

Working Inside and Thinking Outside of the Box

I recently joined the California Avocado Commission Marketing team in a brainstorming session related to marketing activities, U.S. market trends and new, exciting promotional ideas. The meeting started with a reminder about the things we can and cannot control, nor influence, with CAC marketing programs — and this really struck me. While we, as growers, often look to the Commission to solve all our problems, the organization has a very well-defined scope and a pretty rigid box within which it may operate.

CAC is a marketing and trade commission governed by the California Department of Food and Agriculture. Additionally, because the Commission receives an 85% rebate of assessments paid to the Hass Avocado Board that means CAC is overseen by the U.S. Department of Agriculture. The funds CAC receives from HAB can only be spent on marketing. Further, everything the Commission does must comply with the legislation that created the organization and the by-laws that set out in more detail how the Commission is operated and conducts business. While the legislation and by-laws provide a broad scope, there also are very definitive restrictions and constraints concerning what CAC can and cannot do. For us growers, it may be frustrating at times because the workings of the Commission can sometimes seem slow and hobbled by set procedures. But it's important to remember that these "bumpers" have been put in place to protect and ensure the best outcomes for California growers.

When it comes to marketing, the Commission can — and very actively does — work to grow demand and loyalty

for California avocados. We can work to build consumer preference and willingness to pay a premium price for California avocados. And we can create a measurable impact. While we don't have complete and perfect metrics that quantify exact dollar amounts throughout the supply chain, our marketing team uses tried and true marketing measurement techniques to quantify the impact of the individual elements of our campaigns. The entire marketing program — brand building, food service and retail promotion — is completely rooted in and focused on these objectives.

What marketing cannot do is ensure individual grower profitability. Marketing cannot address where, along the supply chain, the price differential between California and other countries of origins goes. And CAC marketing cannot influence the overall market supply, how much fruit is coming in and from which countries.

The Commission's marketing program needs to stay singularly focused on what we can achieve to ensure customers and consumers continue to choose California. Our messaging needs to remain positive and highlight all the reasons why California avocados are better. Positive marketing has a far greater impact than any type of negative messaging. And the Commission's marketing is working — our Retail Marketing Directors have been able to encourage retailers to move to California earlier and stay longer and they are lining up retailers already for next year. Our brand marketing receives unprecedented completion rates — meaning people don't skip our ads on Hulu or other streaming platforms!



Rachael Laenen

As for the things marketing can't influence, we do have other tools available. Our CAC assessment is unrestricted, which means we can spend it on anything within our scope — advocacy, production research, data collection, etc. These are the tools we use to help with the other elements by making information available to help growers increase their productivity, working with our legislators to highlight our challenges and pushing for a level playing field. That said, these funds are not unlimited. While to us, as growers, the CAC budget seems huge, it pales in comparison to what other countries are spending to promote their avocados in our market and what other commodities are spending to advocate for theirs. That means the Commission needs to continue to be strategic with its focus to make sure we are getting the most from every dollar assessed from growers. Let's remember that growers have enjoyed a temporary reduction in the CAC assessment over the last few years as the Commission strategically drew down its reserves.

Beyond marketing, the CAC board remains committed to the strong advocacy and production research work being done at the moment and as such, the assessment rate going forward will need to reflect that. The Board will discuss and approve the Commission's budget and assessment rate in the fall. With that in mind, please make certain to speak with your CAC representatives to share what is important to you. 🍷