

Strategy in Action

Strategic Growth Driver



Portfolio Focus

Nutrition Returns to Growth

Following a number of disappointing years, our companion animal nutrition range, *Specific*, experienced strong growth in the 2021 financial year. This was due to a change in the marketing mix and close management of the supply chain.

Marketing Mix Update

Product: Veterinary customer needs are changing and products have to clearly reflect a strong differentiation compared to the main players in the pet food market. To facilitate identification and recommendation by veterinarians, the range has been completely refreshed in two stages: cat diet products in 2018, and then dog at the beginning of 2020. The launch of the refreshed products were supported by a communication campaign to the veterinarians, who remain the key to developing the *Specific* range recommendation to pet owners, with the aim of obtaining new veterinary clients.

The main differentiation of *Specific* is that it is a premium range of veterinary pet food based on sustainability, due to the certified marine based raw material, mainly fish, which gives undeniable technical advantages for healthy diets but moreover a reduced impact on the environment compared to other protein sources.



At the beginning of 2021, this positioning was reinforced by the launch of the organic pet food range, which in addition to being the first organic pet food range launched by one of the main pet food players on the veterinary market, was also offered in recyclable packaging. A commitment has now been made to continue the transition of all *Specific* products to recyclable packaging by the end of 2023 and to continue to select raw materials certified as sustainable.

Price: The refresh of the *Specific* range has allowed us to reduce the price positioning in each market giving us a marketing advantage.

Promotion: Steps have been taken to increase the use of digital communication. Although the *Specific* range remains mainly dedicated to the veterinary channel, digital communications have also been geared to owners explaining the benefits of using *Specific* for their pets and directing them to veterinary practices that stock the product range.

Place: Historically, we have not actively sold the products online, however, due to the rapid digitalisation of the veterinary market, marketing support has been provided to veterinarian's websites to help veterinarians and pet owners find *Specific* products online when needed.

Supply Chain Management

The development of our relationships with suppliers, and new raw material sourcing as well as precise monitoring of inventory have drastically limited the impact of COVID-19 on the stock position. This accurate supply chain management gave *Specific* a clear competitive advantage that continues today compared to the main players in the veterinary market.

Unfortunately, the COVID-19 crisis occurred during the relaunch of the refreshed *Specific* range, but having secured the supply, new marketing actions and improved digital orientation have made it possible to successfully overcome this crisis. We have delivered additional benefits to the range in terms of visibility and reliability, and delivered solid sales growth in the year.