AUSTRALIA'S FAMILY BUSINESS 17TH NATIONAL CONFERENCE

Smart Branding for Family Business – The Australian Advantage

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Welcome

Overview

- Country of origin branding and the Australian Made, Australian Grown (AMAG) logo
- Integrating family brands with the AMAG logo and the value it brings
- Some practical examples of leveraging country of origin branding
- Proposed reforms to country of origin food labelling

About country-of-origin branding

It serves a very important purpose

- Being recognised as Australian is a positive in most markets
  - Fresh , healthy & tasty: food grown in clean, green environment
  - Safe: products made and grown in accordance with strict regulations and standards are high
  - High quality: components, ingredients and manufacturing/processing standards are high
  - Value: represents good value for money
- Australian products can generate a premium in the marketplace
- Australia is a high cost country - a challenge for the competitiveness of many Australian products, so country of origin is an asset that should be highlighted

Why brand products as Australian?

Leverage consumer sentiment & behaviour

- 90% of Australians have become more loyal to buying Australian in the past two years^
- 58% of consumers purchase products made in Australia based on country-of-origin claims*
- 68% of consumers purchase products grown in Australia based on country-of-origin claims*
- 66% of Australians are concerned about the quality of imported food^

^Datamonitor
*Roy Morgan Research

Why brand products as Australian?

Challenges: Confusion in the marketplace

- Proliferation of ‘pretender’ logos and misinformation

- Maps, flags and animals are often used to disguise whether a product is genuinely Australian Made or Grown

Why brand products as Australian?

Is being recognised as Australian important to your brand?

- If the answer is **yes**
- What is the most effective way to convey the 'Aussie' message to consumers, business and all levels of government?

The kangaroo works

The Solution

The Australian Made, Australian Grown logo

- Recognised and trusted
- Conveys ‘Australian’ message instantly, clearly and with authority
- Third-party accreditation and credibility
- Influential
- Differentiation in the marketplace
- Opportunity to charge a premium
- Helps convert sales
- Demonstrates use of ethical labour resources
- Demonstrates provision of local employment opportunities
- Competitive advantage in export markets
- Presents business development opportunities through AMCL

The Australian Advantage

About the Australian Made, Australian Grown logo

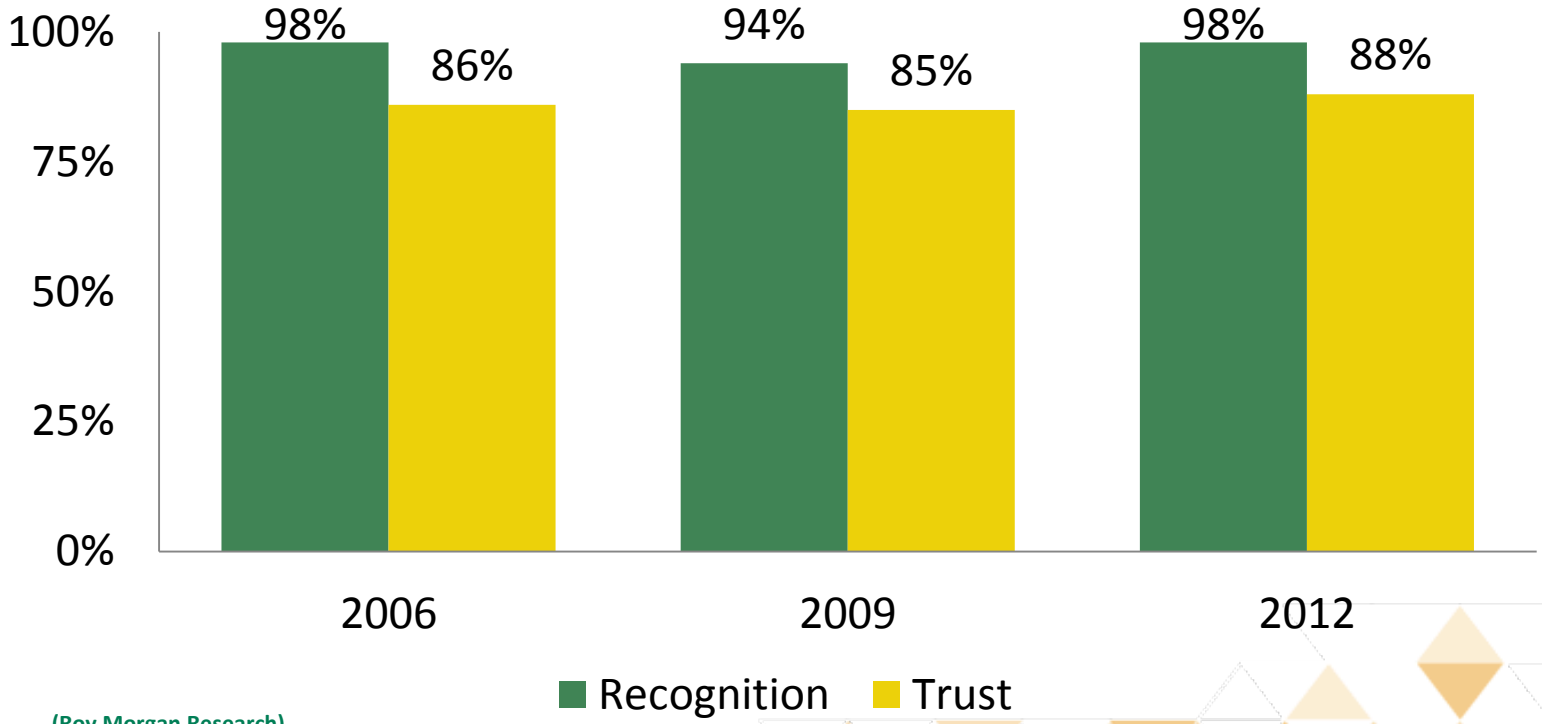
Overview

- Launched by the Federal Government in 1986
- Australia's only registered country of origin certification trademark across all 34 classes of goods
  - i.e. it is a trade mark which indicates to consumers that the product is genuinely Aussie
- To carry the AMAG logo, products must be registered with AMCL and must meet the strict criteria in the Code of Practice
- One logo with five descriptors

“Government owned, industry driven”

About the AMAG logo

Key statistics



(Roy Morgan Research)

About the AMAG logo

Comparison with other ‘so called’ country of origin symbols

- Research carried out by Roy Morgan Research
- *Which of these labels best provides you with confidence that the product is genuinely of Australian origin?*

Australian flag

Australian fauna (koala)

AMAG logo

Map of Australia

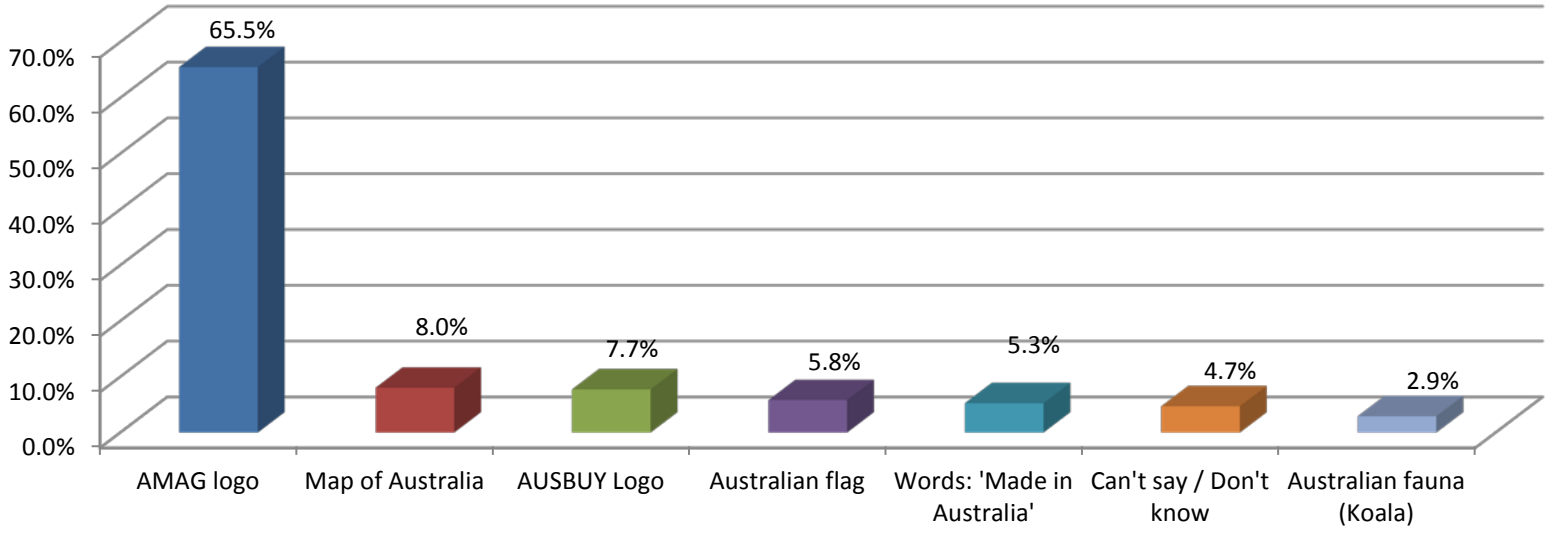
AUSBUY Logo

Words ‘Made in Australia’

About the AMAG logo

Comparison with other ‘so called’ country-of-origin symbols: Results

Only one logo that consumers trust



Roy Morgan Research 2014

About the AMAG logo

Recent developments

- Proposed reforms to country of origin food labelling
  - Federal Government initiative supported by AMCL
  - Incorporates the Australian Made logo + Australian content indicator
  - Intention to provide consumers with more information about the product
  - Will be mandatory for most (but not all) food products
  - Once approved, a phased roll-out is expected

About the AMAG logo

Key marketing messages

- The AMAG logo is a solution for consumers—when they see the logo they can buy with confidence
- Buying Aussie products puts $$$ back into the local economy, creates jobs, career opportunities and better futures for all Australians
- There are consequences from our purchasing decisions
- The AMAG logo is a solution for business—it allows them to brand their products as authentically Australian
- Australian business and government should, where possible, implement local procurement policies
- Focus is on country-of-origin of the product, not ownership of the business

Strong corporate support

Campaign Partners & Associates

About the AMAG logo

Collective marketing effort

- Leverage a powerful marketing, communications and promotion effort that spans countless markets and media channels
  - Advertising (TV, radio, print, online, outdoor): over 10 million per month^
  - PR initiatives (TV, radio, print, online): over 15 million per month*
  - Social media (Facebook, Twitter and Instagram): over 1.6 million per month#

^ Monthly average July 2013 to June 2014 ,*Monthly average July 2013 to June 2014, # Monthly average January 2014 to June 2014

About the AMAG logo

Australian Made-branded stores - Airports

- Linking Domestic – Travel – International
  - Melbourne – International Terminal
  - Cairns – Domestic and International Terminals
  - Adelaide – Domestic

Branding products as Australian overseas

The AMAG logo: A global reach

- The AMAG logo is used by over 2300 companies on over 15,000 products here and around the world
- Nearly half of the businesses that use the logo export
- The AMAG logo provides recognisable third-party accreditation —delivers confidence to consumers
- Products carrying the logo in export markets are more likely to increase sales than those which do not carry the logo*
- AMCL provides licensees with opportunities to enter export markets

*YSC Online 2010

Branding products as Australian overseas

Legal protection

- The AMAG logo is a registered trade mark in a number of overseas markets:
  - China
  - South Korea
  - Singapore
  - USA

- Establishes formal presence of the logo in each country
- Provides legal framework **in each jurisdiction** for protection of the logo and the products that carry it

Branding products as Australian overseas

Australian Made-branded stores - China

- Only stock products that are licensed to carry the AMAG logo
- First ten stores have opened in Shanghai
- Soft launch – major events to follow

Branding products as Australian overseas

Retail partnerships - Singapore

- Cold Storage
  - Fresh fruit & vegetables + a range of house-branded products such as milk
- Benelux Produce
  - Fresh fruit & vegetables
- NTCU FairPrice
  - In-store Aussie promotions

Branding products as Australian overseas

Australian Made-branded stores – South Korea

Branding products as Australian overseas

Trade show branding

Expo 2012, Yeosu, Korea Australian Pavilion

Seoul Food Expo, South Korea, 2013

World Expo, Shanghai China, 2010 - retail bags for Australian pavilion

What our licensees say

Family business testimonials

- “One of the keys to improving our overseas sales is to ensure that potential buyers are aware of the origin of our product. We’ve found the logo to be very helpful in letting our customers know that our beers, like our company, are 100% Australian and this has proved to be an excellent marketing tool for us.” **– Coopers Brewery Chairman, Glen Cooper**

- **“**We know that consumers are positively influenced to purchase locally made products, and the logo adds credibility to our country-of-origin claims, so it plays a very important role in our marketing,” – **A. H. Beard Director, Allyn Beard, said.**

Get the ‘Australian advantage’!

Fees

- The annual licence fee is based on the actual sales of licensed products for the previous 12 months
- The minimum fee is $300 + GST

Actual turnover range ($)	Fee ($)
0 – 300,000	300
300,001 – 500,000	400
500,001 – 750,000	600
750,001 – 1 million	800
>1 million – 2,5 million	1,000
>2,5 million – 5 million	2,500
>5 million – 7,5 million	5,000
>7,5 million – 10 million	7,500
>10 million – 12.5 million	10,000
>12.5 million – 15 million	12,500
>15 million – 17.5 million	15,000
>17.5 million – 20 million	17,500
>20 million – 32.5 million	20,000
>32.5 million – 45 million	22,500
Over 45 million	25,000

Get the ‘Australian advantage’!

How to register

- Registering your products to carry the AMAG logo is simple
  - Quick online application including the submission of a Licensee Undertaking form
  - Short approval process by the AMCL compliance team
  - Once approved, your product is permitted to carry the AMAG logo

Thank you

AUSTRALIAN MADE
PRODUCT OF AUSTRALIA
AUSTRALIAN GROWN
AUSTRALIAN SEAFOOD
AUSTRALIAN