

What happened in the Passionfruit Fund last year?

Annual Report 2021/22



About Hort Innovation and the Passionfruit Fund

Hort Innovation is the grower-owned, not-for-profit research and development corporation for Australia's horticulture sector. We work closely with industry to invest the passionfruit R&D and marketing levies, together with Australian Government contributions, into key initiatives for growers, through the Passionfruit Fund. We're proud of the work we do to help drive productivity, profitability, and demand for passionfruit growers and the horticulture sector.

Read on for an overview of what Hort Innovation delivered in the Passionfruit Fund during the year.

We also encourage you to download a copy of the overarching Hort Innovation Annual Report 2021/22 at www.horticulture.com.au/annual-report-portal to see how Hort Innovation worked to benefit the horticulture sector during the year.

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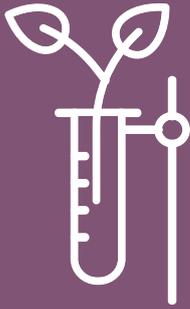
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\$152,504

invested in R&D



\$83,539

invested in marketing



\$231,609

in levies collected

by the Government and passed on to Hort Innovation for investment

Industry facts



7.1%

The value of the passionfruit industry grew at an average annual rate of 7.1 per cent over the five years to 2020/21



20%

Foodservice is an important market for Australian passionfruit, with 20 per cent of fresh supply going to foodservice channels. The value of passionfruit in the foodservice sector has increased 19 per cent compared to that of its pre-COVID value in 2018/19.



65%

Passionfruit production occurs in two key states: Queensland (65 per cent) and New South Wales (35 per cent)

These facts and more can be found in the Australian Horticulture Statistics Handbook, which is delivered by Hort Innovation each year. The handbook is packed with horticulture statistical information and analysis for some 75 categories. See www.horticulture.com.au/horticulture-statistics-handbook.

Consumer insights



1.3 million

1.3 million Australian households purchased passionfruit in 2021/22

These insights were made available through the Harvest to Home platform (www.harvesttohome.net.au) delivered as part of an investment providing regular consumer behaviour data and insight reporting.

Just some of the things delivered for you during the year



Continued development and evaluation of new scion varieties to ensure the sustainability of the passionfruit industry – find out more at hortinn.com/pf19000



Access to consumer insights through multi-industry investments to understand consumer behaviours, attitudes and purchase intentions – see www.horticulture.com.au/passionfruit



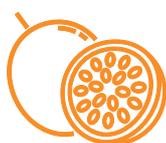
Support for the National Bee Pest Surveillance program to help safeguard honey-bee and pollinator-dependent industries in Australia – read more at hortinn.com/mt21008



A domestic marketing campaign – read more on p9



Investments in the Hort Frontiers strategic partnership initiative to address longer-term and often complex issues and opportunities critical to the future of Australian horticulture – see www.horticulture.com.au/hort-frontiers*



Projects supported by grants secured by Hort Innovation, ranging from cross-sector Rural R&D for Profit initiatives to horticulture-specific work to aid in access to crop protection products – see the Hort Innovation Annual Report 2021/22 for more details*

You can visit www.horticulture.com.au/passionfruit at any time to access information on new, ongoing and completed projects, and to download resources produced by your levy investments.

*These initiatives were delivered outside of the Hort Innovation Passionfruit Fund and, in most instances, did not involve the industry levy

Here's how your R&D levy was invested over the year



The passionfruit Strategic Investment Plan (SIP) guides investments specific to the Hort Innovation Passionfruit Fund. The SIP features priority outcome areas identified and agreed upon by the industry. Hort Innovation works to invest in R&D and marketing initiatives aligned to these.

The above chart shows how project expenditure in the Passionfruit Fund during 2021/22 was aligned to the SIP. We have allocated each project to a SIP outcome based on its primary objective.

Which projects were in each of the SIP outcome areas?

Outcome 1: Industry supply, productivity and sustainability

The Australian passionfruit industry has increased profitability, efficiency and sustainability through innovative R&D and new varieties.

Project title and code	2021/22 investment	Status	More information
Plant Biosecurity Research Initiative – Phase 2 (HA19007)	\$170	Ongoing	
Biosecurity plan for the lychee, papaya and passionfruit industries (MT18006)	\$2,890	Ongoing	hortinn.com/mt18006
Regulatory support and coordination (pesticides) (MT20007)	\$626	Ongoing	hortinn.com/mt20007
National Bee Pest Surveillance Program: Transition program	\$1,567	Ongoing	hortinn.com/mt21008
Passionfruit industry minor use program (PF16000)	\$1,100	Ongoing	hortinn.com/pf16000
National passionfruit breeding and evaluation program (PF19000)	\$80,000	Ongoing	hortinn.com/pf19000

Outcome 2: Demand creation

Demand creation supports the Australian passionfruit industry to develop existing and future domestic markets.

Marketing activities during 2021/22 contributed towards the demand creation outcome. You can read more about this year's passionfruit marketing campaign on [p9](#).

Outcome 3: Extension and capability

Building capability and an innovative culture in the Australian passionfruit industry maximises investments in productivity and demand.

Project title and code	2021/22 investment	Status	More information
Australian passionfruit industry communications program (PF16003)	\$57,328	Completed	hortinn.com/pf16003

Outcome 4: Business insights

The Australian passionfruit industry is more profitable through informed decision-making using consumer knowledge and tracking and independent reviews.

Project title and code	2021/22 investment	Status	More information
Consumer demand spaces for horticulture (MT21003)	\$730	Ongoing	hortinn.com/mt21003
Consumer behavioural data program (MT21004)	\$2,023	Ongoing	hortinn.com/mt21004
Pilot program: Consumer usage, attitude and brand tracking (MT21201)	\$174	Completed	hortinn.com/mt21201
Consumer usage and attitude tracking 2022/23 (MT21202)	\$603	Ongoing	hortinn.com/mt21202



Financial operating statement

Passionfruit Fund Financial operating statement 2021/22

	R&D (\$)	Marketing (\$)	Total (\$)
	2021/22 July – June	2021/22 July – June	2021/22 July – June
OPENING BALANCE	74,723	50,056	124,779
Levies from growers	115,805	115,804	231,609
Australian Government money	89,038	–	89,038
Other income*	258	102	360
TOTAL INCOME	205,100	115,907	321,007
Project funding	152,504	83,539	236,043
Consultation with and advice from growers	252	427	678
Service delivery	25,320	18,624	43,944
TOTAL EXPENDITURE	178,076	102,589	280,665
CLOSING BALANCE	98,746	60,373	159,118
Levy collection costs	3,002	3,001	6,003

*Interest, royalties

Levy collection costs – These are the costs associated with the collection of levies from industry charged by Levy Revenue Services (LRS)

Service delivery – Also known as Corporate Cost Recovery (CCR), this is the total cost of managing the investment portfolio charged by Hort Innovation

Making sure that levy investment decisions align with industry priorities

What will be the Passionfruit Fund's focus over the next five years?



Hort Innovation developed the passionfruit Strategic Investment Plan (SIP) in 2021 to reflect current priorities for the passionfruit industry, involving extensive consultation with passionfruit growers and industry stakeholders, including Passionfruit Australia. The SIP is the roadmap that helps guide Hort Innovation's oversight and management of individual levy industry investment programs.

The passionfruit SIP lays the foundation for decision-making in levy investments and represents the balanced interests of the passionfruit industry. The most important function of the SIP is to make sure that levy investment decisions align with industry priorities.

The passionfruit SIP identifies four outcome areas that will contribute to the productivity and profitability of the sector. They are:

- Industry supply, productivity and sustainability
- Demand creation
- Extension and capability
- Business insights.

What projects will the Fund be investing in next year?

The passionfruit Annual Investment Plan (AIP) 2022/23 details how Hort Innovation spends levy funds over 12 months. The passionfruit industry SIP guides investment decisions, and our consultation process prioritises investments based on potential impact and levy fund availability.

Hort Innovation publishes Annual Investment Plans each year over the lifespan of the SIP and advises industry stakeholders via various communication channels.

Hort Innovation will continue to report on fund performance regularly, focusing on outcomes and the impact of investments.



Visit www.horticulture.com.au/passionfruit-fund-management to view both documents and better understand how Hort Innovation invests your levy.

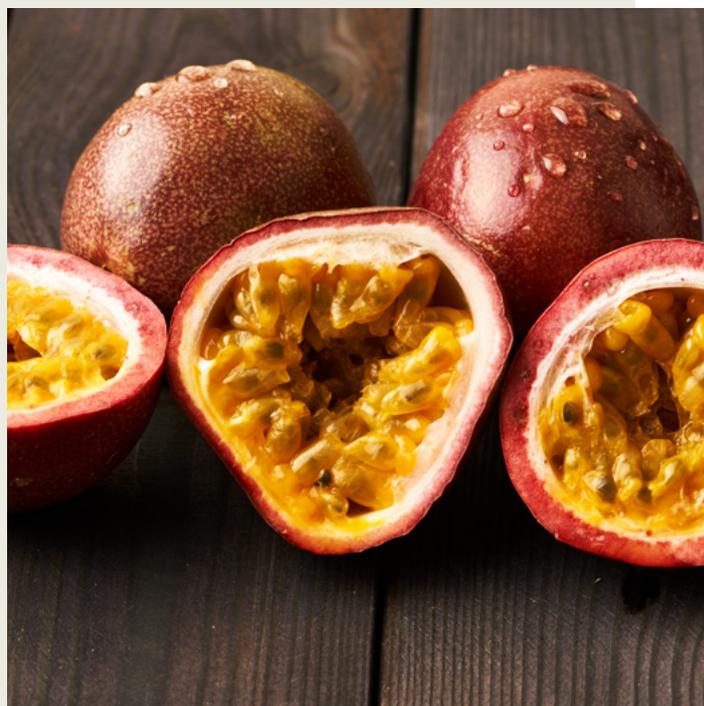
Consumer demand project provides insights for passionfruit growers

In 2021/22, the Hort Innovation Passionfruit Fund invested in a multi-industry project to identify and prioritise opportunities to engage consumers and build demand across the domestic market for fruits, nuts and vegetables.

Consumer demand spaces for horticulture (MT21003) will deliver a framework that can be used by industry to inform their decision-making around product development and marketing campaigns. The project team will compare the current 'state of play' against identified opportunities and prioritise based on potential impact.

The framework will be informed by research into:

- Current market landscape and competitive dynamics
- Consumer segmentation
- Consumer occasion-based needs
- 'White space' opportunities where consumer needs are currently unmet.



Here's a quick look at some early insights for passionfruit growers:

- Australians are most likely to eat passionfruit as a snack or dessert
- The key moment when Australians eat passionfruit are when they're at a social gathering/party
- Australians are most likely to use passionfruit fresh on its own or as a topping.

Find out more at hortinn.com/mt21003

Getting more Australians to ‘add a dash of passionfruit’

Hort Innovation is responsible for investing the passionfruit marketing levy into a range of activities to drive awareness and consideration. Here’s a quick look at some of the activities and achievements in 2021/22.

In 2021/22, the Australian Passionfruit marketing campaign was designed to drive awareness and inspire consumers while they plan their grocery shop. This encouraged planned purchase, primarily amongst Australians aged 35-55, reaching the ‘independent singles’ target audience. Compelling content was created, aiming to cut through cluttered social feeds via an ‘always-on’ strategy for the duration of the campaign.

Content creation and recipe development

To create increased awareness and consideration for Australian passionfruit, food photographer Bonnie Coumbe was commissioned to create and capture recipes designed to excite and inspire consumers to enjoy Australian passionfruit.

Three new passionfruit recipes were created to lean into the ‘drinks and dessert’ occasion, including passionfruit and white chocolate chip cookies, passionfruit mule (alcoholic and non-alcoholic options), and a no-bake passionfruit cheesecake. These recipes were accompanied by high-quality imagery to highlight how delicious passionfruit can be.

Social media

The ‘always-on’ social media campaign was designed to increase awareness and consideration of Australian passionfruit and encourage purchase amongst target audiences on Facebook and Instagram, with an increase in advertising spend during seasonal peaks to support supply.



Continued

Marketing spotlight



The campaign was designed to educate audiences about Australian passionfruit by sharing facts about the fruit, highlighting the health benefits, selection and storage tips and inspiring audiences by displaying delicious ways to eat the fruit year-round.

There were 70 posts shared on the Australian Passionfruit social media channels during the campaign. The posts with the highest engagement rates were the 'tropical breakfast popsicles' on Instagram, which achieved 1,514 engagements and an engagement rate of 16 per cent and the 'passionfruit ripple cheesecake' on Facebook which achieved 11,440 engagements and an engagement rate of 10 per cent.

One video post was shared to showcase how passionfruit could be used. It achieved 3,968 engagements (including video views), 38,544 impressions and a reach of 32,406.

The social media campaign achieved:

- More than 3.4 million impressions across Facebook and Instagram (higher than the KPI of 3.1 million impressions)
- More than 95,000 engagements across Facebook and Instagram, surpassing the KPI of 90,000 engagements
- Average engagement rate on Facebook of five per cent and 10 per cent on Instagram (surpassing KPI of > four per cent for Facebook and >10 per cent for Instagram).

In 2021/22 the Hort Innovation Marketing function underwent a significant shift in their approach to investing marketing levies. You can read more about this in the 2021/22 Hort Innovation Company Annual Report at www.horticulture.com.au/annual-report-portal.

Brand partnership

Australian Passionfruit benefited from a first-time partnership with News Corp, with home page takeovers, simple usage applications and recipes on Taste.com.au, Australia's top food website.

The partnership has resulted in 212, 0000 impressions across the site and 2,888 pageviews. The partnership consisted of one Taste TV package with pre-roll, a social video and surrounding media and recipe recommendations.

The high engagement rate is due to passionfruit being a trend and favourite taste profile with Taste audiences. The recipe has received the highest amount of views on Taste TV and engagement rate as a social video, with a 1.09 per cent click-through rate.

**ADD A DASH OF
PASSIONFRUIT**

AUSTRALIAN
PASSIONFRUIT

IN STORE NOW

Minor use permits

The Hort Innovation Passionfruit Fund supports the submission of applications for new and renewed minor use permits for the industry, as well as data generation activities to support chemical permits and registrations, and strategic agrichemical reviews.

Together these efforts provide industry access to safe, relevant and effective chemicals to manage pests, weeds and diseases.

For full details on these activities and links to relevant information, visit hortinn.com/passionfruit-minor-use.



Minor use permits

Current permits

Below is a list of minor use permits for the passionfruit industry, current as of 15 August 2022.

Permit ID	Description	Date issued	Expiry date	Permit holder
PER12450 Version 7	Trichlorfon / Specified fruit crops / Fruit fly	06-Oct-11	30-Nov-25	Hort Innovation
PER12781 Version 3	Cabrio (pyraclostrobin) / Passionfruit / Anthracnose and Septoria spot	13-Mar-12	30-Jun-23	PAI
PER87607	Phosphorous acid / Passionfruit / Phytophthora blight	05-Apr-19	30-Apr-24	Hort Innovation
PER87164 Version 2	Dimethoate / Specified citrus and tropical and sub-tropical inedible peel fruit commodities – post-harvest dip or flood spray / Various fruit fly species	01-Mar-19	31-Mar-24	Hort Innovation
PER14421 Version 3	Glyphosate (RoundUp) / Passionfruit / Grass and broadleaf weeds	31-Oct-13	31-Aug-23	PAI C/Hort Innovation
PER90591 Version 2	Fenbutatin oxide (miticide) / Passionfruit / Passionvine mite and two-spotted mite	09-Apr-21	31-Jul-27	Hort Innovation
PER13859	Dimethoate / Orchard cleanup – fruit fly host crops following harvest / Fruit fly	09-Feb-15	31-Jul-24	Growcom
PER14662 Version 2	Petroleum oil and paraffinic oil / Passionfruit / Passionvine mite and two-spotted mite	29-Mar-15	30-Jun-25	Hort Innovation
PER85397	Sulfoxaflor (Transform) / Lychee, mango, papaya and passionfruit (field grown) / Fruit-spotting bug and banana-spotting bug	17-Apr-18	30-Apr-23	Hort Innovation
PER89241	Spinetoram / Tropical inedible peel / Fall armyworm	06-Mar-20	31-Mar-23	Hort Innovation
PER89870	Spinosad (Entrust Organic) / Various including tropical and sub-tropical fruit crops (inedible peel) / Fall armyworm	21-Jul-20	31-Jul-23	Hort Innovation
PER89943	Trivior Insecticide (acetamiprid + pyriproxyfen) / Custard apples, lychee, papaya, passionfruit, persimmons and olives / Various pests including fruit spotting bugs, olive lace bug, fruit fly suppression, mealybugs, scale insects, plant hoppers, leafhoppers and light brown apple moth	29-Jan-21	31-Jan-24	Hort Innovation
PER88379	Etoxazole / Passionfruit / Passionvine mite and two-spotted mite	22-Feb-21	28-Feb-24	Hort Innovation

All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at portal.apvma.gov.au/permits. Details of the conditions of use associated with these permits can also be found on the APVMA site.

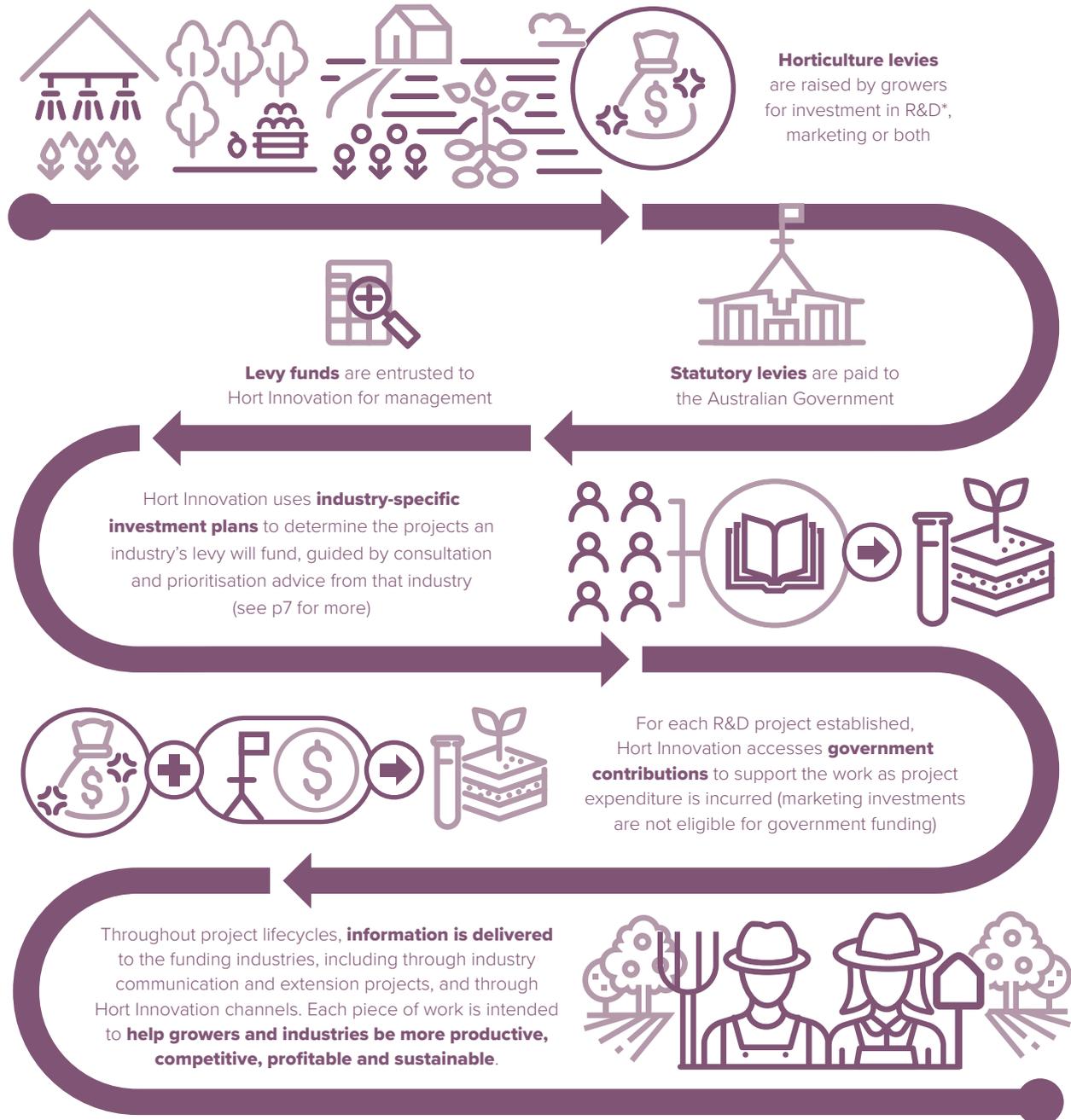
Keep up to date!

Find monthly minor use permit updates in our *Growing Innovation* e-newsletter.

Sign up for free at www.horticulture.com.au/sign-up.

How strategic levy investments are made in the Passionfruit Fund

The below diagram shows how Hort Innovation makes strategic levy investments on behalf of horticulture industries. The passionfruit R&D and marketing levies were invested this way during the year, guided by the passionfruit Strategic Investment Plan 2022-2026 and advice from the industry’s investment advisory panel.



* Encapsulating extension and international trade

To learn more about funding specific to the Hort Innovation Passionfruit Fund, visit www.horticulture.com.au/passionfruit. During the year, other sources of funding were also used to support activities for the benefit of Australian horticulture, including grant funding secured by Hort Innovation, co-investment dollars brokered through our Hort Frontiers initiative and centralised strategic levy reserve.

Hort Innovation

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