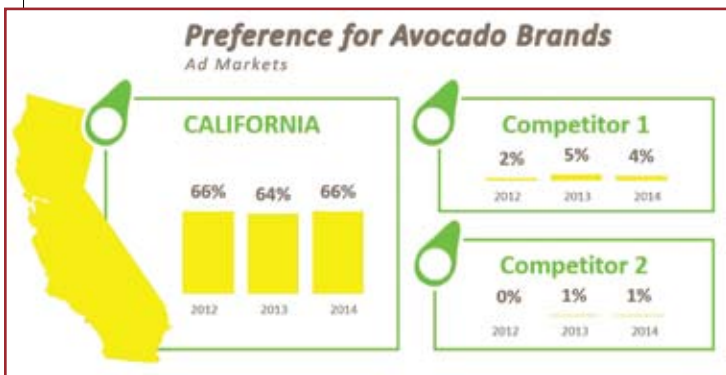


Tracking Study Reveals Consumer Attitudes

The California Avocado Consumer Tracking Study has been conducted since 1994. The study is fielded in the early fall to coincide with the end of the California avocado growing season by the independent research firm, Bovitz, Inc. It is conducted nationally with more than 1,500 respondents and measures consumer attitudes about competitors, awareness and preference for avocados and tracks how well key California avocado differentiators are resonating with audiences.

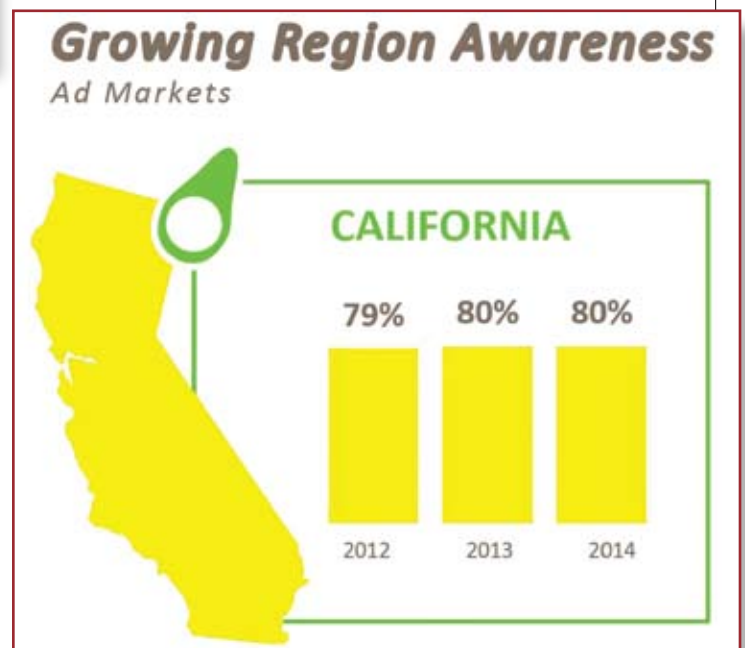


Preference

CAC's marketing objectives going into the 2014 season were to increase demand and value for California avocados in target markets in season and to establish a California avocado brand identification from grove to point-of-purchase, with the ultimate goal of maximizing grower returns. Brand demand is most closely tied to preference. The tracking study showed some great news: California remains the most preferred growing region for consumers in CAC ad markets (California, the Pacific Northwest, Phoenix, Denver and Salt Lake City). Sixty-six percent of these consumers prefer California avocados while preference for the next highest competitor is less than 5 percent.

Growing Region Awareness

California avocados maintained an all-time high growing region awareness rating of 80 percent this year, a 19 percent advantage over the biggest competitor. Advertising awareness is also another area where the Commission shined — with 42 percent recall of California avocados' advertising, a remarkable feat given the fact that CAC is outspent by as much as a margin of 5 to 1.





Labeling

While 72 percent of consumers in ad markets indicate it's important their avocados are grown in the United States, only 43 percent actually check for country of origin. More than a third of the consumers who don't check say it's because of poor labeling. Thus the Commission's labeling initiative, which links CAC's marketing activities to California avocados at point of purchase, is critical to bridging the gap between what consumers say they want and what they actually do at retail.

The 2014 tracking study marks the first year that the Commission has tracked the efforts of the labeling initiative – with positive results. Forty-two percent of respondents in ad markets claimed to have seen the California label on the avocado in the store. Of those that say they normally check for country of origin, the recall was 67 percent. The highest recall was among those who had seen California avocados advertising, at 83 percent. Mega users (those who buy 210+ avocados per year) were also more likely to recall seeing the label.

RECALL CALIFORNIA LABEL(S) ON AVOCADO IN STORE



67%

Of those who check country of origin

83%

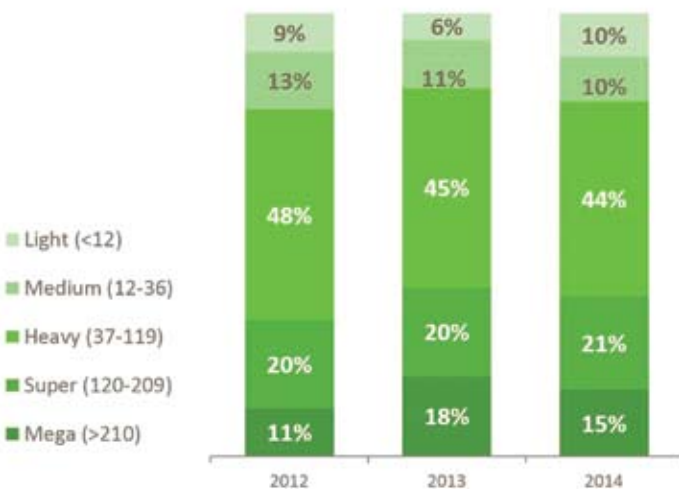
RECALL PREMIUM AD
(Ad Markets)

71%

MEGA USERS
(Ad Markets)

Avocado Consumption







of avocados purchased in a year



Consumption

The Commission has tracked avocado consumption since 1994, and in recent years has seen avocado usage shift from predominately light and medium users to much heavier usage. When the study was started, usage was classified into three categories — light (less than 12 avocados per year), medium (12 to 36 per year) and heavy (37 or more) — and the percent of users was almost evenly split between the three groups. Avocado usage and consumption has grown by such large margins that in 2007 the heavy group had to be split into two sub groups — heavy (37-119 per year) and super users (120 or more). By 2013, consumption had grown by a fourfold increase from 28 percent to 83 percent of heavy or super user respondents and because of this consumption categories were reexamined yet again. In late 2013, a fifth, mega user group was added (210 per year or more). Fifteen percent of users now fall into the mega user group, with 80 percent of users now identified as heavy, super or mega users.

Avocado User Profile

	Light Users (A)	Medium Users (B)	Heavy Users (C)	Super Users (D)	Mega Users (E)
# of Avocados Consumed Yearly	(<12)	(12-36)	(37-119)	(120-209)	(>210)
 Female	58%	73% ^A	67% ^a	68% ^a	69% ^A
 Average age (in years)	54 ^{BCDE}	49 ^E	51 ^{DE}	48 ^E	44
 Hispanic origin	6%	12% ^a	13% ^A	20% ^{ABC}	23% ^{ABC}
 Employed	56%	59%	56%	62%	72% ^{ABCD}
 In a relationship	49%	65% ^A	67% ^A	71% ^A	77% ^{ABC}
 Average Income	\$61K	\$70K ^a	\$75K ^A	\$79K ^{Ab}	\$88K ^{ABCd}

The majority of mega users are female and affluent, are largely employed or retired, and a high percentage of them are in a relationship. The majority (55 percent) of mega users closely align with California avocados' primary target audience, which CAC has defined as "The Sophisticated Naturalist." For this group, consuming and preparing food is part of their lifestyle. They think cooking is fun, which likely spurs them to use avocados in new and different ways. This eco-friendly group focuses on natural, organic and local foods. They're also willing to pay more for high quality products, which is a nice fit with California avocados' premium positioning.

The results of the 2014 California Avocado Consumer Tracking Study continue to validate the effectiveness of the Commission's marketing efforts. The study demonstrates the impact marketing efforts have had in bolstering California avocados in the minds and hearts of the avocado consumer in targeted markets. In September, upon the completion of the 2015 season, the next installment of this valuable tracking study research will begin in order to evaluate California avocado branding and marketing efforts, as well as to stay in tune with consumer attitudes and behaviors. 



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