

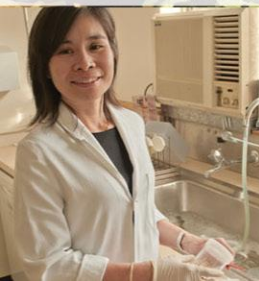


**tiar**

TASMANIAN INSTITUTE OF  
AGRICULTURAL RESEARCH



TIAR is a joint venture of the University of Tasmania and the Tasmanian Government



# Vegetable Industry Marketing Committee Past and Present Projects

Presentation to the Planning Workshop  
Michael Hart and Richard Bovill  
Longford 14<sup>th</sup> July

# Presentation Overview

- Vegetable Industry Background and Statistics
- Response to Crisis
- Vegetable Industry Marketing Committee
- Projects
- Outcomes

# Vegetable Industry Background and Statistics

- Two vegetable processors until 2009
- Two potato processors
- Seven medium to large fresh veg packers
- Numerous smaller grower packers with direct market arrangements
- Four medium and a number of smaller greenhouse tomato and capsicum producers
- One medium mushroom and specialty fungi producer
- Specialist producers

# Vegetable Industry Background and Statistics

## Sector 2008/09

- Processed potatoes \$250m (proc value)
- Processed vegetables \$47.2m (proc value)
- Fresh vegetables & potatoes \$146m (packed value)

## NB

- Since 2008/09 processed value decreased by approx 44% with McCain closure
- Fresh value increased with increases in carrot, broccoli and green bean production

# Vegetable Industry Background and Statistics

## Fresh vegetable and potato target markets 2008/09

- Tasmania \$31m
- Interstate \$89 m
- Overseas \$26 m

# Vegetable Industry Background and Statistics

## Fresh Vegetable Supply Destinations

- Coles and Woolworths 60%
- Wholesalers and small independents 25%
- Processing 15%

# Vegetable Industry Background and Statistics

Recent changes to production and market environment

- One vegetable processor post 2009
- Aggregation of carrot packing operations
- Increased packing capacity for fresh broccoli and green beans
- New vegetables incl purple carrots, echalions, turnips, shallots, celeriac
- Redesign of processing broccoli production
- One year fixed price for supply of carrots and onions

## Response to Crisis

- Loss of McDonald's French fry contract to NZ, 2005
- Fair Dinkum Food Campaign and Tractor Rally
- \$3m Federal Gov't response package. VegVision 2020, with foundation actions delivered by AVIDG
- Tasmanian Vegetable Industry Taskforce, followed by Vegetable Implementation Group
- Tasmanian Gov't \$4m vegetable marketing fund
- Tasmanian Vegetable Industry Strategic Plan (Jointly funded by Growers and government)

# Pre Vegetable Industry Marketing Committee

## Activities

- Market Research and Marketing Plan
- Design and delivery of campaign materials and artwork
- General advertising campaign, including newspapers and glossy magazines
- Utilisation of logo and tag line on packaging materials
- Vegetable bus, vegetable costumes and promotions at Tasmanian events

## Vegetable Industry Marketing Committee (VIMC)

- Formed after Vegetable Implementation Group completed tasks in 2007
- Formed in response to request for greater industry involvement and targeted investments
- Formed to implement vegetable marketing projects
- Facilitated by TIAR Vegetable centre
- Remaining funds in 2007 of \$850,000 available for investment by VIMC

# Vegetable Industry Marketing Committee

## Membership:

Greg Pinkard (Chair)

Justin Nichols

Stephen Creese

Cameron Moore

Matt Ryan

Richard Bovill

Simon Drum

Helen Waterworth

Michael Hart

David Wells

Robert Heazlewood

Andrew Heap

Terese Mackowski

# Vegetable Industry Marketing Committee (VIMC)

## VIMC Objectives

- Build brand benefits for ‘Tassie Veggies’
- Stimulate the development and testing of innovative new products and delivery systems
- Develop and promote ‘innovation infrastructure’ (resources, tools), eg
- Inform government / industry policies and programs

# Vegetable Industry Marketing Committee (VIMC)

## VIMC Outcome Measures

- Market recognition of ‘Tassie Veggies’
- Commercial results for participants
- Industry perception and participation
- Industry utilisation
- Government agency perceptions

## Key Issues To Be Addressed

- Connection between advertising and ‘Tassie Veggies’
- Market recognition of ‘Tassie Veggies’ in majors
- Market recognition of loose display ‘Tassie Veggies in all stores
- Involvement of the whole value chain
- Convincing commercial operators that marketing activities could open doors and improve sales.

## Project – Promotion through IGA and local independents

- *Taste is in our nature* signage on IGA truck fleet
- Co-branded Vegetable Packaging and Point of Sale materials used in produce section as point of difference to majors
- PoS materials made available to local independent greengrocers

## Project – Sydney Fresh Vegetable Merchandising 2009, 2010 & 2011

- Merchandising through whole of chain to:
  - 93 independent greengrocers
  - 29 Franklins stores
  - 10 IGA stores
  - 6 Thomas Dux stores
- Weekly contact with wholesalers
- Regular store visits and responses to requests
- Supply and maintain PoS materials at regular interval
- Cool climate and quality vegetable messages

## Project – Sydney Fresh Vegetable Merchandising 2009, 2010 & 2011

- Vegetable availability charts, staff aprons and badges
- Recipe suggestions; 24 variants
- Texted availability reminders
- Customer newsletter promotion of Tassie Veggies
- Interactive recipe kiosk
- Extended to Brisbane in 2011
- **Continual learning of all involved over 3 years, improved relationships and merchandising knowledge**

## Project – Media Tour 2011

- Conducted in partnership with Brand Tasmania
- Influential Sydney and Tas food journalists
- Positive editorial incl. Blogs, newspaper and Glossy
- Included 3 key Sydney wholesalers and retailers
- Exposed to paddock to package activities
- Cool climate and quality vegetable messages
- Included growers, fresh, processed and organic veg
- Incorporated industry and culinary experience

## Projects – Event and Display Promotions

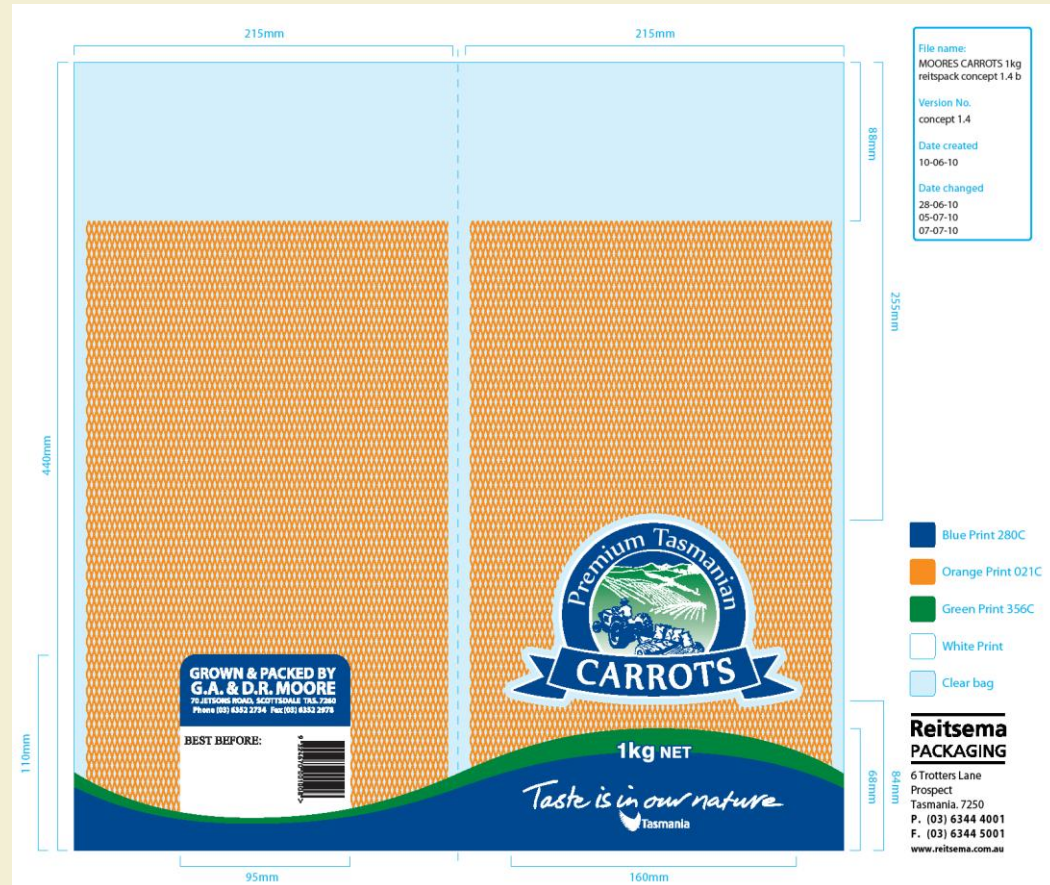
- Fine Food Fare, Melbourne 2008
- Restaurant '09, Melbourne
- Sydney Royal Easter Show Woman's Weekly Demo Kitchen, 2010
- PMA Aus-NZ Fresh Connections and Expo, Brisbane 2011 (co-funded by VIMC and DEDTA)
- Agfest, Oaks 2007, 2008 & 2009
- Taste the Harvest, Devonport 2007 to 2011

## Projects – Other

- Boutique & heritage potatoes
- Developing new market opportunities in S.E.Asia for Tasmanian produce
- Vegetable promotional posters
- Defining the “taste of vegetables”
- Market fresh schools program pilot

# Project – Packaging materials with Taste branding

- *Taste is in our nature* branding on pre-packs across a range of companies and produce.



## Project – Australian Grown Campaign

- Partnership with Simplot
- Rebranding single vegetable bags of carrots, peas, beans, cauliflower, onions and corn as Australian Grown
- Promotion of branding through glossy magazines and magazine editorial

## Key Learnings From Projects

- Marketing effort needs to be over extended time period and by multiple strategies
- Activities have increased interest from other players eg. IGA on mainland, Thomas Dux; – WW & Coles??
- Benefits of marketing campaign now more clearly understood by Tasmanian industry
- In the food industry, not vegetables
- Key messages are about cool climate and the benefits it gives vegetables; not Tasmania
- Tasmania was first to merchandise vegetables

## Key Learnings From Projects

- Presence and activity “in Market” has focussed market interest in Tasmanian vegetables
- Consumers rely on independent greengrocer store owners and buyers to select on value and quality
- PoS materials need to be carefully thought through
- More difficult to support processing due to competition on price by imports
- Closure of McCain factory has enabled an Australian Grown offer to be more clear cut
- Processing growers collecting marketing funds