



MARKET

The Fresha brand is a household name in Kenya. The main products under the brand include Fresh Milk, Long Life Milk, Yoghurt, Fermented milk popularly called "Maziwa lala", Butter, Ghee and now Bottled Purified Drinking Water. Initially, Fresha targeted mothers with young children in the LSM (Living Standard Measure) 3 - 7 income groups, who drank tea and resided in urban / peri-urban areas. Over time the brand evolved to capture all income groups from LSM3 to LSM 17 across Kenya. Today Fresha is found in the lowest income homes that have no refrigerators to the wealthiest that have fridges and deep freezers. Each product caters to specific needs of the consumers. For example, those in the dry outlying parts of Kenya now have access to fresh milk following the introduction of Fresha Maisha Long Life Milk. The launch of Fresha Maisha Long Life Milk has enabled the brand to penetrate the regional markets where fresh milk is hard to find and where available has a short shelf life.

Fresha's turnover has continuously grown from 800,000 Kenya shillings in 2004 to over 7 billion Kenya shillings in 2016. During this time the brand has captured a market share of 34% in the competitive Nairobi market. The brand has a unique point of difference, that of Fresha milk being one of the freshest brand on the supermarket shelf. Fresha is 100% real farm fresh farm milk without any additives and reaches the market in less than ten hours from milking.

Fresha has plans to expand its market share by 40% in the next 5 years, offering larger product range with the same freshness that has become synonymous with the name. To ensure this,

Fresha continues to lead in packaging innovation and other areas such as butterfat levels. (The competition offers a 2.8% - 3.0% butter fat level and Fresha at 3.5%)

The launch of Fresha Maisha Long Life Milk and 90 days Fresha Extended Shelf Life (ESL) Milk has played an integral role in the expansion allowing the brand to reach every part of the country and within the East Africa region.

ACHIEVEMENTS

After being launched in Nairobi a very competitive market, Fresha has achieved a market share of 34% within the last 10 years and the brand continues to grow its national market share. Today Fresha is a "must stock" brand at dukas, kiosks, convenience stores and supermarkets.

In 2012, Fresha processing plant achieved ISO 22000:2005 certification, which underlined their commitment to provide quality brands to the consumer through world class production facilities.

In 2014, Fresha's stand at the Nairobi International Trade Fair won the prestigious "Most Striking Display" and "Best on Interpretation of the Trade Fair Theme" awards.

In 2016, Fresha achieved Superbrand status, reaffirming that Fresha is a brand to reckon with.

Fresha has also won: Company of the Year Award (COYA) and National Ushirika Day best Managed Company of the year and the Best Cooperative Society in Kenya.

Fresha revolutionised the milk industry in Kenya by widely offering the pouch packaging in a market that was dominated by only one type of packaging. This brought a turnaround of

milk packaging in Kenya and today, up to 60% of the market uses the packaging that was made accessible by Fresha.

Additionally, 90% of the market offers 3.5% butterfat milk thanks to Fresha introducing the concept in their products.

Most milk processors used to avoid using real full colour cows images on their packaging. Fresha changed that, the Friesian and Aryshire cow in full colour are a main aspect of its packaging design. They believe that people should know the superior cows their milk comes from. The brand name was derived from mixing of the words Friesian and Aryshire hence the name 'Fresha'. This double edged brand name summarised the milk type and the freshness of Fresha milk.

Fresha has a unique achievement of being one of the few brands internationally that targeted the lower income groups at launch and immediately penetrated the upper income groups with ease. In most marketing scenarios, the brand that is launched and targeted to the upper income groups trickles down to the lower income groups, in Fresha's case, the trickle was the other way around.

HISTORY

Fresha was set up as a dairy cooperative society, prior to 2004, the society operated as a supplier of milk to milk processing companies. The Society today consists of 15,000 shareholders, who are mainly small scale dairy farmers in Githunguri Sub-county. In 2004, the board of directors decided to add value to the members' milk by introducing branding and modern packaging for the final consumer of milk. Initially the brand was offered as a value pack to the lower end of the market



as Farm fresh Whole Milk that was available in 500ml and 200ml. The key of this value addition was to improve the dairy society's profitability. Within 12 months of launch, the society achieved great milestones in the Kenyan dairy sector through quick consumer acceptance and loyalty to the new brand. There were initial start up problems of being accepted by the Upper Income groups due to the plastic pouch packaging being compared the paper packaged milk. Fresha brand was unknown, however, it gained quick acceptance due to the quality of its real farm freshness, real natural milk taste and affordability.

Three months after its launch, the company had to install a new packaging line and within 12 months a third packaging line was added. To maximise on the brand potential, the company launched other brand extensions including flavoured yoghurt, real fruit yoghurts, butter, cream, ghee, and fermented milk. In 2016, Fresha diversified to a new category of bottled Purified Drinking Water. Recently the brand revamped its yoghurt packaging and this increased this category's sales volume by 20%.

The impact of the Fresha brand to the rural town of Githunguri has been substantial in terms of social economic growth and income levels that are way beyond national average levels. Today, Githunguri Sub-county has one of the richest rural economies in the country. Githunguri's Zero grazing in the area is now one of the best in the country. Cow selling prices have increased from an average Kshs 10,000 to over Kshs. 150,000 per cow because of the brand success. There is low youth unemployment in the division as they are fully integrated in dairy farming and are earning as much as their colleagues employed in white collar jobs. Fresha Dairy products are a show case to other Kenyan farmers on how to maximise value addition through dairy farming. The area of coverage has evolved into one of the most economically empowered rural communities in the country. Milk output per cow ranges from 10 litres to 50 litres per day which on average makes the dairy farmer up to Kshs 30,000 per cow per month.

PRODUCT

Fresha is primarily a dairy brand that offers real farm fresh products to all income groups. The strength of the brand is the freshness and



diversity of the products.

Fresha's product range consists of:

- Fresh milk
- Long-life Milk
- Fermented milk
- Butter
- Ghee
- Cream
- Yoghurt
- Purified bottled drinking water

RECENT DEVELOPMENTS:

Fresha is constantly evolving, coming up with new products and improving on the existing ones.

The launch of Fresha Purified Drinking Water has opened a new frontier for the Fresha brand to diversify its product range. They foresee a massive growth in this segment.

Fresha has also launched Zito products that cater to the lower end of the market where higher butter fat level is an important attribute. This brand is positioned to protect Fresha's market share especially at the lower end of the market.

The market is also evolving into Long Life Milk and Fresha has three variants that are enabling it to grow its market share. Fresha Maisha Long Life Milk does not require refrigeration and since not



all homes have a refrigerator, the launch of these products has taken advantage of the market need and so far the variant is doing very well country wide.

PROMOTION

Fresha has primarily used national and regional radio stations to reach the consumer. The regional stations have been very effective in communicating the brand attributes. Additionally, Fresha also uses television with thirty seconds advertisements that reinforce the brand positioning of "real farm freshness". In addition to that, Fresha also has billboards, wall branding, and posters at point of sale, wobblers and bridge branding. They also have supermarket activations at the point of purchase all over the country.

The Key message and most successful slogan of the brand is always: Fresha Milk, Real Farm Freshness.

BRAND VALUES:

The essential values that the brand is associated with:

- Real farm freshness - Fresh milk equals Fresha Milk
- 100% fresh milk no additives
- Unbeatable value
- Premium rich quality milk
- One of the best milk brands in the market

Brand Commitment:

- Providing best quality products that surpass consumer expectation at greater value

Quality Consistency:

- Meets ISO 22000:2005 standards
- Full value chain processes
- Milk Traceability from farm to consumer
- Quality control checks at every stage of milk collection, production, packaging and all inputs
- 24 hour farm visits by Dairy extension Officers
- Farmer quality milk handling training
- No product released to the market if the standards are not to specification
- Qualitative consumer research focusing on quality delivery

Things you didn't know about Fresha

- Fresha milk is a combination of Friesian and Ayrshire milk in equal parts.
- Fresha packaging has both Friesian and Ayrshire cows.
- Fresha milk is on consumers tables within 10 hours of milking, making Fresha's freshness unbeatable.
- Fresha sources all its milk from small scale farmers.
- Fresha processes 34% of Nairobi's milk from Githunguri Sub-County.
- Fresha's success is shared with over 1,000 families through direct employment.
- Fresha's raw milk farmers are amongst the best paid in the country.
- Fresha introduced pouch packaging for their milk.
- Fresha was the first dairy to use images of the Friesian and Ayrshire cows in full colour as a part of their packaging. Before that competing brands avoided any clear visuals of cows.