

Market Potential for Floridian Finger Limes

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Growing interest in specialty foods

- \$170.4 billion in 2020 - 13% increase from 2018
- 84% of millennials consume specialty foods
- Make up 20% of US commercial food industry

CHOICES



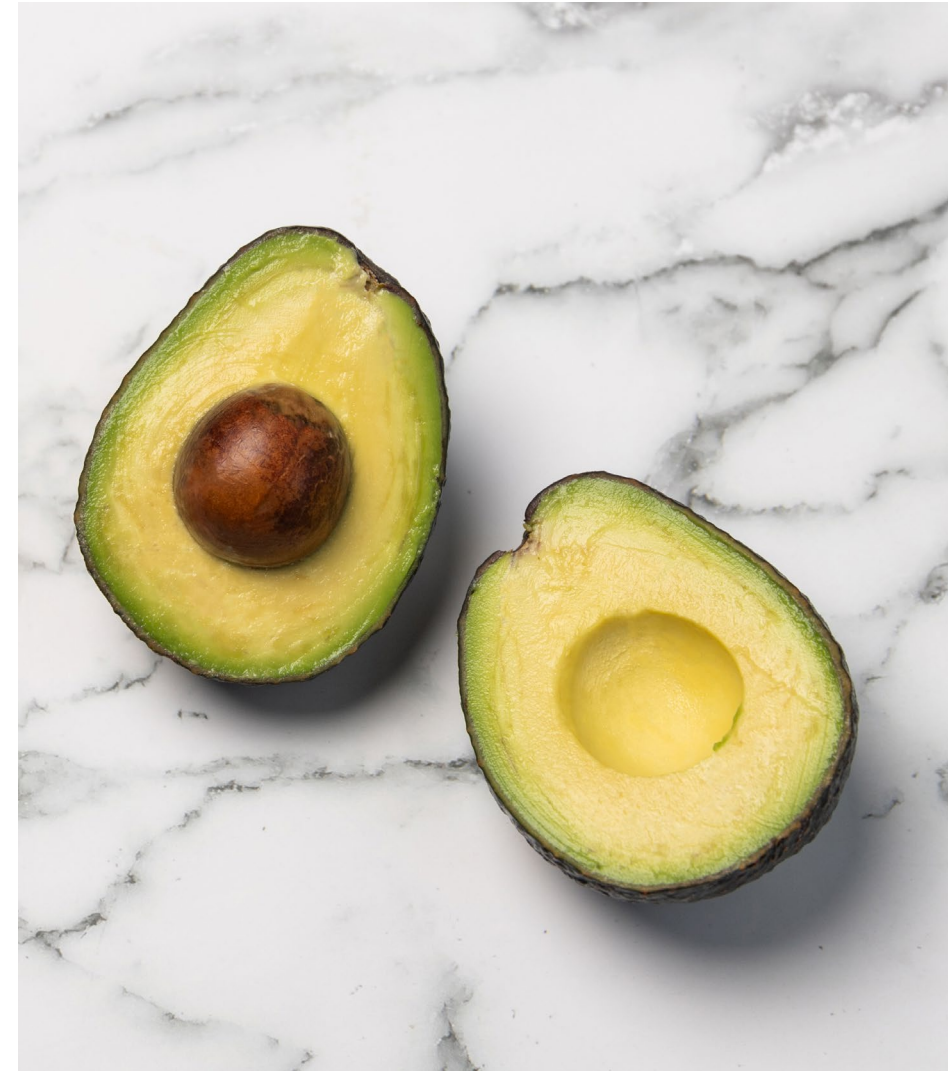
Functional Foods: Fad or Path to Prosperity?



Graciela Andrango and Trent Blare

Potential for success...

- Some food products move from a niche to mass consumer market
- Avocados were niche market in the early 90s
 - Once high-end product in gourmet restaurants up to \$20 fruit in the 20s
 - Alligator pears: Re-invented marketing campaign supported by CA growers late 90s
- Tahiti lime per-capita consumption grew by 70% (2.51 lbs. to 4.27 lbs. from 2010 to 2020)
- Diversified US diets with more Latin American & Asian dishes – willing to experiment
- Growing foodie movement



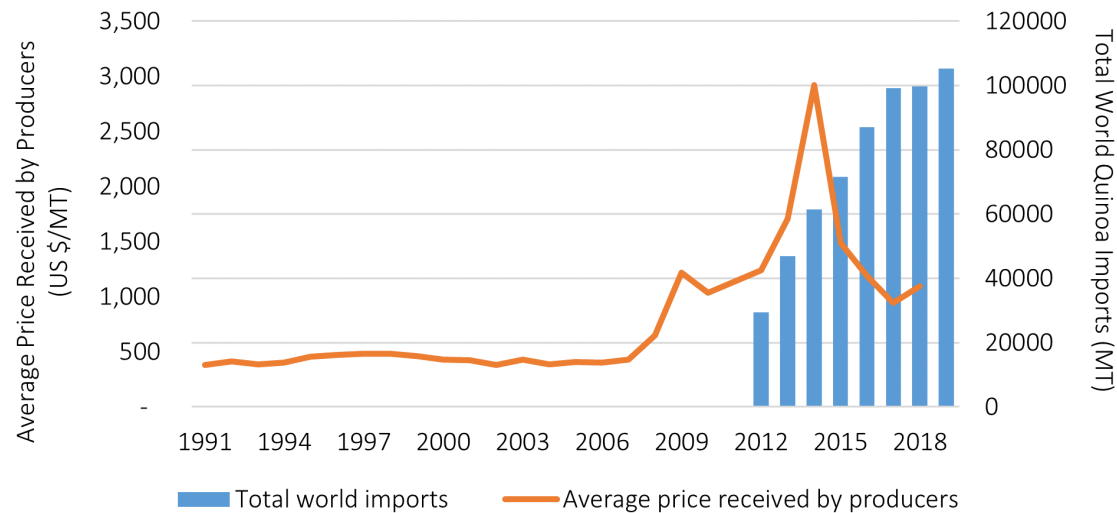
When the market doesn't meet the hype

- Kale sales increased in 2020 by 10.7%. Volume increased by 11%, while per-pound retail prices decreased slightly (Produce Market Guide)
- 65% of hemp producers in 2019 did not have a buyer for their crops (Whitney Economics)
- Lessons for when **market research** and creation does not go hand in hand with crop and product research and development



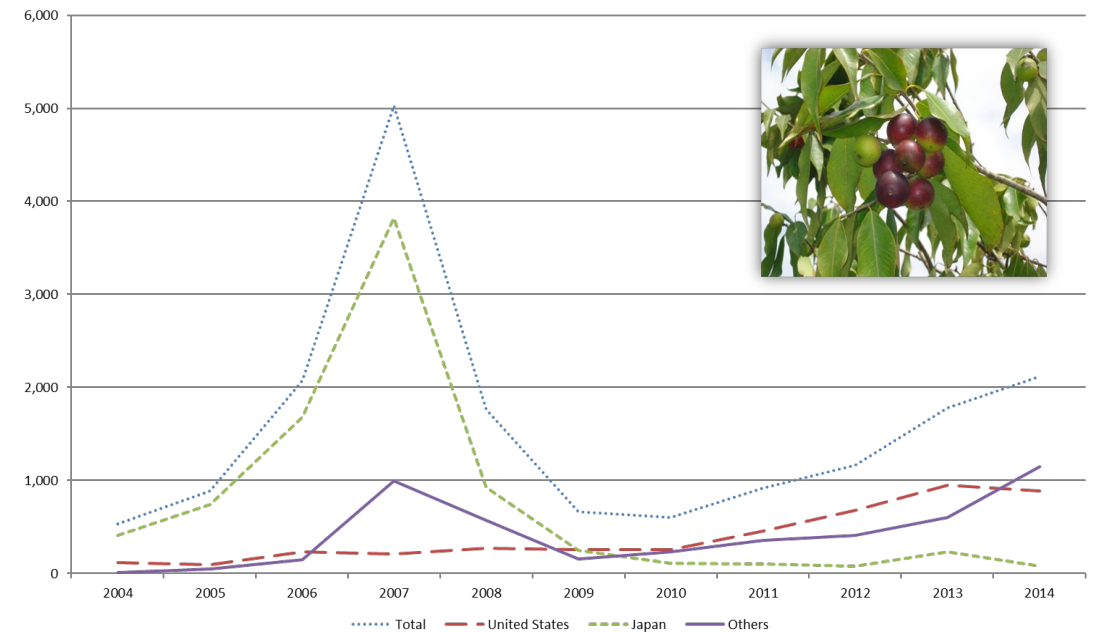
The bet on a new food trend can fail

Trends in Quinoa exports & prices 1990-2018



Andrango, G., A. Johnson, and M.F. Bellemare. 2020. "Quinoa Production and Growth Potential in Bolivia, Ecuador, and Peru" Choices. Quarter 4.

Camu-camu exports (1,000s US\$) by destination, 2004-2014



Blare, T., & Donovan, J. (2018). Building value chains for indigenous fruits: lessons from camu-camu in Peru. *Renewable Agriculture and Food Systems*, 33(1), 6-18.

Finger limes maybe the next big thing...

- Growing demand from chef's & mixologists
- Interest among foodies
- Colors, texture, flavor, and shape – very appealing
- \$32 for 8 limes on Amazon or \$18 for 9 to 10 finger limes from supplier in South Florida
- In California, easily found in farmers' & other specialty markets



Should we be bullish or bearish?

- Small niche, upscale market
 - Is there more interest outside this market?
 - Lack of knowledge limiting market growth?
 - How can consumers know about the product with limited production?
- Should growers take the risk to grow it & hope the market appears?
- Should packing houses/wholesalers invest in supply chains if consumers move onto a new fashionable food product in a few years?



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Looking into the crystal ball

- Understand the challenges/potential of the entire value chain
 - Growers: Working closely with UF/IFAS researchers
 - Buyers/processors: Interviews at Trade Shows
 - Consumers: Interviews, taste testing & experiments
- Analyze market potential from different perspectives
 - Determine market potential – how many grower can be involved
 - Identify consumers to target, product attributes
 - Pinpoint the bottlenecks that need to be addressed (i.e. supply chain/regulation)



What do buyers/processors have to say about finger limes?

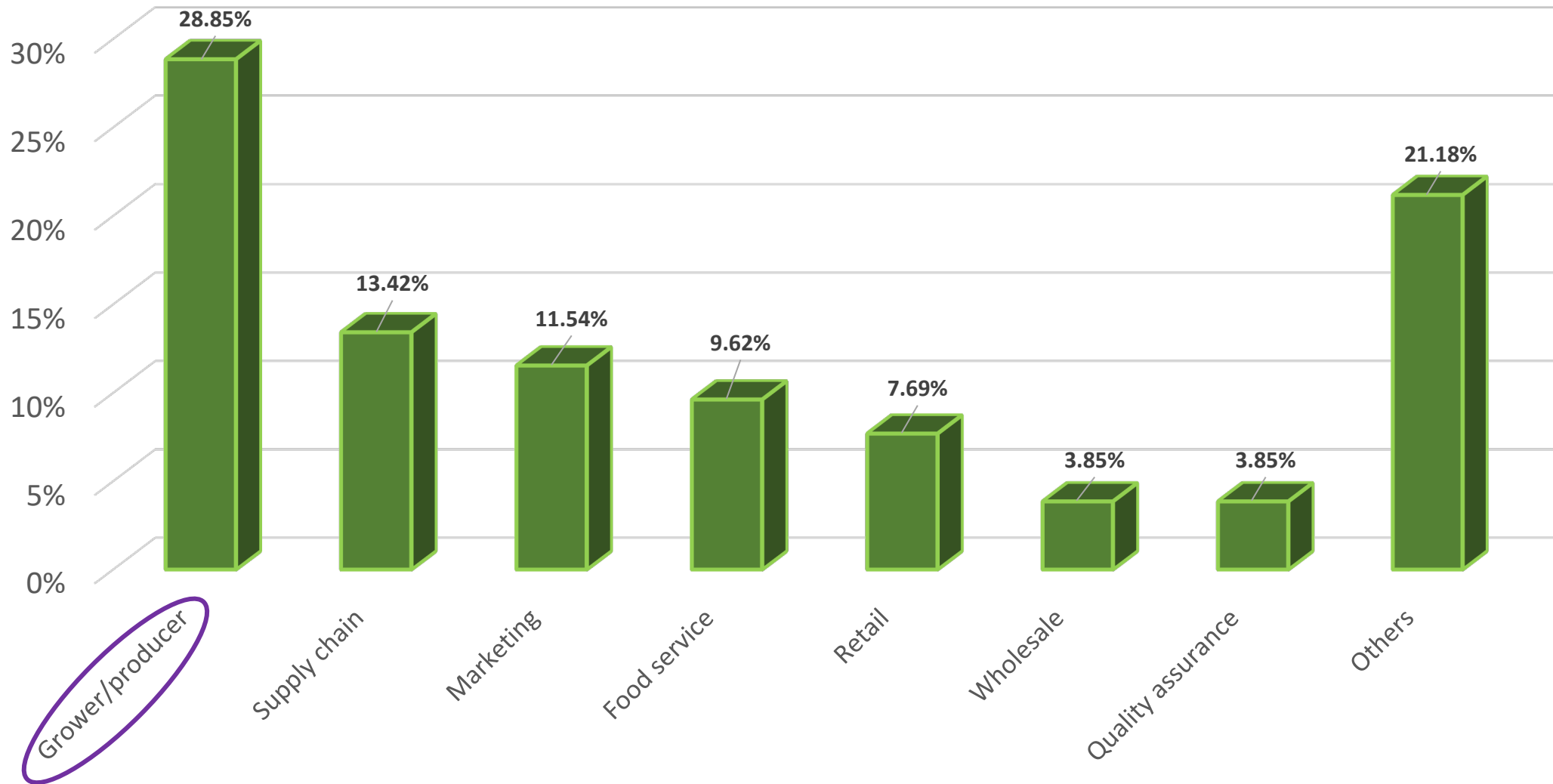
- Sensory attributes and fruit pairing options for UF SunLime
- Insights on marketing outlets and pricing for UF SunLime



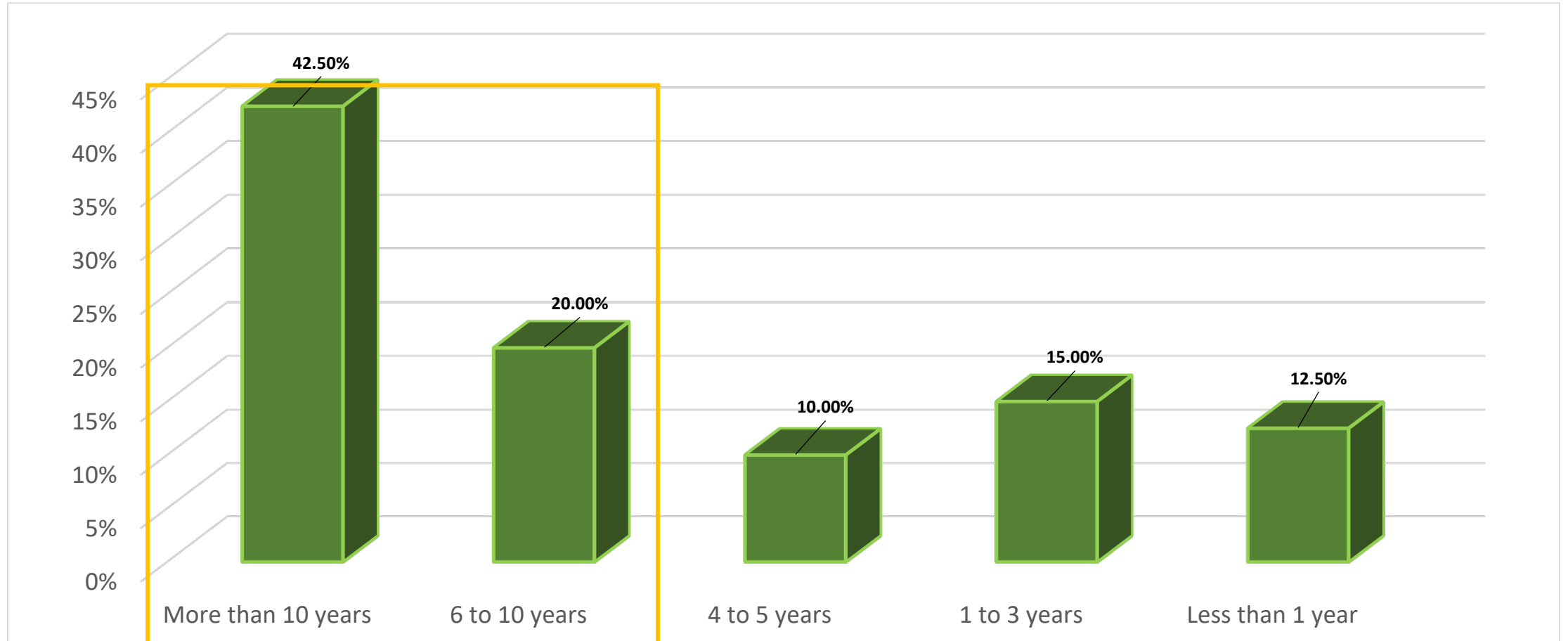
Methodology

- 55 participants, 40 completed the survey (72% completion rate)
- Participant demographics
- Sensory analysis (taste testing)
- Potential pairings with other foods
- Ranked from 1 (very poor) to 5 (very good)
- Elicit willingness to pay for fresh & frozen pulp

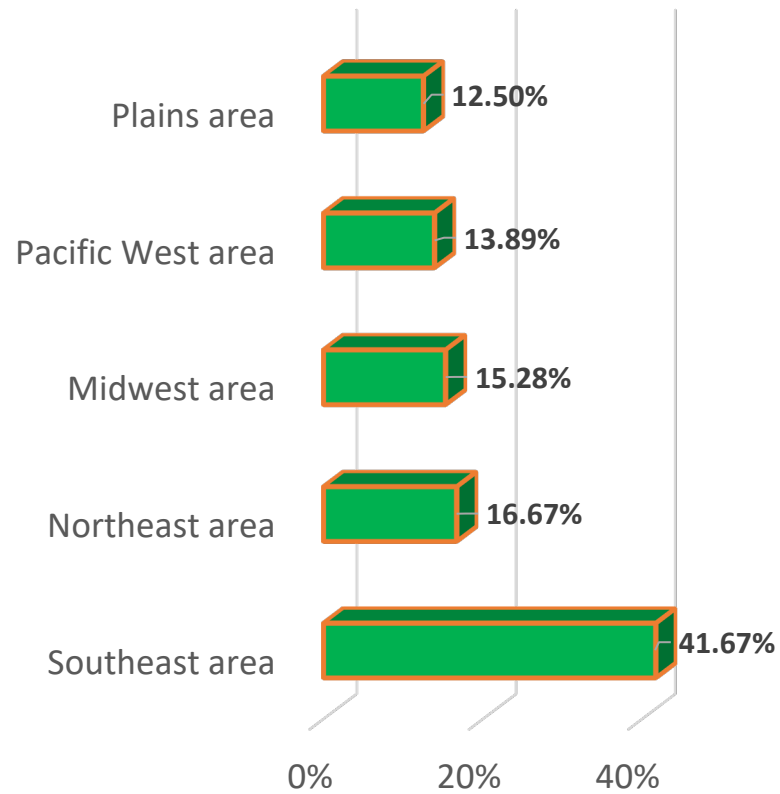
Profession of Participants



Experience in Food Industry

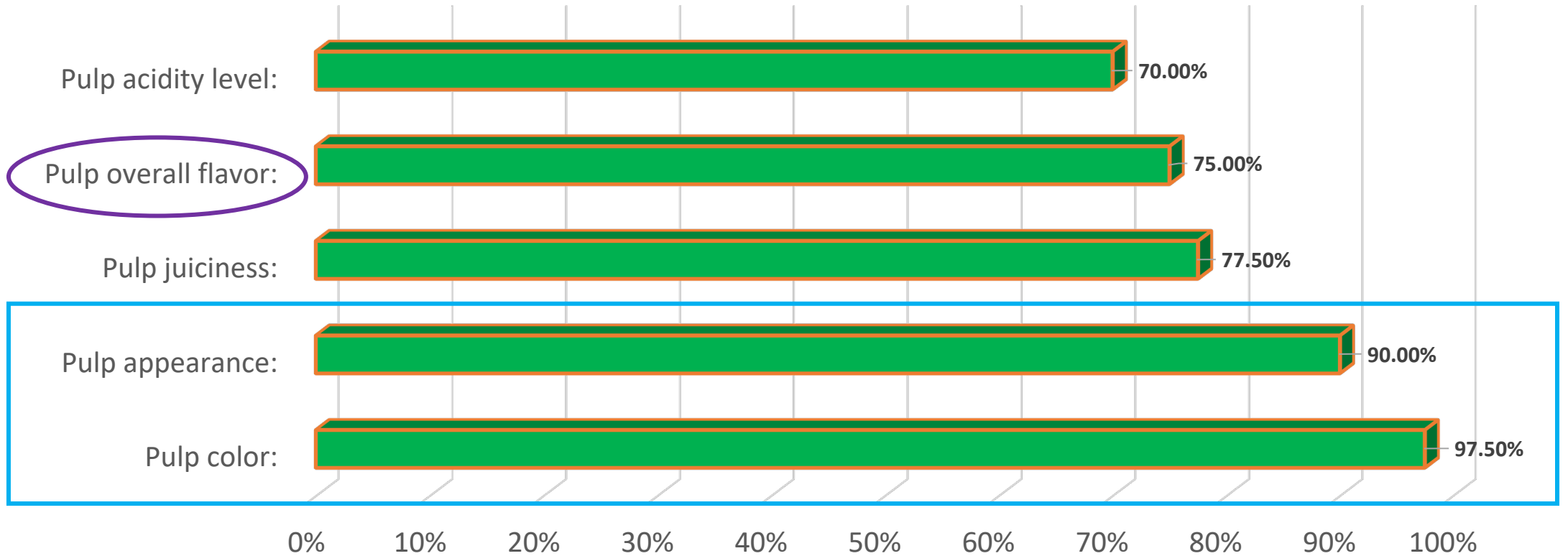


Distribution Area

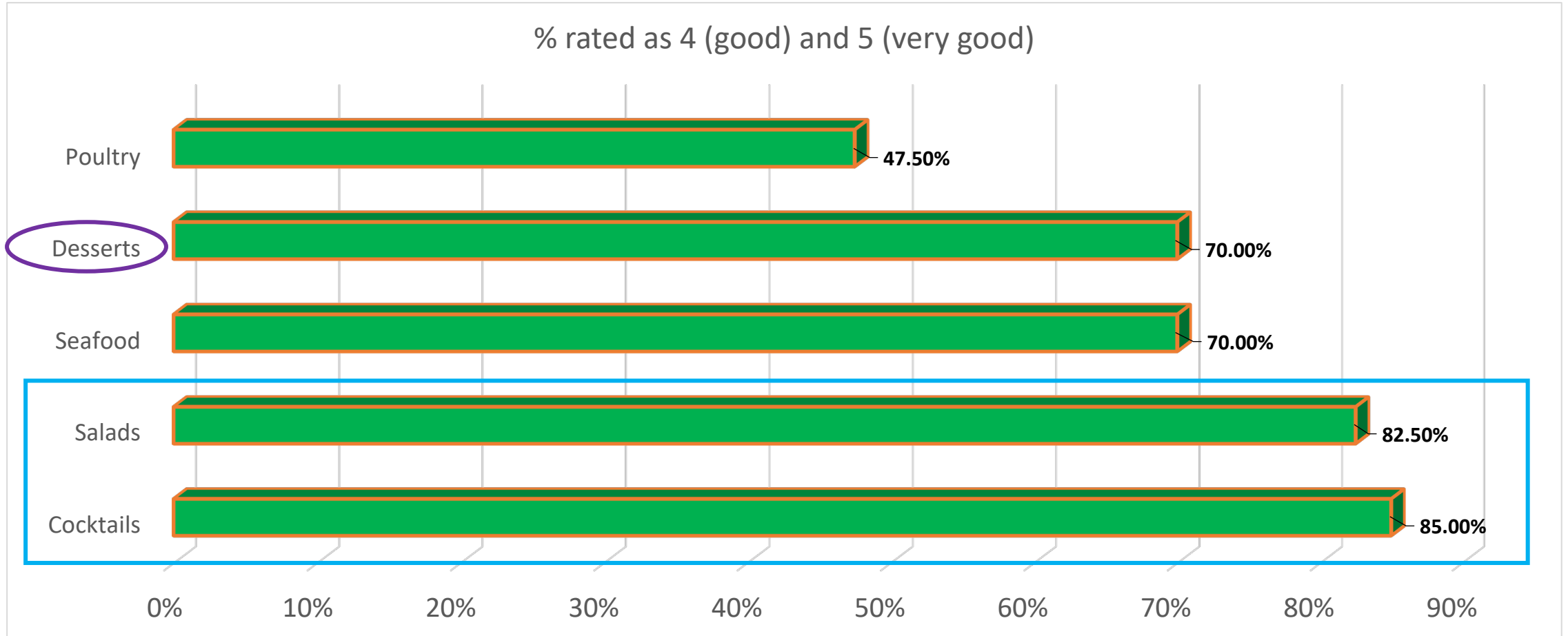


Sensory Analysis

% rated as 4 (good) and 5 (very good)



Food Pairings



Where can finger limes could be marketed?

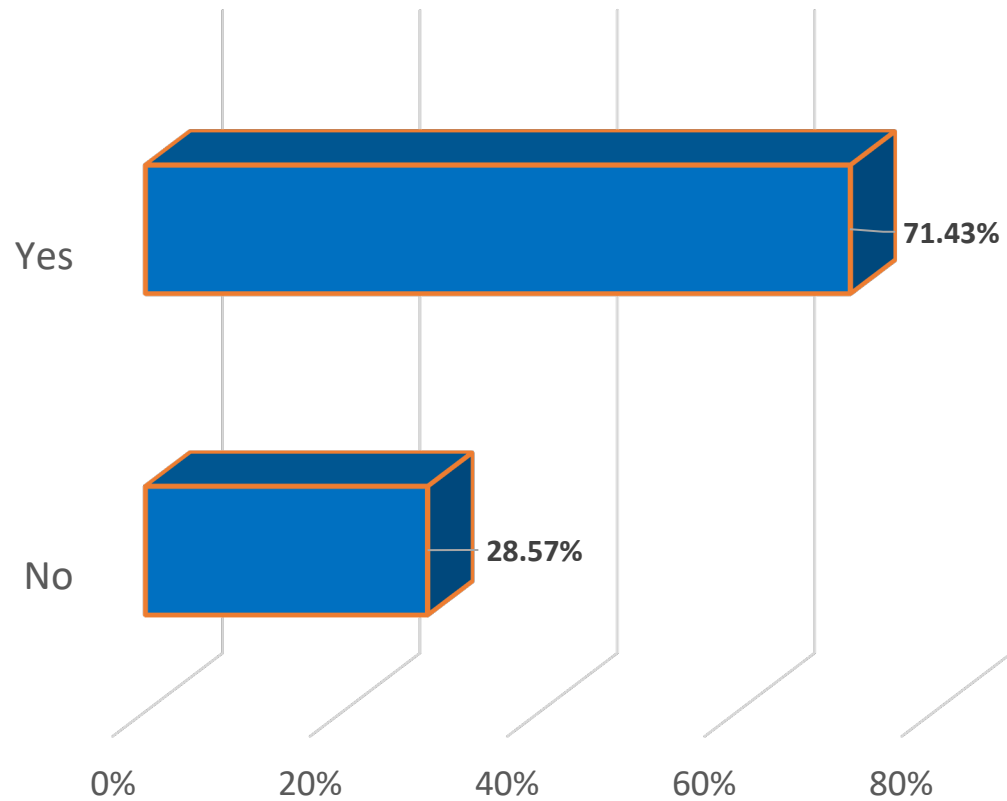


Fresh & Processed Fruit

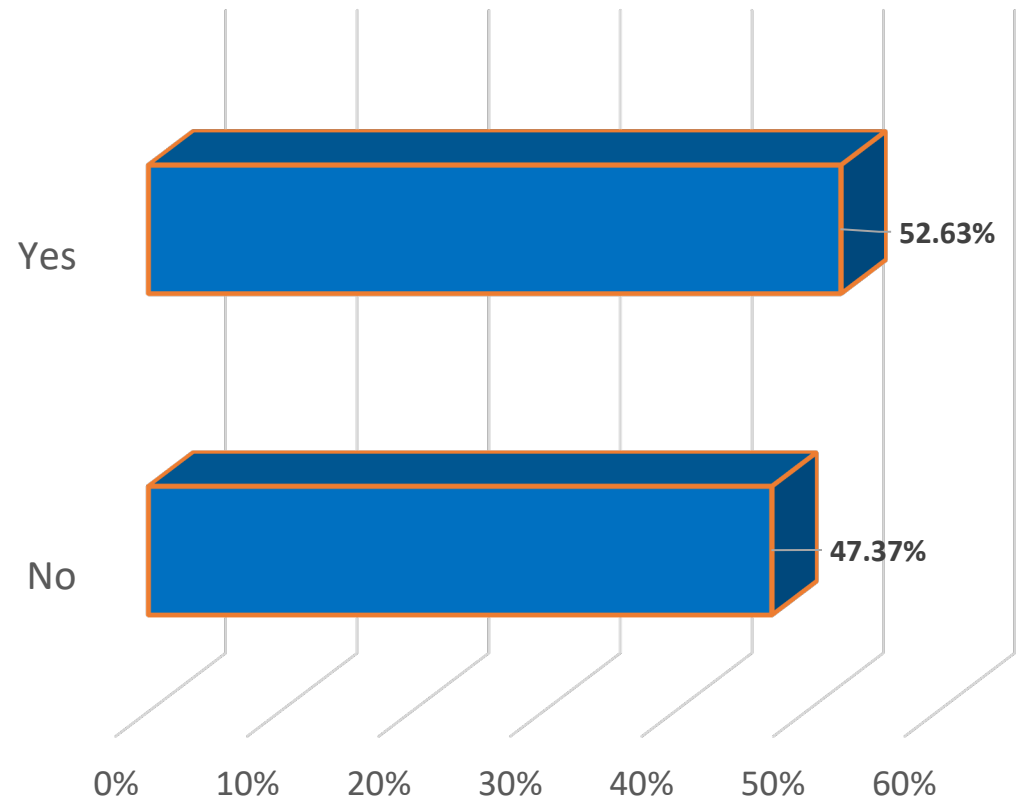


Pricing for Fresh Fruit

Is \$3.00 for 1.4 oz (40 gr) of fresh finger limes a reasonable price?

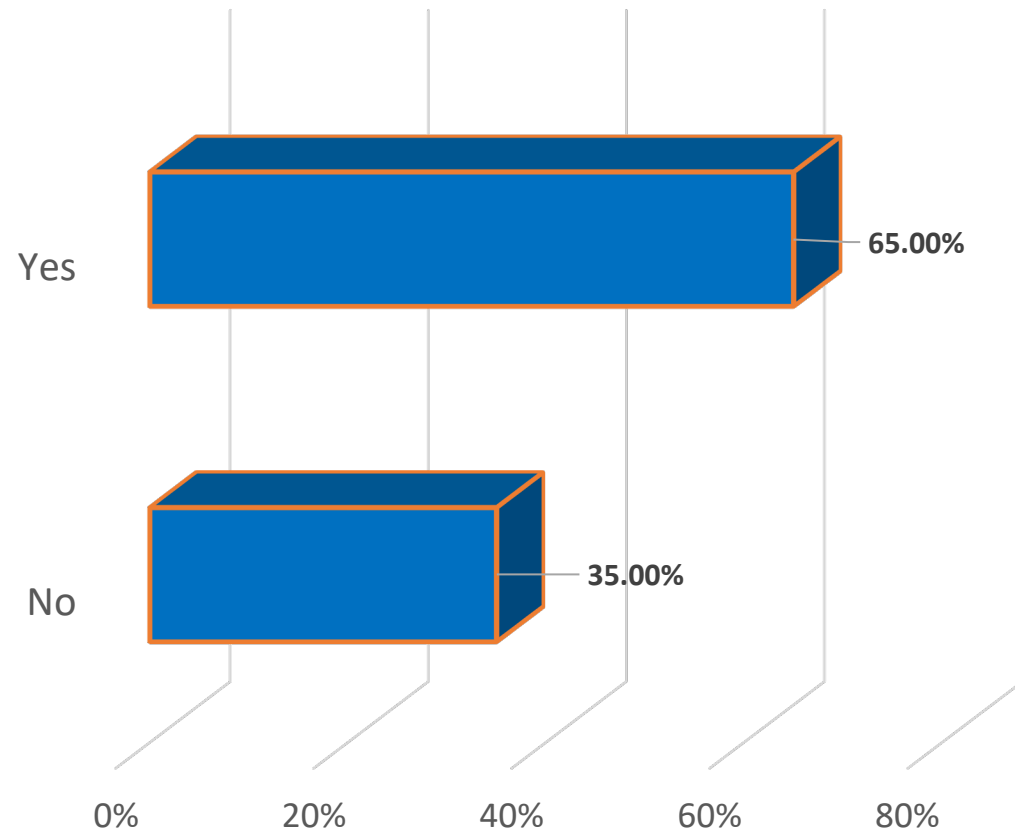


Is \$6.00 for 1.4 oz (40 gr) of fresh finger limes a reasonable price?

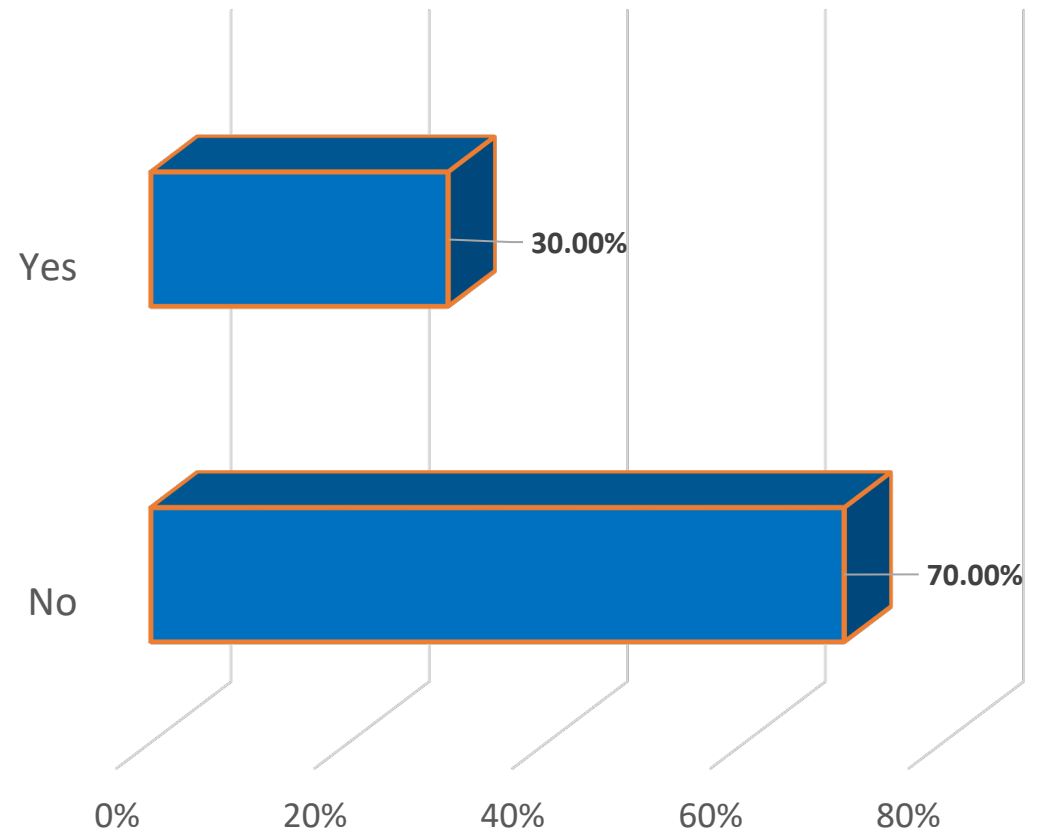


Pricing for Frozen Fruit

Is \$6.50 for 0.8 oz (22.5gr) of frozen finger limes a reasonable price?

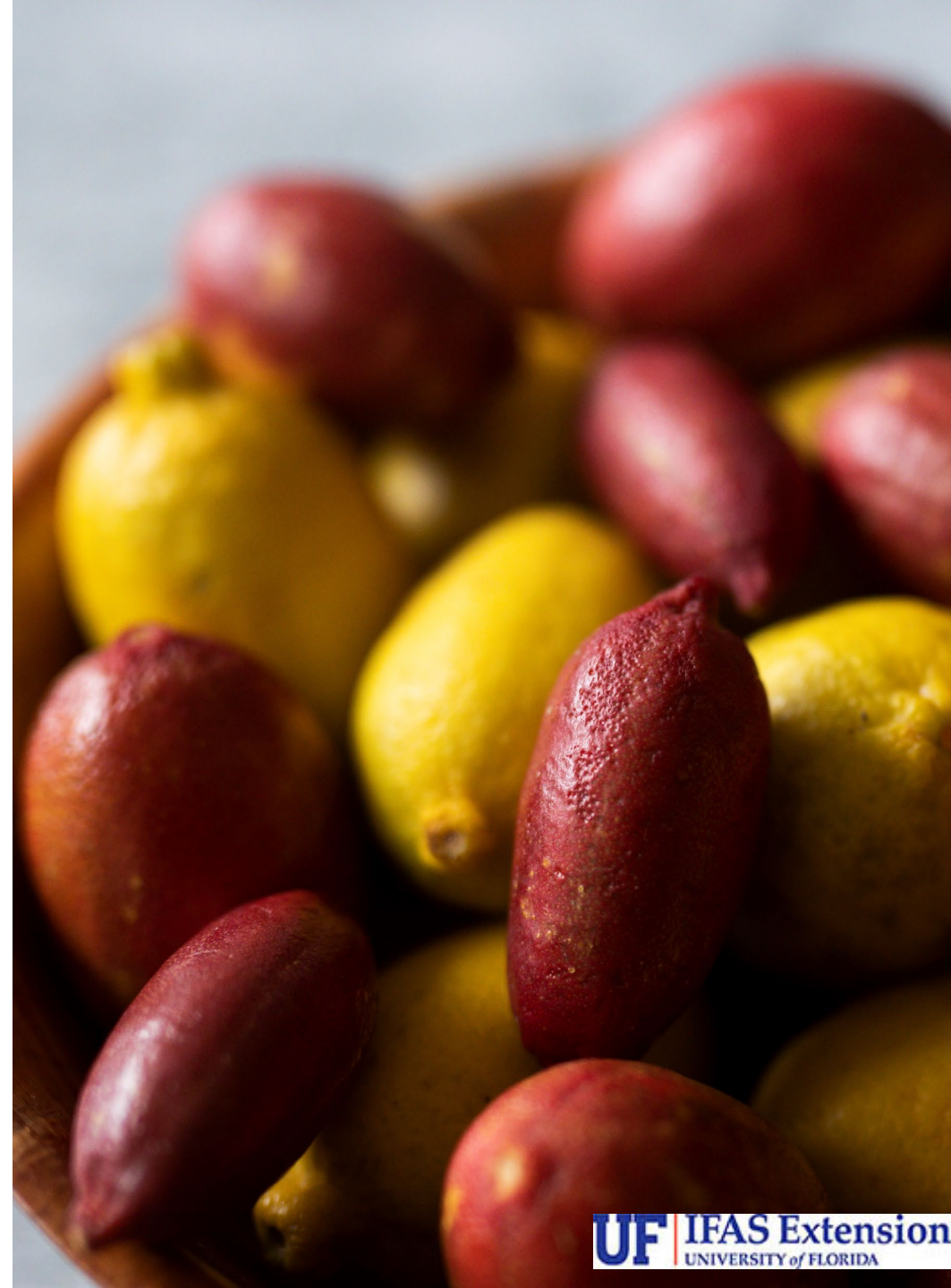


Is \$8.00 for 0.8 oz (22.5gr) of frozen finger limes a reasonable price?



Take aways

- Greater interest in red pulp
- Target high end hotels, bars, restaurants, & specialty stores
- Could pair with a variety of foods – more uses means a larger market
- Greater price sensitivity for frozen pulp than fresh – analyze costs vs. benefits for fresh fruit



Next steps

- Consumer Interviews Summer & Fall 2022
 - in south & central Florida - 300+ interviews
 - Include popular tourist destinations to get non Floridan consumers
 - Preferences for certain fruit characteristics
 - Determine their willingness to pay for different presentation of finger limes
 - Identify consumer groups to target (i.e. young, affluent)
- Building a market is a long process
 - Widespread consumer recognition of the fruit
 - Creating the appropriate supply chains (investment \$\$)
- Ensure all growers/agricultural entrepreneurs can participate



SOUTHERN EXPOSURE

Innovation Station Session

