

Merchandising Vidalia Onions

Best Practices Program

from the Vidalia Onion Committee



Table of Contents

	<u>Page</u>
▪ Overview	2
▪ About Vidalia Onions	4
▪ Power of the Brand	5
▪ Onion Category Highlights	6-7
▪ Merchandising Best Practices	8-14
▪ Order POS Materials	15
▪ Online Resources	16



Overview

- The following research was compiled to develop these best practice recommendations:
 - **Consumer Research:**
 - 1,000 consumers were surveyed from the Southeast, Mid Atlantic, Midwest and Northeast Regions
 - **National Sales Data Study (Nielsen Perishables Group):**
 - Onion category sales in the total US and four regions (Central, East, South, West) during the Vidalia Season from April 20 through August
 - **Retailer Performance:** Analyzed top performing retailers compared to bottom performing to determine key drivers for merchandising and sales
 - **Retailer Research:**
 - Surveyed retail buyers, merchandisers and category managers representing both national and regional supermarket chains



About Vidalia Onions

- Season begins at the end of April thru Labor Day
- About 100 growers cultivate Vidalia onions on approximately 12,000 acres
- Only grown in a 20-county production area in southeast Georgia
- It's the sandy loam soil and mild conditions in this region that produce the high quality and sweet flavor of Vidalia onions



Power of the Brand

Consumer Research indicates:

- Shoppers chose Vidalia as their favorite sweet onion (71%)
- 91% recognize Vidalia as the leading sweet onion brand
 - Associate Vidalia Onions with superior sweet flavor and taste
- A third are willing to pay more for Vidalia Onions



Source: 2015 Nielsen Perishables Group Study on behalf of the Vidalia® Onion Committee



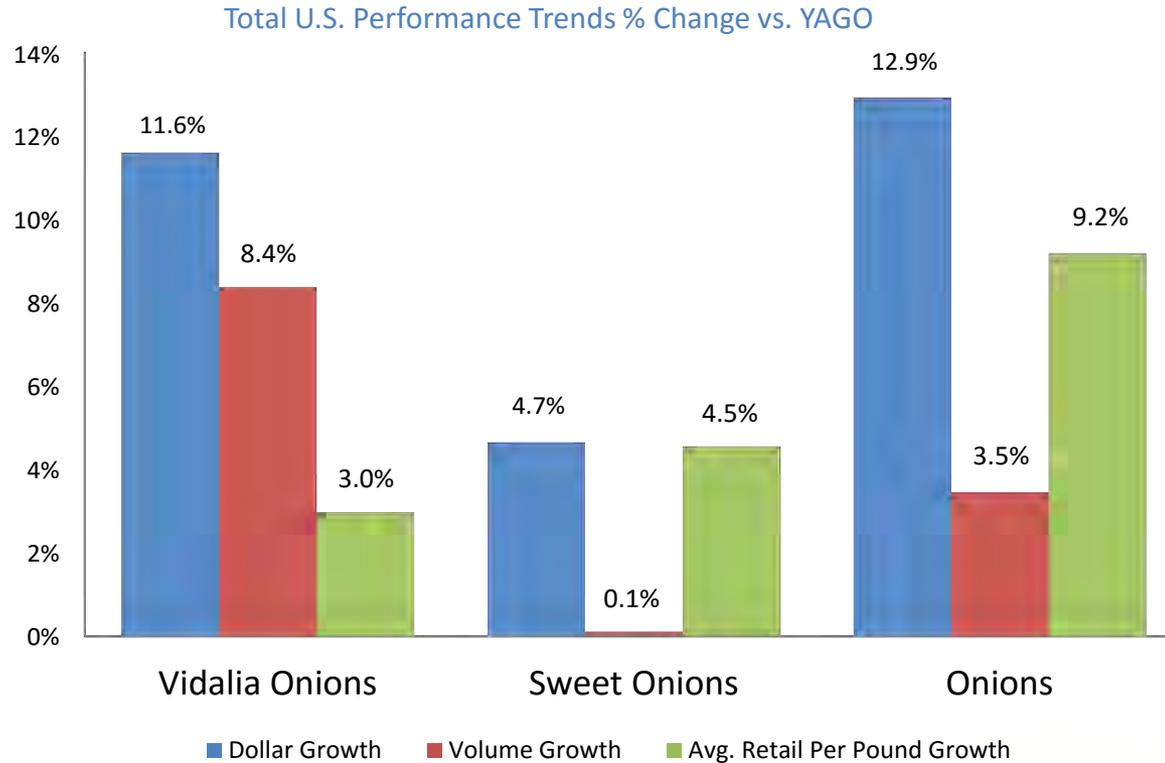
Onion Category

- **Sweet Onions are the Category Leader**
 - Sweet onions represent the largest share of total onion dollar sales (35%) followed by yellow onions (33%)
 - Red onions represent 18% of category share
- **While in season, Vidalia onions drive the sweet onion category:**
 - Vidalia onions are 62% of sweet onion dollar sales (22% of total onion dollar sales)
 - They drove the growth of sweet onion dollars

Source: Nielsen Perishables Group FreshFacts® April 20 2013 – August 17 2013; Total U.S.



Vidalia onions volume growth outpaces both sweet and total onions



Merchandising Vidalia Onions

- **Make sure the Vidalia onion brand is prominently featured on the display**
 - Take the lead in consumer brand recognition and preference
 - Top retailers in Vidalia onion sales recognized the importance and strength of the Vidalia onion brand as part of their onion program



Merchandising Vidalia Onions

- **Include both bulk and bags in the display**
 - 67% of consumers have purchased Vidalia onions individually in bulk displays
 - But 48% have purchased Vidalia onions in 5 pound bags or less
 - Recommend including both bulk and bagged onions in the merchandising display to appeal to a range of consumer preferences



Source: 2015 Nielsen Perishables Group Study on behalf of the Vidalia® Onion Committee



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- **Include a recipe on or near the display**
 - 25% of consumers surveyed stated that an in-store recipe would trigger them to purchase sweet onions
 - Chopped or diced in a recipe is by far the primary way consumers use sweet onions (82%)
 - The Vidalia Onion Committee provides recipe tear-off pads with adhesive that attaches to the display bin or box



Source: 2015 Nielsen Perishables Group Study on behalf of the Vidalia® Onion Committee



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- **Cross merchandise to include a “Peak of Season” destination**
 - Celebrate the summer with Vidalia Onions
 - Cross promote stacks of Vidalia onions with these items:
 - Charcoal and other grilling accessories
 - Hamburger rolls and picnic items
 - Beach umbrella, sunglasses, lotion etc.



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- **Build secondary displays**
 - 40% of consumers stated the display would trigger them to purchase Vidalia onions
 - In addition, 15% said they would purchase more based on the location of the display in store
 - Add a secondary bin display
 - Front of the store or in the aisle
 - Next to the meat case with Summertime grilling suggestions
 - Cross merchandise with related items such as tomatoes and avocados



Source: 2015 Nielsen Perishables Group Study on behalf of the Vidalia
® Onion Committee



Merchandising Vidalia Onions

- **Reduce shrink with proper storage**
 - This will go a long way towards increasing shelf life and preventing shrink:
 - Maintain storage temperature of 45 – 55 °F
 - Provide 70 – 75% relative humidity with good air circulation
 - Keep onions dry



Merchandising Vidalia Onions

- **Maintain top quality with proper handling**

These premium sweet onions can bruise easily, so proper handling is important

To Prevent Bruising

- Don't throw, toss or drop bags or boxes
- Don't stack bags over 5 feet high
- Carefully pile onions into the displays
- Don't dump them into display bins



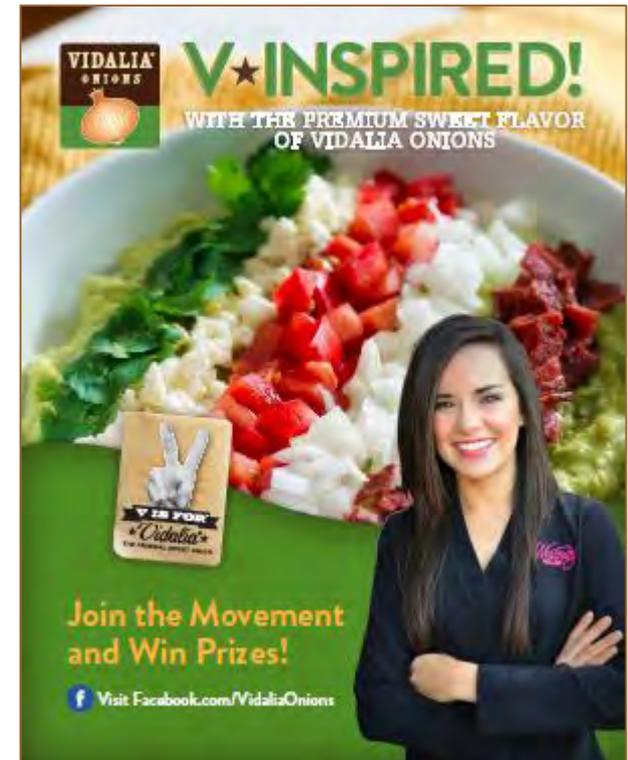
To Prevent Decay

- Remove onions that are bruised, cut or already rotting
- Keep onions dry and cool
- Rotate, rotate, rotate!



Merchandising Vidalia Onions

- Point-of-Sale Materials Available to Order
- 22" x 28 posters
- 11" x 7" shelf cards
- 5" x 7" tear-off recipe pads
- Order online at VidaliaOnion.org/retail



Retailer Resources Online

VidaliaOnion.org/Retail

- Downloadable campaign graphics
- Seasonal crop report E-news
- Onion category study highlights
- Order POS materials and more...

