

The New Year Brings Exciting Opportunities for Core Apple Varieties including Cosmic Crisp



WENATCHEE, Wash. – Stemilt's **Fast Facts: The Cast** is kicking off the new year with a brand-new episode featuring new faces. Stemilt marketing director, Brianna Shales, sits down with Tim Harrington to discuss the latest 12 weeks of Nielsen U.S. apple category data from October 9, 2021, through January 1, 2022. Shales and Harrington share how apple dollars are up due to inflation effects and offer promotion opportunities for Granny Smith, Cosmic Crisp®, Pink Lady®, and Fuji apple varieties.

Apple dollars are up across the country due to inflation and a shorter crop nationally. Over the last 12 weeks, apples made up 6.2% of total produce department sales. Retailers should look to build volume through promotion strategies, as increasing units around inflated apple prices will help category performance.

"Retailers should continue to promote the four core varieties: Granny Smith, Fuji, Pink Lady®, and Cosmic Crisp®," said Harrington. "It's super important to get those units up because right now we are seeing them flat. As I look at the category data, I see Pink Lady® is a rising star."

Although Honeycrisp & Gala are the workhorses of the category, there needs to be more weekly ad inclusion with all mainline varieties within the category. There are some great opportunities to promote Granny, Fuji, Pink Lady®, and Cosmic Crisp® to boost volume and units. Conventional Pink Lady® apples are experiencing tremendous growth and increases nationally (up 47% over last year.) The Pink Lady® is a strong performing, year-round variety that is ideal for January through August promotions.

"I was super encouraged to see double digit growth across the country for Pink Lady® volume and dollars during this time period," explained Shales. "I want to see more success like we are seeing in the south or northeast with Pink Lady®. I'd like to see retailers use additional promotion for Valentine's Day and throughout spring as we have a fantastic color and quality crop with a range of sizes of Pink Lady®."

The top 5 apples remained unchanged: Gala was 22.8% of apple volumes sold and 18.2% of apple dollars. Honeycrisp made up 21.5% of apple volumes sold and 29.5% of dollars and Granny Smith, Fuji, and Red Delicious rounded out the top 5. Gala volumes are down 10% year over year due to a shorter crop. With Gala being the #1 apple by volume, retailers need to consider alternates for promotion as we stretch into the late winter and spring months.

On the organic front, organic apples now have 16% of apple sales with a stable volume over last year for this time period. Organic Bulk Honeycrisp are a top performer making up 5.8% of all apple sales and are the #1 organic SKU.

"Congratulations retailers," Harrington enthusiastically said in the video. "The organic category has grown and will look to 20% next. Continue promoting organics where the crop allows. Organic Honeycrisp and Granny Smith are great options, and it's important to widen displays when you can to draw shoppers to organics."

The bulk and bag volume ratio continues to be steady with what we've seen this year. 40% of apple volumes are coming from bag sales, and 60% of volumes are from bulk fruit. Bag retail pricing has grown at a faster pace than bulk and is up 12% from last year. The average retail price for apples was \$1.81 per pound and apple dollars are up 6.5% year over year, and apple volumes were down 3.4% from one year ago. Retailers should look to build volume through promotion strategies, as increasing units around inflated apple prices will help category performance.

Another spotlight shines on the Cosmic Crisp® as it broke into the top 10 apple varieties in the Midwest region during its first full month of the season. All regions are poised for growth with Cosmic Crisp® this year because of increased crop volumes and length of season. Retailers should be treating it like a core variety with ample display space, regular promotion to increase movement, and executing great merchandising strategies to introduce it to consumers.

"As I've toured stores out west, I've seen really good placement of Cosmic Crisp® and you definitely notice it from a consumer standpoint," said Shales. "I think our opportunity is to open up the display space, promote the variety, and make sure we continue that education to encourage people to pick up the Cosmic Crisp® and try it."

Prepare for January through May to be huge months for Cosmic Crisp® promotional activity. The Cosmic Crisp® is up 30% from the same time period last year. Cosmic Crisp® apples pack a big crunch, and flavors that delight!

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About Stemilt

Stemilt is a family-owned grower, packer, and shipper of tree fruit. Owned and operated by the Mathison family, Stemilt's mission is to cultivate people and delight consumers with its World Famous Fruits. Stemilt is a leader in sweet cherries and organic tree fruits, and a key supplier of apples and pears. The company stewards an environmentally sustainable and socially responsible business through its Responsible Choice® program, which has been in place since 1989. For more information about Stemilt, visit www.stemilt.com.