

DECEMBER 13, 2024

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CROP & MARKET INDUSTRY INFO





MARKET UPDATES

ROMA TOMATOES

We are finally starting to see a few romas in Florida! The current harvests are coming from the earliest plantings in South Florida that received storm damage. This has impacted yields and size, with the vast majority of sizing on the smaller side. Recent cool weather has the new plantings that were not affected by the storm delayed about a week which will bring them on sometime closer to January 1st. From that point, we should see volumes build to normal production levels. Mexico continues in a light to moderate supply mode. Both Baja and Central Mexico are in the seasonal decline and we're seeing a few more quality issues this week. However, we have started to see light volumes of new crops as a few have gotten started in Sinaloa. Production will start to ramp in another 10-14 days as more growers come online, with stronger volumes after January 1st.

ROUND TOMATOES

Round tomato volume remains light in Florida, as growers continue to harvest storm-affected plantings. As with romas, sizing is skewed toward the small side (6x6's and 6x7's) with larger sizes very limited. We expect to harvest new, healthy crops right around Christmas with volume increasing into the New Year. Western round tomato supply is also light this week, as Central Mexico and Baja work toward the end of their season. Sizing and quality have declined on the fruit from these older fields. Culiacan growers are now projecting to start in the last week of December with volumes by the 2nd week of January.

GRAPE TOMATOES

Although Florida farms are still mostly harvesting grape tomatoes from storm-affected plantings, we are beginning to see improvements in yields as regrowth has been a little better than expected. New crops are on tap to start in a light way over the next 10-14 days with volumes picking up after Christmas and at normal seasonal levels after January 1st. Mexico's volume remains light but we are starting to see improvements as a few growers in the Sinaloa area are now up and running. More grape tomato crops are expected to come online over the next two weeks, providing stronger volumes by the last week of December/1st week of January.

TOV's (Tomato-on-the-Vine)

With Canada and domestic production finished, TOV supply is centered in Mexico. Production levels are consistent now, but we expect to see less volume in a few weeks as the lower light levels

and shorter days take their usual toll on Winter production. Supply is anticipated to remain at lighter levels through mid-February.

ORGANIC GRAPE TOMATOES

Organic grape tomato supply is limited this week as Baja and Central Mexico's harvests lighten up and cooler weather has slowed coloring. Quality has been mostly good although we have seen some spotty issues with decay and color. A few organic grapes have started in Sinaloa, but the majority won't get rolling until the 1st of the year. Until then, expect supply to remain on the snug side.

ORGANIC ROMA TOMATOES

Organic roma tomatoes continue to come primarily from Central Mexico, although Baja also has light volumes. Quality has taken a dip as we are now seeing some concerns with shrivel, high color and spotting. Sinaloa is on tap to start in early January, so expect supply and quality to remain similar until then.

GREEN BELL PEPPERS

Florida's bell pepper supply is very limited this week and looks to remain that way for the next 7-10 days. Prior harvests were from plantings that went through the storm, but that has now been picked through. Unfortunately, last week's cool weather has slowed the start of new, non-damaged crops which has left South Florida in a dark spot on bells. By Christmas week, we expect to see new crops get started and gradually ramp up to more normal volumes after January 1st. In the West, Coachella looks to go for another 5-7 days, then will leave bell pepper supply in the hands of Mexico for the Winter. The transition is a little challenging thus far, as supply is coming online very slowly due to prior weather conditions (extreme heat followed by cool temperatures). This has delayed the start for many by 7-10 days. However, we should see more growers get started over the coming week, giving supply a much-needed boost. Sizing is on the small side on what is available now, primarily due to the prior weather conditions.

CUCUMBERS

As is the norm for this time of year, Florida has a very light supply of cucumbers with most coming from the southern part of the state. As we move further into Winter, we'll see Florida volumes at minimal levels, leaving the field open for the Honduran imports. We have started to see light volumes of the Honduran fruit trickle in now, but significant volumes won't come until

CUCUMBERS... continued

January. Mexico has good numbers available with fruit coming mostly from Sinaloa and Central Mexico and a few still coming out of Baja and Sonora. Production is in the midst of transition from Sonora to Sinaloa and we should see volume pick up a little more in the next few weeks as more growers in Sinaloa get up and running. Quality continues to be strong on new crops, although the fruit quality from older plantings is beginning to wane.

GREEN BEANS

With a few more growers getting started, green bean availability has improved in the East. There are beans in the Lake area and in South Florida as well as Lipman's new crop in Immokalee. Our yields have started favorably and product quality is solid. We have heard that some others aren't into consistent production just yet, but should see that resolve over the next week or so. In the West, there is moderate to good supply available. Volume is picking up as new crops come online in Sinaloa. Quality is now improving as more new crops go live but there are still some beans around with sub-par quality.

YELLOW AND ZUCCHINI SQUASH

With Homestead, Immokalee, Plant City and a few other areas in production, there's an adequate amount of yellow and zucchini squash available in Florida this week. Quality is mostly good but can vary by grower and area. In the West, there are moderate to good volumes available with the Obregon area having the strongest numbers. Quality has been good and the fruit is traveling well.

EGGPLANT

Although Eastern eggplant production is a notch lighter this week as some move out of older fields, there's still adequate product available to meet demand. Both Plant City and South Florida have nice-quality eggplant. The West also has plenty of fruit to get the job done. Coachella is now wrapped up for all practical purposes, but Mainland Mexico has plenty of product with nice quality. Steady and adequate supply should continue for the next few months in both the East and West, barring any weather concerns.

HARD SQUASH

Although there is still a little local storage crop here and there, hard squash production has finished for the Eastern season. Honduras imports aren't expected to get going until February so demand will shift to Mexico until then. Mexico has good supplies on all varieties coming from both Sonora and Sinaloa. Overall quality has been clean on acorn and butternut. There have been some variations in spaghetti quality by grower- some with very nice fruit and others with some scarring and light color.

CHILI PEPPERS

Eastern chili pepper production is limited to the partial crop in Plant City and limited acreage in South Florida. Each variety is available to some degree, but production is inconsistent, providing hit or miss availability. Cubanelles and poblanos are especially short at this time. Between Sinaloa and Central Mexico, the West has moderate to good volumes on most chili varieties. Sinaloa has strongest volume of jalapenos and tomatillos, but should pick up the pace on other varieties in the next few weeks. Central Mexico is providing moderate volumes of all. Between the two areas, the only items that are snug are habaneros, Anaheims, and at times, poblanos. Overall, quality has been good.

ENGLISH CUCUMBERS

Mexico's English cucumbers volumes are low to moderate this week. Supply has been reduced from prior levels as some growers picked and dropped due to the recent low market prices. Canada's down to its Winter production under lights, which generally stays local due to pricing and transportation constraints.

RED, YELLOW & ORANGE BELL PEPPERS

Central Mexico's production of colored bells remains on the light side and looks to continue in that manner through the holidays. We expect to see some greening concerns during this time frame. There is now light supply coming out of the Sinaloa area as a few growers have started. We're hearing that some may harvest fruit at the green stage for the short term to capitalize on the elevated green bell markets. This could provide a hiccup in the transition into this area. However, we do expect to see more and consistent volumes from the West Mexico area shortly after the holidays.

MINI SWEET PEPPERS

As a few more growers in the Sinaloa area get started, availability is slowly but surely improving on mini sweet peppers. Volumes will gradually build until the first of the year, when we should see availability near seasonal levels. So far, quality is nice on the new crops.

ORGANIC MINI CUCUMBERS

There are decent supplies of organic mini cucumbers coming out of Sinaloa this week. We expect this to continue for at least the next two weeks. Quality is mostly good.

ORGANIC RED, YELLOW & ORANGE BELL PEPPERS

Central Mexico is still the only area with organic R,Y and O bell pepper availability. As they near the end of the season, sizing is down to mostly large and medium fruit and the product is showing some shrivel and a shorter shelf life. Better sizing, quality and volumes are on the way as Sinaloa is on tap to start around January 1st.

ORGANIC GREEN BELL PEPPERS

Sinaloa is in organic bell production but supply is still on the lighter side. However, all sizing options are available and quality has improved to good levels from most farms.

ORGANIC YELLOW AND ZUCCHINI SQUASH

Organic yellow and zucchini squashes are in good supply this week. Sonoran production has another 2-3 weeks left, but Sinaloa grower are bringing in the bulk of supply at this time. Quality is a little hit or miss with some farms having nice fruit and others showing scarring and scuffing concerns on both colors.

ORGANIC CUCUMBERS

Adequate volumes of organic cucumbers are available this week but supply is a little lighter than it has been while some growers wait for new crops in Sinaloa to come online. With much of the fruit coming from older fields, quality is fair with soft end and shelf life concerns.

WATERMELONS

Florida's melon crops finished up this week, so this will be the last melon update until domestic production starts back up in March. From now until then, it's all an import program.



NOVEMBER U.S. E-GROCERY SALES UP 18% OVER YEAR AGO

[THEPACKER.COM](https://www.thepacker.com)

DECEMBER 10, 2024

The U.S. online grocery market ended November 2024 with \$9.6 billion in monthly sales, a 17.8% increase over last year as all three fulfillment methods posted year-over-year sales gains, according to the Brick Meets Click/Mercatus Grocery Shopper Survey fielded Nov. 29-30.

The uptick in sales was predominantly powered by strong expansion of the monthly active user base, as order frequency rates inched up and overall spending per order remained unchanged versus last year, according to a news release.

The overall monthly-active-user base, which includes households that used any of the three fulfillment methods during November, surged 15%, the second-strongest year-over-year percentage change since August 2021, the release said. The new record of 77.8 million households that bought groceries online in November 2024 broke the previous record high set during April 2020, the first full month of the pandemic.

During November, 72% of overall MAUs used only one fulfillment method, up more than 400 basis points versus 2023, the release said. Delivery sales jumped to \$3.9 billion, up 22% compared to a year ago, accounting for 40.6% of all e-grocery sales, according to the survey. An 8% increase in the MAU base and higher order activity led to the surge in sales, while the average order value remained flat versus last year, the release said.

Delivery results for November extend the segment's strong growth trend that began in June 2024, fueled by the ongoing waves of deep-discounted offers on membership and subscription programs from various retailers and providers, which first started appearing in May, the company said.

Pickup posted \$3.9 billion in sales, an 8% year-over-year increase, ending the month with 41.3% of total e-grocery sales. A 9% expansion of pickup's MAU base drove order volume gains despite a slight contraction in order frequency, the release said, which added that average order value fell by about 4.5% compared to 2023 due mainly to a pullback among the youngest household group (18-29-year-olds).

Ship-to-home continued to reclaim lost share after bottoming out during 2022, as sales jumped to \$1.7 billion in November, up more than 30% year over year to end the month with 18.1% of online sales. The MAU base for ship-to-home expanded at the fastest rate of all three fulfillment methods in November, increasing more than 11%.

A slight increase in order frequency, combined with the rapid MAU growth, aided in generating a strong surge in order volume, and the nearly 12% lift in AOV suggests that other factors, like product mix, may have played a role in November's results, the release said.

Customer satisfaction with e-grocery services climbed in November as the overall repeat intent rate reached 65.2%, the highest score in the last four years and the third-highest since the onset of COVID in March 2020. The gain was driven largely by a more than 5-percentage-point increase in the share of MAUs who have completed four or more orders with a specific service within the last three months, the release said. More than 80% of this user group indicated that they are very/extremely likely to reuse the same service within the next month compared to under 30% in the first-time user group.

In terms of customer loyalty, supermarkets made gains with the households that rely on them as their primary grocery store. Nearly 56% of those households that were active online in November also ordered online from their primary store, almost a 7-percentage-point gain versus last year. Despite the gains for supermarkets, households that rely on a mass retailer as their primary grocery store are at least 30% more likely to order groceries online from mass compared to supermarkets, the release said.

"Driving larger orders and fostering repeat purchases requires creating a more personalized and seamless online grocery shopping experience," said Mark Fairhurst, chief growth officer for Mercatus. "By offering tailored product recommendations based on customer preferences and lifestyles, alongside easy-to-use rewards programs and intuitive navigation, grocers can strengthen customer loyalty, build trust and sustain long-term growth in the online grocery space."

WHY THEY BUY: THE PSYCHOLOGY BEHIND PRODUCE PURCHASES

THEPACKER.COM

DECEMBER 6, 2024

In today's competitive retail grocery environment, understanding consumer behavior is key to driving sales — especially when it comes to the produce section.

What exactly is consumer psychology? The University of Southern California describes consumer psychology as a model for understanding how and when consumers buy the products and services that they do. It's "a specialty of psychology that focuses on how consumers relate to the products and services that they buy." To gain insight into the psychology behind shopper choices, The Packer spoke with Michael Barbera, chief behavioral officer for Clicksuation Labs and an award-winning consumer psychologist.

The Packer: How would you define consumer psychology, and what is the role it plays in influencing consumer behavior as it relates to produce? Barbera: I'm going to give you two definitions. If you were to combine the fields of microeconomics and applied psychology, you might come out with behavioral economics or consumer psychology. But a more lax definition, I would say, is it's how we justify our decisions as consumers.

My opinion from research is that I think the grocery store is the most persuasive place we can go as a consumer — because there's so much at work. Once you're in the store, the store wants to keep you there. Consumers typically go to the store with a list, but what happens is you're influenced by what is available and that might change your decision. The store's goal is to influence the consumer to spend more money and stay in that store as long as possible.

Specifically for the produce section, are there ways retailers can use display, lighting or promotions to affect consumer behavior? Absolutely. Let's start our journey in the parking lot. We walk into the grocery store. For most grocery stores, the first thing we see as we enter would be flowers, because flowers are considered the freshest thing on this planet. So when we walk in that front door, we become cognitively primed to think that everything else beyond that front door is equally as fresh.

Now consciously we're not thinking "that macaroni box is really fresh," but subconsciously, we're starting to think everything we see is fresh. Then, you pass the flowers — which, more likely than not, are near the produce section. The location of produce also contributes to the cognitive timing that everything in the store is equally as fresh.

Then, your influence is affected in the produce section. Let's focus on apples for a moment. If the grocer were to proclaim it has the freshest apples in a region and they're only eight months old, consumers would perceive the apples as old and not purchase them. But instead, the grocer uses a chalkboard sign that says "Gala apples for \$1.99" (or whatever the price). What that tells the consumer is that the price recently changed for the market and that the apples are fresh.

Building from that, packaging is persuasive. If a consumer plans to buy two apples at the grocery store, they would typically pick up the two apples and proceed to checkout. However, if the apples are prepackaged in charming white paper bags with handles, the consumer is likely to choose the default option — the bag. These bags might contain four, six or even eight apples which is more than the consumer originally planned to buy. In

this scenario, the packaging becomes persuasive, influencing the consumer to purchase a greater quantity than intended.

That's so interesting. I'm curious, then, what role does color, lighting or scent play in attracting consumers to the produce section? Let's start with the aesthetics of produce. Most produce, when it's picked or comes from the ground, does not look as beautiful as it does in the store. So the crooked carrots make their way to wholesale for restaurants and only the best unflawed produce makes it in front of the consumer. So, the visual appeal is important, as is the lighting. Another interesting point: There was a study that measured consumer willingness to buy produce in comparison to when the sprinklers had run in the grocery store. The result of how wet the produce was affected consumer preferences and a decision to buy.

How do pricing strategies like bundling or discounts affect consumer purchases of fresh produce? Pricing is a tough definition. A consumer will say that pricing is everything, but they'll often pay more for an item based on perception of convenience. It's those small irrational decisions. Consumers will say that price is everything, but then it really comes down to factors such as convenience, color, lighting, the olfactory and the smell of the item as well. All of these small variables add up and contribute to our decision-making process.

Are there notable generational or demographic differences in how consumers shop for produce? Younger generations tend to be more interested in produce or foods that they haven't been previously introduced to. Another [difference] is related to socio-economic status. Most people shop with a list, but those with an annual household income of \$30,000 and less go to the store with a list and corresponding coupons. They buy what's on sale and make recipes based on those items, regardless of whether it's fresh or not.

You touched on this earlier, but could you go deeper into what are some of the common psychological triggers retailers can use to encourage the purchase of fresh produce? Packaging is No. 1. What it does is it allows the retailer to influence the consumer's decision. Another opportunity is to provide customers with recipes so they can experience different cuisines, cooking styles or ingredients. It might influence them to buy something they haven't tried before. And that should be a goal for any business — to expand that customer lifetime value. How much is that customer going to spend with that business or that product over the course of their lifetime?

For example, if the customer typically only buys bananas, oranges, cereal and milk, then they're less likely to try something new. But if they buy bananas, oranges, cereal and milk, and add Brussel sprouts because they read a recipe, now they're willing to try something even beyond that as well. Or at least more likely.

Is nostalgia, like thinking about a grandmother's sweet potato pie, a factor in a consumer's decision-making? Nostalgia is extremely persuasive. We all base decisions on nostalgia, both with things we did enjoy and did not enjoy. For example, those of an older generation may be less likely to try something new because they were exposed to a cooking method that led a certain produce to not taste good when they were kids.

UPCOMING EVENTS:

JANUARY 13-14, 2025

GLOBAL ORGANIC PRODUCE EXPO

**JW MARRIOTT MIAMI TURNBERRY RESORT
& SPA**

ADVENTURA, FL

[www.events.farmjournal.com /gopex2025](http://www.events.farmjournal.com/gopex2025)

MARCH 6-8, 2025

SEPC'S SOUTHERN EXPOSURE

**ORLANDO WORLD CENTER MARRIOTT
ORLANDO, FL**

www.seproducecouncil.com/events-networking/southern-exposure/



GIVE YOUR HOLIDAY TABLE A FRESH TWIST WITH LIPMAN FAMILY FARMS' PANZANELLA SALAD! MADE WITH JUICY TOMATOES, CRUNCHY BREAD AND SEASONAL VEGGIES, IT'S THE PERFECT LIGHT AND FLAVORFUL ADDITION TO BALANCE OUT THOSE RICH HOLIDAY DISHES. WHETHER YOU'RE LOOKING FOR A COLORFUL SIDE OR A REFRESHING TAKE ON TRADITION, THIS SALAD IS A CROWD-PLEASER THAT'LL HAVE EVERYONE GOING BACK FOR SECONDS. TRY IT OUT AND BRING A TASTE OF FRESHNESS TO YOUR FEAST!



Ingredients

- 12oz bag Lipman's Cleaned and Trimmed Green Beans, cut into 1-2" pieces
- ½ baguette or other crusty bread
- ½ pint of grape tomatoes, cut in half
- 8oz Burrata cheese
- Olive oil
- Balsamic vinegar
- Fresh parsley
- Fresh oregano
- Fresh basil
- Salt
- Pepper

Instructions

Cut baguette or bread of choice into 1" cubes the night before to let them dry out. Preheat oven to 400°F. Toss cubed bread in olive oil, salt, and pepper. Don't skimp on the olive oil! Place seasoned bread on a lined baking sheet and bake for 8-10 minutes, until golden brown and crispy. Remove from oven and let cool. Finely chop the fresh herbs and mix together. Cook green beans per instructions on the bag. Assemble the salad as desired, cutting the Burrata into small pieces. Garnish with fresh herbs, olive oil, and balsamic vinegar.