Top Tips For Merchandising Tomatoes

Retailers can help sway customers in tomato purchases.

BY CHUCK GREEN

ome grocery store shoppers confidently flit from aisle to aisle, department to department, while others seemingly are paralyzed by uncertainty. Whomever the customers, several merchandising tactics can help draw their attention and persuade them to purchase one or more of a continually expanding cornucopia of tomato varieties available in the United States marketplace, according to industry experts.

Typically, five or six types make up about 80 percent of produce sales, yet retailers should study the dynamics of their produce department to better understand which tomatoes are the "workhorse of the category" and allocate space accordingly, advises Mark Cassius, vice president of sales for Eurofresh Farms Limited in Willcox. AZ. Occasionally, though, he notes, some stores devote what might be disproportionate room to specific varieties, such as Romas, which are less expensive than more unique varieties, including Heirlooms, clusters and premiums. This strategy might not pay the bills, he warns.

Increased floor space dedicated to select tomatoes that sell more aggressively, along with competitive pricing, pays off for retailers, says Alejandro Canelos, officer at Nogales, AZ-based Apache Produce Imports LLC. "The variety's already there; retailers

should just put it in the middle of the floor, like they've been marketing apples lately a whole kiosk dedicated to tomatoes."

Fresh and processed tomatoes account for more than \$2 billion in annual farm cash receipts, according to the U.S. Department

About 75 percent of consumers preplan tomato purchases and include tomatoes on a regular shipping list.

of Agriculture Economic Research Service. Additionally, individuals regularly shop for tomatoes weekly or several times a month, states the Samantha Winters, marketing director of the Maitland-based Florida Tomato Committee (FTC). In fact, about 75 percent of consumers preplan tomato purchases and include tomatoes on a regular shopping list. That underscores the importance of the tomato category to the produce department, which currently contributes more than six percent of total produce department dollars, the committee notes.

STRETCHED ON SPACE

Logical as it might seem to make way for

certain types of tomatoes in produce departments, it might not always be that simple as some retailers may be stretched on space within the area, Cassius admits. In that event, retailers have used secondary displays with photos affixed that explain a product and usage occasions, he points out.

Fresh Florida tomatoes work well in secondary displays that can be placed next to complementary items including packaged salads, onions, herbs and dressings, as long as tomatoes aren't exposed to cool temperatures, adds the committee.

In the push by retailers to generate maximum productivity from their overall stocking selections, Gordon Robertson, vice president of sales and marketing for Sun World International LLC, in Bakersfield, CA, notes, ultimately, nothing translates into sales, not to mention brand loyalty, more than offering high quality products. "If consumers see what they think is a great looking product and likes it, it makes a big impact."

PROVIDE GUIDANCE

Yet, while customers might know quality, they can't be expected to understand different pricing, or how to buy tomatoes, observes Mark Munger, vice president of marketing for Andrew & Williamson Sales Co. Inc., in San Diego, CA. That's where retailers can guide them in their shopping selections, he says. "For instance," elaborates Munger, "given consumer purchase habits and category management, retailers can prompt shoppers by lumping tomatoes into various categories, from the every-day sort of low-priced tomato, such as the Roma, to the premiums, such as tomatoes-on-the-vine and grape, all the way up to gourmet varieties such as the Heirloom and specialties.

Munger adds that while value-type toma-

The Secret To Selling **Sun-Dried Tomatoes**

n addition to the many varieties of fresh tomatoes consumers can choose from in the produce department, there's also sun-dried tomatoes to think about. Retailers, take note: Just because these aren't "fresh" tomatoes doesn't mean they should be relegated to the grocery aisles. Bill Riley, vice president of sales and marketing for California Sun Dry Foods, based in Danville, CA, asserts, "The category does not compete with fresh tomatoes; it complements them. They have two completely different uses. The rule of thumb is that the closer you merchandise sun-dried tomatoes to fresh tomatoes, the better vour sales will be. "

Mary Mooney, general partner at Chico, CA-based Mooney Farms, agrees, "The best place to merchandise sun-dried tomatoes is always by the fresh tomatoes. Even though they are dried, they still taste like a tomato. It's just a more robust flavor. When people think of tomatoes, they think of all varieties and they are all produce-driven."

While most retailers follow this rule, others worry about cannibalizing the entire tomato category. Mooney contends there's no reason for concern. "If you need a sliced tomato, you are not going to buy sun-dried tomato packed in olive oil. There are completely different uses for them."

Even though household penetration continues to be low, admits Riley, "Many people experience the flavor of sun-dried tomatoes in a restaurant and then want to try them at home. So our job is to get recipes into consumers' hands. We use neck hangers for this. Plus, we direct consumers to our Web site and also to our 1-800 number. There's recipes for everything from hors d'oeuvres to center-plate dishes."

Mooney reports, "A recipe booklet on every jar offers consumers at least five or six recipes. They are seasonal, so they change a few times a year. We have recipes on the Web site, too, and in a couple of months, we are going to launch our new site, which will feature even more recipes, as well as a blog.

In addition to being a healthful snack, sun-dried tomatoes are replete with nutritional benefits. According to Mooney, sundried tomatoes have 17 times the amount of lycopene as a fresh tomato and loads of anti-oxidants. "Plus, our sun-dried tomatoes are packed in olive oil, not canola oil, which is an excellent source of Omega 3," she adds. "People want nutritious snack options that are easy to eat and sun-dried tomatoes fulfill all these requirements."

And what great snacking options there are! In addition to the typical sun-dried tomatoes packed in olive oil, California Sun Dry offers consumers a vast array of choices. "For those watching their waistlines, we have sun-dried tomatoes with no oil, just bagged on their own and ready to eat as a healthy snack. There's also a range of related products, such as sun-dried tomato spread, salsa, garlic and pesto."



Heirloom tomatoes, along with other gourmet and premium varieties, should be merchandised at eye-level, to attract customer attention.

toes generally don't lend themselves well to advertising or promotional initiatives, retailers ought not construe that to mean that Romas, which are particularly popular among customers on "almost every shopping purchase," shouldn't be advertised at all. In fact, he encourages retailers to build a prominent display to tap into their popularity. Ultimately, that helps them achieve two things: It routinely drives sales of less expensive varieties of tomatoes while allowing retailers to focus advertising on more premium and gourmet tomato items.

Furthermore, Munger recommends placing gourmets and premiums in ads to stir attention and generate excitement, and positioning them higher in displays, where they'll be nestled at an ideal eye level. The aim, of course, is to pique shopper curiosity and compel consumers to consider tomatoes E

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they might not typically choose. That's not always easy, since research shows the majority of shoppers aren't all that adventurous and might confine their willingness to pay several dollars a pound for a tomato to only those with which they're familiar, explains Munger.

Maybe, but Jim DiMenna, president of JEM-D International Partners LP, an expert in the greenhouse industry, based in Leamington, Ontario, Canada, notes that retailers perpetually stake out new tomatoes, down to the shape, color and size, to accommodate

those who embrace the opportunity to sample something new. "Consumers are attracted to products that are different," he asserts. "They'll take it home and try it. If they like it, of course, it could mean repeat business for a retailer."

When it comes to marketing Heirloom tomatoes, Peter Kroner, director of business development of Eli & Ali's Love Tomatoes, a Brooklyn, NY-based specialist in organic and upscale produce, recommends including point-of-sale signage to illustrate an Heirloom tomato's heritage. "An Heirloom toma-

"You have various items out around the produce department, and within those items, you might have little recipe cards for Bruschetta. or ways for using peppers and sausage, which drives consumers to other departments and maintains a presence at a destination category. It's a way to give consumers ideas."

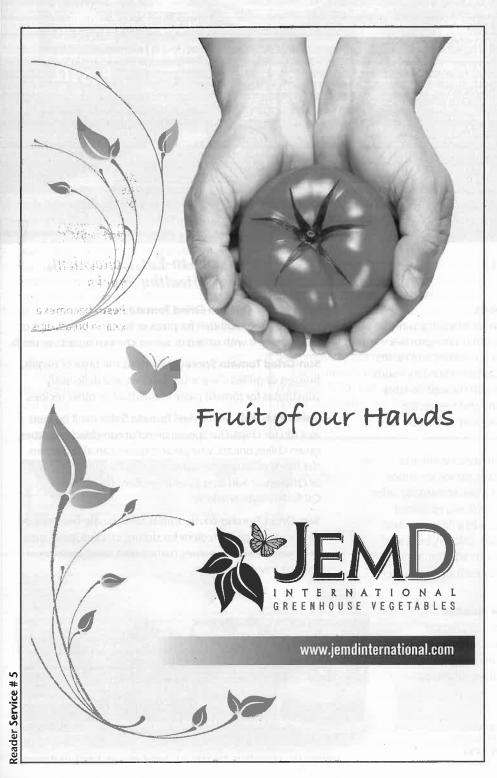
> **Doug Kling** Village Farms

to is a legacy providing the nomenclature of the variety, particularly when you are selling an item many people don't know," he says. "Consumers might look at an Heirloom tomato and say it is misshapen or odd-looking, but once they taste it, they will know how good it is and they'll always come back and buy it, regardless of the price."

"Retailers get too hooked on size," insists Fried DeSchouwer, managing partner of Greenhouse Produce Co. LLC, headquartered in Vero Beach, FL. "Why are six small tomatoes not as good as four large tomatoes? You go into a retail store today and see all these large sizes of fruit and wonder whether these guys figured out that you throw half of it away."

GOOD TASTE

Meantime, while Munger of Andrew & Williamson observes, "Typical Americans think tomatoes should be red and taste like Thousand Island dressing," over the last several years, he agrees that the industry has improved in as far as providing new types of highly flavorful tomatoes. "Over the past 10



years, we've seen a tremendous increase in new varieties, including value category items, such as new and improved Romas and round tomatoes," he admits. "We see a lot of new specialty tomatoes that really focus on high flavor." However, Munger says the industry can do a better job as shippers and retailers, as well as in merchandising, to help communicate what consumers expect from tomatoes.

Speaking of displays, a number of retailers lean toward larger ones, which can help trigger "impulse sales," a key tool in a sluggish economy where items like tomatoes

tomatoes, built from the floor up. "It really catches the eye of consumers," he remarks.

ALL IN THE PACKAGING?

Some industry experts believe the idea of packaging tomatoes is a better decision than others. For example, Stiles says that with little exception, his store sells tomatoes loose rather than packaged because, "people like to touch them and look at them whole before a purchase." However, he acknowledges benefits to packaging, such as its role in minimizing shrinkage.

Packaging can bear elements like color breaks, which can be eye catching, and enables retailers to convey information that can help educate consumers, notes Munger.

While DeSchouwer also extols packaging's role in preventing shrinkage, he says when items are packaged, some shoppers might actually walk away because they feel that packaged produce conveys "a sense of cheapness, or that something must be lurking inside the package," which retailers are trying to camouflage.

Either way, packaging only goes so far,

"It's a matter of building that extra alternate display and cross-merchandising with other items in produce. We want to get items out there where people are going to notice them."

> - Dick Stile Redner's Markets

might not always make a customer's shopping list, says Dick Stiles, produce director of Redner's Markets, a 38-unit chain based in Reading, PA. "You have to wow consumers as soon as they walk in the front door."

More than a "small footprint set off in the corner, retailers need significant positioning with a great tomato offering in their department to help fan the likelihood of an impulse sale," advises Sun World's Robertson. Consumers are making many decisions while they're in the department, he notes. Displays with a table, spread out, perhaps over 20 square feet, can go a long way in helping retailers tell consumers about their department and communicate that a product. such as a tomato, is a good value item, he adds.

Typically, along with demonstrations, Kroner recommends building waterfalls with his company's high graphic boxes so that the display looks like a waterfall of



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Apache's Canelos emphasizes. "You can bag up an item like a tomato as nice as you want, but at the end of day, the grower, the middle man and the retailer have to work together to make sure that when it's on shelf it is something the consumer really wants." He believes, for the most part, that happens, yet says some retailers are better at it than

others. "To me, with all this fancy packaging, you put a good product out there at the right price, it'll sell itself."

If retailers package tomatoes, Eurofresh's Cassius would opt for an earth-friendly clamshell, especially for some specialty varieties, which people want to know more about. He believes packaging helps retailers more



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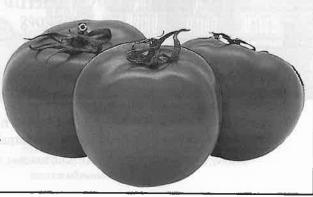




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DIALING INFORMATION

The more information the better, echoes Marvin Vargas, director of produce at Milam's Markets, a 5-unit chain based in Miami Springs, FL. "People come to a store with some knowledge, but don't know everything about where a tomato comes from or how it tastes." Armed with even a brief history, shoppers can at least know the basics, the best tomatoes and the price they should be, he notes.

Sun World International's Robertson is also a "big fan of telling the story." He thinks it's a real opportunity for a retailer to talk about why a product is uniquely different or special, as well as its various benefits, such as health and potential meal solutions.

Advancing that concept, retailers should include a few simple sound bites in signage, like "sweet," "tangy," "delicious" and "good as a snack" in signage, Andrew & Williamson's Munger suggests. "I'm just talking about quick messages that help give consumers an invitation to buy, which I think they're looking for. I don't think it takes much." However, he believes the industry hasn't done enough of that. "Part of the challenge is that we, as growers/shippers, don't have a tremendous amount of imagination on how we design our packaging or use it to communicate strong messages." Still, he points out that retailers have worked hard over the last decade to streamline and clean up their stores so that they're not "loud" in terms of conveying their messages. That, in turn, can make consumers more secure about the products they buy, Munger says.

DEMONSTRATION'S THE TICKET

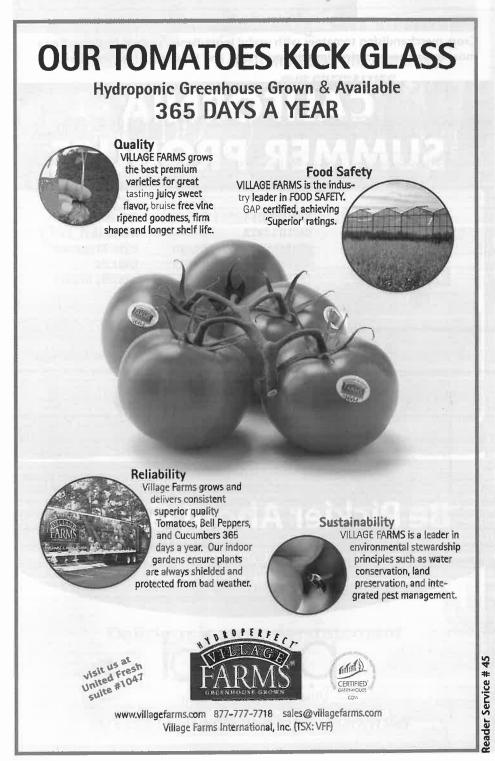
It's one thing for consumers to see how good an item like a tomato looks, but another for them to experience how good it actually tastes, which can be just the ticket for product introductions, declares JEM-D's DiMenna. "The first thing a customer will say is, 'I love the way it looks, but what's it taste like?" As a consumer, DiMenna notes he's taken home products that he's liked the looks of, but not the taste. "The worst thing you can do is disappoint consumers when they take it home."

A retailer can stock and price a tomato, but if customers have no idea how it tastes, they'll probably just walk away, adds Redner's Stiles. "You have two or three seconds to make that sell. Someone looks at your display, but something has to attract them." He asserts it's important for customers to

sample tomatoes, such as Heirlooms and clusters, so that they can taste the difference between them and other varieties. "The customer has to know the value there versus your regular vine-ripe tomato." He believes that once they experience the difference, more customers will be convinced to make a purchase.

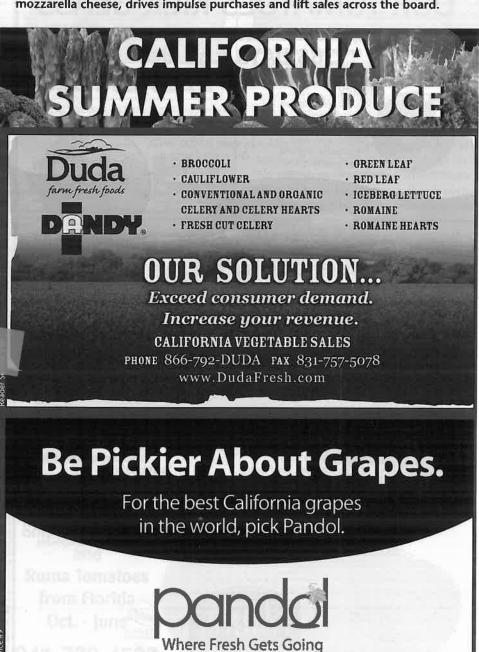
In a sense, however, taste demonstrations also can be particularly helpful, notes Greenhouse Produce's DeSchouwer. For example, as much as retailers want to emphasize flavor and differentiate between items, he contends a number of retailers are nervous building up one variety at the expense of another.

Furthermore, properly executed taste demonstrations are expensive, observes Cassius of Eurofresh. He'd rather send tomatoes to consumers in a kind of sample box, where they'd be pre-washed and ready to eat. The box could include coupons to generate incremental sales, he notes. "Retailers want to get people to try these varieties or use them in recipes so they'll find that there are better tasting ones out there than they're





Cross-merchandising tomatoes with useful ingredients, such as fresh basil and mozzarella cheese, drives impulse purchases and lift sales across the board.



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used to." They might cost a little more, but if people like what they taste, they could be more apt to return to the store and buy them, he adds.

Still, everyone likes to save money. So rather than single product demonstrations, Robertson of Sun World International would seek partners from other categories to create cross-promotional opportunities. "Let's say we can get someone from the cheese side of the equation, so there'd be a grape tomato and cheese sampling and we could manage some of the cost together," he details.

Another way for retailers to keep consumers up to speed is with shelf-talkers, which include a brief product history to help them overcome a reluctance to purchase a new or different-looking tomato. "The more information you can provide, the more you can educate your consumer, the higher sales you'll see," Stiles comments.

While he agrees shelf-talkers have their place, Robertson is not keen on making the investment in putting one together unless requested by a retailer.

CROSS-MERCHANDISING

Meanwhile, Andrew & Williamson's Munger prefers another sales method, cross-merchandising, which he calls an opportunity to encourage consumers to expand how and when they use tomatoes. As it is, rarely are tomatoes displayed beyond the produce area, which can be a missed opportunity. Getting more creative is part of an evolution for us collectively, he notes. "We have to spend more time using the display area as a communication tool to increase sales."

Doug Kling, senior vice president of marketing and sales at Eatontown, NJ-based Village Farms LP, says cross-promotion makes it convenient for consumers to buy more products that interrelate with one another. "You have various items out around the produce department, and within those items, you might have little recipe cards for Bruschetta, or ways for using peppers and sausage, which drives consumers to other departments and maintains a presence at a destination category," he explains. "It's a way to give consumers ideas."

Cross-merchandising also can help retailers create a meal solution and trigger a sale, contends Eurofresh's Cassius. "A lot of consumers are stretched for their expendable income and might not be eating out," he notes. "But they're still looking for a treat, as if they were going to eat out."

Indeed, Stiles reports his store positions tomatoes just outside its meat aisle, an obvious destination point. "It's a matter of building that extra alternate display and cross-merchandising with other items in produce," he explains. "We want to get items out there where people are going to notice them."

Because of their versatility, FTC's Winters says the committee recommends merchandisers cross-promote Florida tomatoes with other sandwich and salad items, especially those that offer an eyecatching pop of color, such as avocados or garlic, which work to highlight the freshness of the produce. "At the end of the day, shoppers are looking for menu ideas and sandwich and salad combinations seem to work really well for an all-around higher cashier ring," she says.

"Another idea that's been successful among a number of retailers in Europe is attaching an average price to all tomatoes, which says, 'Look! The price is \$1.49 for every tomato you can buy," says Greenhouse Produce's DeSchouwer. However, he speculates that the "price and margin politics" probably prevent U.S. retailers from duplicating that strategy.

Sun World International's Robertson believes consumers seek different price points and want to see a value in the product they're buying. "I don't think a oneprice-fits-all strategy would make the right margin mix for most retailers," he says.

All that aside, Apache's Canelos says effective merchandising will persuade him to purchase an item once or twice. "Merchandising does a good job of getting people to try something. Ultimately, however, it's a matter of retailers offering a product that they consistently back up," he notes.

Milam's Vargas has found that Heirloom tomatoes require special merchandising as well. "They have to be handled with kid gloves and they must be displayed no more than a case at a time due to the rapid rate at which they ripen," he advises. "I put them around with some basil just to bring out the color," which are vibrant even on their own. in shades of yellow, green, purple and black. "They're cool looking, so you just put a big sign in front of them."

Vargas also says he has a huge display of clusters, or the tomatoes-on-the-vine, and he sells tons, daily. Like the Heirloom, he surrounds the clusters with basil and fronts the display with some Mozzarella cheese. "It's one of my best sellers by far," he admits. A premium spot for a premium tomato? Vargas reports in his store, the hydroponic beefsteak tomatoes, otherwise known as premiums, make up his first group of tables, situated next to the clusters. Included on the display are avocados and lemons, which lends color.

