Olives New Zealand

April 16, 2014

Laurie and Peter Rothenberg, co-owners of WEKA Olive Oil LLC located in the Moutere Hills in the Nelson Region, attended the 2014 Olives New Zealand Conference on March 22-23 in Wellington. Below are Peter's notes from the first day of the Conference.

The theme of the first day of the Conference was "Effective Marketing", and the speakers focused on marketing from a variety of perspectives. The program provided a good overview of marketing considerations and the variety of approaches to be taken in marketing New Zealand extra virgin olive oil.

The morning program featured Richard Shirtcliffe. CEO of Tuatara Breweries, who has been a marketing executive with a number of successful companies. He was a lively and entertaining speaker, emphasizing the importance of establishing brand identity and of establishing clearly focused and realistic goals. For example, he said that, in launching Tuatara beers in the United States market, they decided to focus on one attractive community (Boulder, Colorado) rather than attempting to reach the wider national market. Richard's presentation was certainly interesting and contained a number of useful insights. but I am not sure that the lessons learned in marketing a craft beer are entirely relevant to the very different market for extra virgin olive oil.

The afternoon program opened with a useful presentation on olive grove costing methodology by Lionel Sheridan, and then presented a number of speakers who discussed marketing from a variety of perspectives.

David Nalder, the Fresh Category Manager for the specialty food shop Moore Wilson in Wellington, gave an insightful and informative presentation from the retailer's perspective. He emphasized that retailers cannot stock every available olive oil and identified the factors that lead retailers to stock and retain certain brands, including the ONZ certification and awards, the name and label, and participation in store promotions such as tastings. My wife and I can confirm the validity of the last point, having done several tastings of Weka Olive Oil at Moore Wilson (David included a photo of one of our tastings in his presentation) and elsewhere, and having found that they serve to differentiate our brand from the others on the shelves and can result in a significant increase in sales.

The next speaker, Anita Sarginson (President of the New Zealand Chefs Association), presented the chef's perspective. She said that chefs are "not that bright" about premium olive oil, and need to be educated constantly on the uses of olive oil and the difference between New Zealand EVOO and the competing products. She also emphasized the importance of appropriate packaging of oil for use in the kitchen and for use on the table in restaurants, pricing considerations and consistency in supply.

The following three speakers were New Zealand growers who described their differing approaches to marketing their oil.

Shona Thompson of Aquiferra does not sell through retail outlets, but instead Aquiferra sells primarily at local markets, festivals and food shows and also to a controlled number of high end restaurants. Their reasons for choosing this method of distribution include the volume of production, good local opportunities, and the fact that they "enjoy" doing it this way. Shona also covered off "cellar door" drawing on the experience of Rod and Gail Harford of Esk Valley Olives. They have achieved satisfactory results, although it is hard work 7 days a week. Sales at the grove obviously require a location on a well-travelled road, good signage and EFTPOS and credit card capacity.

Helen Meehan of Olivo described the effort that Olivo and Blue Earth Olives have made over the past seven years to establish a viable market presence in North America. Helen's list of lessons learned was very much a cautionary tale of a great number of pitfalls—including the difficulty of finding an honest and committed distributor for a relatively low volume product. Like Richard Shirtcliffe in the morning program, Helen emphasized the need to focus on a small geographical area. The North American market is much too big and fragmented for a product like New Zealand EVOO to be distributed effectively throughout the country.

The third grove operator to speak was Nalini Baruch of Lot Eight in Martinborough. She emphasized the importance of establishing and reinforcing brand identification through a variety of means, including redesign of the label and bottles, and introducing additional products (infused oils, etc.). Lot Eight uses multiple means of distribution, including retail outlets, restaurants and sales at the grove.

The final speaker on the first day program was Amanda Bailey, the Managing Director of The Olive Centre, a supplier of machinery and equipment for olive growers in Australia and other countries. She also runs an online marketplace for Australian olives.