

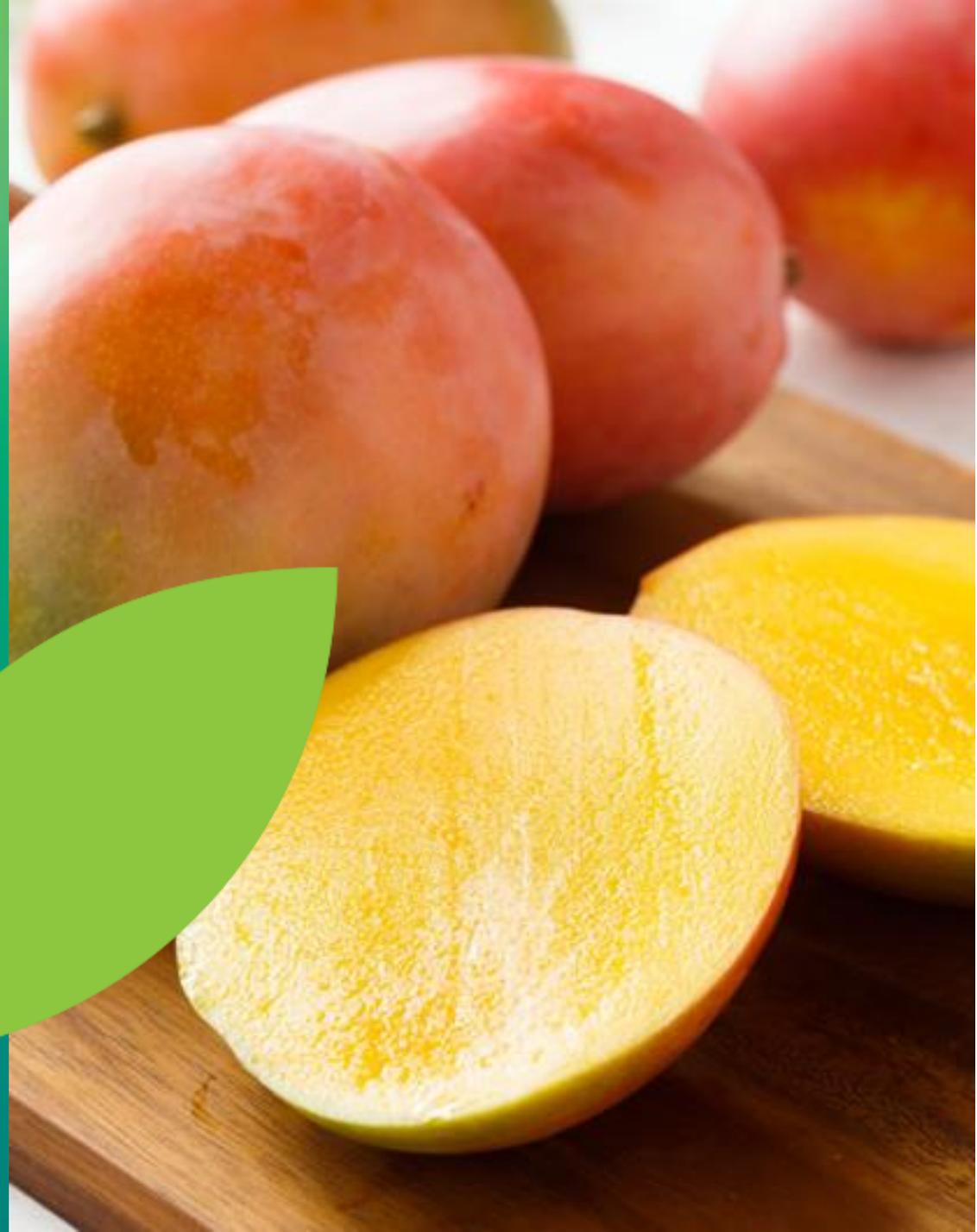
Hort Innovation MANGO
Innovation FUND

MG23002 | Food Service Strategy 24-26

Prepared by

fresh**logic**

22 Aug 2024



Agenda



01 Strategy Purpose & Approach

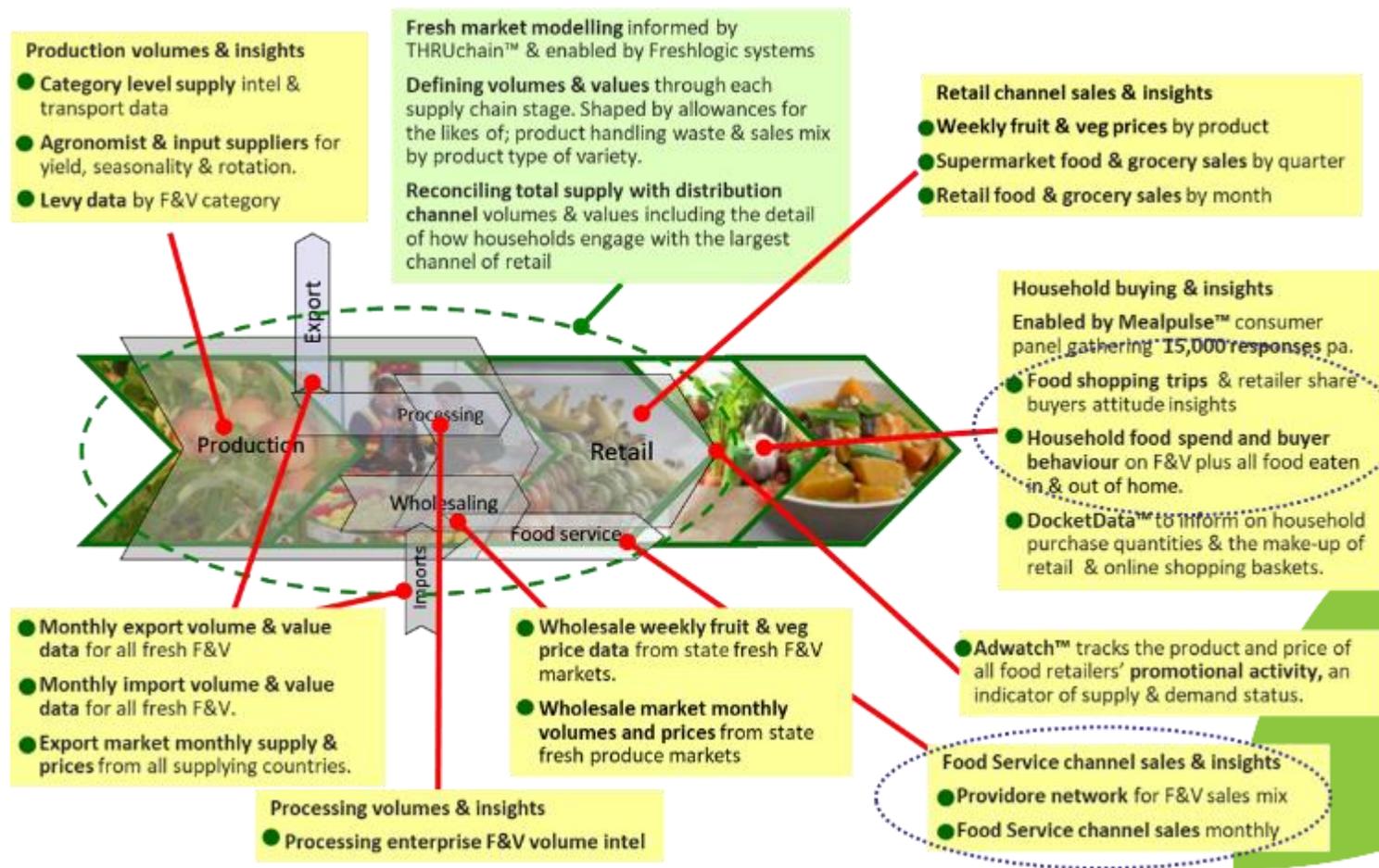
02 Key Findings

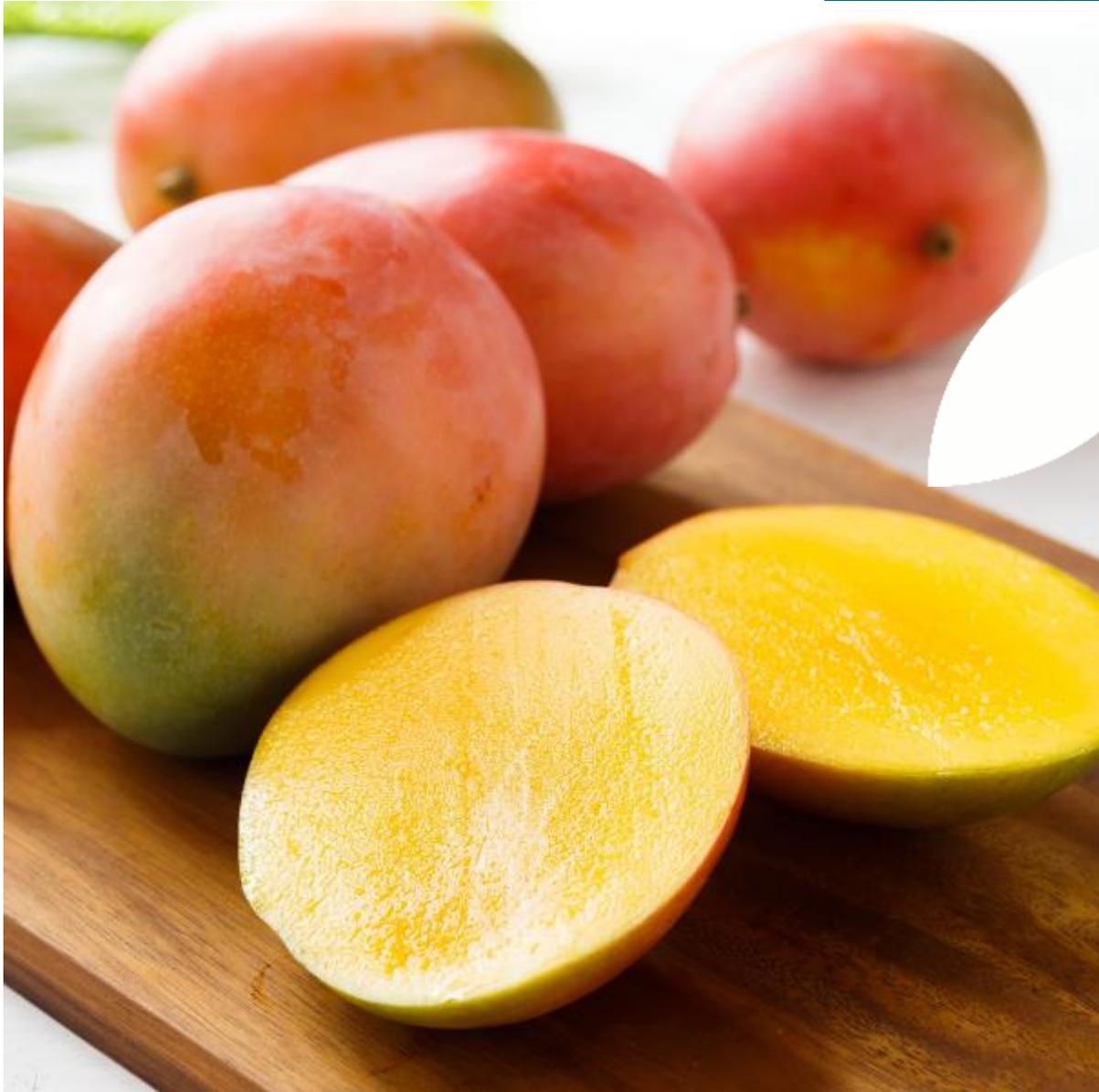
03 Strategic Goals

04 Strategic Priorities

05 Strategic Initiatives

Leading provider of fruit and vegetable industry data and analytics





Section 01

Strategy Purpose and Approach

MG22002 | Project Brief

01

Review, summarise and extract implications from all prior projects and available relevant research on Mangoes in the foodservice channel.

02

Improve capabilities of the Mango industry to engage effectively with foodservice providers and execute channel growth plans.

Strategy Development and Delivery

INPUTS

Foodservice trends and performance review

Mango sales review by Food Service Sub Channel

Assessment of existing research

Discussions with informed foodservice and mango industry stakeholders

PRG critique of knowledge base and strategy development

OUTPUTS

Knowledge Base Summary Report

Final Strategy Document detailing Mango Food Service Strategy

Simplified Strategy Fact Sheets

Live Strategy Webinar

OUTCOME

Quantified goals for mango category volume growth in the food service channel

Quantified & assessed mango category volume growth opportunities

Growth opportunities detailed with defined scope & actionability by industry stakeholders

IMPACT

Improved food service understanding & participation amongst mango industry stakeholders

Mango category volume growth in the domestic food service channel over the next 5 years.



Section 02

Key Findings

There is opportunity to improve Mango performance in Foodservice.

Food Service distributed 15.3% of mango Fresh Supply volume in FY23.

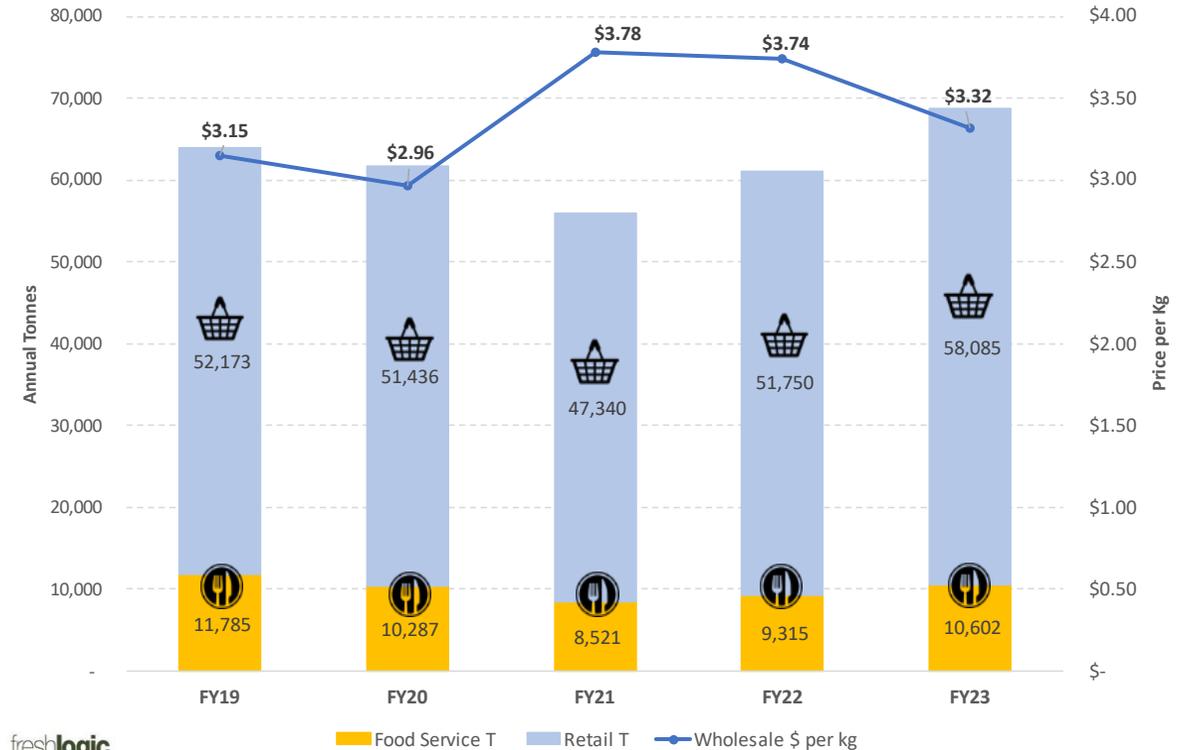
FY19-23 Food Service volumes CAGR at -2.6%, below that of the Retail channel which generated 2.7%.

Mango category underperforming in Food Service given the increasing proportion of total household food expenditure now being spend on food out of the home.

The measure of increase is from 31.9% in FY10 increased to 39.7% in FY23.

Mango Fresh Market Distribution Channel Volumes
FY 19 to FY 23

Source: ABS HES, Freshlogic Analysis



freshlogic



Demand for Mango centred on unique taste, a signal of summer & a high yield fruit that can lift demand for a meal.

Uber Eats



Increasing operating cost pressures has created a commercial lens that now considers all products forms.



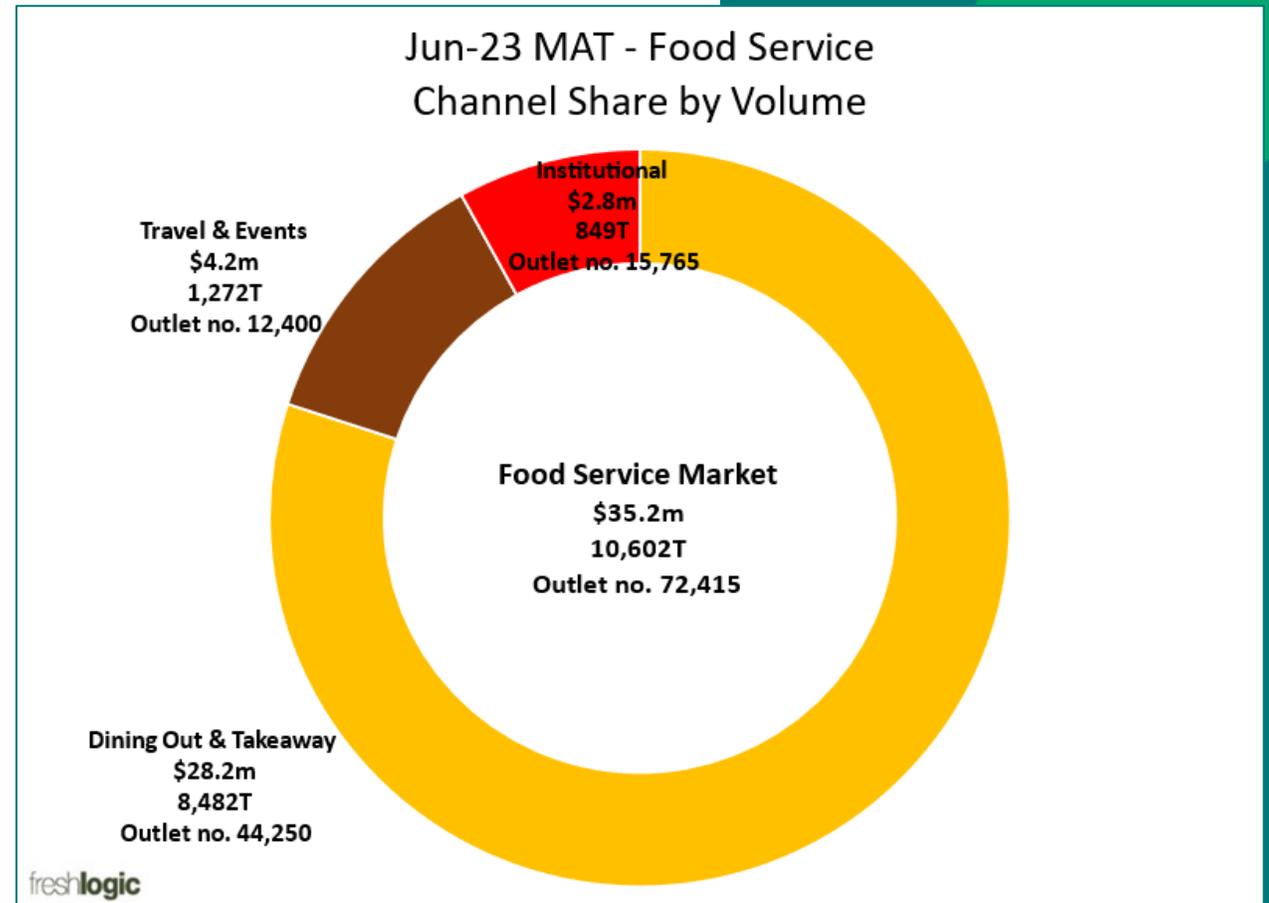
Limited season length & inconsistent product are barriers for some & challenges for all Foodservice buyers



Firm demand for 10,000t annually for processing indicates awareness of variety specific taste attributes.

Unlike Retail, Food Service is a highly diverse sector.

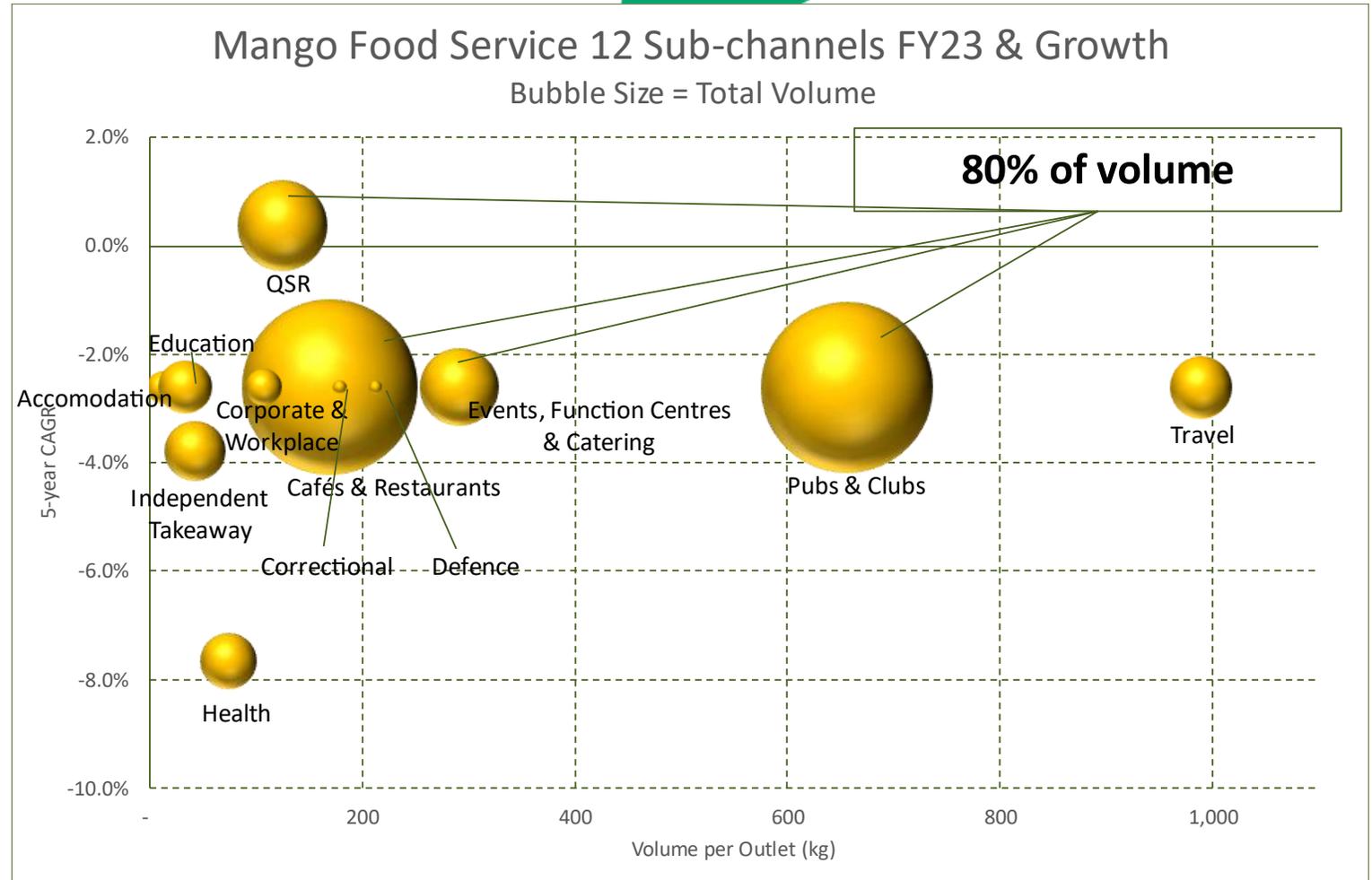
10,602 T of Mangoes into Food Service in FY23
Generating \$35.2m in mango wholesale value
Servicing 72,415 Food Service outlets in total
Dining Out & Takeaway 80% of Mango volume



Priority Sub Channels

80% of the volume distributed by channels that are servicing households eating out

Indicating the fresh mango shorter season and varied product consistency, combined with comparatively higher value are challenging for the institutional sub-channels





Section 03

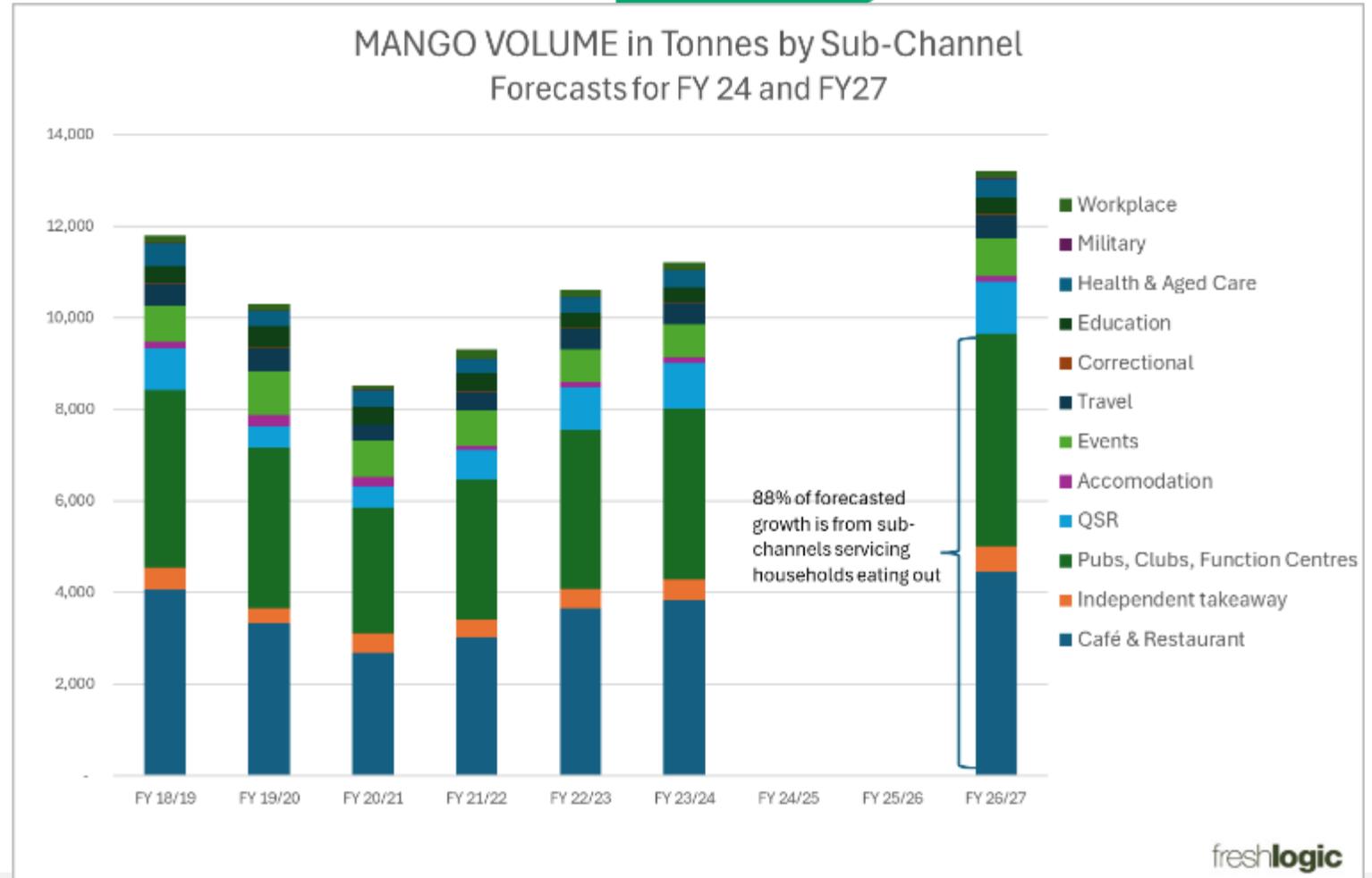
Strategic Goals

Strategic Goal

Grow Mango Food Service Channel volumes at 5.6% PA from 10,600 tonnes in FY23 to at least 13,211 tonnes in FY27. This improves the 5-year CAGR in FY23 of -2.6% to a 4-year CAGR of 5.7% in FY27.

Achieve this growth through:

- A focus on sub-channels that are servicing eating out demand, while assessing developing an IQF product form to potentially extend seasons and
- Attract more sub-channels with a product that has stable supply and easier operational use





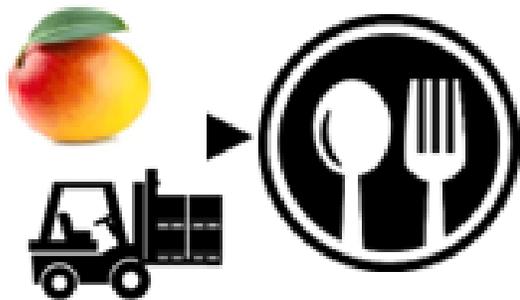
Section 04

Strategic Priorities

Strategic Priorities

1.0 - Supply

Supply of consistent product over defined windows



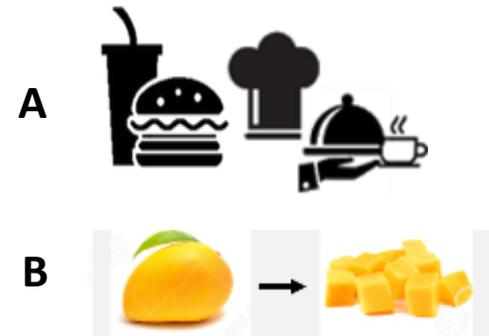
2.0 - Influence

Capacity to inform & influence stakeholders



3.0 – Develop

Support for sub-channels servicing eating out demand & explore the viability of an Individually Quick Frozen (IQF) product form





Section 05

Strategic Initiatives

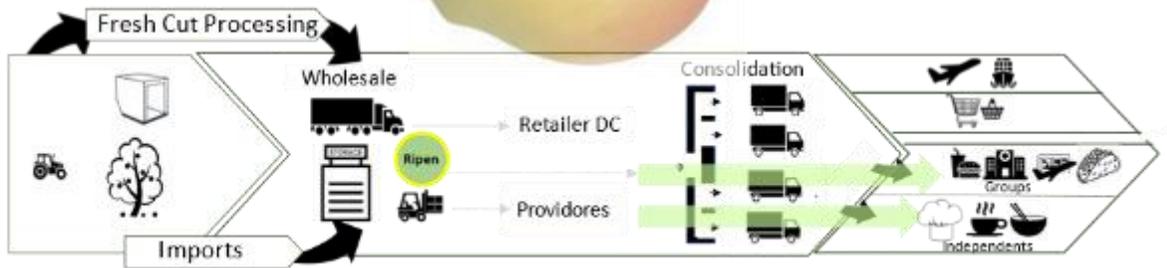
1.1 Predictable, Reliable Supply

a) Define and implement an action plan that can inform, influence and align supply chain to deliver consistent supply.

b) Define and implement a means to gather relevant seasonal information and make it available to inform food service buyers & menu planners.



Mango Supply Chain



Deliverables to include

Season timing & supply forecast

Product grade standards



2.1 Capacity to inform and influence

a) Define the target audiences and communications objectives and content to inspire, educate and influence decision making.



Target Audiences

To include

Growers

Ripeners

Wholesalers

Providores

Food Service Buyers

Food Service Menu Managers

Order Aggregators

Food Service Trade Media

Comms Objective & Content

To include

Mangoes 101

How to buy & store Mangoes

Seasonal timing & occasion calendar

Varietal attributes

Suite of menu options & value added

How to assembly for menu options

Peer reviews of menu options

Food Service mango skills education

2.1 Capacity to inform and influence

b) Define the mechanism to develop and manage an online digital toolbox to deliver Mango content to target audiences.



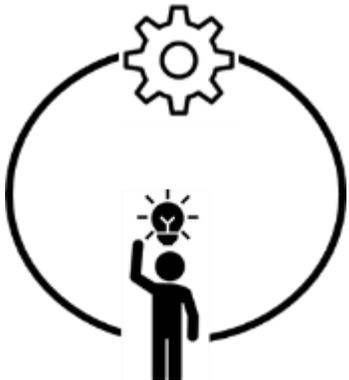
To include

Defining commencing content

Stakeholder CRM set up

Hosting plus outgoing comms

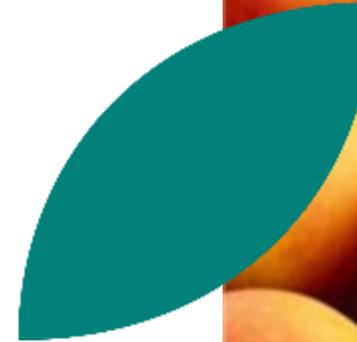
c) Define the processes and resource solution to gather, assemble and update the information required for the communication content.



To include

Resource defined by processes

Scope for across category synergies



3.1 Viability of IQF processing to extend seasonal windows

a) Define the decision framework and process to determine if an Individually Quick Frozen (IQF) mango product form is viable in Australia.

The assessment to include

Assessing global precedents

Engaging with Aust ready meal assemblers

Acknowledge the KP taste attribute demand

Assess all varieties & consider risk of imports substitution

Structure decision considerations around

Producing a product form acceptable to buyers

Forecasted commercial scale

Forecasting level of grower income

Investment barriers to processing capacity





Q&A