

2019

Market
Opportunity
Matrix

HASS AVOCADO
BOARD

Market Opportunity Matrix

Avocado Category Market Development Tool



Objective and Market Information:

This Market Development Tool is designed to help avocado merchandisers and industry stakeholders identify, quantify and prioritize potential market-level opportunities for 45 markets. These individual markets have unique profiles and vary significantly by population, category development and other related measures.

Methodology:

This tool provides an understanding of these market-by-market differences and their implications for category growth using five multi-metric models as detailed below.

- **Avocado Category Development Index**

Answers the question: "Are avocados over or underdeveloped in market X relative to the population of the market?" and ranks growth opportunity relative to population

- **Avocado Fair Share Analysis**

Answers the question: "Is the avocado category getting its fair share of sales compared to All Other Produce in market X?" and quantifies potential dollar opportunities if gaps are closed

- **Avocado Category Dollar Trend Opportunity**

Answers the question: "Is the avocado category outpacing or lagging the dollar growth rate of All Other Produce?" and ranks the markets by growth opportunity

- **Distribution vs. Velocity Quadrant Analysis - Total Category and Bagged Avocados**

Answers the question: "What market development strategies are suggested by each market's avocado distribution-velocity profile for total category and bagged avocados?" and identifies the market development strategy suggested by each quadrant

- **Avocado Distribution Opportunity - Total Category and Bagged Avocados**

For Total Category - Answers the question: "Where are the biggest gaps in avocado distribution compared to Total Produce?" and ranks the markets by potential dollar growth opportunities if gaps are closed

For Bagged Avocados - Answers the question: "Where are the biggest gaps in bagged avocado distribution compared to the total category?" and ranks the markets by potential dollar growth opportunities for bags if gaps are closed

How-to-Use

Avocado merchandisers and industry stakeholders can use this Market Development Tool to identify new opportunities for category growth in 45 markets. Some markets are more developed than others, but high development does not signify a lack of opportunity. This tool provides a multi-view approach to gauging the individual opportunities in each market. To take full advantage of this tool, apply it to your business in three steps:

- 1) Focus on the markets that you supply
- 2) Evaluate each opportunity model for opportunities in your markets
- 3) Evaluate potential opportunities for expansion into new markets

Market Example: Los Angeles

Los Angeles is one of the largest markets in the avocado category and as such, is one of the most developed markets. However, there are still opportunities for growth in the LA market. When viewed through the lens of each analysis, LA shows opportunities in the Dollar Trend, Distribution and Quadrant Analysis models for the total avocado category and for bagged avocados.

The Dollar Trend model reveals that the avocado category is growing more slowly than All Other Produce in LA. If avocados were to match the growth rate of All Other Produce in LA, the category would bring in an additional +\$1.6 million in sales. The avocado category is also not sold everywhere All Other Produce is sold in LA. All Other Produce is sold in 93.4% of stores in LA, while avocados are sold in 91.9% of stores. This gap represents an opportunity of +\$2.7 million in category sales.

The Los Angeles market is one of the largest and most developed markets in the avocado category. However, Los Angeles still shows opportunity for growth



State Abbr.	Markets	Population Share	Avocado Volume Share	Avocado CDI
PA	Pittsburgh	0.8%	0.4%	50.5
PA	Harrisburg/Scranton	1.4%	0.8%	58.1
NY	Buffalo/Rochester	0.8%	0.5%	58.8
NY	Syracuse	0.4%	0.2%	60.2
IL/MO	St. Louis	0.8%	0.5%	63.6
TN/VA/WV	Roanoke	0.7%	0.5%	64.2
NJ/PA	Philadelphia	2.1%	1.3%	65.4
GA/SC	South Carolina	1.7%	1.1%	66.7
IN	Indianapolis	0.7%	0.5%	73.2
IL	Chicago	2.8%	2.1%	73.3
IN/KY	Louisville	0.4%	0.3%	73.4
NC	Charlotte	0.9%	0.7%	74.7
AL/LA/MS	New York	6.2%	4.7%	74.8
KY/OH	Cincinnati/Dayton	0.9%	0.7%	78.1
ME/NH/VT	New Orleans/Mobile	1.0%	0.8%	79.0
NC	Raleigh/Greensboro	1.1%	0.9%	80.2
MI	Detroit	1.5%	1.2%	80.7
VA	Richmond/Norfolk	0.9%	0.8%	83.6
NY	Albany	0.4%	0.3%	83.6
MD/VA	Baltimore/Washington	2.7%	2.2%	84.0
OH	Columbus	0.7%	0.6%	87.0
MI	Grand Rapids	0.5%	0.5%	88.1
CT/MA	Hartford/Springfield	1.0%	0.9%	89.4
MA	Boston	1.8%	1.8%	99.5
GA	Atlanta	1.7%	1.7%	100.3
FL	Jacksonville	0.5%	0.6%	101.4
FL	Orlando	1.1%	1.2%	111.5
TN	Nashville	0.6%	0.7%	111.6
FL	Tampa	1.2%	1.3%	112.0
ID	Boise	0.2%	0.2%	112.9
CA	San Francisco	2.0%	2.3%	113.5
ID/WA	Spokane	0.2%	0.2%	113.5
CA	San Diego	1.0%	1.2%	121.1
FL	Miami/Ft. Lauderdale	1.9%	2.3%	121.4
WA	Seattle	1.2%	1.5%	125.6
NV	Las Vegas	0.7%	0.8%	126.0
CA	Los Angeles	5.5%	7.1%	129.1
NJ/NY	Northern New England	1.0%	1.3%	129.8
CA	Sacramento	0.9%	1.3%	134.7
OR	Portland	1.1%	1.6%	151.7
TX	Dallas/Ft. Worth	2.2%	3.6%	163.2
NM/TX	West Tex/New Mexico	1.3%	2.2%	169.4
CO	Denver	1.3%	2.2%	171.3
AZ	Phoenix/Tucson	1.6%	3.1%	189.3
TX	Houston	2.1%	4.0%	190.1

"Are avocados over or underdeveloped in market X relative to the population of the market?"

Example: If New York has 6% of the country's population, is it selling 6% of the country's avocados?

- Compares each market's share of avocados to its share of population
- Calculates the category development index (CDI) for each market
- Ranks the markets by CDI
- Groups the markets using a standard index model:
 - >120 = Overdeveloped (Orange)
 - 80 -120 = On Par (White)
 - < 80 = Underdeveloped (Light Green)

Markets in light green represent strong avocado growth potential according to this metric

Based on their CDI, Fifteen markets are underdeveloped relative to their population, led by Pittsburgh at 51

Thirteen markets are overdeveloped relative to their population. Houston is the highest indexing Market at 190

State Abbr.	Markets	All Other Produce \$ Share	Avocado \$ Share	Point Gap	\$ Opportunity
NJ/PA	Philadelphia	2.2%	1.5%	0.6	\$15,877,814
PA	Harrisburg/Scranton	1.4%	0.9%	0.5	\$13,285,471
GA/SC	South Carolina	1.6%	1.2%	0.5	\$11,355,412
NY	Buffalo/Rochester	0.9%	0.5%	0.4	\$10,703,235
PA	Pittsburgh	0.8%	0.4%	0.4	\$9,068,954
MI	Detroit	1.5%	1.2%	0.4	\$8,691,953
NJ/NY	Northern New England	1.8%	1.5%	0.3	\$8,332,167
MD/VA	Baltimore/Washington	3.1%	2.7%	0.3	\$8,294,886
MA	Boston	2.4%	2.1%	0.3	\$7,490,909
CT/MA	Hartford/Springfield	1.4%	1.1%	0.3	\$7,008,460
TN/VA/WV	Roanoke	0.7%	0.4%	0.3	\$6,854,917
KY/OH	Cincinnati/Dayton	0.9%	0.7%	0.3	\$6,539,317
IL/MO	St. Louis	0.9%	0.6%	0.2	\$5,990,844
VA	Richmond/Norfolk	0.9%	0.8%	0.2	\$4,737,601
GA	Atlanta	1.7%	1.5%	0.2	\$4,656,952
NY	Syracuse	0.4%	0.2%	0.2	\$4,633,494
FL	Tampa	1.7%	1.5%	0.2	\$4,439,110
NY	Albany	0.5%	0.3%	0.2	\$3,818,257
IN	Indianapolis	0.7%	0.5%	0.1	\$3,557,157
FL	Orlando	1.5%	1.3%	0.1	\$3,415,186
FL	Jacksonville	0.7%	0.6%	0.1	\$3,358,207
OH	Columbus	0.6%	0.5%	0.1	\$3,063,900
NC	Raleigh/Greensboro	1.1%	1.0%	0.1	\$3,024,439
ME/NH/VT	New Orleans/Mobile	0.9%	0.7%	0.1	\$2,689,354
IN/KY	Louisville	0.4%	0.3%	0.1	\$2,277,995
NC	Charlotte	0.8%	0.8%	0.1	\$1,800,717
MI	Grand Rapids	0.6%	0.6%	0.0	\$1,111,830
TN	Nashville	0.6%	0.6%	0.0	\$303,547
ID/WA	Spokane	0.2%	0.3%	0.0	-\$940,665
AL/LA/MS	New York	5.6%	5.7%	0.0	-\$1,091,079
ID	Boise	0.2%	0.3%	-0.1	-\$1,817,914
FL	Miami/Ft. Lauderdale	2.6%	2.6%	-0.1	-\$1,907,087
IL	Chicago	2.5%	2.6%	-0.1	-\$2,426,609
NV	Las Vegas	0.6%	0.8%	-0.3	-\$6,186,396
CA	San Diego	0.9%	1.3%	-0.4	-\$8,917,948
WA	Seattle	1.4%	1.9%	-0.5	-\$11,309,451
CA	Sacramento	0.9%	1.4%	-0.5	-\$13,210,687
OR	Portland	1.2%	1.7%	-0.6	-\$13,573,036
AZ	Phoenix/Tucson	1.6%	2.1%	-0.6	-\$13,823,406
NM/TX	West Tex/New Mexico	1.2%	1.8%	-0.6	-\$14,578,870
TX	Dallas/Ft. Worth	2.0%	2.6%	-0.6	-\$15,389,215
CO	Denver	1.5%	2.2%	-0.7	-\$17,679,845
CA	San Francisco	1.9%	2.7%	-0.8	-\$19,937,524
TX	Houston	1.7%	2.6%	-0.9	-\$21,638,159
CA	Los Angeles	4.6%	6.9%	-2.3	-\$57,692,975

"Is the avocado category getting its fair share of sales compared to All Other Produce in market X?"

Example: If New York sells 6% of All Other Produce in the U.S., is it selling 6% of the country's avocados?

- Compares each market's share of avocados to its share of All Other Produce
- Identifies the gap for each market
- Calculates the potential dollar value of each gap
- Ranks the markets by dollar opportunity

Twenty-eight markets have a greater share of All Other Produce than avocados, representing a potential dollar opportunity for avocados of \$166.4MM

The top eight markets account for 51% of the \$166.4MM. Philadelphia has the largest opportunity at \$15.9MM

Markets with negative gaps have a larger share of avocados than All Other Produce, which means avocados are overdeveloped relative to All Other Produce in those markets, but does not imply a lack of opportunity

State Abbr.	Markets	All Other Produce \$ Growth	Avocado \$ Growth Rate	Point Gap	\$ Opportunity
KY/OH	Cincinnati/Dayton	2.5%	-7.3%	9.8	\$1,760,838
CA	Los Angeles	3.1%	2.1%	1.0	\$1,640,014
NM/TX	West Tex/New Mexico	3.3%	1.7%	1.5	\$648,602
IN	Indianapolis	-0.2%	-2.1%	1.9	\$246,024
ME/NH/VT	New Orleans/Mobile	3.2%	2.0%	1.3	\$226,015
NY	Buffalo/Rochester	2.6%	1.8%	0.8	\$98,565
NY	Syracuse	3.2%	3.6%	-0.4	-\$23,722
CA	San Diego	2.3%	2.5%	-0.2	-\$67,202
FL	Jacksonville	7.8%	9.1%	-1.4	-\$179,493
ID	Boise	11.0%	14.4%	-3.4	-\$197,381
IN/KY	Louisville	1.5%	5.6%	-4.1	-\$275,207
ID/WA	Spokane	6.8%	11.4%	-4.7	-\$277,076
VA	Richmond/Norfolk	3.2%	5.2%	-1.9	-\$344,657
NY	Albany	5.1%	11.6%	-6.6	-\$476,564
NC	Charlotte	5.1%	8.5%	-3.3	-\$580,249
PA	Harrisburg/Scranton	3.0%	6.2%	-3.2	-\$629,473
GA/SC	South Carolina	5.7%	8.4%	-2.7	-\$706,884
IL/MO	St. Louis	1.1%	6.6%	-5.4	-\$766,857
IL	Chicago	-1.4%	-0.2%	-1.2	-\$769,977
OH	Columbus	1.4%	7.9%	-6.5	-\$770,168
TN	Nashville	4.0%	9.6%	-5.7	-\$777,966
TN/VA/WV	Roanoke	1.3%	9.3%	-8.0	-\$799,786
NJ/PA	Philadelphia	3.2%	5.6%	-2.4	-\$868,001
NC	Raleigh/Greensboro	5.9%	10.0%	-4.1	-\$910,177
PA	Pittsburgh	1.0%	11.6%	-10.6	-\$970,084
MI	Grand Rapids	3.2%	10.9%	-7.7	-\$980,315
GA	Atlanta	3.3%	6.9%	-3.6	-\$1,282,688
NV	Las Vegas	3.3%	11.2%	-7.9	-\$1,463,805
OR	Portland	3.0%	6.8%	-3.7	-\$1,467,197
NJ/NY	Northern New England	7.2%	11.8%	-4.6	-\$1,524,332
CA	Sacramento	2.7%	7.7%	-5.1	-\$1,639,182
CT/MA	Hartford/Springfield	2.6%	10.4%	-7.8	-\$1,946,399
WA	Seattle	4.1%	9.0%	-4.9	-\$2,104,951
CO	Denver	2.7%	7.0%	-4.3	-\$2,194,199
TX	Dallas/Ft. Worth	0.5%	4.6%	-4.1	-\$2,560,067
MD/VA	Baltimore/Washington	1.3%	5.5%	-4.1	-\$2,633,417
FL	Orlando	7.5%	17.1%	-9.6	-\$2,725,504
FL	Tampa	7.5%	17.3%	-9.8	-\$3,045,433
TX	Houston	-1.3%	3.8%	-5.0	-\$3,075,943
MI	Detroit	3.1%	16.8%	-13.7	-\$3,351,179
MA	Boston	5.3%	14.8%	-9.5	-\$4,288,114
AZ	Phoenix/Tucson	2.4%	11.6%	-9.2	-\$4,361,058
CA	San Francisco	-0.3%	8.2%	-8.6	-\$5,275,752
FL	Miami/Ft. Lauderdale	5.8%	20.2%	-14.4	-\$7,763,631
AL/LA/MS	New York	4.5%	14.5%	-10.0	-\$12,150,206

"Is the avocado category outpacing or lagging the dollar growth rate of All Other Produce?"

Example: If dollar sales of All Other Produce in New York grew +5% vs. prior year, is the growth rate of the avocado category higher or lower than that of All Other Produce?

- Compares the growth rate of All Other Produce vs. the avocado category
- Identifies the gap for each market
- Calculates the potential value of each gap
- Ranks the markets by dollar opportunity

The avocado dollar growth rate lagged All Other Produce in six markets, representing an opportunity of \$4.6MM

Cincinnati/Dayton and Los Angeles display a combined opportunity of \$3.4MM, accounting for nearly three fourths of the total dollar trend opportunity

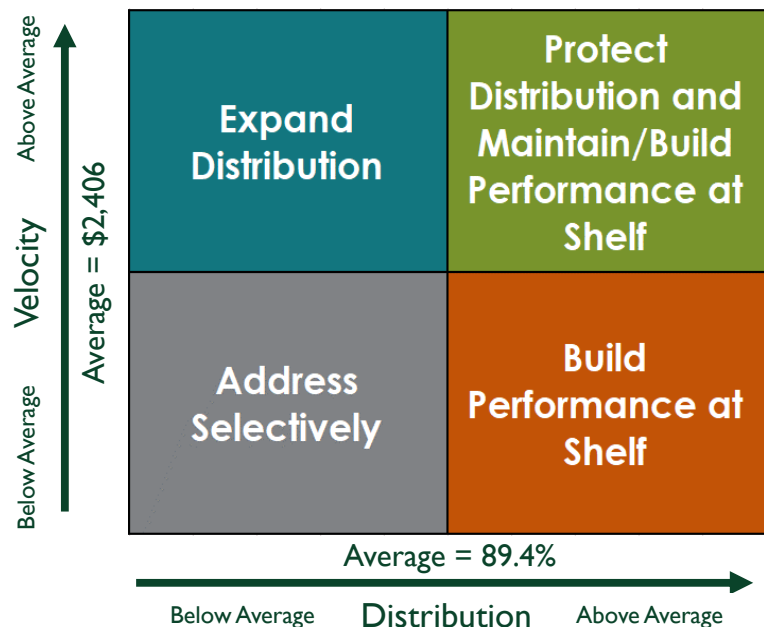
Avocados outpaced All Other Produce in the majority of tracked markets, emphasizing the strength of the avocado category

Total Category Quadrant Analysis - Distribution and Velocity

State Abbr.	Markets	Distribution	Velocity (\$ Per MM ACV)
CA	San Francisco	87.8%	4,411
AL/LA/MS	New York	82.6%	3,298
NM/TX	West Tex/New Mexico	88.8%	3,158
MA	Boston	85.7%	2,983
MD/VA	Baltimore/Washington	87.8%	2,699
CT/MA	Hartford/Springfield	85.5%	2,678
IL	Chicago	88.8%	2,544
OR	Portland	95.3%	4,581
WA	Seattle	93.8%	4,202
CA	Sacramento	91.3%	4,058
CA	Los Angeles	91.9%	3,741
ID	Boise	90.2%	3,724
CO	Denver	95.2%	3,508
CA	San Diego	90.5%	3,439
FL	Miami/Ft. Lauderdale	90.8%	3,138
ID/WA	Spokane	91.8%	3,134
TX	Houston	91.8%	2,949
NV	Las Vegas	90.5%	2,917
AZ	Phoenix/Tucson	93.8%	2,879
TX	Dallas/Ft. Worth	93.3%	2,626
NJ/NY	Northern New England	89.7%	2,522
MI	Grand Rapids	92.2%	2,448
NJ/PA	Philadelphia	86.1%	1,970
ME/NH/VT	New Orleans/Mobile	88.4%	1,802
GA/SC	South Carolina	89.1%	1,475
PA	Pittsburgh	86.1%	1,228
FL	Tampa	91.6%	2,355
FL	Orlando	90.5%	2,270
FL	Jacksonville	91.4%	2,052
TN	Nashville	91.4%	2,007
NC	Raleigh/Greensboro	91.1%	1,986
GA	Atlanta	93.3%	1,945
NC	Charlotte	90.0%	1,918
NY	Albany	91.5%	1,899
MI	Detroit	91.0%	1,894
VA	Richmond/Norfolk	92.0%	1,718
OH	Columbus	93.3%	1,598
IL/MO	St. Louis	91.2%	1,597
IN	Indianapolis	91.4%	1,591
PA	Harrisburg/Scranton	91.2%	1,483
NY	Syracuse	92.3%	1,439
IN/KY	Louisville	91.2%	1,426
NY	Buffalo/Rochester	90.8%	1,419
KY/OH	Cincinnati/Dayton	94.0%	1,406
TN/VA/WV	Roanoke	90.4%	1,192

"What market development strategies are suggested by these market dynamics?"

- Calculates each market's avocado distribution* and velocity**
- Groups markets into quadrants based on their respective distribution/velocity combinations
- Identifies the market development strategy suggested by each quadrant



Blue Markets

Represent a particular opportunity to grow sales of Hass avocados by expanding distribution

Green Markets

These markets are outperforming the average, which suggests the importance of taking actions to protect both distribution and shelf performance (Assortment, placement, pricing, promotion)

Grey Markets

Opportunities may exist in these markets to increase distribution and shelf performance. Address selectively

Orange Markets

Represent a particular opportunity to grow sales of Hass avocados by improving category performance at shelf (Assortment, placement, pricing, promotion)

Total Category - Distribution \$ Opportunity

State Abbr.	Markets	Total Produce Distribution	Avocado Distribution	Point Gap	\$ Opportunity
AL/LA/MS	New York	88.3%	82.6%	5.8	\$9,721,124
MD/VA	Baltimore/Washington	93.8%	87.8%	6.0	\$4,577,311
MA	Boston	92.3%	85.7%	6.6	\$3,976,268
CA	Los Angeles	93.4%	91.9%	1.5	\$2,738,304
CT/MA	Hartford/Springfield	92.4%	85.5%	6.9	\$2,225,317
CA	San Francisco	90.7%	87.8%	2.9	\$2,124,981
NJ/PA	Philadelphia	91.2%	86.1%	5.0	\$2,192,507
IL	Chicago	91.6%	88.8%	2.8	\$1,978,336
NJ/NY	Northern New England	93.2%	89.7%	3.5	\$1,444,088
CA	San Diego	93.8%	90.5%	3.4	\$1,203,498
WA	Seattle	96.0%	93.8%	2.2	\$1,087,389
FL	Miami/Ft. Lauderdale	92.1%	90.8%	1.3	\$956,425
NM/TX	West Tex/New Mexico	90.7%	88.8%	1.9	\$922,775
CA	Sacramento	93.4%	91.3%	2.1	\$806,849
CO	Denver	96.5%	95.2%	1.3	\$750,862
NV	Las Vegas	93.3%	90.5%	2.8	\$642,808
PA	Pittsburgh	91.5%	86.1%	5.4	\$635,948
FL	Orlando	92.1%	90.5%	1.6	\$584,486
ID	Boise	95.7%	90.2%	5.5	\$400,864
NC	Raleigh/Greensboro	92.6%	91.1%	1.5	\$394,533
GA/SC	South Carolina	90.2%	89.1%	1.2	\$369,514
OR	Portland	96.1%	95.3%	0.8	\$356,282
ID/WA	Spokane	96.6%	91.8%	4.8	\$346,427
TX	Houston	92.3%	91.8%	0.5	\$340,318
PA	Harrisburg/Scranton	92.6%	91.2%	1.4	\$313,623
MI	Detroit	92.0%	91.0%	0.9	\$299,056
AZ	Phoenix/Tucson	94.3%	93.8%	0.5	\$270,140
NC	Charlotte	91.2%	90.0%	1.2	\$254,788
FL	Tampa	92.3%	91.6%	0.6	\$249,931
GA	Atlanta	93.9%	93.3%	0.6	\$245,120
NY	Albany	94.1%	91.5%	2.6	\$232,891
VA	Richmond/Norfolk	93.0%	92.0%	1.0	\$210,663
NY	Buffalo/Rochester	92.3%	90.8%	1.4	\$189,501
IN	Indianapolis	92.7%	91.4%	1.3	\$177,360
TN/VA/WV	Roanoke	91.7%	90.4%	1.3	\$160,211
OH	Columbus	94.4%	93.3%	1.1	\$151,824
TN	Nashville	92.2%	91.4%	0.7	\$120,507
MI	Grand Rapids	92.9%	92.2%	0.8	\$115,379
ME/NH/VT	New Orleans/Mobile	89.0%	88.4%	0.5	\$105,367
IN/KY	Louisville	92.2%	91.2%	1.0	\$79,871
FL	Jacksonville	91.8%	91.4%	0.5	\$72,375
IL/MO	St. Louis	91.6%	91.2%	0.4	\$64,242
NY	Syracuse	93.3%	92.3%	1.0	\$62,730
KY/OH	Cincinnati/Dayton	94.3%	94.0%	0.3	\$56,855
TX	Dallas/Ft. Worth	93.3%	93.3%	0.1	\$55,813

"Where are the biggest gaps in avocado distribution compared to Total Produce? How valuable are those gaps?"

Example: If Total Produce is sold in 88% of stores in New York, are avocados also sold in 88% of stores in New York?

- Compares retail distribution of Total Produce vs. avocados by market
- Identifies the gap for each market
- Calculates the potential dollar value of each gap
- Ranks the markets by dollar opportunity

The value of avocado distribution is not equal in each market. Avocado distribution in New York and Los Angeles is more valuable than distribution in other markets

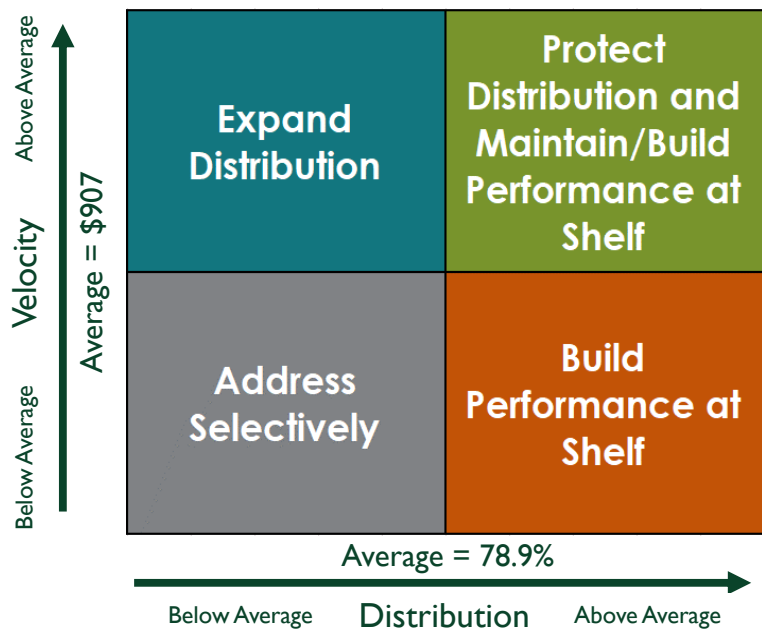
Hartford/Springfield has the largest distribution gap at 6.9 points. Closing this gap would result in an additional +\$2.2MM for the avocado category. However, a smaller gap does not indicate less opportunity for growth. For example: LA has a smaller gap than Hartford/Springfield at 1.5 points, but closing this gap would result in +\$2.7MM for the category

Bagged Avocado Quadrant Analysis - Distribution and Velocity

State Abbr.	Markets	Distribution	Velocity (\$ Per MM ACV)
OR	Portland	64.7%	2,984
AL/LA/MS	New York	79.1%	921
GA	Atlanta	90.9%	941
CA	San Diego	88.7%	995
TN	Nashville	91.4%	1,002
TX	Dallas/Ft. Worth	87.8%	1,020
NM/TX	West Tex/New Mexico	79.7%	1,041
AZ	Phoenix/Tucson	87.6%	1,230
ID/WA	Spokane	90.0%	1,293
NV	Las Vegas	89.4%	1,298
ID	Boise	90.2%	1,326
TX	Houston	85.0%	1,436
CA	Los Angeles	86.7%	1,554
CO	Denver	95.0%	1,903
WA	Seattle	88.0%	2,139
NY	Albany	69.2%	347
NY	Syracuse	78.5%	598
MA	Boston	77.0%	605
NJ/PA	Philadelphia	76.8%	663
MD/VA	Baltimore/Washington	77.7%	740
NJ/NY	Northern New England	82.5%	411
CT/MA	Hartford/Springfield	79.7%	488
PA	Harrisburg/Scranton	80.1%	499
GA/SC	South Carolina	84.3%	529
IL	Chicago	81.6%	539
CA	Sacramento	81.5%	569
MI	Grand Rapids	89.1%	591
NC	Charlotte	87.7%	619
ME/NH/VT	New Orleans/Mobile	86.6%	621
PA	Pittsburgh	85.4%	632
CA	San Francisco	82.0%	635
TN/VA/WV	Roanoke	83.5%	654
NC	Raleigh/Greensboro	89.6%	658
FL	Orlando	90.2%	663
FL	Tampa	91.2%	664
NY	Buffalo/Rochester	83.2%	667
IL/MO	St. Louis	86.7%	695
VA	Richmond/Norfolk	89.6%	727
FL	Jacksonville	91.1%	735
IN	Indianapolis	91.0%	749
IN/KY	Louisville	90.6%	763
FL	Miami/Ft. Lauderdale	89.9%	768
KY/OH	Cincinnati/Dayton	91.3%	838
OH	Columbus	93.2%	849
MI	Detroit	90.8%	867

"What Bagged avocado market development strategies are suggested by these market dynamics?"

- Calculates each market's bagged avocado distribution* and velocity**
- Groups markets into quadrants based on their respective distribution/velocity combinations
- Identifies the market development strategy suggested by each quadrant



Blue Markets

Represent a particular opportunity to grow sales of bagged Hass avocados by expanding distribution

Green Markets

These markets are outperforming the average, which suggests the importance of taking actions to protect both distribution and shelf performance (Assortment, placement, pricing, promotion)

Grey Markets

Opportunities may exist in these markets to increase distribution and shelf performance of bagged Hass avocados. Address selectively

Orange Markets

Represent a particular opportunity to grow sales of bagged Hass avocados by improving category performance at shelf (Assortment, placement, pricing, promotion)

Bagged Avocados - Distribution \$ Opportunity

State Abbr.	Markets	Total Avocado Distribution	Bagged Avocado Distribution	Point Gap	\$ Opportunity
OR	Portland	95.3%	64.7%	30.7	\$8,783,263
CA	Los Angeles	91.9%	86.7%	5.2	\$4,000,717
TX	Houston	91.8%	85.0%	6.8	\$2,306,905
MD/VA	Baltimore/Washington	87.8%	77.7%	10.2	\$2,132,826
AL/LA/MS	New York	82.6%	79.1%	3.5	\$1,657,990
TX	Dallas/Ft. Worth	93.3%	87.8%	5.5	\$1,487,298
AZ	Phoenix/Tucson	93.8%	87.6%	6.2	\$1,478,224
WA	Seattle	93.8%	88.0%	5.8	\$1,468,419
NM/TX	West Tex/New Mexico	88.8%	79.7%	9.1	\$1,453,172
NJ/PA	Philadelphia	86.1%	76.8%	9.4	\$1,373,906
IL	Chicago	88.8%	81.6%	7.3	\$1,100,874
MA	Boston	85.7%	77.0%	8.7	\$1,070,874
PA	Harrisburg/Scranton	91.2%	80.1%	11.1	\$858,687
CA	San Francisco	87.8%	82.0%	5.8	\$634,278
GA/SC	South Carolina	89.1%	84.3%	4.7	\$545,687
CA	Sacramento	91.3%	81.5%	9.7	\$517,683
GA	Atlanta	93.3%	90.9%	2.5	\$484,501
NJ/NY	Northern New England	89.7%	82.5%	7.2	\$481,705
NY	Buffalo/Rochester	90.8%	83.2%	7.6	\$477,551
TN/VA/WV	Roanoke	90.4%	83.5%	6.8	\$454,642
NY	Albany	91.5%	69.2%	22.3	\$361,251
NY	Syracuse	92.3%	78.5%	13.8	\$355,218
CT/MA	Hartford/Springfield	85.5%	79.7%	5.9	\$343,844
IL/MO	St. Louis	91.2%	86.7%	4.5	\$319,794
KY/OH	Cincinnati/Dayton	94.0%	91.3%	2.7	\$281,732
VA	Richmond/Norfolk	92.0%	89.6%	2.4	\$206,516
CA	San Diego	90.5%	88.7%	1.8	\$184,950
FL	Miami/Ft. Lauderdale	90.8%	89.9%	0.9	\$157,209
NC	Charlotte	90.0%	87.7%	2.3	\$153,754
ME/NH/VT	New Orleans/Mobile	88.4%	86.6%	1.9	\$133,749
NC	Raleigh/Greensboro	91.1%	89.6%	1.5	\$132,448
MI	Grand Rapids	92.2%	89.1%	3.0	\$112,609
NV	Las Vegas	90.5%	89.4%	1.1	\$107,928
CO	Denver	95.2%	95.0%	0.2	\$55,961
ID/WA	Spokane	91.8%	90.0%	1.8	\$53,364
FL	Tampa	91.6%	91.2%	0.4	\$50,343
PA	Pittsburgh	86.1%	85.4%	0.8	\$46,517
FL	Orlando	90.5%	90.2%	0.3	\$33,277
MI	Detroit	91.0%	90.8%	0.2	\$27,375
IN/KY	Louisville	91.2%	90.6%	0.6	\$26,160
IN	Indianapolis	91.4%	91.0%	0.3	\$22,018
FL	Jacksonville	91.4%	91.1%	0.3	\$18,027
OH	Columbus	93.3%	93.2%	0.1	\$5,815
TN	Nashville	91.4%	91.4%	0.1	\$4,121
ID	Boise	90.2%	90.2%	0.1	\$1,307

"Where are the biggest gaps in bagged avocado distribution compared to the Total Category? How valuable are those gaps?"

Example: If avocados are sold in 83% of stores in New York, are bagged avocados also sold in 83% of stores in New York?

- Compares retail distribution of the total avocado category vs. bagged avocados by market
- Identifies the gap for each market
- Calculates the potential dollar value of each gap
- Ranks the markets by dollar opportunity

Bagged Hass avocado distribution varies widely in the U.S., ranging from 65% in Portland to 95% in Denver, while distribution for the total avocado category is above 80% in all markets. This analysis shows some significant gaps in bagged Hass avocado distribution compared to the total category

Portland has the largest distribution gap at 30.7 points. Closing this gap would result in an additional +\$8.8MM for the avocado category. However, Markets with smaller gaps can also indicate significant growth opportunities. For example: LA has a smaller gap at 5.2 points, but exhibits the second greatest dollar opportunity. Closing this gap would result in +\$4.0MM for the category

Retail data: IRI/Freshlook (MULO)

- This report reflects a Total U.S. multi-outlet retail data set (MULO), which includes an aggregation of the following channels: grocery, mass, club, drug, dollar and military

Time Periods:

- 2018 = 52 weeks ending 12/30/2018
- 2017 = 52 weeks ending 12/31/2017

Categories:

- Total Avocados
- Bagged Avocados (avocados sold in a bag/package)
- All Other Produce (Total Produce minus avocados)
- Total Produce (Total Produce including avocados)

Measures:

- Retail Dollar Sales
- Retail Volume Sales (Units)
- All Commodity Volume (ACV) = Dollar sales of everything scanned in store(s)
- Distribution = % of stores selling the category
- Velocity = Average weekly \$ per Million ACV = Category sales rate in stores where stocked (weighted by ACV)
 - Shows dollars spent on the category for every million dollars spent in store overall

Terms:

- Population Share = % of Total U.S. population in each market
- All Other Produce \$ Share = % of Total U.S. sales (\$) of other produce in each market
- Avocado \$ Share = % of Total U.S. avocado sales (\$) in each market
- Fair Share Gap: The point difference between avocado market share and All Other Produce share
- Dollar Trend Gap = The point difference between the avocado growth rate and All Other Produce rate
- Distribution Gap = The point difference in distribution between avocado market distribution and All Other Produce market distribution
- \$ Opportunity = The potential dollar opportunity of each point gap
- Avocado CDI = A market's share of avocado volume sales compared to its share of population

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