

ARGETA

barcaffé

grand
K A F A

Smekti

Cockta

Donat^{Mg}

Stark

DROGA KOLINSKA

Consumer friendly company

Focus Balkans
Oct 2009

Changing consumer demands

- ▶ Rising obesity rates
- ▶ Diabetes levels increasing
- ▶ More food allergies
- ▶ Cardiovascular diseases
- ▶ Ageing population
- ▶ ...
- ▶ **Rising health-consciousness**
- ▶ **Food still about taste**
- ▶ Age complexity: kids vs elderly
- ▶ High spending power
- ▶ Democratisation of luxury
- ▶ I-nutrition
- ▶ Rising ethical awareness



- ▶ More women working
- ▶ Long working hours & commuting time
- ▶ Single-person households
- ▶ Portion control
- ▶ Less formal eating pattern - snacking
- ▶ **Need for right product format**

Major food trends

Health & Wellbeing

Experience & indulgence

Ethics

Convenience



Droga Kolinska Group

- ✓ regional player (Serbia, Montenegro, BIH, Macedonia, Croatia, Slovenia, Austria, Switzerland)
- ✓ wide product portfolio (Coffee, Pate, CSD, Confectionery, Savoury snacks)
- ✓ regional brands (Grand, Stark, Argeta, Smoki, Cockta, Donat,...)
- ✓ global trends followers
- ✓ emphasis on quality and food safety
- ✓ consumer oriented



“DK – Consumer friendly company” project

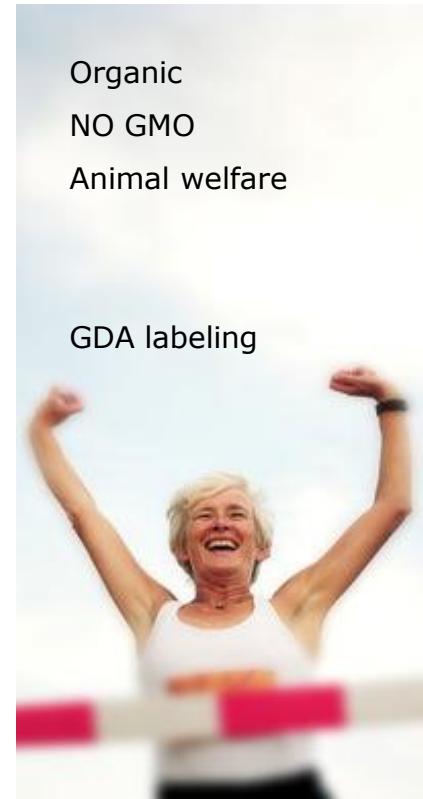
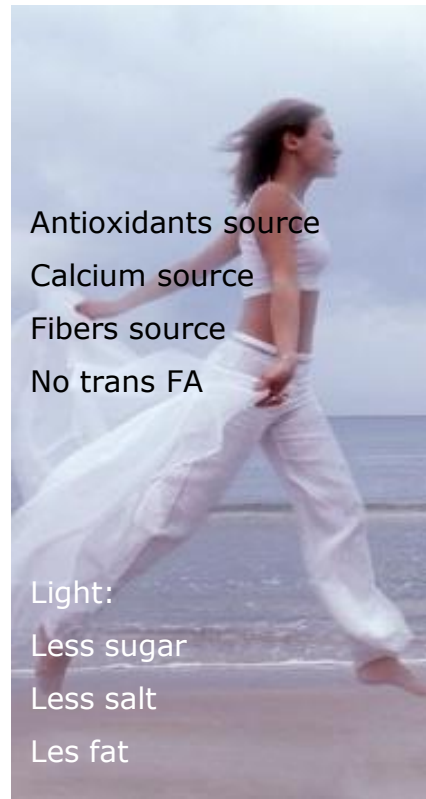
How did it all start?

- ✓ market research (products on the market, food claims)
- ✓ global consumer trends and new products
- ✓ legislation in EU and Balkan region
- ✓ regional competition
- ✓ consumers lifestyle and eating habits (nutrition awareness)
- ✓ portfolio screening



Defining food claims and DK group objectives

“DK Consumer friendly company” project – Health & Wellness



DROGAKOLINSKA

Claims definitions

✓ **No preservatives, no artificial colours, no artificial sweeteners**

Preservatives free:

Without added natural or synthetic chemicals that are added to food in order to prevent its spoilage.

Artificial colours free:

No chemically synthesized colours are used.

No artificial sweeteners:

Contains no artificial sweeteners, which are used as sugar replacement in light or diabetic products.

✓ **Gluten free**

Gluten content does not exceed 20 mg/kg in the food as sold to the final consumer.

✓ **Positive nutrition: antioxidants, Calcium, fiber source**

Source of antioxidants:

Foodstuff is source of antioxidants if it contains significant amount of substances such as flavonoids, antocians, carotenes, coenzyme Q10, L-carnitine...

Source of calcium

100 g (100 ml) of product contains more than 15 % of Ca recommended daily intake.

Source of fibre

Product contains min 3 g fibre per 100 g or 1,5 g fibre per 100 kcal.

Claims definitions

✓ **Negative nutrition – Light**

Products with reduced energy value, reduced sugar, salt or fat content (30 % less compared to regular product)

✓ **Trans fat free**

Contains no trans fat, which is formed in process of fat hydrogenation and increases level of bad cholesterol (LDL).

✓ **Organic:**

Grown and manufactured in a manner that adheres to standards set by the country they are sold. Production requirements are defined in European Union Regulation (EEC) N° 834/2007.

✓ **GMO free:**

GMO free products are products that do not contain genetically modified organisms or are produced from them.

✓ **Animal welfare:**

Refers to use animals for food, in animal research, as clothing, and in entertainment, as long as unnecessary suffering is avoided.

✓ **GDA:**

Guideline Daily Amounts (GDAs) are a guide to how much energy and nutrients are present in a portion of a food or beverage and what each amount represents as a percentage of a person's daily dietary needs.

Droga Kolinska 2009 status

Claims	Status DK group(%)
<i>Preservatives free</i>	94
<i>Artificial colours free</i>	93
<i>Artificial sweeteners free</i>	100
<i>Gluten free</i>	36
<i>GMO free</i>	100
<i>Antioxodants source</i>	47
<i>Calcium source</i>	2
<i>Fibers source</i>	3
<i>Trans fat free</i>	65
<i>Light</i>	27
<i>GDA</i>	22
<i>Organic</i>	0
<i>Animal welfare</i>	12

DK Directions in terms of claims

- ✓ **No preservatives, no artificial colours, no artificial sweeteners**

All products 100 % without preservatives, artificial colours, artificial sweeteners (except when there is no alternative – diabetic products)

- ✓ **Gluten free**

Products containing gluten: *one gluten-free product in each category*

Product without gluten: *100 % gluten-free (cross-contamination management)*

- ✓ **Positive nutrition: antioxidants, Calcium, fiber source**

Marketing communication on current portfolio, launch of new products.

- ✓ **Negative nutrition – Light**

One "light" product in each category: less salt, less sugar, less fat, lower energy value

DK Directions in terms of claims

✓ **Trans fat free**

All products 100 % trans fat free, except when there is no alternative.

✓ **Organic**

Introducing Organic products in category portfolio, if market attractive (coffee, chocolate,...).

✓ **GMO free**

All products 100 % GMO free

✓ **Animal welfare**

Marketing communication on current portfolio, launch of products variants

✓ **GDA**

All products with GDA % labelling or www labeling when not possible due to packaging size (pate)

So far so good

GDA



Light



Diabetic products



Source of Mg

Source of fiber



Source of Ca



Animal welfare



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Thank you!

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