



Avocado Tracking Study California Avocado Commission Presentation

October 15, 2009

Prepared by:


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Methodology

- Purpose
 - Monitor changes in CAC advertising markets vs. remaining U.S.
 - Capture consumer insights on a national basis
 - Measure seasonal drop-off (non CAC season) in the spring
- Notes
 - Completed since 1994
 - CAC did not advertise in Texas in 2009. It has been noted where study results are impacted by this change.
- Who
 - 1,996 grocery shoppers



Methodology (Contd.)

- How
 - In 2005, the study was converted from telephone to an online survey.
- When
 - This wave of the study was completed in August 2009.
 - Past waves have generally been completed in late summer or early fall, to coordinate with the end of CAC advertising.
 - Starting in 2008, a late winter/spring wave of interviewing was added to the study.



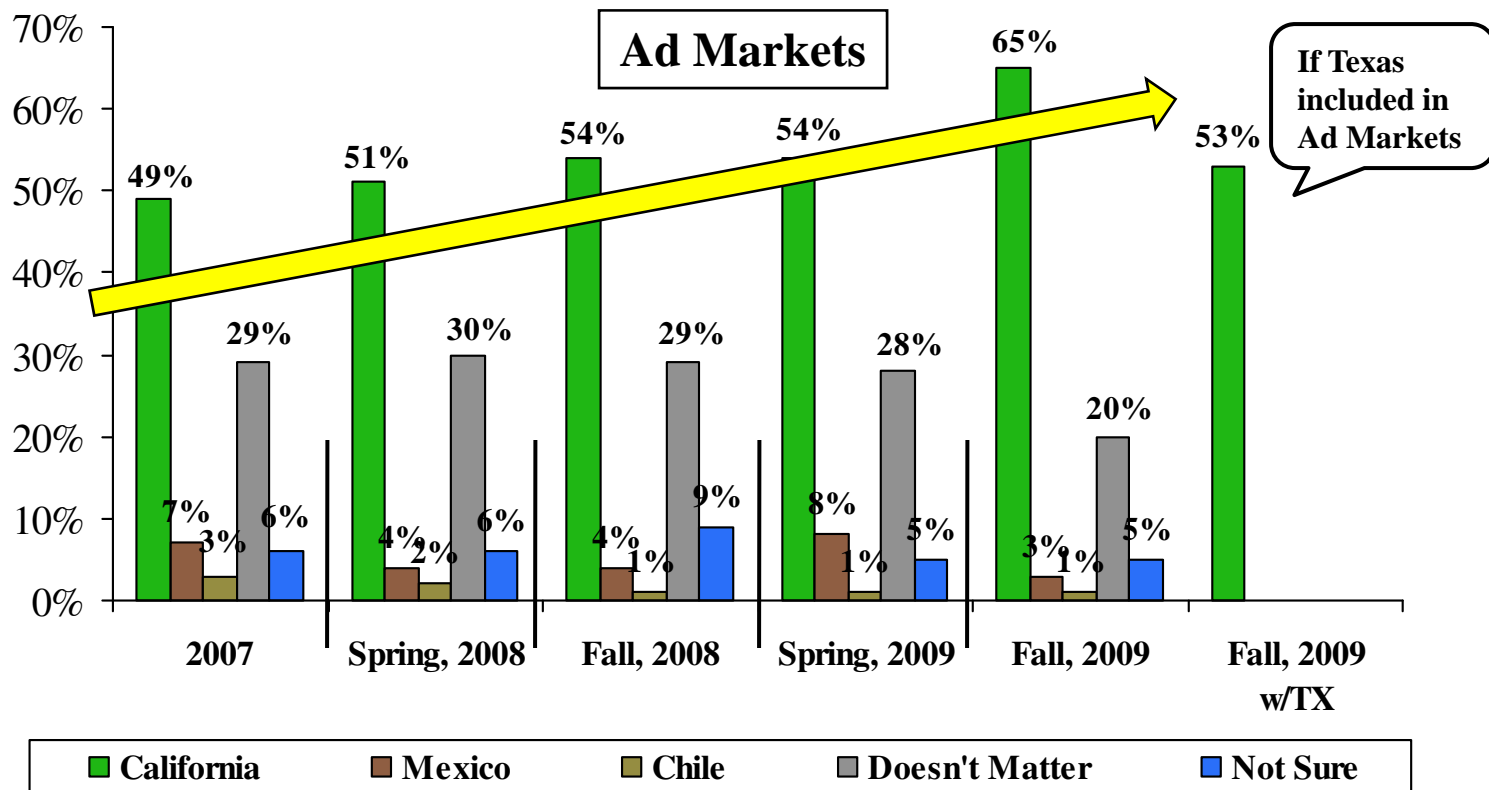
What is the Demand for California Avocados?



Avocado consumers in CAC ad markets overwhelmingly prefer California avocados

Some of the increase for California fruit seen this wave is real, while some of it is driven by the exclusion of Texas from the ad markets.

- Preference among Texas consumers: 32% fall 2008 to 32% fall 2009.
- Preference among California consumers: 65% fall 2008 to 72% fall 2009.



Q576 – If given a choice, which avocados would you pick?
Avocados grown in....

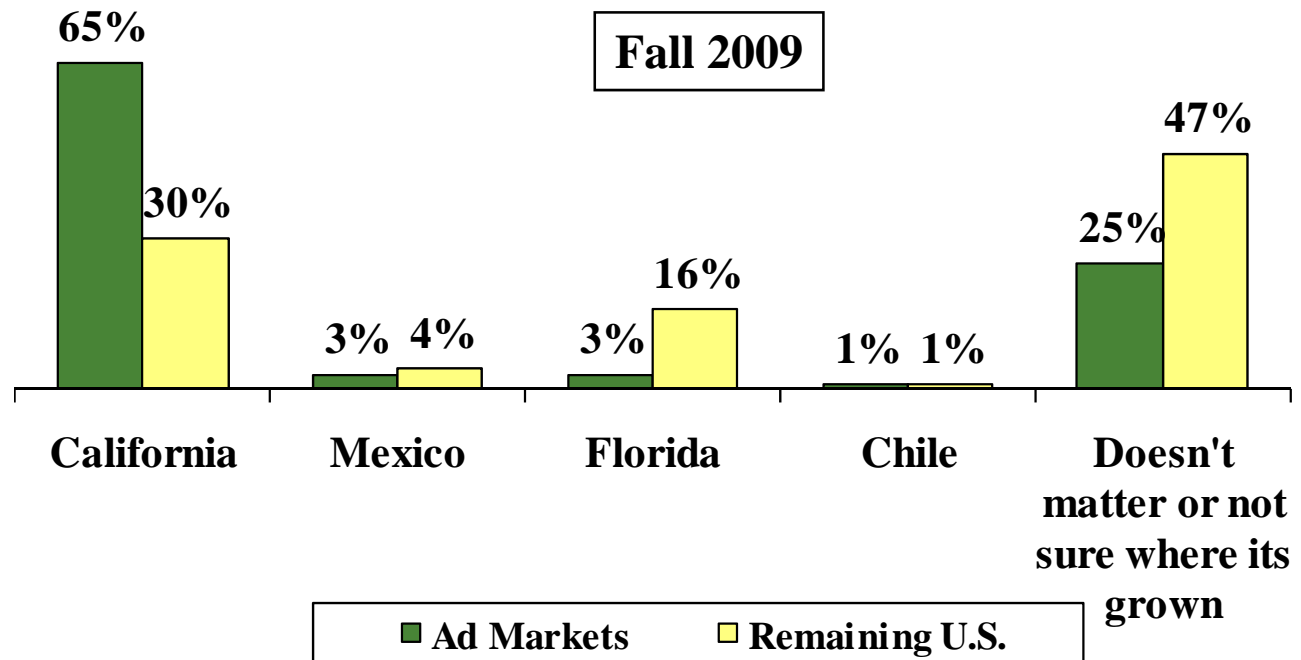
Note: Peru and New Zealand included in question, but registered 1% or less





Preference for California avocados is significantly higher in the ad markets compared to the remaining U.S.

Almost one-half of remaining U.S. consumers say it doesn't matter or they are not sure.



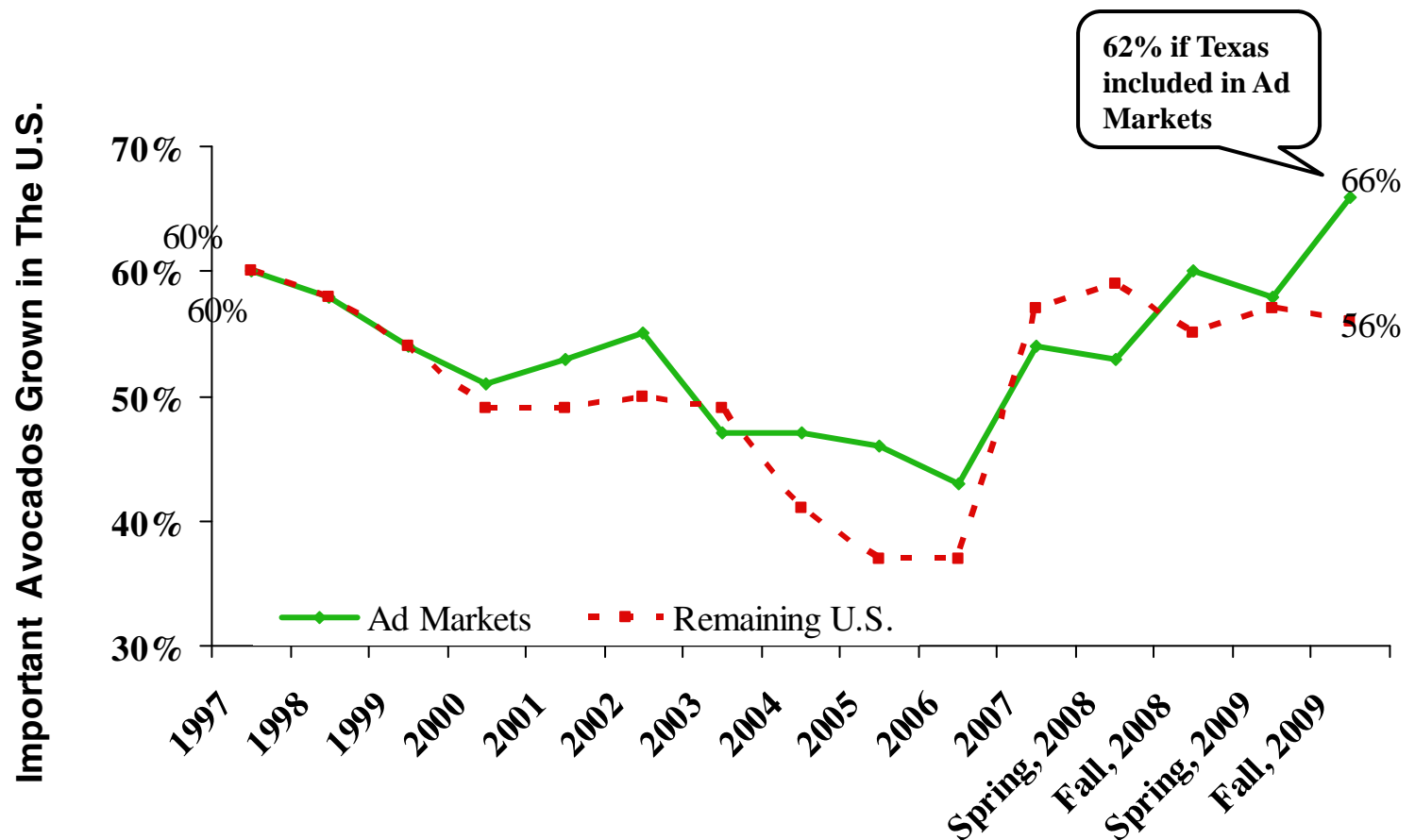
"If given a choice, which avocados would you pick?
Avocados grown in...." Q576

Note: Peru and New Zealand included in question, but registered 1% or less



The importance of avocados being U.S. grown remains strong

Some of the increase seen for the ad markets in fall 2009 is due to the exclusion of Texas. California respondents rate this significantly higher than do Texans (68% vs. 50%).

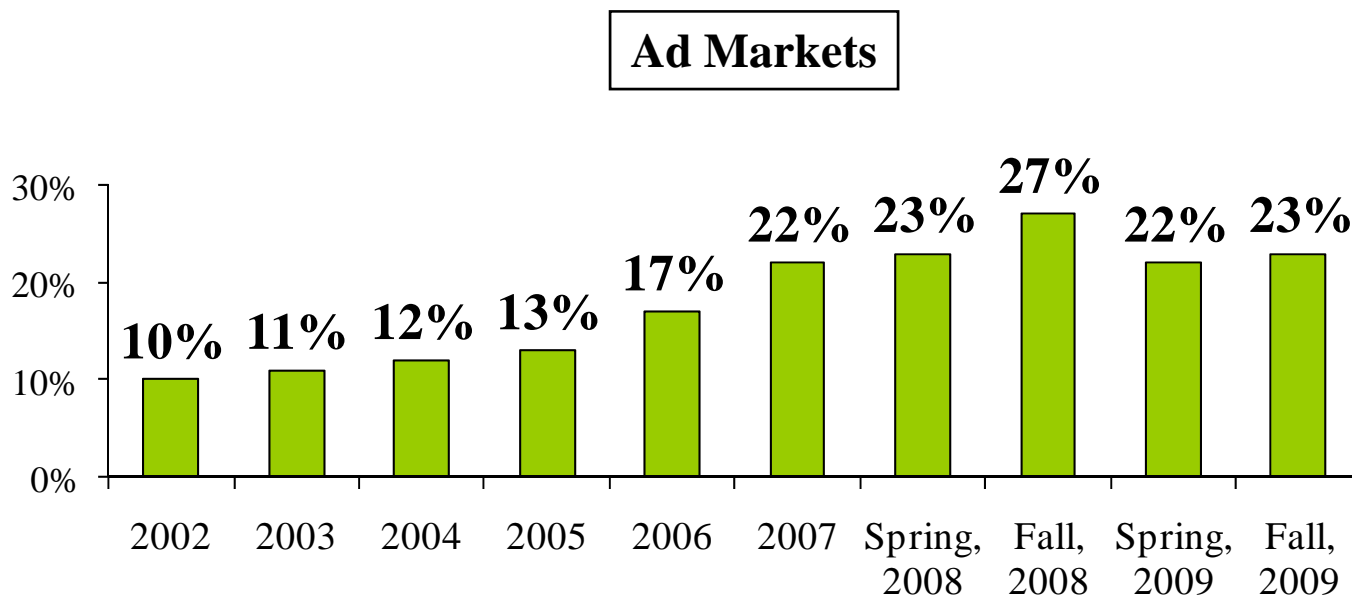


Q625 – In general, how important is it to you that the avocados that you buy are grown in the United States?



About one-quarter of ad market avocado purchasers check for the country of origin.

Note: there was a food safety scare in the fall of 2008, which likely caused a spike in this measure.

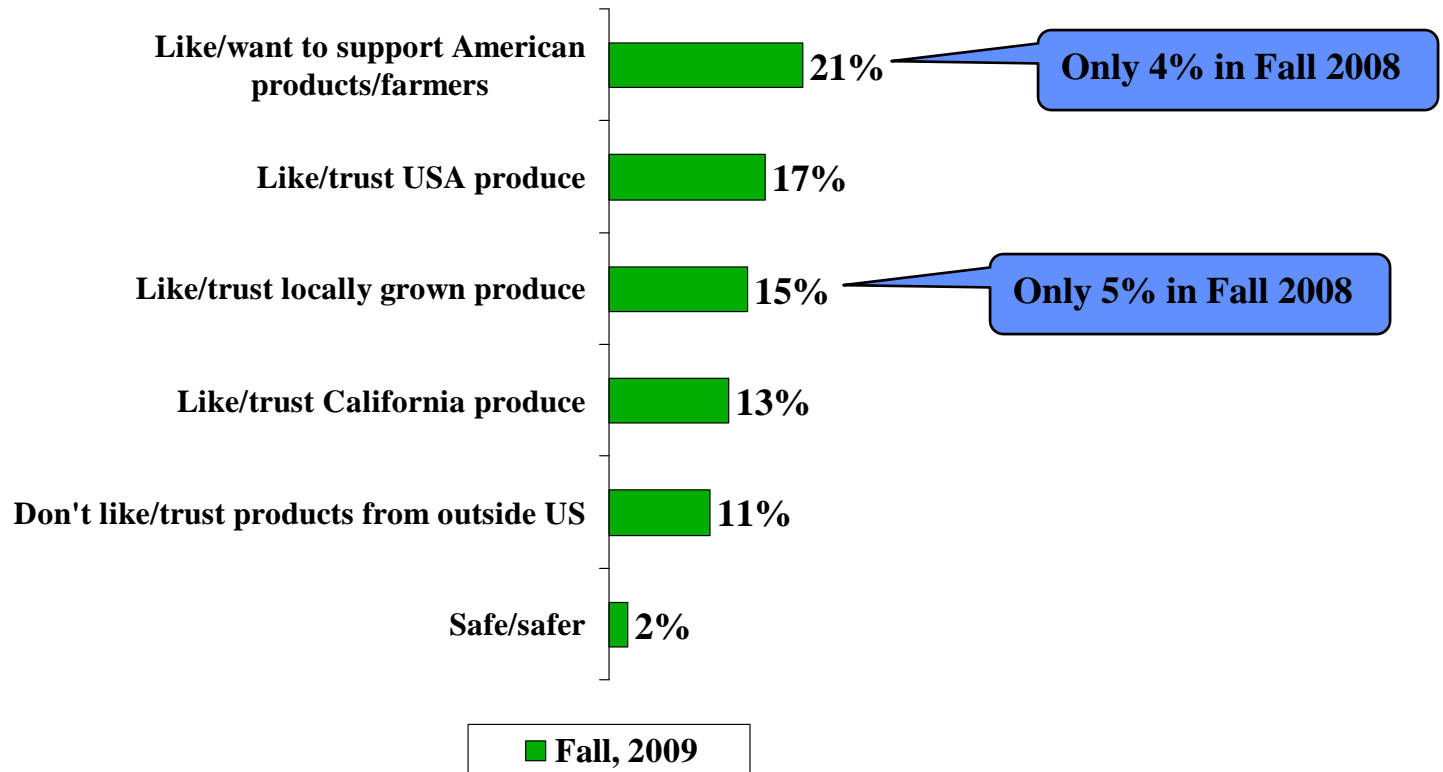


Base: Purchased avocados in the past 12 months





Consumers want to support American farmers and they like/trust U.S./local/CA produce



Base: Check where avocados are from

Q1010 – You mentioned that when you buy avocados you normally check to see what country they are from. Why is that?



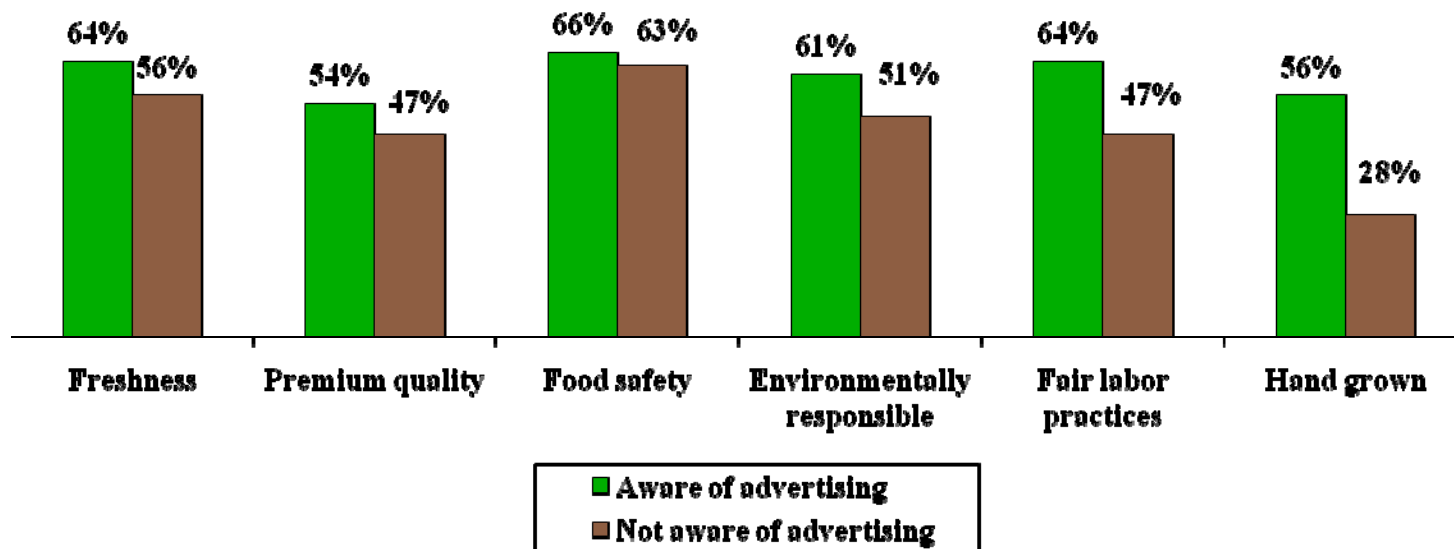
California Avocados Are Considered Premium



Advertising is impacting the premium image of California Avocados

In ad markets, those aware of avocado advertising are more likely than those not aware of advertising to give California avocados superior ratings.

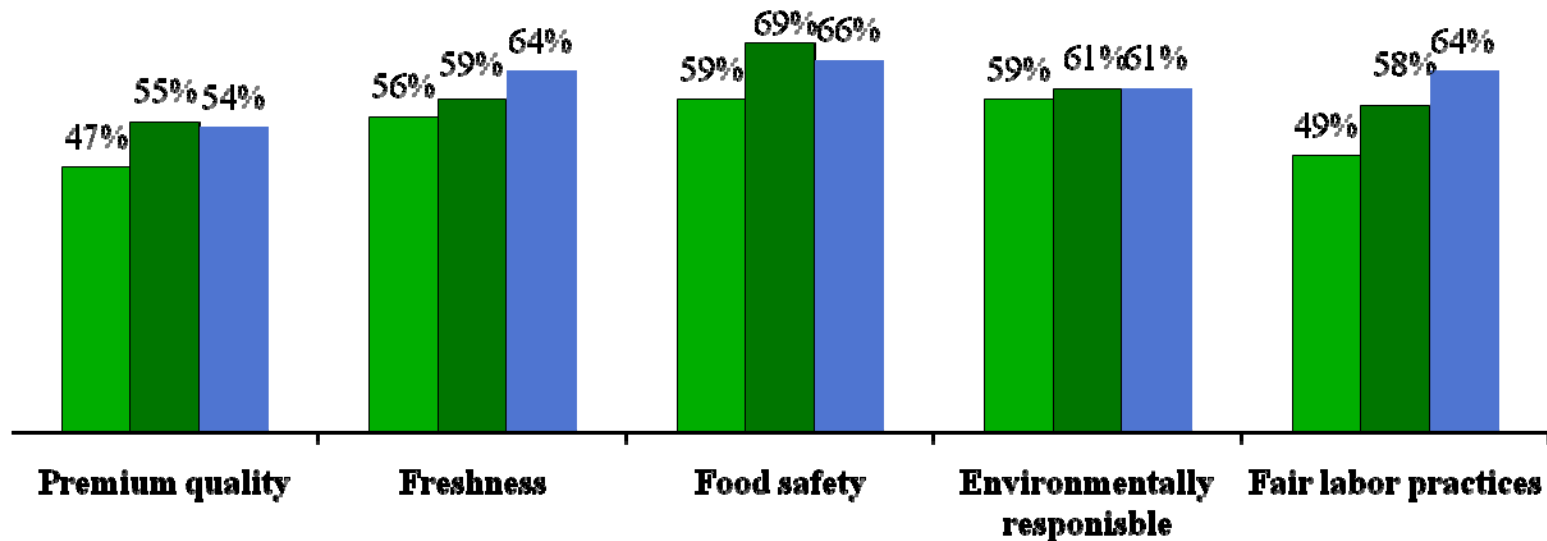
Ad Markets: Fall, 2009





Advertising is improving California Avocados' premium image over time

Among respondents who are aware of avocado advertising



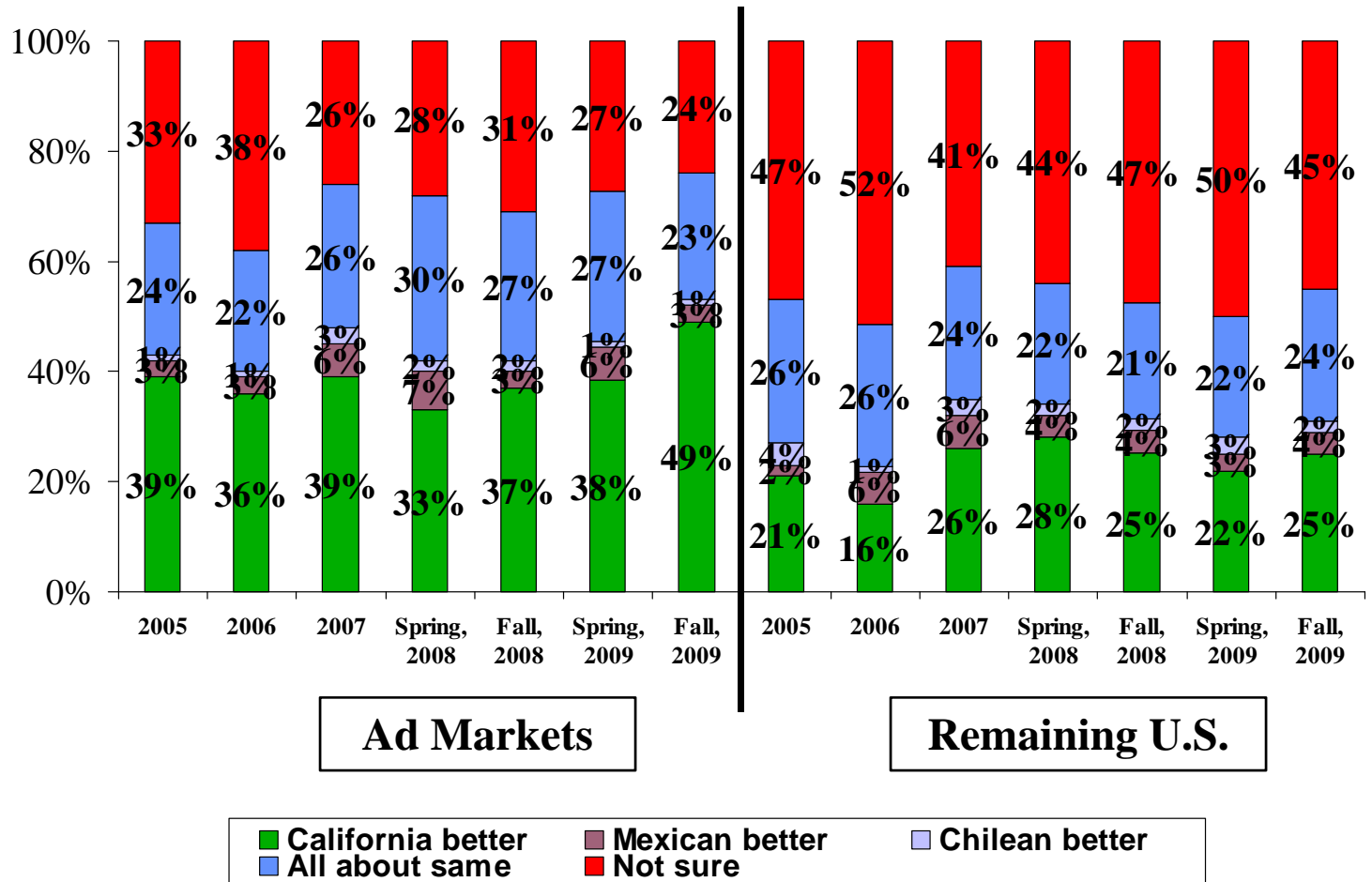
■ Fall, 2007 ■ Fall, 2008 ■ Fall, 2009

Ad Markets



While California owns the premium quality positioning, there is ample opportunity to strengthen California's position

- CA better among Texas consumers: 28% fall 2008 to 28% fall 2009.
- CA better among California consumers: 45% fall 2008 to 53% fall 2009.



Q605 – When it comes to premium quality, which avocados do you feel would be better?

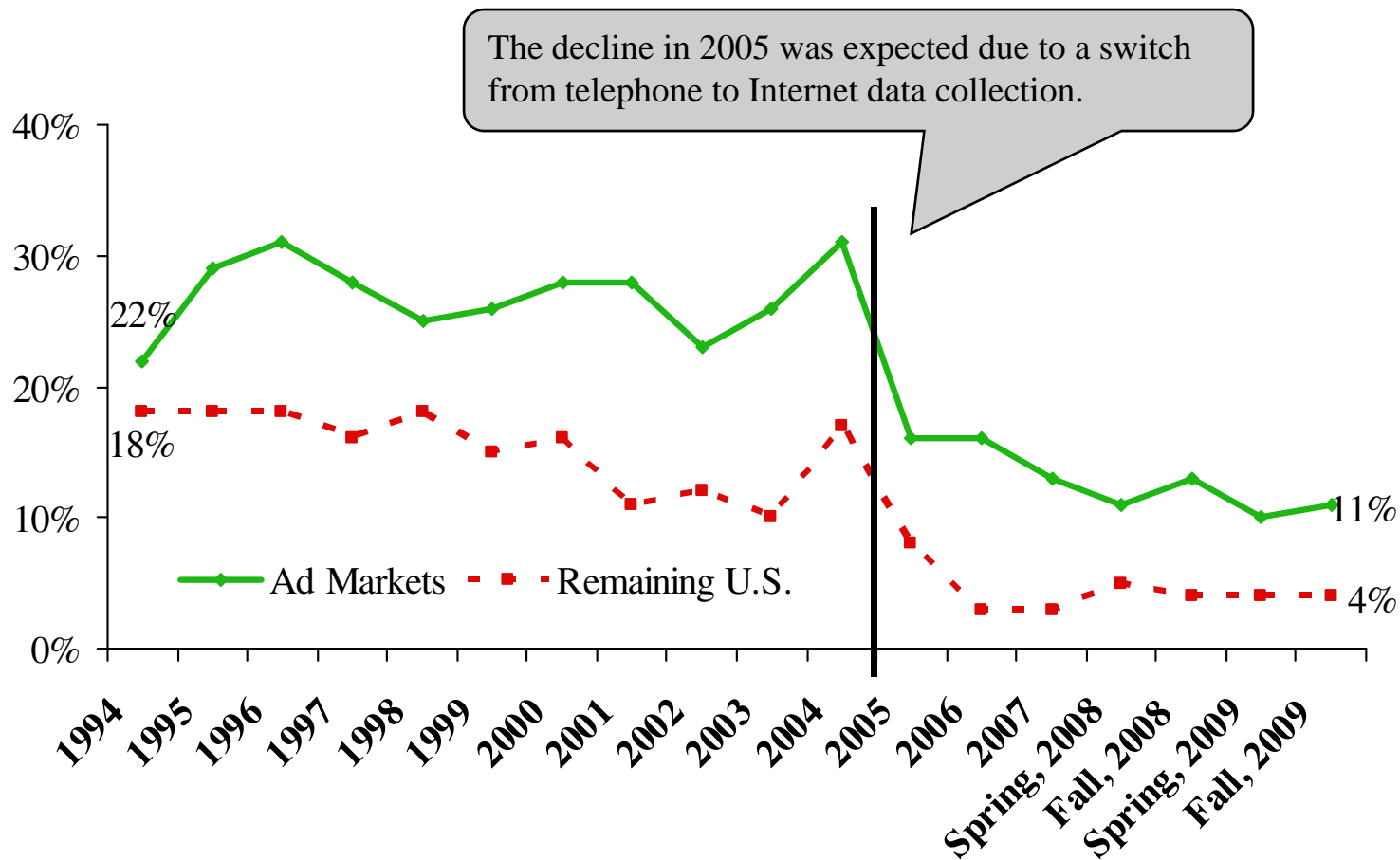


Calif. Avocado Brand Awareness rebounds

The advertising appears to be effective at reaching the desired target demographic



Unaided awareness of California avocados has remained steady over the past couple of years.

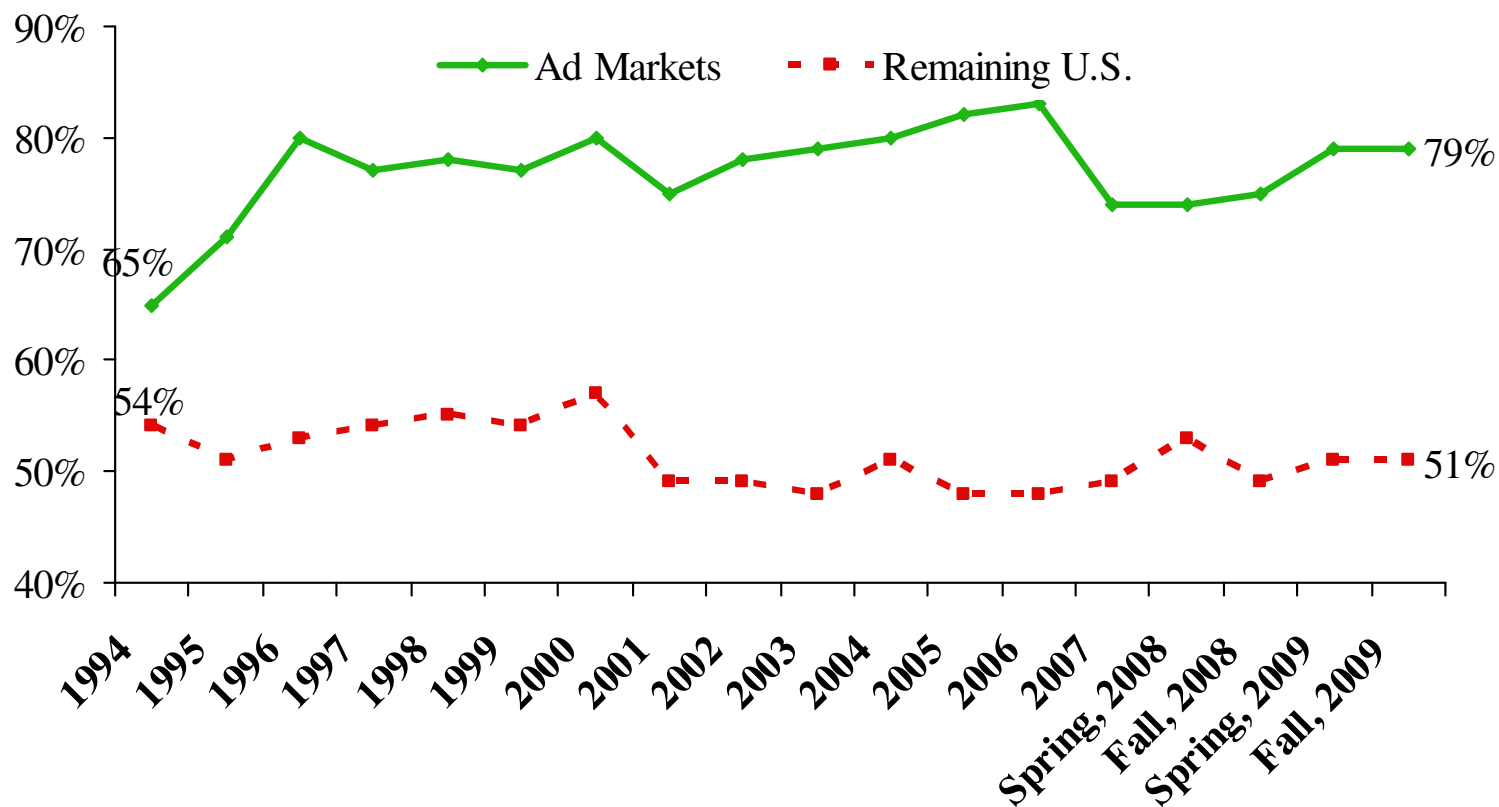


Q560 – What brand names or growing area names, if any, have you seen or heard of for Avocados?



Total awareness of California avocados has grown since the decline in 2007

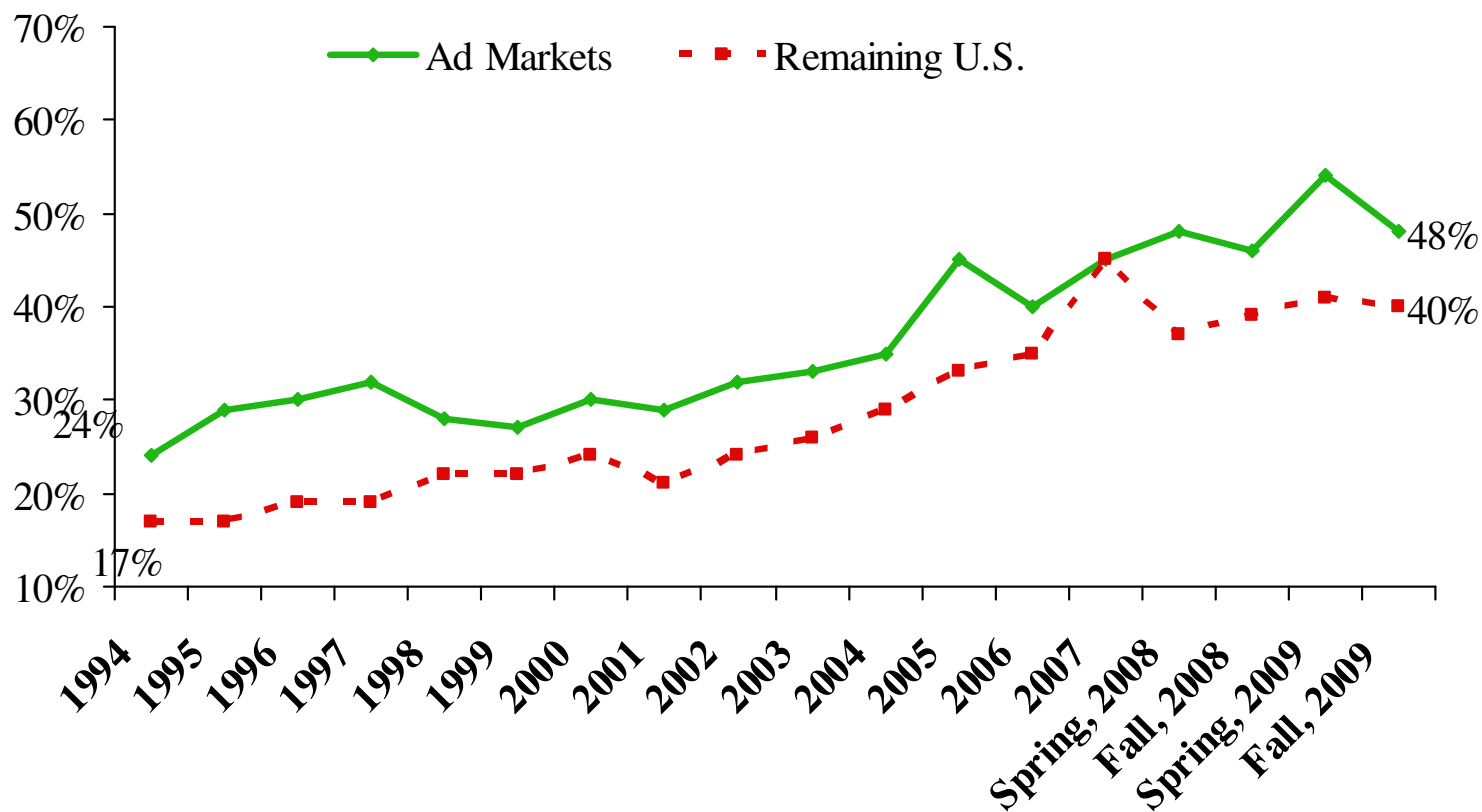
This is a true change and is not driven by excluding Texas from the ad markets.



Q560, Q565 – Just to check, have you ever heard of California avocados?



For perspective, while awareness of Mexican avocados is still well below that of California fruit, it has doubled over time

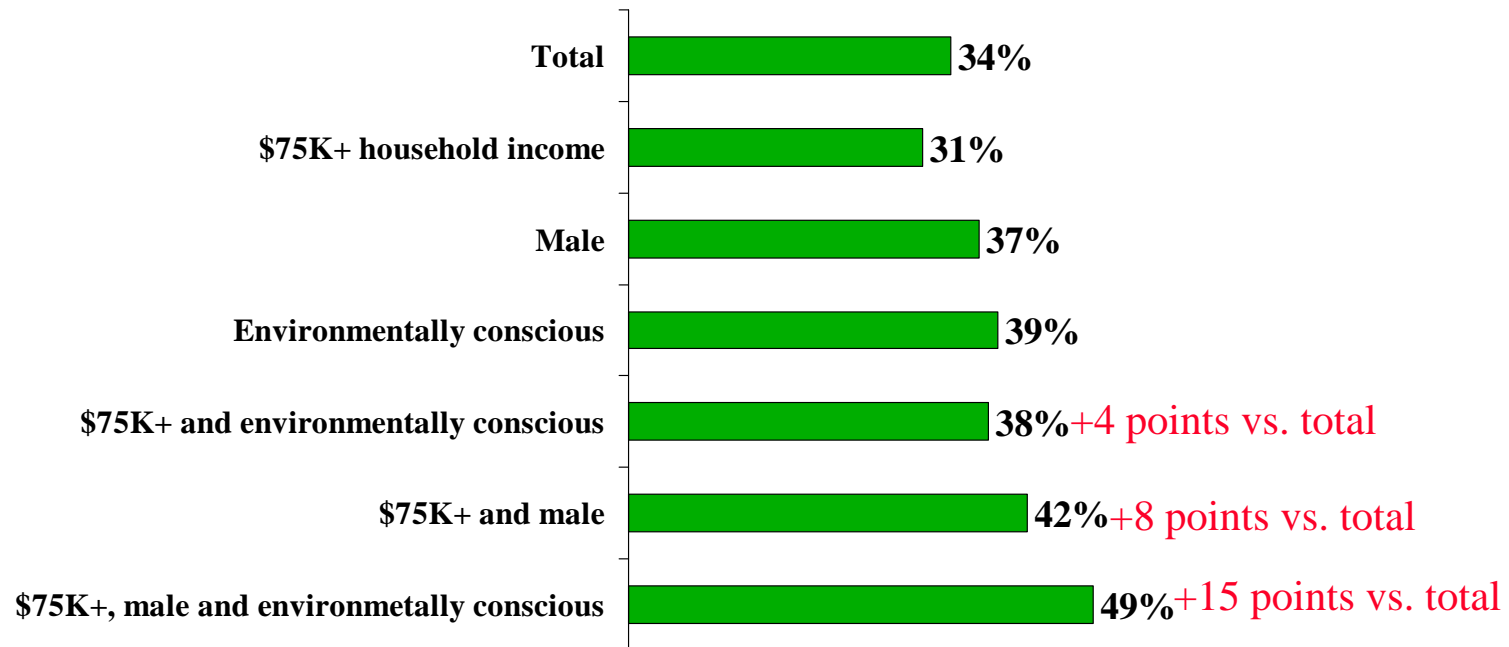


Q560, Q565 – Just to check, have you ever heard of Mexican avocados?



Advertising is reaching a greater percentage of the “premium avocado target”.

Ad Markets Fall 2009



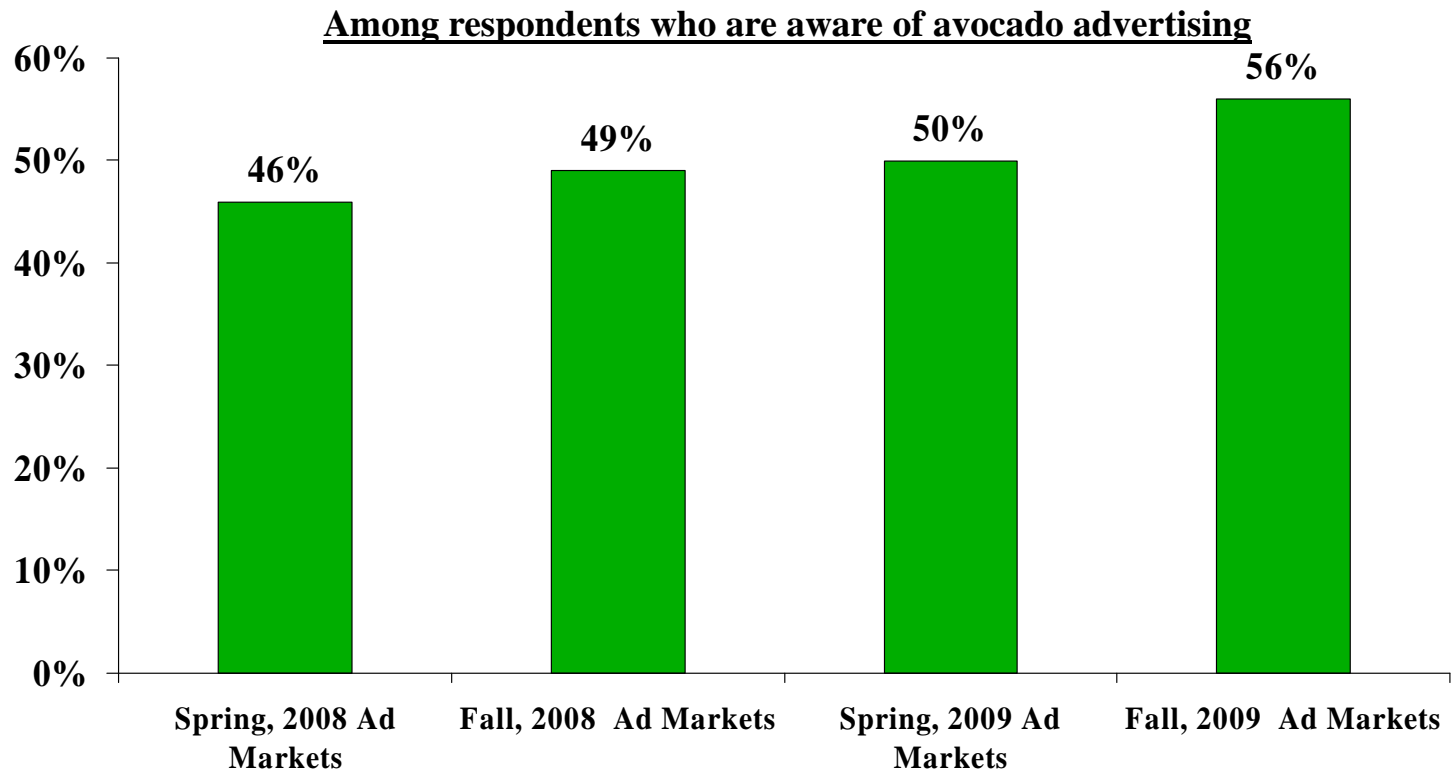
Q405 – In just the past six months have you seen or heard any advertising for avocados?





Aided awareness of the slogan “hand grown in California” increased significantly in fall 2009 among those aware of advertising

This is a true change, not one driven by excluding Texas from ad markets.

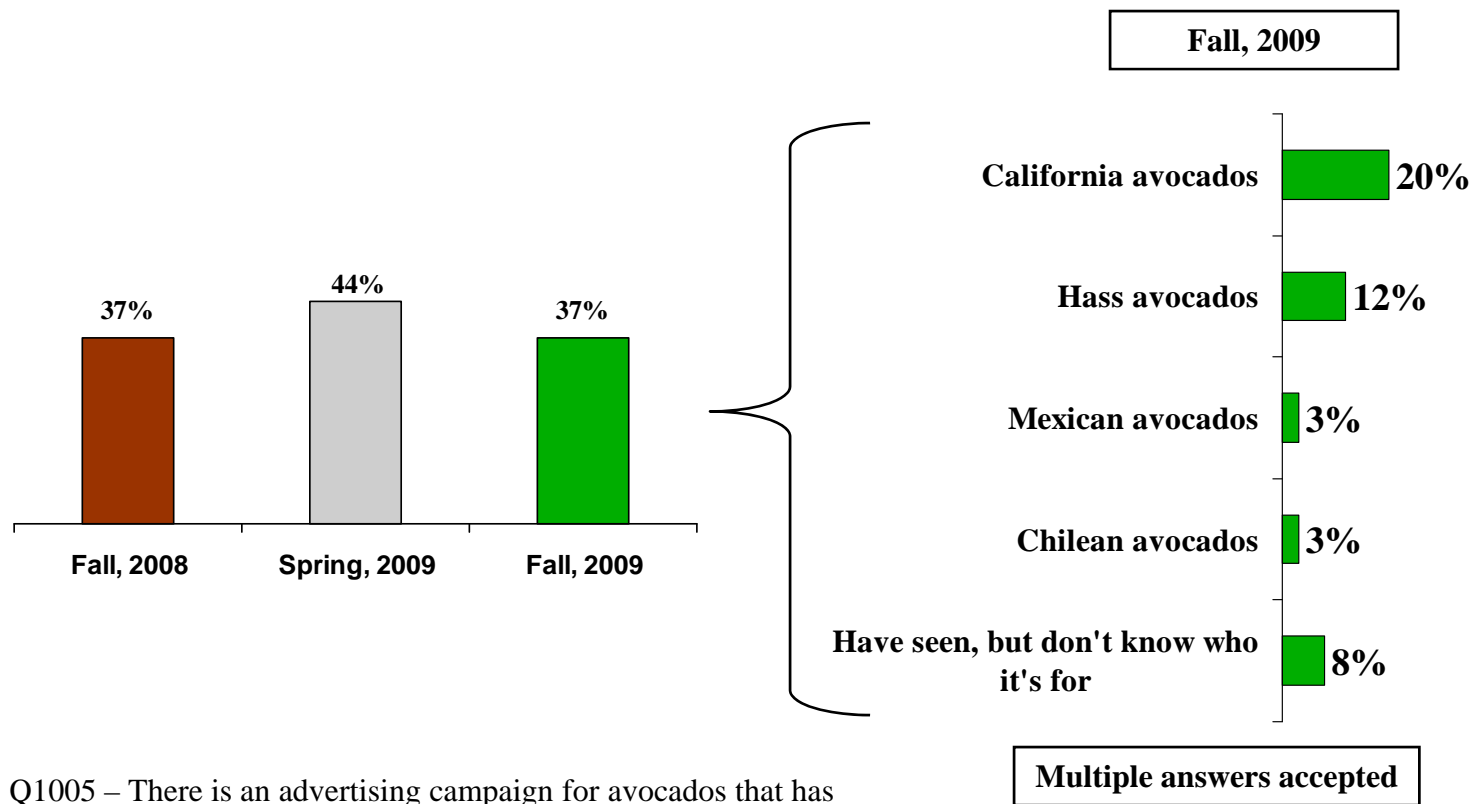




Once the CAC campaign was described, over one-third of ad market respondents recalled the advertising

One-fifth (23% in fall of 2008) correctly credited the campaign to California avocados.

This suggests a need for strengthening the linkage to California.



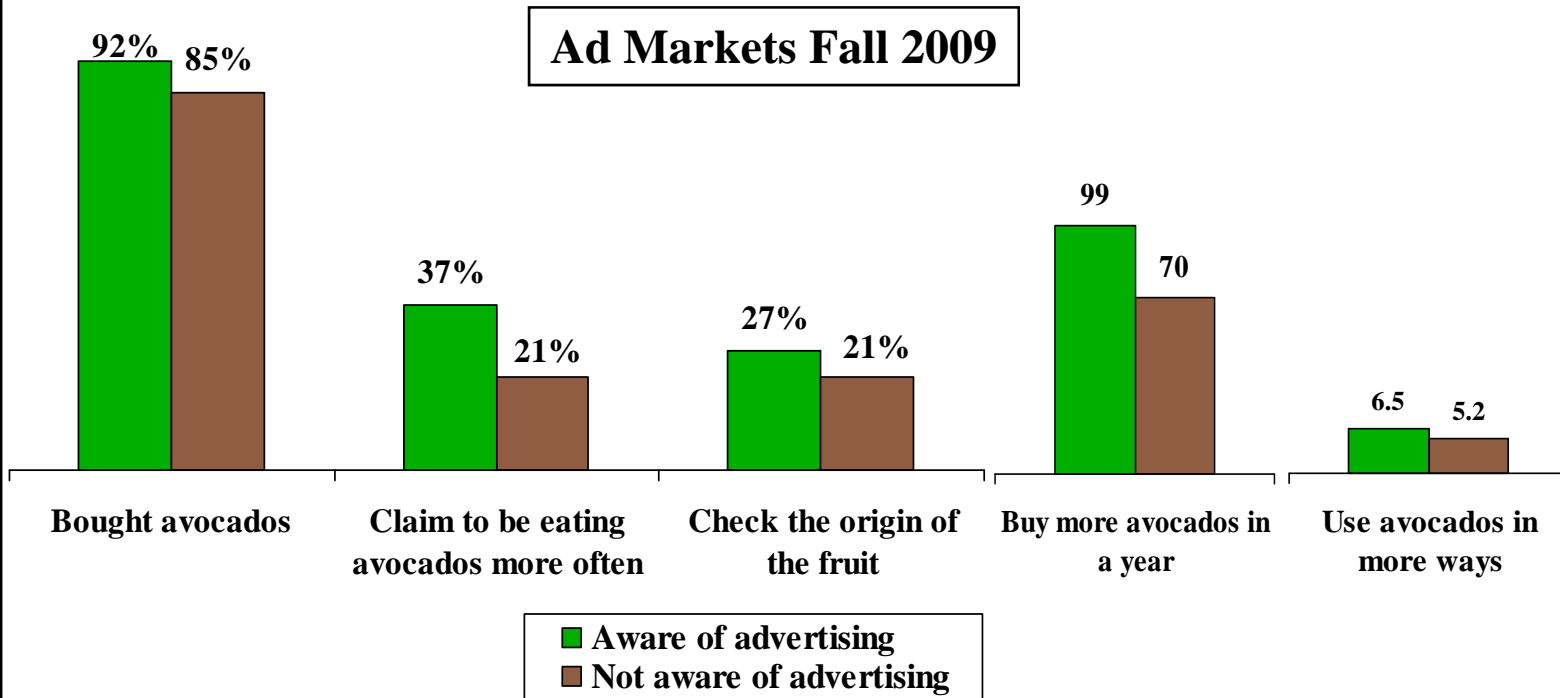
Q1005 – There is an advertising campaign for avocados that has run recently that features personal profiles of the actual farmers who grow the avocados and the methods they use to care for their fruit. Is this advertising campaign for...?





The Advertising Has Impact on the Category

In ad markets, those aware of avocado advertising are more likely than those not aware of advertising to...

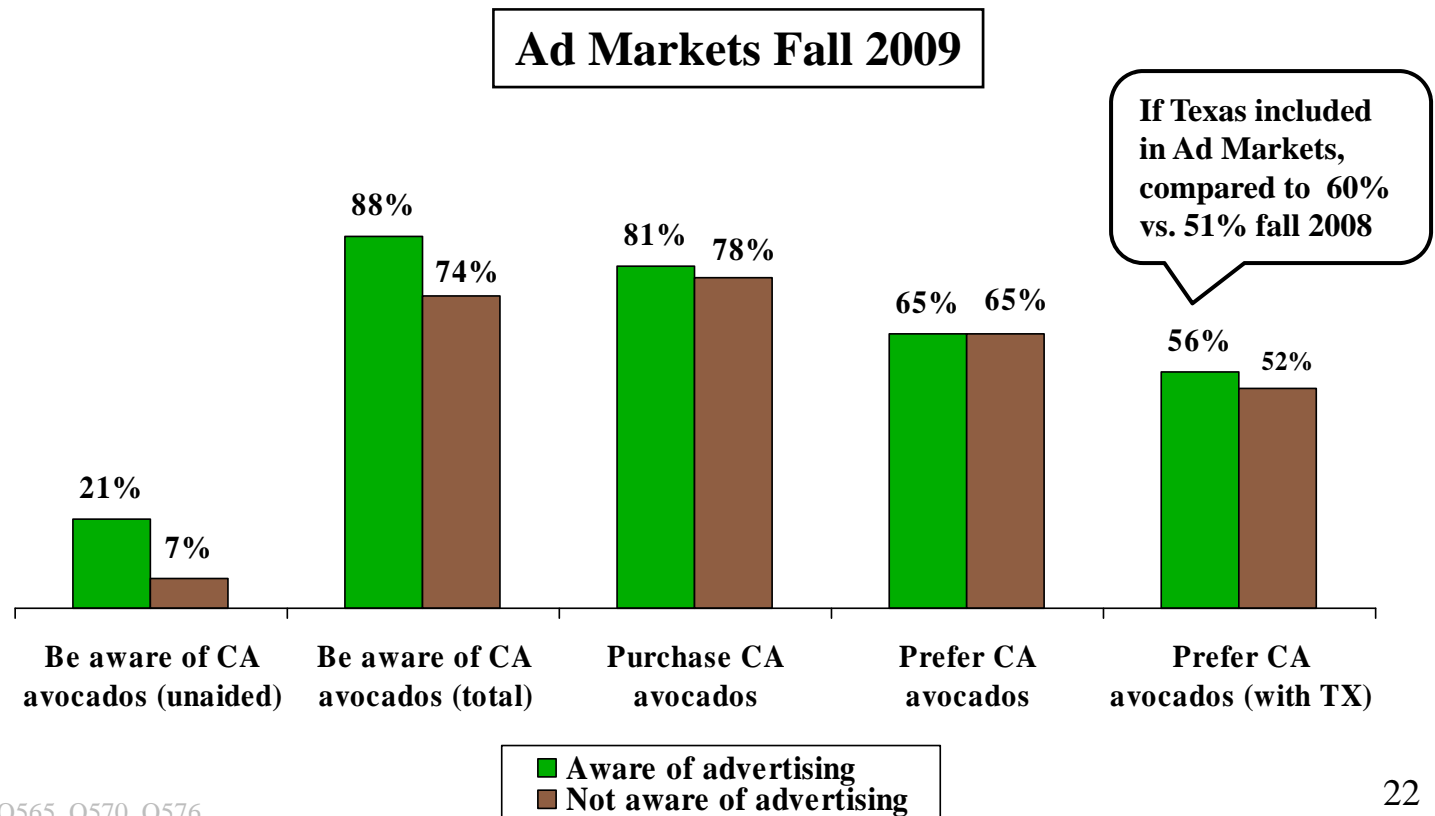


**Those aware of avocado advertising are also more likely to purchase avocados year round.*



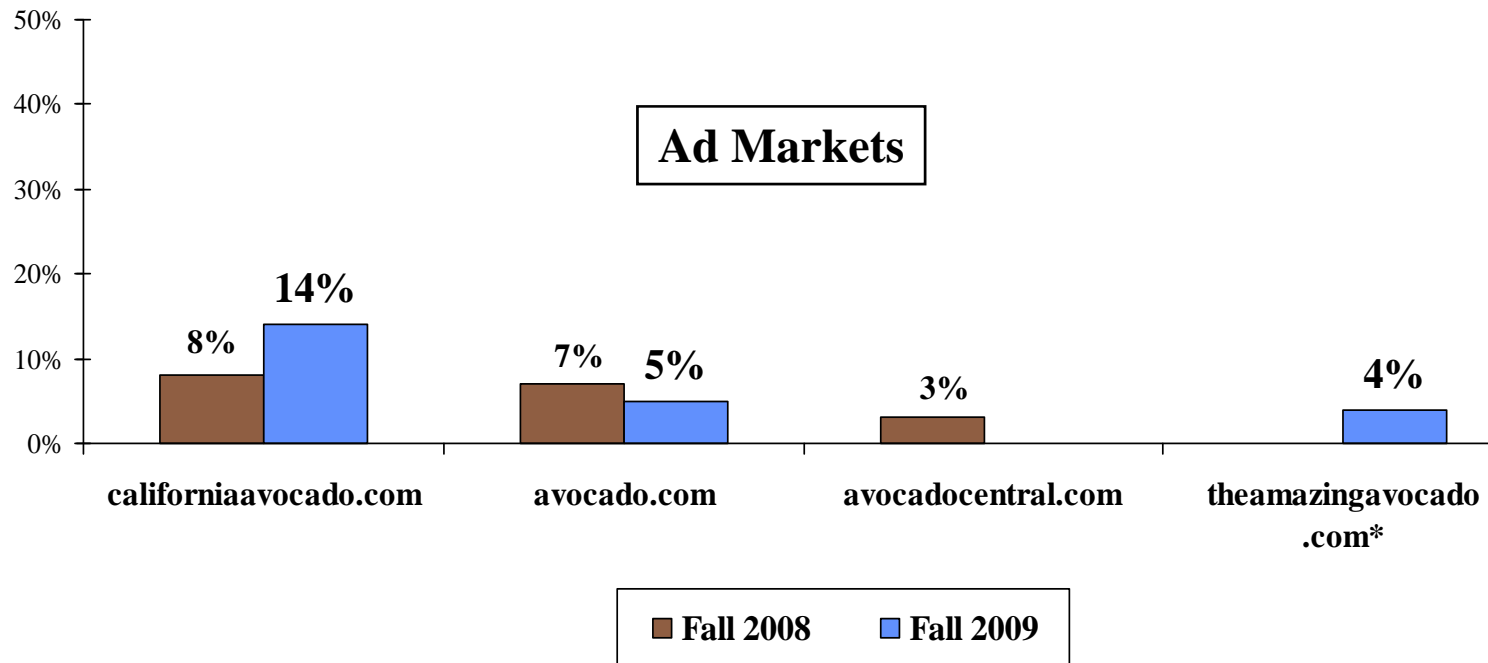
And the Advertising Impacts CAC

In the ad markets, those aware of avocado advertising are more likely than those not aware of advertising to...





Aided awareness of californiaavocado.com, while still low, has increased significantly in the ad markets.



**Note: Added in Fall, 2009*

Q660 – Have you ever heard of any of the following websites for avocados?

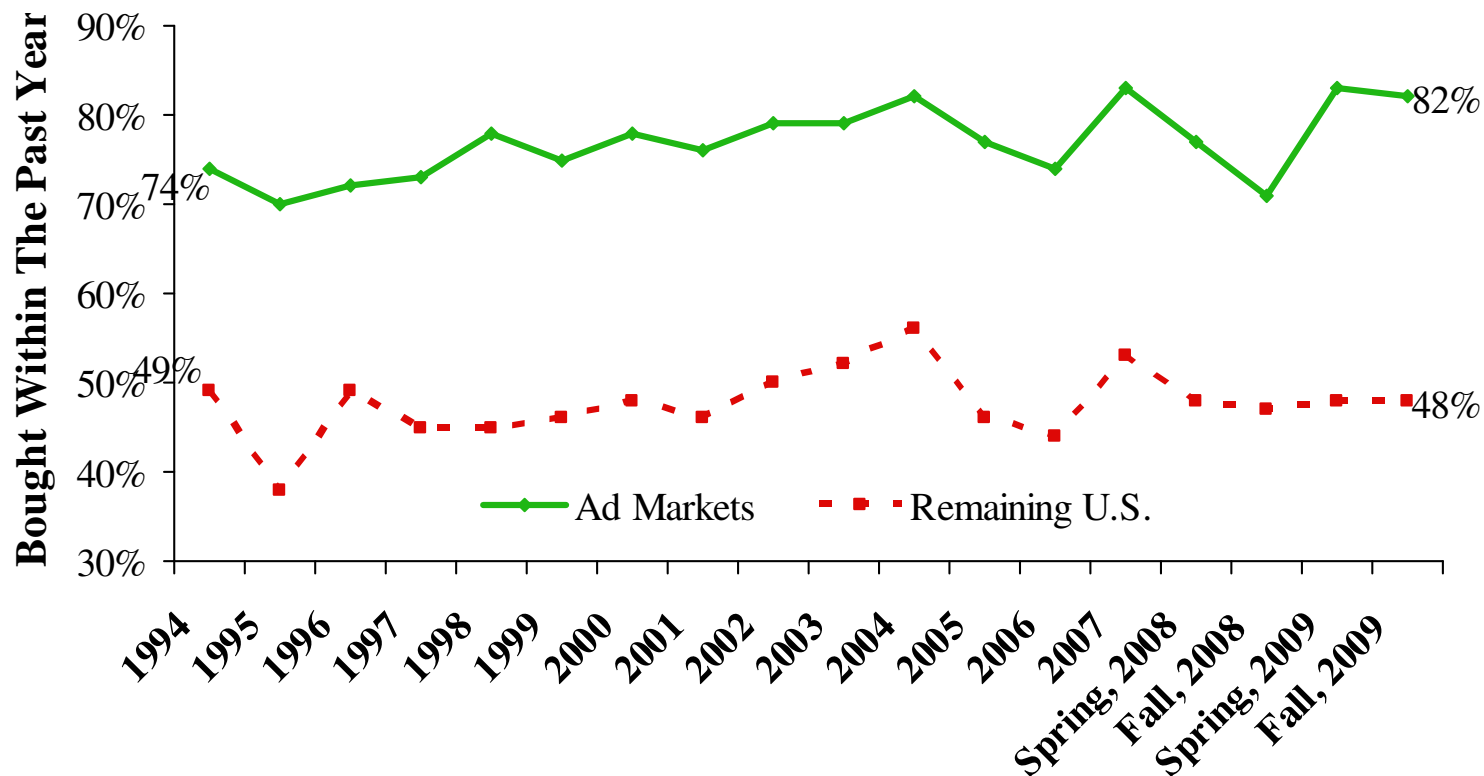


Average Household Avocado Usage Continues to Increase



Four-fifths of ad market consumers have purchased avocados to eat or serve at home in the past year

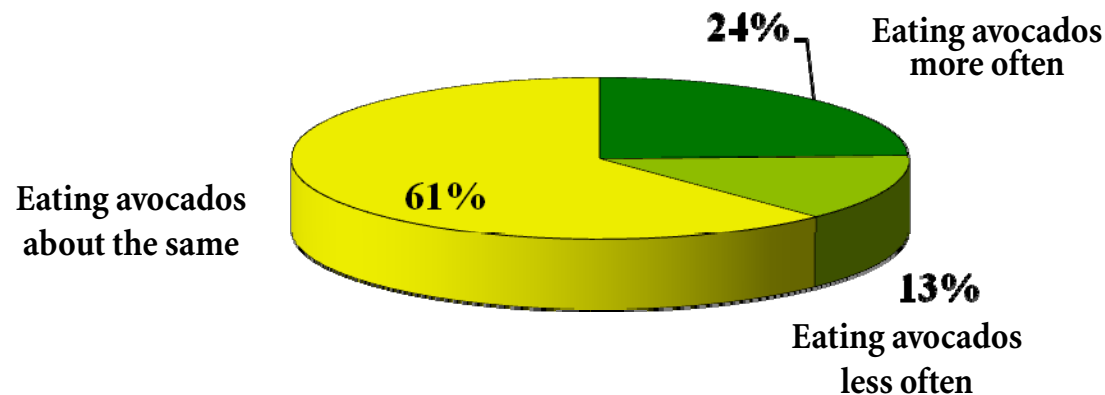
The fall 2008 drop in ad market households claiming to have purchased avocados in the past year appears to have been a one time aberration – perhaps driven by the economy. It has remained relatively flat in remaining U.S. markets.



Q420 – Have you ever bought avocados to use at home? If so, when did you last buy them?



About one quarter of U.S. Avocado consuming households claim they are eating more avocados this year.



	Total U.S.	North East	South East	South West	Central	Pacific/ Mtn	2009 Ad markets	1994 Ad markets
# of Avocados purchased	58	59	42	70	42	76	80	36

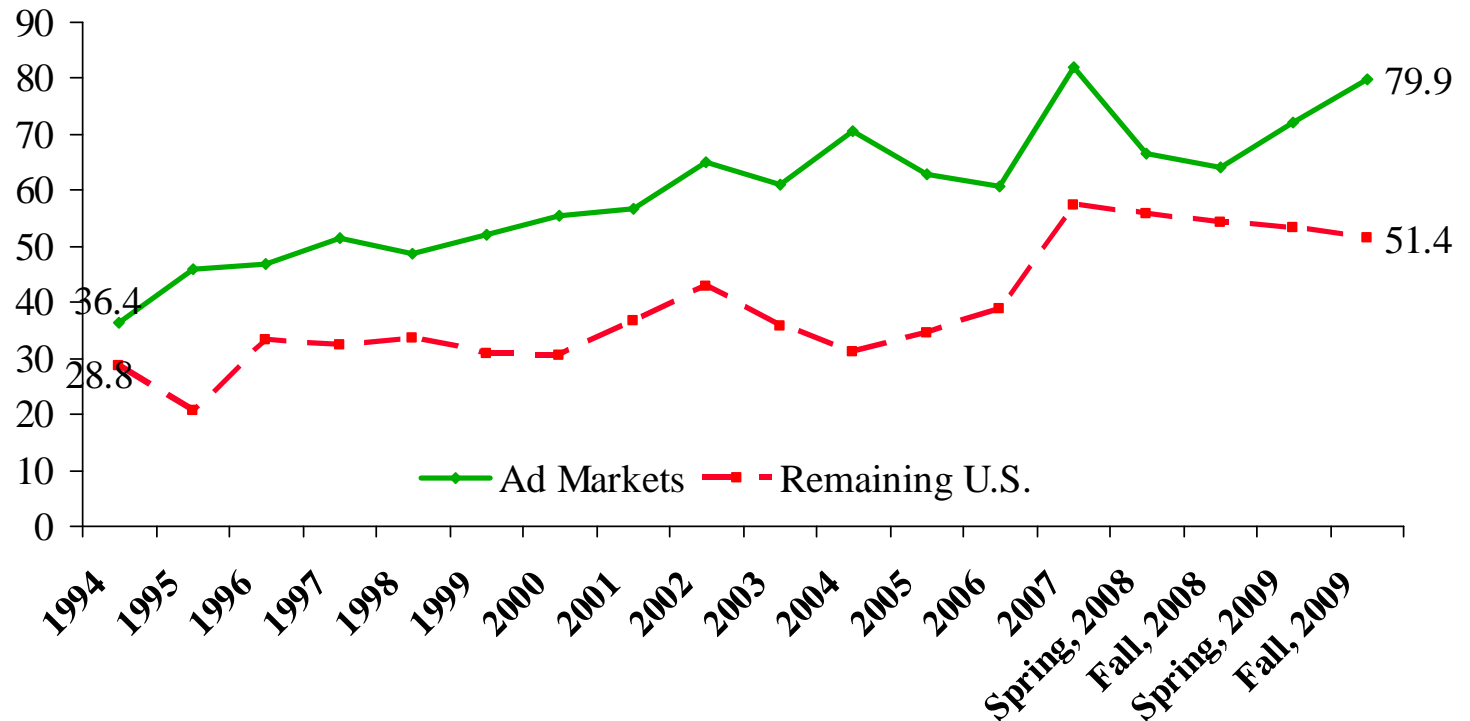
Q455 - Which of the following best describes how often you and your family are eating Avocados this year compared to last year?

Q430 - On average, how many Avocados do you usually buy at one time?





The mean number of avocados purchased in the ad markets has bounced back and is almost at a historically high level.

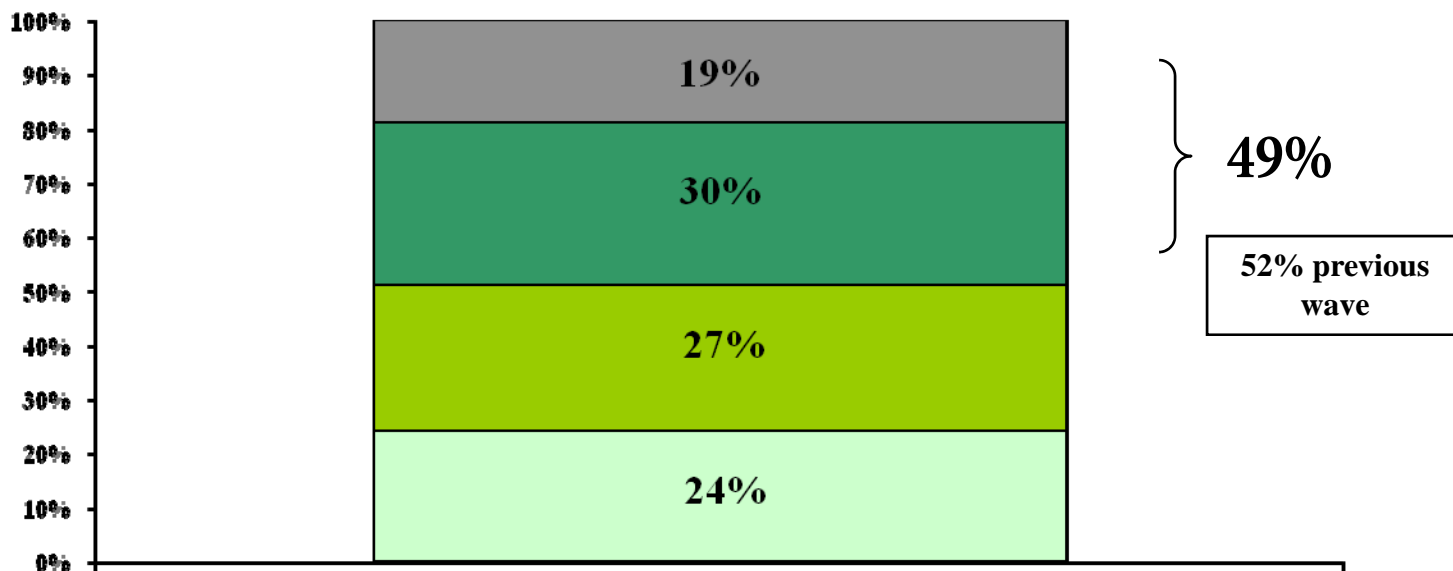


Q425 – Over the course of a year, how often do you buy Avocados to eat or serve at home?
Q430 – On average, how many Avocados do you usually buy at one time?



Roughly one-half of avocado consumers are considered heavy/super users (one-fifth are super users)

Total U.S. Avocado Consumers

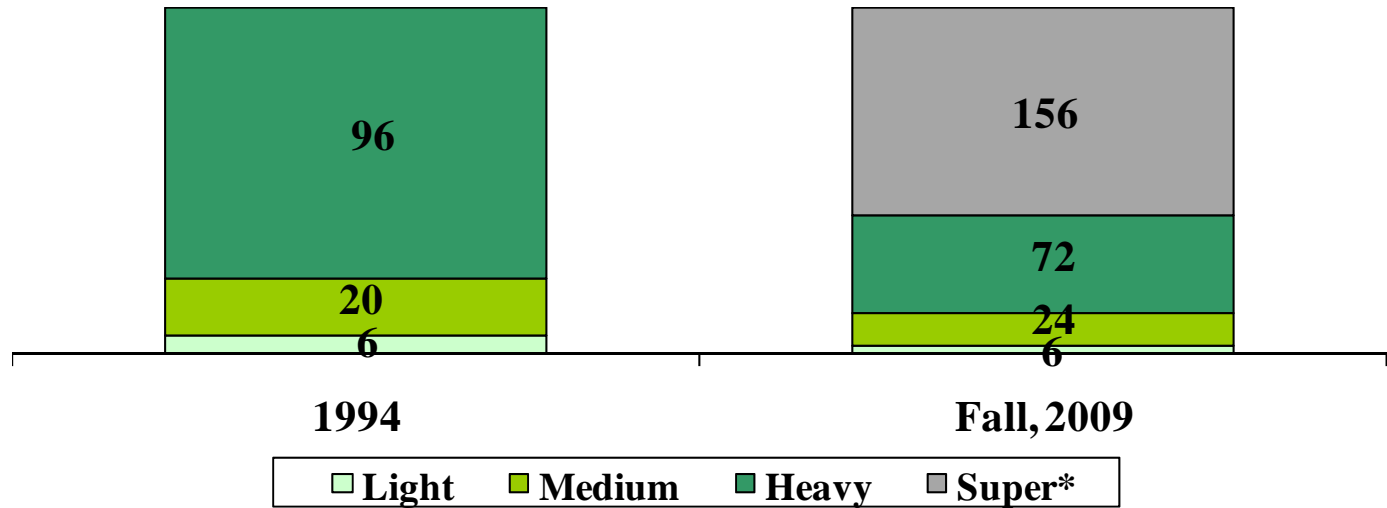


Light	Medium	Heavy	Super
Light:	Medium:	Heavy:	Super :
less than 12	12-36	37-119	120+

Q425 – Over the course of a year, how often do you buy Avocados to eat or serve at home?
Q430 – On average, how many Avocados do you usually buy at one time?



Super consumers are buying 156 avocados a year



Light:	less than 12
Medium:	12-36
Heavy:	37-119
Super:	120+

Q425, Q430

* Super – new category in 2007





Super users have a different demographic profile

	Index to U.S.
Gender	
Male	104
Female	99
Ethnicity	
White	63
Latino/ Hispanic	350
Black/African American	88
Age	
25-34	116
35-44	97
45-54	93
Income	
Under 50K	80
Over 50K	127
Marital Status	
Married/living with partner	116
Single/divorced/ separated	66



GENDER
73% Female
27% Male
(more male than any other group)



Married/Living with Partner
79%



HH INCOME
56% Over 50K



AGE
29%
25-34 years old



Final Conclusions



Conclusions

- California Avocados hold a strong preference and imagery position over Chilean and Mexican Avocados.
- Advertising has a direct positive impact on the awareness, purchase and imagery of California Avocados.
- The lack of advertising in Texas resulted in flat scores while gains were seen in California.
 - Scores will likely deteriorate in Texas without advertising.



Conclusions (cont.)

- While registration of the new campaign will take more time, the message appears to be effective and meaningful to the target audience.
 - There is opportunity to leverage the California name.
- The “buy American/buy locally” movement appears to be having a positive impact on California Avocados.
 - The desire to support American products and farmers is particularly strong this year.