

inside FMCG

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DR BRONNER'S DOES IT ALL

How the family business
became a global icon

SPECIAL REPORT:
A GUIDE TO TIKTOK

A SERIOUS VENTURE:
SOOSHI MANGO'S NEW DROP



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Editor's note

Welcome to the April edition of *Inside FMCG Magazine*! I introduce each edition by mentioning that it's jam-packed, and this one is truly bursting with news and analysis to keep you informed about and entertained by the ever-changing FMCG landscape.

Our cover story features a Q&A with Dr Bronner's president Michael Bronner and its Australia GM Tammy Seligmann. I'm interested in what comes to mind when you think of this iconic soap and personal care brand? Is it the distinctive design, the brand's ethos, or the quality of its products? It's all unpacked here, with mysteries decoded and plans for the future laid out.

We delve into the world of TikTok, exploring strategies for brands to stay ahead of this rapidly evolving social media platform. The report offers valuable tips and insights to help capture the hearts, minds and feeds of its users.

We also sit down with the enormously popular Sooshi Mango's Joe Salantri to discuss the comedy group's successful transition into the wine and hospitality space. Meanwhile, a Q&A with Funday founder Daniel Kitay explores his journey into starting the "better-for-you" sweets brand, and how his passion is driving Funday forward.

There's more still! Dive into expert insights on how consumer behaviour is set to evolve amid changing prices, marketing strategies for brands seeking to recover from product recalls, and explore the best examples of packaging design from around the world. Grab your favourite drink, settle in, and immerse yourself in all the news, developments and insights shaping the FMCG industry.



ARON LEWIN
Editor – *Inside FMCG Magazine*

inside FMCG

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In the spirit of reconciliation, *Inside FMCG* acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Woolworths CEO Brad Banducci to retire

BY CELENE IGNACIO

Woolworths Group MD and CEO Brad Banducci is set to retire in September this year, coinciding with the supermarket chain's 100th anniversary. He will retire after serving the company for 13 years, with eight-and-a-half of those as CEO.

Woolworths has named current MD of WooliesX, Amanda Bardwell, as MD and CEO, effective September 1, following the release of the company's annual financial results.

"It has been a privilege to be a member of the Woolies team and one I have never taken for granted," Banducci said. "We have a wonderfully talented and passionate team at Woolworths Group, as personified in Amanda Bardwell, and I look forward to working

with Amanda and our team over the next few months as we set ourselves up for the next chapter."

Woolworths Group chair Scott Perkins said: "Amanda is a proven leader, business builder and modern retailer. Most recently, under her leadership, WooliesX has gone from infancy in 2015 to a \$7 billion market-leading business. Amanda is highly respected throughout the organisation and I know, like Brad, will live our purpose and work hard to achieve Woolworths Group's full potential."

The announcement comes as



Woolworths, along with its rival Coles, faces pressure over its price-setting practices and the market power of major supermarkets in Australia.

A Senate inquiry is under way, with a report due to be released in May. In addition, the Albanese Government has launched an ACCC inquiry into supermarket prices. In a LinkedIn post, Banducci wrote that his decision to retire was not related to the upcoming price inquiries. ■

ACCC to conduct inquiry on Australian supermarkets' pricing and competition

BY KAYCEE ENERVA

The pricing practices of Australia's supermarket near-duopoly are about to be the focus of a year-long inquiry by the government's competition regulator, the Australian Competition and Consumer Commission (ACCC).

The ACCC will examine competition in

the supermarket sector and how it has evolved since the previous inquiry in 2008. The investigation will include the pricing practices of the supermarkets and the relationship between wholesale and retail prices – including farmgate.

Moreover, the inquiry will also explore emerging issues such as online

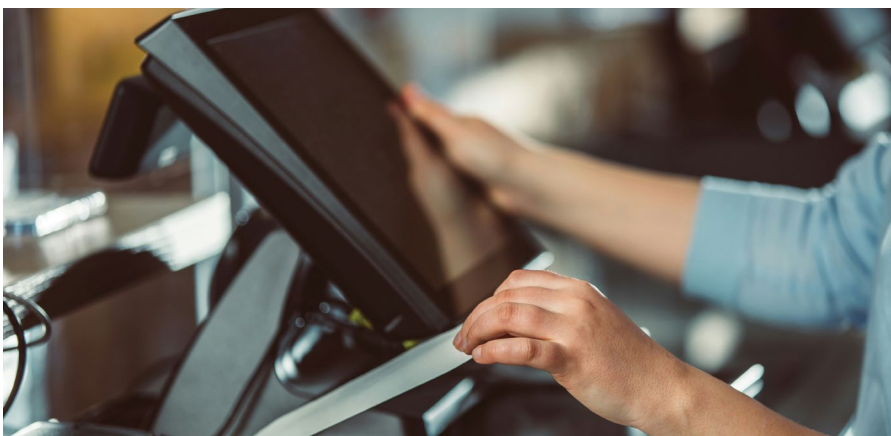
shopping, technological advancements and loyalty programs.

"We know grocery prices have become a major concern for the millions of Australians experiencing cost-of-living pressures," ACCC chair Gina Cass-Gottlieb said.

She said the group would use all of its legal powers to conduct a detailed examination of the supermarket sector and identify opportunities for improvement.

Following the ACCC's 2008 inquiry, Coles and Woolworths entered enforceable undertakings to remove restrictive tenancy provisions that may have prevented shopping centres from leasing space to competing supermarkets.

The regulator's investigation resulted in identifying more than 700 potentially restrictive leases. ■



Woolworths books higher net profit, sales in first half

BY CELENE IGNACIO

The supermarket group's net profit rose 2.5 per cent year over year to \$929 million as sales jumped 4.4 per cent to \$34.64 billion. Earnings before interest, taxes, depreciation, and amortisation climbed 5.3 per cent to \$3.08 billion.

The company's Australian food sales went up 5.4 per cent, to \$25.90 billion, while Australian B2B sales increased 2.8 per cent, to \$2.32 billion. New Zealand food sales rose 4.2 per cent, to \$3.86 billion.

On the contrary, Big W sales fell 4.1 per cent, to \$2.6 billion, while other sales slid 32.1 per cent, to \$40 million.

"As foreshadowed last month, Big W had a challenging first half. Outside of solid trading in key events like Black Friday and Christmas, customers are increasingly cautious and trading



down," Woolworths Group outgoing CEO Brad Banducci said.

During the first half, Woolworths launched Woolworths MarketPlus, enabling third-party merchants to sell

products across the supermarket chain's businesses, including MyDeal, Everyday Market, and Big W. The company also completed the acquisition of Petstock. ■

Coles' revenue rises on higher supermarket, liquor sales

BY CELENE IGNACIO



Supermarket chain Coles booked higher revenue in the fiscal first half, thanks to a sales increase across all segments.

However, while group earnings before interest and taxes rose by 0.6 per cent, to \$1.1 billion, post-tax net profit slid 3.6 per cent, to \$594 million.

The company's revenue rose 6.8 per cent, year over year, to \$22.2 billion as supermarket revenue went up 4.9 per cent, to \$19.8 billion, and liquor revenue climbed 1.8 per cent, to \$2.0 billion. Revenue from other segments stood at \$450 million.

Coles attributed the higher supermarket revenue to its successful execution of key seasonal events including Christmas, Halloween and Father's Day, and a positive response to the Curtis Stone BBQ continuity campaign.

Meanwhile, liquor revenue rose due to e-commerce growth and contribution from new stores.

During the period, Coles completed 11 store renewals, opened five new stores and closed one, taking its total store count to 850 across Australia. ■

Woolworths loses Australia's most-trusted brand crown

BY IRENE DONG

Bunnings has been named the most trusted brand for the year to December, dethroning Woolworths and ending the supermarket's three-and-a-half-year dominance.

Bunnings lost the title of Australia's most trusted brand to Woolworths in May 2020. However, beginning October 2022, Bunnings has made a strong comeback, drawing the greatest increase in confidence among all those on the trusted brands list.

"Bunnings is a brand with a vast reservoir of goodwill and reputational strength fed by dramatically more trust than distrust... its trust has been climbing steadily over the past year while its minimal distrust remains fairly stable," said Roy Morgan CEO Michele Levine.

According to Roy Morgan, Australians' distrust of businesses has increased in recent years due to corporate greed, bad customer service, high prices, dishonesty, unethical tactics, and inadequate privacy policies.

Woolworths (2nd) and Coles (5th) have both dropped in the rankings of trustworthy brands. Aldi (3rd), Kmart (4th), and Bunnings (1st) all improved by one position. ▀



Australians are visiting liquor stores more often, but spending less

BY SEAN CAO



Australian liquor retailers are facing stiff competition for a share of consumer spending, according to consumer intelligence company NIQ (Nielsen IQ).

The company's Omnishopper liquor data shows that while the number of households purchasing liquor has decreased by 3.2 per cent, the average number of trips to liquor stores per household has grown by 3.5 per cent.

However, spending per trip on liquor products declined by 2.3 per cent, as did the units per trip by 3.2 per cent.

Queenslanders were the most frequent liquor shoppers, averaging 16 trips in the late 12-month period, while South Australians spent the most per liquor shopping trip, averaging \$62 per trip.

"Against a backdrop of decreasing households purchasing in the category, coupled with economic pressures, insight into demographic profiles and nuances has never been more important," said Pete Sheridan, MD, NIQ Pacific.

The data also revealed that most major liquor retailers reported declines in the 12 months to October last year compared to 2022. ▀

US food giant Driscoll's acquires stake in Costa Group

BY CELENE IGNACIO

California-based berries supplier Driscoll's and its partners have taken full ownership of Australian fresh fruit and vegetables company Costa Group.

Driscoll's is part of a Paine Schwartz Partner-led consortium, along with British Columbia Investment Management Corporation, that acquired Costa Group.

Costa Group was founded in the 1800s by the Costa family in Geelong, Victoria. Its portfolio includes blueberries, glasshouse tomatoes, citrus, avocados, mushrooms and table grapes, with production in Australia, China, Morocco, and southern Africa. Its products are sold in Europe, the UK, Asia and North America.

The alliance between Driscoll's and Costa dates back to 2010, when the two companies took joint ownership in a venture in Australia that is now the leading marketer of blueberries, raspberries, strawberries and blackberries in the country. Driscoll's also has an expansion



program in the Americas using Costa blueberry varieties.

In 2016, Driscoll's and Costa formalised a joint venture that oversaw the two companies starting a berry production company in China.

"This is one of the largest equity investments Driscoll's has ever made, which speaks to the formidable partnership and considerable value we see

in the Costa portfolio and the company's long-term future and growth prospects," Driscoll's CEO Soren Bjorn said.

With the acquisition, Driscoll's and Costa Group will collaborate on specific projects to grow the global berry business while maintaining their existing arrangements in China, Australia and the Americas. ■

Australians warned of 'sticker shock' as dairy exports fall, imports grow

BY CELENE IGNACIO



Australia is facing a decline in dairy exports and an increase in imports amid reduced domestic milk output and declining export competitiveness.

RaboResearch senior dairy analyst Michael Harvey (pictured above) said in the Australian Dairy Sector Outlook Report: Australia produced 8.1 billion litres of milk in 2022/23, marking its third consecutive year of decline.

Harvey also noted that in 2022/23, Australia's milk supply for manufacturing dipped to its lowest level since the 1990s. In 2020/21, the country lost more than 700 million litres of milk from the supply chain, leading to a chronic shortage of milk for manufacturing.

On the other hand, Australia's milk import volume in liquid milk equivalent doubled between 2013 and 2023, with butter and skim-milk powder comprising the bulk.

Despite the decline, the land down under remains the world's fifth-largest dairy exporter, accounting for 4 per cent of global trade. ■

Aldi to open 800 more US stores by 2028

BY SEAN CAO

Discount supermarket chain Aldi has announced its plans to add 800 stores nationwide by the end of 2028 through new openings and store conversions.

The company will invest more than \$9 billion in a five-year national expansion plan. This will include nearly 330 new locations to strengthen the retailer's presence in the Northeast and Midwest, as well as more stores in Southern California and Phoenix.

The acquisition of Southeastern

Grocers and its Winn-Dixie and Harveys Supermarket banners will also support Aldi's expansion in the Southeast. The firm plans to convert a significant number of Winn-Dixie and Harveys Supermarkets to its format alongside new store openings. The conversion process is expected to begin with about 50 locations in the latter half of this year.

"Our growth is fuelled by our customers, and they are asking for more Aldi stores in their neighbourhoods nationwide," said Jason Hart, CEO of Aldi. ■



Liquor Loot collapses into administration amid cash flow problems

BY SEAN CAO



Spirit subscription service Liquor Loot has collapsed into administration as the company was reportedly struggling with cash flow.

Liquor Loot and two related entities have appointed Jirsch Sutherland's Andrew Spring and Trent Devine as joint administrators.

An early assessment of the business suggests the retailer was facing challenges related to its cash flow, Spring told *SmartCompany*. Spring added he plans to trade the business through the administration process and is optimistic about the future of the company.

The administrators have not laid off staff, and shoppers are still able to access Liquor Loot tasting packs, subscription services, and full bottles via its website.

Founded in 2016 by Joel Hauer, Liquor Loot offers subscription boxes and tasting packs that allow customers to try new spirits without having to purchase a full-sized bottle. A group of business people including Tony Gandel invested in the business in 2021.

The company's total sales exceeded \$10 million in August 2022, before it launched an equity crowdfunding campaign the following month, seeking about \$3 million to fuel its potential expansion into Hong Kong and Singapore.

However, trading conditions became more difficult in 2023 as rising interest rates forced consumers, and investors, to be more conservative with their spending, according to *SmartCompany*. ■



HOW WILL *cost of living* CHANGES AFFECT *shopper behaviour?*

Economic observers are predicting lower interest rates towards the end of the year. That would mean changing consumer behaviour that retailers would need to address.

BY NORRELLE GOLDRING

Although we're still talking about inflation and the cost-of-living crisis, there are signs that prices are coming down, or at least rising less sharply.

Australian Bureau of Statistics (ABS) data shows that overall inflation stood at 3.4 per cent for the year to January 2024, versus 7.5 per cent for the preceding 12-month period.

A number of categories measured by the ABS showed disinflation over the year to January 24, year on year. These included bread, dairy, fruit and vegetables, and also electricity. Several other categories showed deflation, including meat and seafood, gas, and travel and accommodation.

Price and product trading strategies and shopper behaviours change in inflationary versus disinflationary and deflationary environments. As we shift from the former to the latter, here are my takeouts on where we've been, what will change, what's most likely to stick, and what it means for manufacturers and retailers.

Inflation and cost-of-living crunch create savings-obsessed shoppers

Tighter household budgets, less spending power, higher costs of goods and dipping consumer confidence have all led to changes in shopping behaviour. Most behaviours during 2022 and last year revolved around paying less outright, or at the least obtaining better value for money. Shoppers' strategies to achieve these ends included: looking for promotions and deals more often; trading down, such as from premium into mainstream, or mainstream into value brands ➤

and private labels; reducing basket sizes and volumes purchased; upsizing in some cases to achieve better value packs; and postponing or abandoning purchases altogether, particularly for discretionary and non-essential categories.

These behaviours have brought a decrease in both brand and retailer loyalty, and an increase in brand switching and cross-retailer shopping. Aldi has picked up some share at the expense of Coles, Woolworths and particularly IGA.

In an environment where the cost of goods and supply was still increasing, manufacturers responded by downsizing product to maintain a consistent price point (shrinkflation) or reformatting ingredients (skimpflation), both of which risk consumer ire. Some introduced value product lines. Retailers increased private-

label SKUs and share, and introduced Everyday Low Pricing (EDLP) on numerous SKUs. Price rises passed on to customers continued, due to increased supply costs, although at time of writing after a year of record profits, both Coles and Woolworths were the subject of a Senate inquiry into supermarket pricing tactics, given there were some price reductions at farmgate yet price rises continued to be passed onto shoppers.

As a side note, shoppers are unsurprisingly becoming less trusting of retailers and corporations, with 84 per cent of surveyed Australian shoppers in February 2024 agreeing that 'companies are using inflation as a way to increase profits'. This was one of the highest percentages of the 15 countries participating in the study.

The economic and shopper crossroads: What changes from here?

We're not out of the cost-of-living woods yet, given household rents increased 7.4 per cent in the year to January 2024 (higher than the year prior). More than half of Australian food and grocery shoppers are paying higher than expected prices in the past two weeks, with two-thirds of shoppers still making compromises on foods they want to eat due to high prices.

There have been rumblings in the media, however, that the economic slowdown means the RBA may >



We're not out of the cost-of-living woods yet.



Aldi has picked up some share at the expense of other supermarket chains.

cut interest rates later in the year, providing mortgage-bound consumers some relief. And as mentioned at the outset, prices in a number of supermarket categories are slowing their inflation rate or eliminating it altogether. So in an environment where consumer discretionary spending becomes more relaxed, how would we expect shoppers to change their behaviour?

With an increase in discretionary incomes thanks to interest-rate cuts and price reductions, or at least a better ability to pay when prices are lower, shoppers might again premiumise or trade up in quality and pack size. Average weight of purchase-based (AWOP) promotional mechanics such as multibuys may regain traction as shoppers seek to maximise value rather than simply pay the lowest price. The preference for essentials to the detriment of most of the rest may reverse somewhat.

Shoppers were already beginning to prefer sustainably produced products, this may increase in line with discretionary spending. Shoppers may be more inclined to try new products and not just stick with tried-and-true or lowest-priced favourites. The incidence of retailer cross-shopping may reduce as shoppers become less focused on where best to save a mere few dollars, and regain time-and-convenience mindsets. Retailer loyalty programs can play a role here in further incentivising a single-store shop.

But for some, the shift to lower cost alternatives may stick. Shoppers may decide to stay with the private labels or new brands they have discovered – including at Aldi – as more than passable substitutes, rather than return to their previous favourites. Brands may, therefore, need to promote to achieve reconsideration. Even in this scenario, the risk remains that brand loyalty may remain diminished in the expectation that a shopper can just buy whatever's cheapest or on promotion at the time, behaviour seen during the cost-of-living crisis.

Consistent high-low promotions have the unfortunate consequence of re-anchoring price points for a brand at the lowest point in shoppers' minds, potentially eroding brand equity, particularly in an over-promoted market such as Australia.



Shoppers may be more inclined to try new products and not just stick with tried-and-true or lowest-priced favourites.



In future, shoppers might premiumise or trade up in quality and pack size.

There is an opportunity for retailers and manufacturers to provide a sense of added value through mechanics other than price. These include bonus products, gifts with purchase, and additional products through loyalty rewards rather than simply providing rewards members dollars off the transaction at the checkout. Targeted and personalised promotions aimed at specific shopper segments using retailer loyalty program customer data could be employed.

What's next

If disinflation and deflation set in later in 2024, price, product and promotion strategy will require adjustments, to move from stimulating sales and obtaining basket penetration and volume, to adding value and protecting margins whilst increasing basket spend.

Whilst there won't be an overnight shift from the cost-of-living crisis to an era of disinflation or deflation, retailers and manufacturers need to prepare now to adjust their trading strategies for the evolving reality. ▀

NORRELLE GOLDRING has spent 20-plus years in the FMCG and retail sectors in strategy, research, category and marketing roles for manufacturers, retailers and consulting houses.

DR BRONNER'S CONTINUES ITS COSMIC STORY



The president and the Australian general manager of the renowned family soap business discuss the brand's Moral ABC and Cosmic Principles, its dedication to championing worthy causes and what's next for 'the fighting soap company'.

BY ARON LEWIN

Dr Bronner's has been a leader in the soap and associated products space since 1948. Here, president Michael Bronner and general manager of Dr Bronner's Australia Tammy Seligmann chat to *Inside FMCG* about the brand's impact and legacy, as well as how ethos and philosophy continue to shape its commitment to social and environmental causes.

They also reveal the history behind the iconic text on its packaging, whether their factory is in fact a commune in California, and why they are exploring alternative ownership structures.

Inside FMCG: Tell me about Dr Bronner's. How has the brand and product offering evolved over the years? Can you discuss how the business has stayed true to its history, heritage and ethos, while continuing to move forward?

Michael Bronner: My grandfather, Emanuel Bronner, began producing peppermint liquid soap in 1948 in

Los Angeles, California, under the Dr Bronner's brand name. This was our flagship product, and was embraced as an ecological and multipurpose soap. We now manufacture a variety of products, including additional scents of liquid soap, bar soap, sugar soap, shaving soap, lotions and balm, hair care products, toothpaste, and a household multipurpose cleaner, alongside various food products.

At the heart of my grandfather's vision for the company was his All-One philosophy, and Moral ABC – the famous text printed on our Castile Liquid Soap labels. This history and ethos remains at the core of our business philosophy. Dr Bronner's is now the top-selling brand of natural soap in North America, and we have a presence in over 40 countries in addition to the United States. In 2023, Dr Bronner's achieved an estimated total net revenue of US\$199.6 million (\$306.2 million), with 87.8 per cent of our sales from the US market, and 12.2 per cent from international markets.

IFMCG: Can you discuss Dr Bronner's advocacy and cosmic principles? Can you share the work being done in this space?

MB: We have codified the Moral ABC into our Cosmic Principles – these are six guiding principles that inform everything we do as a company, [including] our business health, our customers, our employees, our suppliers, the environment, and our broader community. Throughout the company's evolution, from my grandfather first founding Dr Bronner's to present day, we remain a family-owned and family-led company.

DR BRONNER'S 6 COSMIC PRINCIPLES ARE:

1. Work hard! Grow!
2. Do right by customers.
3. Treat employees like family.
4. Be fair to suppliers.
5. Treat the Earth like home.
6. Fund and fight for what's right!

[Guided by this], Dr Bronner's has supported myriad important social and environmental justice causes in recent decades, including but not limited to: the legalisation of industrial hemp farming in the US; attempts to raise the federal minimum wage in the US; multiple drug policy reform projects and voter ballot initiatives, including decriminalisation and legalisation of cannabis, and therapeutic access to psychedelics.

Dr Bronner's was also a founding member of the Regenerative Organic Alliance, which created Regenerative Organic Certified – the first product certification to go above and beyond simply 'organic' standards. It also implemented comprehensive regenerative criteria for soil health, animal welfare, and farmer and farmworker equity. We are very active in supporting animal advocacy work, particularly to protect farmed animals through changing laws and corporate policies, and expanding awareness of the problems with factory farming, along with promoting plant-based alternatives to animal products.

Furthermore, we are increasingly active in supporting social justice movements, including: the Movement for Black Lives; funding and other forms of support for people experiencing homelessness; programs and advocacy to support the LGBTQ community, especially youth, and protecting human



Dr Bronner's president, Michael Bronner.





rights for gender non-binary and trans people. We consider ourselves 'the fighting soap company' and our customers are glad to know that a portion of the cost of their Dr Bronner's products goes toward supporting these important causes.

IFMCG: Tammy, Can you tell me about Dr Bronner's presence within the Australian market? What do you think comes to mind when Australians think of Dr Bronner's?

Tammy Seligmann: Dr Bronner's products are a staple in Australian health food stores. The brand has a strong presence in the Australian market, and consumers are very loyal to the brand. It has been available in Australia for over 40 years, and is stocked in approximately 1200 stores Australia-wide, including health food stores, pharmacies, gourmet grocery, Priceline, and David Jones. Additionally, we have a strong online presence and can be found in retailers such as Adore Beauty, The Iconic and Amazon, as well as through natural online retailers such as Nourished Life and Flora & Fauna. The brand

is incredibly popular in the natural market, where low-tox, DIY and zero-waste concepts have always held a place.

When Australians think of Dr Bronner's, I think the first thing that comes to mind is the colourful packaging and intriguing label. Ask anyone in our team and they'll tell you that the easiest way to spark recognition of the brand is to say, 'It's the bottle with the writing all over it', which then brings follow up questions like, 'What is all that writing?', and our personal favourite, 'Is the factory really a commune in California?' The answer to those questions is that the writing on the bottles is the founder Emanuel Bronner's Moral ABC and All-One vision of a united world; and no, HQ in Vista, California, is not a commune. Trust me, we've visited.

IFMCG: In what ways does Dr Bronner's in Australia differ from Dr Bronner's in the US and overseas? Does the brand share the same social, economic and environmental objectives, and promote the same goals and values?

TS: Dr Bronner's in Australia shares the same values and objectives as

Dr Bronner's USA and globally. One aspect of our marketing strategy is supporting values-aligned causes and organisations, which is at the very heart of Dr Bronner's. We regularly donate to local advocacy efforts in support of social justice, animal welfare and environmental sustainability. In the last four years, we've donated approximately \$130,000 through our All-One Australia Initiative and Charity Giving programs. We also partner with like-minded organisations such as Patagonia, the Regenerators, and Sea Shepherd on campaigns and events throughout the country.

IFMCG: Michael, who's Dr Bronner's target audience, and how has this changed over the years?

MB: Everyone. Everyone needs soap. Whatever your community or subculture is, Dr Bronner's is for you. Generally speaking, our target audience has always been the mindful, conscious consumer. And, thankfully, ethical and organic products have experienced exponential growth in the last couple of decades, a trend that has been largely consumer-driven for this very reason.

Consumers are also increasingly ➤

curious about and conscious of the products they buy. They're asking themselves, 'Is this good or bad for the environment? Were animals harmed in making this product?'

Companies who consciously source their ingredients and make their products ethical – both socially and environmentally speaking – have tremendous value to conscious consumers. We also feel that brands who are modelling ethical business practices, and environmentally responsible and regenerative products, are on the right side of history.

IFMCG: How has Dr Bronner's differentiated itself from other soap and personal care brands in the Australian market?

TS: Dr Bronner's is a values-driven brand. What drives the brand is its strong commitment to people and planet. Those values are inside every bottle of soap we sell. The 18-in-1 multi-use and DIY aspect, premium quality, and concentration of our soap, along with being organic, has always been one key differentiator for us in the Australian market. Dr Bronner's transparent supply chain, certifications and evident commitment to the planet have also given us a point of difference in the Australian market.

IFMCG: Can you tell me about the iconic text on Dr Bronner's products? How did it come to be, and what role does it continue to play in attracting new customers?

MB: The text found on our Castile Liquid Soap PCR Plastic bottles is my grandfather Emanuel Bronner's manifesto, the Moral ABC.

The Moral ABC is basically about the one true religion of love [being] at the heart of all faith traditions, and that we are all children of the same divine source and should celebrate and respect one another, versus disrespecting and demonising. One of the most famous lines quoted from the Moral ABC is: "We're all one or none!" The label is a testament and memorial to his beautiful vision of peace on Earth.

The Moral ABC has come to be an iconic label in the American grocer's body care aisle. It's immediately recognisable and



unique. We have made updates over the years, to improve legibility and include new ethical product certifications, such as cruelty-free and vegan, fair trade and organic certified, among others.

Occasionally, we create advocacy labels that include a call to action or [promote] education content for our consumers to engage in. For example, we've created special limited-edition labels to 'Heal Earth!' to raise awareness of the need for Regenerative Organic Agriculture as

a key tactic in mitigating human-caused climate change.

IFMCG: Can you discuss the importance of remaining a family business? How central is this to the brand's success over the years, and do you see the business remaining in the family moving forward?

MB: My grandfather's legacy is foundational to our company and ➤



Our target audience has always been the mindful, conscious consumer.

business ethics, and in that way, we will always be a family business.

My brother David and I are Emanuel Bronner's grandsons, and are the company's CEO and president, respectively. We are supported by our sister, Lisa, Emanuel's granddaughter, who advises on customer service and has her own website to explain how to use the products. Lisa's husband and my brother-in-law, Michael Milam, is our Chief operating officer; and our mother, Trudy Bronner, is the company's chief financial officer. Dr Bronner's is a family business, not only because immediate family works in the company leadership, but because we consider all who work with us to be part of our extended family.

One of our Cosmic Principles is "treat employees like family." From this perspective, we see our entire company as our All-One family, and we strive to create a workplace that contributes to a good, healthy, high quality of life for our employees. Some of the ways we hope to achieve that is by ensuring fair pay with generous benefits, including 100 per cent free healthcare for employees and their families, yearly bonuses of up to 10 per cent of salary for full-time employees, and generous profit sharing.

We have already managed the transfer of shares from this generation to the next, and are exploring alternative ownership structures that will allow for the mission to stay intact, regardless of whether the family is running the show or not. In California, we are registered as a Benefit Corporation, which is a legal corporate entity that allows us to put mission-oriented goals in the bylaws, so that the corporation

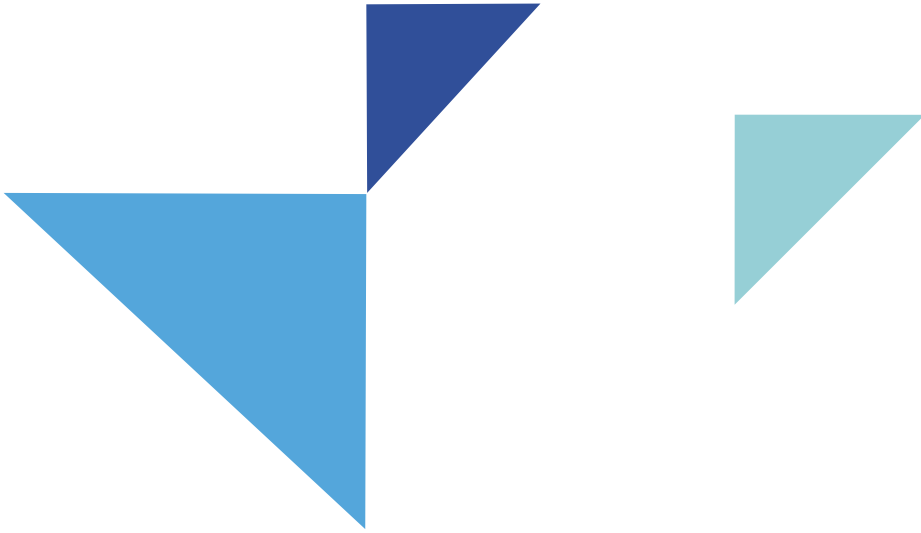


cannot be held hostage by a solitary shareholder to maximise profit distributions over all other charitable and activist funding. Right now, we don't have any other shareholders that are outside the family, but we want to be prepared in case there is a transfer of stock through untimely deaths and the like.

IFMCG: Are there new products or categories on the horizon that you're able to share? In general, what's planned in Australia over the next 12-24 months?

TS: We are working towards providing consumers with further education about the multi-use aspect of Dr Bronner's, to ensure consumers know how versatile the product is, and why the premium ingredients used are the very best for personal and home use.

We are also looking for more opportunities to expand in the gourmet grocery, independent grocery, and pharmacy channels, and are looking at launching our biodegradable all-purpose cleaner, Sal Suds, in the home maintenance and hardware channel. ■



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FORCE OF NATURE:

Emma Lewisham's no-compromise approach

The founder and CEO of New Zealand skincare brand Emma Lewisham shares not only a name but an ethos with her business.

BY STEPHANIE CAITE CHADWICK

Emma Lewisham has been disrupting the beauty industry since 2019, when she launched her eponymous skincare line designed to be sustainable for people and the planet.

Lewisham's unwavering commitment to natural beauty has led to top-selling products flying off the shelf, including the brand's illuminating oil cleanser and skin reset serum.

"I think our success is in most part due to our dedication to never compromise," Lewisham said.

"Ultimately it comes back to people and my belief that we deserve products that are fundamentally better, and I'm not willing to compromise. I am relentless in wanting to develop the very best products in the world but am determined to do so without compromising on our values."

Unlocking the power of nature

The brand is instantly recognisable in beauty cabinets thanks to its signature purple bottles – but it's Emma Lewisham's sustainable packaging designs that have everyone talking.

"We had to develop our completely refillable packaging from scratch rather than purchasing packaging moulds that already existed," Lewisham explained. "This was a huge investment but a foundational part of ensuring our business could be circular."

Lewisham's approach to packaging barely scratches the surface of the beauty brand's investment and research into developing skincare products that are good for people and the planet.

"Our products are the result of hundreds of hours of development and then they undergo independent scientific testing to prove they will deliver the intended results," she said.

"Our formulations are also unique, in that they are developed by physiologists who understand the complex physiology of your skin."

This unrelenting commitment to developing efficacious skincare and products that deliver never-before-seen results can be witnessed in the brand's latest innovation, its Supernatural Blemish Serum.

Twenty years of research went into this one serum.



The probiotic unique to the Supernatural Blemish Serum was identified in a swabbing program back in 2004 and is now patented by Emma Lewisham.

The patented probiotic reduces and prevents blemishes at the very source, as it is scientifically proven to inhibit the skin pathogen *C. acnes*, which is a key factor in the formation of blemishes, Lewisham said.

“Other acne treatments in the market act through a range of mechanisms, which can include strongly exfoliating or drying the skin and are often associated with compromises in the skin’s condition, such as irritation, severe dryness or compromising of the skin’s barrier.”

“Working with your skin’s natural intelligence, our pioneering live skin probiotic is a gentle, yet highly effective way to clear up and restore the skin.”

Build it and they will come

Lewisham is breaking stereotypes about the power of natural skincare with her science-based and evidence-backed product line – and she’s empowering her consumers with information to inform purchases.

“The biggest misconception about natural skincare is that it doesn’t work. Nature is the world’s most intelligent bioengineer, it’s just about understanding

how to unlock this intelligence,” Lewisham said.

The brand has led with transparency around its research and results since its inception.

“We have independent biomedical testing behind every product, including in vivo (clinical) and in vitro (laboratory), to validate the efficacy of every individual ingredient and the final formulation,” she added.

“This independent biomedical testing regularly validates the superiority of nature in delivering results.”

Ensuring the brand’s products meet Lewisham’s strict no-compromise criteria of being natural and science-backed is one thing, educating consumers on the benefits is another.

But the brand’s virality has come down to organic peer-to-peer referrals, which occur both online and offline.

“Nothing is as powerful as a friend recommending a product to you, and reviews play this role in the online space,” Lewisham shared.

“Reviews from real people who have experienced real results are so important in building brand trust and in supporting people who may be new to the brand in their first purchases.”

The brand’s latest innovation, its Supernatural Blemish Serum, is no exception.



“Our Supernatural Blemish Serum also quickly joined the ranks of these customer favourites after its launch in October,” Lewisham said. “We’ve had countless people send in before and after photos and letters about this product and how it has genuinely changed their life,” she added.

Lewisham’s refusal to compromise on natural, efficacious and sustainable beauty products has made her a force of nature in the skincare industry.

“It is my North Star to deliver products that work, and are good for you and the world around us,” Lewisham concluded. ▀

Unwrapped

Product design is one of the most important aspects of an item's success on supermarket shelves. In this series, we examine some fantastic examples of modern product packaging.

BY MATHILDE DELATTE

A boutique, plant-based butter

Brand: Bu Deli

Bu Deli is a vegan butter whose story began in 2015 when a family shifted to a plant-based diet but didn't want to compromise on flavour. For Claire Beard, there was a gap in the market, and in her heart, for vegan croissants in particular. She was determined to develop a product that would taste as good as dairy butter while aligning to her values. With her husband, Luke McCartin, they spent the following years perfecting their own European-style vegan butter. The couple started by making small batches using a domestic mixer, selling the butter at a cafe they owned in New Zealand. They've since partnered with restaurateur Simon Gloftis, with whom Claire had previously worked. Claire, Luke and Simon expanded the business and opened a production facility.

Unlike many of the vegan butter alternatives available, Bu Deli is cultured and emulates the consistency and versatility of traditional French cow's butter. It is made using authentic, time-honoured processes with unconventional, plant-based ingredients consisting of macadamia and cashew nuts, olive oil and coconut cream. The result is a rich, creamy and lightly salted butter with a touch of nuttiness that can be used as a spread, but also for cooking and baking.

Bu Deli is a modern twist on a classic favourite, which informed the whole branding experience and packaging developed by Studio Bland. The visual language draws inspiration from the history of butter making, whilst advocating for a conscious and sustainable future. The result is clear and confident, with a brand that appeals to both vegans and non-vegans.



JUST LIKE TRADITIONAL BUTTER

Shelf presence is a primary opportunity to convert those who love to cook from a dairy to a plant-based product. Bu Deli comes in block form and is wrapped in foil.



MINIMAL DESIGN

The packaging consists of the brand's logo and a serif font nicely laid out. That's it. Allowing for negative space and keeping text to a minimum is a good way to stand out on shelves when competitors may display busier and overly complex designs.

ELEGANT COLOUR

The Klein Blue is an audacious choice that works beautifully and gives a luxurious feel to the product.

A commitment to elegance

Brand: Leaf Whisper

Leaf Whisper is an organic iced tea which uses natural ingredients. The beverage is prepared by pouring hot water over fresh leaves then cooling the mixture down and refrigerating it. It is available in peach, lemon and tangerine flavours. Embracing the essence of tea leaves, Leaf Whisper elevates the tea-drinking experience to new heights.

The brand embodies a conscious choice towards mindful consumption and social responsibility. Designed for discerning consumers, Leaf Whisper illustrates the power of beautiful design in catching attention and driving sales.

At the heart of Leaf Whisper's branding concept lies a commitment to simplicity and elegance. Mamba Studio, based in Mexico and Morocco, designed the branding and packaging. The clever interplay of positive and negative space in the design accentuates the distinct flavours encapsulated within each bottle. The illustrations are created in a realistic style and the focus is on the leaves contained in the beverage. The typography is laid out to reference the brand's name (Whisper). The logo is refined and gives a premium look and feel to the overall design. ➤

A PERFECT VISUAL BALANCE OF HEALTH AND INDULGENCE

Every detail of the design has been thought out to reflect the nature of the product.



A BESPOKE LABEL SHAPE

Cut outs in plant and fruit shapes bring the packaging to life.



A LUXURIOUS FEEL

The serif typography and minimal colour palette elevate the label.



FEATURE



A sustainable makeover

Brand: Ingredients Matter

Ingredients Matter is a Minneapolis-based start-up catering to the laundry and personal care category. Its soap-based cleaning products are distributed online and at Target in the US. The products are made from natural ingredients and are free from dyes and synthetic or petroleum-based chemicals. A recent rebrand has contributed to Ingredients Matter's success, leading to increased distribution. The founder felt that the existing branding and packaging wasn't telling its story in a captivating way and commissioned Abby Haddican Studio to work on the rebrand. The creative firm did a brilliant job giving Ingredients Matter a shelf appeal that attracts consumers looking for more eco-friendly and natural cleansers. The logo uses a flag symbol as a way to make a statement for a more sustainable world. The vibrant colours and bold typography are eye-catching. The overall result is a can't-miss-it design that looks as good in the cleaning aisle as it does in a laundry room.

Ingredients Matter is setting a high standard for what it means to be sustainable in both product and packaging. Its products are effective while using greener ingredients than its competitors. The company's leaders wanted minimal impact on the environment to be central to their storytelling and brand ethos.

A FOCUS ON SUSTAINABILITY
The feedback Ingredients Matter was getting from consumers revealed a preference for the box, and a desire to move away from plastic and remove the plastic scoop from the box.



A RETRO AESTHETIC
The brand taps into customers' emotions by creating a feeling of nostalgia.



BACK TO BASICS
The packaging uses bold typography, ensuring a strong shelf presence.



Tradition with modern flair

Brand: Mercado Famous

Drawn from the vibrant streets and culinary legacy of Barcelona, Mercado Famous pays homage to the art of charcuterie. Co-founded by Carmen Chen Wu and Aaron Luo, their vision was to introduce the delights of Barcelona to a global audience, with a focus on the United States.

Distinguishing Mercado Famous is its visually striking packaging. Working with design studio Gander, the brand combines modern design approaches with nods to Barcelona's history and cultural heritage. Reminiscent of the iconic and identifiable aesthetics found in Wes Anderson films, Mercado Famous' packaging boasts a vivid Klein blue colour scheme, intricate illustrations, and expressive motifs and typography. Unlike traditional packaging methods, Mercado Famous opts for a circular cut-out, elevating its presentation and setting it apart from competitors who typically rely on plastic covering.

Each facet of the brand is meticulously crafted to convey a vintage yet modern feel. Further, the brand advocates for a "slow food" ethos, encouraging consumers to cherish moments spent with loved ones over shared meals. This emotional resonance is woven into the product, which ultimately strengthens its brand recognition and identity.

AN ODE TO BARCELONA

Mercado Famous pays homage to the vibrant culture of Barcelona — evoking the memories of classic European butchers and delis, but with a modern twist.

CAREFULLY CONSIDERED PACKAGING

Gander Studio's design transforms charcuterie packaging into a work of art, blending expressive typography, vibrant colours, and intricate illustrations.

STRONG NARRATIVE

Mercado Famous shares stories of passion, heritage, and artistry, inviting consumers to slow down, gather around the table, and create lasting memories with loved ones. ▀

MATHILDE DELATTE is the creative director of Belleville Studio (bellevillestudio.co), a branding and design studio based in Melbourne.



Decoding TikTok:

A guide to riding the algorithmic wave

TikTok holds the promise of increased sales and high customer engagement; learn how to maximise its impact and avoid risks.

BY INSIDE FMCG



TikTok is an incredibly dynamic and fast-moving digital platform. It has emerged as an influential space for brands looking to connect with consumers.

Used by millions of people around the world, TikTok provides FMCG brands with an opportunity to tap into current trends, revitalise their image and build strong relationships with their audience through short-form visual content. Moreover, the platform offers these brands the opportunity to engage with existing audiences, as well as those who might otherwise be unfamiliar. This can be a useful device to drive sales.

But TikTok has become a contested space. Standing out in the crowd requires creativity, personality, innovation and a deep understanding of what makes a platform's mechanics and algorithms tick.

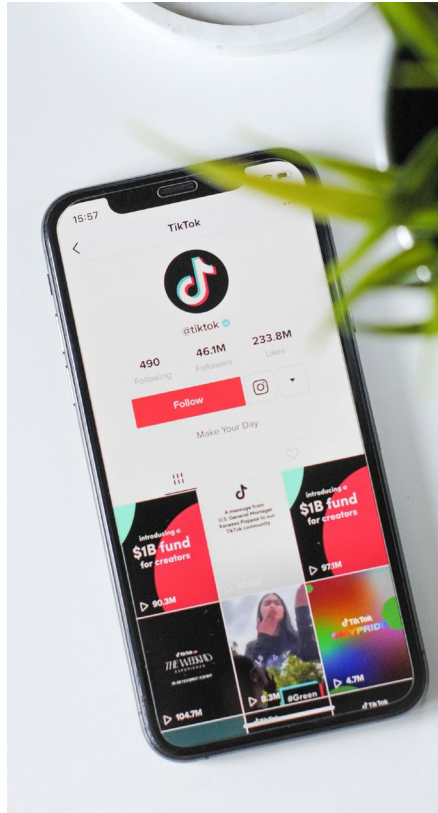
In this report, we delve into the strategies and insights necessary for FMCG brands to capitalise on everything TikTok has to offer. We also discuss the opportunities and challenges in this space, and highlight the brands leading the way.

Australia's infatuation with TikTok

TikTok boasts a substantial user base which, both passively and actively, spends hours each day on the platform. This audience is also using TikTok to find new brands and products, and explore what's on the market.

For instance, *TikTok Insights data* shows about 40 per cent of the platform's Millennial users credit the platform with helping them discover new things, while Gen Xers are much more likely than users of other platforms to buy something immediately after they discovered it on TikTok. Further, Gen Z TikTok users are nearly twice as likely as users on other platforms to generate content that showcases products on social media.

Although TikTok is primarily associated with younger demographics, it's clear that its appeal has cut through across all age groups. With over eight million active users in Australia and 350,000 businesses using TikTok in some capacity, there are commercial opportunities available for FMCG brands to explore.



- Australian Gen X TikTokers are 2.3x more likely than other platform users to buy something they discovered on the platform immediately.
- 40 per cent of Millennial TikTok users said that the platform helps them discover new things.
- TikTok users are 1.5x more likely than other platform users to buy something they discovered on the platform immediately.

Source: *TikTok for Business*

Strategies to consider

Like all social media platforms, TikTok is constantly changing. A social media campaign might be effective one week, and redundant or boring the next; however, there are some strategies that might be worth exploring.

- **Authentic storytelling:** Successful TikTok campaigns often hinge on authenticity. FMCG brands should work to craft narratives that are true to their brand identity, values and personality. In particular, humour can be a powerful tool in connecting with target audiences, and bringing the brand to life.
- **Capture trends:** FMCG brands should seek to remain flexible and agile, and abreast of emerging trends, in order to enhance their visibility and engagement. It might be a song or dance, a viral trend, or championing what's in the zeitgeist. Embracing these elements – while also adding to them with your own spin – can help your brand remain on top of the algorithm, and carve out a distinctive presence on the platform
- **Bring the user in:** Encouraging consumers to become co-creators can be a potent strategy for FMCG brands looking to promote their product authentically, while also demonstrating the brand's popularity and value. By inviting users to add their voice, brands can highlight the strength of their product, emphasise brand loyalty and continue to build their audience.
- **Collaborations:** From celebrities and influencers to community members and neighbouring businesses, collaborations can be mutually beneficial in amplifying brand reach. This, in turn, can provide FMCG brands with a strong opportunity to connect with potential consumers.
- **Shareability:** Encourage users to share widely. It can be a simple but effective way to expand reach and enhance engagement. ➤

Leading examples

Several FMCG brands have successfully leveraged TikTok to build their brand presence and meet the wants and needs of their audience. Here are a few that have done so successfully.

- BONDS (OVER 800,000 LIKES)**
 Australian underwear and clothing brand Bonds has retained its popularity by demonstrating a commitment to inclusion and diversity in its product design and content creation. It posts regularly, contributes to and capitalises on the latest trends and is willing to show behind-the-scenes footage of what it's up to, letting the viewers in. These strategies have helped Bonds remain in the hearts, minds and feeds of its audience.
- BONDI SANDS (OVER 1.8M LIKES)**
 Bondi Sands' vibrant imagery and agile content resonate with its audience. Through informative tutorials and reviews, the brand continues to highlight the quality and value of its products. It has also embraced user-generated content, which has helped to foster a sense of community around their brand, while reinforcing its wide reach and popularity.
- LITTLE MOONS (OVER 320,000 LIKES)**
 The rise of the ice cream mochi brand on TikTok is a testament to its authentic approach to content creation. The product is always at the forefront, with the brand open to experimenting and taking risks – exploring different trends and strategies – to reach new audiences. This has helped build a genuine connection with its audiences, enabling it to stand out in the frozen goods space.



Risks

Despite the opportunities present, using TikTok for brand promotion does come with risks, which should not be overlooked.

These include, but aren't limited to:

- 1. Brand Image:** Controversial, boring or inauthentic content can negatively affect the brand's reputation. Recovering from this can be a challenge.
- 2. Regulatory Compliance:** FMCG brands must ensure compliance with the law, community guidelines and regulations. The consequences of not doing so can be significant.
- 3. Platform Algorithm Changes:** Algorithm changes can affect content visibility and engagement.
- 4. Dependency on Influencers:** Relying too heavily on influencers can pose risks if their behaviour does not align with the brand's values. It can also lead to accusations of inauthenticity, which can adversely affect the brand image.

Conclusion

TikTok offers FMCG brands in Australia a compelling platform to engage with consumers, drive engagement, and increase sales. By embracing creativity and authenticity, FMCG brands can make the most of the social media platform's potential as a marketing and sales channel. While navigating TikTok's complexities requires diligence to mitigate risks, the social media platform can be an important tool for brands as part of their arsenal to connect with consumers. ■





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Not taking the piss!

A closer look at Sooshi Mango's
new wine range

Sooshi Mango has already achieved stardom through its comedy and nostalgic restaurant. Now, it's evoking memories and creating new ones through its wine range.

BY ARON LEWIN AND
STEPHANIE CAITE CHADWICK

Australian comedy group Sooshi Mango has become a household name through its lovingly crafted comedy characters and sketches – which celebrate their background, heritage and family.

Fresh off a world tour, the trio, which includes brothers Joe and Carlo Salanitri and close friend Andrew Manfre, have achieved enormous success on social media, generating millions of likes and followers on social media.

Recently, Sooshi Mango has entered into the culinary landscape with its new restaurant, Johnny, Vince, and Sam's Ristorante, which is situated in the heart of Lygon St. And much like the dining establishment, their new vino range is no joke.

Starting with a sangiovese, the range now features a moscato, rosé, prosecco, and a limited-edition tiramisu alcoholic crema. Available at leading liquor stockists such as Dan Murphy's and BWS, the collection has been designed to "bring la famiglia to the table".

Joe Salanitri told *Inside FMCG* that wine has been a central part of their lives, and was always on the table growing up. He said the trio held ambitions of creating a standout wine range that they and their audience would connect with, with these plans becoming more concrete as the Sooshi Mango brand continued to grow.

While they've successfully been able to leverage their characters and comedy to introduce their wine range to a wide and growing audience, they've worked tirelessly to ensure that the product stands up on its own two legs. "Sooshi Mango is all about having fun, but it had to be a good, serious wine. We wanted people to drink this wine and enjoy it. That's no joke," Salanitri said.

"We wanted to make it affordable, very tasty, and to work with one of Australia's best vineyards and winemakers. That's how it all sort of happened."

Serious business

As part of their R&D, Sooshi Mango teamed up with wine and alcohol expert Paul DiVito, as well as Australian Vintage Limited (AVL), a prominent Australian wine production company. Salanitri explained that the team went through a meticulous process with family and friends to find the perfect match.

"For instance, with the sangiovese, some [options] were too strong, others were too fruity, and we sort of ended up in the middle," he said. "This was the process that occurred across the range. [AVL] would give us different varieties of a particular bottle, we'd taste it and have a few drinks until we all ticked off on one we liked.

Another priority for the group was establishing connections with leading liquor retailers like BWS and Dan Murphy's – the latter coming about partly through their connection with DiVito. Even with their comedy success and social media following, the group understood that their products had to pass the pub test – and be of sufficient quality – for the major players to stock and sell it, and for customers to remain receptive. ➤



The next step is to take our wine to [local] restaurants – then right around the world.

“If the wine is no good, Dan Murphy’s won’t take it. Only after we had the right wine, and worked with the right people, were we confident enough to [suggest] putting our offering on their shelves,” Salantri said.

However, the authentic connection that Sooshi Mango has forged with its fans has certainly helped its cause.

“The relationship started with Paul speaking to [stockists]. Then, we’d send messages to Dan Murphy’s head office and CEO Steve Donohue as [our characters] the ethnic dads, and [tell him to] put our wines up in their stores. Our approach was fun, but at the same time, serious business. We were fun, and the wine was serious.”

What’s next

Sooshi Mango’s growth aspirations extend beyond its stockists. In recent months, the comedy group has added to its wine range and, in time, the plan is to introduce their wine to restaurants across Australia. This has already started with their own establishment, Johnny Vince and Sam’s, where the Sangiovese proudly serves as the house red.

“The plan is for our wine to be distributed internationally. We understand that we’ve gone pretty hard and fast in Australia. The next step is to take it to restaurants – then right around the world,” Salantri said.





He added that their wine remains deeply connected to their background, heritage, and comedy.

“We couldn’t have brought out a vodka or tequila. With everything we do as Sooshi Mango, we make sure there’s synergy between the brand and product, and what we do. Wine was at the top of our list,” Salanitri said.

“The best thing that our wine has attached to it is that it’s unbelievably tasty and is sold at a great price point. But, [through the Sooshi Mango name] we’re also able to get people to go out and buy it. It’s bringing people into the stores to say, ‘I want the Sooshi Mango wine.’ This helps us to stand out in a wall of sangioveses and moscatos.”

Moving forward, he hinted at the possibility of expanding the alcohol selection to include a pinot grigio, a



With everything we do as Sooshi Mango, we make sure there’s synergy between the brand and product, and what we do.

limoncello spritz and/or a range of beers. Meanwhile, the limited-edition tiramisu crema – which “flew off the shelves” – is making a comeback around Mother’s Day.

Salanitri also suggested a range of food products is in the works.

“Nothing is concrete yet, but we’d love to do a cold meat [range], a coffee [range] a pasta or pasta sauce and a biscuit [range]. Anything along the lines of what was in our house or was a part of our life growing up. I don’t remember anyone coming to our house and not being offered biscuits or coffee,” he said.

“And, going to school, I don’t remember having sandwiches without salami, mortadella, prosciutto or something along those lines in it. We want to keep it on point and on brand with Sooshi Mango.

“We’re not finished yet.” ■

SMART AISLES: the AI-driven retail evolution

With AI continuing to redefine the FMCG space, futurist Renaud Frisé is putting out a call to action – the potential is limitless, so get on board.

BY RENAUD FRISÉ



Imagine a world where your grocery list dynamically updates in real time, optimising your shopping experience and budget based on your preferences and real-time store promotions. This is not a glimpse into a distant future but the present reality unfolding in supermarkets and convenience stores around the globe, thanks to artificial intelligence (AI).

The retail sector, a cornerstone of everyday life, is undergoing a seismic shift, with AI leading the charge. This transformation is not just about technological advancements; it's about

redefining the very essence of shopping, making it more efficient, personalised and interconnected than ever before.

AI's transformative impact on supermarkets, grocery stores and convenience spaces goes beyond automation; it's enhancing logistics, refining supply-chain efficiencies, and revolutionising customer experiences. AI is not just an added feature but a strategic necessity, driving supermarkets and convenience stores towards a future where every aisle is smart, every product choice is informed, and every customer interaction is seamless.

Leveraging AI in the aisles

In the bustling world of retail, where every second and every square centimetre of shelf space count, AI is becoming an indispensable ally. From the back end of the supply chain to the front end where customers interact with products, AI is redefining efficiency and the customer experience. Recent research outlines how AI applications in inventory management, customer demand forecasting, and logistics optimisation are ushering in a retail revolution.

AI in inventory management and supply-chain excellence

A 2022 study titled, “Performance Optimisation of Industry Supply Chain Using AI” by Dr Madani Abdu Aloma sheds light on AI’s pivotal role in streamlining the supply chain. By integrating strategic, operational and environmental considerations, AI enables retailers to achieve accurate capacity planning and enhance productivity. This is not about replacing human intuition but augmenting it with AI’s unparalleled data-processing capabilities, allowing for real-time adjustments and forecasting with high precision. Such optimisation leads to fewer stockouts and overstock situations, directly impacting a store’s bottom line positively.

By leveraging AI for customer demand forecasting, retailers can now predict buying trends with remarkable accuracy, and adjust inventory levels accordingly. This proactive approach to stock management not only ensures that customer demands are met more efficiently, but also significantly reduces waste, contributing to more sustainable retail practices.

Real-world benefits of AI in retail

The practical application of AI in retail settings offers compelling evidence of its benefits. For instance, a major supermarket chain in the US implemented AI-driven predictive analytics for inventory management, resulting in a 20 per cent reduction in inventory costs and a 10 per cent increase in customer satisfaction scores. This was achieved by dynamically adjusting stock levels based on real-time sales data and trend analysis, ensuring that popular items were always available, while reducing excess inventory of slower-moving products.

Another case study involves a convenience-store chain that leveraged AI for logistics optimisation. By analysing delivery routes and times, combined with real-time traffic data, the chain was able to reduce delivery times by 15 per cent, enhancing the agility of the supply chain. This not only improved the freshness of perishable goods but also increased the efficiency of restocking efforts, leading to a

more dynamic and responsive retail environment.

These case studies underscore the tangible benefits of integrating AI into retail operations, including cost reduction, improved customer service, and enhanced supply-chain agility. As retailers continue to navigate the challenges of a rapidly changing market landscape, AI stands out as a critical tool for staying competitive and meeting the evolving needs of consumers.

The revolution in the aisles is well under way, with AI leading the charge towards a more efficient, customer-centric and sustainable retail future.

Technological innovations reshaping grocery shopping

As we delve deeper into the digital age, the fusion of Artificial AI and the Internet of Things (IoT), sometimes known as AIoT, is setting the stage for a profound transformation in grocery shopping. This technological synergy is not just enhancing inventory management but is also elevating the customer experience in grocery and convenience stores.

While AIoT brings a plethora of opportunities for the fast-moving consumer goods (FMCG) industries, it also presents challenges, notably in cybersecurity and infrastructure, that need to be navigated with care.

AIoT stands at the forefront of revolutionising inventory management. By leveraging real-time data collection and analysis, retailers can achieve an unprecedented level of accuracy in stock levels, reducing waste and ensuring that shelves are always stocked with what consumers want. This level of efficiency not only cuts down operational costs but also contributes to a more sustainable retail environment by minimising excess inventory and spoilage.

Beyond inventory management, AIoT and advanced analytics are reshaping the shopping experience for customers. Personalised shopping recommendations, based on purchasing history and preferences, are now possible, thanks to the vast amounts of data collected through AIoT devices and analysed by AI. This personalisation not only improves customer satisfaction but also drives sales, by matching consumers with products they are most

likely to purchase.

The journey towards a fully integrated AIoT-powered retail environment is not without its hurdles. Cybersecurity remains a big concern, with the increased digital footprint necessitating robust security measures to protect consumer data. Additionally, the infrastructure required to support these advanced technologies is substantial, calling for considerable investment in both hardware and software.

Despite these challenges, the potential benefits of AIoT in transforming supply chains and enhancing customer experiences make it a worthwhile endeavour for retailers. ➤



This is not about replacing human intuition but augmenting it with AI’s unparalleled data-processing capabilities, allowing for real-time adjustments and forecasting with high precision.



Navigating challenges on the path to digital transformation

The integration of AI into the retail sector, specifically within supply-chain management, heralds a new era of efficiency and customer-centricity. However, the journey towards fully leveraging AI in supply-chain management is laden with challenges. These range from data privacy concerns to the pressing need for a skilled workforce, not to mention the Herculean task of modernising legacy systems.

As retailers rush to implement AI and related technologies, the spectre of data privacy looms large. With vast amounts of customer data being analysed to enhance the shopping experience, ensuring this data's security is paramount. Additionally, the effective deployment of AI in supply-chain management necessitates a workforce that is not only tech-savvy but also proficient in managing and interpreting AI-driven insights. This skill gap presents a barrier to realising AI's full potential within the retail supply chain.

The path to overcoming these challenges is twofold: a cultural shift towards innovation and strategic investments in training and infrastructure.

While the challenges are substantial, they are not insurmountable. By embracing a culture of innovation, investing in workforce development, modernising legacy systems, ensuring data privacy, and adopting a collaborative approach to technology implementation, retailers can navigate the complexities of digital transformation. This requires more than just technological investment; it demands a fundamental shift in mindset, where innovation and human expertise converge to drive sustainable growth and competitive advantage.

Predictive analytics for supply-chain excellence

AI-driven predictive analytics are becoming increasingly sophisticated, enabling retailers to forecast demand with unprecedented accuracy.

Dynamic pricing for competitive edge

Dynamic pricing strategies, powered by AI, are providing convenience stores with a competitive edge. By adjusting prices in real time based on factors such as demand, competition and inventory levels, stores can optimise profitability while improving customer satisfaction.

Autonomous deliveries to doorsteps

The future of retail logistics includes the expansion of autonomous delivery services, using drones and vehicles to deliver groceries directly to customers' doorsteps.

Sustainability through AI optimisation

In the pursuit of sustainability, AI is playing a pivotal role in enabling

grocery and convenience stores to operate more efficiently. From optimising energy use in stores to reducing food waste through better inventory management, AI's potential to support environmental sustainability is immense.

Seamless omnichannel experiences

AI is bridging the gap between online and offline shopping, creating seamless omnichannel experiences that cater to the modern consumer's desire for convenience and personalisation. Through AI, retailers can offer personalised recommendations and services across all channels

Fully automated stores and personalised shopping

Fully automated stores, where AI manages everything from inventory to checkout, is becoming increasingly viable. These stores offer a glimpse into a future where shopping is more efficient and customer-focused than ever.



The checkout of tomorrow

The supermarket, grocery and convenience-store sector is on the cusp of an even more transformative era.

The role of AI is set to expand greatly, revolutionising every aspect of the retail experience, from inventory management to customer engagement.

As AI continues to evolve, its role in transforming the supermarket, grocery,

and convenience store sector will only grow. The checkout of tomorrow promises a retail landscape that is more efficient, sustainable and personalised, powered by the innovative use of AI technologies.

For retail leaders, the call to action is clear: Leverage AI to unlock sustainable growth and secure a competitive advantage. This entails not

just investing in technology but also fostering a culture of innovation and learning, where the potential of AI can be fully realised. ▀

RENAUD FRISÉ is the executive director of digital, data and technology at Enigma.



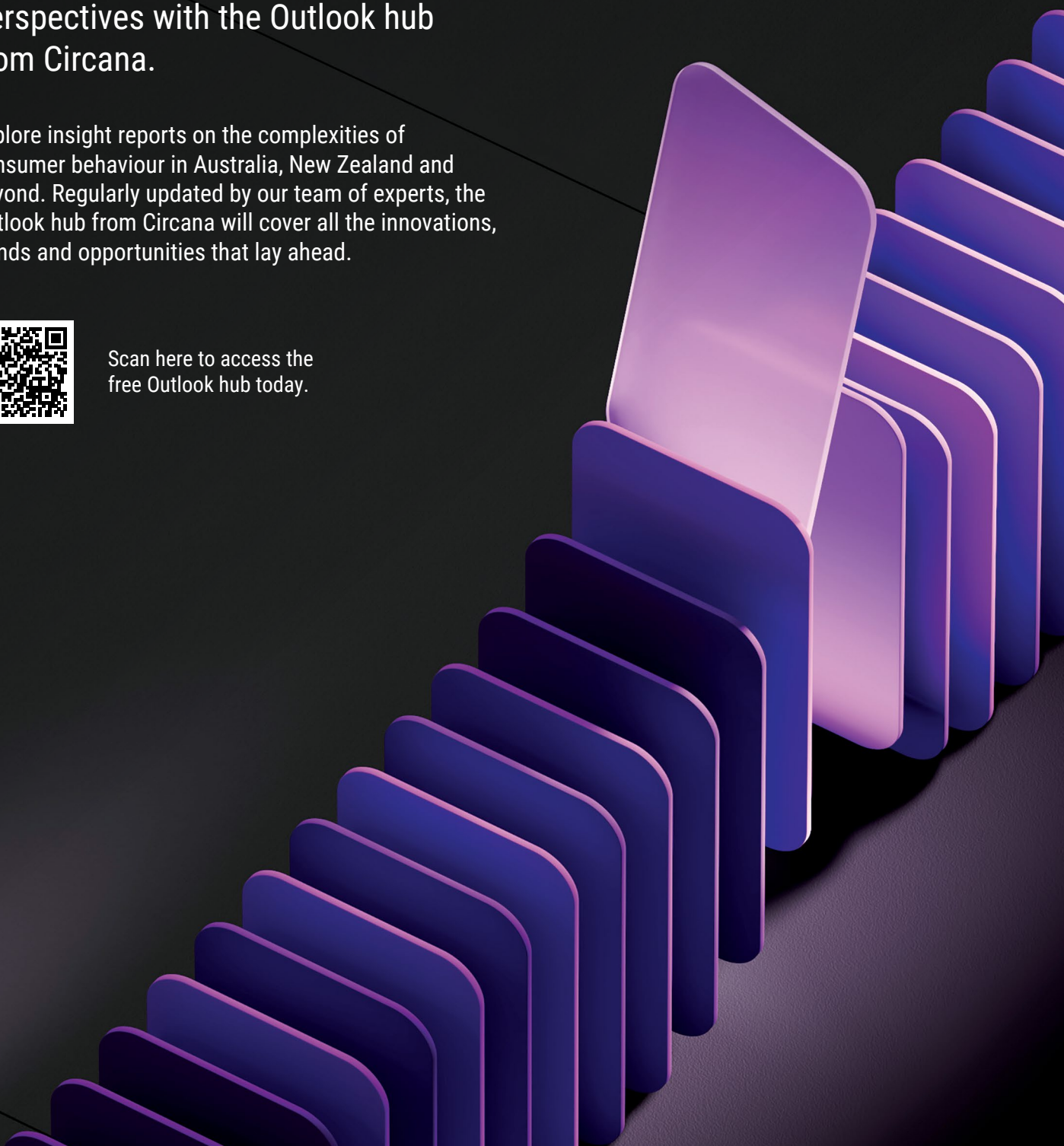
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FIVE MINUTES WITH Daniel Kitay, Funday

With 91 per cent less sugar than traditional lollies, sweets brand Funday has formed strong partnerships with major suppliers, and has carved out a strong point of difference as a healthier alternative in the confectionery space. Here, we chat to founder Daniel Kitay about how and why he built the lolly brand from the ground up, and why his enthusiasm for Funday, and low-sugar lollies continues to grow.

BY ARON LEWIN

Inside FMCG: Tell me about Funday Sweets. How did the business come to be? Why specialise in healthier lollies and sweets, and how has the brand evolved over the years?

Daniel Kitay: My love affair with sweets began in childhood, but it came at a cost. As I grew older, the health consequences of indulging became increasingly apparent, leading me to cut out sugar entirely. My professional journey, spanning diverse fields like law, commerce and the vitamin and supplement industry, equipped me with valuable insights into health trends and retail dynamics. Throughout my professional life, I witnessed firsthand the growing consumer demand for healthier alternatives, and the yearning for indulgence without compromise. It was a trip to LA and the UK in 2019, however, that truly ignited the spark for Funday Sweets.

Amid the early tremors of the global pandemic, I stumbled upon a revelation – innovative ingredients that held the potential to revolutionise the very sweets I craved. This epiphany, coupled with my personal journey and professional experience, formed the genesis of Funday >

Sweets in 2021. Our mission was to enjoy lollies like a kid again, but this time, with a harmonious blend of taste and health.

Since its inception in 2021, Funday has evolved into a pioneering brand within the healthier sweets market. Our mission has propelled us forward, guiding our product development and business strategy.

IFMCG: Can you discuss the process and R&D involved in developing Funday products?

DK: The R&D journey for Funday was as fascinating as it was demanding, and creating gummies that met stringent standards for health, taste and texture proved to be a complex endeavour. Over 100 meticulous benchtop trials were conducted, spanning 18 months, as we partnered with skilled food scientists and chefs. Together, we navigated the intricacies of gelification, pH issues and flavour profiling, to ensure we were creating a genuinely delicious and healthy alternative.

One of the most significant breakthroughs was transitioning from small-scale trials to full-fledged production. Transforming a promising concept into tangible gummies was a defining moment.

IFMCG: How have you scaled Funday over the years, and what was involved in driving growth?

DK: From the very beginning, we recognised the importance of product

excellence. We knew that creating delicious and healthy gummies was just the first step. To do this, we set out with a multi-pronged approach.

First, we worked on building a vibrant online community. Engaging with our target audience through strategic social media campaigns allowed us to showcase the unique qualities of our products and foster genuine interactions with our customers.

We also secured major retail partnerships. Within our first year, we established collaborations with retail giants like Chemist Warehouse and Woolworths. We're now in over 1200 stores nationwide, solidifying our position as a prominent player in the Australian 'better for you' lolly category.

IFMCG: Tell me about the market for healthy alternatives and substitutes (within and beyond the sweets category) in Australia at the moment. How have you seen it change over the years, and how do you see this market evolving?

DK: The Australian market for healthy alternatives and substitutes across various categories, including confectionery, is growing. Consumers are increasingly prioritising their wellbeing, and making conscious choices about what they consume. This trend extends beyond simply seeking healthier options; it's about investing in products that enhance their overall sense of wellbeing.

Over the past few years, I've witnessed a shift in demand towards better-for-you alternatives. This is evident not just in confectionery, where Funday Sweets operates, but also in various other sectors, like dairy-free milk options, plant-based proteins, and sugar-free baked goods. While acknowledging the current economic climate and cost-of-living concerns, consumers are still willing to prioritise products that align with their health goals and values.

Looking ahead, the better-for-you market is expected to continue its upward trajectory. Consumers are becoming more educated about the impact of their choices on their health and the environment, driving the demand for sustainable and ethically sourced products as well.

IFMCG: What do you think people mostly look for when it comes to considering, and then opting to buy, healthier sweets?

DK: When considering healthier sweets, consumers are increasingly looking for products that don't force them to compromise – on taste, texture, nor nutritional value. There's a delicate balance to strike. Our commitment is not just to create healthier options but to craft experiences that resonate deeply with our customers. This philosophy has been pivotal in achieving an online return customer rate exceeding 60 per cent.

In today's landscape, the perception of healthier sweets is evolving, partly thanks to the influence of social



media and the growing prominence of fitness and nutrition influencers. These platforms have played a role in demystifying healthier options, showcasing that it's possible to enjoy delicious treats without compromising on health or taste. However, the rise in the cost of living poses challenges, making consumers more discerning in their purchases. Despite these hurdles, however, demand for healthier sweets like ours continues to grow.

People are not just seeking out better-for-you options, they're demanding them, driven by a desire to lead healthier lives without giving up the pleasures of good food.

IFMCG: Can you discuss the commercial relationships developed with pharmacies, supermarkets, newsagents and other FMCG stockists over the years? How did they come to be, and what advice would you have for people seeking to enter and expand in this space?

DK: Being first to market, Funday has not only introduced a novel product but has also played a crucial role in attracting new customers to the category, thereby driving incremental sales for our retail partners. This dynamic has made us an attractive partner for retailers, who value the fresh customer base and increased category interest that our products bring.

For those seeking to enter and expand in this competitive arena, it is straightforward: Focus on how your product can uniquely contribute to the category's growth. Highlight your innovation but, equally, demonstrate the tangible benefits you bring to retailers, such as attracting new segments of consumers and providing incremental value. This dual approach of showcasing product uniqueness and practical benefits has been key to our collaborative and mutually beneficial partnerships with retailers.

IFMCG: How has your relationship with food and sweets changed since the business started? Are you still as excited by no-added-sugar products as you were in 2018?

DK: Launching Funday has been a transformative chapter in my life, intertwining my personal narrative with



my professional aspirations in a way that's both meaningful and impactful. This venture began as a solution to my own challenges with food and sweets, a journey from restriction to liberation, where the joy of indulgence meets the wisdom of health-conscious choices. It's a reflection of a broader movement within the food industry towards innovation that doesn't compromise on delight or wellbeing.

This has only deepened my enthusiasm for no-added-sugar products. Every piece of candy we create at Funday – be

it a gummy bear, sour cola bottle, or raspberry frog – is not just a treat, it's a testament to the possibility of enjoying life's sweet moments without the downsides traditionally associated with sugar.

And my connection to Funday goes beyond business; it's a personal crusade to change how we indulge, but in a way that aligns with a healthy, balanced lifestyle. My passion for creating healthier alternatives has not waned since 2018; if anything, it has grown stronger with every success story we hear from our customers. ■

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Brand trust can return after a product recall

How brands can get back on their feet after a product is pulled from the shelves.

BY GRANT DAVIDSON

For any food manufacturer or brand, there are two words that strike fear: product recall. It's a scenario more common than many realise, with the ACCC reporting about 650 recalls each year in Australia alone.

Beyond the immediate concerns for consumer safety, product recalls can generate major financial costs, averaging around \$10 million and sometimes soaring up to \$100 million. And once the dust settles on the financial fallout, the arduous task of rebuilding consumer trust begins.

In the dynamic and fiercely competitive landscape of fast-moving consumer goods (FMCG), the relationship between brands and consumers hinges on trust. When a product recall transpires, it not only poses immediate challenges to safety and compliance but also undermines the very bedrock of consumer trust.

In this article, we'll explore the paramount importance of customer trust for brands and outline a strategic marketing approach to regaining confidence following a product recall.

The critical importance of customer trust

Customer trust serves as the cornerstone of every brand, bridging the gap between brand promises and consumer expectations. A brand's reputation for safety, reliability, and ethical conduct directly influences consumer purchasing decisions. When trust is compromised due to a product recall, it becomes imperative for brands to act swiftly and strategically to regain consumer confidence. But that's the big picture; we can also identify some very specific reasons to make building trust your number one marketing priority.

Brand loyalty: Trust forms the basis of brand loyalty. Customers who trust a brand are more likely to remain loyal, even amidst challenges. Loyal customers not only continue to make purchases but also become brand advocates, fostering positive word-of-mouth marketing. ➤



Market differentiation: In a crowded marketplace, consumer trust becomes a vital differentiator. Brands perceived as trustworthy stand out from the competition, attracting new customers and retaining existing ones. Trust acts as an asset, setting a brand apart in consumers' minds.

Reputation management: Trust underpins a strong reputation. Brands that prioritise transparency, integrity and customer satisfaction are better equipped to navigate crises effectively. But a loss of trust can lead to reputational damage requiring considerable time and effort to repair.

Consumer confidence: Trust catalyses consumer confidence. When consumers trust a brand, they feel assured about the safety and quality of its products. This confidence is pivotal for sustained business success, as such consumers are more inclined to make repeat purchases and recommend the brand to others.

Strategies for rebuilding trust

Now that we've agreed on why it's important, let's delve into the practical steps that brands can take to address a loss of trust. The good news is that most of these strategies aren't expensive to implement. The bad news is that they require focus and commitment from the brand, and a preparedness to learn and probably also swallow some bitter pills.

Be transparent and responsive: Concealing information, delaying communication, or providing inconsistent details are cardinal sins. Such actions not only jeopardise credibility but also sow confusion and erode hard-earned trust. To navigate this challenging terrain, transparency and promptness should be guiding principles.

Lay bare the intricacies of the recall, elucidating reasons, scope, actions and impacts clearly. Initiate communication promptly, even if all answers remain elusive. Keep stakeholders informed of developments, acknowledging any gaps or uncertainties while articulating strategies to address them. In the realm of product recalls, honesty and timeliness are linchpins that fortify trust and uphold integrity.

Make the affected customers your north star: In the intricate dance of corporate response, illuminate a singular commitment: the safety of consumers. Let this principle guide communication strategies. Every orchestrated move should revolve around a central objective



Transparency and promptness should be guiding principles.

– alleviating the repercussions of the recall for consumers and furnishing them with necessary information to safeguard their wellbeing.

Define your objectives and connect with your audience:

Before crafting messages, set clear communication goals and identify your target audience. What narrative do you aim to weave? Are you seeking to enlighten, express regret, instil confidence, or sway opinions? Pinpoint primary audience segments and understand their sentiments and expectations regarding the recall. Tailor communication to resonate effectively with each segment, aligning seamlessly with overarching objectives.

Empathic communication: Develop marketing campaigns that demonstrate empathy toward affected consumers.

Craft messages conveying genuine understanding of inconveniences caused and highlight the brand's commitment to making amends. Humanise the brand by showing compassion and concern.

Highlight corrective actions: Showcase concrete steps taken to

rectify the issue and prevent recurrence. Emphasise investments in enhanced quality control measures, product testing and safety protocols. Demonstrating a commitment to improvement develops confidence in consumers.

Engage in proactive customer outreach: Implement targeted marketing campaigns to reach out directly to affected consumers. Utilise email marketing, personalised messages, and social media to offer compensation, replacement products or additional services. Proactive outreach demonstrates commitment to customer satisfaction.

Collaborate with influencers for endorsements: Leverage influencers and brand advocates to amplify positive messaging. Identify influencers aligning with the brand's values and engage with them to get them to share authentic testimonials about the brand's commitment to change. Influencers play a crucial role in rebuilding credibility.

Educate consumers on quality assurance: Develop marketing materials educating consumers about the brand's reinforced commitment to quality assurance. Highlight improvements in manufacturing processes, rigorous testing procedures, and adherence to industry standards. Education fosters understanding and trust.

Rebranding with positivity: In cases of severe damage, consider rebranding or repositioning. Focus on positive changes and a renewed commitment to consumer wellbeing. Refresh the brand's visual identity and messaging to create a positive association. Position the recall as a catalyst for positive transformation.

**Maggie Beer Products:
The power of authenticity**

In 2016, Maggie Beer Products faced a recall of its popular macadamia spread due to potential glass shard contamination. What could have been a PR disaster became a case study in transparency and genuine connection.

THE STRATEGY

Personal touch: Maggie Beer, the brand’s founder and beloved public figure, directly addressed consumers in a heartfelt video. She apologised sincerely, explained the issue openly, and outlined the recall process with clear instructions.

Proactive communication: The company established a dedicated recall website with detailed information, FAQs and a customer service hotline. They kept audiences updated through regular press releases and social media posts.

Building trust through action: Maggie Beer went beyond the minimum requirements, offering full refunds and even gifting affected customers a replacement product once the issue was resolved.

THE RESULT

The recall, while undoubtedly challenging, ultimately strengthened the brand’s reputation. Consumers applauded the company’s transparency, Maggie Beer’s personal touch, and the commitment to customer well-being. The incident showcased the power of authenticity and proactive communication in rebuilding trust.

SPC Ardmona: Embracing transparency and collaboration

In 2018, SPC Ardmona, a leading Australian fruit and vegetable processor, recalled several canned fruit products due to potential botulism contamination. This posed a serious health risk, demanding immediate and decisive action.

THE STRATEGY

Swift action: SPC Ardmona promptly issued a national recall, working closely with the Australian authorities to ensure widespread awareness and product removal. They prioritised consumer safety above all else.

Collaborative communication:

The company collaborated effectively with media outlets, providing clear and consistent information about the affected products and the recall process. They also actively engaged with consumers through dedicated hotlines and online channels.

Going the extra mile: SPC Ardmona took additional steps to restore consumer confidence. The company offered generous compensation for affected products, implemented stricter quality-control measures, and partnered with independent food safety experts to review the entire production chain.

THE RESULT

While the incident was serious, SPC Ardmona’s swift response, collaborative communication, and commitment to improvement were well-received. The company earned back trust through its transparency and proactive approach, demonstrating a strong commitment to consumer safety.

As a branding consultancy, we know

that every situation is different. But what these two examples highlight is that the strategies outlined above work. And done right, they can go further than just rebuilding trust and restart consumers on the path to brand love.

Too often, marketing is viewed as a customer acquisition strategy; however, its value in rebuilding trust cannot be overstated. By prioritising transparency, empathy, and proactive communication, brands can not only recover from the challenges posed by a recall but emerge stronger. ▀

GRANT DAVIDSON is the founding partner and head of strategy at Davidson Branding.



Maggie Beer went beyond the minimum requirements, offering full refunds and gifting affected customers a replacement product.



HOW TO USE DYNAMIC PRICING AND KEEP CONSUMERS HAPPY

Examining the intricate world of dynamic pricing, where AI algorithms drive real-time adjustments to optimise revenue – and customers often cry foul.

BY JOHN COSTELLO

Dynamic pricing, powered by artificial intelligence (AI) algorithms, has become an increasingly common strategy among retailers. It allows them to adjust prices in real time, taking into account factors like demand, competitor pricing and inventory levels.

Airlines and the travel industry have long employed this approach. Ticket prices are constantly adjusted according to demand, seasonality and flight time. Ride-sharing services such as Uber also use peak pricing. In e-commerce, Amazon has been a pioneer, adjusting prices multiple times each day based on a range of factors including customer browsing habits.

This offers numerous advantages for businesses, such as capitalising on higher consumer willingness to pay in periods of peak demand. Conversely, in times of lower demand, prices can be reduced to clear inventory. This

boosts revenue and reduces the risk of overstocking or stockouts.

Keeping consumers happy

There are potential pitfalls, however, from a consumer sentiment perspective. Dynamic pricing can be viewed as price gouging. Ticketing companies in particular have been criticised for capitalising on high demand for concert tickets. During a time of drought, when supply is low, the cost of fresh produce and basic goods such as bread and milk often rises. However, retailers must consider the ethical implications of this at a time when consumers are struggling in a cost-of-living crisis. Is it right to increase prices? How much cost increase could be absorbed in other ways?

These days, consumers have the means to research, track and share price changes. Social media channels are peppered with screenshots of price hikes perceived as unfair or exploitative. Many

online guides also offer tips for avoiding ‘price discrimination’, encouraging consumers to use different devices or VPNs to avoid tracking.

To address this, brands need to communicate their pricing strategies clearly and ethically: This is key to maintaining trust. Offering price guarantees can mitigate concerns. Being aware of consumers’ actual capacity to pay is also critical.

The inflation challenge

Another challenge dynamic pricing poses is its interaction with rising inflation.

Inflationary periods can lead to increased costs for retailers, who need to adjust prices to maintain profit margins. But during such times, consumers are generally much more price-sensitive, so retailers face the delicate task of balancing the need to cover increased costs with the risk of alienating their customer base.

During inflationary periods, smaller, more frequent price adjustments might be more palatable to consumers. Retailers can also use AI algorithms to identify opportunities for cost savings that can be passed on to consumers, such as more efficient supply-chain management.

Segmenting customers

Segmenting customers based on their price sensitivity and purchasing patterns can allow for price targeting strategies that are more palatable to consumers. Some consumers are more cost-conscious than others. By restricting premium pricing to the least price-sensitive segments, retailers can maintain sales volumes while protecting margins.

Many booking platforms encourage users to segment themselves by selecting whether they are travelling for business or leisure. A business traveller, who may not be paying for their own ticket and needs to travel on specific dates, is likely to be less price conscious than a leisure traveller who needs to pay for several family members but has more flexibility in timing.

Dynamic pricing vs discounting

Despite the advantages of dynamic pricing, many retailers continue to push e-commerce offers and promotions, even though it means thinner profit margins. As customers continue to purchase online, it may not always be necessary to

During inflationary periods, retailers face a heightened risk of alienating price-sensitive consumers



Dynamic pricing can be a valuable tool for retailers.

offer discount incentives.

Retailers should instead consider robust dynamic price-matching algorithms that can not only scrape data and analyse the best price from competitors but also identify the right source for comparison. For example, third-party providers selling an obsolete product at a discount could trigger algorithmic price wars within the current catalogue.

Part of retailers’ e-commerce strategy should also include determining the optimal price and product catalogue, not simply based on the existing numbers used in stores but also on the operating costs of different digital channels.

During challenging economic times and periods of high inflation, retailers

may also need to balance the need to maintain profit margins with the risk of alienating price-sensitive consumers. It’s important to monitor the effectiveness of dynamic pricing strategies continuously, which includes tracking customer responses, sales data and market trends.

Dynamic pricing can be a valuable tool for retailers but should be applied judiciously and transparently. Addressing consumer sentiment and inflation requires a delicate balance between optimising revenue and maintaining customer trust. ■

JOHN COSTELLO is chief technology officer at Publicis Sapient.

The Polly Waffle is set to make a comeback

BY CELENE IGNACIO

Confectionery manufacturer Menz said that **Polly Waffle** is making a comeback in late April – reimagined as bite-sized pieces.

The marshmallow-filled and chocolate-coated wafer tube was last seen on Australian shelves in 2009. In 2019, Menz acquired the rights to produce Polly Waffle from Nestlé and spent the succeeding years researching and developing the product in South Australia.

The Covid-19 pandemic caused several restrictions, however, which slowed the progress of the Polly Waffle development. Also, the previous manufacturer had decommissioned the original machinery used to create Polly Waffle, which means development had to begin from scratch.



Griffin's and Streets team up for Golden Gaytime biscuits

BY KAYCEE ENERVA

Biscuit maker Griffin's has collaborated with ice-cream brand Streets to launch Golden Gaytime-inspired biscuits.

The new biscuits are topped with toffee-flavoured crème, and covered with milk chocolate and vanilla biscuit crumbs.

"Golden Gaytime and Griffin's are iconic brands, so we are excited to bring them together to make this unique delicious biscuit – the first Golden Gaytime-inspired Biscuit," Griffin's MD Hannah McKee remarked.

The Griffin's Marvels Golden Gaytime-inspired Biscuits are available for an RRP of \$5 at Coles stores nationally and online.

Brand extension company Asembl brought the two brands together.



Kellogg's celebrates 100 years in Australia

BY KAYCEE ENERVA

Multinational food company **Kellogg's** has celebrated its 100th year in Australia.

The company established its presence in the country in 1924, with the launch of its Corn Flakes, and has since become one of the leading players in the breakfast cereals market.

Kellogg's Botany factory – established in 1928 – produces 42 million kilograms of cereal annually, with raw ingredients sourced from local farmers.

"When you wake up this morning and enjoy your bowl of Kellogg's cereal, know that there have been one hundred years of Aussies doing the same," Anthony Holme, MD at Kellanova ANZ, said.

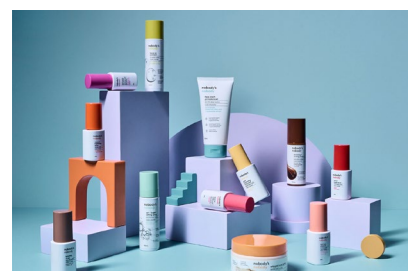
"I feel honoured to lead the celebrations and have thoroughly enjoyed looking back on our rich history of being at every table for millions of Aussies."



Skincare brand Nobody's Nobody launches into Woolworths

BY KAYCEE ENERVA

Nobody's Nobody, the self-styled science-led skincare brand designed to offer quality products to budget-conscious consumers, has launched into Woolworths.



Nobody's Nobody's key products include: the Vitamin C Brightening Serum, containing 12 per cent vitamin C and hyaluronic acid; the Multi Tasking 5 in 1 Serum, featuring a very high 10 per cent niacinamide level and 1 per cent hyaluronic acid; and the Leave-On Exfoliant, containing 2 per cent salicylic acid, a BHA active for clearer skin.

The brand's colourful range is designed to cater to various skincare needs and goals, with products created to be mixed and matched.

The company stated that, despite comparable formulations often being double or triple the price, its entire range is priced below \$29.

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