

Mushroom Strategic Investment Advisory Panel meeting summary

Meeting Title:	Mushroom Strategic Investment Advisory Panel
Meeting Date:	Thursday 28 March 2019 Sydney Friday 29 March 2019 Sydney
Meeting Objectives:	<ol style="list-style-type: none"> 1. Review Mushroom R&D and Marketing Program. 2. General updates from previous SIAP meeting held on 07 and 08 November 2018.

Meeting Participants:

Name	Role	Name	Role
Michael Worthington	Chair	Hort Innovation	
		John Vatikiotis	Relationship Manager
		Neil Burgess	Fund Manager (Day 2)
Mushroom SIAP		Brenda Kranz	R&D Manager (Part Day 1)
Tim Adlington	Advisory Panel Member	Byron de Kock	R&D Manager
Matthew Fensom	Advisory Panel Member	Ashley Zamek	R&D Manager (Part Day 2)
Sean Hallahan	Advisory Panel Member	Samantha Ferguson	Marketing Manager
Elisa Siliato	Advisory Panel Member	Louis Williams	Fund Analyst
Kevin Tolson	Advisory Panel Member		
David Tolson	Advisory Panel Member	Guests	
Steve Willemse	Advisory Panel Member	Raffaella Recupero, Scott Needham and Kyle Kesser	Xinova
		Jody Winning, Graham Price, and John Troughton	Agenda Item 5
		Melanie Norris	Nielsen
		James Holman and Cori Hodge	FiftyFive5
		Laura Ashton and Abbie Love	Ikon
		Dr Warwick Gill	University of Tasmania (by phone)
		Minutes	
		Miriam O'Brien	Independent Minute Taker

Overview

The SIAP was held on the 28 and 29 of March 2019. A number of items were covered during the two days, focusing on the sessions highlighted below.

1 Gap Analysis Update

1.1 Gap Analysis Update

Louis Williams of Hort Innovation led the discussion about the gap analysis. He has been doing a lot of work with different groups to analyse R&D and marketing expenditure. The aim of this work is to highlight gaps and support more informed and more strategic decision-making. Project expenditure has been sorted by financial year, then allocated to outcomes and strategies of the SIP. Projects can be in more than one outcome and strategy. The analysis has been done in collaboration with R&D and fund managers and includes marketing and R&D.

Points raised in the presentation and discussion included:

- The next step is to determine whether outcomes are being achieved. Information for this first step is expected to be available by August after which there will be monitoring and evaluation to determine progress towards the outcome. This will be the next phase.
- The Mushroom SIP has two outcomes, one relating to demand and one to supply.

2 R&D Concept Review

A number of concepts were reviewed on the day. Further updates to be provided as concepts progress via the procurement process. Examples of concepts discussed on the day are listed below.

2.1 Concept 2610 - Better understanding of the cause and effects of smoky mould

2.2 Project Variation Request - MU160 - Pest and Disease Management (PDM) and Research Services

3 Educating Health Professionals about Australian Mushrooms

3.1 Project Update - Educating health professionals about Australian mushrooms

Jemma O'Hanlon presented the project update. The project is about engaging with health care professionals such as dietitians, nutritionists, GPs and naturopaths. The first meeting was held in January at which key nutrition themes were discussed and brainstormed. There is also a sentiment survey underdevelopment which will have about 10 to 15 questions. The survey will be conducted in April 2019 with follow-ups in August 2020 and the final survey in November 2021. The aim is to assess changes over the period of the project.

A previous health care professionals' database has been located and can be used. Flavia has almost completed the scoping of the literature review, which should be finished in June. The aim is to get the report into a high-quality journal. She is also collating interesting facts about mushrooms, to be published as Flavia's Fun Facts.

Next steps: the next project meeting will be held in mid-April 2019. The literature review is to be completed in June 2019. A Webinar will be held in September 2019. The first conference will be held in November 2019 with GPs.

4 Marketing

4.1 Marketing update and introduction

Samantha Ferguson led the discussion and outlined the program for the day. Points raised in the discussion included:

- There was a question about whether there is consumer research data for the period from November to the present. The marketing manager said she will not have this research available to present until the next SIAP. Nielsen Homescan is what we have available currently to review this period.
- There was a request for a data-driven discussion indicating, for example, whether sales are down or supplies are down.

4.2 Nielsen deep dive and Harvest to Home review

Melanie Norris from Nielsen, and Laura Ashton and Abbie Love from Ikon joined the meeting.

Melanie Norris from Nielsen gave a PowerPoint presentation on the Mushroom Deep Dive based on Homescan data. She gave an overview of the past year including actual against KPIs, and a more detailed analysis of buyer behaviour. This was followed by an analysis of retailers, then an analysis by demographics. In her summary, she made the following points:

- There is a move toward more prepacked mushrooms.
- If medium buyers bought one more time each year, it would equate to \$9.6m and 782 tonnes extra.
- Sliced mushrooms appeal more to small-scale and bustling families.

Points raised in the discussion on the buyer analysis included:

- There was a shortage from July up to September, but not significant beyond that.
- There was a small increase in volume with light buyers. There would be a much bigger impact if there was a volume increase by heavy buyers.

Points raised in the discussion of retailers included:

- There was a question about whether barcoded items are easier to track
- In the discussion on demographics, the following points were raised:
- There was a question about whether there is any opportunity to change the size of the prepack.
- The marketing manager said the strategy is to focus on buying frequency.

4.3 Consumer Research - Wave 6 results

James Holman and Cori Hodge (FiftyFive5) presented the results from the Wave 6 consumer research. This included describing the background and approach, campaign recall, campaign perceptions and impact, and mushroom use and attitudes. They also discussed the consumer deep dive. They advised the campaign is performing relatively well but could be tweaked. They discussed the impact of the Chop Chop creative, which was launched late last year, and the questionnaire, among other things, and presented the key implications for the strategy going forward.

4.4 Media Strategy and Planning

Laura Ashton and Abbie Love from Ikon joined the meeting for the discussion on media strategy and planning. They discussed current scheduling of radio, OOH, digital including YouTube and Spotify, and television.

4.5 Marketing update: projects / activities

Samantha Ferguson led this discussion including a snapshot of current activities and the current activity plan, with details.

Points raised in the discussion included:

- There was a question about whether there could be more focus on summer, with recipes for in-store promotion. For example, a bolt-on partnership such as with garlic. There seems to be good

opportunities surrounding the Phenomenom project and educating children around healthy eating in general.

5 Financial Update

5.1 Review Marketing and R&D Financials

The Hort Innovation Fund Manager Neil Burgess presented the financial update. The Fund Manager said the revenue reported in the pre-reading had since been updated for February.

Points raised in the discussion included:

- Revenue is lower than expected.
- There is capacity for future R&D investment.

6 Xinoa – Progress Meeting Update

The Xinoa team of Raffaella Recupero, Scott Needham and Kyle Kesser joined the meeting at 9:11 am.

Scott Needham of Xinoa was first to present and said the team is partway through Phase 2. The team wanted the SIAP to look at the potential solutions and guide the project going forward. The report of this phase of the project will be delivered in early May, with the final report delivered in mid-August. Scott Needham introduced other members of his team and everyone at the meeting introduced themselves.

The first part of the session was a progress update covering the project background; the intent, scope and approach; five indicative insights; criteria used to guide the design of solution options in phase 2; and solution pathways. This was followed by an ideation session.

Contact

John Vatikiotis

0429 022 637

john.vatikiotis@horticulture.com.au