

What Are Your Customers Thinking

Project: Why Not?

October 26, 2005

Compiled By

Starting-Rice Group



California

PEACHES • PLUMS • NECTARINES

CALIFORNIA



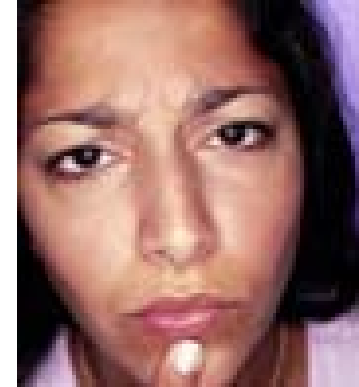
NETWORK

- **Setting the Stage**
 - Overview – topics
 - Sources of information
 - Explanation of table participation
 - Global insights
- **Consumer Insights**
 - Presentation – individuals note insights on cards
 - Post on wall
 - Open envelope – tables assignment – potential industry actions
 - Post on wall
- **Fruit Characteristics Insights**
 - Same process as above
- **Trade/Distribution Insights**
 - Same process as above
- **Wrap-Up**

A close-up photograph of a yellow bowl filled with fresh fruit. The bowl contains several peaches with red and yellow skin, several dark purple plums, and a few dark red cherries. A single green leaf is placed on top of one of the peaches. The text "Project Anchors" is overlaid in white, sans-serif font across the center of the image.

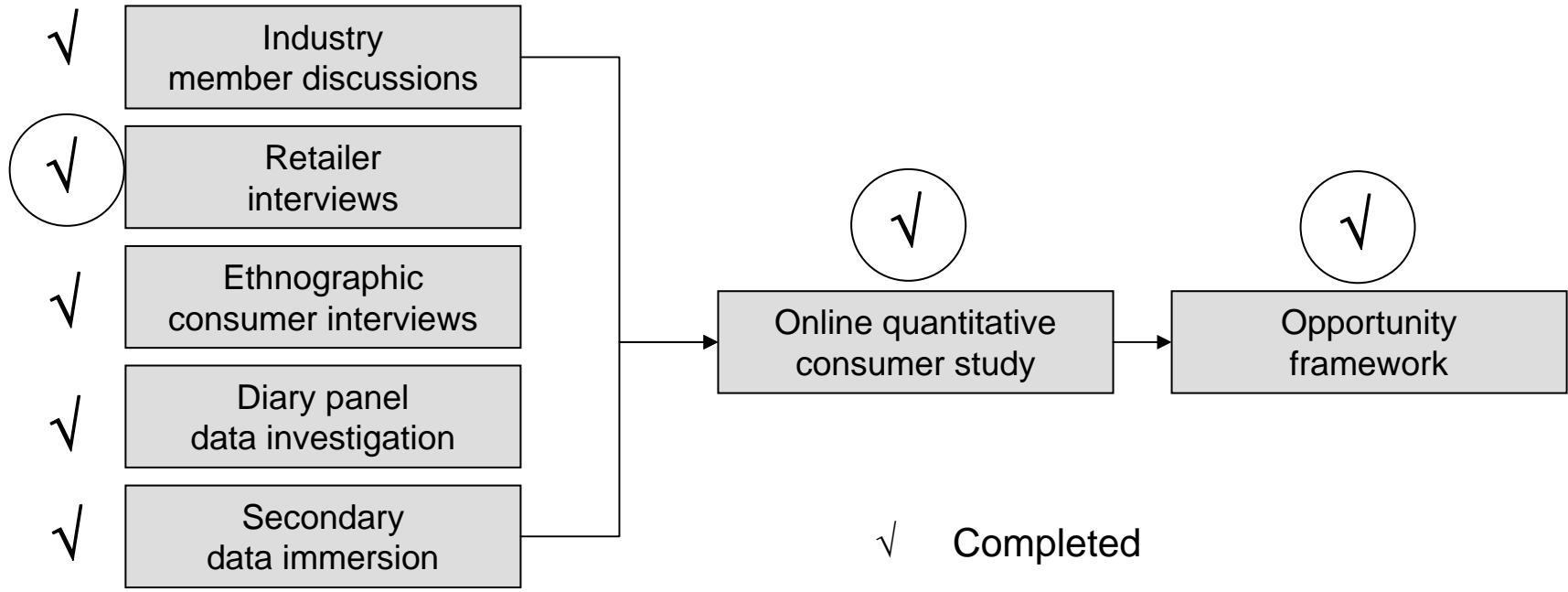
Project Anchors

Objectives: The focus throughout this process is to gain a greater understanding of consumer buying behaviors, consumer category knowledge and product preferences.



- **Study consumers in new ways to get deeper, richer insights about what might be preventing purchases of peaches, plums and nectarines (PPN)**
- **Once all barriers are inventoried, use a quantitative consumer online panel to further identify and rank-order all concerns so the industry has a clear picture of the scale of each issue and can set priorities**

Methodology



- ✓ Completed
- S Started
- Work since last report

1. NET Diary Panel Analysis

- Data comes from NPD's constantly refreshed panel of consumers who track all of their food consumption for two weeks
- Eatings – the number of times a PPN was pulled off the counter or out of the refrigerator and served fresh in some form to someone in the home
 - 258,000 snack eatings in 2004; 50,000 fresh fruit, almost 4,000 PPN
 - Ten years of historical data were used for some questions

What This Methodology Provides

- Historical trend data
-

2. Retailer Interviews

- Four in-depth interviews
 - Premium/Upscale
 - Mid-scale
 - Budget
 - Multi-divisions and Formats from Upscale to Budget

What This Methodology Provides

- Trade perspectives on what is working/not working for the industry

3. In-Home Visits and Shopping Trips with Consumers

- Seattle – June 29, 2005 (early season)
- Baltimore – August 18 and 19, 2005 (mid-season)

What This Methodology Provides

- Insights based on observing actual behavior in the home and store
-

4. Quant Survey

- Nationally representative
- Primary or split responsibility shopper, 60/40 female/male split

Wave 1 (mid-season)

Wave 2 (end of season)

N = 841

N = 711

- | | | |
|---------------------|----------------|--------------------|
| ▪ Conducted between | July 22 and 29 | September 9 and 15 |
|---------------------|----------------|--------------------|

What This Methodology Provides

- More objective data on which to base decisions

- **During the research presentation**

- Use a white “insights” card and headline a very important fact
- Example from an earlier meeting
 - I always thought consumers wanted “soft” fruit in the store. The research says it should be “firm with a little give.”
 - Note whether it is a consumer insight, a fruit characteristics insight or a trade/distribution insight
- At the end of the presentation, each person can post their insights on the wall

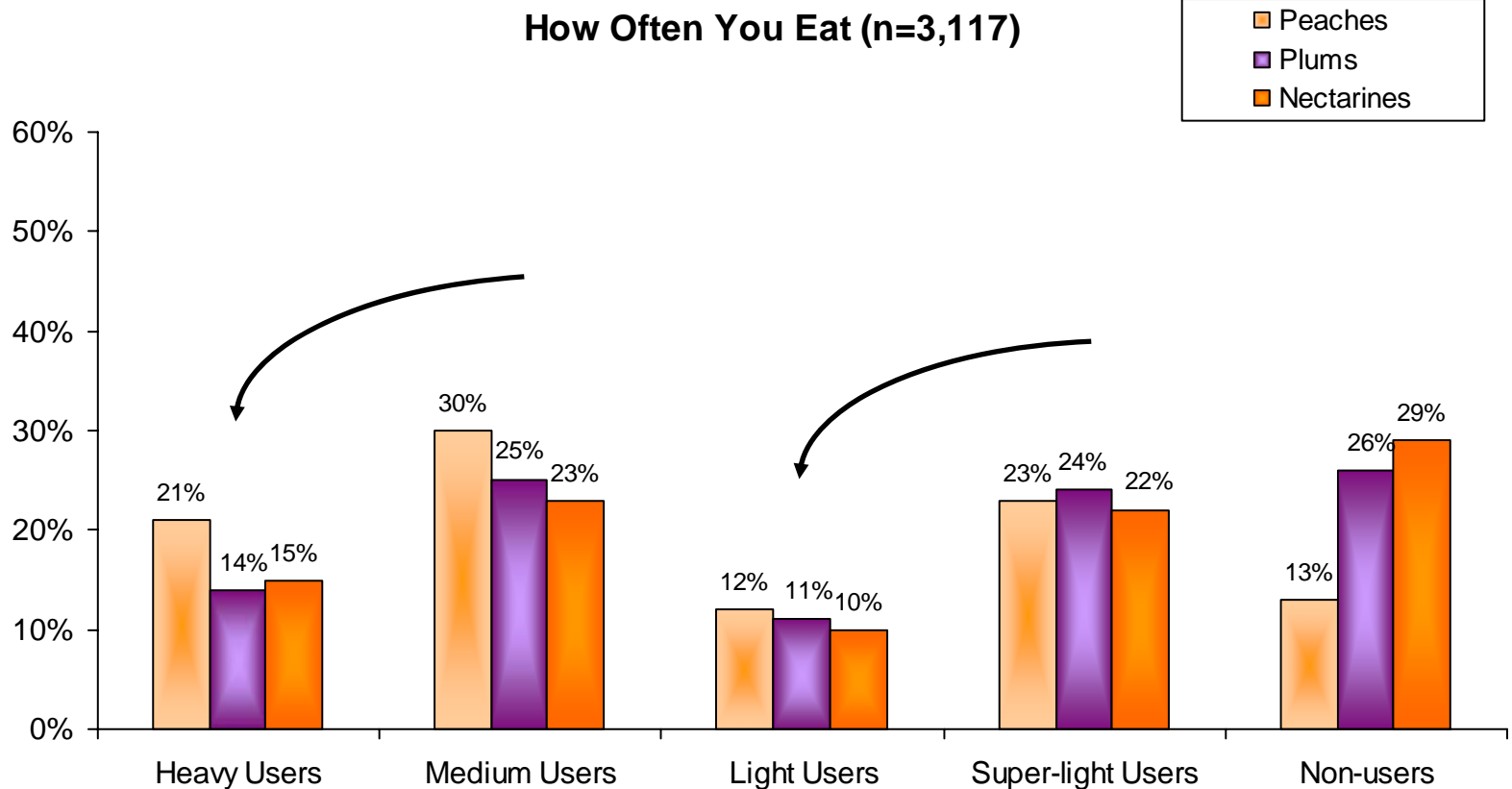
- **After each presentation, each group:**

- Opens an envelope on their table – envelope A after the first presentation, envelope B after the second presentation, envelope C after the third presentation
 - An example from the envelope: kids are less likely to eat plums and nectarines
- Each group discusses any important “industry actions” based on the point from the envelope. Then headline your “action point” on a green card
- Teams post thoughts on the wall

A close-up photograph of three ripe peaches in a white ceramic bowl. The peaches are a vibrant red-orange color with some yellow highlights, indicating they are ripe. Two green leaves are tucked behind the peaches on the right side. The background is a plain, light-colored surface.

Global Insights

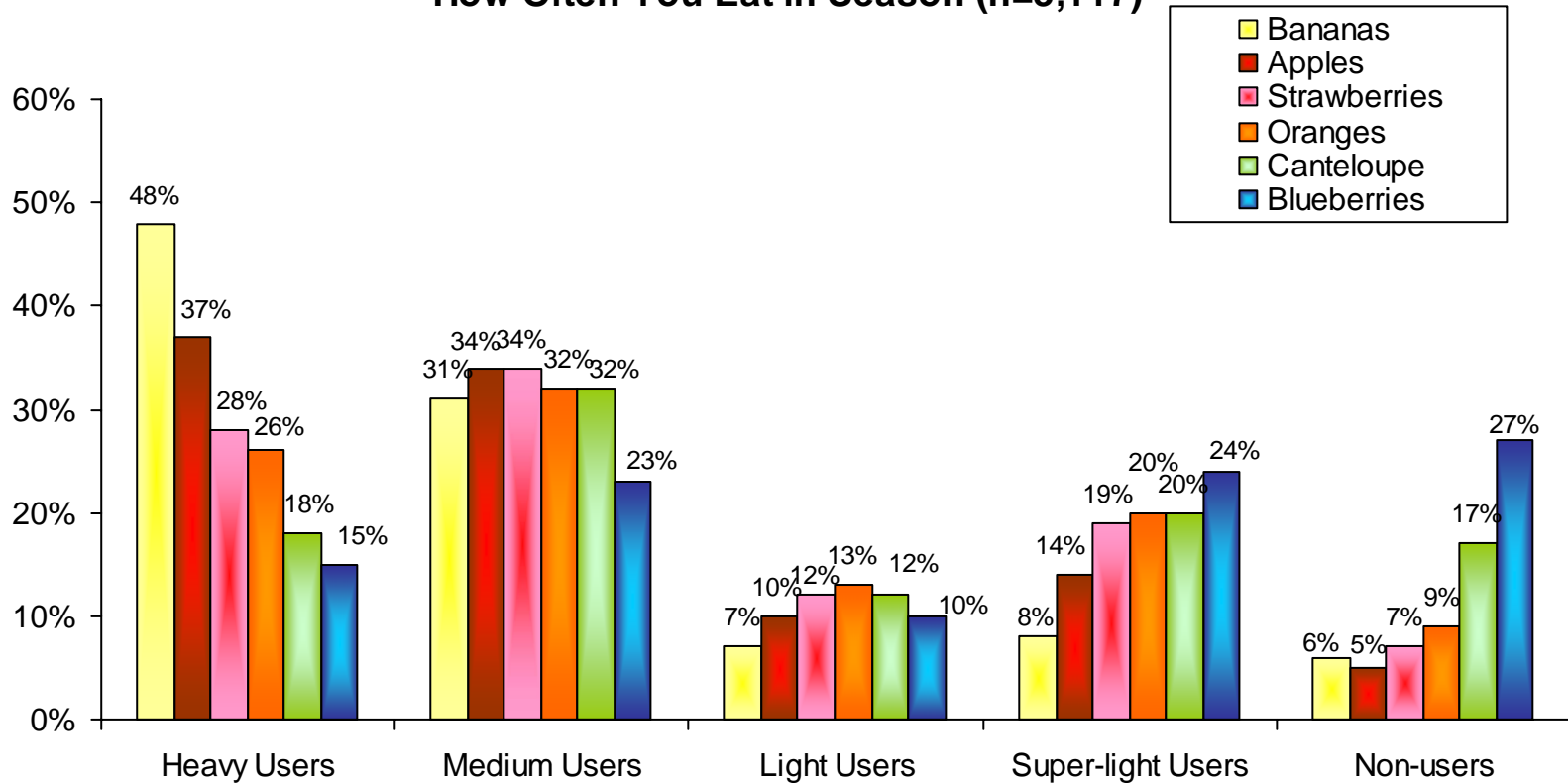
- Two significant opportunities appear based on usage frequency: moving super-lights (eat a PPN once every 2–3 months) up to light usage—monthly consumption—and moving medium users (1–3 eatings a month) up to heavy usage



Note: Heavy users = every day and a few times a week; medium users = once a week and two to three times per month; light users = once a month; super-light users = once every two to three months.

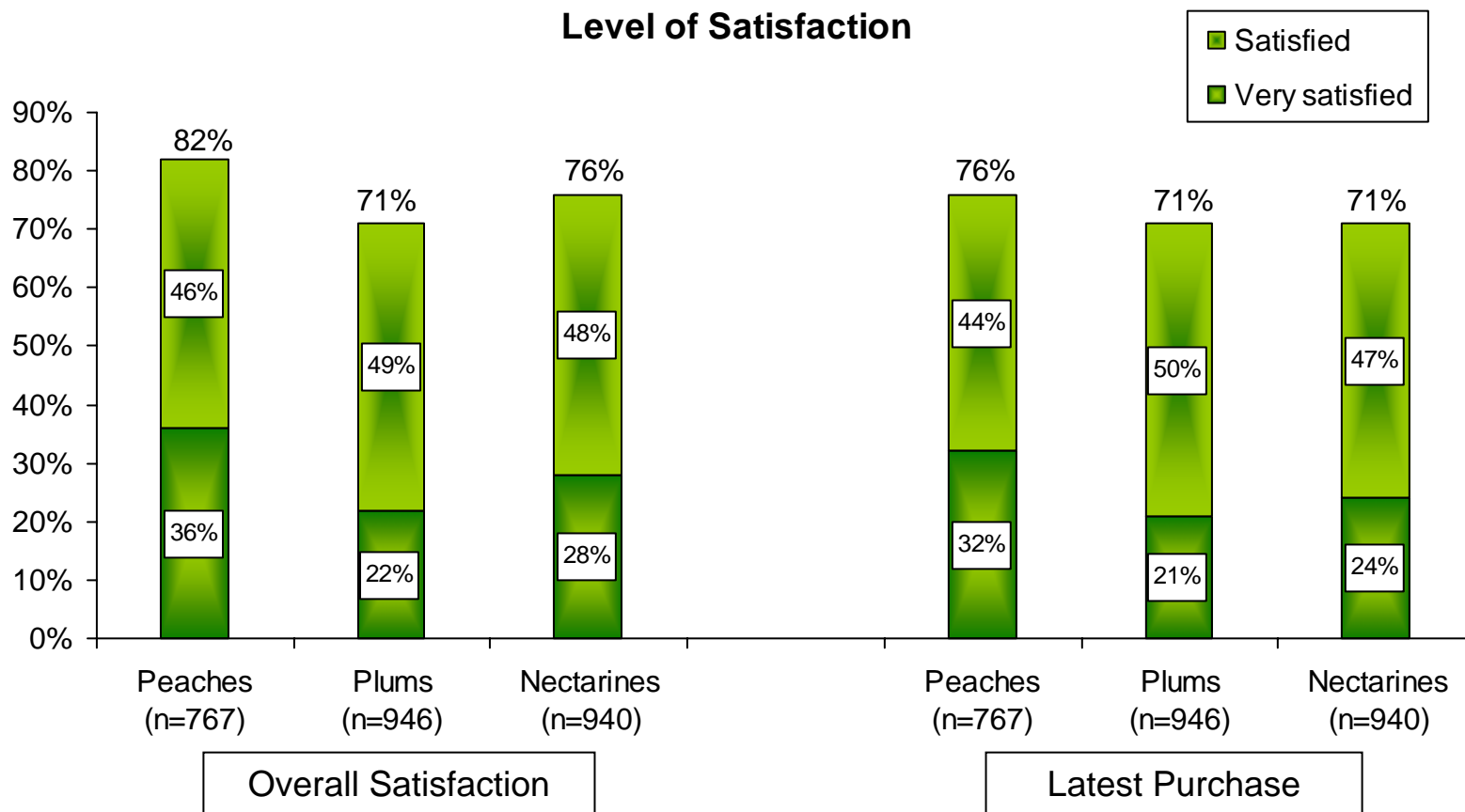
- **Bananas are clearly an everyday fruit, while apples are eaten a couple of times a week. The other fruits tested approximate PPN usage frequency.**

How Often You Eat in Season (n=3,117)

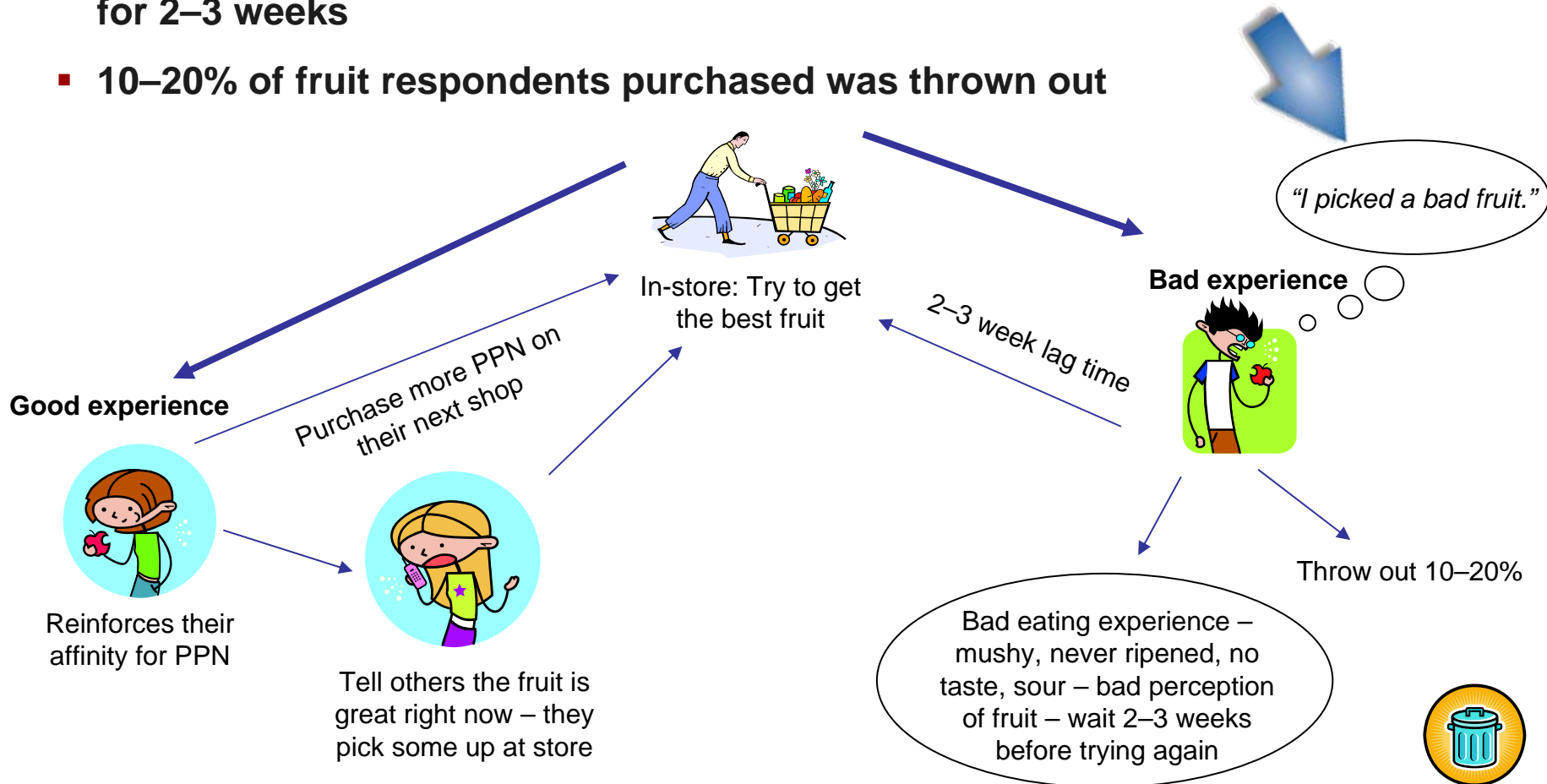


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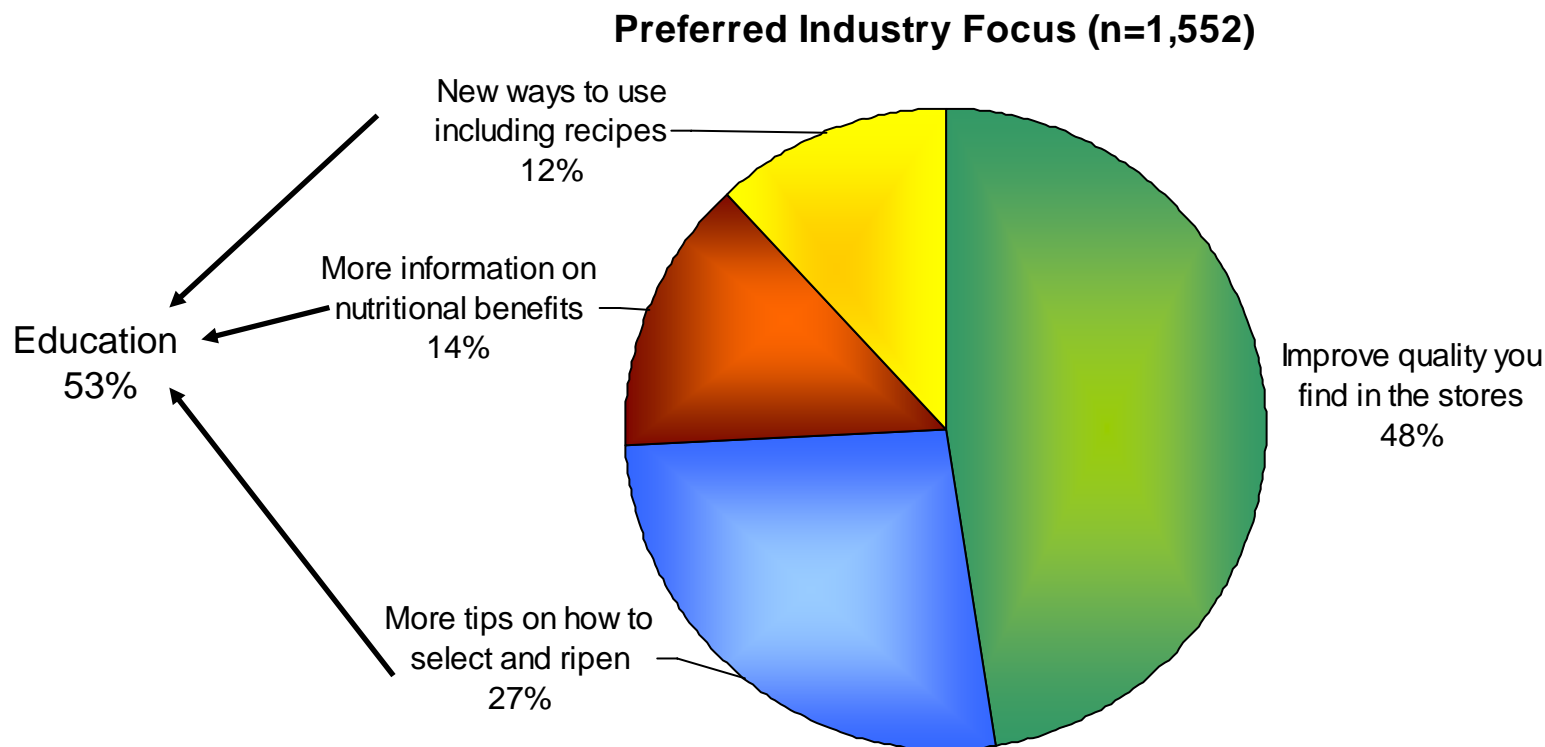
- Peaches and nectarines enjoy higher satisfaction scores compared to plums. Users rated peaches and nectarines lower on their most recent experience versus their overall satisfaction, while the satisfaction of plums remained consistent.**



- When our respondents picked a fruit that rotted too quickly, or that never ripened, they tend to pull back on purchasing peaches, plums and nectarines for 2–3 weeks
- 10–20% of fruit respondents purchased was thrown out



- **Consumers were fairly evenly split between those 1) recommending that the industry focus on providing better quality fruit in the store and 2) enhancing education on picking and using PPN and its nutritional benefits**



A photograph of a blue ceramic bowl filled with several bright green apples. One apple is in the foreground, slightly out of focus. The text "Consumer Insights" is overlaid in white, centered over the bowl. The background is a light, textured surface, possibly a tablecloth or placemat, with a blue and yellow patterned cloth underneath the bowl.

Consumer Insights

- **Per-Capita Consumption – 10-Year Trends**
- **Who Eats**
 - Overall incidence – adults
 - Older ages more
 - Kids less
 - Income
- **What Type of Fruit is Growing**
- **How PPN is Consumed**
 - As-Is/Base Dish
 - Day part
 - Snacking
 - On the go
- **Storage Ideal**
 - The bowl
- **Origin of PPN**
- **Other Consumer Behaviors**

A close-up photograph of several ripe peaches in a dark brown bowl. One peach in the foreground is sliced open, revealing its yellow-orange flesh and a dark brown, textured pit. The other peaches are whole and show a mix of red and yellow-orange hues. The background is a warm, out-of-focus yellow-orange color.

Per-Capita Consumption – 10- Year Trend

- Looking back over the last 10 years, peaches per-capita consumption has stayed relatively constant—about 4 ½ peaches per consumer
 - Plums and nectarines have shown ongoing usage decline

Data:	Peaches			Plums			Nectarines		
	96–98	99–01	02–04	96–98	99–01	02–04	96–98	99–01	02–04
Annual Eatings per Capita	4.4	4.4	4.5	2.1	1.7	1.5	1.8	1.6	1.4
Penetration (% in 2 weeks)	6.7%	7%	7%	3.4%	3.2%	2.7%	3.0%	2.6%	2.4%
Eating Rate (2 weeks)	2.6	2.5	2.4	2.3	2.1	2.1	2.3	2.3	2.2

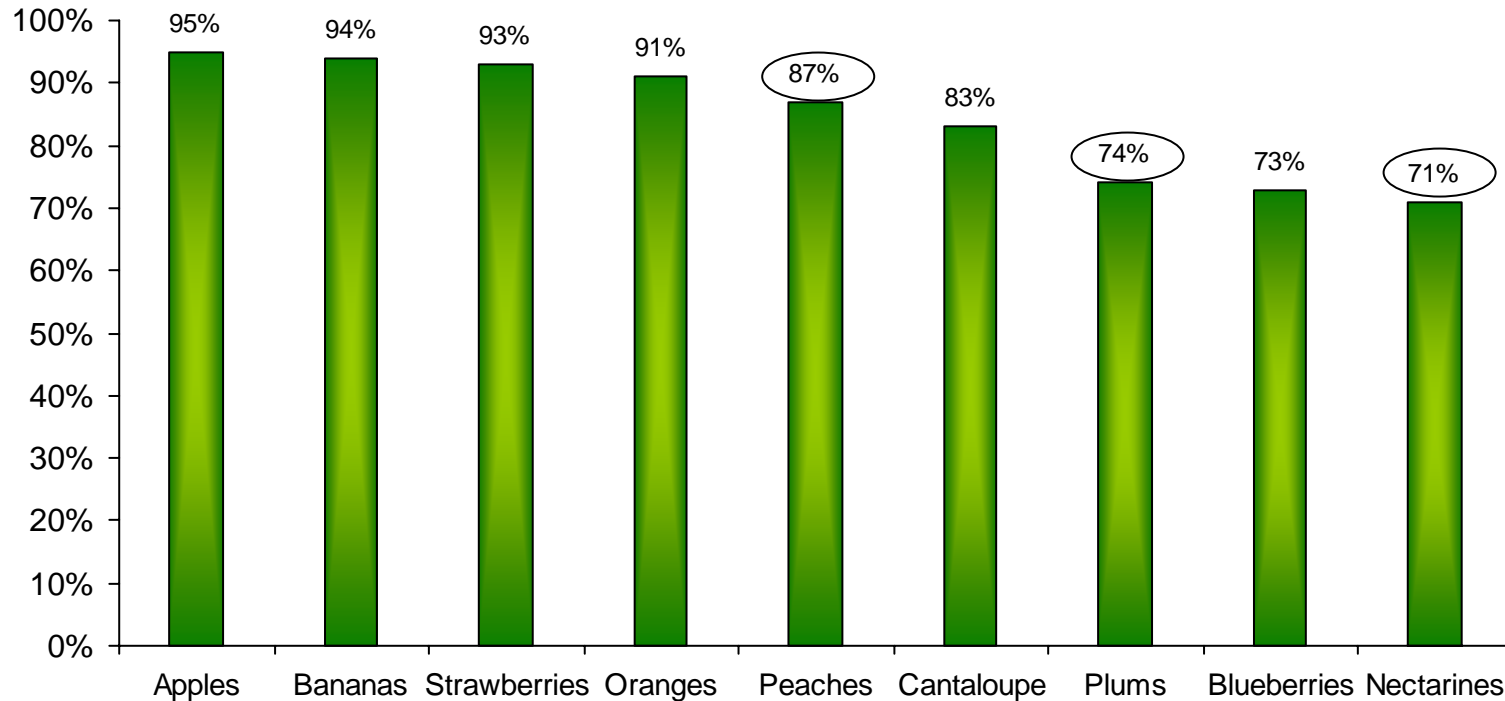
Data:	Peaches			Plums			Nectarines		
	96–98	99–01	02–04	96–98	99–01	02–04	96–98	99–01	02–04
California Season – May–October									
Penetration (% in 2 weeks)	12.4	12.5	11.7	6.1	5.4	4.4	5.6	4.8	3.9

A photograph of several dark purple plums in a ceramic bowl. The bowl has a white base with a pinkish-red band around the middle. The plums are piled in the bowl, with a few more scattered in the foreground. The text "Who Eats" is written in white, sans-serif font across the middle of the image, overlapping the plums and the bowl.

Who Eats

- **Apples, bananas and strawberries captured the highest incidence rates among respondents. Peaches fell midway among the fruits evaluated at an incidence of 87%, while plums and nectarines recorded levels in the low 70s**
 - Note that usage was questioned for six other fruits, providing a comparison of PPN against some other “handheld” fruits, two berries and one melon.

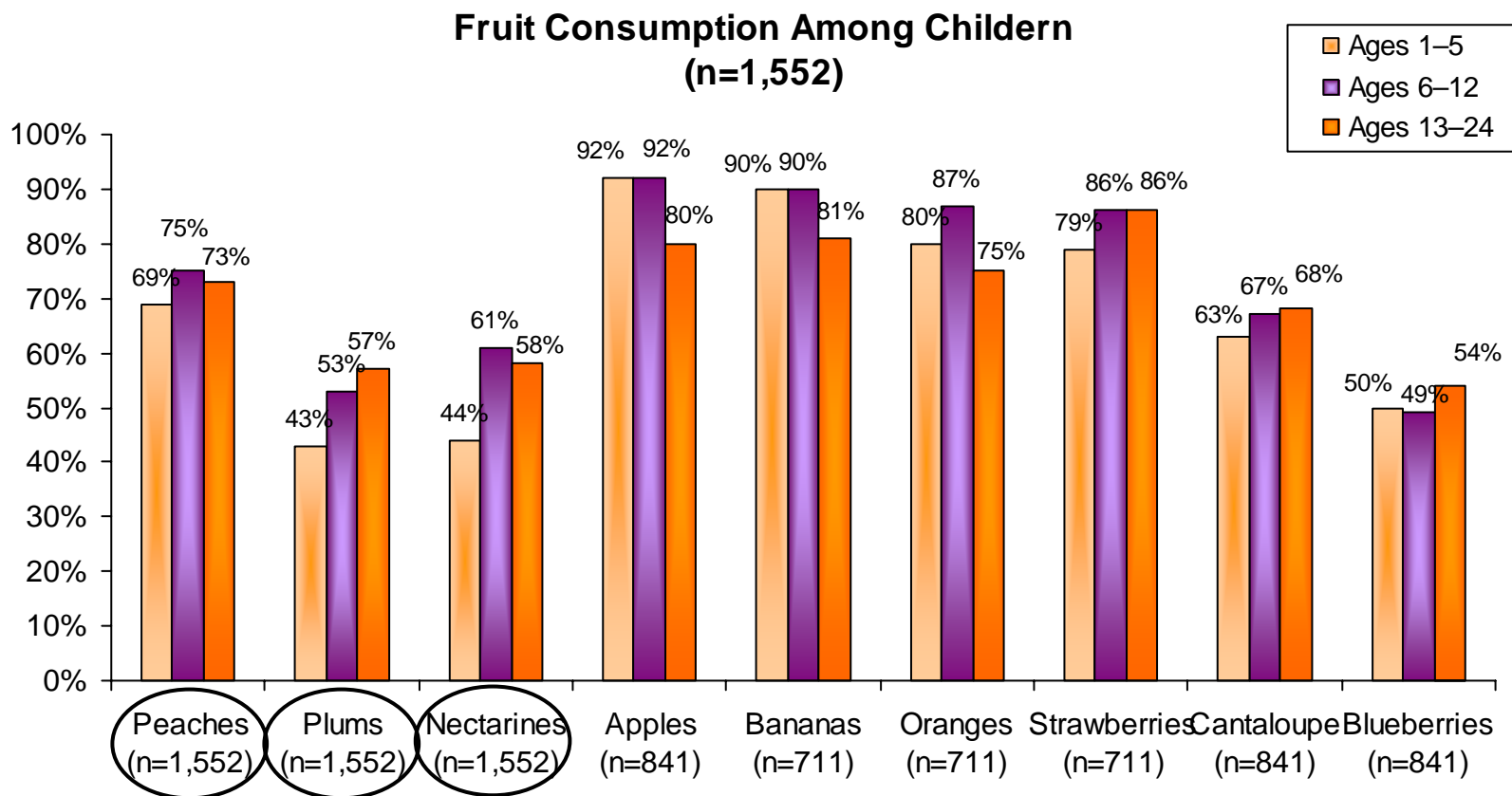
**Usage Incidence Levels ("eat in season")
(n=3,117)**



- Per NET diary data, consumers aged 65+ are eating 22.5% of PPN and are only 12% of the sample. 55–64-year-olds also eat more than their share of PPNs, while 18–34-year-olds eat fewer than their share.**
 - Consumer quant further revealed that liking skews older for peaches and plums, whereas nectarines have fairly stable liking scores across adult ages (18+ years of age)

Data:	PPN – Total Year			
	Base Size	% of Eatings	% of Sample	Index to Sample
Age	3981	100	100	100
Total Adults (18+)	1948	79.2	76.4	104
18–34 Years Old	254	16.3	24.1	68
35–44 Years Old	468	10	11.8	85
45–54 Years Old	676	18.2	18.4	99
55–64 Years Old	205	12.2	9.8	124
65+ Years Old	345	22.5	12.3	183

- For some fruits, consumption appears to change slightly as the child ages. For example, apples and bananas tend to decline in consumption as the child ages, while the consumption of plums increases.



- Combining incidence data for adults and children, one sees a much larger drop of incidence among adults and children for plums and nectarines

	Eat Peaches	Eat Plums	Eat Nectarines
Self (n=1,552)	85%	71%	69%
Spouse (n=720)	74%	57%	58%
Children 1–5 (n=148)	69%	43%	44%
Children 6–12 (n=181)	75%	53%	61%
Children 13–24 (n=198)	73%	57%	58%

"I can't touch a plum and figure out if it is ripe or not, so I buy it infrequently."

"It's not messy! I just put it in a Ziploc bag, and that's where the pit goes when I'm through!"

"Is it ok that I put my peaches right in the refrigerator?"

"If you take a beautiful piece of fruit to work, you get to show it off."

"I don't know why my daughter doesn't eat peaches anymore ... I think she is just on the run too much, so she just grabs an apple."

"My mom called me from Florida to tell me the plums are really good right now."

- Plums and nectarines show a small skew toward higher-income households, peaches show a very slight skew

Data:	Usage Index (2004)			
	Fresh Fruit	Peaches	Plums	Nectarines
Income				
Under \$15K	92	105*	50*	74*
\$15,000–24,000	89	104	147*	105*
\$25,000–34,000	96	96	86	76
\$35,000–49,000	101	98	81	99
\$50,000–74,000	102	94	93	101
\$75,000 and over	107	104	116	115

* Caution, low base size

A close-up photograph of a white bowl filled with a fresh salad. The salad consists of vibrant green spinach leaves, several slices of ripe plum fruit showing their red and yellow-orange flesh, thin slices of white onion, and a generous amount of shredded cheddar cheese. The bowl is placed on a light-colored woven placemat, which is set on a purple and blue striped tablecloth. In the background, a pair of wooden chopsticks and a glass of water are partially visible, suggesting a dining setting. The text "What Type of Fruit is Growing" is overlaid in white, sans-serif font across the center of the image.

What Type of Fruit is Growing

- **Hand-sized fruits (apples, oranges, PPN, bananas and tangerines are still two-thirds of eatings, but the most significant growth is occurring for finger fruits (grapes, cherries and berries)**

Data:	Annual Eatings per Capita (Trend Data)		
	5 years ending Nov. 1999	5 years ending Nov. 2004	Usage Trend Index (04 vs. 99)
Fresh Fruit	127.6	120.7	95
Palm/Hand	90.5	81.3	90
Finger	16.6	19.1	115
Melons – Large	13	10.5	81

Data:	Annual Eatings per Capita		
	5 years ending Nov. 1999	5 years ending Nov. 2004	Point Change (04 vs. 99)
Palm/Hand	90.5	81.3	-9.2
Apples	26.8	23.0	-3.8
Bananas	42.6	39.4	-3.2
Nectarines	1.7	1.4	-0.3
Oranges	11.9	10.4	-1.5
Peaches	4.6	4.4	-0.2
Plums	1.9	1.5	-0.4
Tangerines	1.0	1.2	0.2
Finger	16.6	19.1	2.6
Blueberries	1.2	1.9	0.7
Raspberries	0.3	0.5	0.2
Strawberries	5.3	5.7	0.4
Cherries	0.8	1.0	0.2
Cranberries	0.2	0.4	0.2
Grapes	8.7	9.6	0.9
Melons/Large	13	10.5	-2.5
Grapefruits	6.3	4.2	-2.1
Mangoes	0.6	0.6	0.0
Cantaloupes	6.1	5.7	-0.4

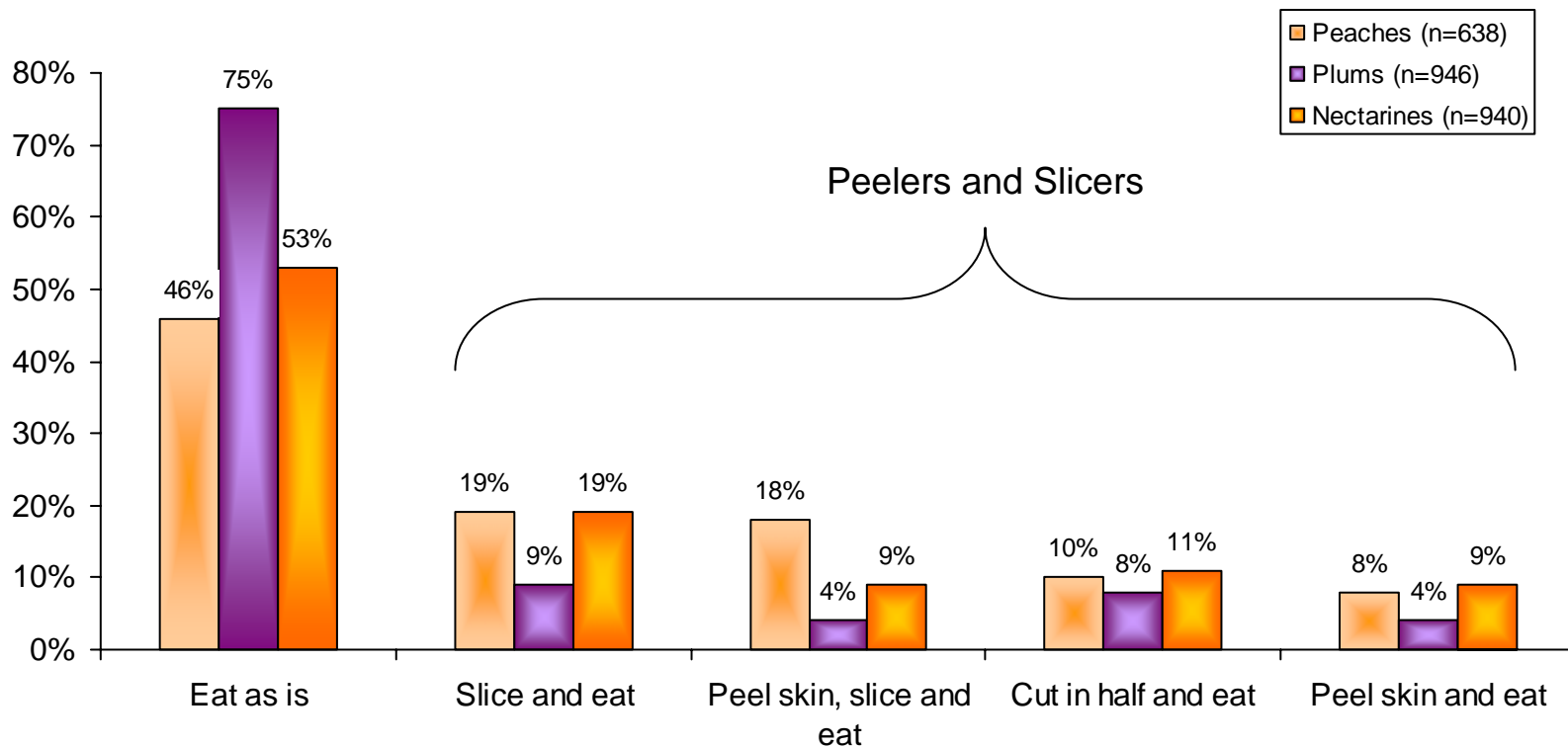
Note that with the exception of tangerines, PPN is holding share more successfully

A close-up photograph of a yellow bowl filled with fresh fruit. The bowl contains several peaches with red and yellow skin, several dark purple plums, and a few dark red cherries. A single green leaf is placed on top of the fruit in the foreground. The text "How PPN are Eaten" is overlaid in white, centered on the image.

How PPN are Eaten

- Among peaches and nectarines, there is a fairly even split between those who eat them as is and those who further prepare the fruit. For plums, the majority of respondents indicated that they most likely eat them as is.

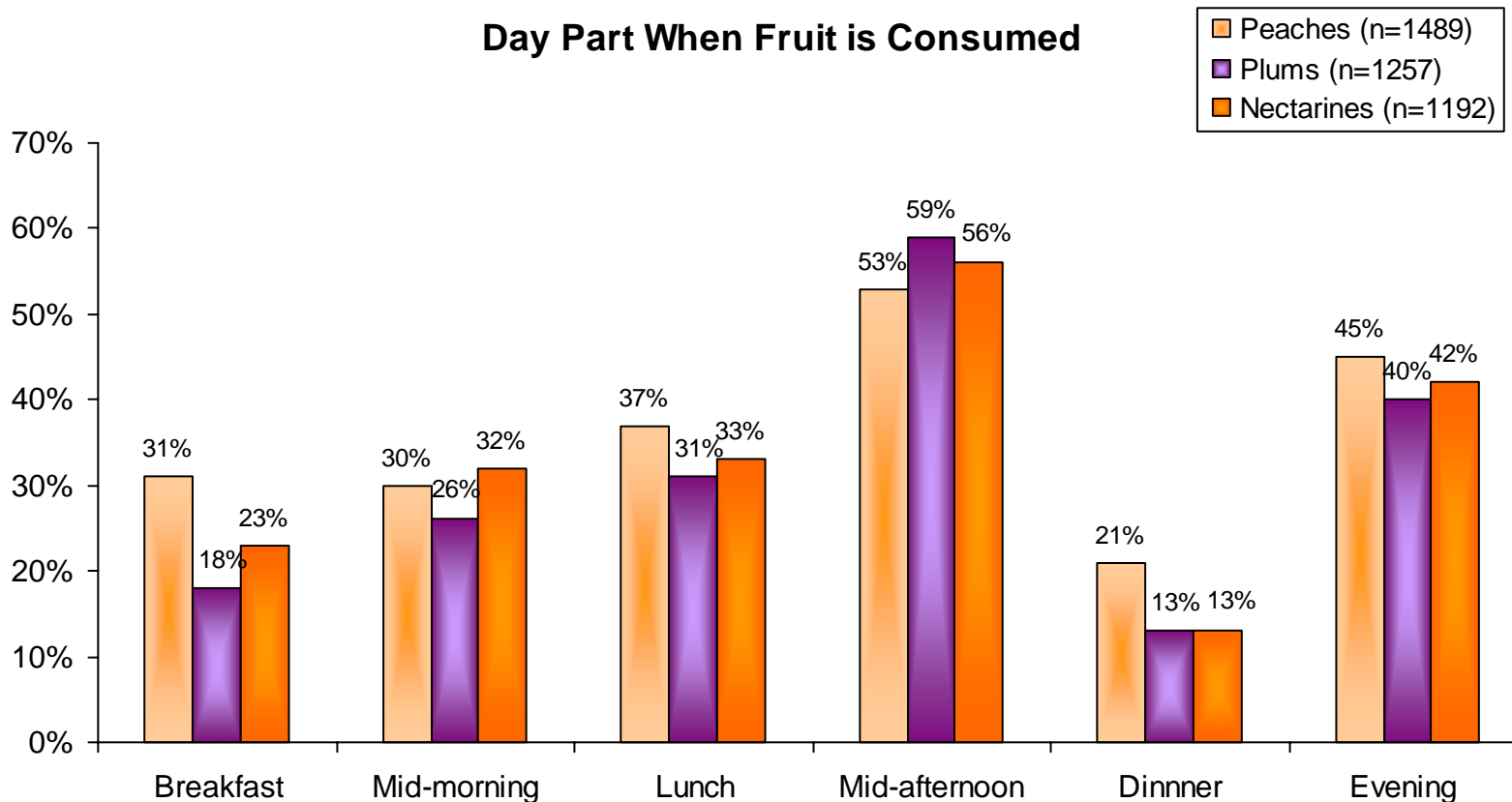
Best Describes Way Fruit is Eaten



- Since 1996, much fewer PPN are being used as an additive (e.g., peaches on cereal) or ingredient (e.g., peach pie). Most of the fruit is now eaten as is.

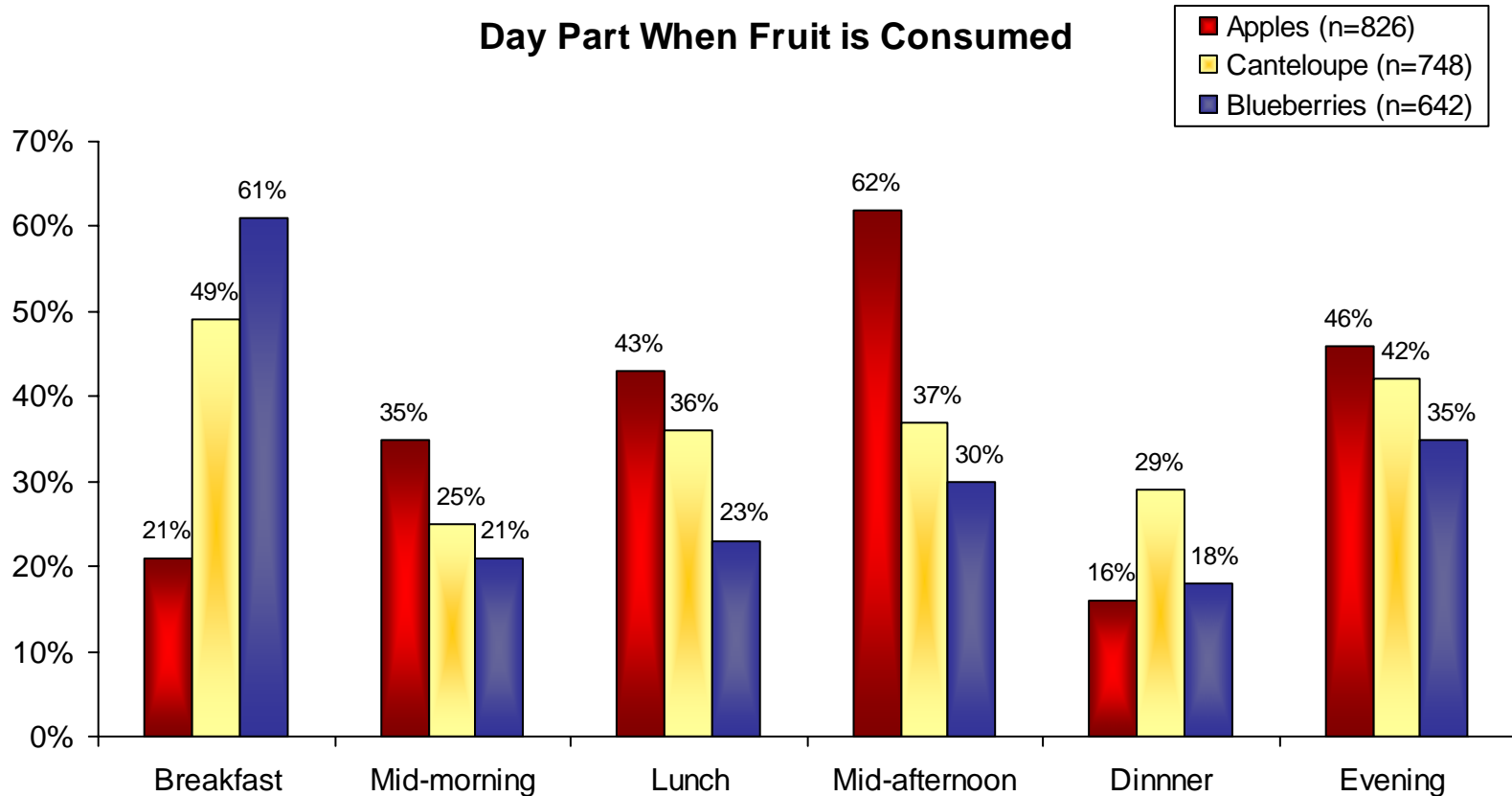
How PPN Used	% Eatings (2004)							
	Fresh Fruit		Peaches		Plums		Nectarines	
	'96	'04	'96	'04	'96	'04	'96	'04
Base Dish (As Is)	84%	85%	73%	81%	84%	100%	90%	98%
Additive	9%	10%	10%	8%	2%	–	2%	1%
Ingredient	7%	6%	17%	10%	14%	–	8%	2%

- **Peaches, plums and nectarines most frequently satisfy respondents during the mid-afternoon hours. Evening is also a popular day part as the fruit may satisfy a dessert craving.**

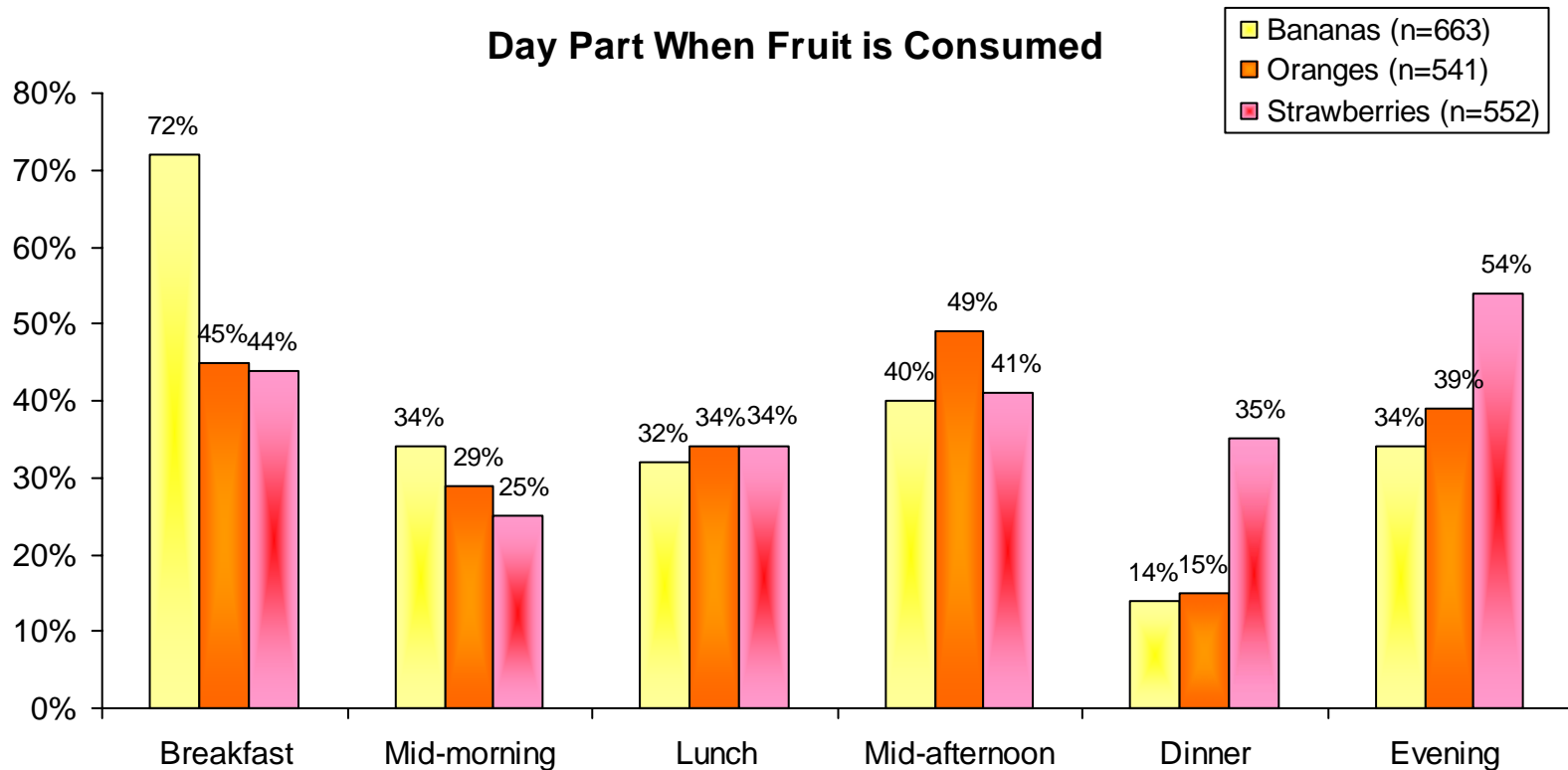


- **Blueberries are a frequent fruit consumed at breakfast, followed by cantaloupe. Apples are more likely to be enjoyed as an afternoon snack and are also the fruit most likely to accompany lunch.**

Day Part When Fruit is Consumed



- Overall, bananas are the fruit most likely to be consumed at breakfast. Oranges and strawberries follow a similar distribution throughout the day. Orange consumption peaks in the afternoon, while the consumption of strawberries is highest during the evening hours.

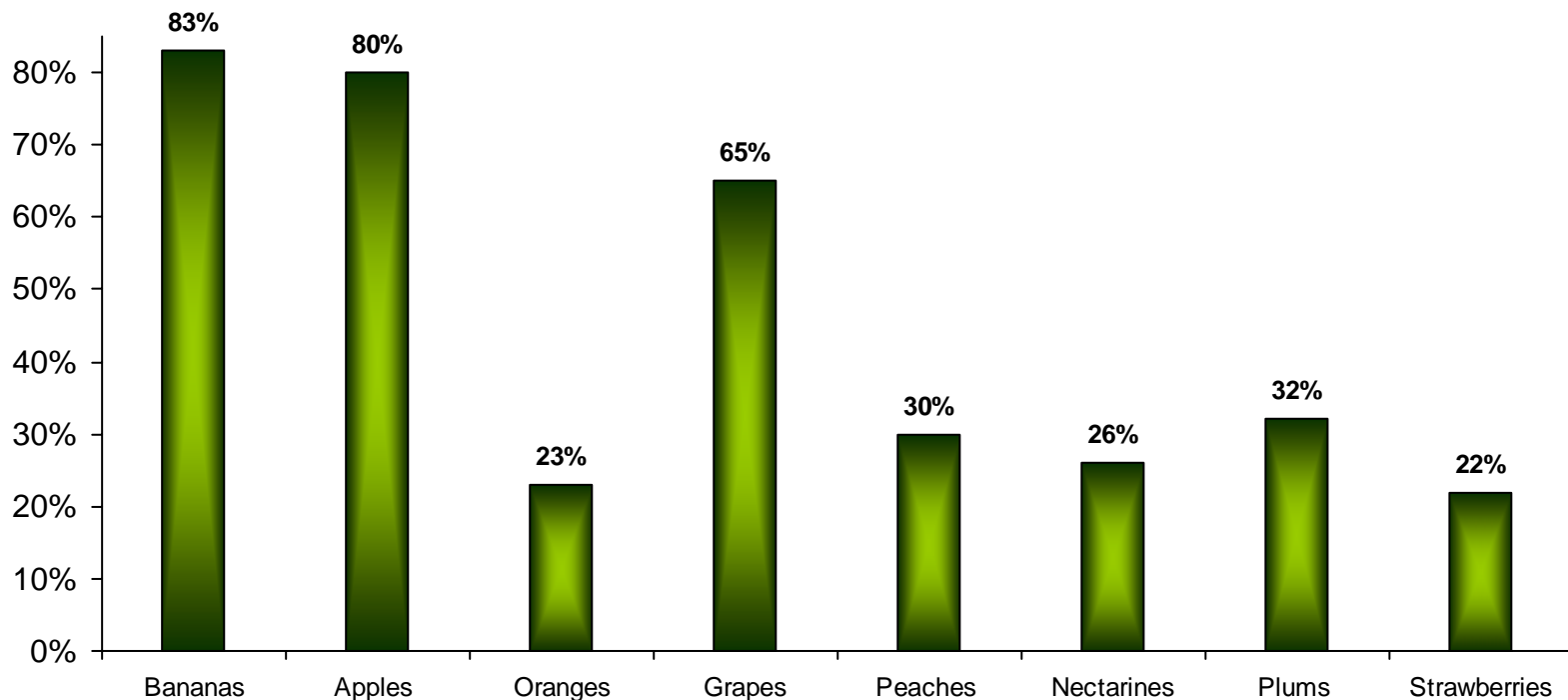


- **Taking fruit to work to eat as a mid-morning or mid-afternoon snack was a rewarding ritual for our respondents**
 - *“I take pride in the fact that coworkers will notice how colorful and delicious my peach looks when I have one at work!”*
- **Moms pack this fruit into lunches—and feel good about it**



- **Bananas and apples are, hands down, seen as the best on-the-go fruits among those tested; with grapes being the only other fruit that comes close**

Best Fruits for Eating On the Go*
(Select all that apply) (n=711)



* Question only asked during Wave II

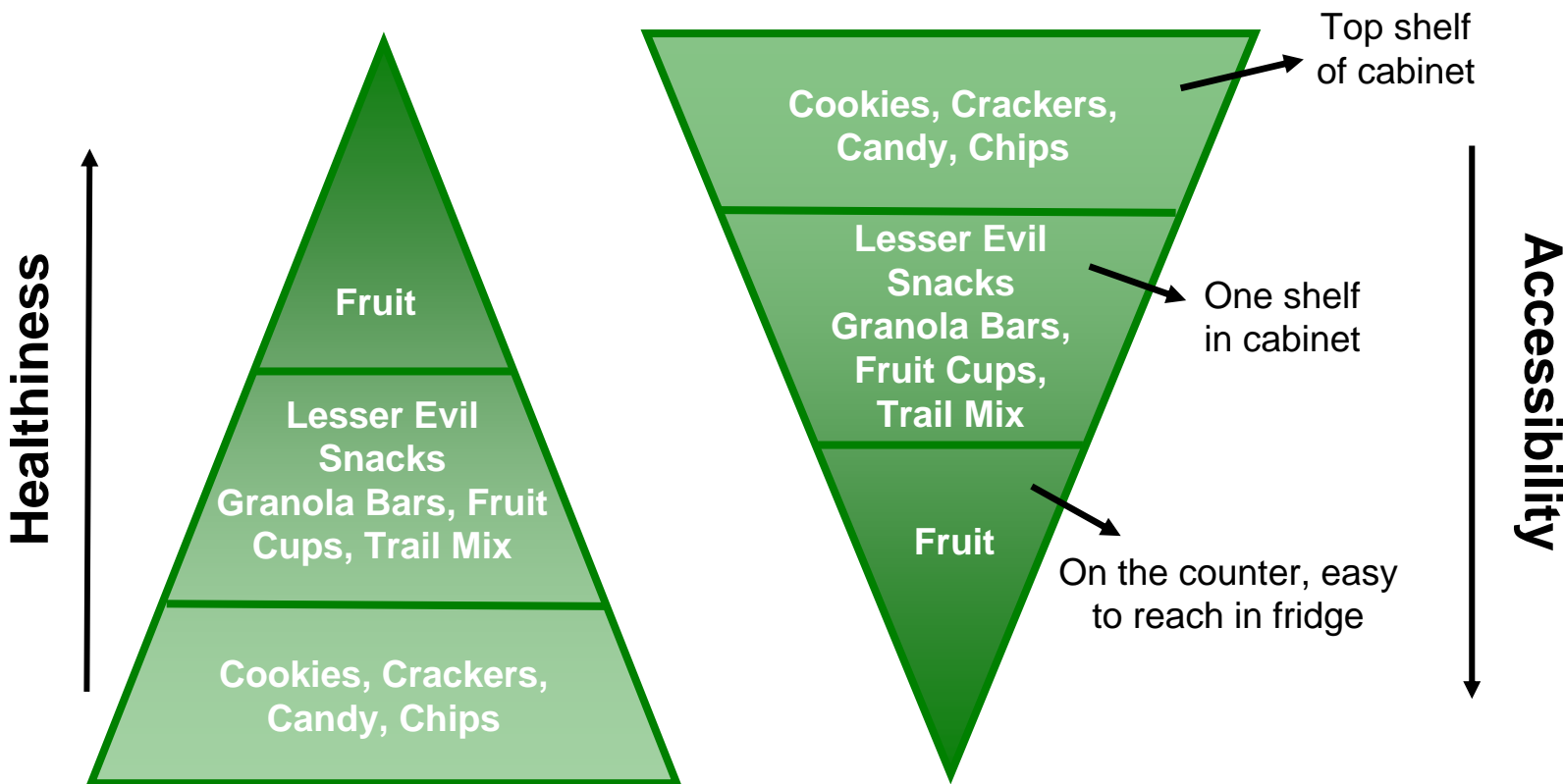
A close-up photograph of three ripe peaches in a white ceramic bowl. The peaches are a mix of red and yellow-orange, with some green leaves tucked behind them. The text "Storage Practices" is overlaid in the center in a white, sans-serif font.

Storage Practices

- **People use a variety of storage techniques in their homes:**
 - Supermarket – Counter – Consume
 - Supermarket – Counter – Refrigerator – Consume
 - Supermarket – Refrigerator – Consume
- **Our respondents don't really know why they do one or the other—they have no idea the refrigerator can be harmful to the ripening process**
- **Most of our respondents had heard of ripening their fruit in a paper bag, a few actually used this process**
- **People think that if you put fruit in the refrigerator it will stay fresh longer**



- In respondents' homes, fruit was always accessible to children via fruit bowls; however, other less-healthy snacks were placed high up in cabinets out of the reach of children
- Moms don't feel bad when their children eat PPN, *"My son can even eat two if he wants!"*

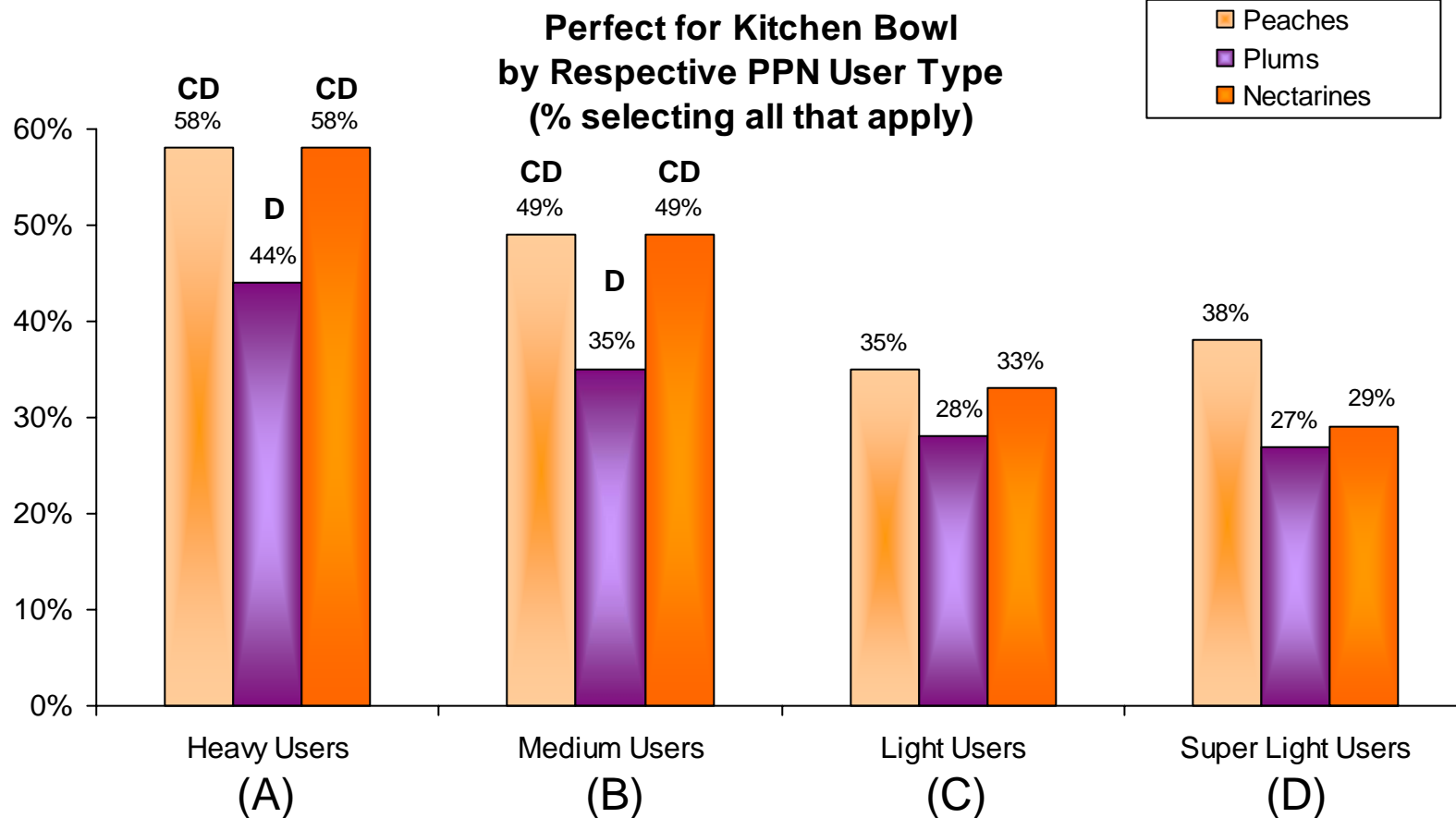


	OK For Kids To Eat	Best Consumed At Room Temperature	Not Too Delicate For Fruit Bowl
PPN			<div style="border: 1px solid black; border-radius: 50%; padding: 10px; display: inline-block;"> Fruits in the bowl </div>
Oranges			
Apples			
Bananas			
Strawberries			
Grapes			
Blueberries			
Melons			
Cantaloupe			

Every respondent had a fruit bowl in their house. As you can see, PPN are part of a unique group of fruits that belong in the bowl.



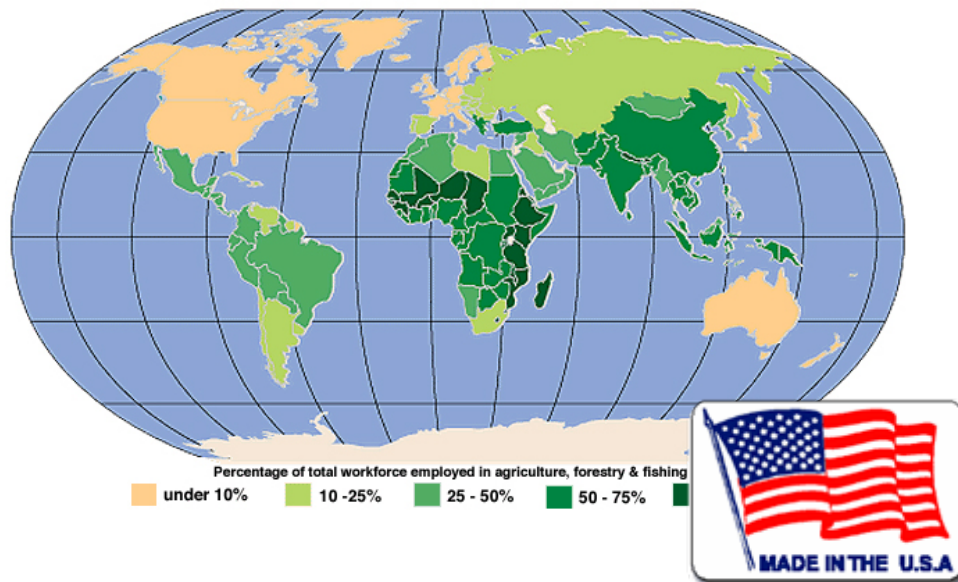
- **Heavy and medium users of PPN see the respective fruits they use as significantly more suited for the kitchen counter bowl than lighter users**
 - This may be due to more experience ripening PPN





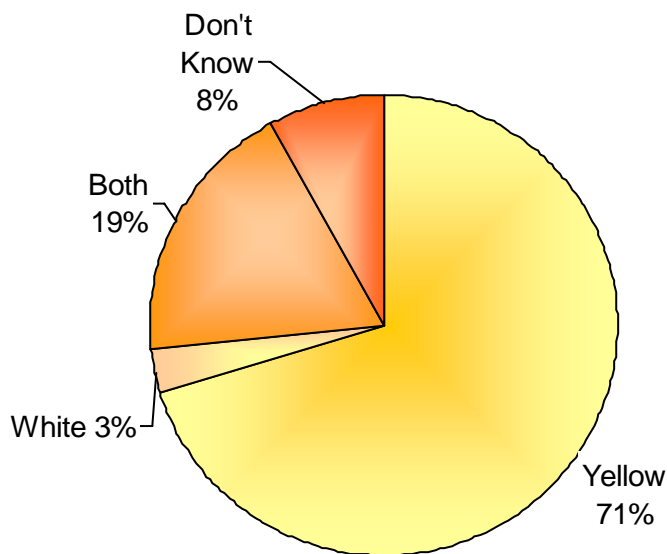
Origin of PPN

- Respondents do not pay much attention to the origin of the fruit while they are shopping in the stores
 - Often contrary to what they told us in their homes
- Most respondents like the idea of buying locally to support local farmers
- No one showed much loyalty to buying American versus South American
- There is very little awareness about where fruit originates in the U.S.

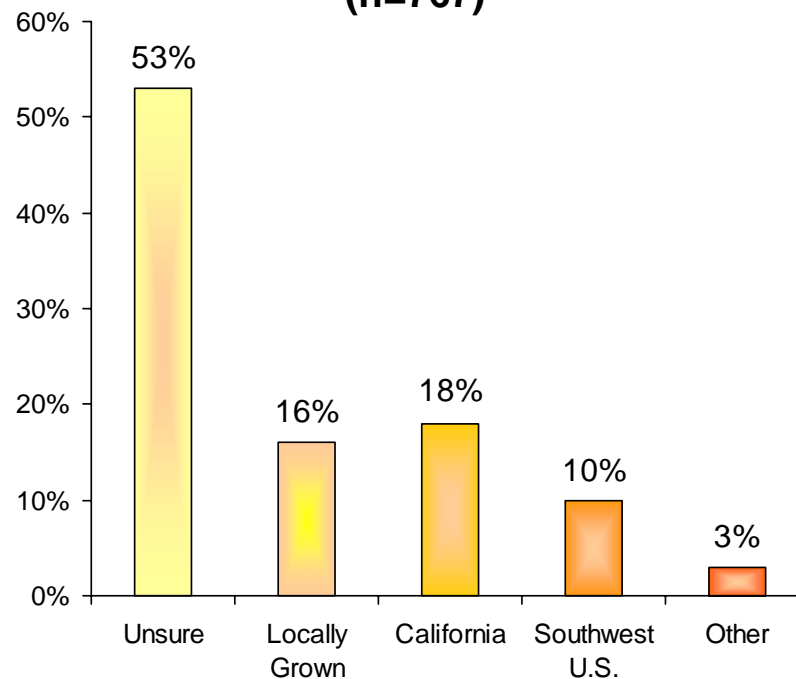


- Most consumers assume they are consistently eating yellow peaches. Growing location is not clear to consumers.

Type of Peach Typically Purchased (n=767)

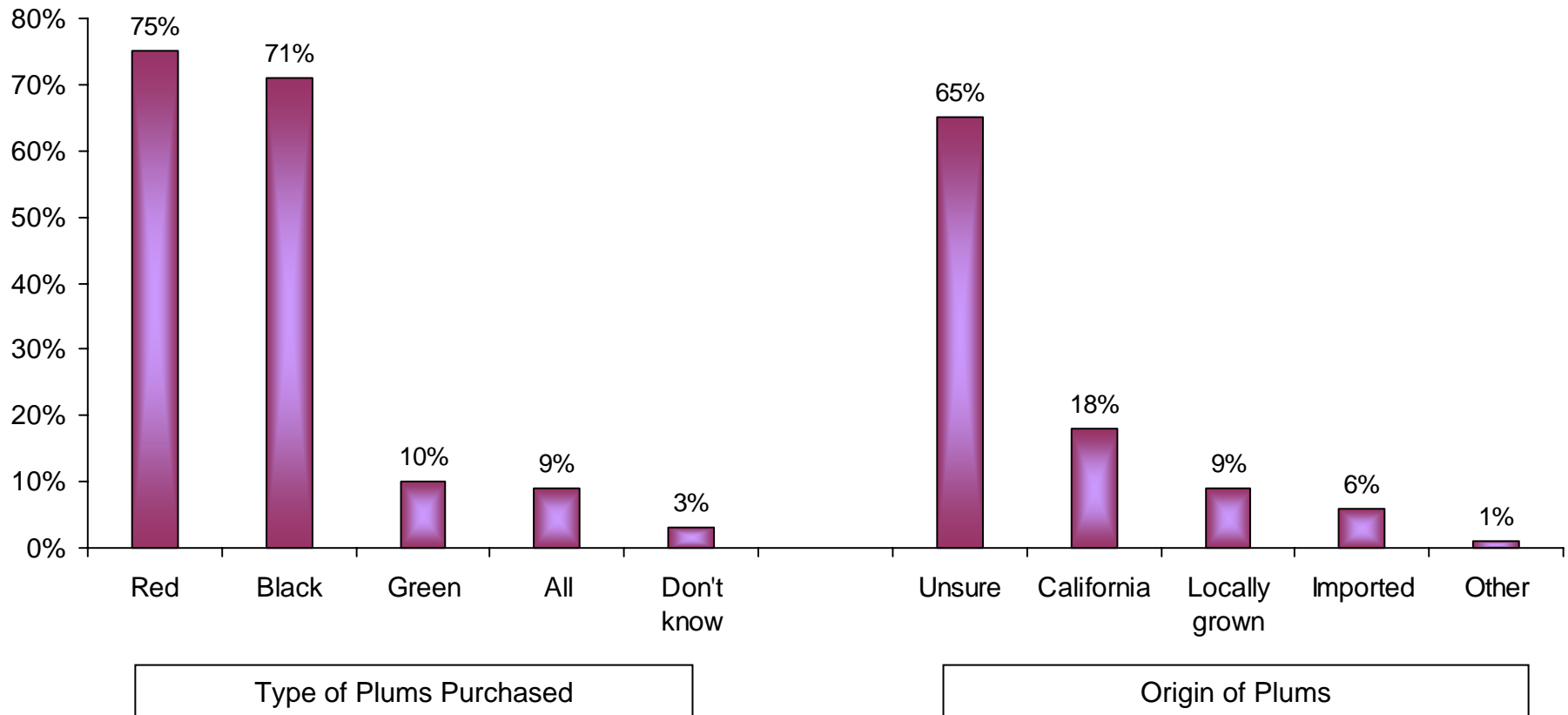


Origin of Peaches (n=767)



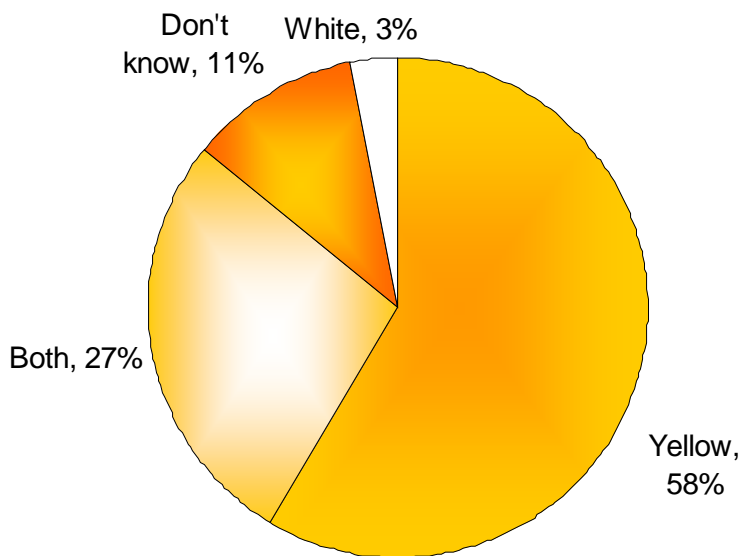
- Red and black plums are more typically purchased. About two-thirds of respondents had no idea where their plums come from.

Type of Plum Typically Purchased and Origin (n=946)

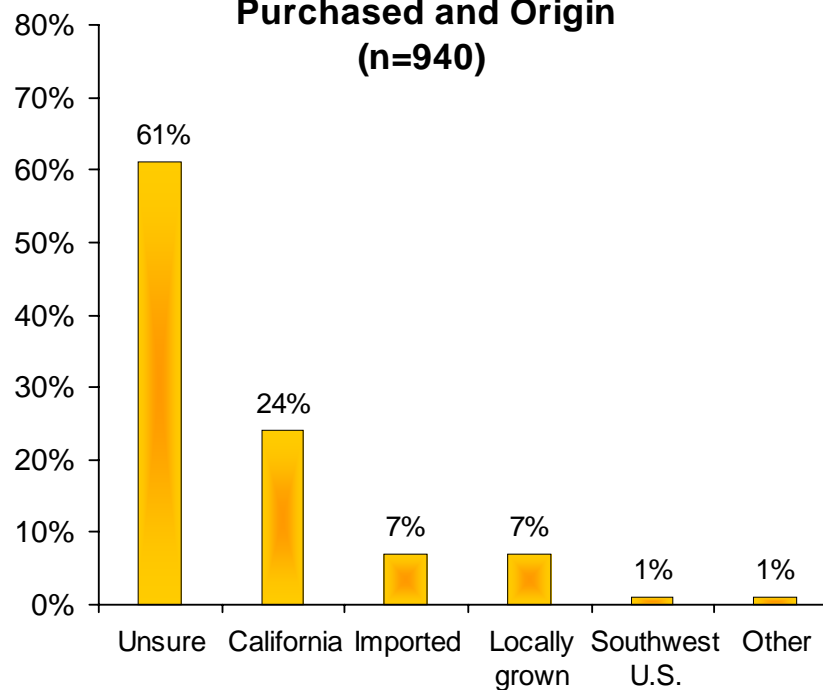


- The majority of respondents purchased yellow nectarines, but only a quarter of them realized their nectarines came from California. Most were unsure of the origin.**

Type of Nectarines Typically Purchased and Origin (n=668)



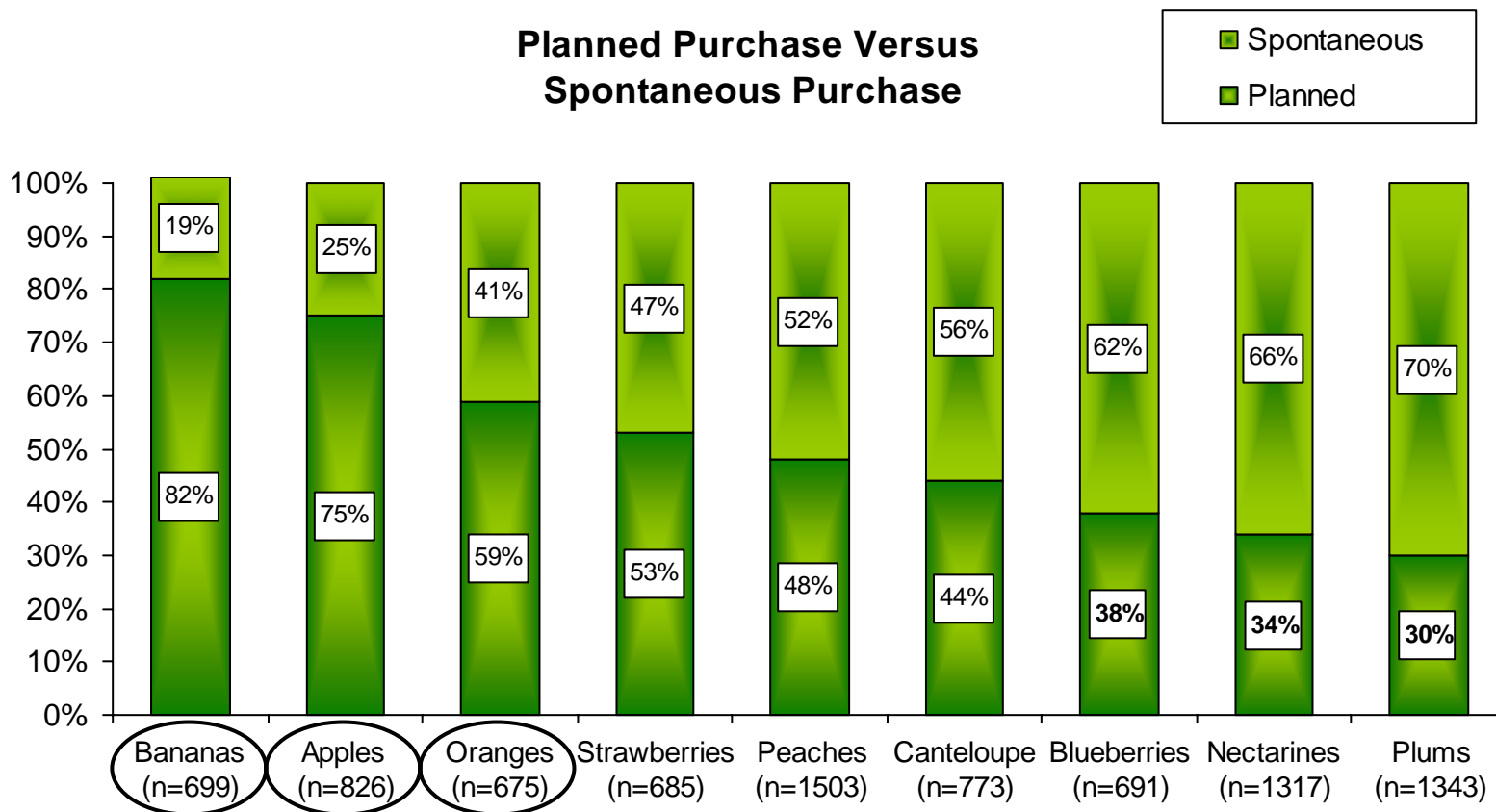
Type of Nectarines Typically Purchased and Origin (n=940)



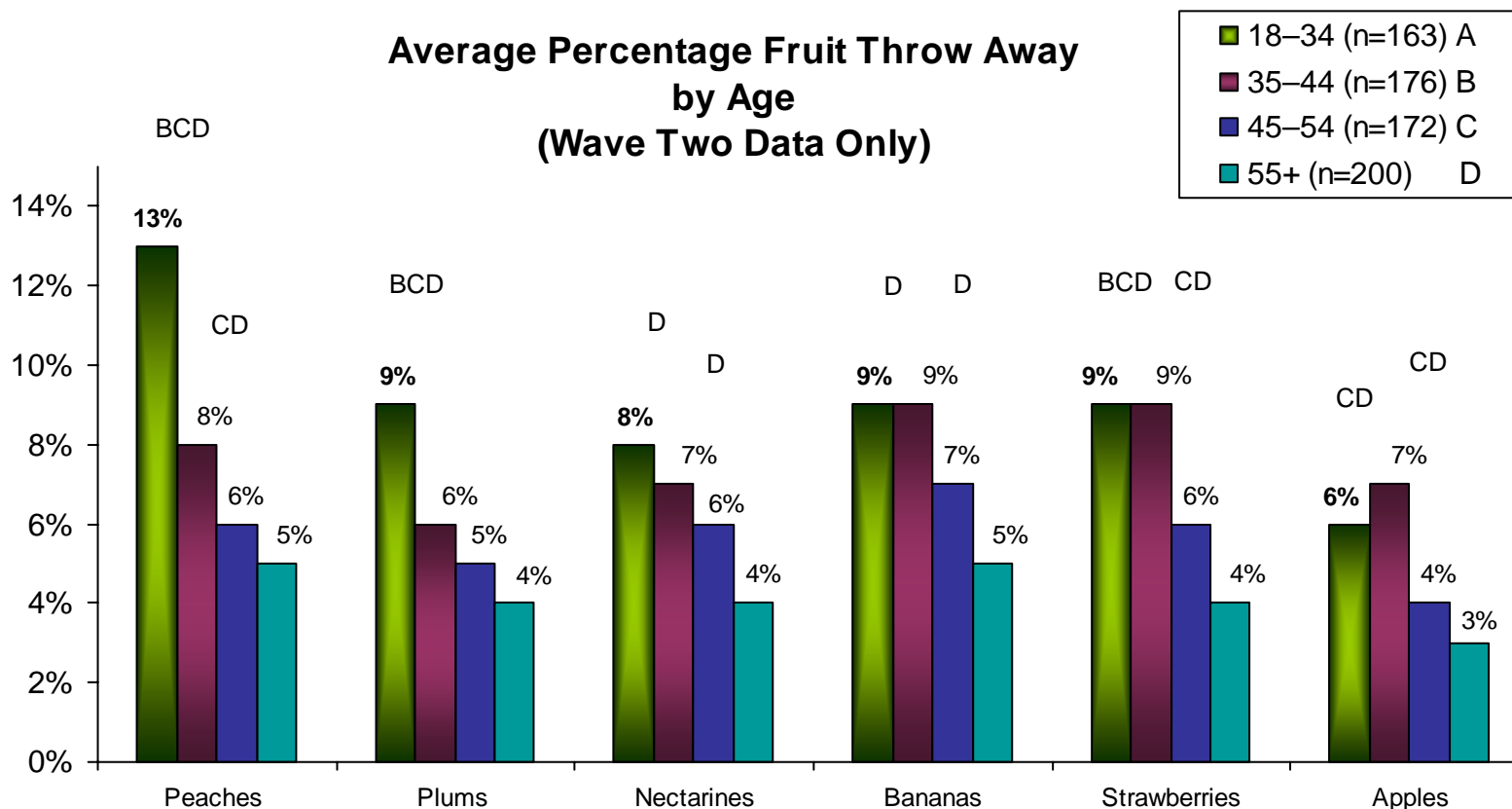
A close-up photograph of several ripe peaches in a dark brown bowl. The peaches have a mix of red and yellow-orange skin. One peach in the foreground is sliced open, revealing a large, dark brown, textured pit. The background is softly blurred, showing more peaches and a warm, yellowish light.

Other Customer Behavior

- Bananas and apples appear to hold a secure position on a respondent’s grocery list; with three-fourths or more indicating that the two fruits are a planned purchase. Peaches are planned half of the time, while plums and nectarines were most likely to be a spontaneous buy.**



- **Younger fruit users tend to throw a higher percentage away, especially as pertains to peaches**
 - May be due to a learning curve with use over time



A photograph of a ceramic bowl filled with dark purple plums. The bowl has a white base with a pinkish-red band around the middle. The plums are dark purple with a slight sheen and some have small green stems. The background is a soft, out-of-focus light pink. The text "Consumer Insights: Conclusions and Recommendations" is overlaid in white, bold, sans-serif font in the center of the image.

Consumer Insights:
Conclusions and
Recommendations

Consumer Goal #1: Go Younger

- The NET analysis presented earlier and this quant study show that PPN usage is skewing to older consumers
- Kids are less likely to eat nectarines and plums

Recommendations:

- Find a relevant, exciting message about PPN that helps to change the perceptions of younger audiences
- Defining a target audience with growth potential can help tighten the impact of communications going forward
 - This could be a slightly more sophisticated consumer, a healthy snacker, or a health-motivated mom
- Three exciting starting points for a positioning exploration revolve around “the snack that quenches,” the “permissible treat” and the “rewarding ritual”

Consumer Goal #2: Go Healthy

- PPN starts from a position of strength in this regard—consumers know the fruit is healthy, they just don't know why
- Retailers appreciate the fruits (bananas, berries) that tell a health/nutrition story. Health matches the aura they want to create for the produce section

Recommendations:

- Uncover the specific nutrients and/or health benefits that create a story about PPN
 - Plums are noted in the literature about antioxidants. This needs to be tied to a health benefit
 - Peaches and nectarines get fewer mentions in the press regarding specific nutrients

Consumer Goal #3: Increase Frequency of Usage

- Most consumers eat PPN, they just don't eat it very often. Only 32% of consumers noted eating peaches on at least a weekly basis during the summer; comparable percentages for nectarines and plums are 24% and 23%.
- It is easier to increase frequency than trying to convert a non-user to your fruit

Recommendations:

- Provide a reason or way to eat PPN, then provide another, then provide another
 - Healthy snacking is an intriguing starting point. Owning a bigger slice of the snacking market represents major potential.
 - Could PPN “own the bowl”—becoming a more accessible summertime treat?
- Find a way to eliminate concerns about messiness
- Drive plums and nectarines onto the shopping list (peaches are currently on the shopping list to a greater extent). Too often they are a spontaneous buy.

A close-up photograph of a yellow bowl filled with fresh fruit. The bowl contains several peaches with red and yellow skin, several dark purple plums, and a few dark red cherries. A single green leaf is placed on top of one of the peaches. The text "Fruit Characteristics Insights" is overlaid in the center of the image.

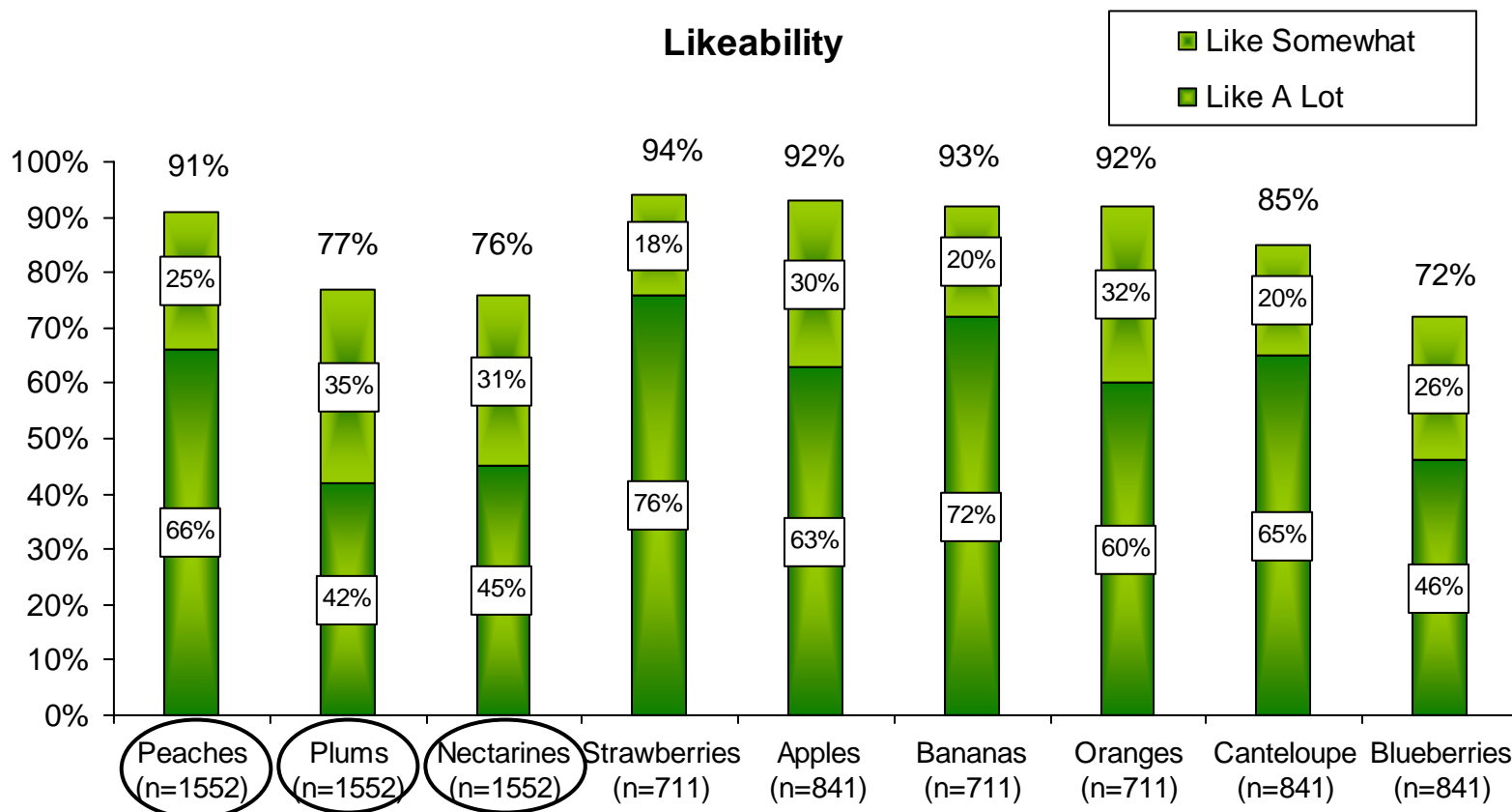
Fruit Characteristics Insights

- **Likeability and Taste**
 - Versus other fruits
 - Intent to repurchase
 - Early versus late season
- **Factor Importance**
 - Fruit overall
 - For peaches, then plums, then nectarines
 - PPN performance versus fruit overall
 - Dissatisfiers overall
 - Dissatisfiers for the dissatisfied
- **Characteristics in the Store**
 - For peaches and nectarines, then plums
 - Firmness, color, price, skin texture, aroma, size
- **Characteristics when Eaten**
 - Taste intensity, taste profile, ideal firmness, ideal juiciness

A close-up photograph of three ripe peaches in a white ceramic bowl. The peaches are a vibrant red-orange color with some yellowish-orange patches, indicating ripeness. Two green leaves are tucked behind the peaches on the right side. The background is a plain, light-colored surface.

Likeability and Taste

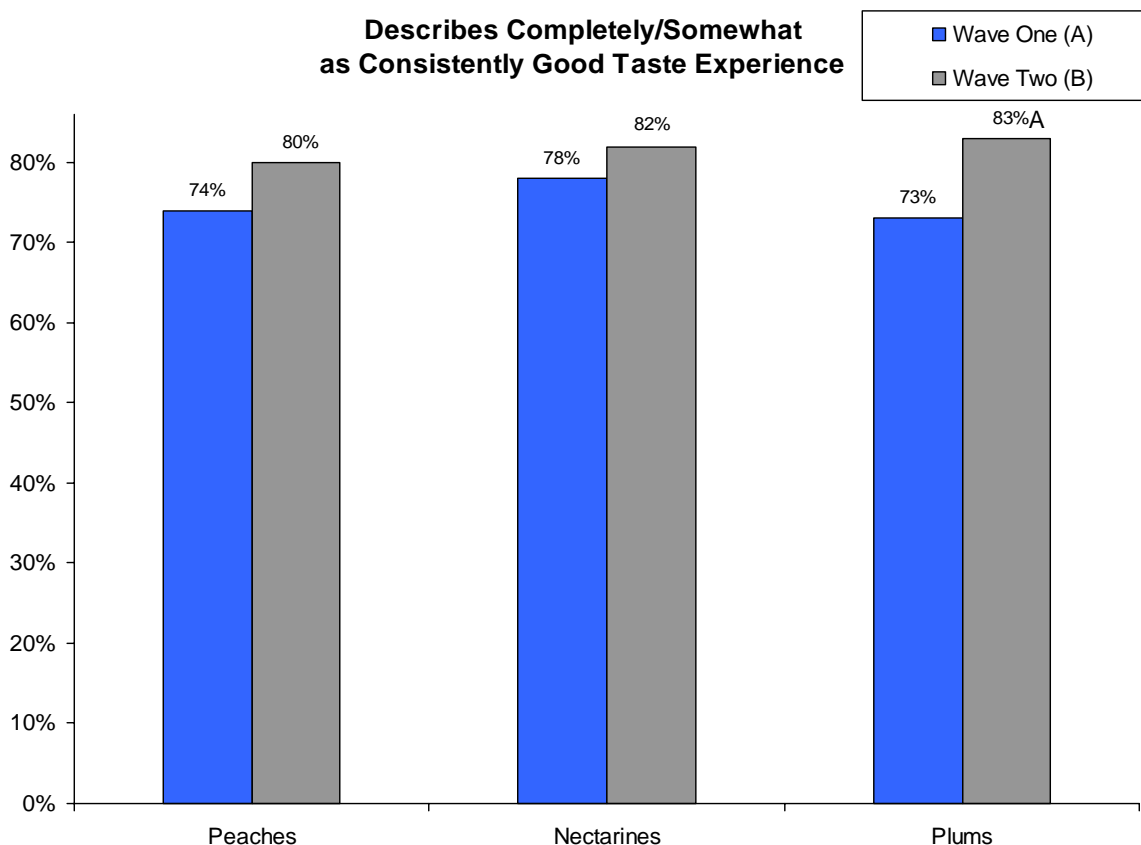
- Peaches captured the third-highest likeability of the nine fruits tested; with 66% of respondents indicating that they like peaches a lot. Nectarines were liked a lot by 45% of respondents; while only 42% said they liked plums a lot.



- A “reuse intent” question asked of consumers in the NET diary panel study indicate that peaches command the greatest reuse intent—an important measure of consumer satisfaction**

	Reuse Intent (2004)					
	Fresh Fruit	PPN	Peaches	Plums	Nectarines	All Other Fruit
Definitely would eat it again	90.9%	88.6%	90.2%	84.1%	87.9%	91.1%
Probably would eat it again	7.8%	10.1%	8.6%	14.8%	10.4%	7.6%
Might or might not eat it again	1.0%	1.1%	1.2%	0.4%	1.6%	1.0%
Probably would not eat it again	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%
Definitely would not eat it again	0.2%	0.2%	0.0%	0.7%	0.0%	0.2%

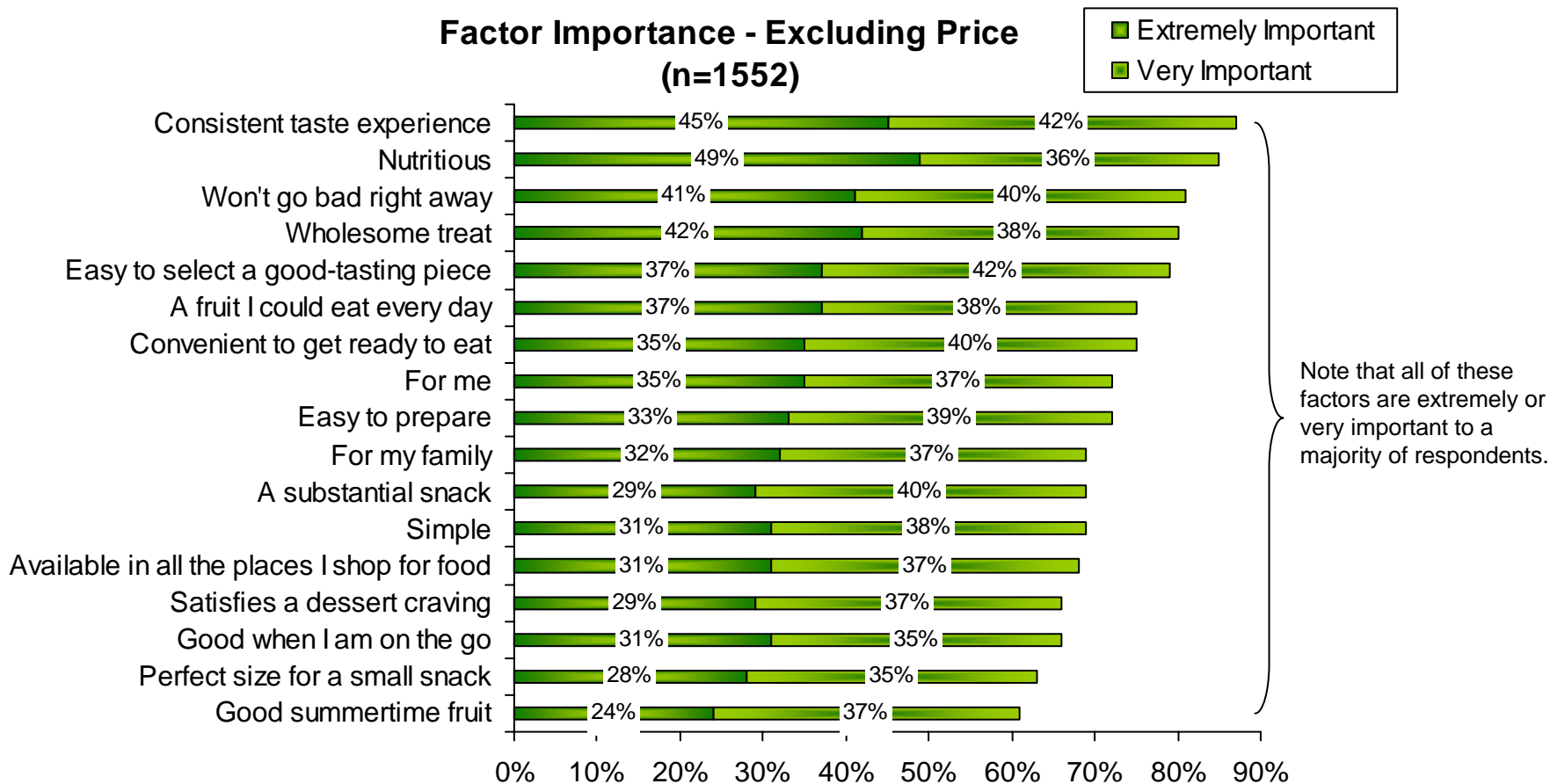
- **On taste perceptions, PPNs appear to have performed better in the later portion of this season**
 - Plums – a statistically significant change from the middle of the season to the end
 - Peaches significant at 90% confidence
 - Nectarine difference directional only



A photograph of several bright green apples in a light blue ceramic bowl. One apple is placed in the foreground, slightly to the left of the center. The bowl sits on a blue and white checkered cloth. The background is a plain, light-colored surface. The text "Factor Importance" is written in a white, sans-serif font across the middle of the image, overlapping the apples and the bowl.

Factor Importance

- The most important factors contributing to purchasing fresh fruit are a consistent taste experience, nutrition and fruit that will not rot right away



- **Younger people rated more attributes as extremely important than did older people**

Extremely Important	Total (n=1552)	(A) Age 18–34 (n=378)	(B) Age 35–44 (n=323)	(C) Age 45–54 (n=371)	(D) Age 55+ (n=480)
Is nutritious	49%	55% CD	55% CD	44%	44%
Provides a consistently good taste experience	45%	49% D	49% D	46%	39%
Is a wholesome treat	42%	45% D	47% D	40%	37%
Won't go bad right away	41%	49% CD	44% D	37%	35%
Is a fruit I could eat every day	37%	44% CD	43% CD	35%	30%
Easy to consistently select a good-tasting piece when shopping	37%	42% D	40% D	38% D	29%
Is for me	35%	40% D	39% D	34%	29%
Is convenient to get ready to eat	35%	43% CD	36% D	33%	29%
Is easy to prepare	33%	42% CD	39% CD	31%	25%
Is for my family	32%	40% CD	38% CD	30%	23%
Is good for when I am on the go	31%	40% CD	33% D	32%	23%
Is simple	31%	39% CD	35% D	30%	24%
Is available in all the places I shop for food	31%	34% D	34%	34%	24%
Satisfies a dessert craving	29%	34% D	32% D	29%	25%
Is a substantial snack	29%	33% D	31% D	30% D	22%

- **Females were far more likely to rate fruit attributes as extremely important**

Extremely Important	Total (n=1552)	(A) Female (n=905)	(B) Male (n=647)
Is nutritious	49%	57% B	39%
Provides a consistently good taste experience	45%	50% B	37%
Is a wholesome treat	42%	48% B	34%
Won't go bad right away	41%	46% B	34%
Is a fruit I could eat every day	37%	43% B	30%
Easy to consistently select a good-tasting piece when shopping	37%	43% B	28%
Is for me	35%	40% B	28%
Is convenient to get ready to eat	35%	41% B	27%
Is easy to prepare	33%	40% B	24%
Is for my family	32%	38% B	23%
Is good for when I am on the go	31%	37% B	24%
Is simple	31%	38% B	23%
Is available in all the places I shop for food	31%	36% B	24%
Satisfies a dessert craving	29%	34% B	23%
Is a substantial snack	29%	35% B	20%

- **People with kids were significantly more likely to rate fruit attributes as extremely important**
 - Biggest differences related to desire for wholesome nutrition and on-the-go convenience for family

Extremely Important	Total (n=1552)	(A) Have Kids (n=571)	(B) No Kids (n=981)
Is nutritious	49%	59% B	43%
Provides a consistently good taste experience	45%	49% B	42%
Is a wholesome treat	42%	49%B	38%
Won't go bad right away	41%	47% B	37%
Is a fruit I could eat every day	37%	43% B	34%
Easy to consistently select a good-tasting piece when shopping	37%	42% B	33%
Is for me	35%	36%	34%
Is convenient to get ready to eat	35%	39% B	32%
Is easy to prepare	33%	40% B	30%
Is for my family	32%	48% B	32%
Is good for when I am on the go	31%	39% B	27%
Is simple	31%	38% B	23%
Is available in all the places I shop for food	31%	36% B	28%
Satisfies a dessert craving	29%	35% B	26%
Is a substantial snack	29%	35% B	25%

- **The same questions were asked regarding PPN**
 - How well does each of the following attributes describe peaches
 - How well does each of the following attributes describe plums
 - How well does each of the following attributes describe nectarines
- **Results are plotted on x and y axis**
 - Y axis – How well describes PP or N
 - X axis – How important in selecting fruit

▪ Interpretation is as follows ...

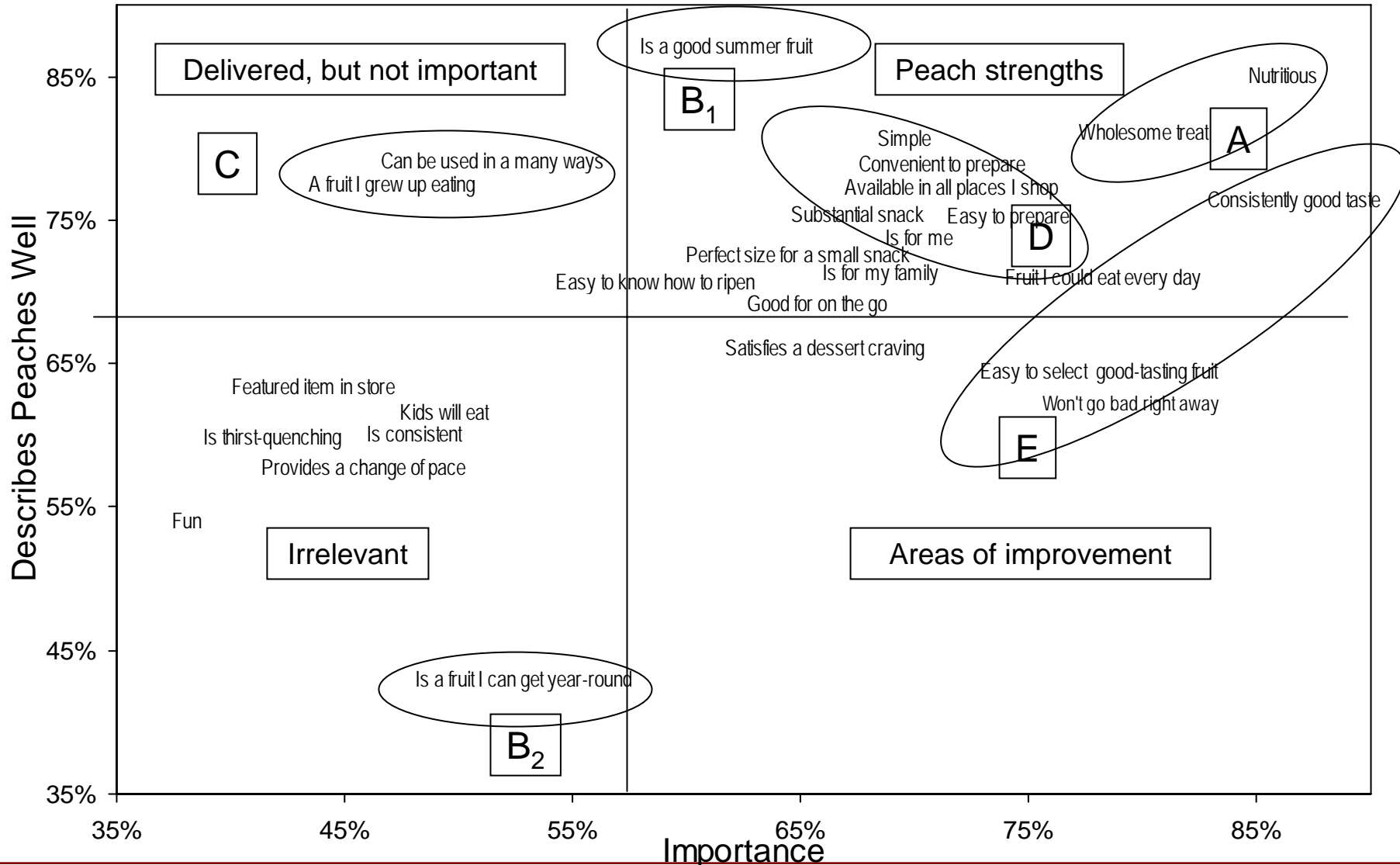
<p>Describes P, P or N but is not important</p> <p>– <i>Ignore or reeducate the consumer</i></p>	<p>Is important and describes P, P or N</p> <p>– <i>Maintain status</i></p>
<p>Is unimportant and does not describe P, P or N</p> <p>– <i>Ignore</i></p>	<p>Is important but does not describe P, P or N</p> <p>– <i>Areas for improvement</i></p>

Describes Peaches or Plums or Nectarines

Higher Importance

A close-up photograph of several ripe peaches in a dark brown bowl. One peach in the foreground is sliced open, revealing its yellow-orange flesh and a dark brown, textured pit. The other peaches are whole, showing a mix of red and yellow-orange hues. The lighting is warm and soft, highlighting the texture of the fruit.

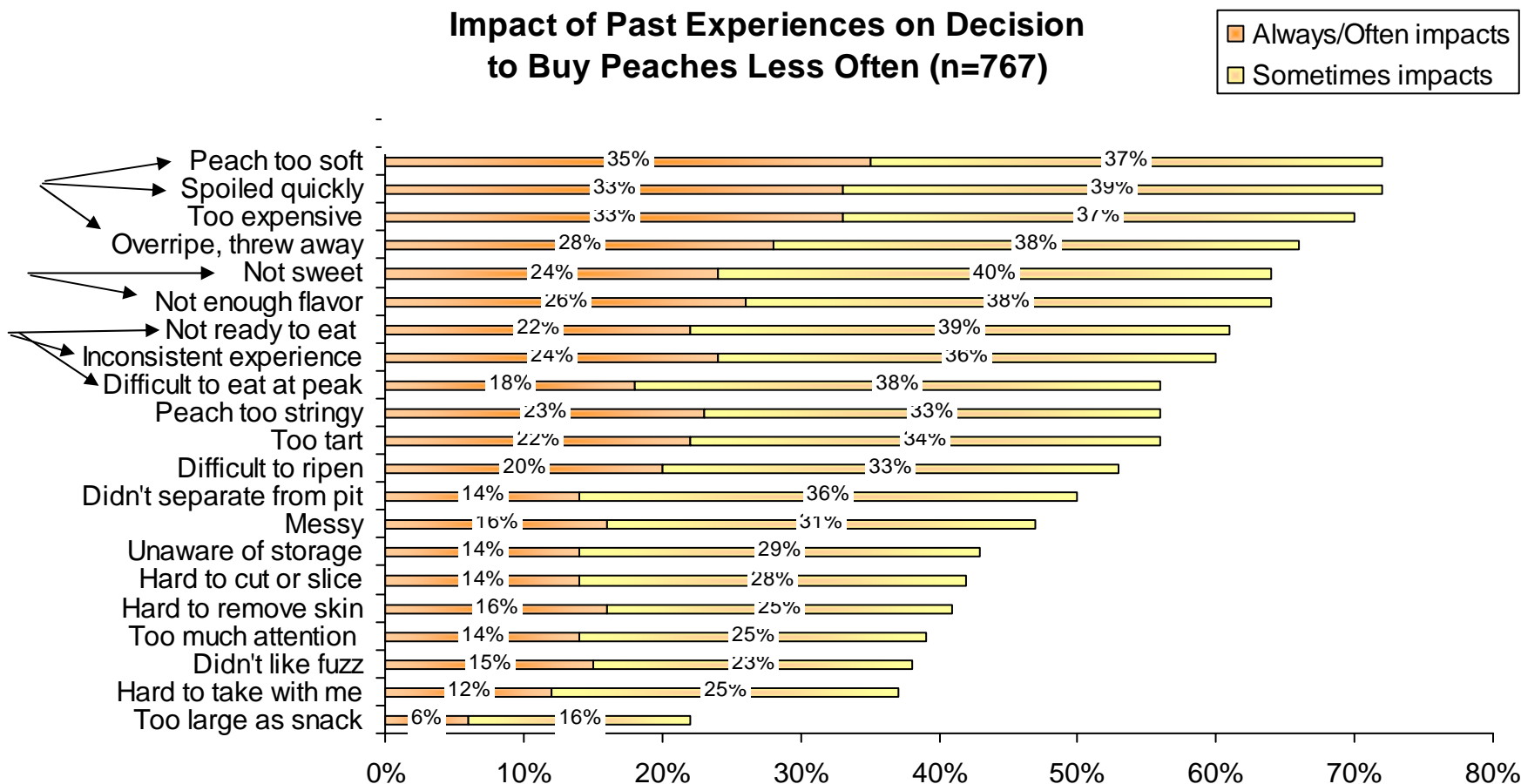
Factor Importance -
Peaches



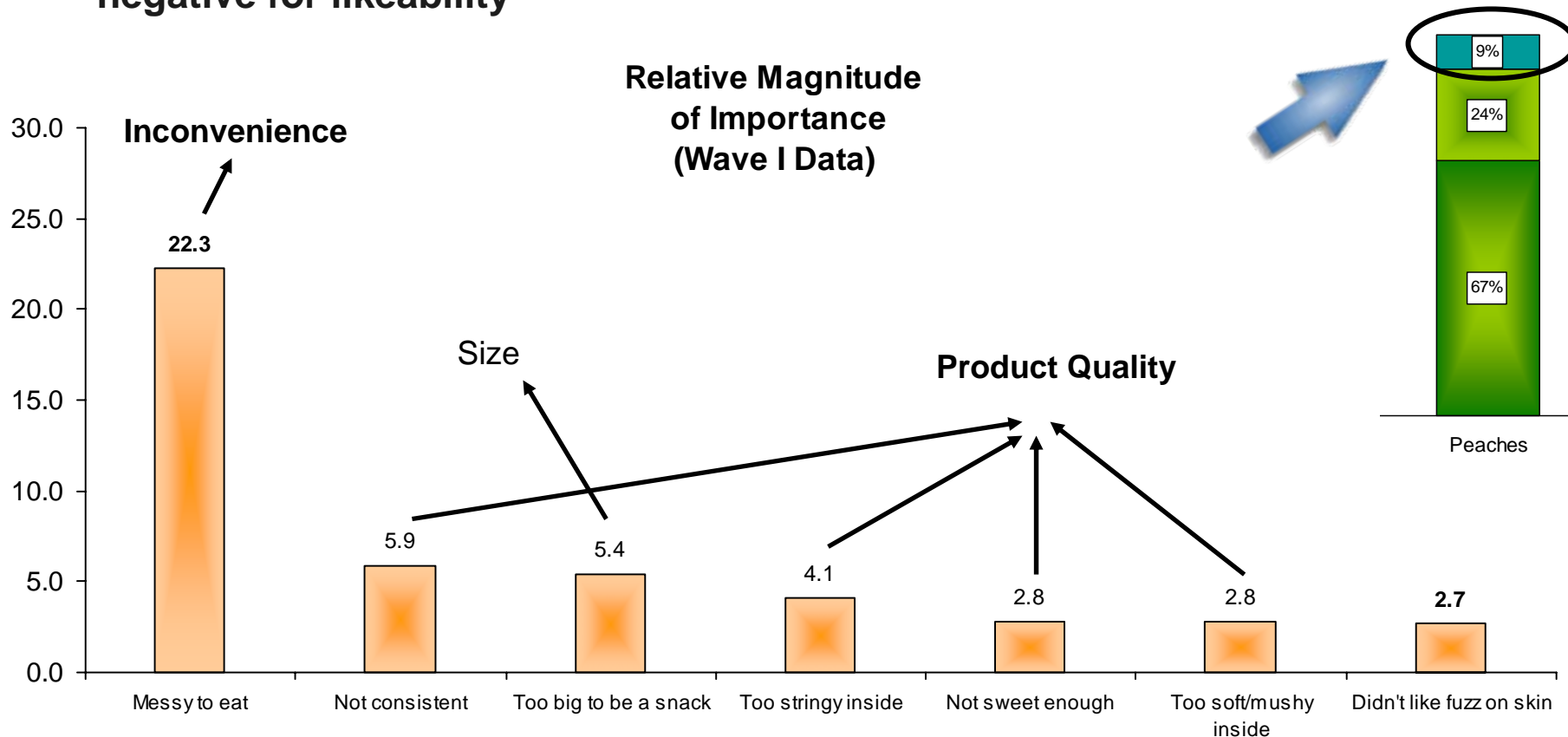
- A.** “Nutrition” and “wholesome treat” are very important attributes of fruit, and peaches are performing well.
- B.** “Is a good summertime fruit” clearly outweighs “year-round availability”—for both fruit overall and particularly as a descriptor of peaches.
- C.** Peaches are seen as versatile and as a fruit from childhood, but these don’t need to be emphasized because they are less important in choosing fruit.
- D.** Peaches score well on a whole range of important fruit drivers: convenience, simplicity, substantial snack, everyday fruit and personal affinity—“is for me.”
- E.** Areas where peaches underperform on the importance placed on fruit characteristics are consistency, ease in selection, shelf life and consistently good taste.

- Peaches that are overripe/go soft too quickly were three of the four most significant reasons stated as reasons that purchasing would be cut back. The second most significant cluster of reasons given relate to taste. The third cluster of reasons relate to inconsistency.**

Impact of Past Experiences on Decision to Buy Peaches Less Often (n=767)



- A regression analysis was used to spotlight the fruit characteristics that were of the most significance in predicting likeability scores neutral to negative for likeability

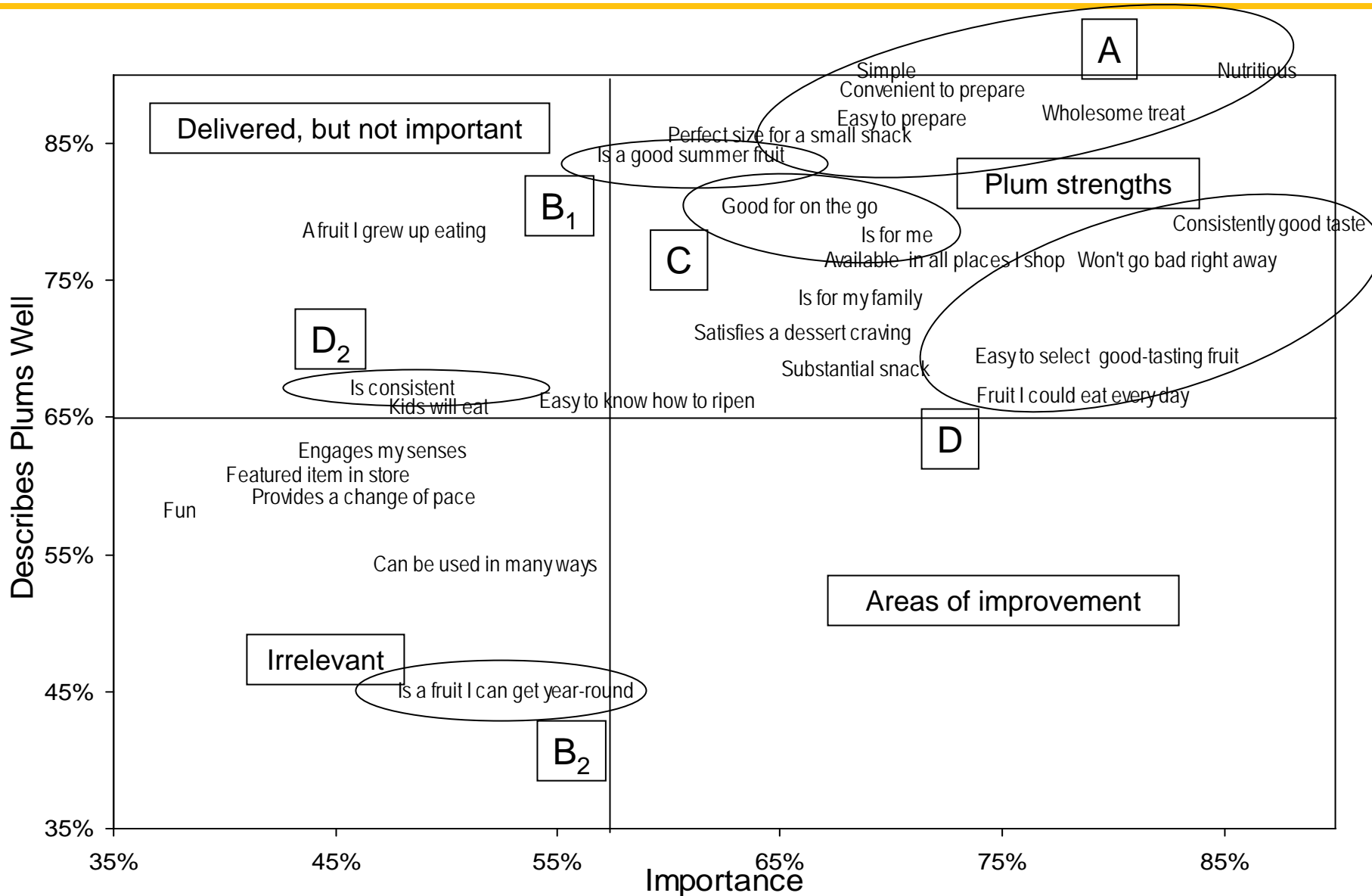


- A. Peach softness and spoilage and unfavorable taste are characteristics that all users note may restrict purchasing of peaches.**
- B. Messiness, large size and fruit characteristics (inconsistency, stringiness, lack of sweetness, softness) are all predictors of neutral or negative likeability among the 9% of peach users who rank their peach experience this way.**

A photograph of a bowl filled with dark purple plums. The bowl is white with a pinkish-red band around the middle. The plums are dark purple with a slight sheen and some have small green stems. The background is a soft, out-of-focus light pink. The text 'Factor Importance - Plums' is overlaid in white, centered on the image.

Factor Importance - Plums

Attribute Ratings—Plums Importance Versus Performance – Consumer Quant

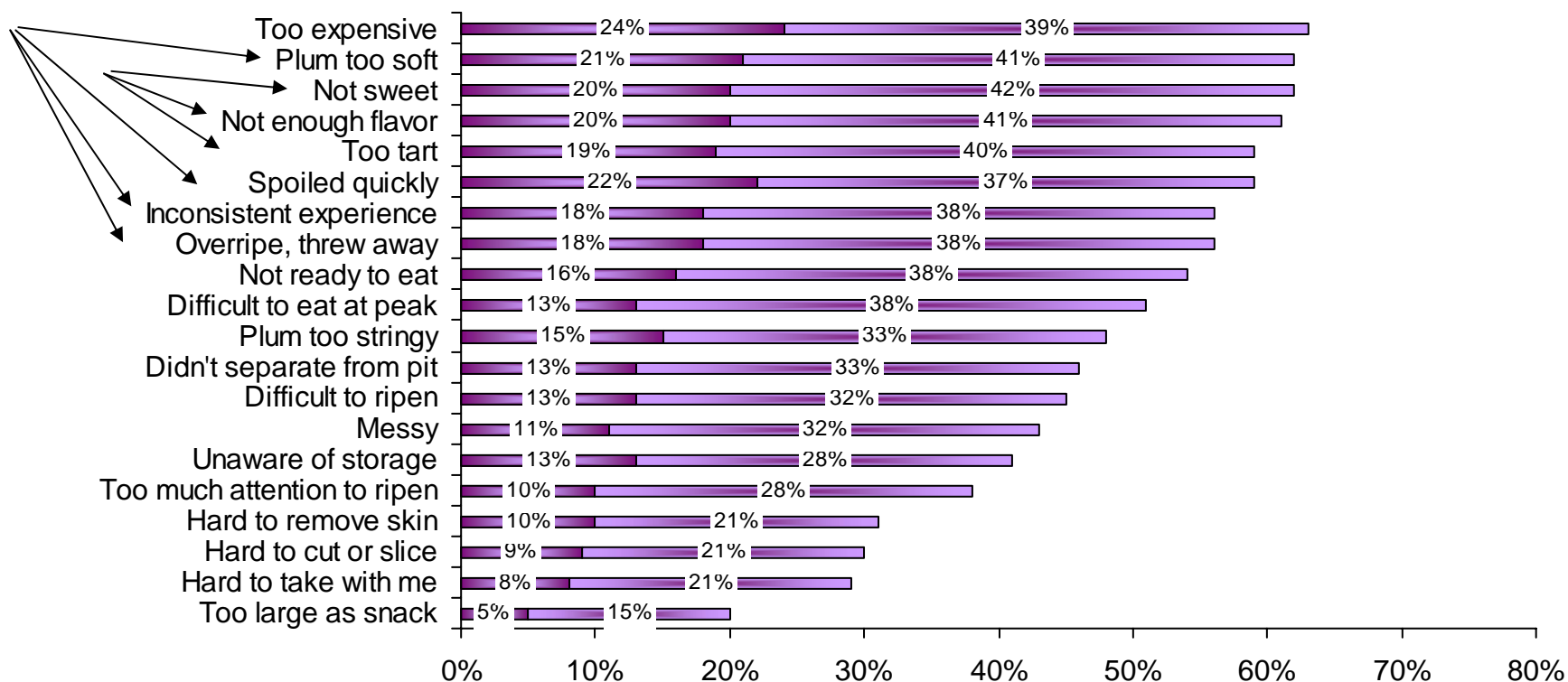
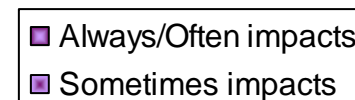


Note: Exotic, sophisticated, old-fashioned fruit and a contemporary fruit were not viewed as important

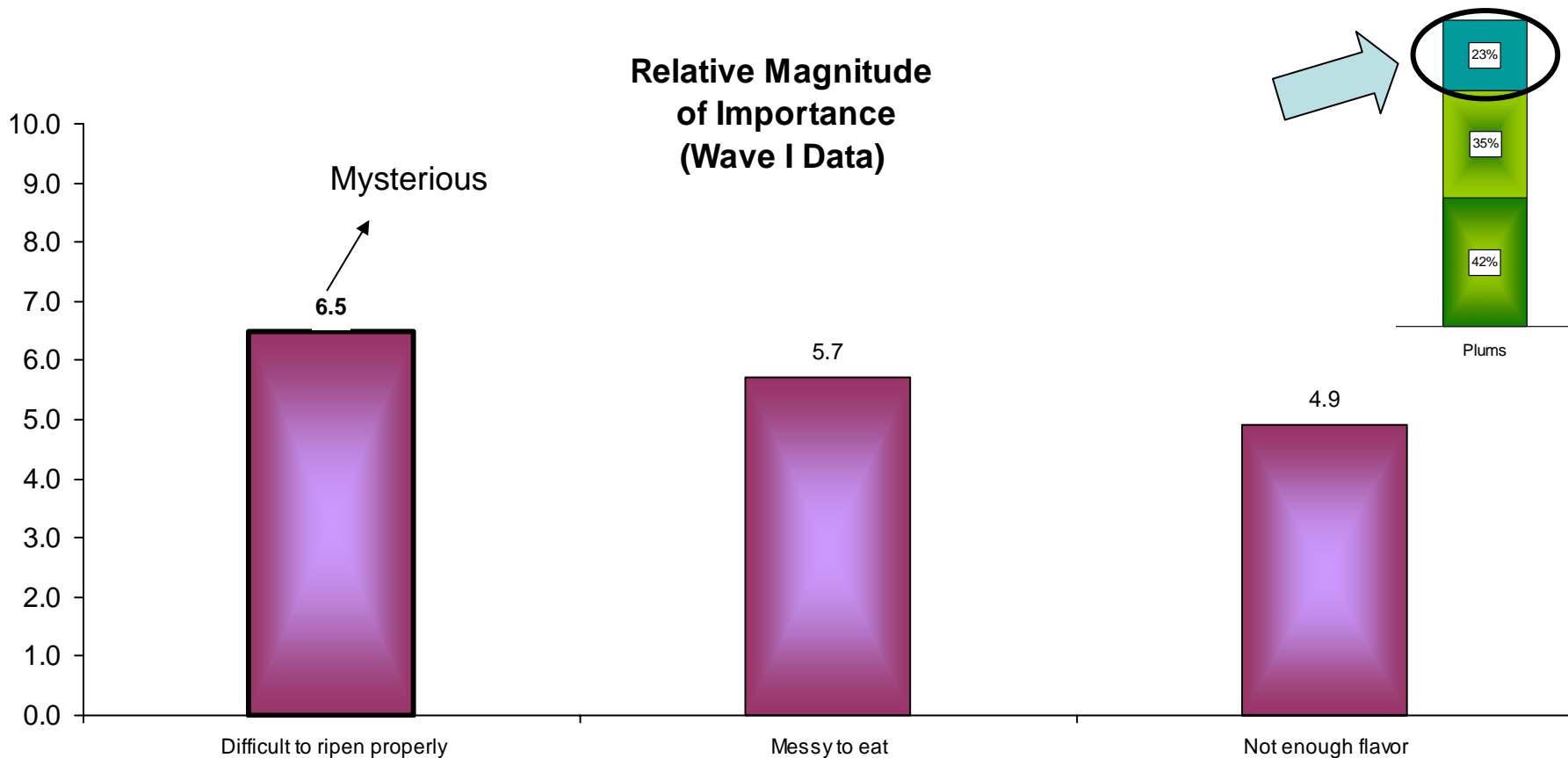
- A. Plums score well on several snack-like attributes that are important considerations in buying fruit—simplicity, preparation convenience, being a wholesome treat and nutritious. Unlike peaches, ability to be used in a variety of ways is not a strong descriptor of plums.**
- B. Similar to peaches, is a good summer fruit is both more important and a better descriptor than a fruit I can get year-round.**
- C. Good on the go and is for me is an important characteristic of fresh fruit on which plums score well.**
- D. Several of the areas for improvement are quite similar to peaches—consistency, consistent good taste and ease in selecting a good-tasting plum.**
 - In addition, plums underperform on being a fruit I could eat every day

- **Taste characteristics are three of the five criteria that are most likely to dampen purchase frequency**

Impact of Past Experiences on Decision to Buy Plums Less Often (n=946)



- Those who like plums less are most likely to describe plums as difficult to ripen, messy to eat and sometimes bland
 - Industry efforts to reduce the ripening mystery could be key to increasing likeability



Note: numbers are F scores – significance in predicting likeability via regression

- Respondents did not feel as confident about choosing a good plum as they did about choosing a good peach or nectarine
- A plum was a bit of a mystery to our respondents—“you never know if it’ll be good or bad”—even if it passes all selection criteria



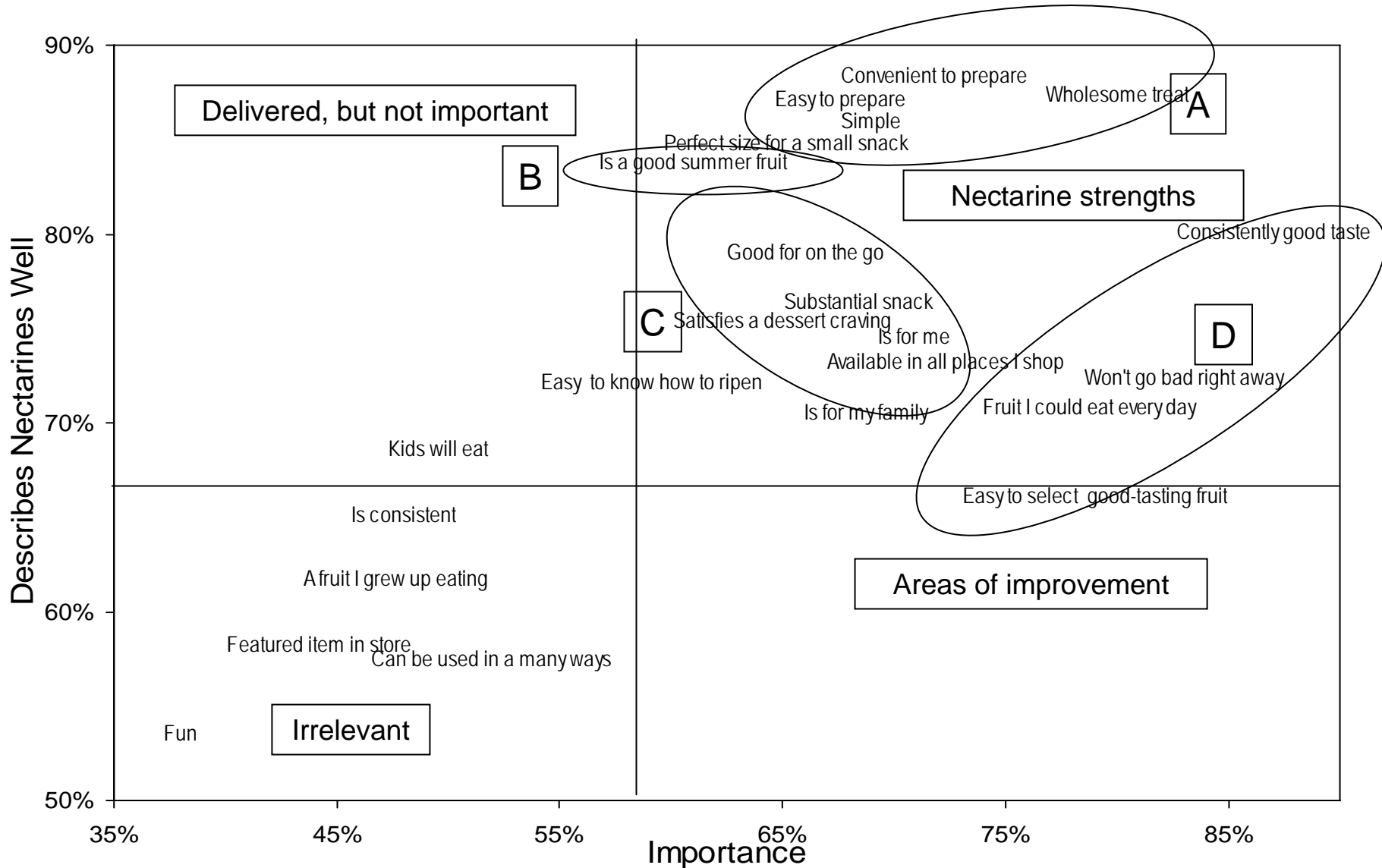
“It’s a gamble with a plum.”



- A. Price, taste characteristics and softness are the lead issues among all plum users when asked what might restrict purchasing more frequently.**
- B. Focusing on the 23% of plum users that assign neutral or negative scores on likeability to plums, messiness and difficulty in ripening correctly are the most significant predictors.**

A close-up photograph of a white bowl filled with a fresh spinach salad. The salad consists of vibrant green spinach leaves, sliced nectarines showing their red and yellow-orange flesh, and thin white slices of cheese. A single, golden-brown, crispy fried wonton strip is draped over the top center of the salad. The bowl is placed on a light-colored, woven placemat, which sits on a purple and blue striped tablecloth. In the background, a glass of yellow liquid is partially visible. The text 'Factor Importance - Nectarines' is overlaid in white, sans-serif font across the middle of the image.

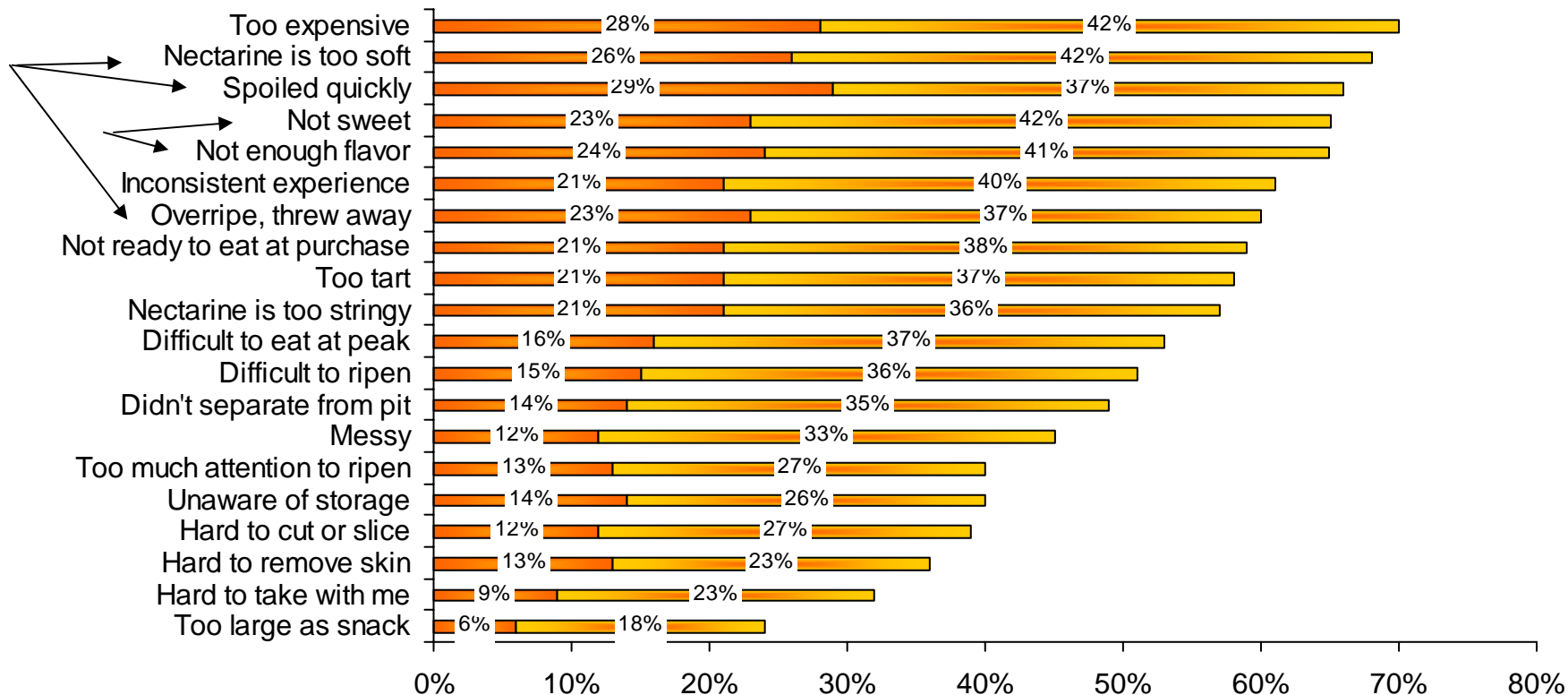
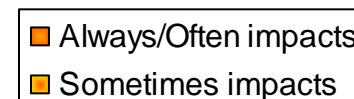
Factor Importance -
Nectarines



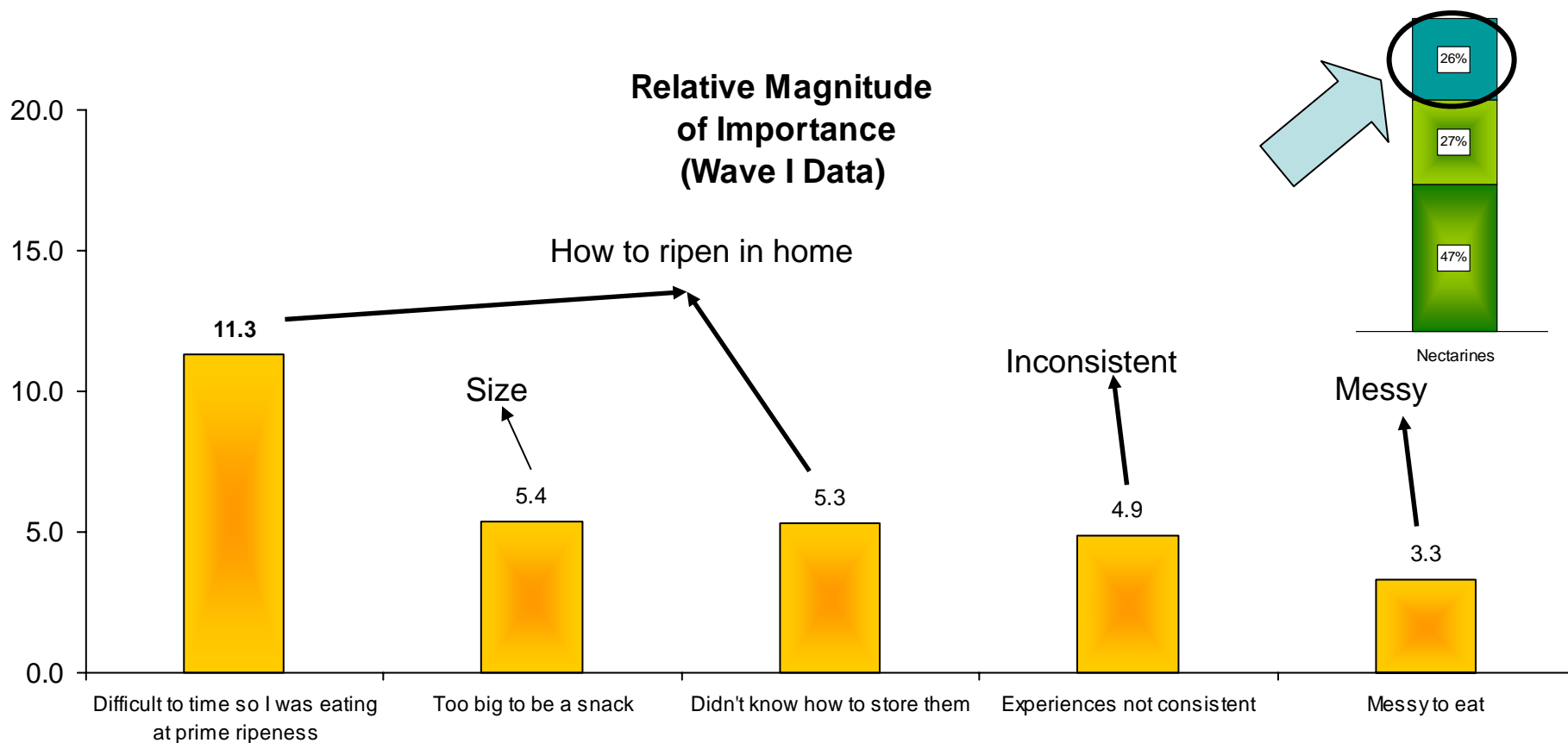
- A. Nectarines share many high-scoring descriptors with peaches and plums that are important drivers for fresh fruits—convenience in getting ready to eat, wholesomeness as a snack, nutrition and simplicity.**
- B. Summer fruit is once again a strong descriptor that outweighs fruit I can buy year-round.**
- C. Nectarines score well on many important fresh fruit drivers—availability, is for me, ability to satisfy a dessert craving and substantiveness as a snack.**
- D. Areas for improvement are the ease with which a consumer can buy a good-tasting nectarine, taste consistency, shelf life and a perception that nectarines could be for every day.**

- After price, becoming soft/spoiling and taste consideration rose to the top of the list of purchase inhibitors

Impact of Past Experiences on Decision to Buy Nectarines Less Often (n=940)



- Those who rank nectarines lower on likeability see the fruit as less consistent. Messiness and lack of knowledge on to how ripen in home were other major themes.
 - Once again, a second audience looking for smaller fruit for snacking reveals itself

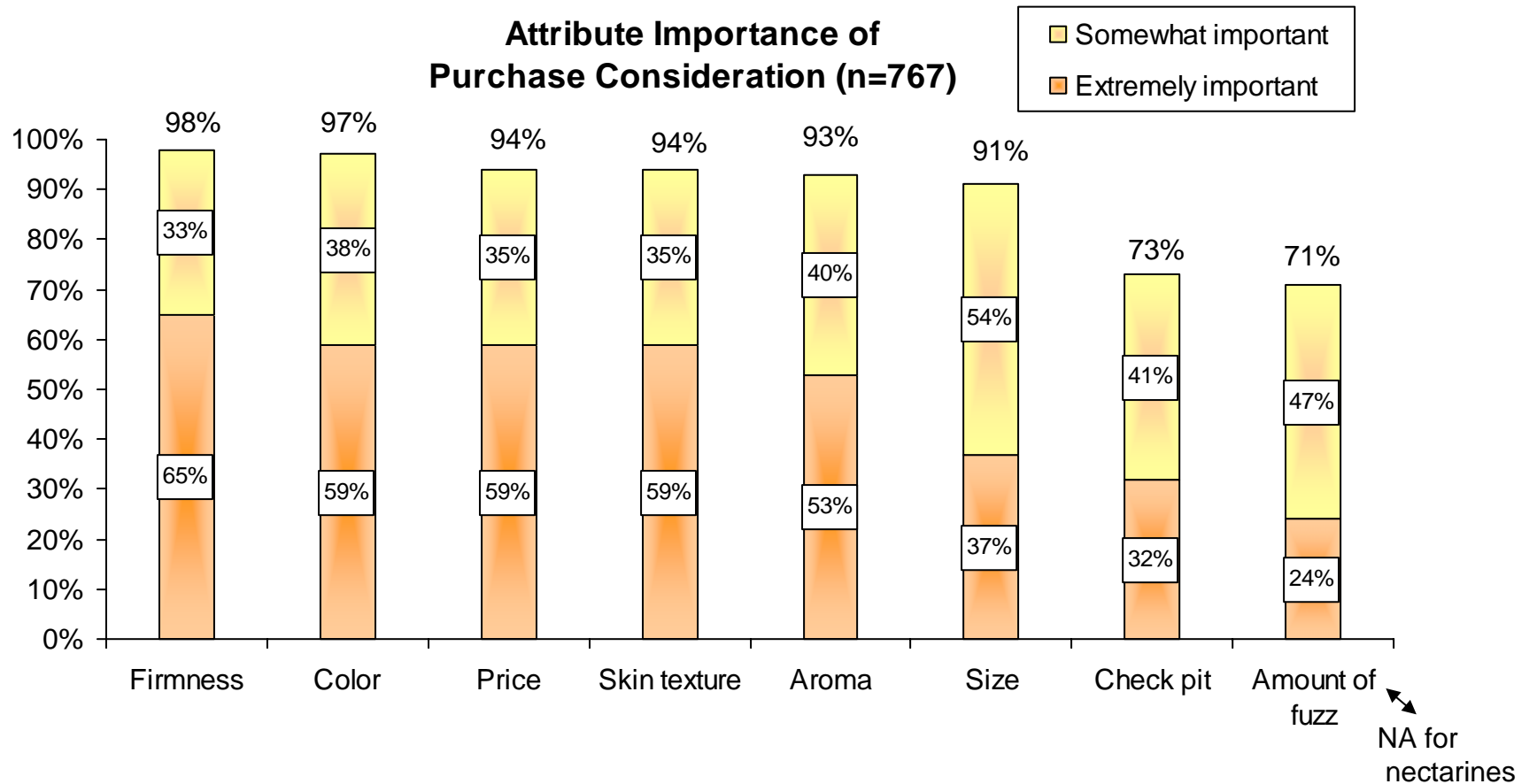


- A. Quick spoilage and lack of taste/sweetness are the largest inhibitors of use among all nectarine users.**
- B. The most significant predictors of those who are neutral or negative on likeability for nectarines are lack of knowledge in how to ripen, the large size or the fruit, inconsistency and messiness.**

A close-up photograph of a bowl filled with fresh peaches and nectarines. The fruits are in various stages of ripeness, with some showing a mix of red, orange, and yellow. A few green leaves are scattered among the fruit. The bowl is light-colored and the background is softly blurred.

Hedonics in the Store –
Consumer Quant
Peaches and Nectarines

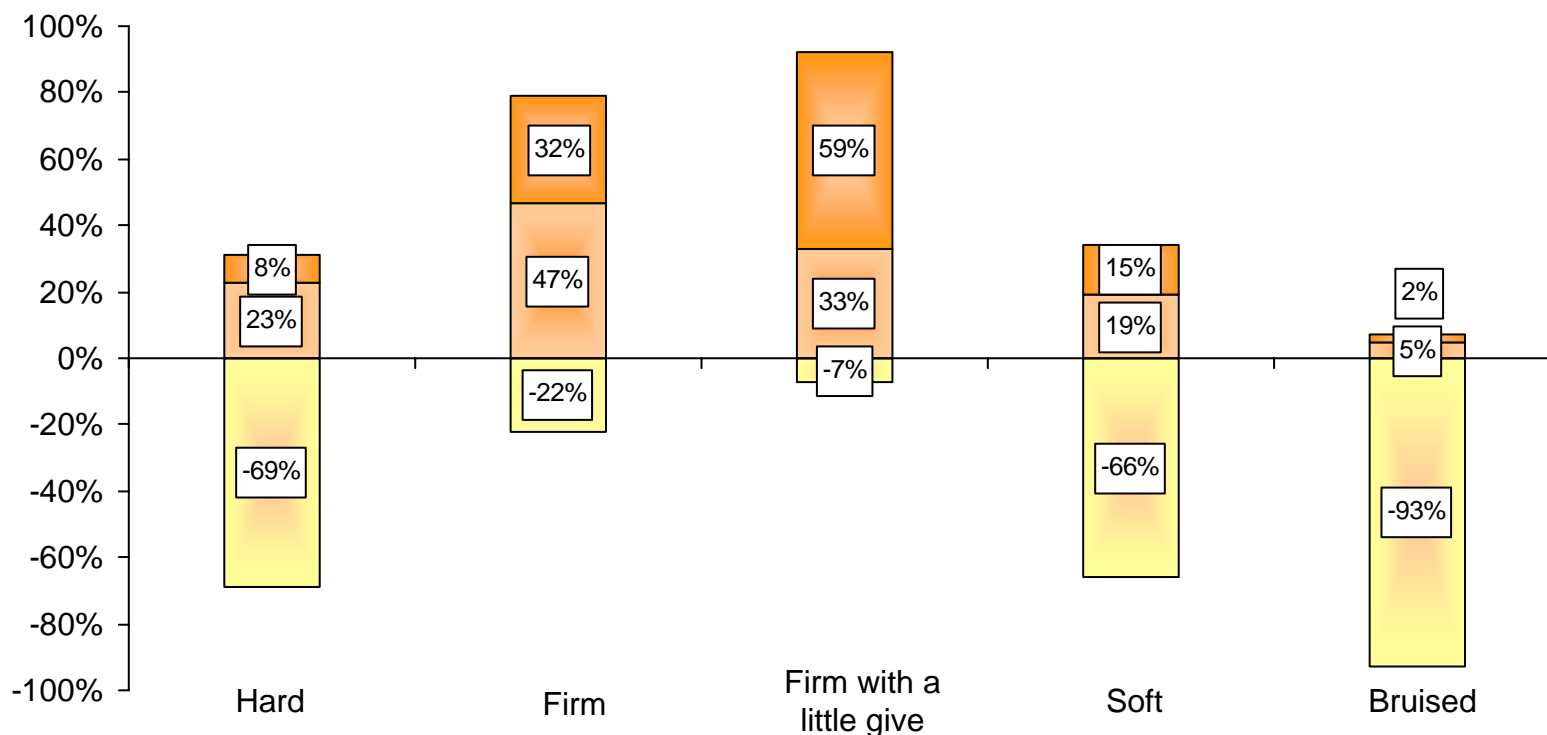
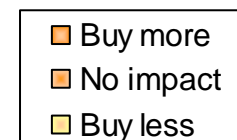
- **Firmness and color are the strongest in-store product cues for peaches. Nectarine ranking is very similar. Note that size is #6.**



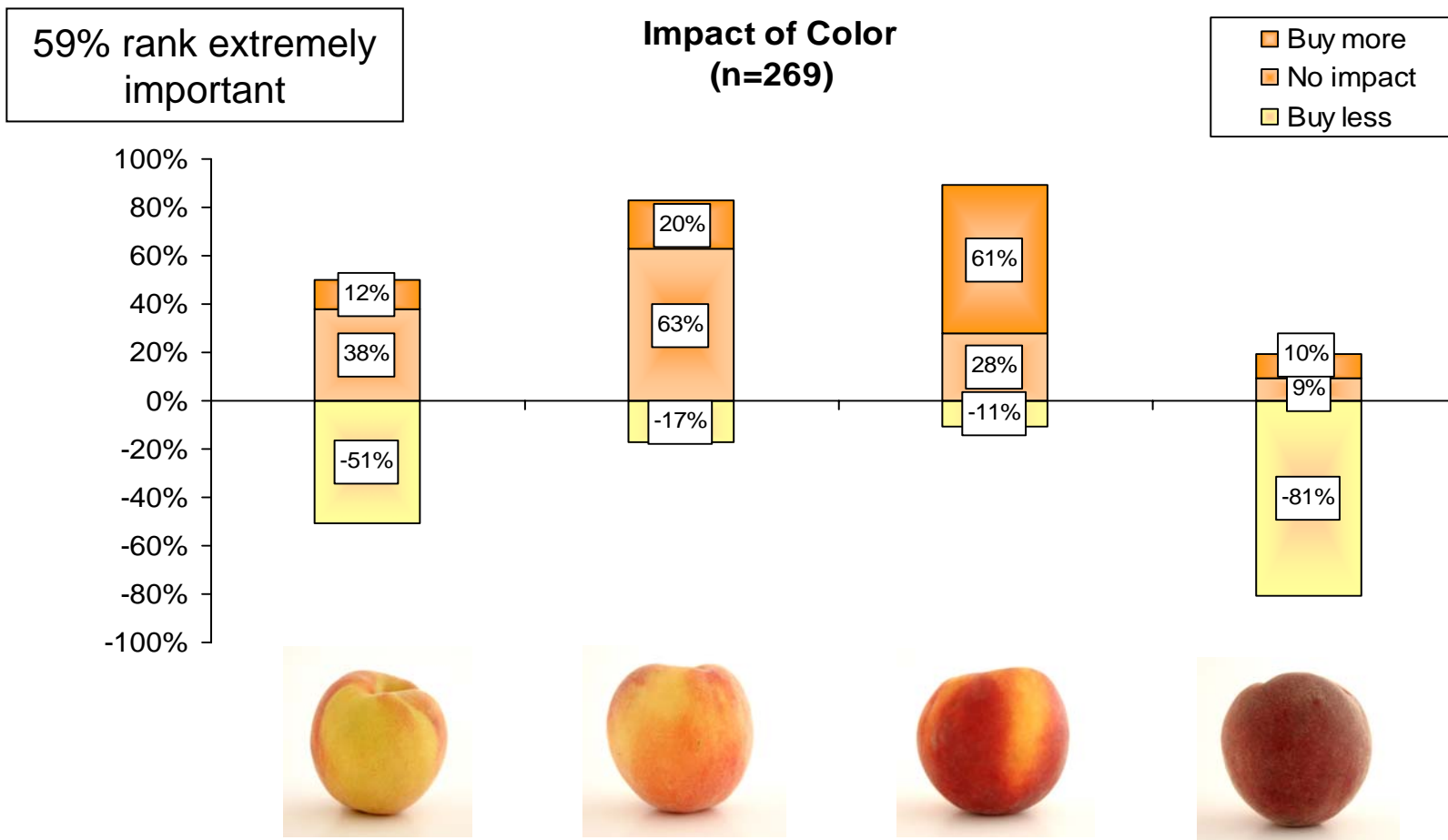
- A peach or nectarine that feels “firm with a little give” would cause people to buy more peaches. If a peach is bruised, hard or soft, the likelihood of purchasing was reduced. Note, however, that 31% of consumers are neutral to or like hard fruit.**

65% rank extremely important

Impact of Firmness (n=325)



- Peaches that are a combination of red and light orange (multi-hued) greatly improve purchase interest, whereas dark red or mostly yellow detracts

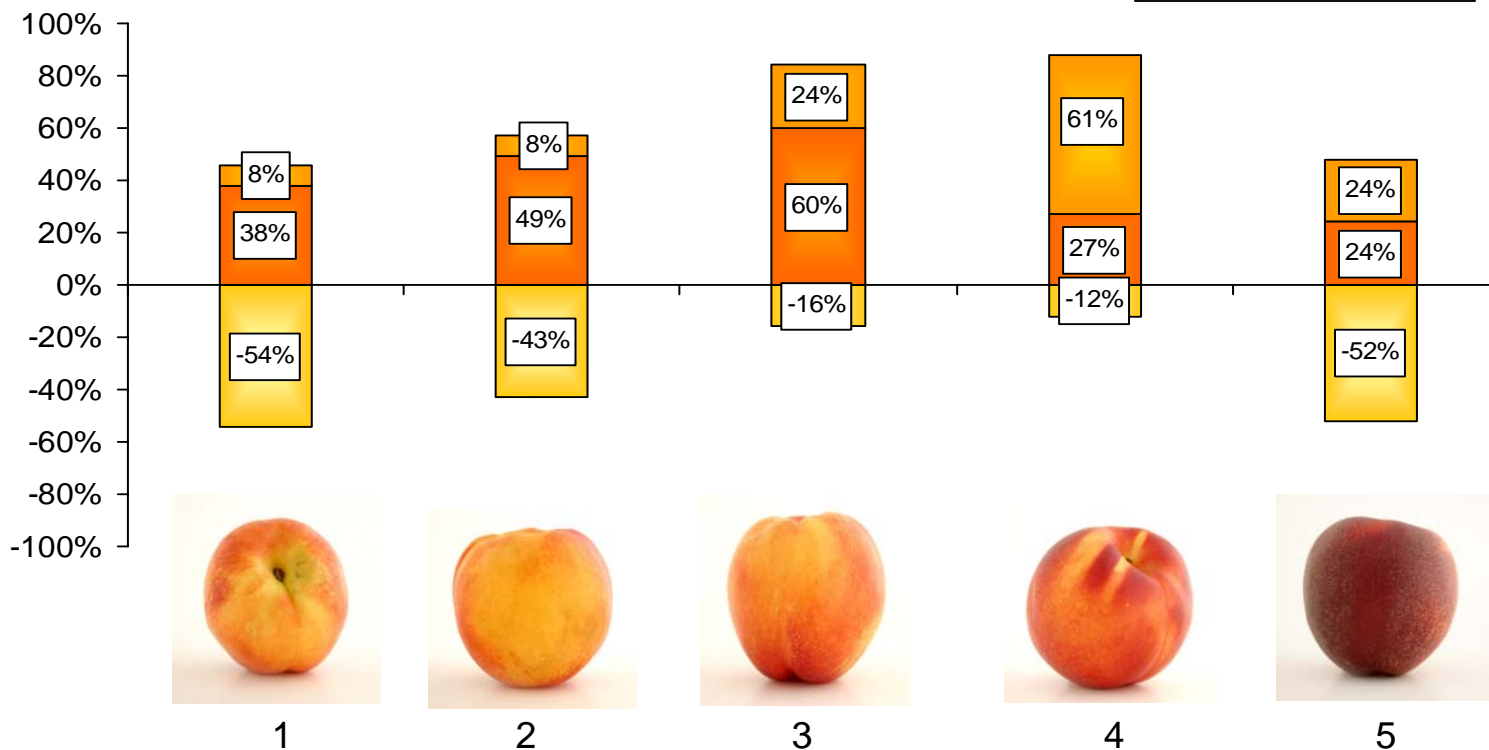


- **The sweet spot for the color of nectarines is color option number four, a combination of red and peach**

56% rank extremely important

Impact of Color
(n=353)

Buy more
No impact
Buy less

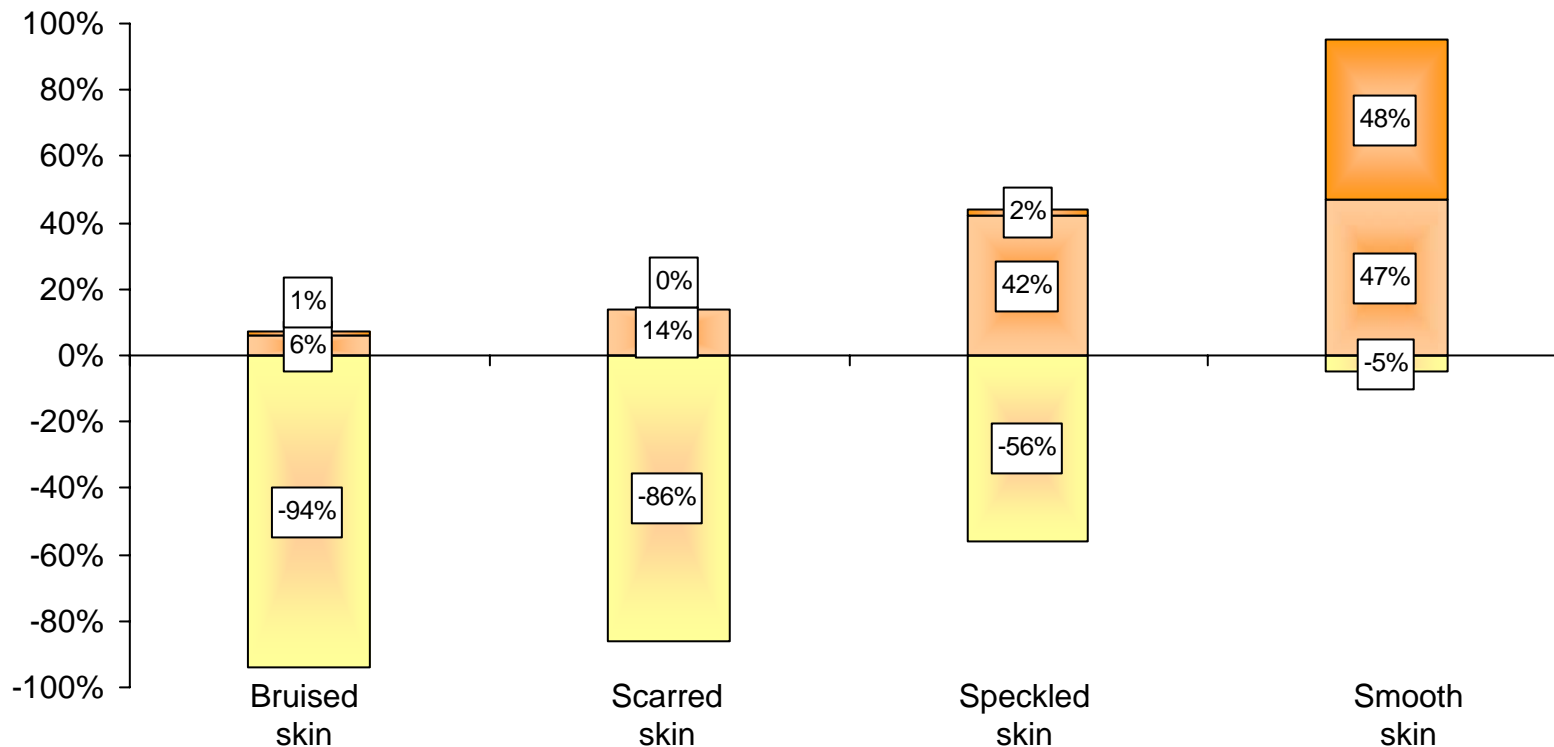


- A peach or nectarine with speckled, scarred or bruised skin would cause respondents to buy less. Smooth skin is ideal.

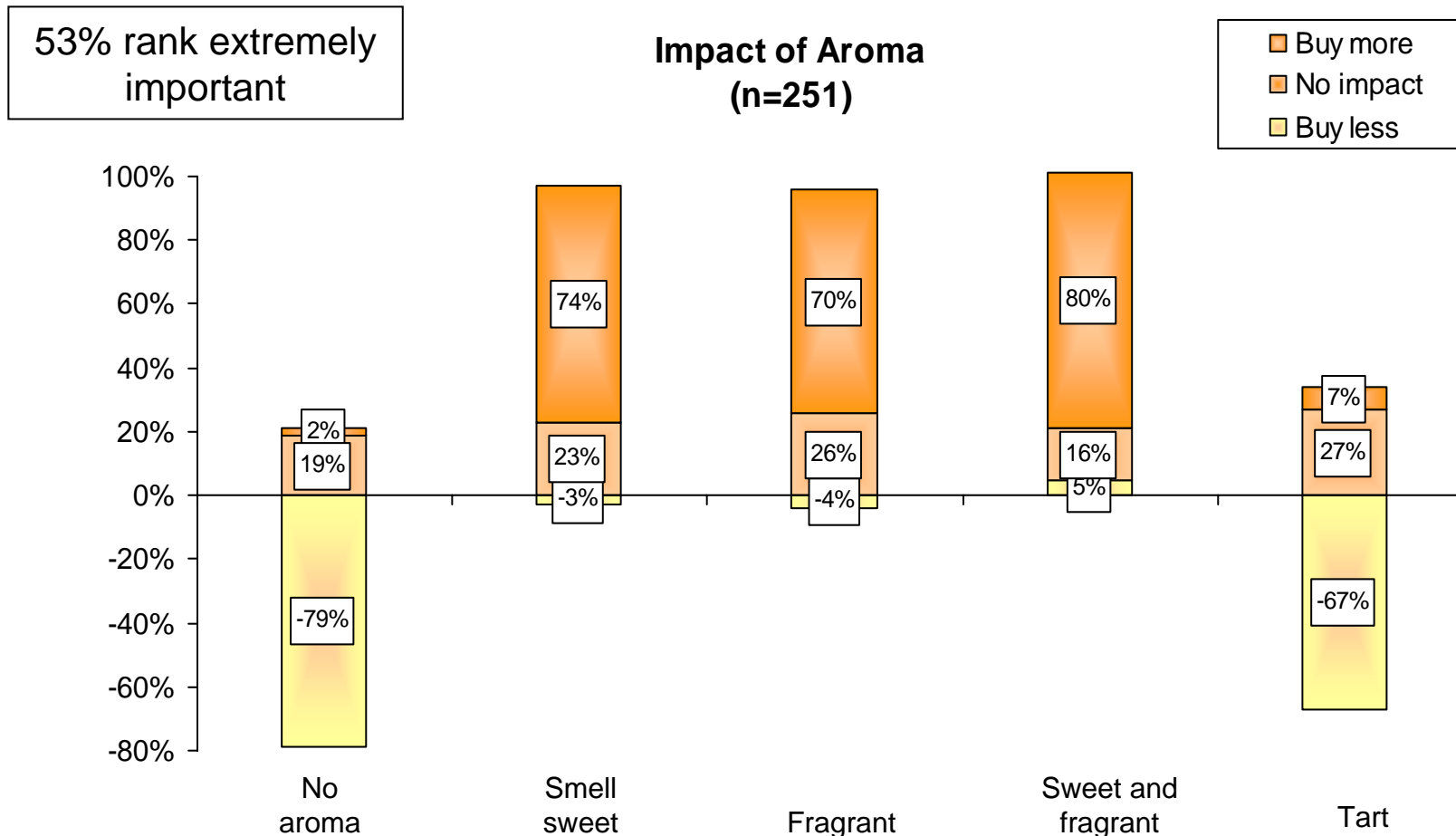
59% rank extremely important

Impact of Skin Texture
(n=284)

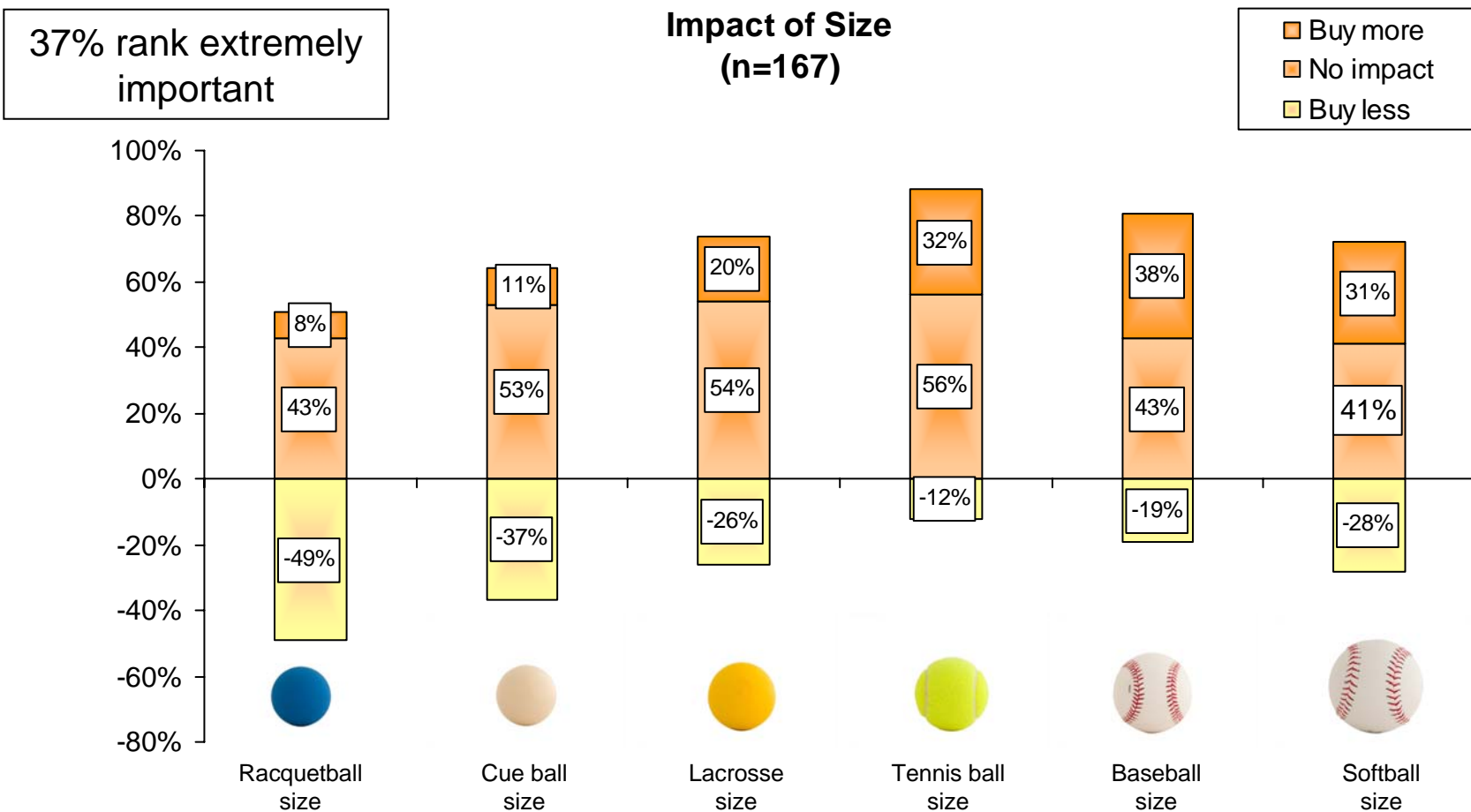
Buy more
No impact
Buy less



- **Fragrant, sweet peaches or nectarines were most appealing to respondents**



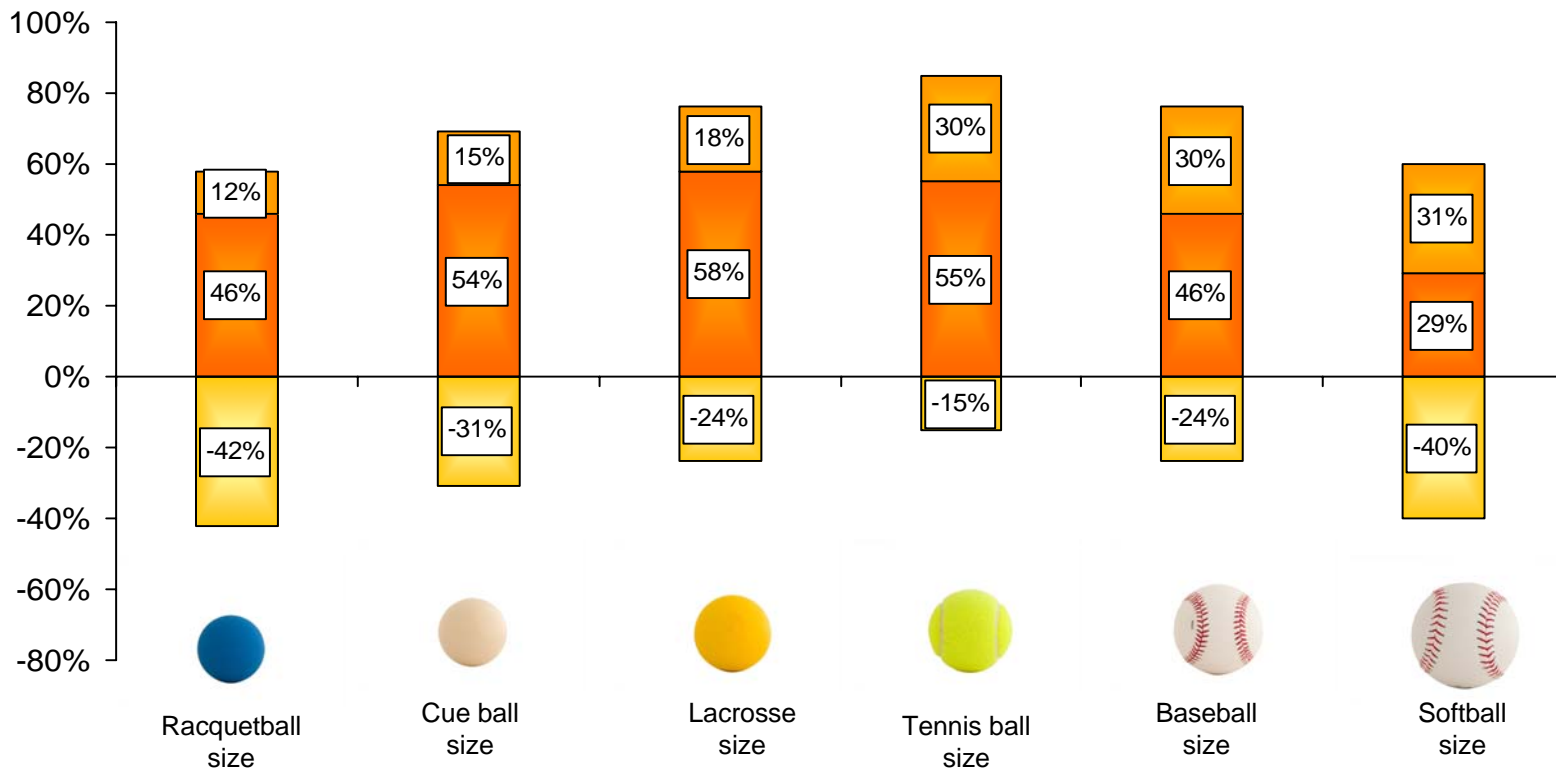
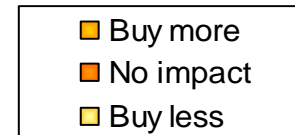
- **The ideal size of peaches ranges from the size of a lacrosse ball to a baseball. Approximately 30% of peach consumers are either turned off or turned on by softball-sized peaches.**



- The ideal size for a nectarine is just a bit smaller than for a peach. A slightly larger percent of consumers would buy fewer softball- or baseball-sized nectarine.

34% rank extremely important

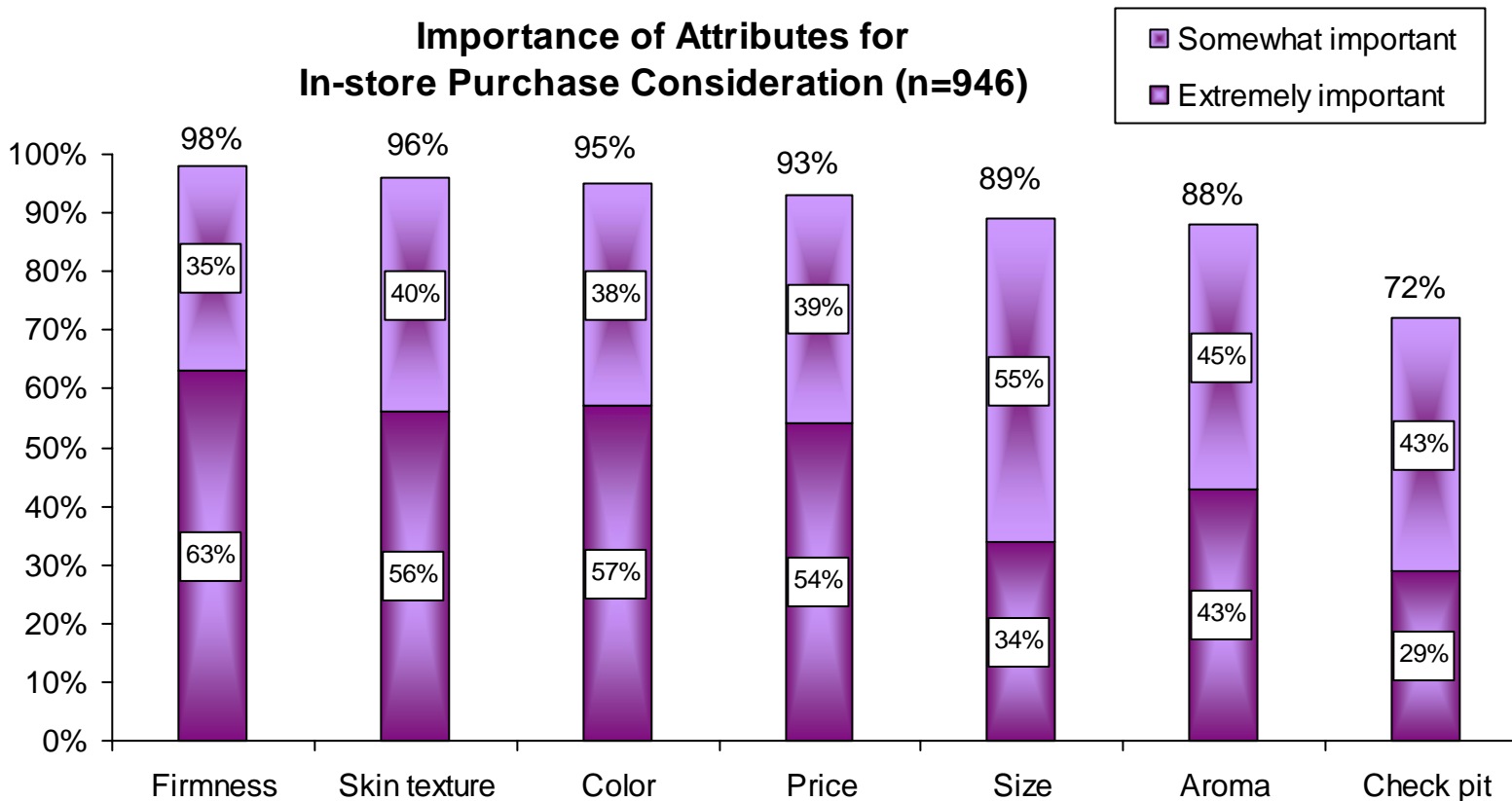
Impact of Size
(n=209)





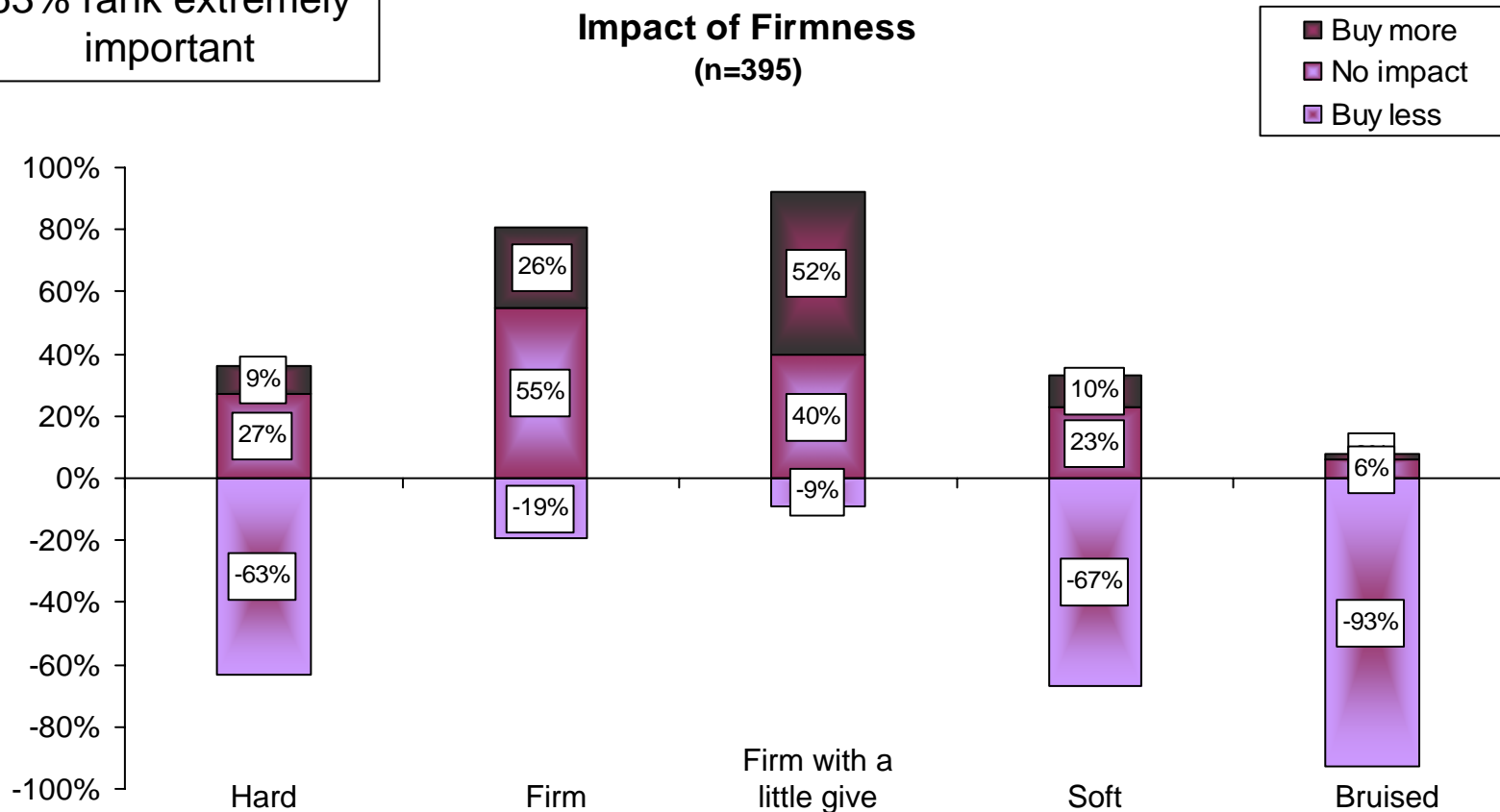
Hedonics in the Store –
Consumer Quant
Plums

- Firmness, skin texture and color are key in-store product cues driving purchase of plums



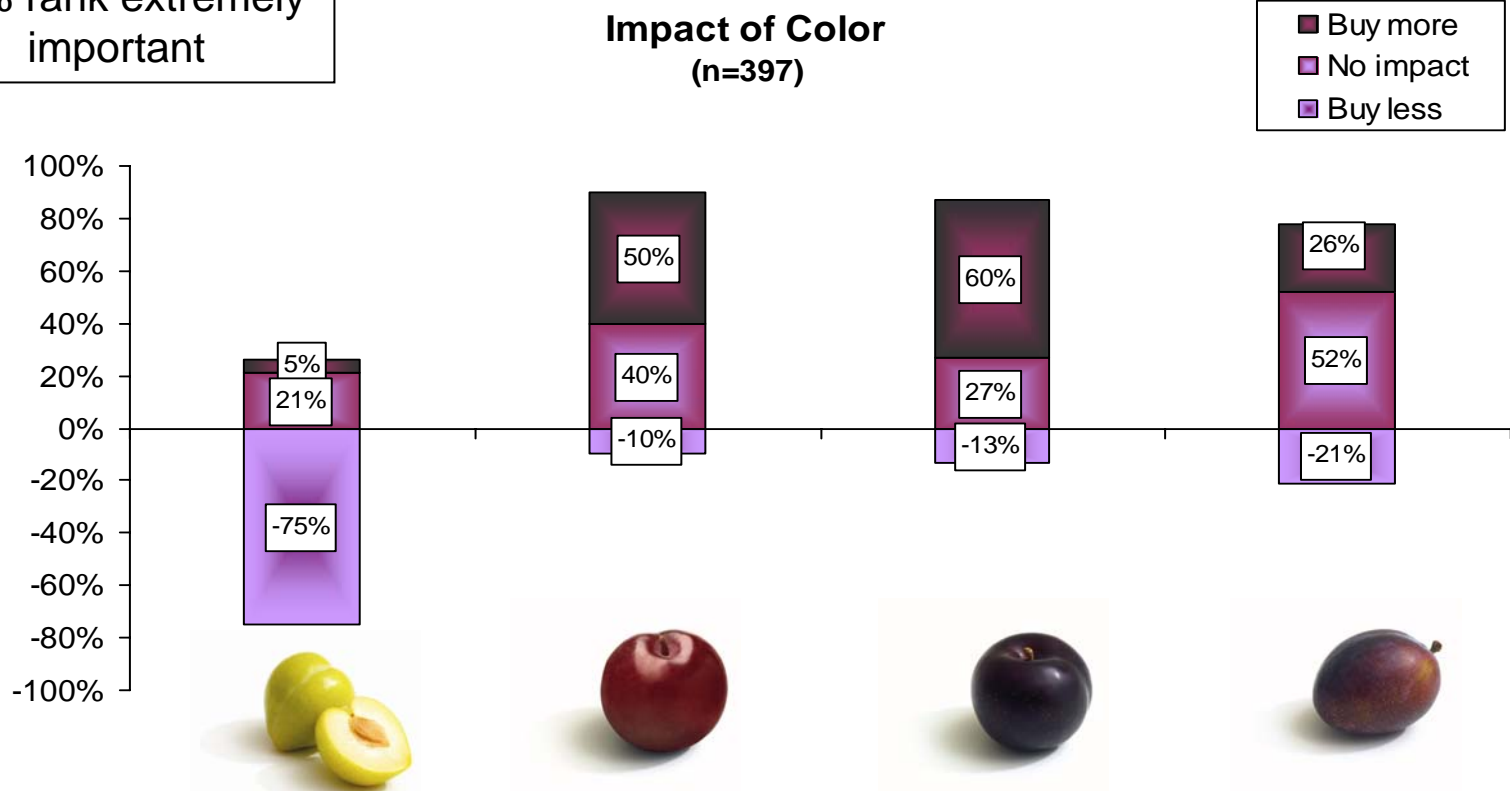
- Firm plums with a little give will enjoy much stronger sales than hard, soft or bruised plums

63% rank extremely important



- Green plums caused hesitation among consumers; many said they would purchase them less often. Red, black and dark purple plums all did well.

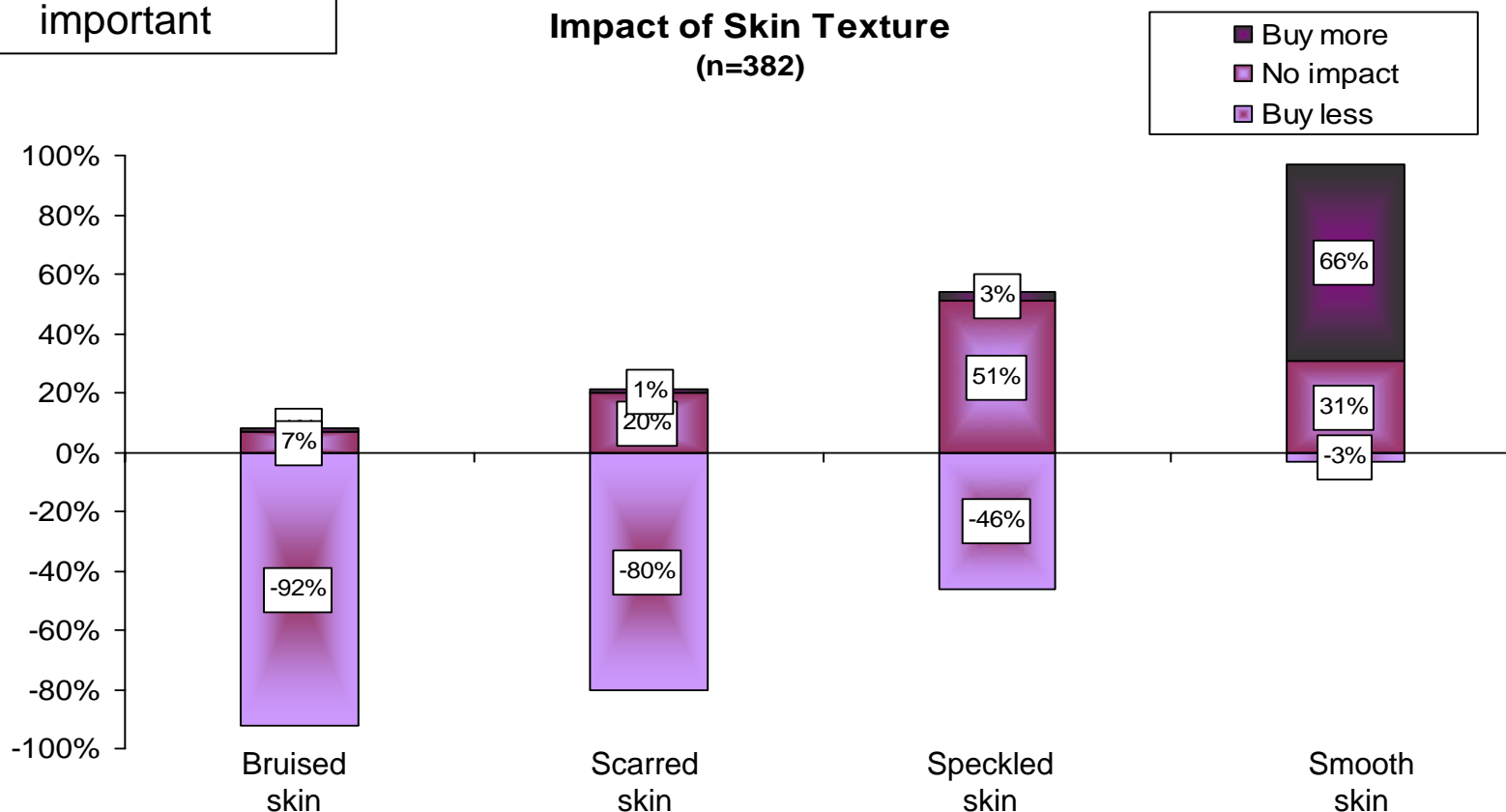
57% rank extremely important



- Without question, only smooth-skinned plums will be purchased at strong levels

56% rank extremely important

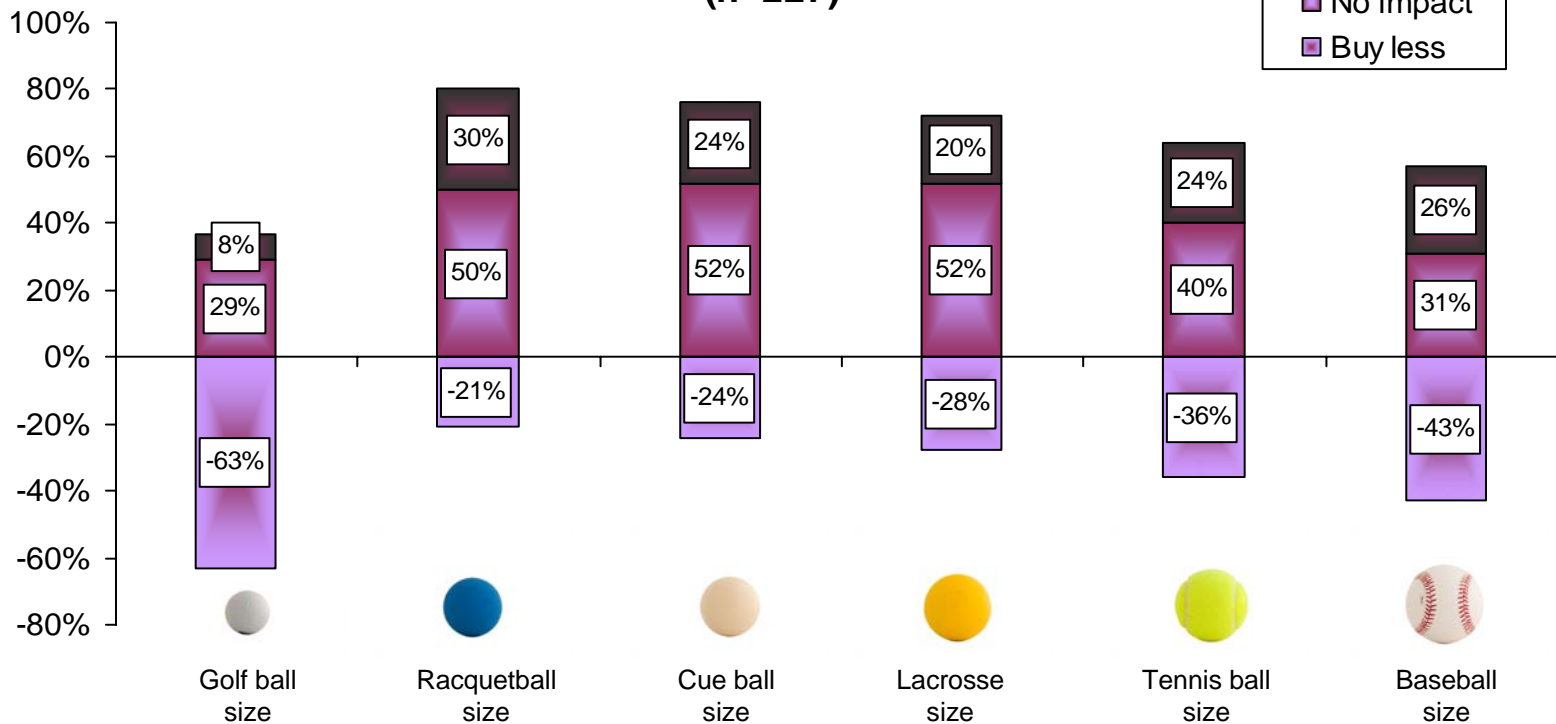
Impact of Skin Texture
(n=382)



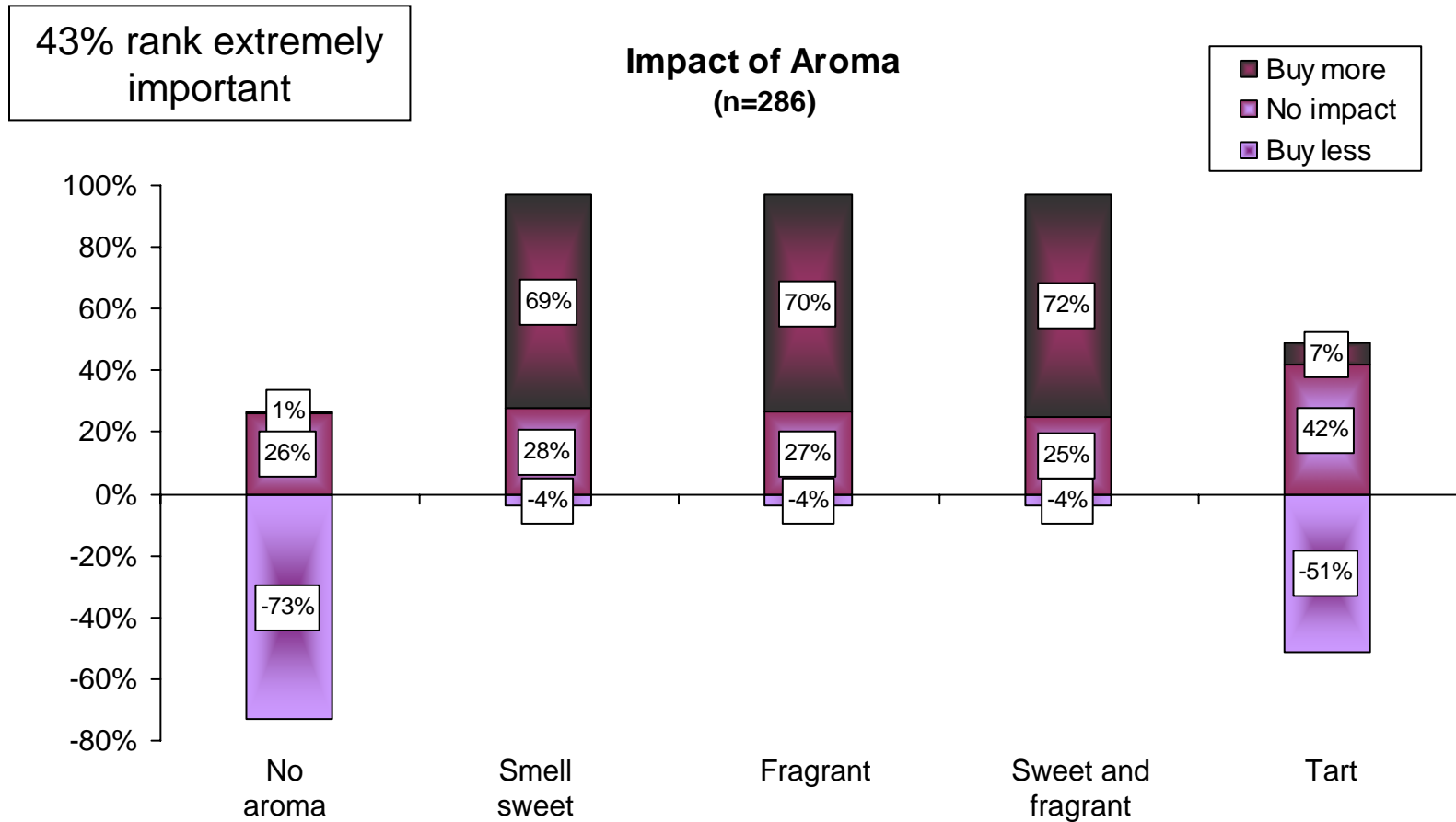
- Plums ranging in size from racquetballs to lacrosse balls are more appealing. Plums the size of tennis balls start to be viewed as too big. Golf ball size is too small.

34% rank extremely important

Impact of Size (n=227)



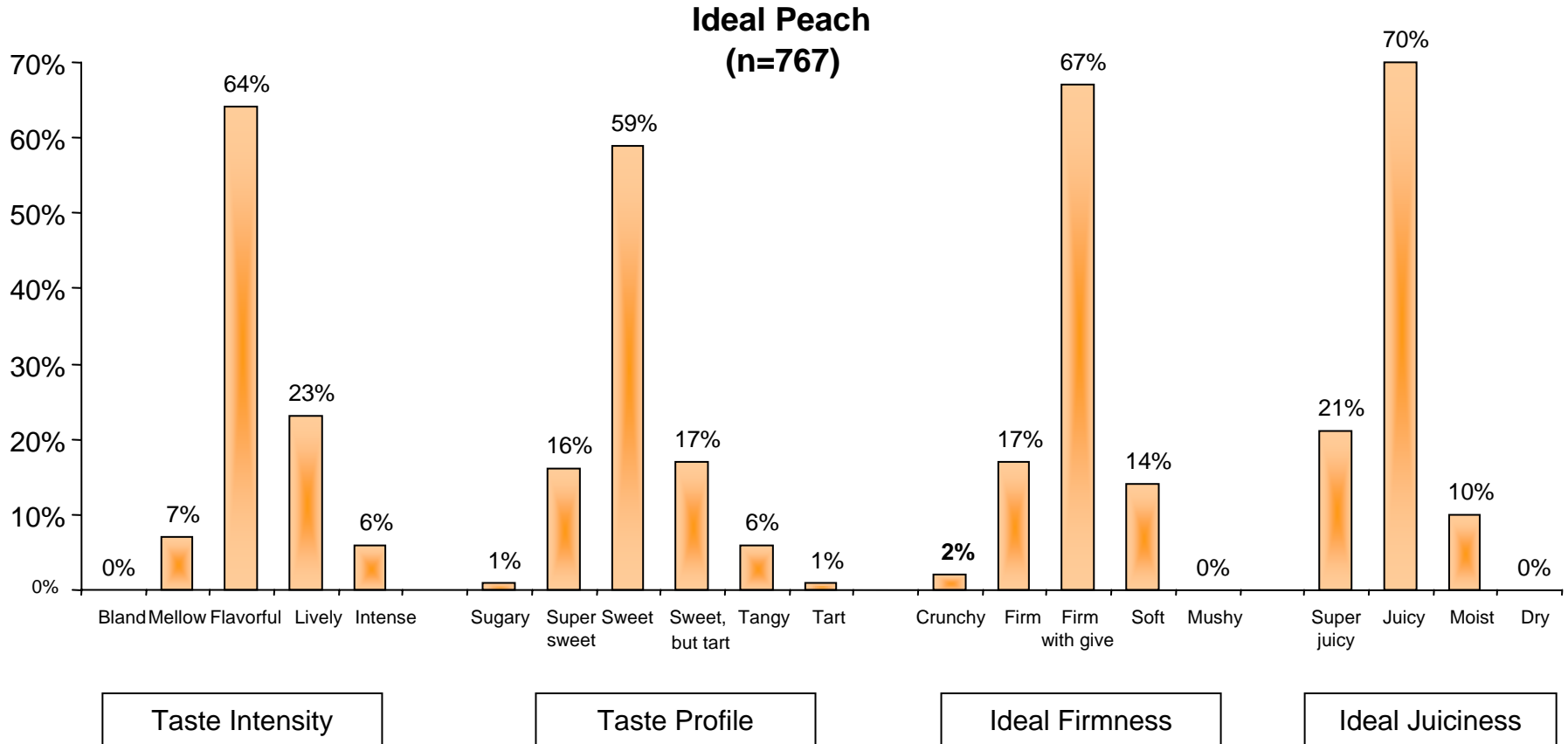
- **A sweet and/or fragrant plum would most likely cause a plum eater to purchase more**



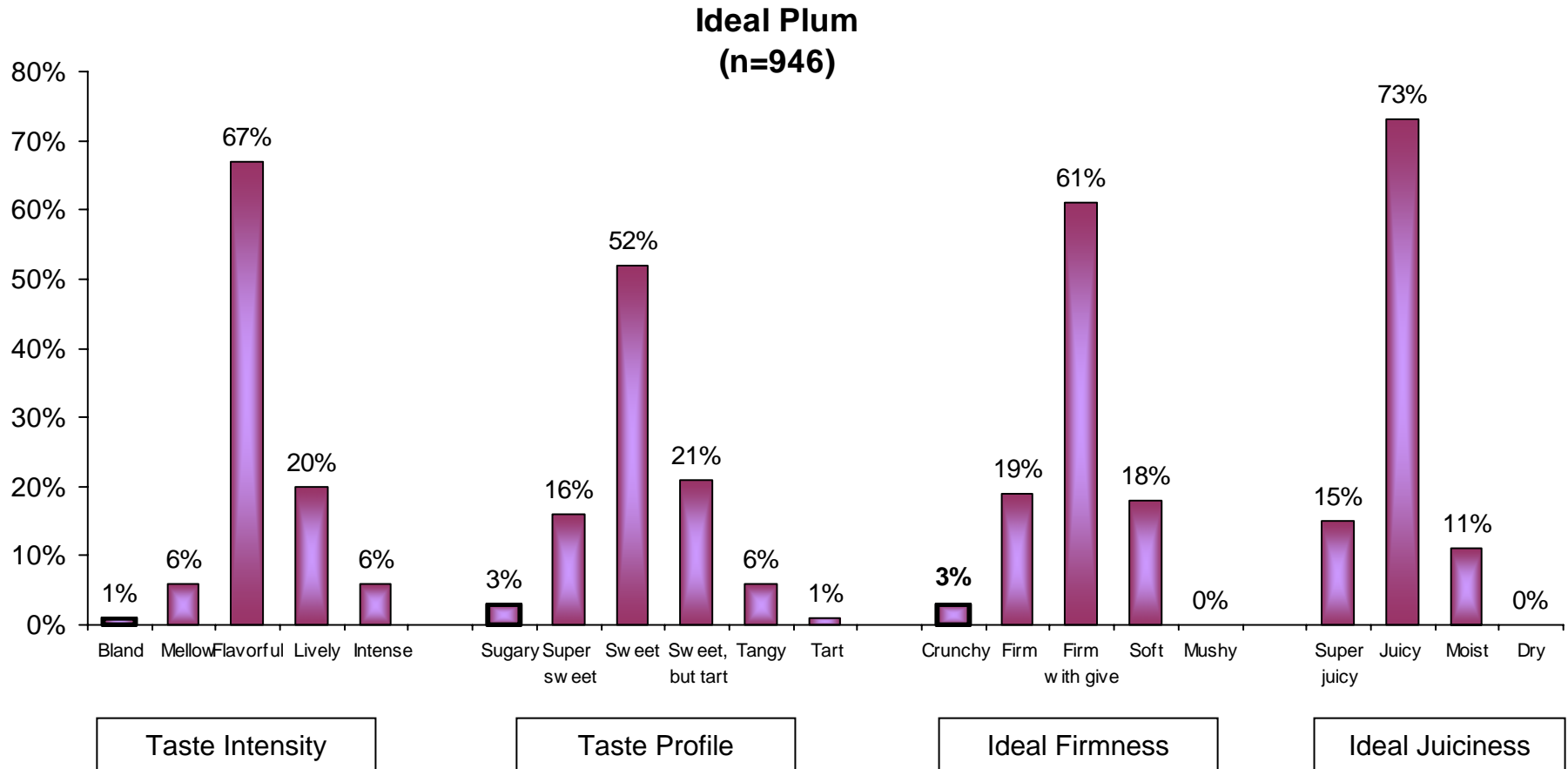


Hedonics When Eaten

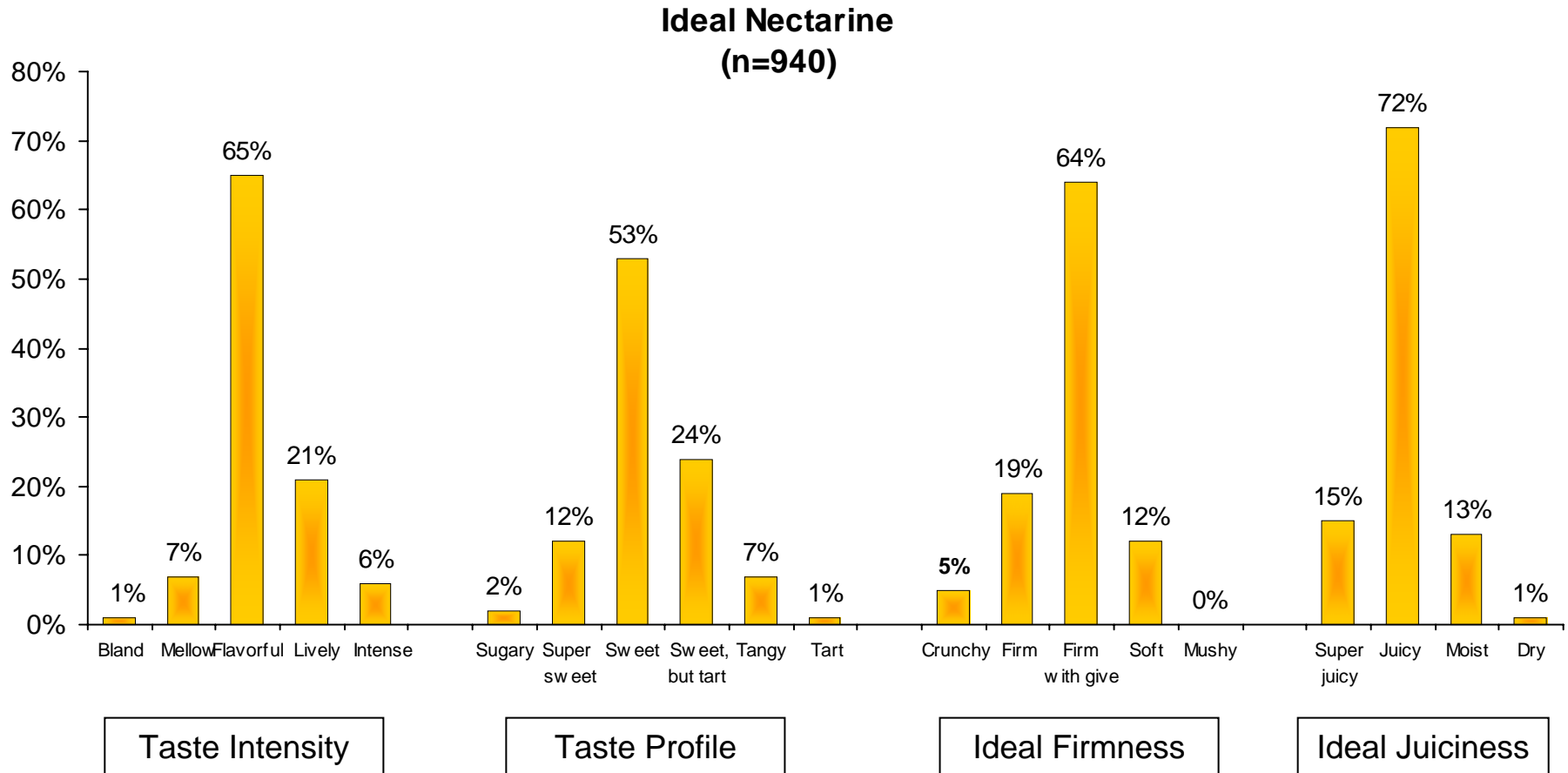
- **The ideal peach is very clean-cut. People prefer a peach that is firm with a little give on the outside and juicy on the inside. Respondents also want their peaches to be sweet and flavorful.**



- Plum consumers define their ideal fruit as flavorful, sweet, juicy and firm with a little give



- Nectarines are also considered ideal when they are flavorful, sweet, juicy and firm with a little give; mimicking the description of peaches and plums



A close-up photograph of several ripe peaches in a dark brown bowl. One peach in the foreground is sliced open, revealing its yellowish-orange flesh and a dark brown, textured pit. The other peaches are whole and show a mix of red and yellow colors. The lighting is warm, highlighting the smooth texture of the fruit.

Fruit Characteristic: Conclusions and Recommendations

Fruit Characteristics Goal #1: Help (educate) the consumer to a great PPN experience

- In the store: more consumers want multi-hued fruit that is firm with a little give. But they also want fruit that is a little firmer for eating later in the week after shopping.
- At home: consumers want to know how to ripen fruit. Emphasizing placing PPN in a fruit bowl might be one way to accomplish this.
- Eating: the research suggests that most consumers do not want their fruit to be soft, but a bit firm with give when they bite into it. They also want sweet fruit.

Recommendations:

- Work with retailers to find additional ways to provide consumers with PPN education on selecting and ripening PPN. This is especially true for plums, which are more of a mystery for many consumers.
- Work with retailers to find ways to provide a variety of fruit. Consumers have a range of attitudes on what makes a great PPN experience. Size and firmness can vary to a degree.

Fruit Characteristics Goal #2: Measure performance on likeability scores

- The industry pays the price for a bad piece of fruit. Consumers blame themselves, but with that blame comes a wariness to buy more fruit for two to three weeks.
- Getting a great piece of firm, colorful fruit to the store is only part of the equation. The consumer then wants a piece of fruit with decent shelf life that will be firm, sweet and flavorful when eaten.
 - Remember that providing great taste should be your #1 consumer goal—it is the highest-rated desire for a good fruit experience

Recommendations:

- We don't know all of the specifics, but understand the answer lies in the genetic strains, the nursery and in the practices used to grow and harvest the fruit
- Preconditioning is seen by the retailers we talked to as a success, but is not consistently practiced across suppliers

Fruit Characteristics Goal #3: Break the retailer fixation on size

- A story can be developed that there is demand for smaller fruit
 - Color, firmness and skin texture are more important buying criteria for consumers
 - Medium-sized fruit is most desirable to a majority of consumers, but a range of sizes is acceptable and desired by a subset of consumers
 - Small fruit is great for kids, and also for those snacking occasions where I want a bit less

Recommendations:

- Leverage this data with retailers to break their large-size fruit fixation
- Start to merchandise a kid or small snack size
- The industry should also seek to minimize the size outliers—both fruit that is too big for a snack, and too little to provide enough edible fruit
 - Hand-held size is the best

A photograph of a ceramic bowl filled with dark purple plums. The bowl has a white base with a pinkish-red horizontal band. The plums are dark purple with a slight sheen and some have small green stems. The text "Trade/Distribution Insights" is overlaid in white, sans-serif font in the center of the image.

Trade/Distribution Insights

- **Overall Trade Perspective**
 - The 2005 season
 - Be the summer fruits
 - #1 focus
 - Other fruits do what well
- **Consumer Drill Down**
 - Regional differences
 - Type of retail used
 - Looking for in the store
- **The Shopping Experience**
 - The One-week shop
 - Sequence of events in store
 - Price
- **Leveraging Merchandising Opportunities**
 - As is versus slicers and peelers
 - Cross usage
- **Other**
 - Emerging technology

A close-up photograph of a yellow bowl filled with fresh fruit. The bowl contains several peaches with red and yellow skin, several dark purple plums, and a few bright red cherries. A single green leaf is placed on top of the fruit in the foreground. The text "Overall Trade Perspective" is overlaid in white, centered on the image.

Overall Trade Perspective

- **Overall, the California PPN industry is seen to be doing well, with the 2005 season seen as a success by all retailers we spoke with**

Why this Season is a Success

- High-quality fruit
 - Good taste
 - Good sizes
 - High color
- Sold more PPN this year
- Though slow start, longer season

What PPN Industry is Doing Well Overall

- Went to one layer trade packs, leading to less handling and bruising of fruit
- Preconditioning continues to be a success
 - Some suppliers do it better than others, though

Note: 4 interviews – insightful but not the universe of retail thinking

- **Retailers get excited to prominently display stone fruit in the summer, as PPN signal summer and drive customer excitement and sales in the produce section**
 - The equity of PPN is in being a summertime fruit

← April May June July August September →

There is excitement/ anticipation from retailers for PPN to get out on the floor

“First of the Season” ad

At the height of the season there is a renewed push at retail to communicate to consumers that the fruit is in high season that time of year

“The Category is Alive!” ad

PPN are prominently displayed in the front of the store for the remainder of the summer



PPN are still in the store, but have a smaller display and are no longer up front

Labor Day!
Time for apples!

“I do carry Chilean fruit, but it is not as good and I sell a ton more PPN in the summer. I get excited when that time of year rolls around.”

- **The overriding retailer theme is that taste is everything, while key in-store characteristics are seen as color and size**
 - For traditional and budget retailers, the bigger the piece the better, while our upscale retailers perceive that consumers see reduced value in pieces that are too large (waste factor) or too small (larger pit size)

Taste is King

“Taste is everything for long-term repeat sales.”

“It’s nice to have a pretty peach in store, but taste drives purchase.”

Focus on Taste, Long-term

“A focus on taste is the most critical item for them to focus on over time.”

“Be consistent on taste over time.”

- Many produce industries were identified as doing a good job to boost volume; touting health claims was a major driver for several produce players
 - *“I and my customers would want to know if plums are high in antioxidants.”*



Berries Category – kicking butt with antioxidant claims



Watermelons – disseminated information and pink ribbon breast cancer promotion



Tomatoes – pushing health and it’s working



Bananas – potassium is part of their life



CA Grape Commission – radio, billboards, variety chart for stores, handling tips



Apples Oranges and Bananas – Consistent. Period.



Cherries – Elmo is eating cherries this year

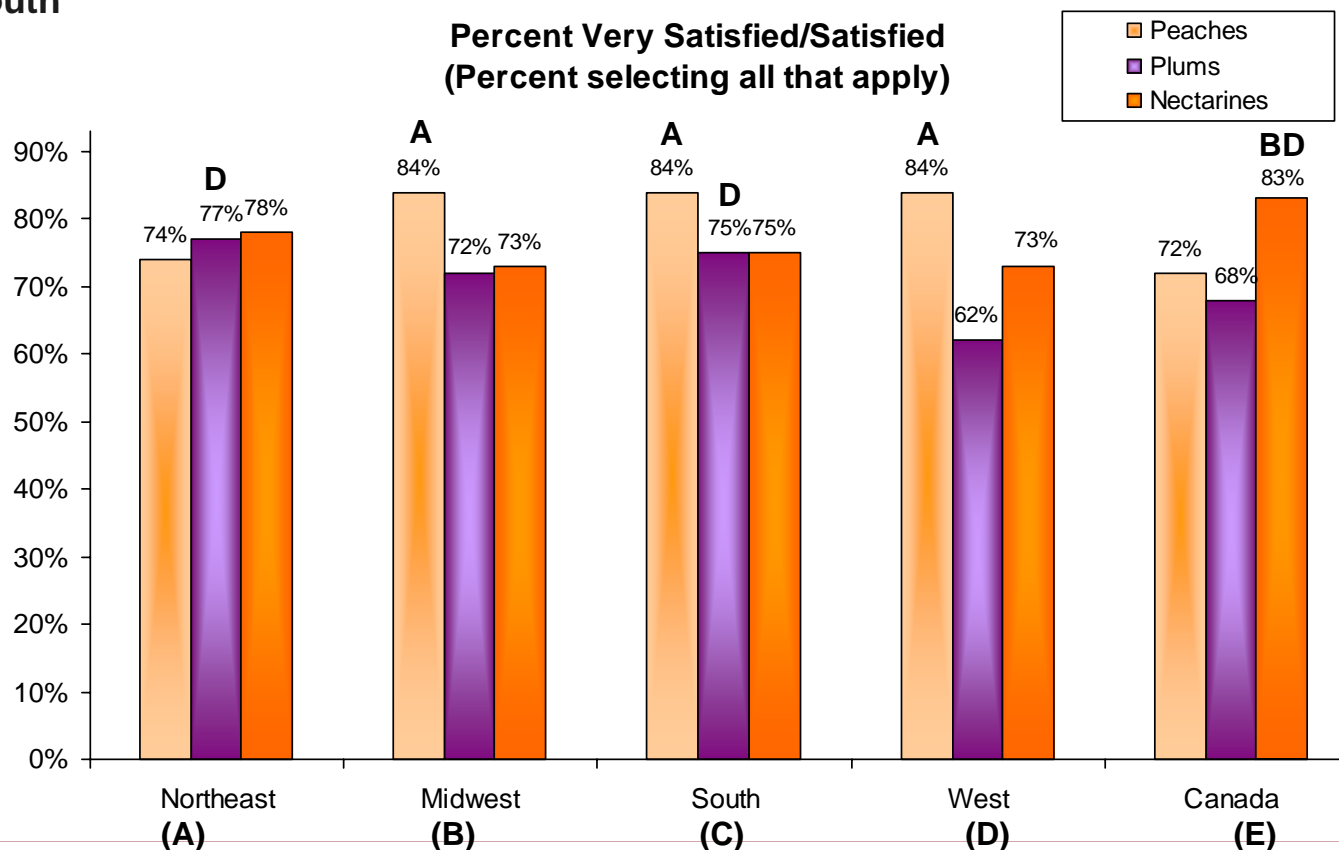
Pears – Using packaging to educate the consumer

Health Claims Theme

A close-up photograph of three ripe peaches in a white ceramic bowl. The peaches are a mix of red and yellow-orange, with some green leaves tucked behind them. The text "Consumer Drill Down" is overlaid in white, sans-serif font across the center of the image.

Consumer Drill Down

- Peach users in the midwest, south and west are most satisfied overall (84%) with peaches; significantly more satisfied than users in the northeast and Canada
- Nectarine users in Canada are most satisfied, significantly so relative to Midwest and West region users
- Plum users in the west are least satisfied, significantly less than users in the northeast and south



- **Peach users in the northeast and west regions tend to eat them most often**
- **Nectarine users in the west and Canada eat them significantly more often than other regions**
- **Canadian plum users eat plums more often than all other regions and significantly more than those in south and midwest regions**

Average Number PPN Eatings Per Month while in Season – by Region

	(A) Northeast (n=130)	(B) Midwest (n=182)	(C) South (n=264)	(D) West (n=140)	(E) Canada (n=388)
Peaches					
Average Eatings Per Month (in season)	4.0	3.2	3.3	3.6	3.0
Nectarines					
Average Eatings Per Month (in season)	3.2	3.1	3.0	4.3 BC	5.0 ABC
Plums					
Average Eatings Per Month (in season)	3.4	3.0	3.1	3.4	4.4 BC

- **Grocery stores are the most popular purchasing channel for fresh fruits**
 - Similar to what was found in the NET analysis, farmers’ markets and stands are an important secondary source of PPN and other summer fruits

Most Frequently Shopped (PPN Users)

	Grocery Store	Farmers’ Market	Club Store	Natural Food Store
Peaches (n=1,503)	80%	14%	2%	1%
Plums (n=1,343)	81%	13%	3%	2%
Nectarines (n=1,317)	83%	11%	2%	1%
Bananas (n=699)	88%	4%	5%	2%
Oranges (n=675)	88%	4%	4%	2%
Strawberries (n=685)	79%	13%	5%	2%
Apples (n=826)	83%	9%	5%	1%
Cantaloupe (n=773)	80%	13%	3%	1%
Blueberries (n=691)	77%	14%	5%	2%

Issue: Are there any demographic differences among people who buy PPN at a farm stand relative to total PPN purchasers?

Details: There is an even larger 65+ skew for people purchasing through this channel
Fruit stand PPN purchasers tend to have a bit lower income than total PPN purchasers

Indexed to Total PPN	
Age	Total PPN Purchased at a Farm Stand
65+ years old	122

Indexed to Total PPN	
Income	Total PPN Purchased at a Farm Stand
Under \$15,000	100
\$15,000–24,000	139
\$25,000–\$34,000	108
\$35,000–\$49,000	106
\$50,000–\$74,000	98
\$75,000+	81

Issue: Do farm stand purchases differ by region relative to total PPN purchases?

Details: Farm stand purchases by region generally reflect the patterns for overall PPN purchases across channels, with the exception of the Middle Atlantic, Pacific and New England regions

	Indexed to Total PPN Purchases (2004)
Regions	Farm Stand Purchases
New England	76
Middle Atlantic	123
East North Central	89
West North Central	89
South Atlantic	92
East South Central	95
West South Central	85
Mountain	81
Pacific	122

Please refer to U.S. census map on next slide

* Georgia is included in the South Atlantic region

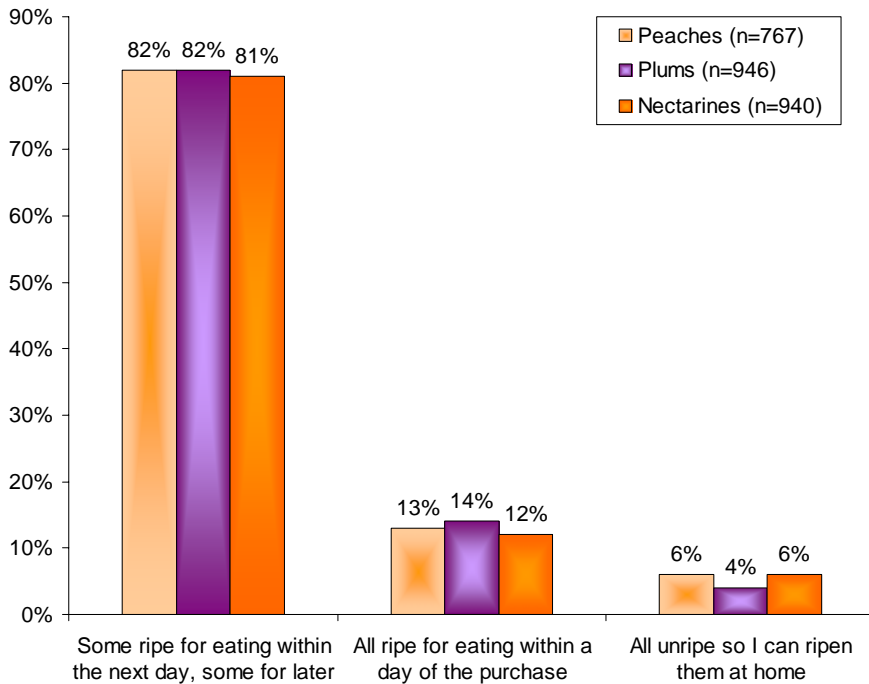
* 56% of PPN purchased through farm stands are peaches

A photograph of a blue ceramic bowl filled with several bright green apples. One apple is positioned in the foreground, slightly to the left of the center. The bowl sits on a blue and white checkered cloth. The background is a plain, light-colored surface. The text "The Shopping Experience" is overlaid in white, centered over the bowl of apples.

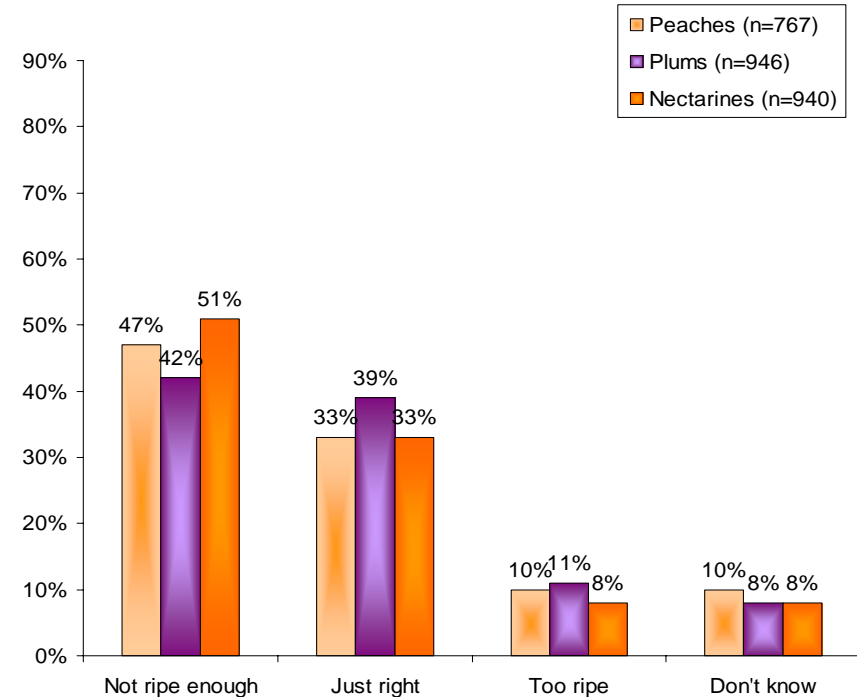
The Shopping Experience

- When shopping, the majority of respondents would like to find a mix of peaches, plums and nectarines ripe for eating today and later. However, at the store, they frequently find peaches, plums and nectarines not ripe enough.

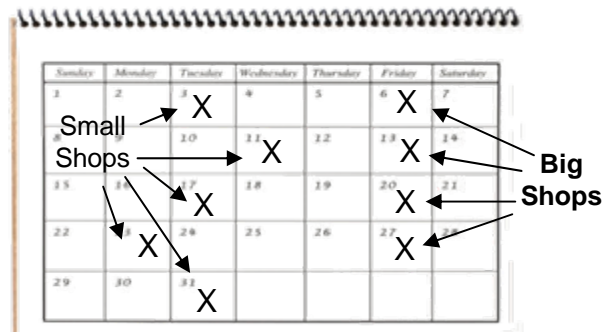
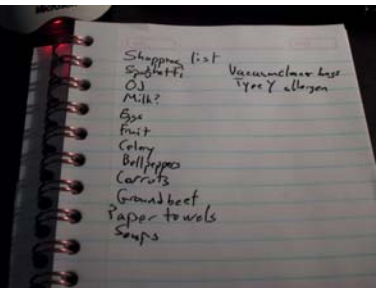
What I am Looking for at the Store



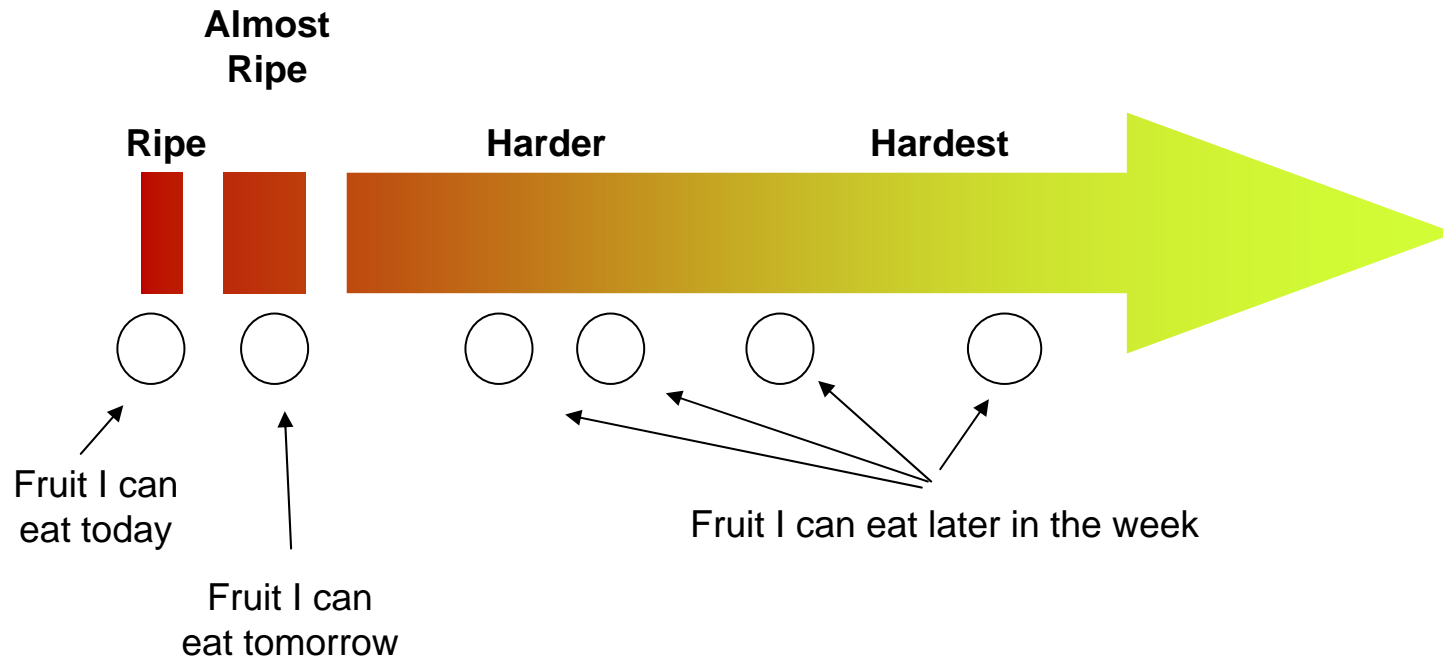
What I Find at the Store



- All respondents started their shopping in the produce aisle, as they find it to be the most exciting, alive aspect of the store
- About half of the women made a grocery list; however, if the fruit looked particularly good, or if there was a price promotion, then they might deviate from their list
- Peaches tend to make the shopping list—mental or actual—more, while plums and nectarines are more of a spontaneous in-store decision
- Typically, our respondents did one “big shop” every week and subsequently made small trips for staple items
- Fruit was not an item that would typically prompt this “small shop,” but might make its way into the cart



- **Since the average respondent shops once per week, they are buying their fruit on a ripeness scale to have some ready to eat for today, as well as later in the week**



- There were six criteria that affect the consumer's decision to buy: location and appearance of display, price, color, touch and size in hand, hand-held inspection—bruises, blemishes and firmness—and sometimes smell
- Fruit must pass the previous criteria to be considered for the next
- If the few fruit picked up do not pass through the chain, respondents will soon abandon shopping for that fruit

Location/
Appearance
of Display

Price

Color

Touch/
Size

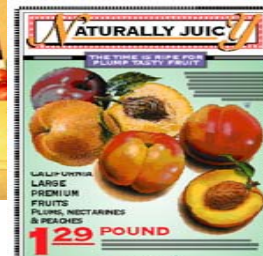
Hand-Held
Inspection

Smell



- **Not surprisingly, price is a key consumer consideration**
 - Example: two women spent nearly five minutes picking through peaches and selecting five or six pieces, but when they saw another peach display with a cheaper price they dumped out their bags and started all over
- **There are some respondents who are willing to pay extra for quality**
- **Price determines the number of pieces respondents would buy, rather than whether they will buy PPN**

	Excellent Quality	Average Quality
Expensive		
Inexpensive		



Overall User Comparison – Consumer Quant

		Peach Users			Plum Users			Nectarine Users		
		Heavy	Med.	Light	Heavy	Med.	Light	Heavy	Med.	Light
Peach Users	Heavy	<ul style="list-style-type: none"> A common usage pattern exists for each fruit as heavy users of one are also likely to be heavy users of the others 			76%	22%	10%	73%	20%	9%
	Med.				18%	59%	30%	17%	66%	31%
	Light				6%	18%	60%	10%	14%	60%
Plum Users	Heavy	57%	10%	4%				74%	15%	9%
	Med.	27%	53%	18%				20%	59%	21%
	Light	17%	36%	79%				6%	25%	70%
Nectarine Users	Heavy	63%	11%	8%	65%	14%	53%			
	Med.	23%	55%	13%	20%	59%	21%			
	Light	14%	34%	79%	15%	27%	76%			

Note: light users = once a month or less; medium user = two to four times a month; heavy user = a few times a week or more



Other

- While preconditioning is viewed as a continued success, there are several newer successful quality enhancer innovations that have caught the eye of retailers

SmartFresh

“Helps keep a piece of fruit at a level of ripeness longer.”

“Used now for imported cantaloupes, bananas and tomatoes.”



Laser-Imprint Labeling

“Laser-imprinting helps us because there is no sticker that can fall off and cause checker issues and mess.”

“Consumers like it because PLU labels are hard to pull off and require more fruit washing.”
(Contrary evidence exists)



Ripeness Indicator Packaging

“The pear industry is using this intriguing approach to help consumers know when the fruit is ripe.”



MESSAGING

- Go after summer fruit messaging
 - *“You are the king of the summer!”*
- Tell me about the nutrition of PPN and I’ll sell it

PARTNERING

- Partner with me
 - *“Let’s figure out how to grow these categories together—not the attitude ‘It’s yours now, you bought it!’”*

PACKAGING

- Pursue new ways to put the product out there
 - *“You always need to come up with ways to sell the product—bulk, bags, new packages.”*

CONSISTENCY

- Hold people accountable
 - *“Consistency of quality varies too much from supplier to supplier.”*

A photograph of a ceramic bowl filled with dark purple plums. The bowl has a white base with a pinkish-red band around the middle. The plums are dark purple with a slight sheen and some have small green stems. The background is a soft, out-of-focus light pink. The text is overlaid in the center of the image.

Trade/Distribution Insights:
Conclusions and
Recommendations

Retail Goal #1: Own the summer

- Consumers look for excitement in their fruit and PPN provides wonderful variation in the summer
 - A retailer we spoke to who used PPN to be the centerpiece of his summer merchandising sold more PPN and more produce

Recommendations:

- Getting great PPN at the front of the produce section in the summer pays dividends
 - If bad fruit goes out the door, it can dampen return purchases for 2–3 weeks
 - When great fruit goes out the door, people really do talk about it, and where it was purchased
- Promote the crossover appeal of PPN. 60–70% of heavy users of each fruit are also heavy users of one or both of the other two. Thus the industry has increased clout by focusing on the potential for putting more than one summer fruit into the consumer's shopping basket.

Retail Goal #2: Sell the snackability/dessert appeal of PPN to the retailer

- Salads and vegetables largely end up as part of meals. Bananas are a morning affair. PPN gives retailers one more way to satisfy their customers' yearnings. PPN is a treat, an everyday healthy indulgence and a thirst-quencher.
- PPN helps the retailer meet the needs of today's ever-more, on-the-go, grazing consumer

Recommendation:

- Being an everyday delicious snack/dessert can be a powerful role for PPN. Being in the produce department is spot on. But, being seen as an indulgent snack/ dessert could provide an interesting rationale for creative placement in other areas within grocery or in other channels of distribution.

Retail Goal #3: Experiment on the best ways to match today's consumer shopping habits

- Consumers are buying PPN for a whole week, and guessing what might be ripe in 3, 4 or 5 days

Recommendation:

- Try to find a venue for testing a merchandising set with “fruit for today,” “fruit for tomorrow.” Fruit for tomorrow is slightly more firm.

Retail Goal #4: Go where the consumer goes

- Not every consumer shops in traditional grocery stores or in the produce department. The research showed that a substantial number of consumers are seeking out PPN in produce stands and specialty markets
- Remember, there are many, many other places where consumers buy healthy snacks

Recommendations:

- Find out the consumer appeal for PPN delivered in other venues—7/11, Starbucks, the checkout aisle
- If PPN could find a way to be part of precut convenience, that is a growth venue
- Explore ways to leverage the advantage you have over year-round fruit, like apples and bananas, in farmer's markets

A close-up photograph of a yellow bowl filled with fresh fruit. The bowl contains several peaches with red and yellow skin, several dark purple plums, and a few dark red cherries. A single green leaf is placed on top of the fruit in the foreground. The text "Wrap-Up" is overlaid in white in the center of the image.

Wrap-Up

- **Go Younger**
 - For the long-term health of the industry, it is critical to get new younger consumers for PPN
- **Go Healthy**
 - Health concerns are increasingly important in determining what foods are chosen
- **Increase Frequency of Consumption**
 - There are large groups that are only eating PPN monthly or once a season
- **Help Educate the Consumer**
 - How to choose and handle the fruit they prefer
- **Measure Likeability Long-Term**
 - Quantify how well the industry is doing in increasing the % of consumers that like PPN “a lot”
- **Break the Retailer Fixation on Size**
- **Own the Summer**
 - That is what the consumer and retailer find exciting about PPN
- **Sell Snackability/Dessert Appeal of PPN**
 - More and more Americans are grazing throughout the day and want healthy alternatives
- **Experiment/Test the Best Ways to Help Consumers Buy PPN Weekly**
- **Go Where the Consumer Goes**
 - Look for new distribution alternatives