Building Demand to Meet Future Supply

USHBC Presentation: Mark Villata, USHBC Executive Director

Health interest continues to drive blueberry demand and this increasing interest is encouraging increased worldwide blueberry production. Given production trends, industry efforts to encourage new and expanded use of blueberries are needed to keep demand ahead of supply. A “blue wave” of blueberries is rapidly approaching. World blueberry acreage from 1995 to 2010 has increased from just over 50,000 acres to nearly 190,000 acres. Taking a look at what has happened here at home, over the five year period from 2005 to 2010 we have seen highbush blueberry acreage increase by +53% from an estimated 71,025 acres to 108,791 acres.

With these increases in acreage, very significant growth in worldwide highbush blueberry production is expected over the next few years moving from a 400 million pound total in 2005 to a projected 1 billion pounds by 2013 and to 1.4 billion pounds by the year 2015. Here at home a crop of 559 million pounds is currently estimated for 2012 and we project that we could be producing around 735 million pounds of highbush blueberries by the year 2015. Given growth projections, our industry will need to significantly increase per capita consumption by the year 2015 and attract new blueberry users both here at home and abroad.

There are market opportunities. Per capita blueberry consumption in the United States has room to grow; we have underdeveloped markets here in the U.S.; there is a limited volume currently allocated to offshore markets, but excellent market prospects overseas especially in China, India and South Korea; blueberries continue to be featured as a key ingredient in new product development; and the blueberry “health halo” remains a purchase driver.

We are seeing very promising initial blueberry health research results related to a variety of health issues with cancer, brain health and metabolic syndrome, which relates to diabetes, showing the most promise. To learn more about the blueberry “health halo” with respect to these diseases we will need to move to more in-depth human feeding trials. These are expensive studies, but with positive outcomes the potential increases in blueberry demand more than makes up for their cost.

Health interest in blueberries is leading to increased worldwide demand and use. New product development has been a plus in moving blueberries. The USHBC works with food manufacturers to encourage blueberry product introductions in traditional applications such as baked goods and dairy products while also looking at new niches for blueberries such as pet food and cosmetics, both new and interesting market segments which could help us to increase blueberry use and help keep pace with production.

The export market also offers potential. International demand is growing and the USHBC is working to expand export demand with activities which include trade shows, native language websites, trade and consumer advertising and publicity.

The industrial and international markets offer potential, but to really move product we need to continue to expand our markets here at home. Though our domestic market promotion efforts we are leveraging blueberry health awareness and attracting new users through our Little Blue Dynamo lifestyle campaign.
We have also added social media to our marketing tools as a means to generate awareness and interest among a younger audience with a blueberry presence on YouTube, Twitter and Facebook.

With increasing production, we can also be a more consistent supplier to the foodservice industry. USHBC programs are in place to generate awareness in this market segment as well. We are also conducting activities to develop the next generation of blueberry consumers with blueberry promotions in both grade school and college cafeterias.

These are just a few examples of the activities the USHBC is conducting both here at home and abroad to stay ahead of the “blue wave”. Our overall plan is to continue blueberry health exploration with a move to extensive human feeding trials; leverage international opportunities; encourage expanded foodservice and food manufacturer use; and continue to address our core user group of women aged 45+ while at the same time attract a new user group of women 25 to 45 years of age through our Little Blue Dynamos image campaign.

We have a lot of challenges, but at the same time a great deal of opportunities. We need to conduct more aggressive health research programs and more heavily promote our blueberries to maintain a balance between projected supply and demand. At the same time we need to make our message heard in a crowded field of marketing campaigns and protect our “health halo” when many other foods are climbing on the health bandwagon. Attracting new users and fielding well designed and implemented market promotion efforts leveraging our “health halo” will help us stay ahead of the “blue wave”.