Aspects of the Australian Food Industry

H3.1: Investigates operations of ONE organisation within the AFI.
- Describe the activities carried out in ONE organisation within the AFI.

Syllabus Link:

Aspects of the Australian food industry
- operation of organisations within the Australian food industry with particular attention to:
  - levels of operation and mechanisation, including household, small business, large companies, multinationals
  - research and development
  - quality assurance
  - consumer influences such as value added foods
  - impact on the environment including waste management, packaging practices, production techniques, and transportation
  - economy, eg generation of profit and changes in employment
  - society including lifestyle changes,
  - career opportunities and working conditions

- describe the activities carried out in ONE organisation within the food industry
- evaluate the impact of the operation of an organisation on individuals, society and the environment
What is a Consumer?

A consumer is an individual who purchases and utilises food products and services.

Consumers are stakeholders in the AFI. A **stakeholder** is a person or group that has an interest or influence on a business or industry.
**Discussion**

- Do you believe that consumers are the most important stakeholders when it comes to developing new food products in the AFI? Why?

- How do consumers influence the Australian food industry, both positively and negatively?

- What might happen if companies within the food industry did not consider consumer influences when developing or modifying their food products/services?

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**Consumer Influences on the AFI**

- The changing nature of Australian society has resulted in demands for a range of different foods.
- As the demographics of the population (such as; age, income, ethnicity) change over time, there is greater influence on the food that consumers demand.
- Those companies in the AFI must ensure that food products reflect consumers’ needs and wants.
Consumer Influences on the AFI

- Changes in food products reflect;
- Changing consumer tastes and behaviours
- Advances in technology
- Changing market structures throughout agri-food chain
- New food legislation/ regulations
- Environmental Concerns
- Globalisation issues

In the last 50 years, 28,000 new food products have emerged on supermarket shelves. Roughly 1 new food product per week!!!

Some food products have remained and other have disappeared.
**Consumer Demand**

To some extent, consumer demand drives manufacturers decisions on what is produced.

The food industry obtains consumer information from:

- Surveys
- Feedback Forms
- Taste Tests
- Observing Spending Habits
- Gathering Statistical Data
- Telemarketing
- Customer Complaints

**How is the Food Industry responding to Consumer Demands?**

The AFI has responded to the changing needs of consumers with the production of food, which is:

- Varied in cost - generic products as well as high quality, gourmet foods.
- Quick and simple to prepare.
- Offered through a variety of food outlets - food ‘on the run’.
- Able to be heated and served.
- Packaged in single-serve portions.
Appropriate to lifestyle and available in the food service and catering industry; for example, the breakfast market is becoming very fashionable.

Microwaveable or quickly heated.

Prepared by a wide range of home appliances that offer speed and efficiency; such as, blenders, mixers, bread machines, microwaves, coffee machines.

Nutritionally enhanced (functional foods); such as, cholesterol lowering.

Foods that respond to consumer health issues; such as, low in fat, low in sugar.

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**McDonalds - A MultiNational Company**

1. Why do you think McDonald’s developed ‘Create your Taste’?

2. Do you think it meets consumer demands? Why or why not?

3. Identify THREE other ways that McDonald’s has responded to consumer influences.

https://www.youtube.com/watch?v=UZ2Q-i6XxBU
http://www.mcvideogame.com/game-eng.html
Value-Added Convenience foods

As women joined the paid workforce, men are taking a more active role in the shopping for, and preparation of food. There is an increased demand for food that is quick and meals that can be easily prepared.

The demand for increased convenience has also led to more flexible shopping hours and an increase in self-service.

Many more meals are eaten away from home due to longer working hours, increased flexible working hours and increased shopping hours.

Value-Added: The processing of products so that their selling price is higher than the raw materials from which they were made. Also, ‘add value’ to the consumer.

Home Meal Replacements (hmr)

There is a trend towards sophisticated ‘home meal replacements’ which provide a useful alternative for home cooking. They involve less preparation time and clean up while providing consumer variety and nutritional awareness.

Fresh chilled meal trends have been one of the latest developments in home meal replacements. These meals are frequently packaged in separate components; for example; noodles, prepared vegetables and stir fry sauce in one package.
**HSC QUESTION - 2011**

How has the popularity of television food shows affected the Australian Food Industry?

A. Grocery sales have decreased.
B. More people are eating takeaway foods.
C. Imported foods have become less popular.
D. Demand for exotic ingredients has increased.
Case Study – SPC Ardmona

- The demand for healthier alternatives has led to the production of a range of healthy snack foods for both adults and children.
- The demand for convenient, quick and easy products has led to the development of value added foods.
- A greater concern for the environment has led to the development of an innovative product - Tetra packaging (the plastic containers for peaches) are made from aseptic packaging.
- Greater number of people wanting locally produced food items and the majority of SPC Ardmona’s produce is grown and produced in Australia.