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**Doing Business Globally –
Marketing Brand Australia to the UK**

Australian British Chamber of Commerce
Melbourne, Australia
August 2, 2006

By
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**Synopsis of paper presented by Gary Morgan
to the Australian British Chamber of Commerce on August 2, 2006.**

Marketing Brand Australia in the UK is more difficult than ever with rising worldwide fuel prices and the prospect of a ceasefire in the Middle East looking more unlikely each day.

With significant numbers in the US, UK, Australia and New Zealand believing globalisation brings more problems than it solves, there seems little chance of lifting further barrier restrictions on international trade.

While there is much talk about Asia as Australia's future source of tourism, Australia is the preferred international destination of US and NZ citizens and second in the UK. In fact, an equal number (5.7 million) of British and Americans would like to holiday in Australia, including one million British who intend to travel to Australia in the next few years.

Unfortunately, Australia is not as successful attracting British tourists as we should be due to the misconception of Australia being "too expensive" to travel to, with the alternatives of the US, France, and Caribbean, being preferred because they are closer and cheaper!

Today Australia does not have a market in the UK for manufactured goods. When the British were asked whether they preferred Australian goods (wine; sporting goods; motor vehicles; electrical goods; food; clothes) only wine received a positive preference rating.

There is much work to be done on re-positioning Brand Australia in the UK.

*Fuel Prices Causing Financial Hardship For Australians -
But Not As Much As Americans!*

*Israel and America Most To Blame For Escalation In Middle East
Violence*

*Support For Expansion Of Uranium Mining Up 13% Follow Beazley's
"Three-Mines" Policy Backflip*

*Howard Still The Man To Lead Liberals – Beazley Would Make Better
PM Than Costello*

Today fuel prices are causing financial hardships for Australians. 50% of Australians say the increasing fuel price has caused financial hardship for them or their household. (It's even worse in the US where 60% claim hardship.)

The latest Morgan Poll shows 4-in-5 Australians want a Middle East ceasefire. 79% of Australians say Israel should try to negotiate a ceasefire, 12% say Israel should continue to use military force in Lebanon and 9% can't say. Of all Australians, last week 34% blame Israel or US while 23% blame Hezbollah, Iran, Syria, Palestine, or Hamas – it would be different today!

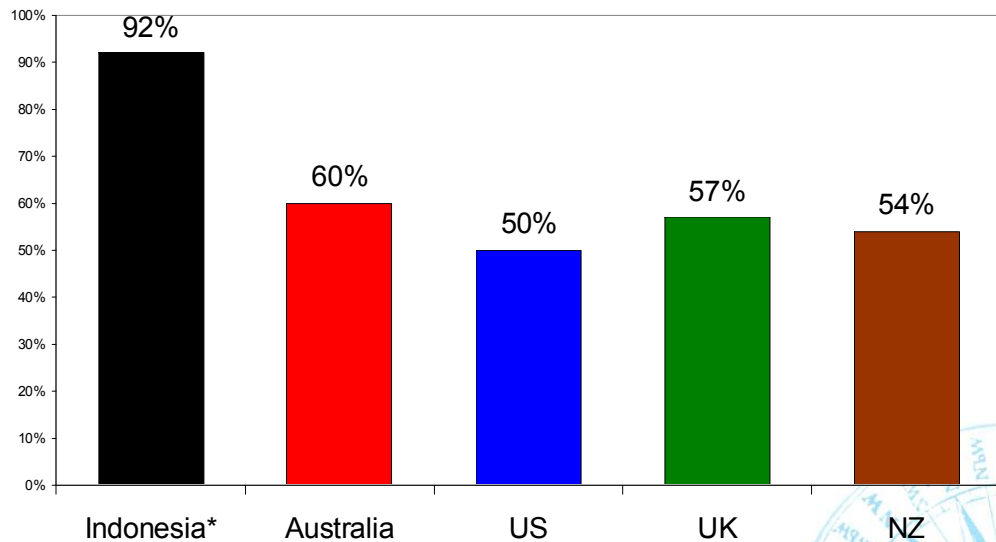
The issues in Australia are:

- **Uranium mining** – following Opposition Leader Kim Beazley's pledge to expand Labor's uranium mining policy – support for expansion of uranium mining increased by 13% to 38% - 59% men support only 18% women. However, the majority (51%) still oppose the expansion of uranium mines in Australia beyond three.
- **Costello vs Howard leadership struggle** – the findings were clear on this issue. Mr Howard (43%) was clearly ahead of Mr Costello (17%) in the eyes of the electorate as the preferred coalition leader.
- However, the sleeper remains the electorate's response to **Industrial Relations**.

It's all about globalisation.

"Globalisation brings more problems than it solves."

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* Preliminary Result – People with at least primary school education

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"Globalisation brings more problems than it solves" is a fairly widely held view – even in the US. The latest Roy Morgan International research shows that a majority of Australians (60%) believe "Globalisation brings more problems than it solves", as do 57% in the UK, 54% in New Zealand and 50% in the US. But nothing prepared us for the overwhelming response from Indonesia – 92% of Indonesians believe "Globalisation brings more problems than it solves."

Top 10 Preferred Destinations

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Top 10 Preferred International Destinations				
Rank	USA (14+)	UK (14+)	NZ (14+)	AUST (14+)
1	Australia	US	Australia	UK
2	UK	Australia	UK	US
3	Italy	NZ	US	Canada
4	France	Canada	Europe (unspec.)	NZ
5	Germany	Spain	Canada	Europe (unspec.)
6	Europe (unspec.)	Italy	Italy	Italy
7	Ireland	France	France	France
8	Spain	South Africa	Fiji	Ireland
9	NZ	India	Greece	Greece
10	Japan	China	Ireland	Germany

Source: Roy Morgan Research International Travel & Tourism Study Nov/Dec 2003 (Places would like to visit)
Australia: n=1,032, New Zealand: n=2,315, United States: n=2,022 United Kingdom: n=2,185

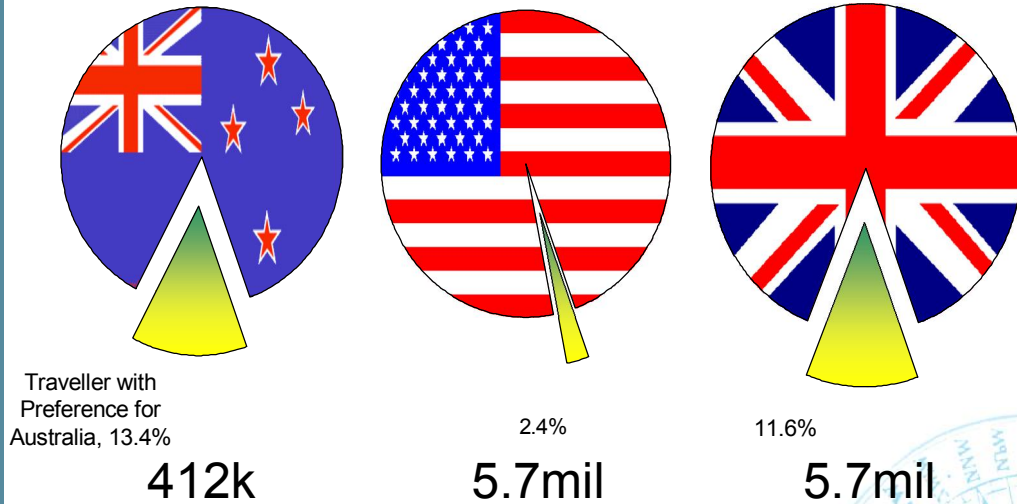
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But Brits do want to come to Australia.

We are the second most popular International destination for Brits – after the US.

Holiday Preference for Australia

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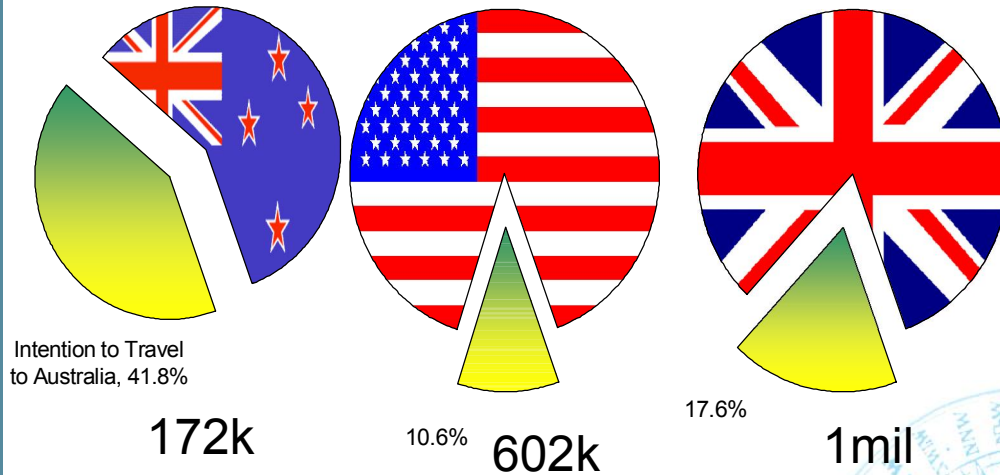
Sources: New Zealand: Roy Morgan Single Source Feb 2003-Jan2004 Base: Population 14+ (Travelled OS in last 12mths (nett) with Nett Aust. Preference)
United States: Roy Morgan Single Source Mar 2002-Feb 2004 Base: Population 14+ (Travelled OS in last 12mths (nett) with Nett Aust. Preference)
United Kingdom: Roy Morgan Single Source Oct 2003-Feb 2004 Base: Population 14+ (Travelled OS in last 12mths (nett) with Nett Aust. Preference)

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5.7 million Brits would like to holiday in Australia – as many as Americans – and out of a much smaller population.

Conversion Preference to Intention

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Sources: New Zealand: Roy Morgan Single Source Feb 2003-Jan 2004 Base: Travelled OS in last 12mths (nett) & Aust. Preferrer (nett)14+
United States: Roy Morgan Single Source Mar 2002-Feb 2004 Base: Travelled OS in last 12mths (nett) & Aust. Preferrer (nett)14+
United Kingdom: Roy Morgan Single Source Oct 2003-Feb 2004 Base: Travelled OS in last 12mths (nett) & Aust. Preferrer (nett)14+
Intention (nett) – Long Trips next 3 years OR Short Trips next 12 months
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And Brits actually follow through. One million of them actually intend to come to Australia.

For Americans the desire doesn't translate nearly so well into intention or travel.

The Competition

Top 5 Competitive Destinations for Australian Preferrers

Rank	USA (14+)	UK (14+)	NZ (14+)
1	Italy	US	England
2	Caribbean	France	US
3	England	Caribbean	Fiji
4	NZ	NZ	Italy
5	France	Italy	France

Sources: New Zealand: Roy Morgan Research Feb 2003-Jan 2004 Base: Travelled OS in last 12mths (nett) & Aust. Preferrer (nett)1
 United States: Roy Morgan Research Mar 2002-Feb 2004 Base: Travelled OS in last 12mths (nett) & Aust. Preferrer (nett)14+
 United Kingdom: Roy Morgan Research Oct 2003-Feb 2004 Base: Travelled OS in last 12mths (nett) & Aust. Preferrer (nett)14+

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When it comes to travel to Australia – it's tough competition – we are competing with the US, France, the Caribbean, New Zealand, and Italy.

Which countries would you like to visit but are too expensive

Top 10 countries would like to visit but believe they are too expensive to travel to

Rank	USA (14+)	UK (14+)	NZ (14+)	AUST (14+)
1	Australia	Australia	UK	US
2	France	US	US	UK
3	UK	NZ	Canada	Japan
4	Japan	Japan	Japan	France
5	Italy	Canada	France	Canada
6	Germany	China	Australia	Italy
7	NZ	France	Italy	Switzerland
8	China	Italy	Switzerland	Germany
9	Switzerland	Switzerland	Germany	NZ
10	Ireland	Germany	China	China

Source: Roy Morgan Research International Travel & Tourism Study Nov/Dec 2003
Australia: n=1,032, New Zealand: n=2,315, United States: n=2,022 United Kingdom: n=2,185

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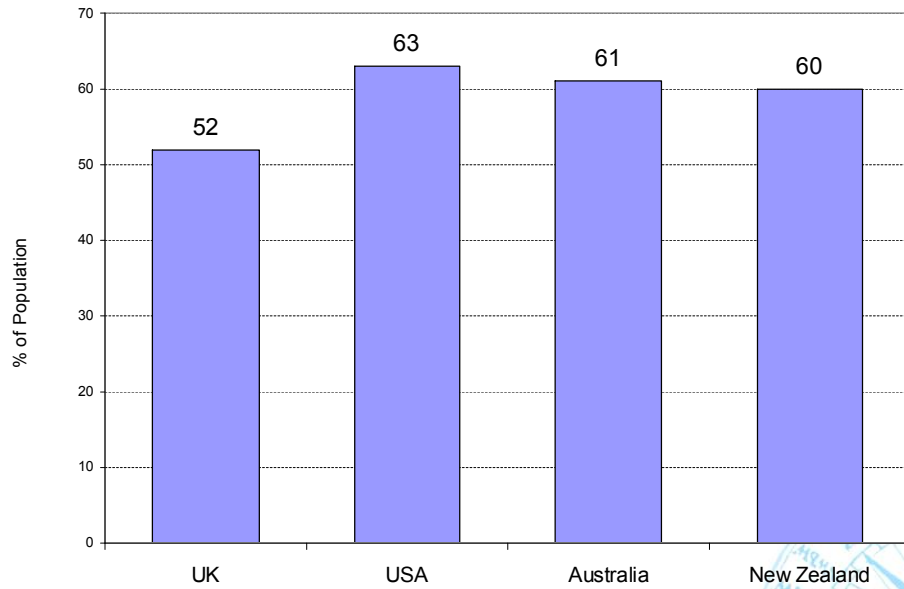


And Australia tops the list as a country people would like to visit but believe they are too expensive to travel to.

Of course, if anyone has ever been to London the idea that Australia is expensive is a joke. Try buying food in London.

The exorbitant cost of food in London may explain the next interesting research finding.

% Overweight/Obese – Body Mass Index: International Comparison



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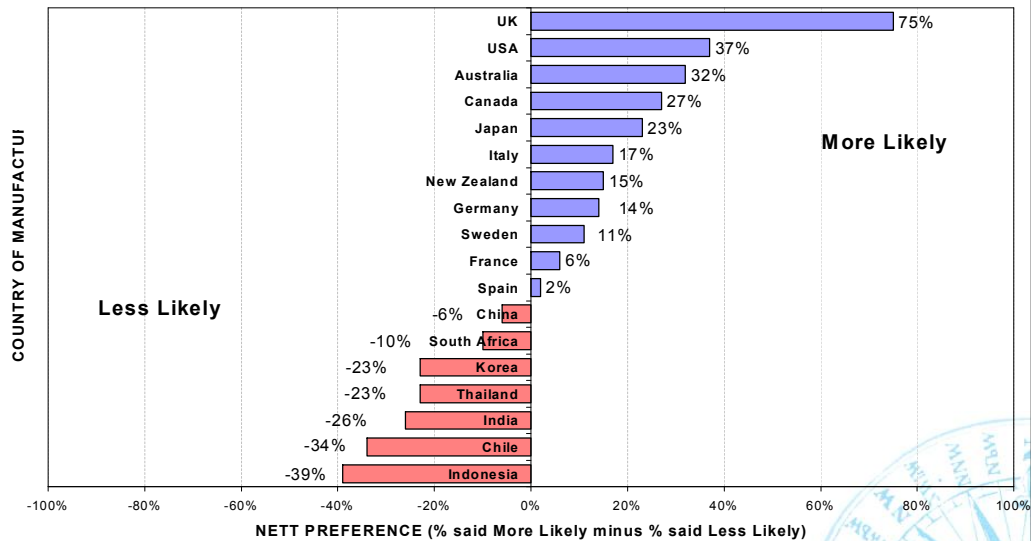
Brits are least likely to be overweight of all the four Western countries.

But seriously there are all sorts of connections between Australia and Britain – family ties, heritage and language.

So what about selling our goods to Britain?

Preferences of Britons

“Would you be more or less likely to buy products in each country?”



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When we ask Brits whether they are more or less likely to buy products from various countries – clearly they prefer to buy their own.

They are not nearly as parochial as we are in Australia or they are in the US.

In terms of other countries Brits prefer to buy products from, Australia is third after America.

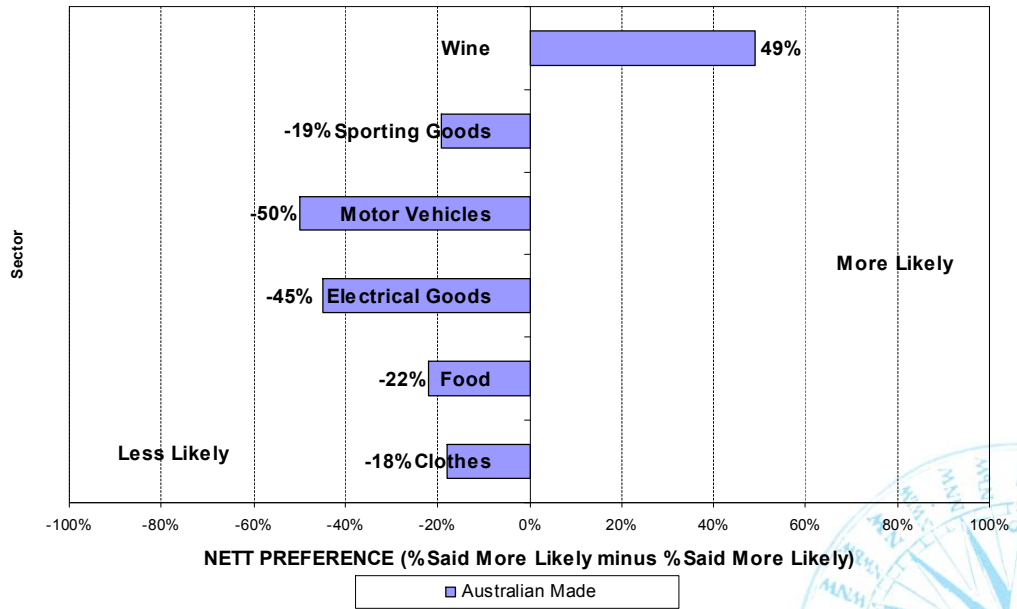
China is way down the scale in the negative – on balance Brits are less likely to buy Chinese products. But we must remember the power of price.

So while they may state a preference of not buying Chinese – the ‘price’ will move them.

Also – note where Japan is. 30 years ago Japanese products had the same image as Chinese products do today – now Japan rates positively as a country of manufacture.

Preferences of Britons

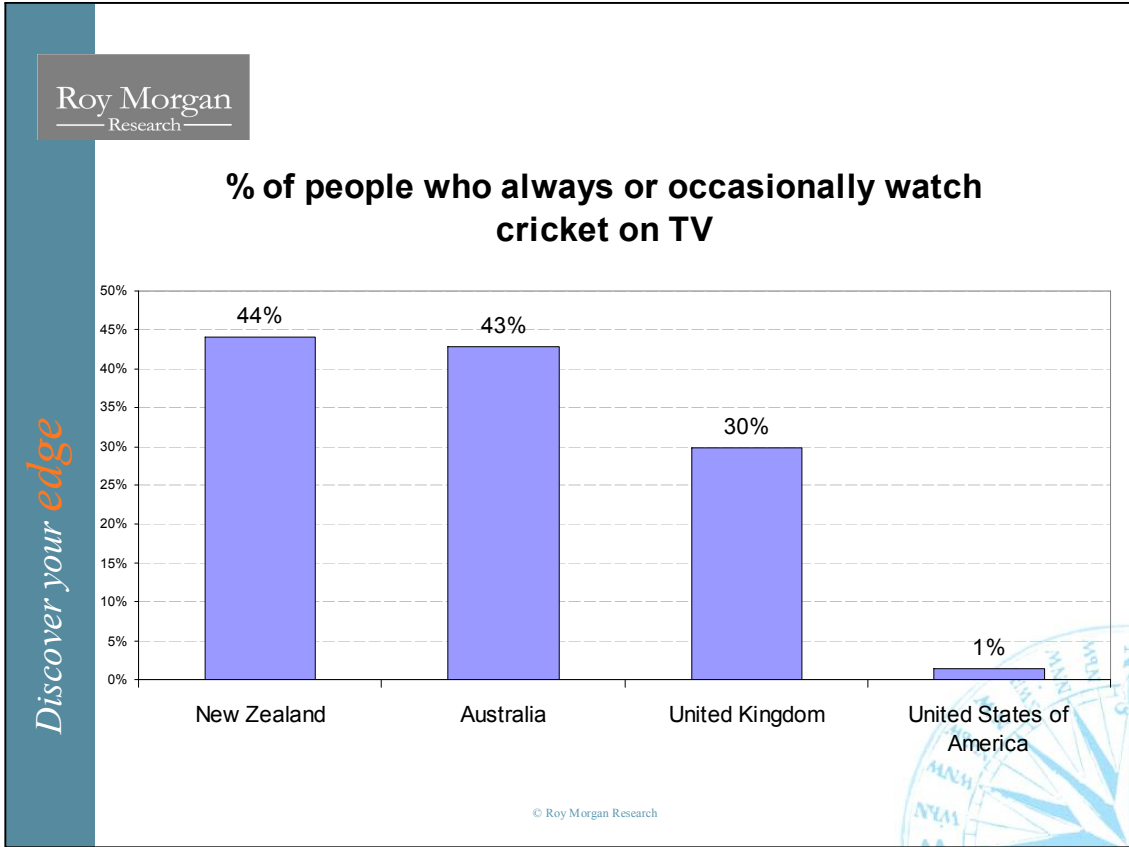
“Would you be more or less likely to buy if it was labelled ‘Made in Australia?’”



When we ask Brits which products would they be more or less likely to buy if it was labelled “Made in Australia” – it’s wine!

On balance more Brits would be more likely to buy wine “Made in Australia”.

For all other products – sporting goods, cars, electrical goods, food and clothes, they would be less likely to buy if “Made in Australia”.

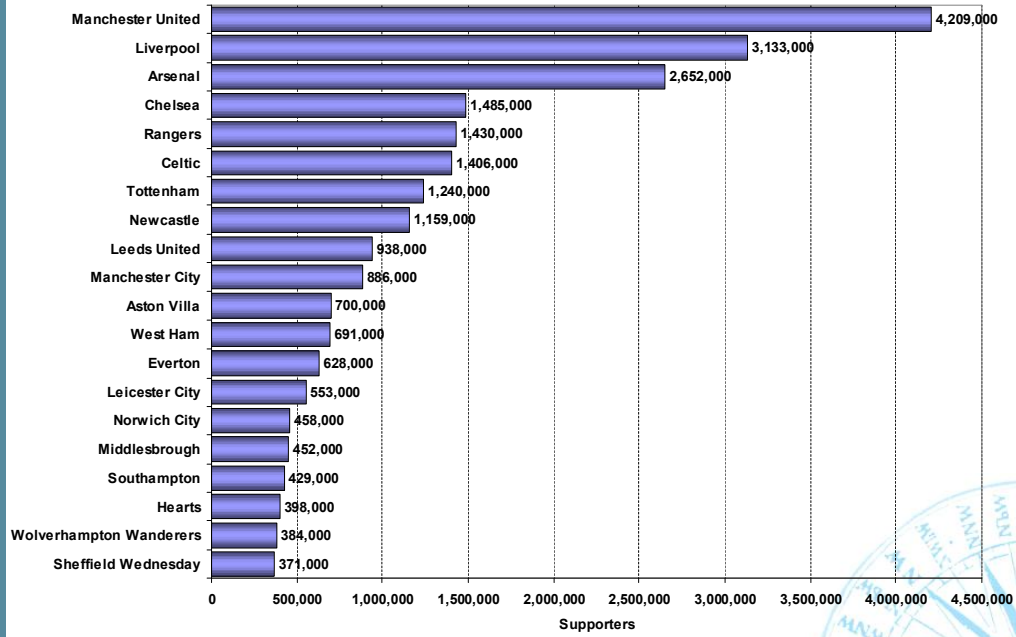


Sport connects the world. We always think of cricket and British in the same sentence.

But today, Australians are more interested in cricket than the Brits.

20 Most Popular British Football Clubs

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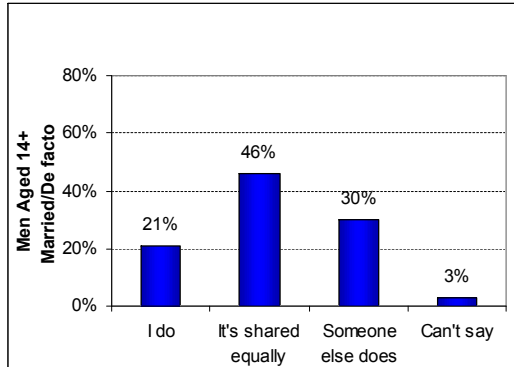
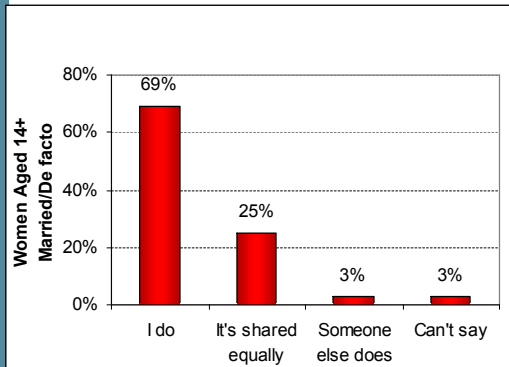
But the Brits love their football!

UK couples can't agree over who does the shopping

She says...

He says...

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And grocery shopping is just as complicated in the UK as anywhere else – with 69% of UK married women claiming to do the shopping and 67% of men claiming they do it or it's equally shared.

Some things are the same the world over.

For further information:

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