



## **Produce Trends in North America**

# Produce Trends in North America

Source: *Fresh Look Marketing, "Building a Fresh Brand with Perishables"*

- Total Produce dollars grew +6.2% vs. the previous year, pounds were up +4.7%
- The Northeast leads all US regions in Produce dollar sales, up 4.6% vs. the previous year
- All US Regions had an increase in dollar sales
- Perishables department spending represents 50% of average shoppers \$100 market basket
  - Produce is 10%

## How \$100 is spent in supermarkets

<b>GROCERY (total)</b>	<b>\$38.88</b>
Meal food items	7.09
Beverages, drinks, and water	4.34
Snacks (candy, sweet, salty)	4.28
Beverages, alcohol	3.71
All other grocery, food	11.39
Grocery, nonfood	8.07

<b>PERISHABLES (total)</b>	<b>\$50.31</b>
Meat, fish and poultry (fresh)	13.20
Produce	10.00
Dairy	9.68
Frozen foods	7.25
Deli, in-store (service)	3.46
Baked goods, fresh	3.24
Bakery, in-store (service)	2.11
Deli-ref. (self service)	1.18
Floral	0.19

<b>GENERAL MERCHANDISE (total)</b>	<b>\$4.09</b>
GM (nontracked)	2.62
GM (tracked)	1.47

**HEALTH & BEAUTY CARE** \$3.66

**PHARMACY** \$3.06

**Grand total** **\$100.00**

SOURCE: PROGRESSIVE GROCER CONSUMER EXPENDITURE STUDY, 2005



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Source: *Fresh Look Marketing, "Building a Fresh Brand with Perishables"*

- An emphasis on Perishable items is the most successful differential tool utilized by retailers

	Level of Success as Differentiation Tool (Avg Score on 1-10 Scale)	Companies Using Strategy
→ <b>Emphasis on Perishables</b>	8.3	98%
<b>Unique Shopping Experience, Store Design and Product Selection</b>	7.0	76%
<b>Development of Private Label Products</b>	6.5	86%
<b>Frequent Shopper / Loyalty Program</b>	6.2	49%
→ <b>Emphasis on Natural / Organic Products</b>	6.1	81%
<b>Price Differentiation (EDLP, High/Low, etc.)</b>	6.1	76%
→ <b>Emphasis on Ethnic Products</b>	5.8	70%
<b>Emphasis on Supply-Chain Efficiencies</b>	5.5	55%
<b>Emphasis on Consumer Wellness and Family Health</b>	5.4	71%
<b>Emphasis on One-Stop Shopping (Banking, Laundry, Coffee Shop)</b>	5.2	45%
<b>Emphasis on Nonfoods</b>	4.8	58%
<b>Streamlining Assortment, Reducing the Number of SKUs Carried</b>	4.5	43%

- Produce is leading the way with a growth rate of 6% in the past year



# Consumer Trends in North America

Source: Produce Marketing Association

- Consumers said they:
  - Would like to see signs highlighting nutrition value and dietary facts (87%)
  - Want information on the health benefits of each item (85%)
  - Would like to see better signage to clearly show the health benefits of produce (83%)
  - Want recipes that include nutrition information (82%)
  - Want the produce staff to be knowledgeable and helpful (82%)



# Banana Trends in North America

Source: *The Packer*, "Fresh Trends 2007"

- Bananas are the No. 1 fruit purchased in the produce department
- The likelihood of purchasing bananas per shopping trip (89%)
  - Three-year average 90%
- Those surveyed said:
  - They have purchased bananas within the last 12 months (89%)
  - They are comfortable selecting ripe bananas for immediate consumption (83%)
  - They understand how to ripen fruit at home (75%)
- Married consumers and female shoppers are most likely to buy bananas
- Females buy bananas more often than men:
  - Females purchase 92% of the time
  - Males purchase 84% of the time



# Banana Trends in North America

Source: *The Packer, "Fresh Trends 2007"*

- Purchases based on ripening rate preferences:

Always ripe	12%
Prefer to buy ripe	44%
Prefer to buy unripe	30%
Always buy unripe	7%
No preference	7%
  
- The likelihood of purchasing bananas based on household income:

Less than \$30K	86%
\$30K-\$49.9K	87%
\$50K- \$74.9K	91%
\$75K	91%
  
- Likelihood of banana purchase based on region:

West	89%
South	89%
Midwest	87%
Northeast	91%



# Banana Trends in North America

Source: *The Washington Post*, "Outlook"

- Per-capita fresh fruit consumption is up 22% since 1970
  - Per-capita annual consumption is about 75 bananas
- The average American now eats 97 pounds of fresh fruit annually
  - Bananas and apples account for nearly half of this

Source: *The Times*, "Features"

- More than a third of total banana consumption is on Monday and Tuesday



# Banana **Quality** Requirements

- The USA market demands **Quality excellence** as a matter of fact.
- **Banana Quality** and presentation are differentiators.
- Food Safety & Health & Nutrition are driven in the consumers mindset by fruit appearance at retail.
- Producers must continuously improve **Banana Quality** to ensure product sale ability.
- Banana inspection capability throughout the logistics chain is a must to ensure **consistent deliverable Quality**.
- Consumers demand “**Clean Fruit**”. They have a choice!





**Ecuador Export Bananas!**  
**Thank you!**

