

FEBRUARY 2022

Persimmon

Strategic Investment Plan 2017-2021

PERFORMANCE REPORT



Persimmon SIP performance report

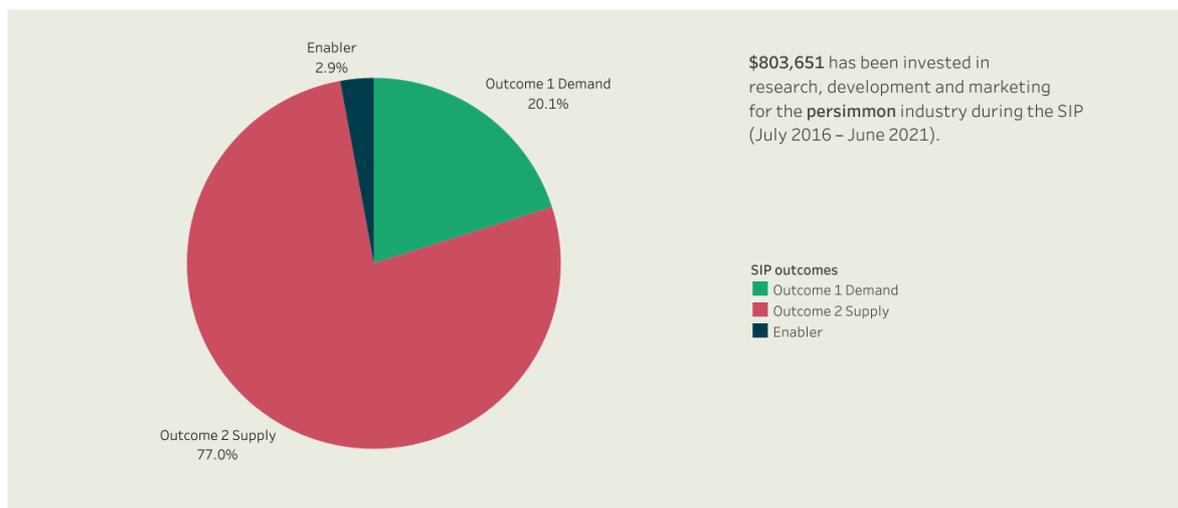
This performance report reviews the performance of levy investments delivered against the persimmon Strategic Investment Plan (SIP), which was active for the 5-year period from 2016/17 to 2020/21. The SIP was developed to strategically guide research and development (R&D) and marketing levy investment in accordance with core industry priorities. The SIP featured two outcome areas, eight strategies and 10 key performance indicators (KPIs), summarised in Table 1. A total of \$0.8 million was invested into the Persimmon Fund over the 5-year period of the SIP. The total investment expenditure allocated against each outcome is provided in Figure 1.

Table 1: Persimmon SIP outcomes

Outcome	Description	Expenditure allocation*
1. Demand	Increased demand with domestic and export opportunities increases returns to growers	20.1%
2. Supply	Increased industry production and improved productivity to meet increasing domestic and international demand	77.0%

*Total investment \$0.8 million as of June 2021. Balance of expenditure comprises of enabler investments, which includes expenditure to support the delivery of the SIP including advisory meeting and publication costs.

Figure 1: Persimmon investment expenditure analysis



SIP performance analysis

This performance report reviews the investment achievements delivered within each outcome area that have generated impact for growers. The overall status of each strategic area, informed through an assessment of KPI performance, is also provided. The evaluation status and criteria were:

Strategic area status	Criteria
Achieved	KPIs for this strategic area were met
In progress	Investment delivery remains ongoing
Not achieved	Investment was not prioritised in this strategic area

The results have been informed from evidence compiled through reviewing investment documentation and engagement with project managers. Outcomes generated through the investments are documented and brief case studies of flagship performance and impact for each outcome area are also provided.

Outcome 1: Demand: Increased demand with domestic and export opportunities increases returns to growers

The persimmon SIP 2017-2021 highlighted ongoing confusion among domestic consumers about when to buy and how to prepare persimmon. The development of marketing collateral to address this along with gaining detailed insight into consumer preferences and buying habits was seen as an important step in improving the industry’s ability to market itself effectively.

Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support persimmon demand are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Improve industry understanding of persimmon consumer preferences and their buying habits	Achieved
Drive domestic growth through targeted marketing initiatives	Achieved
Continue to research and develop export opportunities	Achieved
Research profitable value-adding/processing opportunities	Not achieved

KPI callouts:

- In the domestic market, *Australian Horticulture Statistics Handbook* (HA18002) reported the average wholesale persimmon prices over the 5-year term of the SIP was 12% higher than the prior to development of the SIP, contributing to a decrease in consumption with household penetration decreasing from 9.0% to 8.5% and purchase quantity decreasing 11% to 0.5 kg per shopping trip.
- The project *Tropical fruit export strategy* (MT17002) developed individual export strategies for a range of tropical commodities including persimmons, feeding into an overarching export strategy for Australian tropical fruit. The strategy found that the best prospects for Australian persimmon exports were in Southeast Asia and the Middle East. The market mapping report identifies the prime prospect markets as Hong Kong, Singapore, Malaysia, Saudi Arabia, the United Arab Emirates, Qatar and Thailand.
- The *Australian Horticulture Statistics Handbook* (HA18002) reported an average export volume over the SIP period of 154 tonnes, was 20% lower than the average prior to development of the SIP of 193 tonnes. Exports as proportion of production volumes remained low, averaging 5.9% over the past five years.
- Marketing campaigns have focused on building awareness and leveraging the unique autumn seasonal window of persimmon positioning Australian persimmons as ‘the autumn fruit’ to turn the short season into a unique selling point. Consumer engagement has been supported through social media, recipe development and public relations activity that have driven media coverage.
- To support awareness and trialing, joint retail sampling for persimmon (in collaboration with custard apple) was supported across 98 major supermarkets in 2019 with combined sampling of 19,000 across both products. Over one third of engaged shoppers were converted, identifying no barriers to purchase, reflecting in stronger store sales performance for participating retailers. At the 2017 Royal Easter Show, a further 17,500 samples were shared with consumers.

Outcome 2: Supply – Increased industry production and improved productivity to meet increasing domestic and international demand

The persimmon SIP 2017-2021 sought to increase production and productivity through a focus on improved pest and disease management, including access to chemical use permits and registrations, as well as diversifying geographic regions of production to extend the season and enable Australian growers to benefit from the higher prices that are achieved outside of the current peak production periods. The SIP also identified the importance of rootstock variation in improving production and productivity.

Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support persimmon supply are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Continue to invest in improved pest and disease management	In progress
Extend domestic availability of persimmon	In progress
Continue to conduct research into improved plant health and the development of new rootstocks	Achieved
Continue to improve growers and industry engagement to facilitate the adoption of research and best practices	Achieved

KPI callouts:

- Ongoing at the end of the SIP, the *National persimmon varietal evaluation program 2018-2023* (PR17000) began negotiating access to new persimmon varieties and rootstocks from overseas partners as well as evaluating the performance of new varieties and rootstocks, such as ‘Rojo Brillante’, and developing new standard clonal propagation technique for persimmon rootstocks to improve tree uniformity and performance (control tree vigour and size).
- The *Persimmon industry minor use program* (PR16000) prepared and submitted renewals and applications for minor use permits to ensure the persimmon industry had access to the most effective crop protection products.
- *Persimmon industry extension and communication program* (PR16001) supported improved knowledge and awareness of industry R&D, with 67% of surveyed industry stakeholders reporting use of the information to change and/or improve their on-farm practices across areas including integrated pest management (IPM), pruning and netting, and selection of genetic material. (See the case study below.)

Case study: Persimmon industry extension and communication program (PR16001)

From 2016 to 2020, this project drove industry awareness and adoption of R&D outcomes within the Australian persimmon industry. Its communication and extension initiatives kept persimmon growers and other industry stakeholders up-to-date with the latest research activities, marketing initiatives and other news and issues.

The key outputs of the program were:

- Two national persimmon industry field day/conference events, with average attendance of 64 delegates (+44% from the 2016 conference), which included farm visits, conference sessions, group dinners and market visits
- Eight editions of the biannual *Persimmon Press* e-newsletter updating the industry on new R&D, events and issues
- Maintenance of the Persimmons Australia website with up-to-date R&D and industry information.

As a result of the extension and communication program, persimmon growers gained increased knowledge and awareness of industry R&D, directly supporting practice change. In 2020, 71% of survey respondents considered that they gain new ideas from engagement with the industry extension and communication program, representing an increase of 14% from 2017. Further, 67% of respondents reported using the information to change and/or improve their on-farm practices across areas including IPM, pruning and netting, and selection of genetic material.