



CRC

for

Premium

Quality

Wool

Wool Promotion Strategies

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



Recent History of Wool Promotion

- **1994**
 - AWC to AWRAP
 - promotion of wool
 - manage R & D
- **1994**
 - AWRAP / IWS to IWS
 - OS to Australia
- **1995**
 - NZ out
 - Wools of NZ
- **1997**
 - Uruguay out
- **July 1998**
 - The Woolmark Company
 - build & sustain consumer demand for Australian wool
 - increase the productivity of woolgrowers

CRC

for

Premium

Quality

Wool



Woolmark Promotion in the 90's

- **Sub-branding**
 - Light Wool
 - Cool Wool
 - Merino Extrafine
 - Pure Merino Wool
- **" WOOL PLUS " concepts**
 - Wool Plus Lycra® (with DU PONT)
 - Wool Plus Cotton
 - Wool Plus Tencel®

CRC

for

Premium

Quality

Wool



1996/7 Global Innovation Projects

| Project | Micron | Retail Product Focus |
|----------------------|---------|---|
| Lightweight knitwear | <22 | soft handling, lightweight yarns |
| Casual knitwear | 22 – 25 | machine washable wool |
| Lightweight wovens | <23 | New Suit, Wool plus Lycra, wool for all seasons |
| Casual wovens | <18 | New Suit, Wool plus Lycra trousers |

CRC

for

Premium

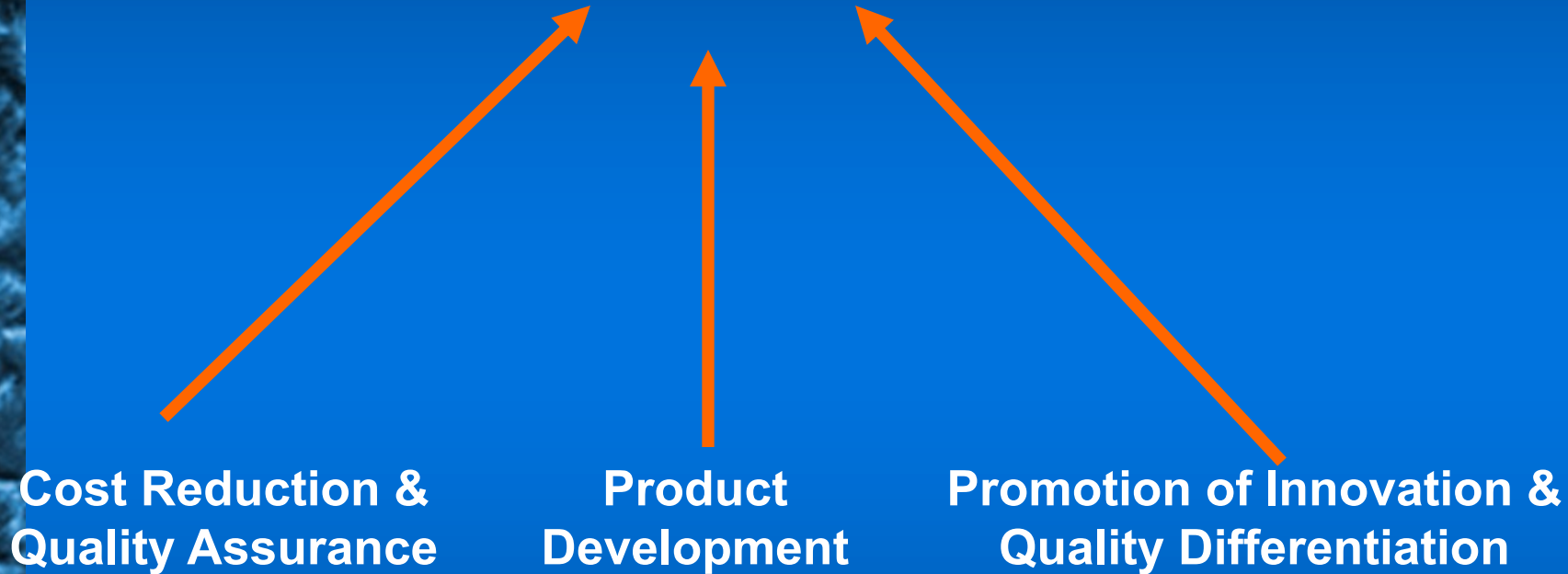
Quality

Wool



Woolmark 2005 Back to Basics

Way Forward



CONSUMER NEEDS

CRC
for
Premium
Quality
Wool



Woolmark 2005

- **Sub-branding Woolmark**
 - quality differentiation
 - Optim as premium product
- **Innovative Blends**
- **Total Easy Care**
 - machine wash
 - tumble dry
 - Dryel (Proctor & Gamble)
- **Sport / Leisure wear sector**
 - Sportwool

CRC

for

Premium

Quality

Wool



Total Easy Care

NATURAL PERFORMANCE

QUALITY DIFFERENTIATION

HIGH Price

**TOTAL
EASY
CARE**

*Sport / Active
Leisure wear*

*Formal /
Smart Casual*

COST BARRIERS

LOW Price

VOLUME RETAIL

CRC

for

Premium

Quality

Wool



Sub-branding Woolmark

NATURAL PERFORMANCE

QUALITY DIFFERENTIATION

HIGH Price

OPTIM

Merino
Pure Extrafine

Merino
Wool

Natural
Stretch



*Sport / Active
Leisure wear*

*Formal /
Smart Casual*

COST BARRIERS

LOW Price

VOLUME RETAIL

CRC
for
Premium
Quality
Wool



Innovative Blends

NATURAL PERFORMANCE

QUALITY DIFFERENTIATION

HIGH Price



Wool plus Lycra

light Wool

Sport / Active Leisure wear

Wool cotton

Wool supriwa

Formal / Smart Casual

Wool Blend 30%

COST BARRIERS

LOW Price

VOLUME RETAIL

CRC
for
Premium
Quality
Wool



Competitive Advantages

- new, unique wool product advantages
 - protected by patents
 - Sportwool - next generation
 - fibre engineering
- new processing routes
 - reductions in conversion costs
 - radical spinning technologies
 - air-jet
 - friction

CRC

for

Premium

Quality

Wool



Strategic Alliances

- “value chain alliances”
- **Brand Leaders**
 - Italy (designers, formal / smart casual)
 - U.S. (sports)
- **Volume Retailers**
 - less generic
 - more focused
- **deliver new products to the consumer**

CRC

for

Premium

Quality

Wool



Strategic Alliances

- **Round Table**
 - financiers, Italian processors, Woolmark
- **focus on globalisation**
- **fundamentals**
 - speed of response
 - company size (maybe)
 - mutual benefit (most important)

CRC

for

Premium

Quality

Wool



Promotion of Cotton

- **Cotton Incorporated**
 - US based
 - <http://www.cottoninc.com>
 - Administration - 10%
 - Promotion - 50%
 - Research - 40%
- **Cotton Council International**
 - US DA based
 - US raw cotton focus
- **Cotton in Australia**
 - industry advertising only
 - negative perceptions
- **BRAND advertising**
 - direct marketing to end-users is usual
 - Namoi Cotton, Southern Star Cotton etc.

CRC

for

Premium

Quality

Wool



CRC

for

Premium

Quality

Wool

Bibliography

- **NSW Farmers (1997) Is the IWS a good investment for woolgrowers?, a performance Review based on the 1995/6 AWRAP / IWS Annual Report, NSW Farmers**
- **NSW Farmers (1997) Building Demand for Wool? A performance Review of the IWS, NSW Farmers**
- **Hamilton VFF DC Wool Committee (1997) Which Half? - an anthology of views on the value of promotion**
- **Susan Dinor (1997) Wool Branding, prepared for Access to the Experts Wool Marketing module, CRC for Premium Quality Wool**
- **Susan Dinor (1997) Strategies for Wool Promotion, prepared for Access to the Experts Wool Marketing module, CRC for Premium Quality Wool**