

Lotus Nessu Aloe Vera

Creating Added Value in the Finnish Hanky Market



July 26th 2006

Background

- In the Finnish hanky category there has not been a new product breakthrough for a long time
- Lotus Nessu launched in September 2005 a product that really offers something more to the consumer. A hanky with the added care of Aloe Vera.
- A speciality of the Finnish hanky market is the quarter folded format. All brands offer it and it dominates the volumes of market. Lotus Nessu is also in this format.

Product Description

- *Brand Name:* Lotus Nessu Aloe Vera
- *SKU:* 45 sheets
- *Price per sheet:* € 0,0148
- *Price of Private label hanky* € 0,0116
- *Product specification:* 3ply hanky with aloe vera
- *Product characteristics:* Softer and caring lotion

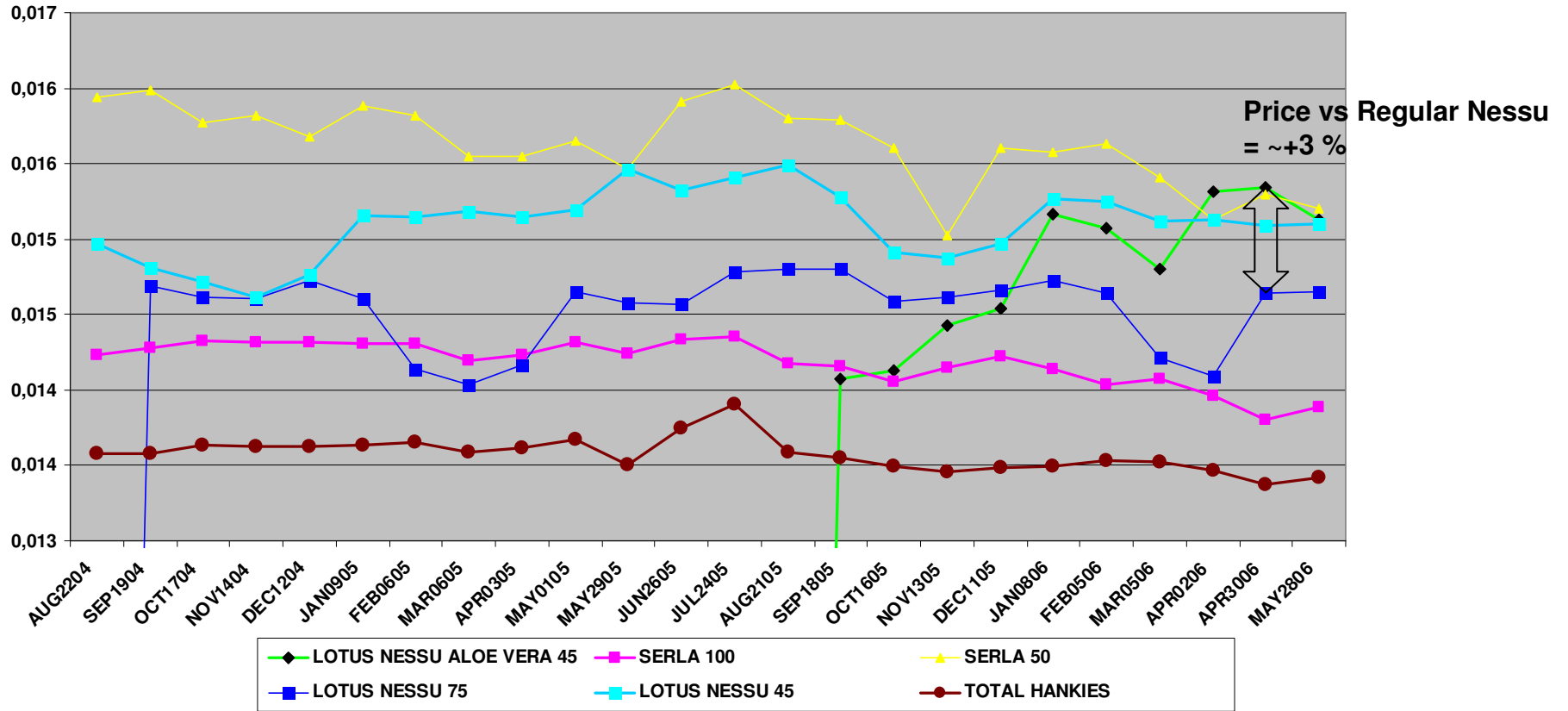
at + 27,5%. Lotus Nessu Aloe Vera is clearly priced significantly higher than the mass market, serving to increase the value of the category!



hellävarainen nessu on nenän ystävä

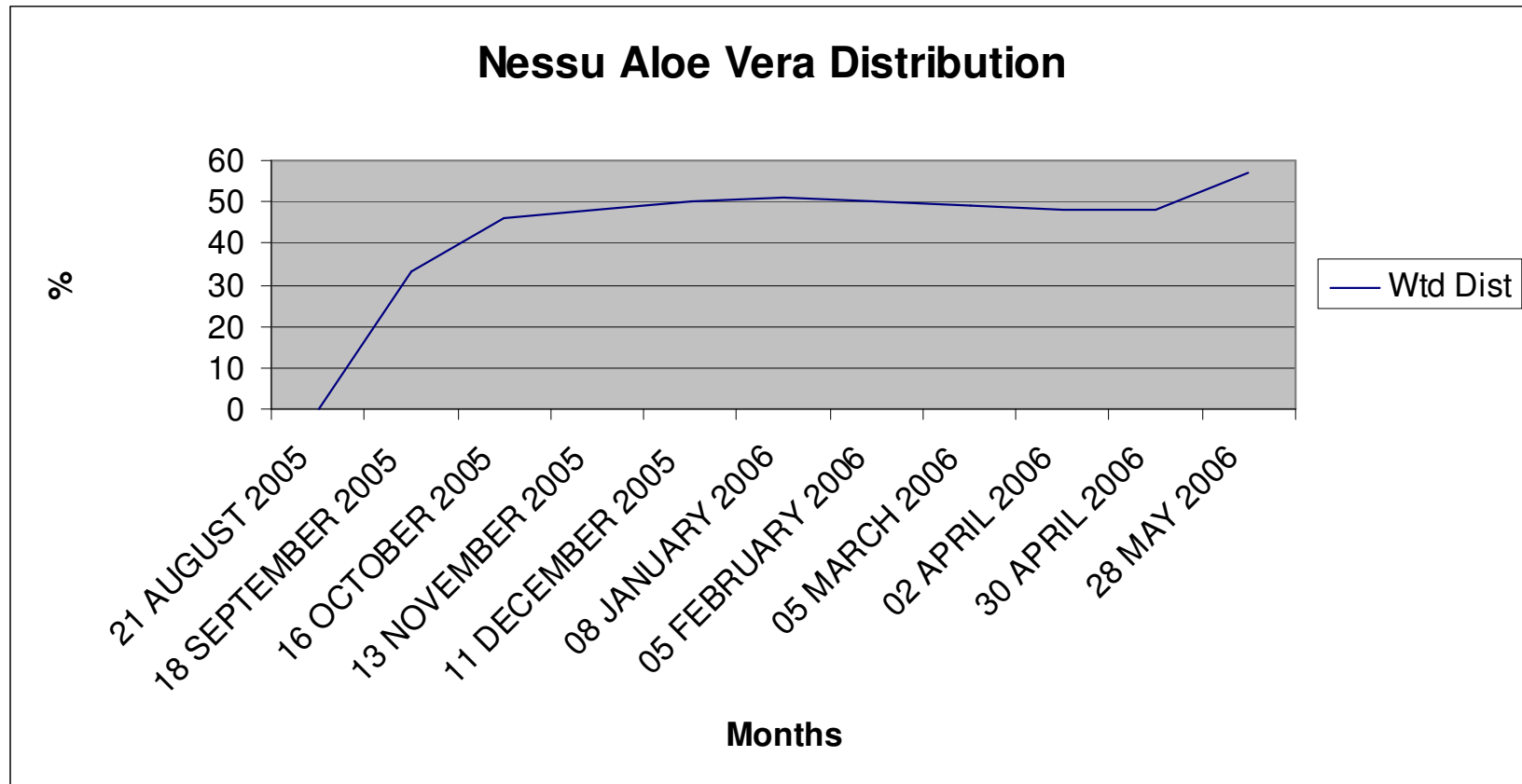
Price of Lotus Nessu Aloe Vera compared to the main brands

GROCERY STORES - PRICE PER UNITS



Lotus Nessu Aloe Vera is priced a little higher than regular Lotus Nessu

Distribution of Lotus Nessu Aloe Vera



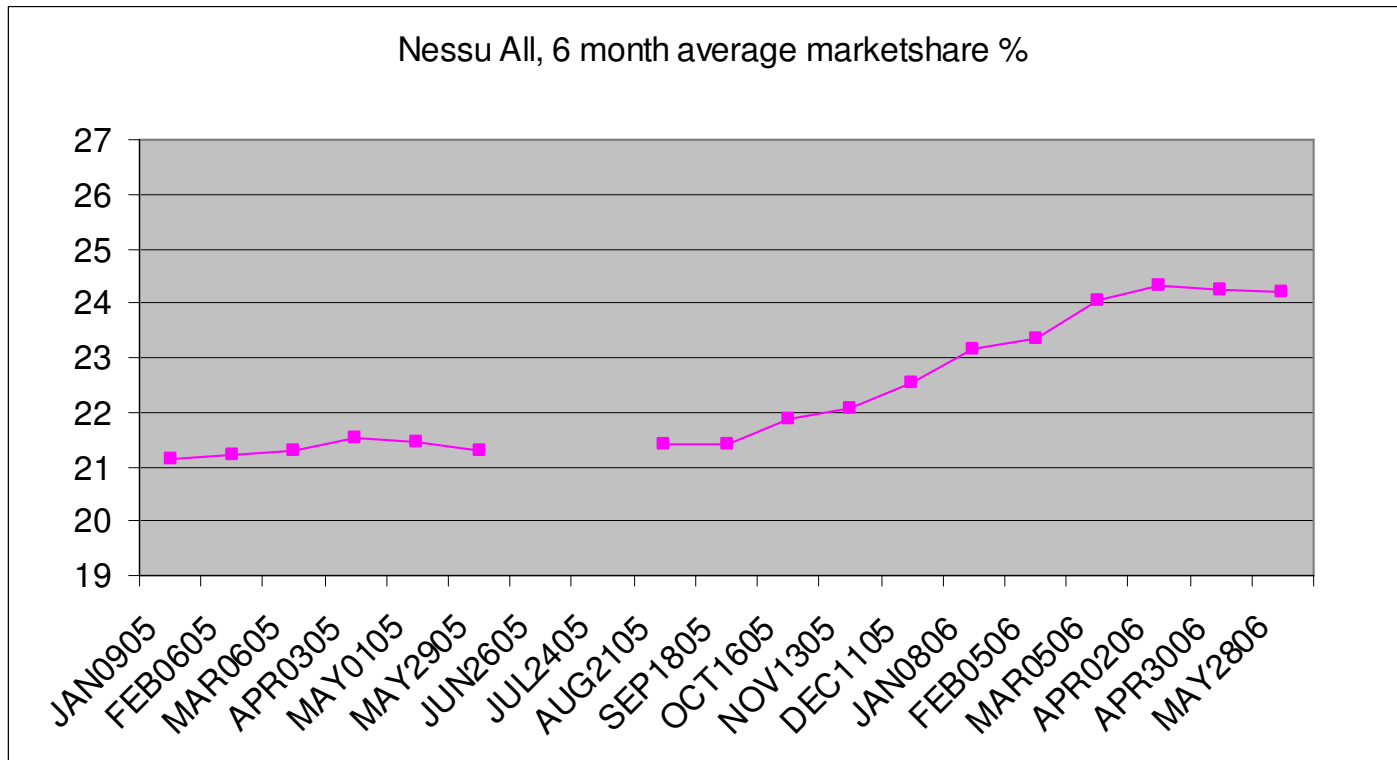
Lotus Nessu Aloe Vera has been well supported by the trade and had within 9 months of launch generated 57% weighted distribution – a figure that is still increasing.

Visibility in stores

- ***Lotus Nessu Aloe Vera hankies were able to get the support of the trade for special promotional in-store displays***



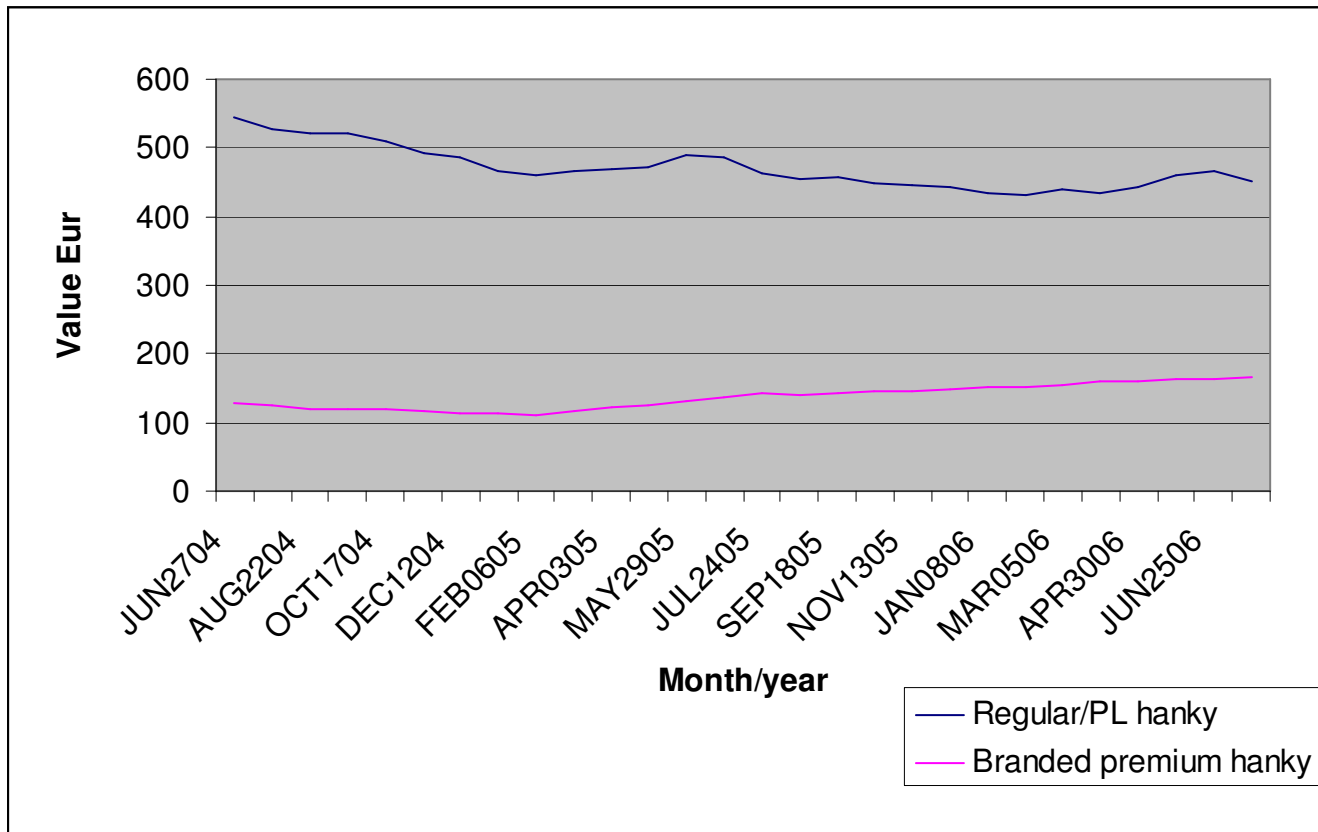
Lotus Nessu SKU marketshare development in Finland



***Thanks to the introduction of Aloe Vera,
Lotus Nessu has developed market share from 21% to 24%***

(Jun-Jul 2005 not applicable due Finnish paper union lockout situation)

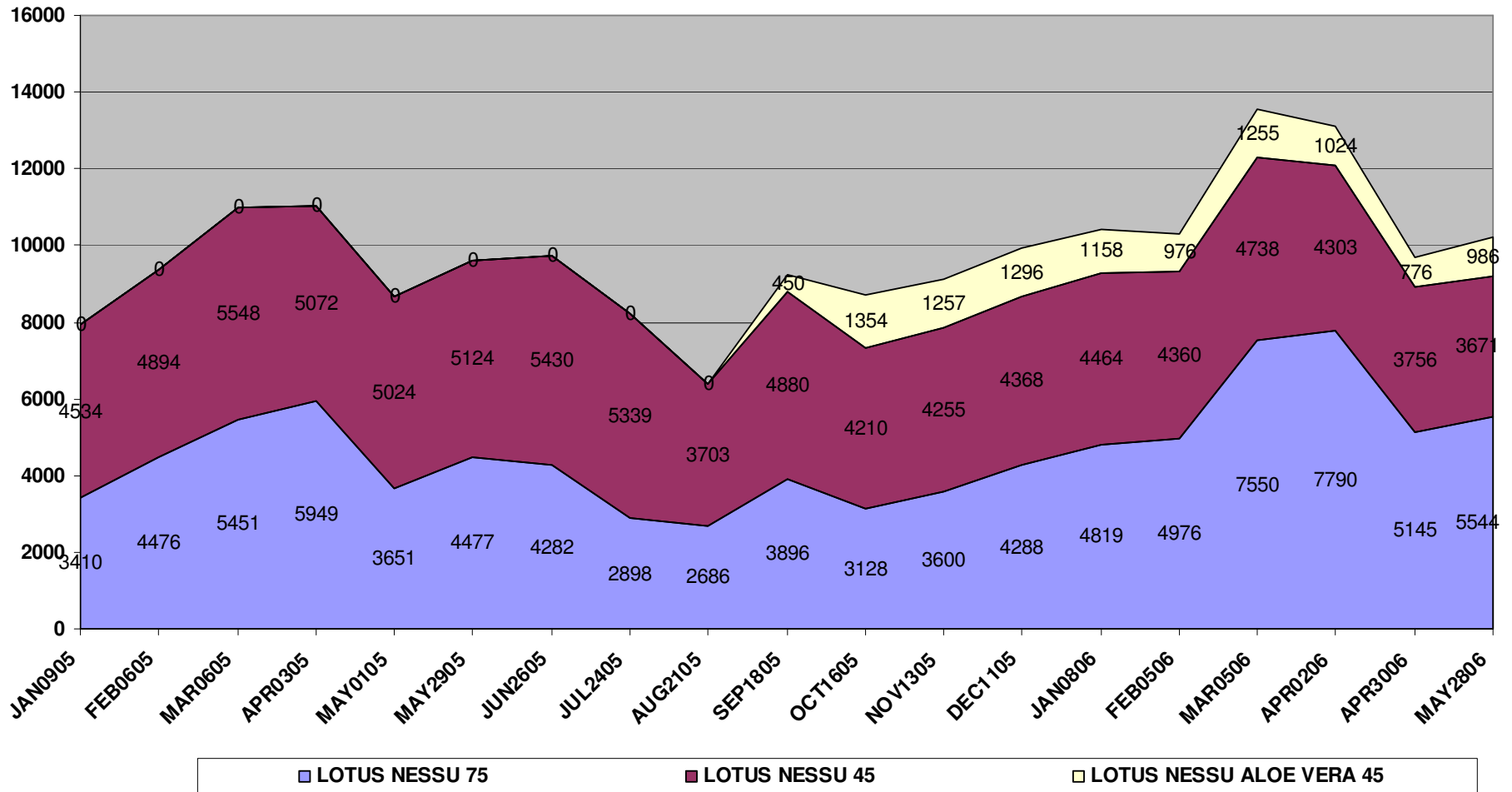
Premium hanky category development



Lotus Nessu Aloe Vera has contributed to the growth of the premium hanky segment

Lotus Nessu Aloe Vera didn't Cannibalise Regular Nessu's sales

GROCERY STORES - SALES UNITS EQU 1000 UNITS



Conclusion

- ***Nine months after introduction we can see that Lotus Nessu Aloe Vera has been well supported by the retail trade and has achieved 57% weighted distribution – a figure still growing***
- ***Thanks to the Aloe Vera launch, Lotus Nessu hankies increased market share by 3% - from 21% to 24%***
- ***Lotus Nessu Aloe Vera is a premium quality hanky offering a unique new benefit and has helped to grow the premium hanky segment***