

2023 Consumer Research Insights

Since the mid-1990s, the California Avocado Commission has conducted a California Avocado Tracking Study to better understand consumer behavior and attitudes. CAC utilizes the wealth of information provided in the report to direct consumer communications that encourage brand loyalty and purchases of the fruit at a premium price. The study also helps the Commission measure objectives and performance measures established in its annual business plan. Further, the data provides the CAC marketing team with valuable insights that can be shared with handlers to encourage them to prominently feature the California origin on packaging and with retailers to encourage them to carry the fruit in season and feature the California Avocados brand. This year, the 2023 California Avocado Tracking Study was complemented by research conducted by CAC's new agency of record, Curious Plot. **(See article on p. 24)**

Data from the study was presented to the CAC Board at the November 16, 2023 board meeting. Following are highlights from the tracking study; unless otherwise noted, results

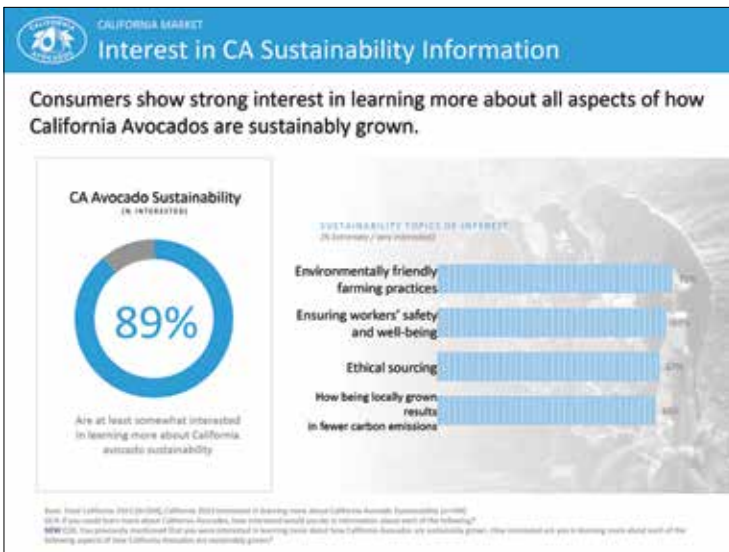
listed are for the California region.

In the California market and the West, California continues to be the preferred avocado growing region. California also continues to exceed all other origins on positive product perceptions with 68% of Californians saying California avocados are the best. Further, California avocados are perceived, by a wide margin, to have the best food safety practices as compared to fruit from other origins. This remains a top purchase driver. While consumers state that California avocados are most expensive, 63% say they are worth paying more for.

As concerns brand awareness, California avocados (unaided and aided) held steady with total awareness at 86% and is on par with Mexico at 83%. Awareness of California avocado advertising increased to 55% (comparable to Mexico at 48%) and unaided ad awareness for Mexico declined to 25% (comparable to California at 18%). It is worth noting that 53% reported hearing or seeing a lot of “buzz” about California avocados, as compared to 49% for avocados from Mexico – particularly significant given Mexico’s much larger adver-



California avocados continue to outpace avocados from Mexico concerning the quality of the fruit and consumers' willingness to pay more for them.



Consumers indicated a strong interest in learning more about how California avocados are sustainably grown, which supports CAC's intent to integrate more sustainability messaging into its consumer communications.

tising budget. Social media may be playing a role in generating the buzz and driving advertising awareness — 51% of respondents reported seeing the brand on social media, a significant increase from 31% in 2021. In alignment with CAC's video advertising on YouTube, the channel topped the list of noted social channels. Rounding out the social media impact, reports of seeing California avocados on priority channels Facebook, Instagram and TikTok also saw significant increases this year as compared to 2021 and 2022.

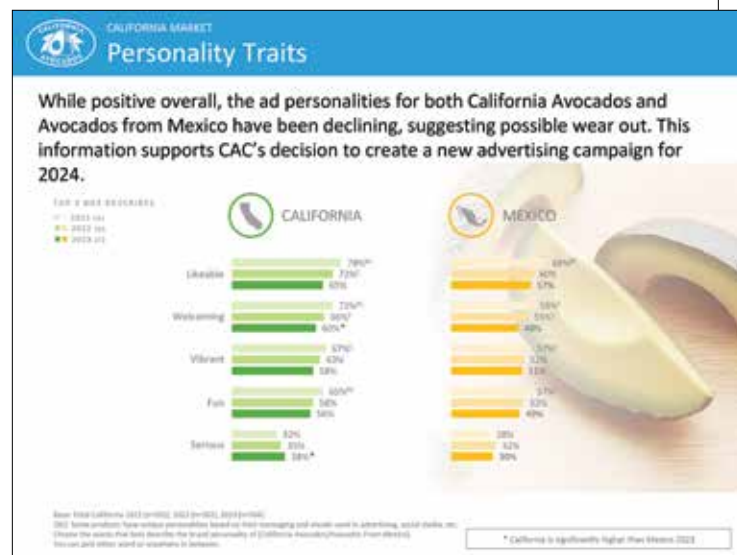
While positive overall, the ad personalities for both California Avocados and Avocados from Mexico have been declining, suggesting possible diminishing returns if the ad campaign were to continue. This information supports

TRACKING STUDY METHODOLOGY

- 15-minute online surveys
- Total sample size for the western region was 1,012; California 504, other western states about 100 each, non-western markets 393; for the total U.S. the sample size was weighted to be representative and the sample size was 504
- Statistical significance was reported at the 95% confidence level
- Sample qualifications:
 - Age 18+
 - 60% female, 40% male
 - Primary/shared grocery shoppers who had purchased avocados in the past year

CAC's decision to create a new 2024 consumer advertising campaign. Further, CAC marketing messaging is evolving to include more facts about sustainability, so the study examined consumer interest in hearing more about California avocado sustainability to ensure this direction would be beneficial for the brand. According to the study, 89% are interested in learning more and the top four topics of interest are environmentally friendly farming practices, ensuring workers' safety and well-being, ethical sourcing and how locally grown results in fewer carbon emissions. In addition, certain sustainability factors are deemed very important when consumers are considering avocado purchases. The following percentages represent those who noted it was extremely or very important that:

- Growers protect the water supply to keep it safe (83%)
- Harvesters and other workers are treated fairly (81%)
- Growers respect and care for the land (81%)
- Growers use water responsibly (80%)
- Growers use practices that maintain and create healthy soil (80%)

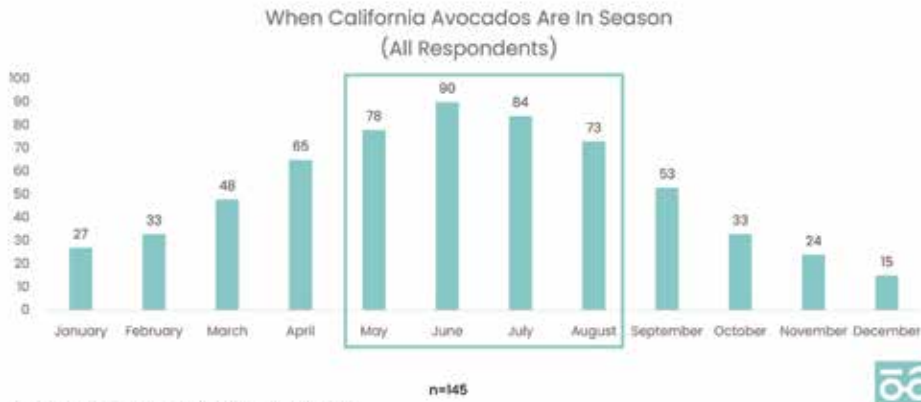


Data from the tracking study supports CAC's decision to create a new 2024 consumer advertising campaign.

Finally, while California avocado buyers note they prefer to purchase single avocados, 78% say they also purchase bagged avocados. More than two-thirds report they would be a lot or a little more likely to buy bagged avocados if California was on the label.

Curious Plot also conducted an online survey of 393 respondents among the top 50 U.S. metro areas with 19% of the respondents living in California — the highest of any state. The sample qualifications for this survey were respondents over the age of 18, with 61% of them female and respondents reporting they consumed avocados at least once every several months.

Those who purchase California Avocados believe they are mainly in season from May–August.

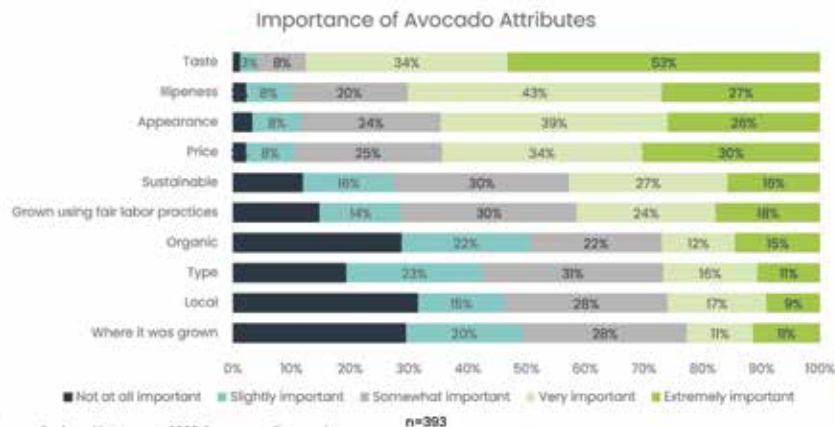


Source: Curious Plot August 2023 Consumer Research
Q: Select the months in which you believe California avocados to be "in season." Select all that apply.

The Curious Plot survey indicates an opportunity to build awareness around California avocados' seasonality.

The results of these surveys identified opportunities to clarify and expand consumer messaging. While California avocados are more likely than avocados from Mexico to be described as the highest quality and worth paying more for, the data from the Curious Plot survey indicated that 24% of "frequent" avocado buyers do not know where their avocados come from — underscoring the need for education and brand connection to location and sourcing. Additionally, those who purchase California avocados do not fully understand California's unique seasonality — indicating an opportunity to build anticipation and appreciation for the specific months California fruit is available. When asked to rank the importance of avocado attributes, respondents most valued attributes that equate to "best" taste, ripeness and appearance. 🥑

Consumers value attributes that equate to "best."



Source: Curious Plot August 2023 Consumer Research
Q: When shopping for avocados, how important are the following to you?

Curious Plot respondents indicated taste, ripeness and appearance are the most valued attributes when it comes to the "best" avocados.