Disruption ahead for fruit and veg distribution

Fruit Logistica’s ground-breaking new trend report explains how major trends are re-shaping the supply chain

Fruit Logistica, the leading global trade fair for the fresh fruit and vegetable business, has published a major new report that scrutinises developments of new technologies, the growth of online retail, and rising consumer demand outside the home as three areas that will radically change the shape of the fresh produce supply chain over the coming decade.

Download part one of the Fruit Logistica Trend Report 2018 here.

Produced by leading global management consultancy Oliver Wyman and unveiled during Fruitnet World of Fresh Ideas at the start of Fruit Logistica 2018, Disruption in Fruit and Vegetable Distribution is a far-reaching investigation into the global fresh produce industry with insights that help position fruit and vegetable suppliers to meet future customer demands.

The report sheds light on how markets, consumers, companies, and technology are going to change the way fresh produce is procured, transported, and sold. This is of particular importance in an increasingly global and interconnected marketplace, with an overall increase in demand driven by population expansion in certain parts of the world and higher spending on food in general.

It also predicts a number of opportunities and challenges for everyone connected with the fruit and vegetable business, including:

- The appearance of faster, more flexible distribution networks characterized by greater transparency, more sophisticated forecasting systems, and, in many cases, closer collaboration between supply chain partners who were previously prone to contentious negotiation.
- Continued growth in online sales of fresh fruit and vegetables across the globe, driven by lower delivery costs, better distribution technology, and growing interest among shoppers.
- Far greater complexity and higher expectations from customers in the foodservice arena, as consumers look to find better quality, convenience, and variety across an increasingly range of outlets.

“The marketplace for fresh fruit and vegetables is becoming increasingly globalised and interconnected,” said Rainer Münch, the report’s lead author at Oliver Wyman. “This, in turn, is changing the way fresh produce is carried from its origin to its destination.”

He continued: “The fruit and vegetable supply chain is in continual flux as it is shaped and reshaped by the emergence of new market segments and the evolution of consumer demand. Businesses Vegetable Distribution will enable you to organized by Fruitnet that serves as a...
all along the supply chain – from growers to retailers – are expanding and consolidating. Their advances coincide with a notable drive towards greater efficiency and transparency, a trend that is assisted by seemingly unstoppable technological advance.”

Will Wollbold, global brand manager at Fruit Logistica, added: “Wherever you work in the fresh produce industry, Disruption in Fruit and anticipate key issues affecting the trade, and help stakeholders and decision-makers to understand them better. It will also help you to answer questions that relate directly to your business proactively.”

On 6 February, Oliver Wyman partner and lead report author Rainer Münch delivered several highlights from the study during Fruitnet World of Fresh Ideas, a multimedia experience curtain-raiser for Fruit Logistica.

Sections of the Fruit Logistica Trend Report 2018 will be published on the Fruit Logistica website over the coming months, starting with an introduction here.