Student 4: High Achieved

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Environmental future-proofing influences

All tea from Zealong Tea Estate is grown, picked and manufactured on one site. This may have an effect on the business in the future if a natural disaster harmed or destroyed the crop. Zealong would have no source of income to keep the business running until the next crop was ready. Even though the chance of a natural disaster or pest infiltration occurring to damage the crop is small, to make sure Zealong is able to remain viable into the future it would be a good idea for the business to start producing team on a second plantation elsewhere.

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Another thing Zealong has done to future proof is to develop biodegradable tea bags that are fully organic. This helps them to keep their clean green image. As consumers care more and more about where their products are coming from, Zealong can say their tea is fully certified organic, right down to the tea bag.

Biological future-proofing influences

Zealong is fully certified 100% organic so has to take measures to avoid potential hazards that could contaminate the plants. Some of these include having a certain distance between the plants and the boundary to avoid spray drift from neighbouring properties. Another is the pickers regularly using hand wash and sanitiser. These measures reduce or eliminate the risk of the pickers contaminating the plants which would mean that an annual harvest and also most of the year's revenue is lost. If plants are contaminated this news might might be publicised and Zealong's customers might lose confidence in the product which would harm sales and affect future viability of the business.

Economic future-proofing influences

Zealong production cycle of picking and processing only operates for a total of 60 days a year. This is an economic advantage as they only require pickers and tea masters for the 60 days. This saves the business money because they don't have to keep a full force of full-time workers on for the whole year. This means that Zealong has more money to put into other things like developing new teas and flavours.

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Another big influence on Zealong's profitability and viability is their brand image. One thing they are doing to protect their brand is being fully certified organic. This means they can market their product to more of a niche market. They market towards people who care a lot about what they consume and where it comes from. So Zealong have a system that gives them the ability to trace the product right back to which block the tea came from, who picked it and which tea master created the tea.

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Social future-proofing influences

Because Zealong tea is only picked once a year it doesn't make sense to train local staff. This means that about 75% of their staff is imported from overseas for the harvest period. This includes pickers and tea masters. Zealong hasn't had much input from the local community but they are beginning to train local workers to do the job. This will give Zealong a better image as they will be able to say they are 100% New Zealand owned and operated. Kiwis will like this and it might increase Zealong's domestic sales, helping its viability.

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Technological future-proofing influences

Technology has had a major effect on Zealong's success. The packing system has recently been automated so the company is able to process more tea at a time, saving money and making more product to sell. Some workers had to be laid off or repositioned due to the automatic packer. There are weather radars in the tea fields. These are linked back to the manager's phone and alert them that frosts or severe weather is on the way. These weather radars were expensive to install but have been very worthwhile because the method Zealong used to use to stop frosts from settling was to fly helicopters at low altitudes to push hot air down onto the plants. This cost \$20,000 each time. Before installing the radars, the manager would look at meteorology data and use their experience and instinct to decide whether it was necessary to put helicopters up. The radars give a more accurate indication of whether it is necessary, saving the company time and money. It will not take long for the radars to pay for themselves from the savings in helicopter flights.

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Cultural future-proofing influences

Zealong has tried to keep their method tea making as close to tradition as possible but because of health and safety regulations they had to alter some methods. Zealong respects the culture of traditional tea making by still having tea masters who are involved in the process of making every batch of tea unique. There is a cheaper method of making tea but Zealong is able to appeal to traditional tea drinkers and suppliers because traditional methods have been followed. These supporters of Zealong's tea making methods will probably continue to buy Zealong tea into the future.



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Conclusion

Zealong has done many things to ensure the current and future viability of the business. However, the biggest risk the company faces is that they are dependent on one site in Hamilton and if there was a flood or an earthquake, or if the property was contaminated by an outbreak of pests (such as has happened with kiwifruit), Zealong would not be able to produce its tea for at least one season. This would seriously impact on that year's profit and may cause the business to shut down.



