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for

Premium

Quality

Wool

# Introduction to Wool Marketing

Produced for the CRC for Premium Quality Wool undergraduate program by;  
Dr. Peter Auer, The University of New South Wales.



# Subject Mission

- **Wool Marketing should enable you to actively participate in intelligent discussion and analysis of the important issues facing the wool industry in the modern global apparel textile market**

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# Recurring Themes

- **Woolgrower Perspective**
  - what can they do about it?
  - how important is this to them?
  - what should they do?
- **Effect (Cause)**
  - change
- **Control**
  - change
- **Direction**
  - analysis
- **Competing Fibres**
  - Fibre Marketing

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# Future Directions Taskforce

- "the last throw of the dice" for the wool industry
  - Hon. Ian MacLachlan AO (1998)
- Critically evaluate the findings of the Taskforce

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# What is Wool Marketing?



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## Supply

How much?  
Where?  
Who?  
When?  
supply imbalance  
CoP  
productivity  
distribution costs  
marketing costs

## Demand

Drivers / Modifiers  
promotion  
R & D  
population  
income  
fashion  
substitutes

## Market Outlook

Short-term (immediate)  
Medium-term (production)  
Long-term (strategic)  
price analysis  
forecasts

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# Importance of Market Outlook

- “Knowledge of prices, of pricing patterns, and the capacity to analyse the economic forces that cause and change those prices will be a necessary condition to effective marketing decisions”
- “The benefits of a year-long and outstanding job of production can be wiped out with a single poorly informed marketing decision”

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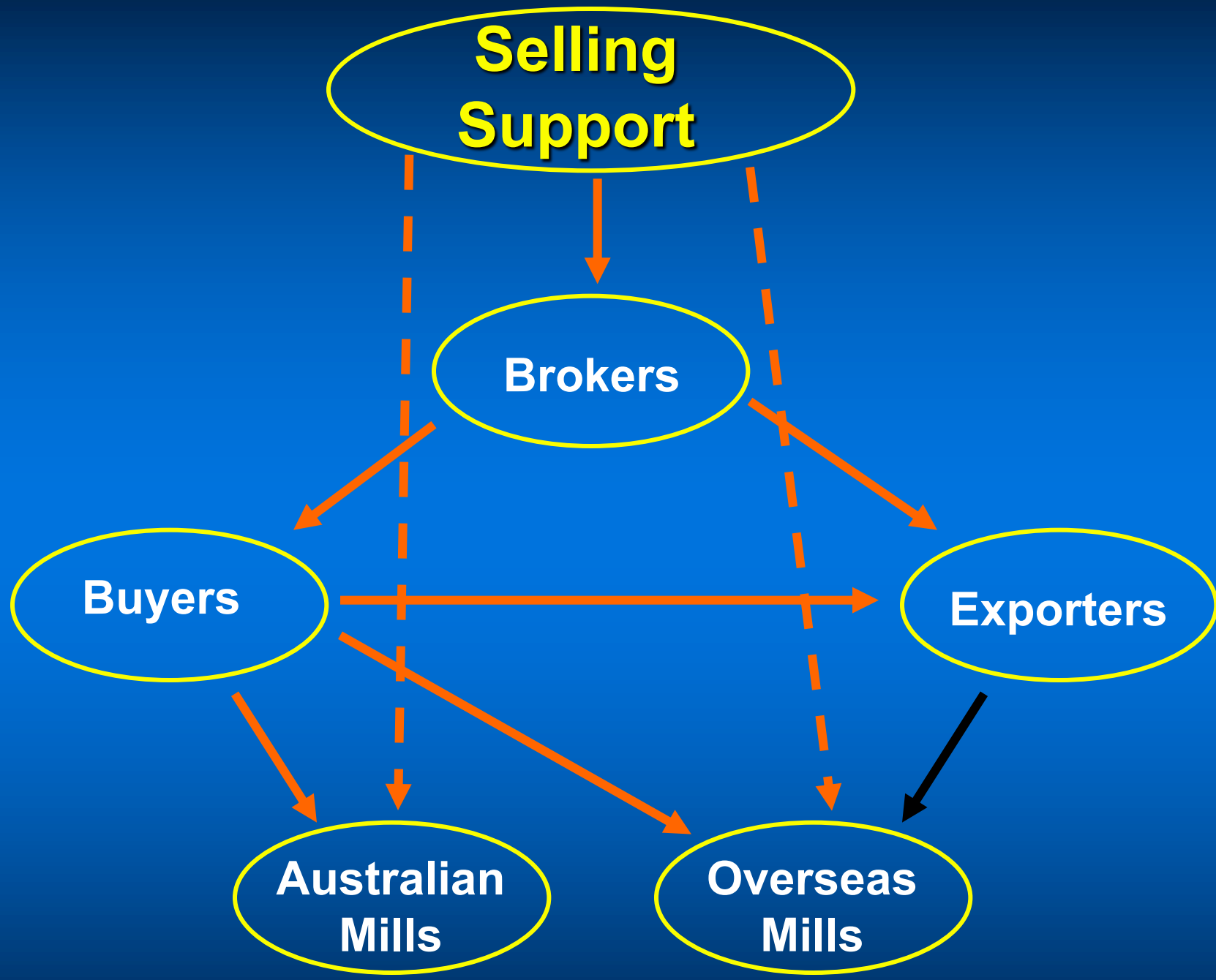
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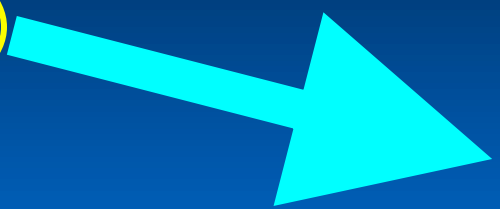




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# Selling Choices

- Auction
  - SxD
  - electronic selling
- Private Selling
  - spot
  - forward (buyer, mill)
- Direct to Mill
  - ownership retention
  - merchant processor
- Private Treaty
- Collective Selling
- Niche Marketing



# Customers

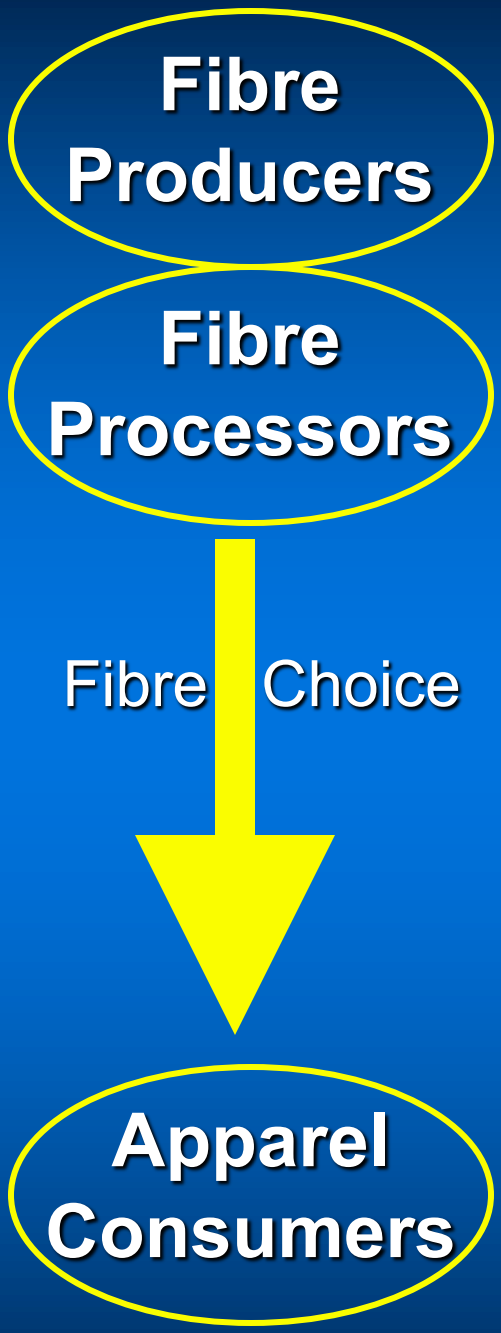
- Topmaker
- Spinner
- Weaver
- Garment Maker
- Designer
- Wholesaler
- Retailer
- Consumer



# Price Risk Management



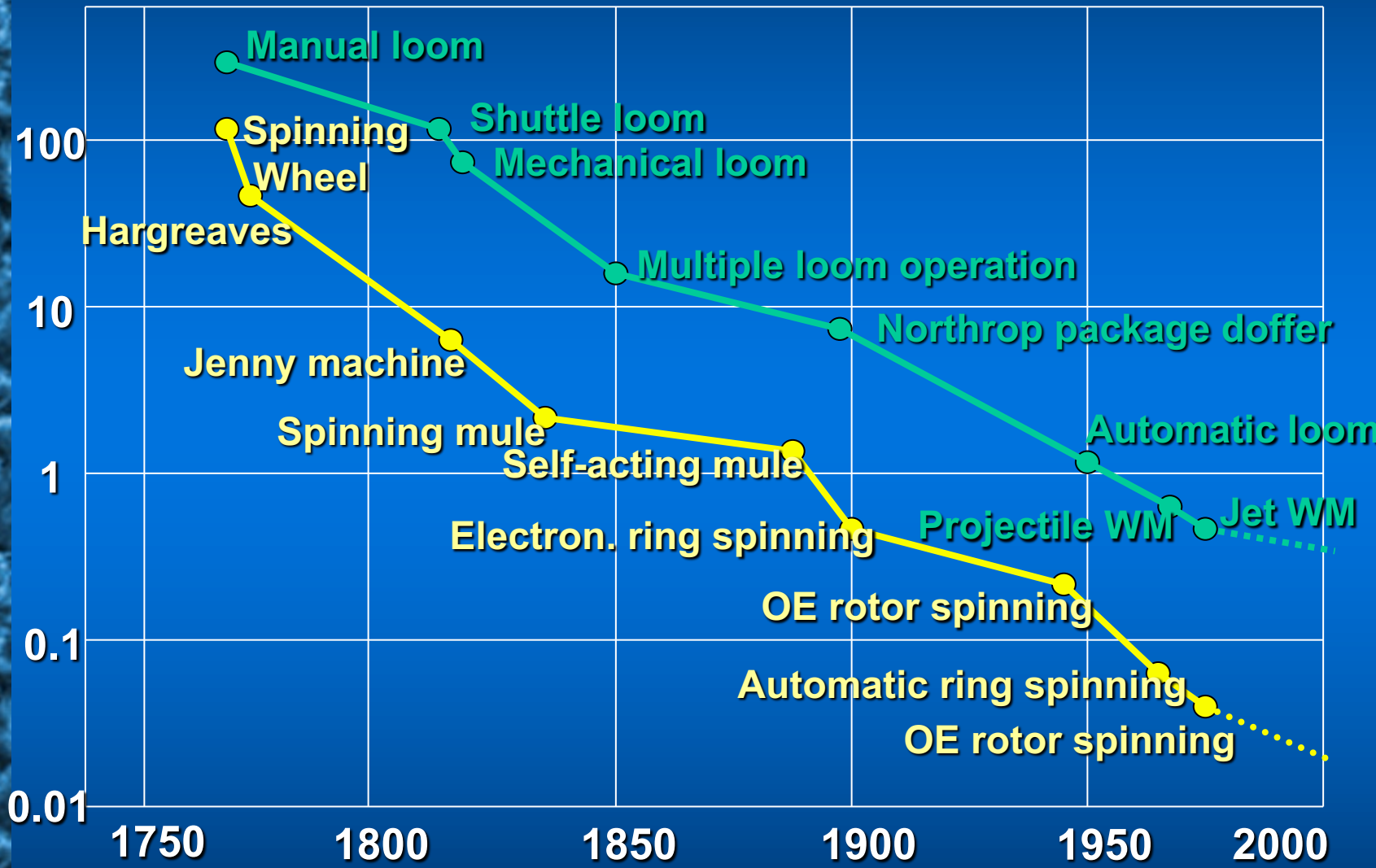
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- **Competing Fibres**
- **Technology Gap**
  - processing efficiency
  - R&D
- **Promotion**
  - technical
  - generic
  - branding
- **New Products**
  - R&D



# Operator hours per 1 kg yarn / 100m fabric



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