



# Eight Ways to Keep Citrus Sales Sunny

These merchandising tips will keep citrus sales strong year-round.

BY CAROL M. BAREUTHER, RD

There was once a time when the citrus section in supermarkets was nonexistent or nearly so—even in top citrus-producing states like Florida. And, especially in months like August and September. Not so today. Citrus, including mandarins, oranges, lemons, limes, grapefruit, tangerines, tangelos and specialties, represented 6.9% of total produce sales and 14% of total fruit dollars, according to Nielsen Total U.S. data for the 52-weeks ending Oct. 1, 2022, as provided by New York, NY-headquartered Nielsen.

What's more, this juicy sweet-tart fruit category summed up to a steady 6.8% of produce sales in Q4 2021, 8.8% in Q1 2022, 6.8% in Q2 2022, and 5.3% in Q3 2022, also based on Nielsen data.

"The citrus category is year-round in our stores," says Brent Demarest, produce purchasing team leader for the Southeast at Whole Foods Market, an Austin, TX-headquartered retailer with 500-plus stores nationwide. "We source from California, Texas and

Florida during the domestic winter season, and in the summer and early fall, it's imports."

Here are eight ways to keep citrus sales sunny all year long:

## 1. CAPITALIZE ON CONSUMER DEMAND AND YEAR-ROUND AVAILABILITY

Citrus, due to its high vitamin C content, got a boost due to the pandemic.

"Since 2020, citrus demand throughout the U.S. has accelerated to unprecedented highs," says Alex Jackson, director of sales for Frieda's Specialty Produce, in Los Alamitos, CA.

"The expansion of the citrus category has been attributed to a keen focus on immunity," she adds, and cites a C + R 1,000-person study from November 2020 that found 68% of shoppers are looking to bolster their immunity through fruit and vegetables. "This trend is set to continue into 2023, as consumers focus on the food as medicine paradigm shift, occurring in grocery retail."

Citrus also fits with cooking-at-home trends.

"Lemons, for example, tend to benefit quite a bit from cooking from home, as consumers experiment with different culinary experiences," says Zak Laffite, president of Wonderful Citrus, in Delano, CA.

A lighter citrus crop in California and for other global citrus-producing regions in the 2021-2022 season caused a pricing spike in some varieties that potentially curbed demand. Yet, the 2022-2023 season looks brighter for year-round supply, according to growers and importers.

"Customers expect ample citrus availability 52 weeks a year," says Monique Bienvenue, director of communications and compliance for Bee Sweet Citrus, in Fowler, CA. "By partnering with our Chilean growers, we're able to provide mandarins, oranges and lemons to our customers year-round."

This obtainability is both for bulk and bagged fruit, she adds.

"While this varies by retailer, we have noticed that bagged citrus is a hit with shoppers. The convenience of 'grab and go' packaging is very helpful for busy consumers, and



it also offers suppliers an opportunity to move small fruit. As shoppers continue to purchase groceries online, we anticipate more fruit will be packed in consumer packaging,” Bienvenue says.

There are requests for, and supplies of, organic citrus as well.

According to IRI, total U.S. organic citrus dollar sales are flat this season, however up 16% versus two years ago and up 32% versus three years ago, based on season-to-date ending Sept. 25, 2022, says Christina Ward, senior director of global marketing for Sunkist Growers Inc., in Valencia, CA. “There is no doubt that we continue to see an increase in consumer demand for organic citrus, and we have a robust portfolio to keep up with its increasing popularity.”

## 2. ANCHOR WITH EASY PEELERS

A single-serve tennis ball in size, with no or few seeds on the inside and an easy-peel skin on the outside, has made mandarins the king of the citrus, representing over one-third (34.8%) of category sales at retail for the year ending Oct. 1, based on Nielsen data. Often included in this are mandarin varieties like clementines, W. murcotts, and Tangors. The popularity and shared characteristics of these fruits have led growers to create successful year-round branded programs such as Wonderful Citrus’ Halos’ and Sun Pacific’s ‘Cuties.’

“It’s taken about 20 years to get the maturity in mandarins, but now it’s the largest varietal dollar-wise in citrus and has overtaken oranges. That’s quite a milestone for the citrus category,” says Wonderful’s Laffite.

In 2017, his company made a strategic acquisition of a Florida-based importer that had long-standing relationships with suppliers out of Australia, South Africa and Chile. “That launched our counter-seasonal Halos in the summer, starting in late June right up to the start of the California season,” says Laffite.

Last summer marked the first year of organic imports for Sun Pacific’s Cuties, according to Dean Troxell, marketing manager for the Pasadena, CA-headquartered company. “Our organic citrus line is growing and expanding, and Summer Cuties are a part of this.”

On the East Coast, LGS Specialties, in New Rochelle, NY, imports its signature branded Darling Clementines year-round, with 80% sourced from Morocco from November to May, as well as Spain, Chile, Peru and Uruguay the rest of the year. The company will become vertically integrated with the opening of its new 235,000-square-foot facility in Mickleton, NJ, close to Delaware River ports. Features include 11 bagging lines with 22 baggers, 10 cooler rooms, and



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26 dock doors, according to Luke Sears, president.

One of the latest mandarin brands is Peelz, launched by Fresno, CA-based Fowler Packing Company in 2019. The company has doubled in volume and dollars over the last three years, organic- and conventionally grown fruit from California and South Africa, and now has distribution to all 50 states, says Sean Nelsen, vice president of sales and marketing. “We offer a variety of pack sizes, including a 2-pound organic and 3-pound conventional. With the differences in sizes, it’s possible to retail these within a dollar of each other.”

Satsuma mandarins, which originated in Japan, are favorites in season at Robert Fresh Market and its sister store, Lakeview Grocery, a six-store chain headquartered in New Orleans, LA. Unfortunately, tells Terry Esteve, produce director, “three straight years of major hurricane hits have all but devastated the crop. Last year, we had a two-week season with only small satsumas, but this year should be a little better. Still, our customers like clementines from California and, along with navel oranges, led the pack in citrus sales.”

Sumo citrus is another mandarin variety from Japan, although it’s known for its big-as-a-baseball fruit size. Availability is limited to January to April. Last season, the brand, grown and marketed by Dinuba, CA-based AC Foods, added new distribution to retailers Target and Meijer, and 2- and 3-pound bags.

Tangerines, which are also small easy-peel fruit, contributed less than 1% (0.8%) to citrus category dollars. However, sales over the 52 weeks ending Oct. 1, were up 13% for tangerines compared to down 2.3% for mandarins.

“We’ve seen double-digit sales for specialty varieties of tangerines in the last year, including Pixie (15%), Neapolitan (13%), and Gold Nugget (11%),” says Robert Schueller, director of public relations for Melissa’s/World Variety Produce, in Vernon, CA.

## 3. GROW ORANGE OFFERINGS

Oranges rank second to mandarins, representing nearly one-quarter (24.2%) of citrus category sales in the year ending Oct. 1, 2022, based on Nielsen data.

“Our season started on Nov. 1 with the return of the California-grown Sunkist navel orange. It’s sweet, juicy, seedless and an excellent source of vitamin C, which is why we call it The Essential Orange,” says Sunkist’s Ward.

Some growers, such as Sun Pacific, offer a high-Brix heirloom navel.

“These come from older trees in select groves and are marketed under our premium Vintage Sweets label. These are available from January to May in bulk, 3-pound Giro bags and 6-count trays,” says Troxell.

Specialty citrus varieties such as Cara Cara navels and blood oranges are gaining in popularity, says Sunkist’s Ward. “Cara Cara oranges, also called the Pinkie orange, are sweet, seedless and pink on the inside, while blood oranges have a juicy berry flavor and a bright maroon interior.”

This marks the first year that Fowler Packing has included Cara Caras and blood oranges under its Peelz label, creating a multi-varietal citrus brand. A color-coded wrap around the mesh bags of citrus differentiates with the product inside. Blue and green are labeled mandarins and organic mandarins, while orange is for navels, pink is for Cara Caras, and red is for blood oranges.

Like other citrus, Cara Caras and blood oranges are available from Southern Hemisphere growers for an annual supply.

Wonderful Citrus is working to expand its orange offerings with pigmented flesh.

"We're researching and growing branded pigmented orange varieties," says Laffite. "The external part of the orange will look exactly like a navel, but the color will come on the inside. This is something retailers will see from us in the next three to five years."

#### 4. SQUEEZE IN MORE LEMON & LIME SKUS

Lemons represented 18% of citrus sales for the 52 weeks ending Oct. 1, up 4.8%, while limes equaled 16.3% of category dollars, up 14%. Together, lemons and limes nearly equaled mandarins' contribution. One reason for this is greater varietal development especially in lemons, thus giving shoppers more choices.

"Our always-in-season lemons are one of the most versatile ingredients. They are in a prime position to elevate drinks, dishes, and even DIY projects around the house. We encourage our consumers to use the whole lemon from peel to pulp; in fact, we promote the use of the entire fruit across all varieties," says Sunkist's Ward.

Pink lemons are one of the newest citrus offerings for Melissa's/World Variety Citrus. "They're catching on fast due to the color, with 10% growth over the last year," says Schueller. "We continue to see single-digit growth in Meyer lemons, which we source from California from October to May and from New Zealand from June to September. Seedless lemons grew 17% in sales last year."

Seedless lemons are the most recent, and a major disruptor to the citrus category, according to Wonderful Citrus' Laffite. "It's like what mandarins did to oranges, and I think the seedless lemon will become the first choice and cater to premium and high-use lemon users. That doesn't mean that it will replace the seeded lemon."

To encourage shoppers to pick up more than one lemon variety, Limoneira, headquartered in Santa Paula, CA, offers a shipper display unit with tear-off recipes attached. There's Roasted Prosciutto Arugula Salad with Meyer Lemon Vinaigrette, Roasted Brussel Sprouts with Pink Lemon Zing, and Salmon Salad with Lemon Vinaigrette Dressing.

On the lime front, Melissa's Schueller says Sweet Limes and Finger Limes saw 9 and 7% increases in sales, respectively, for his company last year.

#### 5. TARGET GRAPEFRUIT APPEAL TO YOUNGER CUSTOMERS

Texas's reputation for red grapefruit is premium and it should be available in greater

volumes this season, according to Casey Corley, specialty crop program specialist, in trade and business development for the Texas Department of Agriculture, in Austin, TX.

"After the freeze in 2021, the season ended early, and the crop was only 20% of normal. Last year, we were back up by 60% and this season we expect the Rio Star to be back to 90% production. Our niche is that winter grapefruit, while only available for a limited season from November to April, has a higher brix than grapefruit harvested at other times."

It's the eating quality of Texas grapefruit, which Wonderful Citrus grows and markets, that Laffite hopes will re-invigorate the category, especially for younger consumers. "The higher brix with less of the bitter grapefruit taste is something I think will appeal to a whole new generation of consumers. I don't think this younger consumer doesn't like grapefruit; it's just they haven't been exposed to it. So, there's an enormous opportunity to reach them."

Cocktail grapefruit experienced an 11% increase in annual sales for Melissa's/World Variety Produce last year.

#### 6. EXPAND YOUR SPECIALTY CITRUS HORIZONS

Kumquats, olive-sized citrus that looks like an oblong orange, are seeing an increase in sales.

"Frieda's Popjoys kumquats, otherwise known as nature's sweet tart, is an excellent growth driver for the category. With no peeling required, it makes for the perfect grab-and-go item and it's like a single-bite serving of oranges," says Jackson, adding Popjoys are the top-selling branded kumquat SKU on the market, according to IRI.

While Frieda's Popjoys are available from California only from November to July, imported kumquats in general from Chile provide a year-round supply.

Other specialty citrus available from Frieda's in the winter include mandarinquats, limequats, calamondins and Buddha's Hand.

"As social media trends continue to emphasize videography, more and more shoppers are discovering unique ways to incorporate specialty citrus fruits into their diet," says Bee Sweet's Bienvenue.

#### 7. CREATE PRIMARY & SECONDARY DISPLAYS

Consumers tend to walk into the store with fruit on their list, but only about half of them specify what fruit they intend to buy, according to Wonderful Citrus' Laffite.

"Catching their eye, drawing attention to fresh citrus, and capitalizing on that impulse purchase is key. To that end, we continue to

invest in high-graphic, branded packaging, and point-of-sale (POS) materials and work to get secondary placements in other departments of the store so that if someone doesn't walk through produce, they still can see and buy citrus," he says.

Retailers can boost sales through consumer education with POS signage and shippers with QR codes leading to citrus recipes, suggests Jackson. "From small tips like how to store citrus to displaying a more elaborate recipe, guiding consumers on utilization makes consumers excited about trying something new. In fact, 63% of shoppers state that signage featuring prepared dishes would encourage them to try something new and 62% of shoppers say the same when they see recipe cards included in the display."

Knowing your consumer demographic and taking advantage of seasonal occasions can play a huge role in the ways retailers move fruit at the store level, according to Bee Sweet's Bienvenue. "For example, cross-marketing lemons with alcoholic beverages and/or meat during periods of large sporting events can be beneficial for those planning barbecues or outdoor gatherings. On the other hand, if spring holidays are right around the corner, cross-marketing oranges with baked goods can be helpful for those interested in making dessert for their families."

#### 8. PROMOTE YEAR-ROUND

During the winter holidays, citrus, especially navel oranges, is a sweet tradition in many homes across the country and around the world, according to Sunkist's Ward. "We have custom 10-pound cartons featuring ready-to-gift designs, including a 'Year of the Rabbit' box to celebrate the Lunar New Year on Jan. 22, 2023. During the New Year, citrus is a symbol of good fortune, and these custom cartons are the perfect tool for retailers to meet consumer demand for eating and giving health-centric gifts throughout the holidays."

Beyond this, Sunkist celebrates its company's 130th anniversary in 2023. March 1 is officially known as National Sunkist Citrus Day, and the grower cooperative will work with retailers on in-store and online programming to the theme of 'Celebrate Every Bite.'

Limoneira also celebrates the 130th anniversary of its founding on March 7, 2023. The company has already kicked off its 1893 campaign, which features stories, pictures, and videos of how it grew from its two-person founding to a global entity.

"Citrus is no longer just for eating and enjoying in the winter," says Susan Jones-Ng, Limoneira's director of global sales and citrus marketing.

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