

PAPAYA CONSUMER RESEARCH – NEW ZEALAND

Introduction

New Zealand imports of papayas are valued at over \$1 million per year; with the Philippines the main supplier. Australian and Fiji have identified New Zealand as their priority market offering the best opportunities for export growth. Market access for Australian papayas to New Zealand was granted in 2005, but to date only minimum exports have taken place. This slow growth in exports has been attributed to the irradiation treatment papayas must go through as part of the quarantine measures demanded by New Zealand. Irradiation and, particularly irradiation labelling at point of sale, are perceived as the stumbling blocks affecting export development. For Fiji, papaya has become one of its important fruit export crops and has the potential of becoming a major industry in the South Pacific region. New Zealand is, after Australia, the second largest market for Fijian papayas. However, market information and customer feedback does not often reach growers and packers. Subsequently, growers often harvest product that does not meet the customers' needs and often supply product that does not always satisfy markets requirements.

Fijian and Australian papaya industries have the potential to further develop markets in Australia and expand into New Zealand. However, both markets remain undeveloped due to a limited knowledge of market requirements, lack of understanding of consumers' needs and poorly integrated distribution channels. Understanding of the market through consumer research is an essential first step to drive the focus of market development, new variety development and marketing activities. This report presents the findings of the consumer research undertaken in New Zealand exploring preferences and buying behaviour, purchasing drivers for Australian and Fijian papaya. The outcomes of the research will support the export development programs for both Fijian and Australian industries in New Zealand.

Overall objectives

The objectives of the research are to:

1. Explore usage and consumption behaviours of New Zealand consumers
2. Understand triggers and barriers to papaya consumption in New Zealand
3. Obtain feedback on promotional messages and imaginary used by Fijian industry in New Zealand
4. Identify which Australian & Fijian papaya cultivars show consumer acceptance in New Zealand

Methodology

Three focus groups were conducted in Auckland, New Zealand in June 2014 with New Zealand fruit:

- Group 1: non-papaya consumers
- Group 2: regular papaya consumers (once per fortnight)
- Group 3: irregular papaya consumers (four times a year)

In addition, sensory test analysis was conducted at the end of each focus group. Four papaya lines were tested: RB1 – Skybury (1.475Kg), RB (1.263g), Fijian Solo (401g) and Philippines papaya (590g).



Research insights

Consumption and purchase

- New Zealanders have a core repertoire of familiar, convenient, simple and versatile fruits such as apples, oranges and bananas.
- Consumers are not very familiar with papayas as they are not regularly consumed, and for most consumers it is considered an “exotic” fruit.
- Papayas are only an occasional treat, regarded in the same category as mangoes.
- Papaya consumption is not deemed convenient, as it usually requires particular preparation (peel, cut, etc.) before consumption
- Due to seasonality, papayas are not consistently available throughout the year, making it hard for consumers to become familiar with the fruit.
- Papayas are not always available in major supermarkets, and when available they are difficult to find.
- It is challenging to choose a good eating quality fruit and they are considered expensive compared to other tropical fruits.

Consumption triggers and barriers

- New Zealand consumers like papaya for its taste and texture. Nutrition and versatility are also important triggers for consumption.
- Country of origin is not a key consideration when purchasing, but can be used to convey the ‘safety’ and the taste of the fruit.
 - Images of tropical Queensland, together with assumed high food standards and RD capabilities, increases appeal of Australian papaya
 - Fiji is considered a “natural”, “real”, ‘authentic”, low chemical supplier of fruit and associated with community engagement.
- Key barriers to purchase for papaya consumers include: price, seasonality, perishability and the risk of getting a bad-tasting papaya.
- Poor availability at retail, lack of perceived value for money and fruit appearance can prevent purchase before consumers even get to taste the fruit
- For non-consumers, a lack of knowledge and fear of disappointment present the greatest barriers to papaya purchase and consumption.

Irradiation

- Most consumers felt uneasy about consuming ‘irradiated’ papayas and were concerned about the labeling in store outlets
- Consumers perceived irradiation as undesirable, but most failed to explain what ‘irradiation’ means and its effect on health
- Stressing consistency, quality and good price may overcome any bad associations with irradiation

- Although, irradiation was not well regarded, knowing papayas were irradiated was not a significant barrier to purchase.

Promotion and feedback on marketing

- As papayas are perceived at a 'treat', consumers will take time and effort to find a "perfect" papaya when shopping
- Instructions on how to eat and how to recognize ripeness are needed to overcome the fear of purchasing and consumption an unknown fruit
- Fiji enjoys positive imagery:
 - Fiji is associated with idyllic, clean, sunny and tropical holiday destination
 - Fijian fruit is considered to be naturally grown, with minimal use of chemicals on small family/community farms
 - Fijian Red brochures need to be reviewed as the current brochure had too much text, with small print and lack information on recipes
 - Fijian Red logo needs to be reconsidered as it does not convey the tropical, treat image of papaya
- Australia is not immediately associated with papaya growing, but it is recognized as having good quality fruit due to high food standards, R&D and large scale of production
 - Australia growers can leverage their climate and associate with tropical production in North Queensland

Consumer acceptance

Sensory analysis was undertaken with four papaya lines: RB1, RB, Fijian Solo, Philippines papaya. Consumers were participated in blind tests and ask to rate each line on a number of attributes. Key findings are:

- Taste preference:
 - Fiji Red was the clear favourite papaya line amongst all participants. Consumers were most likely to buy due to its sweetness and colour. Given its small size the price point for Fiji Red was NZ\$2.50 - NZ\$4. (Fijian papayas the flea markets were sold for \$4.99 p/kg)
 - Skybury was the favourite Australian papaya line. Consumers were surprised of its sweet taste given its blemished appearance and size. It was perceived to provide value for money and the price point was NZ\$4-NZ\$7.
 - Australia Red was third in taste and texture. The price point was NZ\$5-NZ\$8 per unit.
 - Philippines papaya was the least liked papaya, with many complaining about its off-taste.
- Intention to buy:
 - Purchase intention was highest for Skybury, followed by Fiji Red.
 - The lowest purchase intention was for the Philippine line.
 - The Fijian papaya was perceived as too small and not providing value for money.

- Skybury was scored the highest for the size, flavor strength and sweetness and texture.
- Philippine papaya was rated as 'too pale', lacking aroma, sweetness and juiciness.

Conclusion

The research indicates that in New Zealand papayas are considered as an occasional 'treat'. Given its delicacy status in the marketplace consumers do take their time when choosing a papaya. Taste and texture are the key consumption triggers, with nutrition and availability also important attributes. Barriers to purchase and consumption include its high price, lack of availability throughout the year and the high risk associated with purchasing a poor quality fruit.

Although consumers feel uneasy about irradiation food and irradiation labelling for most consumers irradiation treatment in papayas is not a major barrier for consumption. Thus, irradiation is not barrier for market success for Australian papayas in New Zealand. The association with tropical Queensland appeals to consumers.

Consumers have positive feelings towards Fiji and its fresh produce. They considered their Fijian 'traditional' agricultural practices and its unspoiled tropical environment as a catalyst for growing good quality taste fruit.

Although in the sensory blind tests, Fijian Red was the preferred papaya line in terms of flavor and sweetness, when intention to purchase was asked, the Australian Skybury variety was preferred. The small size of the Fijian papaya was disliked by most consumers. Philippine papayas, the only papaya widely sold in major supermarkets, were considered inferior to both Fijian and Australian product lines. For most, Philippine papaya were also the least likely to be purchased, given its off taste. It should be noted that Philippine papayas were sold for NZ\$3.99 per unit retail and did not have good appearance or were displayed correctly.

The research concludes that there are market opportunities for both Australian Skybury and Fijian Red papaya lines. The challenge for Australian papayas will be securing access to the retail trade as part of their regular fresh category offering. Irradiation labelling is perceived as the key stumbling block for fresh produce to be sold in the two major supermarket chains, Countdown and Foodstuffs. However, irradiated Australian mangoes are selling well in New Zealand and the papaya industry can follow in their steps. For Fiji Red the challenge will be to improve their production capabilities and be able to commit to long term supply of quality fruit. The size of Fijian Red must also be reconsidered as the current small size available in New Zealand seems to be too small for consumers. Furthermore, due seasonality both Australian and Fiji cannot sustain supply quality during the whole year, thus it is best to choose best timing for quality production and arrange seasonal supply arrangement with retailers

Recommendations

The New Zealand market offers opportunities for both the Fijian and Australian papaya industries. Based on the findings of the consumer research the following recommendations are provided:

Improve Logistics & packing sizes

- For Australian product ensure good product is put through the irradiation process so the fruit does not suffer much damage during treatment.
- For Fijian papaya, ensure consistent quality at time of packing and choose sizes greater than 500 grams to appeal to consumers.

Create a product image

- Reinforce the notion of papaya as a natural 'treat', a delicacy worth paying for.
- Capture the "natural" essence of Fiji and the positive feelings arising from the images of Fiji as an idyllic island paradise
- Redesign Fiji Red brochures and logos to convey feelings of 'natural', quality and flavour
- Capitalise on the perception on Australia's clean and safe image and of tropical North Queensland
- Design an individual fruit sticker with wordings such as 'irradiated to protect the New Zealand environment' or similar to let consumers know the reason for the irradiation treatment and also to comply with New Zealand labelling laws.

Engage a good distributor

- For Australian industry engage with one of the key importer/distributors (e.g. T&G, MG, FreshMax) with access to retail and food service markets and with experience marketing 'irradiated' fresh produce.
- For Fiji Red to reassess with their current importer/distributor arrangements and work with those that have access to premium independent stores.

Adopt niche marketing

- Arrange seasonal supply arrangement with retailers and market to promote papayas during that period
- Explore opportunities for Fijian Red to be distributed to the independent retailers such as Farro and Nosh.