

plidenta®

Market

The Croatian toothpaste market is one of the largest and most competitive personal care and cosmetics markets. 29 brands are sold on the market while five top brands, among which are the three biggest toothpaste producers in the world, hold more than 80% of the market share. The yearly consumption average of 3.5 toothpastes per capita, when compared to the EU consumption average, implies large possibilities for sales growth. The potential for market growth is given by the highly technological products with multifunctional advantages that contain a number of active ingredients, often completely new and high quality ingredients. Cosmetic features, such as a beautiful smile, are becoming equally or even more important than clean teeth to consumers. The market is very fragmented because of the launching of innovative, multifunctional products with added value, and producers who invest in research and development create new trends and demand. The product life cycle of is becoming shorter, while new materials and new marketing strategies within packaging are introduced, and the market is opening towards a number of interesting branches, such as sugar-free chewing gums. The opening of different foreign retail chains has increased the offer of private brands. However, Croatian consumers prefer established brands.

Achievements

According to the figures of research agencies present on the toothpaste market, from 1996 up until today Plidenta has constantly held a leading position on the market, apart from a short period in 2002 and 2003. The leading market position of Neva as the biggest toothpaste producer has lasted for a number of years; since 1990 Neva with its brands Plidenta, Binaca and private brands has been selling most toothpastes on the market. The constant quality, innovative products and consumer trust are factors responsible for Plidenta's market position.

Becoming a part of Atlantic Grupa in 2003, one of the biggest business systems in Croatia, with yearly revenue of more than billion kunas and with more than 1,300 employees, gave Neva a new development boost, while the repositioning and redesign processes,



which have lasted for more than three years, confirmed Plidenta's market position.

Today, according to well known figures, Plidenta, together with the Bulgarian Astera is the only leading brand owned by a national company on Central and Eastern European markets. Plidenta Superfresh and Plidenta Herbal have been the most sold toothpastes on the Croatian market in the past 36 months. In 2005, Plidenta was the first one to introduce on the market a toothpaste with six active ingredients,

Plidenta Sinergal. In this period, Plidenta was

awarded a number of important awards for quality and marketing, and in 2005 won the CroPack award, the Croatian Oscar for packaging.

Plidenta is a regional brand selling well on the markets of

Bosnia and Herzegovina, Macedonia, Serbia, Slovenia and Montenegro and is the most widely sold national toothpaste brand on the Southeastern European markets.

History

Plidenta brand has a tradition in the production of toothpastes dating back to 1918, the year in which two ambitious pharmacists from Zagreb, Stjepan Rac and Dragutin Vergles founded the Rave pharmaceutical laboratory. Between the two wars, the laboratory produced, among other products, powder for teeth cleansing. After the Second World War, toothpaste production continued within Neva in 1948 by the merging of Rave laboratory and the Beiersdorf AG branch in Zagreb. Up to the 90s Neva produced toothpastes Nivea, Pebeco, Causamed, Baby Etic, Binaca and Nevadont (mouthwash). In 1984, under Pliva, Neva launched a new generation of toothpastes under the brand Plidenta. In 1992 Plidenta was the first to introduce the antibacterial agent trichlosan in toothpaste composition. In 1996 Plidenta used the clinically tested potassium nitrate in its toothpaste for dental hypersensitivity and by the end of the twentieth century launched a new generation of multiple action toothpastes. With the acquisition by the Atlantic Grupa in 2003, and rebranding, a new and most important chapter in the 22 year long history of Plidenta began.

Product

Plidenta brand offers the widest variety of toothpastes on the market, which satisfy the cleansing, protection and dental care prerequisites of all consumer categories.

Plidenta Superfresh, Herbal, Protective and Antiplaque, with their position among the 20 most sold toothpastes on the market, affirm family values and constantly reaffirm consumer trust in the Plidenta brand. Plidenta Sensitive and Calcium transmit the Plidenta's image of the "home" dentist. Plidenta Extra White, Herbal White and Multi White (in the whitening toothpaste category) as well as Sinergal and Triple Active (in the multiple action toothpaste category) attract younger consumers, give added value to the image of Plidenta as toothpaste expert and offer the most sophisticated technology. These toothpastes, shortly after their launching, took the leading positions in their respective segments. Children's toothpaste, Plidenta Junior with red fruits and calcium, is the first consumer's contact with Plidenta and guarantees the possibility of choice to Plidenta's youngest consumers.

All Plidenta toothpastes are developed only in its laboratories in Zagreb and represent the result of knowledge, experience and innovative spirit of Croatian experts, keeping pace with the latest developments in science, technology and with requirements of experts in dental health as well as use of high quality raw materials. Plidenta is produced in the laboratories in Tuskan Street, one of the most modern facilities in Europe. Toothpastes are clinically tested at the Faculty of Dental Medicine in Zagreb,





Pliva Research Institute in Zagreb and Dental Clinic of Faculty Johannes Gutenberg in Mainz, and all toothpastes are produced according to the integrated quality standard ISO 9001/14001, first introduced in Croatia by Neva. Raw materials are obtained from the most established Western European suppliers, fulfil all EU quality standards and health requirements, products do not contain harmful abrasive materials and are not tested on animals.

Recent developments

After acquisition by the Atlantic Grupa in 2003, Plidenta was given the possibility of becoming a successful regional brand. Atlantic Grupa is a multinational company with firms and representative offices in eight countries, exporting its products to more than 30 markets worldwide. The Group is an important producer in the area of health care and personal care. The Atlantic Grupa portfolio includes the leading European producer of sports food Multipower, and the leading regional instant vitamin drinks brand Cedevita. Atlantic Grupa is the leading distributor of Fast Moving Consumer Goods in South Eastern Europe. After becoming a part of the Atlantic Grupa portfolio, Plidenta was given top-class distribution technologies and the knowledge in sales and marketing used by the Atlantic Grupa in distribution of some of the most well-known brands in the world (Wrigley, Orbit, Duracell, Durex, Kinder, Ferrero, Duyvis...). As a result, Plidenta has today the highest distribution index on the Croatian market, and out of 12 toothpastes with the best market distribution, six are Plidenta toothpastes (source: AC Nielsen, JA 2006).



Plidenta's portfolio and brand restructuring launched in 2003 are among the most significant changes in the history of Neva. Since 2003, with the repositioning process, five new toothpastes have been launched on the market in the growing market segments, the composition of two toothpastes has been changed and new ingredients have been added, three family packs were introduced, while three toothpastes were withdrawn from the market due to their technological obsolescence or cannibalisation. The rebranding involved 80 % of the existing product range. Today, Plidenta is focused on growing consumer categories and consumer needs.

Plidenta proves its responsibility towards customers with its carefully designed packaging. Plidenta's packaging provides customers with the most detailed information regarding toothpaste type, composition, effects and active ingredients, thus promoting sustainable development, environmental protection and social and healthcare responsibility principles.

Promotion

The process of rebranding helped Plidenta use its advantages in the context of its global competition, in the first place its experience regarding products and consumers. Promotion goals aim at fostering consumer satisfaction with the quality of Plidenta, which has guaranteed Plidenta's leading position.

The process of rebranding was accompanied by the most intensive communication campaign in the history of Plidenta, which was centred on new high-tech products. With this strategy Plidenta was able to focus its communication activities towards younger consumers and gain stronger growth and impact.

Today, Plidenta successfully uses all achievements and advantages of modern marketing strategies which put the commitments towards buyers and consumers in the first place. Plidenta's objective is not only to sell toothpastes but also to communicate directly with its consumers. In the long term, Plidenta wants to become a family counselor for oral care and "home" dentist. Within the branch of trade marketing, Plidenta with its partnership relation towards customers fosters intelligent communication concepts at sales points, making them toothpaste destination shopping locations. Plidenta consults its customers within the area of category management on the basis of facts and figures focused at an increase of sales of the entire category, of Plidenta and wholesalers, and it also points out to wholesalers the essential role of new domestic brands in the increase of the profit margin.

With the world's biggest toothbrush producer; Swiss Trisa, Plidenta developed a successful top-quality toothbrush brand. Plidenta also cooperates with the biggest Croatian national retail chains which are given strategic counseling and the possibility of private brand toothpaste production.

Plidenta cooperates with and supports the dental community in its publishing projects and oral health education. Furthermore, in 2004 Plidenta sponsored the reprint edition of one of the oldest Croatian Enlightenment books on oral health, "Njega zubi" (Dental care) by dr. Fran Gundrum Oriovčanin from 1906.

The main tasks and challenges of Plidenta's communication strategy for the near future are the promotion of oral health

importance and toothpaste consumption increase in order to meet Croatia's entrance in the EU with new development possibilities and opportunities, transforming the superior national leader in a successful regional brand on the global market. Current development shows that Plidenta has the power and the potential to reach its goals.

Brand values

What secret lies behind Plidenta's success? The long-standing leading tradition on the Croatian market and its own know-how, together with modern production management methods and professional employees, put Plidenta among the leading Croatian brands, which continuously increase their influence on the market. Plidenta has maintained its leading position on the market due to a coherent implementation of constant technological, market and marketing innovations. The most important features in this process were the emotional tie and the overall experience presented to customers when buying and using Plidenta. All these features are responsible for Plidenta's long-term growth and stability and they imply advantages that foreign producers cannot achieved with their capital and global brands.

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THINGS YOU DIDN'T KNOW ABOUT...

Plidenta

- If you put all Plidenta toothpastes sold from 1984 to October 31st, 2006 one next to the other, their length would be 16,550 km, twice the total Croatian continental and sea borders including islands (7,917 km), or two and a half times the diameter of Mars (6,972 km).
- In 2006, Plidenta rewarded its customers with 240,000 home dental mirrors, 150,000 free SMS, 120,000 toothpaste dispensers, 90,000 toothbrush holders, 76,000 co-packages, 45 000 educational children's colouring books "Dental care" and 22,000 Plidenta glasses.
- Three out of five most sold toothpastes in Croatia in 2006 were Plidenta (source: AC Nielsen, JA 2006, panel of the retail toothpaste sales in Croatia).
- With one Plidenta Herbal 75 ml you can make an uninterrupted line 5 mm wide and 356 cm long.
- If you were to name a toothpaste with the most frequently used letters from the 13 most widely sold brands on the Croatian market (with more than 1,000 pieces sold in 2006) you would get the phrase "O, Plidenta".