Proceedings of the First International Tropical Fruit Short Course: The Avocado.
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MARKETING AVOCADOS IN WESTERN EUROPE

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A dramatic tenfold increase in avocado imports in Western Europe occurred in the last decade. The almost unknown fruit became a recognized and appreciated commodity in this period. A rapid increase in demand kept pace with the rapid increase in export. Nevertheless, avocado is still a minor import item in comparison to other fruits like citrus, bananas and processed pineapples.

Statistical Data

Imports

The total yearly imports into Western Europe increased tenfold in the last decade from about 2,000 tons in 1966 to more than 20,000 tons in 1975. The most significant and important increase in that period occurred in France, an eighteen fold increase. France in 1975 accounted for about 68% of all European imports. The United Kingdom, which for many years was the main avocado importer, fell behind France in this period. Its imports increased only fourfold though it is still the second most important importer and accounted for about 21% of all imports in 1975. Though the increase in imports by West Germany (German Federal Republic) was close to that of France, fifteen fold, its meager level at the beginning (80 tons in 1966) resulted in a mere 5% of all imports in 1975 (Fig. 1).

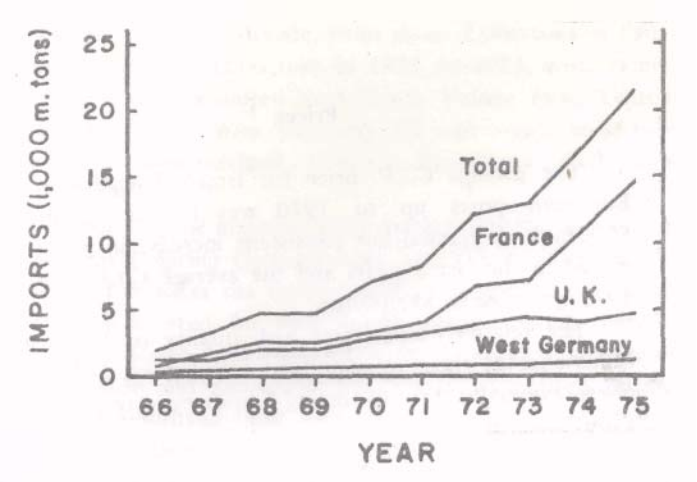

Fig. 1. Total avocado imports into Western Europe and selected countries (France, United Kingdom and West Germany) during 1966-75.

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About 1,600 tons of avocados were directed to Switzerland (400 tons), Scandinavian countries (500 tons), Benelux (500 tons), Italy (100 tons) and other countries (100 tons).

Seasonal Distribution of Imports

There is a consistent tendency for uneven distribution of avocados during the year. Generally imports decrease during the summer months (April-September), as depicted in Fig. 2. The United Kingdom is the consistent exception to this rule; it tends to import as much avocado in the summer months as in the winter months (4).

This uneven seasonal distribution may simply reflect the production seasons of the main exporting countries. The special case of the United Kingdom is explained by the fact that it has especially close commercial relationship with South Africa. On the other hand, other explanations suggested may be relevant, like the abundance of locally-produced fruits during summer and the fact that the avocado deteriorates more quickly in the warmer summer temperatures (4).

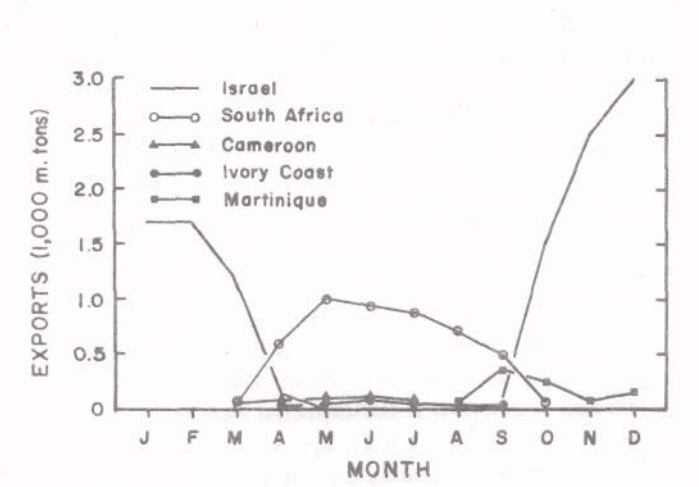

Fig. 2. Monthly distribution of avocados imported from main exporting countries into Western Europe during 1975.

Exporting Countries

The current main avocado suppliers to Western European countries are Israel, South Africa, Martinique, Cameroon and Ivory Coast, in the order of their importance (Fig. 2). Minor supplying countries are: Morocco, Canary Islands, Kenya, Jamaica, Brazil, Switzerland, Cuba, United States, Spain and Corsica (France). Other Mediterranean countries like Cyprus, Algiers and Tunisia may join this list in the near future.

Israel dominates the market; in 1975 it accounted for about 65% of the total exports while South Africa's share was 24%, Martinique 4.5%, Cameroon 2% and Ivory Coast 1%. All the minor supplying countries accounted for only 3.5% of the total avocado export that year.

In 1975, Israel was the major supplier during 7 months (January-April, October-December). Israel's share of the market was 88% during this period. During the 5 summer months of the same year, South Africa's share of the market was 74% (Fig. 2).

Projections of Supplies

Avocados have been planted at a fast rate during the last 5 years. It takes about 5-6 years for newly planted orchards to come to commercial production.

Israel, with more than 4,000 ha planted to avocados (Fig. 3), is expected to produce in 5 years (1980-81) more than 36,000 tons of avocados and will endeavor to export about 30,000 tons (83% of the total production of marketable fruit). South Africa had about 3,000 ha planted with avocados in 1975 (1). This area will also enable substantial increase in export in coming years. Accurate statistical data from other countries are more difficult to obtain but the trend is clear enough. There will be significant increases in production in most avocado-growing countries and much more fruit will be potentially available for export. The available fruit for export into the European market in 1980 will more than double compared to 1975. If any significant part of the avocados produced on the American continent (Mexico, Florida, California) were sent to the European market, the increase may be much greater.

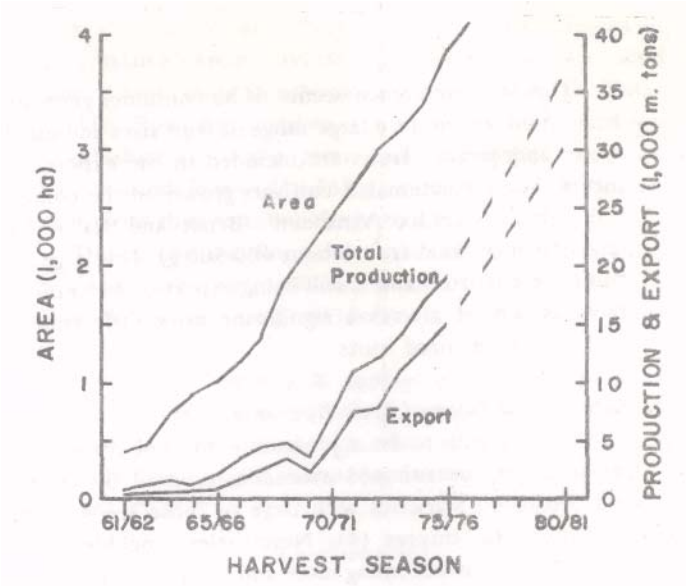

Fig. 3. Development of the Israeli avocado industry (area planted, production and export) during the last 15 years (1962-1976) and tenative predictions of production and export for the coming 5 years (up to (1980-81).

Quality Requirement

The dominance of Israel and South Africa in the European market has probably tended to mold it to suit the particular fruits that are being supplied by them. It may

be that some or even many of the quality requirements enumerated henceforth have been generated by the exporting countries rather than by the inherent preference of the consumer.

Cultivars

Both Israel and South Africa produce and export subtropical (California) avocado fruits. Horticulturally, these cultivars belong either to the Guatemalan race or are Guatemalan-Mexican hybrids. The chief Israeli cultivars are 'Fuerte', 'Hass', 'Ettinger' and 'Nabal' (in the order of their importance). The chief South African varieties are 'Fuerte' and 'Edranol'.

The more tropical countries are producing mainly West Indian race avocados or West Indian-Guatemalan hybrids (Florida-types). Martinique exports chiefly the 'Lula' cultivar.

Under cooler and drier weather that is typical of the highlands of the tropical zone, it is possible to successfully produce California-type avocados.

The California-type avocados tend to be smaller, higher in oil content, lower in sugars and to have somewhat drier texture and a more pronounced nutty flavor compared to the typical Florida-types.

At present the European market seems to prefer the California-type avocado.

Fruit Size

The European market has shown a consistent preference for medium-sized fruits (310-235 g, Israeli "sizes" 14, 16). Fruits somewhat larger (310-365 g, "size" 12) and somewhat smaller (235-210 g, "size" 18) are still favorably accepted. There is a sharp decrease in prices with even smaller or larger fruits (2, 3, 4).

This size preference seems to be consumer generated. Israel produces quite a large range of fruit sizes and usually larger and smaller fruits are included in the export shipments. Some Guatemalan cultivars grown on the commercial scale in Israel like 'Anaheim', 'Benik' and 'Nabal' have larger than optimal fruit (about 400-500 g). This large fruit had been exported and is still being exported even now but there is almost always a significant price differential in favor of smaller-sized fruits.

External and Internal Fruit Appearance

There seems to be a preference for smooth skinned, bright green, pear-shaped avocados, typified by 'Fuerte' and 'Ettinger'. Varieties with large or loose seeds are not acceptable to buyers (4). Nevertheless, pebbled black skinned 'Hass' is becoming more and more readily accepted because of its consistent high keeping and eating quality, especially in the United Kingdom market. The market expects the fruit to be clean and without bruises, size graded and firm.

Eating Quality

The ripe fruit is expected to be uniformly buttery in texture without noticeable fibers and with a good nutty flavor. To assure these qualities, it is essential that only mature fruits be picked and that the fruit is kept under the right temperature regime. Immature fruit is apt not to ripen properly and to have a watery, bland taste. Some

cultivars tend to impart an unpleasant, bitter after-taste. Strict observance of maturity standards is essential.

Keeping Quality

It is expected that the fruit will be able to keep firm in cold storage for at least 1 week, preferably 2 weeks, after reaching Europe. This period enables the wholesaler the time to sell and move the fruit advantageously.

Transportation

Most of the fruit exported by Israel up to 1965 was shipped by air. In the last decade a larger and larger part of the fruit was sent by ship; in the last few years about 98-99% of the Israeli export was sent by ship. Air freight is being used only in special cases where there is a need for a fast supply to a certain market. It takes about 5-10 days for ships to go from the Israeli ports to France and United Kingdom ports.

Most of the other main exporting countries are also using sea transport, even South Africa, which has to keep the fruit for 2-3 weeks in transit.

Prices

The average C.I.F. price for Israeli avocados in the European ports up to 1970 was fluctuating around $500/ton. A gradual but consistent increase in prices occurred in the last 5 years and the average C.I.F. price in 1975 was close to $1,000/ton.

The relatively consistent high quality of Israeli avocados enabled them to command a top price. Other suppliers, especially those exporting Florida-type avocados, got a lower return.

Prospects

The avocado market is developing and changing at a relatively fast rate at this stage. A rapid expansion in consumption (Fig. 1) more than offset the rapid increase in export. This situation did not allow analysis of the past data in order to get an idea about the forecasted demand curve for avocados (2). Past forecasts about quantities and prices usually fell short of what actually happened (1, 3, 4).

The excellent prices in the last few years encouraged avocado planting in Israel (Fig. 3) as well as in most other producing countries. The producing countries will be able to ship in 5 years time about 50,000 tons/year. If planting maintains the present pace, we will be faced in 10 years with double this quantity—about 100,000 tons/year. No one can decide now if the expected expansion of avocado consumption in Western Europe will match this increase. The quantities can readily be consumed if the annual per capita consumption of the 350 million people living in Western Europe increases about 300 g. This goal can probably be achieved. The per capita consumption in the United States during high crop years exceeded this

figure and flu-annual per capita consumption in Israel increased from almost nil to 1 kg in the last 20 years. But in order to achieve this, the avocado will have to change its image from a luxury item to a product that is being used by the middle-income consumer. This change will, of course, rely on a lot of advertising and educational publicity but it will also entail a significant reduction in price. It seems that only this logical result of oversupply will be able to regulate the market by, on the one hand, encouraging faster expansion of avocado consumption and, on the other hand, by discouraging indiscriminate planting of avocados and even causing inefficient producers to abandon this venture.

Summary

Consumption of avocados in Western Europe increased tenfold in the last decade, from about 2,000 tons in 1966 lo more than 20,000 ions in 1975. In 1975, avocado imports were distributed as follows: France 68%, United Kingdom 21%, West Germany 5% and minor importing countries (Switzerland, Benelux, Scandinavia, Italy and others) 6%.

Most of the imports (75%) come during the fall, winter and early spring (January-April and October-December). Israel dominates the market during this season and during 1975 accounted for 88% of all imports during these 7 months. South Africa dominates the summer (May-September) trade and accounted for 74% of all imports during these 5 months in 1975.

Martinique, Cameroon and the Ivory Coast are also important exporting countries with 4.5%, 2% and 1% of total exports respectively in 1975.

The avocado area planted so far will enable Israel to increase its export to 30,000 tons in 1980-81. Substantial increase is expected in most other producing countries so that total supply to Europe may reach 50,000 tons at that time.

The European market is being supplied mainly by cultivars adapted to subtropical or high-elevation tropical climates. The most important cultivars are 'Fuerte', 'Hass', 'Edranol' and 'Nabal'. These cultivars are Guatemalan or Guatemalan-Mexican hybrids. Tropical countries send mainly West Indian-Guatemalan hybrids like the 'Lula'.

The European market at present seems to prefer smooth-skinned, bright green and pear-shaped avocados. Medium-sized fruits (210-365 g) command a significantly better price than smaller or larger fruits.

During the last few years, most of the fruit was ship freighted. C.I.F. prices for Israeli fruit were increased from about $500/ton during the 1960's to close to $1,000/ton in 1975.

A fourfold increase in supply of export fruit is envisioned in 10 years, with a potential supply of about 100,000 tons. Matching expansion of consumption will probably entail a significant reduction in price.

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