Project Harvest Monthly Tracker Report.

Industry Insights

Wave 21: February 2015 – Wave 36: May 2016

This project has been funded by Horticulture Innovation Australia using the vegetable levy and funds from the Australian Government.

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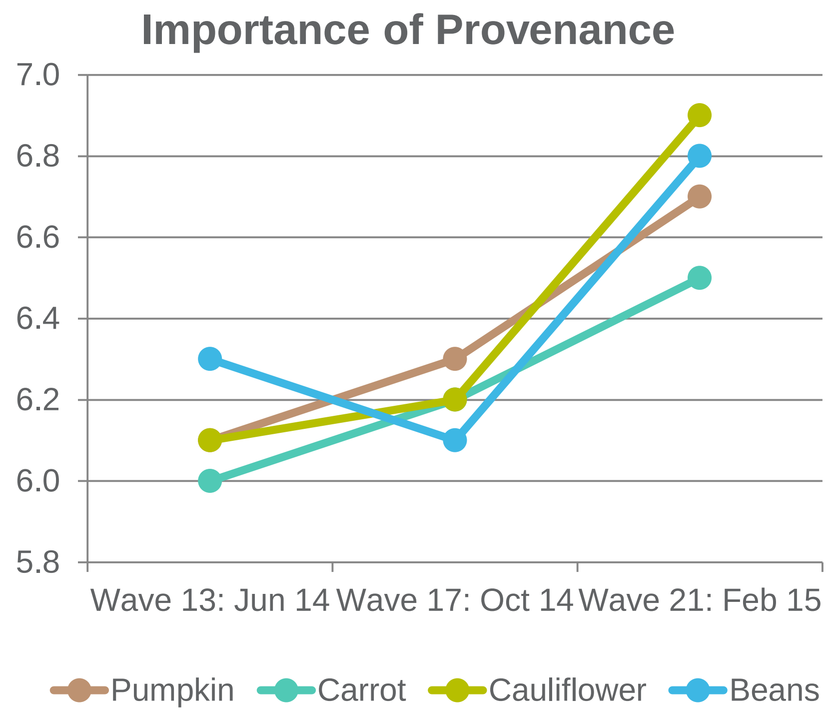
Wave 21.

Industry Insight

Since the current tracking began almost two years ago we have seen that the provenance of the vegetables consumers buy is important. When speaking to consumers, we found that this is predominantly due to the perceived freshness of local vegetables and the shelf-life consumers expect.

However, during this wave of our consumer tracker, we saw a sharp increase in the importance of provenance for all vegetables of interest. This coincided with a national recall of Pattie's Foods, Nanna's and Creative Gourmet frozen mixed berries following a string of Hepatitis A infections. Provenance is now inextricably linked to food safety and trust, as well as feelings of fear and anger among consumers who had these, or similar products, in their freezers.

Although unfortunate, incidents such as these can remind consumers of what is important, albeit taken for granted. It also represents an opportunity for industries and products that can show that they are 'Australian Made' or 'Australian grown'. The Australian agriculture industry, as well as retailers, now has such an opportunity.



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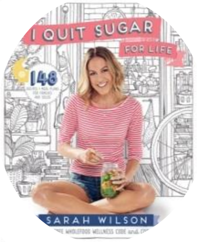
Wave 22.

Industry Insight

There has been much media attention in recent times regarding Australian diets: what should we be eating, as well as be avoiding, if we want to live longer, healthier and maybe even slimmer?
Whether celebrity endorsed or academically backed, the concept of the ideal diet is ever-changing and the subject of ongoing fierce debate.

Three diets that have attracted much attention in both social and traditional media over recent months have been the Paleo (Caveman) Diet, the I Quit Sugar (IQS) movement and the Pro-Vegetarian Diet. Paleo instructs us to avoid grains, legumes, too much fruit and sugar; the IQS movement aims to eliminate fructose and processed foods; and the Pro-Vegetarian diet advocates for a higher proportion of plant-based foods compared to animal-based foods.



Vegan®

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Industry Insight continued

We have also seen Australian consumers move away from “diet products”, moving towards more natural, full fat options. A striking example of this is the decreased market share of No Fat yoghurt offers versus the proliferation of Greek-style products and the move away from artificially sweetened soft drinks towards those naturally sweetened by ingredients such as stevia.

Regardless of the specifics, prevailing market and diet trends all emphasise the consumption of naturally occurring ingredients. The future prediction based on consumer sentiment is that this will continue to grow in importance as consumers move towards viewing food as medicine, customised specifically for their needs.

All in all, this is a positive story for fresh, high-quality Australian-grown vegetables and one that can be leveraged by the Australian vegetable industry. Finding ways of endorsing the specific psychological and physiological benefits of consuming vegetables in a way that is easily understood by consumers will be key in capitalising on this trend.

Wave 23.

Industry Insight

In addition to tracking *how often* commodities are consumed, Project Harvest has enlightened us as to *when* they are consumed. Whilst findings suggest that the consumption of vegetables is largely limited to dinner time, there is significant growth in other occasions that can be capitalised upon.

The largest consumption occasion growth in Australia over the last decade has been snacking, which has increased by more than 400 per cent in terms of frequency, penetration and monetary value over that time. The consumer definition of snacking has also broadened, and now commonly includes beverages. Overall, key snacking influencers include busier Australian lifestyles displacing traditional meals due to a preference for more convenient and versatile, single serve items; increased snacking behaviour in older consumers; and the proliferation of snack products available both from global and local manufacturers.

Recent examples of successful snacking product developments are grain or nut-based bars, yoghurt in pouches, breakfast biscuits and the evolution of the juice bar.

Industry Insight cont.

In the future, the growth of the snacking occasion is forecast to continue based on a more fragmented style of daily consumption, the increasing size of the older population and a greater number of suitable product options available. This, along with a greater consumer expectation and knowledge regarding products that better meet health needs, means that vegetables are a prime candidate to capitalise on such growth.

So what can be done to make the most of this opportunity from an industry perspective? Well, it’s all about solving modern day problems from a consumer perspective. Specifically, consumers’ are demanding a quick, clean snack. It satisfies a need for between-meal sustenance, distraction or indulgence. It features packaging that retains the integrity of the snack and is easily accessed on the go. It has a substantial shelf-life and specific and relevant health credentials that enhance permissibility while reducing guilt.

Putting consumer needs at the forefront of new product development will ensure vegetables are well placed to take full advantage of the increasing snacking trend.

Wave 24.

Industry Insight

What makes superfoods so super?

Superfoods are commonly defined as those with an unusually high content of antioxidants, vitamins or other nutrients that can have health promoting properties such as reducing the risk of disease or improving physical, mental or emotional health.

Being labelled as a “superfood” can result in soaring sales and a proliferation of associated by-products. This has been most recently witnessed for beetroot, sales of which are set to soar to over £1 million per week in the UK due to its highly publicised nutritive powers in relation to blood pressure, cholesterol and degenerative disease. Similarly in Australia, beetroot juice, beetroot stamina shots, beetroot chips and even inedible products such as beetroot based eye-masks are amongst the by-products available for those looking for an edge in health, beauty or performance.

There are many other vegetables that have been touted as superfoods (including Brussels Sprouts, Broccoli, Kale, Spinach, Swiss Chard, Pumpkin and Sweetpotato) and it will only be a matter of time before the next is “discovered”. Indeed, all vegetables contain health promoting vitamins and antioxidants, so it may be as simple as adding clinical evidence to the anecdotal and bracing for the marketing ride of a lifetime.

Wave 25.

Industry Insight

Following a number of high profile food safety scares we have observes a sharp increase in the importance of knowing where our food comes from , but what component of that is knowing our food is Australian? And where does that rank in importance compared to factors such as price, taste and brand?

In terms of quality, a recent survey of Australian shoppers* shows Australian produce is top ranked (72%), followed by New Zealand (44%), UK (34%), Italy (33%) and the United States (29%). Lower quality perceptions are associated with goods from South Africa (9%), Indonesia (4%), China (4%), Thailand (3%) and Vietnam (3%). These results re-iterate how important county of origin labelling is for Australian grown produce.

*Colmar Brunton's Shopper Pulse; Retail World, June 22, 2015
**HAL Report, VG12045 Understanding Attributes that Inhibit the Purchase and Consumption of Vegetables, 2013

Industry Insight cont.

With regard to what drives purchase, it is critical to acknowledge that what motivates us can be based on the type of food we are considering. For food in general, the same survey of Australian shoppers* suggests that Price is the most important factor of choice (37%), followed by Taste (17%), Australian Made (15%) and other incidental factors such as Environmental Impact (2%) and Packaging (2%). However, previous findings specific to vegetables suggest that local produce is more than twice as important than any price promotion illustrating that 'Australian made' in this context has a distinct role in guaranteeing quality, freshness and food safety above and beyond packaged goods.

All-in-all, Australian-grown can be more important than just provenance and more important than price - a great motivation to ensure country of origin features predominantly on Australian produce at point of sale.

*Colmar Brunton's Shopper Pulse; Retail World, June 22, 2015
**HAL Report, VG12045 Understanding Attributes that Inhibit the Purchase and Consumption of Vegetables, 2013

Wave 26.

Industry Insight.

Health influences the food purchase decisions of the majority of consumers and we have seen this increase slowly but steadily over the past few years. According to Euromonitor, Fortified or Functional products comprised the fastest growing health category in 2014, followed by naturally healthy, organic and generally better-for-you products. In particular, protein has been cited as a “mega trend” and is on the verge of diversifying into a high potential opportunity.

In 2013, The IFIC’s Food and Health Survey showed that in the US, 57% of consumers made an effort to increase the amount of protein they consumed and 40% perceive the time of day they consume protein as important. Since then, savvy marketers have been helping consumers to understand their unique protein requirements with campaigns such as “Know your Number” by US cereal brand Kashi.

So what’s all the hype about? Simply put, proteins are the building blocks of life promoting cell growth and repair. Protein boosts metabolism and fills you up for longer on fewer calories. Traditionally, meat, eggs and dairy have been the best-known sources for protein; however they can also be high in saturated fat and cholesterol. **Enter vegetables.**

Industry Insight continued.

Many vegetables contain protein but aren't classified as "high-protein" foods. However, protein-rich vegetables do exist and can contribute to the average of 46 grams that women need and 56 grams that men need. In addition to Brussels Sprouts, Artichokes and Asparagus, here are some of the rich sources of protein from the veggie patch:

Peas – one cup of cooked peas contains 9 grams of protein, more than a cup of milk!
Corn – a cup of cooked corn contains 5 grams
Leafy Greens – a cup of cooked spinach contains 5 grams; a cup of chopped broccoli 8.1 grams.
Kale – a cup of kale contain 2.5 grams

Whether they are being eaten in their natural state or appearing on the labels of plant-based protein powders, **Australian vegetables play a significant role in this consumer mega-trend and the industry should look to capitalise on this in communications and education in the future.**

Wave 27.

Industry Insight

Two academic studies published this year suggest a link between how often people go shopping and the healthiness of the food they buy*. These publications suggest that more frequent shopping trips lead to more expenditure and consumption of fresh produce, and conversely, that large supermarkets prompt us to shop less often and buy less fresh produce. Interestingly, a study published in 2014 also revealed a positive correlation between supermarket size and a nation's obesity prevalence.

With Australia's large supermarket duopoly and the seemingly dwindling number of smaller grocers, it may be more important than ever to know where the trend in retail is heading.

If trends in consumer sentiment tells us one thing, it's that the near future will be all about customising convenience and optimising health. This has already begun, given the growing popularity of dinner kit services in Australia and beyond. These services generally aim to assist consumers to become confident, from-scratch cooks by home-delivering the fresh ingredients needed to cook a delicious meal in under 30 minutes. It also means spending less time in the supermarket without sacrificing health.

*Gustat et al in Preventive Medicine Reports, 2015; Rudi & Cakir, European Association of Agricultural Economics, 2015; Cameron et al. in BMX Obesity, 2014.

Industry Insight cont.

Home-delivered food is not new, but the modern dinner kit has hit a sweet spot for consumers wanting healthy options, wanting to be a from-scratch cook and wanting to reduce waste. The offer can be customised to be homely, organic, low fat or even Paleo. It is not unusual to see advertising for Hello Fresh, Caveman Kitchen, My Dinner Box or Light n Easy on a daily basis. As different as the suppliers may be in terms of food style, the one thing they have in common is fresh ingredients.

Take the opportunity to make your produce available via dinner kits – these often claim to be fresher than those you could buy at the supermarket and can be delivered more frequently than some of us might shop. An exciting development given the potential effect that infrequent shopping may be having on our health.

Wave 28.

Industry Insight.

Generation Y, the Boomerang Generation, Trophy Kids, the Peter Pan Generation, Echo Boomers and the MTV Generation… also known as the Millennials: the largest generation in Australia today and the main grocery buyers of tomorrow.

Although there are no precise dates marking when the generation starts and ends, most researchers and commentators use birth years ranging from the early 1980s to the early 2000s (e.g. 10-34 year olds). This generation is considered to be highly educated, and are leaders when it comes to technology and the uptake of web activities and lifestyle trends. Their body is their temple, they crave knowledge about everything they consume and they have high expectations as to what is available and how it is made available to them.

According to the 300 Millennials interviewed for the Deloitte Millennial Innovation Survey in 2013, climate change is the biggest problem facing society in the next 20 years. They have a desire to be "green", as exemplified in the US where those aged up to 35 years were significantly more likely to have their purchases influenced by environmental impact than their older counterparts. This is also where 61% of Millennials expressed a greater willingness to pay more for products guaranteed to have ethical and responsible manufacturing practices. The remainder may expect it to be standard.

Industry Insight continued.

The increase in consumption of natural or healthy produce has coincided with the financial maturation of Millennials. At the same time, restaurant menus are becoming simpler, using fewer elements while increasing the quality of their ingredients; Meal Kits featuring non-adulterated whole foods are in double-digit growth (Industry Insight, Project Harvest Tracker Wave 27); and the purchase of frozen foods has reduced based on perceptions of these being too "processed".

Specifically, it has been found that Millennials shop significantly more frequently than their older counterparts (Colmar Brunton's Shopper Pulse, Retail World 2015), a behaviour that has been linked to higher vegetable consumption (Industry insight, Project Harvest Tracker Wave 27).

Recent waves of the current consumption tracker also reveal that Millennials:

- Are more likely to purchase pre-packaged formats than other generations
- Are less likely to purchase vegetables in loose/individual formats
- Have a lower average vegetable purchase weight
- Are less likely to grow their own vegetables, and are therefore less likely to have this as a barrier to vegetable purchase
- Are less likely to purchase their vegetables through specialist fruit and vegetable retailers

So call them what you will: getting to know the largest generation of today, and the main grocery buyers of tomorrow, will undoubtedly be pivotal for the Australian vegetable industry's future success.

Wave 29.

Industry Insight

The current wave of Project Harvest revealed that approximately one third of consumers limit their purchase of vegetables based on not wanting to waste any. Previously, the consumption tracker has revealed that approximately 6% of vegetables purchased are wasted and that 34% of us don't believe we can reduce our wastage further.

In a broader context, the study of trends in consumer sentiment, based on society moving from one era to another in a repetitive cycle, has revealed a growing shift towards an extroverted and assertive era commonly labelled as "rebellion". In food trends, this signals an era of "less" over the next 3-5 years: less clutter, less energy consumption and **less waste**.

Industry Insight cont.

So in this era of "**less**" what can the vegetable industry do to ensure it is delivering to consumer needs? 36% of consumers suggest that the longevity, freshness and shelf-life of the fresh produce they buy could be increased; 27% suggest the availability of smaller portions and 17% want to know alternative uses for the produce they discard.

Actioning this through Best Before dates, shorter time to shelf, specific storage and usage information at point of purchase, as well as smaller or customised portions are all ideas that can be built upon to help reduce the proportion of consumers who feel helpless against waste, as well as the amount of waste itself.

Wave 30.

Industry Insight.

In January 2014, Wave 8 of the Project Harvest Vegetable Consumption Tracker found that children consumed, on average, 2.4 serves of vegetables per day – fewer than the Australian Guide to Healthy Eating recommendation of 2.5 to 5.5 serves. This illustrates why there is such a concern around unhealthy diets and why this is a current focus for HIA, as well as for other national institutions.

In October 2015, the Royal Children's Hospital surveyed a nationally representative sample of 1993 adults for their "Top Ten Child Health Problems" report. The results reveal that an Unhealthy Diet was ranked in the top four concerns, coming in after Excessive Screen Time, Obesity and a Lack of Physical Activity. These issues were more commonly rated as "big problems" facing all children compared to other concerns, such as Bullying, Illegal Drug Use, Violence, Internet Safety or Sun Safety.

A positive correlation was observed between children's age and parents' concerns about their unhealthy diets, aligning with findings of the Australian Health Survey (2011-13) that revealed those aged between two and three were more likely to meet the recommended usual intake of vegetables (49%) compared to children aged 4-18 (less than 10%). Interestingly, Unhealthy Diets were considered much more of a problem for all children (58%) than for respondents' own children (11%). This in itself shows the challenge around effectively changing behaviour: parents believe there are real problems, but not in their own homes.

Industry Insight continued.

To help address these concerns about unhealthy diets in children, HIA commissioned research into strategic initiatives to increase their vegetable consumption through project VG13090 *A strategy to address consumption of vegetables in children*. This has resulted in four priority areas of future focus: collaboration between those in and outside the horticulture industry; initiatives to engage children; continued research into new initiatives; and policy changes. These should be pursued whilst acknowledging the difficulty parents have with recognising their role in the problem, as well as working with what parents told us in Wave 8 of the current Vegetable Consumption Tracker: that the taste of particular vegetables has an impact on children's consumption habits.

This tracker told us that vegetables with bitter, sour, tart or aniseed-like flavour (such as witlof, chicory, artichoke and fennel) can inhibit consumption, suggesting that offering children vegetables with a blander or sweeter flavour profile may help in this most important quest!

Wave 31.

Industry Insight

In addition to documenting Australians' consumption of vegetables, the Harvest Tracker has also been recording the key shopping behaviours of our nation. Recently, and for the first time since the inception of the tracker in 2012, we saw Coles increase as a purchase channel over the majority of commodities (with exception to Spring Onion). Conversely, we have observed an overall decrease of Woolworths as the main purchase channel. Recent research waves have also revealed a lower cost for commodities tested (e.g. Zucchini in Sydney and Brisbane; Celery in Brisbane & Adelaide).

These results are consistent with recent mass media that describes the growing dominance of Coles versus the slipping of Woolworths and is a reminder that things can change over time as consumers react to what is on offer from a retailer. In the future, this landscape will continue to change. Apart from value, which Coles appears to be currently winning, what will be the next driver of main store switching?

- Convenience? Note the proliferation of the home delivered meal kits.
- Customisation? Note the increase in pre-prepared formats in store.
- Customer Experience? Note the "highest customer satisfaction" as awarded to Aldi by Canstar Blue and Roy Morgan in 2015.

The lesson of the future for Australian growers may be to be open to considering new and innovative retailers or avenues into consumers homes in order to continue satisfying emerging consumer needs.

Wave 32.

Industry Insight.

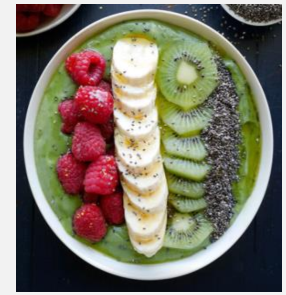
2016 is well underway and the year's predicted consumer trends have started to emerge. So, what are we seeing, and what specific food trends do growers have to look forward to over the coming months?

While 2015 was the year of Nutella and American-style burgers, 2016 could see consumers shed a few kilos with an increased focus on personalised health solutions with a dash of social and environmental responsibility. Here are a few emerging trends that consumers are getting excited about…

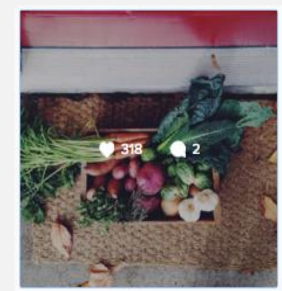
Superfoods
Although not a new trend, superfoods are ramping up. They are featuring in more packaged products for more consumption occasions, and continuing to justify a price premium.
E.g. Blackmores Vitality Super Greens Powder Blend

Industry Insight continued.

Bowl Food
Smoothie bowls, juice bowls, cold soup bowls…. A huge hit on Instagram as they are so visually appealing! Bowl based meals are also becoming trendy because you can create so many combinations and because they can be more satisfying than a smoothie or a juice as they take longer to consume. ***E.g. Avocado & Kale Smoothie Bowl***



Instagram
With Instagram continuing to grow and capture consumers' love affair with what is in their glass or on their plate, the vibrancy of fresh vegetables can make them the star, along with fruit, flowers, herbs and spices. ***#vegetables***



Charcoal
Smoked and charred food and drinks are in! The smokiness adds a new sensory dimension and the char additional visual appeal to products otherwise considered plain. ***E.g. Sydney's Black Widow Burger made with vegetable carbon***

Industry Insight continued.

Less waste
A movement of efficient consumption, particularly evident among Millennials, is showing up in all industries including transport (Uber), accommodation (airbnb) and even pet ownership (Dog Match). In the food industry, many are now following a "nose to tail" philosophy in relation to meat and "stem to root" philosophy in relation to their veg. ***E.g. The Odd Bunch, Woolworths***

Continuation of provenance, seasonality and knowledge
As consumers move away from overly processed and overly sweetened foods, they are searching for this knowledge, which they can easily incorporate into their busy day-to-day routines. Knowing where food is from and knowing whether it is in season continue to be key indicators of "naturalness" and freshness for consumers.

Natural and Organic
With rising meat prices and associated health concerns, some experts are going as far as saying that vegetables are expected to push animal protein to the side of the plate. Consumers are learning more and more about organic processes and the vegetables which really benefit from the practice.

Industry Insight continued.

Raw
For those seeking natural foods in their most natural state, the raw food movement is for them! Apart from the health connotations, raw food also offers up different flavour and texture sensations, providing the variety many crave. ***E.g. Botanical cuisine raw sauces***

Fermentation
Around since the beginning of civilisation, this trend really took off in 2015 and will continue into 2016. Fermented products, such as pickled vegetables, creates new flavour dimension to foods *and* are said to help anything from bloating to anxiety! ***E.g. Obap Kimchi paste***

The Market Place
From farmers markets and hawkers markets to the feeling of a new fresh food section in a major retailer, immersing themselves in the hustle and bustle of a market brings consumers one step closer to desired freshness, naturalness and provenance.

BOOTS FOR CHANGE support farming families

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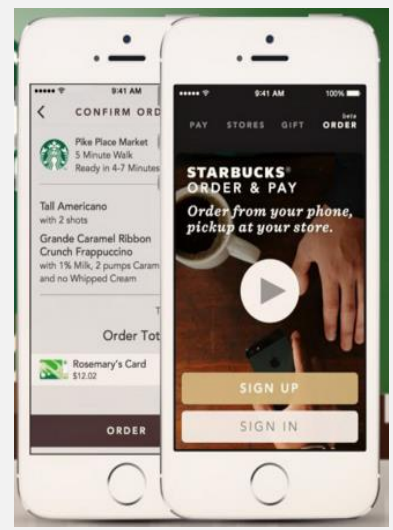
Wave 33.

Industry Insight.

Future possibilities in retail for Australia are exciting and welcome from the perspective of consumers. Retail trends seen in global markets show that they are better meeting consumers' needs of greater convenience, greater value, more personalisation, more information, more authenticity and a better overall experience. It may only be a matter of time until we see similar disruption in traditional channels and ways of distribution here – including changes to the supply chain for Aussie vegetable growers and their produce.

Greater convenience

Becoming used to immediate gratification and convenience via the digital world, consumers don't want to wait. In an answer to this, a supermarket in the Philippines has launched QR Code shopping kiosks; Australian cafes have begun to adopt the order-ahead app trialled by Starbucks in the US; Pizza Hut has launched a delivery service that cooks pizza on the go; markets have begun partnering with delivery services; Amazon Fresh launched a same-day delivery service; pop up stores continue to generate interest; and stores are going mobile to bring produce to isolated regions.



Industry Insight continued.

Personalisation

The Harvest Tracker tells us that over 40% of consumers are interested in some form of pre-prepared or pre-packed vegetables. We have also delved into the growing popularity of meal kit delivery with preferences including paleo, low fat, low carb, gluten-free and vegan all being accommodated. Epitomising this trend, San Francisco is now home to an organic, vegan, GMO-free, gluten-free and dairy-free fast food drive through.

Authenticity and experience

Retail spaces have come a long way and continue to evolve, blurring the lines between store and food service, and between supermarket and farmers market. Tesco and Waitrose exemplify this in the UK with their grazing areas aside retail aisles – a trend filtering into concept stores in Australia.

Industry Insight continued.

Information

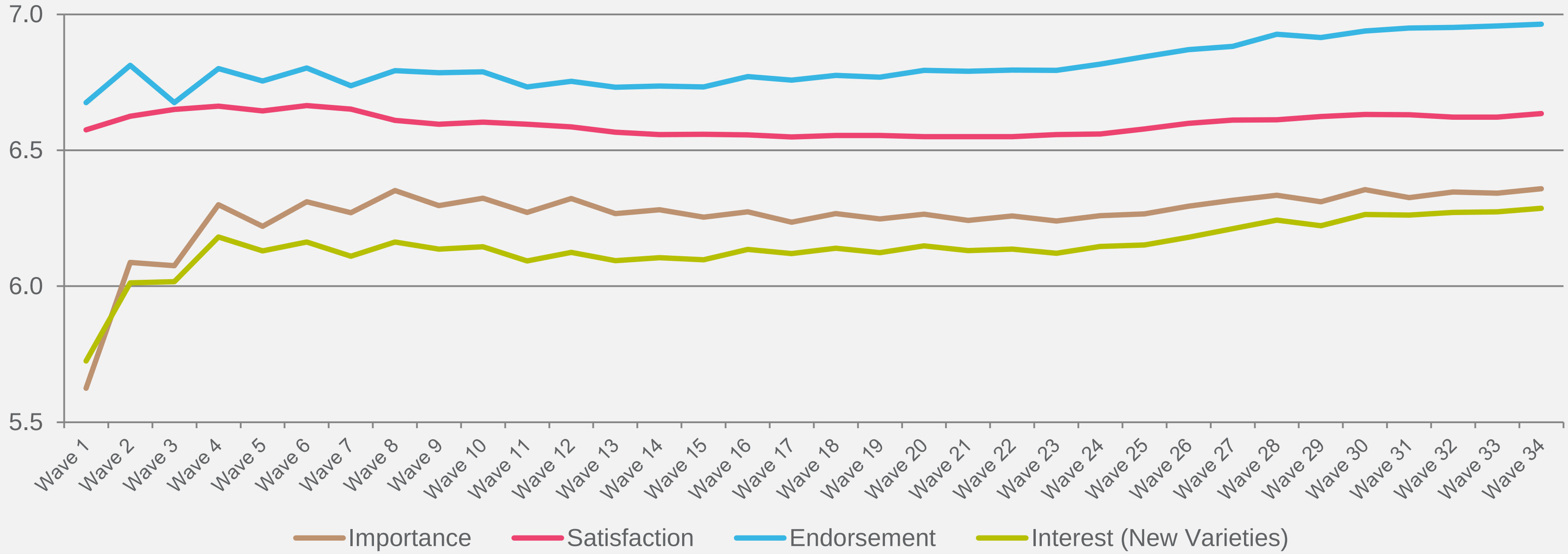
The digital age has made us hungry for information. Stores have begun to go with the trend, housing large interactive touch screens, digi-codes on labels and packaging allowing consumers to trace the origin of ingredients. The level of nutrition information available for products has never been greater.

As with food trends, trends in retail are usually trialled by early adopters and spread quickly if successful. These new trends complement the fresh produce industry through their aim to get fresh food to consumers faster and to provide personalisation and information to the consumer. Exciting times ahead!

Wave 34.

Industry Insight.

Over the past three years, the Harvest Tracker has shown us that consumer satisfaction, endorsement and interest in new varieties of vegetables has increased over time (1%, 4% and 10%, respectively). The importance of having vegetables available has similarly increased (13%) and we know that the underlying trigger across all commodities is the health benefits of vegetables. Why then, one might ask, don't we consume the recommended amount of vegetables based on *maintaining* good health?!



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Industry Insight continued.

As the key note speaker at the Sensory Consumer Science conference in Sydney recently, Professor Hans Van Trijp from Wageningen University in the Netherlands suggested that although health is important, a “new age” motivation such as this must add on to (not substitute) traditional priorities such as taste, convenience and price. As humans, we are heavily influenced by instant gratification rather than long term advantage, and we see this in the day-to-day choices that we make, regardless of the importance *we say* we place on health.

So, what can be done to help consumers achieve their long term goals whilst helping growers sell a product that is predominantly chosen because it is healthy? Through many years of research, Hans would suggest pairing health benefits with immediate gratification in the marketing of a product. For instance, **health + my immediate comfort** = vegetables are sold on the benefits it provides older consumers, strengthening bones, warding off diabetes, helping to reduce heart disease, fighting cancer. Or **health + convenience** = root vegetable snacks, powdered solutions for shakes. Or **health + taste** = super sweet corn or peas.

If we can match the stated importance with the level of consumption it will be a “win-win” for the health of the country and the success of our growers.

Wave 35.

Industry Insight

Truly delivering to consumer desires would be a game changer for Australian growers.

Recently, the Harvest Consumer Tracker detected an increase in Coles as the stated purchase channel for fresh produce, overtaking Woolworths for the first time since the Tracker's inception in 2012. The current wave of tracking has additionally observed a trending increase in purchase of fresh vegetables from Aldi (up to 8% increase for individual vegetable categories over the past 9 months). Similarly, Colmar Brunton's Shopper Pulse (to be published in Retail World, June 2016), shows a 5% increase in Aldi as the main grocery store for total shop for the same period. Consumers tell us that Aldi is receiving about 13% of their total grocery spend, with 43% of consumers spending at least 10% of their total grocery spend there. Whilst less than half of what is spent at Coles and Woolworths (35% and 31%, respectively), this supports the growing divergence in the shopping habits of Australians.

Industry Insight cont.

Hungry for more facts and figures? On average, shoppers say they buy groceries from three different supermarket chains regularly, with only one quarter now loyal to one store brand. This desire for variety extends to the product range in store, and although Coles and Woolworths are perceived to have the best range of items, 36% of consumers still say that they want a greater range of fresh fruit and vegetables! This is a remarkable and striking message that consumers are sending, and is by far the highest percentage for desired ranging within a single category. For example 31% for meat/poultry items, 24% for bakery items and less than 15% for cereals, milk and eggs. Conversely, many consumers state they would like to see a smaller range within some categories (21% for carbonated soft drinks, 19% confectionery and 17% snack foods).

This desire for a greater range of fresh produce in store is reflected in the 10% growth in interest for new varieties of vegetables over the past three years as measured by the Harvest Consumer Tracker. Combined, the evidence begs the question...which retailer is ready to deliver on consumer desires in order to reap the potential rewards?

Wave 36.

Industry Insight.

Recently, wine producer Brancott Estate held an ANZ-based innovation challenge for pioneers, inventors, wine enthusiasts and anyone with a great idea to revolutionise the wine experience. A number of awe-inspiring innovations were revealed such as ***The Vino Cap*** that lets you alter the flavour profile of your wine or reduce preservatives with the push of a button; the ***BYO Vine Guide*** which allows you to customise your vineyard experience using personal wine preferences & real winery ratings, the ***Sipple*** app and stopper that combine to tell you when to drink your open wine, the ***WineMinder*** that creates the optimal conditions for your wines wherever they're stored, and ***Your Own Wine Adventure*** that creates your perfect tasting with a customised selection of wines and guides delivered straight to your doorstep.

These are examples of the many wine-based innovations we have seen over recent decades, and although vegetables may be somewhat challenged to compete with the dizzying heights of the wine industry, horticulture may be able to borrow apply some of viticulture’s ideas. Here are some of the wine industry’s innovation and possible translations for Australian Agriculture. Consider these as you sip on your preferred tipple….

Industry Insight continued.

Winery tours and tastings, member newsletters, member only deals for the best produce and adopting vines…

Continue opening discrete parts of your farm up to the public for family-friendly days out and create special deals and "cream of the crop" deliveries for VIPs

Modern labels, celebrity tribute packaging and celebrity endorsement to attract younger consumers and bring them into the brand.

Consider celebrity endorsement for a commodity and featuring this via labelling

New formats such as cans, piccolos, sealed glasses and tetra packs for increased usage occasions

Consider new formats for vegetables that enable on-the-go and out of home consumption

Industry Insight continued.

Apps, packs and storage solutions such as the single bottle wine cellar

Consider packaging that creates optimal storage conditions for the commodity inside

Illuminated wine coolers and creative storage

Consider selling produce in storage solutions that can become a feature in the home