



# Final report

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## Kilcoy Global Foods Co-Innovation and Capability development (Market Insights) Public Report

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## Abstract

KGF is currently reviewing and evaluating options to integrate their data capture and analytical capabilities aligned with their data transfer needs. The purpose of the proposed project is to develop enhanced capabilities in market intelligence in order to create additional value by identifying new markets, segments and customers. It is proposed that a role in developing capabilities in market insights be deployed to inform KGF's new product development strategy. This three year program will build the required capabilities in market insights to implement a new product development strategy and a portfolio of new markets, sectors and customers identified through emerging food trends and market insights. The Co-Innovation (Market Insights) officer will be responsible for management and implementation of all market insights undertaken over the initial three years. KGF has referred to the role as KGF referred to the role as "Kilcoy Global Foods digital value chain strategy development and Digital Marketing officer."

The Collaborative Marketing Capability building Program will be overseen by a joint KGF / MLA Steering Group and implementation will be managed by a team comprised of KGF, MLA and external resources as required. This project provides support for a full-time (ie. 1 FTE) KGF Marketing and Insights Supply Chain Manager for an initial period of three years. As the program strategy evolves it is anticipated that specific R&D projects will be developed, and additional resources to support these projects will be considered as required. Each individual R&D project was contracted via a separate schedule to be attached to the Collaborative Head Agreement.

The overall objective was to develop and implement KGF's marketing strategy in both the domestic and global markets to be achieved via a range of innovative products, packaging, processes and value chain concepts. The primary focus of the role will be in undertaking comprehensive analysis of various sources of data, research and intelligence to support the design and subsequent execution of the KGF's branded beef marketing strategy with a focus on driving revenue improvements. A dedicated Marketing and Insights Supply Chain officer will be recruited into the business to assist in the design and execution of the KGF's branded beef marketing strategy with a focus on driving revenue improvements.

The project was successfully completed with the following deliverables being achieved:

- Finalise position description & commence recruitment
- Company / MLA steering committee formed
- Draft KGF Co-Innovation Strategy including KGF's draft marketing strategy and collaborative priorities – Approved by the project steering group.

A number of R&D opportunities have been identified and implemented to enhance KGF's capability in developing and implementing their marketing strategy. The project has seen significant progress in the Digital program development and implementation, specifically:

- Develop strategic portfolio of market intelligence opportunities.
- Data analysis and insight generation process has now commenced with various briefings now completed and investment secured internally.
- Participate in internal and external networks to accelerate outcomes. Weekly networking interactions occurring on weekly basis with network(s) increasing online being built and maintained due to travel restrictions
- A steering committee group formed.
- Attended MLA Supply Chain & Digital Value Chain Officer Workshop forum facilitated by ISC-MLA.
- Co-innovation and digital officers attended Co-Innovation networking meetings.

- Development of new products, new packaging & new processes
- Development of new skills
- Evaluation of new business models, including “last mile” delivery customer models
- Development of contacts and networks
- Development of KGF’s draft digital strategy
- Completion of social media handles and account set up
- Completion of educative internal program regarding digital rollout
- Internal messaging relating to product innovation and development
- Co-operation with internal stakeholders relating to input of digital strategy
- Conducted desktop research in terms of future market opportunities, primarily utilising MLA generated material in order to better understand consumers in each of our opportunity markets, the competitive set and the market opportunity

Overall, significant progress has been achieved across the digital program development and implementation.

## Table of contents

<b>1</b>	<b>Background and Purpose .....</b>	<b>5</b>
1.12	Purpose .....	5
1.13	Background.....	5
1.14	Objectives .....	5
1.15	Digital Marketing Manager - Roles & responsibilities .....	6
1.16	Outcomes & benefits.....	7
<b>2</b>	<b>Methodology .....</b>	<b>7</b>
2.12	Milestone 1 – Contract execution .....	7
2.13	Milestone 2 – Commence recruitment.....	7
2.14	Milestone 3 – Digital program development and implementation .....	8
2.15	Milestone 4: Digital program development and implementation .....	8
2.16	Milestone 5: Digital program development and implementation and Go/No Go Decision .....	8
2.17	Milestone 6: Digital program development and implementation .....	8
2.18	Milestone 7: Digital program development and implementation .....	8
2.19	Milestone 8: Digital program development and implementation .....	9
2.20	Milestone 9: Digital program development and implementation .....	9
2.21	Milestone 10: Digital program development and implementation .....	9
<b>3</b>	<b>Discussion .....</b>	<b>9</b>
<b>4</b>	<b>Conclusions/recommendations.....</b>	<b>11</b>
4.12	Conclusions .....	11
4.13	Recommendations .....	12

# **1 Background and Purpose**

## **1.12 Purpose**

Kilcoy Global Foods (KGF) is strategically looking to build expertise and resources to enhance its market intelligence capabilities, specifically through the provision of advanced analytics of datasets in order to gain new insights for the business. The purpose of the program is to develop market insights capabilities in-house to enable linking existing and new company data with other data sets and mining the data in order to generate additional value by identifying new markets, segments and customers.

## **1.13 Background**

KGF is currently reviewing and evaluating options to integrate their data capture and analytical capabilities aligned with their data transfer needs. The purpose of the proposed project is to develop enhanced capabilities in market intelligence in order to create additional value by identifying new markets, segments and customers. It is proposed that a role in developing capabilities in market insights be deployed to inform KGF's new product development strategy. This three year program will build the required capabilities in market insights to implement a new product development strategy and a portfolio of new markets, sectors and customers identified through emerging food trends and market insights. The Co-Innovation (Market Insights) officer will be responsible for management and implementation of all market insights undertaken over the initial three years. KGF has referred to the role as KGF referred to the role as "Kilcoy Global Foods digital value chain strategy development and Digital Marketing officer."

The position will be employed to analyse the value in linking existing and new company data with other data sets and mining the data in order to generate value and create new opportunities. The position will also support and develop feedback systems across the supply chain(s) to assist KGF operations in using feedback and data to improve decision making and management practices to enhance productivity. The Co-Innovation (Market Insights) officer will be responsible for management and implementation of all market insights undertaken over the initial three years. The position will provide KGF with new expertise and resources to ensure that digital opportunities are identified, investigated and where relevant implemented.

## **1.14 Objectives**

The overall objective of this work will be to develop a digital strategy and evaluate the feasibility and commercial options of data capture, management and analytics across the businesses. The primary goal is to provide support in the form a dedicated Digital Marketing Officer resource to deliver a data capture and analytics processes to allow the Australian Meat and Livestock Industry to define the various processes and required metrics for running red meat value adding production facilities through to the (domestic and export) customer.

Specific objectives of the project in providing a dedicated Digital Marketing Officer role will include (but not exclusive):

- Detailed data capture and management mapping exercise of KGF using existing evaluation tools developed by various providers.
- Identify gaps in existing capabilities and capacities in data capture and management.

- Design and develop a cloud based (accessible) system that accommodates diverse data sources and formats.
- Evaluation of greater insights into market demand and supply, pricing trends, consumer trends.
- Evaluation of the outcomes of the production pilot data management system and extrapolation across the value chain.
- Design and Develop a cloud based (accessible) system that accommodates diverse data sources and formats in real time.
- Advise on a series of identified new data sensing devices and analytics to fill current production data sensing gaps.
- Evaluation of the outcomes of the production data management system and extrapolation across and integrated value chain where applicable.
- Manage third party independent review of the feasibility, cost benefit and business case associated with adoption of integrated data management system for adoption across the entire value chain.

This project will bring new data streams and significantly increasing its impact across the business.

### **1.15 Digital Marketing Manager - Roles & responsibilities**

The primary focus of the Co-Innovation (Market Insights) officer is the implementation of the agreed KGF/MLA new product development strategy across the KGF's business.

The major activities to be undertaken by the full-time Co-Innovation (Market Insights) officer include:

- Facilitate the development of a comprehensive KGF new product development strategy across the key business areas.
- Assist in developing and monitoring key performance indicators and other measures of impact as agreed.
- Manage innovation idea generation and filtering and feedback processes with a specific focus on data capture, management and analytics.
- Develop and co-ordinate an agreed suite of R&D/innovation projects related to the new product development strategy and priorities.
- Manage and monitor the KGF's innovation portfolio to manage expenditure and track benefits from outcomes generated from KGF R&D/innovation projects and activities.
- Support and coordination of site project teams.
- Participate in the development and implementation of cultural change initiatives required across the business to deliver against innovation objectives.
- External relationship management with research partners, research providers, equipment suppliers, processing sector and value adding sector as appropriate.
- Participate in innovation skills development activities as agreed.
- Prepare regular project reports and quarterly innovation reports.
- Where appropriate, participate in network events involving other co-funded roles including Digital and Supply Chain officers.

Ongoing support for this role by MLA will be contingent upon:

- There is clear evidence that the role is a dedicated full-time Market Insights officer role.
- The joint KGF/MLA Steering Group is satisfied with progress and agrees to continue the program at each of the annual go/no go decision points.

## **1.16 Outcomes & benefits**

The expected outcome is to develop and implement KGF's new product development strategy across the business with a specific focus on new opportunities to create additional value for product including value added products into new markets, segments and customers. This will be managed through the provision of new data capture and storage methods and advanced data analytics to generate new insights for the business, including:

- Enhance existing production management reports to provide feedback to KGF value chain from properties, primary processors through to customer.
- Evaluate feasibility of collecting data and reporting on other issues that could affect yield and grading outcomes.
- Review current production managements systems and how they can evolve to use feedback from processors.
- Develop tools that KGF can use to maximise the benefit of feedback.
- Identify relevant external tools and systems and implement in the supply chain as required.
- Identify supply chain champions who are willing to trial innovative practices.
- Benchmark production practices at the commencement and then measure annually to assess productivity improvements and provide case studies for other value adding operations to follow.
- Evaluate data management processes and systems using various data management tools to capture and collect data to improve animal performance.

The contribution of the KGF Digital Marketing Officer to the overall success of the Digital Strategy will be determined by:

- Evidence of effective implementation of KGF Digital strategy in agreed areas.
- Evidence of improvement in company innovation culture and capability.
- Quantifiable improvements in company innovation measures (as agreed).
- Efficient project delivery in accordance with budgets and timelines.
- Quality of reports.
- Contribution to Digital and/or Supply Chain Officers networks.

## **2 Methodology**

### **2.12 Milestone 1 – Contract execution**

Finalise position description, commence recruitment.

- Form Company / MLA steering committee and set overarching goals, metrics and outline.

### **2.13 Milestone 2 – Commence recruitment**

Appoint suitable candidate.

- Develop framework for development and implementation of red meat digital strategies (SOAP).
- Define preliminary list of target market insights applications. Consider data availability, metrics and resource planning for marketing portfolio.

## **2.14 Milestone 3 – Digital program development and implementation**

Digital program development and implementation.

- Develop strategic portfolio of market intelligence opportunities
- Data analysis and insight generation process
- Track and report on quantifiable benefits of market insights projects.
- Participate in internal and external networks to accelerate outcomes.

## **2.15 Milestone 4: Digital program development and implementation**

Digital program development and implementation. Deliver key functions such as:

- Develop strategic portfolio of market intelligence opportunities
- Data analysis and insight generation process
- Track and report on quantifiable benefits of market insights projects.
- Participate in internal and external networks to accelerate outcomes.
- Action steering committee tasks

## **2.16 Milestone 5: Digital program development and implementation and Go/No Go Decision**

Digital program development and implementation. Deliver key functions such as:

- Develop strategic portfolio of market intelligence opportunities
- Data analysis and insight generation process
- Track and report on quantifiable benefits of market insights projects
- Participate in internal and external networks to accelerate outcomes.
- Action steering committee tasks

## **2.17 Milestone 6: Digital program development and implementation**

Key outcomes for this quarter include participation in MLA's category growth driver analysis for the business and sustainability updates to website – Consumer and customer.

1. In addition to this, KGF have embarked on a Sustainability site update which will be the mast asset for our digital campaign on our Sustainability Pillars.

## **2.18 Milestone 7: Digital program development and implementation**

1. A thorough market deep dive of the domestic and key markets highlighting examples of beef companies doing well and delivering strategic growth through differentiation
2. A review of Kilcoy brands and what they stand for versus competitive landscape, with high level opportunities for improvement or strengthened customer messaging
3. A macro review of demands by channels following interviews with selected Kilcoy customers in target markets

This information will further inform our strategy and form the basis for our execution plan in order to develop growth in these markets.



## 2.19 Milestone 8: Digital program development and implementation

For Milestone 8 we have done some external analysis on the key strategic markets,

1. A thorough market deep dive of the markets highlighting examples of beef companies doing well and delivering strategic growth through differentiation

This information will further inform our strategy and form the basis for our execution plan in order to develop growth in these markets.

## 2.20 Milestone 9: Digital program development and implementation

Milestone 9 deliverables include;

### Key market insights

- Development of market deep dives for target markets building on the MLA data provided by the insights team.
  - These market insights will support the sales teams in terms of consumer profiles, eating, food preparation and shopping habits.
  - Identified areas of additional research/data procurement
- 2. Development of digital strategy identifying opportunities for campaigns and collaboration with key customers to support and develop premium brand profile in market.
- 3. Design, development and launch of our most prestigious beef brand yet – Jade Pure Wagyu. Visit the website at: [www.jadepurewagyu.com/](http://www.jadepurewagyu.com/)

## 2.21 Milestone 10: Digital program development and implementation

Milestone 10 deliverables include;

1. Market-specific brand launches for Jade Pure Wagyu
2. Digital and print material to support our Sales Team in introducing KGF and communicating business model, vision and offering/capabilities to new and existing contacts.
3. Key digital marketing campaigns with key customers.
4. development of digital meat catalogues for brands which have been identified as having growth opportunity.

## 3 Discussion

Milestones have been completed with the following deliverables being achieved:

- Finalise position description & commence recruitment
- Company / MLA steering committee formed
- Draft KGF Co-Innovation Strategy including KGF's draft marketing strategy and collaborative priorities – To be approved by the project steering group.
- Development of new products, new packaging & new processes
- Development of new skills
- Evaluation of new business models, including "last mile" delivery customer models

- Development of contacts and networks
- Development of KGF's draft digital strategy, including key focus areas
- Completion of social media handles and account set up
- Completion of educative internal program regarding digital rollout
- Internal messaging relating to product innovation and development
- Co-operation with internal stakeholders relating to input of digital strategy
- Conducted desktop research in terms of future market opportunities, primarily utilising MLA generated material in order to better understand consumers in each of our opportunity markets, the competitive set and the market opportunity
- A major focus was the learning and development initiatives in the digital space, in particular, outlining and implementing digital marketing learning courses in order to improve knowledge base and cultural/internal understanding of the digital space
- The key aspect of this milestone development is the investment in market research and insights development in order for KGF digital marketing team to hone their focus as they move forward into the executional phase of KGF's Global Marketing strategy.
- KGF have demonstrated that they can implement successful social media campaigns to build awareness and engagement.

A number of initiatives have been conducted to assist with the ongoing development of KGF's marketing strategy:

- KGFs Sales and Marketing representatives to participate in MLA's sponsored Future Foods "Global Markets & Investor Readiness 2020" Accelerator program.
- KGF requesting and seeking ongoing technical input from the MLA Global Insights Marketing team, on various market intel and consumer data, including:
  - Market mapping exercises (size of the prize + where to play & how to be successful) for Australian markets only including Total size of market \$, by main segment (Retail / Food Service / Manufacturing / Wholesale).
  - A breakdown of the Food Service segment (Institutional vs other etc)
  - What critical capabilities do you require to serve this market for Multi protein, Cooked & Raw, and Non Meat offer etc.
- New channels to market / customers (i.e. customer connect) is a key focus area of KGF's collaborative strategy (SOAP).
- Develop strategic portfolio of market intelligence opportunities progressing well and on track with desk research now completed and sourcing additional intelligence via consultancy in order to finalise portfolio options.
- Data analysis and insight generation process has now commenced with various briefings now completed and investment secured internally.
- Track and reporting on quantifiable benefits of market insights projects.
- Participate in internal and external networks to accelerate outcomes. Weekly networking interactions occurring on weekly basis with network(s) increasing online being built and maintained due to travel restrictions
- Attended MLA Supply Chain & Digital Value Chain Officer Workshop forum facilitated by ISC-MLA.
- Co-innovation and digital officers attended the mid-February co-innovation networking meetings.
- Development of new products, new packaging & new processes.
- Development of new skills
- Evaluation of new business models, including "last mile" delivery customer models

- Development of contacts and networks
- Development of KGF's draft digital strategy, including key focus areas
- Specifically, completed a detailed digital marketing strategy that outline the key initiatives required in order to execute against our core go to market plans for the organic growth outlined for 2021-2024
- Completion of social media handles and account set up
- Completion of educative internal program regarding digital rollout
- Internal messaging relating to product innovation and development
- Co-operation with internal stakeholders relating to input of digital strategy
- Conducted desktop research in terms of future market opportunities, primarily utilising MLA generated material in order to better understand consumers in each of our opportunity markets, the competitive set and the market opportunity
- The key aspect of this milestone development is the investment in market research and insights development in order for KGF digital marketing team to hone their focus as they move forward in to the executional phase of KGF's Global Marketing strategy.

The draft Digital marketing strategy and priorities has been further refined to be reviewed by steering group. Overall, significant progress achieved in the current quarter period in Digital program development and implementation. Now that the recruitment process has been completed, the next phase will include induction into current digital systems and ongoing development of new systems.

## 4 Conclusions/recommendations

### 4.12 Conclusions

A number of R&D opportunities have been identified and implemented to enhance KGF's capability in developing and implementing their marketing strategy including;

- Finalise position description & commence recruitment – draft completed (awaiting steering group approval).
- Recruitment of the Digital Marketing Manager commenced.
- Company / MLA steering committee formed
- Commenced development of the draft KGFs Co-Innovation Strategy including KGF's draft marketing strategy and collaborative priorities.
- KGF actively participated in the "Future Food's Global Markets and Investor Readiness, 2020 cohort" program. This will also contribute significantly to the objective for KGF to develop its marketing strategy in the initial 12 months.
- Significant progress in the Digital program development and implementation, specifically:
  - i) Develop strategic portfolio of market intelligence opportunities progressing well and on track with desk research now completed and sourcing additional intelligence via consultancy in order to finalise portfolio options.
  - ii) Data analysis and insight generation process has now commenced with various briefings now completed and investment secured internally.
  - iii) Track and reporting on quantifiable benefits of market insights projects.
  - iv) Participate in internal and external networks to accelerate outcomes. Weekly networking interactions occurring on weekly basis with network(s) increasing online being built and maintained due to travel restrictions
  - v) Action steering committee group formed.
- Development of new products, new packaging & new processes

- Development of new skills
- Evaluation of new business models, including “last mile” delivery customer models
- Development of contacts and networks
- Development of KGF’s draft digital strategy, including key focus areas
- Completion of social media handles and account set up
- Completion of educative internal program regarding digital rollout
- Internal messaging relating to product innovation and development
- Co-operation with internal stakeholders relating to input of digital strategy
- Conducted desktop research in terms of future market opportunities, primarily utilising MLA generated material in order to better understand consumers in each of our opportunity markets, the competitive set and the market opportunity
- A major focus in the current quarter is the learning and development initiatives in the digital space, in particular, outlining and implementing digital marketing learning courses in order to improve knowledge base and cultural/internal understanding of the digital space
- The key aspect of this milestone development is the investment in market research and insights development in order for KGF digital marketing team to hone their focus as they move forward into the executional phase of KGF’s Global Marketing strategy.
- KGF digital marketing team periodically requesting insights & trends reports. In addition, MLA’s Relationship manager providing regular updates, specifically on Global Markets Update:

#### **4.13 Recommendations**

- The draft digital marketing strategy and priorities has been further refined. A number of R&D opportunities have been identified and implemented to enhance KGF’s capability in developing and implementing their marketing strategy. The business can further develop the KGF digital and data strategy for domestic and international markets.
- KGF to use case studies to identify the best digital marketing strategies to achieve their outcomes.