

Asia Fruit Logistica: Reflections on the Thai market

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In November 2023, Berries Australia led a delegation of berry growers to Asia Fruit Logistica (AFL) in Thailand. Berries Australia ran an 'Expression of Interest' process to award six partially-funded places for the visit. We were pleased to be joined by berry growers from each category (blueberry, strawberry & Rubus) and from a variety of locations across Australia including QLD, VIC, NSW, WA, and TAS.

After returning from Asia Fruit Logistica, these berry growers were asked to share some of their reflections from the trip with the broader industry. If you have any questions about Asia Fruit Logistica or export, please contact Jenny Van de Meeberg at export@berries.net.au

Can you describe the difference (real or perceived) between Australian product and competitor product?

There was a real difference in how Australia markets their fruit in Asia vs what we see from other parts of the world. It may have been the timing of everyone's harvest globally; however, you could see some major differences.

Premium vs Standard

It was interesting that Australian producers have focused on larger pack sizes for premium fruit in Asia.

Premium Fruit

Australia has realised that the only way to compete with lower-cost producers is to create a product worth paying more for. In addition, they had a couple of brands that aren't available in Australia from the same grower being marketed side-by-side.

Standard fruit

From the limited fruit I saw in the market visits and at the show, countries like Peru and Chile were in 125g punnets. Retailers were using lower-grade products as "entry-level" and at significantly cheaper retail price points. Also, retailers were "bundling" punnets together in a larger offer with tape. A larger pack size may reduce the need for additional handling. Around the show

Around the show

I felt there was a real lack of theatre with the fruit (specific to berries) available at AFL this year. It may have been due to Thailand's biosecurity requirements, which can be harsh on fruit. However, in shows in Hong Kong, we found a lot more fruit available from various countries/continents. Packaging innovation was really lacking at the show, with "plastic" still being central to berry production in Asia, which was a little different to what we saw in 2019 in Hong Kong.

NSW GROWER



WA GROWER

I think Australian product has a perception of a higher quality product particularly related to freshness and flavour. I think our growing techniques are known to be highly regulated and as a result they are trusted to be safe and healthy.

Premium Australian Blueberries at Gourmet Market next to Peruvian Blueberries.

What was the most novel/interesting/effective use of marketing/packaging you saw at the show or in the retail stores?



OZblu blueberries (from Peru) and rokit™ apples in clear cylinder packaging.

VIC GROWER

I really liked the rokit™ apple and the Premium blueberries by OzBlu in the cylinder as well. "I would not like to have to pack the fruit in them, but they presented really well.

TAS GROWER

I really liked Rokit™ New Zealand Apples. I thought their focus on small snack size apples was innovative and unique when most people in their category focus on bigger is better. The tube packaging also made the product present well and set them apart on shelf. OZblu blueberries also looked great, and I loved their premium tube packaging for blueberries.

Berries were generally presented in the standard 125g plastic clamshell punnet. We saw Australian, South African, Peruvian and Mexican fruit presented in the standard 125g punnet; albeit with varying dimensions.

Jumbo Australian blueberries were for sale in a high-end supermarket in 200g punnets. In the same retail store, a small quantity of French blueberries was found in 100g cardboard punnets placed inside a plastic punnet (presumably in-country).



Blueberries packed in cardboard punnets re-packed into plastic punnets.



Wrapped coconuts.

At Makro supermarket, Peruvian blueberries were offered as 500g and 1kg punnets.

Presentation of blueberries in standard supermarkets was typical of any Australian supermarket. Fruit was placed in open refrigerated displays. Presentation of blueberries (and all other produce) was very impressive at the higher end supermarket. Display stands were varied in produce and all was displayed in a very appealing way.

One trade stand at AFL was offering cardboard manufactured punnets/trays/produce carriers which will see more take-up as the move away from plastic packaging increases.

QLD GROWER

The one thing I did note that I thought was interesting was the amount of “pre-cut fruit” available in retail stores looking to “value add” and minimise consumer waste. Due to the country's socioeconomic conditions, the need to reduce food waste in Thailand seemed to be more important than environmental waste.

A good example is the “coconut” wrapped in plastic with marketing and attached to a drinking straw. I can see the marketing appeal; however, it seemed unnecessary for the product, except that they were marketing it directly at children.

NSW GROWER

Please describe the key features of the retail sites visited – did anything strike you as different/interesting/unique compared to Australian retail?

What was most striking was that retail is so similar to what we see in Australia in terms of presentation. The product mix in produce was obviously different in several instances. A key feature that struck me was how much single use plastic is being used – which was disappointing if this is the trend direction. The quality of berries on display was mixed – regardless of which tier of retailer we visited. I assume this is a reflection of the distance/time taken for delivery of the product and the treatments required to get the product into the country.

Pricing in the berry category was more expensive than in Australia but when you factor in all the costs of logistics and all the stages in the supply chain, not too surprising.

VIC GROWER

Lotus's/Big C/Makro

The fresh produce sections at these stores were located at the rear of the store or upstairs (Makro). The produce looked to be good quality and resembled a typical Australian supermarket. I noticed a greater amount of fresh, leafy greens loose in some stores in comparison to at home.

Imported products tended to be promoted as such and sometimes in their own sections with other imported lines.

QLD GROWER



Various loose leafy greens in a Supermarket.



Imported produce sections in Supermarkets.



Imported produce section in Gourmet Market Supermarket

Gourmet Market

This store was a high-end supermarket and fresh produce was at the front of the store. Produce was beautifully presented on round island displays with a combination of different products. The beauty and visual appeal of the displays were inviting and impressive. Berries made up some of the produce displayed in these sections.

Pre-packaged sections were comprehensive and produce was displayed in refrigerated cabinets where all product was pre-wrapped in plastic. The amount of plastic packaging of the produce in this store was very high.

This store also had a dedicated section for imported produce where the country of origin is promoted including Australian product.

QLD GROWER

For berries (specifically blueberries) to become a much bigger category in Thailand, we need to produce fruit with a long shelf life that can handle temperature fluctuations. Most Australian production would not be suitable for this purpose, but better genetics are coming through that will improve the availability to cool chains. For this specific reason, raspberries and blackberries will be difficult products to market in this country as the product is very sensitive to humidity and heat.

On the flip side, strawberries which are as sensitive as Rubus, have managed to find a way to supply Asia. This involves a specific style of harvest and berry that would not meet Australian retail specifications. However, since the shelf life is more important than sugar content for sales, it has successfully made a market in Asia, which we saw in stores whilst we were there. In fact, we only saw strawberries from Western Australia in most stores we visited.

The last store that we visited, "Gourmet Market" had a very different style of trade which I thought was very interesting and not a model that you see in Australia. In-store, there were three specific areas for premium fruit, and all of them had slightly different offers from the others, in terms of brands, sizes and quality. This was due to each of the smaller stands independently sourcing fruit for their displays, and they managed the stock directly, and the store would take a percentage commission on the sale. I found this extremely interesting as the owners created a lot of theatre and excitement around their displays to ensure that they attracted more shoppers. This is a very different model from what I have seen for fruit and vegetables and is strikingly similar to the "Best Buy" electronic retailer in the US.

NSW GROWER

The different tiers of chain supermarkets seemed quite pronounced. The high-end supermarket we went to was very impressive and the produce was of a much higher level in quality and in price. It was also interesting in some of the higher end chains that the shelf space was basically 'rented out' for fresh produce like department stores in Australia. This means you had multiple displays with the same produce. I believe this makes it particularly important for Australian exporters to partner with the right importer that will present fruit well in the right supermarkets.

TAS GROWER