Demand for Ethnic Produce in the Eastern U.S.: Results from Asian and Hispanic Survey

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Rapid urbanization and continued land development on the east coast of U.S. have put pressure on profitability in agricultural production. Using New Jersey as a case in point, between 1987 and 1997 there was a 6.9-percent drop in total farmland acreage. This puts New Jersey growers at a competitive disadvantage against larger commodity growers from other states where production costs are comparatively lower. There is a need to look for alternative and high-valued crops with competitive advantages. Such opportunity arises in the region because of the ethnic population explosion during the last two decades. Today, for example, one-third of New Jersey’s population has a foreign-born background and actively seeks food crops not commonly found in American grocery stores. Other Mid-Atlantic and Northeastern states are experiencing similar patterns of population growth as well, creating tremendous new ethnic-produce market potential. This study documents the demographics of ethnic produce consumers on the East Coast and analyzes market demand for Asian and Hispanic produce.

A survey instrument was prepared for four major selected ethnic groups: Chinese, Indian, Mexican, and Puerto Rican. Based on random sampling, 271 consumers in each selected ethnicity were interviewed in 2006 through a telephone survey, for a total sample size of 1084 respondents. The results show that 75 percent of the consumers reside within a 10 mile-radius of an ethnic grocery store and respondents visit ethnic grocery stores an average of five times per month. Overall, 69 percent of ethnic consumers buy fruits and vegetables from their respective ethnic stores: 87 percent of Chinese, 64 percent of Indians, 59 percent of Puerto Ricans, and 44 percent of Mexicans. On average, each ethnic consumer spends $27 on ethnic produce per visit. The average expenditures per visit were $32 by Indians, $29 by Puerto Ricans, and $22 by both Chinese and Mexicans. The majority of ethnic consumers are willing to buy organically grown fruits and vegetables; few of them are willing to buy genetically modified produce. Most of the ethnic consumers live in urban and suburban areas.

Determining Consumer Acceptance and Willingness to Pay for U.S. Farm-Raised Freshwater Prawns

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Much research has been conducted on growing, handling, processing, and packaging of freshwater prawns in the Central South region of the United States (Hanson and Sempier 2005; Dasgupta 2005; D’Abramo et al. 2003; Silva et al. 1989). Still freshwater prawns are not widely known to consumers. Producers need information on how to price, market, and distribute their product. The expansion of the present localized market to a regional level requires a greater supply than is presently available, but producers are unwilling to increase production without market outlets. The current problem is how to find new markets and know what to charge. Producers need information on how to price in different markets.

In July 2006, the USDA Federal-State Marketing Improvement Program awarded a grant to the Mississippi Department of Agriculture and Commerce and Mississippi State University to identify key quality characteristics of freshwater prawns to use in marketing the product to consumers and high-end restaurants in the Central South region of the United States. The goals of this project are: 1) use trained sensory panels to identify key characteristics of freshwater prawn products for use in marketing and promotional activities; 2) develop and test price-elicitation methodologies using the trained sensory panels for later use in consumer focus groups on freshwater prawn product forms; 3) gather existing prawn-pricing information on for prawn product forms; and 4) identify restaurant chefs and marketing companies to conduct applied chef and consumer sensory evaluation. This marketing project will benefit U.S. freshwater prawn growers.

References


