

Is Brand Credit The Real Issue?

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Once again, brand-credit advertising is being widely debated among interested parties within the avocado industry and at the California Avocado Commission. Substitute some other commodity for avocados and change board rooms and the dialogue may well be the same since common principles apply and apples are the same as oranges, well...almost. Every discussion is shaped, in part, by the buffeting winds of change cascading from the US Ninth Circuit Court of Appeals. The implications of recent court decisions regarding advertising effectiveness cannot be overlooked. Often lost in the debate over legalities and structural details, however, is a central point: What kind of programs are needed to increase demand in the future? For avocados, this is the real question.

Arguments and studies in support of both generic and branded advertising are not difficult to find. Why? Because both forms of advertising work. In fact, most experts would agree that either type of program can be effective at increasing demand in an absolute sense, and that, when combined, generic and brand advertising can be mutually reinforcing. So let's stop there; justification is not the issue. Nor is implementation; there are any number of formulas which could be adopted or created to put a brand-credit program in place.

In the avocado industry, those in pursuit of brand credit say they are looking to the future. If so, this is commendable, for it is the very place where all producers—cooperative and independent alike—should be focused in order to reach a consensus on programs which ensure the long-term survival of the industry. Before examining whether or not a brand-credit program should be constructed and how it would work, avocado producers must anticipate what their future market looks like and what they want their broad advertising initiatives to achieve.

Assuming that the trend toward an increasing supply of imported fruit from Chile, the Dominican Republic and other producers will continue, we must ask: What mix of marketing activities will be needed to maintain market share and build new demand? What can be done to differentiate California fruit from other avocados in the marketplace? Where and to whom should promotional efforts be directed? What strategy will deliver the greatest return to California growers? Will a strategic alliance with another supplier strengthen the California industry's position? The answers should guide us to a coherent and carefully considered marketing strategy which moves the industry forward as whole and individual handlers along with it. If it works, it will stand the test of the courts, but more importantly, growers will support it and enjoy the benefits.

Ultimately, our place in the future will be guaranteed by innovation, quality, service and

well-crafted strategies to deliver these attributes—in a different context— to the market. In a more competitive world, differentiation may provide the only true marketing advantage. A brand credit program at the California Avocado Commission may or may not be a part of such a strategy.

The case for or against brand-credit for avocados should be built upon the assumptive premise that any shift in program direction must further enhance the well-being of all producers through fortification of market share and increased sales of California avocados. To carry out the mission of our organization and the individual growers it represents, our programs must make a positive difference today and deliver an even greater impact in the avocado marketplace of tomorrow.