



LURPAK is a major player in its category. Driven by growing trends of taste and purity, it continues to go from strength to strength, attracting a new generation of butter lovers 100 years on. A differentiated market position, clear brand positioning, memorable advertising and successful new product development have all contributed to LURPAK's strong growth.



Market

"A little bit of what you fancy does you good". This attitude is driving a return in popularity for butter and butter-blends. Increased household penetration has led to increased sales of LURPAK over recent years. Indeed, over one in three households in the UK buy a LURPAK product every year which rises to one in two households in the north of England and Scotland.

The total Butter, Spreads and Margarine (BSM) market is worth £887 million with LURPAK contributing £173 million to this (Source: IRI Infoscan 52 w/e February 24th 2007). It is a mature market with 99 per cent household penetration, but sales are predicted to decline over the next decade with consumption set to decrease mainly due to a growing interest in health, the decline of host products (such as bread) and the increase in out-of-home eating. Therefore, competition for share of market is tough, with only a handful of brands winning out.

A market driven by taste, health and convenience, LURPAK sits firmly at the taste

end of this spectrum and is consistently voted 'best tasting' by consumers. In fact, 'Spreads' (blends of butter and vegetable oil such as LURPAK Spreadable) are driving the BSM market as the only sector to achieve annual double-digit growth.

Achievements

In a market that is declining in volume, LURPAK grew five per cent in 2006, with LURPAK Spreadable breaking the £90 million brand sales barrier and LURPAK Lighter breaking £50 million. The brand experienced its highest ever level of annual household penetration as a greater number of younger and southern people bought into the brand, driving its value market share to an all time high of almost 20 per cent.

LURPAK Spreadable is the number one brand in the BSM category (Source: IRI Infoscan 52 w/e February 24th 2007), with LURPAK Lighter at number five – an achievement gained only five years since launch.

Consumer loyalty to LURPAK is strong. In fact, over the past two years the brand has

accumulated more than 120,000 'LURPAK Lovers' to its customer database.

Product

LURPAK is a lactic butter, giving it a distinct flavour profile that is often described as 'subtle, creamy and pure'. It contains less water than many other butters making it ideal for cooking and baking. Indeed, it was used by Jamie Oliver in the TV series 'Naked Chef'.

From 1911, only dairies participating in a rigorous system of regular blind tastings could use the Lur-mark Danish Butter brand. These quality controls are still practiced today. In fact, to ensure that LURPAK retains its premium credentials, its dairies have to submit samples to a trained panel of independent experts on a weekly basis.

LURPAK's differentiation is visible in the supermarket where its distinct silver packaging sets it apart in a sea of yellow and gold competitor packaging. It is available in slightly salted and unsalted varieties in 250g and 500g sizes.



LURPAK Spreadable Slightly Salted – a blend of LURPAK butter and vegetable oil – is available in 250g, 500g, 1kg and 2kg tubs. An unsalted version of LURPAK Spreadable was launched in 2006 and is now available in 250g and 500g pack sizes.

LURPAK Lighter Spreadable – a reduced fat version of LURPAK Spreadable – is available in 250g, 500g and 1kg tubs.

Recent Developments

The most recent development for LURPAK is the introduction of LURPAK Spreadable Unsalted in January 2006. Launched in a 250g pack size in all major supermarkets, the success of this line extension has led to a 500g pack size being launched in January 2007.

Selling more packs than any other BSM launched in 2006 (Source: IRI Infoscan 52 w/e December 2006) and contributing incremental sales to the brand, LURPAK Spreadable Unsalted's success is due to its appeal to people seeking a balanced approach to their diet.



In April 2007, the brand embarked on a £6 million advertising campaign that focuses on communicating to a growing generation of 'foodies' who are willing to pay more for good food.

Promotion

LURPAK's marketing has always been simple and consistent, centred around brand truths that are the same today as they were 100 years ago – namely its distinctive taste and renowned quality.

For almost 20 years, the loveable Douglas the Butterman fronted the brand's advertising, accompanied by Penelope Keith as the voiceover artist. These adverts were hugely popular with a mass audience and helped position LURPAK as an 'everyday luxury'.

However, times move on, and towards the end of the 1990s Douglas was failing to cut-through with TV audiences – especially the younger generations who considered him 'old-fashioned'.

Today, LURPAK has gone back to its roots with a campaign that positions it as an enhancer of good food.

The campaign strapline 'Good food deserves LURPAK' encapsulates the essence of the advertising, encouraging people to think twice about what butter, spread or margarine they use.

Three new TV adverts were created by communications agency Wieden + Kennedy, celebrating simple, wholesome foods such as bread, potatoes and mushrooms, and the benefits that LURPAK brings to them.

Accompanied by eye-catching press and poster work with quirky straplines such as 'Mash – Food of the Gods' and 'Wonky is good – never trust a symmetrical loaf', the advertising creative works through-the-line across a range of media. It creates true impact in what many consider a 'dull' category littered with clichéd advertising and poor consumer recall.



Supporting the new positioning as a 'champion of good food', the brand has launched www.insearchofgoodfood.co.uk – a website providing a haven for foodies to share tips and recipes, read food-related articles and discuss all things culinary via its online forums.

Brand Values

The LURPAK brand values are centred around the product being premium, quality, natural and authentic.

LURPAK believes that good food really matters as one of life's greatest pleasures and is worth taking the time to enjoy, no matter what the occasion.

LURPAK is simply made with pure, natural ingredients to give a subtle and distinctive flavour that brings out the best of food.

The brand's values are firmly established in the minds of consumers and are as relevant today as they were 100 years ago. The fundamentals of the brand have remained unchanged, which is one of the main reasons for LURPAK's continued success.

www.lurpak.co.uk

Things you didn't know about LURPAK

LURPAK is sold in almost 75 countries worldwide.

It is one of the UK's top 20 best-selling grocery brands.

LURPAK butter was first sold in wooden barrels bearing the 'Lur' mark – a 'lur' being an ancient Scandinavian wind instrument.

Old LURPAK merchandise such as butter dishes and toast racks are considered collectors items and can often be found on eBay selling for up to £30 a piece.

More than 20kg of whole milk goes in to making 1kg of LURPAK butter – nothing is wasted though as by-products of the butter-making process, like buttermilk, are used in other products such as soft cheese.



1901

The 'Lur-mark' is registered on October 23rd. The mark consists of four intertwined 'lurs' and the words 'Danish Butter' and 'Lur Brand'.

1932

In the UK, sales of Lur-marked Danish butter total 130,000 tons per annum – an all-time high.

1957

Individually wrapped packs of Lur-marked Danish butter are launched and the words 'Danish butter' are replaced with 'LURPAK'.

1984

The animated figure Douglas the Butterman is created by Aardman Animations. The people behind Aardman, Nick Park and Peter Lord, will later win Oscars for their popular Wallace & Grommit series.

1997

LURPAK Spreadable – a blend of LURPAK butter and vegetable oil – is launched in the UK.

2001

LURPAK Lighter Spreadable – a reduced fat version of LURPAK Spreadable, containing 25 per cent less fat – is launched in the UK.

2002

LURPAK Spreadable becomes the number one sub-brand in the BSM category. It retains this position today (Source: IRI Infoscan 52 w/e February 24th 2007).

2006

LURPAK Spreadable Unsalted is launched in the UK and sells more packs than any other BSM product launched that year.

2007

LURPAK launches its new advertising campaign – 'Good Food Deserves LURPAK'. It is also voted the strongest BSM brand by the Superbrands consumer survey.