



Coping with gourmet chefs on the one hand and the return to simple home cooking on the other, is what lays behind Sugat's new repositioning campaign which focuses on the emotional connection to the brand. In order to satisfy the needs of Israeli cooks, the company launched numerous innovations in baking and cooking during 2013

Sugat Industries was founded in 1957 as a sugar manufacturing plant that relied on growing beets in fields in southern Israel. As a result of Israel's water problems and changes in subsidies given to European sugar manufacturers, the plant closed and the company began marketing and packaging sugar. Several years later, changes in sugar supplies in the global market led to the construction of a sugar refinery plant in Kiryat Gat. Today, the company refines sugar on its own, which allows it to display the "Made in Israel" logo on its packages. This is something that draws many customers and differentiates Sugat's sugar.

In recent years the brand has expanded, and today it also includes sugar substitutes, rice, salt, flour, legumes, grains and supplementary cooking and baking products. One of the aspects that has made Sugat unique in recent years is its ability to identify food trends in order to understand which grain or ingredient will cease to be a niche product and can enter the mainstream.

At the same time, as a result of digital channels becoming an important tool in shopper's decisions, Sugat has developed a range of digital communication channels, allowing it to communicate directly with consumers.

### The Competitive Environment

Over the past few years, home cooking has made a comeback due to two main factors:

- An accelerated trend of "Foodies", who love to cook and bake quality meals at home using quality ingredients. This has become an extremely strong trend over the past two years in Israel, largely due to the popularity of cooking shows broadcast on television, most notably "MasterChef".

- A return to simple, quality, home cooking due to the economic crisis and declining disposable income. This has resulted in a reduction in the number of outings to restaurants; however, this has also brought about an increase in the desire to eat home-cooked meals using quality ingredients "like in a restaurant".

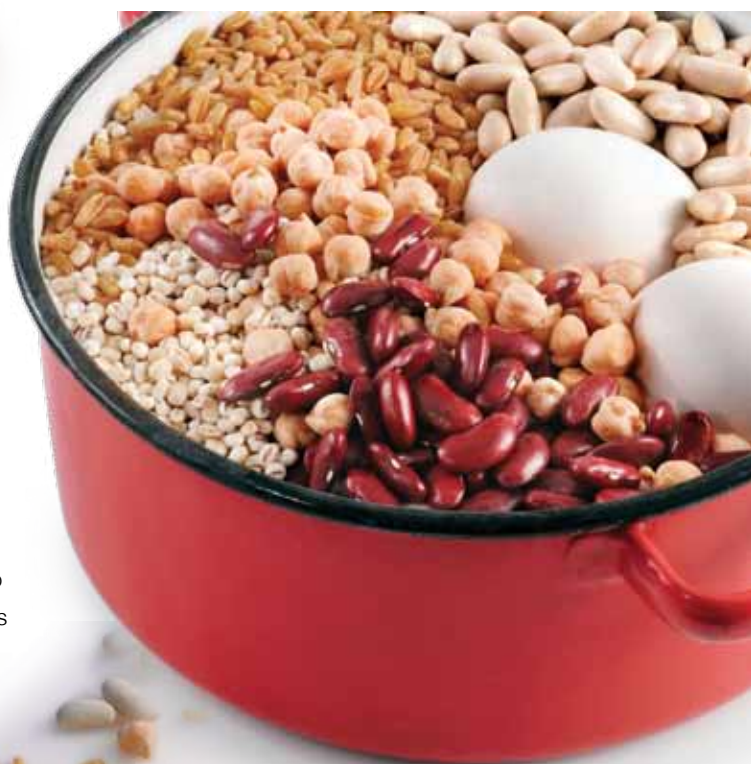
### The Marketing Challenge

Sugat has aimed to connect to these two strong trends: on the one hand, to provide Foodies with quality, innovative ingredients for the gourmet meals cooked at home, and on the other hand, to satisfy the needs of home cooks, who prepare traditional meals.

### The Creative Solutions

Sugat decided to respond to the marketing challenge on two levels: Firstly, by linking the brand's positioning to the return to home cooking, relevant to all types of consumers, and secondly, by launching product innovations in order to attract gourmet cooks to the brand. Both marketing solutions were supported by various activities designed to empower them and provide and all round, 360-degree support for the marketing move.

For brand repositioning, Sugat formulated an updated strategic concept, which was boiled down to a slogan that spearheaded the television campaign and billboards:



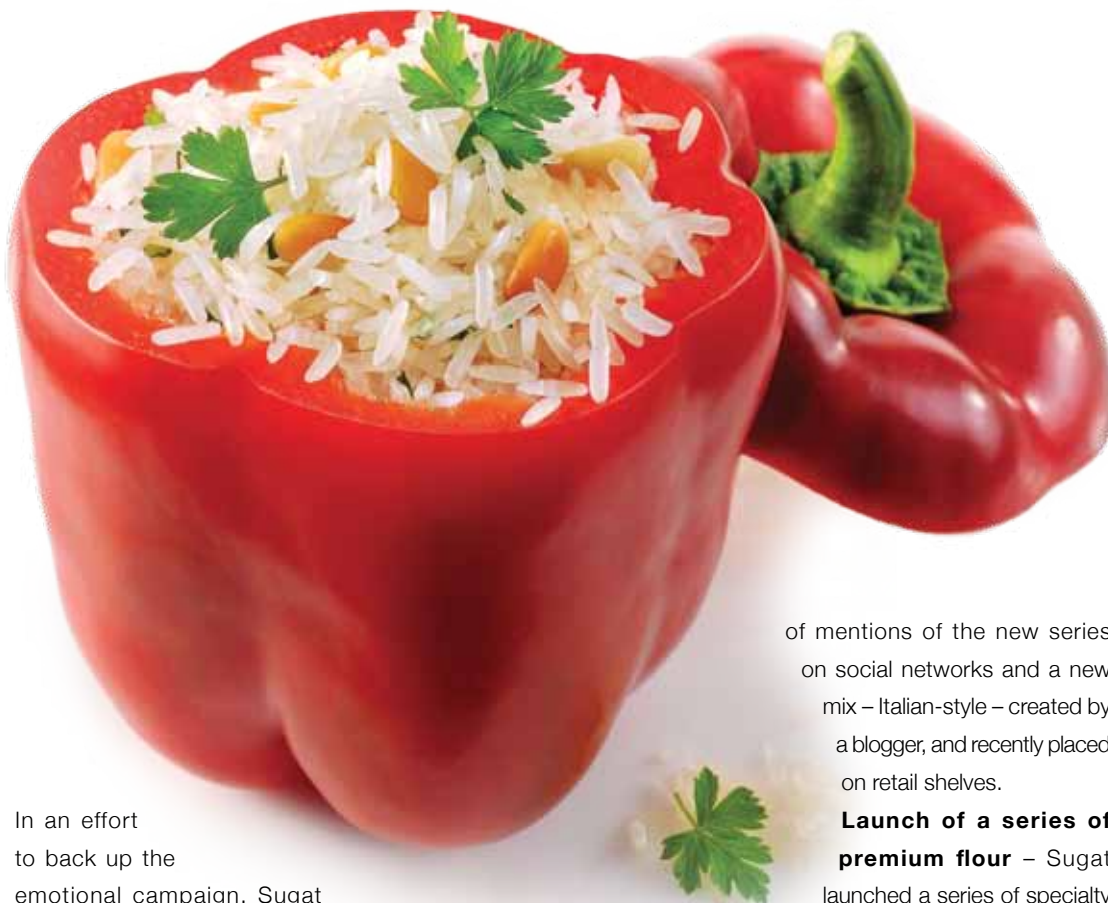
"Made with Love" – designed to emphasize the emotional connection between the brand, with its range of products, and the audience of cooking enthusiasts.

The visual aspect of the campaign displayed enticing images of different dishes, with Sugat products as a central part. For example: juicy red peppers stuffed using Sugat rice, an overflowing pot of piping-hot cholent dotted with Sugat legumes, etc. The main move was also supported by "mini-campaigns" run for specific products and series.





www.sugat.com



of mentions of the new series on social networks and a new mix – Italian-style – created by a blogger, and recently placed on retail shelves.

**Launch of a series of premium flour** – Sugat launched a series of specialty premium flour, such as pasta flour,

In an effort to back up the emotional campaign, Sugat launched new products that corresponded with the new promotion and managed marketing activities in the social media to appeal to Foodies. These connected the field activity with the generation of virtual buzz through food bloggers.

The “integrated” launches included, for example: **The launch of a series of seasoning mixes for rice** – easy-to-use, ready seasoning mixes for rice in a variety of flavors: Indian, Majadra, pistachio, raisin and almond. As part of the launch, leading food bloggers toured spice shops in the Levinsky market, accompanied by Chef Yair Fineberg. At the end of the tour, the bloggers were led to a spice shop and were asked to invent Sugat’s next seasoning mix.

The result: dozens of enthusiastic bloggers, hundreds

multi-grain flour and spelt flour. During the launch, a workshop was given to baking bloggers, hosted by Chef Erez Komorovsky, who is also the brand’s spokesmodel. In the baking workshop, Komorovsky, along with the bloggers, baked various baked goods using Sugat flour. At the end of the workshop, every blogger received a kit of Sugat products and a baking assignment. The bloggers were asked to document their handling of the assignment and upload the results onto the Internet. These were introduced, along with Sugat’s new products, to targeted audiences.

Additional Sugat products launched this year:

**A sugar-dough series** – providing a solution to the current trend of birthday cakes coated with sugar dough.

## Things You Didn’t Know About Sugat

- 25 years ago, Sugat marketed 8 products. Today it markets over 150 products, each of which has a QR code imprinted on it, providing a relevant recipe.
- Sugat’s refinery refines 250,000 tons of sugar every year (about 250 million 1kg packages).
- Molasses, one of the byproducts of refining sugar, is also used as an ingredient to create fodder mixes for cows.
- Sugat’s food channel on the Walla website is visited by over 250,000 people per month.
- Sugat’s series of specialty flours won the 2013 “Product of the Year” award for innovation.

The new series includes pre-made sugar dough that comes in a variety of colours. The launch was supported by the production of a series of instructional videos placed on the Internet as well as the distribution of sample kits and hands-on experience for children in nursery school.

**Polenta** – A new product designed for Foodies. Its launch was accompanied by promotions and a public relations campaign by Tom Franz, winner of last season’s “MasterChef”.

**A couscous series** – The launch symbolizes an entry into a new category that provides a solution to the home cooking trend and a return to ethnic roots. The series includes fine, moderate-sized, thick, whole and organic couscous.



**1959**  
The Sugat factory opens in Kiryat Gat.

**1988**  
Sugat is acquired by ED&F MAN, an international corporation operating in the sugar market since 1783.

**2000**  
New corporate identity and new logo emphasizing the Sugat name on the packages.

**2011**  
Sugat expands its operations in the flour category.

**2012**  
Sugat enters the organic category.

**2013**  
Sugat launches its repositioning campaign and launches rice seasoning mixes, premium flour, sugar dough, etc.