

## VARIETY IMPROVEMENT FROM A MARKET STANDPOINT AS A RESULT OF ELIMINATION OF POOR VARIETIES

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*Talk given at Calif. Avocado Society annual meeting at Santa Paula, June 8, 1957*

The title given my talk is almost a speech in itself. I can give you the **results** of variety improvement in just two words: MORE MONEY.

Now, I'm sure that's the kind of talk we all like to hear, and having heard it, we would like to hear **HOW MUCH more money.**

So that's what my talk to you will be about. Not actually "how much more money," because I don't know, but to make sure that all may know just how this industry stands to be benefited by elimination of poor varieties.

The ultimate goal of what the industry is now trying to do is to please Mrs. Housewife, to increase her confidence in avocados, and to raise her demand for them to the point that she will buy more of them and **pay more** for them.

This matter of pleasing the customer can't be taken lightly. It's an old story about Ford automobiles, that Henry used to say: "You can have any color of car you want, so long as it is black." And, look what has happened to that company since they really set out to please the customer!

Seemingly the avocado industry has been saying: You can have any kind of avocado you want, so long as you are confused!

Our customers want quality, they want uniformity, they want dependability, and they want a size of fruit which they think will fit their family's appetite; and their budget, too, incidentally! If catering to the customer's pleasure can bring more business and more success, then there is a lot of work to do.

Mrs. Housewife is not the only customer or the only one who must be pleased. Before she ever gets a chance to cast her vote of confidence in our product improvement program, the wholesale and retail trade, in between, must be satisfied and stimulated.

Wholesalers and retailers are in business for only one reason, to make money. They do it by buying right and selling right. They don't shoulder any of the responsibility for an industry's success or failure. If you offer them something that doesn't create confidence and a profit from handling it, they don't want it. That's your problem, not theirs.

On the other hand, with confidence in your product, they will buy, sell, and distribute more, because it makes them a profit. It doesn't make much difference how badly some

Mrs. Housewives may want some avocados in some market area, they won't be given a chance to buy them if the retailer figures he can't afford to handle them.

Naturally, it isn't profit that induces Mrs. Housewife to buy avocados. She is motivated by IMPULSE. A study recently made showed that nearly 75% of everything she buys is a result of the decision made in the store. Her impulse to buy avocados can be built up by advertising, by sales promotion and by displays. But, point number one is that avocados have to be available and they have to be attractive.

Attractiveness doesn't simply mean that the avocados have to look attractive. Certainly, our avocados should be good in appearance, but they must also be recognized as a fruit she knows and confidently feels will be good and will give her family satisfaction.

So we have at least two different kinds of customers to please. They want satisfaction for somewhat different reasons, but the one effort on our part through the variety improvement program can reach them both at the same time in spite of the middleman. Here's what we can do by eliminating poorer varieties:

1. The general price level can be raised by the removal of the low priced competition from the less desirable varieties. These represent a "floor" price. The higher you can raise the floor price, the higher you can raise the ceiling!
2. By increasing uniformity of quality, more stores will be willing to sell more fruit, more of the time.
3. By narrowing the range of sizes and concentrating production in varieties of more uniform size, more price stability will result, leading to increased impulse sales.
4. By improving the balance of variety supply, a more consistent annual supply will be available which will keep more retailers actively interested in selling avocados over longer periods of each year.
5. By producing more top quality fruit, greater returns from our advertising investments will be realized.
6. By a continuity of supply of dependable quality fruit, a gain in promotional cooperation from retail stores will result.
7. Removing poor varieties will reduce confusion, lower sales resistance and increase confidence at all levels: wholesale, retail, and consumer.
8. Marketing costs can be reduced, thus returning a bigger percentage of the sales dollar to the producer. Poor varieties require much more selling effort to get to the consumer. Good varieties, in good demand, move more easily.
9. Processing costs also can be reduced, further improving the sales dollar return to producers. Packing costs are increased by the problems of many varieties, small lots, tag ends, with all their necessary separation in receiving, grading, packing, shipping, billing and accounting.
10. Our aim is a more satisfied customer, retailer and housewife. Better quality, uniform size, dependability, less spoilage, these are sound footings on which this industry must now build for more production, more customers and better returns in the future.

A good start on this program of Variety Improvement is under way. But it is only a start. This is a dedicated job that will take continuing effort to accomplish and it requires unflinching confidence in the future of the industry.

Time and again, I've heard people say: "Well, this variety improvement thing sounds like a good idea on the surface, but with all these people planting Hass, aren't we going to grow too many of them?" Are too many GOOD avocados being grown, Fuerte, Hass or what have you? Such people need to have their confidence recharged with respect to what this industry can do, working together to build a strong national demand for an appealing, profit-making, consumer-satisfying product.