



10:30-10:45



Polaris in Mexico

Polaris revealing learning

A lighthouse with a glowing light beam shining across a dark sea at night. The lighthouse is a tall, dark tower with a white lantern room at the top. The light from the lantern room creates a bright, circular glow and a long, horizontal beam of light that stretches across the dark water. The sky is dark and the water is dark, with some ripples visible. The overall mood is mysterious and focused.

A significant portion of HMEX volume is vulnerable to cede share due to lack of fit with the Demand Spaces

Brands that do not fully meet consumer needs in a DS, have risk of losing volume to other brands and categories

~50% of HMEX volume at risk of ceding market share

NEEDS FULFILLMENT HEAT MAP

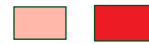
How well the brand fulfills DS needs

Brand fit with DS



VULNERABLE VOLUME

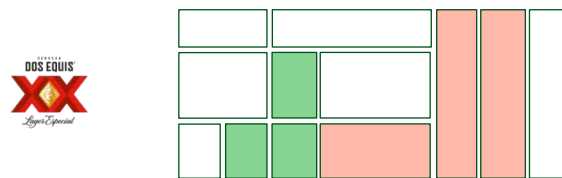
% Brand vol. in low fit spaces



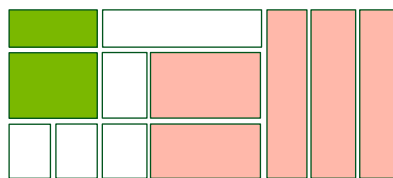
~65%



~30%



~55%



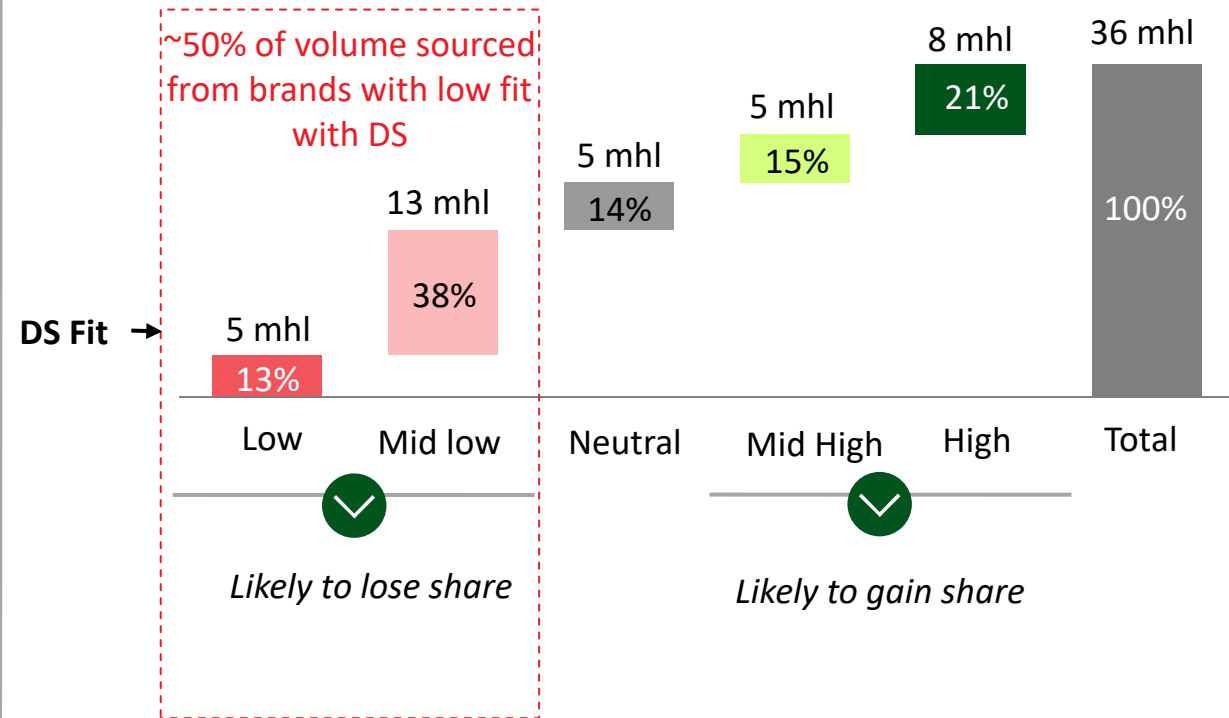
~55%

Brand fit with DS

- High
- Mid high
- Neutral
- Mid low
- Low



HMEX 2019 VOLUME BREAKDOWN BY DS FIT (MHL)



Source: Heineken DCG MX survey 2021, BCG analysis



Optimising our Portfolio Play

1

Brand allocation based on fit for a better-balanced portfolio

2

Mindset shift: from “Brand enemies” to a consumer need fulfilment view

3

Prioritizing Innovation and resource allocation to win consumer demand



Increase HMEX
right-to-win, and
capture
**incremental
demand**

1

A better-balanced portfolio allocation, to strengthen brand fit

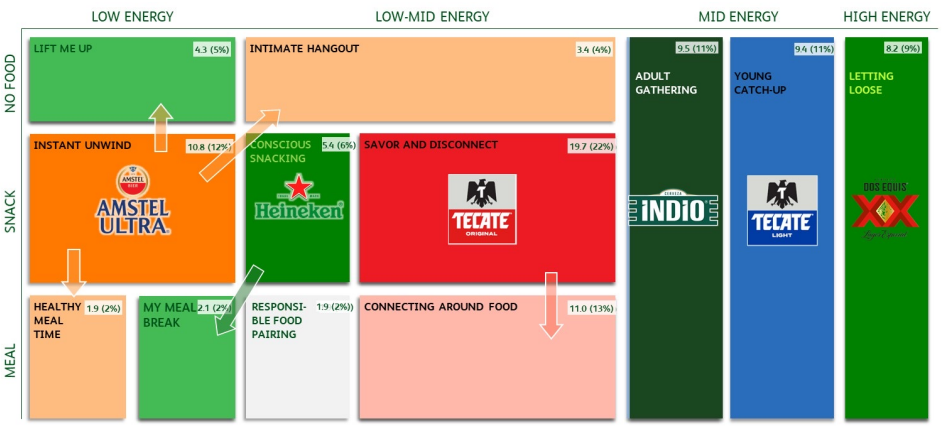
From ...

15+ brands focused on 3 spaces that cover 31% of demand

Brands	Market share %	Volume (Mhl)	Lift me up	Instant unwind	My meal break	Healthy mealtime	Intimate hangout	Savor and disconnect	Conscious snacking	Connecting around food	Responsible food pairing	Adult gathering	Young catch-up	Letting loose
Volume (Mhl)			4.3	10.8	2.1	1.9	3.4	19.7	5.4	11.0	1.9	9.5	9.4	8.2
Tecate Light	18%	16.3	2%	13%	2%	0%	6%	30%	4%	15%	2%	14%	7%	6%
Tecate Original	6%	5.0	7%	13%	0%	0%	11%	25%	5%	6%	4%	5%	10%	13%
Dos Equis Lager	4%	3.8	5%	5%	1%	0%	1%	15%	1%	30%	2%	11%	12%	17%
Indio	3%	2.8	0%	13%	2%	1%	4%	28%	7%	11%	1%	7%	6%	14%
Carta Blanca	2%	1.8	4%	5%	7%	6%	3%	29%	1%	17%	4%	6%	6%	11%
Superior	2%	1.3	4%	16%	5%	0%	2%	19%	1%	16%	1%	7%	11%	16%
Sol	1%	1.1	2%	9%	1%	1%	12%	15%	7%	9%	2%	19%	11%	13%
Coors Light	1%	0.8	2%	7%	3%	0%	5%	23%	7%	11%	2%	5%	14%	20%
Amstel Ultra	1%	0.6	7%	4%	1%	1%	1%	17%	10%	11%	1%	14%	23%	7%
Heineken	1%	0.6	5%	11%	6%	10%	3%	10%	4%	19%	8%	11%	9%	5%
Sol Clamato	1%	0.5	2%	7%	1%	0%	2%	22%	6%	12%	1%	13%	12%	22%
Miller Lite	1%	0.5	4%	3%	19%	0%	0%	8%	0%	2%	2%	0%	0%	29%
Miller High Life	<1%	0.3	0%	2%	1%	3%	4%	18%	3%	7%	2%	11%	22%	28%
Bohemia	<1%	0.3	3%	7%	3%	2%	2%	15%	6%	18%	2%	8%	13%	21%
Dos Equis Ambar	<1%	0.3	1%	6%	5%	0%	3%	12%	9%	15%	2%	10%	13%	16%
Sol Michelada	<1%	0.06	2%	13%	0%	1%	4%	12%	6%	18%	8%	11%	16%	10%
Heineken 0.0	<1%	0.05	2%	16%	0%	3%	1%	11%	15%	3%	1%	20%	14%	8%

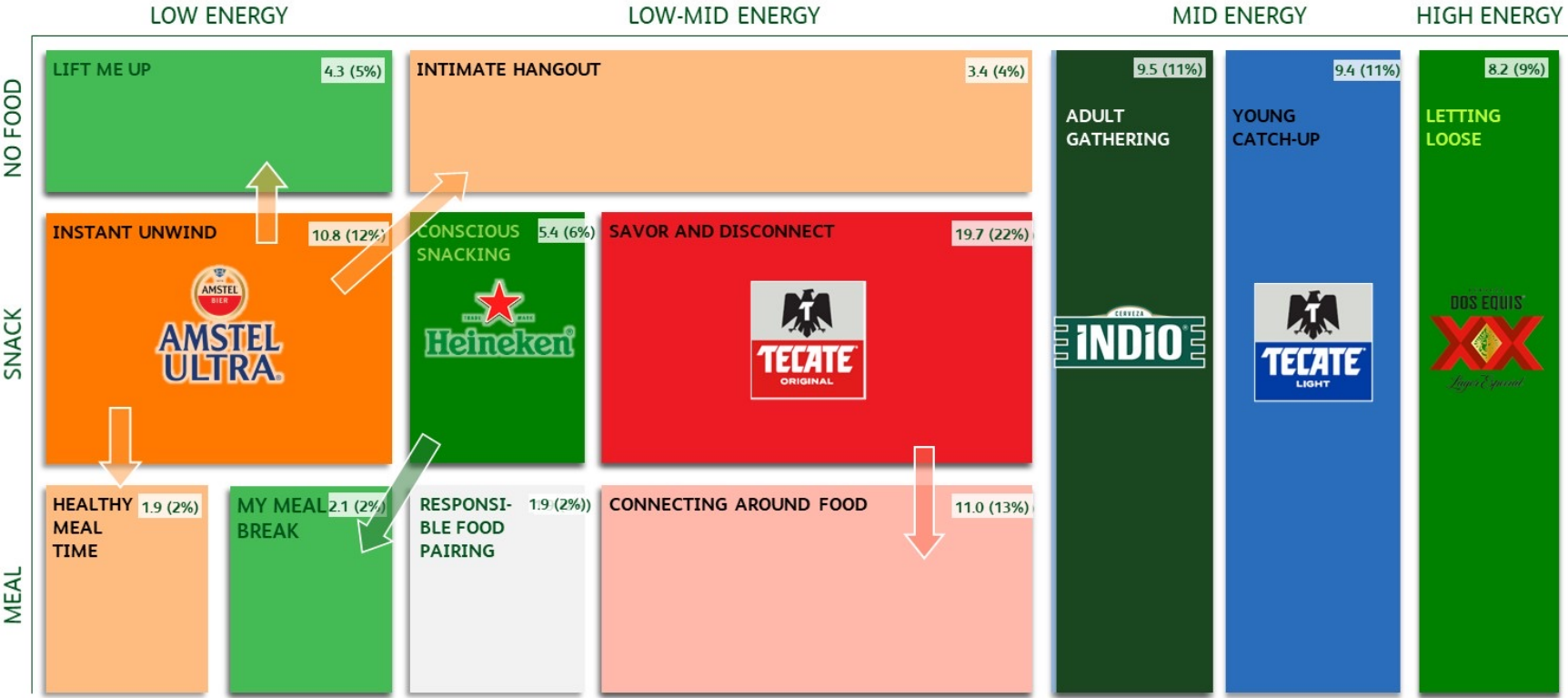
To...

6 focused power brands that cover 96% of demand ...



1

In the new portfolio, 6 distinct & focused brands maximize coverage of demand



Six power brands cover 96% of the market of which 71% directly and 25% via halos

x.x (%) Demand Space Beer volume (Mhl & %)

➔ Arrows point to DS halo spaces (non-exhaustive)

Halo effects non-exhaustive

** To be confirmed with Central Heineken® team
 Note: 2019 figures
 Source: Heineken DCG MX survey 2021, BCG analysis

2

From 'Brand Enemies' to 'Needs Fulfilment': optimising portfolio

Tecate Ambar was launched in 2019 to compete head to head with Victoria Ambar in Challenger Regions



- Brew ✓
- ND/WD ✓
- Price ✓
- AOS ✓

13.5 mhl

0.2 mhl

-20% vs '20

VS

	<i>Victoria</i>		
KEY DEMAND SPACE VICTORIA VOL	BRAND VOL SHARE FIT IN DS	HMEC BRAND FIT IN DS	
Savor and disconnect	28% ●	●	 5 mhl +13% vs '20
Adult gathering	18% ●	●	 2.5 mhl +12% vs '20
Connecting around food	11% ●	●	

Delisting WIP

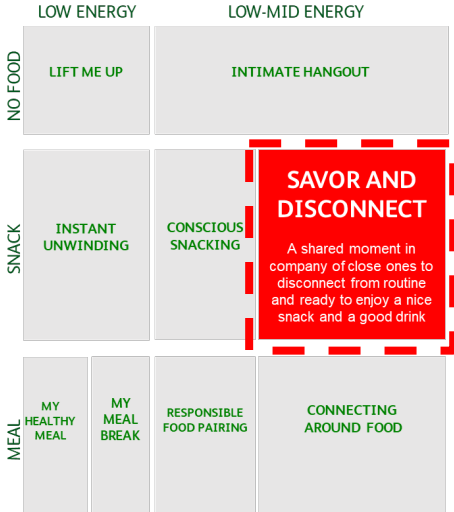
...to FOCUS on the winners

3

Strengthening fit & expanding demand through Innovation



POLARIS – DEMAND MAP

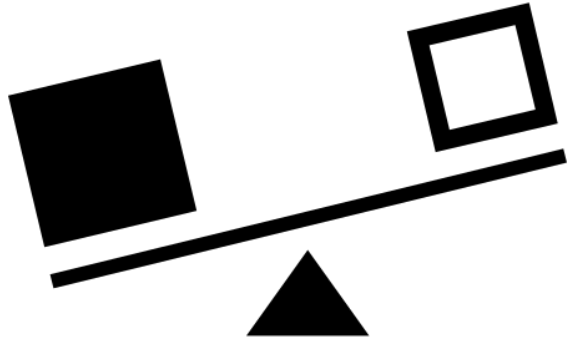


SEGMENT NEEDS



- ✓ Expand Tecate presence in Snacking, as the major activity to 'DISCONNECT' from duties in Mexico
- ✓ Credentialise Tecate TASTE with a great 0.0 brew and build association with Mexican snacks
- ✓ Be an alternative/capture CSDs consumption (the most often used beverage for snacking)

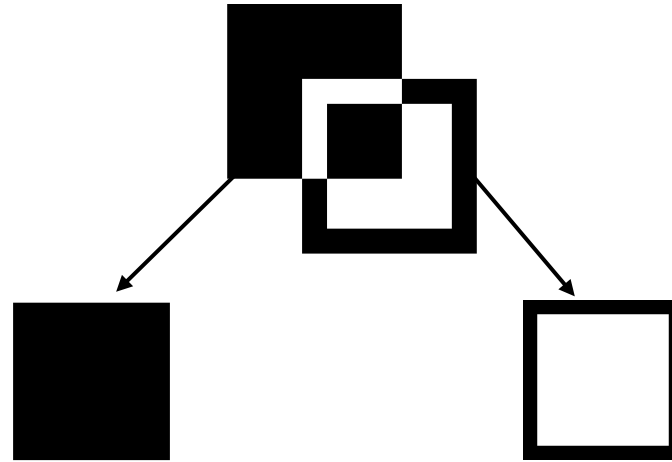
Polaris-guided portfolio optimization enables growth



Corrects overcrowding in high energy spaces

- Re-balancing of portfolio allows for pin-pointed coverage with brands with higher right to win

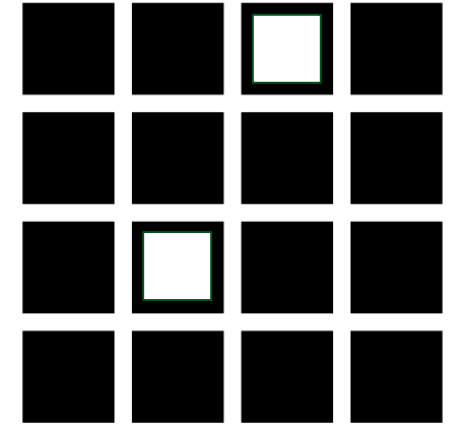
**Higher incrementality
Less internal competition**



Focus proposition against DS specifics

- Each brand with clear path ahead
- Target communication, innovation & activation to space needs
- Limit internal competition

**Higher effectiveness
Better external competitiveness**



Innovate new propositions to target unmet needs via expansive growth platforms

- Identification of spaces with unmet needs
- Innovate full proposition to beat competitors' weaknesses

**Reshaping of the category
Expanding beyond**