1-10-1998

Agricultural Information Delivery to Western Australian Farmers by the Private Sector

Ag Knowledge

Agknowledge

An Investigation Commissioned
by
Agriculture Western Australia

Agriculture
WESTERN AUSTRALIA

Agricultural Information Delivery

to Western Australian Farmers
by the Private Sector

October 1998

Prepared by:
Ag knowledge
35 Sheffield Rd
Wattle Grove WA 6107
Ph: 08 9453 2187 Fx: 08 9453 3247
Email: cookes@iinet.net.au

Contents

Executive Summary

This study of agricultural information providers operating in Western Australia presents detailed strategic information about this commercial collective to assist the Executive of Agriculture Western Australia (AgWest) to measure the Agency's current position as an information source and make timely decisions that will capitalise on the linkages and forge more sustainable working relationships with the front line information deliverers.

The principle objectives of this study are to provide the following:

- Value of AgWest information;
- Ways to improve delivery of information to the clients;
- Provide feedback on AgWest information services in terms of access, availability, accuracy, timelines;
- How AgWest can retain its 'brand' image as information is passed on;
- Reaction of this group to information pricing policies;
- How intermediators add value to AgWest's knowledge;
- How intermediators distribute information, including pricing mechanisms; and
- Determine the number and profile of private sector (intermediary) providers.

The common objective shared by the Agency and private sector information providers is to enhance the knowledge of Western Australian farmers to improve their business profitability and sustainability, and in turn encourage a more vigorous agribusiness sector.

There are characteristics common to all private sector information providers which need to be considered when making decisions or negotiating information supply processes:

- **Profit** – the private sector will only remain involved if there is profit to be made.

- **Risk** – the private sector is *mainly* interested in low-risk, high-yield propositions as these are more likely to provide stable income. There are also some private sector members who are higher risk operators .

- **Access to information** – private sector operators face difficulties in keeping up to date with research developments due to lack of training opportunities, for example in new communications technologies.

- **Credibility** – farmers used to relying on 'objective' and well-trained public sector advisers may be suspicious of private sector advice and information.

- **User pays** – there is still a culture among many farmers that agricultural information is free. The private sector will not target parts of the farming population that are unwilling or unable to pay for services. It can also be argued that fee for service – on a full cost recovery basis – may at times be inappropriate and limit desired technology transfer.

- **Competition within the private sector** – competition between competing agribusinesses, or between private sector providers of professional services, is a healthy and important factor for the success of the shift toward greater information delivery by this group.

- **Research relevance and delivery** – there is a perception among some private sector consultants that although there may be a significant level of research being carried out, it often does not reach or has difficulty reaching consultants or producers.

The value and use of AgWest's information services

The main element of this research project was an independent survey conducted by Ag*knowledge* of private sector information providers operating in Western Australia in June-July 1998. The aim was to gather information about the commercial sector as an important step to determine the current activity level and its value to the agricultural sector. A brief overview of the major survey findings follows for your convenience in reading this report. The full details appear in Part Two.

Table One: Private sector information providers rank their sources of information.

(% respondents)	Source ranked first			Source ranked second		
	All	Consultant	Merch.	All	Consultant	Merch.
Professional associates	31	18	19	19	13	20
Personal experience	28	29	26	26	20	35
AgWest	**21**	**24**	**17**	**17**	**20**	**15**
Own field research	6	6	17	17	13	20
Industry journals	5	6	5	5	7	0
Internet	4	11	2	2	0	0
R&D Corporations	2	0	7	7	7	10
Universities, CRCs etc	3	6	2	2	7	0
Other state agriculture departments	0	0	5	5	13	0

Source: Ag*knowledge* August 1998

Analysis

When private sector information providers were asked to rank a range of different sources of information, personal experience was ranked either first or second in importance by 55% of all survey respondents.

Other professional associates and AgWest were also common sources of information ranked first or second by 50% and 38% of respondents respectively.

Private consultants ranked their personal experience as the most common source of information. AgWest's information was relied on more by this sector with 44% nominating the Agency first or second in importance as a source.

39% of advisers with merchandise firms relied most on professional associates as a source of information, 61% ranked personal experience highly, but only 32% ranked AgWest as an important source of information.

The significant issue repeated throughout this study was that the private sector information providers expect AgWest to provide leadership in the area of information generation, however there can be no doubt that the private sector will function more efficiently in partnership as information providers if the public sector clearly defines its role and how it expects to 'do business'.

Table Two: Proportion of information sourced from AgWest.

(% respondents)	All	Consultant	Merch.
Proportion of information from AgWest	36.7	43.9	36.6

Source: Ag*knowledge* August 1998

Analysis

In assessing the volume of information sourced from AgWest in proportion to alternative information sources, the survey revealed around 44% of the total information accessed by private consultants was estimated to originate from AgWest. Merchandise firm advisers estimate this proportion to be slightly lower at 37%.

Major findings of the survey of private sector information providers

1. Ease of access and availability of AgWest Information

The study examined the value information providers place on AgWest's information and their rating of its ease of access and availability.

The results indicated 42% of all information providers rated the service and information provided by the Agency as 'good'. While the majority (40%) of independent consultants rated the service as good, 15% rated it as poor.

The survey revealed a difference of opinion between advisers in merchandise firms on the ease of access to AgWest information; while 52% considered this was 'good', 16% indicated it was 'poor' or 'very poor'.

2. AgWest staff skill and knowledge rating

Agency staff skill and knowledge was given an overall rating of 'good' by 46% of the survey respondents.

While 55% of independent consultants considered AgWest staff skill and knowledge was 'good', advisers in rural merchandise firms were evenly divided between a rating of 'average' and 'good' (44% each).

3. Accuracy

Overall the information providers rated the department well in terms of accuracy with 56% of all respondents indicating this was 'good'. 65% of independent consultants considered accuracy was 'good' compared to only half of respondents from merchandise firms (48%).

4. Timeliness of AgWest services and information

AgWest was rated poorly by information providers for the timeliness of its services and information. This criteria received the highest 'poor' and 'very poor' ratings.

One in every 4 independent consultants believed the timeliness of service provision and information was 'poor' or 'very poor'. 40% rated the Agency's performance as only 'average' in this area. Similarly, 20% of advisers in rural merchandise firms rated timeliness as 'poor' or 'very poor', and 40% rated the Agency's performance as 'average'.

5. Relevance of AgWest's information
Across all information provider survey respondents, the relevance of AgWest's information was rated as 'good' by 46%.

While half of the independent consultants considered the relevance of services and information to be 'good', 15% rated the Agency as 'poor' on this criteria. 48% of advisers in rural merchandise firms rated AgWest's information relevance as 'good' with 8% considering it 'poor' or 'very poor'.

Validation of the findings against recent complementary research

To validate the information extracted by *Agknowledge* from this study of Information Providers and provide a comparative view of the market for AgWest information, Ag*knowledge* commissioned further detailed investigation of a recent companion study conducted by the *Marketing Centre*.

The first extraction of secondary data from the *Marketing Centre* survey results was an accumulation of questions asked in the July 1998 survey that sought a response on the usage of information from each of the information provider groups, broken down by the enterprise categories of respondents.

Table Three: Value of information from different providers as perceived by farmers

	Information provider influenced by enterprise				
Enterprise	**AgWA**	**Consultants**	**Merchandisers**	**Industry assoc.**	**RDCs**
Wool	72	14	30	8	12
Meat	48	16	26	9	30
Cereals	45	41	35	8	15
Horticulture	58	22	23	12	25

Source: The Marketing Centre July 1998

Analysis
The influence of enterprise on how producers rate the value of AgWest information demonstrates the variance between the perceived value of AgWest as an information source compared to the private sector information providers.

The Agency's Wool Program, for example, has an excellent standing amongst growers and despite the current financial status of the industry growers recognise the Agency's input. Although merchandisers employ a work-force dedicated to servicing woolgrowers, the financial returns from delivering wool input supplies is poor compared to the cereals industry and perhaps does not warrant further expense on information generation and delivery.

Conversely, the cereals industry achieving annual productivity gains of around 6% has attracted expansion of a maturing advisory service, so the balance of 'influence' shifts considerably to 41% for consultants to cereal enterprises and 45% for AgWest. The private sector information providers combined cater substantially for the cereals industry. Indeed, the wool industry is not as well serviced as the grains industry by private information providers.

The rural merchandisers have regular contact with farmers and the marketing message this group reinforces is an image of 'friendly service' and 'information is our business'. This contributes to the impression of a responsive and farmer-focussed sector. The literature reviewed clearly states the intention of the private sector to be credible and preferred suppliers. This leads to a blurred boundary regarding cooperation and competition between private and public sectors.

Table Four: Methods used to communicate information to farming clients.

(% respondents)	Ranked First			Ranked Second		
	All	Consultant	Merch.	All	Consultant	Merch.
Telephone	29	25	21	49	56	56
Farm visits	38	38	47	16	13	17
Written	12	25	0	14	19	11
Shopfront	10	6	16	2	0	0
Field days	5	0	11	9	0	17
Articles in rural press	2	6	0	5	0	0
Formal discussion groups	2	0	5	0	0	0
Advertising	2	0	0	2	6	0
Seminars	0	0	0	2	6	0

Source: *Agknowledge* August 1998

Analysis

The most common vehicle for communicating information and advice to farming clients was by telephone. 78% of respondents to this question ranked this number 1 or 2. Farm visits were the preferred method by 38% for communicating with farming clients.

Of the independent consultants surveyed 81% indicated the telephone was their most common means of communicating information and advice to farming clients. Based on the total of first and second rankings of importance, 50% identified farm visits and 44% communicate via written material.

For advisers with merchandise firms or input suppliers, 77% indicated the telephone was the most common means of communicating information and advice to farming clients.

Major recommendations

The research has determined the current perception of information transfer between AgWest and Information Providers. Importantly, there is a range of threats and opportunities to understand, manage and integrate into the business of the Agency.

Ag*knowledge* has identified recommendations to consider and has outlined the principles, with the *'Focus on the Future'* Strategic Plan in mind. Considerable effort will need to be made by AgWest to enhance the potential for success and key words to consider throughout the process are alliance and partnership.

Recommendation One:

AgWest will distribute high quality, accessible and relevant information to the farming community through a strategic arrangement of delivery systems.

- Delivery of information to the individual will be: in a group medium using well-trained Industry Development Officers, via published material accessible in print and electronic formats, or individual inquiry to serviced specialist advice lines.
- Delivery of information by private sector Information Providers will be commercially orientated with the market being responsible for pricing. AgWest will enter into agreements with each group of Information Providers to have access to relevant information from AgWest.
- Target different levels of information to suit the needs of different client groups.

Recommendation Two:

Develop the Information Providers as a major Distribution Network for AgWest.

- To work in partnership with Information Providers to deliver information to and receive information from the farming community.
- Develop formal links with key groups and initiate a priority client management system.
- Undertake a skills audit within the wider rural merchant sector in order to identify core training. This could then form the basis of an education plan for the delivery of appropriate education and training. Develop professional development programs for external information providers.

Recommendation Three:

Improve the internal professional capability of AgWest to supply external delivery systems.

- Define the information supply process AgWest will operate.
- Establish quality controls and branding protocols.
- Invest in high quality information technology systems to develop consistent and compatible knowledge systems which are highly interactive.
- Develop Extension Services as a conduit to farmer groups and to provide Industry Development Officers.
- Develop a commercially acceptable sponsorship policy and procedures.
- Develop clear and defined pricing policies.

Recommendation Four:

Build a clearly recognisable corporate brand and image for AgWest through high quality, consistent presentation throughout the supply chain of information.

- AgWest has a difficult task in establishing a clear identity for the organisation because of the diverse range of activities and industries it represents. The priority is to support the logo across all communications efforts by defining activities and outcomes that will allow target audiences to associate AgWest with their industry or sphere of interest, encouraging a sense of ownership of the brand to move it from a generic image to one associated with tangible outcomes.
- Police the use of the logo both internally and externally, to ensure consistency.
- Command a more prominent position and sizing of the logo in all publications and promotions. AgWest has tended to have a passive approach to seizing the limelight – the organisation will consciously attempt to turn this around.
- Supply graphics of the logo to Information Providers and request that it be used in all published information about their project.

Recommendation Five:

Monitor performance for evaluation and planning.

- Develop monitoring processes to measure effectiveness of communication.
- Determine future needs of all target audience groups.
- Establish relevant performance targets to drive activity and progress.
- Regularly review results to adjust priorities and develop new initiatives.

Recommendation Six:

Implement an effective marketing plan for AgWest as a whole and within individual areas of the Agency. The plan should take account of the range of customer segments, the ability of AgWest to implement 'whole of Agency' activities and the traditional culture of AgWest's position in the information supply chain.

Specifically, to investigate and further research the activities and needs of the following:

- The agri-business sector influencing WA.
- The 18-35 year old age group involved in agriculture.

Introduction

Agknowledge identified a need for current and strategic information to be provided to Agriculture Western Australia (AgWest) to assist the Agency to determine its future role in delivering services and information to the agricultural sector.

This research project builds on earlier work conducted by Agknowledge which identified that AgWest has been at the forefront of change in the agricultural information network. This is demonstrated by its leading role in Landcare, group extension, relatively high use of private consultants, and a growing use of collaborative extension delivery between the public and private sectors.

As we move towards a more commercial environment for information provision in agriculture, the Agency must clearly define how it will take this commercial approach and work cooperatively with the private sector in the future.

This research examines the existing relationships, the issues and operating environment, and suggests a range of recommendations to establish the Agency as leading this change process for the benefit of Western Australian agriculture.

Context for this research

In October 1997, Ag*knowledge* conducted a review of 'Extension and Information Delivery to Farmers' on behalf of AgWest. The research results reviewed provided an indication of farmers' use and value of various agricultural information sources. However, the absence of a comprehensive assessment on a State-wide basis precluded any meaningful implications for the delivery of information and extension services in Western Australia.

In the process of the research review and discussions with professionals involved in the system of agricultural information and its delivery, there were a number of key issues which emerged and a range of recommendations given. AgWest has adopted the majority of the recommendations and implemented the required investigations, as outlined below. While this report specifically relates to information delivery by private sector information providers it is useful to review the current state of progress on a range of related initiatives that form the bigger picture that this report fits within:

- AgWest commissioned an extensive customer survey, which was conducted by the *Marketing Centre*, delivered in July 1998.
- An internal review of customer requirements was conducted by AgWest's Extension Services, completed June 1998.
- AgWest commissioned a review of private sector information providers, conducted by Ag*knowledge, draft report* delivered September 1998.
- Research on Farmer Education and Training Needs, conducted by the Centre for Agribusiness Marketing, delivered September 1998.
- Creation of a new position, AgWest Customer Services Manager, commenced September 1998.
- Creation of a new position, AgWest Information Services Manager, to commence 1999.
- The Executive and AgWest Partnership Group have agreed to implement an Intellectual Capital 'balance sheet' by 2001.
- The issue of 'brand recognition' has been adopted as a priority action for the Agency.

Objectives

This investigation of private sector information providers will determine:

- The value of AgWest information to private sector clients.
- Ways to improve delivery of information to clients.
- Feedback on AgWest information services; access, availability, accuracy, timeliness.
- Options on how AgWest can retain its 'brand' image as information is delivered by providers to their farmer clients.
- Reaction of the information providers to pricing policies.
- Value added by information providers to AgWest's knowledge.
- Distribution and pricing mechanisms of the information providers.
- Profile of clients using private sector information providers.
- Number and profile of private sector information providers.

Methodology

This investigation was conducted in **four parts** and the information synthesised to culminate in this completed report with a series of recommended actions.

Part One: A Desktop Analysis of Complimentary Research **Page 14**

The report incorporates a desktop analysis of the current literature on:

- the relationship between private and public sector information providers.
- the attitudes of producers to information providers.
- the strategic issues and trends impacting on information management.

The research had a particular focus on the relationship between information aimed at improving management and business decisions, the relevance of delivery methods and the individual requirements to facilitate and sustain the business. The client survey conducted by the *Marketing Centre* is incorporated in the review.

Part Two: A survey of 120 Private Sector Information Providers **Page 20**

Ag*knowledge* designed a four-page written survey (see Appendix 1) in conjunction with AgWest and independently tested it for effectiveness prior to distribution on 2 June 1998 for a closing date of 19 June 1998. The survey sample of 2750 names was drawn from AgWest's 'Crop Updates' database, the list of Australian Association of Agricultural Consultants members in WA and information provided by the Wool Program. The database was further interrogated to determine the following profiles of information providers:

- An independent farm consultant.
- A consultancy business with more than one employee working as a consultant.
- Advising as part of the services provided by a rural merchandiser or farm input supplier.
- Advising as part of the services provided by a bank.
- Advising through an industry marketing body (AWB etc).

The actual number of private sector information providers in Western Australia is considered to be in the order of 250 individuals and the majority focus on services to the cropping sector. Survey forms were distributed to 120 people considered part of the information provider and 61 valid survey responses were received.

The considered opinion in selecting the sample was that 'consultants' represented approximately 30% of the group and 'advisers' from merchandise outlets and input suppliers a further 50%.

From the survey returns 35% were consultants, either working independently or in a company with more than one employee while 46% of respondents worked with a rural merchandise firm or input supplier. The remainder were associated with financial services, banks or accountancy, or an industry marketing body. The latter two groups were particularly wary regarding the survey, the main reason being that they had not been considered a participant in the past. These groups were specifically identified for individual discussion.

Part Three: Individual Discussions with 20 Key Information Providers **Page 32**

The 20 individual discussions were conducted by Ag*knowledge* in June and July 1998 and all followed a similar format for achieving deliverable outcomes. These were a minimum of one hour in duration and constituted frank and candid opinion which provides valuable input into the final recommendations, validates the survey results and will assist in future negotiation and marketing to develop partnerships.

In line with government operating guidelines the confidentiality of the individual comment and discussion is an imperative, however the discussion notes are on record.

Part Four: The Extent of the Private Sector Information Provider Network

The expectation at the start of the project was to compile a profile of the extent of the information provider network in Western Australia's agricultural sector. Closer examination of the network identified that the Executive first needs to reach a policy decision on what constitutes a participant as an AgWest customer for future 'information retailing'.

Inspection of the available database revealed there is a major project required to source and clean-up this information. Ag*knowledge* recommends this work be continued by the Agency over the next twelve month period.

The initial information has been gleaned from individual discussions and telephone calls to solicit the relevant details. An outline of the network has been compiled but this component of the research would be further developed as part of a Marketing Strategy and Business Plan for AgWest's service to information providers in future.

Important notes.

1. Ag*knowledge* strongly recommends AgWest return a 'Key Findings' paper and thank you letter to all participants as a way to improve response rates in future and lift the level of buy-in of any future changes to the way of 'doing business' with this group.

2. The 'Crop Updates' database is not in a good state to be readily used for accessing the information providers: individual's details have about a 20% inaccuracy in currency of address and contact number. Ag*knowledge* recommends that prior to any further use of this database, a considerable effort is expended to 'clean' the information. The individual contacts on this list represent the potential front-end providers and customers of AgWest and contact with them should be presented at the highest level of professionalism.

Part One: Desktop analysis of agricultural information providers

This part of the report draws out further data from a recent companion market research project and provides an analysis to add value to the initial study and validate aspects of this new work.

Survey of WA Farmer Opinions of Information Providers

AgWest contracted *The Marketing Centre* in March 1998 to undertake a customer satisfaction survey to determine a benchmark for measuring change and establish the perceived service needs of the farm sector. The full report presented in July 1998 identified the 'satisfaction' and 'value' perceptions of AgWest's customers and reported the relative positioning of AgWest to the other private sector information providers.

The research was collected from a telephone survey conducted between April and June 1998 of 550 Western Australian farmers selected as a random sample from AgWest's database.

In collecting the data, the research team defined the **information provider market sectors** as follows:

- AgWest: disseminator of agricultural information, but potentially losing farmer focus.
- Farm consultants: the implementers of business solutions.
- Rural merchandisers and stock firms: responsive and farmer-focussed.
- Industry associations: leaders of industry but not the individuals.
- Research and Development Corporations (RDCs): provide innovative, up-to-date information.

While the survey report gave comprehensive access to farmer opinions on information providers, there was no specific analysis of the positioning of AgWest in relation to the other providers. To add value to this raw data collection, *Agknowledge* requested further cross-tabulation from the data and selected a specific question for this task, shown below, then from the 20 sub-set questions we selected the most relevant statement choices to indicate the current position of various demographic groups.

Question:

"In relation to each of the following questions please indicate who in the agricultural industry you believe the statement applies most to regarding:

- *The provider of practical information.*
- *The provider of relevant information.*
- *The provider of innovative information.*
- *The provider of up to date information.*
- *Works closely with farmers."*

The information was presented by 'major information providers' and cross tabulated to response by 'major commodities' (where there was sufficient response), 'age' and 'education levels'. There was a total of between 444 - 487 responses to work with on these criteria.

It would be possible to draw a number of other useful cross tabulations from the raw data if the Agency required. *Agknowledge* sincerely thanks *The Marketing Centre* for their assistance and cooperation to draw out this complementary data.

Agknowledge interpreted the 'practical' and 'relevant' descriptions as meaning the day to day *tactical* qualities required of an information provider to assist farmers in their decision making, while 'innovative' and 'up to date' was seen as the more *strategic* information required for planning and investment for change. Finally, the 'work closely' response is seen as a *physical presence* and includes direct activity such as field days and group interaction.

Table Five: Provider of practical information

483 valid responses	Total %	Enterprise				Age (years)			Education		
		Wool	Meat	Cereal	Hort.	18-34	35-54	55+	Lower	Senior	Further
Ag WA	55	62	53	49	58	8	57	34	45	31	25
Consultants	22	15	11	40	19	10	61	29	42	28	30
Merchandisers	34	36	25	37	22	10	52	38	47	24	30
Industry assoc.	9	7	14	4	7	10	43	47	48	18	35
RDCs	7	2	2	10	12	25	43	33	33	22	45
Total		33	18	28	10	9	55	36	46	27	27

Source: Marketing Centre July 1998

Analysis

The survey responses indicate AgWest is recognised by farmers as the provider of information in a general sense right across the board with a better than 50% response to all the selected questions ranging from a low of 50% for 'innovative' to a high of 67% for 'relevant'.

The industry response was approximately equal from wool 33% to cereals 28%, the meat industry contributing 18% to the response and a further 10% from horticultural producers. The remaining 20% from dairy, pulses and oilseeds and other smaller industries have not been included individually as the information could not be segmented.

Given that an average 55% of all respondents see AgWest as the most appropriate source for information, it is interesting to note a significant variance between commodities. For example, only 38% of cereal growers turn to the agency for innovative information and yet a high level response from the wool producers of 84% (relevant information) raises the question 'has the program got the right answers or is there no real alternative?'

Table Six: Information providers used by farmers, as influenced by enterprise

Enterprise	AgWA	Consultants	Merchandisers	Industry assoc.	RDCs
Wool	72	14	30	8	12
Meat	48	16	26	9	30
Cereal	45	41	35	8	15
Hort.	58	22	23	12	25

Source: Marketing Centre July 1998

Analysis

The influence of enterprise on how producers rate the value of AgWest information demonstrates the variance between the perceived value of AgWest as an information source compared to the private sector information providers.

The Agency's Wool Program, for example, has an excellent standing amongst growers and despite the current financial status of the industry growers recognise the Agency's input. Although merchandisers employ a work-force dedicated to servicing woolgrowers, the financial returns from delivering wool input supplies is poor compared to the cereals industry and perhaps does not warrant further expense on information generation and delivery.

Conversely, the cereals industry achieving annual productivity gains of around 6% has attracted expansion of a maturing advisory service, so the balance of 'influence' shifts considerably to 41% for consultants to cereal enterprises and 45% for AgWest. The private sector information providers combined cater substantially for the cereals industry. Indeed, the wool industry is not as well serviced as the grains industry for private information providers.

The rural merchandisers have regular contact with farmers and the marketing message this group reinforces is an image of 'friendly service' and 'information is our business'. This contributes to the impression of a responsive and farmer-focussed sector. The literature reviewed clearly states the intention of the private sector to be credible and preferred suppliers. This leads to a blurred boundary regarding cooperation and competition between private and public sectors.

The industry associations have minimal impact on the market for providing agricultural information: some do provide some information, others want to be 'seen' to be providing information as a membership services return to farmers, but the survey revealed that associations like the WA Farmers Federation and the Pastoralists and Graziers Association are not highly valued information sources for farmers.

On the other hand, the commodity bodies like the Grain Pool, Wool International and the Beef Improvement Association could be seen as information providers for non-production, industry wide information such as market information, but again this varies greatly between each industry.

Research and development corporations vary considerably in their information delivery according to the study. For example, the wool industry plays quite an active role in R&D participation as does the Grains R&D Corporation and while their rating is relatively low overall, they are not the frontline in delivery. The presence of these two organisations is raised in the 'branding' at events and in leading and innovative systems, which they have part-funded. These two industries are also supported by an extensive public or private network. Conversely, the Meat and Horticulture Research and Development Corporations have to be very hands-on in their presentation of information because firstly, the supporting infrastructure is considerably smaller and the private sector input is not as well developed.

Table seven: Information Provider used by farmers, as influenced by age

Age	AgWA	Consultants	Merchandisers	Industry assoc.	RDCs	Average
18-34	8	14	12	15	18	10
35-54	54	63	55	40	58	55
55+	38	23	33	45	24	35

Source: Marketing Centre July 1998

Analysis

The Research and Development Corporations secure significant support from the 18-34 age group with nearly three times as many preferred responses compared to the Agency and conversely the Industry Associations appear to have the above 55 year-old market captured for providers of practical information. One explanation could be the impact of age to relevance of decision making capability.

The under 35 year old group could, in the majority, be considered the pre-management group and focussed on production technology and have the time, education, inclination and budget influence to seek more in-depth information with a higher degree of sophistication and require the alternative sources of individual information which may be provided by the RDC group.

The 35+ group is contending with hands-on management decisions and responsibility for strategic investment and planning and these operators have a higher need for one-on-one consultation with relevant expertise. This is supported by the high level of access to consultants at this age level.

The older age grouping of post-55 years has a changed requirement for information and the succession generation moves into a mentor role and provides experience, not only back to the farm but also has the additional time to devote to industry bodies etc. This is evidenced by the high response for this group in the Industry Associations.

Table eight: Provider of relevant information

487 valid responses	Total %	Enterprise				Age (years)			Education		
		Wool	Meat	Cereal	Hort.	18-34	35-54	55+	Lower	Senior	Further
Ag WA	67	84	60	51	59	9	53	38	46	31	23
Consultants	24	16	17	41	21	13	63	24	35	32	32
Merchandisers	31	31	26	39	21	11	60	30	42	32	26
Industry assoc	10	9	7	7	12	16	43	40	36	20	44
RDCs	10	1	17	14	14	14	60	26	42	23	36
Total		33	19	28	11	9	55	36	46	29	25

Source: Marketing Centre July 1998

Analysis

The Wool Program of AgWest reaches great heights in providing relevant information. The consultants and R&D Corporations have lost support from the older respondents and the Industry Associations have a markedly different profile from the various levels of education, in that a substantial number of the further educated group sees the associations as a provider of relevant information.

Table nine: Provider of innovative information

444 valid responses	Total %	Enterprise				Age (years)			Education		
		Wool	Meat	Cereal	Hort	18-34	35-54	55+	Lower	Senior	Further
Ag WA	50	70	42	38	37	6	56	38	48	31	21
Consultants	24	13	17	40	24	14	69	18	38	28	33
Merchandisers	20	23	20	19	18	8	60	32	39	33	29
Industry Assoc	8	6	3	7	18	16	41	43	37	25	38
R&D Corps	23	10	39	25	40	14	62	24	37	31	31
Total		34	19	29	9	10	56	34	47	28	25

Source: Marketing Centre July 1998

Analysis

The cereal growers view the Agency as relatively poor in delivering innovative information and for the first time the consultants are seen as the most relevant source for innovation, although the R&D Corporations excel in the innovation arena for both the horticultural and meat programs but not the wool program. Even the Industry association for horticulture is seen as relatively innovative. The over 55 year old group have little faith in consultant's innovation, preferring to seek strategic direction from areas like Industry Associations and AgWest.

The middle age group 35 to 54, or perhaps the current decision maker of importance is primarily turning to the consultant and merchandise supplier or relevant expert advice associated with this significant group. These decision makers need effective and reliable information to base future plans and investment decisions and could be regarded as the 'current' customer and perhaps the younger grouping as the pre-management or ideas group constantly challenging traditional thinking and requiring innovative information service.

Table 10: Provider of up to date information

474 valid responses	Total %	Enterprise				Age (years)			Education		
		Wool	Meat	Cereal	Hort	18-34	35-54	55+	Lower	Senior	Further
Ag WA	59	75	51	51	64	8	52	40	47	30	23
Consultants	25	13	17	44	24	16	59	26	40	20	40
Merchandisers	33	32	30	36	27	14	46	40	39	37	23
Industry Assoc	14	16	14	8	23	16	53	31	35	31	34
RDCs	17	15	28	13	19	14	61	25	43	29	29
Total		33	19	28	8	11	54	35	45	28	26

Source: Marketing Centre July 1998

Analysis

The other component of the strategic information source or up to date information is remarkable in the renewed vigour of the Agency of this level of information, especially horticulture. This program is delivering the latest knowledge for decision makers across all ages and education levels. The Meat R&D Corporation is also delivering a high level of up to date information and these results are indicative of relevant competition of information providers.

The cereal growers are well serviced from all levels of providers and the recognition of who actually delivers in the end is not necessarily the same as the developer or source of the information. The recognition of who is involved is immaterial to the user rather than the result be appropriate. The issue is one of perceived credibility and access and although the use level of AgWest is quite high, the rating changes when analysing the decision makers. The matter of 'production and processing' of the relevant information compared to the 'delivery or sale' of the product is the matter for further investigation and discovery.

Table 11: Work closely with farmers

447 valid responses	Total %	Enterprise				Age (years)			Education		
		Wool	Meat	Cereal	Hort.	18-34	35-54	55+	Lower	Senior	Further
Ag WA	56	71	49	45	68	8	56	36	49	26	25
Consultants	31	22	31	42	25	15	58	27	44	28	28
Merchandisers	30	27	26	37	22	16	49	35	41	34	26
Industry Assoc	8	7	10	3	14	21	36	43	43	25	32
R&D Corps	7	3	8	8	7	15	55	30	27	45	28
Total		33	19	28	10	11	55	34	46	27	26

Source: Marketing Centre July 1998

Analysis

The industry associations hardly participate in the hands-on activities of the information process, yet have some involvement with the horticultural industries. The industry associations do however, appeal to the younger members of the industry and those who would be expected to take part in hands on trials, tests and information gathering activities. The consultants are actively involved in the grains industry and are also a lot more visible in the meat industry regarding the hands on approach.

The figures provided in this research give a good indication of the current value of information providers and more significantly the variance between the groups, the industry requirements and then the influence of age and education in respective 'value' of information. It would appear that the grains industry is quite mature in appreciating the need to access information from commercial services however, in the process of converting research to localised interpretation the originator or source has been lost. The other industries display varying degrees of maturity regarding information access and the level of service provided by the private sector, either the private consultant or the merchandise supplier.

The fact remains that the input costs for cropping are significantly higher for grain growing than the other industries, resulting in a financial incentive for the input suppliers to build loyalty from the purchasers. Loyalty is a tactic to secure future supply sales, and information supply is the currency to purchase loyalty.

Part Two: Private Sector Information Providers Survey Report

For this part of the study a four-page survey (see Appendix 1) was designed in conjunction with AgWest and independently tested prior to distribution in June 1998. The sample was drawn from AgWest's 'Crop Updates' database, the list of Australian Association of Agricultural Consultants members in WA and further information selected from the Wool Program. The total selection size was 2750 names. The database was further interrogated to determine relevant groupings of information providers:

- An independent farm consultant.
- A consultancy business with more than one employee working as a consultant.
- Advising as part of the services provided by a rural merchandiser or farm input supplier.
- Advising as part of the services provided by a bank.
- Advising through an industry marketing body (AWB etc).

The actual number of private sector information providers is considered to be in the order of 250 individuals and the majority focus on the cropping sector. Survey forms were distributed to 120 people considered part of the information provider network and 61 valid survey responses were received.

The considered opinion was that 'consultants' represented approximately 30% of the group and 'advisers' from merchandise outlets and input suppliers a further 50%. From the survey returns, 35% were consultants, either working independently or in a company with more than one employee. A further 46% of respondents work with a rural merchandise firm or input supplier.

The results of this survey have been processed to provide the following report of major outcomes that will assist AgWest to determine its future relationship with this market sector and identify potential opportunities.

THE TYPE OF INFORMATION PROVIDED TO FARMERS

The survey firstly established the profile of the 'end users' of the product supplied by the information providers.

Table 12: Profile of the client base of private sector information providers.

(% respondents)	All	Consultant	Merchandisers
Proportion of clients that are farmers	92.3%	89.5%	92.6%
Average number of farmer clients serviced	N/A	40.4	390

Source: *Agknowledge* August 1998

Analysis

Of those information providers that responded to the survey, an estimated 92% of their client base are farmers.

This is slightly higher among merchandisers at 93% than for consultants at 89%. Farm consultants have an average of 40 clients compared to around 390 clients for advisers working within rural merchandise firms.

Table 13: Methods of charging for services, information and advice.

(% respondents)	All	Consultant	Merchandiser
No charge (current clients only)	28	0	52
Annual fee	7	15	0
Hourly rate	21	50	4
No charge (no restrictions)	18	0	28
Annual fee, hourly rate	9	25	0
Annual fee, no charge (current clients only)	4	10	0
Other	13	0	12
No response	2	0	4

Source: Ag*knowledge* August 1998

Analysis

In terms of charging for providing information and advice, half of independent consultants charge an hourly rate, 15% charge an annual fee and 25% operate with an annual fee and hourly rate.

For advisers working for rural merchandise firms there is generally no direct charge for information and advice. However, 52% indicated this is for current clients only and 28% provide this on a 'no restrictions' basis. In light of the current costs to operate an adviser being in the vicinity of $100,000 per annum, it will be important for the merchandise suppliers to investigate all methods of cost management and at the very least determine a method of measurement of the loyalty return.

The companies involved are considering the next move forward. Elders appears to favour a direct credit system against merchandise sales, IAMA is trialing a tiered system of fully costed expert servicing of farmer groups followed by preferred client identification and in-shop availability, Wesfarmers has engaged external expertise to deliver in-house training to franchise operators, Linton's has engaged a small expert team, CRT has adopted an attitude of tapping into current systems like AgWest and RTC is also building a team to provide expertise across specialised areas.

Table 14: Information distribution profile.

% of information distribution	All	Consultant	Merch.
Wide delivery of general information	36.8	27.4	44.6
Specific information in response to client inquiries, contracts etc.	63.2	72.6	55.4

Source: Ag*knowledge* August 1998

Analysis

The majority of information distributed by second tier information providers is in response to specific client inquiries (63%) as opposed to more general information for clients.

While three quarters of the information provided by private consultants is in response to specific client inquiries, for rural merchandise firms this proportion is closer to half at 55%.

Table 15: Information providers that have worked for AgWest.

(% respondents)	All	Consultant	Merchandisers
Yes	40	45	32
No	60	55	68

Source: *AgKnowledge* August 1998

Analysis

Approximately 40% of all survey respondents have worked at some stage of their career for AgWest. This comprises 45% of independent consultants and 32% of advisers working for rural merchandise firms.

Also of interest is the number of years served with AgWest and the number of years since leaving the organisation. In this respect, the department appears to be a training ground for advisers in rural merchandise firms with an average of 4 years served, and 3 years since departing. This is significantly different for private consultants where the survey indicated they worked an average of 9 years with the department, approximately 9 years ago.

The significance in the reduced number of merchandise staff that have been 'trained' by AgWest compared to consultants, is the direct access these people would have to relevant expertise within the Agency. The internal contacts retained by the consultants after 9 years will by now be quite senior. Alternatively, contact is made between experts in the regional offices.

Table 16: Type of advice information providers specialised in.

(% respondents)	All	Consultant	Merch.
Financial	8.8	10	0
Production	56.1	25	88
Marketing	5.3	0	0
Financial and production	19.3	50	4
Production and marketing	5.3	0	8
Financial and marketing	0	0	0
Financial, production, marketing	3.5	10	0
No response	1.5	5	0

Source: *Agknowledge* August 1998

Analysis

Across all survey respondents, 56% indicated they specialise in providing production advice to their clients. This was as high as 88% for advisers with merchandise firms. 60% of independent consultants indicated they provide a mix of financial, production and marketing advice, with only 25% specialising solely in production advice. One of the implications from this high level of production advice from the merchandise advisers is the lack of balance in whole farm decision making when adopting new technology or products.

The fact remains that there is a significant difference between the tactical advice delivered by the merchandise advisers and the more strategic advice of the consultants. The validity of this information is supported in the section investigating farmer opinions of information sources.

Table 17: Ranking the principal enterprises consulting advice is provided on.

(% respondents)	Ranked 1			Ranked 2			Ranked 3		
	All	Consultant	Merch.	All	Consultant	Merch.	All	Consultant	Merch.
Crops	66.7	55	80	0	0	0	3.5	10	0
Wool	8.8	15	0	31.6	45	28	5.3	0	4
Sheep meat	1.8	0	0	7	15	0	21.1	30	20
Beef cattle	3.5	0	4	3.5	0	4	10.5	15	12
Horticulture	10.5	20	4	5.3	5	8	3.5	5	4
Dairy	1.8	5	0	5.3	0	8	3.5	0	4
Pigs	0	0	0	0	0	0	1.8	0	4
Poultry	0	0	0	1.8	0	4	0	0	0
Pastures	0	0	0	12.3	0	21	0	0	0
Other	5.3	5	8	5.3	15	0	3.5	0	8
No response	1.8	0	4	28.1	20	24	47.4	40	44

Source: Ag *knowledge* August 1998

Analysis

Cropping enterprises are the main areas of focus for private sector information providers in Western Australia. This appeared to be higher for rural merchandise firms than independent consultants. This is also a direct result of the financial returns available from the cropping industry compared to the wool sector.

Wool and sheep meat enterprises were also a focus for a large proportion of respondents. Independent consultants also display more diversity, covering a broader range of industries including horticulture and beef cattle.

HOW AND WHERE INFORMATION IS GATHERED AND DISSEMINATED

Table 18: Methods used to communicate information and advice to farming clients.

(% respondents)	Ranked 1			Ranked 2		
	All	Consultant	Merch.	All	Consultant	Merch.
Shopfront	10	6	16	2	0	0
Articles in rural press	2	6	0	5	0	0
Formal discussion groups	2	0	5	0	0	0
Advertising	2	0	0	2	6	0
Written	12	25	0	14	19	11
Telephone	29	25	21	49	56	56
Seminars	0	0	0	2	6	0
Field days	5	0	11	9	0	17
Farm visits	38	38	47	16	13	17

Source: *Agknowledge* August 1998

Analysis

The most common vehicle for communicating information and advice to farming clients was by telephone. 78% of respondents to this question ranked this number 1 or 2. Farm visits were however, the preferred method by 38% for communicating with farming clients.

For independent consultants, 81% indicated the telephone is the most common means of communicating information and advice to farming clients. 50% indicated farm visits and 44% communicate via written material (based on a combined ranking of 1 and 2). The consultants can afford to conduct farm visits as they are usually 'on the clock' and can have effective interaction time with the family unit.

The merchandise staff, however, are continuously frustrated by the down time of travel and often the cold-call can be unproductive. Maybe the improvement in telephone communications will assist this group to do more work from the car and reduce the time wasted.

For advisers with merchandise firms or input suppliers, 77% indicated the telephone is the most common means of communicating information and advice to farming clients. These advisers have a particularly busy working day which runs long into the night managing the backlog of inquiries, and farmer contact is often only available after dark. Extensive use of the fax machine for cropping inquiry responses saves considerable time. 64% also indicated farm visits and communicating with clients at field days were the next most common mediums (27%).

Table 19: Where information providers source their information.

(% respondents)	Ranked 1			Ranked 2		
	All	Consultant	Merch.	All	Consultant	Merch.
Professional associates	31	18	19	19	13	20
Internet	4	12	2	2	0	0
Personal experience	29	29	26	26	20	35
AgWest	21	24	17	17	20	15
Own field research	7	6	17	17	13	20
Industry journals	7	6	5	5	7	0
R&D Corporations	2	0	7	7	7	10
Universities, CRCs etc	4	6	2	2	7	0
Other state ag depts	0	0	5	5	13	0

Source: *Agknowledge* August 1998

Analysis

Asked to rank a range of different sources of information, personal experience was ranked number 1 or 2 by 55% of all survey respondents. Professional associates and AgWest were also common sources (50% and 37% respectively).

For private consultants, personal experience was the most common source of information. AgWest was relied on more by this sector as a source of information with 44% nominating it their first or second most common source.

Advisers with merchandise firms place the most emphasis on professional associates as a source of information (39%). Personal experience was another common source (60%) while the use of AgWest as a source of information was considerably lower (32%).

Table 20: Proportion of the information sourced that originates from AgWest.

(% respondents)	All	Consultant	Merch.
Proportion of information from AgWA	36.7	43.9	36.6

Source: *Agknowledge* August 1998

Analysis

Around 44% of the total information accessed by private consultants was estimated to originate from AgWest.

Merchandise firms estimate this proportion to be slightly lower at 37%.

Table 21: How regularly information providers have contact with AgWest.

(%respondents)	All	Consultant	Merch.
Approximate number of contacts per month	4.55	5.6	3.84

Source: Ag*knowledge* August 1998

Analysis

Independent consultants have contact with the Agency approximately 6 times in a month, compared to around 4 times a month for advisers with rural merchandise firms.

The average across all survey respondents is once a week or 50 times a year. The rate of contact is far greater than for individual farmers and the implications from this information need to be considered.

Table 22: Relationship with AgWest.

(% respondents)	All	Consultant	Merch.
I obtain information from the agency (seek)	37	20	44
The agency delivers information to me (receive)	4	5	0
It is more a case of sharing information (share)	32	40	32
Seek and share	9	5	12
Receive and share	5	5	4
Seek and receive	7	10	4
Seek, receive, share	5	15	0
No response	2	0	4

Source: Ag*knowledge* August 1998

Analysis

Some interesting differences emerge in information provider's perceptions of their relationship with AgWest.

While a majority of independent consultants consider the relationship is more a case of *sharing* information (40%), the majority of respondents from rural merchandise firms believe the relationship is based on them *seeking* out information from the agency (44%).

Table 23: How information is accessed from AgWest.

(% respondents)	Ranked 1			Ranked 2		
	All	Consultant	Merch.	All	Consultant	Merch.
Telephone inquiry	30	40	14	23	13	29
Field days/conferences	15	0	29	32	43	14
Personal contacts	39	47	43	22	20	24
Email	0	0	0	3	0	5
Fax	0	0	0	3	0	5
CD Rom	0	0	0	3	0	5
Publications, journals	15	13	14	19	20	19
Ag WEB	0	0	0	0	0	0

Source: Ag*knowledge* August 1998

Analysis

In terms of the way information is accessed from the department, personal contact is by far the most common access point across all sectors of the private sector information providers network in WA.

Telephone inquiries (53%), field days/conferences (43%) and publications (33%) were also commonly used by private consultants.

For advisers in merchandise firms, after personal contacts field days/conferences (43%) and telephone inquiries (43%) were also used.

Disappointingly, electronic information transfer has yet to capture the imagination of the information providers. It would appear that they still require immediate and personal (one to one) answers.

PERCEPTION OF SERVICE AND INFORMATION PROVISION BY AG WA

The survey asked respondents to rate the value of services and information provided by AgWest in terms of the following five criteria:

1. Ease of access/availability
2. Staff skill and knowledge
3. Accuracy
4. Timeliness
5. Relevance

Table 24: Rating the services and information from AgWest.

(% respondents)	All					Consultants					Merchandisers				
	Very poor	Poor	Average	Good	Excellent	Very poor	Poor	Average	Good	Excellent	Very poor	Poor	Average	Good	Excellent
Ease of access	2	12	37	42	5	0	15	35	40	10	4	12	28	52	0
Staff skill/knowledge	0	7	42	46	5	0	5	40	55	0	0	8	44	44	4
Accuracy	0	2	35	56	7	0	0	35	65	0	0	0	40	48	12
Timeliness	2	18	40	37	4	5	20	40	35	0	0	20	40	36	4
Relevance	0	11	37	46	7	0	15	30	50	5	0	8	40	48	4

Source: Ag*knowledge* August 1998

Analysis

The rating for **ease of access/availability** indicated the information providers generally consider the service and information provided by the department is 'good' (42% of all respondents).

While the majority of independent consultants (40%) believe the service was good, 15% rated it as poor.

The survey revealed a difference of opinion between advisers in merchandise firms as to the ease of access to information from AgWest. While 52% considered this was 'good', 16% indicated it was 'poor' or 'very poor'.

Staff skill and knowledge was given an overall rating of 'good' by 46% of total survey respondents.

While 55% of independent consultants considered AgWest staff skill and knowledge as 'good', advisers in rural merchandise firms were evenly divided between a rating of 'average' and 'good' (44% each).

Overall, the private sector rated the department well in terms of **accuracy** with 56% of all respondents indicating this was 'good'. 65% of independent consultants considered accuracy was 'good' compared to only half of respondents from merchandise firms (48%).

Timeliness of services and information is one area AgWest rated poorly in. This criteria received the highest rating of 'poor' and 'very poor'.

One in every four independent consultants believe the timeliness of service provision and information is 'poor' or 'very poor'. A further 40% rated the department as 'average' in this area.

Similarly, 20% of advisers in rural merchandise firms rated timeliness as 'poor' or 'very poor'. 40% rated the department as 'average'.

In terms of **relevance**, across all survey respondents AgWest received a rating of 'good' by 46%.

While half of the independent consultants consider the relevance of services and information to be 'good', 15% rated the department as 'poor' in this criteria.

48% of advisers in rural merchandise firms rated AgWest as 'good' with a further 8% considering it is 'poor' or 'very poor'.

The private sector information providers were also provided with an opportunity to rate AgWest's performance in terms of:

- Industry development.
- Strategic and applied research.
- Information transfer.

Table 25: Rating AgWest's performance.

(% respondents)	All					Consultants					Merchandisers				
	Very poor	Poor	Average	Good	Excellent	Very poor	Poor	Average	Good	Excellent	Very poor	Poor	Average	Good	Excellent
Industry development	2	7	47	40	4	0	5	60	35	0	0	12	36	44	8
Strat/app research	2	7	44	40	7	0	10	45	30	15	0	8	52	36	4
Information transfer	2	18	47	33	0	5	15	45	35	0	0	28	36	36	0

Source: Ag*knowledge* August 1998

Analysis

In terms of **industry development** by AgWest, while the majority of advisers in rural merchandise firms rated the performance as 'good' (44%), 60% of independent consultants consider the agency's performance is only 'average'.

The agency's performance in the area of **strategic and applied research** was given a mixed report card. Overall, 44% of respondents indicated AgWest as 'average', 40% 'good' and 7% 'excellent'. However, 9% consider it is 'poor' or 'very poor'.

Information transfer also emerged as an area where AgWest is not perceived to be performing very well. 47% of all respondents rated the agency's performance as 'average' with 1 in 5 considering it to be is 'poor' or 'very poor'.

Advisers in rural merchandise firms were even more likely to give the agency a lower rating with respondents evenly divided over an 'average' and 'good' rating (36% each) and a high 28% believing the agency's performance in terms of information transfer is 'poor'.

Table 26: Should AgWest not provide some current services.

(% respondents)	All	Consultant	Merchandisers
Yes	32	35	28
No	56	55	52
No response	12	10	20

Source: *Agknowledge* August 1998

Analysis

While 56% of respondents were satisfied that AgWest is not providing any services that it shouldn't be, 1 in 3 indicated there are some areas the agency should not be involved in and this principally involved anything to do with business management and training with the key respondents to this question being financial institutions.

Table 27: Feedback to AgWest on the applicability of research results on-farm.

(% respondents)	All	Consultant	Merchandisers
Yes	74	80	68
No	26	20	32

Source: *Agknowledge* August 1998

Analysis

74% of all survey respondents provide feedback to AgWest on the applicability of research results on-farm.

This is higher for independent consultants (80%) compared to advisers working for rural merchandise firms (68%).

Table 28: Expected use of AgWest services in next 12 months.

(% respondents)	All	Consultant	Merchandisers
Increase	28	45	16
Decrease	5	0	4
Stay the same	67	55	80

Source: *Agknowledge* August 1998

Analysis

While 80% of advisers working for rural merchandise firms expect their use of AgWest services to remain the same over the next 12 months, 45% of independent consultants suggest this may increase.

Overall this information portrays an extremely positive situation for the Agency, although the opportunity to capture the initiative should not be missed.

Table 29: The original source of information is indicated to clients.

(% respondents)	All	Consultant	Merchandisers
Yes	86	80	88
No	14	20	12

Source: Ag*Knowledge* August 1998

Analysis

Across all information provider respondents 86% indicated the original source of information to clients while 14% do not. This proportion is slightly higher for merchandise firms than private consultants. This response is self determined and further investigation is warranted as it is not supported by the survey of farmers.

Table 30: Information providers undertaking research.

(% respondents)	All	Consultant	Merchandisers
Yes	74	55	84
No	25	45	12
No response	1	0	4

Source: *Agknowledge* August 1998

Analysis

84% of advisers working for rural merchandise firms indicated they (or their company) were undertaking research either independently or in partnership with another organisation, compared to only 55% of independent consultants.

The results of this question needs to be tempered with the knowledge that Elders has positioned their advisory team to access, interpret and deliver information, as opposed to IAMA which is looking to improve their credibility of information by also conducting research.

Table 31: Information providers that evaluate their service to clients.

(% respondents)	All	Consultant	Merchandisers
Yes	46	35	44
No	53	65	56
No response	1	0	0
Verbal	62	71	73
Written	15	14	18
Performance agreement	12	0	0
Verbal, written	12	14	9

Source: *Agknowledge* August 1998

Analysis

The majority of information providers do not complete an evaluation of their service to clients (53%). Of those who do, 62% indicate this is done verbally with the client. Only 35% of independent consultants evaluate their service (71% verbally). 44% of advisers working for rural merchandise firms evaluate their service (73% verbally). This area is clearly a deficiency for the information providers.

Part Three: Industry Interviews and Attitudes

In this part of the research process a total of 20 private sector information providers were personally interviewed by Peter Cooke, director of Ag*knowledge*, to test a range of issues and opportunities for how AgWest can work more effectively with this sector.

The range of issues appear in bold in this section and the specific points gleaned from the discussions and considered relevant for further attention follow in point form for easy reading.

Issues identified in industry interviews:

- Contact between AgWest and information providers.
- Interaction between the information providers.
- Training opportunities.
- Information management.
- Research integrity.
- AgWest skills.
- Commercial reality and pricing.
- Sponsorship.

The specific points contributed to formation of the key recommendations of this report and may constitute specific actions that can be adopted as the Agency revises its customer services.

Please note the comments following are paraphrased from the interviews.

Contact between AgWest and information providers

- AgWest needs to come to an understanding that information providers are as important a client as individual farmers. Working in cooperation with this sector will ensure better transfer of information and knowledge to the farming sector and a better outcome for the Agency. With the increased role of the private sector, farmers are having less direct contact with AgWest.

- Consultative committees, the Partnership Groups and advisory bodies are extremely useful, not only for input but also to generate a better understanding of the workings within the Agency. To date the extension of the role of these industry consultative groups is not well managed.

- The current process of 'knowledge value' transfer is managed in the following manner; research and development investment leads to better quality information and improved recommendations, in effect a superior level of technical support, measured by direct return on production (very measurable and visible). The resulting profit for clients lifts the credibility rating of the 'adviser' and consequently a direct response to loyalty sales purchasing.

- There is a role for AgWest to facilitate improved communications in the industry. This could be achieved in the Crop Update style which appears to be popular but perhaps could be run more frequently and on a regional basis as 'quarterly update' sessions. This would open up the access to information (appropriately priced) and ensure relevance and more timely delivery of research results.

- Recognise the opportunity for AgWest to better utilise the resources of the rural press to disseminate information of interest and relevance to farmers – not just through the standard press release but rather through the use of tailored information and messages. The rural press do not have the resources to re-write and interpret information from scientific reports for their readers.

- Access to information is largely dependent on personal contacts and networks – "who you know". Consistency of quality of information appears to be variable and dependent on the individuals involved. A related issue is the 'poaching' of good staff by the private sector. Sometimes contact from consultants is a one-way suck when problems emerge. There is a substantial difference between advice and consulting.

- The quality of trained staff was raised as an issue, with poor training and little or no handover period to pass on experience. Expertise was perceived to have decreased in some areas such as cropping and increased in others such as sheep and wool. Opportunities were identified for cooperative ventures including staff training, product sales of services (diagnostics), specific training, information accumulation and feedback systems.

- Competitiveness at field days is an issue because a range of speakers across merchandise suppliers may be invited to the same event with little appreciation of the commercial sensitivities. This issue could be resolved with more tactical use of agronomists, department staff, fertiliser and chemical company staff as the audience is quite complementary.

- The level of expertise within the information providers' 'agronomic team' sometimes appears to be shunned or alienated due to the 'commercial' tag. There could be an improvement in the process through inclusion earlier in programs rather than waiting until a 'fait accompli' is ready and then the job of suggesting commercial 'needs' is almost impossible. There is not sufficient integration of knowledge sharing between AgWest and consultants. Consultants are seen as 'the other side' and this reduces the effectiveness of all.

- Good sessions are often held when a scientist is asked to present at an AgWest function and the corporate person is required to add reality. This works well.

- The corporate sector, as evidenced with the efforts from the merchandise companies, has a public relations and marketing structure and it is evident that this is well tuned to deliver messages to the growers.

Interaction between the Information Providers

- Discussions identified the variance in perceived integrity between private and company consultants, as well as the difference between the corporate agronomist and the actual reseller. The latter group is the information provider for a large percentage of farmers and more attention needs to be given to this area.

- There is an issue of information quality and integrity between the agronomists and the chemical company representatives, leading to competition and information guarding.

- Consultants do not interact a great deal with the corporate agronomists; they are seen to be a bit 'tainted' and some feel threatened that these agronomists are encroaching on their turf. This issue will exacerbate as the corporate agronomists move further into the fee for service area. The corporate agronomists do mix quite a deal through the Australian Association of Agricultural Consultants. There is room for improved social gatherings, which may change the attitude that consultants either make too much money or agronomists somehow aren't as high up the integrity scale. Liaison with other groups is a lot stronger with the input supplier groups like fertiliser, seed and chemical company representatives.

- Merchandise suppliers and the agronomists are not that sophisticated or particularly well organised, with minimal systems in place to measure the value of information feedback and client satisfaction – gut feel only.

- AgWest has an advantage in information transfer over any commercial product or service retailer in that farmers recognise a difference and 'value' discount the information by an average of 20%.

Training Opportunities

- There are opportunities for AgWest to provide training to banks and accountants and also vice-versa. This sector is keen to continue and pursue any future joint venture regarding a benefit to the agriculture sector and especially when benefits to the company shareholder and customer can be demonstrated.

- Any Corporate Sector training time by information providers is devoted to profile work and a limited amount of industry information sharing, ie Crop Updates and input supplier indoctrination. There is minimal effort on personal development and adult education techniques.

- Training young recruits and failing to provide suitable human resource management for the individual is also being noticed. The issue is that degree graduates are employed for a task and the new employee is enthusiastic and wanting to contribute, perform and be rewarded. Because of the current management practice, the problem is who is the immediate superior and where is that person to guide, mentor, train, praise and reprimand. The new recruit develops work practices out of basic need and usually unrelated work mates, and over a period of time despairs of minimal 'contact' and becomes remote, disenchanted and a reduced contributor to the Agency.

Information Management

- Significant potential for an alliance to link information and delivery systems – particularly given a number of surveys have highlighted the importance of the print media as an information source for farmers. The 1997-98 Technical Communications Strategy for the IWS cites ABARE data as the most important sources of information for woolgrowers, in this research the print media was listed as the most popular source – nominated by 79% of respondents.

- Information database access with full integration allowing individuals to thoroughly interrogate the data to resolve individual needs, for example, accumulation and access to statewide trial results in a format for interpretation. In developing access systems ensure the difference between today's tactical information requirements and the longer term decision making for strategic planning is identified.

- Access to the information is restricted to the personal networks and for someone not electronically bent almost impossible to talk to someone if you don't personally know them or where they are located. Front desk service is currently terrible and invariably doesn't know where to send you either. What about a central register of people and where they are, to start with. Similarly with publication lists etc. There is a mine of information stored in archives regarding relevant research and believes every effort should be made to access, retrieve and store the data electronically.

- Overall, sources of information have widened considerably and publications worldwide deliver a great deal of information. Essentially the majority of market information now comes into the corporates and is professionally assimilated for their use and that is not mutually exclusive with farmers. There is a significant gap for independent market information.

- AgWest is no longer the focal point for all knowledge generation as the CRC concept now ensures that UWA, Murdoch, CSIRO etc all have information generators.

- Technology and production information is mostly required to complement the marketing information, for example required information regarding processing and manufacturing qualities for a new market for Triticale. The persons responsible within the Agency were only able to find 'parts' of the research data and were unable to assist further in where else to go and definitely not in the assimilation of the data. Access to the complete data is imperative for this type of activity.

- 'Who you know' in the system is the only commercial access when practical information is required from this group and certainly not from a 'development officer'.

- Information papers could be greatly enhanced by the Agency, for farmer delivery by the Information Providers and who would be prepared to pay for this. There is an opportunity for the merchandise groups and their agronomists to on-sell the updates/farmnotes with repackaging and rebadging. Would also be a useful face for AgWest. Crop Updates currently appear to conclude the responsibility for AgWest in the dissemination role.

- Continue production of good tools like the chemical selection charts and TopCrop developments. Concern about the low uptake of the TopCrop groups.

- AgMemos are a good tool however, have noticed that the effort to individually regionalise each version had markedly decreased and reduced the value of regional value adding. This is a shame as a little effort into this vehicle is beneficial. The effort has markedly reduced in the past 12 months.

Research Integrity

- Concern expressed regarding the accessibility and integrity of AgWest trial work – less rigour leads to variability and loss of statistical validity of the work. The shift from AgWest replication to farmer based paddock trials is unacceptable, leading to decisions based on poor data. All stages of research, including the laborious trial plots before the more extensive farmer field trials, must be retained.

- Applied research should be conducted 'for farmers' and not 'with farmers'. That is for practical application once the science has been tested. There is much basic applied research required and a major problem is that the GRDC and newer, young scientists are reluctant to fund and conduct new 'old' work as it has been done before, however the scenarios of production have radically changed and much of 10-year prior work is invalid.

- There are too many resources in management at the expense of science. Don't loose the expert system. There is scope for cooperative trials and shared results, with the differentiation in the interpretation of results for varying customers.

- Disconcerting to see gaps appearing the rigour and detail of research as Information Providers rely on quality information to advise clients. The change from accepting a 2-3 year timeframe for research results and its rigour compared to 8 weeks. Continuity of effort is not visible or assessable. There are numerous trials and results heard of when they commence or are in their 2 or 3 year and then nothing further, awareness or marketing of final results is poor. In a similar vein, there is great fanfare about a 'new initiative' or activity and again nothing further. It is as important to know the flops as well as the successes.

AgWest Skills

- The expertise within the Agency has decreased markedly in the cropping arena and increased in the sheep and wool field. Seriously concerned about the capability of staff to integrate the economic and whole farm issues into rational decision making. The understanding of the fit of individual production matters into the overall scheme of a farm is completely separated and requires integration. The attention to production packaging within the whole farm is essential and the current project basis for employment and accountability makes this extremely hard to achieve.
- Good scientists being seconded to management, usually without relevant training, are definitely leaving a gap in the system. The talent is then unavailable to deliver expertise to the industry, especially where there is relatively low levels of knowledge. Eg. crop disease and nutrition management and research.
- A change of task within a customer service entails a new recruit and usually without a change/handover period leaving a large knowledge gap. Eg. diagnostic services and the quality of trained staff.
- Overall loss of expertise to the private sector and reduced staff morale due to uncertainty of specific roles of staff like the 'Development officers'.

Commercial Reality and Pricing

- Debate over who owns the information and intellectual property and there is a distinct lack of understanding of the commercial reality of fee for service and intellectual property. Minimal reward for development cost associated with the production process, and minimal integrity in the department regarding access to developed materials.
- AgWest staff need a reality check on costs, as well as transaction and hidden development costs, usually non refundable, especially in the knowledge industry as opposed to the 'widget' manufacturing business - easy to touch and feel. 'Office of no policy' especially regarding price.
- The integration of all production and sustainability matters and training issues to a 'what's in it for me'. Doesn't matter the purchase 'currency' as time, land or money are valued at some stage by the intended purchaser, the farmer. The equation will relate directly to the whole farm approach. There is a need to evaluate new technology and products for impact and implication to the whole farm prior to wholesale retailing of the effort.
- Develop a professionalism to the marketing of new products and technology, including segmentation, and end benefits to the customer as opposed to the features.
- Benchmarking is not a decision-making tool rather information to help set policy and determine marketing strategies for the industry. Also delivers a category of understanding and segmentation capability around the customer base. Will assist in retailing information, products etc.
- Concern about the duplication of efforts, or perceived duplication especially in some of the business end projects. Confusion over roles between Better Business, Centre for Agribusiness Marketing and other RAFCOR training and then FarmBiz. Very concerned about the future of Better Business and just what it will achieve. Afraid that in 2 years it will have spent a couple of million and be dead in the water.

- There are many more opportunities to improve the working between the banks and accountants with AgWest including the improvement of understanding of the balance between production and financial implications.

- The Agency is commercially naive on pricing and negotiation. Trial work and PBR negotiations under partnership and contract came in for an absolute bagging and although a degree of tolerance is being demonstrated because it is AgWest but unless, as it states it wants to be, commercial reality is taken seriously then a change in attitude and implementation of policies is imperative.

- Information Providers are just starting to recognise and implement pricing mechanisms which reflect the value of information to their clients – in particular merchandise firms are initiating schemes which reward clients for loyalty. For example, IAMA – new system for loyal and valuable clients based on flat fee and per ha charge; Elders –rebate scheme offering hours of service against the value of merchandise purchased. These schemes represent the first real effort to quantify the service cost and reward for both the customer and supplier.

Sponsorship

- The area of sponsorship with AgWest was soundly criticised for a lack of professionalism. The control of quality from the commercial approach, attitude to the arrangement and delivery of promise were all indicative of the approach to date, which has generally lacked commercial reality and expertise.

- Sponsorship is a major involvement between AgWest and the corporate sector and proposals with a wide range of offers and quality of presentation being offered on a regular basis leaving the company in two minds. Firstly, any refusal to a non-professional is seen as a slight and a future black mark and secondly, the company can pick and choose and really 'call the tune' as to extracting the best result. Some concern regarding follow up and finish by some, not all parts. Bear in mind also that for every proposal from AgWest there is a competitive call from another organisation.

Appendix 1

Copy of original survey form used in data collection for this research.

In this Appendix is included a copy of the survey sent to 120 private sector information providers titled 'Delivering Information to Farmers'.

The survey was designed, typeset and tested by Ag*knowledge*.

[illegible] INFORMATION TO FARMERS

Please take a moment to complete this short survey and assist Agriculture WA to improve how it delivers information to the private sector.

Farmers are growing more reliant on the private sector to deliver timely information.

Agriculture WA is a major generator of information distributed to farmers by private sector information providers like yourself. To improve your access to Agriculture WA information, *Agknowledge* has been commissioned to seek your views and determine the value of current and future information services.

We would be grateful if you could complete this short survey and return it to:

Agknowledge
35 Sheffield Rd
WATTLE GROVE WA 6107

If you have any queries, please contact me on 0417 953957. Thanks for your help.

Regards

Peter Cooke
AGKNOWLEDGE DIRECTOR

NOTE: please return by June 19.

Your name			
Phone		**Fax**	

1. Which of the following structures best describes the business you work in?
(please tick)

- ☐ An independent farm consultant
- ☐ A consultancy business with more than one employee working as a consultant
- ☐ Advising as part of the services provided by a rural merchandiser or farm input supplier
- ☐ Advising as part of the services provided by a bank
- ☐ Advising through a government agency
- ☐ Advising through an industry marketing body (AWB etc)
- ☐ Other - *Please specify:*

2. Please use the numbers 1-3 to indicate the 3 main enterprises you offer consulting advice to? *(Rank 1-3)*

☐ Crops ☐ Wool ☐ Sheep meat ☐ Beef cattle

☐ Dairy ☐ Pigs ☐ Horticulture ☐ Poultry

☐ Other - *Please specify:*

3. **What type of advice do you specialise in providing?** *(please tick)*

☐ Financial ☐ Production ☐ Marketing

4. **What proportion of your total client base are farmers?** %

5. **How many farmer clients do you currently service?** *clients*

6. **What *methods* do you use to communicate information and advice to farming clients?**

(Please rank these methods from 1 to 9 with 1 being the most common and 9 the least common)

- ☐ Shopfront
- ☐ Articles in rural press
- ☐ Formal discussion groups
- ☐ Advertising
- ☐ Written *(eg. newsletter, information sheets, fax, direct mail)*
- ☐ Telephone
- ☐ Seminars
- ☐ Field days
- ☐ Farm visit

Other - *Please specify:*

7. **Please indicate the percentage of your information distribution which is:**

Wide delivery of 'general' information *(eg based on seasonal activities and needs)* **%**

Delivery of specific information in response to client inquiries, contracts etc **%**

8. **As an 'information provider' to your farming clients, how do you source *your* information?**

(Please rank these sources from 1 to 9. 1 being the most common and 9 the least common source.)

- ☐ Professional associates
- ☐ Internet
- ☐ Personal experience
- ☐ Agriculture WA
- ☐ Other state Agriculture Departments
- ☐ Own field research
- ☐ Industry journals and publications
- ☐ Research and Development Corporations
- ☐ Universities, CRC's etc

Other - *Please specify:*

9. **What proportion of this information originates from Agriculture WA?** **%**

10. **How do you access information from Agriculture WA?**

(Please rank from 1 to 8. 1 being the most common and 8 the least common.)

- ☐ Telephone inquiry
- ☐ Field days/conferences
- ☐ Personal contacts
- ☐ E- mail
- ☐ Fax
- ☐ CD ROM
- ☐ Publications, journals etc
- ☐ Ag W EB

Other - *Please specify:*

11. How regularly do you have contact with Agriculture WA?

Approximately   times per month.

12. How would you describe your relationship with Agriculture WA?

(please tick)

- ☐ I obtain information from the agency (I have to seek it out)
- ☐ The agency delivers information to me (requires no effort on my part)
- ☐ It is more a case of sharing information

13. How do you rate the value to you, of services and information provided by Agriculture WA in terms of: *(please circle)*

	Very poor	Poor	Average	Good	Excellent
Ease of access/ availability	1	2	3	4	5
Staff skill and knowledge	1	2	3	4	5
Accuracy	1	2	3	4	5
Timeliness	1	2	3	4	5
Relevance	1	2	3	4	5

14. How would you rate Agriculture WA's performance in terms of: *(please circle)*

	Very poor	Poor	Average	Good	Excellent
Industry development	1	2	3	4	5
Strategic and applied research	1	2	3	4	5
Information transfer	1	2	3	4	5

15. Is Agriculture WA currently providing any services which you believe it shouldn't?

Yes ☐ *What are they?*

No ☐

16. Do you expect your use of Agriculture WA services over the next 12 months to:

☐ Increase ☐ Decrease ☐ Stay the same

17. Do you in any way provide feedback to Agriculture WA on the applicability of research results on-farm?

Yes ☐ No ☐

How?

18. How can Agriculture WA work with people like you in the private sector to improve the provision of information to farmers?

19. How do you charge for your service and the provision of information and advice?

- ☐ Annual fee
- ☐ Hourly rate
- ☐ No charge – restricted to current clients only
- ☐ No charge – no restrictions on distribution
- ☐ Other - *Please specify:*

20. When you provide information to a client do you indicate the original source of the information?

Yes ☐ No ☐

21. Are you or your company undertaking any research, either independently or in partnership, with other private or public organisations?

Yes ☐ No ☐

22. What do you see as the main advantage of Agriculture WA's involvement in trials and research conducted in partnership with the private sector?

23. Have you, at any stage of your career, worked for Agriculture WA?

Yes ☐ No ☐

Number of years served: Number of years since you left:

24. Which regions (shires) within WA are you currently servicing?

☐ Entire state

Shires:

25. What is the main problem you face in supplying your farm clients with the latest information and research advice?

26. Do you complete an evaluation of the services you provide to your clients?

Yes ☐ No ☐

→ Verbal ☐ Written ☐ Set performance agreement ☐

Thank you for taking time to complete these questions.

Please return to: *Agknowledge*
35 Sheffield Road
WATTLE GROVE WA 6107

Appendix 2

Ag*knowledge* conducted a desktop review of information available on trends in extension and information delivery as part of the report to the Minister for Primary Industries and Fisheries on Information and Extension Delivery to Farmers in Western Australia – Stage 1 October 1997. The major trends identified by this research are provided in this Appendix.

In addition Ag*knowledge* has undertaken further background research on the private sector information providers and this is also presented to complement the current work.

Desktop research on trends in extension and information delivery

We are gradually seeing a dwindling of Government resources available for the dissemination of information and the delivery of extension services to the rural sector. Government departments are significantly changing their role in the provision of agricultural extension services.

As these changes evolve, we have seen the demand for extension information by farmers continue to grow. Farmers are driven by the need to achieve productivity increases on-farm and the changing marketing environment for their products. this is producing a change where farmers are becoming increasingly independent, better educated and more pro-active in seeking agricultural information.

Some of the changes emerging in the area of extension and information delivery include:

1. adoption of the user pays principle (more commercial environment) for information provision.
2. out-sourcing of non-core activities by Government departments.
3. changing nature of Research and Development Corporation's (RDCs) input into extension services.
4. growing use of private consultants in information delivery, working in close cooperation with the public sector.
5. increased involvement of agribusiness.
6. shift in public sector extension resources towards natural resource management areas.
7. growth of farmer 'groups' and increased use of group-based extension services.
8. growth in technology for information management and delivery.

These are explored briefly below:

1. Adoption of the user pays principle for information provision

Information is increasingly being seen as a commodity with a commercial *value*. State Departments of Agriculture are likely to become smaller players in a growing system of information provision – their role is changing to become more of a facilitator and wholesaler of information to other parts of the system. This involves more of a 'partnership in information delivery' between farmers, private consultants, agribusiness, State Departments and other public sector organisations.

The public sector can take more of a *managerial* role over information transfer within the system. This means the public sector can focus on their output of research and public good information, leaving the interpretation of that information to the private sector. This protects the credibility of the public sector, enhances the technical base and credibility of private sector providers and in turn, meets the needs of farmers in this process of information transfer it will be imperative that there is adequate recognition or 'branding' of the public sector information.

2. Out-sourcing of non-core activities by Government departments

In general, the format of extension services has depended on the human resources devoted to it. A large proportion of budgets devoted to research and extension activities goes towards salary and associated costs, a factor which has made extension services very sensitive to the shrinking budgets of Governments.

The challenge for the public sector is ensuring broader government objectives are achieved whilst the delivery of programs and services is left to the private sector – in this context the Government can take on a 'facilitation' role to ensure initiatives are in line with policy objectives.

Processes could be implemented to complete the loop of feedback from farmers back to public sector researchers. This currently stops with the information providers.

3. Changing nature of Research & Development Corporation's input into extension services

These Corporations are being held to new and higher standards of accountability. They are perceived by many as being distant from producers and there has been pressure for RDCs to offset to some extent the reduced public sector resources available for extension.

Linked to this is the trend for State Departments of Agriculture to source external funding for R&D activities, in particular from R&D corporations. This will increasingly require State Departments to actively influence this allocation of funding and may require better representation in Canberra.

Several RDCs are adding commercial parameters to their information agreements (intellectual property) which may be a useful model for State Departments of Agriculture in the future.

4. Growing use of private consultants working in close cooperation with the public sector

There is a growing recognition that information is money and information which enables a farmer to increase productivity and be more competitive has a commercial value.

The public sector is beginning to work more with private sector consultants in the delivery of information to farmers. However in a number of service areas there is a duplication of effort with the private sector. The recent Competitive Neutrality Review will provide further insight to this dilemma.

5. Increased involvement of agribusiness in information and extension delivery

Agribusiness are becoming more involved in research and extension delivery (extent of this is yet to be quantified). Currently, this involvement tends to be fragmented and lacks coordination. Greater communication is occurring between agribusiness and the public sector although formal links are underdeveloped.

Central to effective private sector delivery is the ability to create improved partnerships with farmers and an increased loyalty to information provision from this source (which relies on the *credibility* factor).

Larger agribusiness companies now have a much broader involvement in the production and marketing of agricultural products (from "conception to consumption"). There is a good case for maintaining a level of public sector involvement in a 'watchdog' role.

6. Shift in public sector extension resources towards natural resource management areas

Traditional extension services tended to be production oriented and centred on the provision of technical information in a one-to-one environment. By its nature, this meant that extension activities were very *reactive*. The trend now is for the public sector to address environment and sustainability issues (public benefit).

7. Growth of farmer 'groups' and increased focus on group-based extension services

There is a much stronger emphasis on the use of farmer groups for the delivery of extension services, largely because there are no longer the resources to do otherwise, but also because farmers seem to accept this type of learning environment.

Farmers place a high value on groups for exchanging information and ideas from other farmers, and also for social reasons. These groups are a marketable product and consequently we have seen enormous growth in the area of 'brand' extension groups, eg TopCrop, ProGraze etc.

There is a danger of an overemphasis on groups for information and extension delivery. There are two elements to this: the sheer proliferation of the *number* of groups and the time demands this places on individual farmers, and the *single issue* focus of many of these groups.

There are a number of groups now emerging who are driven entirely by producer interests and seeking to achieve more of a whole farm focus, eg Darkan Farm Productivity Group. These producers are building on their knowledge and experience gained with 'brand' extension groups and applying it in a much broader context.

8. Growth in technology for information management and delivery

Electronic technology and its ability to be used as a communication tool is expanding the possibilities in the area of extension and information provision – providing for 'self-help' access by farmers.

There is an abysmal rate of adoption of these new technology systems in the public and private sector (even in terms of the internal management of information) which impacts on the quality of information available for farmers.

The potential for 'information overload' which this new technology brings reinforces the need for some form of filter process for farmers in accessing information of *value* to them.

Private Sector Information Providers

Market research conducted for the Soil and Land Management CRC in 1994 by Vena Weis Communications Group and McGregor Marketing examined the information needs of advisers in the agricultural industries. It revealed the information source most relied on in their capacity as an 'adviser' was *colleagues*, followed by *research journals* and *state departments*. This varied among the various segments of advisers with private consultants most often nominating *state departments* and government research organisations more commonly referring to *research journals*.

When asked about sources relied on for initial awareness of research, field days and conferences were each nominated by 53% of the survey sample. *Field days* was the most popular response from the agribusiness sector and *conferences* the most common response among private consultants. Those involved with government research nominated *research journals*.

The survey also revealed a poor reliance on sources such as libraries for information. In particular, private consultants and agribusinesses use library sources the least with 75% and 86% respectively indicating they had not used a library in the last 12 months for obtaining information on soil and land management. This compares with only 28% of government advisers and 26% of government researchers.

A Best Practice Study in Australian Grain Growing conducted by TQA Research for the GRDC has tracked the growth in the proportion of grain growers who use the services of a specialist agronomic consultant or crop adviser. One in every two growers (49%) is using a specialist consultant in the 1997 survey. This increased considerably from 29% in 1994. This was more likely to be a private consultant or retail agronomist than a government officer. The results for various grower segments (eg, Best Practice, Middle Growers, Slow Adopters) highlight the important role professional advisers play in assisting a grower to achieve 'best practice'.

A report to the Research and Development Corporations by R. Prinsley, J. Dore, N. Marks, N. McGuckian and P. Thompson (January 1994) titled *The Role of the Private Sector in Extension* highlights some of the major issues in relation to private sector involvement in agricultural extension activities:

- **PROFIT** – the private sector will only stay involved if there is profit to be made.
- **RISK** – the private sector is *mainly* interested in low-risk, high-yield situations because it is more likely to provide a stable income, however there are also those private sector players clearly interested in higher risk situations.
- **ACCESS TO INFORMATION** – the difficulties in keeping up to date with all research developments due to lack of training opportunities provided to the private sector.
- **CREDIBILITY** – farmers used to relying on 'objective' and well trained public sector advisers can sometimes be suspicious of the private sector's advice and information.
- **USER PAYS** – there is a culture among many farmers that agricultural information is free. The private sector will not target that sector of the farming population that are unwilling or unable to pay for services. However, fee for service – on a full cost recovery basis – may at times be inappropriate and limit desired technology transfer.
- **COMPETITION WITHIN THE PRIVATE SECTOR** – competition between competing agribusinesses or between private sector providers of professional services.
- **RESEARCH – RELEVANCE AND DELIVERY** – there was a perception among some private sector consultants that although there may be a significant level of research being carried out, it often does not reach consultants or producers.

The report states that "there can be no doubt that the private sector will function more efficiently if the public sector clearly defines its role".

Many private sector representatives perceived that the role of the public sector should be to provide and coordinate an up to date source of readily accessible information as a service to the 'front line' private sector for dissemination to farmers. Providing short refresher courses or update sessions on new technology were seen as ways of ensuring the private sector are informed of latest developments. This issue was also raised in the RDCs report on The Role of the Private Sector in Extension.

A number of different surveys have provided us with an estimate of the use of agricultural consultants and in doing so, an indication of farmers' willingness to pay for information.

Commissioned by the GRDC, TQA Research found around 57% of grain growers had direct contact with a professional farm adviser/consultant to discuss their grain activities within the past 12 months.

The majority of these growers were younger in age (65% are 39 years or younger) and represented 66% and 57% of large and medium size operations respectively.

On a national basis there are approximately one third of growers (31%) who have never had direct contact with a professional adviser. These growers represent the majority of smaller operations (54%) with an annual farm turnover of up to $100,000.

For grain growers in WA, 57% had direct contact with a professional farm adviser/consultant within the past 12 months, while 38% indicated they have never had direct contact with a professional adviser. Advice on herbicides and weed control remains the number one reason for contacting professional advisers and in the Western region growers also had a stronger tendency to seek information on grain varieties (29% which is around twice the level of other regions).

45% of Australian grain growers using a professional adviser (within the past 3 years) were using a private consultant and 24% were using an officer from the State Department of Agriculture. The survey also found growers in WA had the highest usage of private consultants with 77% of those sourcing professional advice using a private consultant and the lowest use of Departmental officers (14% using Department of Agriculture).

AUSTRALIA	**% of farmers using an adviser in past 3 years**	
Last adviser employed:	1995	1996
Private consultant	38	45
Department of Agriculture	28	24
Chemical/ Fertiliser company	12	12
Merchant/ Farm supplies store	12	10

ABARE research (1997b) found 25% of farmers Australia-wide are using private consultants as a provider of agricultural information. Farmers in WA have an even greater use of private consultants with around 32% of WA farmers using consultants in 1995-96. WA grain producers have the highest usage with close to one in every two farmers using a private consultant (44%).

Appendix 3

The key recommendations which emerged from the *Agknowledge* report to the Minister for Primary Industries and Fisheries on Information and Extension Delivery to Farmers in Western Australia – Stage 1 October 1997 provide the context for the findings of this latest report which looks more specifically at the information providers.

Information and Extension Delivery to WA Farmers Report:

Recommendations

1. Government's position in information and extension delivery

The extended web of information providers today, combining both public and private sector, implies changing roles and responsibilities. There is no shared understanding of the Government's position in information and extension delivery in WA. There are several elements to this:

- roles for the public sector (and the private sector) have not been clearly defined.
- no clear message conveyed to staff within AgWest or to its constituents.
- no monitoring or evaluation of delivery performance in place.

Essentially farmers believe they can still access free advice from AgWest and internally there is no shared understanding of the role of the public sector vis a vis the private sector. Whilst the Government has stated a change in terms of the shift in focus away from private good to public benefit activities, the implications of this for information and extension has not been clearly articulated to farmers. As a result, there is uncertainty and dissatisfaction being expressed by some sections of the farming community.

Recommendation 1:
There is a need for AgWest (through its Partnership Group) to establish a clear definition of the agency's role in the provision of information and extension delivery in WA. This could then be conveyed both internally and externally as part of a well managed communications program, implemented consistently across the portfolio. This would be accompanied by a rigorous system for monitoring and evaluating the performance of AgWest in the delivery of information.

2. Perceived responsiveness to the needs of farmers

There is a perception that AgWest is not responsive to the needs of farmers. This may be a consequence of failing to introduce formal mechanisms for feedback from farmers to researchers.

Recommendation 2:
The implementation of formal mechanisms for feedback from farmers to public sector researchers would produce considerable benefits. This becomes even more critical as "second tier" providers increasingly act as an intermediary between researchers and farmers.

3. *Access to information*

Currently, ease of access to information from AgWest is impeded by the fact there is no collective understanding of the role of the agency in supplying and/or interpreting information for farmers. There is also no information access point able to handle ad hoc inquiries and act as a router for more technical inquiries (to second tier providers).
Currently, information dissemination is very fragmented and inconsistent. The Agency division along industry lines means each industry program is addressing access to information independently (eg establishing a Wool Desk). Access to rural media is largely based on an ad hoc and personal contact basis.

Recommendation 3:
- *Implement a market research project to comprehensively understand current patterns of information access and satisfaction levels of service from AgWest.*
- *Access to information from AgWest needs to be enhanced in particular by improving coordination between various industry programs and improving cooperation between the public and private sector.*
- *AgWest could look to achieve more timely and effective dissemination of information by working more closely with the rural media.*
- *Farmers are basically looking for a ready reference point for helping them access the right people for assistance and advice, and requires the agency to act as a referral point to expertise in the private sector. Reconciling the industry based structure with a more integrated mechanism for the dissemination of information would assist this.*

4. *Ability to monitor and evaluate the effectiveness of information sources*

Effective information dissemination relies on a variety of mediums. Currently, there is a lack of information about the value in using various information sources. In order to establish a measurable return to various AgWest activities, a quantifiable value needs to be established on individual information sources (and hence the information).
This will allow AgWest to position a strategic communications and marketing plan for the extension of its research. It will also result in a more efficient and effective use of the private sector in this information delivery.

Recommendation 4:
Establish an ongoing process for measuring and evaluating the value and performance of various information sources. As AgWest and other public sector organisations increasingly rely on the private sector and "second tier" deliverers, the ability to establish a measurable return will become imperative.

5. *External funding sources and the ability to achieve internal policy objectives*

AgWest is increasingly seeking funding from external sources such as RDCs (as are other State Departments of Agriculture). However, internally there are no clear lines of authority and responsibility as to project outcomes and loyalty as a result of these external funding sources. This is resulting in a variety of performance indicators, insecurity of tenure by staff, and overall loyalty to the agency is unclear. The RDCs have become very focussed on the extension component of projects and have clearly determined agendas. The issue then becomes who is driving the staff at AgWest - are they being driven by internal or external agency agendas?

Recommendation 5:
AgWest needs to become more responsive to its changing client mix, in particular the way in which it will deliver information to "second tier" providers. The public sector could focus on setting the direction of services to farmers but not necessarily delivering them itself. In this way, AgWest has the opportunity to play a managing role ("guiding hand") in the operation and delivery of research and information in WA. The advantage AgWest has in its commercial partnerships is credibility and this needs to be protected and promoted.
There is the opportunity for AgWest to focus more on its intellectual property ('branding') when establishing partnerships with other players. In this way AgWest can maintain more control over commercial partnerships and ensure appropriate recognition of the contribution of the agency to research and development of rural industries in WA. For example, the GRDC model.

6. Farmers' preparedness to pay for information
There has been a shift in farmers' preparedness to pay for information and a growing recognition that information is a commodity with a value in its own right. Results from analysis of CropLine 97 indicate farmers are prepared to pay although 12 per cent expressed an expectation that the role of AgWest should still be to provide this information at no cost.
The operation of the Kondinin Group's FarmLine service is providing a test of farmers preparedness to pay for the provision of information. It is also testing the ability to put a value against the non-tangible aspect for the accuracy and appropriateness of the information.

Recommendation 6:
The consideration of charging for information services is a priority for the AgWest Partnership Group. This concept could build on information gathered following the evaluation of CropLine 97 and be implemented through some services ie, diagnostic testing.

Research farmers' attitudes in WA in an attempt to assess any changes in the willingness to pay for information. This also provides the opportunity to assess the perceived credibility of AgWest as an information provider.

7. Education and training
Increasing education levels of farmers and farming families will impact on farm profitability, particularly as it influences the uptake of new technology. There is a role for extension agents to play in supporting and facilitating this change. The shift in the mix of skills within each farm business will impact on decision making.
The responsibility for attending to the education and training needs of farmers has been assumed by PMP and RAFCOR.

Recommendation 7:
Undertake a benchmark study of current education and skills within the farm business to establish its impact on farm profitability and technology adoption.

8. Strategic marketing
No single delivery mechanism is going to meet the needs of all producers - therefore, a strategy of segmenting producers is appropriate (from the point of view of better targeting the information and the way it is delivered). In this way, successful extension and information delivery will be those which meet the needs of a specific group of farmers using a range of tools.
Where current strategic planning, implementation and evaluation within AgWest is undertaken the timeframes are relatively short without due consideration to longer term implications.

Recommendation 8:
Implement an effective marketing plan for AgWest as a whole and within individual areas of the agency. The capacity to develop such a plan does not currently exist within AgWest.