CITRUS EXPORT BOOM
Connecting with sustainable markets
ABARES Conference
March 2018
Key Presentation themes

• How we are creating sustainable export markets
• Learning from the past
• How we can better connect to consumers to ensure we can evolve from commodity suppliers to a genuine point of difference
Industry

Citrus Industry at a glance

• 28,000 ha grown nationally with a mix of juicing and packed citrus
• 176,000 tonnes exported in CY17 which is a 20% increase on CY16
• $440m in exports in CY17 which is a 33% increase on CY16
• 55%+ increase in export volumes over the last 3 years
• FTA’s have reduced tariffs in key export markets
• New and improved market access has increased export opportunities
Markets

Key Export Markets

Mature market with highly aware consumers

Emerging supply chain and distribution system with rising incomes and brand/quality conscious consumers

Mature western market with low concentration of sophisticated retailers
How we are creating sustainable export markets

• Maintain and improve market access protocols – solid foundation is critical to industry success
• Point of difference – don’t want to compete solely on price against traditional Southern hemisphere competitors so must focus on key differentiators
• Consumers becoming more discerning – better educated and greater access to information allows more informed decision making
• High quality imported produce continues to be a status item in Asian markets
• Innovation across all areas of the business
• Concentrate on building critical mass in core markets – volume and season extension
• Brand and robust quality assurance – consistency is key
• Defend our market position!
Learning from the past

• Exporter and importer/wholesalers objectives are not always aligned – need to have more control of your destiny
• Must develop closer connections with end retailer – category plans that focus on category growth and meeting consumer needs
• Retailers want more than commodities now – consumers demand it
• Can’t stop focusing on innovation – doesn’t have to be a big advance but perhaps many small improvements
• Brand is important but is often limited to the trade level only and needs major investment to reach consumers – most can’t support that so need to partner with retailers who promote your product ahead of others.
How we are better connecting with consumers – 3 different case studies

- Focusing on highest grade and best quality
- Building a baseline position around quality, reliability and consistency
- Filling the shortfall of supply with high quality product – not succumbing to temptation
- Quality is resonating with consumers – Australian product consistently highest price in market reports

- Higher brix content – addressing a need in the market
- Volume and market presence
- Season extension
- Heavy promotional support
- Social media and in-store POS to support

- Established market with years of trade to build on – able to leverage off a solid foundation
- Most competitive market against RSA, Chile and Peru
- Moved away from mainstream retailers focused predominantly on price – aligned with retailers who have customers looking for higher quality, more reliable and consistent product