

CANADIAN LOBSTER



Marketing Canadian Lobster to the World

Generic Marketing Plan

Prepared for the Lobster Council of Canada
By Argyle Public Relationships – March 2017

INTRODUCTION TO GENERIC MARKETING

Generic marketing programs executed by food and agricultural commodity groups have shown positive returns on investment. Generic marketing programs: promote a sector or industry as a whole; complement marketing initiatives undertaken by branded companies or provinces to promote the industry; build awareness of key product attributes; generate demand in order to drive sales; expand awareness in new markets; and in some cases, respond to issues facing an industry.

The Conference Board of Canada reviewed the benefit-cost ratio for various checkoff programs in Canada and the United States¹ and noted only positive outcomes from generic promotions.

The Canadian lobster industry is exploring options for strategic marketing activities to drive demand and sales of Canadian lobster in the domestic and select international markets. This document – **Marketing Canadian Lobster to the World** – is built on a foundation of industry intelligence and sets the stage to build awareness and profile for the Canadian Lobster brand.

METHODOLOGY

In developing this recommendation Argyle Public Relationships worked collaboratively with the Lobster Council of Canada and followed this comprehensive strategic planning process:

- STEP 1** **Evaluated Context and Established Methodology:** Worked with the Lobster Council of Canada to understand the communications environment and business goals and to identify key stakeholders to involve in the planning process.
- STEP 2** **Analyzed Material, Research, Tools:** Identified and reviewed industry research; the Council's existing communications materials, including website and corporate reports; and evaluated tools and practices of commodity organizations with goals similar to those of the Canadian lobster industry.
- STEP 3** **Engaged Stakeholders:** The stakeholder engagement process helped uncover insights and opportunities for communications planning. This included a facilitated session at the Lobster Council of Canada's annual general meeting, and select in-person and telephone interviews with stakeholders representing all sectors of the lobster business, as identified by the Lobster Council of Canada.
- STEP 4** **Evaluated Results:** The stakeholder feedback was consolidated and evaluated, and guided the development of this strategic marketing recommendation.

¹ Source: The Conference Board of Canada as presented by Dr. Jean-Charles Le Vallée, Senior Research Associate, Centre for Food in Canada, SVCRT. 02-12-2014

This recommendation is categorized into seven sections:

- SECTION 1** **WHY:** The purpose is to **summarize the need and opportunity** for the marketing plan and reinforce the rationale provided by industry research.
- SECTION 2** **WHO:** Through careful analysis of lobster exports and direct feedback from key industry stakeholders, this section **defines and identifies target audiences** for the strategic marketing initiatives.
- SECTION 3** **WHERE:** Not only are specific audiences defined, but also **geographic regions are identified and prioritized**, based on industry priorities indicated by key stakeholders.
- SECTION 4** **WHAT:** Successful marketing plans are deeply rooted in **sound strategies** and based on **pre-defined messages**. In this section the overall campaign key messages and strategic approach are presented.
- SECTION 5** **HOW:** The actual recommended activities – or **campaign tactics** – outline how the strategic approach will be implemented.
- SECTION 6** **WHEN:** It is important to **establish recommended timelines** for program roll out, and to identify how the plan will build over time.
- SECTION 7** **EVALUATION:** Establishing measurement criteria in advance of program implementation ensures activities are results-focused and can be evaluated effectively.

SECTION 1: WHY

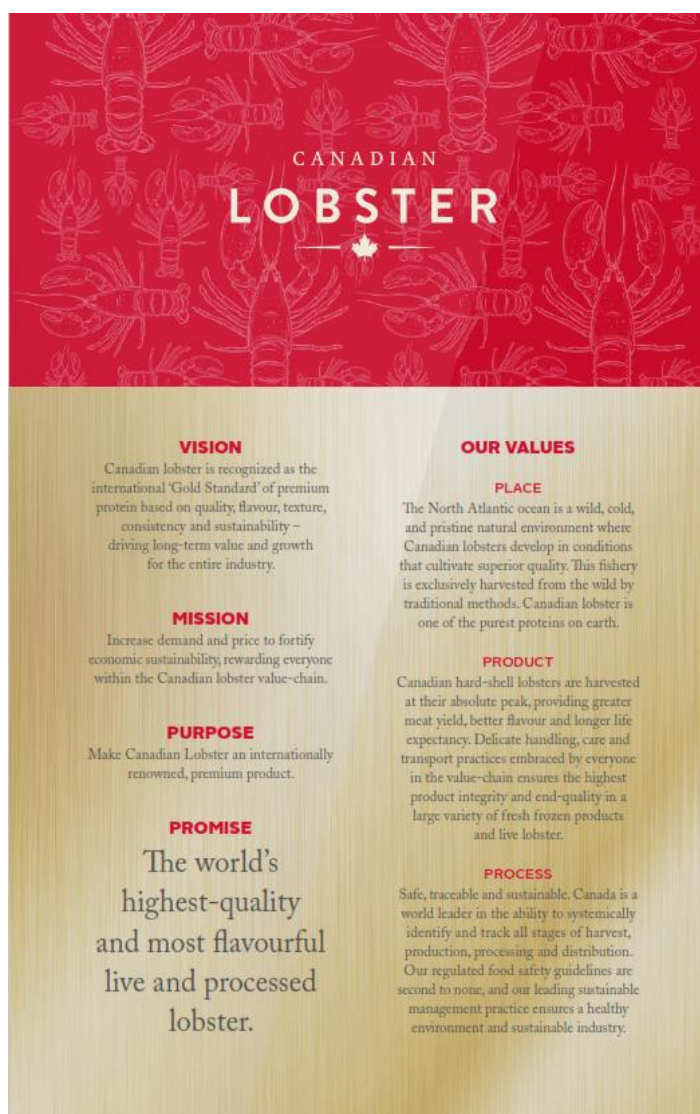
WHY: The purpose is to **summarize the need** for the marketing plan and reinforce the rationale provided by the industry and its existing research.

The Canadian Lobster industry has united and launched a new and compelling market position. It is the result of extensive industry reflection and feedback and represents a consensus in thinking. It is built on four core values: **Place, People, Product** and **Process**, and achieves focus from a defined **Vision, Mission** and **Promise**.

The launch of the Canadian Lobster brand was a seminal moment.

And now is the time to build momentum through concerted marketing efforts. The industry can prove to key audiences that Canadian Lobster is the best lobster in the world. The desired outcome is to stabilize prices through smart marketing – so that key audiences are motivated by premier quality and not strictly price when buying lobster. Further, the industry wants to attract new audiences who will seek out lobster – Canadian lobster – to sell at their stores, add to their restaurant menus and to prepare at home.

This is the industry's opportunity to build belief in the Canadian Lobster brand and to support marketing efforts of the industry and member provinces.



Research-driven approach: This marketing plan is rooted in research. Meetings and interviews were conducted with industry stakeholders, including processors, harvesters, First Nations representatives, buyers, live shippers, food service representatives, government contacts and Lobster Council of Canada staff.

The research process including probing stakeholders about the Strengths, Weaknesses, Opportunities and Threats facing the industry. The results of this SWOT analysis include:

STRENGTHS

- **Quality:** hard shell, high meat yield, sweet
- **Environment:** sustainable, pristine, cold waters, clean processes, wild product
- **Food safety:** High-quality processing standards; certification of the inshore fishery
- **Supply:** Abundant resources
- **Strength of the Canada brand:** Canada has an established, trusted image in international markets
- **Seasonality:** Longer fishing season in some provinces
- **Diversity:** Live and processed product available
- **Independence:** Independent harvesters versus large fishing conglomerates (also suggested as a weakness)

WEAKNESSES

- **Inconsistencies:** Quality and size standards are not established
- **Fragmentation:** Promotion efforts are fragmented from province to province, but also among processors or distributors
- **Canada vs. U.S.:** Blurring between borders: Significant amounts of Canadian product is sold as ‘American Lobster’ or traded through the United States, with no mention of source
- **Economics:** Abundance of product, without enough demand, pushes prices down
- **Logistics:** Distribution is limited by availability of transportation options within Canada and cold chain in some export markets

OPPORTUNITIES

- **Innovation:** Pace of innovation has room to grow (also suggested as a weakness)
- **Education:** ‘Teaching moments’ around storage, cooking, cracking and consuming
- **Regional opportunities:** Domestic (trade and consumer); U.S. (trade); China, Hong Kong, South Korea, and select European countries (trade and some consumer)
- **Atlantic Fisheries Fund:** Government’s interest in investing in the Atlantic fish/seafood sector
- **Abundance:** Lobster is more widely available allowing for increased consumer trial
- **Branding effort:** Industry has defined its vision, mission, values and promise – essential for an effective branding effort

THREATS

- **U.S. exports:** Extent to which U.S. companies have invested in Canada
- **Competitive set:** Efforts of Maine Lobster to build a global brand
- **Commodity pricing:** Price-selling versus quality-selling
- **Animal welfare:** Activism present in some markets
- **QSR effect:** Commoditization of lobster at quick service restaurants
- **Industry consensus:** Compromises will be necessary since consensus on marketing plan may not be universal

In addition, the development of this plan was guided by the findings of recent industry reports².

Information honed from stakeholder interviews, industry meetings, SWOT analysis and review of existing research was consolidated and analyzed, resulting in six key insights that ultimately influenced and guided the development of this marketing plan.

Insight	Explanation
Different products, same message	The industry is comprised of multiple, differentiated products. Provinces and producers have unique priorities and there are notable differences in how and where various lobster products are marketed. Live differs from processed; whole cooked differs from green tails, and so on. The key insight is this marketing campaign needs to focus on the generic brand Canadian Lobster consistently – regardless of the type of product. If it is Canadian lobster, it is the best.
Regional prioritization is needed	Lobster is consumed in markets worldwide – but available funding for marketing initiatives is limited. In order to ensure marketing impact, the industry must be selective in the geographic markets it pursues, taking into consideration population distribution, the region's economic health, feasibility of transport and existing competition within the market.
Audiences must be prioritized	Stakeholders indicated trade audiences were the top priority, with some interest in consumer audiences in select regions.
Need for education	There was consensus that education tools and materials would be useful, not only those that promote the quality of Canadian lobster, but also materials that offer usage tips and information about lobster in general.
Industry collaboration	A unified approach by all industry stakeholders offers the greatest opportunity for success in building the Canadian Lobster brand.
Flexibility	Marketing plans and materials need to be flexible and customizable to ensure relevancy to different target communities (e.g. language and cultural adaptation as needed).

² *Understanding the EU Consumer: Market Segmentation Study* (Ipsos Reid, April 2009)
From Trap to Table: Long Term Value Strategy for the Canadian Lobster Industry (Gardner Pinfold, October 2010)
Building an Integrated Plan for the Canadian Lobster Industry Report (Resolve Management, July 2012)
Report of the Maritime Lobster Panel (Gilles Thériault, John Hanlon, Lewis Creed, Fall 2013)
A National Program for Marketing Canadian Seafood Products (SVCRT Marketing Alliance Working Group, November 13, 2013)
 Canadian Lobster export data (ongoing)
Independent Review of the Prince Edward Island Lobster Industry (MRSB Consulting Services, 2013)
Lobster Council Survey (Thinkwell, February 2014)
China's E-Commerce and Canadian Seafood Export Opportunity to China (Beijing Seabridge Marketing Co., 2014)
Canadian Lobster Value Recovery Summit 2014 Report (June 2014)

Goals: This research phase and the key insights helped define campaign goals – a critical step in stating what the marketing effort is designed to achieve. The goals identified for this initiative are:

- GOAL 1:** Position Canadian lobster as the premier lobster in the world, and a protein of choice, in order to motivate both higher consumption and trade/retail purchases of Canadian lobster.
- GOAL 2:** Strengthen relationships with consumers and those who influence them, in order to increase their awareness, understanding and demand for premier Canadian Lobster.
- GOAL 3:** Help establish Canadian lobster's value based on premier quality and not solely on price.

Objectives: Objectives must be measureable based on qualitative and/or quantitative targets. They should be measured within pre-determined timelines. Ultimately, objectives will be used to evaluate the success of the marketing initiative.

The recommended objectives of Canadian Lobster's marketing campaign are:

1. Increase in the price of Canadian lobster, in each desired product sectors:

Live:	Live quarters (1 ¼ lb)	FOB Boston
Processed:	4-5 oz raw tails	FOB Mid Atlantic
	Lobster meat, CK, 2 lb	FOB Mid Atlantic
	400 gram whole cooked	FOB Halifax
2. Increase in awareness of the Canadian Lobster brand among targeted trade audiences, as measured by annual survey
3. Positive change in perception of Canadian lobster quality among trade audiences, as measured by annual survey
4. Increase in awareness of the Canadian Lobster brand among targeted consumer audiences, as measured by annual survey
5. Change in intent to purchase Canadian lobster, as measured by annual survey
6. Industry adoption of the Canadian Lobster brand and brand strategy on an ongoing basis

SECTION 2: WHO

WHO: Through careful analysis of lobster exports and direct feedback from key industry stakeholders, this section **defines and identifies target audiences** for the strategic marketing initiatives.

Identifying opinions and characteristics of target audiences allows a marketer to develop tactics that will reach audiences through the channels they prefer with messages that will resonate. The recommended target audiences for this marketing campaign were identified in consultation with the Lobster Council of Canada and through direct stakeholder feedback. There were three priority target audiences identified in the research phase, as outlined below.

TRADE AUDIENCES	CONSUMER AUDIENCES	INDUSTRY STAKEHOLDERS
		
<p>Definition:</p> <ul style="list-style-type: none"> • Foodservice, including chefs, higher-volume restaurateurs, cruise ships and casinos • Grocery and seafood retailers • Seafood brokers, distributors <p>Characteristics:</p> <p>The desired trade audience is not driven solely by price. They seek high-quality lobsters with sweet flavour and high meat yield. Some will seek live; others will prefer the convenience of processed (e.g. green tails, frozen cooked, frozen raw). Language and cultural barriers are a factor in some markets.</p>	<p>Definition:</p> <p>Tier One: Love lobster - regularly consume lobsters at home or in restaurants. Seek top quality and flavour</p> <p>Tier Two: Like lobster - enjoy lobster occasionally. Often associated with a special occasion. Quality is a priority</p> <p>Characteristics:</p> <p>Multi-faceted. Campaign to target consumers who enjoy lobster. Some are willing and able to cook live lobster. Others prefer processed or would enjoy live lobster, but don't know how to prepare it. Some will strictly order lobster at restaurants or on cruises.</p>	<p>Definition:</p> <p>Canadian lobster industry stakeholders, including harvesters, shore dealers, processors, live shippers, First Nations, buyers and relevant government representatives.</p> <p>Characteristics:</p> <p>Priorities can differ depending in industry segment and province. Level of engagement in the marketing initiative will vary. Some will focus on live, others on processed, some on both. French and English communications required. Geographically located in eastern Canada.</p>

SECTION 3: WHERE

WHERE: Not only are specific audiences defined, but also **geographic regions are identified and prioritized**, based on industry priorities indicated by key stakeholders.

Based on feedback from industry stakeholders and analysis of exports industry research, the following geographic regions are recommended as priorities. These regions also were selected based on the market's economic health, interest in premium food, and industry members' current market activities.



CANADA: Focus on trade and consumer audiences

Allocating marketing funds to the domestic market is recommended. There is room to grow both live and processed lobster consumption, especially central and western Canada. Further, the industry can capitalize on a strong 'locally grown' message.



UNITED STATES: Focus on trade audiences only

Opportunities were identified with U.S.-based trade and foodservice (casinos, cruises, chef education). Costs to convince consumer audiences to select Canadian lobster over Maine's would be restrictively high.



CHINA: Focus on trade audiences; future focus on consumers

Stakeholders repeatedly noted China as a priority market. Cities that receive direct flights from Canada are feasible targets. Exports are growing. Primary focus to be on trade in year one, with consumer-facing tactics to be considered in the future.



HONG KONG: Focus on trade audiences; future focus on consumers

Hong Kong represents a distinct population from mainland China and should be targeted. It is a compelling region due to relative ease of shipping, current consumption of lobster and market disposition toward premier goods.



SOUTH KOREA: Focus on trade audiences; future focus on consumers

South Korea is a developed, high-income market with high seafood consumption, and appreciation of premier items and brands. It represents a growing opportunity for Canadian lobster. Marketing initiatives should focus on trade audiences initially.



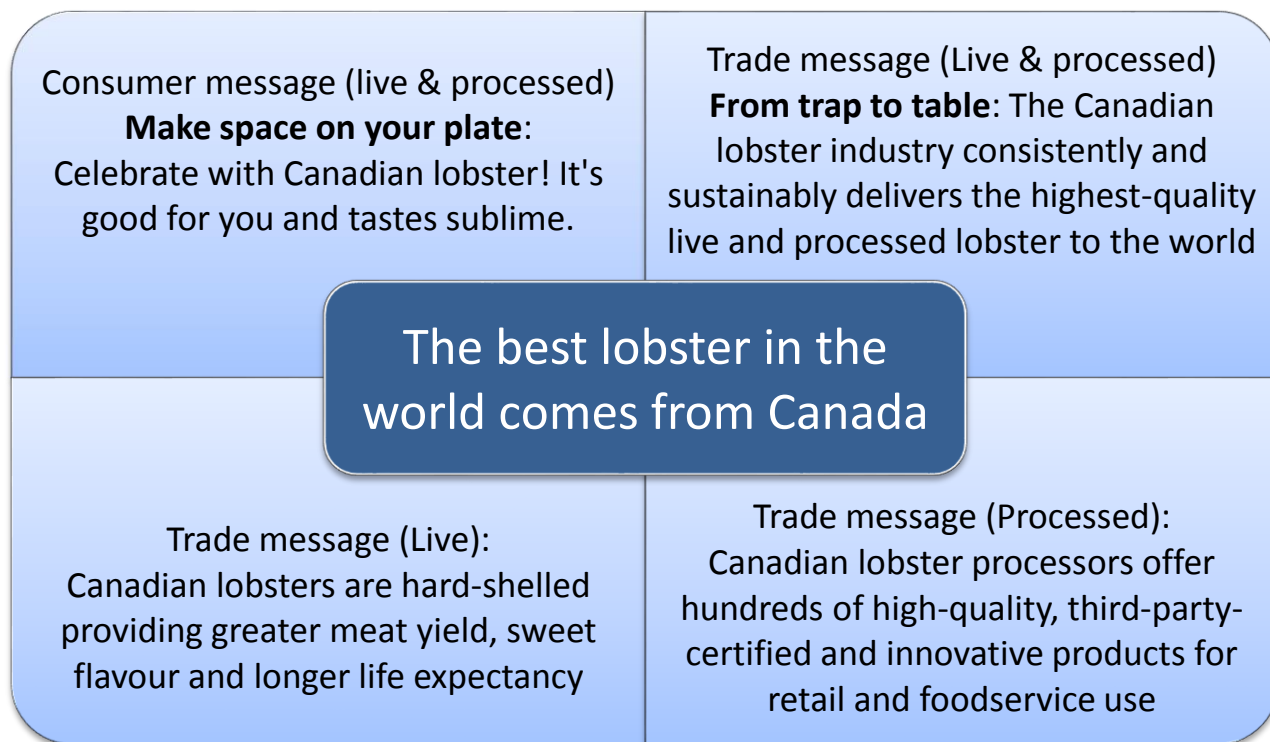
BELGIUM, FRANCE, GERMANY, UNITED KINGDOM, SPAIN: Focus on trade audiences

These countries traditionally purchase live and processed lobster from Canada, and therefore should be exposed to new premier marketing initiatives. They remain important industry sales regions, identified by stakeholders and based on exports.

SECTION 4: WHAT

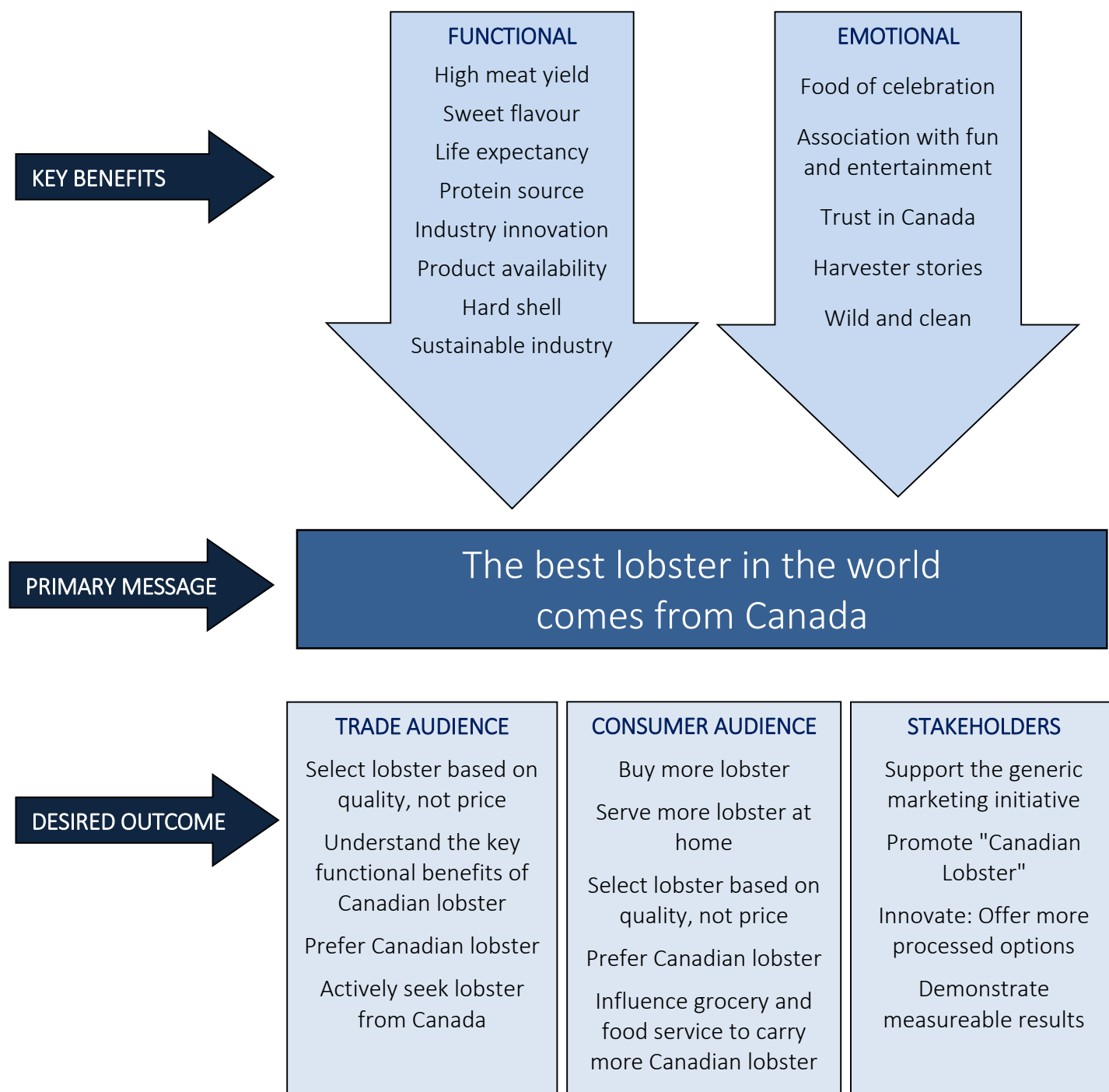
WHAT: Successful marketing plans are deeply rooted in **sound strategies** and based on **pre-defined messages**. In this section the campaign key messages and strategic approach are presented.

Campaign Messages: The following key message map is intended to succinctly capture the most important and relevant points about the Canadian lobster industry that should be communicated to target audiences through concerted marketing. Messages are multifaceted, delivering different nuances to specific audiences (e.g. consumer versus trade) and centre on the most important point about the industry as a whole: **The best lobster in the world comes from Canada.**

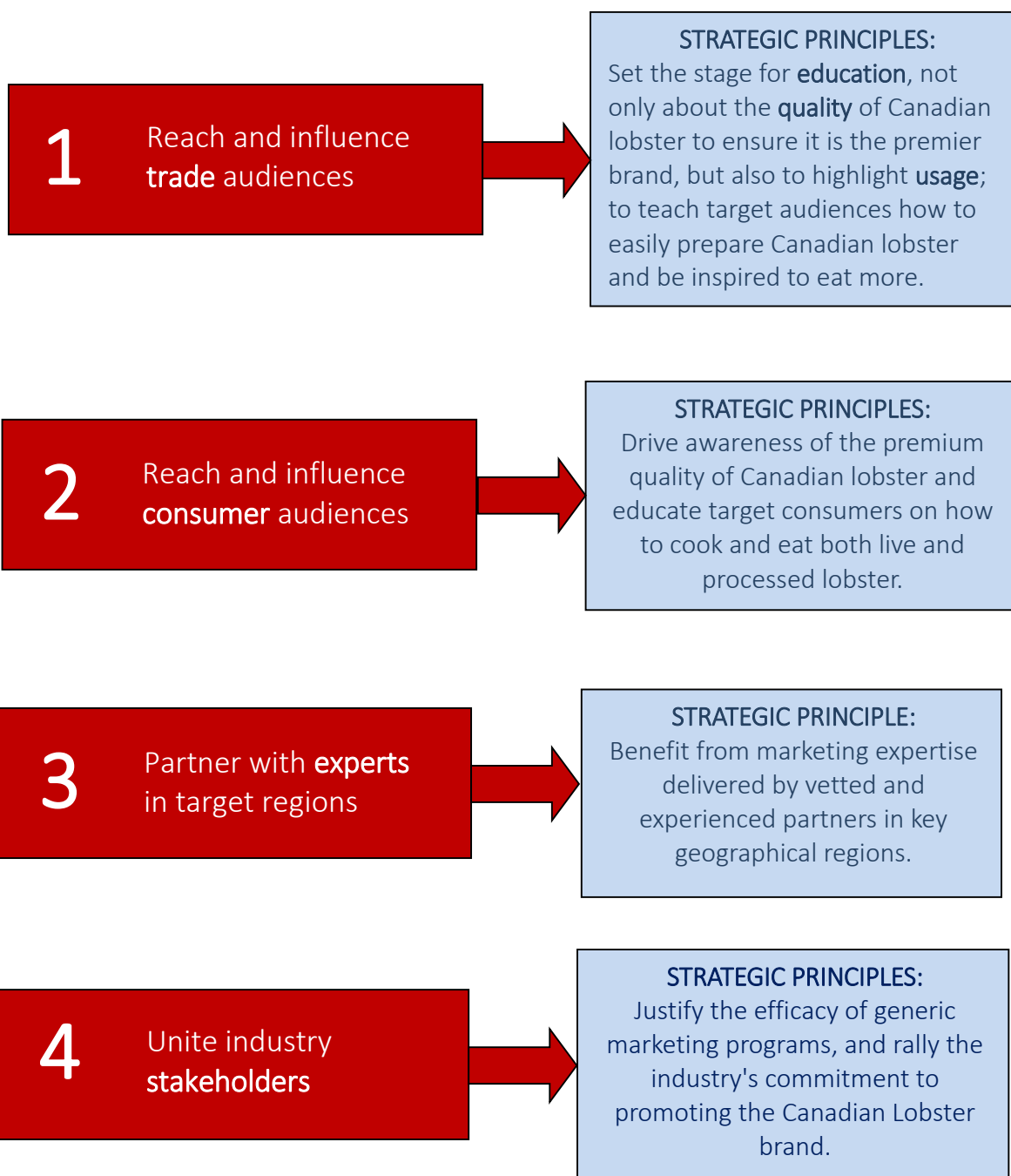


The primary message is underpinned by the product's key benefits – which denote both function and emotion. These also ladder back to the target audiences: addressing the behaviour or opinion the marketing effort is designed to influence.

KEY MESSAGES: BENEFITS AND OUTCOMES

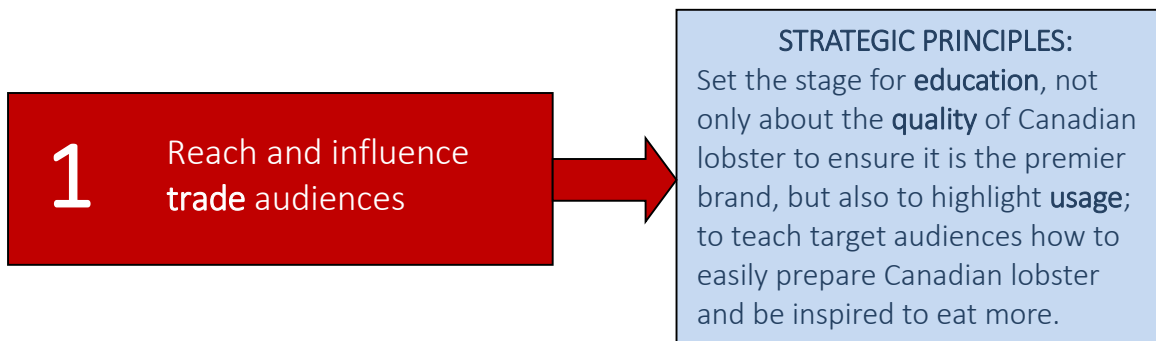


Strategies are guided by principles. They are interwoven and provide overall structure to marketing campaigns. Strategies succinctly define the marketing approach, and strategic principles offer the foundation. From this foundation, will come specific marketing tactics. This plan recommends four strategies for the Lobster Council of Canada's marketing plan.



SECTION 5: HOW

HOW: The actual recommended activities – or **campaign tactics** – outline how the strategic approach will be implemented.



Building a foundation of materials, information and resources will be key at this stage, and it is recommended that this be the focus of initial investment in the marketing program. The goal is to set the stage for **education**, not only about the **quality** of Canadian lobster to ensure it is the premier brand, but also to highlight **usage**; to teach target audiences how to easily prepare live and processed Canadian lobster and be inspired to eat more.

The key foundational components of this approach – essentially the marketing building blocks to reach trade audiences – are outlined below.

Website:

A top priority is revamping and relaunching the Canadian Lobster website. The goal is to develop a repository of information for both trade and consumer audiences that is designed for easy-access and that continually reinforces the Canadian Lobster brand. The Lobster Council of Canada is currently in the process of updating and redesigning the website to house information useful to target communities, including trade, consumer and international stakeholder audiences.

OUTCOMES: Anticipated outcomes of developing a comprehensive, optimized website are:

- Controlling the message and influencing the conversation
- Becoming the industry-leading information resource for trade and consumers
- Engaging with existing and prospective customers (both trade and consumer)
- Motivating purchase and preference of Canadian lobster

Analytics and Search Engine Optimization:

It is suggested that a mechanism to analyse site flow be established, along with best practices in Search Engine Optimization (SEO). Analytics will allow the Lobster Council of Canada to review metrics such as:

Sessions:	Total number of visits to the site
Users:	Total number of unique individuals to the site
Page Views:	Total number of pages viewed by visitors to the site
Unique Page Views:	Number of visits where a page was viewed at least once
Pages per Session:	Average amount of pages viewed by visitors over one visit
Average Session Duration:	Average time spent on the site by a visitor during one visit
Percentage Exit:	How often users exit the website from a page
Bounce Rate:	Percentage of visitors who left the site after viewing one page

Search Engine Optimization involves reviewing and adjusting the back-end coding of the site to help it naturally appear high on the list of suggested sites generated by search engines. Ultimately this helps drive traffic to the site.

OUTCOME: The anticipated outcome of establishing an effective Search Engine Optimization strategy is to ensure the Canadian Lobster site to be high on the list of results generated by a search engines such as Google – resulting in more visitors to the site and prominence for the Canadian Lobster brand.

Trade Information Package:

Featuring the new Canadian Lobster logo and brand messages, the trade information materials will be comprised of relevant sales tools and data to support trade and foodservice efforts.

The information will be created in both electronic and hard-copy formats that can be customized depending on the target audience. For example, for a meeting with a food service representatives, the information may include safe food handling tips, while for a retail contact it may include a fact sheet about merchandising Canadian Lobster. For trade media, it would focus on industry fact sheets and campaign news releases. It can be designed as a pocket-folder format with customized inserts, each with a consistent look, plus a themed or branded USB key. The information materials also will be translated as needed.



The following trade information materials are recommended for development in year one:

- Pocket folder
- Cooking guide
- Lobster poster (featuring live and processed)
- "The Best Lobster in the world comes from Canada" presentation
- Brand stickers
- From Trap to Table overview
- One-pagers that focus on Place, People, Product and Process

Trade Electronic Newsletter:

Reaching trade audiences with timely information is the purpose of creating and disseminating quarterly electronic newsletters targeting specialty retail and foodservice audiences. Written in a short, snappy style with lots of colourful images, the e-newsletter would contain:

- Industry news
- Updated industry statistics
- Facts about Canadian lobster
- Profile of a harvester or processor
- Messaging that reinforces the Canadian Lobster brand vision, mission, promise and values

The content will link directly to the Canada Lobster website and social media platforms to encourage visits and engagement. The aim is to ensure the content is flexible and can be easily modified and/or augmented to appeal to specific trade contacts. For example, the e-newsletter may include high-volume recipes or serving tips for foodservice contacts.

- OUTCOMES:** The outcome of creating and distributing trade information materials, including the e-newsletter and information package, is:
- Educating and convincing decision-makers that Canadian lobster is the premier choice
 - Reinforcing the Canadian Lobster brand messages
 - Delivering useful tools to industry partners to support their sales efforts

Food Service Training Programs:

This recommendation duly notes the importance of food service education or training programs to build understanding of the product, its quality and usage among important industry influencers. The activities that are already underway as part of the industry's **Food Service Education Project** — including development of educational videos, teaching guides and outreach seminars — should be continued.



- OUTCOMES:** The outcomes of effective food service programs are:
- Achieving an educated group of decision-makers
 - Developing a greater understanding of product versatility
 - Driving consumer demand through menu appeal

Inbound Trade Missions:

Inbound trade missions targeting potential high-volume buyers will help develop deeper understanding of Canadian Lobster and the industry's harvesting and processing practices. Inbound missions would involve:

- Identifying key trade targets with a potential of high-volume purchases
- Developing a comprehensive itinerary including meetings with harvestors and processors, lobster industry stakeholders, and culinary events
- Creating a detailed information package
- Managing tour logistics



- OUTCOMES:** The anticipated outcomes of trade missions are:
- Establishing stronger, personal relationships with key buyers
 - Educating and convincing decision-makers
 - Ensuring direct industry involvement
 - Generating sales

Special Event Support Materials:

Existing branded companies and provinces that support the Canadian Lobster position will have a presence at international shows. This offers an excellent opportunity to reinforce the new Canadian Lobster brand and brand messages. As part of the foundational trade promotional work, Canadian Lobster can create a new branded booth and smaller signage that can be incorporated into participating partner booths and to complement the existing marketing efforts of industry partners included branded companies and member provinces.



These materials might include pop-up banners, branded flags or signs. They may also include useful and relevant giveaways, such as branded lobster crackers or small promotional booklets with Canadian Lobster information recipes and usage tips.

OUTCOMES: Reinforcing Canadian Lobster through consistent trade materials results in:

- Awareness of the new brand logo and position
- Collaboration by industry stakeholders who incorporate the brand into their trade activities

Chef Ambassador Program:

This goal is to identify and train a roster of respected and engaging chefs who understand the benefits of Canadian lobster and are able to deliver compelling key messages about the industry and product to identified audiences. This group can include chef ambassadors who align with and are fluent in the language of target geographical regions, including Mandarin, Cantonese, Korean, and French.

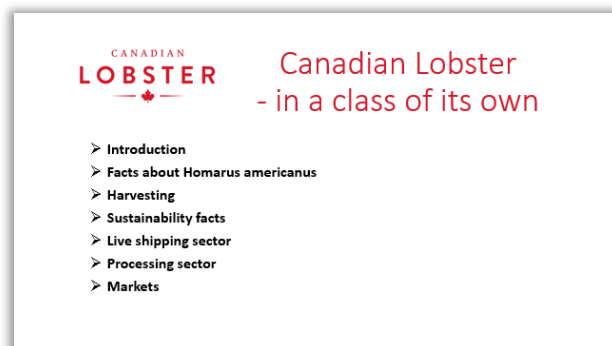
The chef ambassadors would be trained in Atlantic Canada, and can act as spokespeople or trainers in target markets, conducting trade show appearances, training sessions, culinary school presentations or media interviews.



OUTCOME: Chef ambassadors will be trained and prepared to represent the Canadian Lobster brand and enhance education in geographically dispersed markets in the language and with the nuances appreciated and understood by target communities.

Trade Webinar:

Webinars can be a cost-effective way to provide a geographically dispersed target audience with research, facts and information about a product or service. In addition, webinars can be archived online, easily accessible on demand. The webinar would feature expert spokespersons (including chef ambassadors) and be promoted to trade and foodservice contacts.



OUTCOME: The expected outcome is the ability to cost-effectively train and educate dispersed groups or individuals about premier-quality Canadian lobster.

Issues Management:

A small but important part of the ongoing marketing budget should be invested in issues management and preparation.

An effective crisis management program would typically:

- 1) **Assess context and capability:** This would involve review of current operational plans, tracking potential issues, assessing risk and understanding potential audiences
- 2) **Build capacity:** This would include developing a crisis communications plan, training potential spokespeople, training the crisis communications team, and ensuring issues monitoring tools are in place
- 3) **Testing preparedness:** This would centre on a crisis simulation exercise to test preparedness and evaluate and modify response
- 4) **On-going training and evaluation:** A prepared organization would ensure staff and procedures remain up-to-date and prepared for difficult situations

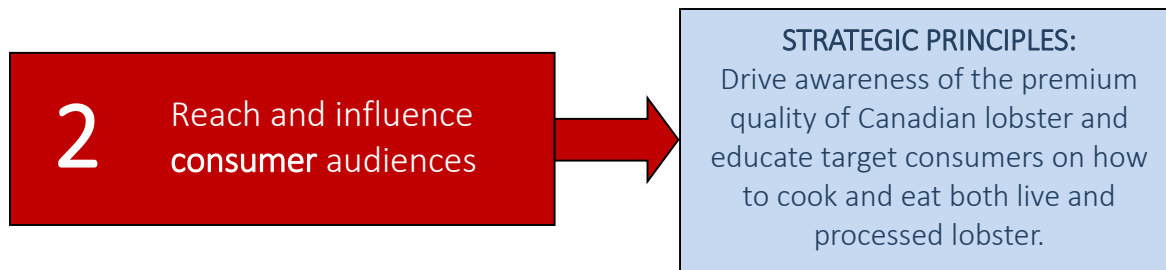
OUTCOME: The industry should be prepared to manage potential negative situations by ensuring an issues management plan is in place, and that industry spokespersons are media trained.

Regional Customization:

As noted earlier in the recommendation, the Lobster Council of Canada's regional trade or marketing consultants may have other suggested tactics for trade in their regions, such as:

- One-on-one meetings with key retail or trade contacts
- Trade show participation or enhancements (such as pre-arranged buyer meetings)
- In-store training or promotional work, including negotiated retail promotions
- Trade advertising in key publications





The bulk of early investment into the marketing program should be directed toward **trade audiences**, who have great influence over end consumers – and represent higher-volume purchases of Canadian Lobster.

However, research undertaken for this project identified *select* consumer audience groups that could be targeted earlier in the program roll out, to affect positive outcomes.

As outlined on the Key Messages: Benefits and Outcomes graphic, the desired outcomes are that consumer audiences:

- Prefer Canadian lobster
- Buy more lobster
- Be inspired to cook more lobster at home
- Influence grocery and foodservice to carry more Canadian lobster
- Select lobster based on quality, not price

The consensus of stakeholders interviewed is that outside Atlantic Canada, lobster consumption in the domestic market has room to grow. Understanding how to cook and prepare live and processed lobster is lower in central and western Canada than in the east, and distributing live and processed lobsters within the domestic market is feasible and can be profitable. The focus should be on urban markets, with Montreal, Toronto, Calgary and Vancouver specifically cited by stakeholders. The messaging should focus on both practical tips, such as how to select and cook with lobster and also inspirational motivators including mouth-watering recipes and the idea that lobster is a food of celebration.

It is important to note that investment in consumer-focused marketing will be significantly lower than trade marketing early in this campaign (see 'SECTION 6: WHEN' for more detail). However, there are several tactics that are recommended now, because they are cost-effective and strong platforms for delivering most important consumer messages.

Social Media:







Social media continues to grow and drive engagement with key audiences. Establishing and maintaining a presence on key social media platforms is advised as a foundational consumer campaign tactic. It also will effectively reach and provide content to key trade audiences. Activity on relevant social media platforms will allow Canadian Lobster to build community engagement, establish relationships with consumers and ensure content is relevant and timely.

A blanket approach to social media is not recommended at this developmental stage. Canadian Lobster should select strategic social media platforms that are the best fit for the industry and deliver focused, effective programs.

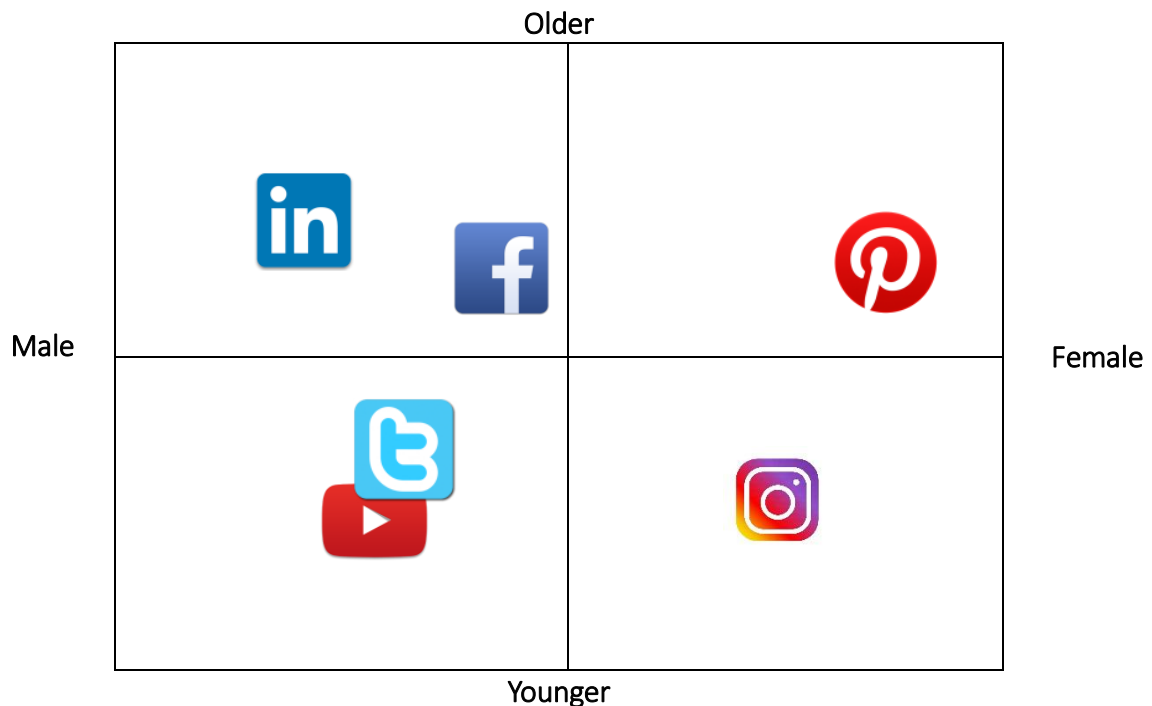
The following was considered when identifying the most strategic social media platforms for Canadian Lobster during the launch phase:

- **Reach:** penetration of the platform
- **Content sharing:** ease and ability to share content with other platforms
- **Content type:** identifying the kind of content typically on the platform
- **Target demographics:** age and gender of users

The differences in various social media platforms are summarized in the following two charts:

Platform	Description	Reach	Content Sharing	Content Type
 Facebook	Visual, community-based, allows for easy information sharing and linking to other platforms. Text, image and video-driven. Cost-effective advertising	19 million Canadians	Yes	Text, with images and video links
 Instagram	Visual-based. Good for recipe images and short videos. Currently skews toward younger female demographic, with growing user base.	3.6% of worldwide traffic from Canada	Yes	Images
 LinkedIn	Primarily used for business communications. Male-skewed. Can be useful when promoting business events	7 million Canadians	Limited	Text
 Pinterest	Female-focused audience. Encourages sharing. Image-based. Popular platform for recipe sharing.	3.8 million Canadians	Yes	Images
 Twitter	Primarily text, but allows links and visuals. Allows for content sharing and topic trending.	10 million Canadians	Yes	Text, with images and video links
 YouTube	Digital-video based platform. Currently skewed toward a male audience, but specific channels of content skew toward female.	Second most popular search engine in Canada	Yes	Video

The following chart provides insight into the age and gender of typical users of various social media platforms (Canadian users).



Based on this analysis, it is recommended that Canadian Lobster phase in its presence on select social media platforms. This helps manage the investment in social media, and ensures a strategic approach to engagement.

Year One: Launch Canadian Lobster on Facebook and Twitter. These platforms reach the target consumers, allow for both visual and text sharing, and encourage community building and engagement.



Year Two: Develop a Canadian Lobster channel on YouTube. This platform should be considered as the repository of educational digital video content.



Year Three: As the funding grows, so will the focus on consumer audiences. This is the time to consider building social media platforms and adding those that help deliver usage ideas to target end consumers. Instagram and Pinterest are both effective platforms to consider.



It is critical that the social media environment be evaluated on an ongoing (yearly) basis to determine new and effective platforms in this quickly changing space. Demographics and reach are continually changing, and additional tools may be considered in some select international markets.

These social media platforms help with lead generation and brand engagement. Once communities are built, these tools can be used to promote special events and offers, or can be an essential medium of communications when managing issues.

The following will need to be considered when launching Canadian Lobster's presence on each platform:

Content Development: Developing pertinent, refreshed editorial content and conversation calendars, including engaging imagery and industry facts, to post regularly

Building Engagement: Designing promotional initiatives, such as easy-entry contests, to encourage sharing and engagement

Growing Community: Creating site-specific paid promotional plans to build community (e.g. Facebook advertising)

OUTCOMES: The anticipated outcomes of developing a comprehensive, optimized social media platforms are:

- Controlling the message and conversation
- Motivating word-of-mouth marketing through peer-to-peer endorsements
- Engaging with existing and prospective customers (both trade and consumer)
- Motivating purchase and preference of Canadian lobster

Media Outreach:

This tactic would reach targeted mainstream media and bloggers. The goal is to generate positive stories about Canadian lobster in the media outlets and online communities that desired consumers watch and read. The recommended outreach campaign includes:

- Cooking segments with trained chef spokesperson on select television shows in target regions, featuring succulent lobster recipes
- Food blogger events to promote cooking with Canadian lobster (live or processed)
- Recipe development and placement in mainstream and social media
- Educational digital videos about live and processed lobster preparation techniques posted and promoted through the Lobster Council of Canada's social media platforms



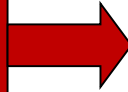
- OUTCOMES:** The outcomes of media outreach campaigns are:
- Building awareness and understanding of Canadian lobster and the product's versatility
 - Increasing consumer demand
 - Providing opportunity to tell the quality story

Online sales:

In addition, industry stakeholders repeatedly identified **China** as a key market with significant online sales potential. Though the primary initial investment should remain focused on trade audiences, it is recommended the Lobster Council of Canada explore sales opportunities through social media channels, likely working in partnership with a local importer connected to an online shopping site. Working in collaboration with a China-based consultant, funds from the marketing program may be allocated to build profile for Canadian Lobster's key messages among Chinese consumer audiences on select e-commerce websites, to ensure there is a growing understanding of the premier position of the quality Canadian product.

3

Partner with **experts**
in target regions



STRATEGIC PRINCIPLE:

Benefit from marketing expertise
delivered by vetted and
experienced partners in key
geographical regions.

Research and experience have demonstrated that agricultural commodity groups that seek export opportunities in international markets often engage the services of local marketing experts or agencies whose role is to:

- Assess and prioritize regional target audiences
- Evaluate key messages and adapt to reflect regional needs
- Develop and recommend tactics to reach target communities within the defined budget parameters
- Execute results-focused marketing programs
- Liaise continually with clients to report on progress
- Establish measureable outcomes and evaluate results accordingly

The following is just a small sample of agricultural commodity groups that follow this practice:

- American Peanut Council
- Cotton Council International
- Province of Prince Edward Island
- Southern United States Trade Association
- State of Virginia
- Wild Blueberry Association of North America



It is advised that the Lobster Council of Canada secure international marketing consultants to develop customized plans to best reach prioritized target audiences and deliver on the program objectives: Build a strong Canadian Lobster brand and increase demand for Canadian lobster.

Securing the services of such experts would require the Lobster Council of Canada to:

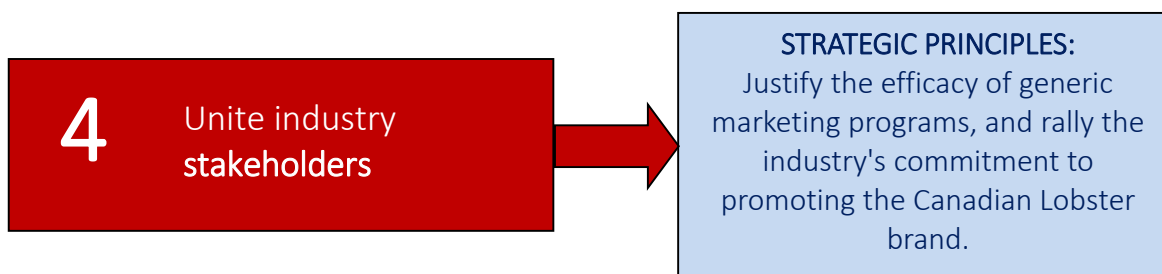
- Develop a request for proposal (RFP) outlining the program objectives, target audiences and budget available for the market
- Identify potential marketing consultancies or trade specialists in target regions to receive RFP
- Vet submissions and secure partner consultants or agencies
- Finalize marketing plans and set clear, quantifiable market objectives

Based on the defined geographic priorities, the Lobster Council of Canada should consider securing marketing support services in:

- North America to cover Canada and the United States
- China
- Hong Kong
- South Korea
- Europe to cover the identified European priority markets

Once the international marketing consultants are on board, specific regional tactics can be finalized to ensure maximum effectiveness. At this stage, however, the proposal recommends a series of trade-, consumer- and stakeholder-focused tactics to successfully promote premier Canadian Lobster – the best lobster in the world.

OUTCOME: Knowledgeable marketers will be executing results-focused programs in priority markets. This allows for program customization and refinement to meet local needs, and provides 'arms and legs' support to the Lobster Council of Canada in regional and domestic markets.



The goal is to fund these marketing initiatives through the Atlantic Fisheries Fund, which means industry members will have a strong vested interest in the program's success. Ongoing communications about program milestones, initiatives and measured results will be key to sustaining industry support and ensuring the funding continues – and grows – over time.

It is recommended the Lobster Council of Canada undertake three initiatives to help keep industry informed and clearly show the 'what is in it for me' program benefits for the industry and its members, and to ensure the program continues to build and improve. These include:

Industry e-newsletter:

Develop a quarterly industry e-newsletter containing news and information about the marketing program. The e-newsletter will be highly visual in its design, optimized for use on computers or mobile devices and include performance results in every issue. Stories will be short and concise, and focus primarily on program results.

Annual progress report:

The Lobster Council of Canada should create an annual progress report outlining how the funds have been directed and what specific results have been achieved. The report can be presented at the annual general meeting and include the opportunity for industry to provide program feedback.

Program evaluation:

Finally, the Council should consider hiring a third-party evaluator – a marketing expert who does not have a vested interest in Canada's lobster industry – to review program execution and results. The evaluator would report on an annual basis and offer objective, neutral feedback on areas of success and recommended program refinement, to ensure a path of continued improvement.



SECTION 6: WHEN

WHEN: It is important to **establish recommended timelines** for program roll-out, and to identify how the plan will build over time.

Generic marketing programs are in place for numerous agricultural commodity groups. The groups establish strategic plans that will benefit the entire industry, and execute the plan centrally, usually administered by the industry association or board. Funds can be earmarked for many uses – with priorities determined by the industry. Examples include international market development, issues management, food safety initiatives, marketing or branding programs or research. The funding model varies dramatically by industry.

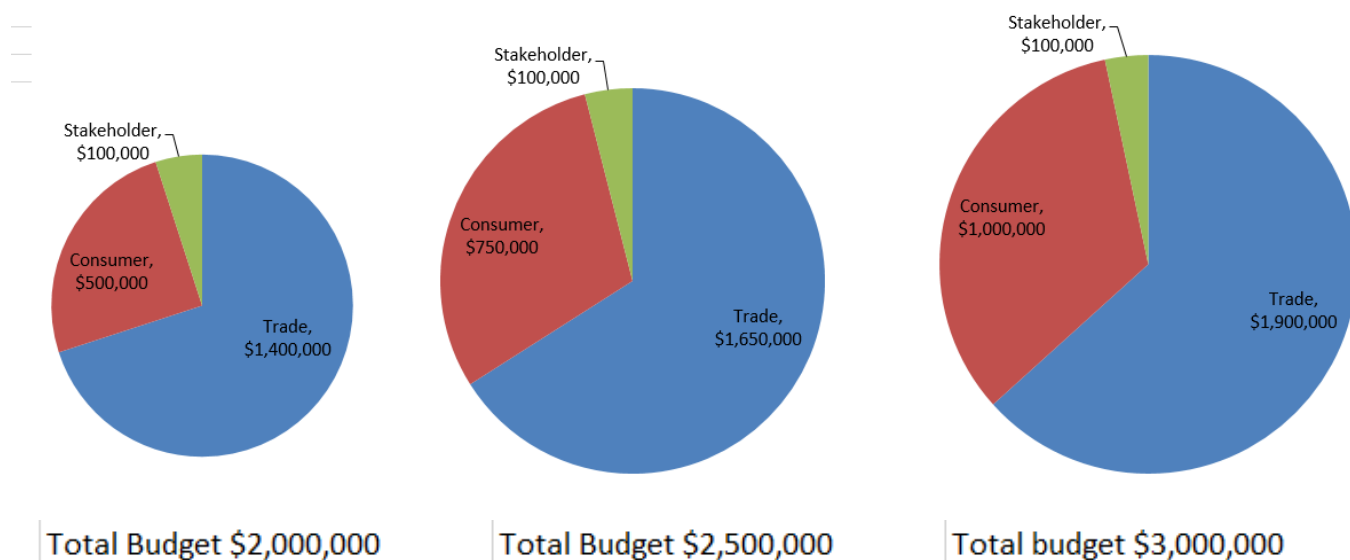
The funding available, and its growth over time, directly impacts program implementation timelines. The Lobster Council of Canada anticipates generic program funding will grow as follows:



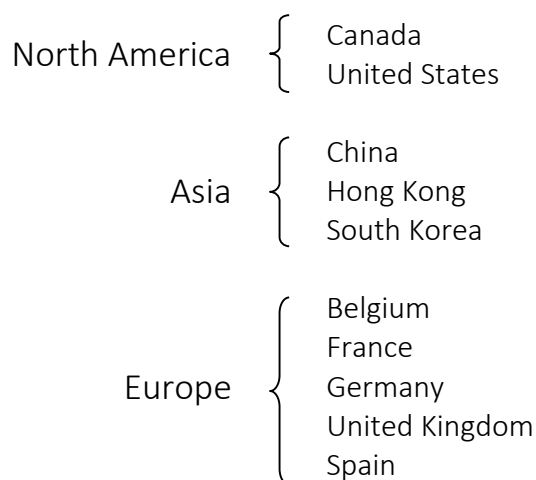
The following chart summarizes the evolving focus of the campaign over a three-year term, based on the estimated trajectory of funding growth. It shows how markets and audiences are prioritized, when tactics would be implemented and identifies whether the tactic is a push or pull marketing approach. Trade-focused programs are primarily PUSH strategies (taking the product to customers) while consumer-focused programs are primarily PULL strategies (motivating customers to seek out the brand).

Year	Audience	Push/Pull	Key Activities	Budget
One	Trade	Push	Build foundational trade materials	\$1.5-2M
	Trade	Push	Offer inbound trade mission	
	Trade	Push	Continue foodservice education programs	
	All	NA	Identify regional marketing partners	
	All	Push	Identify and train chef ambassadors	
	All	Pull	Complete development and launch of website	
	Consumer	Pull	Launch select social media platforms	
	Consumer	Pull	Establish domestic media outreach plan	
	Industry	NA	Distribute industry updates and reports	
	Industry	NA	Evaluate program results	
Two	Trade	Push	Build momentum on trade programs	\$2-2.5M
	Trade	Push	Offer inbound mission	
	Trade	Push	Selectively adapt materials to reach priority geographic markets	
	All	Push	Utilize chef ambassadors in trade and consumer programs	
	Consumer	Pull	Launch additional social media platforms; maintain and grow existing channels	
	Consumer	Pull	Continue domestic media outreach initiatives	
	Industry	NA	Distribute industry updates and reports	
	Industry	NA	Evaluate program results	
Three	Trade	Push	Build momentum on trade programs by expanding programming in select regions	\$2.5-3M
	Trade	Push	Offer inbound mission	
	Trade	Push	Selectively adapt materials to reach additional priority geographic markets	
	All	Push	Utilize chef ambassadors in trade and consumer programs	
	Consumer	Pull	Launch additional social media platforms; maintain and grow existing channels	
	Consumer	Pull	Continue domestic media outreach initiatives and expand to select international markets	
	Industry	NA	Distribute industry updates and reports	
	Industry	NA	Evaluate program results	

The pie charts below show the anticipated growth of funding and the amount of available marketing dollars directed to specific target audiences over time. This assumes a year one budget of \$2 million, year two budget of \$2.5 million, and year three of \$3 million.

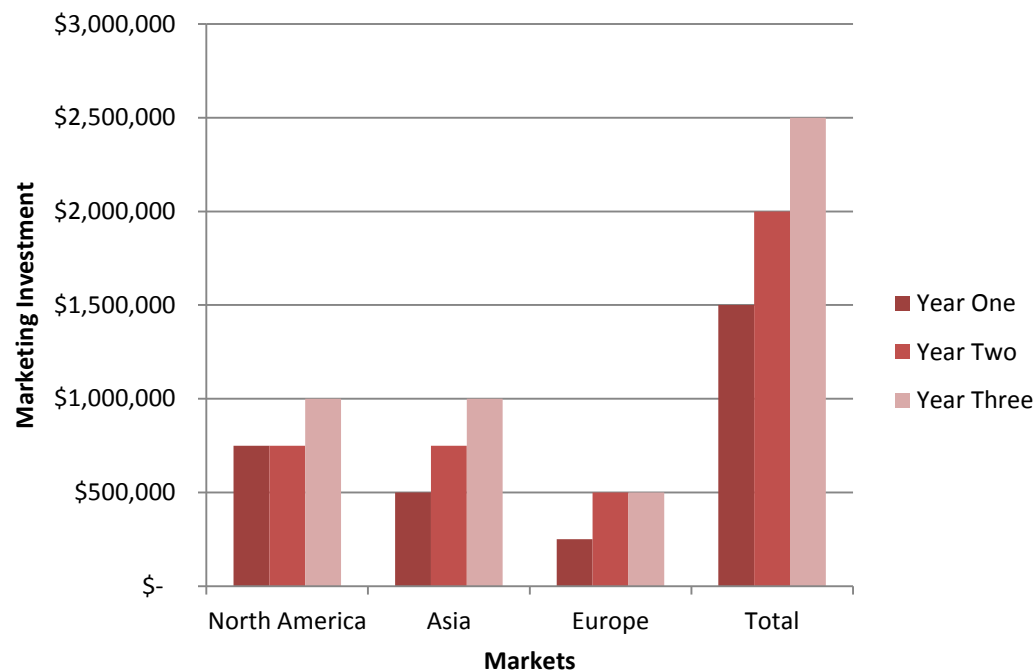


Because the industry has identified not only specific target audiences but also target geographical regions, this plan does take into consideration how funding should be allocated on a regional basis. To recap, the priority geographic regions were identified as:



The recommendation is to focus funds on building foundational materials – primarily for trade audiences – in North America in Year One, with some initial investment in Asia and Europe. Investment in the consumer audience in North America and Asia will grow in Years Two and Three, with some increased investment in Europe.

Recommended regional allocation over time is represented in the following graph.:



SECTION 7: EVALUATION

EVALUATION: Establishing measurement criteria in advance of program implementation ensures activities are results-focused and can be evaluated effectively.

The marketing plan should be reviewed and refined annually, with the input of industry stakeholders and a third-party evaluator to ensure identified markets continue to be a priority for the industry, and to accommodate program adjustments that allow for continuous improvement – always with a focus on tangible, measureable results.

As established in the objectives, the success of this program will be measured by reviewing:

1. Increase in the price of Canadian lobster, in each desired product sectors:

Live:	Live quarters (1 ¼ lb)	FOB Boston
Processed:	4-5 oz raw tails	FOB Mid Atlantic
	Lobster meat, CK, 2 lb	FOB Mid Atlantic
	400 gram whole cooked	FOB Halifax
2. Increase in awareness of the Canadian Lobster brand among targeted trade audiences, as measured by annual survey
3. Positive change in perception of Canadian lobster quality among trade audiences, as measured by annual survey
4. Increase in awareness of the Canadian Lobster brand among targeted consumer audiences, as measured by annual survey
5. Change in intent to purchase Canadian lobster, as measured by annual survey
6. Industry adoption of the Canadian Lobster brand and brand strategy on an ongoing basis

In addition, campaign tactics should be evaluated based on pre-determined metrics, which vary depending on the specific tactic and the intended audience. Measureable targets should be established in advance of program implementation. This chart provides an overview of the kind of measurement options to consider based on the tactics proposed in this marketing plan.

Recommended Tactic	Proposed Metrics
Website	<ul style="list-style-type: none"> • Sessions - Total number of visitors to site (and number of unique visitors) • Page views - Total number of pages viewed, and number viewed at least once • Pages per session - average number of pages viewed in one visit • Duration - Average time spent on the site during one visit
Search Engine Optimization	<ul style="list-style-type: none"> • Traffic - the number of visitors to the site • Links - to the Canadian Lobster website that appear on other websites • Keyword ranking metrics: How the site ranks in comparison with other sites when specific keywords are used in a search engine
Trade info package	<ul style="list-style-type: none"> • Number distributed by Lobster Council of Canada and its members
Trade newsletter	<ul style="list-style-type: none"> • Number of recipients • Click-throughs to website content
Food service training	<ul style="list-style-type: none"> • Number of foodservice contacts trained • Number of views of supporting video content
Inbound missions	<ul style="list-style-type: none"> • Number of participants (both industry and trade contacts) • Sales generated as a result of the mission
Special event support materials	<ul style="list-style-type: none"> • Number of times special event support materials are utilized by industry (Lobster Council of Canada should request images of signage used at events)
Chef ambassador program	<ul style="list-style-type: none"> • Number of chef ambassadors identified and trained • Review of geographical representation of ambassadors • Number and reach of appearances (e.g. media impressions)
Trade webinar	<ul style="list-style-type: none"> • Number of webinar viewers, and post-event downloads
Issues management	<ul style="list-style-type: none"> • Confirmation that issues management processes have been reviewed and are in place, and that spokespersons have been training
Social media	<p>Specific metrics will depend on the platform, but measurement will include:</p> <ul style="list-style-type: none"> • Number of impressions (e.g. Facebook Likes and Twitter Followers) • Level of engagement (extent to which followers engage with the content) • Level of content sharing (extent to which Canadian Lobster's content is shared) • Influence of followers (the extent to which followers have influence: e.g. how often their posts are shared, and how many people they reach) • Video views
Media outreach	<ul style="list-style-type: none"> • Number of media placements and audience impressions • Extent to which key messages were effectively delivered in the media coverage
Industry newsletter	<ul style="list-style-type: none"> • Number of recipients • Level of industry engagement when feedback is sought

CONCLUDING REMARKS

The Canadian Lobster industry is on the cusp of tremendous opportunity. During stakeholder interviews and through review of existing research, the message was clear: the industry is primed to engage in marketing activities to promote the Canadian Lobster brand.

The foundation of this initiative is the industry-endorsed Canadian Lobster Vision, Mission Promise and Values statements. The time is right to fund and deliver a results-focused marketing campaign to reach defined target audiences and markets.



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