

čarli

Market

In the 1950s, hand dish washing detergents were globally introduced. This started one of the fiercest competitions in research, innovation, quality enhancement, sales and marketing, which still has the same intensity even today.

In 2003, the entire cleaning agent market in the European Union was valued at 25,5 billion Euros. Out of this, 40% is made up by laundry detergents, 11% dish cleaning agents, 12% furniture cleaners, and 37% is covered by other categories.

Čarli is in the dish cleaning agent category and is the most famous brand of a Zagreb based company Labud, which is also the national leader among makers of hand dish washing detergents.

The importance of advertising in this industry is best seen with the fact that the majority of the competitors make up a part of the top ten strongest advertisers in Croatia. Marketing investments in this area are significant, and international players are not holding back on funds to take over the Croatian market. Marketing is focused on the final consumer, that is, the households that use these products on a daily basis. However, retailers, wholesalers, and small stores are buyers as well, and significant funds are invested to improve and preserve Čarli's deserved market position. Wholesalers are important because of their

influence on consumers, and because of the many producers in the market. This allows them to set the rules that the producers must abide. This usually means that they dictate prices, shorten the supply deadlines, and demand the constant availability of the product.

The biggest challenge for Čarli and its competition is happening right now, with a shift towards the development of dishwasher cleaning agents. The increased demand for dishwashers supports the demand for dish washer tablets which are becoming the most sought after product in this group. The dishwasher detergent market is a growing category, and the future target of brands like Čarli.

Achievements

The most significant achievement of Čarli was winning the market leader position in the former Yugoslavia thus creating many loyal consumers. With time, this success allowed Čarli to become a synonym in the category of hand dishwashing detergents and it has kept this prestigious title to this day.

Shortly after it was first produced, Čarli won over the hearts of consumers with its high quality, despite the fact that resources were scarce during the 1970s. Due to constant product perfection, a high set of quality standards, and recognizable advertising, extensive brand awareness was created.

With the introduction of a free market and intense international competition, Čarli actively took part in the competition: the product was perfected, the packaging was redesigned and new products within the brand were developed. The constant

product line improvement won Čarli a special award in 2006 - the "Croatian Quality" label, which is only awarded to Croatian products of the highest quality. Today, Čarli Original, Čarli Classic, Čarli Balsam, Čarli Antibacterial, and Čarli Kamilica (camomile) have developed as a result of the careful supervision of consumer demands and needs. Čarli products are produced in a wide selection of different scents, which are adjusted to consumers of all generations.

History

Labud was founded in May 1947 when a small business that had made soap before World War II was restarted. The main products were washing and toilet soap, and later on powdered soap was introduced as well. Since raw, natural sources for soap production (herbal and animal oil, and natural grease) were in short supply, and the use of cleaning agents and hygiene products was constantly rising, the industry was forced to research and develop synthetic cleaning agents. Labud followed market trends and in 1957 it started the production of a new generation of detergents. The first detergent by Labud was called Peresam. Back then, it was a revolutionary product on the market.

In 1970, Labud was the first in the market to start the production of hand dish washing detergents. During these years, the Sjai brand was created (Staklosjai, Plastsjai, Tepijsjai, and Frigosjai) for the cleaning of furniture, and also a hand dish washing detergent with the scent of lemon. The refreshing characteristics of lemon were used as a foundation for a future brand and described as the magic of lemon



which, through a play on words, gave the new brand a name - Čarli.

Čarli became one of the strongest brands of the Labud Zagreb company, and its advertisement, marked by a pleasant simple song "Where lemon is seen, Čarli keeps it clean", remained in everyone's memory. The slogan "today Čarli is doing the washing" has remained unchanged because it still reaches out to consumers. Due to its long tradition and supreme quality, Čarli became a synonym for dish washing detergents on the Croatian market.

From the time of its original introduction, and all the way through until today, many products have been introduced: Deočarli, Čarli chamomile, Čarli with blitz effect, Čarli 88, and many others. In 1996, the packaging was redesigned and the quality of Čarli was improved. The production process uses a brand new composition of ingredients that are based on nature. Over the last few years, a whole new variety of products have been introduced.

Product

During its history, Čarli chemical composition and the manufacturing process were altered to make dish washing as easy as possible for its consumers, and also to be environmentally friendly. Today's assortment of the Čarli brand contains a variety of hand dish washing detergents - Čarli Original and Čarli Classic (with lemon scent), Čarli Antibacterial (with tangerine scent), Čarli Balsam (with melon scent) and Čarli Kamilica. The basic characteristic of all these products is the high power of grease removal. Traditional consumers use Čarli also as a cleaning agent for other household surfaces, but also for stain removal.

Čarli Classic was made in the year 2000, using PET packaging and had a new visual identity. Two new products were launched as well: Čarli Antibacterial with a tangerine scent and Čarli Balsam with a melon scent. Čarli Antibacterial prevents the growth and spreading of micro organisms, fungus and mildew on hands, sponges, and dish cloths. Čarli Balsam is sensitive on the skin and it is dermatologically tested.

All Čarli detergents contain substances extracted from coconut and corn, which promote excellent biological degradability and environmental protection. All ingredients of Čarli are biologically degradable and

environmentally friendly.

Čarli confirms its leader position on the Croatian market of dish washing detergents with its quality: it washes excellently, the dishes are shiny, it leaves no traces of water droplets, and it is not necessary to dry the dishes with a cloth.

Recent Developments

During the 1990s, the company became privately owned and a major shift towards free market economy was required. The business philosophy had to be adjusted from primarily a production one, to a flexible, market oriented one which can respond quickly to market requirements. In the last ten years, significant and continuous efforts have been made to expand the range of current products and to increase competitiveness.

In the year 2005, Labud Zagreb started the "20 keys" Deloitte program which will serve as preparation for obtaining the ISO standard in the year 2007. Labud invested in a new production line of liquid products and also in a new storage warehouse that is completely computerised.

As with all the other Croatian companies, Labud Zagreb is starting to orient its business towards regional markets for export. Along with existing sales and excellent distribution in Macedonia, and partial sales in Bosnia and Herzegovina, Serbia, and Montenegro, all the other countries in the region are targeted as well.

Promotion

Čarli was launched at a time of significant societal change during the 1970s. The period was marked by a massive wave of urbanization where hundreds of thousands of people moved to the cities in search of a better life. One of the symbols of easier living in the cities was Čarli - the first domestic hand dish washing detergent. In

that context, it is easy to understand the utopian slogan from the early Čarli commercials "where the lemon is ripe, today Čarli is doing the washing."

Entire generations turned a new page in their lives with Čarli and other "urban" brands. That early beginning full of strong emotions and nostalgia has been recognized as the main capital of the Čarli brand in today's time of merciless international competition. It is a logical move to orient new communication approaches towards the rich Čarli heritage.

While Čarli's competition uses advertisements that mainly state how many thousands of plates they can wash, which could be relevant for households with thousands of plates, Čarli's approach is different. The newest advertisement for Čarli shows a young woman who, after seeing a bubble of soap, reminisces about the 1970s when her mother first showed her such a bubble of Čarli. The story of a girl's trip down memory lane is concluded when the announcer says: "Mother already knew even back then..."

This television advertisement has helped close the gap between the generations of Čarli consumers and linked itself to generations of future consumers. In the first month of the campaign, the entire supply of Čarli was completely sold out.

Brand Values

What makes Čarli a special detergent is the fact that it is a successful domestic brand which is of equal quality with any other major worldwide brand.

Čarli has been present in Croatian households for decades, and it became a part of Croatian identity, and since it is successfully facing international competition, its position is additionally strengthened with a feeling of pride. It is evidence that people will not easily let go of the good things. The quality of Čarli is crucial in this, because consumers would move away from a bad product.

www.labud.hr



THINGS YOU DIDN'T KNOW ABOUT...

Čarli

- Čarli has always followed the needs of consumers with detailed research, which has been known to give some unexpected results. One piece of research showed that an average family could yearly fill a wagon with dirty dishes.
- One litre of Čarli, depending on how dirty the dishes are, could wash between 5.400 and 6.990 plates.
- If the average annual production of a one litre bottle of Čarli was used to form a line by placing the bottles one after the other, it would be approximately 22.000 kilometres long and it could cover the entire national border of Brazil.

