



## Market Update

**Tomatoes:** Florida's round tomato production continues to stay on the light side and sizing is starting to come down. Grape tomato growers are struggling with yields and quality as harvests begin the transition from the Southern to Central parts of the state. We're still looking to the end of the month or first part of April for any significant change in the market.

Mexican growers have moved past the flush of round and roma tomatoes that were brought on by previous heat. At this point, round crops are heavier to large fruit but we will see size and volume decrease as we go through March. Romas are also seeing a dip in volumes after the flush. The next area of roma production, Northern Mainland Mexico, is on tap to start at the end of the month and should provide some improvements in quality. Grape tomatoes are crossing in steady volumes, although farms will begin to wind down as we go through the month. Due to the effects of the "heat wave" a few weeks ago, quality leaves something to be desired on all types of tomatoes.

**Bell Peppers:** Florida's bell pepper supply is light, particularly on bigger sizes. Weather has reduced yields and caused some quality issues which limit the amount of #1 fruit in the market. Western markets are seeing a little more product available this week, as Escuinapa gets deeper into crops. Sinaloa farms are into their final blocks and will wind down at the end of the month, which is when the California desert should start. Quality has been nice and sizing availability is geared toward large and extra-large sizes.

**Green Beans:** The East continues to have problems with consistent supply of quality green beans. Harvests have been very sporadic this week, with some growers out due to plantings skips. Mexican farms are finally working through their plantings skips and are

beginning to see more reliable supply.

**Cucumbers:** Over the past few weeks, warm weather had brought on an abundance of cucumbers coming out of Mexico. Now, volumes are subsiding back to just-below normal levels and are even a little snug due to a strong national market. Northern Mainland and Baja growers will start up in a few weeks, with good supply available by the end of the month. The Eastern markets continue to pull cucs from Honduras, although volumes and quality are diminishing as the season winds down. They will be looking West to fill demand, at least until Florida farms come into volume in April.

**Eggplant:** If the weather cooperates, Florida should have improved numbers of eggplant in the next few weeks. Current supply is light and quality is challenging because of prior weather. Southern Mainland Mexico anticipates good quality and volume on eggs over the next two weeks, with larger fruit having better availability.

**Summer Squash:** Summer squash availability has tightened up in Mexico this week. With the recent low markets, many growers walked away from marginal crops and that is now showing in the crossing numbers. More supply is on the way, as Hermosillo is set to begin Spring production in 7-10 days. Florida farms are bringing light supply to market, as yields and quality have been compromised by previous weather events.

**Hard Squash:** Much of the hard squash coming in from Mexico this week is storage crop, which is showing its age with quality concerns, especially on spaghetti. New crops are just beginning in the Oregon area which should improve both size and quality availability. Eastern markets are seeing imports from Honduras but are still looking West to fill some demand.

## Transportation Facts

\*The National Diesel Average rose ever so slightly this week and stands at \$1.99 per gallon.

\*The average price for a gallon of diesel fuel is still significantly lower (\$.95) than the same time last year.

\*Diesel prices dropped slightly in Eastern/Atlantic regions, but rose between \$.001 and \$.020 per gallon in all other areas of the nation. The sharpest increase came out of the Rocky Mountains where a gallon of fuel is \$1.88.

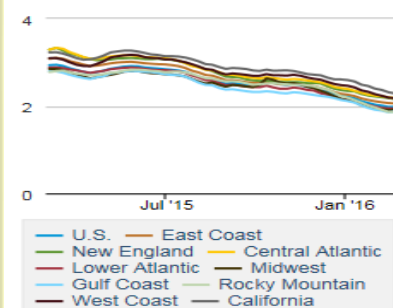
\*California's fuel comes in with the highest price at \$2.30 per gallon. The Gulf Coast offers the least expensive price, reporting \$1.87 for this week.

\*For the third week in a row, the WTI Crude Oil Price rose, reaching \$34.57 per barrel. This is a 7.5% increase from last week's \$32.15 per barrel.

\*Transportation is readily available throughout the country this week.

### On-Highway Diesel Fuel Prices

(dollars per gallon)



eia

Source: Energy Information Administration

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## Keep Your Eye on the Consumer TO GIVE CONSUMERS WHAT THEY WANT, RETAILERS MUST UNDERSTAND HUMAN BEHAVIOR

By: Alissa Marchat, [www.theshelbyreport.com](http://www.theshelbyreport.com), March 1, 2016

As anyone who has ever struggled to market a product or a service knows, what consumers say they want and their behaviors are often two very different things, says Dan Ariely, a best-selling author and a professor of psychology and behavioral economics at Duke University. He shared some of his insights into human behavior as well as recommendations for how retailers and marketers can work with, rather than against, consumers' natural tendencies at the FMI Midwinter Executive Conference in Miami earlier this year.

As Ariely pointed out, our general—but incorrect—assumption about how people make decisions is that we are motivated by our goals and aspirations. "If I asked all of you, you would tell me those things. You would say, here is my five-year plan or my 17-year plan. Here are my goals, my aspirations, but I want to tell you that, in fact, while people say those things drive us, they don't," Ariely said. "Objectives, goals and aspirations, while they exist, play very little role in what (people) actually end up doing."

To prove his point, Ariely asked for a show of hands. Who had overeaten in the past month or had not exercised as much as they believe they should have? Or had ever texted while driving? Unsurprisingly, there were a number of raised hands, suggesting that we are not as motivated by our long-term goals as we would like to think. According to Ariely, it's actually "the little details of life" that have the greatest influence on our behaviors.

He pointed to a 2003 paper that graphed the percentage of people in different European countries who were willing to be organ donors, an oft-cited example of how small details can have dramatic effects on human behavior. The rates for each country were either very high or very low, and the reason for the difference, as Ariely explained, was in the organ donation forms. The countries with a high participation rates had forms that asked people to check a box if they did not want to be an organ donor, while countries with low participation rates asked them to

check a box if they did want to be a donor. "Now, we call this opt in and opt out...Usually, opt in and opt out is something that is buried on page seven of some form. In the organ donation, it's not about page seven—it's the front page. It's the main thing. It's the only decision you have to make," said Ariely, but "it's a complex decision."

And what happens when we face these big, complex decisions? We don't know what to do, so we do what? Nothing. And when we do nothing, we let the person who designed the form decide for us. This is the notion of 'choice architecture.'"

Although the people who design forms play a significant role in the decisions people make, people still believe they make their choices independently. Everyone who has been influenced by a form like the opt-in/opt-out organ donation forms will have a story about why they made the decision they did, and according to Ariely, we believe our own stories.

For this reason, Ariely argues that focus groups are a very poor way to gather information about consumer preferences. "If you're interested in fiction, it's a wonderful thing to get people in the room and to tell you stories about why they're making decisions. But it's not necessarily telling you the truth about where decisions are coming from," he said.

Though this tendency of consumers to do nothing when asked to make a decision can pose problems for retailers and marketers, companies can work around it if they're smart. This is a result of consumers' affinity for defaults, Ariely said. When faced with a choice, they will fall back on whatever option takes the least effort, even if that doesn't always align with their goals. So if retailers want consumers to do something they weren't already planning on doing, it's up to the retailer to make that process as simple as possible.

A study on the influence of samples on jam sales at a market in California illustrates the need for retailers to simplify customers' choices, noted Ariely. Researchers at this store set

up tasting booths with either six jams or 24 jams. Shoppers were drawn in greater numbers to the color and variety of the booth with more jams. After sampling, each customer was given a coupon that could be used on any of the 300 jams in the store—not just the ones available for sampling. Thirty percent of the consumers who had visited the stand with six options used that coupon to make a purchase. Of those that stopped at the larger booth, only 3 percent took advantage of the coupon. "What happened is people reverted to the default," Ariely said. "People try jam, then they say...let me get some.' But if we had 24 of them, they also said, 'Whoa, which one?' And that complexity got people to revert back to their default..."

"Because of that, we need to think about people as being with very limited cognitive capacity as they make decisions about everything that we care about and we think they should spend more time on," Ariely advised. "... And every second that you can shave in making something easier, probably has a lot of benefit." In addition to making desired decisions easier to make, Ariely noted that retailers also are in a position to sway consumers' by understanding that their preferences can be influenced.

If retailers want their customers to change their shopping habits or purchasing decisions, they need to look at removing the barriers to that behavior, even if those barriers seem insignificant.

"It does involve being more paternalistic. It does involve basically saying we are the experts in how to make those decisions, and we will therefore make those decisions—the right decisions—easier for our consumers," Ariely said, noting a number of studies in which this type of manipulation was used to help people eat more healthfully or to be more proactive about receiving health care. By leveraging knowledge about human behavior, retailers are in a position to increase their bottom line, as well as help their customers make better choices.



## SPOTLIGHT ON LIPMAN

### Lipman Portland

The Lipman Portland team takes great pride in constantly striving to improve in all areas- whether it is repacking, sales, transportation or customer service! This diverse team is led by Michael Beasley, General Manager, and includes 73 employees from over 10 different countries.

Formerly known as Coastal, Inc., this location became a part of the Lipman family in November of 2011. Since that time, they have continued to expand and improve operations to serve customers in Oregon, Washington, and Alaska.

Portland's city motto may be "Keep Portland Weird," but its location is anything but! They are within 1 ½ hours of the mountains, 2 hours of the beach, and 4 hours of the desert. The city also has a large population of microbreweries as a part of its entertainment options.

Like other Lipman locations, this team cares about its community. They provide support to the Community Transitional School for Homeless Children and donate produce items to the Gleaners of Clackamas County which is a nonprofit that distributes food and nonfood items to low-income, elderly, and disabled residents of the county.

### PRODUCE BAROMETER

ITEM	QUALITY	PRICING
Bell Pepper	Fair-Good	Steady
Cucumber	Good	Higher
Eggplant	Fair-Good	Steady
Green Beans	Varied	Lower
Lettuce-Iceberg	Fair	Steady
Jalapenos	Good	Steady
Onions	Varied	Steady
Potatoes	Good	Steady
Squash	Fair-Good	Higher
Tomatoes	Fair-Good	Steady



### March Calendar

#### All Month

National Sauce Month

#### First Week

Write a Letter of Appreciation Week

#### March 8<sup>th</sup>

International Working Women's Day

#### March 10<sup>th</sup>

National Ranch Dressing Day

### Estero, FL Weather

Fri Mar 4	Sat Mar 5	Sun Mar 6	Mon Mar 7	Tue Mar 8	Wed Mar 9	Thu Mar 10
81°F	81°F	82°F	81°F	81°F	86°F	84°F
57°F	59°F	57°F	61°F	63°F	66°F	64°F
WNW 12 MPH	NE 7 MPH	NNE 8 MPH	E 9 MPH	ESE 12 MPH	SE 14 MPH	SE 12 MPH
Precip 20%	Averages	Averages	Averages	Averages	Averages	Averages
79°F/56°F	79°F/56°F	79°F/56°F	79°F/56°F	79°F/56°F	79°F/56°F	80°F/56°F





## News in the Grocery Trade

### NATIONAL GROCERS ASSOCIATION CONSUMER SURVEY RESULTS

[www.groceryheadquarters.com](http://www.groceryheadquarters.com), March 1, 2016

The National Grocers Association (NGA) released topline results from its consumer trends study, which for the first time segments independent supermarket shoppers from national chain shoppers. The survey was conducted on behalf of the National Grocers Association by Nielsen and results were presented during a super session at The NGA Show.

The consumer trends study was conducted online by Nielsen on behalf of the National Grocers Association December 7 – December 22, 2015, among 1525 U.S. adults ages 18+ who shop at national, regional or independent grocery stores. The sample was split into a geographic grouping of urban, suburban, and rural shoppers – and, for the first-time, was segmented by consumers who shop at independent supermarkets.

The results revealed high consumer satisfaction among independent supermarkets. 80% of respondents who primarily shop at an independent supermarket reported being very/extremely satisfied compared to 65% of respondents who reported being very/extremely satisfied with a national chain.

According to the survey results, independent supermarket operators scored high marks in selling high quality fruits and vegetables (85%), high quality meats (84%), and offers fast checkouts (87%). Results also revealed that independents were strongly associated with offering locally grown produce and other packaged goods (69%) and participating in community outreach initiatives (51%).

“As community stewards with their finger on the pulse of local demand, independent supermarket operators understand the value of fresh as a differentiator to the large national chains,” said NGA President and CEO Peter J. Larkin. “These results make it clear that shoppers expect freshness, convenience, and helpful, knowledgeable service, and today’s independent supermarket operator is finding innovative ways to respond to a variety of consumer preferences – something they’ve always been good at given their close ties to their communities and the consumers they serve.”

“Grocery shoppers are extremely satisfied with the experience they are having in/at Independent grocery stores. The Independent grocer has transformed their customers into advocates – these customers will support your business plans and recommend your store. With the bar set higher for independents, the key to independent grocers growing their market share is by leveraging their strengths – fresh foods, great service and most of all a connection to your community.” Said Laurie Rains, Vice President, U.S. Retail Consumer & Shopper Analytics at Nielsen.

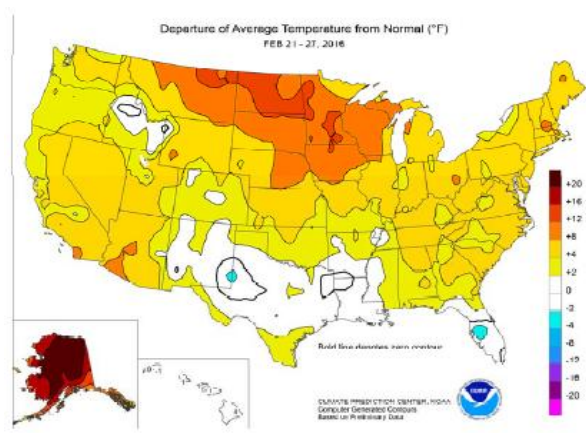
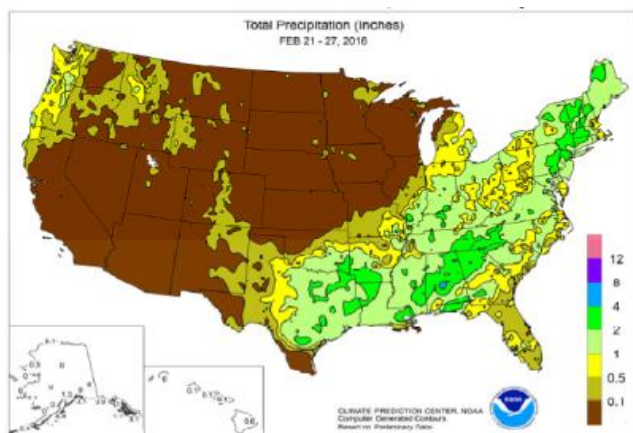
While online shopping still lags in the U.S., results suggested that independents that offered online shopping could increase consumer satisfaction. One in three consumers indicated that they might switch supermarket stores if that store offered online shopping.

Regarding mobile apps and social media, the research showed that nearly one in five shoppers have downloaded food and beverage apps; however, usage among those who download is high (90%). Additionally, respondents who primarily shopped at independent supermarkets (48%) indicated that they used Facebook to research new products, recipes and nutrition.

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## NATIONAL WEATHER SPOTLIGHT

### Weekly Precipitation and Temperature Deviation





## Restaurant Industry News

### 5 TRAITS OF THE NEW AMERICAN DINER

[www.restaurant.org](http://www.restaurant.org) , February 29, 2016

Your typical restaurant guest is no longer the Average Joe or Jane of 20 years ago. Today's diner is more interested in food sourcing, production and sustainability than ever before, and they have specific dietary expectations. To keep up with new demand, operators are diversifying menus to include healthful dishes, snacks, seasonal items, ethnic options, and more.

Here's a profile of the American Foodie 2.0:

#### Values quality over quantity

Guests today would rather spend money on experience-based activities, such as like dining out, rather than physical things.

#### Open to new culinary experiences

The typical restaurant guest has high expectations of the dining experience, including the quality of the food, how it's made and what's in it. Most operators say guests are more knowledgeable about food, more adventurous in their food choices and pay more attention to food quality now than they used to be.

#### Wants to save the planet

Many consumers choose restaurants because of their eco-friendly practices, such as water conservation and recycling. Diners also consider organic and eco-friendly food in their dining decisions, especially women. And many consumers would pick a restaurant with eco-friendly offerings over one that doesn't. Restaurateurs have taken notice: Most believe guests are more aware of sustainable food than two years ago.

#### Watches the waistline ... and ingredients

Operators say guests pay attention more attention to nutrition content than they used to. And that's not all: Their customers are more interested in gluten-free, low-carb, vegetarian, and other items that meet specific dietary preferences.

#### Traveling the globe, one tapa at a time

Today's consumers are generally more willing to try new foods and expand their taste buds than previous generations. They're trying a wider variety of ethnic cuisine than they used to including foods considered unconventional by American standards. And operators recognize guests' are more global today, particularly in fast casual and casual dining.

#### Mark Your Calendar & Pack Your Bags

March 3<sup>rd</sup>-5<sup>th</sup>, 2016

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Hollywood, FL

[www.southernexposure.seproducecouncil.com](http://www.southernexposure.seproducecouncil.com)

Come see Lipman at Booth 1023!



April 17<sup>th</sup>-19<sup>th</sup>, 2016

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