

From tin cans to baby bottles

How formula milk manufacturers target consumers



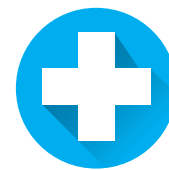
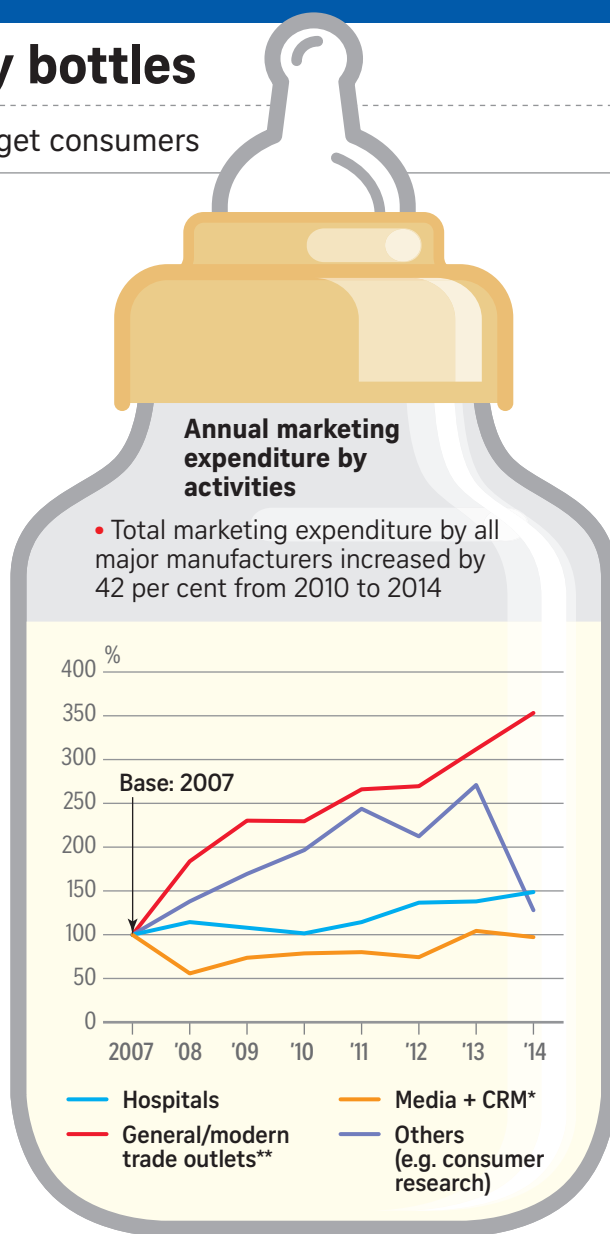
Research and development

- Heavy investment in research
- Continual introduction of new products with modified formulations
- Manufacturers tend to focus on premium brands – which include more ingredients – and speciality brands for children with special dietary requirements such as lactose intolerance



Supermarkets and pharmacies

- Manufacturers run large-scale promotions to encourage customers to select their brands
- Advertise through various ways, including newspapers, TV and radio
- Manufacturers' share of the market will affect their share of the in-store display in supermarkets



Hospitals

- Provide sponsorships and payments to private hospitals to take part in their milk rotation systems, where hospitals provide a "default" brand if parents do not indicate any preference of brand
- Sponsorships may cover training course fees for hospital staff, shuttle buses, printing of maternity brochures, and Mother's Day gifts
- Provide support through activities such as talks on pregnancy and parenting for first-time parents
- Look for speakers and experts, support venue rental or provide sponsorships for refreshments or gifts at these events
- Contact hospitals regularly to update them on new products or ingredients

NOTES: *CRM refers to customer relationship management, such as membership programmes.
**General trade outlets refer to smaller retailers such as provision shops, and modern outlets refer to big retail chains such as supermarkets.