

Case Studies of Selected Recent Fruit Innovations

Poster by Tom Bakker (LEI Wageningen UR) and Joanna Rakowska (Warsaw University of Life Sciences-SGGW)

Based on Deliverable 1.3.7 Report on case study of fruit innovations and 1.3.9 List of characteristics for future fruit innovations by: Tom Bakker¹, Jan Benninga¹, Joanna Rakowska², Jos Bartels¹, with the cooperation of: Ivo van der Lans¹, Mieczysław Adamowicz², Panagiotis Lazaridis³, Georgia Papoutsis³, Julian Briz⁴, Teresa Briz⁴, ¹ Wageningen UR-Agricultural Economics Research Institute, the Netherlands, ² Warsaw University of Life Sciences – SGGW, Poland, ³Agricultural University of Athens, Greece and ⁴ Universidad Politécnica de Madrid, Spain

Objectives

To analyze the success or failure of selected recent fruit innovations from the perspective of findings from two ISAFRUIT consumer surveys on consumer innovativeness and adoption of fruit innovations.

Methodology

Case study selection

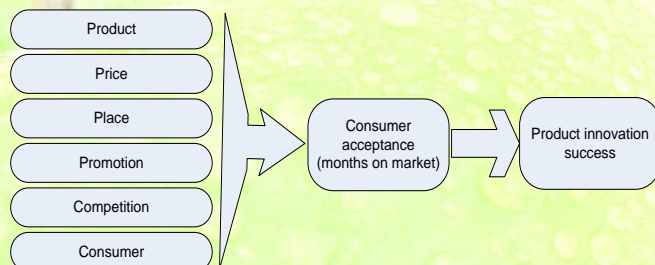
Based on an inventory of recent fruit innovations, four innovative fruit products were selected in each country in the study: Greece, Spain, the Netherlands and Poland. Both successful and non-successful products were selected, using the number of months a product has been on the market as an indicator for product success. The criterion to define a non-successful product was its availability in the market shorter than 24 months and for a successful product its availability for 24 months and more.

Country:	Selected innovative fruit products		
		fresh	processed
Greece*	successful	Cut fruit salad Amita Motion	Knorr Vie classic Knorr Vie Kidz
The Netherlands	successful	Wellant apple Fresh cut fruit	Fruit2Day
	non-successful	-	Apple chips
Poland	successful	Actinidia	Cranberry juice
	non-successful	-	Guabana Czeko-dzemi
Spain*	successful	Fresh cut fruit Seedless watermelon	Dried fruits Fruit/milk mix

*There were no non-successful products selected.

Case study analysis

Three retailers were interviewed for every innovative product, using a semi-structured interview protocol. The interview protocol contained 21 questions on six factors influencing innovative product success or failure: product, price, place, promotion, competition and consumer.



Conclusions

Product

- According to the interviewed retailers, product characteristics, especially health, convenience and taste have the biggest impact on the success of innovative fruit and fruit products.

The work presented was carried out within the Project 'ISAFRUIT', with a focus on the area of 'Consumer driven and responsive supply chain'. The strategic objective of ISAFRUIT is to increase fruit consumption and thereby improve the health and well-being of Europeans and their environment, by taking a total chain approach, identifying the bottlenecks and addressing them by consumer-driven preferences.

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www.isafruit.org

- Innovative taste can have either a positive or a negative influence on product success as appreciation of taste mainly depends on consumer's perception.
- Claims of the producer (e.g. about health, convenience) should match the characteristics of the fruit product perceived by the consumer.

Market, price and competition

- In retailers opinion, most innovative products may be meant for some specific segments of the population e.g. 'Knorr Vie Kidz' in the Netherlands or cranberry juice in Poland, very few innovations within the surveyed group were meant for different target groups.
- Retailers most often are not sure to whom (the target group) the producer addresses the innovative product, thus promotions carried out by them may be ineffective.
- Retailers highlighted that premium (high) price limits the number of potential consumers.

Place

- In retailers opinion, good positioning of innovative products significantly influences their success, however, the positioning is usually determined by one of the following factors:
 - sales volume: the more of the product is sold, the better position is given to it,
 - spending power of the producer, who can or cannot afford to 'buy' a shelf for the product,
 - space available in the shop,
 - shape and size of the product (ergonomics).

Promotions and product introductions

- Fruit products are often promoted either by the retailer (conventional retailers' methods) or by the producer through conventional mass media techniques (above-the-line).
- Fresh fruit products were often promoted by the retailer only.
- Differences in price elasticity between surveyed products confirms different effects of price promotions (lift factor) on the sales.
- Success of promotions based on reducing prices of premium price products indicates that the potential market for the innovations can be much bigger.
- Producers' strategies concerning product introductions are mostly unknown to retailers.
- The first months after introduction are decisive – in case of low sales retailers may quickly give up selling the innovative product.

Consumer

- There are: i) non-innovative consumers who appreciate only well-known, classical taste but accept some innovative characteristics and ii) innovative consumers who accept both innovative taste and improvements or novelties in other product characteristics.
- These innovative consumers can influence the non-innovative consumers, thus starting a dynamic process of the shift of innovations. Even innovative consumers do not accept novel fruit or fruit products, if they differ too much from what consumers are used to, especially in the aspect of taste.

More information:
Tom Bakker
LEI Wageningen UR
Tom.Bakker@wur.nl

