

# Tiered Marketing

At the start of the century fifteen years ago, California avocado market share was dominant in the United States. Since then there has been a significant change due to an increase in supply of imported avocados. As a result of the slipping market share, the California Avocado Commission's (CAC's) marketing team has developed and continues to implement strategic approaches to positioning California avocados as premium through differentiation.

## A Prioritized Focus on Outreach

The Commission's tiered account marketing program identifies loyal customers with a preference for California avocados and aligns CAC's marketing resources to support California avocado sales in an efficient manner.

To identify optimum retail and foodservice targets, the Commission conducted a situational analysis to better define and understand the factors that affect promotional opportunities. Based on this analysis it was determined that CAC would:

- Identify retailers who have a preference for and are loyal to California avocados when available
- Target markets where the California avocado brand is "local" and brand development is stronger
- Coordinate target account outreach with handlers to synchronize distribution with marketing support

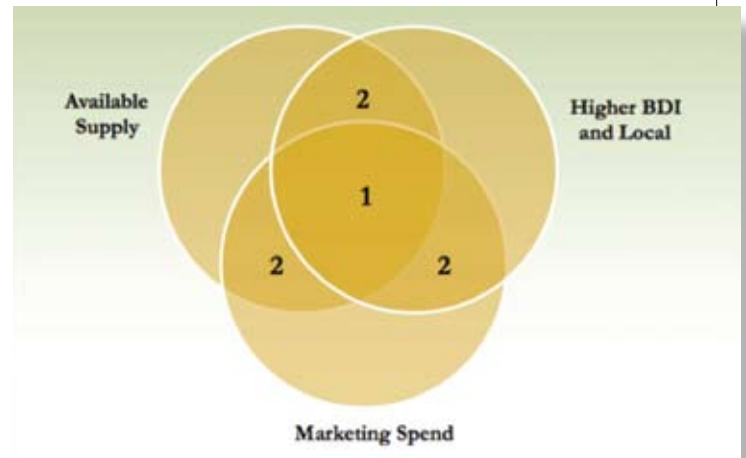
"We are telling our premium brand story to those who are loyal to the California avocado brand and are willing to pay a premium price," notes Jan DeLyser, CAC vice president of marketing. "We demonstrate the advantages of differentiation by merchandising California avocados."

It's a combination of market share, consistent quality and preference that led us to this approach and the opportunity to differentiate California avocados from all others. We are gaining significant traction with our target accounts and looking forward to building on the success we achieved with last year's launch of the tiered account approach."

## Customized Marketing Support

To maximize spending efficiency and increase sales, CAC's tiered approach allots marketing resources and support to retailers and foodservice operators based upon their classification. The Commission provided Tier One partners with customized full California avocado season promotional planning, execution and performance tracking. For Tier Two retailers the focus was placed on the American Summer Holidays and the outer market target retailers received support for specific retailer-hosted in-store events.

Support for foodservice operators is similar. CAC's food-



service team met with the organizations to discuss promotional opportunities and then compiled a list of ideas specific to the chain. CAC also hosted menu ideation sessions with the chains' decision makers as part of the planning process.

"All three targets are important to the California avocado industry," states DeLyser. "We utilize general consumer outreach to build demand, and are able to provide very specific marketing support to retailer and foodservice operators who carry California avocados with this targeted approach. There are hundreds of different things we can do for them, and our success has been in our ability to dig in to identify the right resources and tools for each specific customer."

Another positive outcome of the tiered approach has been improved connectivity between the marketing team, retailers, foodservice operators and handlers. Handlers provided input on the targeted retailers' strategies and CAC's consumer marketing activities were tightly synchronized with handler supply and retail promotional calendars. This ensured that California avocados were available in stores when promotions were being run and that they were identified as such at point of purchase.

The Commission monitored its Tier One and Tier Two accounts throughout the season and adjusted the promotions as needed based on the data on hand. Concludes DeLyser, "This past year had its fair share of challenges including the ongoing drought and increasing global competition, but our market was amazingly stable. We were able to maintain a premium price for our product from start to finish. Our tiered marketing approach has allowed us to channel our resources where they can have the most impact — with retailers who understand our premium brand and have a vested interest in promoting it. These retailers aren't willing to sacrifice quality for price, they are choosing California avocados." 🥑