

Australia's diversity: good for business

Office of Multicultural Affairs [Australia's cultural diversity: good for business - a collection of case studies](#) Canberra, OMA, 1994.

Ten case studies

East meets West Down Under

Business Matching

For many small and medium-sized Australian enterprises seeking to export to the fast-growing economies of Asia, the first step can be meeting the right people here at home.

Across the country, Australian businesses are beginning to switch into the concept that Asian-born Australians have the contacts and cultural skills needed to gain entry to export markets. Asian-born migrants from Perth to Sydney are meeting with Australian manufacturers and service providers to match their knowledge of export markets with the right products.

One such business-matching initiative in Melbourne - billed East Meets West Down Under - was a sell-out at its inaugural meeting in April 1994 and is being repeated in both Melbourne and Sydney to coincide with International Business Week in October.

The person behind East Meets West Down Under is Kean Lau, a director of the Australian subsidiary of Malaysian group Jasper International. Lau was born in Malaysia and educated in Australia. He settled here permanently in the early 1990s when Jasper International incorporated the Australian division of its edible oils business.

The idea for East Meets West is a product of his combined experience as a director of Jasper

Australia and vice-president of the Victorian Chinese Chamber of Commerce. In wearing both hats, he is well placed to see opportunities for attracting new investment to Australia and increasing exports to Asia.

At Jasper, Lau receives frequent inquiries from Malaysia about the possibilities for investing in Australian technology-based products and has become a subscriber to the view that Australia's reputation for excellence in research and development is not being matched by its ability to commercialise its innovations. There is, however, plenty of investment capital overseas interested in doing so, he says.

As part of his role at Jasper, Lau has begun acting as a facilitator between Malaysian investors and small Australian manufacturers. The first major deal of this kind to go through was a joint venture between Australian company Mark Sensing, a manufacturer of mark sensitive paper such as fax paper and betting slips, and a large Malaysian multinational corporation. Under the joint venture, the Malaysian partner put up \$5 million to license Mark Sensing's technology for the Asian market and set up additional production facilities in Malaysia. All Mark Sensing's research and development operations have remained in Australia.

Lau says that Asian-born facilitators can be of particular benefit for small and medium-sized Australian enterprises: "The big businesses in Australia have had the finance to go to Asia and establish themselves but the small and medium-sized businesses are the ones who will go there and suffer a setback because there are a lot of things that they don't understand."

One of the purposes of East Meets West Down Under is to form a network between Asian-born and Australian business people so that they can jointly overcome these problems.

"Instead of going to a library and trying to learn about cultural differences or attending a course, these companies can go to people of Asian origin who are now Australians and who can provide all the details about the differences in the export market. If you want to do business with Asia, what better way than to match up with someone who has contacts in Asia," Lau says.

"My idea was also that the networking could lead the Asians who are already here to invest in Australian business, either for the Asian or the Australian market. If I'm an Asian living in Australia with a business in Malaysia or Hong Kong or China and I meet up with an Australian manufacturer and like their product, I might work with them to make it suitable for the Asian market. By so doing I am investing in their company. I can introduce them to the market overseas and we can go there together. In a lot of cases I have plenty of finance behind me because my business is doing well, and for me to come to Australia as a business migrant I need to be cashed up. So there are a lot of advantages."

The first East Meets West Down Under was held in Melbourne's Chinatown with Telecom as the major sponsor and the Australian Chamber of Manufactures and several ethnic chambers of commerce in Melbourne assisting by notifying their members of the event. The response was so great that some applicants had to be turned away.

The evening included a trade exhibition where manufacturers were given a chance to exhibit their wares and a ten-course banquet demonstrating the Chinese custom of mixing food with business.

More than 200 of the 300 people who attended responded to the follow-up survey sent out by Lau. About 99 per cent of respondents said they would attend another East Meets West function and about 75 per cent said they considered their networking activities at the function had the potential to contribute to their business plan over the next three years.

The next East Meets West functions, in Sydney and Melbourne, will cater for 500 guests and will include high level political representation. Current indications are that, once again, there will be too few places to accommodate all those wishing to participate.

The enthusiastic reaction the scheme has had in business circles has convinced Lau that business migrants from the East have a great deal to contribute to the economic fortunes of their counterparts in Australia through their familiarity with and contacts in overseas markets.

Serving up quality to Japan

The Cheesecake Factory

Quality, says Diarmuid Hannigan, can mean something quite different to the Japanese buyer and the Australian supplier.

Hannigan's company the Cheesecake Factory is in the desirable position of exporting a value-added product to Japan. On the strength of this new export business, annual turnover is expected to reach \$3 million in 1994/95, up from \$1.3 million in 1992/93, with about 60 per cent of revenue coming from Japan.

In establishing himself in the tough Japanese market Hannigan has developed very strong views about the need to understand the culture of the overseas client.

"Many people here do not understand what quality means in Japan. It's not just the product, it's the business relationship, it's the quality of the packaging, the quality of the manufacturing process, the quality of the service to the customer - it's every detail."

The Hong Kong-born chef Hannigan has had on staff since 1988, Charlie Kwok, has helped bridge the cultural gap through his experience as a dessert chef in international hotels in Asia: "He understands the Asian perception of food. He could identify what the Japanese wanted, both in terms of aesthetics and in terms of the

need to be really consistent in the mixing and cooking processes. Because of his experience and training in Hong Kong he was able to fix up the really fine details in relation to the product."

Hannigan is a strong advocate of the value of Australia's growing multicultural skills base, believing it contributes to a more service-oriented approach than has traditionally been typical in Australia.

Hannigan came to Australia from East Africa with his family and trained here as an engineer. In the late 1970s, his career path shifted dramatically when he and another engineer set up the Cheesecake Factory: "My partner was from New Zealand, which has a tradition in dairy products, and the two of us identified that there wasn't a really good cheesecake in Melbourne at the time. A lot of the companies manufacturing cheesecakes were using cheap ingredients."

They began to supply restaurants, coffee lounges and caterers with the new product and found that their emphasis on filling a niche for quality cakes paid off. Production rose from 100 cakes a week to 600 within a matter of months and a boom in restaurant dining in the early 1980s produced a further increase in demand for the product. As the company began to grow, Hannigan employed several Italian chefs and used their skills to diversify into the production of strudels, carrot cakes, black forest cakes and other European styles.

The opportunity to break into the Japanese market came at the beginning of the 1990s. Trading house Mitsubishi approached the Cheesecake Factory on behalf of a restaurant chain in Japan which was looking to replace its expensive Japanese cheesecake supplier with a cheaper overseas manufacturer. The Cheesecake Factory was recommended by the Australian company which supplied cream cheese to the Japanese restaurant chain.

The client supplied a list of ingredients and was happy with the basic flavour the Cheesecake Factory came up with but Hannigan discovered

there was a lot more to making a product suitable for the Japanese market. Kwok was able to assist through his experience working in Asian markets with different preferences in flavour and presentation.

"They asked us to refine it to their requirements, which involved getting the colour right, getting the flavour exactly right, cutting the cheesecakes up and wrapping the individual slices.

"You've also got to be very careful about what you're putting into the product. To get approval for Japan you have to supply a list of ingredients and break everything down - you might have 10 basic ingredients and end up with a list of 30 or 35 items that have to be checked. Once you've done that you've got to be very careful that when you produce the product, that's exactly what goes into it, so it's very dangerous if you start changing suppliers or essences. There seems to be a problem with some Australian suppliers in recognising that this is the procedure for Japan."

Hannigan has invested an additional \$250,000 in plant to bring the factory up to the required standard for Japan. Staff numbers have increased from 18 to 35 and include a mix of nationalities from Asia and Europe, some New Zealand migrants and locally born Australians. The company is likely to grow again in the near future as Hannigan is negotiating a contract to supply a Japanese supermarket chain with cheesecakes.

He acknowledges that the business culture in Japan is difficult for Australian companies to understand and has sought expert advice from the Victorian Government's trade office in Tokyo and a Japanese consultant based in Melbourne.

As the experience of the Cheesecake Factory shows, overseas born Australians who understand the export market can provide immediate insights into that market.

Linking language to productivity

Don Smallgoods

For many of the staff at Don Smallgoods, language training has become the express route to increased productivity.

Don is a smallgoods manufacturer with an annual turnover of \$90-100 million. Like other smallgoods producers in Australia its work force contains a high percentage of migrants from Europe, where the craft skills associated with smallgoods originated. In the case of Don, the large majority of the 440 staff at its Melbourne factory are migrants from the former Yugoslavia.

When international food group Bunge bought the company in 1989, it became apparent that the business needed to be totally restructured - from management practices to operations - to meet new quality standards. According to Don's human resources manager, David Hughes, the fact that 96 per cent of factory staff came from a non English-speaking background represented a problem when it came to reform.

"What we had was an organisation very resistant to change. There was a very inward focus - most of the people were similar in terms of their ethnic background, their lives revolved around Don, their leisure revolved around people from Don, so when Bunge came in they were confronted with an operation that was in a bit of a time warp and didn't see the need to change."

In 1991, Don received \$430,000 from the federal government under the best practices program and set about implementing a total quality management reform package called Don VIP.

"The program was about changing awareness," says Hughes, "about getting people involved in teams to solve problems, improving quality standards on the factory floor, all these sorts of things, and there was a whole lot of training

that went along with that. Because training means communication, being able to achieve all those things ultimately came back to whether or not the general work force could understand English."

An audit of language and literacy skills revealed that about two-thirds of factory staff were below the level of English language training needed to undertake TAFE accredited training for the workplace. Don decided to address this by providing English language training for some of this group.

Initially, many Don employees resisted the language training, considering it unnecessary or finding that it interfered with work schedules. After a rethink the training was given a different focus.

"We don't really distinguish now between English language/literacy training and other skills training. We've got one stream for people whose language and literacy skills are adequate to have a person from the university come over and deliver training and we have another stream, which we call a bridging course, where an English teacher runs the class but where people work with material related to the skills program. It's all skills training, it just happens that one stream is concentrating on the language literacy component."

The open learning centre at Don offers computer-based training with interactive devices, such as talking books, to make the training process as easy as possible. The materials have also been given special attention .

"We've spent a lot of money making the materials relevant to the staff here because we've found that people take a while to understand why they need training. When the material is talking about packaging or the need to wear protective clothing or whatever, there will be images of Don staff that have been scanned into the program so that instead of it being some dry text book type of learning it is situations they can recognise and people they can recognise."

Since the new language and literacy training has been introduced, Don has found that demand for training is exceeding availability for the first time. According to Don's corporate philosophy, this kind of change in behaviour is an asset to the business.

"Our principle has always been that training is no different to work and that it shouldn't be regarded as any different to work.

"We make the fundamental judgement that unless we do provide the people with language and literacy skills, business won't prosper and won't ultimately survive. If we are going to help staff become more flexible, in terms of their understanding of the work, ability to rotate through jobs, ability to take control of quality at the workplace, then they have to be trained, and if they're going to be trained they have to have language and literacy skills."

One of the immediate benefits Don has derived from its training program is in the area of quality accreditation: "The operators and supervisors in the factory are now able, on a self-sustaining basis, to work to quality standards superior to what they have done in the past. We now have accreditation to export meat standards set by the Australian Quarantine Inspection Service. Formerly we had three meat inspectors on site here at a cost of about \$200,000 per annum and because of the demonstrated ability to monitor our own quality, that's saved the business \$200,000."

1994 is the year of training at Don. The basic groundwork - making people realise that they could work in a way that made the business more profitable - was completed in the first two years of the program. Phase two is delivering the relevant training and skills.

In Don's experience, responding creatively to a multicultural work force has been a productive exercise.

Offering all the comforts of home

Hotel Nikko Sydney

Catering for cultural difference is a matter of course at the Hotel Nikko Sydney. As part of a Japanese-owned, five-star international hotel chain, Sydney's Nikko (Potts Point) offers its Japanese guests a range of services to help break down the cultural barriers they experience when visiting Australia.

Signs, menus, room service guides and other information services are translated into Japanese. Special guest relation staff fluent in Japanese provide interpreting services and organise activities for the guests outside the hotel. Other frontline hotel staff are instructed in polite forms of address and conversation, and correct body language, to avoid offending Japanese guests.

But even though about 75 per cent of the Nikko's guests are from Japan, the hotel is not overlooking the potential for increasing business from other countries. The growth of tourists from other Asian countries, in particular, is a trend not to be overlooked given that this group is now rivalling the traditional dominance of the Japanese tourist in Sydney. American and European tourists must also be catered for with restaurants and sightseeing schedules emphasising Australia's cultural difference rather than minimising it.

Whatever the country of origin of the guest at Hotel Nikko, there is a good chance that staff will be able to speak their native language and understand what may cause offence. Frontline staff speak a total of 35 languages and are frequently called on to act as interpreters or explain the cultural preferences or requirements of guests.

When a Jordanian Princess visited the hotel recently, accompanied by bodyguards who didn't speak English, hotel staff fluent in the appropriate language were able to communicate

with the bodyguards and facilitate the security and travel arrangements they needed to make on behalf of the Princess.

According to the hotel's sales manager, Janelle Wadsworth, language capability is a tool that helps attract new business as well as service customers once they have arrived.

Wadsworth recently attended the Australian Tourism Exchange - Australia's annual multimillion dollar hospitality industry expo - with a multilingual team from Hotel Nikko: "Language skills are a major selling point to the international wholesalers and inbound tour operators there. It is much easier to sell a hotel and sign up contracts if you can converse easily in the language of the customer. Our marketing manager is Swiss so he was able to speak to the German and Swiss companies in their native tongue, another colleague is Swedish and was able to handle all the Swedish delegates, and of course we had two Japanese-speaking staff there as well."

Another type of language service that the Hotel Nikko has begun to market seriously is simultaneous conference interpreting, where delegates use headphones to receive an instantaneous interpretation of speeches into their native language. This is the most complex form of interpreting and relies on highly skilled professionals who frequently come from bilingual backgrounds. In comparison to Europe and Asia, Australia has generally been slow to provide simultaneous conference interpreting but is becoming more attuned to the need to do so.

"We can attract more international business for our company by providing conference interpreting and it's a selling point for Australia that we can offer this kind of service," Wadsworth says.

Hotel Nikko's understanding of the value of culturally specific marketing is also demonstrated by the international food festivals it runs to attract local and overseas visitors to its dining facilities. These events promote the hotel restaurant as a product in itself, not simply a

service provided by the hotel.

Held every two or three weeks in the hotel's main restaurant the food festivals feature the cuisine and wines of a particular country. The restaurant is elaborately decorated in keeping with the national theme and staff wear the country's national colours.

Advertisements for the food festivals are run in ethnic press in Sydney - as part of a broader promotion to regular hotel diners and local residents - and staff from the hotel distribute flyers within their particular ethnic communities where appropriate. Another strategy the hotel uses to tap into local ethnic markets is to encourage its culturally diverse employees to contribute their ideas and contacts for these special events through an incentive scheme which rewards them for bringing in any new business. Points gained under the scheme can be translated into bonuses such as free restaurant meals.

Hotel Nikko also relies on the cultural diversity of its employees when it comes to preparing the food for these events. Where there are no chefs from the featured country on staff, it brings in outside chefs to prepare authentic cuisines - if you're serving Italian dishes to Italians, you have to get it right, Wadsworth says.

For Hotel Nikko, the challenge for the future is to encourage growth from new market segments while maintaining the culturally specific service it provides to Japanese visitors to Australia. Its multicultural work force is helping achieve this by creating an international environment within the hotel which makes guests from around the world feel at home.

Talking the language of the market

L. J. Hooker

When Australia's largest real estate franchise group, L.J. Hooker, launched a \$250,000 ethnic marketing campaign in 1994, it sent a clear signal to the corporate sector that ethnic

markets mean business.

L.J. Hooker's decision to venture into foreign language marketing had evolved over the preceding two years, beginning with the discovery that European migrants were more likely to buy real estate than people born in Australia.

Data from the 1991 Census, studies by the Housing Industry Association and in-house research showed that European migrants were about 10 per cent more likely to buy a home than their Australian-born counterparts, and had a preference for real estate over other forms of investment.

At the same time, growing migration from Asia - including Chinese and Taiwanese migrants with large cash reserves - was reinforcing L.J. Hooker's concern that its advertising campaigns were coming up against cultural and linguistic barriers.

This was something that the many L.J. Hooker franchise owners within ethnic communities were able to confirm. These franchisees were typically from non English speaking backgrounds themselves and had extensive links within the communities they serviced. Through natural recruitment, their offices tended to have the language and cultural skills needed to service clients wanting to sell their properties but they agreed that advertising was not necessarily reaching all potential buyers.

When L.J. Hooker sought further advice from its advertising agency and an ethnic marketing consultant it became convinced that potential buyers in ethnic communities could be reached most effectively through specialised marketing in their native languages.

As Australia's largest real estate franchisor, with 500 offices around the country, a major part of L.J. Hooker's operation is to market its franchises under national and state umbrellas.

"You've got to meet your market." says Hooker's corporate services director, Alan

Lambert. "If part of the market is made up of people who haven't got a very good command of English, then we owe it to the vendors of the properties we handle to reach that market. It's a responsibility to do that when you're trying to line up as many buyers as possible."

L.J. Hooker decided to test the waters in March 1994, with two campaign launches in Sydney.

The first campaign featured advertising in ethnic press in six major languages - Greek, Italian, Arabic, Chinese, Vietnamese and Spanish. In June, this campaign went to SBS Television with Hooker taking the unusual step of translating its mainstream TV commercial into the six languages and subtitling each version in English. Research showed that SBS's largest ethnic audiences were drawn by the news broadcasts in their native languages, so the Hooker ads were programmed in these time slots.

A second campaign specifically targeting the Chinese community was also launched in March. This ethnic group was selected on the basis of research showing that Chinese consumers were often loyal to a particular brand name or service provider, and had a high regard for sellers who provided this kind of bilingual marketing service.

L.J. Hooker led into the campaign by sending a greeting card at Chinese New Year to Chinese business leaders, community leaders, media and clients. The main campaign followed, with advertising in the Chinese press supported by Chinese-language flyers distributed in selected suburbs.

The content of both campaigns was similar: "I think the main thing we wanted to do was to explain what real estate agents do for their fees. There is this mystique, probably among Australia-born people also, as to what a real estate agent does, so we really went out to demonstrate that the agent is there to provide advice and assistance to the seller, and also to the buyer. We also wanted to explain our geographic spread and our leadership position,"

Lambert says.

"There's been a lot of public response to this. Some people have said 'Why are you doing this? These people live here and they should be able to speak English.' But 17 per cent of people over five years old in Australia speak a language other than English at home and there's no reason why we shouldn't acknowledge this."

Evidence that its multilingual campaigns have had the desired impact has come through the large volume of editorial coverage L.J. Hooker received in the ethnic press; and through feedback from key members of ethnic communities, via Hooker franchise owners and the group's multicultural marketing consultant.

According to Lambert, L.J. Hooker is likely to move its ethnic marketing program up a notch next year: "I can see from what we've established so far that there is a need to translate some of our educational brochures - how to list a property for auction, how to present your home for sale, these kind of things - into other languages .

"The government already provides this kind of service and I believe it is now coming down to the private sector to show this kind of responsibility also. It's all about ensuring a quality service."

Backing Australia's business migrants

National Australia Bank

On the way to becoming the most profitable bank and the second most profitable company in Australia, the National Australia Bank has become a leader in ethnic marketing.

NAB was one of the first large corporations to recognise that within Australia's - growing migrant communities there were potentially lucrative markets not being properly addressed.

In particular, NAB saw migrants who had started up businesses in Australia as an attractive

and untapped market and began to court this group by instituting the Ethnic Business Awards in 1988. At that time, ethnic marketing was in its infancy in Australia, despite census data showing that 23 per cent of the population was born overseas.

Determined to get the edge on its competitors wherever possible, NAB introduced the Awards to recognise the contribution of migrants to Australian business and at the same time to position itself as a culturally sensitive service provider.

The Awards are now in their seventh year and have produced benefits for both the winners and NAB. Winners at the national level, in the categories of manufacturing and non-manufacturing, receive \$5,000 and the publicity from a national live broadcast of the event on SBS.

NAB's manager of Migration Business Services, David Downs, says that the Awards have helped to create the right image for the bank and have been the impetus for a number of ethnic clients moving their business across to NAB.

The influence of the Awards has also extended beyond national borders since the ABC's international satellite service, ATVI, began broadcasting the event live into Asia last year. With over 40 per cent of the bank's assets based offshore, NAB has a lot to gain by presenting a culturally sensitive face in expanding Asian markets.

The Ethnic Business Awards are not a one-off exercise for the bank. NAB has focused consistent attention on Australia's business migrants in the belief that the resources and skills of this group are not being fully utilised.

According to Downs, this message was being clearly delivered by the migrants visiting the bank: "We had a number of business migrants coming to us and saying 'What can we do in this country? What business can we run? How can we make some money?' There was really no-one here to give them a lead."

NAB's response was to team up with the Australian Chamber of Manufactures (ACM) and Austrade to organise business matching functions for ethnic communities. Through its network and database of clients, NAB notifies migrants interested in acting as agents or traders about the business matching events and ACM brings together a group of manufacturers. In this way, business migrants are able to use their cultural skills and overseas contacts to facilitate new export ventures .

"The idea is to get them all into the same room and let them network and explore the opportunities. Not every manufacturing company has the right product for export and they can virtually do their research and development here, through these meetings, without spending \$20,000 on an overseas trip and making no sales.

"This way they are able to talk to a migrant who wants to do business, who understands the culture of the export market and knows whether a product is likely to sell there."

Since the end of 1992, business matching functions have been held for migrants from countries including Taiwan, Korea, Malaysia, the Gulf countries, South Africa and Indochina, and a number of success stories have emerged from the program. NAB's competitors ANZ and Commonwealth Bank also participate in the scheme.

"If business develops, that's what we're there for. Hopefully, if the migrants think we've done a good job, they'll come and do their banking transactions with us. Everybody wins through this: the manufacturer is getting a sale, the migrant is getting a commission, the bank does the trade finance to get the products overseas, and Australia is the big winner because it means more exports for the country."

NAB's assistance to business migrants is part of the bank's broader ethnic marketing umbrella. The bank was a forerunner in placing multilingual staff in areas with a high percentage of people from non English-speaking

backgrounds - a practice now common among a variety of businesses in Australia. In addition, all NAB's major advertising and marketing campaigns include a formal examination of the potential for reaching particular ethnic communities.

According to Downs, the first step is testing whether the product is suitable to individual communities: "It's no use trying to target a retirement package to a new ethnic community in Australia if it's a young community and, in the reverse, there's no use coming up with an ethnic campaign for a youth package if the community is aging."

If the product has potential within a particular ethnic group, it is not simply a case of translating materials from the mainstream advertising campaign into the target language.

"You definitely can't just do direct translations. For example, our catch line 'tailoring banking to your needs' isn't always appropriate because in different communities you have a different socio-economic status for tailors - some are higher and some are quite low. You have to look creatively at the community and the culture, and understand how they read things before you decide how to word your materials."

The bank recently directed a very successful ethnic campaign for high interest rate term deposits towards new migrants from China and Korea, a number of whom arrive in Australia with large cash reserves.

Another successful campaign - part of a mainstream campaign to encourage new investment by the 800,000 small businesses in Australia - targeted about 12 ethnic communities, offering them cheap loan facilities where funds were used for new business investment.

Investing in ethnic niche marketing has paid off for NAB. The fact that the bank's competitors have all adopted similar strategies in recent years shows that culturally sensitive marketing is now a necessity rather than a luxury in any highly

competitive Australian industry.

Winning new sales with ancient symbols

NSW Lotteries

The monkey, the rooster and the dog have all been lucky symbols for NSW Lotteries as the emblems for highly popular scratch lottery games celebrating Chinese New Year.

What started out three years ago as a risky new project has turned into an annual event which substantially boosts sales of \$2 instant lottery tickets - not only within Chinese and Vietnamese communities but in mainstream markets also.

The first Chinese New Year lottery promotion, Lucky Monkeys, was run in 1992 by a newly corporatised NSW Lotteries eager to take a more innovative approach to products and marketing. One of the main areas NSW Lotteries had been investigating was how people from non English-speaking backgrounds related to its products and corporate image. These people made up 25 per cent of the population in NSW but were thought to constitute a higher percentage - between 30 and 33 per cent - of NSW Lotteries' client base.

Market research covering the major ethnic groups in NSW identified Chinese and Vietnamese communities as the most appropriate target groups for any special ethnic advertising campaigns. The other major ethnic groups, it found, tended to be adequately reached by the Lotteries' mainstream advertising. The research also identified Chinese New Year as the most promising opportunity around which to build a wide-reaching ethnic campaign.

NSW Lotteries decided to take the idea of running special advertising one step further by designing a new game to coincide with Chinese New Year and promoting this, rather than the standard game, to Chinese and Vietnamese groups.

Lotteries' product manager for instant scratchies, Mark Carter, says that the project depended on the advice of multicultural marketers, specialist consultants which use their links with and knowledge of ethnic communities in Australia to market test product and packaging preferences and provide translations.

"When they made their proposals, it was very difficult to ascertain whether or not their approach would work because they employed very different research methods to the ones we were used to. But we went ahead with them because we were convinced that they knew what they were talking about," Carter says.

"We identified scratchies as the best product to use because we do 20 scratchies games a year and we could afford to design one specially for Chinese New Year. Scratchies were also found to be popular with the Chinese and Vietnamese communities.

"Then we went back into research to find out what the game was supposed to look like. We appreciated that it had to be sensitively designed because we were delving into people's culture, so basically the ticket was designed from the bottom up through market research. When the design elements came back, it was up to us to put together the physical ticket."

Elements included in the ticket were the colours yellow and red, which are considered lucky by the Chinese, and a picture of the symbol for the new year, the monkey. Lotteries designed a special red envelope to hold the \$2 Lucky Monkeys tickets and made sure that agents in areas with big Chinese and Vietnamese populations received large volumes of the game.

But it was also banking on acceptance of the product within the wider marketplace: "We felt that there would be a general acceptance because most people know about Chinese New Year and because it was a fun looking ticket that fitted well into the brand."

The Lucky Monkeys game was run as an overlay

to the main \$2 instant scratchies game. Due to the favourable public response when the game was released Lotteries increased the original print run of 3 million Lucky Monkey tickets - which had been considered high - to nearly 5 million.

The exercise proved extremely profitable. Overall sales of \$2 instant scratchies increased by between \$150,000 and \$200,000 each week during the 12 weeks NSW Lotteries ran the Lucky Monkeys game.

"We felt it was extraordinarily successful and we actually identified for the first time that having two tickets at the \$2 price point was a strategy that would increase sales for us." Carter says.

NSW Lotteries followed up in 1993 with a Lucky Rooster ticket and in 1994, with Year of the Dog instant scratchies. Similar numbers of tickets were printed as for Lucky Monkeys and roughly the same level of sales were achieved in each successive year.

Carter says that Lotteries will continue its Chinese New Year campaigns and is also keen to find new promotional opportunities despite the complexity of this type of marketing.

"It is difficult to market to the non English speaking background groups. It's tough for advertising agencies which have basically been marketing to white Anglo Saxon cultures forever - even though it might be an excellent agency, it is hard to change a mindset which has built up over a number of years.

"It also takes money. You've got to pay an advertising agency for their work, then you've got to pay a consulting agency for their translation work as well - you can't afford to use the ethnic newspapers because they may just provide a literal translation."

"But we've found that it has worked for us and we're about to start our next lot of research. We're not going to concentrate on Chinese New Year only. The celebration of the New Moon in August, for example, is a very big event within

Chinese communities so we're going to look at the potential for special advertising campaigns to coincide with that.

"We'll also look at some of the other ethnic groups to see whether there are opportunities to promote to them as well, and we'll be exploring what promotional opportunities there are for our other products. I think there is plenty of incentive for our overall multicultural marketing budget to expand."

First past the post in Vietnam

Phillips Fox

Australian law firm Phillips Fox has pulled off two major coups in Vietnam since the government opened up the Vietnamese economy to foreign investment in 1987.

The first of these - and the firm's major marketing tool - was a ten-year contract with the Vietnamese Government, signed in 1992, to translate the country's foreign investment laws into English. The second was becoming the first foreign law firm allowed to open an office in Hanoi.

The success of Phillips Fox was very much a case of being in the right place at the right time - with the right skills. Market entry was a crucial phase greatly facilitated by Vietnamese lawyer Tan Nguyen Hai, who came to Australia as a refugee and linked up with Phillips Fox partner Bill Magennis. The two of them took to Vietnam the combination of professional skills and knowledge of the language and culture needed to unlock the market.

Magennis already had a long-standing interest in Asia when he met Tan and brought him to work part-time at the Melbourne office of Phillips Fox. When the Vietnamese Government began to encourage Vietnam nationals to return to the country for business, Tan and Magennis set off to see what opportunities existed for Australian firms.

Phillips Fox partner Ron Salter, who now

manages the Australian end of the Vietnamese practice, says Tan's involvement greatly assisted Magennis in securing the translation contract. "In 1989/90, as an early Western visitor to Vietnam, Bill Magennis would probably have found it impossible to do anything without Tan's assistance. It would have been incredibly daunting to look into business in Vietnam without speaking the language or knowing the country."

The two of them visited Vietnam regularly from 1990-92, following up leads about Australian companies interested in investing in the country and eventually making contacts within the powerful State Committee for Co-operation and Investment (SCCI), the body which controls all foreign investment in Vietnam. It was the SCCI which agreed to give Phillips Fox the job of officially translating all the country's investment laws into English.

Back in Australia, Tan and some of his Vietnamese associates provided rough translations which were turned into correct 'legal' English by others within the Melbourne office. The process has been greatly refined in the two years since the contract was signed and now relies on a combination of Australian and Vietnamese personnel based both in Melbourne and Hanoi.

According to Salter, the translation contract has led Phillips Fox along a different path to the one it first envisaged: "We really thought we were going to Vietnam to service the interests of Australian business investing in Vietnam but if we'd relied on Australian business we wouldn't have been as successful. Probably 80 per cent or more of our business in Vietnam now comes from clients in Europe or America or other parts of Asia. People know about us all around the world. Anyone who has the slightest business interest in Vietnam and starts making inquiries will come across the name Phillips Fox and that's a really big plus for us."

The Vietnam practice has performed well beyond the initial expectations of the partners at Phillips Fox. The Hanoi office was opened in

February 1993 and the Melbourne office, which controls the Vietnam practice, has already covered its extensive cost outlays and gone into profit. Initial projections were that it would take roughly four years for the practice to start making money.

Tan left Phillips Fox soon after the Hanoi office was opened but according to Salter, the firm has actively sought to employ other Vietnamese-born Australians to help provide the bank of cultural and language skills needed to assist the Vietnamese operation: "We have a mixed team of people, Australians and Vietnamese, and I'm seeking to increase that at the moment because we need to have reserve strength."

One of the most valuable young Vietnamese people the firm has employed in Melbourne is Vinh Huynh, who came to Australia as a refugee at age nine and studied economics before applying to study law at Bond University. He is working part-time for Phillips Fox and plans to do his articles with the firm after completing his degree .

"He is our number one translator and has got it down to a fine art. Consistency is vital in the translation of the laws because a word in one language might have several possible meanings in another. We regard him as very valuable and when he's finished his law course we hope he will continue his involvement on a much higher level with our Vietnam practice, either here or there or both."

The Melbourne office has employed two more young Vietnamese Australians who are working part-time as translators while completing their studies and will put their legal skills to good use helping the firm expand its business in the Vietnamese market.

For Phillips Fox, the ethnic diversity on its own doorstep in Melbourne has helped build a business which is taking the firm's name around the world.

Preparing authentic cuisines for the world

Qantas Flight Catering

At Qantas Flight Catering, the 66 nationalities represented on staff are using their cultural expertise to impress international clients.

About 5 million of the 15 million meals Qantas Flight Catering produces each year are sold to airlines other than its parent company, Qantas. Major clients include Asian airlines such as Cathay Pacific, Garuda and Singapore Airlines which have a preference for Asian menus featuring foods prepared in authentic styles.

At Qantas Flight Catering's Sydney kitchen, in particular, many of the chefs were born or trained in the home countries of these airlines and are able to prepare and present quality food in the styles these clients prefer. They also understand any religious requirements that may accompany the preparation of national dishes.

"The Asian chefs are particularly relevant to us because of the growth of the Asian airline industry in Australia," says Peter Elwin, general manager of Qantas Flight Catering.

This growth has dovetailed with a new interest in Asian food among Australians and a health-conscious trend in society away from heavy dishes to lighter styles of food, Elwin says.

"Up until the last few years, airlines generally tended to run menus in the basic French/European classical styles, with heavy sauces and meat. There's been a move away from that towards lighter Asian styles. The other thing is that Australians have generally become more educated about Asian foods and tend to want to see authentic styles of this food. Overseas airlines, of course, also want to feature authentic dishes. There are no half measures - if these airlines put national dishes on board that aren't authentic as far as their passengers are concerned, they'll get criticised for that. That's where we are able to assist them, through the

skills of our work force."

According to Qantas Flight Catering's national manager of marketing and sales, Deborah Moffat, the organisation's multicultural work force is now recognised as a real marketing tool.

"There is an increasing amount of competition within the airline catering industry and what we're all trying to do is differentiate our product and make ourselves more attractive to a limited number of customers. For example, we're the only facility in Sydney that has a Japanese kitchen so that's something we can market to airlines like ANA, Japan Airlines and even Qantas, which operates to Japan."

Qantas Flight Catering has scored a number of small triumphs through its culturally authentic food. On one occasion, the Thai royal family seconded a chef from the Sydney kitchen to their private aircraft for a trip around Australia. On another occasion, the Emir of Kuwait, pleased that Qantas Flight Catering was able to source the special foods he wanted through one of its chefs, asked the chef to accompany him on the remainder of his international journey.

The competitive advantages created by the company's multicultural work force extend beyond the ability to offer authentic cuisines. Staff are also able to contribute through their understanding of the languages of international clients.

"Because our customers are from every continent on the globe, there can be communication problems with their head office staff or the flight crew on board aircraft. If you have people from the same background on staff then that communication becomes a lot easier," Elwin says.

"Our Japanese customers are a good case in point. We have Japanese chefs who are Australian residents working for us and they can communicate extremely well with our Japanese customers. The Sydney representatives of the Japanese airlines are all very comfortable with the English language but when people come

down from the head offices of those airlines, that may not be the case."

Qantas Flight Catering employs about 2,300 people nationally. At its most ethnically diverse centre, Sydney, about 70 per cent of the 1,200 staff are from non English-speaking backgrounds.

The potential in this configuration for poor communication and fragmentation of staff into isolated ethnic groups led Qantas Flight Catering to introduce special training and support for these staff in the early 1990s.

The Sydney centre currently has two full-time teachers from the Adult Migrant Education Service on-site, running classroom and computer-based language training based on tasks the employees perform in the workplace. These tasks include reading technical manuals, writing reports, making manpower submissions, counselling staff and participating in recruitment interviews.

Initially, employees were reluctant to take part in the courses because they felt it would lower their status in the workplace by drawing attention to a lack of skills.

According to Moffat, perceptions have turned around to the point where staff are booking ahead to take the classes in their own time. The language benefits - and computer skills - they are deriving from the courses have produced a more cohesive work force overall and greater motivation and self-esteem among individual employees. An unexpected bonus of the training program has been that native English-speakers with poor reading/writing skills have also participated and derived similar benefits.

Another company strategy has been to invest in cross-cultural training with TAFE so that staff are more aware of what is polite and acceptable behaviour when they come into contact with flight crew and other operational staff of airlines from around the world. In the future, this type of training will include programs developed in-house which draw on the cultural expertise of

staff. Staff chefs are also beginning to run cooking courses, with outside accreditation, to share their knowledge of different national cuisines.

This all adds up to increased productivity for Qantas Flight Catering. Effective management and employee co-operation have turned a potentially fragmented work force into one that brings a competitive advantage, through its ethnic diversity, to the tough business of international flight catering.

Mixing East and West into a recipe for success

Tixana

From its beginnings in the 1970s as a supplier of traditional Asian soya foods, Australian company Tixana has gone on to develop a product which is unique in the East and the West.

Tixana's distinctive soya-based snack foods - based on new technology developed by the company - currently sell to 13 countries and are distributed nationally in Australia. According to managing director Fred Tan, Tixana has become the largest soya bean processing factory in the southern hemisphere, processing about 600 tonnes of dry beans each year.

Tixana has taken on new investors in recent years to finance its expansion but the company continues to be controlled by the Tan family, who migrated from Malaysia and started up business in Australia in the 1970s.

Tan's brother, a food technologist trained in New Zealand, developed the formula for the soya snack foods in 1987 after extensive research into ways of using the fibre residue from the manufacture of traditional soya products like tofu and soya drink. The research project was a productive partnership of the business orientation provided by his Malaysian family and the professional skills he developed in the West.

"We can't say our products are strictly Asian

based because they were developed here,” Tan says. “They are a kind of half-and-half combination of Asia and the West. Our Indian-style snack foods, for example, have taken recipes from India and turned them into something different altogether.”

Domestic and international markets have responded well to Tixana’s healthy and unusual snack foods - the company’s turnover has increased by between 40 and 50 per cent a year for the past three years largely through the new product lines.

“When we developed the new products they were an instant hit and business just expanded. Initially we sold into health food stores as a health product and then we launched into the retail chain stores.”

Tan turned his hand to building an export business about three years ago, beginning with the family’s network of contacts in Malaysia and Singapore. His knowledge of the people, languages and cultures of these markets helped him make the connections he needed to promote Tixana’s products. From there, good word-of-mouth and representation at international food expos led to sales in North America, the Middle East and other parts of Asia.

Exports now account for between 10 and 15 per cent of Tixana’s total business, with Canada currently ranking as the company’s largest export market, and Singapore, Malaysia, Hong Kong and Taiwan also representing significant markets.

Tan travels regularly to all Tixana’s overseas markets. He speaks six Chinese language dialects as well as the Malaysian and Indonesian languages and usually negotiates with clients in these markets in their native tongues. This kind of insider knowledge has been very useful to Tan, particularly in China, which he views as a market with enormous potential for future sales.

”In China, the majority of the people don’t speak very good English and I don’t think they

would understand if I spoke to them in English. As it is they normally just treat me like a local.”

The 50 people employed at Tixana’s factory in Sydney represent about 12 different nationalities, predominantly Asian. This diversity has become an asset for the company because it is able to research the taste preferences of different cultures among its own employees.

“When we come up with a new product we normally ask the staff to take it home, give it to their families and give us some feedback if there is anything wrong with the product, why it is wrong and how we could try to improve that. Different cultural groups have their own distinct tastes and they will be able to come back and say ‘oh, that’s not my type of food’.”

Combining this initial research with market research in the target countries, Tixana is able to modify its flavours according to different tastes: “In Indonesia, for example, they prefer 20 or 30 per cent more chilli. People in Malaysia prefer a bit more curry in the products and people in Hong Kong want plain chips. North Americans like spicy, strong flavours, like Mexican taco - so there are all these different profiles.”

Packaging, too, is varied according to cultural preferences. The green packaging designed for the Japanese market, for instance, is unsuitable in Singapore and Malaysia where green is associated with bad luck. Most of the Asian packaging features English labelling with some Chinese language writing to open the products to a wider market.

Tixana is continuing its efforts to break into the difficult US and Japanese markets. After three years courting Japanese buyers, Tan has succeeded only in sending small sample shipments. Japanese distributors, he says, are reluctant to import food products and must be treated with patience and visited regularly.

Tixana is taking a cautious approach in the US because of the risks of entry into such a competitive market. Tixana’s Canadian buyer,

which has US affiliates, is likely to be the conduit and is currently negotiating for licensing rights to Tixana's soya processing technology. Chinese and Israeli companies have also expressed interest in licensing the technology.

Tan says the company is not resting on its laurels. It has doubled its R&D personnel from two to four and will continue to look for new products with an international flavour.

At a time when Australian industry is only beginning to recognise the potential of Asian food products, Tixana is a model of how that potential can be tapped.