

The Importance of Florida Tomatoes in Your Category



Ten Steps to Grow Your Tomato Category Sales

The Florida Tomato Committee is committed to helping you grow your tomato category sales. To accomplish this, we conducted a two-year comprehensive study in partnership with the Perishables Group. This included analyzing consumer preferences and purchase behaviors, top and bottom performing stores during the Florida season, pricing strategies, promotional activity and performance benchmarks using regional and national sales data. For more details on the research, see inside. We've summarized all of this value-added information to provide you with the top ten best practices to increase sales.

The Impact of the Tomato Category to the Produce Department

The Tomato category ranks among the leading categories in produce, averaging 7% of total produce department sales on a national basis. This is because consumers regularly shop for tomatoes. In fact, 72% of consumers surveyed purchase tomatoes weekly or more often. Nearly half purchase three or four tomatoes at a time.

The majority of consumers surveyed stated that tomato purchases are pre-planned and included on their shopping list. Our research reveals that poor performance in the tomato category can adversely impact the produce department performance overall.



The Importance of Field-Grown Tomatoes to the Category

Providing a strong foundation

A nationwide review of 45 banners confirmed that retailers with good performance in the tomato category, during the Florida season, also have stronger produce department performance. In fact, the leading retailers that were among the top performers with Florida tomatoes had much stronger tomato category performance overall.

The top performing chains with Florida tomatoes also had higher tomato category contribution to the produce department compared to their rest-of-market (ROM) competitors. Field tomatoes provide a solid foundation contributing to the growth and strength of the tomato category.

Consumers Prefer the Flavor of Field-Grown Tomatoes.

The primary reason consumers purchase field-grown tomatoes is the flavor. In fact, more than half of tomato consumers surveyed are aware that some tomatoes are field-grown and others are hothouse-grown and 70% of these prefer the flavor of field tomatoes.



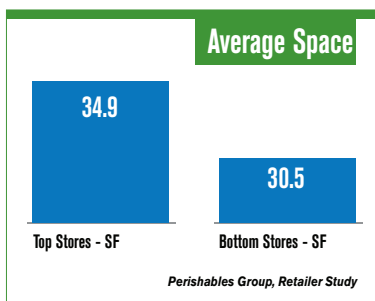


Merchandising Best Practices:

1. Space Matters – Increase the display size with more Florida field tomatoes.

Total tomato space allocation is important. Displays in the top performing stores were nearly 15% larger compared to the low performing stores. Individual stores with top performing tomato category sales had larger displays.

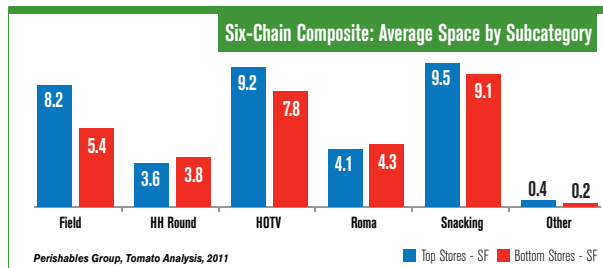
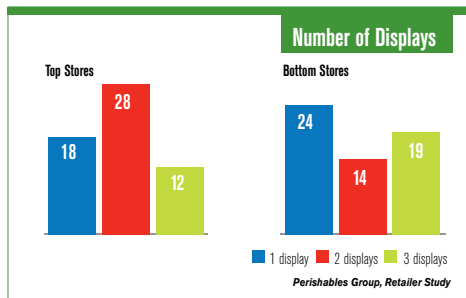
For field tomatoes, the top performing stores allocated up to 50% more space. Adding more space for field tomatoes can drive overall superior category performance.



2. Build secondary tomato displays.

Nearly half of the in-store audits in the top performing stores revealed the use of a strong, secondary tomato display. Add a secondary display of field tomatoes next to complimentary items such as packaged salad or meat to enhance sales.

In 120 space audits, the largest difference noted between stores with strong and weak tomato performance was the space allocation for field tomatoes.



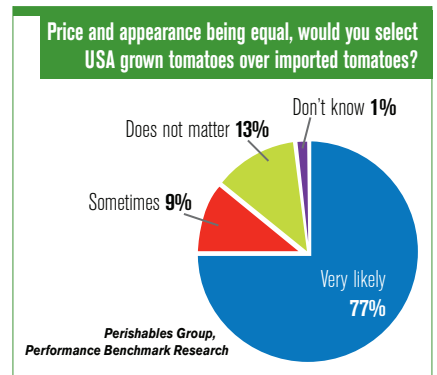
3. Highlight USA Grown Tomatoes on the display signage.

Over three-fourths of consumers surveyed would very likely purchase USA grown tomatoes over imports, and their responses averaged a significant cost increase of 25 cents more per pound. Signage is available (posters, price cards and labels) that underscores USA Grown Fresh. Contact the Florida Tomato Committee for more details.

4. What's next to tomatoes does count.

Include complimentary items in your plan-o-gram.

The top-performing stores were more likely to include complementary products such as herbs, salad, onions and avocados adjacent to the tomato category display. And, the lower-performing stores were more likely to place tomatoes near a fruit item. When developing a plan-o-gram for the tomato category, make sure to include complementary items next to tomatoes.



5. Proper handling goes a long way.

Provide consumer tip – DO NOT refrigerate.

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 maintaining product quality and repeat purchases.

6. Highlight the nutritional and health benefits:

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 (per USDA):

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, that contain vitamin A and C, may reduce the risk of some cancers.





Growing Your Category Sales

Promotional Best Practices:

7. Optimum discount level is 31% - 40%.

This discount level resulted in larger dollar impacts on the tomato category (7% increase) and field-grown round tomatoes (21% increase). While effective, the discount ranges of 41% to 50% should be used sparingly, as regular deep discount promotions can result in lower category dollars.

8. Promote field-grown tomatoes by themselves.

In promotions that included field-grown tomatoes only, the average dollar lift was 17% with a volume increase of 52%. In addition, packaged field-grown tomatoes perform well on promotions; make sure to promote packaged field-grown tomatoes as well as bulk.

9. Highlight Florida field tomatoes prominently in feature advertising.

Top-performing chains were more likely to use front page ads to promote the tomato category. Florida field tomatoes also performed well when featured prominently on the back of feature ads resulting in a 16% lift. When promoting the tomato category, prominently feature Florida field tomatoes on the front or back of feature advertisements.

10. Increase frequency of tomato promotions.

Run one to three field round tomato promotions per month during season (including print ads and ISPRs or in-store price reductions). The total tomato category does best when at least one tomato item is on promotion each week.

April, May and December are the peak months for field-grown tomato promotions so increase frequency during these months to maximize results.

Research Study Background:

This comprehensive study combined several research projects completed over a two-year period. This included:

Consumer Research: Conducted 1,500 in-store intercepts of tomato consumers in the produce departments of four major retailers in the South and East regions.

Tomato Category Performance Trends: Looked at national tomato category sales trends for three years of historical data. This included analyzing 45 banners as well as documented the contribution of total tomato sales driven by field versus other varieties.

In-Store Audits: Conducted in-store audits and analyzed sales data from six national chains in the South and East regions during the Florida tomato season. Three chains were targeted specifically for strong sales of Florida tomatoes, while three chains were selected because of weak sales of Florida tomatoes.

Promotional Study: Ten top-performing retailers were selected in the Northeast and South regions. Promotional performance data was compiled for field tomatoes and for the tomato category over a two-year period during the Florida tomato season.

Contact us for more details on the study results. We can also provide recipes, POS materials and signage to help educate your customers on the best ways to use and handle tomatoes.



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