Agricultural Issues Center
University of California

November 2007

Trends in the Marketing of Fresh Produce and Fresh-cut Products

Roberta Cook

Presented September 2007
Updated, November 2007

Roberta Cook is Extension Marketing Economist in the Department of Agricultural and Resource Economics at the University of California, Davis.

Supported in part by the Agricultural Marketing Resource Center

Trends in the Marketing of Fresh Produce and Fresh-cut Products

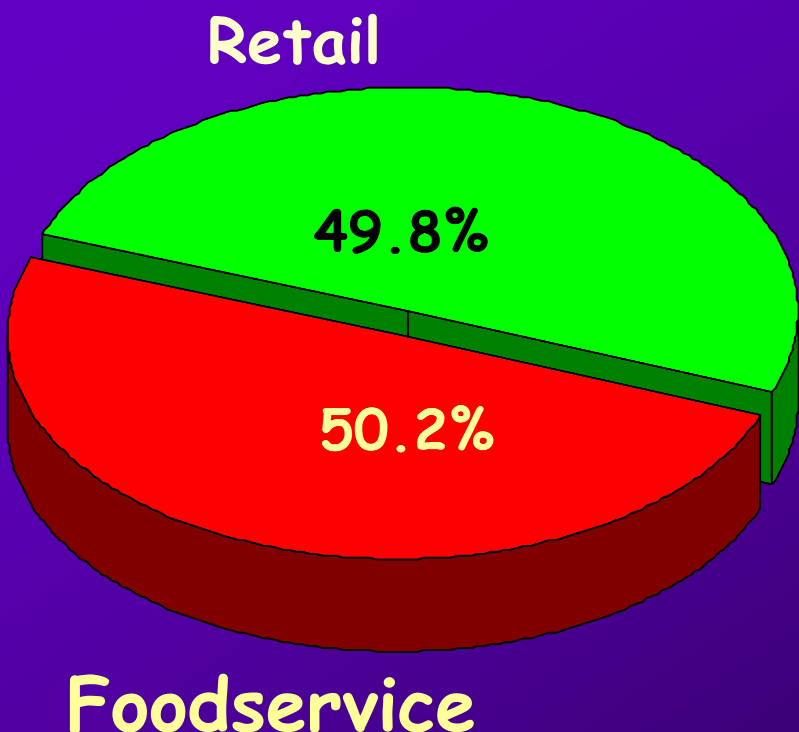
DR. ROBERTA COOK

University of California Davis

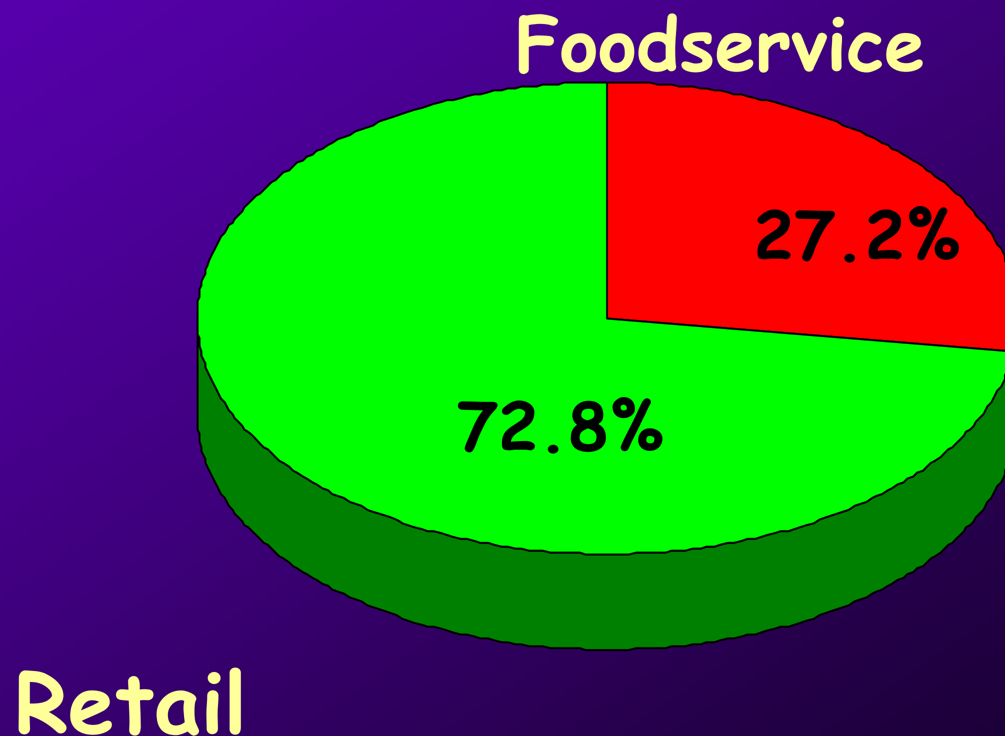
Presented September 2007, updated November 2007

Retail Sales Equivalent, US Food System, $998.25 Billion in 2006, and Channel Shares

Dollar Sales



Quantity Sold



But 91% of fruit and 80% of veggies consumed at home (USDA).

Source:Technomic, Inc.

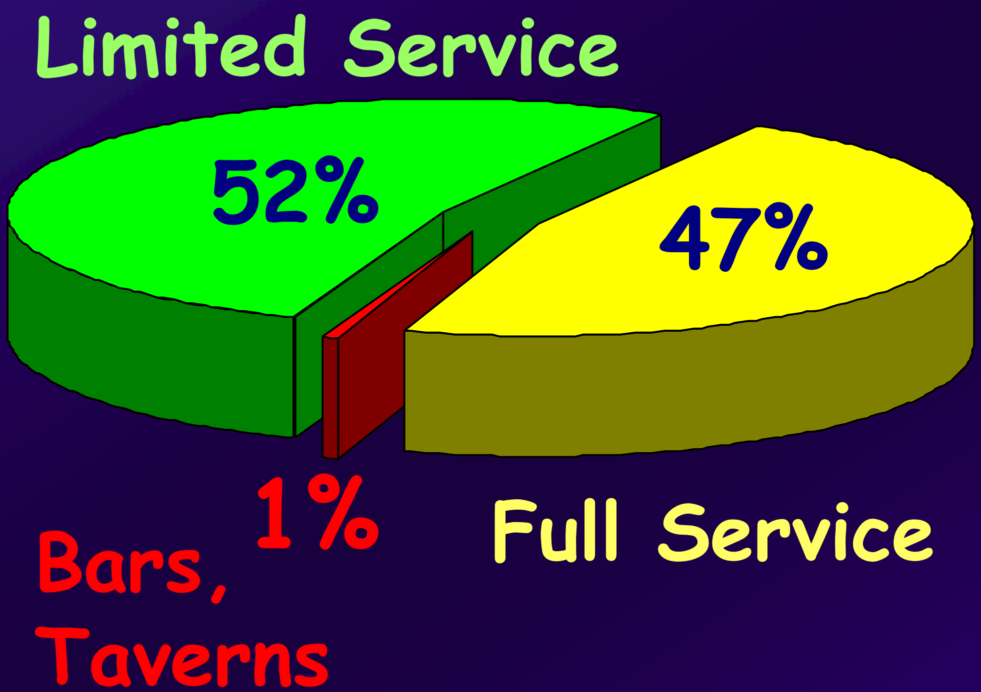
U.S. Fresh Fruit and Vegetable* Value Chain, 2006 *Estimated* Billions of Dollars

*Excludes nuts

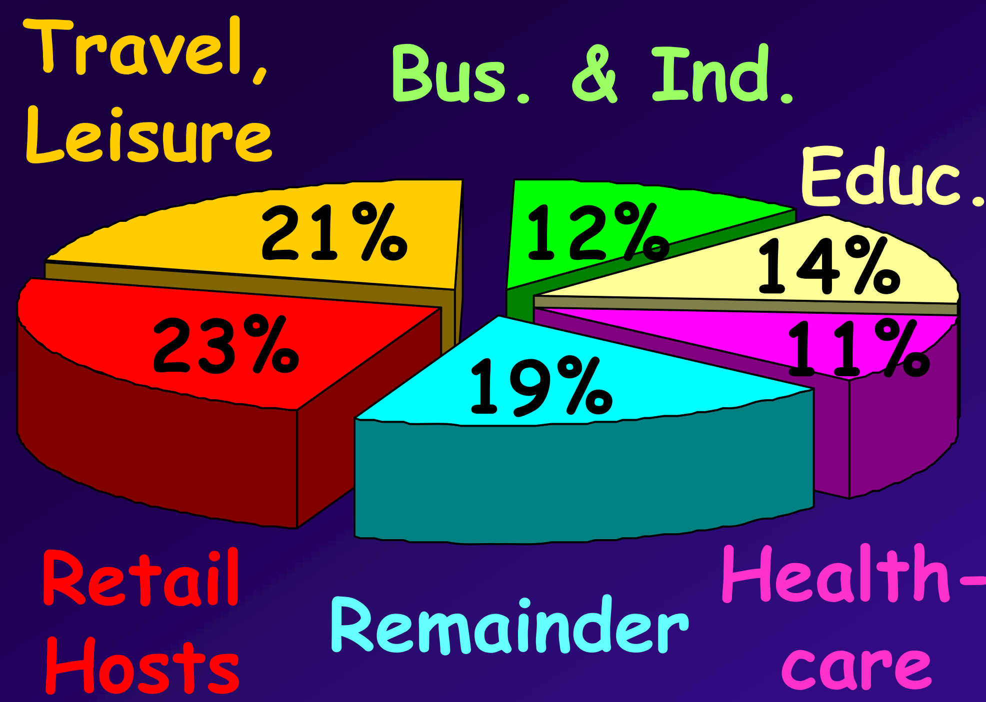
Source: Estimated by Dr. Roberta Cook, UC Davis, based on numerous public sources, incl. USDA, DOC, Cornell University and PMA

Total US Food Service $513.186 Billion,
Forecast, July 2007, share of dollar sales

Bars & Restaurants B$328.982 B

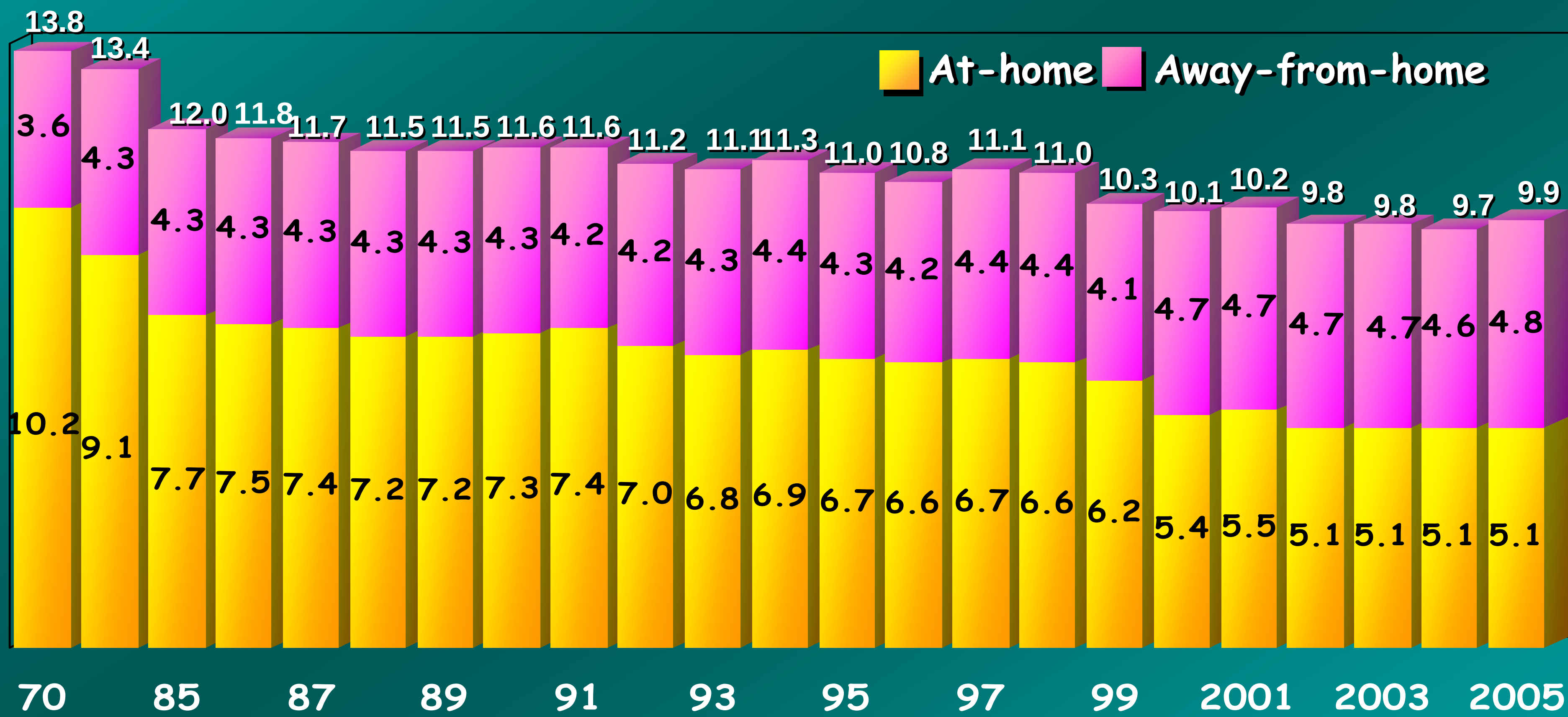


Other B$184.204



Source: *Industry Size July 2007*, Technomic Inc.

U.S. FOOD EXPENDITURES *as a* SHARE *of* DISPOSABLE PERSONAL INCOME, 1970-2005



Ingredients to Prepare vs. Meals to Eat

Source: ERS/USDA

New Trends in the Fresh Produce Industry

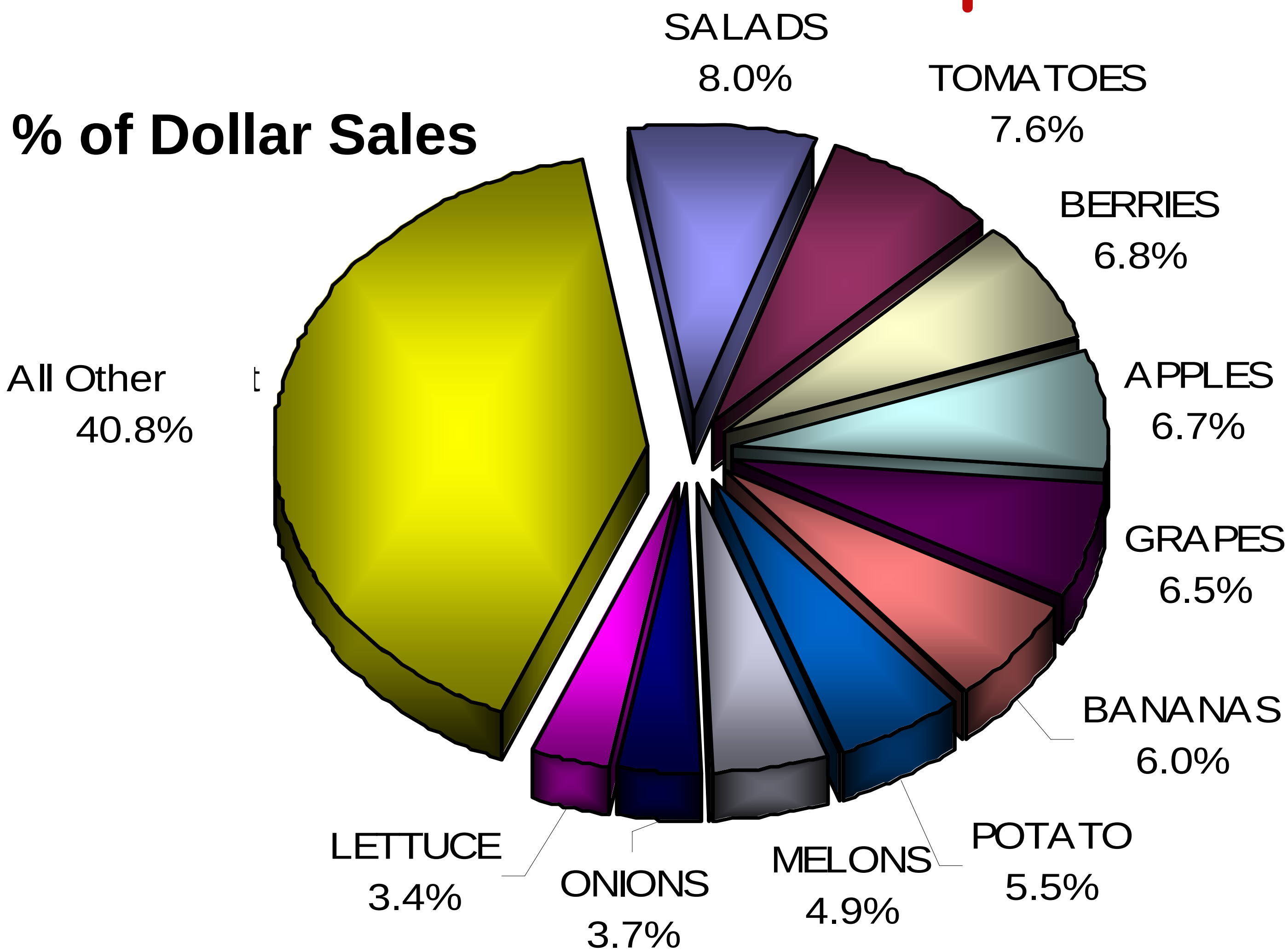
- Wal-Mart is changing its fresh produce procurement model: including more opportunity and local buys, rather than using a supplier-assigned DC approach now there are "dollar value assignments," taking into account food miles
- Newer entrants such as Tesco from the UK offer potentially exciting but uncertain outlooks, private label focus
- Greater shipper emphasis on brands and consumer marketing (especially using websites as a vehicle for direct consumer communication) changes dynamics
- Disney Garden label offers uncertain potential for changing demand

Despite differences between fresh produce and CPG's, produce is being asked to conform to the protocols of CPG's:*

- – Fresh-cut shows the way, including brands
- – Channel captains emerge
- – Contract pricing between shippers and buyers (both foodservice and retail)
- – Longer-term relationships less focused on short-term price instability
- – Fees and rebates – cost to play grows
- – Services - data-based sales and marketing support as well as food safety gatekeeper function

*Consumer packaged goods

US Supermarket Fresh Produce Sales, excludes Club stores and Supercenters, 2006



Dollar Sales 52 Weeks ending 8/27/2006
Source: FreshLook Marketing (FLM)

US Supermarket Fresh Produce Sales, excludes Club stores and Supercenters, 2006

Dollars	Current 52wks	% Change
Packaged Salads	$2,726,730,752	3.4%
Tomatoes	$2,584,623,643	2.0%
Berries	$2,299,337,337	11.3%
Apples	$2,269,224,192	9.0%
Grapes	$2,202,038,782	2.5%
Bananas	$2,019,269,314	5.1%
Potato	$1,870,296,530	13.6%
Melons	$1,674,382,169	12.8%
Onions	$1,253,271,556	4.8%
Lettuce	$1,166,004,589	-0.7%
Total Produce	$33,879,840,135	6.2%

Dollar Sales 52 Weeks ending 8/27/2006
Source: FreshLook Marketing (FLM)

FOODSERVICE OPPORTUNITIES FOR FRESH PRODUCE – BUT YR-ROUND SUPPLY REQUIRED!

- **Consumers are trading up, contributing to higher sales in full service restaurants and fast casual.**
- **Consumers search for *VALUE, 62% say they are "willing to spend more time and money for better quality food."***
- **Foodservice fresh produce and fresh-cut demand rising. Subway's is the #1 buyer of fresh tomatoes, McDonald's now the top foodservice apple buyer and a top 5 foodservice buyer of spring salad mix and grape tomatoes.**
- **Burger King Apple Fries – *part of new trend toward marketing healthier products to children***

Consumers Reporting Diet "Could Be A Lot Healthier," by Household Type and Selected Household Income Level, At- vs. -AwayFromHome, 2007

Food	At Home	Away
Household Type		
Children	18%	34%
No children	11	24
Income Level		
$35-49.9K	13%	24%
Over $100K	6	24

May total more than 100% due to rounding

Source: *U.S. Grocery Shopper Trends 2007*, FMI, 2007.

News and information – several rotating topics

Mom-2-mom chat-room for idea exchange

Opt-in for newsletter

Fruit & Veggie database

Recipes, shopping tips

Tips & ideas to encourage kids to eat more fruits & veggies

Eating Out at McDonald's Changes, in 2006 in the US alone it used:

- **80 million pounds of salad greens, incl. spring mix**
- **Plus 100 million pounds of leaf lettuce and iceberg lettuce on sandwiches**
- **30 million pounds of tomatoes**
- **54 million pounds of apples for apple dippers and Fruit and Walnut salad (~.5% of US apple crop)**
- **6.5 million pounds of grapes**
- **4.2 million pounds of walnuts for Fruit and Walnut salad**

Source: McDonald's, 2006

Consumers Reporting Diet "Could Be a Lot Healthier," At- vs. -AwayFromHome, 2007

Food	At Home	Away
All shoppers	13%	27%
Generations		
Gen Y	22%	44%
Gen X	12	32
Baby Boomers	13	24
Mature/60+	10	18

May total more than 100% due to rounding

Source: *U.S. Grocery Shopper Trends 2007*, FMI, 2007.

Shopper's Eating Habits – 2007

Percent of Shoppers	3+ times weekly	1-2 times weekly	1-3 times mo'ly	< than once a month
Eat home cooked meals at home	78	11	7	3
Dine out at full-service restaurants	3	15	39	37
Eat meals at home that aren't prepared at home – takeout and delivery	3	12	38	38
Eat out at fast-food establishments	2	11	31	36
Ethnic meals at home or out	4	12	34	33

Source: FMI US Grocery Shopper Trends 2007

Eating Patterns

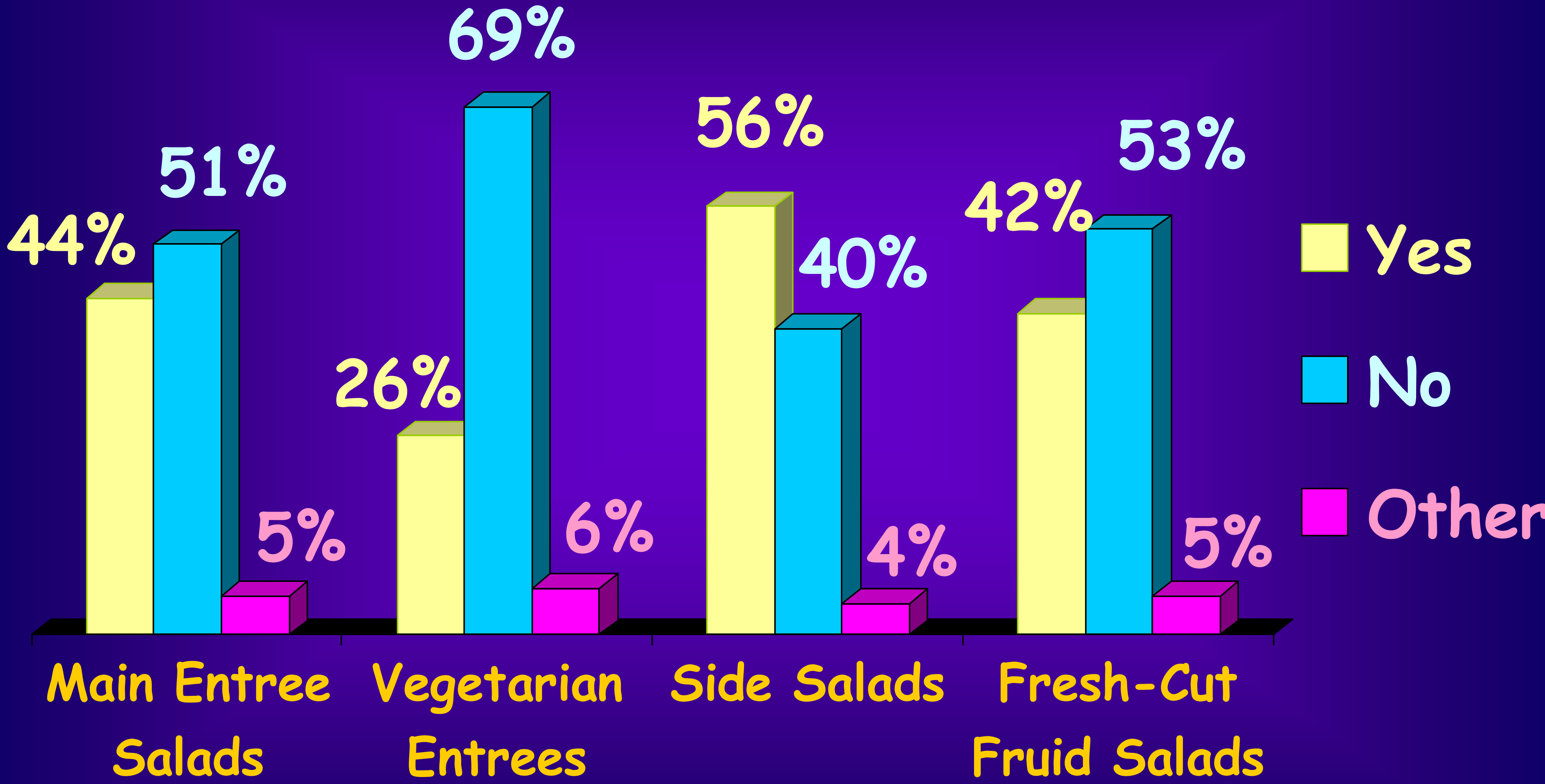
- According to the Hartman Group, 88% of consumers believe that freshness is the key to health
- There is no longer any need to trade-off freshness for convenience
- Consumers seek a consistent flavor experience applied to relevant flavor trends, available in a convenient form – explains the success of Trader Joe private label products, Muir Glen, Annie's, etc.

Fresh Trends: Eating Out

- 60% of consumers sometimes or always consider the availability of fresh produce on menus when deciding where to eat out
- Just 6% of consumers never eat fresh produce when dining out
- 26% of consumers always do
- 19% of those 18-39 always do
- 31% of those 59 and older always do
- 20% of parents and kids 6 and under do
- 28% of those with no kids do

Source: Fresh Trends as cited by The Packer, Feb. 20, 2006.

Over the past 3 months, have you purchased more...



Source: *The Dining Out Menu: Consumer Thoughts about Produce*, PMA, 2006.

Options that encourage frequent salad orders, by Restaurant Type, 2007

	Quick Casual	Fast Food	Fine Dining	FS Ethnic
Better variety	33	43	31	35
Larger portions	21	23	19	18
Smaller portions	10	13	13	9
Lower prices	39	45	40	31
Server suggest.	12	6	22	20
Better quality	27	41	25	27
More health opt.	25	33	23	25

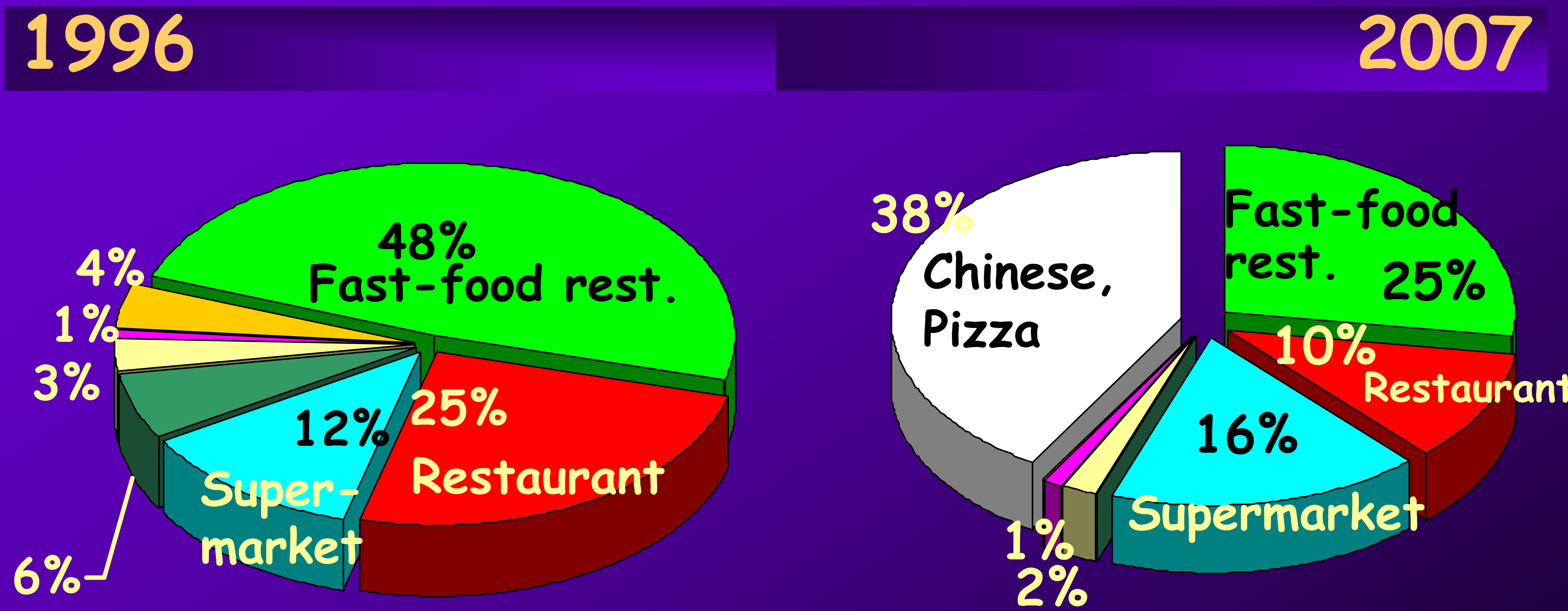
Source: *2007: The Salad Category Report*, Technomic Info. Services, 2007.

Changing Geography of Dining Patterns!

- Americans ate 208 meals prepared outside the home in 2006, but only 81 meals/person were physically eaten at restaurants vs. 93 in 1985.
- 127 of the 208 meals prepared outside the home in 2006 were take-out of some sort.
- Today people eat 32 restaurant purchased meals/yr. in their cars vs. 19 in 1985.
- People get 57 takeout restaurant meals for home vs. 33 in 1985.
- People today order 22% of restaurant meals from the car, up from 14% in 1998.
- People buy 27 restaurant meals/person to take to work vs. 23 in 1985.

Sources: FIR, Oct. 10, 2005; and NPD

Sources of *Takeout** Food in the US

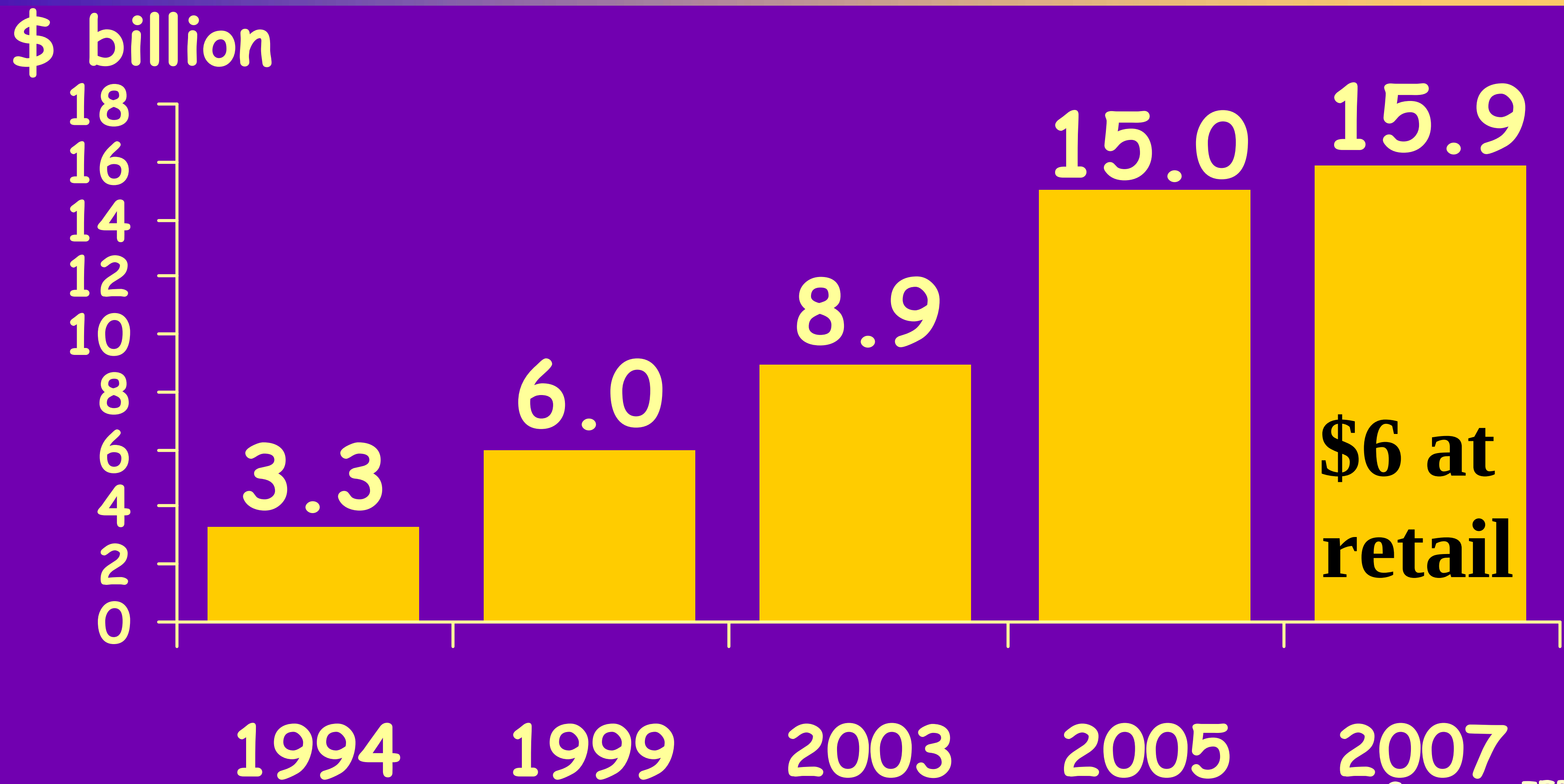


- Fast-food rest.
- Supermarket
- Gourmet/specialty store
- Don't know
- Restaurant
- Other
- C-Store
- Chinese/Pizza

Source: FMI Trends in the Supermarket 2003, 2007

*Takeout only, not all foodservice

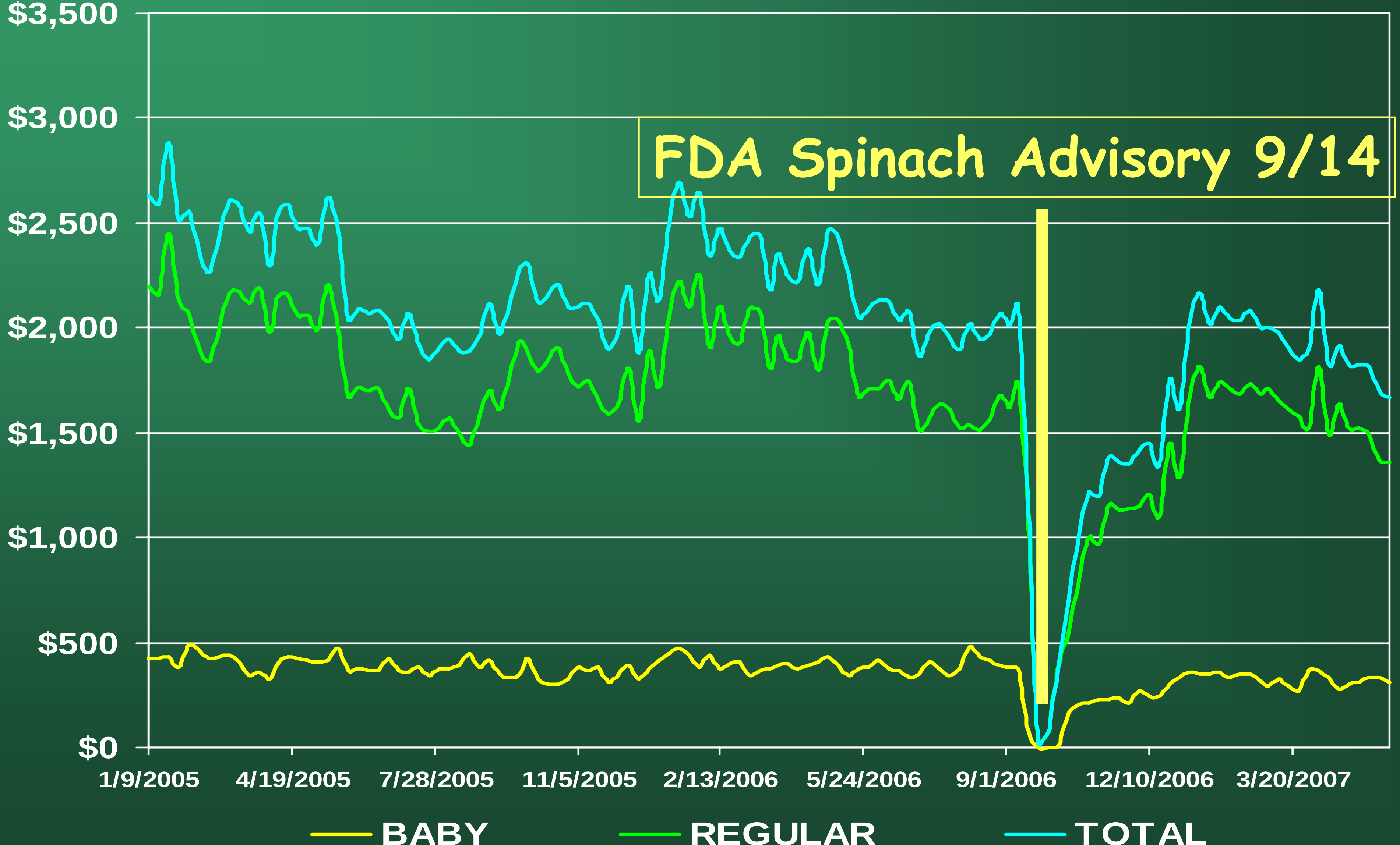
US Estimated Fresh-Cut Produce Sales, All Marketing Channels, $ Billion



Around 60% estimated to be sold via foodservice channels

Sources: IFPA, IRI, AC Nielsen; 2007 estimated by Cook

Impact of the E.Coli Spinach Incident on Weekly Supermarket Sales of Spinach, in $1,000, 1/9/05 through 5/27/07

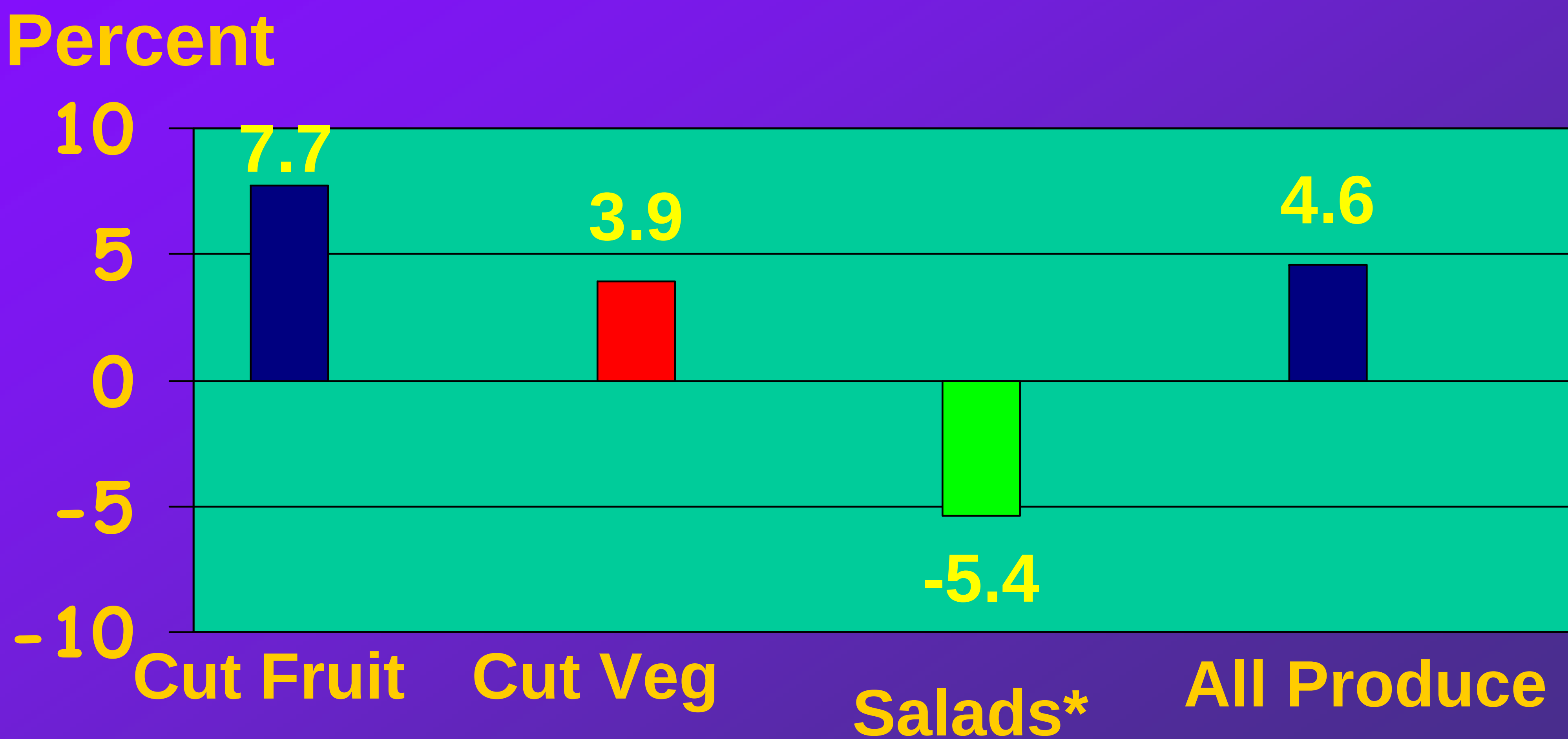


Source: Fresh Look Marketing

Fresh-Cut Produce Retail Sales Stagnate in the Aftermath of the Spinach E. Coli Incident in Sept. 2006

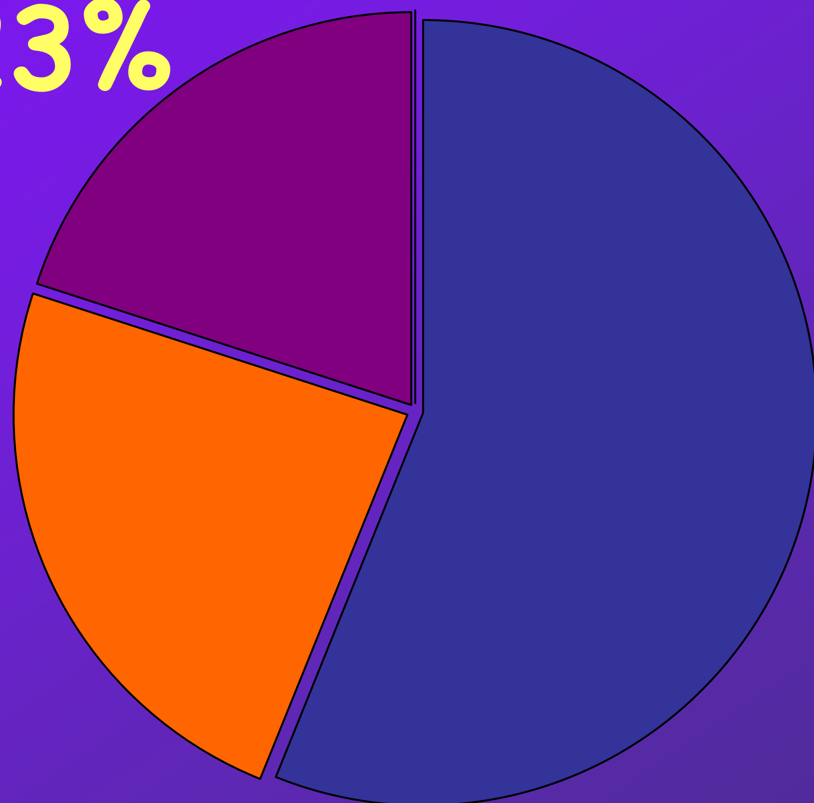
- **2005 retail fresh-cut produce sales were estimated at $6 billion, the same as in mid-2007.**
- **Fresh-cut fruit and fresh-cut veggies continued to grow, BUT….**
- **Their growth merely offset the decline in bagged salad sales, for no net growth in the total fresh-cut category.**
- **<u>This is likely the first time that has occurred since the fresh-cut industry began.</u>**

Supermarket Growth Rates for US Fresh-Cut Segments and All Fresh Produce, 52 week $Sales ending June 30, 2007



Sources: "Fresh Summit 2007 Ripe for the Picking," Perishables Group presentation at Oct. PMA for fruit, vegetables and all produce; and Perishables Group FreshFacts® powered by Nielsen for salads.

Fresh-cut Produce Sales via Supermarket Channels, 52 week sales ending June 30, 2007, $6 Billion Total



Carrots=45% of vegetables

Source: Perishables Group FreshFacts® powered by Nielsen.

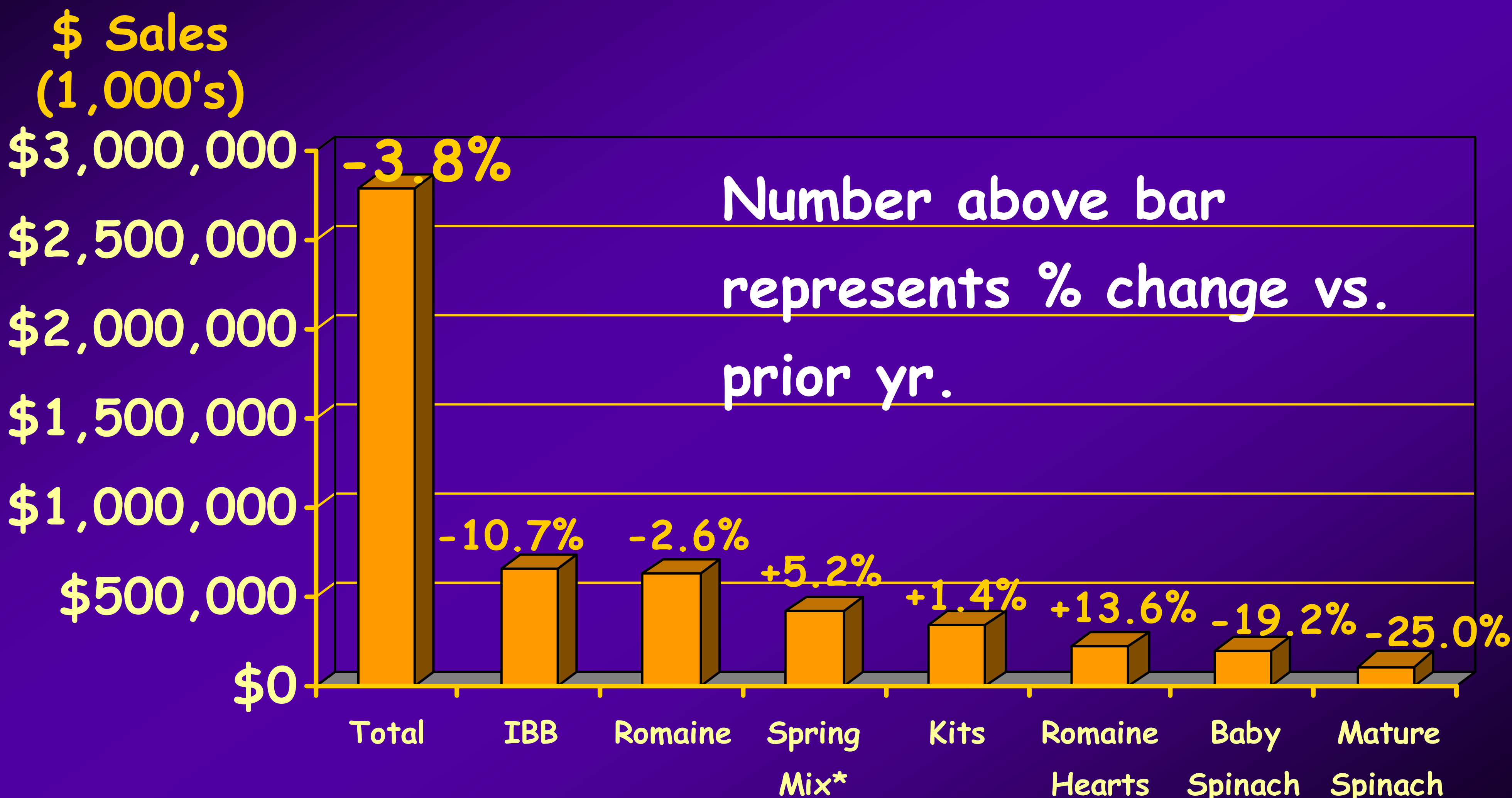
US Retail Bagged Salad Sales, by Type, 2007,* in Thousand $, and Segment Share

Fresh-cut Salads	$ volume	Segment share %
Total	$2,789,403	100%
Iceberg Based (IBB)	660,313	24%
Romaine Based	633,288	23%
Spring Mix/Specialty	420,301	15%
Kits	348,463	13%
Baby Spinach/Blends	205,036	7%
Romaine hearts	228,984	8%
Mature spinach	116,434	4%
Coleslaw	92,645	3%
Butter	83,938	3%

Source: AC Nielsen; *52 week sales ending June 2, 2007, projected to national sales.

May not sum due to rounding.

US Retail Bagged Salad Segments: $ Sales and Annual Growth Rates %, 2007*



Source: ACNielsen; *52 weeks ending 06/02/07.

*Spring mix plus specialty tender greens.

Estimated US Fresh-Cut Produce/Salads Sold Via Supermarket Channels, 52 Week Sales ending 06/30/07

- About $6 billion in total estimated fresh-cut sales.
- Fresh-cut was around 16.2% of all produce dept. sales, including 3.7% for fresh-cut fruit, 8% for salads, and 4.5% for fresh-cut veggies.
- Random weight/bulk is 28% of fresh-cut fruit and veggie (excl. salads) dollar sales vs. 34% of volume sales, remainder (72 and 66% respectively) is UPC/fixed weight.

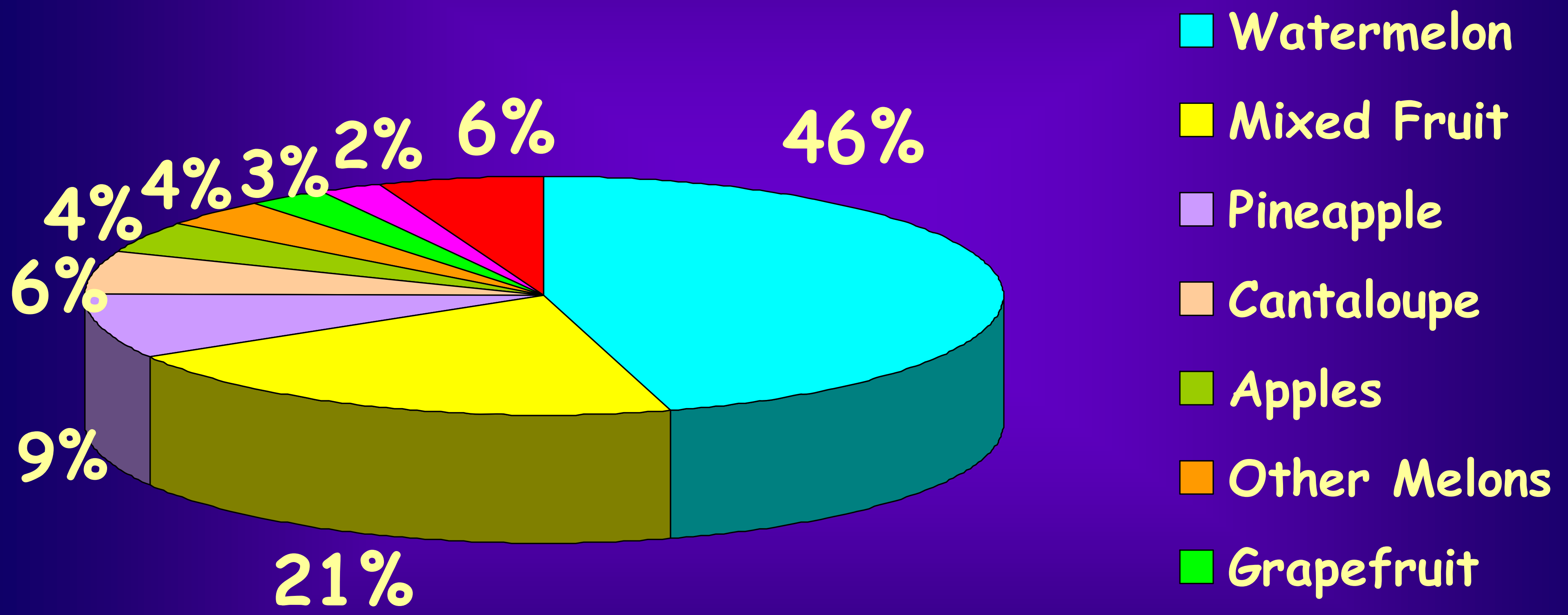
Source: Perishables Group FreshFacts® powered by Nielsen.

US Value-Added Fruit Facts, 2007*

- 2007 projected national retail sales of value-added fruit were $1.4 billion.
- Value-added fruit accounts for 3.7% of supermarket produce dept. sales.
- Packaged fresh-cut fruit growing at 8.2% in 2007,over-wrapped fresh-cut fruit by 3.7%, vs. 18% growth rate for refrigerated jarred cut fruit.
- 33% of consumers bought fresh-cut fruit in 2007 vs. 55% for fresh-cut vegetables, *excluding bagged salads*, (Perishables Group PMA Oct. 2007 presentation).

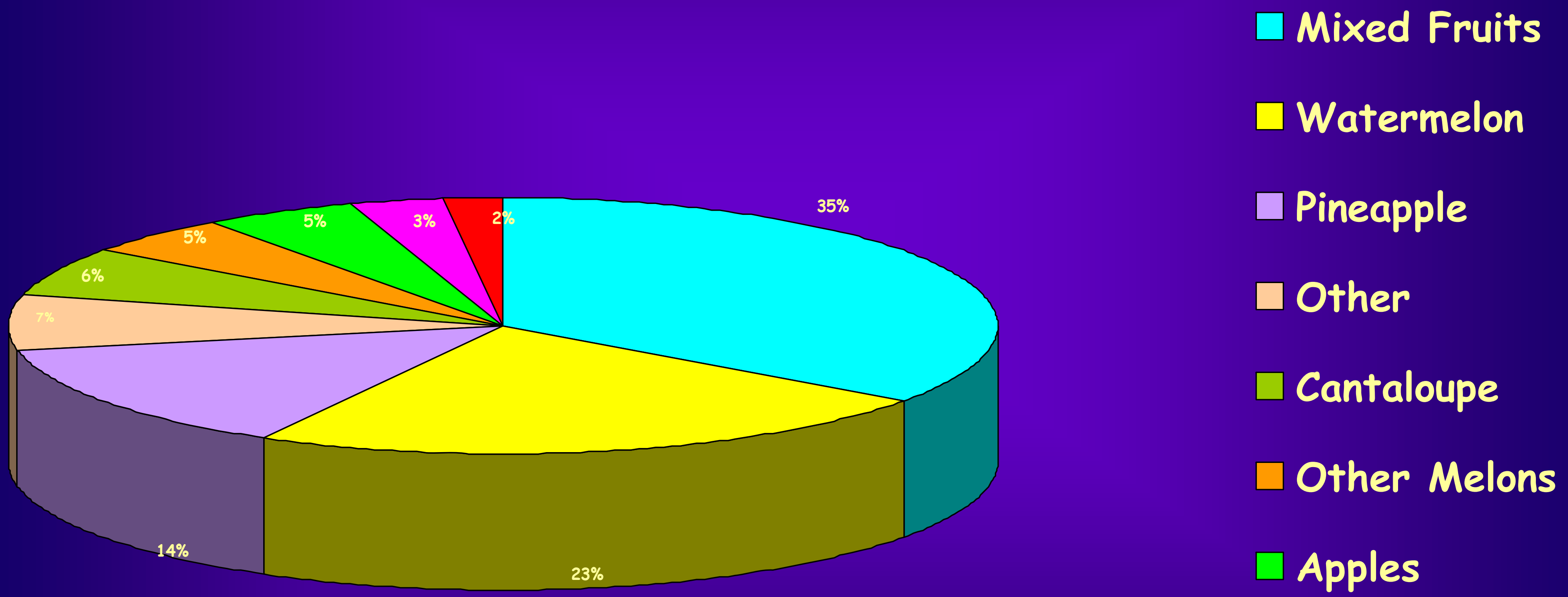
Source: Perishables Group FreshFacts® powered by Nielsen; *52 week sales ending June 30, 2007.

Supermarket Mix of Fresh-Cut Fruit Types: Quantity Sold, 2007*



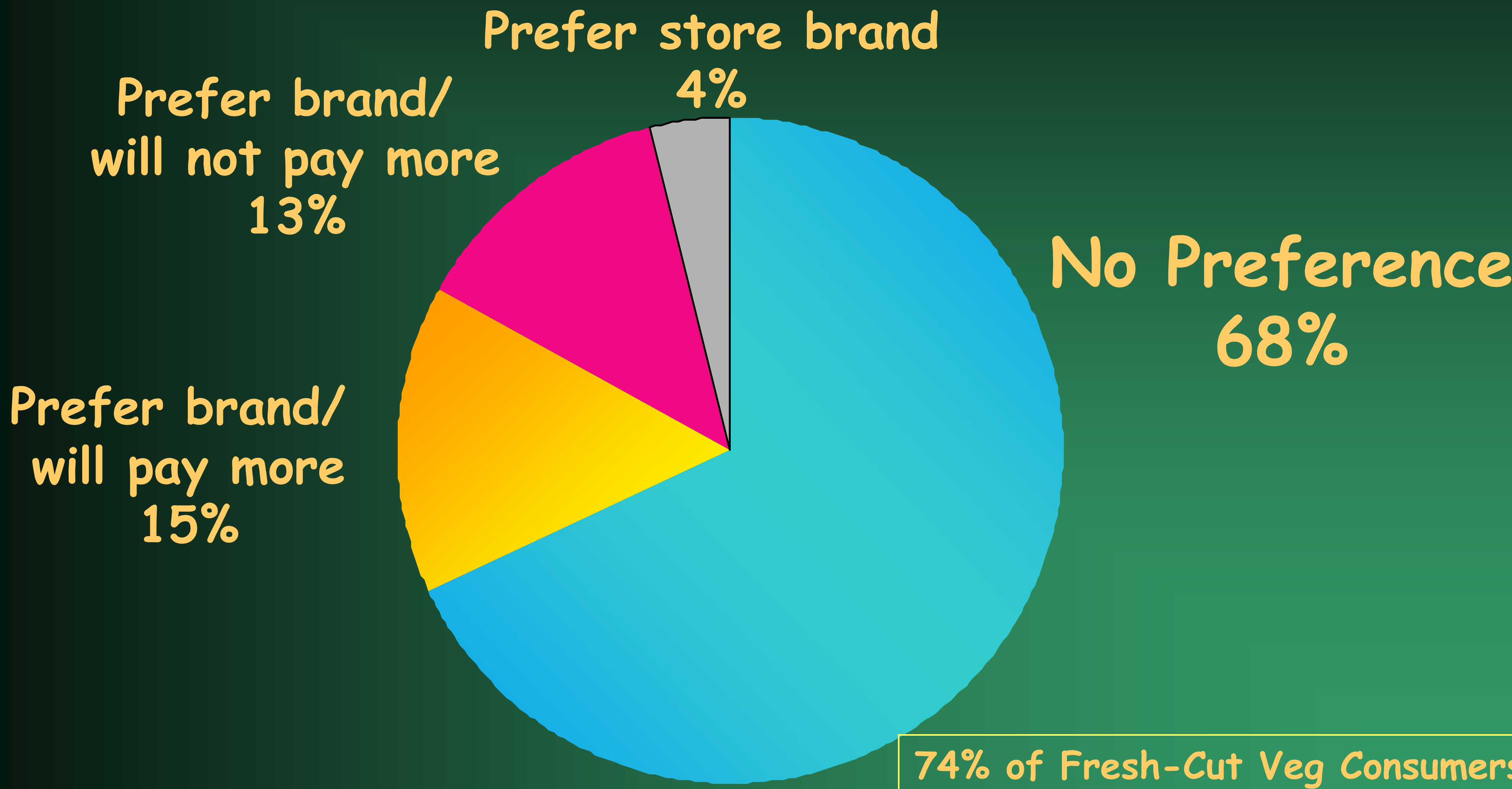
Source: Perishables Group FreshFacts® powered by Nielsen;
*52 week sales ending June 30, 2007.

Supermarket Mix of Fresh-Cut Fruit Types: Dollars Sold, 2007*



Source: Perishables Group FreshFacts® powered by Nielsen;
*52 week sales ending June 30, 2007.

Branded Importance to US Consumers of Fresh-Cut Fruit

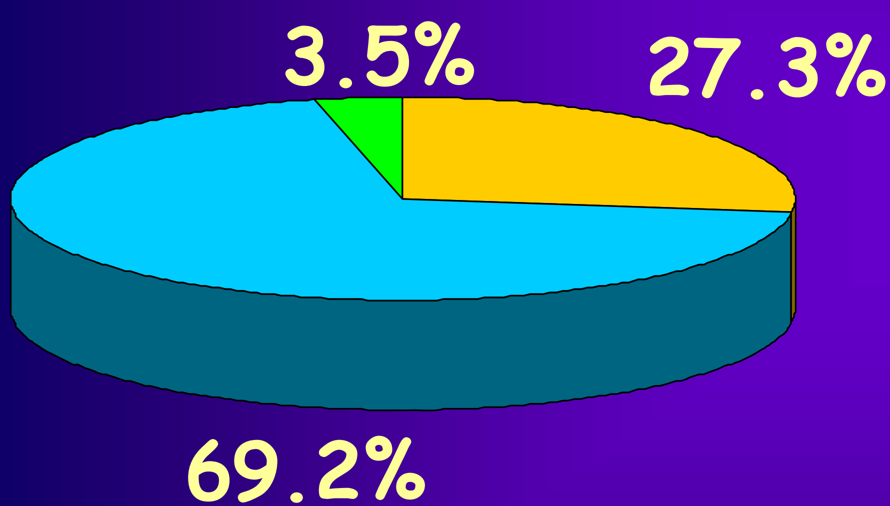


74% of Fresh-Cut Veg Consumers Have No Preference

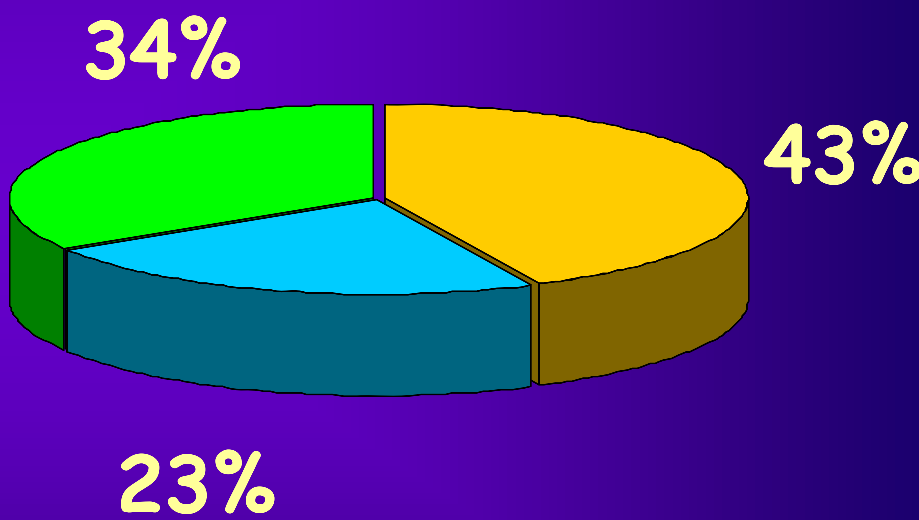
Source: "Fresh Summit 2007 Ripe for the Picking," Perishables Group, Oct. 2007.

2007* Supermarket Fresh-Cut Fruit and Fresh-Cut Vegetable Dollar Share by Brand Type

Fresh-Cut Fruit



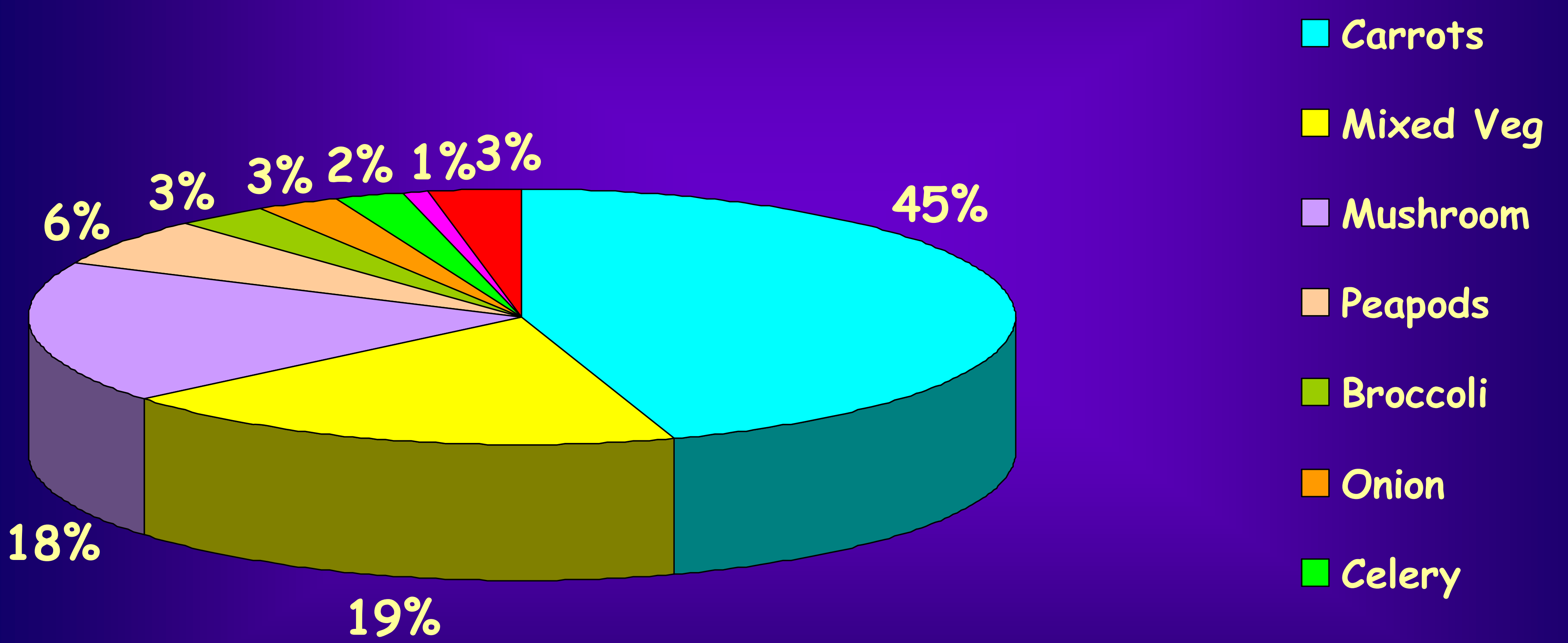
Fresh-Cut Veggies



Branded Unbranded Private Label

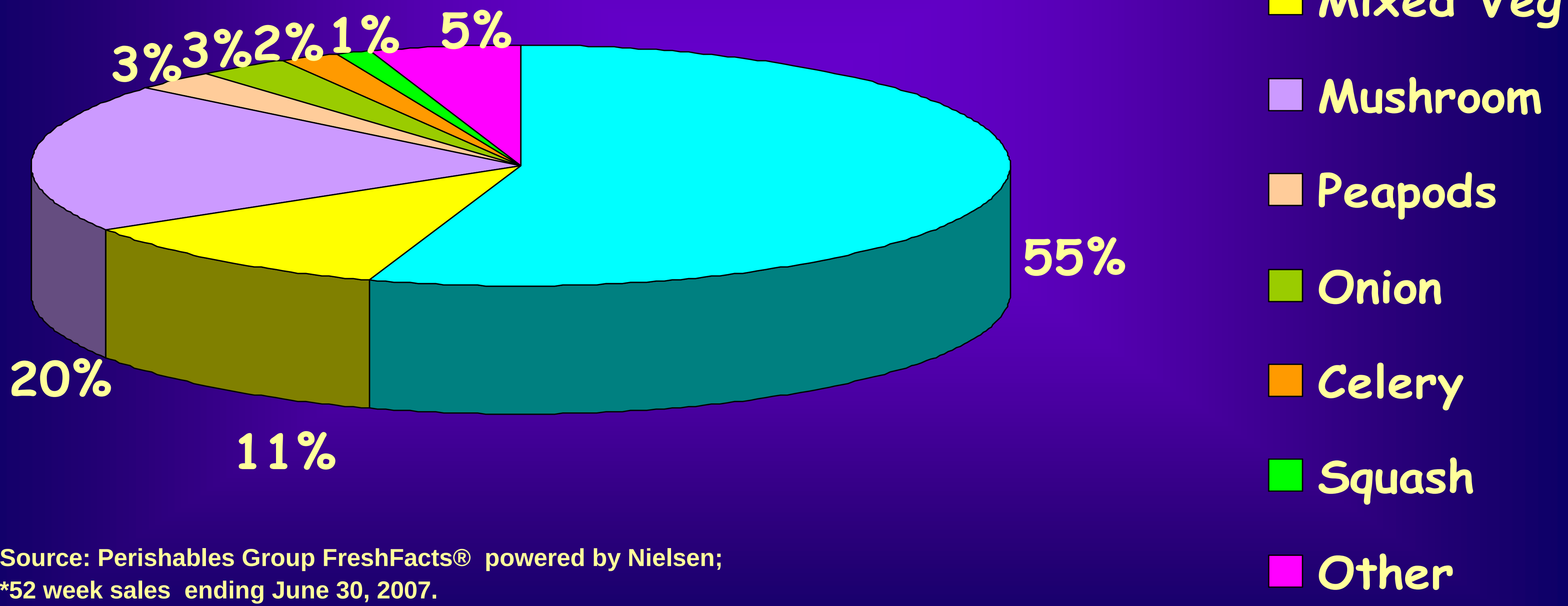
Source: "Fresh Summit 2007 Ripe for the Picking," Perishables Group, Oct. 2007; *52 week data ending June 30, 2007.

Supermarket Mix of Fresh-Cut Vegetables Types: Dollars Sold, 2007*



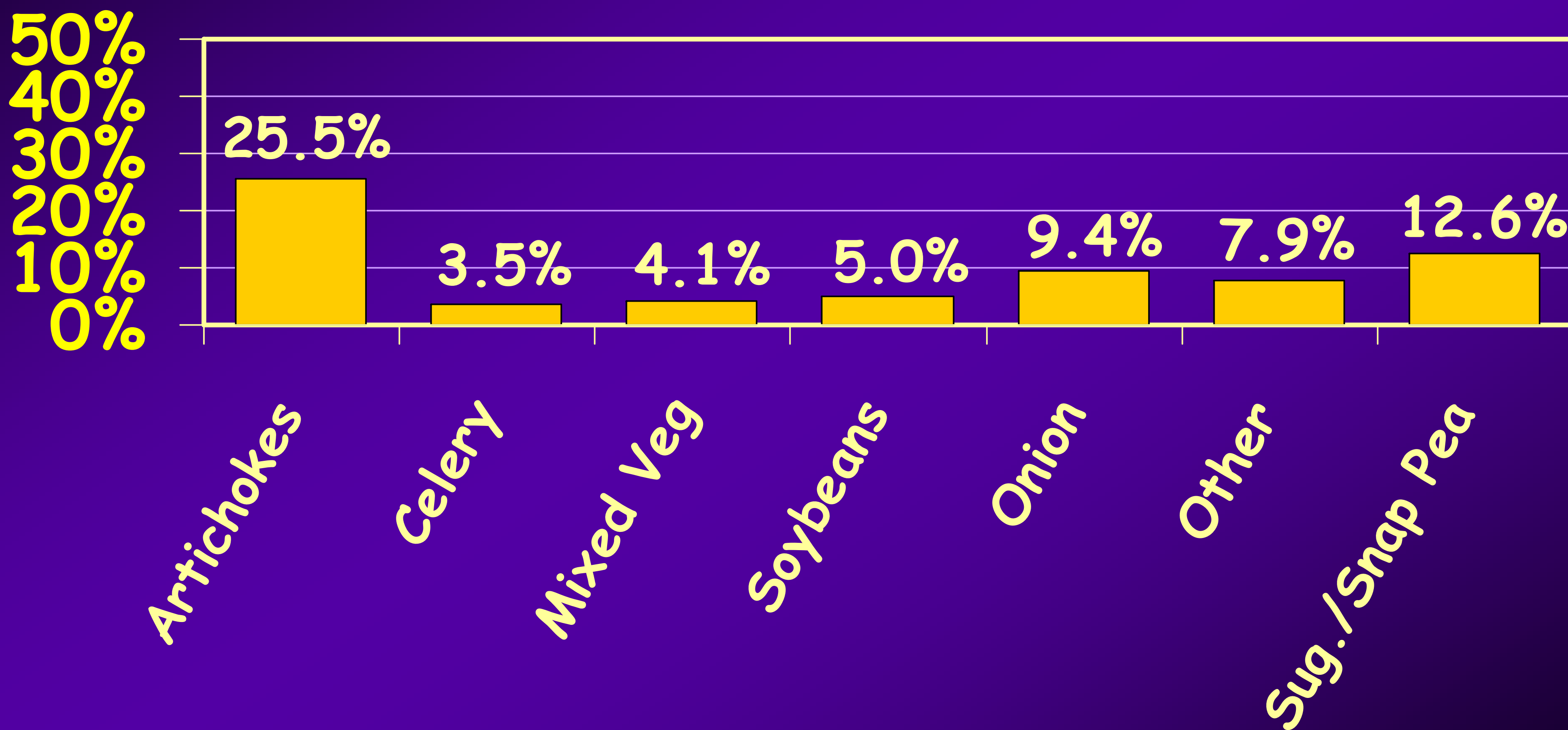
Source: Perishables Group FreshFacts® powered by Nielsen;
***52 week sales ending June 30, 2007.**

Supermarket Mix of Fresh-Cut Vegetable Types: Quantity Sold, 2007*



Source: Perishables Group FreshFacts® powered by Nielsen;
*52 week sales ending June 30, 2007.

Growth of Fresh-Cut Veggies by Type, in Quantity Sold in US Supermarkets, 2007*



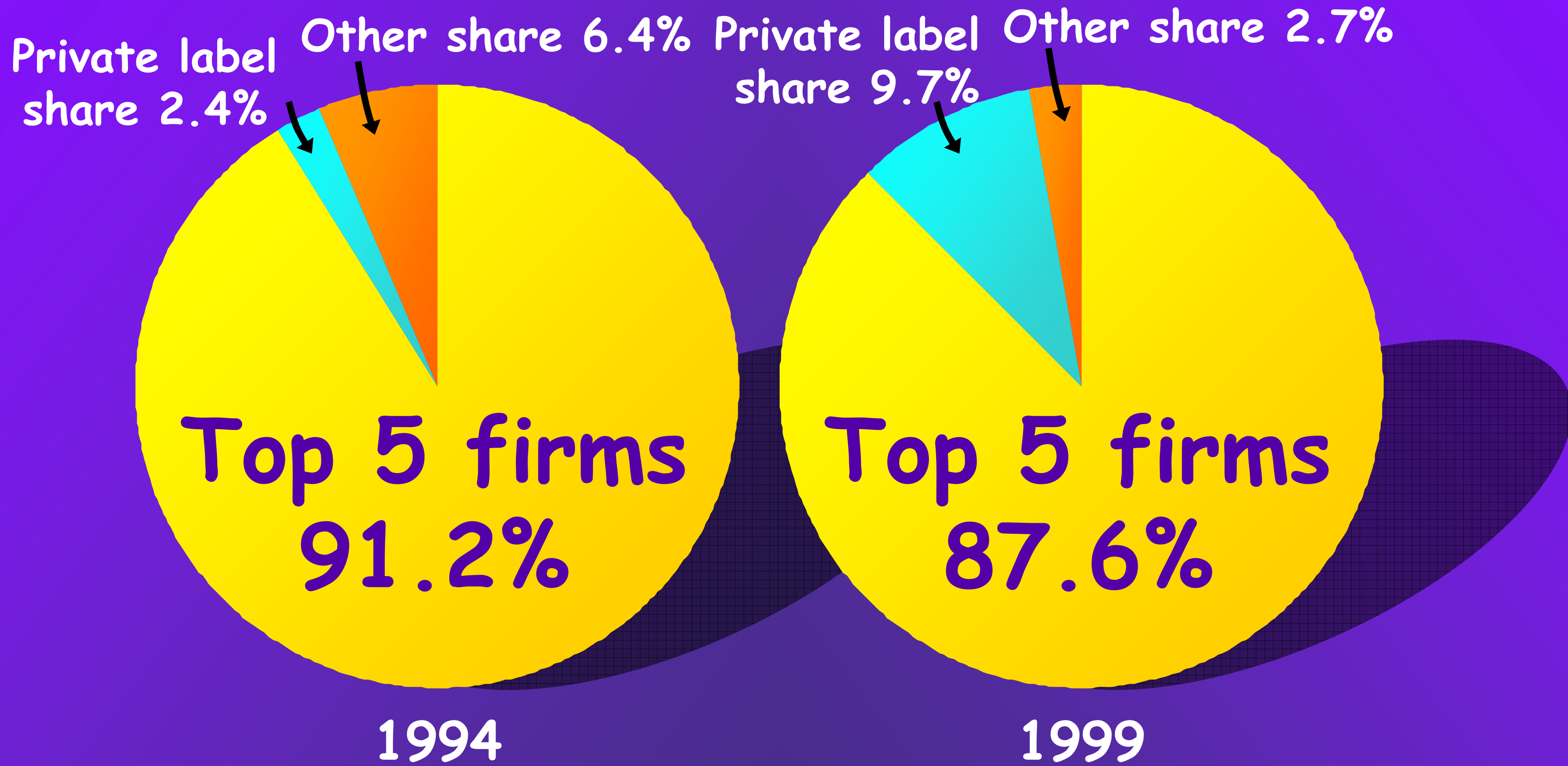
Source: Perishables Group FreshFacts® powered by Nielsen;
***52 week sales ending June 30, 2007.**

SALAD CATEGORY MARKET SHARES (%) 2006
($ sales, 52 weeks ending Oct. 8)

Fresh Express	41
Dole	31
Private label	12
Ready Pac	8
Earthbound	6
All other	2

Source: IRI

U.S. Market Shares of Fresh Cut Salad Firms, Dollar Sales



*Private label share ranked third in 1999 vs. 6th in 1994.

Source: IRI

US Supermarket Private Label Market Share

Year	Dollar share	Unit share
	percent of total sales	
1989	11.6	15.3
1995	14.9	19.4
2002	16.2	21.2
2003	16.3	21.1
2004	16.5	21.1
2005	16.5	21.3
2006	16.4	21.3

Sources: Food Institute Report, Oct. 15, 2007; *Private Label*, March/April various years, compiled by Ed McLaughlin, Cornell University for 1989 and 1995.

Types of Fees & Services Requested

Slotting	EDI
Volume Rebates	Displays
Non-volume Rebates	Private Labels
Promotional Ads	Returnable
Containers	
E-commerce fees	Special Packs
Capital Improvements	Food Safety
Certification	

Category Management Case Study From "Mystery" Fresh-cut Processor

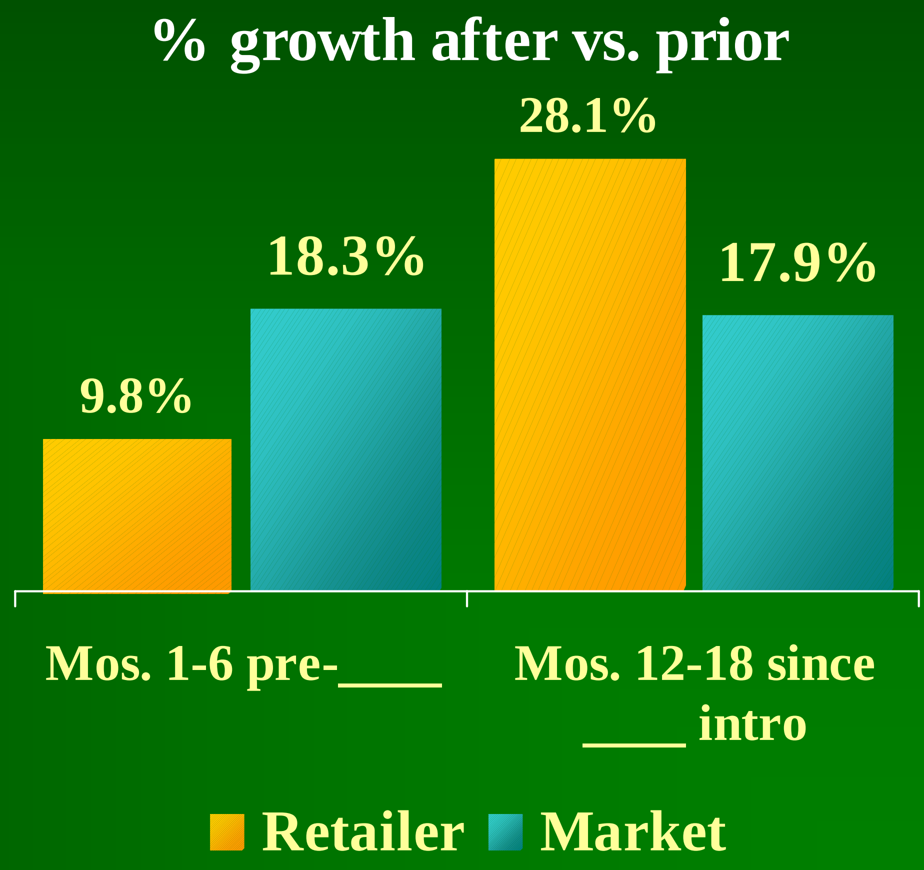
Northeastern retailer

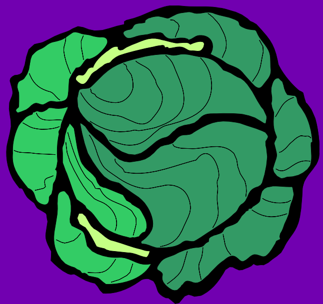
- Objective

  Increase growth and profits at a retailer that replaced a competitive brand with _____ by implementing Category Management Best Practices

- Results

  Prior to ____, the retailer's growth lagged behind the market; it now exceeds market growth





Monterey County Head Lettuce Shipments 1990 vs 2006

	Million Cartons*		Percent Share	
Product Form	1990	2006	1990	2006
Bulk to Process	6.9	17.40	15%	36%
Wrapped	14.2	21.85	30%	46%
Naked	26.1	8.62	55%	18%
TOTAL	47.2	47.87	100%	100%

* 50 lb carton-equivalent units, may not sum to 100 due to rounding

Source: Monterey County Ag Commissioner

Monterey County Leaf Lettuce Shipments, by Type, 2006 (* 50 lb carton-equivalent units)

Product Form	Million Cartons	Percent Share
Romaine	39.87	47%
Red leaf	3.77	4%
Green leaf	8.83	10%
Butter leaf	1.95	2%
Endive	.74	1%
Escarole	.28	.3%
Leaf/process	29.68	35%
TOTAL	85.12	100%

Source: Monterey County Ag Commissioner

* 50 lb carton-equivalent units, may not sum to 100 due to rounding

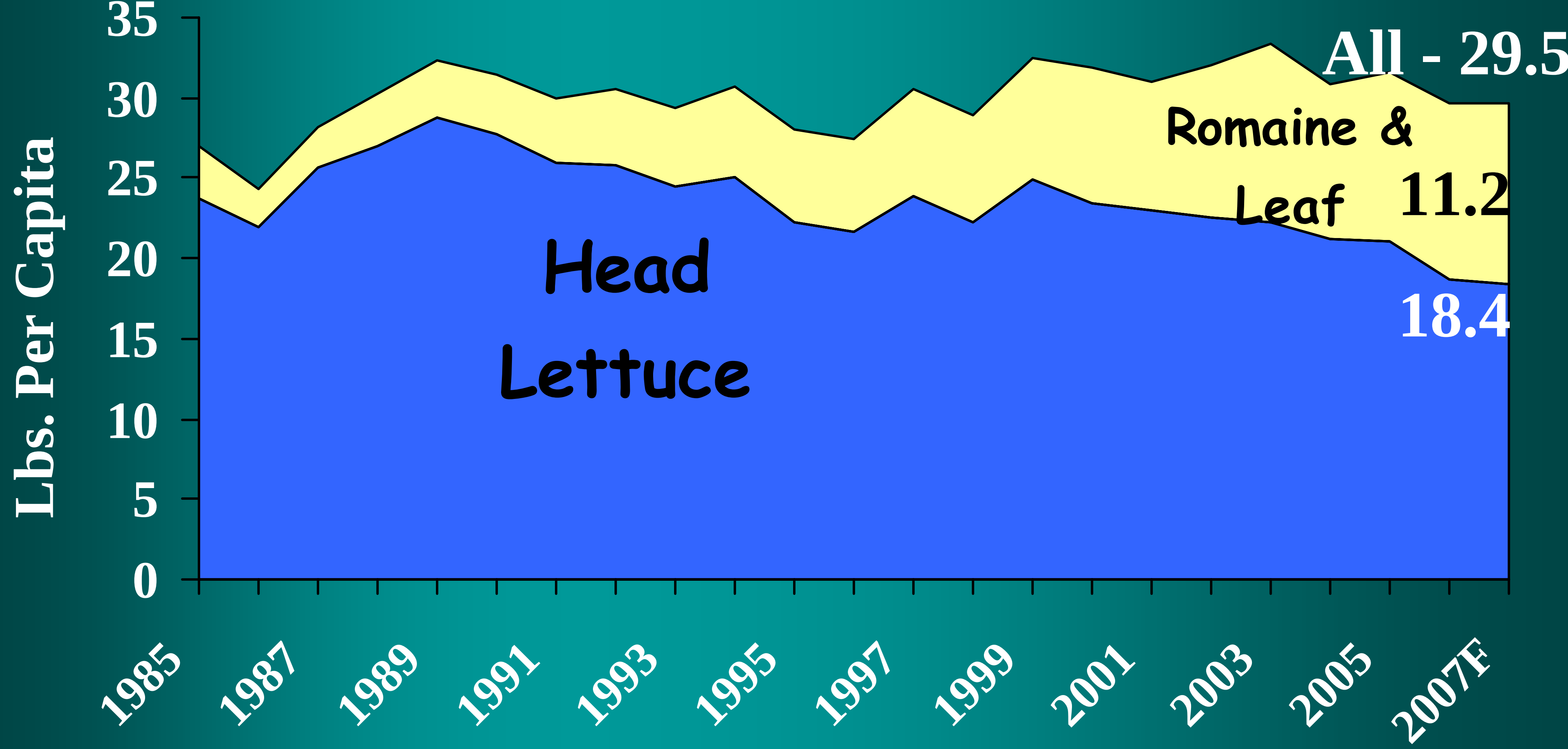
Other Salad-Related Monterey County Shipments, by Type, 2006

Product Form	Tons
Spinach	
Fresh	84,300
Value-added	18,900
Foodservice	22,300
Salad products	293,200
Spring mix	113,300
Rapini	14,000
TOTAL	546,000*

*Down 14% from 2005.

Source: Monterey County Ag Commissioner

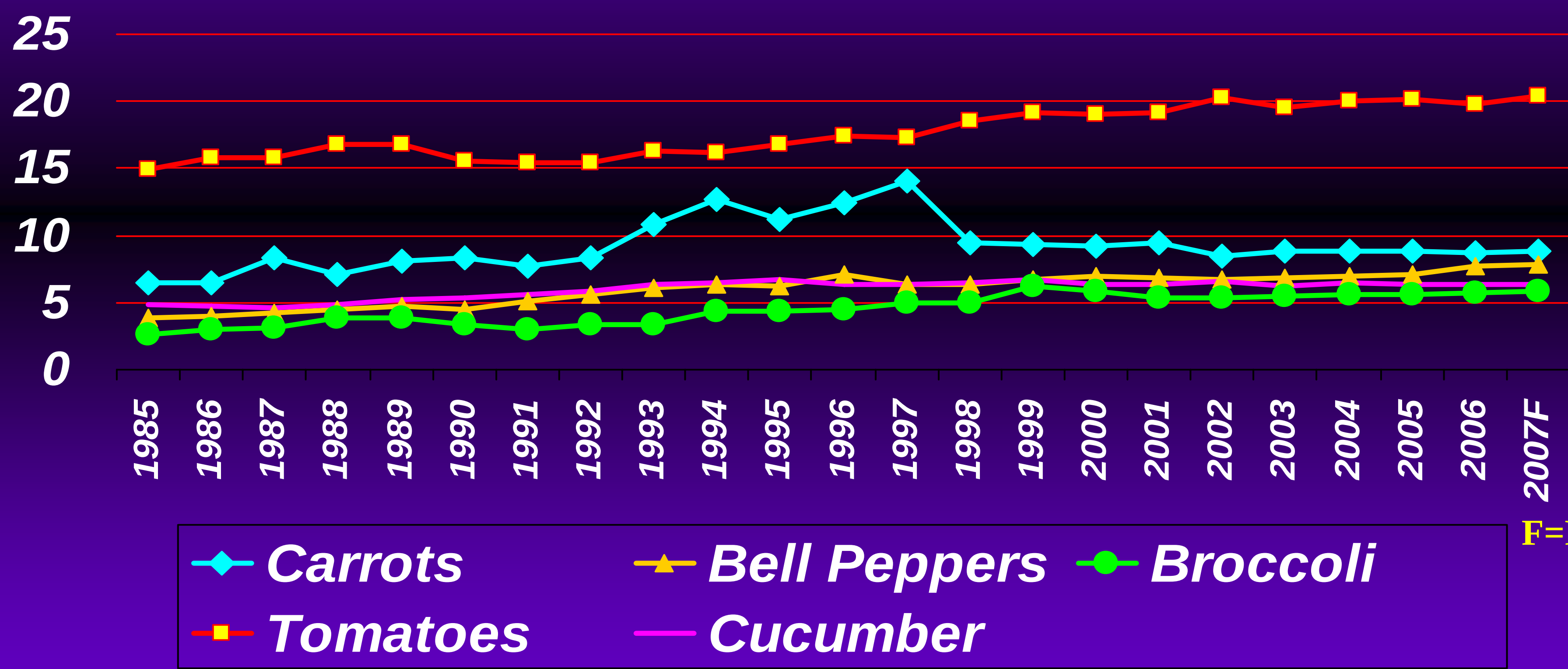
U.S. Per Capita Consumption of Lettuce, 1985-2007F



Source: USDA/ERS, July 2007 Vegetables and Melons Situation and Outlook Yearbook

U.S. Per Capita Consumption of Selected Fresh Vegetables, 1985-2007F

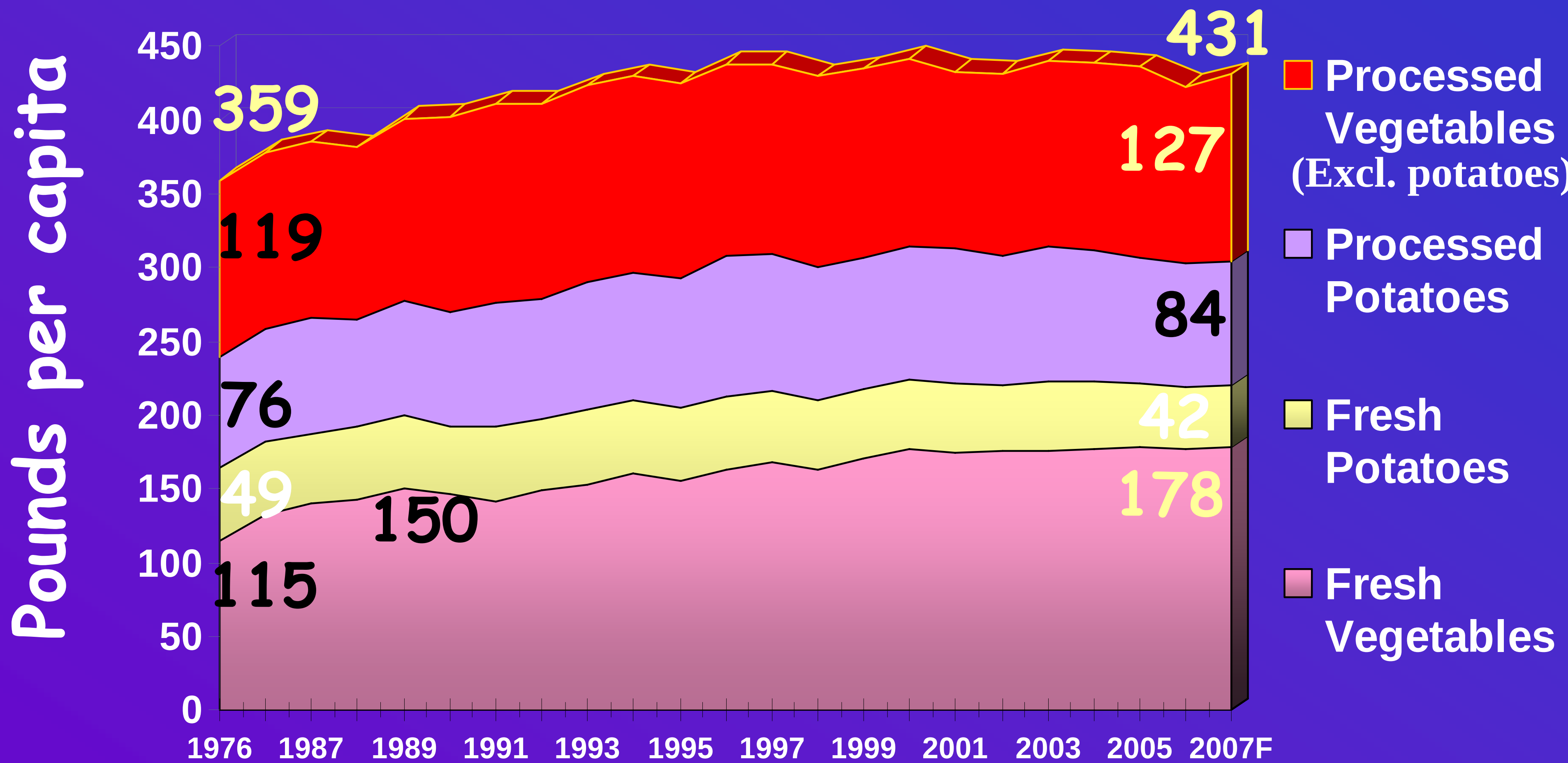
Pounds per capita



F=Forecast

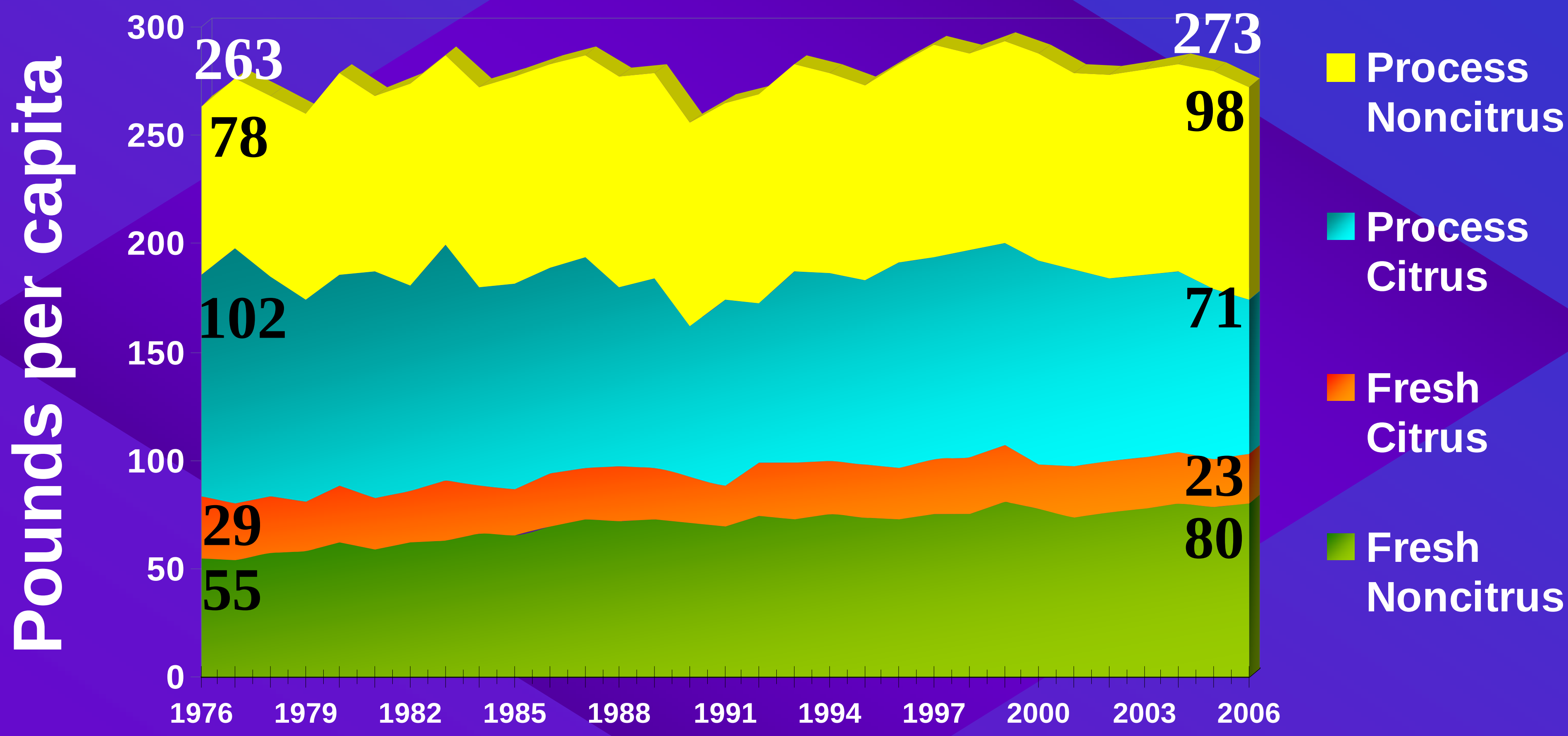
Source: USDA/ERS, Vegetables and Melons Situation and Outlook Yearbook, July 2007

US PER CAPITA VEGETABLE CONSUMPTION, POUNDS, 1976-2007F



Source: USDA/ERS, Vegetables and Melons Situation and Outlook Yearbook, July 2007

US Per Capita Fruit Consumption, Pounds 1976-2006



Source: USDA/ERS, Oct. 2007

Understanding Consumers Becomes More Sophisticated

- Time spent preparing versus shopping (i.e., how do consumers allocate their time between these activities on different occasions)
- Style of shopping (e.g., perimeter/dart and weave, cart/basket, focused/exploratory, etc.)
- Tactics consumers use at store and in the home (e.g., collecting vs. using coupons; how and when lists are used, etc.)
- Key categories of focus by occasion
- Key channels utilized by occasion
- Differences between objective and emotional goals
- What and/or whose goals are being served

U.S. DEMOGRAPHIC INDICATORS, 2005

- 117.4 million households
- 303 million inhabitants (Sept. 2007)
- 2.5 persons average household size
- Average household income of $58,712
- Average household food spending of $5931 (including $3,297 at-home and $2,634 away-from-home)

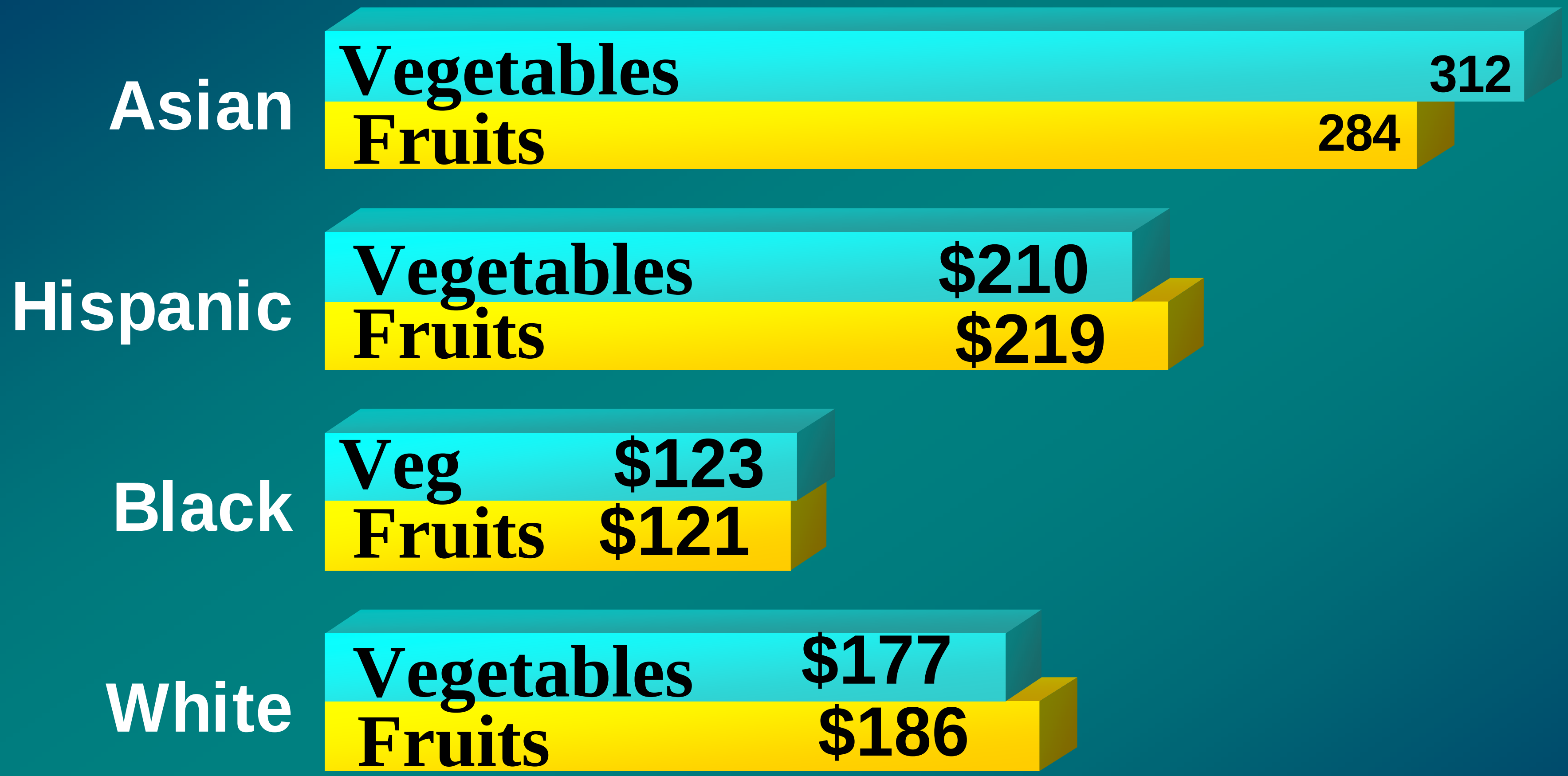
Sources: US Bureau of Census; Food Institute Demographics of Consumer Spending 2007

US Hispanic Metrics

- **Hispanics now represent 14% of the US population, over 41 million people**
- **Total Hispanic buying power is expected to top $1 trillion in 2007**
- **<u>Hispanics make visits to grocery outlets 26 times/month vs. 9 times for non-Hispanics</u>**
- **Hispanics spent nearly $69.2 billion on food in 2005, of which 60% was spent on food-at-home**
- **Berry and bagged salad sales (in heavily shopped Hispanic supermarkets) have a contribution of 2 points below the national ave.***

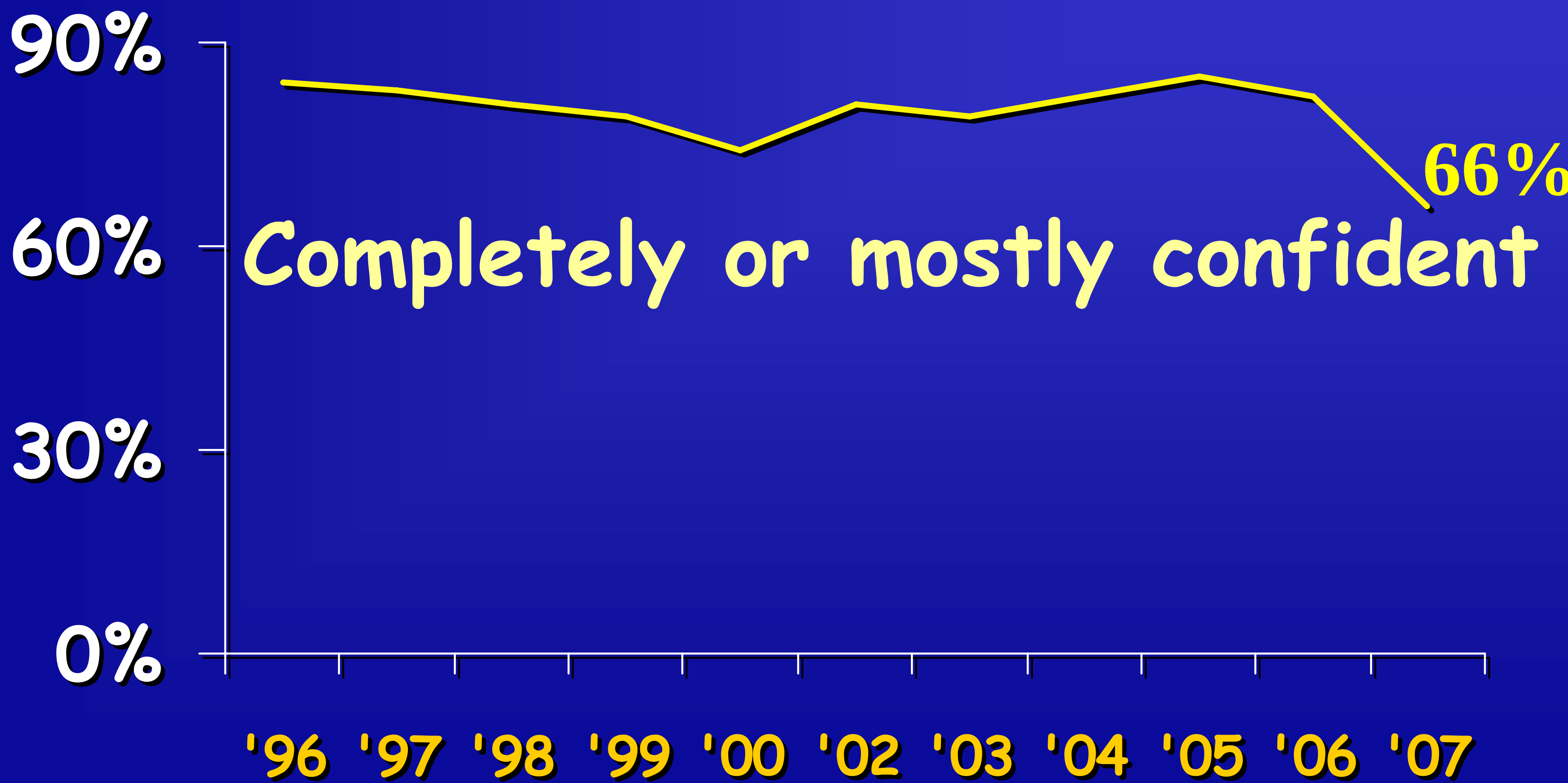
Sources: FMI El Mercado 2005, and The Food Institute Report, June 13, 2005; and Demographics of Food Spending 2007, Food Institute; *Perishables Group 2007.

US Fresh Produce Consumption by Race 2005, $ Per Household



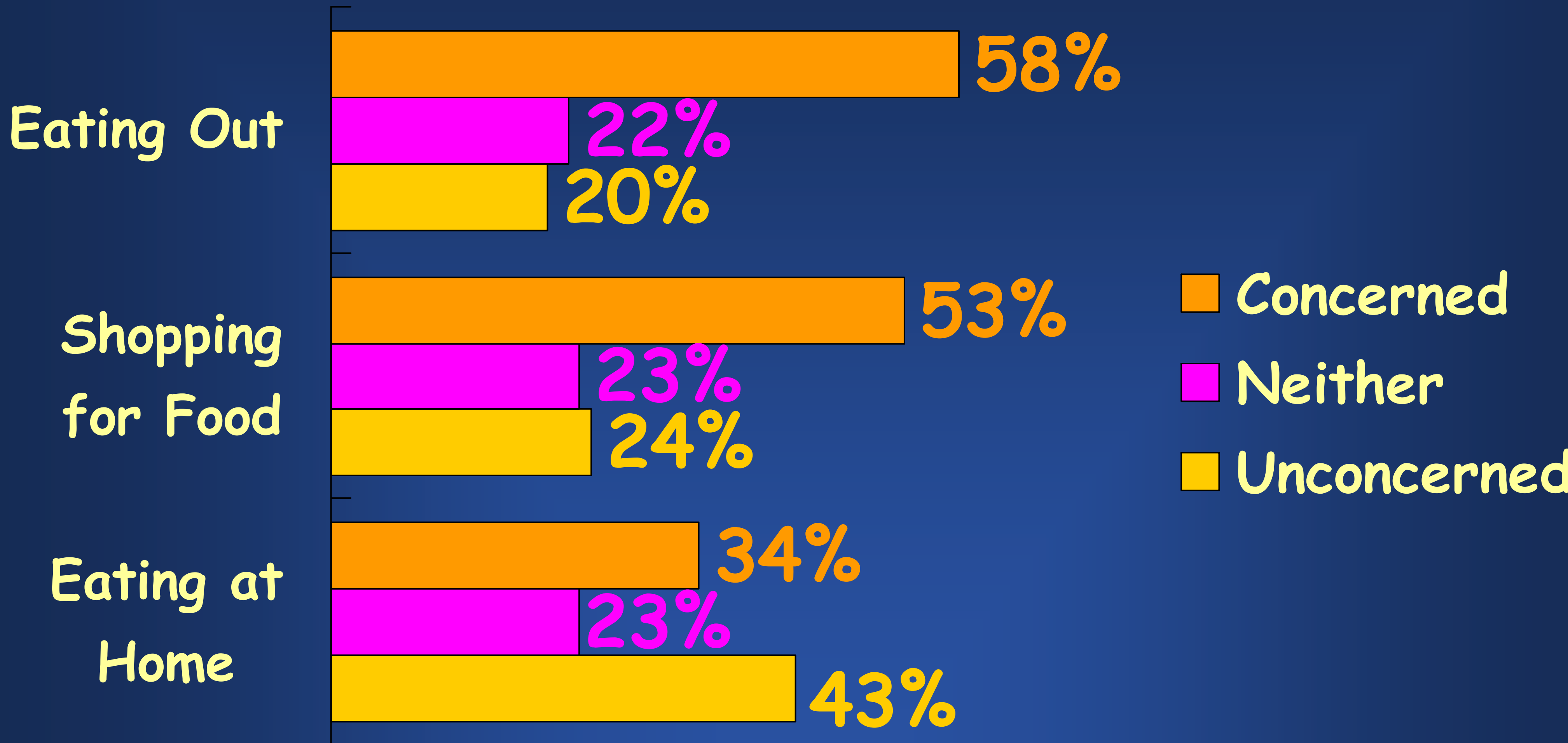
Sources: Consumer Expenditures Survey, Bureau of Labor Statistics,
ftp://ftp.bls.gov/pub/special.requests/ce/standard/2005/race.txt;
ftp://ftp.bls.gov/pub/special.requests/ce/standard/2005/hispanic.txt

How confident are you that the food in your supermarket is safe?



Source: FMI Trends in the US Consumer Attitudes and the Supermarket, various years

Consumers' safety concerns related to where food is consumed



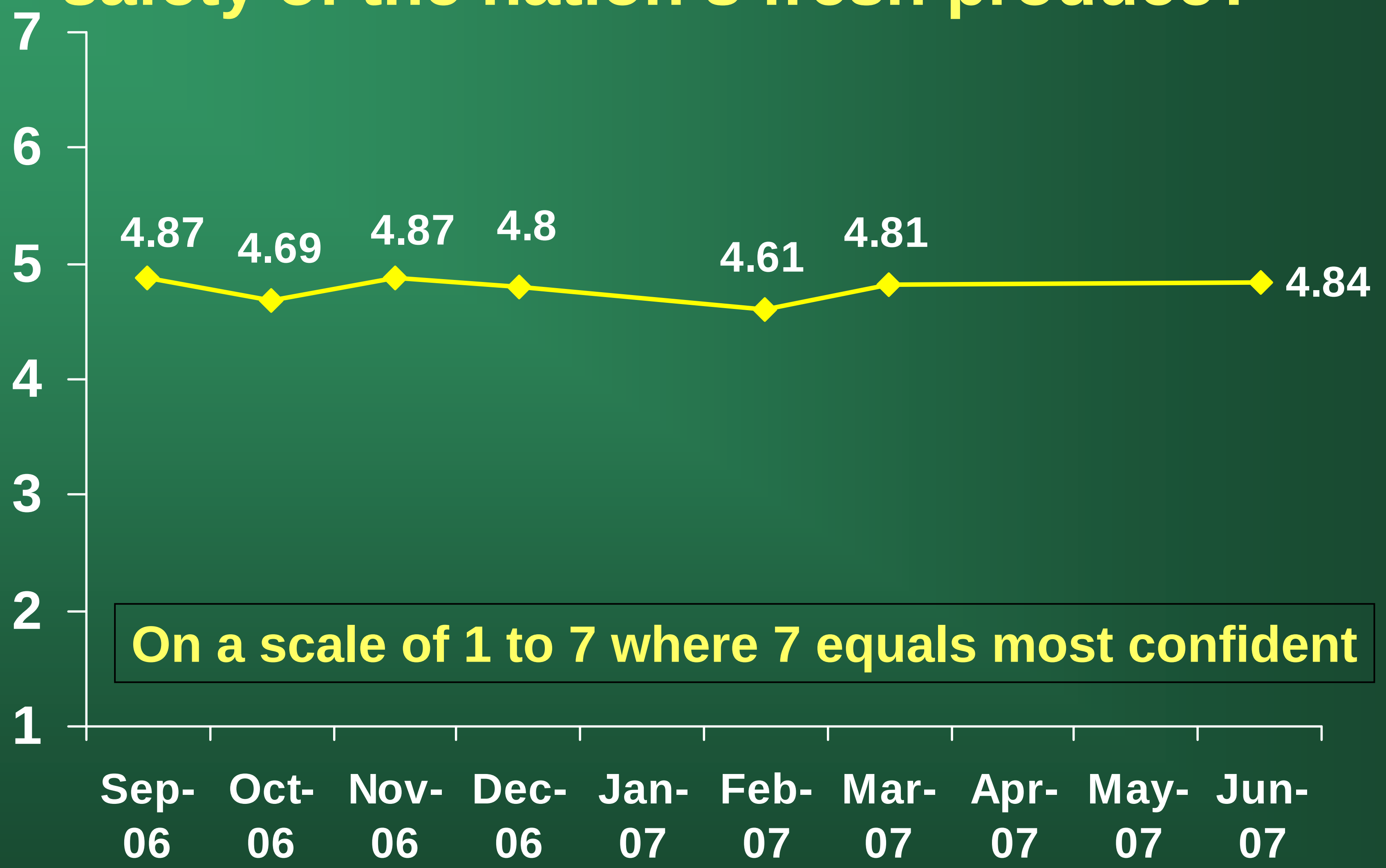
Source: ***N-Depth: Food Safety*** **The Hartman Group, 2007.**

Which food-related items constitute a serious health risk?

	'07	
Bacteria or germs	49%	
Product tampering	43%	
Avian Influenza	38%	
Terrorist tampering	38%	
Residues from pesticides	37%	**Declining since 1992**
Antibiotics/hormones in livestock	25%	
Food handling in supermarkets	22%	
Foods produced by biotechnology	20%	**Declining since 1992**
Irradiated foods	18%	**Declining since 1992**

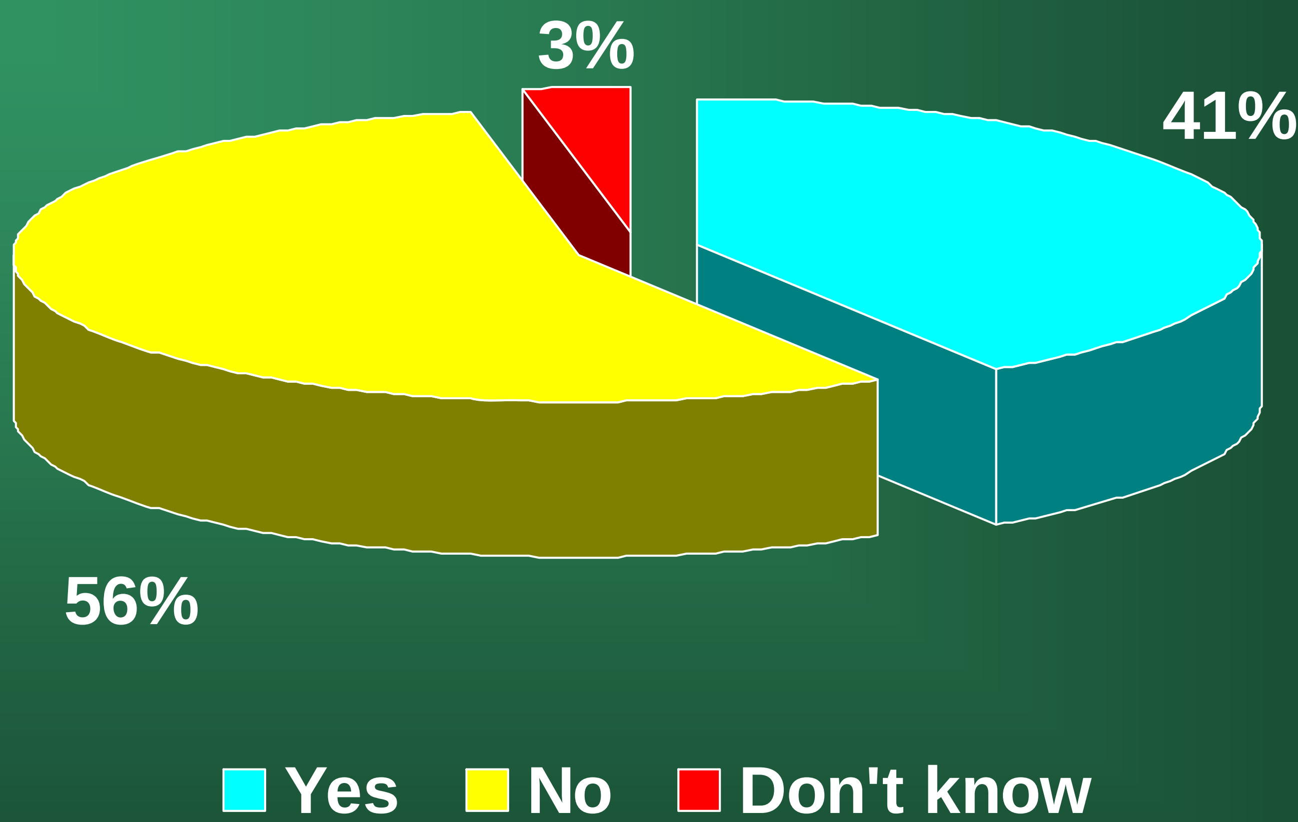
Source: FMI US Consumer Trends and the Supermarket, 2007

How confident are you about the overall safety of the nation's fresh produce?



PMA National Consumer Surveys on Food Safety Issues, various

Are there certain types of fresh fruits and vegetables you don’t buy?



(Leafy greens mentioned by 40% as item don’t buy now, followed by 6% for bagged produce and turnips/turnip greens and 5% for onions/green onions.)

Source: PMA National Consumer Survey on Food Safety Issues, March 2007

In the past 12 months, have you stopped purchasing any food products because of safety concerns?

	2007	2006	2005
	Made Changes %	Made Changes %	Made Changes %
All Shoppers	38	9	11

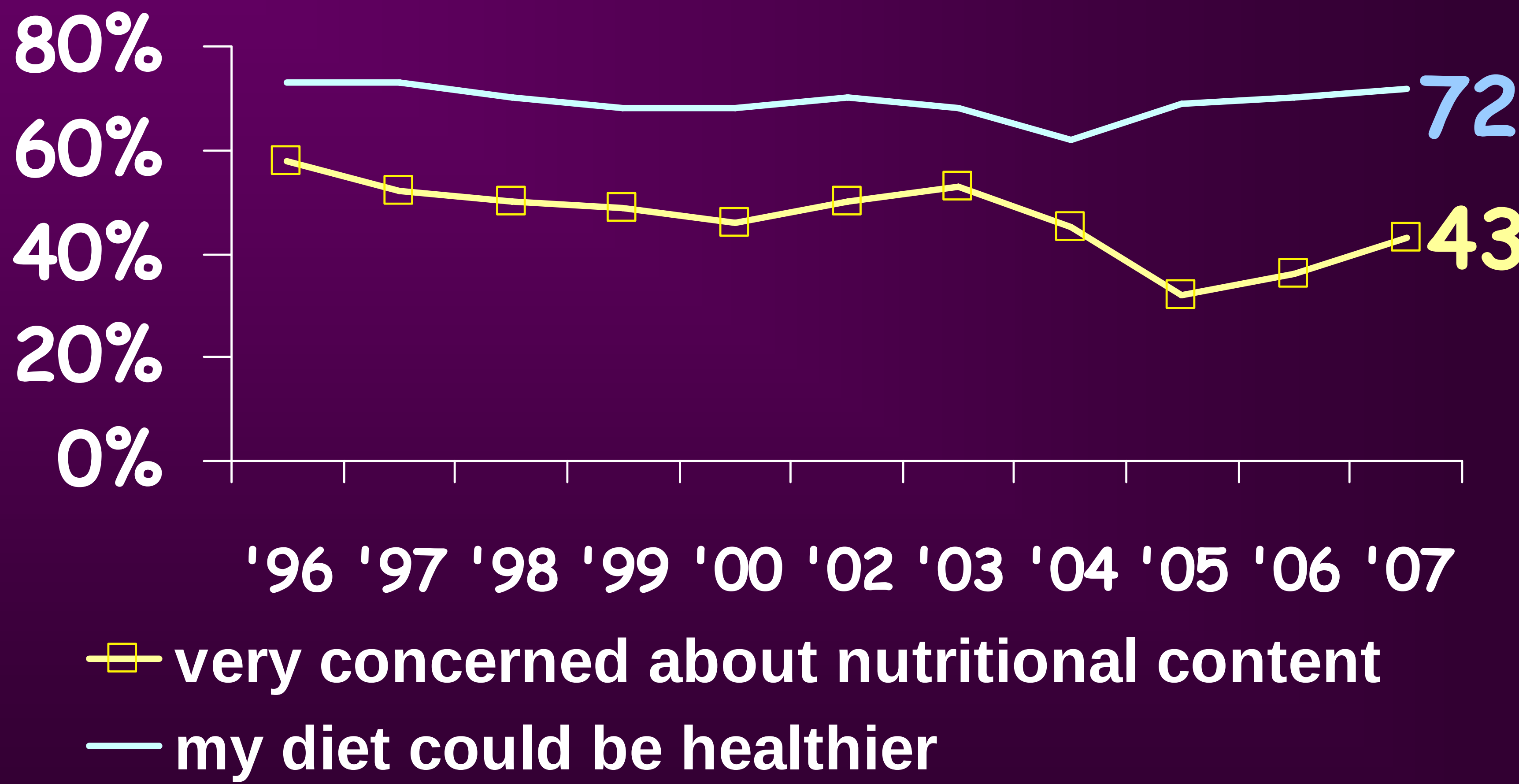
Source: FMI US Grocery Shopper Trends 2007

What food products did you stop purchasing?

	2007	2006	2005
Number of Shoppers	Stop purchasing %	Stop purchasing %	Stop purchasing %
Beef/Poultry	15	64	53
Seafood	2	5	13
Fruit/Vegetable (Net)	84	8	12
Spinach	71	N/A	N/A
Lettuce	16	N/A	N/A
Bagged salad	9	N/A	N/A
Green Onions	4	N/A	N/A
Other	5	21	24

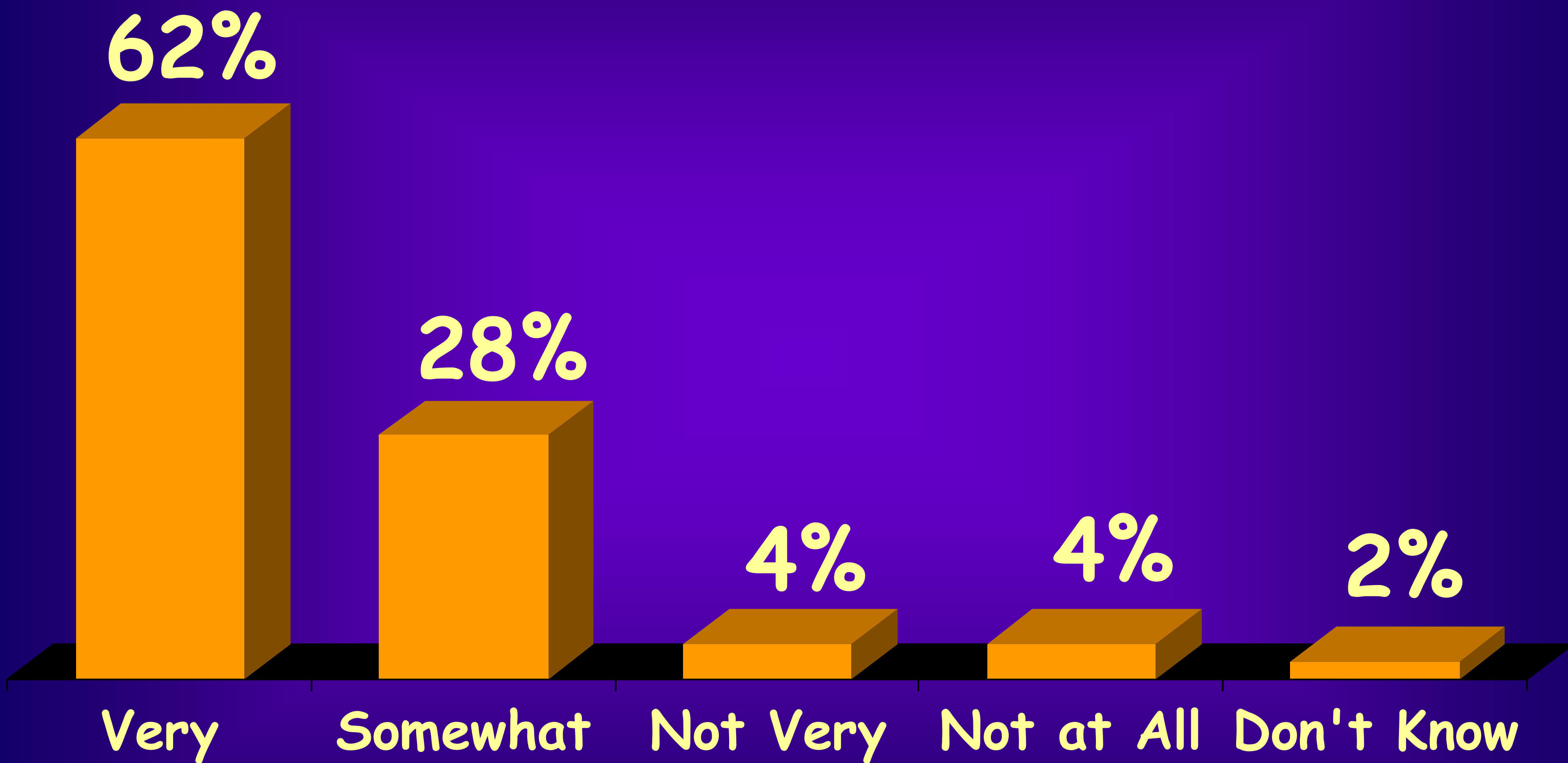
Source: FMI US Grocery Shopper Trends 2007

Shoppers' concern about nutritional content and evaluation of diet



Source: FMI Trends in the US Consumer Attitudes and the Supermarket, various years

Fresh Produce: Importance of Nutritional Value



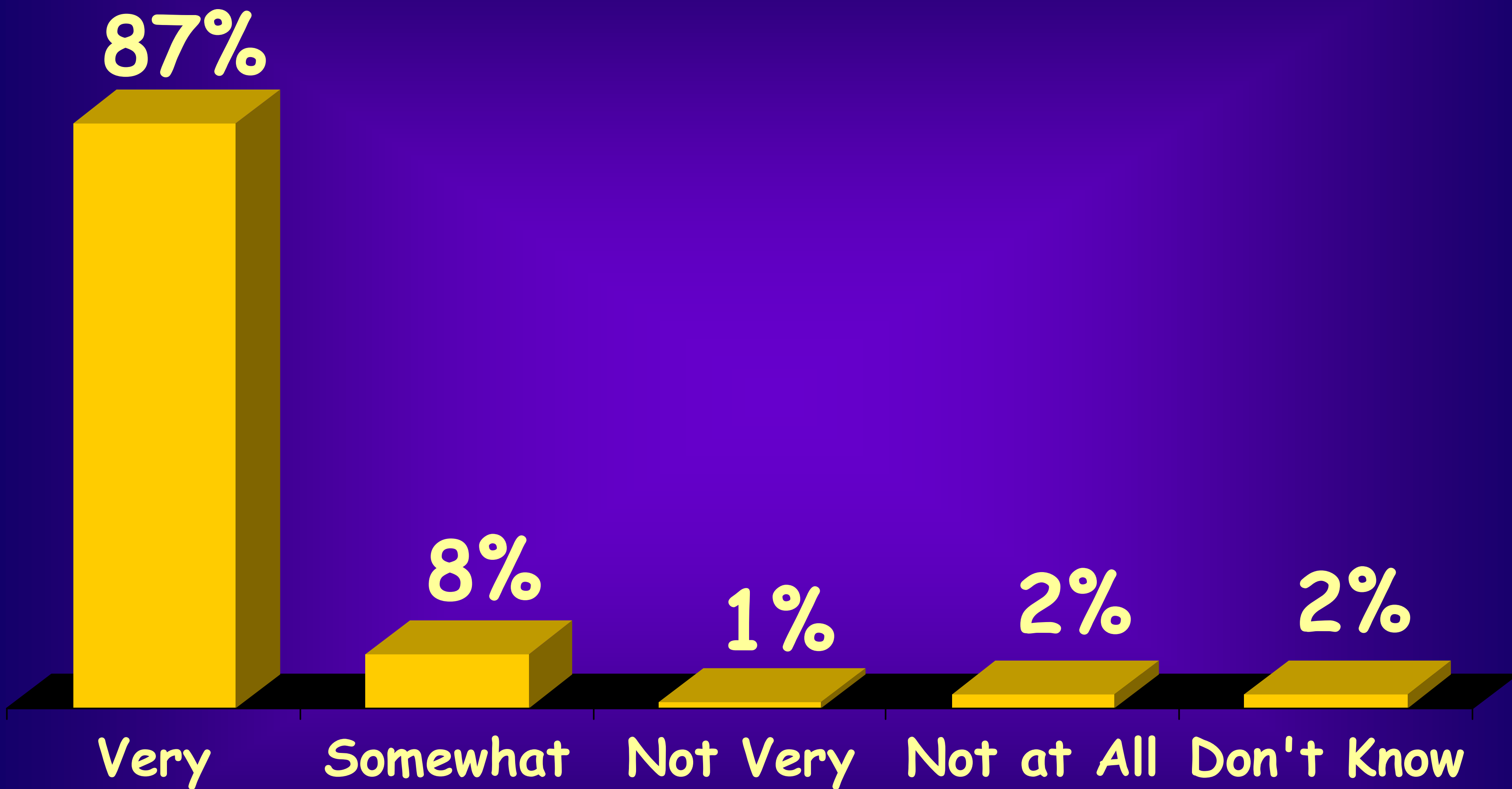
Source: *The Dining Out Menu: Consumer Thoughts about Produce*, PMA, 2006.

Most important product attributes influencing fresh produce purchases of US consumers, 2005

Attribute	Percent
Quality	76
Price	14
Organically grown	6
Country of origin	3

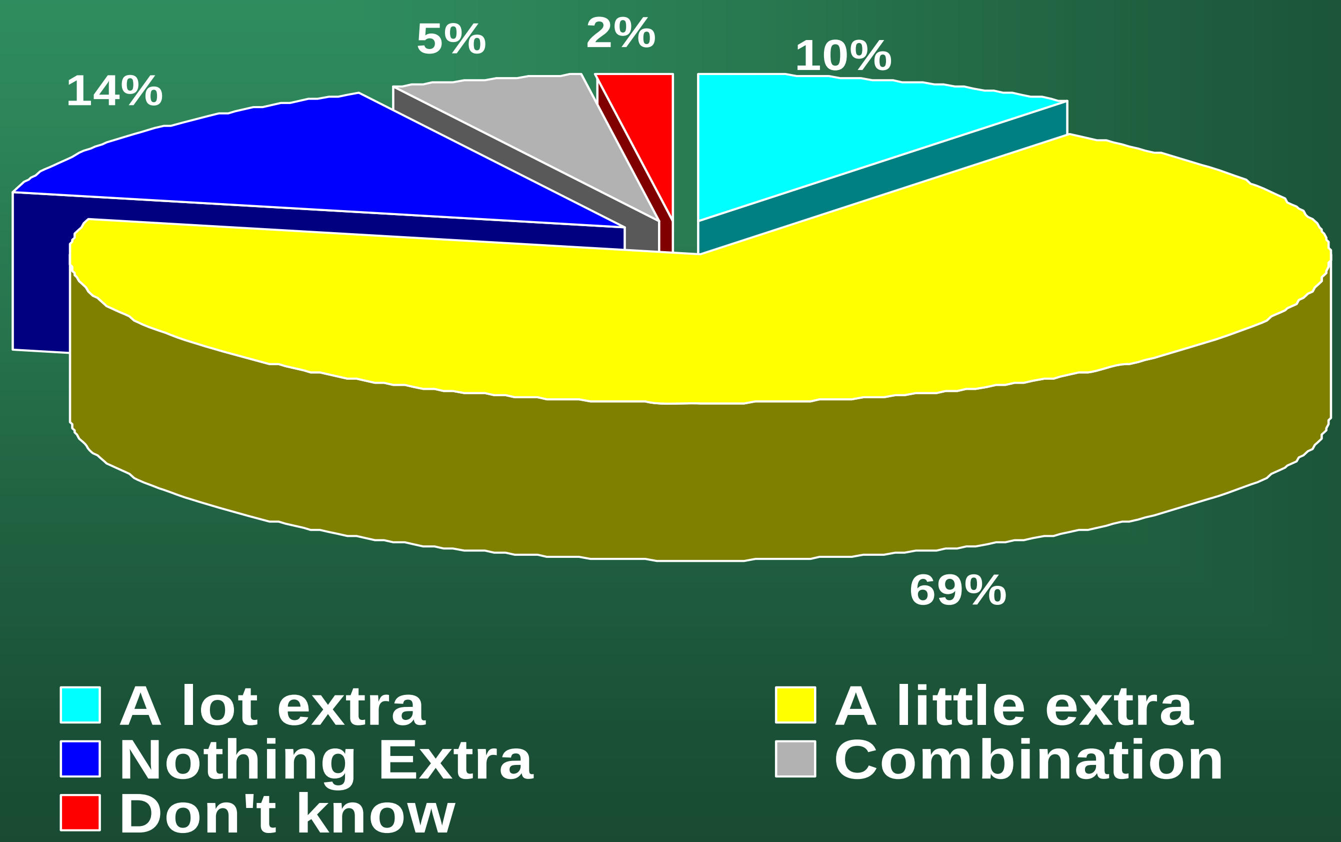
Source: FMI US Grocery Shopper Trends 2005

Thoughts about Produce: Importance of Taste



Source: *The Dining Out Menu: Consumer Thoughts about Produce*, PMA, 2006.

In general, how much extra would you be willing to pay for better-tasting fresh fruits and vegetables?



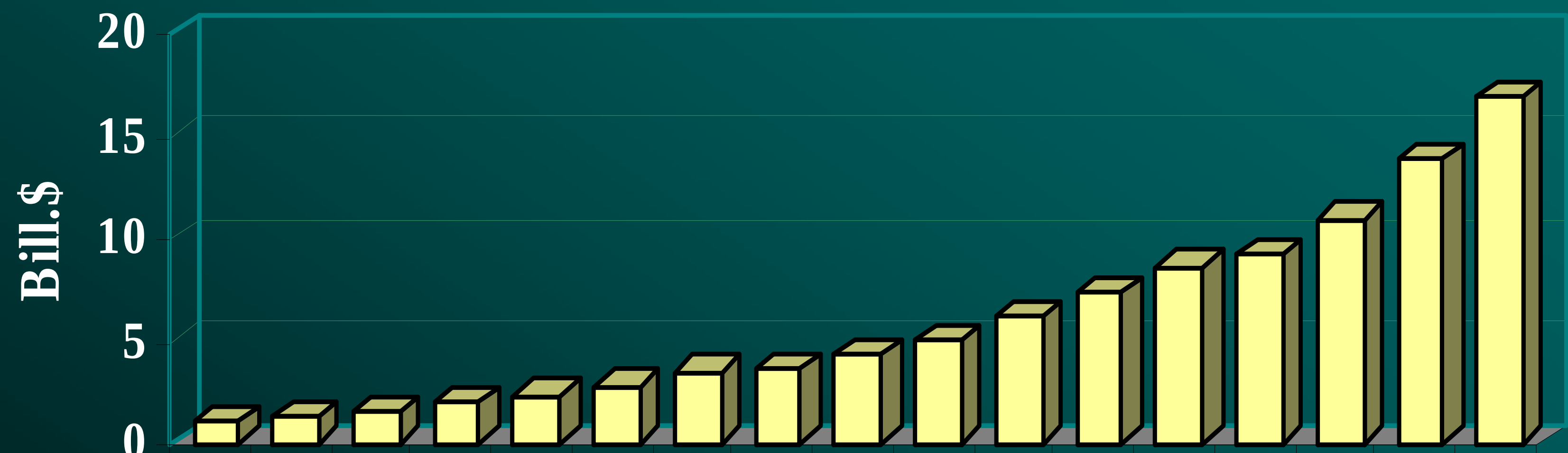
Source: PMA Consumer Perceptions on Flavor and Taste, April 2007

Should fresh produce items, packages, or displays be labeled to identify. . .? Summary "yes" responses

Nutritional value	77.1%
Country of origin	85.9%
Chemicals used in	90.7%
Organically grown	86.0%
Irradiated	77.8%
Use of biotechnology	78.4%
Use of waxes or coatings	84.5%

Source: Fresh Trends 2002

US Organic Food Sales, 1990-2006^{E} (Billion US$)



	90	91	92	93	94	95	96	97	98	99	00	01	02	03	04	05	06
■	1	1.3	1.5	1.9	2.3	2.8	3.5	3.6	4.3	5	6.1	7.3	8.6	9.2	11	14	17

E=Estimate

Sources: Organic Trade Association (OTA), *Consumer facts and market information*, 4-05-2001 for 1990-1996; The Food Institute Report, May 10, 2004 for 1997-2002;The Natural Marketing Institute for 2003 and 2004; OTA Manufacturer Survey 2007, for 2005 and 2006.

Estimates of 2007 US Fresh Produce Organic Retail Sales Vary Greatly!

- 2% for fruit
- 3% for vegetables
- 10% for bagged salads
- Totaling $1.5 billion

Or 6.2% of retail fresh produce sales or $3.5 Billion in 2006

Or

- Ca. data: $387.6 Million farmgate value for organic fruit/veg/nut, suggesting $2Billion final value, plus sales from imports and other states

----

- But this is inconsistent with OTA estimates of fruits and vegetables representing 40% of organic food sales, or $6.8 billion

California Organic Agriculture by Commodity Group, Number of Growers, 2000 – 2005

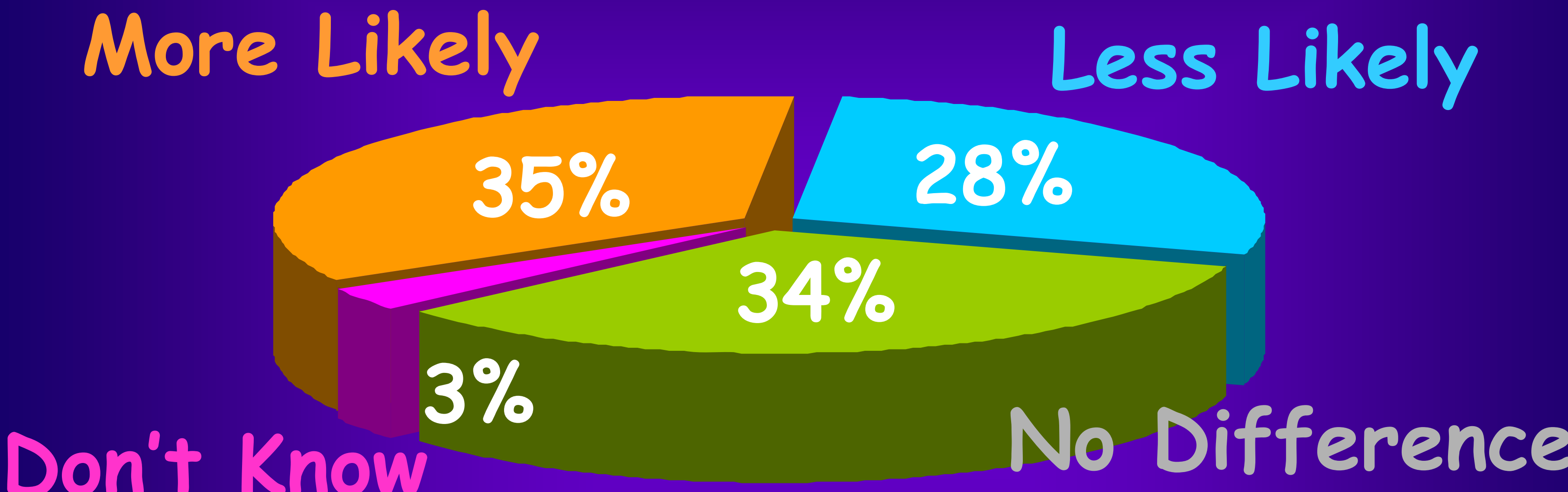
YEAR	Field Crops	Fruit & Nut Crops	Livestock, Dairy, Poultry & Apiary	Nursery, Greenhouse & Floriculture	Vegetable Crops	Total*
2000	245	1,365	57	186	643	1,903
2001	263	1,402	54	190	616	1,925
2002	261	1,332	65	194	585	1,847
2003	251	1,274	75	174	525	1,757
2004	210	1,248	103	177	499	1,722
2005	205	1,293	113	179	505	1,795

Row totals do not equal the sum of the columns because of growers in multiple categories.

Source: UC Agricultural Issues Center, Klonsky and Richter, 2007.

76,500 total growers in Ca.

More or less likely to order a fresh fruit or vegetable menu item if it is organically grown



Demographically, the most likely to order organics are consumers under the age of 30.

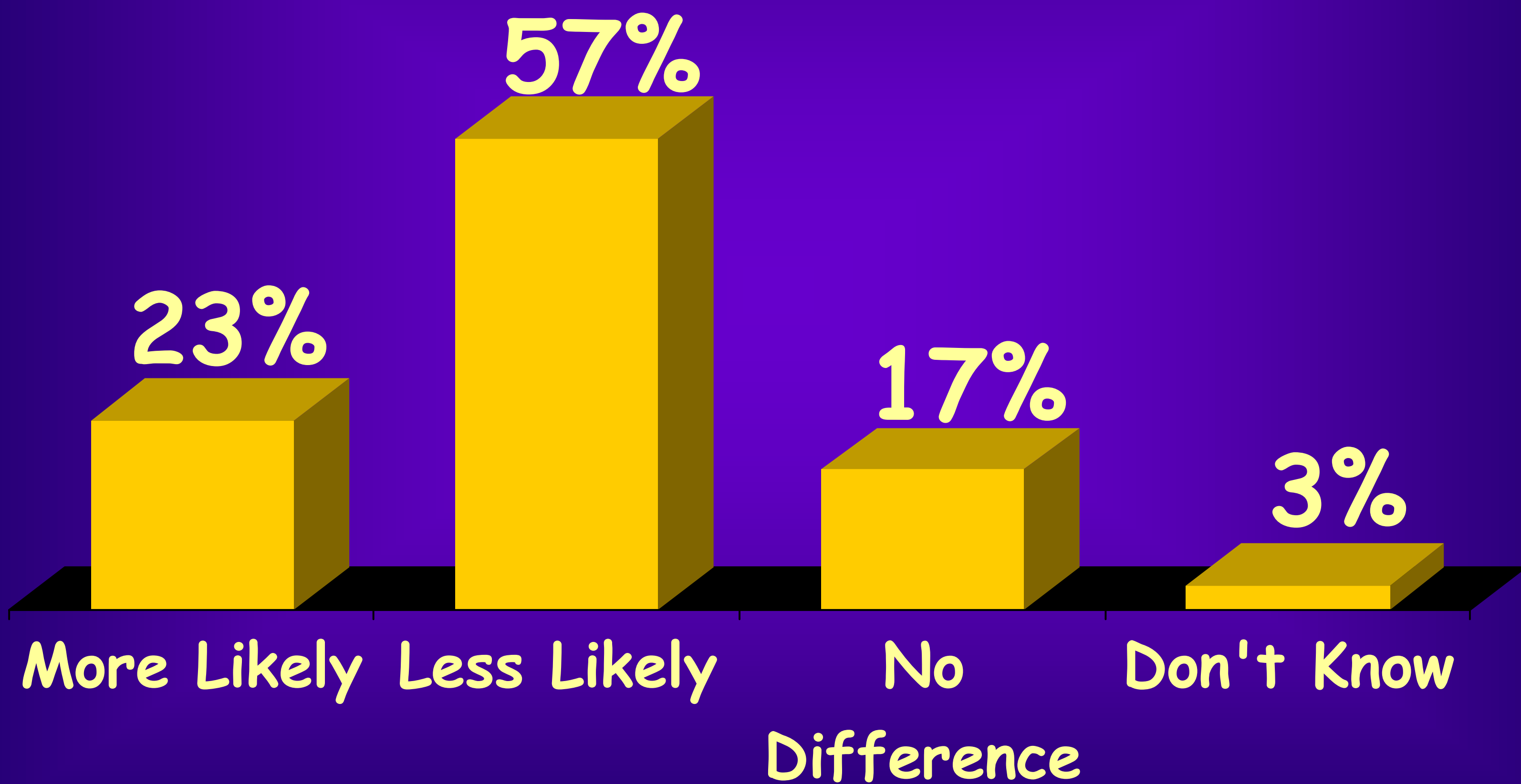
Source: *The Dining Out Menu: Consumer Thoughts about Produce*, PMA, 2006.

Why consumers choose to order an organically grown fresh fruit or vegetable menu item

Healthier	46%
Taste	24%
Overall nutritional value	24%
Environmentally friendly	20%
Less use of chemicals	5%
Recommended by friend / family	3%
Local origin / Home grown	1%
Other / Don't know / Refused	4%

Source: *The Dining Out Menu: Consumer Thoughts about Produce*, PMA, 2006.

If the organically grown fruit or vegetable menu item cost 20% more than a conventionally grown item, would you be more or less likely to order the organic item?



Source: *The Dining Out Menu: Consumer Thoughts about Produce*, PMA, 2006.

- Taste . . .
- appearance . . .
- price . . .
- "feeling" . . .
- lifestyle . . .

Wellness!