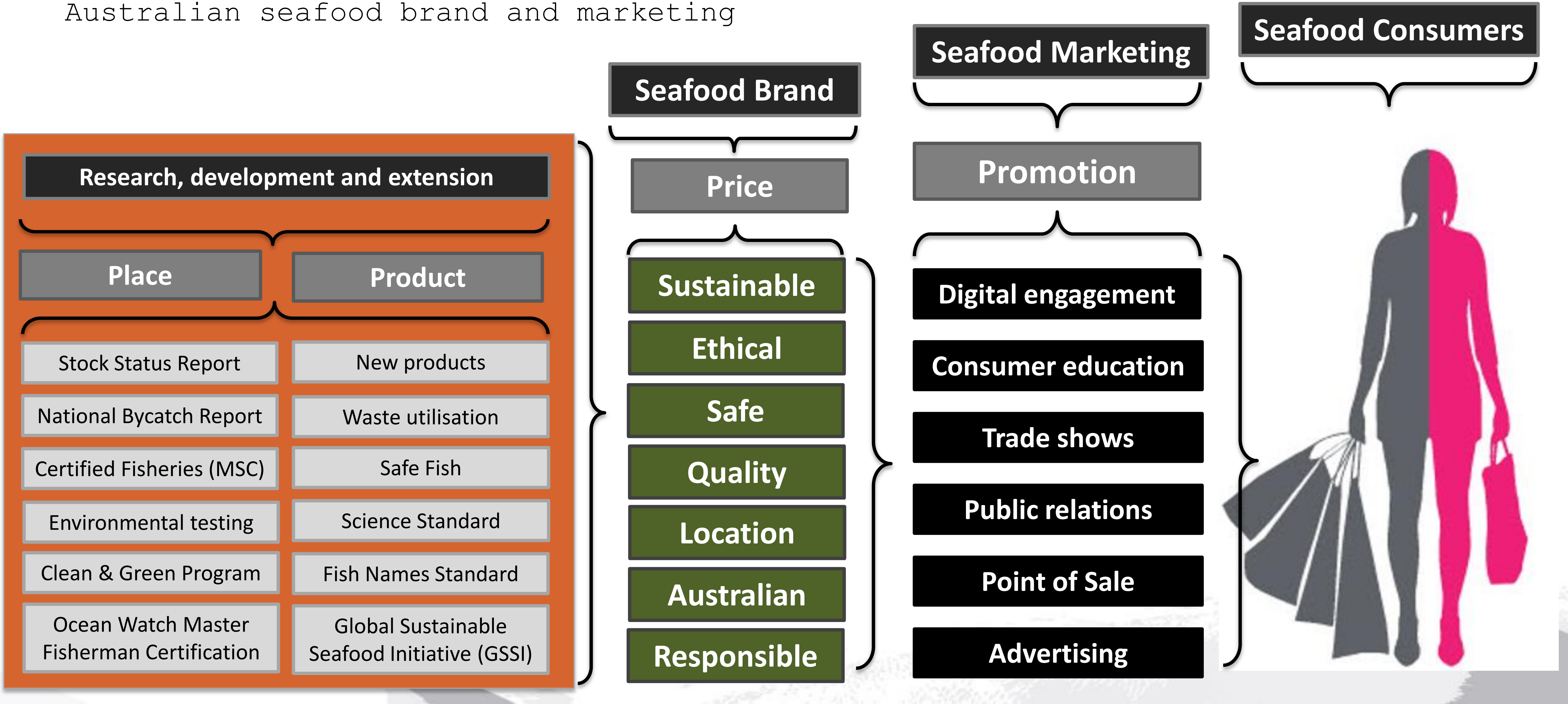
Marketing Strategy 2016 – DRAFT 1

Marketing framework–joining the dots

A range of activities link and underpin the Australian seafood brand and marketing



Key elements to develop our success

1. Investment linked to enterprise level and overseen with strong governance
2. Strategically focused – identify and prioritise the opportunities
3. Disciplined in approach – based on data and knowledge
4. Effective in delivery – stick to plan but review and adjust as needed
5. Able to quantify success – and areas where work needs to be undertaken

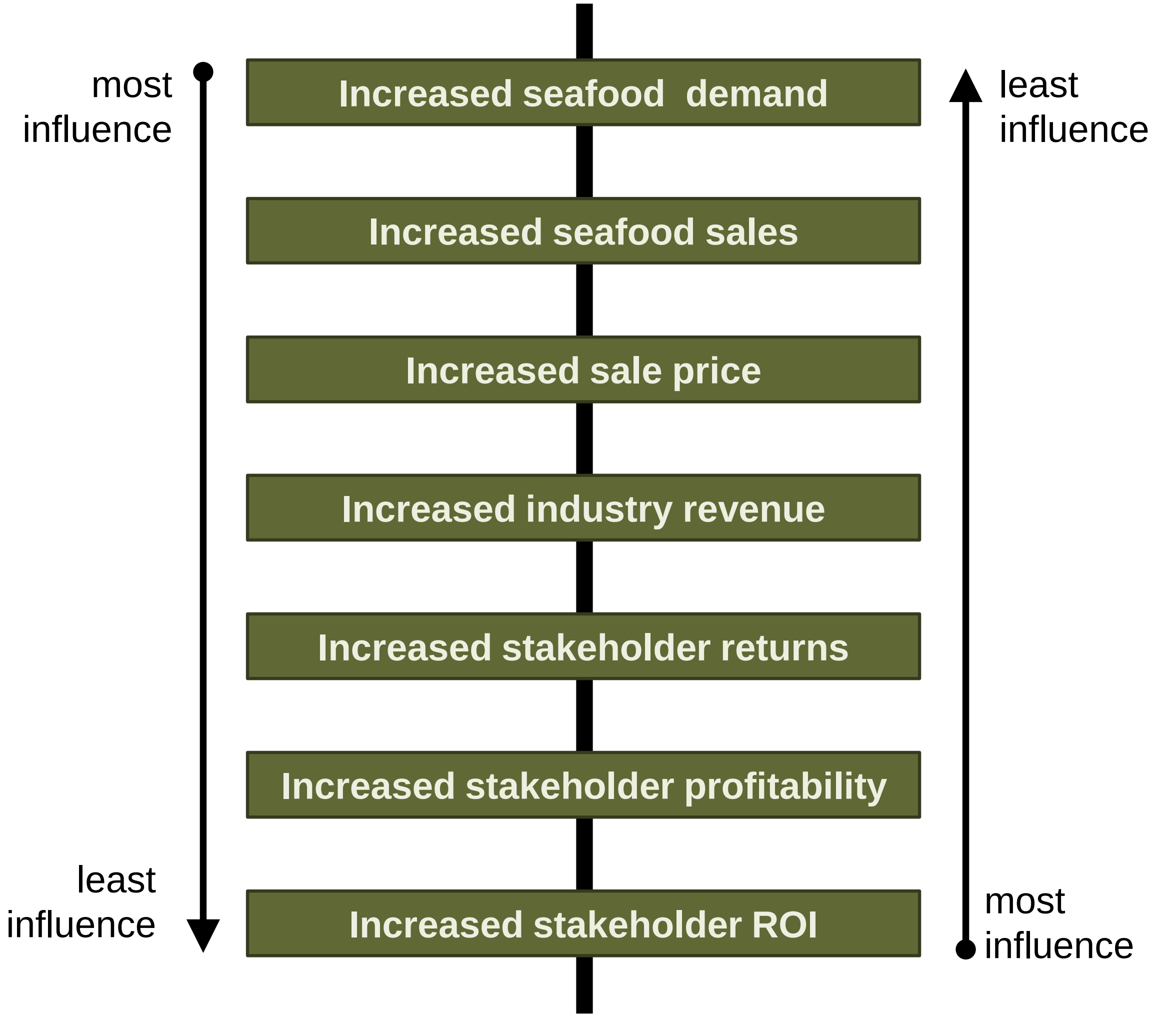
Understanding roles and influence

FRDC

FRDC can directly influence seafood consumers access and demand and sales through education activities generic or category and marketing.

R&D initiatives can help lower costs through the supply chain or create new products that meet consumer needs.

FRDC has limited influence on stakeholder profitability and stakeholder ROI.



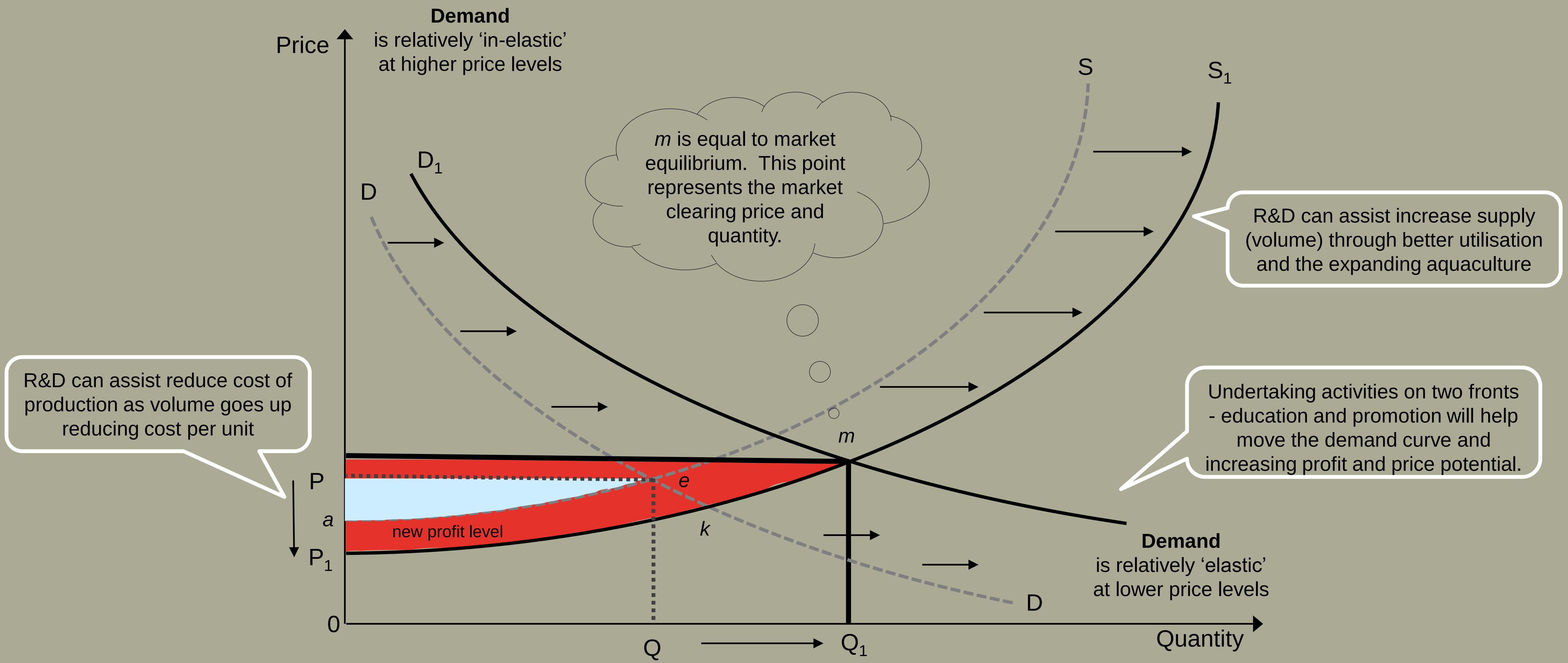
PRODUCERS

Each stakeholder can directly influence their ROI and business profitability through cost control and product management.

Stakeholders individually have limited influence on seafood demand, sales and R&D technology transfer due to limited critical mass and market power.

Seafood supply and demand equation

future combining R&D (production efficiency) and promotion creates maximum program impact)



Consumer analysis

Feedback was analysed from 2,000 consumers who participated in the FRDC survey and told us what their barriers to consumption were.

The feedback provided related to issues when they were buying, preparing, cooking and eating seafood.

Across all the feedback provided by our consumers who completed the survey, eight key barriers emerged.

The barriers emerge from feedback provided by consumers about challenges they have in purchasing, preparing, cooking and eating fresh seafood.

These have been analysed, rated against consumption numbers and the areas where significant impacts could be made by reducing or removing the issue.

These are outlined on the following slides.

TOP 8 BARRIERS TO CONSUMPTION

1. determining the freshness
2. making it a value for money buy – certainty of a fridge life
3. the smell – before, during and after
4. making it easier and faster to prepare a seafood meal
5. the mess – during and after
6. what’s the difference: fresh v frozen v tinned
7. build my confidence – in what I can and might buy and where I buy it from
8. taking the uncertainty away – from selecting, preparing and a seafood meal - making it easy to prepare a meal

			Consumption frequency									
barrier to consumption is. . . .	All consumers		More than once a week	Once a week	Once a fortnight	Once a month	Once every two months	Once every three months	Once every four months	Once every six months	Once a year	Less often
this represents % of all fresh seafood consumers	100%		12%	22%	16%	20%	8%	5%	4%	5%	2%	5%
they consume % of all fresh seafood meals	100%		39%	37%	14%	8%	2%	1%	0.4%	0.3%	0.1%	0.1%
Determining the freshness	71%		76%	72%	71%	70%	77%	68%	69%	67%	71%	65%
Making it a value for money buy – certainty of a fridge life	61%		65%	60%	57%	59%	66%	64%	59%	64%	67%	57%
The smell – before, during and after	48%		43%	42%	44%	51%	49%	52%	58%	60%	58%	57%
What's the difference: fresh v frozen v tinned	48%		56%	49%	47%	47%	51%	46%	36%	45%	49%	36%
Build my confidence – in what I can and might buy and where I buy it from	46%		57%	49%	43%	42%	47%	40%	38%	45%	49%	42%
Taking the uncertainty away – selecting, preparing seafood - making it easier and faster to prepare	41%		40%	38%	38%	40%	43%	35%	46%	55%	49%	48%
The mess – during and after	33%		32%	30%	30%	33%	29%	40%	49%	40%	44%	34%

Impact analysis

In this analysis we look somewhat simplistically at the potential impact on fresh seafood meal consumption.

For this specific analysis we are looking at the potential impact on consumers who eat fresh seafood as a meal once a week.

From the earlier analysis we know that this cohort represents:

- Some 22% of all fresh seafood consumers; and
- Some 37% of all fresh seafood meals consumed.

The consumer survey identified a number of barriers to consumption of this cohort. The top 4 barriers are shown opposite.

The analysis the looks to examine what potential impact specific interventions might have on these identified barriers.

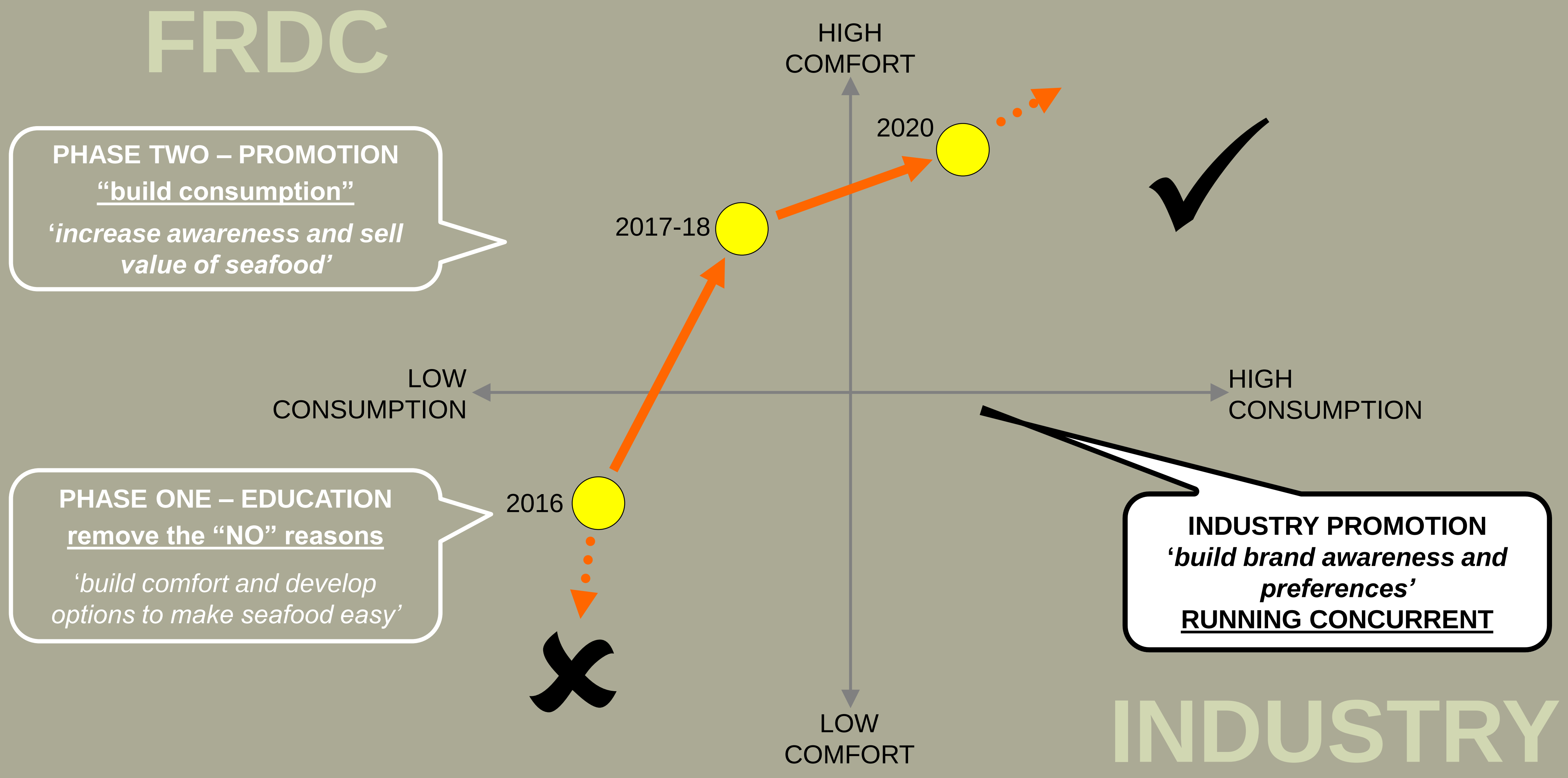
For the purposes of the analysis we have assumed that:

- Impacting a specific barrier can effect consumption behaviours. We know this is somewhat tenuous given the interaction and likely composite impact of multiple barriers on consumption decisions; and
- A coordinated and targeted intervention by industry will impact an estimate 30% of the affected cohort.

The potential impact then on total fresh seafood meals consumption is estimated in the schematic opposite.

	% impacted by barrier	% impacted by intervention	% impact on seafood meals consumed
TARGET: People who consume fresh seafood as a main meal once a week **22%**	**72%** determining the freshness	**21%** 30% of the 72%	▲ **7.8%**
NUMBER: Number of people who consume fresh seafood as a main meal once a week **3.33 m**	60% making it a value for money buy	18% 30% of the 60%	▲ 6.6%
CHANGE: Number of meals 7.8% increase equals with people who consume seafood as a main meal once a week **13.4 m**	49% build my confidence: what I can / might buy	15% 30% of the 49%	▲ 5.4%
IMPACT: Approximate value of 13.4 million additional serves of seafood a year (@$2 each) **1,349 t** **$26.9 m**	49% what's the difference: fresh v frozen v tinned	15% 30% of the 49%	▲ 5.4%

Seafood strategy development



The marketing plan

FRDC

Sell Industry

Community Awareness

ACTIVITIES
- Digital delivery
- Education
- Trade shows
- Public relations
- Point of Sale
- Advertising

Community Trust

Political Awareness

ACTIVITIES
- Digital delivery
- Education
- Public relations

Political Trust

Supply chain Awareness

ACTIVITIES
- Digital delivery
- Education
- Trade shows
- Public relations
- Point of Sale

Supply chain Trust

Sell Product

National

ACTIVITIES
- Digital delivery
- Education
- Trade shows
- Public relations
- Point of Sale
- Advertising

Buy more or increase category awareness

Sector - Region

ACTIVITIES
- Digital delivery
- Education
- Trade shows
- Public relations
- Point of Sale
- Advertising

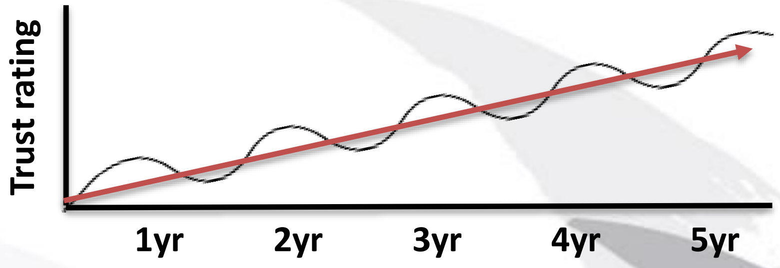
Sector or region Awareness

Product

ACTIVITIES
- Digital delivery
- Education
- Trade shows
- Public relations
- Point of Sale
- Advertising

Buy my product/Build brand loyalty

Long term communication strategy



BRAND FACTORS

Sustainability	Trustworthy	Different	Quality	Safety	Ethical

Brand Supporters

Existing RDE

Stock Status Report	Consumer education	Fisheries Science Standard	Waste usage
National Bycatch Report	Clean & Green Program	Fish Names Standard	Traceability
Certified Fisheries (MSC)	Master Fisherman Certification	GSSI	Safe Fish

Supporting activity

data and evaluation

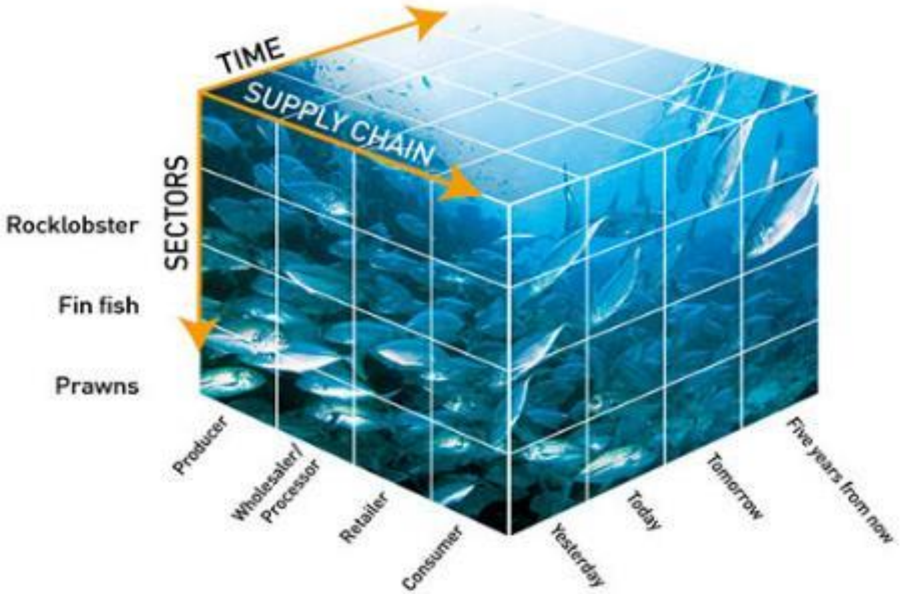
Qualitative consumer information

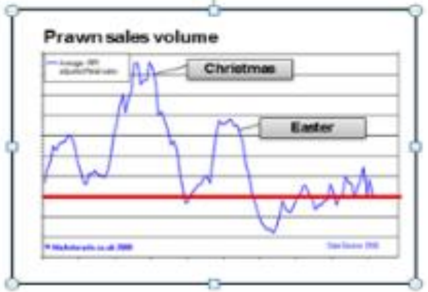
Data systems

Underpinning the framework FRDC needs:

- Quantitative domestic and export trade data – how much is being sold, where and for how much.
- supply data – production and sales volume
- Qualitative consumer research – to assist understand the customer wants and needs.

This information will inform development of programs of activity and help evaluate those activities.





Trade data


Edible
Edible
Non-edible
Import/Exp...
Export
Import
State
(Blank)
NSW
NT
QLD
RE
SA
TAS
VIC
WA
Value and Quantity by Date and Import/Export
Import/Export Export Import Quantity
$250M
$200M
$150M
$100M
$50M
$0M
36M
34M
32M
30M
28M
26M
24M
Oct 2014
Jan 2015
Apr 2015
Jul 2015
Oct 2015
Jan 2016
Value by Country
Vietnam
$1,603M
Thailand
$740M
China
$661M
Japan
$437M
New Zeal...
$377M
Mala...
$175...
Aus...
$15...
Tai...
$1...
Nor...
$13...
Hong Kong
$434M
Indonesia
Den...
United St...
Sing...
Country
Antarctica
Argentina
Australia (Re-Imports)
Austria
Bahamas
Bahrain
Bangladesh
Belarus
Belgium
Belize
Species
(Blank)
Abalone
Anchovie
Aquatic Invertebrate
Carp
Catfish
Caviar
Clam
Coalfish
Coral
Value by Commodity Description
Frozen crustaceans (excl. HS 030611 to ...
Frozen fillets of catfish (Pangasius s...
Frozen fillets of hake (Merluccius...
Prepared or preserved fish in t...
Frozen crabs, whether in she...
Prepared or preserved cuttl...
Prepared or preserved aba...
Prepared or preserved fis...
Fresh or chilled fish (excl. ...
Smoked Pacific salmon, Atl...
Unfrozen rock lobster, whether in shell or not...
Prepared or preserved tun...
Value by State
WA
NSW
NT
QLD
RE
SA
TAS
VIC
Value by Import/Export
I... Export Import