

Sorbent®

THE MARKET

Toilet tissue may not be a high profile product but it is undoubtedly an essential purchase, accounting for \$532 million in retail sales in Australia per annum. It forms the major part of the paper products category that also includes facial tissue and paper towel, and in 1998 accounted for more than \$750 million in retail sales.

Toilet tissue is one of the most dynamic grocery categories, with sales currently growing at 3% per year. People buy a particular toilet tissue because of its practical performance attributes - softness, thickness and strength - and because of its decorative features and price. The interest in decorative features, particularly prints, differentiates the Australian market from that of the UK, Europe and the USA.

The market is broken into three quality/price segments: premium, mid and price. Premium products including Sorbent account for 54% of the toilet tissue category by value. Mid market products follow with a 39% share, while price brands and generic products take 7%.

ACHIEVEMENTS

Sorbent is one of Australia's best-known brands and in 1998 was ranked Number One selling Household Product in AC Nielsen's Top 100 brands for the fifth year running. Since its launch in 1952, Sorbent Toilet Tissue, an Australian born brand, has successfully led the toilet tissue category against global competition.

Sorbent has become a household name, largely through consistent high profile advertising always featuring humour and the Sorbent jingle. The famous Sorbent jingle, "What's the gentlest tissue in the bathroom you can issue, why it's Sorbent"



was used in the first Sorbent television advertisement in 1956, and the jingle or the music have been used ever since.

While only softness ranks as the key consumer purchase criterion in most other countries, in Australia Sorbent has driven the market with its unique combination of softness and thickness. Nearly 2.5 million toilet rolls are sold every day in Australia, and Sorbent accounts for 25% of the volume and 31% of the value of all rolls sold.

HISTORY

Sorbent was launched in 1952 as the first crepe toilet tissue. It was sold in single rolls of one-ply white tissue and was the first tissue sold to a stand-

ard length of 500 perforated sheets. The rolls were pre-wrapped in paper, not the practice before this time, enabling the product to carry the brand name and message.

In 1963 Sorbent introduced the first coloured tissues, and in 1966 a twin roll pack in plastic packaging replaced the old paper-wrapped single roll. By 1968 Sorbent had 50% market share.

In 1971 Sorbent introduced the first embossed softer and thicker sheet and increased sheet count from 500 to 550.

High unemployment and inflation in the 1970s saw consumers turn away from Sorbent and other nationally marketed brands until 1983, when Sorbent was re-launched as the first two-ply toilet tissue. The claim 'thick, soft Sorbent' was established and remains intrinsic to the brand today.

In 1985, after an investment of \$25 million, a revolutionary new toilet tissue was produced. New Generation Sorbent, as it was named, was far softer, more absorbent, stronger and thicker than any other. By 1986, supported with the Sorbent BYO television commercials, the brand's share had increased to 21.4%.

During the late 1980s and early 1990s the major threats to Sorbent were the emergence of environmentally friendly products and the many new brands that imitated premium decorative features at a much lower price. However, Sorbent embarked on a period of significant growth, following continuous product improvements, correct pricing relativities and strong advertising.

In 1991 after an investment of more than 150 million dollars, Sorbent's product quality was improved dramatically once again. In the same year Sorbent was also launched into New Zealand, becoming a truly international brand.



In February 1995, Carter Holt Harvey Tissue took over Sorbent's makers Bowater Tissue. The takeover paved the way for the development of Sorbent as a global brand in the future.

THE PRODUCT

Sorbent is a two-ply toilet tissue made with proprietary technology to produce a unique combination of softness and thickness. It is marketed in a variety of pack sizes, colours, printed designs, and an hypo-allergenic variant.

Sorbent is one of the most expensive toilet tissue brands on the market and holds the highest brand and advertising awareness and consumer loyalty. It is bought by more Australian consumers than any other toilet tissue brand with an annual household penetration of 62%.

1991 saw the introduction of a new manufacturing process for Sorbent which also produces a distinct surface texture. Since 1991 Sorbent's quality has continually been enhanced to maintain its unique combination of softness and thickness, the most critical product attribute for consumers.

RECENT DEVELOPMENTS

Sorbent continues to lead innovation in the toilet tissue market with three new product launches since 1995. These are Sorbent Multi-Coloured Designs, Sorbent Hypo-Allergenic and Sorbent Silk. Each new product has contributed to Sorbent's growing market leadership and further differentiates Sorbent from all other toilet tissue products.

Sorbent launched its distinctive range of multi-coloured print designs in 1995 to meet growing consumer demand for printed toilet tissue. Sales of Sorbent Designs have more than doubled in 18 months in excess of 60 million rolls.

Sorbent Hypo-Allergenic, launched in November 1996, was developed to meet specific consumer demand for a premium quality toilet tissue that was free of inks, dyes and perfumes. Sorbent Hypo-Allergenic was supported with the controversial "Scratch" television commercial and achieved in six months, market share ahead of its first year projection and enthusiastic endorsement from consumers.



The ultra-premium product Sorbent Silk was launched in March 1997. Each roll of Sorbent Silk has 200 sheets of 'Pure, Soft, Luxury' featuring a unique quilted texture. Sorbent Silk is a distinctly luxurious and feminine product, qualities which are strongly communicated by its packaging and indulgent television advertisement.

Also in 1997, Sorbent re-launched its facial tissue brand. This market in Australia is worth over 160 million dollars each year in retail sales. It is currently growing at 4% in value.

Sorbent Facial is well positioned in the premium segment of the category. This segment accounts for more than 75% value share. Sorbent Facial has recently peaked at a market volume share of over 24%, a growth of more than 9 percentage points compared to the previous year (4 weeks to 27/12/98). The brand has managed to do this with the introduction of innovative products such as Sorbent Hypo-Allergenic, innovative packaging design including new Sorbent Teddies, and a new TVC that conveys the gentle, caring personality of the brand.

PROMOTION

Three major factors have contributed to the long term success of Sorbent. The first is the brand's unique product quality and continuous innovation. The second is the long-term commitment to support the brand with high profile advertising and promotional campaigns. The third is the commitment to maintaining the correct pricing relativities for Sorbent versus its major competitors.

Few television campaigns have been as popular in Australia as Sorbent. The combination of people in every day situations, humour and the Sorbent jingle, have proven to be both popular in entertaining consumers and the key to maintaining Sorbent's awareness and loyalty as the highest in the category.

Successful Sorbent campaigns include most recently the "Paperboy" commercial featuring Merv Hughes & Ita Buttrose and the "Thank Goodness for Sorbent" campaign including both the 1991 commercial featuring Matthew Krok and the 1993 commercial featuring both Magda Szubanski and Matthew.

Strong in-store promotion, complementing the television campaigns, has added significantly to Sorbent's success. It ensures seamless synergy between the product, advertising, packaging and promotion.

Sorbent has always benefited from high profile promotions and sponsorships. In 1997 Sorbent brought the "Wizard of OZ on Ice" to

families around Australia, as well as giving away an around the world trip for one lucky family. In 1996 Sorbent won the only sponsorship rights worldwide to the internationally successful film "Babe". This humorous Australian film, featuring Magda Szubanski, perfectly reflects the Sorbent core values. Sorbent has also been the major sponsor of Circus Oz for 4 years and in 1997 won the Australian Financial Review Sponsorship award for both the best Arts Sponsorship and best overall Sponsorship.



BRAND VALUES

Sorbent is a distinctly Australian and family brand that most consumers have grown up with. While it is a premium product, Sorbent's success is based on its egalitarian positioning which makes it accessible to everyone.

The pragmatic quality features of Sorbent, softness and thickness, are fundamental to the brand values and represented on all packaging, advertising and promotion materials to seamlessly reinforce 'Thick, Soft Sorbent'.

The entertaining Sorbent advertisements combined with unique product quality, have made what was a commodity product into a trusted and endearing brand, an attitude perhaps best conveyed by the advertising message, 'The gentlest way to start the day'.

THINGS YOU DIDN'T KNOW ABOUT SORBENT

- Sorbent is derived from the word 'absorbent'. The Sorbent brand when launched in 1952 was the first toilet tissue that was truly absorbent.
- The Sorbent jingle used in the first Sorbent television commercial in 1956 has been referred to as the true Australian national anthem.
"What's the gentlest tissue
In the bathroom you can issue
Why, it's SORBENT,
SORBENT safest for sure.
SORBENT'S economical,
Its sales are astronomical,
Buy SORBENT at your
favourite store."
- According to AC Nielsen's Top 100 Brands survey, Sorbent is the highest selling household product, and in 1998 Sorbent retail sales were in excess of \$166,000,000.
- On average around 1.2 million rolls of Sorbent are sold in Australia every two days, enough tissue to go right around the world!

