

“What the Consumer Wants”

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A Summary of a Power Point presentation, which includes photos, charts and video footage.

Shape, colour, flavour - - all these sensations conspire to make cherries irresistible to humans. Telltale pits have been found in Neolithic tombs. Those connoisseurs of luxury, the Egyptians, considered cherries a favourite delicacy, and the ancient Romans bred and crossbred them, arguing incessantly about their healthful properties.

In the world today there are many consumers and these consumers fit into various categories all of whom have different levels of expectation but still want value. For the purpose of this presentation and also because I believe you are all here as you want to have a sustainable and profitable business my reference to consumers is based on them being affluent and wanting the best.

I felt that the following quote from Yoshio Ishizaka, Executive Vice President, Member of the Board, Toyota Motor Corporation was very appropriate.

“I have learned, based on my experience, that everything is dominated by the market. So whenever we are struck with any obstacles or difficulties, I always say to myself: ‘Listen to the market, listen to the voice of the customer.’ That’s the fundamental essence of marketing. Always, we have to come back to the market, back to the customer. That is the Toyota way.”

The consumer is typically portrayed as the final link in the supply chain, as it is at this point that the product is finally consumed. However, in a demand- driven supply chain the consumer should also be the first link in the supply chain, as it is the wants and needs of the consumer that should ultimately shape the decisions of all industry stakeholders (nurserymen, growers, importers, distributors and retailers).

Consumers have become more discerning and at the top level demand top quality. There are many a time when growers are quick to blame the market forces for an increase in claims and low returns. But if we look at the flip side of this if the quality was always at the top and was consistent then you could reap the rewards in a strong market. When we talk about quality it is in reference to what the consumer thinks, so it is the inherent quality factors that become so important.

If we look at the Taiwan market as an example;

There are quality checks all along the supply chain from arrival at the Importer to the final purchase by the consumer. Usually you will hear very quickly if you have arrival problems, you may not get feedback from others in the supply chain. Every product must have “WOW”. If you don’t have “WOW”, you won’t be in the store very long. No matter what the variety or product, it has to be something the consumer will buy twice.

The first thing that draws the attention of the consumer to cherries is the size and glossiness. At high prices they want large fruit. If we look at our international competitors there are a lot of 24mm and 26mm size cherries being produced and sold at prices that to us are not sustainable. The larger the cherries the higher the price and the more demand. Remember it is value to the consumer that is important, a carton that has a few ‘ups’ in it will be more enticing.

The stalk is also important but as a freshness indicator only.

After you have caught the consumers’ attention with your large sized cherries they will then select them very carefully paying particular attention to firmness. If the cherries are not firm

they will not purchase them. Remember we are talking about the consumer who wants the best. The quickest way to cause a glut and downturn in the market is to try and sell 'average' cherries at high prices. When assessing firmness quite often you can feel the cherry and deem it to be acceptable but the key indicator is the bite test, a cherry that collapses on the bite will not deliver to the consumers' expectation in the market.

Most consumers are not overly particular about colour and more than anything use it as a maturity indicator. Fruit that is slightly paler but firm will be better received.

While the consumer in a lot of instances may not be brand aware if your label is one of the top due to consistently having a reputation for quality, this fruit will move through the supply chain more quickly. Good brands get recognised and when the market is well supplied this is the first fruit to be purchased. Once a brand has a good reputation cartons are often purchased without the intense scrutiny which otherwise occurs.

While supermarkets prefer fruit to be sold in punnets as they have less waste, consumers in Taiwan prefer to have the opportunity to choose their cherries. When only punnets are sold the total volume of sales is usually less. Some of the high value retail / gift markets prefer to sell in prepackaged cartons and will charge consumers a surcharge of about 15 percent if they want to select their own.

Consumers are becoming more aware of food safety and when asked many prefer punnets but when supermarkets sell loose fruit alongside punnetted fruit very few punnets sell.

Growers need to take up the challenge and supply consistently high quality and the rewards are there.

Does your product measure up to the intense scrutiny of the discerning consumer?