



HORT INNOVATION: STONEFRUIT

QUALITY TRAINING & EDUCATION PROGRAM

OVERVIEW

1. Objective

The main goal of the 2024/2025 SF24001 Stonefruit Retail Quality Education Program is to establish a continuous quality and education initiative for retail staff, aimed at boosting sales of Australian Stonefruit and enhancing consumer satisfaction.

In summary, the objectives of the program are to have:

1. Consistently good quality fruit on display;
2. An abundance of fruit available for purchase;
3. Reduction of key identified quality issues; and
4. Completion of the retail survey capturing information on the:
 - o store displays
 - o quality of the fruit
 - o Staff storage and display practices
 - o Shopper knowledge and purchase habits

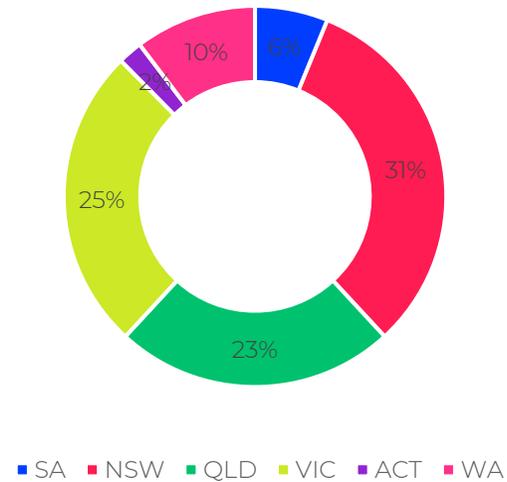
2. Activation Plan

The Program is built around a field team (merchandisers) that are deployed into a selected number of Woolworths stores, multiple times, to conduct a short survey with retail staff, undertake audits of Stonefruit fixtures and storage, and relay 'best practice' to retail staff. The merchandisers had to also deploy Point of Sale (POS) in each of the store's storage (back of house / BOH).

OVERVIEW

	Nov	Dec	Jan	Feb	Mar	Apr
 <p>791 Stores 4 - 5 Visits per store 3,492 Visits 2 x Bursts - Start & Mid Season</p>	Retail Education & Training	No instore training			Retail Education & Training	

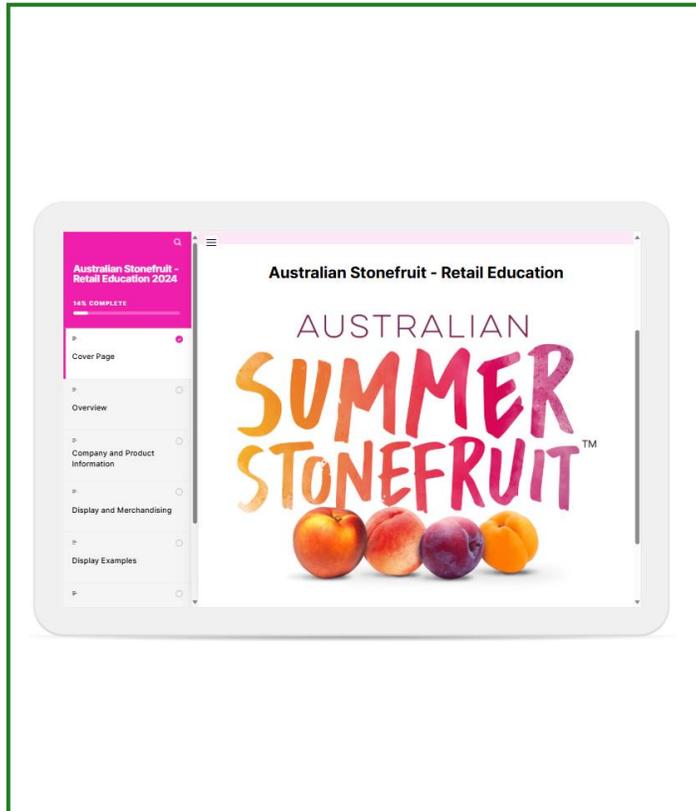
State Split



Woolworths	791
NSW	243
QLD	179
VIC	201
ACT	20
SA	45
WA	80
TAS	23

OVERVIEW

eLearning & Training



Woolworths

<https://rise.articulate.com/share/PoNX6WPyoM2wXmqR1veSo13W0RvdFYbn>

BOH Poster



Tableau Dashboard



StoneFruit: Stock - Tableau Cloud



DISPLAY & STORAGE

STORAGE AND DISPLAY

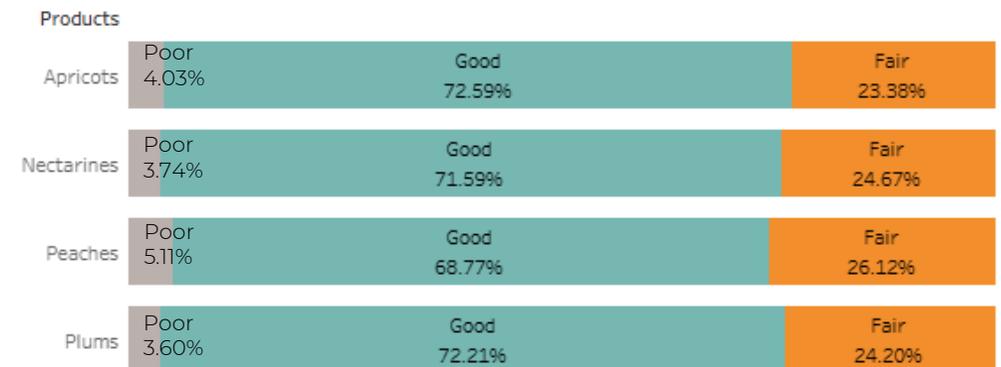
STONEFRUIT DISPLAYS EVALUATION PRIOR TO VISIT – TOTAL CAMPAIGN RESULTS

- 96.6% of stores had Stonefruit stock on display.
 - Burst 1 - 96.6%
 - Burst 2 - 96.9%
- Overall 69-73% of Stonefruit presentation quality was rated as good, while 4-5% of displays were rated as poor.

Was the stock on display?



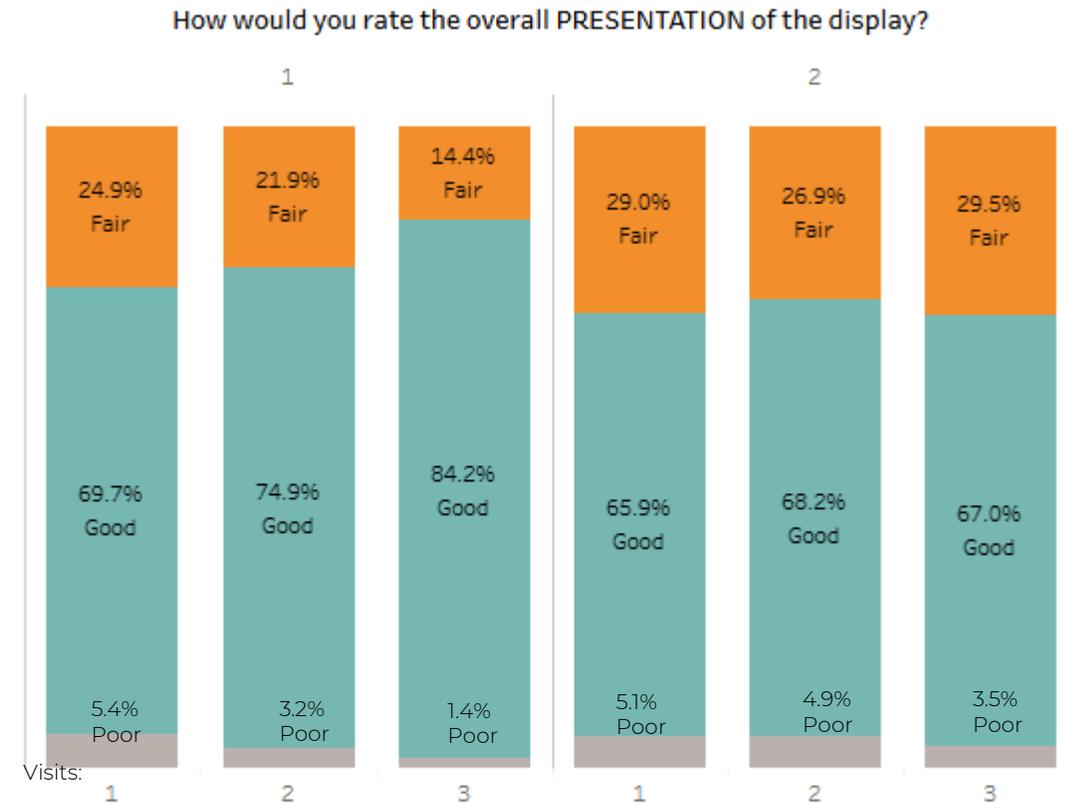
How would you rate the overall PRESENTATION of the display?



STORAGE AND DISPLAY

STONEFRUIT DISPLAYS EVALUATION PRIOR TO VISIT - BURST 1 AND 2 COMPARISON

- Burst 1 had more displays were rated as “Good” (70-84%) and less displays were rates as “Poor” (2-5%) . Results declined slightly during Burst 2.
- The strongest improvements are seen from Visit 1 to Visit 2 in both Bursts, 7% improvement in ‘Good’ presentation in Burst 1.
 - This is consistent in similar Retail programs across other commodities and reflects the impact staff training has on outcomes
- Higher fruit availability at the start of the season resulted in fuller and more abundant displays. By the end of the season, stock levels had dropped, so the improvements in display quality weren’t as noticeable in Burst 2.
- Fruit availability has an impact on display standards



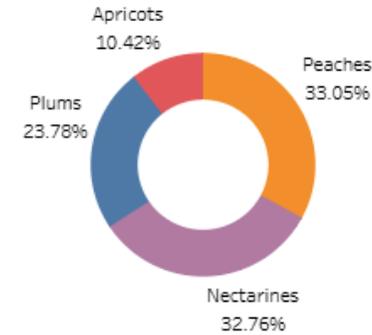
Note: Most stores received 2 x visits per burst, only top stores received 3 visits

STORAGE AND DISPLAY

STONEFRUIT DISPLAYS VARIETIES – TOTAL CAMPAIGN RESULTS

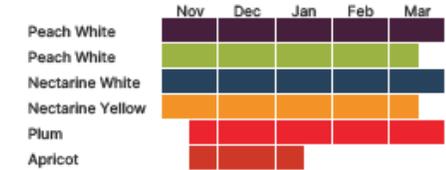
- Boxes on display split:
 - 33% Nectarines
 - 33% Peaches
 - 10% Apricots
 - 32% Plums

How many boxes are on display?



Seasonality

Australia's warm climate and hot, dry summers promote sweeter, juicier stonefruit. The closeness of Australia and Asia allows for low freight costs and importantly, enables delicious, fresh fruit to be delivered much faster than from other markets.



STONEFRUIT DISPLAYS VARIETIES – BURST 1 AND 2 COMPARISON

- Burst 1 saw more apricots (18%) boxes available and fewer plums (15%)
- Burst 2 plums replace apricots
- Nectarines (34%) and peaches (33%) remained relatively consistent across both bursts due to consistent supply.
- Staff also noted that overall display space at the beginning of the season was larger than at the end.
 - It was reported that some of the front displays, which featured stone fruit during burst 1, were replaced with avocados in burst 2.



WOW Moorabbin, VIC



Before



After

WOW Midland Gate, WA



Before



After

WOW Kings Langley, NSW



Before



After

WOW Noranda, WA



Before



After

STORAGE AND DISPLAY

DISPLAY STANDARDS

- Display in the trays/crates they come in, to minimise handling and bruising.

DISPLAY REFILL METHODOLOGY – TOTAL CAMPAIGN RESULTS

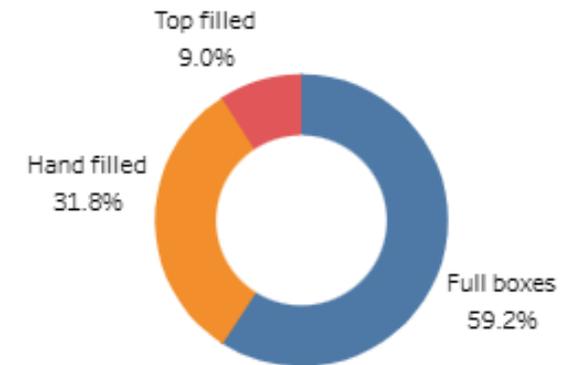
BA's were given the following question with the ability to select multiple answers.

How do fresh produce staff refill Stonefruit in this store?

- Tip filled
- Hand filled
- Full trays replaced when empty, inclusive of original packaging (1 layer high)

Stock Rotation and Display

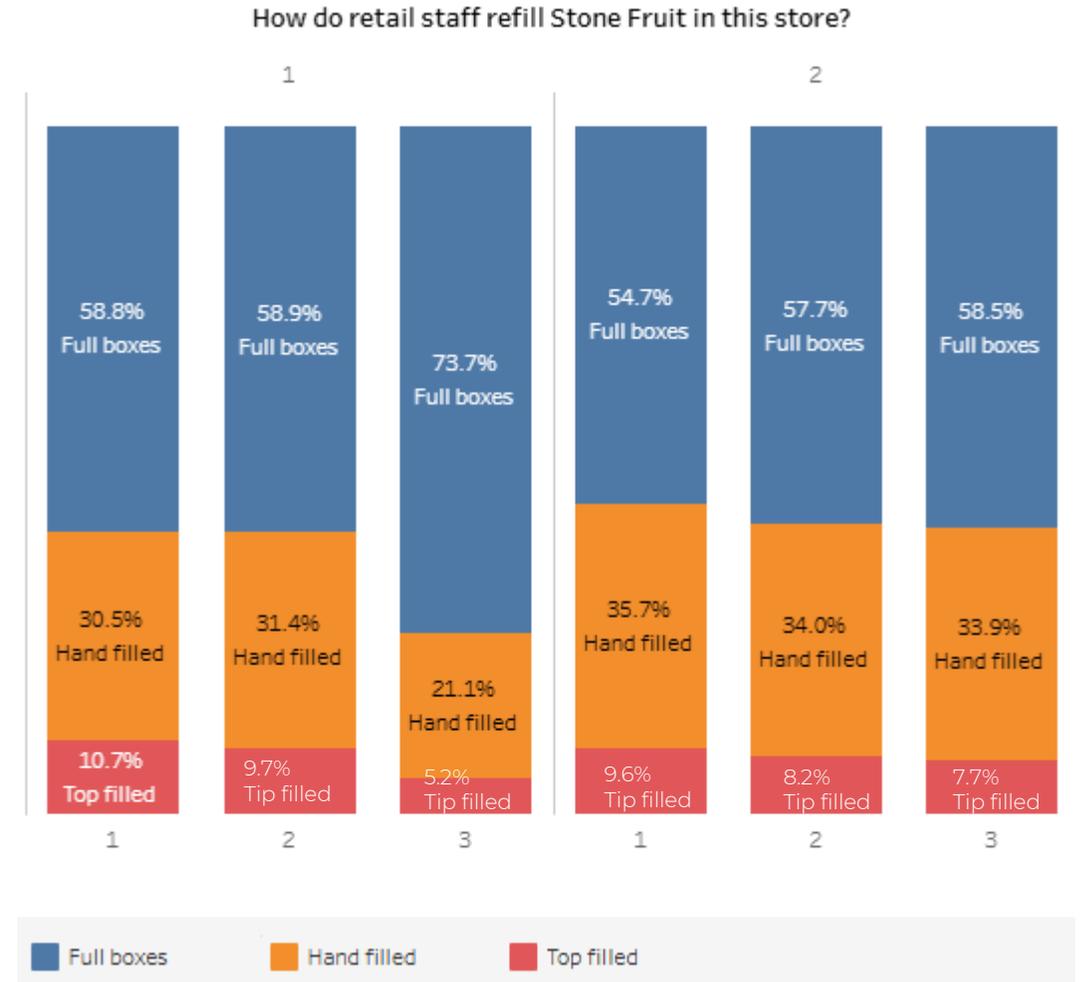
-  Always handle with care
-  Display in the trays/crates they come in, so fruit handling is minimised - this will help avoid bruising the fruit
-  Remove any wrinkly, moldy or damaged fruit from display immediately
-  Thoroughly clean the area to keep the remaining fruit in good condition



STORAGE AND DISPLAY

DISPLAY REFIL METHODOLOGY- BURST1 AND 2 COMPARISON

- We can observe that the **correct refill practices improved over time** – Full boxes increased
- Burst 1 first visit, 59% of store staff were replenishing the stock in line with Woolworths standards, improving to 74% by the end of the burst
- Improvements between Visit 1 and Visit 3
 - +15% in Burst 1
 - +3% in Burst 2.
- The higher 'Hand filled' percentage in burst 2 could likely be due to the lower amount of stock available.



STORAGE AND DISPLAY

STORAGE STANDARDS

Back of store: When receiving a shipment, fruit to be stored in ambient space.

BOH STORAGE TEMPERATURE – TOTAL CAMPAIGN RESULTS OBSERVATION

Majority of retail staff are storing stock BOH at the wrong temperature, despite retailer recommendation which is to store in an ambient area - over half of the stores had stock in the cool refrigerated area (50.7%) or a mix of cool & ambient

This was discussed at the Mid Campaign meeting with the retailer, it was highlighted that this is a recent change by Woolworths that they were aware of and were actively monitoring the situation.

Further steps are being taken by them to ensure that products are stored according to the guidelines and improvements were seen in the second burst.

Storage and Temperature Guide

Australian growers take enormous pride in growing the best quality fruit. To help ensure quality is maintained, and that fruit reaches your customers in the best possible condition follow the below storage temperature guide.

Supply chain: Store stonefruit between 0 - 2°C to maintain quality and extend shelf life.

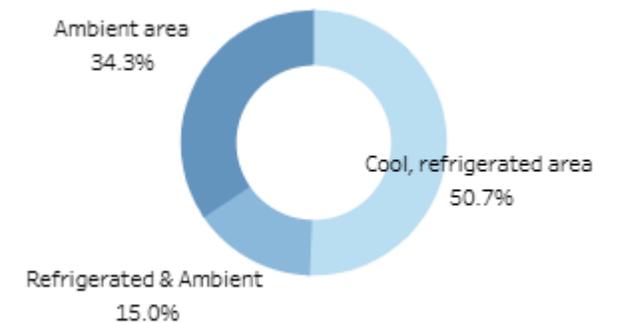
Avoid keeping fruit in loading bays or unrefrigerated areas during unloading to prevent rapid ripening.

Back of store: When receiving a shipment, store fruit in ambient space in the back of store.

Never store between 2 - 8°C as this causes the fruit to become dry and mealy.

22 - 27°C	DANGER! Too Hot
15 - 22°C	Ripening fruit it best kept at room temperature
8 - 15°C	Fruit ripens slowly
2 - 8°C	DANGER! Never store fruit between 2 - 8°C. This causes the fruit to become dry and mealy
0 - 2°C	Keep the fruit between 0 - 2°C for longer storage to maintain quality
0°C	DANGER! Never store fruit below 0°C

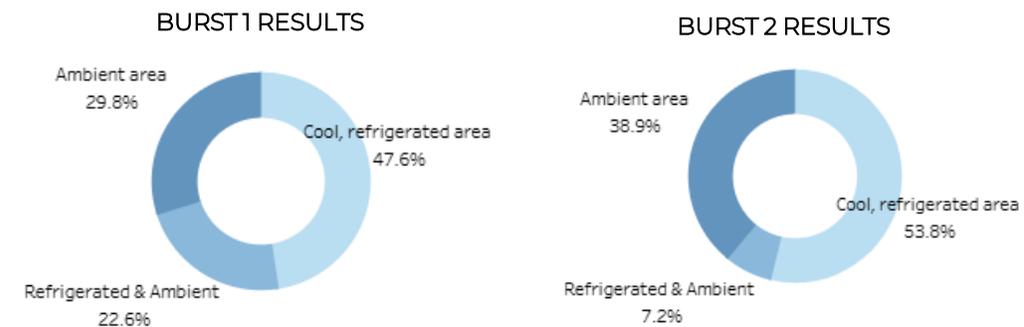
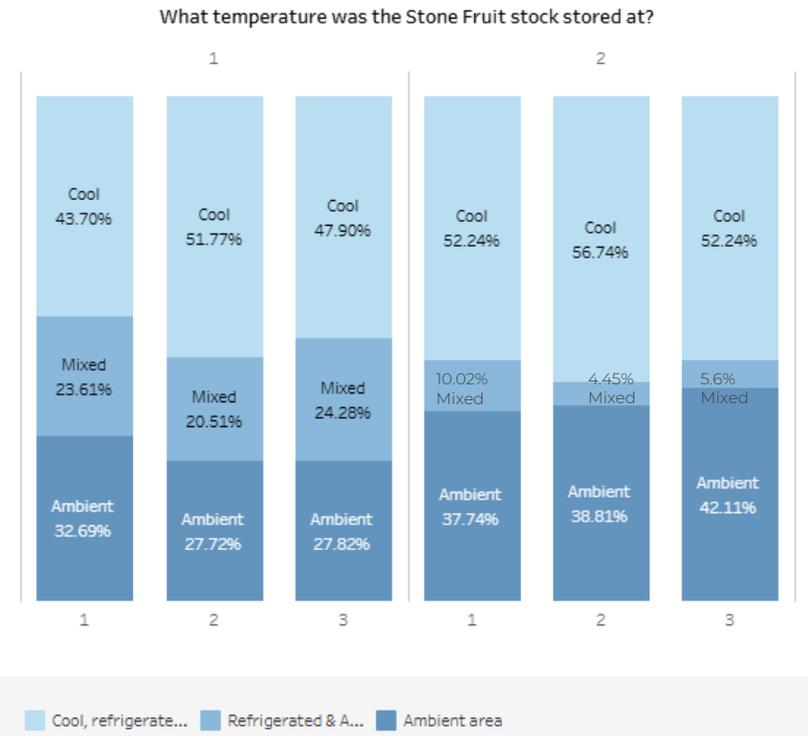
What temperature was the Stonefruit stock stored at?



STORAGE AND DISPLAY

BOH STORAGE TEMPERATURE - BURST 1 AND 2 COMPARISON

- Across both Bursts, the majority of Stonefruit was stored at the wrong temperature.
- Reinforcement by both Woolworths and training by merchandisers resulted in improvements in the correct method of storage temperature (+34%), however there were also increases in cool storage at the same time.
- The reduction in stores using both mix ambient & cool storage is encouraging, however **there is still confusion** as to the best practice (ambient)
- Throughout Burst 2 there was **+11% improvement** in stock being kept at the correct temperature – ambient.
- **Key Learning:** There is still confusion on storage practices at store level and needs reinforcement next season



STORAGE AND DISPLAY

RETAILER POS – TOTAL CAMPAIGN

- 27% of stores had Stonefruit specific POS displayed in store.
 - Burst 1: 20% of visits had POS installed
 - Burst 2: 32% of visits had POS installed
- Approx. 57% of stores allowed the BOH Poster to be installed –
 - Burst 1 : 52%
 - Burst 2 62%
 - A higher number of stores with BOH poster may have also contributed to the improvements in storage practise seen in Burst 2
- Staff reported that several stores lack available space in the back of house to install the printed materials.





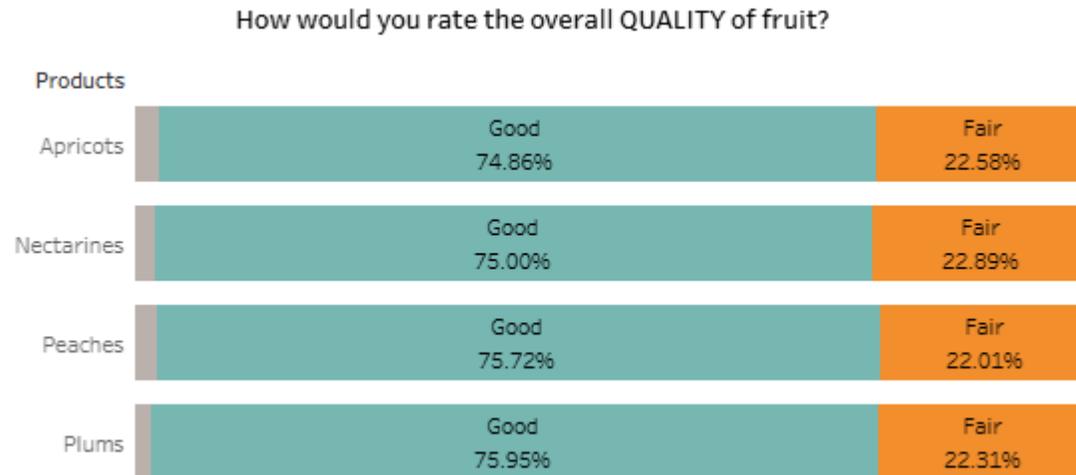
DEFECTS

FRUIT QUALITY

FRUIT QUALITY – TOTAL CAMPAIGN RESULTS

Staff reported that 75% of stores had Good Stonefruit available, while approx. 22-23% of stores had Fair stock on display and only 2-3% of stores were reported to have Poor quality fruit

- *The defect tab on the Stonefruit dashboard can be accessed to view defects on a store level.*



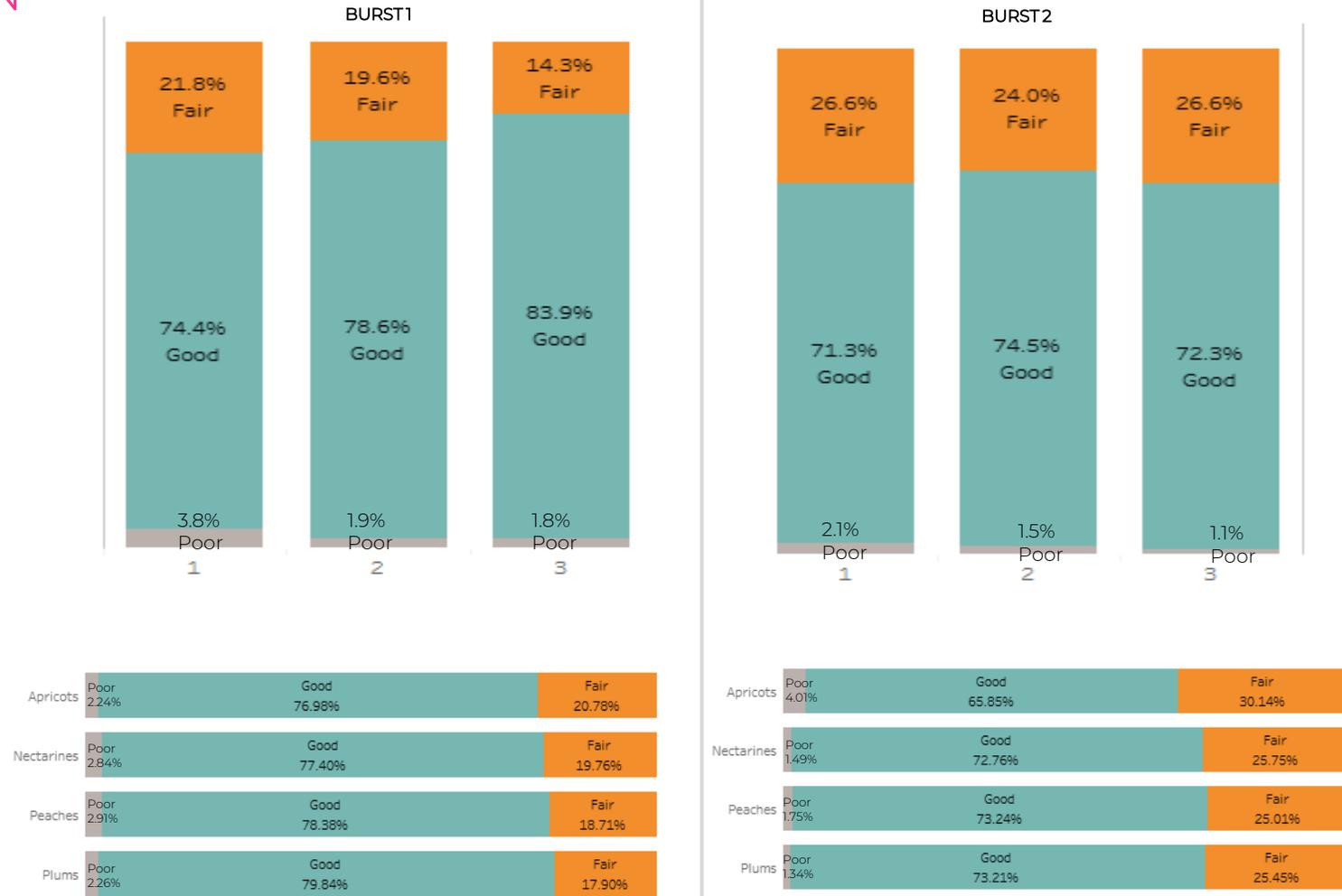
Good	no defects ; ideal ripeness, consistent shape and size
Fair	minor defects, still edible ; suboptimal ripeness ; inconsistent shape and size
Poor	major defects or ripeness issues, not eatable

FRUIT QUALITY

FRUIT QUALITY – BURST 1 AND 2 COMPARISON

- Over the full campaign, **75-76% of stores had Good (no defects) Stonefruit** available, while approx. 22-23% of stores had Fair (minor defects, but still edible) and only 2-3% of stores were reported to have Poor quality fruit (major defects, not eatable).
- There was a reduction in all fruit quality from Good to Fair between burst 1 and burst 2.
- Availability of good fruit decreased by approximately 4-10%, while fair fruit increased by 5-9%. The percentage of poor-quality stock remained consistent.

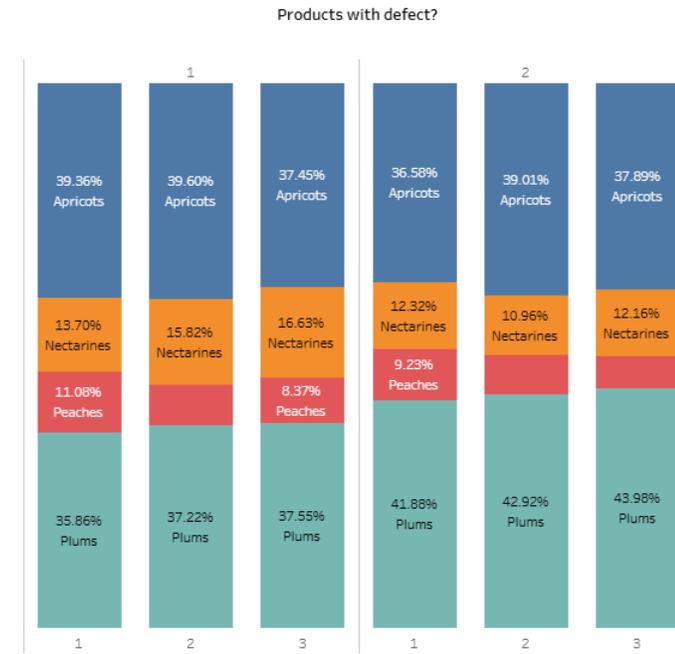
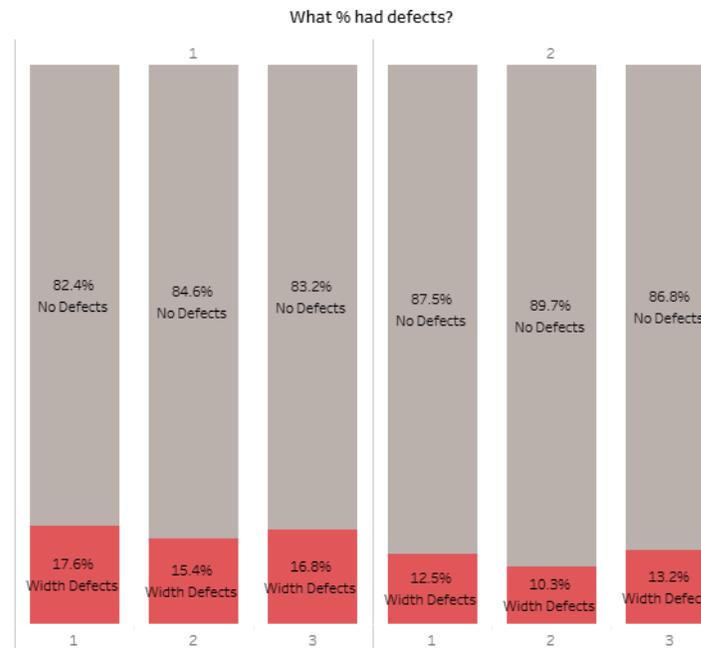
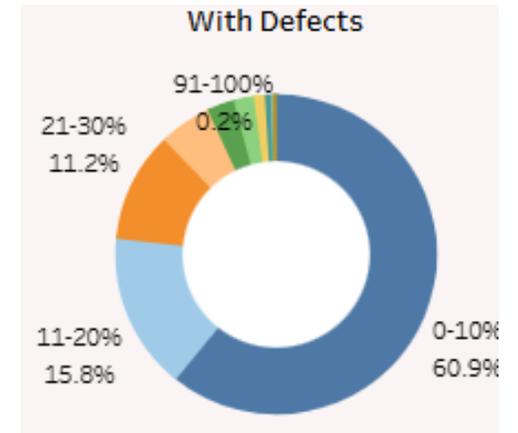
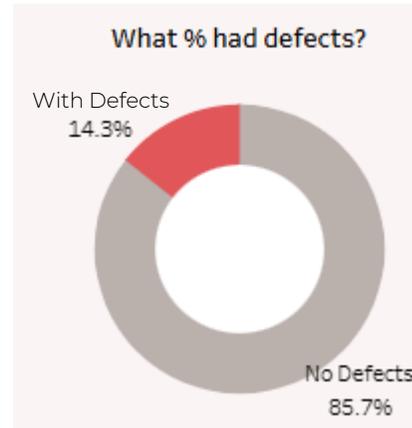
How would you rate the overall QUALITY of the Fruit?



DEFECTS

Defects percentage

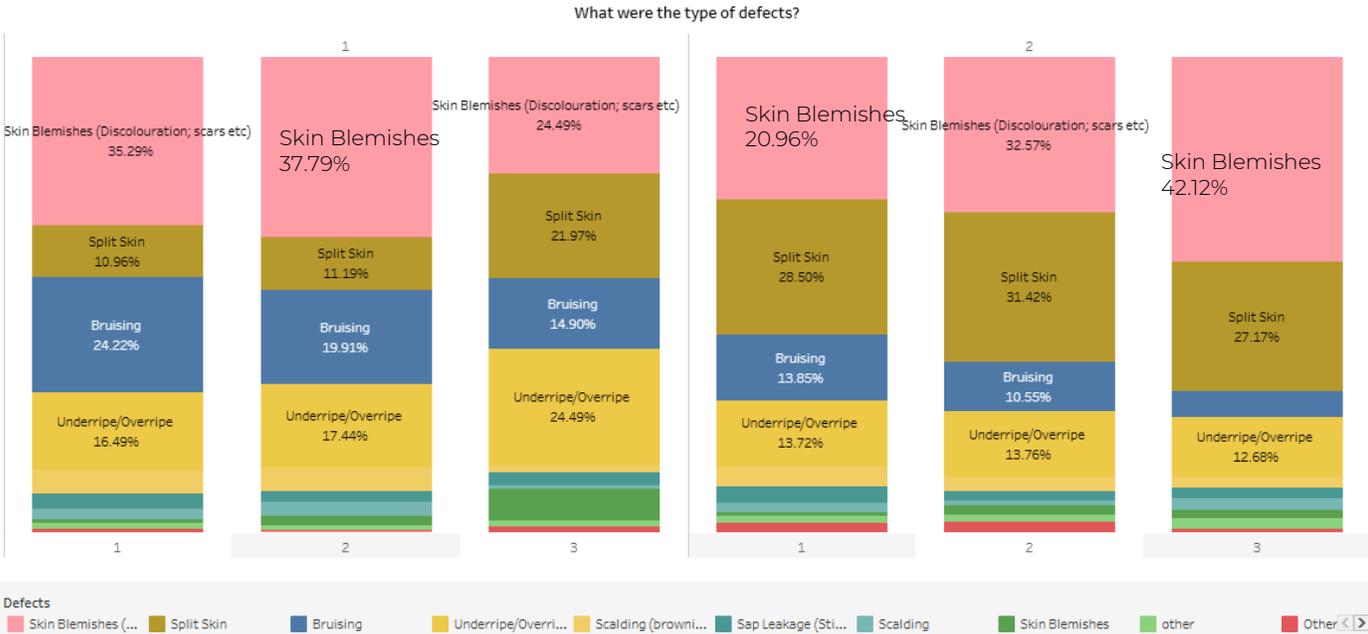
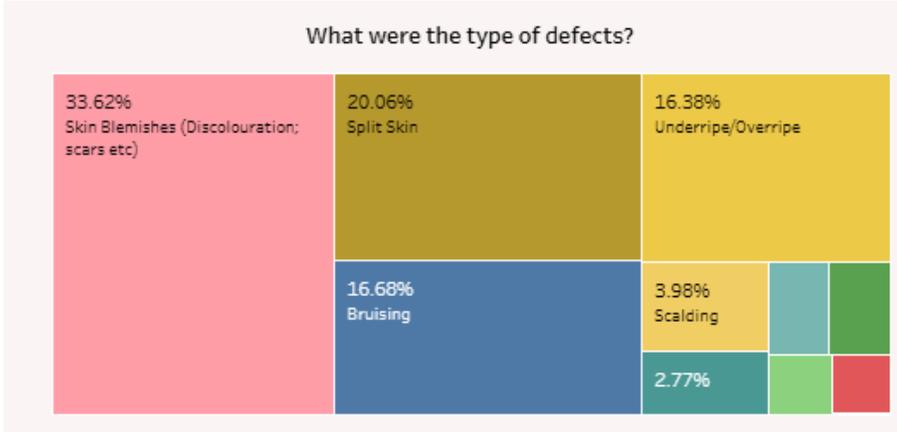
- 85.7% of the Stonefruit did not have any defects this season.
- Pleasingly, the percentage of fruit on display with defects decreased through the season
- Of the 14% of Stonefruit that had defects:
 - 60.9% had defects on less than 10% of the fruit on display.
- Plums & Apricots made displayed the majority of defects, particularly in Burst 2
- Merchandisers reported that in the latter end of the season fruit ripeness wasn't optimal (firm) which may have contributed to the 5% reduction in defects from burst 1.



DEFECTS

Type of defects

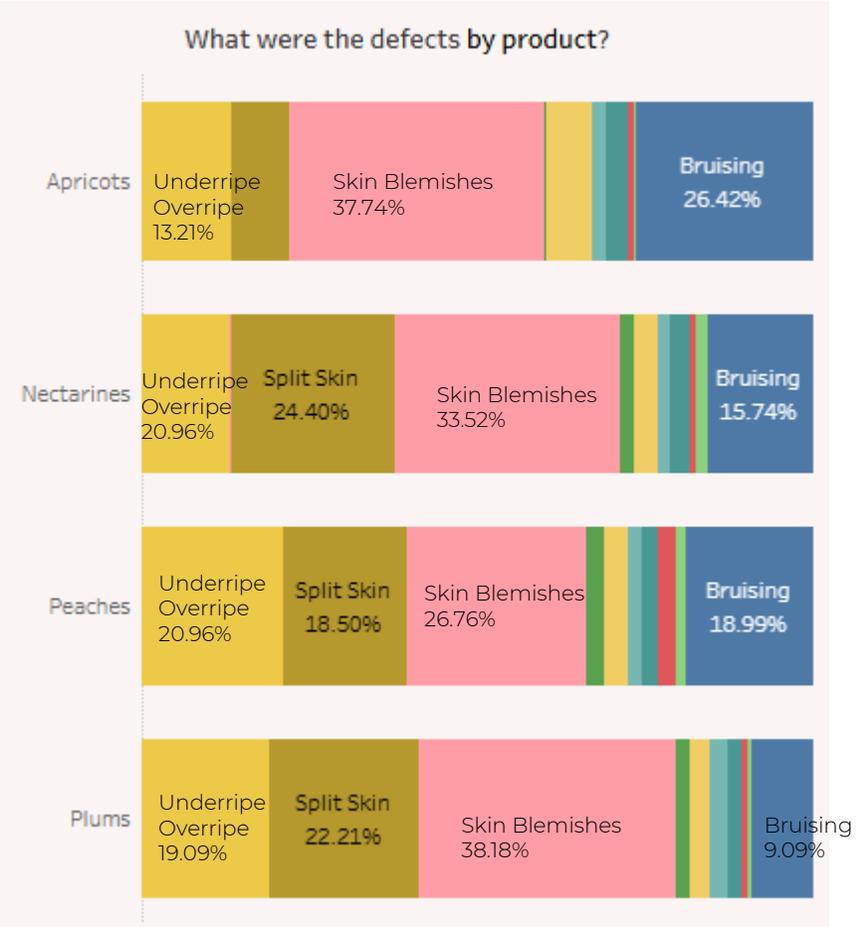
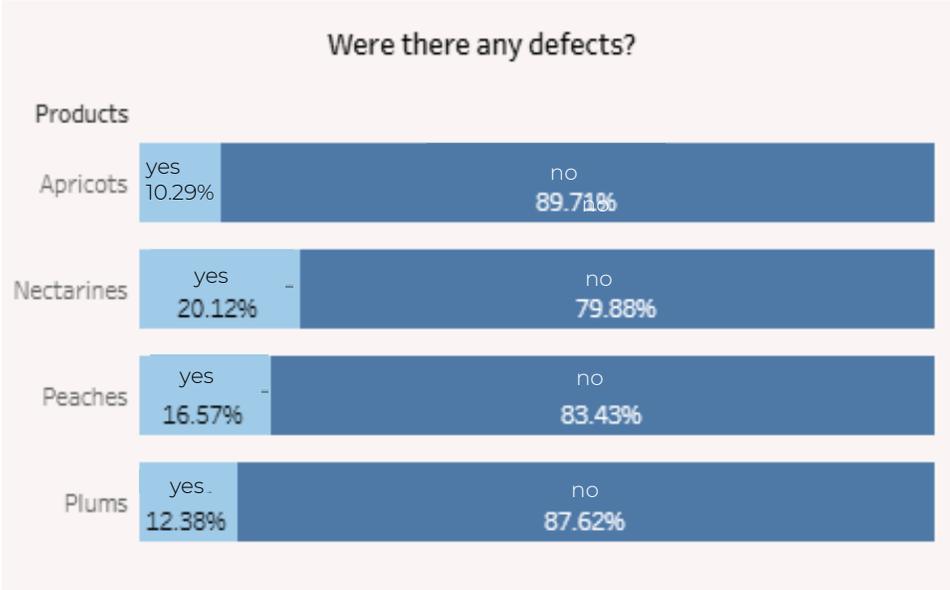
- 33.62% of defects were related to Skin Blemishes (cosmetic, fruit is fine to eat)
- 20.06% of defects were related to Split Skin,
- 16.68% of defects were related to Bruising (due to poor handling in-store)
- Burst 2 saw bruising defects were down by 10% as it's harder to bruise unripe fruit vs ripe fruit
- 16.38% of defects were related to ripeness (underripe)



DEFECTS

Types of defects by product

- Apricots: 37.7% Skin Blemishes ; 26.42% Bruising
- Nectarines: 33.52% Skin Blemishes ; 24.4% Split Skin
- Peaches: 36.76% Skin Blemishes ; 18.99% Bruising
- Plums: 38.18% Skin Blemishes ; 22.21% Split Skin







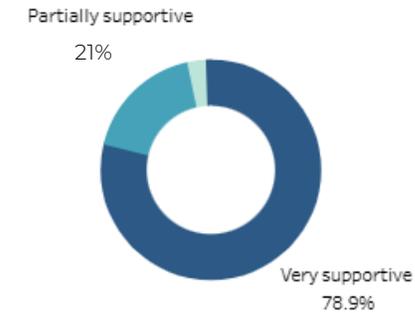
STAFF PARTICIPATION AND TRAINING

STAFF PARTICIPATION

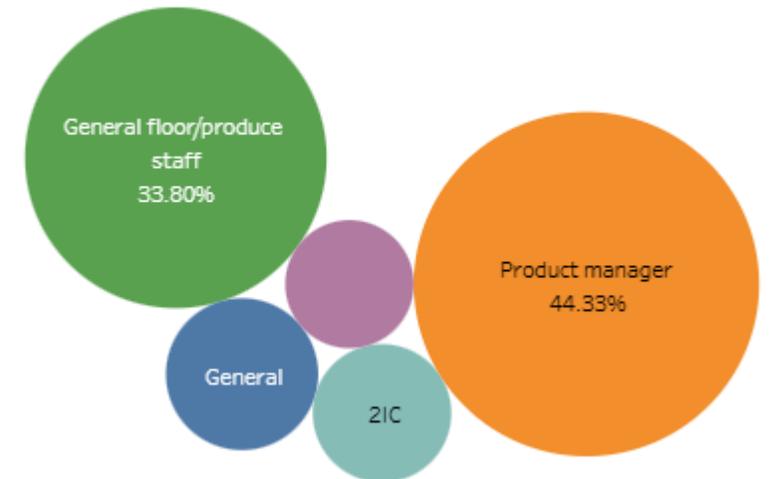
STAFF PARTICIPATION – TOTAL CAMPAIGN RESULTS

- 78.9% of managers were very supportive of the program, while only less than 1% were unsupportive.
- Of the store staff that the team spoke with, 44.33% were produce managers and 33.80% were produce staff.
- Some reasoning as to why a small percentage of managers were not supportive; they were not available during the visits, often on meetings, breaks, on leave or too busy to talk to the staff .

How supportive was the produce manager of the Program?



What staff participated in the training?

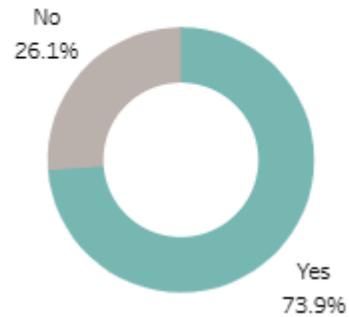




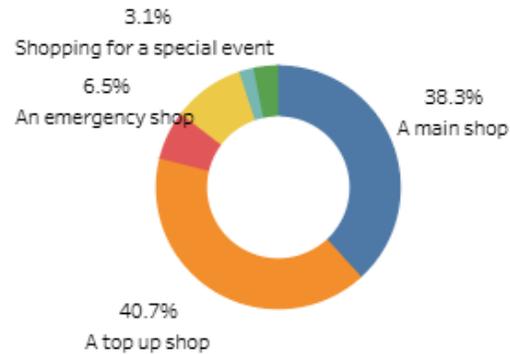
SHOPPER FEEDBACK

SHOPPER FEEDBACK

Do you buy Stone Fruit?



Which of these best describes your shopping trip today?



What type of purchase is it?



SHOPPER FEEDBACK – TOTAL CAMPAIGN RESULTS

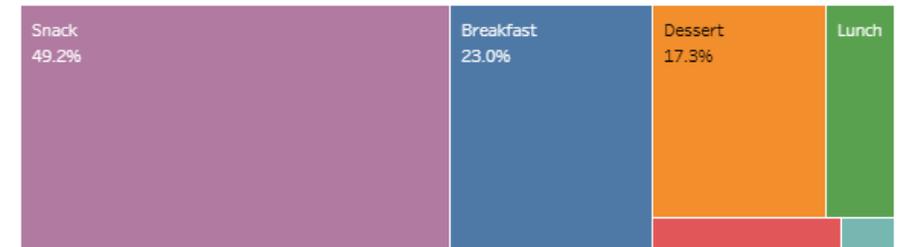
- 73.9% of the shoppers surveyed purchase Stonefruit.
- 38.3% of the shoppers surveyed were doing a main shop, while 40.7% were doing a top up shop.
- 40.5% of shoppers surveyed planned the purchase (shopping list) ; 32.17% said that the purchase was based on price/special and 19.4% were inspired at the store by the display.

SHOPPER FEEDBACK

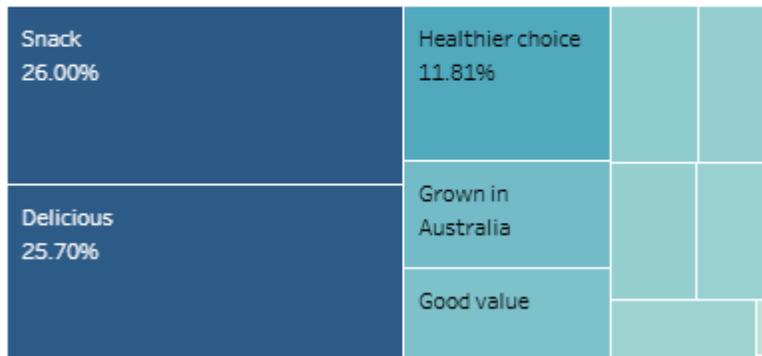
- The main reason shoppers surveyed purchase Stonefruit are:
 - **Snack – 26%**
 - Delicious – 25.7%
 - Healthy – 11.81%
- The Stonefruit varieties purchased by shoppers surveyed are:
 - Peaches – 30.95%
 - Nectarine – 30.63%
 - Plums – 19.82%
 - Apricot – 18.59%
- Alternatives purchase to Stonefruit:
 - Bananas 10% ; Strawberries 10% ; Mango 10% ; Apples 9% ; Blueberries 8% ; Raspberries 6% ; Grapes 6%

- Time of the day you consume Stonefruit:
 - **49.2% snack**
 - 23% breakfast
 - 17.3% dessert
 - 6.9% lunch *(included in Burst 2 only)*
 - 2.8% dinner
 - 0.8% lunchbox *(included in Burst 2 only)*

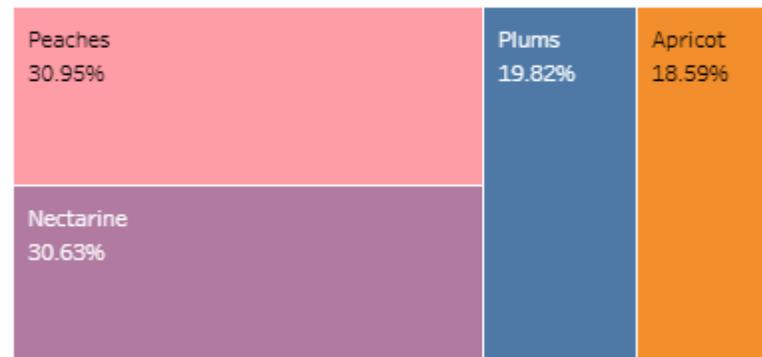
What time of day do you consume Stone Fruit?



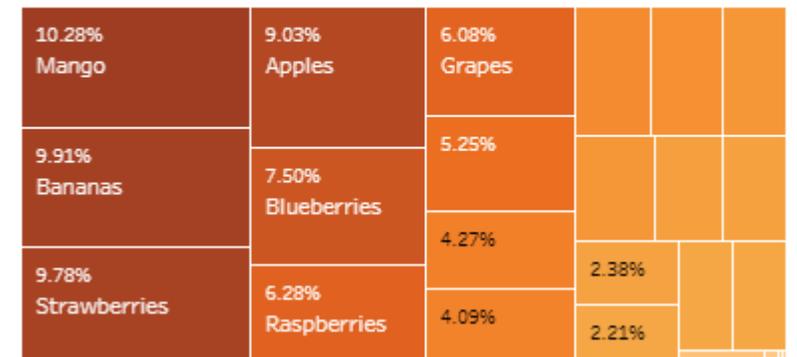
What is the main reason you buy Stone Fruit?



Which of the following varieties of Stone Fruit does your household purchase?



What else would you consider buying instead of Stone Fruit?



SHOPPER FEEDBACK

SHOPPER FEEDBACK – TOTAL CAMPAIGN RESULTS

- 51.35% of shoppers surveyed purchased Stonefruit in the last 7 days, while 30.69% purchased over the last 14 days and 14% purchased in the last month.

**The customers were approached and surveyed close to the Stonefruit display, which may have impacted results.*



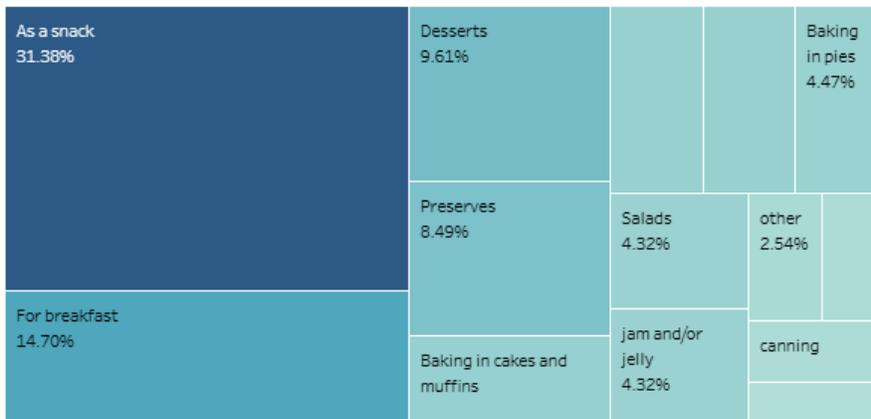
- Shoppers surveyed like to consume Stonefruit:

- As a snack (31.38%)
- Breakfast (14.7%)
- Desserts (9.61%)
- Preserves (8.49%)

- When asked what would make them buy Stonefruit more frequently, shoppers mentioned:

- Better Price (35.15%)
- Better Quality (12.98%)
- If I knew more ways to use them (7.34%)
- If my household liked them (7.20%)

How do you like to consume Stone Fruit?



What would make you buy more frequently?



SHOPPER FEEDBACK

Why don't you buy Stone Fruit?



SHOPPER FEEDBACK – TOTAL CAMPAIGN RESULTS

From the 26.1% of shoppers surveyed, that don't buy Stonefruit, the main reasons are:

- Price (15.54%)
- Prefer other fruits (Mangoes 9% ; Berries 9% ; Grapes 9% ; Melons 8%)
- Too sour (4.94%)
 - there was a 5% increase of this response on burst 2 (6.6%) compared to burst 1 (2.4%)
- Don't like the flavour/taste (4.94%)
- People on my household don't like them (7.41%)



INSIGHTS

INSIGHTS

- **Early training** in the season has an **immediate impact on improving handling practices**.
- Instore merchandising & handling standards **decline from mid season** .
- **Improvements are needed in how fruit is stored in the back-of-house (BOH)**. Data indicates that staff continue to store stonefruit incorrectly, not in line with Woolworths' standards. Over half of the visits reported that stock is still being kept in cool rooms or refrigerated areas.
- Fruit **availability** at the beginning and at the end of the season had direct impact on the fruit quality and display quality results.
- **Defects are higher at the start of the season**, especially bruising when fruit is softer. Skin split is more prevalent later in the season
- POS helps shoppers understand varieties & seasonality, but was only on display in a quarter of stores
- **Most of the store staff never had previous training on Stonefruit**, and the staff that affirmed they did, provided very basic examples, such as flyers left at the staff rooms, retailer induction modules when they started the job, BOH posters, online training and training from the produce manager.
- Stonefruit is seen as a **tasty snack** by consumers and is purchased equally across **top up and main shop** as required
- Aside from price, **improved quality and presentation** in store would drive shoppers to buy more Stonefruit



RECOMMENDATIONS

RECOMMENDATIONS

General Recommendations

D2C would recommend for Hort innovation to run **an ongoing program** of the Stonefruit Quality & Retail Education Program, to provide consistent support and training.

Given the turnover of retail staff, and the proliferation of casuals, training needs to be regular and ongoing.

Ongoing programs undertaken in the past show that the **long-term benefits of training staff impacts sales significantly**.

POS

Adding Point of Sale to displays during the campaign would be **a key element on educating consumers including content such as:**

- Understanding ripeness.
- How to store fruit at home.
- Seasonality – when the starts and ends.

Some POS recommendations would be:

- Hort/Australian Stonefruit POS
- Shelf magnets
- Brochures
- Physical copies of merchandising guides to be distributed to the retailer staff team in addition to the online version.

Retailer Incentive

Running retailer incentives, is a good way of keeping the store **staff engaged** during the program. Some recommended metrics:

- Display quality rating
 - Store engagement statistics
 - % of stock loss
 - Sales
-
- 