

Australian Macadamias



Strategic Plan 2009 - 2014



Our Industry

The Australian macadamia industry is the largest producer of the only commercially viable native Australian product in the world. The combination of macadamias' unique flavour, texture and heritage is a source of great pride amongst those involved in the industry.

Currently macadamias account for about 2-3% of the world tree nut market, leaving ample opportunity for expansion in existing markets and for developing new markets. With global production expected to double by 2012, it is vital that the Australian macadamia industry work actively and collaboratively to increase consumption of Australian macadamias to a level that will support viable and thriving macadamia businesses.

Our Plan

The new strategic plan for the macadamia industry reflects the objectives, strategies and activities needed to boost consumption, increase profitable and sustainable production and meet market specifications. The plan includes Key Performance Indicators as a means of underpinning accountability and reporting to the industry.

The Australian Macadamia Society (AMS) will coordinate implementation of this industry-wide plan and foster the collaborative relationships and goodwill needed to ensure success.

The full strategic plan and its accompanying action plan can be obtained by contacting the AMS or via the AMS website.

Focus on the customer

The future of the macadamia industry rests on its capacity to understand and meet customer expectations in a way which grows consumption of Australian macadamias.

Macadamia purchases are subject to competition from other nuts and other food products. Within the food category, there is intense competition for a share of the consumers' total food budget.

Production systems that are considered environmentally sound are essential to access certain markets, and most retailers and importers have strict quality specifications on both the quality of the product and the quality of production process. Maintaining product quality to these customers and through to the consumer is vital.



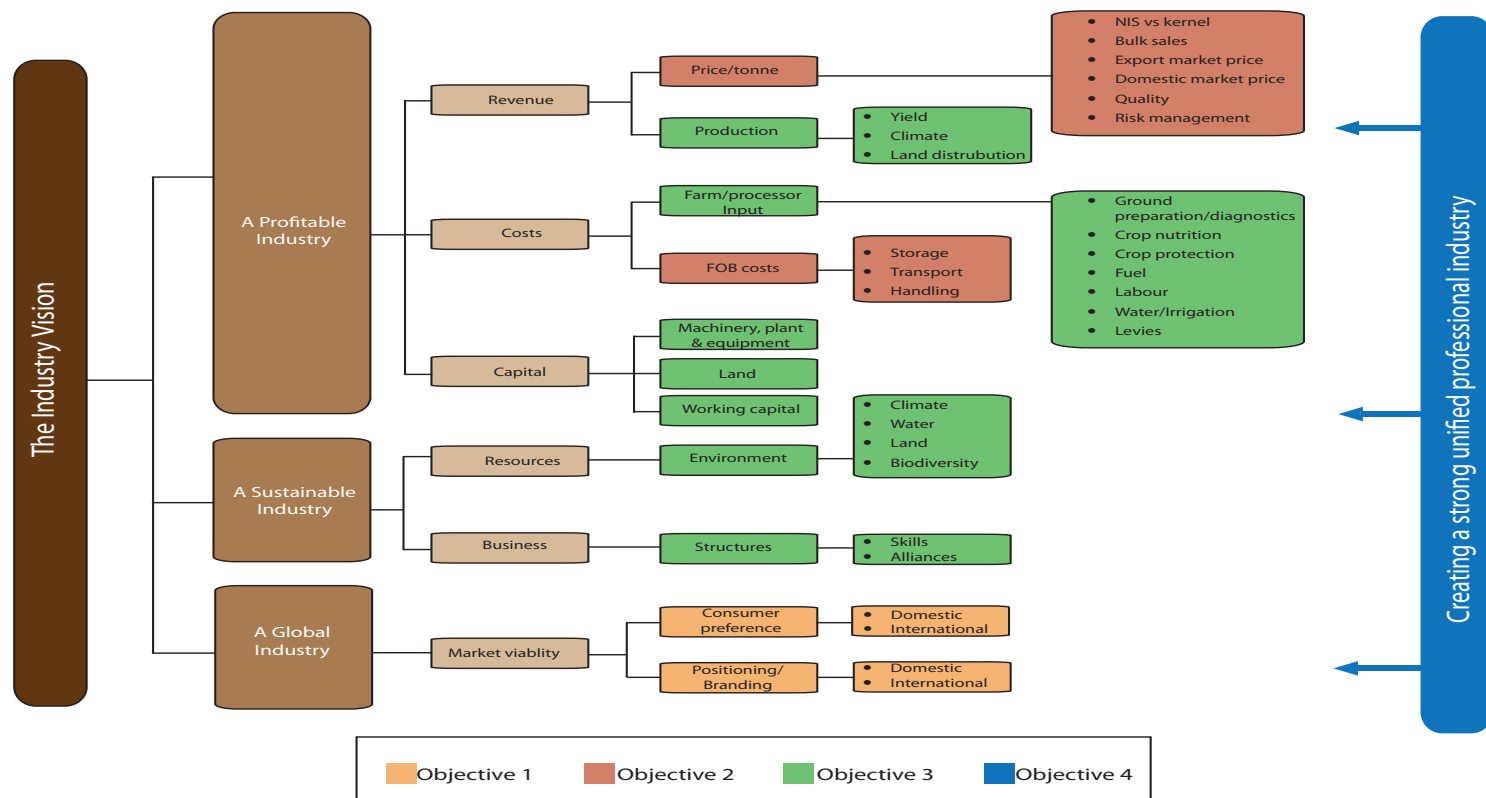
Objective 1 Understanding markets and customers				
Rationale	<p>Without consumers of macadamias, there is no macadamia industry.</p> <p>Over the life of this plan, world production of macadamias is estimated to double. Increasing levels of consumption to absorb the additional production cannot be taken for granted. Reducing prices to clear stock will erode whatever premium image macadamias have built. It may also threaten the viability of some growers.</p> <p>The alternative is for the industry to be proactive in building markets, and in positioning, branding and protecting the image of macadamias as something worth paying for. Knowing the customer and the market opportunities, and informing the right industry sectors at the right time about how to respond to this knowledge is critical.</p>			
Strategy	Strategy 1 Understand customer needs and segments (domestic and international)	Strategy 2 Inform and stimulate industry responses using market knowledge	Strategy 3 Explore and capitalise on the optimum position of the Australian macadamia brand	Strategy 4 Promote effectively to new and existing markets
Actions	Undertake needs assessment research in priority markets	Track customer purchase trends for nuts and competitive snacks	Identify the optimum market positions for macadamia	Develop a global promotional program in priority markets
	Support an information and forecasting system which predicts supply and demand	Provide market intelligence to industry		
	Identify key risk factors affecting macadamia trade	Ensure industry R&D and Marketing plans respond to market knowledge	Implement a branding strategy promoting the positions	Monitor and evaluate the effectiveness of promotional programs
The Result	The industry knows its product and knows the customers for them	The industry knows what the opportunities are and how to respond to them	The Australian industry establishes strong global positions through trusted brand recognition	The industry builds profitability through higher demand in domestic and international markets

Objective 2 Meeting market and customer demand through the value chain				
Rationale	<p>Meeting the needs of markets and customers means achieving customer satisfaction and delivering macadamias which are appealing. Growing, processing, packaging and delivering macadamias to achieve the characteristics asked for are fundamental to maintaining and building demand.</p> <p>This objective is therefore about quality across the full value chain, consistent with the industry's positioning and branding of macadamias.</p> <p>The strategies in support of this objective strengthen the power of growers and processors to respond to market demands, adopt practices that deliver quality while constraining costs, and find innovative solutions to unlock the highest value from macadamia products. Benchmarking, rewarding quality and establishing value in continuously learning play important roles in this objective.</p>			
Strategy	Strategy 1 Strengthen the benefits derived in value chain relationships	Strategy 2 Ensure the delivery of quality through to the customer	Strategy 3 Facilitate feedback and technologies to improve quality and delivery	Strategy 4 Encourage an environment for the development of new products and services
Actions	Understand clearly the macadamia value chain	Set quality standards and implement quality systems that reward growers Improve definitions of specifications demanded by processors	Develop systems to monitor and track macadamia products from farm to customer	Encourage the development of new products, including the use of macadamias as inclusions
	Build effective relationships throughout the value chain	Advise on how to meet quality standards through handling protocols Assist retailers maintain quality of macadamia products	Develop technologies to support efficient logistics and supply	
The Result	The value chain maximises profit to all industry sectors	The customer receives what is wanted, and buys more	Industry maintains quality at every point, and can rapidly rectify problems	Any market failures in new product development and packaging innovation are overcome

Objective 3 Building grower productivity, profitability and sustainability			
Rationale	<p>Meeting customers' demands must be complemented with improving the economic, social and environmental returns to growers so that the farms and processors remain viable and thrive.</p> <p>Australia's competitors have some advantages, such as cheap labour and favoured access to markets through either geographic or political positioning. Economies of scale, competing demands for resources, urbanisation and cost of land also place pressure on the productivity and profitability of Australian macadamia businesses.</p> <p>This objective seeks to develop and promote production, business and resource management systems that improve the long-term viability of Australian macadamia farms and processors.</p>		
Strategy	Strategy 1 Improve productivity and competitiveness	Strategy 2 Promote best practice farm operating models to support productive, profitable and sustainable macadamia farms	Strategy 3 Identify and promote environment stewardship and conservation practice that enhance the image of the industry
Actions	Improve overall yield and yield consistency	Promote the range of farm operating options that increase resilience / reduce risks	Implement best environmental management practices on macadamia farms
	Meet quality specifications		
	Minimise input costs	Maintain a vibrant service sector in support of growers	Ensure sound natural resource management in catchments where macadamias are grown
	Improve extension and adoption	Develop and implement an effective best practice extension strategy	Gain an environmental premium for macadamias
The Result	Macadamia farms are more productive and result in higher rates of return	All sectors of the industry are highly professional and well serviced	The industry earns the right as Australia's premier clean and green native industry

Objective 4 Building industry leadership, capacity and confidence				
Rationale	<p>A strong industry is one that has an effective peak body and builds and maintains good relationships throughout the industry, with government, service providers and the community. It informs itself and communicates well, regularly reviews its performance and holds itself accountable to industry members.</p> <p>These attributes do not come easily and ensuring that the macadamia industry has the right structures and practices in place that are accountable will require hard work, trust, commitment and a positive attitude.</p>			
Strategy	Strategy 1 Effective communication and engagement with industry and the community	Strategy 2 Develop effective, accountable levy programs that support the strategic plan	Strategy 3 Ensure the AMS is recognised for its leadership	Strategy 4 Develop strong and effective partnership with key domestic and international stakeholders
Actions	Develop and implement a communication strategy	Implement the most appropriate structure to manage the levy programs with HAL	Review and recommend the role, responsibilities and accountabilities of the AMS	Identify strategic partners and the value they can add
	Engage major stakeholders in industry decision making	Ensure the R&D and promotional programs are focussed on the plan	Update the constitution as required	Build and maintain priority relationships
	Raise the community awareness and recognition of contribution of the macadamia industry	Communicate the management and outcomes of the levy program	Review and, if required, restructure the AMS office and activities	Foster the establishment of an international body to manage global issues
The Result	A united industry	Industry receives the best return on investment for its levy expenditures	An effective peak body that benefits the macadamia industry	More resources to implement the plan

The Plan in Action



Taking a whole-of-industry approach

Achieving the industry's vision of a profitable and sustainable future depends on a whole-of-industry approach. Growers are a part of the macadamia value chain and the future depends on our ability to work effectively across the whole chain.

Improved communication and transport, together with reduced trade barriers has resulted in increased opportunities on the global market. The other side of globalisation is that our traditional export markets have become more accessible to overseas competitors and Australian exporters are under greater competitive pressure.

New business models for achieving scale, accessing capital for growth and employing professional management and labour skills are required to be competitive and remain profitable. Successful businesses need to establish effective and rewarding value chain relationships.

Delivering the Plan

Responsibilities for delivering the Plan

This Plan relates to all parts of the supply chain and supporting services from the farm to the consumers' plate. Achievement of the vision and the outcomes will result from the commitments given by all sectors of the industry, to implement the strategies within their own businesses. This responsibility lies with the many individual businesses that are part of the Australian macadamia industry.

Role of the AMS

Over the past three decades, the Australian Macadamia Society has developed from a society of macadamia enthusiasts to the industry's peak body. The AMS accept responsibility for overseeing the implementation of this strategic plan and to assist, where possible, other organisations to implement components of the plan.

The AMS role includes communicating the benefits, facilitating collaboration and monitoring and reporting on progress. The plan will need to adapt to changing circumstances and will be assessed by the AMS Board. The Plan will be reviewed annually along with the levy program.

For further information or copies of the Action Plan, contact the Australian Macadamia Society at:

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