

Trends and Opportunities in Contrasting the North American and European Paintbrush Markets

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Introduction

Market factors are causing changes in the European paint brush market:

-paint VOC regulations that favor increased development of high solids or water-based paints

-emergence of mega DIY stores

-”green” movement emphasis on reduce/reuse/recycle

Is there a role for NA producers in this market?

Is this the right time?

What does that market want?

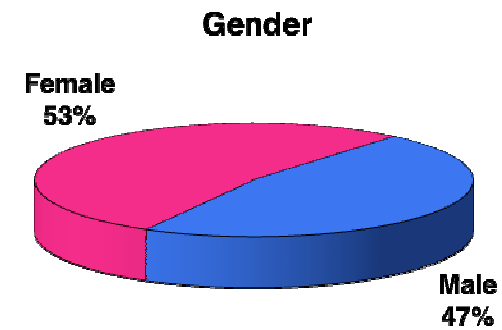
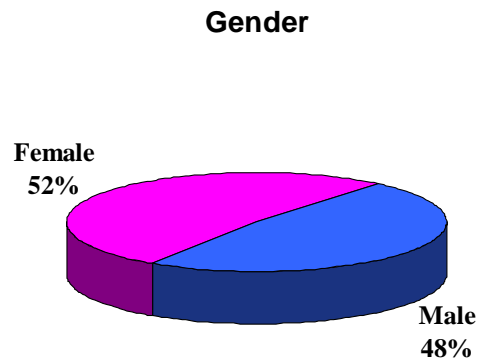
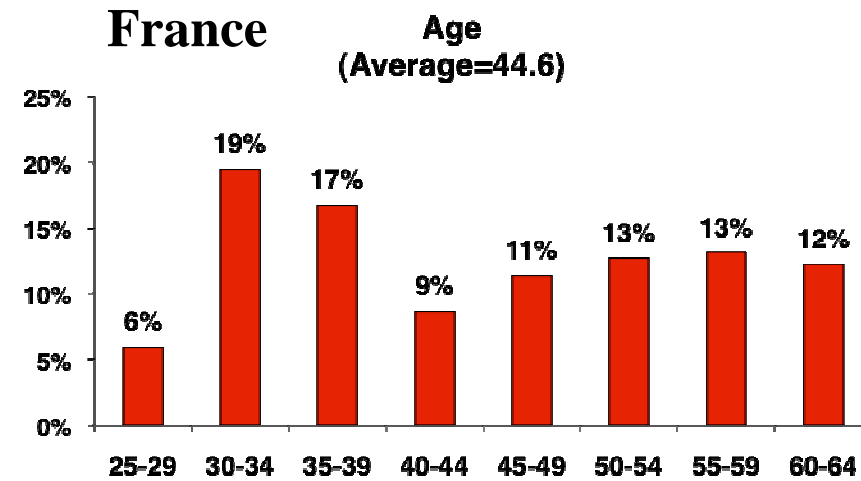
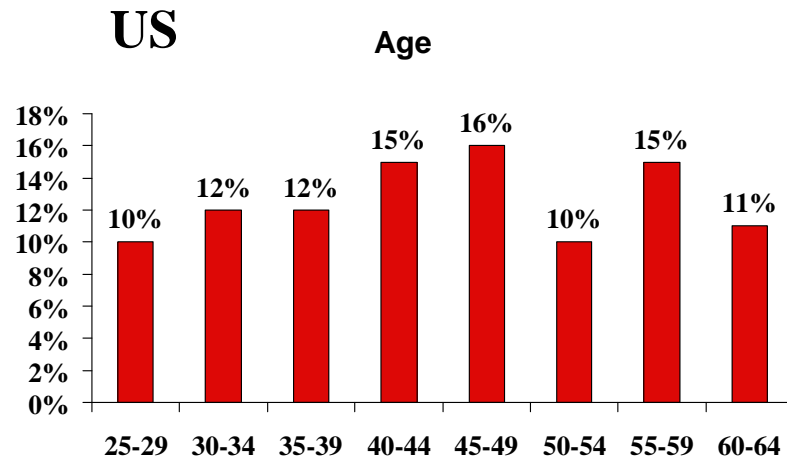
Background

DuPont™ Filaments funded a market study of the US paint brush market (2009) and the French paint brush market (2010). The study findings will be shared, as well as key technical differences that would need to be addressed to compete in the European market.

Areas addressed include:

- demographics of survey
- performance expectations
- buying behavior
- environmental positioning
- brush construction preferences
- packaging and point-of-sale
- brand familiarity

Study Demographics



What Do You Paint?

Annual activity, % of respondents

	US	France
Paint furniture	13%	34%
Paint interior surfaces	18%	25%
Stain/varnish interior surfaces or furniture	13%	25%
Stain/varnish exterior of home	11%	24%
Paint exterior of home	10%	13%
Paint masonry or basement walls	6%	11%

In general, respondents in France reported more frequent painting activity of all types.

Performance Expectations

Ranking of Top Needs by Region

	US	France
Long lasting	-	1
Easy clean-up	1	2
Filaments stay in the brush	3	2
Professional quality	2	7
Uses the bristle type I prefer	3	8
Consistent coverage	5	4
No brush lines	7	4

Paintbrush Quality

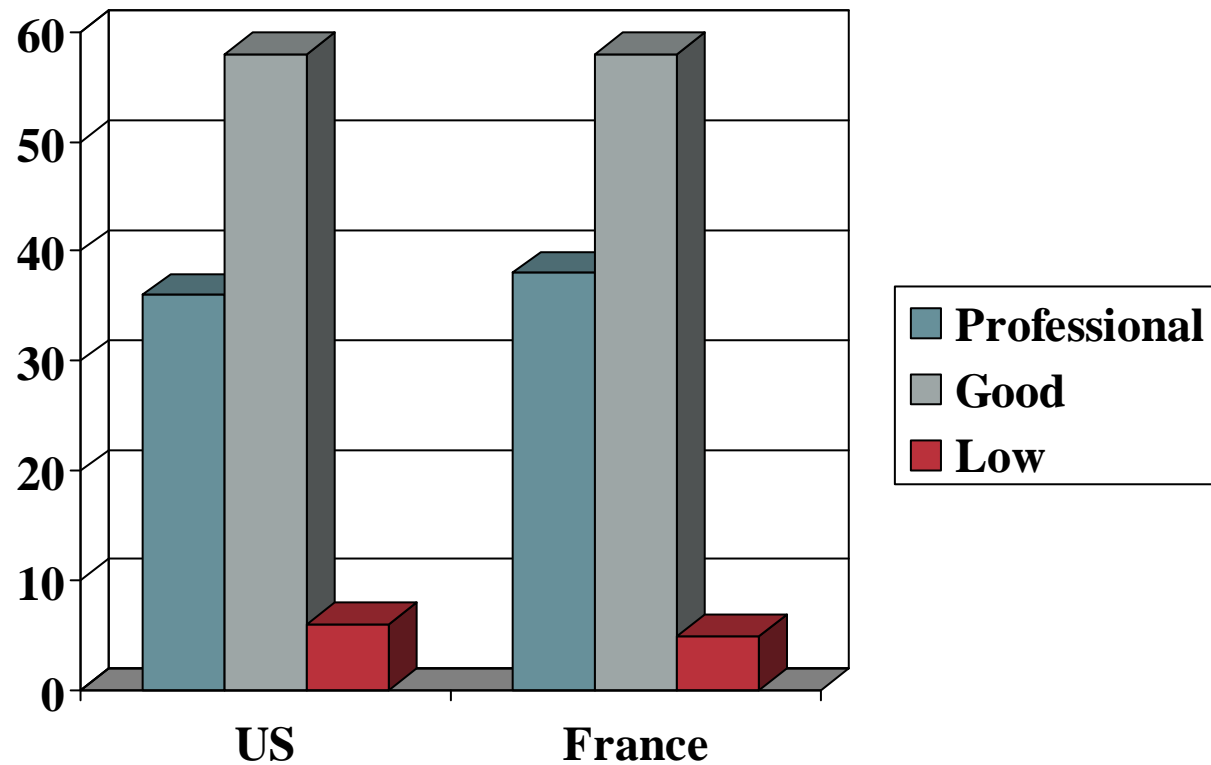
Terminology:

Professional quality: Clean and re-use many times

Good quality: Clean and re-use several times

Low quality: Use once and throw away

Same buying pattern



Paint Buying Behavior

Where would you consider buying paint?

(% Selecting)

	US	France
Home Improvement Store (HD, Lowes, Bricomarche)	86	100
Hardware Store (ACE, Tru-Valu, Castorama)	45	79
Mass Merchants (WalMart, Carrefour)	51	31
Paint Specialty Stores (S-W, Benj.Moore, Velux, SadeF)	44	35
Local Hardware Store	25	17

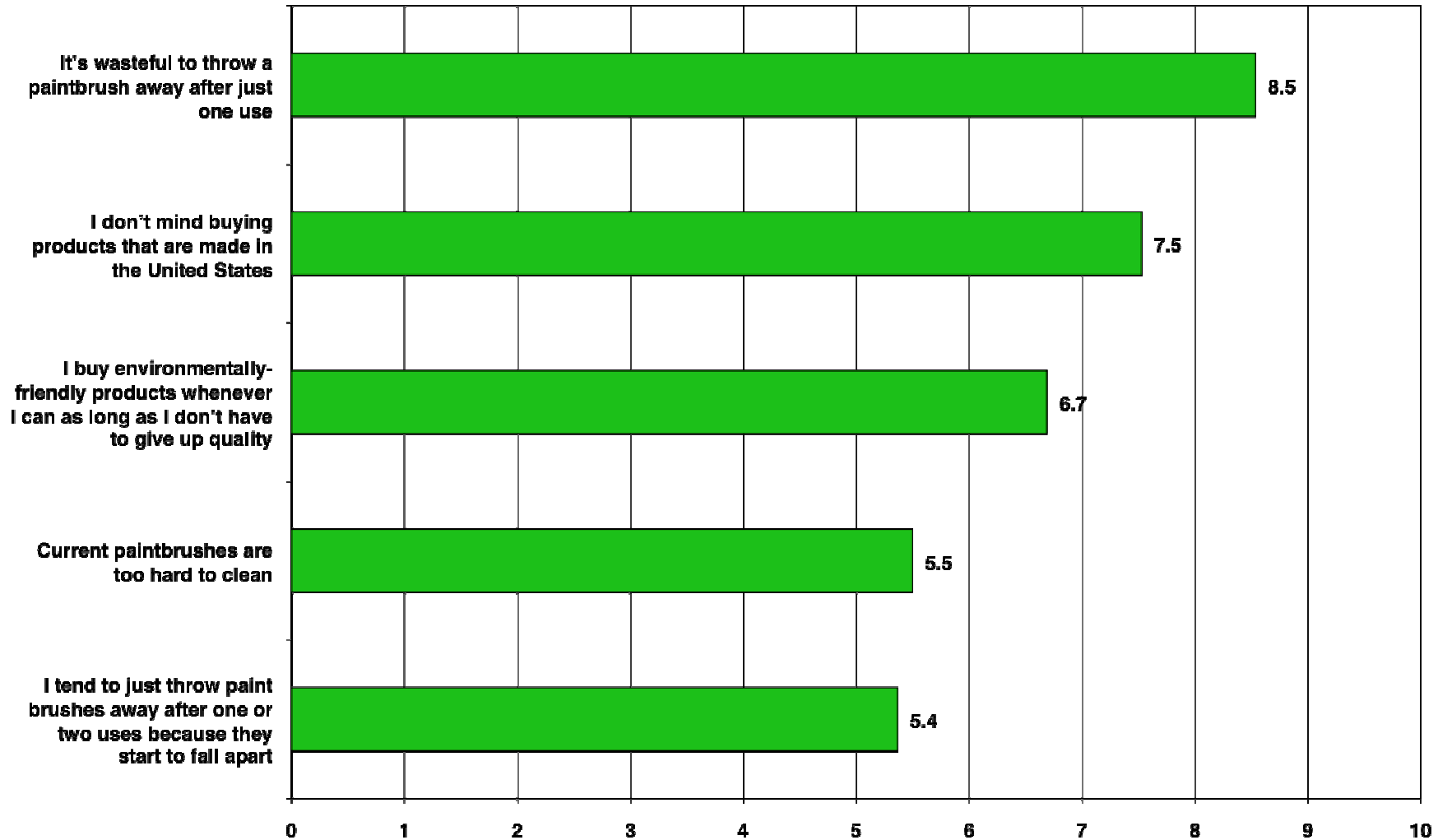
Point-of-Sale

- all product wrapped in clear package
- handle color designates appropriate paint use
- all products made to look like white bristle
- no angular sash brushes
- round brushes are used for trim
- hang tags describe product use and marketing positioning



Attitudinal Statements

How much do you disagree or agree with each of the following statements?
(0) Disagree / (10) Agree



Environmental Positioning

“Green” definition is not universal

- **long-lasting brushes**

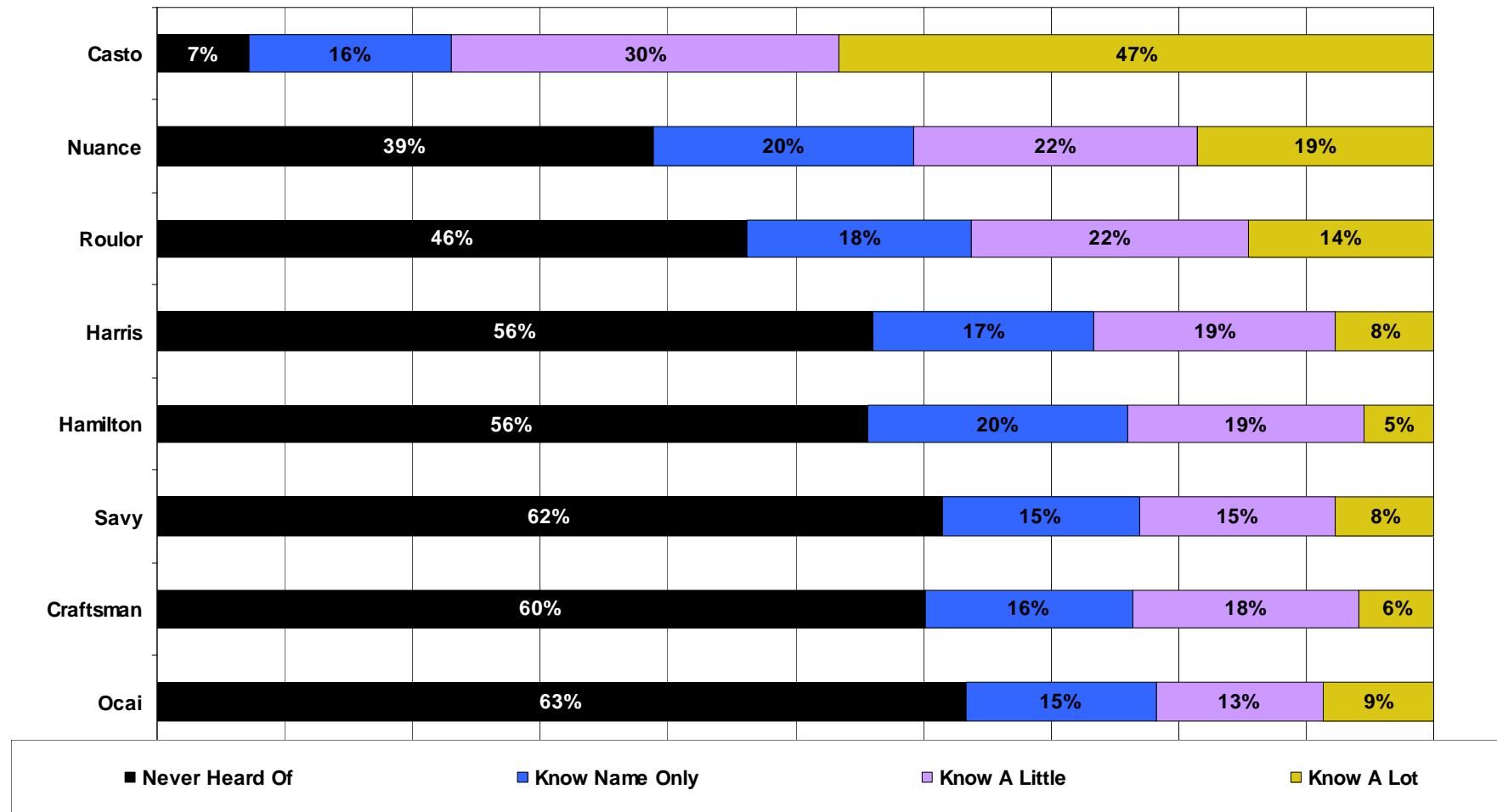
- easy to clean, durable, high quality construction
- expected to have professional performance
- high number of reuses (20+)
- concerned these will be too expensive

- **brushes with high recycle content**

- not as durable, lower number of reuses (14)
- not expected to perform like professional brush
- biggest fear is bristle loss

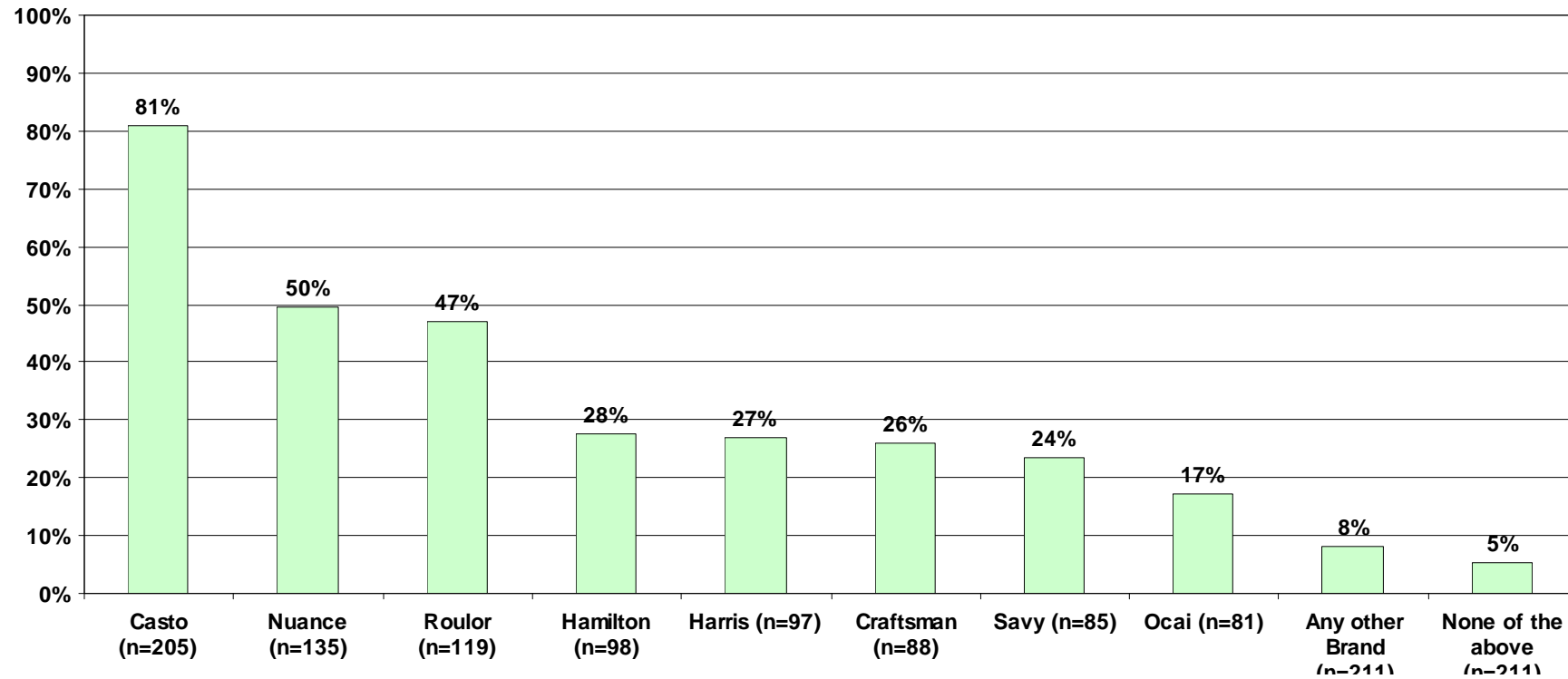
Brand Familiarity- France

How familiar are you with each of the following Brands of paintbrushes?



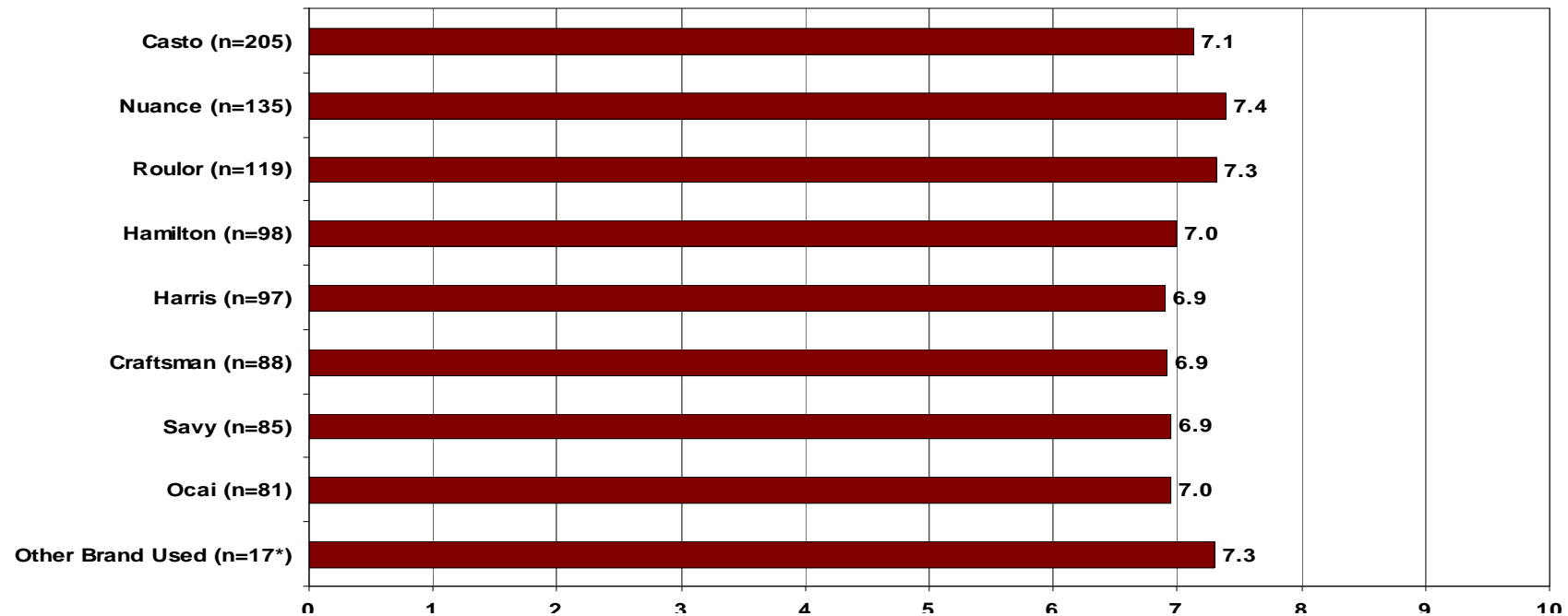
Paintbrush Usage

Which of the following brands of paintbrush have you used?
% Selecting Each



Brush preference

Overall, do you have more negative or more positive feelings about the following brands of paintbrush?
(0) More Negative / (10) More Positive



Differences of 0.9 are generally significant between ratings.

*Caution: small base size - directional information only.

What does this data suggest? All brushes have similar construction?
Performance is all the same? Paints are forgiving?

Brush Construction Preferences

Fill materials- varies by country. White bristle in France, black bristle in Germany, mixture of bristle and polyester in Sweden.

Brush thickness- “triple thick” is most common in all countries.

Brush length- shorter than typical US brushes.

Handles- wooden for top quality, ergo and multi-component plastic common in Sweden.

Ferrules- generally “Inox”, also plastic, plated and some stainless.

Handle attachment- staples, crimped or nailed.

Brush trim style- flat trim or round. No angled sash.

Formulations- supplied by processors, usually contain significant amount of level, hollow polyester for increased stiffness and decreased cost.

Pricing analysis

Pricing feedback is about the same regardless of positioning.

- The top end of the optimal price range is €15.49 regardless of positioning.
- The range of acceptable prices reaches a little further for the **Time After Time** positioning - €18.49 among the total sample and €19.49 among Positioning Acceptors

DuPont Tynex Paintbrushes Pricing Optimization

Among Total Sample & Positioning Acceptors

	n=	<u>Optimal Price Range*</u>	<u>Acceptable Price Range **</u>
Total Sample			
Time After Time	221	€13.99-€15.49	€11.99-€18.49
More sustainable	221	€13.99-€15.49	€11.99-€17.49
Positioning Acceptors (Rated Positioning 7+ for General Interest)			
Time After Time	203	€13.99-€15.49	€11.99-€19.49
More sustainable	184	€14.49-€15.49	€12.49-€18.49

*Optimal Price Range (between IDP & OPP) - the ideal price range with minimal rejection and maximum acceptance.

**Range of Acceptable Prices (between MCP & MEP) - the range of prices where few competitors will be priced outside of this range.

Brushes purchased in Belgium

Hornback Bowwmarkt (similar to home depot or lowes in the way that the brushes are displayed but smaller square feet in store size).

	€
8712967000550 CG Plattie KWASt Acry.	8.40
4001438080004 Soft Touch Rick Acry	5.85
4991438067975 Soft Touch VLAKKE KW	5.25
8712967099226 CQ PATENTPUNKWAST A	14.95

PRAXIS (Paint Decorating store. Brushes displayed by type of paint they were to be used in: Acrylic, Solvent (Alcyd), and/or Acrylic(broad brush)).

5400107205233 PLAT ACRYLWAST 63 MM	9.99
5400107205370 PLAT BEITSKWAST 76MM	9.99

GAMMA (also a paint and decorating store but the smallest of the 2. Brush display was similar to Praxis)

1 SAM R7 VERFKWAST PLAT 2.5	8.99 (containing a patented syntetic filament)
1 MEESTERKWAST PLAT ACRYL	9.89

Summary & Observations

Big box stores do not have a premium brush segment

Decorator stores (Netherlands) have very organized paintbrush displays

Furniture painting is a big market segment

Price points at the retail level and in the survey were higher than expected

Brush styles are limited and different than the NA market

Higher priced blended brushes are using very little synthetic

Observed the use of point of sales videos at several stores

Very difficult to tell where the brushes were manufactured

We did find one brush that contained Tynex®

Thank You