

Nashi Fund

Annual Report 2020/21



About Hort Innovation and the Nashi Fund

Hort Innovation is the grower-owned, not-for-profit research and development corporation for Australia's horticulture sector. We are working closely with industry to invest the historic nashi R&D levy, together with Australian Government contributions, into key initiatives for nashi growers, through the Hort Innovation Nashi Fund.

The historic pool of funds comes from the grower-raised statutory nashi R&D levy that was established more than two decades ago. Nashi growers paid this levy until it was reduced to \$0 in 2011 and, in 2019, the industry moved to begin investing unspent funds.

How are investment decisions made?

Investments specific to the Hort Innovation Nashi Fund are guided by the industry's Strategic Investment Plan (SIP). This document has been developed in close consultation with industry and outlines key priorities for investment. The industry also has an advisory panel to provide prioritisation advice to Hort Innovation on potential levy investments.

Projects in the 2020/21 financial year

Nashi consumer research 2020 (NA19001) [COMPLETED]

In 2020, this short investment provided the Australian nashi industry with crucial insights into consumer attitudes and behaviours towards nashi pears. The project team delivered a profile of the nashi market that will inform growers and industry on the current state of play as well as future industry opportunities. This research will also be used to inform future investments in the Hort Innovation Nashi Fund.

Qualitative interviews were conducted with consumers to collect and analyse information on important factors such as triggers and barriers to purchase, health and nutrition, taste preferences, fruit quality expectations, ease of purchasing, packaging opinions and future purchase intent.

You can read more about the impact of this project through the case study on p3 and read the final report at hortinn.com/na19001.

Cost effective thinning for nashi (NA20000) [NEW]

This project is identifying opportunities for the reduction in thinning and budding costs for the nashi industry through a desktop evaluation and engagement with industry. Recommendations for the prioritisation of any potential future R&D investments will be made at the project's conclusion.

The project team is:

- **Engaging with industry** through a grower workshop to understand and document current thinning and budding practices and experience with alternative approaches in Australia.
- **Undertaking a detailed desktop review** of relevant literature on crop load management practices in nashi and related crops. This process will also involve engaging with experts from nashi-producing countries such as Japan, China and Korea.
- **Identifying opportunities to reduce thinning and budding costs** by analysing the information gained from the grower workshop and desktop review, as well as looking at the current strategies and alternative approaches used in related crops, international nashi production and emerging technologies.

- **Prioritising recommendations for future R&D** to reduce the cost of thinning and budding.
- **Communicating the findings** of this research to growers and the wider industry.

During the coming year, you can keep up to date with any new projects and results in the Nashi Fund by visiting www.horticulture.com.au/nashi. Hort Innovation also sends news and alerts to Hort Innovation members and contacts, so if you haven't already, be sure to sign up for free at www.horticulture.com.au/sign-up.

Additional work in 2020/21

Outside of the Hort Innovation Nashi Fund, Hort Innovation delivered a range of activities to support the wider horticulture sector through the intense and unpredictable year that was 2019/20. We encourage you to download a copy of the full Hort Innovation company annual report at www.horticulture.com.au/annual-report-portal to better understand the company's responses and activities. Just some of the work delivered outside of our 37 levy funds included:

- **Preparation support for pest incursions such as fall armyworm and serpentine leafminer**, including emergency minor use permits and longer-term investments to bolster the horticulture sector's response
- Continuation of **The Good Mood Food across-horticulture marketing campaign** to support industries through the effects of recent times. See www.thegoodmoodfood.com.au.
- **Investments in the Hort Frontiers strategic partnership** initiative to address longer-term and often complex issues and opportunities critical to the future of Australian horticulture – see www.horticulture.com.au/hort-frontiers*
- **Projects supported by grants** secured by Hort Innovation, ranging from cross-sector Rural R&D for Profit initiatives to horticulture-specific work to aid in access to crop protection products – see the Hort Innovation Annual Report 2020/21 for more*

Growing Australia's appetite for nashi by knowing what they want

In 2020, this short investment provided the Australian nashi industry with crucial insights into consumer attitudes and behaviours towards nashi.

The challenge

New opportunities to increase demand for nashi needed to be found. To do this, we needed to know what Australians thought about the product. Have they tried them? Do they like them? What are their triggers and barriers to purchase?

Meet Cameron

"The nashi consumer research paper was the first time in many years that such a comprehensive study was commissioned," says Seeka Australia Sales Manager, Cameron Carter. "COVID-19 restrictions resulted in key changes of the project engagement with consumers, but ultimately delivered what the nashi industry was wanting to achieve."

"It highlighted a lack of awareness and familiarity with nashi for people who don't buy them," says Cameron. "It also showed that there's a lack of retail visibility of the product and that they can be hard to find in a store."

"It's clear from the report that it's essential to create and provide communication to both regular and non-purchasers surrounding nashi, differentiating them from pears and highlighting that they're super refreshing, juicy, crisp and crunchy, with a mild sweet taste."

Cameron's confident that nashi consumption will increase in the seasons ahead if key findings and recommendations are acted upon at right levels with consumers.

The approach

Following a project scoping workshop and stakeholder engagement meetings, extensive qualitative and quantitative research was conducted.

A three-step approach was adopted for the qualitative research, exploring current consumption and attitudes towards nashi. It also looked at palate preferences and ideal product features, along with the overall purchase experience.

The quantitative research involved a sample of nashi shoppers, consumers, and "considerers".

The impact

The result was the Nashi Consumer Research 2020 report – a comprehensive insight into Australian nashi consumer behaviour and attitudes, with recommendations to grow demand.

Recommendations included promote the range of nashi uses and their sensory qualities, differentiating nashi from pears, exploring more environmentally friendly protective coverings, and increasing awareness among non-buyers via in-store sampling and signage, which was conducted with a very favourable response from the taste-testers.

The results of this research will also be used to inform future investments in the Hort Innovation Nashi Fund.

For more information, visit hortinn.com/na19001

Project details

Nashi consumer research 2020 (NA19001)

Key research provider: Colmar Brunton

Start date: May 2020

End date: September 2020

Estimated value for life of project: \$99,100

Financial operating statement

Nashi Fund Financial operating statement 2020/21

	R&D (\$)	Total (\$)
	2020/21 July – June	2020/21 July – June
OPENING BALANCE	865,147	865,147
Levies from growers (net of collection costs)	–	–
Australian Government money	18,551	18,551
Other income*	2,296	2,296
TOTAL INCOME	20,847	20,847
Project funding	31,903	31,903
Consultation with and advice from growers	747	747
Service delivery	4,452	4,452
TOTAL EXPENDITURE	37,102	37,102
Levy contribution to across-industry activity	–	–
CLOSING BALANCE	848,892	848,892
Levy contribution to across-industry activity	–	–

* Interest, royalties

Levy collection costs – These are the costs associated with the collection of levies from industry charged by Levy Revenue Services (LRS)

Service delivery – Also known as Corporate Cost Recovery (CCR), this is the total cost of managing the investment portfolio charged by Hort Innovation