

## INTERVIEW

—Jürgen and Thomas Braun, Kiku



## Growing the market

BOLZANO—Kiku's Jürgen and Thomas Braun talk to EUROFRUIT about the future development of apples sold under the Kiku, Isaaq and Crimson Snow brands.

by Mike Knowles

**T**wenty-five years ago, South Tyrolean grower Luis Braun happened upon a chance mutation of a Fuji apple on a single branch in a Japanese orchard. That intensely flavoured variety is now sold under the Kiku brand and has been established as one of the apple industry's best success stories, showing what can be achieved by giving the category precisely what it needs: carefully controlled volumes of a product that, by virtue of its eating quality and commercial viability, is highly desired not only by consumers but by all players in the supply chain that delivers it to market.

Now, Braun's sons Jürgen and Thomas say they are determined to apply their winning commercial formula – a startlingly simple combination of good eating quality fruit, branding and grower-friendly cultivars – to varieties rolling off a production line that includes around one hundred different new products.

*Alongside Kiku itself, I understand you've been developing production and marketing strategies for two new branded varieties. What's the latest?*

**Thomas Braun:** We're testing over a hundred new varieties, and we would say the two big areas for possible future development are scab resistance and red flesh. In the meantime, we are working hard on Isaaq and Crimson Snow, both of which we feel have a very good future.

*Tell me about Isaaq. It's a small fruit aimed at consumers who want a quick snack, correct?*

**Jürgen Braun:** Correct. We found it in the CIV programme and we're managing the global rights. There is a trend towards small portions: other industries already fulfill this wish, but not in apples, so we believe this can be a big part of the category. Small apples are normally classed as too small to meet the specification or as kids' apples, but Isaaq is different; it's a snack apple designed to be that size and

eaten in four bites. It's very firm, stores well and has an incredibly long shelf-life. We branded it Natural Snack as it's a resistant variety and because we wanted to keep it as natural as possible, with no plastic and no stickers. We really want to set a new trend and motivate people to consume more fruit: instead of launching an ordinary new apple which must fight others, we created a new way of consumption.

**TB:** A snack apple has to be small but also firm and have good colour and sweetness. Isaaq makes a very good first impression: it's a grower-friendly variety that colours very well. But we need a lot of promotion to make it a success, and that requires effort.

**JB:** Yes, Isaaq is a big challenge, but we see huge potential. Think about airlines, canteens, hospitals, military facilities: all places where a snack apple could do very well. Today we have 8ha planted in South Tyrol and Austria, with a further 7ha to come. Plus we have

signed a deal with our Kiku partner Pickmee in New Zealand to plant up to 100ha, focused primarily on Asia and domestic sales.

**What about Crimson Snow? What's the story there?**

**JB:** It's a beautiful crimson red apple with a snowy white flesh, developed from a chance Australian seedling called mc38. Consumers love the exceptional eating quality and retailers like it for its easy handling and long shelf-life. Hence we brand it as Crimson Snow – Great Feeling. Our aim is to achieve production of 10,000 tonnes very quickly with partners including Fratelli Clementi in South Tyrol and Rivoira and Sanifrutta in Piedmont. There is interest from others in South Tyrol and France. What's more, retailers are apparently keen to sell it as a branded, non-commodity product. One of Europe's leading retail chains is even looking to secure it as an exclusive.

**As for Kiku, what future do you see for the brand?**

**JB:** We see plenty of room to grow Kiku sales and we believe we're growing the market, not grabbing market share. Don't forget this brand represents a very small volume in the context of overall production. In Europe, around 22,000 tonnes of Kiku were harvested in 2014, so it's a very small



proportion of the whole crop. Last year Kiku's New Zealand partners sold 100 containers of New Zealand-grown Kiku to our partner CMI in the US, which shows the brand is starting to become intercontinental as opposed to just national and regional. Now it's about co-ordinating newcomers' sales plans.

**How will you mark the 25-year anniversary of Kiku's discovery and the brand's 15th anniversary?**

**JB:** We just started the Kiku Photo Contest 2015, a special contest inviting people to share an image of themselves with a Kiku apple or item and share it using the hashtag #kikumoment. We're also launching a pure natural juice with no additives called Kiku 100% Pure Nature. As with Kiku itself, the point is that we are offering a better Fuji and placing a premium on that quality. The plan is to sell it around Europe, starting in Germany with our production partners in

*OPPOSITE*—The Kiku team promoting the brand at Interpoma  
*LEFT*—A red-fleshed cultivar being trialled by the group  
*BELOW*—Isaaq's size makes it an ideal snack, says Thomas Braun  
*BOTTOM*—Richard Clementi and Jürgen Braun show off cartons of Crimson Snow apples



Lake Constance. We're also developing a concept around machines to produce Kiku Granita, a mix of crushed ice and pure Kiku apple juice. Yes, it's a marketing tool but we know there is potentially good margin for the franchisee.

**What are you hoping to achieve by diversifying your brand in this way? Is it about setting Kiku apples apart from other varieties in the category?**

**TB:** Partly, yes. Our first idea is always the branding. What sets a Kiku apple apart is the taste and the fact that it's moreish. Kiku offers something different in that the fruit's Brix levels are actually made up of healthier sugars that create a more balanced sweet flavour.

**Over the past decade, you've put a huge amount of effort into linking Kiku with sports and outdoor activities. Will this strategy continue?**

**JB:** Yes, we're still very much investing in athletes and in fact we're doing it more and more. It's not just about funding their activity, it's about supporting them and bringing our product to where people are. We would rather do that than roll out the same old television and print adverts. You have to have imagination and be on top of social media as well as cross-marketing. The statistics show that young people are eating less fruit, so it's pretty much in their direction we want to go, focusing on youth but not limiting ourselves to that segment. We recently began collaborating with German bike brand Ghost, which holds special events in city centres for biking enthusiasts. That puts us alongside big brands like Red Bull and Coca-Cola, which is a good thing.

**TB:** Since 1999, our tagline has been 'fresh apple emotion'. That's because when it comes to the athletes we sponsor, youth or not it's story-telling and emotion that will grow the brand. 

