



Over the past years, Sugat has been branding its products in all categories in which it operates and is leveraging the brand's strength into new areas of operation. Innovation in areas that were previously considered commodities are driving significant growth. The digital world is taking an ever increasing part in Sugat's marketing activities

Since 1988 Sugat has been working to make Sugat a leading brand in its areas of operation. Over the past years, the brand has enjoyed a string of successes in transformation of fields that until recently had been considered commodities (a more detailed case study featuring Sugat's marketing strategy was published in the 2009 edition of the Israel's Superbrands book).

### The Marketing Challenges

Sugat continues to reinforce the brand in its conventional areas of operation while also spearheading breakthroughs and providing innovation in new areas where Sugat can provide added value.

### Launches in Existing Areas

Until a few years ago, Sugat operated primarily in the sugar, rice and legume sector. After it built a strong brand in these areas, the company has been working to expand the range of existing products through launches that provide added value to consumers, either through launching a new solution or by the addition of products, which had been considered expensive niche products. Sugat can offer them as mainstream products at reasonable prices.

For example, in the second half of 2010, Sugat launched a superfine sugar – sugar with superfine and particularly airy texture that quickly and uniformly dissolve. Unlike regular sugar, the use of superfine sugar improves the airiness of home baked goods, dissolves in cold milk and even improves the espresso experience.



Another example of innovation can be found in rice. Sugat recently launched a very high quality sushi rice. This rice is used extensively in Japan and is, of course, particularly suited for preparing sushi. Sugat can import large quantities of this rice, which enables it to lower its price and make it accessible to consumers. Additionally, Sugat is currently marketing special risotto rice known as Arborio, which originates in Italy. This rice will make Italian food more accessible to larger groups of 'regular' consumers.

### The Launching of New Categories

Sugat has recently entered the salt sector, offering under





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its brand a series of table salts as well as special sea salts, and flavored salts. The decision to enter this field was made after studies conducted by the company discovered three surprising facts: consumers were confident that the company was already operating in the salt category, a large number of consumers were even willing to testify that they currently had Sugat salt in their homes and a quality perception test found that the (non-existent) salt earned the highest marks. Sugat had 'no choice' but to launch a salt under its brand name and Sugat now holds 30% of the salt category in Israel, with minimal investment in marketing.



Sugat flour offers strong paper packaging that is resistant to pests and that come in colorful, eye-catching designs in contrast with other packages in the category.

### Sugat builds world class sugar refinery in Kiriya Gat

Changes in world market sugar supply spurs the building of a large scale Sugar Refinery to ensure Guaranteed supply of the highest quality sugar to Israeli

food industry and retail markets.

### Activity in the Professional Market

For many years, the professional market (restaurants, hotels and banquet halls) were characterized by consumption of non-branded staples, with the main consideration being price.

In recent years, Sugat has expanded its operations in this area with valuable offers that provide solutions to professionals in the field, such as, particularly large packages (4kg) and easy-to-carry Sugat rice brands that are used in professional kitchens.

### Digital Marketing

Sugat was the first food company in Israel to launch a recipe application for iPhone – irecipe. The application allows consumers to view photographed recipes, to search among hundreds of recipes, to prepare a shopping

### Things You Didn't Know About Sugat

- 25 years ago, Sugat marketed only 8 products. Today, the company markets 150 products and this number is expected to reach 200 within a short time.
- To date, over 30,000 consumers in Israel and abroad have downloaded Sugat's recipe application to iPhone - imatkon (in Hebrew) and irecipe (in English).
- One of the marketing mantras that has accompanied Sugat over the past several years has been "There is no such thing as a commodity".

list of items needed for the recipes they choose, to use a conversion calculator for measurements and weights and to even activate a timer to go off when the food is ready. One of the more useful features allows every consumer to enter 3 types of items that they currently have at home and the application displays recipes that contain these products.

### And in the Future...

Sugat, along with the Volcani Institute, is currently developing a unique variety of wheat with particularly healthy properties that Sugat will own the worldwide marketing rights for. The first commercial crop of round wheat is now being harvested and tested at Sugat's R&D center. In the future, Sugat will exclusively market round wheat under its brand, and allow growers from all over the world to grow round wheat under its license.



- 1959** Sugat factory opens in Kiryat Gat.
- 1988** Sugat is acquired by EF&F MAN, a multinational corporation that has been active in the sugar market since 1783.
- 1990** Sugat commences branding of all its product lines, and determines new quality standards. The new Brand Undertaking Guarantees Consistently high standard of product in exchange for a modest price differential.
- 2000** New corporate identity and new Sugat logo emphasizes the Sugat name on packages.
- 2007** Sugat begins building a world class sugar refinery.
- 2009** Sugat's new sugar refinery commences operation. Sugat enters the salt category and launches the 'Ten Minutes' series.
- 2010** Sugat's new Sugar refinery approved by leading multinational food companies. First large scale exports of sugar from the new sugar refinery. Sugat expands its operations in the flour category, and launches a recipe application to iPhone.