

AVOCADO ADVERTISING IS A PROFITABLE INVESTMENT

Ralph M. Pinkerton

Manager, California Avocado Advisory Board.

Has the avocado advertising investment returned a profit to the grower? The answer is an emphatic yes! The value of the 1961-62 California avocado crop during the inaugural year of the marketing order reached an all-time high of \$10,700,000. This was \$2,700,000 above the average for the preceding 36 years. It was even \$800,000 above the previous record set in 1960. This has been achieved with an annual investment of a half million dollars. The grower investment of 5% has jumped crop evaluation by a handsome 25%. Now as the 1962-63 season nears completion, it is again apparent that crop evaluation will be far above average and likely very close to the record set last season.

The success of the marketing order is due largely to the skillful direction provided by the Directors. These are men of unusual capabilities and great vision who have supervised the creation and implementation of a highly successful advertising program. They have but one aim in their direction of the avocado promotion program—to increase dollar returns per acre.

Marketing orders may be good—bad, effective or ineffective, but in all cases whatever success they achieve is entirely dependent upon the Directors nominated by the growers and handlers. The avocado growers have selected top men from their industry to guide the program, and they have put into action a positive program which has achieved remarkable results.

In today's highly developed economical system, avocado producers are faced with a rapidly declining number of customers who are merging into larger and stronger corporate organizations. To compete for a profitable share of the food dollar, the avocado grower must organize his marketing and advertising efforts to present a strong sales pitch to large corporate buyers. These executives, who determine the fate of our product, are interested only in a profit for their stockholders. Their goals are not the same as yours because increased dollar returns per acre for the avocado grower do not necessarily increase the profit margin for the retailer. It must be **your** concern to insure your own profit. No one is going to do it for you. You must convince the retailer that his customers require California avocados.

The marketing order has only provided the industry with an instrument of cooperation through which growers may band together to affect a marketing answer to the ever increasing corporate strength of our customers. The squeeze is on. Only through skillful marketing, advertising, and promotion can the avocado grower hold his own and better his position in today's competitive market place. Remember, the housewife who buys your product for family consumption is only the indirect customer. You must reach her through a distributive chain of command which buys avocados for eventual resale to the

public. If the retail buyer is not interested in avocados, the housewife will never have the opportunity to buy them. Therefore, our advertising and promotion program must attack the sales problem on several fronts. First of all, the wholesaler and retailer must be sold California avocados and educated on how to display them for the most effective sale. A strong consumer advertising program pushes the housewife toward the store to buy our product. A hard-hitting promotion program utilized at store level pushes avocados towards these receptive customers. The two programs meet and create increased dollar returns per acre for the California avocado grower.

This season our consumer advertising program, through full color magazine ads, has effected more than 80 million consumer impressions. Like electrical energy, these are sales impulses that push the current along the wire which gets the energy started to complete the sale. But this isn't enough. Completing a sale requires a highly complex system of good marketing, advertising, promotion and publicity.

We have promoted avocados with four seasonal promotions aimed at the historic low price periods. These have taken place largely in the form of in-store effort with the retail demonstrations and radio advertising to back them up. What has happened? The historic price dips never occurred, and we were able to bridge every low price period including the disastrous frost months without serious declination in price. This, in itself, more than returned your advertising investment this year.

The marketing order cannot take all of the credit for improvement in the industry. Such organizations as CADO which is a group of California handlers who are responsible for nearly 90% of the total volume marketed have been effective in building industry cooperation toward facing our marketing problems with a united effort. CADO meets monthly and the Avocado Advisory Board Manager attends these meetings to discuss marketing problems and how advertising can help solve them. Your own Avocado Society has been extremely helpful in assisting avocado research projects and stimulating industry cooperation. The value of building an industry that works together cannot be over-emphasized. The Advisory Board believes that we are entering into a decade of development wherein the entire California avocado industry will prosper. We look forward and anticipate higher crop evaluations never reached before the advent of our advertising and promotion program. It always will be difficult to prove exactly just how advertising has benefited the grower. But we have only to look backward and compare crop evaluations to know how he fared without a strong national promotional effort.

Even with advertising, an industry may fall ill. But through a well directed program it will survive and grow. Without advertising and promotion in today's complex economy an industry will most certainly perish.