

MARKETING AND RESEARCH STRATEGIES

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The avocado industry reached an important milestone in 1987; it was the year when the supply of avocados exceeded demand in Europe and the United Kingdom. Although the situation only lasted for about three months, the message to the South African Avocado Industry now is clear: work out a marketing strategy.

As research co-ordinator, I have for years realised that marketing should be a subject of research and that a strategy should be based on sound research. However, the avocado industry considered marketing a 'hot potato', to be left to individuals. Somewhat against the stream, I succeeded in obtaining the interest of Professor J van Zyl of the University of Pretoria, to investigate aspects of the local market, particularly of the black consumer market. This pioneering work is reported on in this book. In fact, this issue of the Yearbook contains more information on economic aspects than any of the earlier volumes.

There are basically three outlets for avocados:

- Processing
- Local markets
- Export markets

The fact that the avocado processing industry is almost non-existent in South Africa, shows the strong demand for fresh fruit in the past. There was no urgency to develop a processing industry. Poor quality fruit was absorbed, but there is no doubt whatsoever that it hampered a sound marketing strategy. There is little hope of a successful marketing campaign if the quality is lacking. Small and blemished avocados should be processed and immature fruit with less than 10 per cent oil should be kept off the fresh fruit markets.

Immature fruit is extremely damaging to the image of the industry. Buyers of such fruit wait for weeks for the fruit to ripen, only to find that they were cheated because rubbery, watery, half-rotten avocados are inedible. Such customers are lost to the industry.

Between 1988 and 1990, processing should absorb the equivalent of one to two million trays from the production areas. This represents about 10 per cent of the expected crop. It does not sound much, but there are no ready markets for the processed products. These products have to be placed on shelves in shops and must be attractive. Above all, a demand will have to be created for a relatively unknown product. Apart from the research that still lies ahead to develop the ideal processed avocado product, there is little hope that significant quantities of avocados will be processed before 1989 or 1990.

The local avocado markets are ripe for exploitation by marketing experts, but it seems that this will have to wait until processing is in full swing. In the meantime, something has to be done to co-ordinate the flow of fruit to the markets and uphold quality control. If not, 1989 will not be a happy season. Competition overseas is on the increase and without a marketing strategy, we face a serious situation.

For the 1988 season it is estimated that the crop will be over 10 million trays of which 6,6 million will be offered for export. This figure will increase to 8,5 million in 1989 and 10,9 million trays in 1990. The crop is expected to double between 1987 and 1990. Are we ready for it?

It is most important that we maintain a balance. Our research in the past was directed almost totally to the production side of the industry. We can not afford to neglect biological research it is still the cornerstone of the industry. Economic and market research comes into the limelight now. Our research strategy has also changed. The whole marketing scene has changed dramatically, from easy selling to marketing in highly competitive markets.