

## **Project Manager Supply Chain Engagement**

### **PROJECT MG16501 FINAL REPORT**

**Prepared by Treena Welch**

Mobile: 0417 001 253

Email: [marketing@mangoes.net.au](mailto:marketing@mangoes.net.au)

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**Hort Innovation project number:** MG16501

**Purpose of report:** This document is the final report for the Project Manager, Supply Chain Engagement. It provides information on the methods, results and key findings of project activities.

**Project leader:** Treena Welch  
Mobile: 0417 001 253  
Email: marketing@mangoes.net.au

**Funding sources:** Horticulture Innovation Australia Ltd

**Purpose of this report:** Final Report (Milestone 109)

The aim of the project was to develop and organise a range of events involving all key stakeholders within the mango supply chain to build interest, excitement and understanding of the mango industry. The aim was to increase the demand and consumption of fresh mangoes. This was achieved through having a dedicated and experienced Project Manager that was focused upon:

- Being the 'voice of the Mango industry' and the key point of contact within the AMIA for all supply chain stakeholders;
- Bringing together the key projects being funded by Hort Innovation, namely Crop Forecasting (MG13017), Quality Standards (MG15002) and Marketing Activities (MG16502), in order to maximise their understanding and support within the mango supply chain;
- To generate alignment across the whole mango supply chain, in order to maximise project impacts and minimise any risks;
- To maximise the engagement and support of the major grocery retailers and independents, and leverage their ability to access large numbers of consumers in the most cost effective manner; and
- To deliver specific activities as described in this proposal including retailer events, grower roadshows, point of purchase displays, wholesaler and exporter engagement, and retailer training and guidance tools.

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**Date of report:** 15<sup>th</sup> June 2016

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## **1 MEDIA SUMMARY**

The aim of Project MG16501 was to develop and organise a range of events to increase the demand and consumption of fresh Australian mangoes through the 2016-17 season. This was achieved through having a dedicated and experienced Project Manager that focused upon coordinating all members of the mango supply chain in order to maximise project impacts and minimise any risks.

It was important to maximise the engagement and support of the major grocery retailers and independents, and leverage their ability to access large numbers of consumers in a cost effective manner, and the Project Manager was the key point of contact within the Australian Mango Industry Association (AMIA) for all activities. In addition, the Project Manager was the conduit between other Hort Innovation projects that had interdependencies relevant to the planned activities in this project. These projects included Crop Forecasting (MG13017), Quality Standards (MG15002) and Marketing Activities (MG16502). The Crop Forecasting project (MG13017) provided invaluable information regarding volumes from each region, whilst the Quality Standards project (MG15002) has helped raise the bar for fruit quality across the whole industry.

### **1.1 Outputs**

A wide range of events were held during the season and the key outputs of the project were:

- Grower market tours and roadshows;
- Grower and retailer pre-season events;
- Retailer head office launches;
- Point of purchase displays, and
- Retailer training and guidance tools.

## **2 PROJECT OBJECTIVES**

The aim of the project was to develop and organise a range of events involving all key stakeholders within the mango supply chain to build interest, excitement and understanding of the mango industry, with the aim to increase the demand and consumption of fresh mangoes. This was achieved through having a dedicated and experienced Project Manager that focused upon:

- Being the 'voice of the Mango industry' and the key point of contact within the AMIA for all supply chain stakeholders;
- Bringing together the key projects being funded by Hort Innovation namely Crop Forecasting (MG13017), Quality Standards (MG15002) and Marketing Activities (MG16502), to maximise their understanding and support within the mango supply chain;
- Aligning the whole mango supply chain, in order to maximise project impacts and minimise any risks;



- Maximising the engagement and support by the major grocery retailers and independents, and leverage their ability to access large numbers of consumers in the most cost effective manner; and
- Delivering specific activities as described in this report including retailer events, grower roadshows, point of purchase displays, wholesaler and exporter engagement, and retailer training and guidance tools.

The Project Manager role can perhaps be most simply described as the conductor of an orchestra who ensures all Australian Mangoes activities are coordinated and communicated harmoniously. This helped to maximise outputs and deliver upon the overarching objectives to increase the demand and consumption of fresh mangoes, both domestically and internationally.

In line with standard Hort Innovation requirements, this project met all key criteria including:

- *Output focus:* A focus upon practical implementation of agreed activities and not simply a situational analysis or an industry review;
- *Methodology:* A robust and detailed methodology;
- *Experience:* A suitably qualified and experienced Marketing Project Manager with proven understanding of the mango industry and supply chain;
- *Communication:* Planning for appropriate communication to all stakeholders and interested parties; and
- *Progress Reports:* provision of progress reports (Milestones) and a Final Report upon completion of project.

### **3 INTRODUCTION AND BACKGROUND**

#### **3.1 Project Rationale**

In order to maximise the opportunity for increasing demand and consumption of fresh mangoes, it was important to generate transparent alignment between all members of the mango supply chain, and particularly the major grocery retailers, to ensure the requirements of all parties are met. Furthermore, in order to successfully deliver this project the key skills required by the Project Manager, included:

- Commercial credibility and a thorough understanding of horticulture in Australia, and more specifically the mango industry;
- A comprehensive understanding of the supply chain for mangoes; both the direct supply to the major retailers and the central markets that supply the independent retailers;
- A strong network of relationships within the mango industry; particularly within the supply chain and the major retailers; and
- A solid understanding of the mango industry from the growers' perspective.

## **4 METHODOLOGY**

### **4.1 Project Management**

The project drew upon the knowledge, expertise and opinions of the Project Manager, Treena Welch, across marketing, retailing and horticulture. Support was provided by the CEO of AMIA, Robert Gray, for day-to-day issues. Given the nature of the proposed activities, the Project Manager also worked closely with the Hort Innovation Marketing Manager, Elisa King, to ensure all activities were executed seamlessly.

#### *4.1.1 Project Control*

The Project Manager:

- Responded to day to day enquiries;
- Managed resource requirements;
- Managed contracts, invoices and other matters;
- Acted as the first point of contact regarding any questions or issues;
- Identified and engaged any additional resource required; and
- Was immediately responsive to Hort Innovation requests.

#### *4.1.2 Timetable*

The project commenced on 1<sup>st</sup> October 2016, and was completed on 15<sup>th</sup> June 2017.

#### *4.1.3 Deliverables*

In addition to delivery of the Final Report, update papers were also provided to the key stakeholders in order to maintain alignment and ensure all individuals understood the input that they were required to contribute, including:

- Progress and Milestone Report, including MS-102 (submitted 1<sup>st</sup> December 2016) and MS-103 (submitted 30<sup>th</sup> March 2017); and
- Completed Final Report (this document).

All project deliverables have been met in full in line with agreed deadlines.

#### *4.1.4 Evaluation, Monitoring and Communication*

The Project Manager was responsible for completing all administration, communication and reporting requirements, and provided progress reports as required to ensure the successful delivery of the project. The project communication reflected the multi-dimensional nature of the stakeholders and was actively managed by the Project Manager. The main groups with whom effective communication was essential included:

- Supply chain stakeholders, including growers, wholesalers and exporters;
- Industry stakeholders, and particularly the Hort Innovation Marketing Manager and the AMIA; and
- Retailer stakeholders, and particularly their senior management.

#### *4.1.5 Project Governance*

Close engagement was maintained with the Hort Innovation Marketing Manager. It was important that options and strategies were owned and supported by the AMIA and other stakeholders (which was key to successful implementation), thus having close involvement was highly beneficial.

#### *4.1.6 Confidentiality and Conflict of Interest*

The retailers are sensitive around confidentiality, and supply chain stakeholders will want to ensure impartiality. To alleviate all concerns, the Project Manager personally controlled all sensitive and confidential information.

#### *4.1.7 Budget and Resources*

The project was delivered within budget. As agreed in the original project proposal, the total project cost was \$160,000, including consulting costs of \$91,000 and operating costs of \$69,000.

The only variance to the original budget was a request that was submitted to Hort Innovation (which was approved) for an additional budget of \$14,000, due to the additional opportunities that came about during the season. These Harris Farms Chopper and for Australian Mangoes branded T-shirts for Woolworths, and discussed in more detail later in this report.

### **4.2 Methodology Approach**

It is important to note that the Project Manager was also responsible for coordinating all other supply chain facing Hort Innovation funded projects including Crop Forecasting (MG13017), Quality Standards (MG15002) and Marketing Activities (MG16502), and act as a single point of contact to channel communication. This enabled synergies and cost savings across multiple projects to be captured, efficiencies to be maximised and provided an easily accessible resource for all stakeholders.

Particularly close communication was maintained with the Hort Innovation Marketing Manager, Elisa King, as there were a number of marketing activities planned that had clear over-lap with this project, namely Mess-tival and the Mango Auction. The key steps within the methodology that were particularly important to ensure the proposed activities were successful, included:

#### *4.2.1 Engagement of Retailers*

Given the major retailers control access to a large proportion of consumers, it was important to engage closely with the retailers, at the start of the project in order to 'set the scene', during the season to ensure their activities aligned with the crop volume, flow, and timing, and also at the end of the project to confirm outcomes and support for the following season.

Care was taken to not breach confidentiality with respective retailers, and when an individual retailer requested exclusivity for any specific activity, this was discussed with Hort Innovation and managed accordingly.

#### 4.2.2 *Communication to Growers*

It was important to communicate closely with growers to ensure they understood and supported the activities proposed, as well as the other key projects being funded by Hort Innovation, namely Crop Forecasting (MG13017), Quality Standards (MG15002) and Marketing Activities (MG16502).

The intention was to communicate outcomes via currently established communication vehicles (such as the industry newsletter), and in addition, the Project Manager provided communication documents and attended grower meetings as necessary. Since several marketing activities were managed by Hort Innovation, a close relationship was maintained with the Marketing Manager to ensure all communication was consistent in content and tone, and that all communication channels were leveraged.

## **5 OVERVIEW OF FY16-17 MANGO SEASON**

The FY16-17 season built upon the successes that were achieved in the previous season and are detailed below.

### **5.1 Outcomes**

The FY16-17 season was significantly different to the FY15-16 season, and the following points should be noted:

- The season started 8 weeks later (last year started on the 31<sup>st</sup> August and this season started on the 24<sup>th</sup> October). This was due to the timing of flowering, and this was across all regions and varieties;
- This season ran as long as last season with main supply extending to the end of March;
- Small volumes were available early season through August, September and early October. Prominent displays and promotions only took hold in November with the main volumes starting on the 24<sup>th</sup> October, with widespread retailer support;
- The last 2 seasons have seen the largest production volumes in the history of Australian mangoes, with a volume of 9.4 million trays in 2014-15 and 8.7 million trays in 2015-16, and approximately 8.2 million trays this year this will be reconciled against the levy collection at the end of the 2016-17 season;
- Over the last 2 years, retail volumes have increased by 20.3%, retail price has increased by 16.6% and sales value has grown by 40.3%, driven on the back of increasing consumer confidence and suggesting consumer behaviour is being positively influenced;
- The retailers were hugely supportive this year, building upon the momentum from the previous two seasons. Retail prices for Class 1 fruit are generally \$0.50 per fruit higher than last year, promotions have predominantly been at 2 for \$5 (or \$2.99 each) this year as opposed to promotional pricing of 3 for \$5 last year;
- Given the attention that has been placed on fruit maturity and eating quality, this year there was a move by retailers to openly encourage growers to ensure they do not pick

too early but rather ensure their fruit is of the right maturity using industry standards for Dry Matter for each variety;

- Category Managers and Business Managers had changed within Metcash, and Costco have engaged this year for the first time. There was a change in the National QA Manager at Coles and a good relationship was developed. This required additional communication to build relationships and ensure there was an understanding and support for the proposed activities by the key decision makers within the retailers.

## **5.2 Previous Projects And Linkages To Current Project**

This project is a continuation of similar projects that have been initiated and managed by Hort Innovation, during the 2014-15 and 2015-16 mango seasons. The intention was to build upon the success that has been achieved, through the implementation of a series of marketing activities that would further increase the demand and consumption of fresh Australian mangoes. These activities were developed and refined over previous seasons.

Over the duration of the 2013 to 2016 domestic seasons, performance metrics were monitored and the following results were achieved (Nielsen Homescan, Sprout Research and Commercially Retail):

- Volume growth 18.4%;
- Price growth 18.1%;
- Value growth 39.8% (total fruit grew by 20%);
- 590,000 new households entered the category;
- Supermarkets significantly improved their mango offer with 70% of consumers in February 2017 making their most recent mango purchase at a supermarket verses 65% in 2013;
- The number of mango catalogues and newspaper adverts increased from 69 in 2013 to 215 in 2016, an increase of 212%; and
- Mangoes share of fruit voice in print media increased by 740% and it was ranked first in 2016.

In addition, from 2013 to 2016 export volume grew by 38.6% and value by 51.4%. The results of this project were well received by growers and other parties and the following activities were implemented, which are also requirements of the current RFP:

1. Execute Retailer Engagement and Pre-Season Events;
2. Point of Purchase Displays;
3. Grower Market Tours (and supporting grower attendance at Mess-tival);
4. Retailer Head-Office Launches;
5. Retailer Tool Kit;
6. Mango Sales Challenges;
7. Wholesalers and Exporters Engagement; and
8. Export activities in Singapore, Hong Kong and Korea.

## 6 RESULTS AND DISCUSSION

All activities were completed in line with the proposal that was submitted to Hort Innovation, including some additional activities that were over-and-above the original brief. All these activities will be discussed in turn and the key outputs highlighted. In brief, the activities included:

1. Project Activity Planning;
2. Pre-Season Events And Roadshows (for growers and retailers);
3. Grower Market Tours;
4. Point-Of-Purchase Displays;
5. Retailer Head-Office Launches;
6. Retailer Tool Kit; and
7. Mango Sales Challenge.

### 6.1 Project Activity Planning

*RFP Brief:* Develop the engagement and communication plan for each key stakeholder including critical activities and tasks, and scope plans for holding road shows for growers and retailers (Australian and overseas), wholesalers and exporters. Engage each major retailer individually and key independents to maintain on-going support and understanding individual requirements.

*Status:* All plans have been put in place and executed; some are in final stages of implementation.

*Detail:* The stakeholder engagement plan has been completed with specific activities and timelines, and is attached as a separate document. This underpins all the activities which are discussed below in more detail, and has been designed to ensure there is no overlap or unnecessary duplication, as well as to ensure all stakeholders along the mango supply chain understand what activities are planned and the contribution they were required to make. The intention was to specifically target the Buying and Quality teams, as well as in-store Produce Managers and staff since they are a key dependency and essentially the main means for engaging consumers. Through these activities, the Buying and Quality teams, along with Produce Managers have been better informed and motivated to deliver an improved on-shelf experience that positively impacts the purchasing and consumption of mangoes by consumers.

In order to ensure all projects meet the agreed timelines, the Activity Plan was constructed covering the key activities, including:

- Grower workshops, social events, face-to-faces, market tours and crop forecasting;
- Retailer farm visits, workshops, buying/QA/store training and communication alignment;
- Wholesaler pre-season meetings, auction and communication alignment;
- Communication activity; and
- Consumer events, social media agency management, Mess-tival and other PR.

The Activity Plan has been communicated to growers during the Grower Road Shows (see below) and other supply chain stakeholders at face-to-face meetings.



Figure 1: Retailer calendars were shared with IGA, Harris Farm Markets and Woolworths, Coles, Costco and Aldi

## 6.2 Pre-Season Events And Roadshows

### 6.2.1 Grower Roadshows

Pre-season Grower Roadshows were completed in all growing regions including Darwin, Katherine, Ayr, Bowen, Mareeba and Bundaberg. Grower attendance was excellent representing 80% of Australian mango production. All members of the mango supply chain were invited and there was good representation from wholesalers and exporters from Brisbane, Sydney and Melbourne markets. Key retailers attended and presented their mango business growth strategies, using ‘the mango wheel of velocity and momentum’ as their foundation, and focused upon the importance of quality and fruit maturity. They stressed that they are not the customer, but rather the consumer and therefore ‘flavour is king’.

Woolworths attended the grower roadshows in Darwin, Katherine and Mareeba, and ALDI attended roadshows in Darwin and Mareeba. Key personnel from Woolworths included, the National Fresh Fruit Business Manager, National Business Manager (Mangoes), QLD State Buyer, Head of Quality for mangoes and head of logistics. Attendees from ALDI included the Purchasing Director and Head of Quality (Brendale DC) who provided an overview of their business strategies and requirements for mangoes by their retail stores and consumers. Both retailers emphasised to the growers and wholesalers in the audience, the importance of harvesting according to maturity ensuring a good consumer experience and repeat purchase. At each roadshow a social event was also held to facilitate networking and aid the development of relationships and trust.



*Figure 2: Growers attending Pre-season Roadshows in Katherine, Darwin and Mareeba*

#### **6.2.2 Retailer Pre-Season Events**

**RFP Brief:** Develop, organise and conduct retailer pre-season events (ideally in the form of road shows), including content, timing and merchandising standards. This will include training, guidance and other tools to help retailers improve on-shelf quality and improve the consumer



experience. The intended outcome from retail promotions is that store execution will be aligned to the seasonal volume and flow of the mango crop, and the quality on-shelf will be aligned to the consumer expectation. This will improve the sales performance for the retailers and further aid buy-in and support for the mango category, as well as maximise returns for growers.

*Status:* Completed.

*Detail:* As per previous seasons, the intention was to provide the retailer teams with information about the consumers' expectations regarding visual appearance and eating experience, which in turn is aligned to fruit maturity. The intention has been to maximise store compliance and execution, and ultimately the impact of the activities undertaken, whilst also minimising risk to the retailers as well as the mango industry. The key points that were communicated included an overview of the Australian mango season, crop forecasting, quality standards, the mango *Wheel of Velocity*, how to handle mangoes in store and consumers' expectations. The retailers' responsibility in 'turning the wheel' was also emphasised.

All major retailers down the Eastern Seaboard (Aldi, Coles, Costco, Harris Farm Markets, Metcash (IGA) and Woolworths) took part in the roadshows. There were 16 events in total comprising of a 1.5-hour workshop. Activities were aligned with individual retailers' strategic objectives around selling mangoes.

A significant difference this season was the focus that was placed upon using Near Infra-Red (NIR) as a method for testing dry matter rather than BRIX testing, as dry matter is a better gauge of fruit maturity and subsequent eating quality. Retailer attendees at the roadshows selected fruit that was tested in front of the audience to demonstrate how the NIR guns worked and the difference in results across samples regarding the visual specifications.

Terry Rudge Produce Services were used to test fruit in the Eastern Seaboard markets using random samples, and through the Project Manager's engagement with Woolworths they have adopted the same services to test fruit in their own DCs and shared the data with the mango industry for publishing in My Mango, the weekly industry newsletter, for the betterment of the entire industry.

Because of the engagement by the Mango Supply Chain Project Manager, retailers have aligned their own specifications to match the industry specifications for visual and flavour attributes. There was a change in the National Quality Manager at Coles and while he is personally aligned to the industry specification, he wanted to understand the supply chain capability across a full season before making any changes to the current Coles specification, which is already close to the industry specification.

The detail regarding the engagement with each retailer is detailed below, and please also see Retailer Roadshow Quality Workshop presentation, which is included as a separate attachment:

- *Coles:* Roadshows were conducted with the Buying & QA teams in the Brisbane, Sydney and Melbourne DC's and the Project Manager gave a presentation overview of the Australian mango season, crop forecasting, quality standards, the mango *Wheel of Velocity*, how to handle mangoes in store and consumers expectations.
- *Aldi:* Roadshows were conducted with the Buying & QA teams in the Brisbane, Sydney and Melbourne DC's and the Project Manager gave a presentation overview of the

Australian mango season, crop forecasting, quality standards, the mango *Wheel of Velocity*, how to handle mangoes in store and consumers expectations.

- **Costco:** This was the first time that Costco have been engaged. A workshop was held with the head office buying and executive teams including Patrick Noone (Managing Director, Costco Australia). The Mango Supply Chain Engagement Project Manager gave a presentation including a seasonal overview, the Australian mango marketing plan and expectations regarding flavour and freshness, and explaining how to handle and merchandise mangoes. A closer working relationship is being developed with Costco, and they hosted a tour of their DC for growers attending the Grower Market Tour. Since Costco only sell Calypso mangoes currently, discussions have been held regarding stocking other varieties, and also working in with their export needs for their other international operations. This resulted in a mango supply program for Costco Japan featuring R2E2 and Keit varieties supported by Australian Mangoes promotional activity;
- **Harris Farm:** The Mango Supply Chain Engagement Project Manager attended the Harris Farm Roadshow on the 28<sup>th</sup> October 2016 and gave a 30-min presentation at two consecutive workshops engaging 70 attendees including the Owner, the joint CEOs, Executive team, Store Managers, Produce Managers and Operations Managers. The presentation included a season overview, the Australian mango marketing plan and expectations regarding flavour and freshness, live demonstrations of how to handle and merchandise mangoes and details of the Australian Mangoes Sales Challenge. A separate roadshow was held with the buying and quality teams at the HFM warehouse and the Project Manager presented an overview of the Australian mango season, consumer expectations regarding quality, crop forecasting, quality standards, and a live demonstration of the NIR technology used for testing Dry Matter (maturity).
- **Metcash (IGA):** A retail roadshow was held on 24<sup>th</sup> November 2016 with State Distribution Managers, the National Buyer, State Buyers, Operations Managers, Quality Managers, and the Store Managers from Metcash-owned stores. The Mango Supply Chain Engagement Project Manager gave a presentation including a seasonal overview, the Australian mango marketing plan and expectations regarding flavour and freshness, and explained how to handle and merchandise mangoes. In addition, roadshows were conducted with the Buying and QA teams in the Brisbane and Sydney DC's, and the Project Manager gave a presentation overview of the Australian mango season, crop forecasting, quality standards, the mango *Wheel of Velocity*, how to handle mangoes in store and consumers' expectations; and
- **Woolworths:** The first national conference in 6 years was held in Sydney with the focus on fresh with a focus upon the 'halo effect' that can be generated by mangoes. The presentation on mangoes included an explanation of the new Woolworths mango specifications and the strategic intention that mangoes would dominate store presence for the entire of summer. In addition, an activity called 'Mango Mad Saturdays' was initiated in the peak of the season November/December where produce teams were encouraged to build theatre in stores using mangoes to engage consumers in exciting ways with tastings, mango face painting, spruiking and tray sales etc. Furthermore, 5,000 T-shirts were provided (25% funded by the project), branded with Woolworths

and Australian Mangoes. Please note this is confidential. In addition, roadshows were conducted with the Buying and QA teams in the Brisbane, Sydney and Melbourne DC's and the WA, SA and TAS teams joined the Victorian Roadshow via 'Skype'. The Project Manager gave a presentation overview of the Australian mango season, crop forecasting, quality standards, the mango *Wheel of Velocity*, how to handle mangoes in store and consumers expectations.



Figure 3: Retailer workshops and demonstration of NIR for maturity testing

### 6.3 Grower Market Tours

**RFP Brief:** Develop, organise and conduct a market tour for growers. Provide growers with an overview of the full supply chain and provide specific focus regarding the factors that they can influence to help improve on-shelf quality and consumer satisfaction. The intention was to attract a minimum of 12 growers from across the different growing regions and representative of the different mango varieties, and show them the full breadth of the mango supply chain including visits to wholesale markets, ripening facilities, retail distribution centres (of at least two key retailers), a range of retail formats (with guided tours facilitated by at least two key retailers) and attendance and participation in the Mess-tival event.

**Status:** Completed

*Detail:* A Grower Market Tour was held during the peak of the mango supply coinciding with the Industry's major consumer event, the Mango Mess-tival. The purpose of the tour was to give growers a deep insight into all the aspects of the mango supply chain and an understanding of what they can do to positively impact retailer and consumer purchase behaviour. The intention was to generate positive word-of-mouth communication and understanding within each growing region.

The Grower Market Tour was a three-day event held in Sydney and coincided with Mess-tival from the 2-5<sup>th</sup> December 2016, with growers attending from several regions, representing all varieties. Growers visited a selection of retailers (majors and independents), with David Harris (Harris Farm Markets) and the buying team sharing their mango strategy and hosting a 5-course mango degustation lunch in their Drummoyne store; they also visited the Sydney Central Market, and were given personalised tours of the ALDI, Costco and Woolworths distribution centres; Woolworths hosted a 'working breakfast' where they shared their mango strategy including their commitment to selling a mango experience that delights consumers and guarantees repeat purchase. The presentation illustrated their engagement with the industry marketing plan ('wheel of velocity') and highlighting their commitment to the industry quality specifications specifically around flavour and the use of NIR technology for their receival assessments. In addition growers experienced the annual Mango Mess-tival held on Bondi Beach where they interacted with thousands of consumers sharing their stories, their knowledge, and their passion, and gained a first-hand understanding of what consumers want from their mango.

In total 9 growers attended (3 additional growers were booked to attend, but 2 had to stay on the farms as harvesting had continued longer than expected, and 1 person had a family death). Please see the article in Mango Matters Summer 2017 edition for further information, and also the marketing plan Wheel Of Velocity and Momentum presentation that was given at all grower road shows.







Figure 4: Pictures of grower market tour (and Mess-tival)

#### 6.4 Point of Purchase Displays

*RFP Brief:* Assist retailers in developing displays for dominating Point of Purchase of mangoes in prominent positions across stores. Understand each retailers' operational requirements across store operations and logistics.

*Status:* Completed.

*Detail:* The focus was particularly upon the major retailers, as the Independents are generally better at building and managing mango displays and in-store merchandising. Whilst much of the content around Point-of-Purchase displays were covered in the pre-season events, the following points were emphasised in all store communication plans:

- The Project Manager was involved in encouraging retailers to implement impactful displays in prominent positions across all stores, to ensure mangoes dominated the point of purchase during the summer;
- Retailers were supported in developing shelf-edge-labels, hanging banners, bin displays, and front of store off-location displays etc.;
- All mango varieties were encouraged to be merchandised as individual varieties;
- All varieties were encouraged to be priced individually; and
- Stores were encouraged to build big, bold displays at the front of the store and maintain them for the entire season flexing according to the volume of mangoes available.



Figure 5: Mango displays developed for all store formats in Woolworths (schematic)

## 6.5 Retailer Head Office Launches

**RFP Brief:** For retailers that are willing and supportive, the aim is to organise mango launches in the head offices of the major retailers. Aim to build understanding and excitement regarding the start of the mango season and ensure personnel from store support offices understand and engage regarding the mango proposition from the perspective of the consumers.

**Status:** Completed.

**Detail:** Head office launches were offered to Coles and Woolworths only, and each is discussed in turn:

- **Coles:** A launch was held in Coles on the Friday 11<sup>th</sup> November 2016 with R2E2, KP and Calypso mango varieties, and coincided with Coles main mango launch period of November and #mangolamania promotion. Grower representatives for each variety also attended. It should be noted that Honey Gold was not represented as harvest for this variety had not commenced.



Head office staff were introduced to the different mango varieties available, and given instructions regarding how best to eat and store mangoes. The intention was that this would generate positive word-of-mouth communication and understanding within their families and friends. The event was high energy and engaging, with a positive response from staff members (staff could buy fruit by each or tray).

This is the third year that a head office launch has been held and is building momentum and becoming increasingly well supported by Coles staff, as well as buy-in to mangoes as a hero product for summer.



*Figure 6: Mango customers with recent purchases at Coles Head Office Mango Launch*

- **Woolworths:** This is the first season Woolworths have conducted a head office launch. This was completed on 16<sup>th</sup> November 2016 with Calypso mangoes only (since the event space in Woolworths was fully booked and therefore no other dates were available to coincide with availability of other varieties). Since only Calypso mangoes were represented, the cost of this event was covered by Perfection Fresh and not the project. The intention for next year is to include all varieties.

## 6.6 Retailer Tool Kit

**RFP Brief:** Update the developed range of education, training and guidance tools to help store staff manage mangoes to maximise sales and customer satisfaction, whilst minimising waste. Understand the preferences of individual retailers regarding the preferred form of content of material that will be most effective in engaging and changing the behaviour of store staff.

**Status:** Completed.

**Detail:** The focus was to assist Buyers and QA personnel to understand the new industry specifications and the industry's commitment to flavour. In addition, the objective was to educate the store teams in how best to handle and merchandise mangoes, and understand the importance of quality. The project team stressed how they can personally influence on-shelf quality, which in turn will influence sales.

Education, training and guidance tools were issued to all retailers, as described previously. This included the Mango Quality Assessment Manual, the Mango Ripening Manual and the Mango Skin Colour Guide. The Mango Defect Guide and the Store Handling & Merchandising Guide was also issued to all stores across the major retailers, including ALDI, Coles, Costco, Harris Farm Markets, Metcash (IGA) and Woolworths. These documents will be provided as separate attachments.



Figure 7: Coles and Woolworths Handling Guides

## 6.7 Mango Sales Challenge

**RFP Brief:** For the retailers that are willing and supportive, organise in-store sales challenges that encourage Produce Manager to focus their attention on mangoes and encourage prominent Point of Purchase displays.

**Status:** Completed.

**Detail:** The winners from the FY15-16 season from Harris Farms Markets and IGA were taken to the NT on separate trips for a 'farm tour'. This was well received and the winners visited a range



of growers, varieties and business models, and got to experience what it was like to grow, pick and pack mangoes that meet consumers' expectations.

Figure 8: Example of Mango Sales Challenge poster in IGA stores



Sales challenges were implemented with IGA (in February 2017) and Harris Farm Markets (November 2016 through to March 2017) to coincide with the second volume peak of fruit coming from Mareeba. In addition, Woolworths conducted their own internal sales challenge (called Summer Picks) but did not require funding from the project. The Project Manager assisted to scope and shape the campaign. Their sales challenge ran from November 2016 through to February 2017, with state store winners being announced every month and a national store winner(s) at the end of the campaign. The national store winner(s) will win a trip to the NT. This was a hugely positive outcome for the project.



*Figure 9: HFM Winners of the 'Mango Sales Challenge' on NT farm visit*

## 6.8 Additional Activity

To add to the quality of the end of season review and provide on-going information to improve decision making, the project initiated a weekly report to collect and analyse all fruit-printed advertisements across all print media (catalogues and newspapers). This helped to track promotional pricing as well as the mango 'share of total fruit advertisements' and more importantly, mangoes' 'total share of voice'. This will help greatly in building plans for next season.

## 6.9 Project Variation

The project manager submitted a request to Hort Innovation (which was approved) for an additional budget of \$14,000, due to opportunities that came about with retailers during the season. This was to enable the following activities to be completed:

### 6.9.1 Harris Farm Chopper Advertising

Harris Farm Markets 'own' the Sydney sky in summer, and for the 'greater good' of the Mango Industry they provided the opportunity for the project to pay and manage the "Today Show Traffic Chopper" during the lead up to Mess-tival. Every Tuesday and Thursday throughout November (to coincide with peak fruit volumes), there were five live crosses to the "Australian Mangoes Traffic Chopper" with a different 'story' every day. In total, there were 40 live crosses all featuring the Australian Mangoes brand on screen and highlighting key messages of varieties, regions, in-season now, flavour, usage and Mess-tival. NSW is our biggest market

with 46% of the mango volume, purchased and eaten in NSW. The cost of the chopper was \$16k in total, of which \$6k came from the project variation request, with the remainder coming out of the original project budget.



Figure 10: Today Show Traffic Chopper reporter branded with Australian Mangoes

#### 6.9.2 Woolworths Australian Mangoes Branded 'In Season Now' T-shirts

Australian Mangoes branded 'In Season Now' T-shirts were distributed to all produce staff and worn on Mango Mad Saturdays during November and December (which is the peak of the mango season). Woolworths paid 50% of the total cost price and key Woolworths mango vendors paid 25%. The project paid 25% of the total cost, which equated to \$8K.

The objective was to encourage stores to build theatre and excitement within the stores to promote the sales of mangoes. The event was a huge success, and should ideally be repeated next year.



Figure 11: Woolworths Australian Mangoes branded 'In Season Now' T-shirts

### **6.10 End of Season Reviews**

Post-season reviews were completed with all the major retailers during May and June 2017, Aldi; Coles; Costco; Harris Farm Markets; IGA and Woolworths. These reviews are important to ensuring we continue to build on the success we've achieved and garner strong support for the 2017-18 mango season. Retailer meetings included a review of the results that were achieved for both the mango industry and the retailer, along with a review of the activity that was conducted with the respective retailer and two-way feedback in regard to how it can be improved upon for the following season.

An end of season review was also presented to growers at the Australian Mangoes Conference held in conjunction with the AMIA AGM in Bowen, North QLD on the 6<sup>th</sup> May 2016. The full presentation accompanies this report.

## **7 SUPPORTING DOCUMENTATION AND INFORMATION**

The documents listed below, which have been provided to Hort Innovation as separate attachments, are available. Please contact Hort Innovation or the Project Manager for copies.

- Mango 2016-17 Activity Planner;
- Retailer Roadshow Quality Workshop presentation;
- Mango Matters Summer 2017 edition (detailing grower roadshows);
- Marketing Plan 'Wheel Of Velocity and Momentum' presentation (delivered to growers at roadshows);
- Mango Quality Assessment Manual;
- Mango Ripening Manual;
- Mango Skin Colour Guide;
- Mango Defect Guide; and
- Store Handling and Merchandising Guide.

## **8 OTHER AUSTRALIAN MANGOES PROJECTS**

It is important to stress that the four key Hort Innovation projects, namely Crop Forecasting (MG13017), Quality Standards (MG15002) and Marketing Activities (MG16502) and Engaging the Supply Chain (this project), have many interdependencies that support each other. The Crop Forecasting project (MG13017) has provided invaluable information regarding volumes from each region, whilst the Quality Standards project (MG15002) has helped raise the bar for fruit quality across the whole industry. This has enabled Australian Mangoes to build trust and credibility with the major retailers and key independents, and create a platform that can be leveraged further next season with bigger and bolder activity. Ultimately a highly engaged supply chain executing marketing activities to the beat of the crop has improved the consumer experience, and lead to an increase in the consumption and demand of fresh Australian mangoes – the key objective of Australian Mangoes!

All the activities conducted above are compiled into a single Gantt chart, which is used by the AMIA as a project management tool. This has been included as a separate document.

## **9 CONCLUSION AND RECOMMENDATIONS**

The project progressed well, as demonstrated by the market share data, and all key criteria listed within the original proposal were met. Many of the proposed activities were dependent

on the ongoing support of the major grocery retailers, and their enthusiasm and engagement was maintained throughout the duration of the mango season.

The Project Manager role proved critical in aligning the interests and needs of all parts of the supply chain, and most importantly the growers and retailers. Providing clear and accurate information to stakeholders was vital in building the trust, respect and relationships between stakeholders, and helped avoid confusion and quickly resolve any misunderstandings. In addition, the other Hort Innovation projects that were running concurrently helped provide accurate data and information that was required to support the planned marketing activities.

The close relationship between the Hort Innovation Marketing Manager and Project Manager, Supply Chain Engagement, also proved highly successful and enabled the skillsets of the respective individuals to be leveraged to maximise the quality and impact of the activities conducted. The Project Manager has submitted a proposal to Hort Innovation for a new project in line with the Hort Innovation RFP for the 2017-2020 seasons, in order to continue and build upon the momentum that has been created.