

Shopper Insights for a Complex Category

What to Know About the Tropical Category



Over the last five years, the tropical category has grown twice as fast as total produce. As a complex category with more than 30 different commodities, retailers are challenged with how to merchandise, price, and promote tropical items to enhance performance of the entire department.

Pineapple: picked ripe

Shoppers don't know that pineapples are picked ripe—many still view external color as the primary indicator of ripeness.



Papaya: try it, you'll like it

Of shoppers who don't purchase papaya, nearly half have never tried them!



Mango: getting to know you

Mango sales are growing rapidly (11% CAGR), but many shoppers say they're still not comfortable choosing or preparing them.



Robinson Fresh® conducted a survey with U.S. consumers to better understand how shoppers purchase tropical items and what impacted their decision to buy. Research shows that many shoppers are still unfamiliar with these commodities, although current industry trends still point to shoppers wanting fresh flavors in their everyday diets. Retailers are well positioned to connect the dots and grow sales.



MANGO



62% plan to buy
38% impulse buy

59% of shoppers
buy mango

IN AN INCONSISTENT
PURCHASE PATTERN



AVOCADO



77% plan to buy
23% impulse buy

66% of shoppers
buy avocado

IN A CONSISTENT
PURCHASE PATTERN



**AVERAGE WEEKS/YEAR
PROMOTED BY RETAILERS**



16
WEEKS

**AVERAGE WEEKS/YEAR
PROMOTED BY RETAILERS**



22
WEEKS

PRICE ELASTICITY, EXPLAINED

The tropical category is complex and varied when it comes to the elasticity of each item. However, the sales of one commodity, even outside of tropical, often affects the sales of others. Retailers should understand the relationship that prices of one commodity can have on others.

Elastic Many retailers maximize their profitability on mangos when pricing is around \$1.00 each, but **a \$0.10 change in price up or down results in nearly 40% change in volume.**

Inelastic For an inelastic commodity like limes, **a change in price will likely not impact the volume sold.** Merchandise a product like limes or offer price incentives on packaged options with other commodities to increase volume.



PINEAPPLE



64% plan to buy
36% impulse buy

78% of shoppers
buy pineapple

IN AN INCONSISTENT
PURCHASE PATTERN



**AVERAGE WEEKS/YEAR
PROMOTED BY RETAILERS**



PAPAYA



56% plan to buy
44% impulse buy

37% of shoppers
buy papaya

IN A VERY INCONSISTENT
PURCHASE PATTERN



**AVERAGE WEEKS/YEAR
PROMOTED BY RETAILERS**



Unit Elastic Avocados are unit elastic (i.e., a 10% change in price results in about a 10% change in volume). With this commodity, retailers must decide if they want to make an investment to grow market share.

STRETCH YOUR STRATEGY

It's important to know the unique price and cross-price elasticity for products, based on the buying behaviors of shoppers in retailers' stores. Because this impacts both volume and profit, optimizing a pricing strategy to meet business goals can maximize market share where it matters.

The secret to fine-tuned pricing

Try various price points or sales combinations with customers, e.g., \$1/each, buy one/get one, \$.99/piece. Unless things are done differently, there is nothing to compare.

**BUY 1
GET 1
FREE**



3 opportunities to increase sales

1

Increase exposure to tropical items.

Shoppers indicate that they lack comfort choosing and preparing tropical items. One way to take out the guesswork is to showcase recipes or meal kit solutions that feature the fruits.



2

Cater to shoppers' ripening expectations.

Roughly half of shoppers expect an avocado to be ripe in 3-5 days, 40% expect 1-2 days, and about 10% want it ready now. A well-executed ripening program is a must-have to satisfy shopper expectations for avocados and soon, mangos.



3

Give options to impulse shoppers.

Tropical commodities are often impulse buys—but shoppers need to see them to try and buy them. Cross-merchandise bulk, packaged, and value-added items together in high-traffic areas. Using this strategy on items that pair well, like limes and jalapeños, can also lift impulse purchases.



About Robinson Fresh

Robinson Fresh brings you fresh food and smart logistics solutions. As a division of C.H. Robinson, a top global third party logistics provider, Robinson Fresh provides year round supply with global to local cold chain expertise and services, as well as world-class account management and impactful category insights. We also provide a comprehensive brand portfolio—with private label, proprietary, and national brands, like **Green Giant™ Fresh**, **Happy Chameleon™** and **Tropicana®**—to help you stand out in a bold, fresh way. This all fuels our innovative supply chain solutions, from seed to shelf.

Let's talk fresh

To discuss Robinson Fresh's capabilities, please reach out to **855-350-0014**

For more information, visit robinsonfresh.com or blog.robinsonfresh.com

