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Organic Connection: The organic produce category still has some growing pains

By

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Organic produce origins date back to the 1940s when it was grown on a minimal number of farms. By the 1970s organic items started showing up in natural retail specialty stores. The early 1990s really got the ball rolling when a chemical called Alar entered the farming scene and became an unexpected quandary. Alar was applied to apples by growers in order to help the fruit ripen; then the Environmental Protection Agency discovered that Alar could cause cancer. After all the negative publicity, consumers that wanted chemical-free products began to demand organic foods.



The most popular purchased organic food is fresh fruits and vegetables. The latest analysis revealed that organic produce is currently 12 percent of the total produce department sales. That leaves the balance of 88 percent to conventional produce.

It has essentially taken organic produce 34 years to reach 12 percent of the total produce sales. During all the years of keeping the organic category afloat, it may have taken on too much too fast and caused some growing pains in the process.

That growth has taken quite a number of years to develop, with more hard work required in order to elevate the category further. This may not be an easy endeavor since the majority of consumers are

purchasers of conventional produce. It may be difficult to convince them to change to organics overnight.

What once was a flat category, organic produce became a consumer favorite health food by having to endure a lot of industry adjusting. It's very possible that the organic portion of the produce business has been experiencing growing pains since its inception. Like anything new in business, this change in food evolution experienced certain bumps in the road. After all, this was a sudden expansion of the overall produce industry involving the farmers, packers, suppliers and retailers.

In the early stages, there were a lot of downturns prior to the successes. Organic produce took time to get established mainly because there were not many items being grown to handle the accelerated demand immediately after the Alar mayhem.



Increasing organic produce sales may not be a simple task at hand. Conventional produce sales have kept pace and are a challenge for organics in their effort to cut a bigger slice of the produce sales pie.

Consumers will need to be impulse driven into making more organic purchases. This is where organic produce displays should be very conspicuously visible in the department.

Here are some basics that can move the organic produce sales bar up a few notches.

Location: Two areas are required for displaying organic produce — the refrigerated case for sensitive items and non-refrigerated display fixtures for the less-sensitive items.

Variety: Offer customers more choices. Only handling 15 or 20 items won't interest shoppers. There is a large number of items available these days as organic farming has expanded. To win over customers, you'll need from 50 to 100 organic varietal items.

Visual: First impressions of the organic section should be eye-catching, attractive and immediately draw customers over to the displays. Good signage is recommended to identify the sections.

Auxiliary displays: Take popular organic items off the normal sections and place them out in the open where they become more noticeable. Make these displays exciting by using unique creativity. Off shelf auxiliary displays can increase product movement by up to 25 percent.

Profit growth: Utilize endcaps, bins, corrugated units and free-standing floor displays to promote high profit items. Don't be shy to push those higher retail organic items in order to generate additional gross profit.

Advertising: Promotions are instrumental in moving additional amounts of organic produce coupled with smart merchandising. Both strategies will boost the sales and growth of the category. The objective is to encourage consumer purchases with a lower advertised price they can feel is good value to them.

Attitude is very important in selling produce. You have to be passionate about selling and aggressive with displays. It really doesn't take much to sell customers one more package of organic tomatoes or strawberries. It just takes a motivated selling approach.

Selling consumers additional amounts of organic produce items over and above what they intended to purchase is what it's all about. Moving that extra case or two will all add up to more profit dollars.

Achieving higher sales and profit all depends on the way you present organic produce. Exceptional merchandising is the best way to accomplish it.

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