



Market

The dairy market underwent numerous changes in the past ten years, which completely changed the development direction of the entire market. Technological achievements and numerous scientific and clinical researches have enabled the use of various novelties in the sphere of nutritionism, and dairy beverages have been attributed an entirely new significance and function. Within this wave of novelties, yoghurts have been a product category that has offered the largest number of innovations, and bAktiv LGG is a brand that has headed this trend on the Croatian market. Today, eleven years later, bAktiv LGG is the leading and among the consumers the most distinguishing brand of functional dairy beverages.

A number of factors have contributed to the development of the very segment of the functional dairy products - in addition to the already existing, relatively high consumption of dairy products, a growing awareness on the role of the proper and balanced diet, and the return to the „natural“ food have shifted attention precisely to yoghurts and fermented dairy beverages. The need for practical packages that can be used outside the household, a supplement or a replacement for a smaller meal, a desire for a delicious, yet healthy treat - it is precisely yoghurt that has managed to satisfy all those needs, and the possibility of producing it in the most diverse variants of flavour, density, fat contents and flavour intensity, has made yoghurt an innovation star.

The functional dairy products segment in Croatia is highly developed and makes up about one quarter of the value of the entire fermented dairy products market, mostly owing to the very bAktiv LGG, which is an absolute leader in this segment. The segment of functional products grew parallel with the growth of popularity and sales of bAktiv LGG, and it is today a very dynamic segment with many innovations and a large number of new products.

Apart from the functional product development trend, the yoghurt market is undergoing another significant transformation - traditional yoghurt in cups is becoming less preferred among the consumers, and bottles have proved to be a better choice. Whether it is the matter of a family package in a large bottle or a portion in a small-size bottle, this package has definitely won consumers' hearts. Small bottles, the so-called dosages are a segment of its own, and bAktiv LGG was the first one to identify this potential and to offer consumers product variants in the size of 100 grams. Due to their small volume, these bottles do not have a significant share on the overall fermented products market, but the number of their transactions is enormous, and is continuously growing. What used to be considered a package intended for children, a 100 gram bottle is today quite popular with adults.

Achievements

According to the retail panel (MEMBR, September 2008 to August 2009), the share of bAktiv LGG amounts to some 51 percent of the total value of the functional products market. Not only was bAktiv LGG the leading brand among functional yoghurts, but is nearing the position of the leading yoghurt brand in general.

Since bAktiv LGG is available in a number of various packages, it can boast of even three

bestsellers in its portfolio - the best-selling yoghurt cup, the best-selling non-aromatized yoghurt bottle and the best-selling fruit yoghurt cup. In the observed period, the sales volume of bAktiv LGG exceeded 32 million - mostly in the natural variant, i.e. without added fruit. The fruit segment makes up about 30 percent of the purchases of bAktiv LGG, which completely corresponds to the market conditions. It is precisely the broad selection and the combination of various packages that have enabled bAktiv LGG to win over its consumers, regardless of their age, sex and lifestyle - anyone can find their favourite bAktiv LGG and enjoy it every day.

There have practically been no changes to the original recipe created at Dukat in the mid-nineties, and its exceptional quality earned it awards at almost every fair it participated in, starting with the medals at Zagreb Fair in 1998. Of other significant awards, it won the gold medal at Novi Sad Food Fair in 2005, gold medals at the Fair in Gornja Radgona in 2006, and the recognition from the German Agriculture Association DLG in 2006, 2007 and 2008.

bAktiv LGG is the winner of the Superbrands award for the third year in a row.

History

Based on the concept of the Finnish company Valio Ltd., Dukat developed in 1998 its own line of functional yoghurts with the addition of the probiotic bacteria LGG (Lactobacillus rhamnosus Gorbach&Goldin, ATCC 53103) and launched three basic products - yoghurt, fruit yoghurt and liquid yoghurt. As early as 1999, the line was supplemented with fresh pasteurized milk bAktiv LGG and popular bAktiv LGG Aloe Vera. Three years later, the line underwent its first redesign, and even two innovations were launched on the market - yoghurt packages in small bottles and the first multiple package (multipack). The export of bAktiv LGG to the markets of Bosnia and Herzegovina, and Slovenia also started in 1999.

The year of 2003 brought new innovations which additionally enriched the bAktiv LGG line, and the Ministry of Health and Social Welfare of the Republic of Croatia issued a Decision in the same year, confirming the efficiency of products with the addition of LGG.

Since 2004, bAktiv LGG has been tied to a new communication concept with the new and today widely recognizable slogan "a daily dose of immunity". The consumers accepted the key communication message and recognised in bAktiv LGG an ally in preserving health and strengthening immunity. In the year of 2004, bAktiv LGG expanded its market share, and started with



an export to the markets of Serbia and Montenegro. In the period from 2004 to 2006, its market shares doubled, placing bAktiv LGG among the three top-of-mind yoghurt brands; it has kept the position of the absolute market leader to date.

Product

bAktiv LGG is the best known and the most popular functional yoghurt on the Croatian market and the only dairy product with LGG in this part of Europe. bAktiv LGG is a healthy and tasty dairy meal enriched with probiotic culture LGG, and its everyday intake boosts natural immunity, making it ideal for anyone that looks after their health. LGG is scientifically and clinically the most researched probiotic that tolerates the acidic environment in the stomach and the bile acid very well. It survives passing through this part of the alimentary tract and temporarily resides in the intestines, facilitating digestive processes. LGG's beneficial effect on health has been clinically tested and confirmed in over 450 published scientific works.

In order to meet its consumers' needs, bAktiv LGG is available in a number of flavours and sizes. Although "natural" flavour in cups, but also in bottles, is most popular on the market, its fruit variants - apple-pear, strawberry, forest fruit, cherry and the latest flavour: superfruit, also have numerous fans.

Regardless of whether it is the matter of a 100 g, a 150 g or a 300 package, each bAktiv LGG contains the recommended daily dose of LGG and its regular consumption boosts natural immunity. The

value of the clinical testing has also been recognized by the Ministry of Health and Social Welfare of the Republic of Croatia, which has issued a decision confirming that bAktiv with the addition of LGG strengthens natural immunity.

Recent Developments

bAktiv LGG marked in 2009 its eleventh year of success on the Croatian market. In order to additionally emphasize its market strength, the visual identity of LGG was redesigned in 2008 through the use of modern solutions that follow the new market trends, and the change of its visual identity was strongly covered in a promotional campaign. In 2009, the then bioAktiv LGG changed its name into the current one - bAktiv LGG.

Promotion

Since its highly successful media launch in 1998, bAktiv LGG has been present in the media, and it has from the very beginning enjoyed great support from the doctors' community that has recognized the product quality. Its specific ingredients make the education of consumers exceptionally important, and that is why the promotion has always been focused on clarifying the effect of LGG through ads and leaflets, but also through technical articles and publications in the medical institutions.

The slogan "BioAktiv LGG - health is everything!"



marked the communication in the period from 2001 to 2003. In 2004, the position of the brand was redefined and a new slogan "Daily dose of immunity" was created, serving as a basis for further communication. Consumers recognized the clear message, which resulted in the acceptance of the brand, and in the growing loyalty and frequency of the product consumption. With the combination of various media and innovative outdoor advertising, bAktiv LGG won over its consumers by reminding them in an unobtrusive way of everyday consumption, a prerequisite for the LGG efficiency.

In 2008, bAktiv LGG started a new campaign aimed at presenting the new redesigned appearance characterized by the use of modern visual-arts solution for the new slogan, approved by the Ministry of Health and Social Welfare of the Republic of Croatia, "Boosts natural immunity".

Brand Values

The modern way of life, the fast pace and a large number of obligations often bring a lot of stress, which, in addition to the lack of free time, result in the growing acquisition of bad habits, in particular irregular and unhealthy diet. Consumers thus expose their health to numerous harmful effects every day, and it is precisely in such conditions that they all need a daily dosage of immunity. Enriched with probiotic culture LGG, bAktiv LGG offers help in preserving health, in a natural, practical and delicious way, respecting individual needs and tastes, and boosting natural immunity, and thereby the general health status. Regular consumption of bAktiv LGG yoghurt provides our organism with the recommended daily dose of LGG and achieves optimum immunity status. Each bAktiv LGG in a 150 g cup, a 330 g or a 100 g bottle contains the recommended daily dosage of LGG and is sufficient for you to do something beneficial for your health!

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THINGS YOU DIDN'T KNOW ABOUT...

bAktiv LGG

- LGG are useful live bacteria that pass undamaged through the upper part of the alimentary tract, adhere to the intestinal walls and make a "live shield", protecting the epithelium against the adherence and effects of the harmful bacteria.
- LGG has been scientifically and clinically proved to boost our natural immunity.
- Over 450 scientific works worldwide confirm the efficiency of LGG.
- The recommended daily dosage of LGG totals 2×10^9 and is ensured in every package of bAktiv LGG.