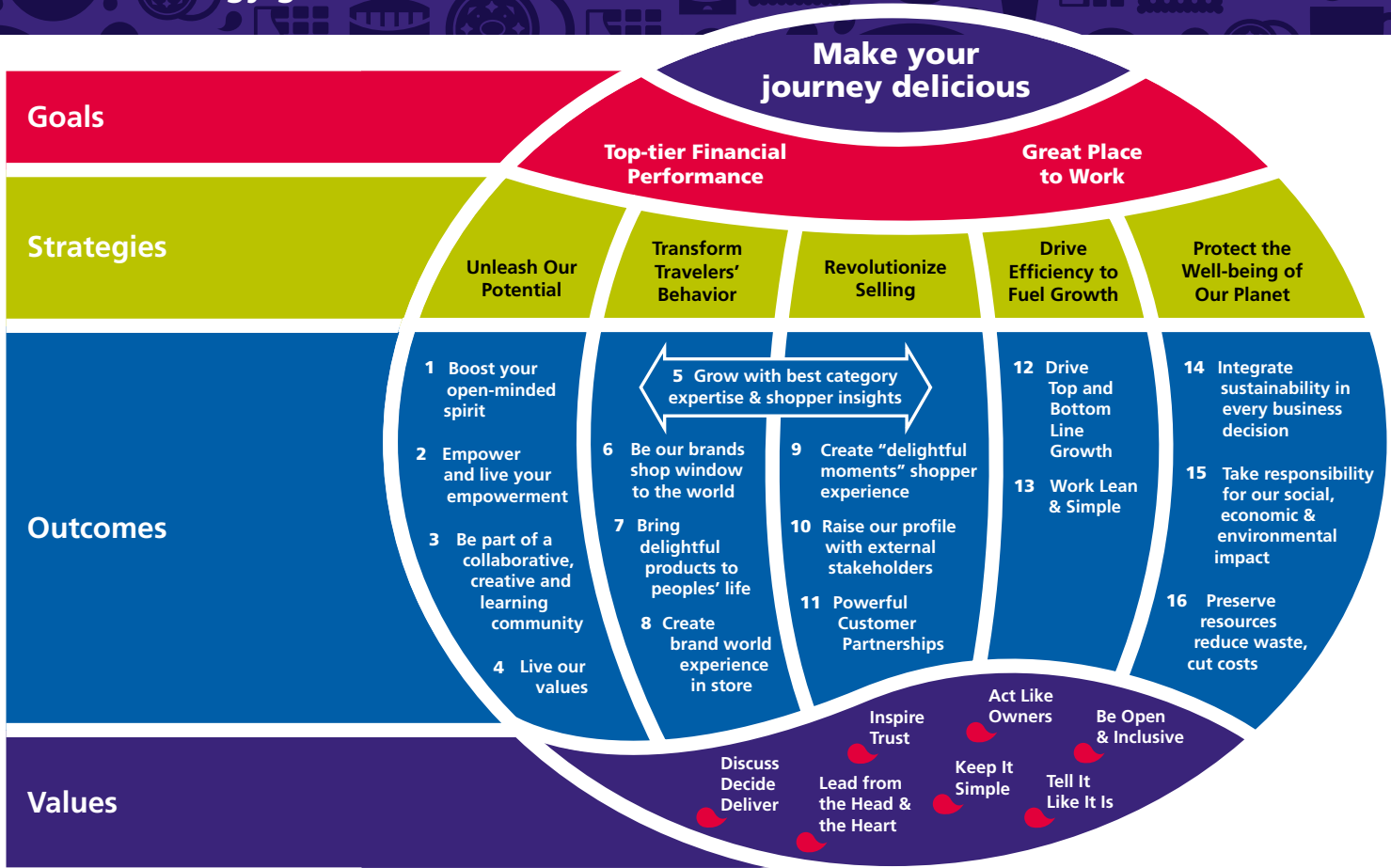
Our new company has a new strategy, and you, as a Mondelez World Travel Retail team member, have an important role to play in bringing this strategy to life. In a collaborative process across functions and regions, we have reviewed our business unit strategy and fine-tuned it in order to fully support the strategy of Mondelēz International and keep it relevant and tangible for the travel retail market.

The Mondelez World Travel Retail strategy globe presents a simple, visual way to express everything that's important to us as a team: our dreams, our goals, our values, our strategies and the outcomes that we are working to achieve.

Please explore this document and deliver your best performance during our journey.

Warm Regards,  
MWTR Leadership Team





## Our dream



Mondelez World Travel Retail aims to make every travelers' journey delicious, at every travel retail location across the globe: at airports, on ferries, on airlines and at border stores.

We are dedicated to working with our partners towards our vision – to be the favorite choice of travelers seeking delightful moments of joy around the world.

Mondelez World Travel Retail offers travelers the ultimate choice for gifting, sharing and snacking, today and tomorrow.

And we will continue to use our customer surveys to provide insight, channel expertise and constant innovation to shape the category and drive it forward.

## Boost your open minded spirit

Having an open minded spirit is essential to our global business.

# OPEN MINDED SPIRIT

Increase the level of interaction and exchange of best practice between teams across regions and functions – steal with pride



Encourage a diverse and open-minded talent mix thanks to cross-functional moves and recruiting from diverse backgrounds

# Empower and live your empowerment



Empowering and living your empowerment is essential to unleashing potential.



Develop high performing, capable and well-trained staff



Develop a strong and empowering leadership culture



Ensure a solid internal successor pipeline



Be part of a collaborative, creative and learning community

A team is more than the sum of its individuals; it reaches further and is therefore essential to the business.

BE  
A PART  
OF IT



Break down barriers between teams and support cross-functional teams



Use employees' creativity to support the business



Encourage learning in everyday business

## Live our values



Our values underline everything we do.  
Communicating our values by living them supports  
the spread of values-oriented behavior.



Discuss  
Decide  
Deliver

Act Like  
Owners

Tell It  
Like It Is

Keep It  
Simple

Inspire  
Trust

Lead from  
the Head &  
the Heart

Be Open  
& Inclusive

Link each action and communication  
to the corresponding value



# Win with best category expertise & shopper insights

**Objective:** Live **industry captancy**

**Plan:** Leverage **category knowledge** and **brand insight**

Collect **travelers and Point-of-Buying insights**

Activate learnings into tangible & actionable **recommendations**

**Act as category captain** to win with travelers/industry stakeholders

Roll out the **category vision**



**Internal**



## Category vision

- Roll out vision externally & internally
- Exchange with customers to understand their category role understanding
- Embed within a broader channel vision (e.g. via workshop with L'Oreal & Diageo)

## Insights become part of our DNA

- Ensure availability of information
- Ongoing training
- Influence mindset among team
- Ensure required skills



**External**



## Insights Roadshow for customers

- Audience: strategic customers and airport authorities
- Content:
  - Strategy (MEI SnackC. & MWTR)
  - Insights
  - Interaction (active application of learnings)
  - Next steps strategic partnership

## Media

- PR strategy (incl. sponsoring)
- Establish network
- Outsourcing for professional support
- Replicate communication internally for maximized awareness

# Be our brands shop window to the world



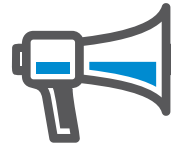
**Objective:** Raise our MWTR **profile** with internal stakeholders

**Plan:** Leverage **global scope** and engaging **shopping environment** in travel retail to **bring brands to life** at the Point-of-Buying  
Increase internal awareness and support for MWTR and build **perception of a strategic contributor** to Mondelez International's journey to become "(Europe's) Favorite Snacking Company"



## Link with key markets

- Define key markets
- Establish cross-functional links and ensure regular exchange (esp. outside Europe)
- Identify key market per brand for campaign cooperation



## Raise internal awareness (EU)

- Yearly internal PR event in lightcube (NPDs & promo concepts)
- Replicate media activities internally
- Ensure MWTR participates and is on the agenda for key category meetings (e.g. AC, Innovation)



## Out of the box thinking

- Break the rules of opportunity assessment: no classical ROI lens
- Present/sell out of the box projects to the category as an investment opportunity to build brand and leverage "the shop window" to the world

# Bring “delightful products” to peoples’ life

**Objective:** Put a smile on people’s faces, shoppers & consumers alike

**Plan:** Attain **desirability** of brands and range  
Deliver on promise to **delight** with our brands



## Innovation strategy

- Shopper insights to lead all innovation
- Segmentation-based X-functional/x-regional WTR idea brainstorming workshop to deliver a broader scope of ideas and to ensure team buy-in
- “Move from being NPD junkies to become activation managers”
  - Focus on winning concepts
  - Avoid portfolio proliferation

## Product & packaging innovation

- Product (taste, flavour, texture): as KFE-driven ongoing strong link with KFE/global innovation to ensure participation in relevant platforms
- Visual appearance (pack structure, materials, design): a further step up to maximise impact on shelf
  - R&D Packaging support
  - External support through packaging innovator

# Create brand world experience in store



**Objective:** Emotionally engage shoppers with our brands

**Plan:** Deliver on promise to **delight** with our brands  
Create **memorable, brand-specific experiences** for travelers



## Personalisation

- Tailor-made solutions with engagement for key locations require downscaled 3rd tier solutions
- Personalization concepts are developed to deliver: shopper attraction (5S), brand engagement & communication consistency whilst being location-specific
- Secure maximised differentiation/ownability vs. competition

## Promotion

- More focused approach:
  - 1 big bet per global brand (Toblerone, Cadbury/Milka, Oreo)
  - Sales to secure up to 3 HPP slots p.a. in key locations
- Promotion concepts are developed to deliver: shopper attraction, engagement and sales uplift
- Secure maximised differentiation/ownability vs. competition
- Ensure attractive price offers

## Communication

- Focus on communication which supports sales
- Utilize new technologies – reach individuals
  - Reach out to digital/social media experts
  - Test and learn with new tools

# Create “delightful moments” shopper experience

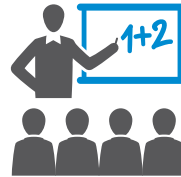
**Situation:** We are Category Leader – but not leading the Category  
The Customers work with us because we have strong brands not because we are an innovation leader

**Objective:** With identified strategic customers/partners (retailers & AA's) we will enter Top-to-top cross functionally relation and become Category & Innovation Leader and first Point of Contact for Category and Shopper Insights to drive the Category



## Win at POB based on leading shopper insights

- ✓ Live up to „delightful moments” vision with customers
- ✓ Gain more and better space
- ✓ Own hot zone
- ✓ Drive distribution & availability with planograms



## Act as category consultant

- ✓ Build category/shopper insights leadership leverage 3M & 5S
- ✓ First point of contact for category insights
- ✓ First partner of choice for future opportunities



## Cross functional diamond approach

- ✓ Multiple levers of interaction with key customer
- ✓ Drive multi functional teams
- ✓ Establish top to top relations

# Raise our profile with external stakeholders



**Situation:** Globally > 150 customers/Region Specific Focus.

**We are No1 in Sales but not No1 in Voice**

**Objective:** Become the industry preferred Category Voice.

Therefore we have to establish an ongoing dialogue with the key stakeholder of our industry e.g. Airport Authorities, Retailers, Associations, Press etc.

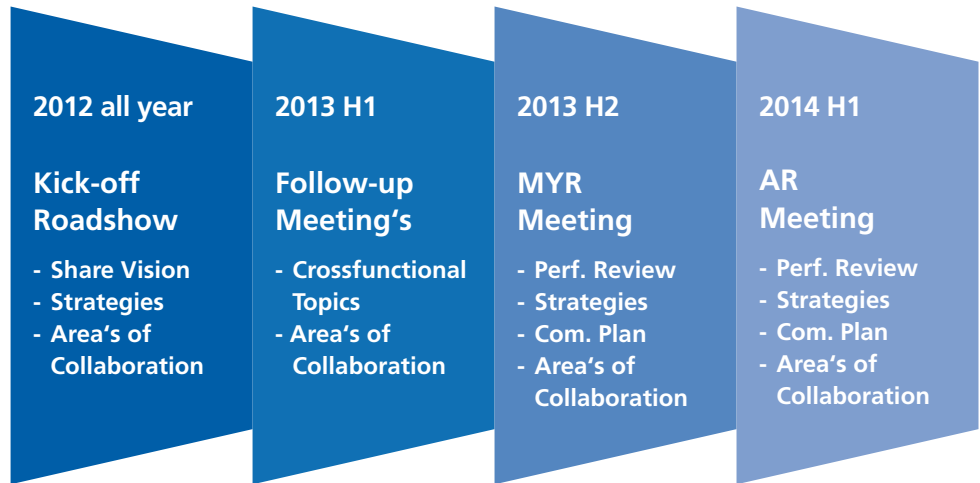
To Win with the Winners we will focus on the commercial big wins

Develop Agenda – build action plan – formulize cycles

**7 Strategic Partnerstand  
for 52.7% of our NR &  
50.7% of our GP**

<b>EU</b>	   NUANCE 
<b>MEAP</b>	 
<b>AM</b>	

## Roadmap – Our action plan call's for a phased in approach



# Powerful Customer Partnerships

**Situation:** To date, we have very few joint business plans and framework agreements  
We do directive (direct?) selling / **We are re-acting** not steering

**Objective:** Reach the level of Responsive Selling  
Become our customers' preferred category partner  
Develop and drive the business actively with the identified strategic partners

## Co-develop and drive joint business plans

- ✓ Agree strategic priorities
- ✓ Set-up commercial plans
- ✓ Align KPI's
- ✓ Define review cycles



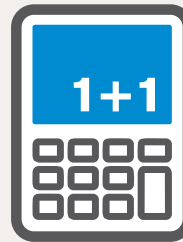
## Define framework agreements with strategic customers

- ✓ Engage global key customers
- ✓ Get customer top mgmt commitment



## Develop global & regional pricing strategies

- ✓ Set-up a coherent pricing structure
- ✓ Deliver plan



## Build E2E supply chain solutions/ JVC workshops

- ✓ Get basics right
- ✓ Direct plant deliveries
- ✓ Customer supply plan





# REVENUE MANAGEMENT MISSION 40+ CASHFLOW



## Revenue Management

- Achieve right product mix
- Manage Revenue spread:  
Reduce customer spread and mitigate risks from customer consolidation



## Mission 40+

- Optimize Portfolio
- Pricing actions/actively manage FX and Commodities
- Margin enhancing NPDs
- Driving out our cost (productivity)



## Cashflow

- Improve Cashflow



# Work Lean & Simple



## Simplify processes

- Focus on value-added tasks (Decomplexity)
- Review current processes
- Implement best practice



## Focus on what matters most

- Focus (Core Categories, Brands, Customers, Workload)
- Optimize and streamline Portfolio



## OI Management

- Negative Overheads Growths
- Invest where it matters most

# Integrate Sustainability in every Business decision



## Logistic Network

- Transport Supplier have to fulfill latest EU standards
- Reduce road kilometer
- Optimize truck utilization



## Product / Range development

- Review and Optimize packaging material
- Outline sustainability implication in every PDR



## Build Joint Value together

- Execute and Communicate Sustainability Projects with Strategic Customer

EU



WORLD DUTY FREE GROUP



Lagardère SERVICES

MEAD



EM



# Take responsibility for our social, economic & environmental impact

## PROTECT OUR PLANET



### Social Impact

- Employees commitment to local social programs
- WTR LLC support of local social programs
- Global Participation @ Delicious Difference Week



### Economic Impact

- Visualize WTRs footprint where ever we are active



### Environmental impact

- Drive CO2 reduction E2E
- Select LOG partners with a clear Sustainability agenda



### Cut Costs

- Increase direct plant shipments (Cadbury)



### Reduce Waste

- Reduce max. inventory boundaries w/o risking out of stock
- Smart usage of short dated products

