



Market

People pay particular attention to their health and beauty. With the development of medicine and technology, ways and means of attaining them change, but our wish to be healthy, well-groomed and beautiful remains the same. It refers particularly to the category of universal care which represents the major area of the Croatian personal care market. The market has witnessed strong growth over the past years, especially because of the improvement of life standards and an increase of consciousness regarding the importance of health. The category of universal care is traditionally very segmented due to the fact that in this category products are used by men and women, new consumers of creams as well as those consumers who use universal creams for their beauty and protection. Classic formulas with improved composition prevail on the market. In the past years, the number of products containing hydrating elements for skin moisture has increased. Besides national brands Melem and Rosal, the market is dominated by large multinational producers: Beiersdorf, Unilever and Schwarzkopf-Henkel. Global brands, such as Nivea, have continuously been present on the market for more than 80 years and that is why they have high brand awareness and a strong image. Nivea, the biggest national producer (member of the Atlantic Grupa, one of the largest producers of cosmetics and personal care products in south-eastern Europe, which also includes Melem and Rosal) has also a more than 50 year long tradition in cream production. As far as other products on the market are concerned, it is very difficult to compare Melem with competition due to the fact that no other producer has a similar product.

Achievements

Since its introduction on the market thirty years ago, Melem, starting as a small niche market, has reached the status of a cult brand icon. Melem reached this position due to its universal unique selling points and its original position on the market. Melem is the only universal body cream for the treatment of problematic skin symptoms, while the

majority of products have a protecting, hydrating or regenerating action. That is why it can be said that Melem is the biggest Croatian cosmetic invention.

Because of its original composition and quality, Melem has won a great number of international and national awards, among which was the Gold medal on the biggest world innovation fair, Inpex, in 1999 in Pittsburgh, USA, followed by a label for the highest quality standard "Croatian Quality" in 1999 and a label for the high quality standard "Originally Croatian" in 2001, both awarded by the Croatian Chamber of Economy. Melem also won first place in the Zagreb Tourist Board competition for the best souvenir in 2000.

On the competitive market, characterised by the global image of foreign brands, Melem is constantly increasing the number of consumers of all ages and social groups. 78% of consumers say that they wouldn't buy a competing product if Melem wasn't sold at a certain sales point but that they would look for it in another store or pharmacy (source: Hendl, 2004). Even more - Melem has succeeded in becoming a generic name and synonym for a universal cream next to Nivea and Solea.

Melem is a very modern brand which discovered the growing potential of third age consumer needs long before current trends did and has been launching its messages towards functional consumer categories, such as pregnant women and newborns. That is why Melem can be called a true innovator in the marketing segmentation of consumers on the Croatian market.

Shortly after its acquisition by the Atlantic Grupa in 2004 and after the process of redesigning in 2005, Melem doubled its market share and is currently the second most sold universal body care brand in the retail sale sphere. Melem is constantly increasing its sales within pharma sphere and drugstores, a sphere in which Melem holds the



leading position. At the same time, Melem is creating new shopping destinations within the sphere of super and hypermarkets.

Melem is also a global product widely sold, not only on the Croatian and on markets of further afield, but on big markets such as Italian and USA as well. Orders for Melem come from Germany, Finland, Sweden, Australia, Chile and Brasil.

History

Melem is an authentic Croatian product invented in 1977, according to the formula of the innovator, the engineer Ninko Nikšić. The chemical engineer, Mr. Nikšić resided also in Germany and Australia, where



he worked on product development in the Imperial Chemical Industry and taught at the Royal Melbourne Institute of Technology. In 1977, when he was visiting the printing-house Vjesnik, one of the employees told him how when he worked in Sweden, the employees were given a hand cream so that their hands would stay protected throughout the day. The idea intrigued Mr. Nikšić and later he developed the formula and called his product Zagreb Melem, according to the traditional name given to the pharmaceutical products for external use. Due to its active composition it soon became clear that Melem could be used for treatment of different skin problems. In 2004, Atlantic Grupa, one of the largest Croatian producers of cosmetics and personal care products in south-eastern Europe, the portfolio of which includes among others the leading European producer of sports food Multipower and the leading regional brand of instant vitamin drinks,



Melem za noge

„1983. godine IZUJETA SAM ZARODILA, KUSTIN JE NAJVIŠE ZA ISKUSAJE PETE. PRIZ SAM DOČUVAČA SA DABOIM KREMANA I ALI SA PETE SE TO NIJE BAO. KVALA SAM NA VISEM I NOZEM MELEMU KOSTIČU SE IUBAVIŠE.“
LJUBICA KOPRICE ZAPREŠIĆ



Melem je prirodna zaštitna krema s višestrukim djelovanjem:

- vraća mekoću, gipkost i prirodnu vlažnost koži
- smanjuje hrapavost kod svih oblika suhe, tvrde i zadebljale kože nogu i stopala
- umiruje crvenilo kod opekline i iritacija te smanjuje napetost kože

O svojim iskustvima s Meleom pišite nam na adresu:
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MELEM za sve

Cedevita, took over Melem. Atlantic Grupa is a Croatian multinational company with firms and representative offices in eight countries, exporting its products to more than 30 markets worldwide. It is also the leading distributor of Fast Moving Consumer Goods in the south-eastern Europe. After acquisition by the Atlantic Grupa, an intense period of development and transformation of Melem into a global brand started.

Product

Melem is a natural lanolin cream for the protection of sensitive skin. The most important ingredients are lanolin, beeswax and castor oil. Due to its 100 % active composition the cream has a very wide use. It is especially effective for the treatment of all inherited or acquired conditions of dry and cracked skin, flakey skin, for the treatment of hard skin as well as for lasting pruridematitis (neurodermatitis) on the smooth adult skin and for persistent diaper dermatitis of the newborns who have weaker reaction to the standard products. Melem is also used for the protection of sensitive skin from sun, wind, dry air, heat, cold, humidity, detergents, insect bites, bijoux jewellery, for skin irritations caused by shaving and depilation as well as for the prevention of fungal diseases and allergic reactions. It is essential for everyone, every day, for every condition and on every part of the skin.

All the effects of Melem have been thoroughly tested on multiple occasions at a number of different clinics in Croatia and abroad, such as the Military hospital in Zagreb, the Health center in Koper, the Hospital in Izola and the Italian Institute for Skin and Evaluation of Products, ISPE, in Milan, while certificates for its effectiveness have been issued by a large number of Croatian dermatologists and pharmacists.

Melem is produced in line with the integrated norm ISO 9001/14001. It is dermatologically tested and contains no preservatives, silicones, antibiotics or corticosteroids and is not tested on animals. It has been awarded the "Croatian Quality" and "Originally Croatian" labels.



Recent developments

After acquisition by the Atlantic Grupa, Melem began to develop fully within the context of the brand expands towards the wider European area. The production process is undergoing technological modernization. Melem sales have increased substantially within the retail sales and traditional pharmaceutical sphere as well as on international markets, especially in the USA and Italy. The net numeric distribution of Melem on the Croatian market has increased by 300 % in the past 30 months (Source: AC Nielsen, JA 2006).

In 2005, Melem was given a new and more attractive brand identity. It maintained its recognizable visual components: logo and colour code while new, bigger and more functional packaging, was introduced. New metal containers are made by the famous London producer Roberts, which has a long tradition in the production of containers for pharmaceutical and cosmetic products which started in 1887. The process of rebranding included category management and

merchandising. With the transformation of its identity, Melem emphasises global values of the brand, maintaining its recognizable Croatian identity.

Today, Melem is working on demand growth and on its expansion towards new markets in which millions of new customers are getting to know its effects and usage.

Promotion

One of the most important elements of Melem's success on the market was the original and non conventional way of brand communication. Melem raised awareness on the market by non conventional methods of buzz marketing, direct advertising and by using testimonials, experts and public figures in communication. Not a lot of people know that Melem was one of the pioneers of viral marketing in Croatia, as well as of product placement, endorsement advertising and other methods of direct advertising which are currently considered the future of marketing. Melem is responsible for the promotion of a number of

mediums intended for third age consumers due to the fact that it identified the increasing potential of this consumer category a long time ago.

Today, Melem marketing is much more professional and technological, but it maintains the same marketing message responsible for its success. In its recent communication strategy, Melem also addresses temporary consumers and non consumers with its advertising message "Melem for all". Melem communicates directly with its consumers through the postal and Internet address Korisnik Melema (Melem User), while the consumers' opinions are published in advertisements and on the Internet. All promotional means, from product instructions and advertisements, to leaflets and Internet pages, are made with the direct response approach. Even a great number of public figures promote the interest of Melem. The same communication concept has been standardised on the foreign markets and it is amazing how the brand is getting the same positive feedback on markets of different cultures and mentalities.

Brand values

Melem is a true Croatian and global brand. From its development phase and launching, as with every other successful brand, it followed the original research path of the product identity creation, widening the borders of the category to which it belongs in an innovative way. It made Melem so unique and different from competing products that it never even had any real competition. Today, it is very difficult to find a product created literally from consumer need (graphic artists) which has proved to be effective in different situations and for different problems and conditions, as well as a product which enjoys full consumer trust and confidence. Melem simply has its USP. Consumers consider it a healthy, high quality, honest and friendly brand and these are solid brand values which cannot be replaced by any marketing or advertising strategy.

www.melem.com

THINGS YOU DIDN'T KNOW ABOUT...

Melem

- Melem is applied in very small quantities and in a very thin layer. The quantity equal to that of a grain of rice is enough. One gram of Melem can be used to cover skin surface of the palm five times, which makes it the most economical skin protection product.
- Melem contains no preservatives, silicones, antibiotics and no corticosteroids.
- The main active ingredients in Melem have the long-lasting tradition of therapeutic use, especially in the so-called home medicine - it is known that beeswax was used for medical purposes 2 200 years ago, while the therapeutic properties of castor oil were known to the ancient Egyptians 3 500 years ago and lanolin protected the inhabitants of our planet from cold in prehistoric time.
- Melem arrived to the highest mountain peaks in the world since some of the best Croatian and foreign mountain climbers carried it in their backpacks. For example, Stipe Božić used Melem in 1993 when climbing the second highest peak in the world, the K-2.
- Not a lot of people know that top Croatian fashion designers and models often use Melem for make-up removal.
- The name Melem can be read the same forwards and backwards, and its design was inspired by Glagolitic characters.

Melem za lice i usne

Melem za osjetljivu kožu lica i usana

- njeguje, obnavlja i poboljšava opće stanje kože zadržim njenih elastičnih vlakana te joj vraća mekoću i gipkost podržavanjem prirodne regulacije vlage
- štiti kožu od vjetra i hladnoće, sunca i suhog zraka te ostalih vanjskih faktora
- otklanja nadražaj kože nakon brijanja i depilacije

NIJA MELA KEI ANA DUVIJEK TO ZIMI
 IMA ČUVANJE I ŽELJE OBUKICE KAJE VINO
 TOČELI NJEBOVATI MELEMAH,
 NIKADIS ANA IMA BI ČOVKA I MELEM IMA
 SVIJE KUPENO U YAGOLSKAJI TERMECI,
 ŠTA NEČU NE NE MINUJE.
 HARICA SELJAKI MANIČNO

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✿ Pišite nam o svom iskustvu s Melemom!

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Ako vaše iskustvo s Melemom zahtijeva više prostora pošaljite nam pismo adresirano na istu adresu.

melem za sve