

IDF WORLD DAIRY SUMMIT

Marketing Strong Investments
for the Future

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Melbourne

GROWTH OPPORTUNITIES FOR DAIRY

Gawen Rudder

Food Marketing Communications
Consultant

gawensfood@bigpond.com 0419
488 636

YESTERDAY TODAY AND TOMORROW

AGENDA

- From 40,000 BC to nutraceuticals
- Louis Pasteur and Napoleon III
- Foodeaucrats and MediterrAsian
- From dairy farmers to pharmlers
- A growth opportunity checklist
- New share-of-throat competitors
- 'You can't improve on perfect'

YESTERDAY

SIGNIFICANT DAIRY EVENTS

- **40,000 BC** evolution of domestication of 'farm' animals
- **c.9,000 BC** cow's milk becomes part of the human diet
- **c.5,000 BC** first evidence of (accidental) cheese-making



MORE RECENT DAIRY EVENTS

- **1834** the introduction of refrigeration allows limited home storage of milk
- **1856** Louis Pasteur devises the process of pasteurisation
- **1869** Napoleon III awards prize for the invention of a butter substitute - margarine



LAST CENTURY

- From milko to supermarket
- From dairy to conglomerate
- From local production to global
- From choice to confusion



TODAY



CONTEMPORARY FOOD TRENDS

- MediterrAsian Food
- Cooking v Assembly
- Convenience Food
- Healthy, not Health Food
- Beware Foodeaucrats
- Food Ethics & Sources
- Obesity & Diet Confusion



THE SIGNIFICANCE OF YOGHOURT

The first true 'MediterrAsian' food

- A dairy food from Asia suitable for lactose intolerant
- A Turkish name for an ancient functional food
- A unique contemporary health food in constant reinvention



MAKING BUTTER BETTER

In-roads by margarine, olive oil or Philly cheese have created a reactive mind-set

SO

Innovation has only been low-fat, soft and blended



CHEESE

- Is cheese over-protected by AOC, DOC
- Camembert in the French town
- Colby was invented in Wisconsin
- Coon was invented by E.W. Coon
- Cheese has become as mass market and niche...just like its partner, wine



FOODEAUCRATS, ETHICS & SOURCES

- Regulation across food & beverages will intensify
- Ethics in the promotion and sourcing of food will increase
- Localisation - like AOC & DOC - will challenge globalism



DRINK INNOVATION

- Innovation in health, well-being and functionals tends to be centred around drinks
- Witness the world-wide boom in water
- The boom & re-birth of tea as herbal tea
- Creation of new-generation fruit drink
- New age ingredients like botanicals
- Café society, light beers, new wines



EVERY NEW NON-DAIRY DRINK CREATED

CHALLENGES GROWTH OPPORTUNITIES FOR MILK



OBESITY & DIET CONFUSION

- Obesity is now a serious world-wide health issue
- Like smokers, the obese have become marginalised
- Confusion exists between low fat, low carb and high protein



YESTERDAY'S INNOVATION TODAY

- Whey-based protein opportunities in sport, nutraceuticals, meal replacement
- Non-UHT improved shelf life milks
- Ultra-filtered milk with less lactose

A CHECKLIST TO GROW DAIRY

- Rule #1: Flavour, flavour, flavour.
- Create all day, every day products.
- Harness advanced technology, but don't stray too far away from natural.
- Differentiate with strong branding.
- Promote consumer benefits, not well-recognised health features.
- Listen to consumers, not boffins.

WHAT CONSUMERS THINK

Milk - and therefore dairy - is:

- Pure
- Natural
- Healthy
- 'Mother'
- Honest
- Clean
- Local
- Country
- Refreshing
- Satisfying
- Versatile
- Real

TOMORROW

BLUE SKY THINKING

- Generational foods
- 2nd gen functionals
- Microchip selection
- Back to the past

MOLECULAR RECONSTRUCTOR

- In 1994 the NSW dairy industry ran a TV campaign that took milk back to the future
- This seems a good place to end this presentation...
- It reminds us - as you will see - that **'You can't improve on perfect'**

SHOW TVC

- Sarah:** Mum, What was food like when you were a girl?
- Mother:** It was good. Then back in the 1990s they started to interfere with it. Trying to make it taste better – look better. Then they went too far and it got way out of control.
- Sarah:** How come they didn't interfere with milk?
- Mother:** It was perfect. So it remains perfect.
- Super:** **You can't improve on perfect.**

THANK YOU

and remember...with innovation...
'DAIRY CAN BE EXTRAORDINARY'



GAWEN RUDDER

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