



Australian Government
**Department of Agriculture,
Fisheries and Forestry**

Forecasting of Expected Demand and Growth Opportunities in Australian Tropical Fruits Markets

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Contents



	Page
Executive Summary	3
Top 5 Global trends and potential local market impacts	4
Tropical Fruit ~ A Category Definition	5
Domestic Market Conditions	6
Domestic Market ~ Specific views on Tropical Fruit	8
Growth enablers & marketing opportunities	11
Product specific developments ~ Tier 1	20
Product specific developments ~ Tier 2	22
Product specific developments ~ Tier 3	23
Scope for application if growth and marketing opportunities	25
Growth prospects and strategy priorities	26
Local market example	27

Executive Summary



- This project has been undertaken to identify potential marketing initiatives and frame local market growth prospects for what has been described as Tropical Fruit. It has assessed the global trends through publicly available documents via the World Wide Web, several databases the researchers have access to, as well as hard copy produce industry literature housed on the researchers' premises. This information has been combined with data collected by qualitative interviews with a selection of domestic market stakeholders.
- It was found that the views of products included in the **Tropical Fruit** category varied significantly. Some products were seen as products or categories by themselves, while others were seen as part of the category. These variations have required this project to define a Tropical Fruit category structure of 3 tiers of products.
- The higher volume products that include Bananas, Avocados and Mangoes are established. These products require different growth and promotional strategies to the lower volume lines that require more consumer education and have a strong need to win the confidence of the fresh supply chain.
- It is clear that a base platform of supply chain management and products consistency is required before some of the tier 2 & 3 products will enjoy the benefits of specific marketing activity.
- This report concludes that it has been possible to extract sufficient information in order to provide a degree of direction for future marketing initiatives. Some "wake-up call trends" were identified. They included the increased production of tropical fruit in developing countries, maturing attitudes in key product groups that lead to cross-border cooperation on a co-operative basis and the likelihood that if tropical fruit gains acceptance and becomes 'mainstream', margin erosion will occur.
- The lack of international literature on the products included and the corresponding presence of numerous Australian articles, reports and conference papers suggests that Australia is actually ahead of the pack in terms of tackling the production and post harvest end of the value chain for Tropical Fruits even if sustainable demand solutions are still elusive. It appears that Australia will in most instances have to seek its own solutions to the demand issue rather than relying upon an adapted successful overseas model. However, it is important to understand that it is possible for the stakeholders of these to learn from other products and categories. There is no need nor the luxury of time to reinvent the wheel in its entirety.