What do our dairy customers value?

New Zealand dairy companies are constantly looking at what our customers want from New Zealand dairy. They're keeping a close eye on international consumer trends. Consumers consider a wide range of issues – from the price they pay for goods to environmental and animal welfare considerations. Consumers are increasingly aware of how and where their products are sourced, however, food safety and quality remain paramount to all.

Focusing on consumer trends is crucial if our dairy sector is to remain competitive locally and globally. Jo Finer, Fonterra's general manager industry and business affairs for New Zealand, says we need to be aware that international consumer trends are constantly changing consumers in different countries have different priorities.

"International consumers value New Zealand's pasture-fed cows and our high standards of animal welfare. Consumers want to know that the animals that produce their food are well-cared for and this is a great story we have to tell."

New Zealand's reputation is also underpinned by high food safety standards, which are monitored by the Ministry for Primary Industries (MPI). MPI plays a key role in meeting customer * needs by leading New Zealand's world-class food safety system, which sets and monitors food standards in order to protect our international reputation.

Fonterra monitors consumer behaviour in multiple countries to gain an understanding of their purchasing preferences. In future, innovations in artificial intelligence and big data will be used to monitor consumer purchases so that Fonterra can react to emerging trends more quickly.

In some parts of the world, retailers are already implementing strategies to more effectively monitor consumer trends. Retail innovations like portable eye-tracking glasses and gaze trackers on shelving capture demographic profiles, levels of attention, facial expressions, and how long it takes to make purchasing



decisions. This data is the key to unlocking the emotional processes that underpin encounters with a brand – information which is important knowledge for manufacturers and will enable faster responses to new trends.

"Adding value to our dairy products to maximise returns for milk can only be achieved when we can fully understand consumer information. As we learn more about consumer preferences, it will help drive innovation and ensure we deliver value-added products to market," says Jo.

