



The University of Georgia

Center for Agribusiness and Economic Development

College of Agricultural and Environmental Sciences

U.S. Pecan Consumer Profile Results from National Survey

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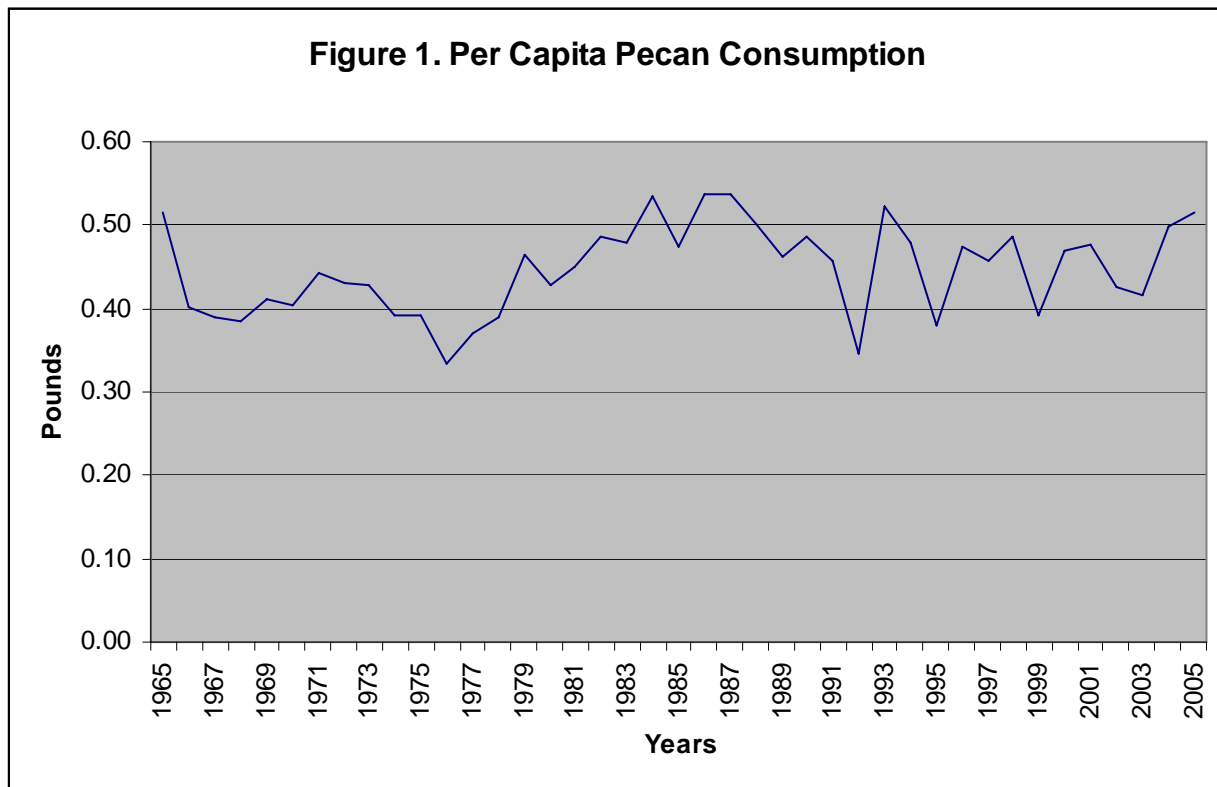
Introduction

The Center for Agribusiness and Economic Development conducted a national survey to obtain information on consumer demographics, pecan buying habits, other nut buying habits, pecan awareness, and likelihood to purchase new pecan snack products. A total of 913 completed interviews were obtained for this project in order to obtain data on the demographics and buying habits of pecans consumers.

This paper focuses on the demographics of pecan consumers. In order to determine the demographic profile of the pecan snack consumer from the survey data, it must be compared with demographic data representing the entire United States. The survey was a random sample of U.S. consumers in which every respondent had the same chance of being selected to participate in the survey. This allows one to look for differences in the characteristics of those respondents who consume pecans on a regular basis to the rest of the general population. These differences enable a person to target certain demographic characteristics.

Trends

Pecan consumption has remained relatively stable over the past 30 years despite increased competition from other tree nuts due to the tremendous growth in almond and slower but steady increase in walnut production. Per capita pecan consumption has average 0.48 pounds annually since 2000. Figure 1 provides per capita consumption estimates for pecans.



Objective

To address the issue of stagnant pecan demand, it is important to determine who is currently consuming pecan products, how they are consuming pecans, and what could be done to increase consumption. The following provides detailed information with regard to pecan consumers. The pecan consumer survey respondents provide insight into the typical pecan consumer. This information can be used to develop and implement a new marketing and promotional strategy as a means to attract new consumers and increase consumption among current consumers. With the development of new storage techniques, it may be possible to produce pecan snack products similar to peanuts, cashews and sunflower seeds and increase per capita consumption.

Pecan Consumer Profile

The survey methodology was designed to incorporate a random sampling procedure to ensure a random sample of the U.S. population. The random sampling procedure ensures that every person in the United States with a phone number has an equal chance of being contacted for the survey. This allows one to look for differences in the characteristics of those respondents who consume pecans on a regular basis to the rest of the general population. These differences would enable a pecan processor to target consumers that fit a specific demographic profile.

Table 1 on the following page, provides a demographic profile of consumers who indicated they eat pecans as a snack, once a month or more. This is a sub-sample of 206 respondents who indicated they have purchased pecans in the last 24 months. The demographic information collected on these individuals are compiled and then compared to corresponding 2000 U.S. Census data. The survey collected information on consumers who have purchased pecans over the last year; however, there is a core group of consumers that eat pecans on a regular basis. These consumers who purchase pecans frequently are more likely to purchase new pecan snack products.

The frequent pecan consumer is older than the average American being somewhere between 35-54 years old, with the median being 52 years old which is significantly older than the U.S. population median age of 35 years. Female pecan snack consumers comprise 72 percent of the respondents. This is not surprising given that females are more likely to purchase groceries than are males. However, it is important when marketing products to take into account female perceptions of the new snack product as they appear to be the gate keeper to the family.

The midpoint of the household income categories of the frequent pecan snack consumer is \$49,999 which is noticeably higher than the median for the U.S., \$41,994. The income data suggests that consumers whose household income is less than \$15,000 annually are not as likely to purchase pecans as a snack as are more affluent consumers. The income data also suggest that affluent consumers, those whose annual household income exceeds \$105,000 are more likely to purchase pecans for a snack.

Table1. Pecan Consumer Profile - Consumed Pecans Once a Month or More Frequently		
Demographic Variables	Respondent	US Average
Age		
18-19	4%	7.4% *
20-34	13%	16%
35-54	42%	34%
55-64	21%	10%
65+	23%	12%
Mean	52 years	35 years
Gender		
Male	28%	49%
Female	72%	51%
Household Income		
Less than \$15,000	3%	16%
\$15,000 - \$24,999	11%	13%
\$25,000 - \$34,999	10%	13%
\$35,000 - \$44,999	18%	17%
\$45,000 - \$54,999	13%	--
\$55,000 - \$64,999	9%	--
\$65,000 - \$74,999	6%	20% (\$50-\$75K)
\$75,000 - \$84,999	6%	--
\$85,000 - \$94,999	4%	--
\$95,000 - \$104,999	3%	10% (\$75-99K)
\$105,000 or more	18%	12% (>\$100K)
Median	\$49,999	\$41,994
Education		
Less than high school degree	3%	20% **
High school diploma/GED	22%	29%
Some college/technical school	29%	21%
College graduate	35%	22%
Post-graduate degree	10%	9%
Race/Ethnicity		
White	74%	75%
Black	11%	12%
Asian	1%	4%
American Indian	4%	1%
Multi-racial	6%	2%
Hispanic	5%	5%
Marital Status		
Married	61%	54% ***
Divorced	9%	10%
Separated	0%	2%
Widowed	10%	7%
Single	20%	27%
Region		
Northeast	18%	22%
Midwest	21%	22%
South	44%	31%
West	17%	25%
*this percentage is for ages 15-19, only data available, ** Ages 25 and older		
***Ages 15 and older		

Examining the educational attainment data reveals that frequent pecan snack consumers are more educated than the U.S. population as whole. Frequent pecan snack consumers are significantly more likely to have attained a degree in higher education, 45 percent, than U.S. population where only 31 percent have a bachelor's degree.

In terms of race and ethnicity, the White, Black, and Hispanic populations are similar to those of the national average. According to the responses, Asians are less likely to purchase pecans and Native Americans and people of Multi-racial backgrounds are more likely to purchase pecans. Married and Widowed people are more likely to purchase pecans as a snack while Single and Separated people are less likely. Northeasterners and Westerners are not as likely to purchase pecans as are Southerners.

Pecans Location

In addition to the above demographic profile, more information can be gleaned from the survey results using cross tabular analysis. Table 2 below shows the results from the type of store or where pecans are purchased by the regions where the consumers live. From this table it can be seen that most individuals across the United States tend to buy most of there pecans at the grocery store. Eighteen percent of the consumers in the South said that they purchase pecan at some other place than the five locations that were given as possible places.

Table 2. Pecan Purchase Location by Region				
Location	Northeast	Midwest	South	West
Grocery Store	83%	80%	69%	76%
Catalog order	0%	0%	1%	0%
Specialty store	5%	5%	5%	9%
Through a	2%	3%	4%	0%
Road -side	0%	4%	4%	1%
Other	10%	8%	18%	14%

Conclusion

From analyzing the demographic data of the frequent pecan purchasers one can conclude that the average consumer is older, more affluent and well-educated. There appears to be potential among younger consumers if a desirable product can be developed. The pecan industry should investigate products that fit with the active and busy lifestyle of younger consumers, i.e., ready to eat snack packs. Given that the majority of pecans are purchased at grocery stores suggests that the convenience store and other retailers are not carrying these products. Again, the development of a snack product would provide access to these outlets.

The Center for Agribusiness and Economic Development



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- ▶ To provide feasibility and other short term studies for current or potential Georgia agribusiness firms and/or emerging food and fiber industries.
- ▶ To provide agricultural, natural resource, and demographic data for private and public decision makers.

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