



Innovation is the marketing engine that leads the Lily brand in the bath tissue category. Time after time, innovative products and concepts were launched under the brand that provided consumers with a response to unfulfilled needs, and increased both the category and premium segment

Lily, Hogla Kimberly's premium brand, is leading the bath tissue market in Israel. The brand holds the largest market share in the category, and was found to be an especially loved bath tissue brand in Israel. Every second consumer indicates that he is emotionally connected to the brand. As such, Lily constantly searches for the next breakthrough in order to provide consumers with an experience that is softer, pleasant, hygienic and more comfortable.

2002-2007 – Launch of the Lily Puppy - In 2002, Hogla Kimberly decided to launch under the Lily brand the adorable Puppy that accurately and pleasantly broadcasts the Lily brand values, topped by the value of softness. In addition to reinforcing the brand values, the Puppy, which is exclusively identified with the brand, is also the basis for the emotional bond with the consumers. The launch of the Puppy was accompanied by a technological breakthrough that allowed the bath tissue to achieve a degree of softness unprecedented on the market, and a possibility to emboss the Puppy figure on it. The product was

launched under the slogan: "Lily. The softest there is".

2004-2007 – Empowering the softness experience - over the years, the softness value has comprised the spearhead of Lily's marketing strategy, based on the realization that this was an extremely important parameter for consumers. Lily essentially took ownership over the softness territory, focusing its innovative strategy on the creation of benefits that accompanied softness and reinforced its position not only as 'the softest toilet paper there is' but also as a high quality paper.

For example, in 2004, Lily launched 'cotton touch', the result of a technological development made in Israel. In 2007, Lily with the conditioner effect was launched, which also introduced innovation in packaging: easy opening by a zipper incorporated in the package.

In addition to the strategic launches, and in order to create constant diversity in the market, concepts were also launched that provided a solution to the latest consumer trends and created greater consumer involvement, such as Lily Fantasy – with color imprinted Puppy, Lily Aloe Vera, Lavender-scented Lily, Lily Spa, etc.

2008 – The Launch of Lily Double-Roll - In 2008, Hogla Kimberly realized two consumer insights. The first is that consumers are bothered by large, bulky toilet paper packages that take up a lot of room in the house. The second insight is linked to the realization that consumers are looking to reduce the frequency at which they replace the toilet paper rolls in their bathroom.

Lily Double Roll – which provides double amount of paper on one roll – solves both of these needs: reduces packaging while also increasing the length of each roll.

2010 – Lily Soft & Strong - Eight years after marketing focus during which the value of 'softness' had become a benchmark in the category, Lily looked for other unsatisfied needs in the category that needed to be filled.

Research has revealed that consumers are interested in bath tissue that is both soft and will not tear, and will also provide confidence during use.

An Israeli technological development served as the basis for the launching of Lily Soft & Strong: instead of two-ply bath tissue made of two soft layers, a bath tissue was developed in which one layer was particularly soft and the upper layer was stronger and more durable.

The Marketing Challenge for 2011

The bath tissue category is saturated and mature, and has been stagnating in terms of quantity. As a market leader, Hogla Kimberly had to continue searching for unsatisfied needs and growth engines either inside or outside the category.

The Creative Solution: The Launch of Moist Lily

Israeli consumers, like most consumers in the Western world, are more sensitive today than ever to maintaining their bodily hygiene and are constantly looking for available, user-friendly solutions that would allow them to increase their sense of personal cleanliness in their daily routine. Genuine cleanliness of the body, as well as cleanliness in any other area, requires the use of moisture. However, the bath tissue category is traditionally dominated by 'regular' paper, that even though it has become softer





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and far more pleasant over the years, it still is not enough for perfect cleaning. It is true that many consumers are already using wet wipes used for babies and children to complete the cleaning process but these cannot be flushed down the toilet. Hogla Kimberly took upon itself the role to educate the Israeli market on the use of moist bath tissue that supplements the cleaning action after regular bath tissue. Following a global trend analysis, Hogla Kimberly learned that moist bath tissue products are an extremely significant growth engine in many Western markets in which Kimberly Clark is operating. In the second half of 2011, Lily Moist wipes were launched designed to provide a supplementary solution to cleaning following the use of regular bath tissue, or as coined in the Lily language "After the soft bath tissue comes the moist one". Moist Lily is flushable and biodegradable, contains aloe vera and maintains a balanced pH. In order to provide consumers with the confidence to use the product, the wet wipes are particularly durable and do not tear easily.

In order to provide a solution to various types of needs and consumers, the moist Lily series includes four different products:

- Moist Lily CLASSIC** – with aloe vera;
- Moist Lily Sensitive** – scent-free, ideal for people with gentle skin;
- Moist Lily To Go** – designed to provide a cleaning solution for consumers outside the house;
- The Economy Package** – that includes three moist Lily packages;

One of the challenges identified in Israel was the

transformation of moist Lily into a product that is part of the consumers' daily routine.

The key point in finding a solution to this challenge was to ensure the 'right place' for the product in the bathroom. The identified solution was to offer consumers a moist Lily kit that includes a multi-use box that can be affixed to the wall with a special sticker. Consumers can position the box above the paper roll holder, thereby creating the habit of supplemental cleaning.

The launch of the new product was supported by an extensive television campaign, a cross-country public relations campaign and an online marketing campaign. Hogla Kimberly, however, realized that in order to create market education and reach the desired goal of capturing 20% of Israeli households, widespread trial experience of the new product is needed.

As such, extensive sales promotion activity was launched in over 150,000 homes with the new product, which was delivered to their homes.

In addition, ahead of the holidays, small moist Lily



Things You Didn't Know About Lily

- Lily brand consumers are particularly loyal to the brand: 40% contribute to over 70% of brand sales.
- The Lily Puppy appears on bath tissue packages around the world.
- The bath tissue category is the second largest non-food category in Israel, and is led by the Lily brand.
- Only 5 double rolls of Lily bath tissue are required to link the roof of the Round Tower at Azrieli to its bottom floor (Azrieli towers are one of Tel Aviv's most known identifying landmarks).

sample kits were attached to regular 150,000 packages of Lily regular bath tissue under the concept "The perfect cleaning edition". The goal of both moves was simple: to cause hundreds of thousands of consumers to use the new product so that they can form an impression of its advantages and incorporate its use as part of their daily routine.



2002
The Lily Puppy 'immigrates' to Israel.

2004
Lily Cotton Touch is launched.

2007
Lily Conditioner Effect and Easy-Open Package are launched.

2008
Lily introduces the double roll.

2010
Lily launches Soft & Strong.

2011
Hogla Kimberly launches the Moist Lily series.