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## AWI's claims to have doubled wool prices

### **Trendsetters: Rob Langtry of Woolmark International Shares the Strategy of an Ingredient Brand**

Rob Langtry is a marketing hero. As Chief Strategy and Marketing Officer of Australian Wool Innovation (AWI), he can be credited with revitalizing the Woolmark global certification standard and repositioning wool as a desirable ingredient in luxury fashion. AWI now services a global supply chain and is publicly supported by such iconic brands as Missoni, Benetton, Armani, and Zegna.

Although Australia has led the world in the production of fine wool used in fashion apparel for more than 200 years, the industry suffered a dramatic decline beginning in the mid 1990's when the Australian Government reduced its involvement in wool and active marketing of the fiber ceased. The increased production of synthetic fibers caused a decline in wool's share in fashion apparel. Woolgrowers then saw 30 years of static prices and a decline in flock size from more than 200 million to less than 70 million.

Enter Rob Langtry.

He launched an integrated campaign, "Merino. No Finer Feeling," to the trade in August 2010 and to consumers in September 2010. The response was rapid: trade confidence grew and consumer demand escalated. With a static supply of wool, the price of wool increased to \$15 per Kilo from the \$8 base level that had characterized the average price for a decade.

Although Rob makes his role sound easy, he has overcome numerous marketing difficulties. He says, "As an ingredient or component brand in luxury apparel, wool has probably the most complex supply chain I have ever encountered and its challenges are monumental. We service partners that range from growers in distant, difficult-to-reach areas to processing and manufacturing plants located in regional China, India, Turkey, Vietnam and Eastern Europe to brands that occupy the number one high street addresses in New York, London, Paris, Milan, Shanghai and Tokyo. This means global thinking is a cost of entry and long-haul travel (sadly) a cost of doing business."

When asked to identify the challenges of marketing multi-nationally, his answer was clear: "The principle challenge in global markets is ensuring that we deliver the right information and content to a very complex supply chain and an increasingly fragmented consumer market that is rapidly shifting its purchase habits. As an ingredient brand, our main customers are premium apparel brands. While apparel still has a significant investment in bricks and mortar retail distribution, the speed at which online sales is growing means marketers have to be very light on their feet. The nature of their physical retail stores is changing as well, shifting to a stronger emphasis on brand engagement and less on volume throughput. The challenge is staying 'on message,' while adapting that message to media and partners that are successfully (or otherwise) riding the waves of consumer engagement in a very dynamic marketplace."

This is by no means his only multinational marketing challenge. Rob also cites the need to identify those consumer segments that are willing and able to balance their "LOHAS" (Lifestyle of Health and Sustainability) values with their desire to be fashionable. "While the benefits of natural renewable (a core benefit of our product) is a strong and emerging value, consumer willingness to pay the price premium often needed to ensure production and delivery of cutting edge goods varies across consumers and markets. The challenge is to identify the right mix of benefits without lapsing into a shopping list of benefits that confuses and fails to motivate the market."

Rob Langtry also recognizes a third key challenge as the increasing mobility of consumers and, more importantly, of the devices and platforms they use to gather information about goods and services.



# AWGA - News Update

“Static media like television and print still deliver a large audience, but increasingly we need to ensure that our messaging is able to be delivered in an equally powerful way across mobile platforms. We have been able to do this by embracing mobile technology as a medium and having it in the mix of inputs to marketing and communications planning right up front.”

There’s little question that Rob is passionate about international marketing, but he’s also extraordinarily insightful about its potential. “While I am Australian, having lived in USA, Asia and Europe, and being involved over the years in the broadest cross-sections of markets and product types, I find working concurrently with the pressures of both diversity and commonality incredibly engaging. The challenge of identifying what binds certain groups of consumers together across borders, and why clusters of consumers have common values within and across markets and segments is compelling, because it forces you to inquire, measure, evaluate and above all think critically about what you are doing.

With pressure on marketing funds increasing, in particular the need for accountability of media investments, it is the challenge to adapt and to invest smarter that gets me in. Sure, big budgets allow brands to shout louder, but increasingly it is about carrying on selective conversations in greater depth with an audience you know increasingly well. Technology has removed many of the physical barriers to carrying on that conversation with a geographically dispersed audience, so the only limitations on marketing thinking are those you impose on yourself.”



Rob Langtry