

# **How sweet are tropical fruit markets? Options for Floridan growers**

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# Changing marketing reality

## Supply level:

- Concentration in retail sector
- Retailers dealing directly with shippers/growers
- More contractual arrangements
- Supply chain concerns: COVID & security in Mexico – local/regional production & redundancy
- In 2020, US farmers made \$9 billion in direct sales, increase of 3% from 2015 – during disruptions with COVID

## Demand:

- Fresh produce year round
- Foodies – latest food trends
- Increased concerns about food safety & environmental issues
- Greater demand for healthy/functional/super foods
- Preference for locally grown foods
- Home delivery services (25% buy online, 55% willing to do so)
- Social media to interact with growers

# US PER CAPITA CONSUMPTION OF FRESH FRUITS (LBS.)

Fruit	2000	2005	2010	2016	2020
Bananas	28.5	25.2	25.6	27.4	27.2
Apples	17.5	16.7	15.3	19.2	16.2
Oranges	11.9	10.3	9.7	9.2	9.4
Avocados	2.2	3.5	4.1	6.9	8.9
Grapes	7.4	8.6	7.9	8.1	8.2
Strawberries	4.9	5.8	7.2	7.5	8.1
Pineapples	3.2	4.9	5.7	7.3	7.3
Lemons	3.0	4.2	4.2	4.2	4.9
Mangos	1.8	1.9	2.2	3.0	3.6
Pears	3.4	2.9	2.9	2.8	2.9
Grapefruit	4.9	2.3	2.8	2.0	1.7
Blueberries	0.3	0.4	1.1	1.7	1.7
Papayas	0.7	0.9	1.2	1.4	1.4
Cherries	0.6	0.9	1.3	1.2	1.2

# Trends of Imported Fruits in the US

- Imports in 2017 were 12.6 million MT, valued at \$13.4 billion.
- Bananas accounted for 38.3% of the total volume & 16.7% of total value
- Other important imports avocados, citrus, pineapples, melons, strawberries & mangoes

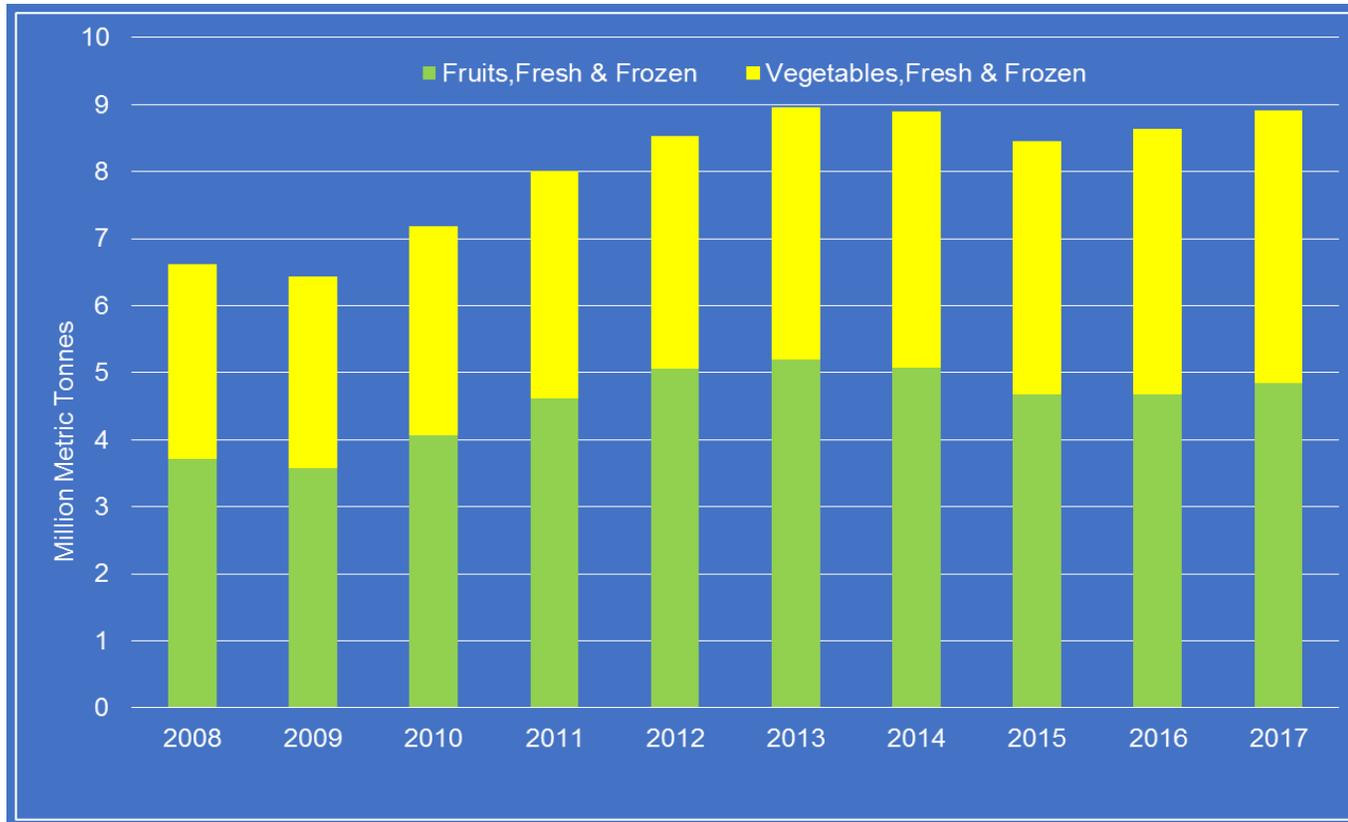
US Imports of Fresh Fruits % of Consumption 90-20



# US IMPORTS OF FRESH & FROZEN FRUIT

Country	2021 Imports (Million MT)	Compound Annual Growth Rate (99-21)
Mexico	9,005.5	11.14
Chile	2,171.3	6.45
Peru	1,870.5	25.84
Guatemala	1,304.3	9.55
Costa Rica	1,193.6	3.74
Canada	859.0	7.84
Thailand	622.4	5.03
China (Mainland)	610.0	9.69
Ecuador	594.6	2.55
Brazil	532.8	4.20

# U.S. FRUIT AND VEGETABLE EXPORTS, 2008-2017 (MILLION MT)



**41%**

**30%**

# How can Florida Tropical Fruit growers compete?

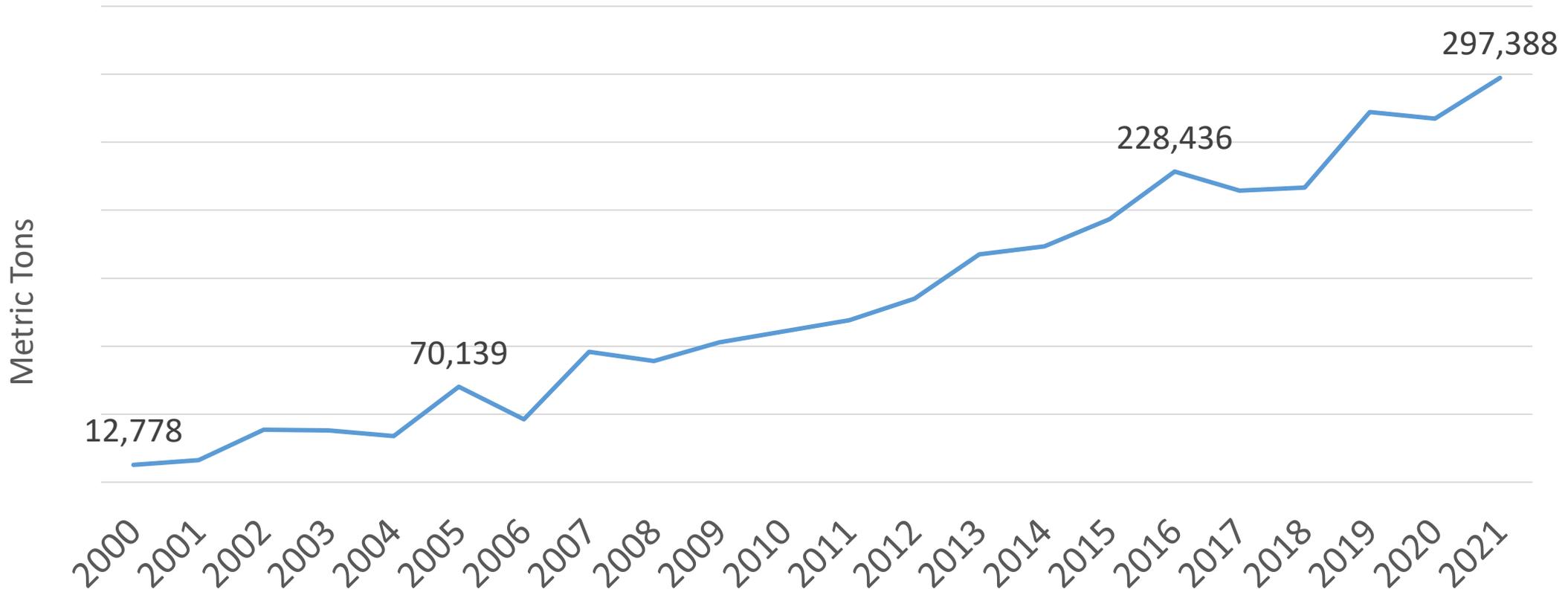
- Retail markets & packing houses:  
Avocados & Mangos
- Coordinate with seasonality of imports –  
organize through marketing  
boards/orders/coops
- High value markets: fresh, local, organic,  
unique – opportunity small scale growers
- Direct to consumer/leveraging social  
media/digital markets
- Fruits as part of a rural experience –  
Agrotourism
- Opportunities to diversify



# BITTERSWEET REALITY FOR FLORIDA AVOCADOS

- 6500 acres in FL concentrated in Miami-Dade County annual economic impact of \$55 million – 10% of US production
- 30% fall in production in Florida from Laurel Wilt – still profitable
- Florida avocados have marketing order- control quality & market
- While Hass Avocados fell from \$75 for 25 lbs. carton in June to \$30 in early 2023, green skin Florida Avocados remained steadier between \$30 and \$45
- Security challenges in Mexico –need alternatives including US avocados
- Green skin avocados remain unknown in much of the US-need to market
- Main competitor Dominican Republic – much in the off season

# US AVOCADO IMPORTS



Grown by over 2000% over 20 years, over 80% from Mexico

# Reliable Mango?

- Less disease pressure of other fruit crops
- Stable prices market prices with 50lbs box \$34 in June 2020, \$35 June 2021, & \$44 June 2022
- Annual profits about \$4500 acre
- Growing familiarity across the US
- Exploit the quality difference in
- Other market options:
  - Green mangos: South Asian & Hispanic communities
  - Unique varieties
  - Options for processed products



# Frustration with Dragon Fruit

- For nearly a decade have been profitable option for south Florida growers
- Growing demand – super food (antioxidants – low in calories)
- Imports especially from Ecuador: Prices from \$50 a box to near \$20 a box in 2022
- Increasing disease pressure
  - More blemishes
  - More number two fruit
  - Difficult to sell in fresh markets
- Options for processed number 2 products
- Discussion on Marketing Board



# Is there a future in passion fruit?

- Attractive prices for fresh fruit: Retail \$9/lb. & On farm over \$5/lb. – due to limited imports
- Profits of \$2600 acre
- Processed market because of low priced imports from South America
- Disease & pest pressures challenges south Florida
- Expanding production in central Florida with cold tolerant varieties
- Growing familiarity among US consumers



# Other fruits with commercial markets

- Papaya: Viruses limited once profitable crop- options for new
- Guava: pink Guava continued demand especially among Hispanic consumers & White Thai guava over supply – market crash in 2022
- Carambola: Stabilized market following
- Coconuts: Strong local market for fresh, numerous uses, limited disease concerns



# Minor Fruits with potential

- Lychee: Challenges in marketing with presence of lychee mite, production moving North
- Longans: Strong demand in Asian markets, does not face the disease
- Mamey, Caimito, Sugar Apple/Chiramoya: High value local markets – can they be expanded?
- Soursoup/Guanabana: Options to grow in south Florida now – market for multiple products



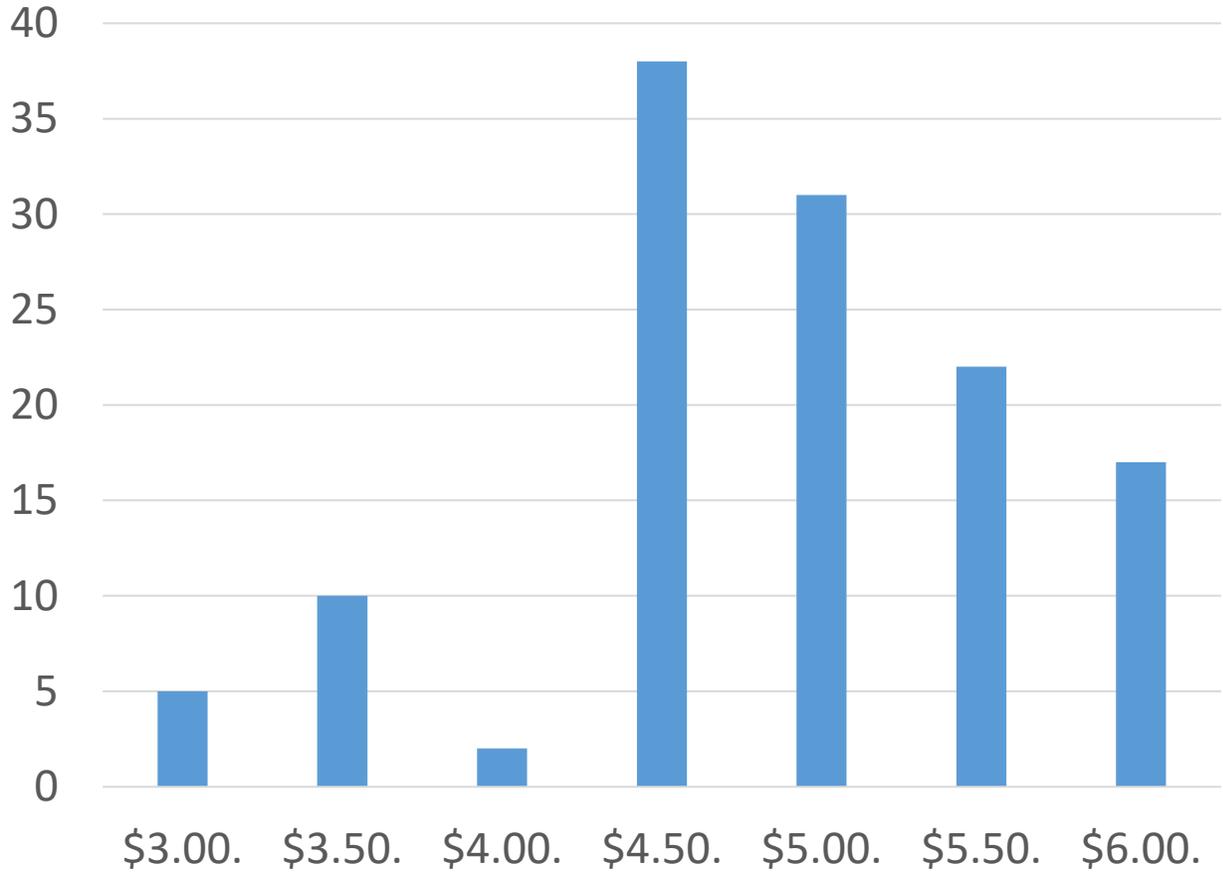
# What's the hype about Finger limes?

- 20 acres commercially grown in Florida
- Late 2021 UF released two cultivars: UF Sun Lime & UF Red Lime
- Indications resistant to HLB
- Current markets: gourmet restaurants/bars – trendy
- Will markets spread to mass markets?
- Can it follow the success of avocados?





Willingness to Pay 1.4 oz



# Involving all growers & consumers

- Not only have diversity of fruits but also of growers
  - Access variety of markets
  - Example East Asian growers' networks to Asian markets in major US cities
- Growing interest among youth
  - Especially in social media/digital sales
  - Challenged by high start up costs
- Increasing access to low-income consumers – Fresh Bucks



# TAKE AWAYS

- Demand growing for Florida fresh tropical fruits
  - Many seen as trendy foods
  - Health-conscious consumers
  - Interest in buying local
- Small scale growers well positioned to take advantage of specialty markets
- Many tropical fruits are profitable for Floridan growers
- Options to grow fruits further north: cold resistant varieties/warmer winters

# POLICY IMPLICATIONS

- Challenged to get noticed when size sector unknown – require detailed census
- Tailoring of insurance products (i.e. whole farm insurance)
- Research on improved varieties, pest & disease control, & market development – large return on investment
- Support to beginning growers/transition – land access
- Leveraging Fresh Bucks program potential to increase demand & access to low-income consumers – positive health outcomes

# BE ON THE LOOK OUT...

- Consumer studies for finger limes & passion fruit
- Supply chain analysis for passion fruit & finger limes
- Economic impacts of Laurel Wilt
- Benefit cost analysis for fresh cut mangos
- Updated enterprise budgets & market analysis: dragon fruit, coconuts, Thai guava, & mangos
- Market opportunities for vanilla

# Additional Resources on Tropical Fruits

Tropical Fruit Enterprise Budgets



Bilingual Marketing Support for Small Scale Growers



# Thank you!

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