

HUGGIES

Mommy Knows Best

This year Huggies keeps implementing its comprehensive marketing strategy that involves launching innovative products by offering a solution to the changing needs of mothers and babies

In 1978 Kimberly Clark launched Huggies diapers in the United States. Since then, the brand has been launched in 140 countries, with annual sales exceeding \$3 billion. In 1996 Hogla Kimberly launched Huggies brand in Israel, and it became the leading brand in the category in terms of sales in Israel (more information on the brand launching in Israel and its activities in recent years can be found in the 2009-2012 editions of the Israel Superbrands Book). In addition to diapers, Huggies brand offers a range of supplementary diapering solutions that are used by mothers and babies from birth to potty training, and these include baby wipes, training pants and changing mats.

Competitive Environment

The diaper market in Israel generates NIS 650 million a year, and is growing at an average annual rate of 3%. The market is characterized by technological innovation on the one hand, and by steady price erosion on the other hand since diapers became a loss leader product by retailers.

For years the Huggies brand in Israel has invested in product innovation as well as in media consistency in order to create a competitive advantage and differentiate its positioning.

Marketing Challenges

Since its first day in Israel, the Huggies brand has been specializing in product innovation based on extensive knowledge and expertise. In the increasing competition characterized by price erosion in the category, Hogla Kimberly has decided that Huggies must always strive forward, offer consumers advanced and exciting solutions that perfectly fit each and every step of moms and babies.

Marketing Solutions

In order to create a competitive advantage, the Huggies brand has studied the needs of mothers and discovered they changed over time. It was also discovered that different mothers of babies in different stages had different needs. Therefore, instead of an 'One Product Fits All' approach, which had been a category standard, Huggies, as a leading brand in its category, must develop accurate solutions and specific products that meet various and constantly changing needs.

In 2012, as part of the strategy of developing different

diapers for various targeted audiences, Huggies launched two series of diapers designed to provide a specific solution to different mothers:

Huggies Freedom+ - a diaper that presents a technological improvement and is the 'next generation' of Freedom series diapers.

The diaper includes absorption technology, which has a special layer that traps fluids and spreads them equally over the surface of the diaper, resulting in faster absorption that helps to keep the baby's skin dry and healthy. In addition, the diaper has a tape fastening system for a perfect fit on the baby's body.

Huggies Boys & Girls – Huggies Boys & Girls provides a solution to the fundamental difference between boys and girls, offering technological innovation in the form of a unique absorption center located exactly where the baby needs it: in the upper front section for boys and lower and centered for girls – enabling the diaper to absorb quickly and exactly where needed. Huggies Boys & Girls is a diaper designed to provide an optimal solution to mothers who care for fashion and lifestyle and also unwilling to compromise on quality and diaper function.

The diaper design is adapted to the baby's gender: Mickey Mouse for boys and Minnie Mouse for girls.



Launch of My First Diaper

In March 2013, as a step that corresponded precisely with mothers' needs during the first moments after birth, the Huggies brand launched, for the first time in Israel, a diaper that fit perfectly from the very first moment of a just born baby: "My First Diaper". This diaper initiated the launching of a new series of innovative diapers for newborns called Huggies Little Babies (size NB, 1, 2). Huggies' My First Diaper is particularly ideal for the first two weeks of a baby's life – it is the first diaper in Israel that is adjusted to the special shape of the just born baby. The new diaper offers various unique patents: a unique cut out that helps protecting the umbilical cord area, as well as a wetness indicator, which changes color when the diaper is wet, a waistband back pocket that helps to lock runny BM in the back area, etc.

The launch of "My First Diaper" was fueled by extensive marketing activity, in various media platforms, under the concept of "Make the first moments the best moments". For example, an innovative activity was launched, "My First Ride", that combined the physical and digital worlds and was designed to make one





of the first and most exciting moments after birth – the first ride home from the hospital, a magical and unforgettable moment. Using the Huggies Facebook fan page the brand invited mothers, to tell about a friend who is just about to give birth. The mother who was chosen to participate in the activity received a truly special first journey home. A Huggies limousine, designed from the inside as a nursery was waiting outside the hospital to take the new family home in an unforgettable ride. The ride was accompanied by motorcycles in the brand's colors and was filmed and published on the Huggies web channels- it became viral and reached over 200,000 views. With this video the brand also invited more moms to surprise their expecting friend or family member with Huggies special first ride home.

This activity created a conversation and sympathy that placed Huggies as the most talked about brand of September 2013, with a growth of 385%.

As part of the fitted product for different needs, the brand also introduced a solution for diapering premature babies. In hospitals across the country, the brand launched particularly small diapers designed especially for preemies, whose skin is extremely delicate and their body weight particularly light, and they are more vulnerable.

Huggies – not just diapers

A global study conducted by Kimberly Clark to understand and identify the parents' needs for baby wipes found the need to protect and soothe the baby's skin as one of the most important needs for parents of infants.

Therefore, Huggies baby wipes currently offer an innovative hypoallergenic water-based gel formula that is free of alcohol and is designed to protect the baby's skin. In addition, the brand launched special editions such as the Baby Spa series, which includes extracts of soothing flowers – calendula and cucumbers. As a whole diapering solution for the first moments, the Huggies natural care wipes were launched to provide the mom and baby needs in the first moments; these wipes are adjusted for the new born using a novel formula, enhanced by chamomile and almond oil, assuring that the baby's skin remain dry and healthy.

Things You Didn't Know About Huggies

- Huggies diapers were first launched in 1978 and within 7 years became the top selling diaper in the U.S
- Huggies is a brand of the U.S company Kimberly Clark, one of the largest paper companies in the U.S. Kleenex, Kotex and others are also among Kimberly Clark's famous brands.
- 170,000 babies are born in Israel every year. The average baby needs seven diapers a day
- Huggies is the top selling diaper brand in Israel.

www.huggies.co.il

1978
Kimberly Clark launches Huggies in the U.S.

1996
Huggies is first launched in Israel under the slogan "The top selling diaper in America"

2007
The first jeans diaper in history is launched by Huggies in Israel

2010
Huggies launches Huggies Pure & Natural diapers for Newborn with organic cotton

2012
Huggies Freedom+ and Huggies Boys & Girls diapers are launched

2013
The brand launches Huggies Little Babies and Huggies Natural Care