



THE MARKET

In the Australian market, Vegemite* is an icon brand. It is the one spread that is introduced to the family almost as a duty, a ritual in the pattern that determines what makes an Australian family.



Vegemite*, it seems, has always been around and families have always eaten it. Not that its enjoyment is restricted to family use: for example, Vegemite* was alongside the diggers in the Second World War.

Vegemite* is produced at Kraft Foods' Port Melbourne manufacturing facility which produces the 22 million** jars sold in Australia every year.

ACHIEVEMENTS

Mention Vegemite* to any Australian and you are likely to see instant recognition. There are interesting facts about Vegemite*, such as the fact that 70 percent of it is consumed at breakfast, and most is eaten on toast. But they cannot convey the full flavour of this unassuming black paste.

Vegemite* is one of the world's richest known sources of B complex vitamins, especially thiamine, riboflavin, niacin and folic acid.

HISTORY

At the beginning of the 1920s, the Fred Walker Company had a successful business making, selling and exporting food products. Its owner Fred Walker decided that it was time to tackle the concentrated yeast spread market, and in 1923 he hired Dr Cyril P. Callister to develop an Australian yeast spread.

In a laboratory at the Albert Park factory Dr Callister, who incidentally became Australia's leading food technologist in the 1920s and '30s, experimented and worked on the Vegemite formula. By July 1923 he had developed the spread that Walker wanted. The product was ready but the name wasn't.

Fred Walker turned to the Australian public and launched a nationwide competition to find a name for his new food. The prize pool held a very

tempting fifty pounds. The name selected was Vegemite*.

An English yeast spread dominated the Australian market at the time, and shoppers were reluctant to add Vegemite* to their baskets. Sales languished. The product was actually renamed only four years after its introduction, and relaunched as "Parwill". This was an attempted play on words: "If Marmite... then Parwill" was the intended pun, but it didn't sell the product.

Walker went back to his first choice of name when he became convinced that the problem was getting consumers to try the product. He launched a vigorous two year coupon redemption scheme and gave away a jar of Vegemite* with every purchase of another product in the Fred Walker Company range. The campaign worked: consumers tried the product, and loved it. Baby health centres

The Happy Little Vegemites Song*

across the nation were even recommending it as an ideal food supplement for both babies and nursing mothers. Australians of all ages continue to love Vegemite* today. Its unique flavour could almost be called the taste of Australia.

Just before the outbreak of the Second World War, Vegemite* gained official endorsement from the British Medical Association. It was then being advertised in the Australian Medical Journal, and doctors were increasingly recommending it as a nutritionally balanced food. During the War, supplies of Vegemite* to civilians were rationed as the Armed Forces bought it by the seven pound (3.2kg) container.

During the post-war “baby boom”, wartime goodwill translated into a boom in Vegemite* sales. In 1950, Vegemite* came under the Kraft Foods Limited umbrella, and the company has consistently reinforced the food value and “Australian-ness” of Vegemite*.

Soon after that, the song which was to secure Vegemite’s* place in the Australian heart forever was introduced. This was the “Happy Little Vegemites*” song.

THE PRODUCT

The original Vegemite* concentrated yeast extract recipe devised by Dr Cyril Callister in 1923 remains virtually unchanged. Vegemite* is rich in protein and minerals and a rich source of Vitamin B. B complex vitamins in Vegemite* are essential in the body’s use of carbohydrates.

RECENT DEVELOPMENTS

Vegemite* has become so identified with Australia that there has been a tongue-in-cheek proposal of its label as the new national flag.

More recently Vegemite* has seen innovation with the launch of a Vegemite* ‘Snackabouts’ variant in 1999 which couples Vegemite* with biscuits in a portable format. In 2003 Vegemite* broke the mould with the permanent ranging of the ‘Vegemite* Tube’ travel pack and the munchable ‘Vegemite* In A Biskit’.

PROMOTION

The first consumer promotion for Vegemite* ran even before the product was called Vegemite*. It was the national competition to create a name.

Two years after the 1935 coupon campaign that saw Vegemite* accepted by shoppers, an intriguing limerick contest once again catapulted it into the national spotlight. Its success was at least partly due to the substantial prizes: imported Pontiac cars. Entries flooded in and sales multiplied.

An inspired wartime campaign made a virtue out of the enforced scarcity of Vegemite*; Kraft Walker’s advertisements announced: “Vegemite* fights with the men up north! If you are one of those who don’t need Vegemite* medicinally, then thousands of invalids are asking you to

deny yourself of it for the time being.”

This campaign was a huge success. Meanwhile, “Sister MacDonald” with “years of infant welfare experience” insisted that “Vegemite* is most essential” in Women’s Weekly advertisements. The healthy Vegemite* Children began to appear in advertising before being immortalised in song in 1954.

As the baby boomers grew a little older, Vegemite* followed them. Advertisements began to stress the importance of the B complex vitamins to the whole family, regardless of age. This was reinforced by the “Three Ages of Man” advertisements, which were soon joined by the very successful “Pass the

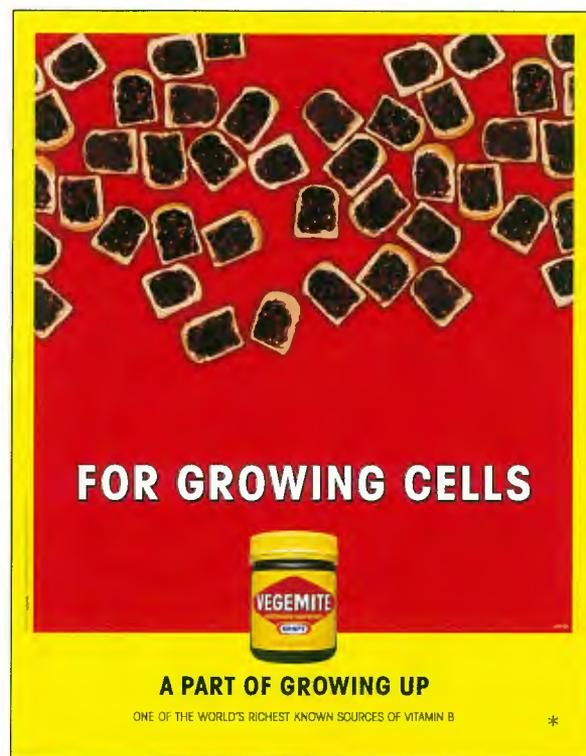


Vegemite*, Mum” campaign.

In the mid-seventies the Happy Little Vegemites* returned, in tune with the growing nostalgia of the times.

In 1980, the company moved to consolidate Vegemite’s* position with teenagers and young adults by securing the endorsement of three famous and appropriately diverse Australians. Racing driver Peter Brock, tennis legend Ken Rosewall and award-winning actor Helen Morse all acknowledged their love of the black yeast spread. Eventually, the original Vegemite* kid made yet another return – this time in colourised versions of their original television advertisements.

In the 1990s came the Vegemite* Breakfast Campaign, targeting the most popular occasion for serving Vegemite*, namely breakfast. Radio, transit, outdoor and press media conveyed the message



that Vegemite* is a great start to the day.

In 2003 Vegemite* celebrated its 80th birthday. As part of this the “Spread the Smile” campaign was launched utilising adults going back to their childhood remembering how much they love their Vegemite*.

BRAND VALUES

Vegemite* is an Australian icon, a piece of Australia’s heritage. The nutritious black spread has become a key part of growing up in this country for nearly every child. It has become a prominent part of the Australian family diet.

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THINGS YOU DIDN'T KNOW ABOUT VEGETEMITE

- Over 22 million** jars of Vegemite* are purchased every year in Australia. That’s nearly 66,000 jars every day of the year.
- Vegemite* was included in every Australian soldier’s ration kit during WW2, and when the war ended, soldiers brought a love for the taste back to Australian shores in a big way.
- The original manuscript of the Happy Little Vegemites* song was created in 1954.
- Australians spread about 118 million serves of Vegemite* on toast, bread or biscuits every year. If this was all Vegemite* toast, placed end to end, it would go around the world three times.
- As well as being found on breakfast tables across Australia, Vegemite* can now be found on the Internet at www.vegemite.com.au.
- Seven out of ten Australian pantries house a jar of Australia’s favourite spread.