

June 2024 Sales Team Communications



TheHilandSalesHome.com



POS
materials
available!

SUMMER
SIPS
and Snacks
SWEETSTAKES



Promotional Period: June 10 - July 21, 2024

The "Summer Sips and Snacks" Sweepstakes invites consumers to showcase their culinary creativity by submitting their best summer recipes in three categories: desserts, drinks, and entrees. Each recipe must incorporate at least one Hiland Dairy product. This contest aims to build user-generated content, foster community engagement, and deepen consumer loyalty by highlighting the versatility of Hiland Dairy products. Consumers can win a summer supply of Hiland Dairy products, including milk, ice cream, and other dairy snacks – and the best recipes could be featured in a Hiland Dairy Summer Recipe eBook.

An integrated marketing campaign utilizing paid social media (including Facebook, Instagram, TikTok, Snapchat, Pinterest), digital display/native, video/connected/programmatic linear television, and radio will help drive awareness of and traffic to the promotional landing page where consumers can submit their recipe, sign up for a chance to win Hiland Dairy coupons, and more. .

Goals/Objectives:

This promotion aims to engage consumers by encouraging them to submit their original summer recipes featuring Hiland Dairy products, increasing brand awareness and product usage during the summer season.

HilandDairy.com/Summer




Digital, Social and Traditional Marketing

The media schedule will provide powerful tactics to ensure the message is heard throughout Hiland's trade area.

Media Support

- Digital Ads
- Social Media Ads, Cover Photos and Strategy
- Streaming Audio
- Connected TV
- Pre-Roll Video
- Public Relations
- Consumer Emails
- Programmatic Linear TV



 Locally Made. Naturally Delicious.	JUNE				JULY				AUGUST					
	3	10	17	24	1	8	15	22	29	5	12	19		
General markets: Nebraska, Oklahoma, Kansas City, Springfield, Joplin, Des Moines, Wichita, Little Rock, Fay/Ft. Smith														
DIGITAL														
DISPLAY/NATIVE														
Native ads placed within cooking, baking and summer specific verticals														
VIDEO														
Pre-roll & CTV video within food and summer content														
PAID SOCIAL MEDIA														
Image & Video ads on Meta, Pinterest & TikTok														
AUDIO														
Programmatic streaming audio across radio, podcasts, etc.														
BROADCAST														
PROGRAMMATIC TV														
Thirty-second ad placements targeting Women 25-54 IN Omaha, OKC, Little Rock and KC														

Have a store that wants to get involved? We can provide customized point-of-sale materials.

Questions?

Call Kelly or Kathy at Envoy | 402.558.0637

Visit the landing page for more details:

HilandDairy.com/Summer



Monthly Sales Goal Flyers

We have added a new category to the Hiland Sales Home for the monthly sales goal flyers and posters. We will add these for easy reference as we receive them from the marketing team.

[View Goal Flyers here.](#)

Posters
now
available!

Cream Cheese & Aerosol Whipped Cream
July's Featured Products

+3%
Sales Goal

- Our whipped cream uses real dairy cream as its base.
- Whipped cream can be used to top seasonal fruit like peaches, blackberries, and plums for an easy sweet but nutritious snack.
- Spreadable cream cheese is a great buy for back to school breakfasts, lunches, or snacks.
- Block cream cheese is a great ingredient to make fruit cobblers and pasta dishes richer.

Hiland
DAIRY FOODS
FARMER OWNED

Locally Made.
Naturally Delicious.™

thehilandsaleshome.com/goal-flyers

Hiland
DAIRY FOODS
FARMER OWNED

Feeding America Food Bank Donations

Congratulations to all of you for making this happen!

In honor of National Dairy Month and on behalf of our dedicated dairy farmers, Hiland Dairy is proud to announce the successful delivery of milk donations to 15 Feeding America® network food banks across a six-state region, including Arkansas, Kansas, Missouri, Nebraska, Oklahoma, and Texas. Each food bank received one to two pallets of Hiland Fresh 2% Lactose-Free Milk, totaling 4,104 gallons and equating to 65,664 eight-ounce servings.

"We are honored to provide essential nutrition to thousands of families in need," said Rick Beaman, President of Hiland Dairy. "Our dairy farmers and team members are committed to positively impacting our communities, and National Dairy Month is the perfect occasion to emphasize this commitment."

Donations were coordinated at each plant location and delivered on Wednesday, June 26, 2024.

Brian Barks, President and CEO of Food Bank for the Heartland, said, "This generous donation of 54 cases of milk from Hiland Dairy comes at a critical time when one in every five Heartland children is now facing hunger. And with kids home during the summer months, we see an even greater need for nutritious items such as this. We are grateful for our friends at Hiland Dairy for their ongoing partnership in the fight against hunger."

Jordan Browning, Director of Communications at Ozarks Food Harvest, added, "We are incredibly grateful for Hiland Dairy's generous milk donation. This donation will make a significant difference for the families we serve in the Ozarks as they continue to deal with the increased childcare and housing costs."



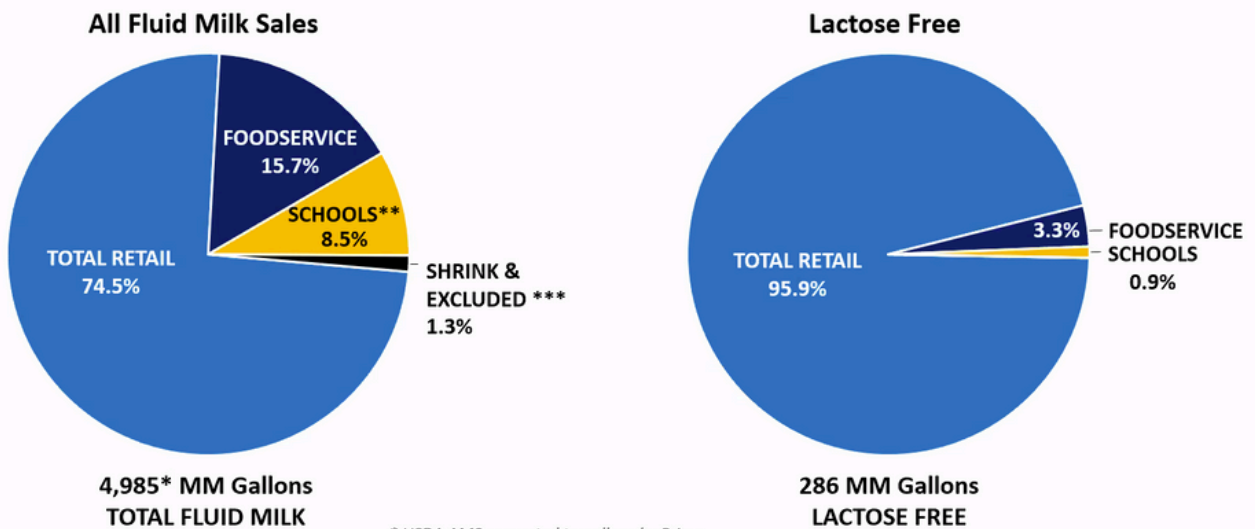
Industry Update

June 6 MilkPEP All Channel Tracking Webinar Part 1 Overview Retail included discussion regarding

- Lactose Free Product Sales
- Economic and external factors affecting milk in 2024
- 2023 recap of all channels

Comparing Lactose Free Development

Retail channels represent 95.9% of Lactose Free product sales. Grocery was 51.8%, followed by Mass at 26.4%. Clubs ranked third with 13.3%. Outside of retail, the largest volume segment was Schools at 2.5 MM gallons. Schools and Senior Living each represent large untapped potential sales.



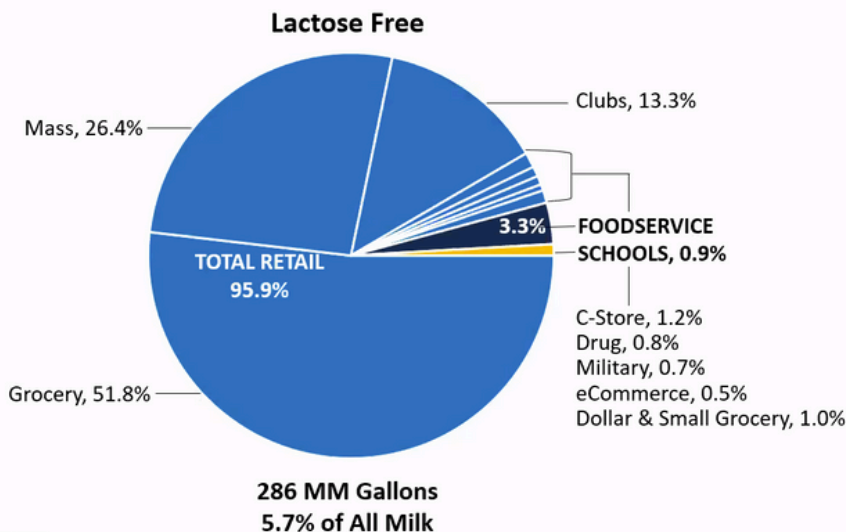
* USDA AMS converted to gallons by Prime
** Includes preschools, daycare & head start programs

May not add due to rounding



Grocery, Mass & Clubs are 91.5+% of Lactose Free Sales

Lactose Free represents 5.7% of all milk volume sales. In large retail channels, Lactose Free is 7-8% of the milk volume sales in those channels. The strongest representation is in eCommerce and Military where it is 16-20% of sales. Dollar & Small Grocery, C-Stores and Schools are underdeveloped with ~1% or less.



LACTOSE FREE/REDUCED SHARE OF MILK	
In Channel	2023 Share
Grocery	8.2%
*Mass	7.6%
**Clubs	11.6%
C-Stores	1.9%
Drug	10.1%
Military (DeCA Only)	16.8%
eCommerce	20.6%
Dollar & Small Grocery	1.1%
Foodservice	2.0%
Schools	0.6%
TOTAL	5.7%

May not add due to rounding

* 7-13 Chain Range ** 3-18 Chain Range

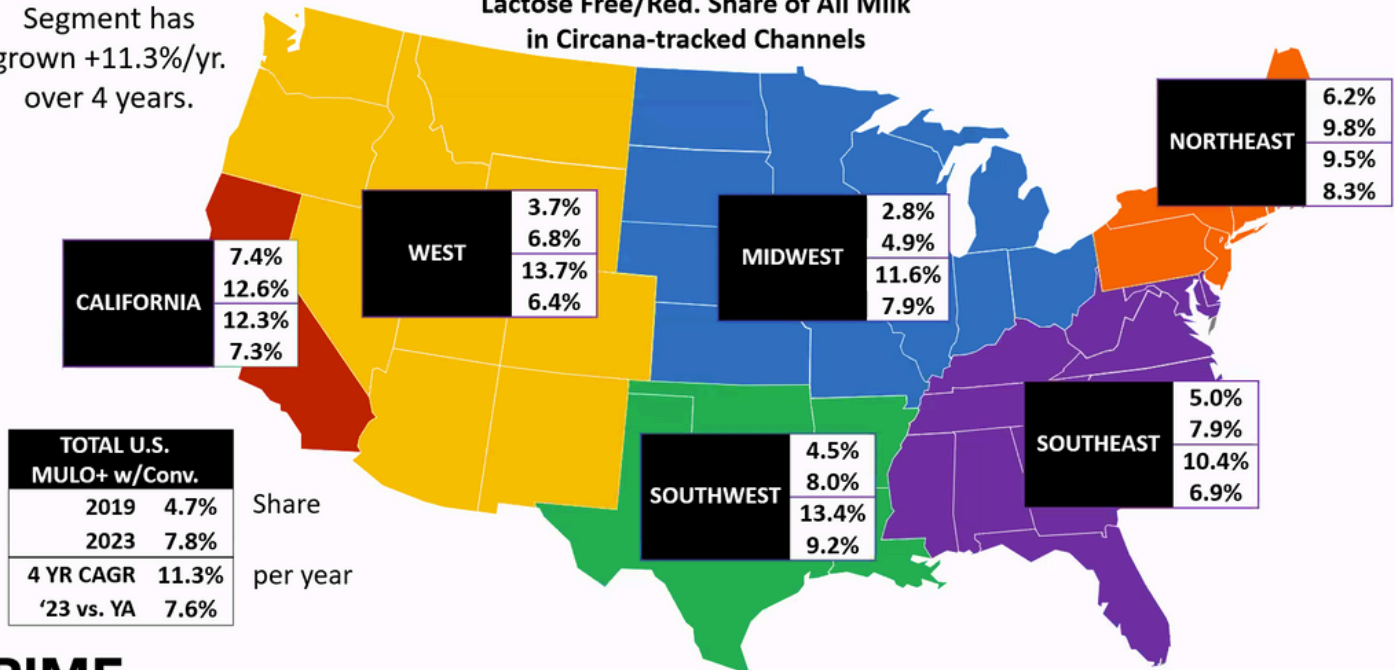


Industry Update

Lactose Free Share of Milk Has Risen in Tracked Channels

Segment has grown +11.3%/yr. over 4 years.

Lactose Free/Red. Share of All Milk in Circana-tracked Channels



Source: Circana MULO+ w/Conv.

PRIME

Milk Sales (\$) as % of Total Store Sales



2023 development declined largely due to pricing being less than pricing across the store.

Milk sales in Amazon eCommerce have been noticeably larger than in other channels.



Source: Circana

PRIME

Industry Update

Large & Small Format: A Deeper Look - Implications

Key implications include:

- Milk is important to retailers for the sales of milk, but more importantly for the way milk can steer entire shopping carts/store loyalty. The biggest threat to that is the decay in retailer support evidenced by declining variety, space and rise of out-of-stocks.
- Processors will need to increase their involvement in category planning and providing insights, in addition to disruptive innovation to capture more share of mind and support by retail executives.
- **Many retailers need assistance in assortment, space planning and solutions for out-of-stocks.**
- Even though the majority of the category is private label, several processors in each chain can help proactively drive decisions, rather than be reacting to decisions made with less insights/input.
- MilkPEP and DMI have resources to assist in telling the category story, including subject specific modules for individual subjects.

PRIME

Economic & External Factors Affecting Milk: 2024

TAILWINDS (IN FAVOR)	VARIED (POSITIVE OR NEGATIVE)	HEADWINDS (CHALLENGES)
<p>Employment and job creation have held up well thus far in 2024. Any upcoming slow down is forecast to be short lived/less severe.</p> <p>Food inflation pushed consumers toward more meals at home.</p> <p>Lactose Free (+6%) continues to be a growth segment. How high is up? Opportunity to expand offerings and channels where LF is offered, along with instruction of flavored.</p> <p>Schools: Shelf stable has stood in gap of fragile gable top supply chain 2 years running. Expect larger presence and more VA offering – Lactose Free both white and flavors.</p>	<p>Consumer durable spending has slowed. Will it effect food at home and foodservice?</p> <p>Expectation of 3 interest rate cuts in back half of 2024 is less certain. Will it deliver 'soft landing' without downturn?</p> <p>Continuation of higher milk price elasticity as we move past Covid?</p> <p>Captive plant expansion likely to reduce product availability for other channels (schools).</p> <p>Ecommerce opportunities for milk growth.</p>	<p>Aggressive category leadership efforts by competitors in dairy. Focus on balancing variety, space, in-stock and service levels.</p> <p>Competing innovation growing (esp. waters). Older population trying more H/W products. Milk innovation has slowed. Even bottled water and Alt's face new competition.</p> <p>Organic (-6%) with declining HH penetration. Is the softness consumer-led or structural/brand driven?</p> <p>Schools: Fragile supply chain – plant closures and carton shortage with no end in sight. Efforts to reduce sugar in flavors by districts will lower milk consumption.</p>

PRIME

Sales Topline Report



[Download "Period 5" Topline Report](#)

Period 5 Report Summary

In Pd. 5, milk volume in the expanded Circana-tracked channels was +0.1%, bringing YTD to +0.5% vs. YA. **(Circana reporting now includes both ALDI and Costco with history)**. Both chains have been outperforming competitors, so the effect of including them is to lift the trend vs. YA by roughly .8-1.0 points vs. YA (even with the history being included).

Traditional White was -1.0% and Organic milks were +2.0%, while Lactose Free recorded +8.8% growth.

These groupings are carried throughout the Topline and are organized by the category segments shown below. Period 5 volume results vs. YA. were:



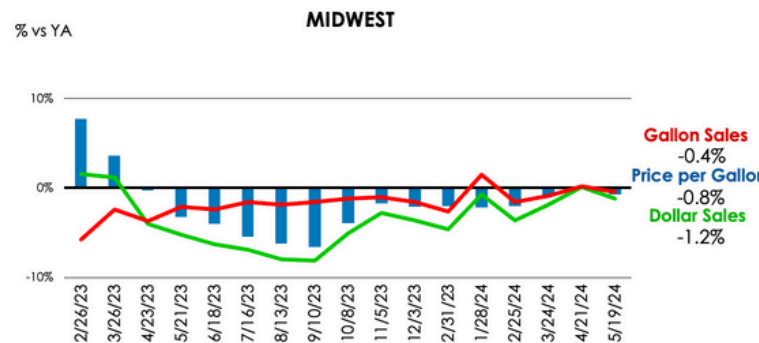
Traditional Milk	-0.7%	Value-Added	+4.9%
White	-1.0%	Organic	+2.0%
Flavored	+3.5%	Non-Organic	+7.8%
Buttermilk/Eggnog	-0.3%	Lactose Free	+8.8%
		(part of Value-Added)	

Circana Labels:
Multi-Outlet+ includes Costco and ALDI
Multi-Outlet+ with Conv. adds the C-store channel and represents the broadest reporting from Circana.
All reporting is Multi-Outlet+ with Conv. unless otherwise noted.

Regional Trends: Midwest

Milk volume sales in the Midwest region were flat (-0.4%) vs. YA, driven by Traditional and Organic Milk (Traditional White -1.5%, Flavors +3.7% and Organic +2.7%).

Lactose Free had +9.8% growth vs. YA despite rising prices.



Multi-Outlet+ w/Conv Data thru 5/19/24	Volume (Gal)		Volume Share		Volume Growth Trend % vs YA				Price per Equiv Gal (\$)			
	2023	L52 Weeks	2023	L52 Wks	4 wk	13 wk	YTD	52 wk	4 wk	13 wk	YTD	52 wk
TOTAL MILK	857,723,322	856,912,283	100%	100%	-0.4%	-0.5%	1.5%	-1.2%	\$4.36	\$4.36	\$4.34	\$4.38
TOTAL TRADITIONAL	772,690,706	769,839,651	90.1%	89.8%	-1.1%	-1.2%	0.7%	-1.7%	\$3.76	\$3.77	\$3.77	\$3.78
Traditional White	714,054,106	711,018,590	83.2%	83.0%	-1.5%	-1.5%	0.8%	-1.8%	\$3.48	\$3.49	\$3.52	\$3.51
Traditional Flavored	58,636,600	58,821,061	6.8%	6.9%	3.7%	1.7%	-0.7%	-1.0%	\$7.09	\$7.08	\$6.89	\$7.09
TOTAL VALUE-ADDED	77,688,044	79,665,659	9.1%	9.3%	6.1%	6.5%	8.1%	4.1%	\$9.66	\$9.65	\$9.57	\$9.60
Organic	36,429,448	36,906,669	4.2%	4.3%	2.7%	3.3%	4.7%	-0.5%	\$9.04	\$9.06	\$9.03	\$9.11
Organic White	35,013,386	35,544,967	4.1%	4.1%	3.1%	3.8%	5.4%	0.0%	\$8.70	\$8.72	\$8.75	\$8.77
Organic Flavored	1,416,063	1,361,702	0.2%	0.2%	-7.7%	-9.2%	-10.2%	-12.4%	\$18.59	\$18.45	\$16.68	\$17.84
Non-Organic	41,258,596	42,758,990	4.8%	5.0%	9.1%	9.3%	11.3%	8.4%	\$10.18	\$10.14	\$10.04	\$10.02
Non-Organic White	33,948,434	35,163,428	4.0%	4.1%	10.0%	9.4%	10.9%	8.5%	\$9.51	\$9.50	\$9.46	\$9.39
Non-Organic Flavored	7,310,161	7,595,561	0.9%	0.9%	5.1%	8.8%	13.4%	8.2%	\$13.32	\$13.10	\$12.84	\$12.93
BUTTERMILK & EGGNOG	7,344,668	7,411,186	0.9%	0.9%	0.7%	0.4%	19.0%	3.7%	\$9.14	\$9.37	\$9.80	\$11.24
TOTAL FLAVORED (Trad & Value-Added)	67,621,890	68,042,278	7.9%	7.9%	3.6%	2.3%	0.5%	-0.3%	\$8.00	\$7.99	\$7.76	\$7.94
TOTAL LACTOSE F/R (Organic & Non-Organic)	39,654,280	41,182,769	4.6%	4.8%	9.8%	10.0%	11.7%	9.1%	\$10.02	\$9.98	\$9.87	\$9.83
TOTAL ENHANCED (Organic & Non-Organic)	22,660,646	23,843,570	2.6%	2.8%	15.6%	13.7%	17.0%	8.4%	\$12.06	\$12.05	\$11.91	\$11.90

New POS

The great taste you LOVE,



now has a **FRESH LOOK!**

New Point-of-Sale Materials
Clings, danglers, shelf strips,
and elastitags!

- Summer Promo
- Raspberry Lemonade
- Almond Milk New Packaging
- Gallon milk
- Yogurt
- Whipped Cream Aerosol
- Buttermilk
- New culture packaging
- Borden Texas in Spanish

[Click to view and order!](#)



The great taste you LOVE, now has a **FRESH LOOK!**



The Hiland Sales Home

Please be sure to share this very important tool chest with your sales teams! We are constantly updating the Sales Home with new materials. Please check the New Updates tab to see what's new.

Be sure to use the search tool on the Hiland Sales Home if you can't find what you're looking for!

What's new this month?

New Updates

Date	File	Download
6/10/2024	Raspberry Lemonade (PDF)	Download
6/7/2024	July 2024 Product Flyer (PDF)	Download
6/7/2024	July 2024 Product Poster (PDF)	Download
6/7/2024	2024 Hiland Locations Map (JPG)	Download
05/31/2024	May 2024 Hiland Sales Team Communication (PDF)	Download

Point-of-Sale Materials

NEW Point-of-Sale
Materials Catalog
Available!

[CLICK HERE TO VIEW
AND ORDER](#)



Point of Sale Catalog

Browse the different POS materials offered by the marketing department and place orders for your stores, clients, etc.



Marketing Materials Catalog and Order Form

A new marketing materials catalog and order form document has been uploaded to The Hiland Sales Home. This is a great at-a-glance look at the event and promotional materials that are available to you.

[Please click here to view catalog and order.](#)

EVENT MATERIALS – 10' X 10' TENT WITH SPLASH LOGO & TAG LINE (CAN REQUEST)



MARKETING MATERIALS



SUSTAINABILITY FOLDER

H. R. MATERIALS



NOW HIRING DRIVERS POSTCARD

EVENT MATERIALS – FLOOR BANNERS



DRIVEN BY CARE
(CAN REQUEST)



SUSTAINABLE COW
(CAN REQUEST)



MORE THAN MILK



We're Here to Help

Need Marketing Assistance?

Sponsorships/Race Ads • Print Ads/Materials • Grocer Partnerships and In-Store Materials • Research and Consumer Feedback • IRI • Local Marketing Initiatives • Design (from trailers to murals, you name it) • Public Relations • And more!

Greg Stephenson
Sales Specialist

gstephenson@hilanddairy.com

- Contact Greg Stephenson to get coupons shipped to your location.

Bridget Hudson
Marketing Specialist

bhudson@hilanddairy.com

- Contact Bridget Hudson for business card requests and event signage.

If you have a positive or negative circumstance that you believe would make it to the media, please contact Kathy and Sarah. We love to work with the media by writing press releases that protects the Hiland brand reputation.

Give us a shout!

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We've added a Comments/Suggestions form to thehilandsaleshome.com. You can use this to submit product suggestions, marketing ideas, general feedback, etc.

