



Nestlé

Good Food, Good Life

THE MARKET

The Australian confectionery market is worth more than \$1.56 billion¹ a year. Of that market, “sugar” confectionery represents more than 35%² with a multitude of brands, products and packaging options providing the consumer with seemingly unlimited choice to meet just about every occasion.



In fact, on average it is estimated that each Australian will have chewed, sucked, licked or simply eaten their way through a staggering four kilograms of “sugar” confectionery in 2001 alone³.

Australian consumers buy a lot of this confectionery, with variety, taste and top of mind awareness as the main triggers to buying. Equally, what they see at the cash register can strongly influence their final decision as they choose from a repertoire of up to seven varieties.

The *Life Savers* brand has been a strong performer and favourite amongst Australians over the decades. It has recently reclaimed its No. 1 position in the market and Nestlé estimates that it will sell in excess of 50 million rolls this year.

ACHIEVEMENTS

In 2001, the *Life Savers* brand regained its No. 1 position in the market. This is a position Nestlé wishes to maintain by continually providing news and innovation.

2001 is *Life Savers*' 80th year in Australia. During this time the brand has consistently been

associated with quality products and constant innovation, while promoting a positive attitude to “getting a hole lot more out of life”.

HISTORY

Life Savers confectionery originated in Cleveland, Ohio in the United States in 1912. Clarence Crane, the inventor of Crane's *Life Savers*, was selling tubular packs of mints as an alternative to chocolate for the summer time, when chocolate sales were seasonally low.

The product was noticed by Edward John Noble, who convinced Crane to sell him the manufacturing rights for \$US 2,900. In two years, Noble had established the product's year-round popularity. Sales rapidly increased to \$US 250,000

annually, and production quickly outgrew existing facilities, forcing a move to New York City.

In 1921 the humble Pepomint *Life Savers* was launched in Australia by Noble's company and was manufactured by Life Savers Sweets Ltd. Over the years, *Life Savers* confectionery has been available in a huge variety of flavours and formats including gummie, lollipops and holes.

The *Life Savers* range now comprises Pepomint,



Spearmint, Five Flavour, Fruit Pastilles, Blackcurrant Pastilles, Strawberry Sundae, Fizzy Sodas, Musk, Very Berry, Sour Chews and Fun Fairs.

In 1989 Nestlé acquired *Life Savers* and in 1991 Nestlé Confectionery was formed, merging Allen's *Life Savers* and Rowntree.

Life Savers is the only hard confectionery product on the market with a hole. The hole makes the product instantly identifiable, and is a registered point of difference providing a very significant competitive advantage.

THE PRODUCT

The *Life Savers* range offers a wide variety of choice with an array of taste, colours and texture either in the one pack or across the entire range. Since its 1912 launch, *Life Savers* has uniquely been the candy with the hole, increasing the play value of the sweet in the mouth and differentiating it from other, less distinguishable lollies.

‘Five Flavour’ has long been the most popular format with the strongest recognition amongst consumers, a distinction traceable to the unique five bands of colour (red, yellow, green, orange, purple) featured across the pack design.

Life Savers products are made at three different manufacturing locations in both Australia and New Zealand, each specialising in a unique production process. “Pepomint” and “Strawberry Sundae” are examples of compressed products in which a granulated powder is compressed into *Life Savers* punches. “Five Flavour” and “Very Berry” are referred to as hard boiled sweets. A cooked confectionery mass is shaped, cooled and then packed. Pastilles including “Fruit Pastilles” and “Sour Chews” are moulded, dried and sugared in a five day process.

All the additional flavours, including ‘musk’,



New Sour Chews.



Get a hole lot more out of life.

'spearmint', 'fizzy sodas', 'Fun Fairs' and 'blackcurrant pastilles' are made by one or another of these processes.

RECENT DEVELOPMENTS

The new Millennium has seen a transformation of the *Life Savers* brand with the introduction of all new packaging, a new logo design, improved flavour delivery of existing products and the introduction of four new flavours. This has been supported by new advertising, dedicated sampling and display solutions in store to better communicate the variety of taste, textures and flavours and the brand's fun image.

Product delivery is seen as imperative to maintain interest and excitement in the *Life Savers* brand, and all new products have been based on insights gained over the last 18 months. Feedback on why consumers choose confectionery is focused around four key drivers. These are a desire for a variety of tastes and textures, innovation and product news, vibrant colour and the demand for good value for money. This has led to the introduction of the following new products:

'Sour Chews' - Delicious Sour Chewy pastilles flavoured Orange, Lemon, Fruit Punch, Grape, Lime and Cherry.

'Very Berry' - Great tasting berry flavours including Strawberry, Raspberry, Boysenberry, Forest Berry and Blackcurrant.



'Fun Fairs' - A variety of flavours based around a fun fair theme including Fairy Floss, Toffee Apple, Bubble Gum and Lemonade.

'Fizzy Sodas' - A variety of soft drink flavours with a fizzy texture including Cola, Orange, Passionfruit, Creaming Soda and Lemon/Lime.

The success of the relaunch of *Life Savers* has been outstanding with trials of the new and improved products exceeding expectations. It has also seen *Life Savers* return to the No. 1 position in Australia.

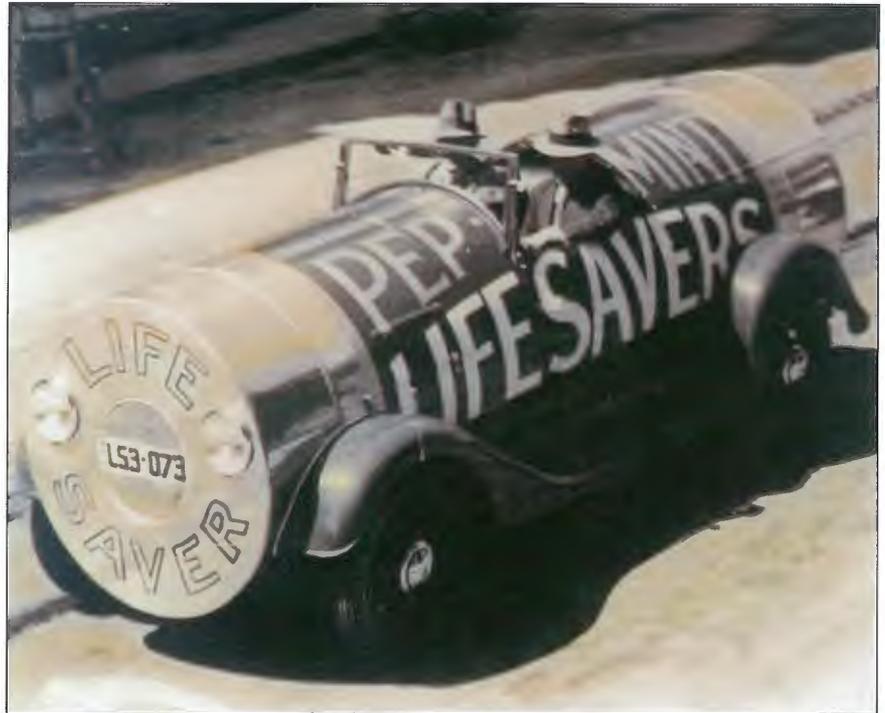
In addition, the summer of 2001 sees another new addition to the *Life Savers* range. The innovation this time comes in the form of a refreshing multi-flavoured ice confection, consumed straight from the freezer. The new *Life Savers* water ice became available just in time for summer and is



New Fizzy Sodas.



Get a hole lot more out of life.



intended to satisfy any thirst. It contains five fruit flavour rings, namely pineapple, orange, strawberry, lime & blackcurrant. It is a brightly coloured and uniquely shaped fruity *Icy Pole* and is sure to be a hit amongst adults and teens alike.

PROMOTION

The *Life Savers* brand has a long and highly successful record in advertising. Over the past thirty years, the brand has been linked with many innovative and clever campaigns which are fondly recalled and regarded. Throughout this time, campaigns have for the most part conveyed outdoor good times

shared by friends. They have involved strong product interaction and utilised the signature jingle "get a hole lot more out of life".

The most recent and very lively television campaign for *Life Savers* involves a number of teenage friends chasing *Life Savers* on hover



dodgems, sharing fun and excitement on the beach. The television commercials have been supported by a national magazine campaign focusing both on some of the favourites and the newcomers in the *Life Savers* range, and conveying their variety and great taste. Product featured includes 'Five Flavours', 'Strawberry Sundae', 'Sour Chews',

'Fizzy Sodas', and finally the new *Life Savers Icy Pole*.

In addition, *Life Savers* continues to be associated with encouraging direct involvement in numerous sports, including skiing and surfing, amongst young teens. This involvement covers sponsorship of key events and sampling. It utilises the Internet via the product's web site,

www.holelotmore.com.au, to maintain dialogue with consumers.

BRAND VALUES

"Get a hole lot more out of life" has long been the slogan linked with *Life Savers* and expressed through good times, friends and the outdoors. It is synonymous with the beach and spontaneous fun, and offers a variety of different tastes, textures and colours.

It is these values, along with a commitment to product quality, which have seen the development of a growing variety of *Life Savers* products designed to excite, stimulate and refresh.

1 & 2 AZTEC MAT June 2001.
3 Euromonitor 2000.

THINGS YOU DIDN'T KNOW ABOUT LIFE SAVERS

- *Life Savers* confectionery was named for its resemblance to life buoys.
- 50 million rolls of *Life Savers* are sold annually.
- In 2001, the *Life Savers* brand turns 80. It has a new logo and packaging as well as a new advertising campaign.
- Since 1921 over 70 different *Life Savers* roll varieties have been released. Many of these have multi-flavour combinations, like Fizzy Fruits, Five Flavour, Fruit Pastilles and so on.
- On current production, 2.5 million *Life Savers* are produced per day. That makes 500 million per year. If they were placed side by side, they would stretch over 10,000 km per year.