

Fall 2015 Tracking Study Highlights

Since 1996 the California Avocado Commission (CAC) has conducted an Avocado Tracking Study to measure consumer attitude and usage preferences. The Hass Avocado Board took over the tracking study around 2005 and in 2012 changed it to focus on the avocado category and nutrition.

Because point of origin is a significant differentiator for the California avocado brand, since 2012 the California Avocado Commission has contracted with the independent research firm, Bovitz, Inc., to conduct the California Avocado Tracking Study focused on consumer perceptions of growing region, California avocado brand awareness and changes in avocado usage.

This year's study was conducted in September 2015 with a national sample of 1500 consumers, which is a large enough sample to measure differences by region. The data within this article reference the measures for CAC's targeted advertising markets (Los Angeles, San Diego, San Francisco/San Jose, Sacramento, Phoenix, Portland, Seattle, Denver and Salt Lake City).

Importance of Growing Region Remains Steady

Point of origin remains a critical differentiator for California avocados as market share continues to decline in the face of increased supply of imported avocados. The good news is that consumer preference for avocados grown in the U.S. remains strong at 68 percent. The Tracking Study

also indicates that the percentage of consumers who check for country of origin when purchasing avocados remains steady at 42 percent.

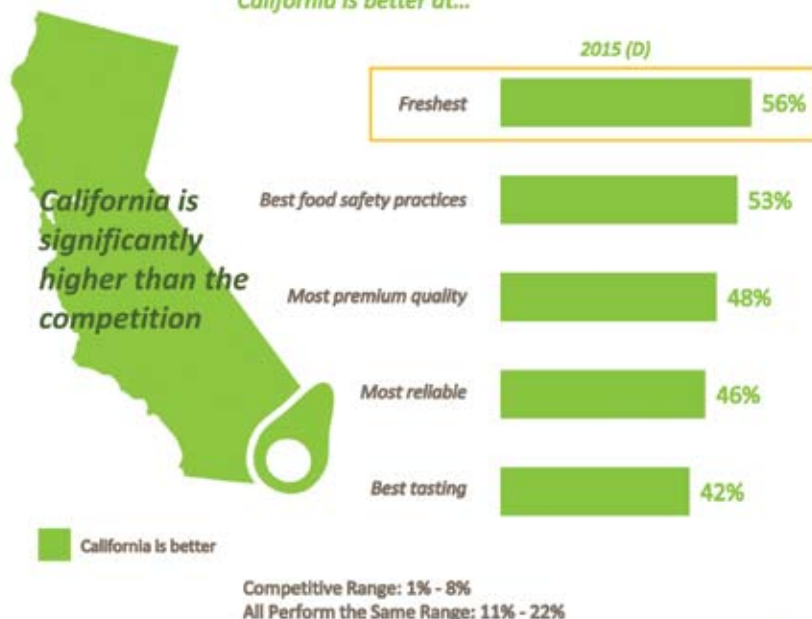
The combined preference for U.S. grown avocados and the tendency to check on-fruit labels is critical to the California avocado brand because this year the Tracking Study also indicated a jump in ad awareness for Mexican avocados, from 22 percent in 2014 to 26 percent in 2015. This increase was most likely fueled by Mexico's increased television spend.



California Avocados Performance

% California Avocados are Better
Ad Markets

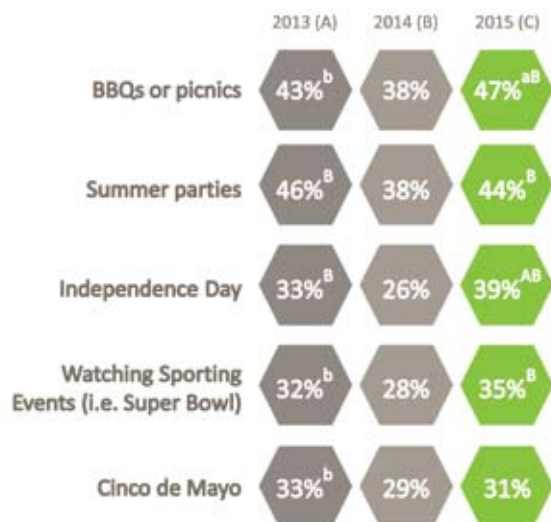
California is better at...



California Still the Premium Choice

California avocados continue to be rated the highest on “premiumness” (59 percent, compared to the highest rated import at 32 percent). Consumers also give California avocados the highest marks for freshness, food safety, premium quality, reliability and taste.

TOP 5 SERVING OCCASIONS



4th of July Fuels Increase in Summer Consumption

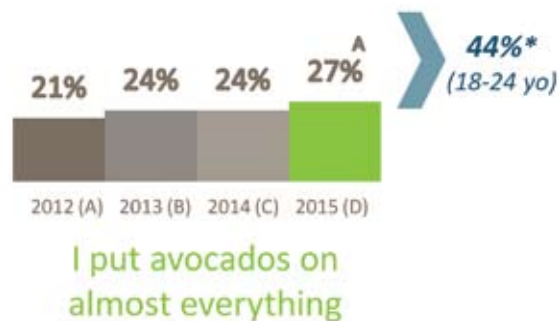
Overall, avocado summertime-serving occasions rebounded this year with a 4 percent jump to 64 percent. While BBQs/picnics and summer parties remain the top two serving occasions for avocados (47 percent and 44 percent respectively), the 4th of July holiday saw a 13 percent increase over last year, to 39 percent.

Setting a Benchmark for a Future Target Market

For the first time, the Tracking Study included respondents between the ages of 18 – 24. The Commission requested the addition of this age group in order to proactively establish a benchmark for an age group that will be part of CAC’s targeted market.

It is worth noting a few key differences in this age group as compared to others.

- While 18-24 year olds are not as concerned about purchasing avocados grown in the U.S., their recall of California avocado labels in the store was significantly higher than other age groups (61 percent compared to 40 percent).

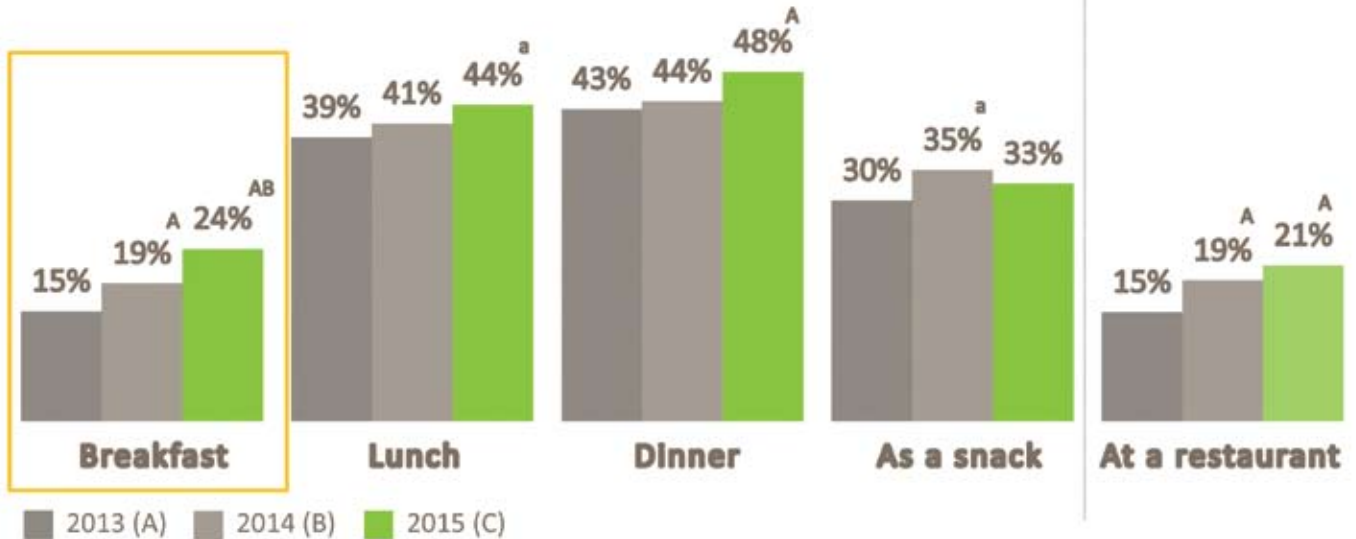


- This age group also had a better recall of the Distinctly Californian Campaign (43 percent) than other age groups (27 percent).
- Respondents in this age group are also more likely to “put avocados on almost everything” (44 percent as compared to 27 percent of other 25+ age groups) and they are more likely to consume avocados at breakfast, as a snack or at a restaurant.

Avocado Consumption at each Meal

% Eating Avocados Weekly or More Often
Ad Markets

18-24 year olds are eating avocados more frequently compared to those 25+
32%* At Breakfast | 42%* As a snack | 31%* At a restaurant



- The opportunity to serve avocados at BBQs/picnics and summer parties are both overwhelmingly popular with this age group as well (56 percent and 57 percent, respectively).

Results from the 2015 California Avocado Tracking Study validate the Commission’s efforts to increase brand awareness at point of purchase, via on-fruit California avocado labels. As noted in the “California Grown’ Label Resonates in the Marketplace” article (found on page 36), handlers feel the California avocado labels add value because they clearly identify the fruit to those consumers who seek California avocados and are willing to pay the premium price. While the Commission cannot match the marketing spend of its competitors, it can optimize the efficiency of the resources at hand with programs such as the California avocado label and tiered account marketing (see “Tiered Marketing” article on page 42). And by proactively tracking the preferences of a future target market, the Commission will gain insights that can be used to formulate marketing strategies in the coming years. 🥑

Legend

Note: Significant differences are denoted by upper & lower case letters at the 95% & 90% levels, respectively.



For the 18-24 year old age group, asterisks (*) are used to denote significance at the 90% level vs. the 25+ age group.