

Over the past year, Gad Dairy has situated the image of the grandfather as the differential symbol at the heart of its marketing campaign, to grant the standard for product quality

The Gad family started producing dairy products in the 19th century in Turkey with a dairy facility established by the great grandfather of Gad Dairy CEO and owner Mr. Ezra Cohen. Up until 1996, Gad Dairy focused mainly on servicing the professional market. Since then, Gad Dairy expanded its services to all retail channels offering a wide range of premium cheeses and dairy products. In 1999, Gad Dairy rebranded its entire line of products under the slogan "Gad Dairy - Always Special".

The Competitive Environment

For years, Gad Dairy has dominated the unique cheese market category in Israel, while steadily increasing the category, branding it in blue and educating consumers to boost demand for its products.

The success that it demonstrated in increasing the category forced the competitors to enter this category while launching products in blue packages, similar in design to the Gad packages in order to exploit strong identification that Gad created over the years with its blue colored packaging.

As a result of the competitors' me-too move, consumers' previous recognition of the "Blue Bloc" in their store refrigerator representing Gad products was misled. This caused confusion among Gad consumers. Today, there are cases in which consumers purchase a product only to find out later on that they had erroneously bought a product of a different brand, which they had no intention to buy. Furthermore, the specialty cheese market has recently opened to imports and Gad had to continue to lead the segment, which has become crowded and more competitive.

The Marketing Challenge

As a result of the confusion generated in the dairy refrigerators, Gad Dairy's main challenge was to continue its brand differentiation strategy, to communicate Gad's USPs and to help consumers identify the brand packages on the shelves, eliminating confusion with the competition's brand.

The Creative Solutions

This year, In order to reinforce brand differentiation, Gad Dairy continues to work towards establishing the brand in a wide range of channels, beginning with the

reinforcement and differentiation of the brand, continuing with innovation of products and integrated field activity.

The 'grandfather' moves to the front and becomes the standard for quality.

On the strategic level, and in order to recreate differentiation

for Gad in the "Blue Bloc" of specialty cheeses, the decision was made to transfer the image identified with the brand – "Gad's Grandfather" – to the front of all marketing communication. In the campaigns conducted this year, the grandfather took over an increasing share of the ads, billboards and even packaging. The Grandfather image was now the characteristic differentiating Gad from its competitors, and one that they could not imitate. In Gad's new ads, quality stands out through photos of temptingly delicious food, with the message, "Only when everything is exactly as it should be, only then Grandpa Gad sign. Gad Dairy – Always Special."

Product Innovation. This year Gad Dairy also launched several products designed to reinforce the company's grasp in the market.

In the spreadable cream cheese category, NEW YORK cream cheese (30% fat) was launched, as was 5% cream cheese. These are two series that to date have sold only by weight at supermarket deli counters, where they were very popular. The company decided to give them presence and prominence in the dairy refrigerators. The innovation in the launch being the visibility of the cheese package – gold cover for cream cheeses and white package for special cream cheeses – in order to separate them from Gad's "Blue Bloc" and sell them as an integral part of their product category.

Gad also innovated in the **yogurt** category this year, with sheep's milk yogurt being joined by goat's milk yogurt and cow's milk yogurt. The new yogurts were created

by the company "In Gad's way" - a traditional manufacturing process, creating products with an authentic, unique texture that is unlike the competition's.

Gad also launched **Labane Yafo** this year – a traditional labane cheese along with a piquant sauce – generally served as a side dish to a plate of authentic Jaffa hummus.

Increase the baby mozzarella

category. In order to increase the category and expose the product to new consumers,
Gad attached a small pack (100 gram) to 100,000 packages of its best-selling product, the Tzfatit cheese.
The result: increased penetration of the product and creation of repeat purchase, which permanently increased Gad sales in the category by 35%.



Shavuot Campaign. During the Shavuot holiday this year, we saw the "Gad Sameach" ("Happy Gad", sounds like "Happy Holiday") campaign, which has been accompanying the brand in recent years. This year, a personal facet was introduced when the blessing was directed to various family members: "Gad sameach, Mom", "Gad sameach, Grandpa", "Gad sameach Grandma", etc. As part of the activities for the holiday, a booklet of international recipes was distributed. The booklet included popular Italian, Bulgarian, French and other recipes. This year, for the first time, the Dairy sponsored a family event in Park Afek Rosh HaAyin, in which activities were conducted for the entire family topped off by a musical performance in the evening.

Colorfood White Exhibition. The white color exhibition has become a tradition in the last few years. Gad Dairy reinforced the connection between food, art and community activity. As part of the exhibition, which has been running for the second consecutive year, 30 top chefs were asked to prepare dishes inspired by the color white. Photographs of the dishes were displayed at the exhibition that was open to the general public at Ramat Aviv Mall. Revenue from the sale of the photos was donated to the Elem organization.

Gad Balkan Festival. Gad Dairy's Balkan Summer Festival was held in Tel-Aviv during the summer months. In the festival, the Dairy initiated summer Balkan activities that combined the spirit of the brand via the menu,

alcohol and special Balkan meze that were offered in the best delis and Balkan restaurants of Tel-Aviv. For the diners' enjoyment, the festival included happy street parties and Balkan musical performances. The delis and Balkan restaurants that participated in the activities included Shishko, Yassou Tel-Aviv, Ouzeria, Yamas, Kalimera, HaGe'ula, Tarnegol Yafo, Sifo, Lulu, Rokach Yam, Rokach Shuk, Mona Beach, Flea Market and Laila Mourad.

Gad Morning. The move that became a tradition has been running for four consecutive years, this time under the slogan "Gad Morning Israel", following the insight that the Israeli breakfast is the best in the world. The activity was conducted during the Sukkot holiday in which Gad Dairy collaborated with cafes and restaurants offering Israeli breakfast that include an array of Gad's specialty cheeses

In the Future

In 2014 Gad Dairy will continue with its differentiation strategy through targeted marketing communications, cross-segment product innovation and promotional activity above and below the line. Furthermore, the company will continue to provide a response to the increasing demand in the institutional market for quality and natural ingredients, from restaurants and cafes to hotels and premium pizzerias that have begun using real Gad mozzarella instead of cheese substitutes.



Gad Balkan event



The ColorFood exhibition





Things You Didn't Know About Gad

- Company CEO Ezra Cohen's middle name is Gad. Ezra was born during the Shavuot holiday.
- Gad Dairy was the first to produce and market mozzarella cheese in Israel.
- Gad Dairy examined and found that the optimal size of a cube of Bulgarian cheese that accompanies a watermelon slice is 1X1X1cm.
- Every month, over 500,000 Gad Baby Mozzarella are sold.

19th century First Cohen Family dairy established.

1980 Ezra Cohen establishes Gad Dairv.

1983
Gad Dairy begins to produce mozzarella.

1996
During its rebranding, the blue-purple brand coloring is established.

2012
"Gad Inside" launched – standard for professional market; first Colorfood exhibition held.

2013 Gad reir

Gad reinforces the grandfather image in the brand's marketing advertising campaign, and launches cream cheese, series of traditional yogurt and Labane Jaffa.