

Research Report Update



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Merchandising Tips for the Tomato Category

Understanding what motivates consumers to purchase tomatoes

We are in the final stretch of the 2010-11 Florida tomato season which wraps up in June.

To help retailers maximize sales during these last few weeks, we've provided these merchandising tips based on key consumer research.

The Florida Tomato Committee, in partnership with the Perishables Group, has conducted extensive consumer research to better understand what motivates consumers to purchase tomatoes in the store. A total of 1,500 tomato consumers were surveyed in the produce departments of four major retailers in 2010.

Destination is the Category Role for Tomatoes Field-grown Tomatoes Provide the Foundation

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The majority of consumers surveyed (72%) purchase tomatoes weekly or more often. Nearly half purchase three or four tomatoes at a time. Tomato purchases are pre-planned and included on their shopping list.

The top reason consumers purchase fresh tomatoes is they "like fresh tomatoes" and "use them regularly." With pre-planned purchases and usage regularly in meals, we recommend "Destination" as the main role for the tomato category. This means the category has high or moderate sales, high frequency of purchase and can differentiate the retailer from competitors in the minds of consumers.

Field-grown tomatoes are the category's foundation and driver. According to the 2011 Fresh Trends Report from *The Packer*, 33% of consumers prefer field-grown beefsteak or slicer tomatoes, romas rank second at 13% followed by cherry tomatoes at 10%.

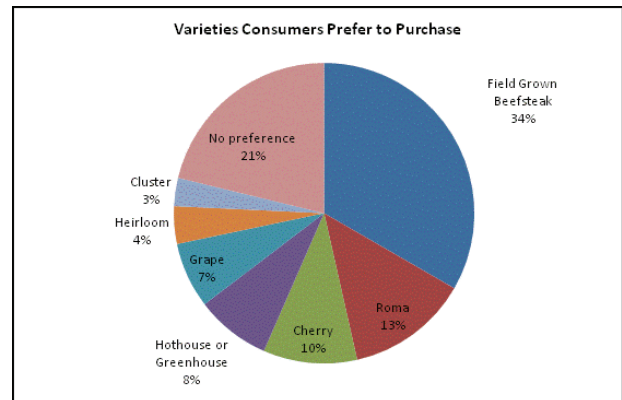


Figure 1: The Packer's 2010 Fresh Trends

Increase shelf space for field tomatoes

About 50% of consumers surveyed reported their primary reason for purchasing field-grown tomatoes is the flavor. More than half of tomato consumers are aware that some tomatoes are field-grown and others are hothouse-grown. Of those who are aware that there is a difference between the two, 70% stated they prefer the flavor of field tomatoes.

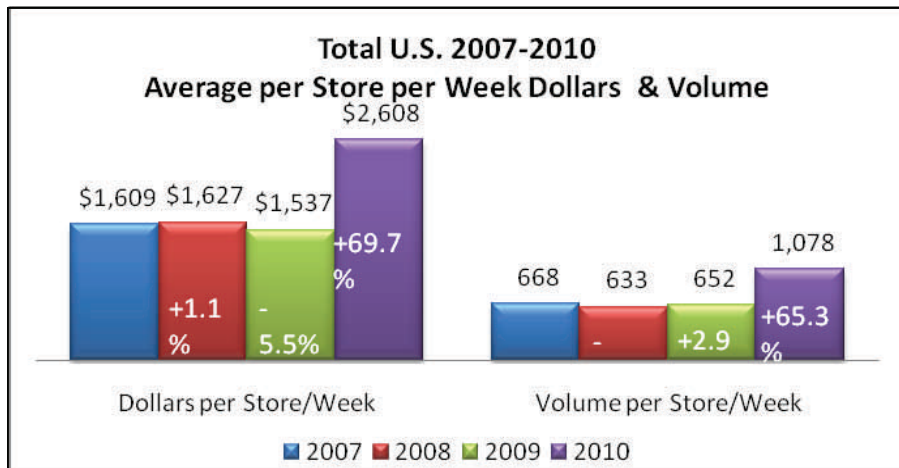
We recommend increasing shelf space for round field tomatoes—offer them in bulk and packaged in 4-6 count packages.



For more information on the research study results or label information contact Samantha Winters, Florida Tomato Committee, Samantha@floridatomatoes.org.

Trends & Recommendations

Tomatoes are a healthy, growing category



Nationwide, 2010 tomato category sales increased by 4.4% from the previous year while the average retail price increased by 2%. The average dollars per store per week showed a dramatic increase of 69% in 2010 while the average volume per store per week increased by 65%.

Field Tomato Growth in 2011

After the crisis in 2008, when field-grown tomatoes were incorrectly identified as the source of an outbreak of Salmonella Saint-paul, the category started the road to recovery.

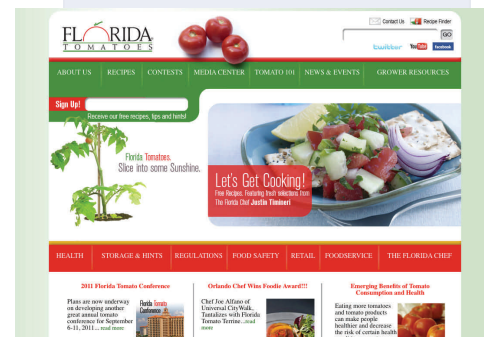
From January through March of this year, field tomatoes dollar sales increased by 7% in the South region with a 19% increase in volume compared to the same time period of the previous year.

In the East region, dollar sales increased by 3% and volume increased by 9.7%. The South and the East are the two key shipping regions for Florida field tomatoes showing positive growth this year.

Introducing our New Website

The new Floridatomatoes.org web site provides a colorful, interactive experience for consumers and industry members.

The site features Florida Chef Justin Timineri, Executive Chef of the Florida Department of Agriculture and Consumer Services.



The retail section includes a tomato color chart and provides tips and information from the latest consumer research on the tomato category.

A consumer recipe contest is currently being promoted on the site called the “Most Delicious Dish” with a \$500 cash reward for the winner.

Entries will be received through June, 2011.

The Florida Tomato “Foodie Awards” invites chefs and restaurants to showcase a signature dish using Florida Tomatoes. From April – June, 2011 winners are to be chosen each month with a \$900 cash reward for the best chef-prepared dish. The contest will start again in October.

Merchandising Tips Cont.

Include key nutritional/health benefits on the display

More than half of consumers surveyed said knowing the nutritional benefits of tomatoes makes them want to purchase more tomatoes. Use POS signage to educate your customers on tomatoes’ health benefits using these key copy points:

Fresh Florida tomatoes are high in vitamin C and a good source of vitamin A. Fresh tomatoes are fat-free, low in calories and sodium and contain the antioxidant lycopene. Research shows that low fat diets rich in fruits and vegetables may reduce the risk of some cancers.

Consumers want recipes, ideas on usage and storage tips

When asked about information included on tomato displays, recipes ranked at the top of the list with 38% of consumers followed by tips on storage, handling and usage ideas.

Since 60% of consumers currently store their tomatoes in the refrigerator, a tip on the display for “**Do Not Refrigerate**” will go a long way in helping to maintain product quality and repeat purchases.

Contact the Florida Tomato Committee for recipes, POS materials and signage and visit our newly improved website at www.floridatomatoes.org.