

# Ahhh, bless my little ... CottonSofts

A quiet achiever within the grocery industry this past year has been Cottonsoft Ltd.

In one of the most competitive aisles in any supermarket, the 100% NZ owned and Dunedin based company has gained steady sales and share growth in both the Toilet Tissue and Paper Towel categories.

Steve Silvey, (CEO) attributes this result to "a commitment to customer service, innovation in the category and a strong belief in team work across our whole business - internally and with all our external supplier / trade partners."

"Our production team have literally moved mountains these past 12 months as the business has grown and increased demands have been placed on them. We are very proud of the way the team have responded to the challenge," Silvey says.

To put this in some perspective, the current MAT\* data has the total toilet tissue category growing at the rate of 3.0% in value and 6.7% in volume. Compare this with total Cottonsoft growth of 64.8% in value and 66.5% in volume and you begin to appreciate the size of this challenge.

"Twelve months ago our total toilet tissue market share was 9.0% in value and 10.5% in volume, the current MAT \* we have seen this grow to 14.4% in value and 16.4% in volume," explains Roger Spice (sales and marketing manager).

At the core of this success has been the launch of the CottonSofts brand. With a unique on pack / shelf presence supported by the memorable ad campaign, "Ahhh, bless my little ... CottonSofts".



COTTON SOFT TEAM

Innovative in its delivery and presentation, the team at Creative Hotpot has developed an ad and brand that has real appeal and character.

Combine this with heavyweight media support, high levels of trade support and the CottonSofts brand has made steady progress in the mid-market segment of the category.

## COMMITMENT TO THE TRADE

"We gave a commitment to the trade at launch, that we would support the brand with a media campaign weighting that you would usually associate with the larger multinationals, we have kept our promise and everyone has benefited as a result," comments Spice.

CottonSofts market shares in total supermarkets current MAT\* is 9.2% in value and 9.3% in volume.

One of the challenges that Silvey is

particularly proud of is the way the team was able to respond to a request from New World Oamaru for a special pack of Penguin prints. As Oamaru is the home of the Blue Eyed Penguin colony in the South Island, customers have been searching through the packs in stores looking for the Penguin print design that was one of a range of print designs within the CottonSofts Kiwiana pack.

Subsequently, the special pack of Penguin prints received national TV News coverage, radio airtime and press reports, that all assisted in boosting in-store sales and definitely helped raise awareness about the Penguin Colony.

## KIWISOFT PRINTS

Additional success has come this year with the introduction of Kiwisoft Prints into the economy segment of the Toilet Tissue category. In what was an innovative move in this segment of the category, strong sales have been achieved by adding consumer value to a very price driven segment of the market.

Spice comments, "Kiwisoft is developing a loyal following amongst the price conscious consumer, the addition of the print design re-inforces the great value and quality aspects of the brand".



Kiwisoft market shares in total supermarkets current MAT\* is 5.1% in value and 7.0% in volume.

Other highlights include Tuffy paper towel, which has grown at 15.6% in value and 19.7% in volume for the current MAT\* period.

Current MAT\* data has the total paper towel category growing at 4.6% in value and 6.3% in volume.

As Spice explains, "The Tuffy performance has been very pleasing, with the increased competition across the category these past 12 months, to achieve sales growth ahead of the total category and gain market share is a very satisfying result for us."

Tuffy market shares in total supermarkets current MAT\* is 15.7%

in value and 16.2% in volume.

## OTHER DEVELOPMENTS

Other developments centred on the company and the people who work in it, as Silvey explains.

"The start of 2003, saw our company name change from Plympac Industries Ltd to Cottonsoft Ltd. While this externally may appear as just a cosmetic change, this has been of huge benefit to us internally, as an organisation it was the first step on a pathway of many changes this year.

"We now have the hub of our Sales and Marketing team based in new offices in Auckland, so have increased our ability to work with our creative

and media partners."

"A focus on people as well as brands this year, has seen Cottonsoft strengthen business critical areas like marketing and logistics with new people that bring large organisation skills to our business. We have also re-structured our management team to deliver a real team based focus across the entire company with the benefits of this already evident".

"With the great team of people we have at Cottonsoft, combined with ongoing support for our brands and our commitment to customer service, we are looking forward to another positive year in 2004," concludes Silvey.



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