

NZ's agri-qualities need championing

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More work needed to be done to celebrate New Zealand's qualities in the marketplace if primary producers are to obtain market premiums in China and India.

Research showed these qualities, based around New Zealand's environmental and animal welfare record were highly valued by these consumers, Lincoln University's Professor Caroline Saunders said at the DairyNZ Farmer's Forum in Mystery Creek.

Saunders said New Zealand's products should be the highest value in the world rather than being known as a cheap source for primary production.

"I think we have a lot of qualities or credence attributes in New Zealand that we are not celebrating enough in market and these include our social responsibility, our cultural traditions, our animal welfare, environmental quality and safe and healthy food."

Studies undertaken by the University's Agriculture Economics Research Unit showed that India and China valued these qualities more than Great Britain consumers. The willingness for what India and China were



New Zealand's products should be the highest value in the world rather than being known as a cheap source for primary production, Lincoln University Professor Caroline Saunders says.

willing to pay for food with these attributes was well above what the United Kingdom was prepared to offer.

"These guys are willing to pay for us to tell them how safe the food is, the animal welfare stories and other attributes."

Foreign dairy food in China obtained a 26 per cent premium and a 49 per cent premium from New Zealand, Saunders said.

India also liked New Zealand

origin food, however the UK, "didn't give a toss".

Further research involving 1000 consumers in Indonesia, Japan, China, the UK and Japan showed similar results.

Environmental conditions – air and water quality and animal welfare ranked highly, Saunders said. "Consistently when you go through these attributes, the developing countries find them more important than Japan and

the UK and the message is if you are used to marketing in Japan and the UK, have a think about these new markets, they may be requiring something a bit different."

More studies needed to be done to measure New Zealand's air quality in rural areas so it can be used to market exports and obtain a premium price.

"They say we don't need to because it's very good – that's the

point, so we can then say when we market our products that we have absolutely stunning air quality."

While not ignoring the challenges New Zealand faced around water quality, there was much that could be celebrated, such as the work farmers had done around the Clean Streams Accord.

Zespri was an example of a company that was celebrating the New Zealand story in its marketing, she said.

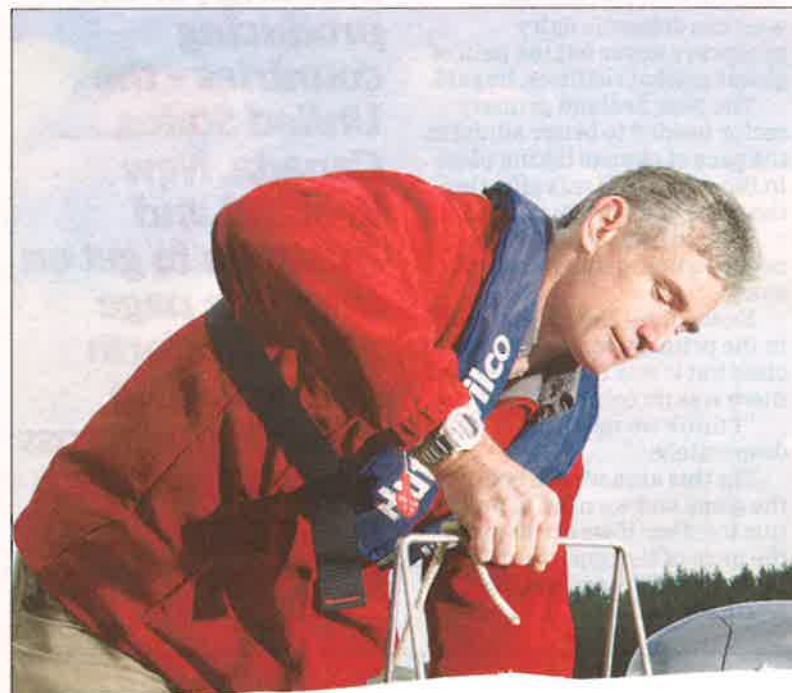
They received twice the world price for their kiwifruit because of their sophisticated value chain and based a lot of their marketing on New Zealand's qualities.

The university unit also surveyed how smart technology was being used to get into market. More and more consumers were using their mobile phones to source and buy food rather than shop for it at supermarkets and New Zealand needed to get into that space.

"My dream is that we stop thinking of ourselves as a lot cost producer and change the culture to become high value."

New Zealand should only have its "tail end" of product in the commodity market space, Saunders said.

"I would love to change the vision from New Zealand being a low cost producer to a high value producer."



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