Effective Marketing strategies for Fruit

What do we say to the consumer?

Sarah Calcutt

2008

My aim during my travels and research was to look at the efficacy of the branding, club varieties, and quality management systems that have supported the establishment of a valuable 'brand of product'; thus protecting market share, preventing broad brush, deep cutting promotions and creating consistent better returns to the producer.

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Finally..

This report is my own work; it is my reflections, my perceptions and will hopefully demonstrate what I have gained from the experience. The opinions expressed are entirely my own and do not necessarily reflect the views of the Nuffield Foundation, my sponsors or my employers.

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Marketing – a definition

Marketing is a societal process which discerns consumers' wants, focusing on a product or service to fulfill those wants, attempting to move the consumers toward the products or services offered. Marketing is fundamental to any businesses growth. The marketing teams (marketers) are tasked to create consumer awareness of the products or services through marketing techniques. Unless it pays due attention to its products and services and consumers' demographics and desires, a business will not usually prosper over time.

(Wikipedia)

Strategy – a definition

A **strategy** is a plan of action designed to achieve a particular goal. The word strategy has military connotations, because it derives from the Greek word for *general*.[1]

Strategy is different from tactics. In military terms, tactics is concerned with the conduct of an engagement while strategy is concerned with how different engagements are linked. In other words, how a battle is fought is a matter of tactics: the terms that it is fought on and whether it should be fought at all is a matter of strategy.

Effective marketing strategies for Fruit

1. Introduction:

   In my lifetime there have been a plethora of great advertising campaigns that remained synonymous with a particular product – le Crunch, the Pink Lady campaign, Tony the Tiger et al. All creating a good impression, summing up what the product is, what it can do for you etc (even if we all know that Tony the Tiger has all that energy because he is high on refined sugar, they're still grrrrreat!)

I could not agree with Wilfred Emmanuel-Jones more...

Whether you're 60 or 16, you're probably familiar with the phrase "Go to work on an egg".

The egg advertising campaign may have first run more than 50 years ago, but it has become an iconic slogan, taking its place alongside such greats as: "Have a break, have a Kit-Kat", "The future's bright, the future's Orange", and "A Mars a day helps you work, rest and play".

But what about more recently? Has any sector of the farming industry come up with anything that can rival it? And does it matter?

Wilfred Emmanuel-Jones says agriculture has much to learn. "The farming industry is one of the worst there is at marketing itself," says the Jamaican-born farmer and advertising guru, who sells products under The Black Farmer brand.

"At the moment, we're not prepared to be adventurous. I don't see any signs of courage."

He'd like to see an all-encompassing strategy to get British consumers to be more supportive of British produce. "An over-arching team, coming up with the strategy, then everything else working towards that."

For too long, different factions have pursued their own goals - all too often ineffectively, he claims. "Everyone brings their own personal agendas and guards the money that they have jealously. They don't understand that we are at war, and when you're at war, the best way of winning is by working as a team."

(Taken from an online article on the BBC website on the rise of entrepreneurs.)

When actually farming at the age of 26, I was by then the outsider who began campaigning for the farmers to learn more about their customers. Trying to explain that there was an enormous chasm of ignorance out there, that many people really don't know where their food comes from and that this creates distrust and a perceived lack of value in that food. No wonder people think that food should be cheap, we produce lots of it after all – they just have no idea of the costs of getting it there. You ask anyone about whether their mars bar is worth the money and they can tell you about the big factory to make it, how many people must be employed and possibly even how far the ingredients may have had to travel. Then look at home grown fresh produce – well no processing has been done to it and the majority have no idea what goes into growing it.

A product that has missed out on an image revolution has been one of our greatest and oldest industries – that of the apple and pear sector. We have a staid image, stained by association by the issues facing other sectors of farming with regard to pesticide usage and labour and perceived by people the world over as always moaning about the weather (oh the delight of my Australian scholar friends confirming that we are still called 'whinging poms'...)

With the enormous technological and agronomic steps forward taken by the industry coupled with rationalisation into a more professional and efficient sector is it not time that we put our house in order and begin to demonstrate successfully that there is nothing better than home grown fruit? In recent times there has been a resurgence in the importance of provenance, food miles, food security, the identity of the producer and while there are a wide range of small scale, niche enterprises that are taking full advantage of this, the industry as a whole still appears to fail to reach out with a meaningful message that appeals to not only the consumer but also to those that put the fruit in front of them? We are still in a situation where our market and prices are dictated by the behaviour and crop volume of others, and while I feel that a complete change of circumstance is unrealistic for all varieties grown in the UK, particular attention and carefully structured marketing plans for particular exceptional varieties will allow us to change the way that returns fluctuates and to allow greater confidence in investment for the future.

My aim during my travels and research was to look at the efficacy of the branding, club varieties, and quality management systems that have supported the establishment of a valuable ‘brand of product’; thus protecting market share, preventing broad brush, deep cutting promotions and creating consistent better returns to the producer. For many this has not been a comfortable journey and for many has seen them leaving their industry, but for those that have ‘control of their destiny’ it has led to profitable enterprises, growth opportunities within the business for the next generation, an air of optimism and most importantly a real enjoyment and pride in their product and business.

My time in the States was predominantly spent with regional marketing boards and horticulture departments, all of whom worked incredibly hard for their growers and had a clear view of their market. From East to West Coast however there was a clear divide in how the boards had been allowed to operate which resulted in a wildly diverse relationship and marketing campaigns. I felt that this was perhaps a warning of what could happen in the UK if there was not more cooperation.

2. Personal background

When I was a teenager, farming and everything associated with it was the complete opposite of everything that I wanted. At 18 I went to Uni in Cardiff, to study music, living in a big city, certain that I had left fruit and farming a long way behind me. But soon I found myself defending farmers, talking about where food comes from (and cooking for flatmates to teach them about it) and gradually found myself spending more and more time travelling up the M4 to get back to the orchards of Kent.

After a few years farming (and helping neighbours with the influx of assurance schemes) I ventured into the Sector Skills Council, then Local Government and then Education gaining a totally invaluable viewpoint of how we are regarded and judged as an industry and contributor to GDP. The sad fact is that we aren't nearly as important as we were 50 years ago, that the ignorance of our needs with regard to labour, planning and research is deep set and that the old adage of those that shout loudest etc... really stands. Because of the effective lobbying of environmental groups, far removed from farming, national policy for more than 2 decades has been shifting away from the production of British produce and more towards the creation of the countryside as a beautiful amenity. I feel that this has led to a public perception of greater 'ownership' of rural areas and an incorrect assumption by many that those farming don't care about or understand the impact that their business has on their environment.

This almost patronising behaviour is not reserved just for the general public or policy makers, a major UK retailer has just made a film about the supposed effects of neonicotinoids on honey bee populations – this was approved by the commercial and marketing departments without the consultation of the technicians working with the producers. It is a sensationalist film by all accounts, and will add further add fuel to the fire that farmers kill bees. A major part of my work with Norman Collett and our customers is to try and ensure that any messages that we send out are accurate and above all positive. Just looking at the one issue of honey bee populations, the bad news stories are so strong that positive messages about alternative methods of pollination, that the encouragement of other indigenous populations of pollinators could be the way forward and that many farmers are actively working to reverse the trend are being lost. As a sector farmers are not the best communicators and I firmly believe that the time has come for us all to realise that there is a need for an effective overarching strategy as an industry, carried by all farmers, marketing desks into all the retailers to create a consistent quality for British product.

3. Do we have a good message to tell?

I think that we do but we are not yet ‘savvy’ enough to put it across in a consistent way.

One of my constant disappointments is that as an industry, farmers cannot make a good news story travel, as a rule. The whole of UK agriculture and horticulture have had to face serious issues in the last decade, in the main not of their own making and conventional production often appears to be in the shadow of organic produce in the face of environmental and ethical perceptions.

How do we change this? Clearly there are many elements of conventional production that to a layman/consumer we cannot talk about in detail – we do use pesticides to manage crop quality but we never talk about them in terms of medication. Organic farmers enjoy the benefits of a bucolic assumption of their production methods. I remember taking a trade press journalist to an organic, standard Bramley orchard and the first question was ‘where’s the sheep’? The assumption that sheep safely graze under organic trees hides the fact that organic meat production does allow the use of antibiotics and that organic apple production permits the use of controlled sprays that may not make that grass taste too great for the sheep....

With the advent of schemes such as LEAF and the elements of all assurance schemes there is a time now to talk about the work that farmers have done to restore hedges, wooded shores and drainage ponds, the schemes may now be reaching a point of over investigation and intrusion, but they have prevented many elements of poor practice that could again lead to a food scare. The impact of the hysterics surrounding Pamela Stevenson and co’s campaign against Alar in the 80’s still echoes around – to some extent due to its regular quotation by some lobbyists. We cannot afford as a sector to have any other issues like this – the meat and livestock sector has received repeated traumas with BSE, Foot and Mouth – not of their own volition, which have left them weaker in the eyes of their consumer and in turn this has lost them negotiating ground over price and volume with their major customers.

What should we talk about?

Our environment – financial situation aside, there will be a return to a focus on environmental sustainability, many other areas of grocery and manufacturing have ‘footprinted’ production, their leaner production practices and early adoption of new technology helping reduce carbon inputs has created a useful marketing tool.

The value, nutritionally of our product – in terms of cost per item in comparison to other fruits; the relative dietary and long term health benefits of fresh fruit especially apples which are the ultimate convenience food. This is especially powerful when looking at confectionary and processed convenience foods.

The versatility – fresh or cooked usage, the variety of dishes and drinks produced

Cosmetics: a growing new generation of skin creams, cleansers and treatments utilise fruit acids and anthocyanins and are marketed as a natural and safe means of restoring skin. There are phrases that may be possible to use for fresh produce marketing assisting us in finding a way around the EU restrictions on the use of health claims around antioxidants etc.

4. What is out there now/the media

English pears struck by weather

While the apple crop has largely survived the varied weather problems of this year in all English production areas, pears have not been so lucky.

The dominant Conference variety is around 12.5 per cent down in volume year on year, with the latest figure available from English Apples & Pears (EAP) putting this season's crop at 20,500 tonnes. Second string type Comice, which has never really made the breakthrough to become a mainstream offer in this country, is reduced by 13 per cent to 1,200t, according to EAP.

And the impression that Concord is on its way out has been reinforced by a 48 per cent drop in production this year. Frost damage as well as some grubbing and replacement in orchards has brought the Concord volume down to just 700t in 2008.

This report was in the FPJ a few weeks before I left for the US. I feel that this is typical of a missed opportunity to say something positive about the crop. The 2008 pear crop was indeed down in volume but was of great quality and in the face of reduced volumes from the continent represented quite a good return to those that had fruit. The issues around rough russet and pear sucker had been resolved and skin finish was better than seen in the UK for a long time. Careful placement of the crop, due to limited availability and strong support from the retailers (good demand for British by consumers meant that shelf space was guaranteed) meant that prices remained high throughout the season.

In direct comparison:

Cherries and apples push Washington forward

Cherries and apples played a large part in the growth of agricultural exports from Washington in 2007, which were valued at $9.26 billion (£4.66bn).

The figure represented a 38 per cent increase on the State's 2006 statistic, according to a release from the state department of agriculture.

Several factors, including a weak dollar and lower production in competitive areas around the globe, have helped to boost Washington's international business.

And in a State that relies heavily on its agricultural sector for economic stability, the rise in exports is a major boost. About 30 per cent of cherries and apples grown in the Yakima Valley are exported. The domestic market is growing at only about one per cent annually, and the emergence of a burgeoning middle class in countries such as India and Mexico is having a positive impact.

There is some bad news about lack of growth of the market at home, but the overwhelming message is that it is all good. This sends such a positive message to buyers, no matter what the return may have been to the grower post export, the message to customers was wholly positive.

I attended Prognosfruit in 2008 which gave me a first taste of how the British Top Fruit industry was perceived by our competitors; indeed wherever I travelled we were seen as a key opportunity. The way that we have educated our consumers to eat small sized fruit means that we are a key part of a segmented marketing strategy to all of our competitors – both during our own season and with those looking to extend their own length of marketing outside of Northern Hemisphere fruit availability. When their season is extended we see long ranging impact through the devaluation of the British crop at the start of our season – as in 2009 with large volumes of NZ and Chilean fruit.

5. Nuffield scholarship – what did I do to investigate?

I applied for my Nuffield at the insistence of my wonderful Uncle Tim. I was also inspired by a series of 'own goal' media appearances by farmers that filled me with despair. At the start of the season, when price negotiation and an impressive start with high quality product is imperative, the local and then national media were treated to an open condemnation of British retailers and their inability to be able to sell British fruit (this season turned out to be the only truly profitable year in the last 10) and the other talked about the wet weather leading to poor quality fruit with some brown mouldy pears left on a tree as an illustration. What a fine message about the value of British produce – you don't really want it and its rubbish quality is how it was perceived by my non-farming friends.

As a company Norman Collett has received strong criticism for our support of a strong start to marketing early fruit – but the 3 year programme has demonstrated that it is wholly possible to start strong with good quality fruit and to use this as a platform to keep the momentum going with other varieties; it also paves the way for greater shelf space for when you really need it when the big volumes of Cox kick in. Just because this is a different way to the majority of our sector, it doesn't mean that it is wrong and the same holds for how we communicate with our customers and consumers.

On my return from my travels TNS posted the following results (FPJ Jan 2009) '... published yesterday for the 12 weeks ending November 30 2008, continue to show the impact of the consumer downturn on the fresh produce industry. Total grocers are showing 6.2 per cent growth, which is less than the pure inflation measure for the sector as shoppers seek to continue trading down in both products and retailers....... Grocery price inflation has continued to fall back and the figure for the 12 weeks ending November 30 2008 has dropped to 8.5 per cent from 8.9 per cent last period'.

Throughout my travels, especially in the US I saw that this trend of trading down and out of fresh produce is prevalent across the world. Dietary concerns were being set aside as financial hardship loomed. As I travelled I also learnt that successful campaigns may have a brand element to them, but the truly successful ones were underpinned by great in depth market knowledge and consistent quality. Close relationships with customers and a transmission of a simple message to the consumer were creating great repeat sales, market segment growth and better returns back to growers.

6. States

I deliberately chose to visit 2 distinct areas of the US – the East and West Coast fruit centres of Rochester and Wenatchee. The marketing of produce from these areas were I felt, clear examples of how we could operate in the UK now and what may happen in the future if we continue to work against each other as marketing entities.

In Rochester I was hosted by the incomparable Jim Allen of the NY apple company.

The marketing board, funded through grower levy and state funding is responsible for a single, cohesive marketing vision for top fruit from the region. This includes the fruit for schools provision (historically the USDA purchased production excesses for free supply to schools. Red delicious was the mainstay, it was second class fruit and driven by independent brokers. Really poor quality fruit was flooding the system causing high levels of waste and dissatisfaction with top fruit) NY city gets largest proportion, sliced apples have made greatest impact through no waste and 100% of the fruit delivered is eaten with recycling of all packaging.
A single brand image and message is available to all retailers regardless of size representing production from the region. No matter which retailer is displaying the NY State fruit, the quart bag, the envelope pack, the recipe cards, tray talkers etc are all the same with a clear guarantee of quality and provenance to the consumer. Market knowledge, retailer requirements and public communication are all handled by a single dedicated team clearly well supported by a strong group of growers. This board has strong lobbying powers politically within the region with strong senator support from Hilary Clinton.

- Marketing Intervention –the Bite me campaign – this was to make retailers aware of the shelf life improvements offered by fruit that had been treated by 1MCP (SmartFresh) 'Bite me' was introduced in 2006
    - 3 apples were sent to journalists, buyers and brokers with instructions to place one on their desk, 1 in the front of the fridge and one at the back
    - After 3 weeks they were allowed to eat the one on the desk
    - After 6 from delivery they were allowed to eat the one in the front of the fridge
    - 9 weeks after delivery they were allowed to eat the one from the back of the fridge
    - The campaign was very successful, with the apples giving a substantial (9 week) increase in shelf life from previous fruit samples.
    - Given that US pressure standards are 2/3 of those in the UK we couldn't work the 9 week strategy but the 6 week programme could be interesting – but only if we want 1mcp in the spec
    - 1mcp is used by the majority of the industry in the US to offer extended shelf life.

In the UK we have almost been apologetic in our promotion of the positive benefits of 1MCP, in fact it has again been used by trading desks as a tool to undermine the performance of rivals. Instead we could work as an industry as a whole to promote the improvement of product quality and better shelf life, as they have in the states.

Premium retailing example: Wegmans – family retailers, Rochester, NY state

- One element of the Wegman's retail philosophy is the 'Take it or make it' strategy: as part of the national campaign to reduce the national obesity problem and to help consumers understand their food and learn to cook. Dishes can either be purchased from the deli counter or shoppers are given a recipe sheet with a shopping list. A beautiful, simple concept

- The chain are partnered with an organic research farm dedicated to extending the range of organic product available with the aim of eventually making a 100% organic fresh produce offer to consumers
- Organic growth and organic only placement – big part of future of food retailing with many lines (30% within 5 years to only be available in organic)
- 800 growers in local segment
- Everyday low price strategy – 1000's of products in line with Walmart consistent low pricing – 6 month profit erosion started with produce and grocery
- 15% retail difference down to 2-3% from conventional competition
- 10 produce lines 'family items' on or below market cost: for example, 5lb white spuds, iceburg lettuce, cut carrots, 5 items at or below Aldi/Walmart
- Discounting – on contract for products at core of long term programme – forward purchasing at set values to support sustained production
- No air mile labels but strong labelling for local, community interest – harvested today and delivered direct to store. Produce managers maintain a direct relationship with farmers and have full autonomy over selection and ordering. Off season planning, peak season ranging. 10/11 producers working with each store with the same number as occasional/seasonal suppliers.
- Web based procurement = PC for each dept, screen show warehouse cost and guides to show national trading price, all information shared with marketing desks and growers
- Orders in 5-7pm for next day delivery, all suppliers are paid on time (60 days) as invoicing is automatically generated by delivery note receipt
- Delivery area – zone merchandisers to work with local suppliers (during peak season manages relationship with suppliers, he establishes price for his own zone e.g. 40 in Rochester area) therefore conversations at the gate = quality performance and goods
- Food safety – like global gap, own GSI accredited agreement (California sets standards) local doesn't have standard protocol yet – GAP is applied through Wegmans standards and guidelines for all suppliers.

The NY apple co and their members, like other produce suppliers to Wegmans and the other state multiples know their customers well enough now that they are in charge of replenishment of many lines – contracts are set up allowing for automatic refilling, starting and finishing of lines with all the supply data flowing from suppliers to the busy store managers – a self managing supply chain with a guaranteed price, transparently set, automatic on time payment and a cohesive brand/marketing campaign..

The US as an exporting industry - Kris Marcesa, US apple export council

Some key points on the size of the sector:

- 2007 US crop 30m 42lb bushels exported
- Total crop = 2,456,992 million bushels
- 280.2 million bushels estimated for total 2008 crop
- The value of the fruit on the international market has increased sharply in the last 3 years
- 11 states make up the export council – Washington has own export representative
- NY state 28m bushels from 687 growers, 55% of product for fresh, remainder processing by sauce makers like Motts
- McIntosh still top variety in NY state, 20 varieties make up core of offer

- Michigan – 3rd largest area 29m bushels, 40% fresh market 950 growers around the great lakes area, 20 varieties
- California – top produce exporter in US. Earliest apple producer all sold July – November, this comes from low volumes of CA storage creating a need to sell the fruit quickly
- There has been great differentiation of the US crop in the last decade, taste and quality improvements and consumer education about what the fruit is like and what it can be used for.

National obesity challenge and healthy eating campaigning – space for produce or new products??

Brits confusion over healthy eating

Only around 30 per cent of people eat the recommended amount of fruit and veg as the government’s healthy eating guidelines have caused a cloud of confusion for consumers, according to a survey released this week.

Despite a multi-million pound awareness campaign to help people understand the government's guidelines on healthy eating, smoking and drinking, few people know or comprehend the guidelines, according to data from the annual Health Survey for England.

Only 27 per cent of men and 31 per cent of women eat the recommended five portions of fruit and vegetables a day and only 14 per cent of men and 11 per cent of women could always correctly identify a portion of fruit or veg.

The survey of data and attitudes in 2007, published by the NHS Information Centre, showed that obesity has steadily climbed over the last 14 years.

Obesity levels in 1993 were at 13 per cent for men and 16 per cent of women were overweight, but by 2007 the figure was 24 per cent for men and women. The proportion of people overweight has remained fairly constant at around 37 per cent. Among children, obesity has risen from 11 per cent of boys and 12 per cent of girls in 1995 to 17 per cent and 16 per cent in 2007.

Nearly four out of five women but only three out of five men (78 per cent and 62 per cent) knew that the recommended number of daily portions was five, despite the huge 5 A DAY campaign. In identifying a portion of fruit and vegetables, 76 per cent of men and 80 per cent of women regularly identified them correctly.

The report pointed out the clear link between unhealthy diet and poor health and premature death, which is costing the NHS more than £2 billion.

"The subsequent government white paper, 'Choosing a better diet: a food and health action plan', identified a number of priorities for action surrounding health and nutrition to contribute to a reduction in cardiovascular disease, cancer and obesity," the report said.

Mark Davies, a GP and medical director of the NHS Information Centre, said: "It is important that people understand the health implications of the lifestyle choices they make'.

(FPJ June 2008)

This report exactly mirrors the situation in the US. A plethora of messages abounds from different agencies – government, state, marketing boards and retailers all have a different method of getting the message across.

In the US consumption of fresh produce is at an all time low with the numbers of families eating out for the majority of their meals rising. Economic downturn means that they don't eat out less, they are just trading down the class of restaurant/diner they frequent – therefore potentially dropping the fresh produce content and raising the fat/sugar/salt ratio.

It is unfair to state that this is the case across the US, but in my brief journey food struck me as one of the greatest class dividers. It also interested me that some products that would not immediately strike us as a health food in the UK, were making great inroads into educating the palates of consumers. In the late 90's I did a little work for a fledgling company called 'the Currant Co', now Currant C. I visited them for my first weekend in the states.

Case study: Currant C – Blackcurrant nectar

In the UK we would perhaps be sceptical of the amount of sugar in the original product, but the careful processing of the raw fruit to a very specific specification means that the drink is right in line with a growing interest in 'functional foods' that still meet the comfort, convenience levels required by the US consumer.

Usually if you are going to develop a new juice drink there are going to be a couple of hurdles to overcome. However in the case of Greg Quinn, there was a small matter of getting a law overturned. . Blackcurrants were outlawed nationwide by an act of Congress in 1911. The law was shifted to individual States' jurisdiction in the '60s and Quinn was able to prove the basis for the original science behind the law flawed. It was thought at the time that Blackcurrant bushes vectored the white pine blister rust fungus fatal to the valuable pine trees destined for the paper and building industries. By the relatively simple expedient of selecting varieties which are resistant to the disease, along with an intensive lobbying effort, Quinn was successful in getting the New York law changed in April 2003. He has since helped several other states follow suit and now, black currants may be legally grown in all but 5 states with suitable planting zones. Quinn then founded The Currant Company, LLC and the first variety he grew commercially was Titania obtained from Canada. This cultivar was identified as suitable for the Hudson Valley climate and crucially they were resistant to white pine blister rust. Quinn now holds the importation, propagation and distribution rights to a selection of new Polish varieties developed by Dr. Stanislaw Pluta of the Research Institute of Pomology and Floriculture in Skierniewice. The total crop size of black currants in the U.S. remains small at under 500 acres,

The first stage of introducing black currants to the U.S. was the development of a line of blackcurrant based drinks trademarked under the brand CurrantC™. Sourcing concentrate from the limited U.S production as well as Europe and New Zealand, the first offering, CurrantC™ All Natural Black Currant Nectar, was created. This soft drink, with high levels of vitamin C, the right level of sugar, good 'mouth feel' and very high levels of fruit was designed to fit into the burgeoning high end, refrigerated health juice category. After only 3 years of marketing the drink was already in 4,500 stores all over the East coast of the US.

Linking with several different science programmes publicity has been focussed around the superfruit label. Scottish Crop Research Institute science reported in 2007 ranked blackcurrants first in terms of antioxidants and with superior content of vitamin C than any other fruits. Anthocyanins found in blackcurrants have shown to be beneficial in the fight against ailments including heart disease, cancer, Alzheimer's disease, diabetes and high blood pressure

Re-launched at PMA in 2008 CurrantC was re-formulated sweetened with agave instead of sugar, raising its health credentials even further. Now the original is joined by Strawberry & Kiwi, Passion fruit, Boysenberry, Clementine and Blueberry all blended with blackcurrant.

Is it not time for focussed, food/health sector related product development in the UK? We appear to be frightened by EU legislation and appear unwilling to engage, there are funding structures in place, the managers of whom are frustrated by the lack of imagination in the majority of applications. Leader+ funding is available in the majority of fruit growing areas and even with the rationalisation of Defra/RDA funds there is potential support which is being utilised by only a few at present. Cooperative led product development outside of our obsession with new varieties is required to expand the market place otherwise individual entrepreneurship will ensure that the vast majority of innovation will remain niche or will become tied to one retailer through a regional programme and therefore stifle development of the sector as a whole.

Washington State Commission:

The history and success of the Washington State Apple commission has fascinated me and was a key driver in my application to the Nuffield Foundation.

The Washington State Apple Advertising Commission was created by an act of the Washington State Legislature in 1937 at the request of the apple industry, making it one of the oldest and largest commodity commissions in the United States. Under statutory authority, the Commission collects a mandatory assessment levied against all fresh apple sales; no levy is gathered from apples diverted to apple processors.
The assessment rate is established by a referendum of commercial apple growers in the state, and remains at the same level yearly until changed by growers. Since 1937, growers have increased the assessment 13 times from its original 1 cent per box to as high as 40 cents per 42-lb box.

In 2003 this all changed when in fighting between marketing desks driven by large growers wanting greater control over their marketing 'broke' the Commission. The resulting lawsuit restructured the Commission and in 2008 the assessment was 3.5 cents per bushel with no cohesive home marketing campaign... Pre 2003 the commission conducted an all encompassing campaign for the US as a whole with 20 field representatives, a food service division and comprehensive home and international category management.

The Commission is considered a governmental agency since it is state-mandated, yet is governed and totally funded by growers under the supervision of the Director of Agriculture who approves the budget and sits on the Board of Directors. This funding is purely to maintain the Commission offices in Wenatchee and to support the excellent export promotional programme.

7. New Zealand

'If you keep doing what you are doing now you will diminish over time'

('Growing a new future' NZ Hort industry strategy document)

My Nuffield study was always going to have a certain element of politics about it. Farming and food promotion is very dependent on the political leanings of whoever is in charge at the time. But who is the milk stealer in New Zealand?

As in the US, New Zealand held elections while I was away. Like George Bush, Helen Clark may well go down in Kiwi history as the most unpopular leader of all time. Vilified in the farming community for her obsession with a 'fart tax' for livestock farmers (a focus on methane production from livestock and its impact on global warming), Clark appeared at times to be trying to remove competitiveness and the ability to innovate from the farming sector.

Farming represents 64 per cent of New Zealand's GDP; mainstream TV has farming programmes on at peak times, and the radio and TV both carry adverts for agricultural companies and machinery. With a population of only four million, the average Kiwi is very close to farming and has a great depth of knowledge about where their food comes from.

Supermarkets such as Fresh Choice mandate their produce managers to source as much of their stock from within a 200km radius – their friends, the farmers deliver direct to store three times a week, invoicing is generated when the order is placed, prices agreed nationally in advance (a sit-down negotiation) and own branding is allowed.

Also good for the Kiwi consumer is that the tradition of sending 100% of the Class I produce abroad is finally ending – once was the time that the only premium produces on the shelf was imported and second class home-grown was for the locals.

The new Prime Minister, John Keys, is a successful businessman, with strong charitable links. Fulfilling a life-long ambition, he has already achieved something that successive PMs have tried to do – a meaningful and equal partnership with the Maori people. Unlike Australia's treatment of the Aborigines, New Zealand has made great strides in the return of tribal lands, equality for the Maori people and financial reparation for past transgressions and lost income. Maori businesses now make a substantial contribution to the country's brand image, commonly called 'NZ inc.', and with the inclusion of sea bed areas, companies such as Sealord are making an enormous impact on international markets.

And the minister for agriculture? Well, he is a farmer called David Carter. He went into politics when he felt that agriculture was not properly represented. One of the exciting projects he has overseen is a Deloitte audit, commissioned by the Department of Agriculture, of all produce grown in New Zealand, and all primary and secondary processing. The final document 'Growing a new future' will form the basis of an international marketing campaign for 'NZ inc.' The target is to take the $4.2 billion industry and turn it into a $10 billion industry by 2020 – not long but with national policy behind it and public/private funding wholly attainable. At its simplest this strategy for the future has a single message at its heart ' New Zealand producers are not your competition, off shore producers are', a clear plea for cooperation at every level within the industry, enabling the strategy to breed success through everyone helping each other for a mutual benefit.

At the base of all of the campaigns will be science; for the last decade, producers have been researching the health benefits of each of the crops: for instance, they know the anthocyanin and polyphenol content of New Zealand blackcurrants and boysenberries – this might not mean a lot to the average consumer, but if you are researching the treatment of Alzheimer's or eye strain and macular degeneration, then they are of great interest. This is very good news for New Zealand growers as they have among the highest levels of these two elements in these fruits in the world. The UK blackcurrant industry, particularly in Scotland, will also benefit from this research.

New Zealand producers have also been encouraged to look at the integration of their businesses with that of their customers, as in the US. This is to say that there is phenomenal control of quality, production levels, delivery dates & product finishing which leads to a far better control of price and perceived value of New Zealand produce.

Rissington Breedlines, a lamb breeding company, which holds the breed registrations of several types of meat sheep bred for particular end customers. There really is a Marks & Spencer's New Zealand lamb, not just any ordinary lamb – it will have a natural, slow-growing life to give it exceptional flavour and low body fat. There is a diet designed to maximise these qualities – a registered grass mix and a specially formulated protein supplement for optimum health and growth, with a growing and finishing plan for those farmers who have been selected to grow them. M&S staff visit the farms, the farmers have visited M&S in London, they all understand what the end goal is and it becomes a self-policing programme – who wants to be the one to muck up a good deal for the industry?

8. Where are we in the UK?

It would be easy to be flippant and say that we are confused in our messages and over competitive in our marketing/sales sector.

We are undoubtedly tied into a small number of powerful retailers, who run individual campaigns focussed on seasonal deep cut discounting. Campaigns that do little to educate the consumer on the health, and environmental benefits of home grown fruit and to raise the profile of our industry as a whole. This surely has to be a focus of the promotion and endorsement of our industry. EAP exists by the will of the majority of growers, achieving much with a small budget; there are untapped avenues of promotion to a younger consumer of the future which are sadly under-utilised at present.

One observation that has to be made about the UK market place is that the retailers are logistical – they transport our goods, but we are responsible for marketing them. Surely a retailer should only be a shop front for producers selling an instantly recognised quality national brand? We would be aiding our retailers to make their margin, to maintain appropriate shelf space by providing a product in demand, supporting editorial in their publications and .com sites and educating and entertaining the consumer about how great home produced food is.

The government's strategy for sustainable food for 2030 (the successor to the S2F2 policy document) details community allotment projects, public sector procurement initiatives, identifies environmental requirements to be asked of growers but forgets to put in place appropriate strategies for the procurement of appropriate labour. At two recent consultations, 3 representatives of the fruit industry failed to attend to put forward their case to senior Defra staff, what a missed opportunity to secure our future, raise our profile with the ministry and maintain a positive image with decision makers.

9. Conclusions – what are the answers and recommendations?

I cannot claim to have all the answers but have seen much to make me think about elements

One overwhelming conclusion is that we must not overestimate our consumers' ability to understand our messages conversely we must not underestimate our ability to turn off our consumers ability to eat our product by negative comments in the press. They are only human and therefore will be confused easily if we get too carried away with many complex schemes to improve the national diet. This has clearly been demonstrated in the US where many have been turned off the 5 a day message because it comes from too many directions and in too many formats. In the UK we appear to be wasting so much money and time in a multitude of campaigns essentially giving the same message. Well meaning campaigns aimed at children but which use the wrong language and imagery (the word 'Dude' springs to mind, fair enough if you are a child of the 80's but not of the naughties...) campaigns that are clearly aimed at white middle class families, which forget the needs of the rest of the population (eat in colour wheels that are illustrated by safe, traditional British ingredients...)

Unashamedly stolen from the New Zealand research is the flow diagram (Table 1) detailing a development strategy for the UK. To be able to market our product appropriately there needs to be a dynamic, future facing, strongly led industry that is well engaged with both government and the public and reaping the benefits of their support. This will naturally need to be underpinned by a grower base producing a consistently high quality product and they must be encouraged to be ruthlessly self policing to maintain a quality guarantee.

Develop future leaders: Agricultural colleges have got to engage with the industry and we have to reply – both with information, expertise and also to be prepared to support suitable candidates for the new courses. The next generation of our industry leaders will not magically appear; this requires growers and marketing desks to identify suitable people and to support them. Too long have we turned people away or discouraged our offspring from joining the sector and we are now paying the price.

Develop future leads and varieties: I do not mean another 12 club varieties that will only ever be niche, we need one or two varieties grown by the best of the industry, under optimum management. These need to be global and perhaps could well be Gala and Braeburn for now, but in the next 5 years there needs to be emerging alternatives, supported by imported product outside of the UK season. This requires cooperation between marketing desks of whom there are perhaps too many.... As our own research base is sadly depleted the sharing of information on international trials is imperative, between research units not through the nurseries perhaps.

Focus UK marketing activities: Each marketing desk has a budget for marketing which is divided between their main customers. EAP, while maintaining impartiality, could well be supported in the production of generic editorial and a photo library available to all – again maintaining a single, positive and instantly recognisable image for UK top fruit.

Coordinate research into opportunities: more than anything we need to stop fragmenting our research in the UK, there is so much duplication with many agencies fighting for the same pot of money and their findings being restricted to a small group or a particular sector. A document matching that of the New Zealand Futures research is what is required. No one has a clear idea of the breadth and scope of all of the work going on in the UK at present. I have given Katrina Williams a copy of the NZ/Deloitte research and have begun a dialogue about the need for a full investigation, partnering the Food Sustainability policy, that will identify ways to increase the contribution to GDP made by Horticulture. The only way that we will secure development funding is if we demonstrate our financial contribution to the economy and to stop scoring own goals by releasing sub standard product into the main market place.

Future environmental sustainability: of all areas of horticulture Top fruit is late in moving forward on storage and agronomic technology. The reduction of carbon inputs through the adoption of intensive larger scale operations is undoubtedly our future with further adoption of new technologies ahead. Wind may not be an efficient technology now but in the future many farm buildings and land could generate additional income this way. Solar technology is a solution now for offsetting the costs of storage and packing with a return to the national grid out of storage season. This area needs to be the focus of PO fund, Leader+ and other regional development funding as a matter of priority.

Increase profitability: an accumulation of all elements of this wheel, we will never again be paid a substantial premium just because the product is home grown, we must be competitive at every level and to guard and manage our market accordingly. There is no simple answer but a guarantee of quality has to be the start, closely followed by better knowledge of our markets.

Take control of our market place – better knowledge of our customers: As an industry there are pockets of good practice but as a whole we are woefully ignorant of how our customers of all types work, what they require and what the next move will be. Aside from essential investment in meaningful market research, time must be invested in understanding the businesses we serve. For some perhaps this needs to be knowledge of customers other than the multiples, volume sales need to be developed in other areas that will utilise a larger proportion of the crop, perhaps orchards grown for this purpose as some Bramleys are grown for processing. Don't think me simple, this is difficult but we must look more closely at the food service sector and how we can segment our industry to best serve them, how we support our wholesale partners in the rejuvenation of this area of the trade.

Create a 'British is best culture with consumers': oh that it would be as simple as the culture in the US where it is 'un-American' to buy imported products but this is what we need. Knowledge of what we produce and when it is available is increasing in our population, marketing at present is still very focussed at a traditional key consumer – white, middle class and 'British', there is a growing need to move away from this stereotype, to take advantage of modern media such as twitter, facebook, bebo etc. I challenged a group of UKCC marketing students to formulate a marketing plan for pears and the final result has a working facebook banner service, a twitter site that had been picked up on by US Pears and a fledgling game about growing pear trees that would appear to the millions world wide who are obsessed with Farmville. A little like Guitar hero has led people to learn real guitar playing, could this group of media outlets not lead people to try more home grown fruit as it would be more in touch with them??

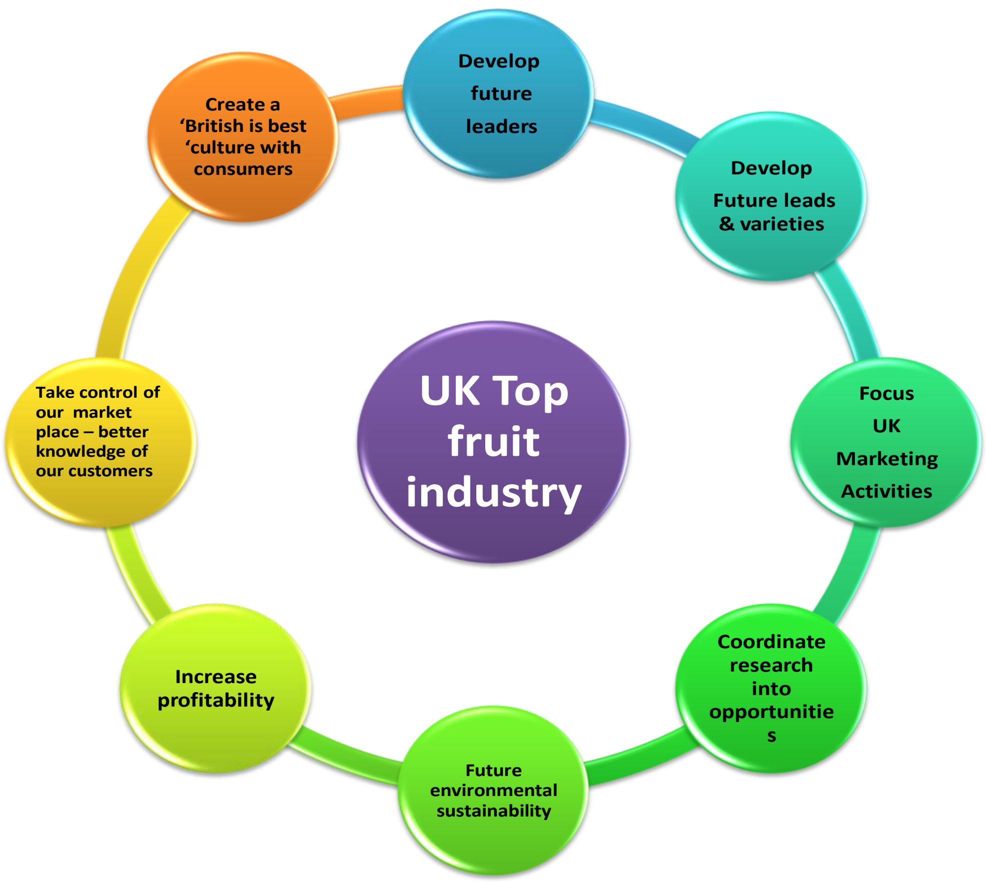

Table 1

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