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**Short Case Study: Citrus Wars**

Cuties are a brand of Clementine—a small, seedless mandarin orange that is easier to peel than a standard naval orange. Cuties changed the way produce is advertised in the United States. Historically, the produce wars were fought between local produce vendors and mass market produce flown in from all over the globe. Cuties changed the name of the produce game by introducing the idea of memorable brand in the citrus market. Just like Google and Coke, Cuties has made itself the brand associated with an entire product category. Customers might not ask a grocer where the clementines are located, they ask where the Cuties are. The appeal of Cuties is based on functional benefits, the easy to remove peel, the easy to carry size, and the lack of seeds. Citrus lovers no longer have to fumble with the best way to remove the peel of an orange (A quick google search found that peeling an orange takes 13 steps, results in very messy fingernails, or requires biting into a orange segment and having juice spill everywhere).

Mr. Evans and Sun Pacific built the Cuties brand in the mid-90’s out of necessity. Following the 1990 citrus freeze, he signed a deal with a nursery in 1996 to multiply clementine trees and sell them exclusively to him, locking in a head start over rivals. Worried about his neighbors who ran one of the country's largest fruit and nut operations he offered to collaborate with Paramount Citrus and Stewart and Lynda Resnick, the Beverly Hills billionaire marketers of Fiji Water and Pom Wonderful pomegranate juice. They trademarked the Cuties brand in 2001.

Between 2000 and 2012, tangerine groves in California skyrocketed from 8,800 acres to 38,000 acres, while over the same timespan orange groves slipped from 199,000 acres down to 177,000. Tangerines are the most common variety of mandarin oranges and while planted for almost a century, were mostly ignored. They were seen merely as smaller, seedier cousins to the more popular naval orange. When a 2005 study revealed that customers would be willing to pay up to four times as much for a seedless tangerine as they would for one of the old-fashioned seedy varieties, growers gave shoppers what they wanted: New seedless varieties such as the seedless clementine varieties have created a 21st-century tangerine gold rush.

Marketing clementines as an alternative to oranges was not a new idea, however. The concept of ‘branding’ tangerines was pioneered by Tom Mullholland. In the early ’90s he stumbled across an outlandishly sweet type of easy-to-peel tangerine that was nonetheless seedless. He learned that the variety was grown only in Morocco, but would soon become available in California. He decided to devote his entire farm to this new citrus named “W. Murcott Afourer”, a marketer’s nightmare. He trademarked the brand name “Delite”. Sun Pacific and Paramount Citrus emulated his strategy when choosing an adorable and memorable brand name, positioning strategy and theme. They capitalized on the size of the fruit being perfect for kids – providing an indelible link between Cuties the fruit, and cuties—the children. They created a memorable link to their target audience with their slogan “Kids love Cuties. Because Cuties are made for kids." They then invested in TV advertisements and featured kids in four TV ads to promote the idea that cuties are kids friendly. Their national TV campaigns (e.g. 2011) which reportedly cost $20 million annually, was widely attributed to be a key factor in Cuties’ success.[[1]](#footnote-1) This successful marketing campaign proved that *brand loyalty* worked even with produce and gave Cuties an edge over competitors such as *Delites,* *Pixies,* *Sweeties, etc.*

However, an argument soon erupted between the partners when discussing how to move forward in their marketing efforts. Sun Pacific agreed that marketing played a key role, but they also believed that their product, the ability to pack millions of boxes per week and collaborations with major retailers contributed to the success. Robert DiPiazza, Sun Pacific’s president stated at the time that the most powerful marketing occurred when consumers entered thousands of stores across the U.S. and saw prominent displays of Cuties in iconic packaging. Paramount Citrus believed that the same level of investment in advertising was necessary to maintain and build brand loyalty, and increase market share. The two companies ultimately agreed to disagree on the makeup of the advertising budget, the effectiveness of components of their overall strategy, and ways to move forward. This disagreement resulted in both partners splitting ways in 2012. Sun Pacific became the exclusive owner of the Cuties brand.

Since then, Sun Pacific slowly moved away from TV ads, running limited circulation ads in spot markets, rather than big national campaigns. They also focused on radio spots during morning and afternoon drive time and got into digital advertising. Social media efforts were their centerpiece. For example, they might use a Facebook page to collaborate with retailers in connecting with consumers. In 2014, they also partnered with McDonalds to feature cuties in Happy Meals and their Penguins of Madagascar campaign. The next year Sun Pacific created a playful twist on the **classic 80s tune “I Want Candy”** in order to encourage kids to swap sweets for fresh fruit and featured it across radio, billboards, digital advertising and content, social media, and delivered holiday “sweet swap” ideas to influencers. In addition, they provided retailers with custom social media content, created tool kits for registered dietitians, and other support to incorporate the campaign in stores. Their newest campaign focuses on an animated ad (“Welcome to Cuties Country”) featured on their website and Hulu. In 2018, Cuties have also become the Official Citrus Fruit of the Walt Disney World Resort and Disneyland Resort. Beginning in fall, visitors to the resorts will be able to purchase three-pack bags of Cuties at locations that currently sell fresh fruit, they will become a side option in kid’s meals at quick-service restaurants, and fine-dining restaurants will include Cuties in their menus. Finally, Cuties-related graphics were featured in game sheets that are distributed to children at all restaurants. In parallel, Sun Pacific also promoted month-long national sweepstakes displayed at retail locations and supported via social media. Consumers were able to win all expense-paid trips to Disney parks as one of the attractive prices.

Paramount Citrus which was incorporated into the Wonderful Company launched in 2015 started afresh and began selling mandarins under the name Wonderful Halos. They continued to rely heavily on TV advertising during the selling season for mandarins grown in the U.S., which runs from November to April. In October 2016 the Wonderful Company has launched a $30 million ad campaign — “Good Choice, Kid” developed and executed by the company's in-house creative team, The Wonderful Agency. Commercials started to air on Halloween and included one in which a girl holding the fruit finds herself in a creepy room filled with dolls and makes the "good choice" to hightail it out of there. A 15-second version of the "Doll House" spot referencing the 1980 Shining horror movie ran on national and cable television, and a 30-second version was distributed online. The new campaign followed an earlier campaign ("If you don't have Halos, they don't have Halos"), which centered on urging parents to restock Halos for children who had turned sinister. It included a subtle reference to the 1972 Godfather trilogy, when a kid leaves a stuffed-animal horse head in bed next to a dad. Both campaigns included print, in-store national (FSIs), and additional point-of-sale, as well as digital marketing materials. Since then, the Wonderful Company added influencer marketing to the mix. As part of their “good choice, kid’ campaign they launched a five-episode animated series, “[Camp Halohead](https://www.youtube.com/CampHalohead),” featuring two YouTube stars—eight-year-old Ryan of the YouTube channel “Ryan’s World” and Evan of “EvanTubeHD”, who is 13. These two child stars have over 29 million subscribers and billions of views, and the Wonderful Company hopes to capture their viewers. To continue to reach out to parents, they unveiled a new multimillion dollar integrated marketing campaign in 2019. The “Checks-All-The-Boxes Box," encourages parents to choose Halos when they are on snack duty. They teamed up with the Holderness Family, known for their annual "Christmas Jammies" viral music videos, and created additional original content (a new song and music video called “Snack Panic Attack”). This humorous solution to snack duty anxiety was posted by the Holderness family across their Facebook, Instagram and YouTube channels and once more includes in-store national FSIs and store displays, social media ads, digital integrations with event planning sites and consumer emails to promote Halos as the “perfect snack”. Michael Perdigao, president of the Wonderful Company said that their consistent marketing efforts helped generate awareness and allowed them to become the No. 1 mandarin brand. They have also began to expand their focus beyond citrus fruit as direct competition.

Media References:

Jordan, Miriam (2012, July 13). The big war over a small fruit. The Wall Street Journal.

Emily Dwass (2013, April 11). Cuties: Not-so-cute disclaimer in TV Ad. *LA weekly.*

Kristan Lawson (2014, July, 8). Cuties, Pixies, Delites: How Marketing Rebranded a Fruit. *The Modern Farmer.*

Mike Hornick(2016, October 31). Wonderful Halos ads celebrate good choices. *The Packer.*

Jessica Wohl (2016, October 31) [See the Spot: Wonderfully Creepy Dolls Help Sell Wonderful Halos Mandarin Oranges](http://adage.com/article/cmo-strategy/wonderfully-creepy-dolls-sell-wonderful-halos-mandarins/306528/). *Advertising Age.*

Tom Karst (2018, October 30). Cuties partnership with Disney to bring big exposure*. The Packer*

[Dan Whateley](https://adage.com/author/dan-whateley/2198526) (2019, November 19). Citrus Brand Wonderful Halos Launches New Animated Series on YouTube. *Advertising Age.*

Erica SweeneyBrief (2019, February 13) Wonderful Halos taps influencers for funny music video about 'snack duty'. *Marketing Dive*

Additional Teaching Material (Videos):

Sun Pacific Cuties “Kids hate seeds” TV Commercial (last aired 2013), Available at: [https://video.ucdavis.edu/media/Sun+Pacific+Cuties+%22Kids+hate+seeds%22++TV+Commercial/0\_ev3hs7sh](https://video.ucdavis.edu/media/Sun%2BPacific%2BCuties%2B%22Kids%2Bhate%2Bseeds%22%2B%2BTV%2BCommercial/0_ev3hs7sh)

Sun Pacific Cuties “Welcome to Cuties Country” Online Commercial (2017), Available at: <https://cutiescitrus.com/our-story/>

Wonderful Halos "Little Pony" TV Commercial (2015), Available at: [https://video.ucdavis.edu/media/Wonderful+Halos+%22Little+Pony%22+TV+Commercial/0\_9rcbbamk](https://video.ucdavis.edu/media/Wonderful%2BHalos%2B%22Little%2BPony%22%2BTV%2BCommercial/0_9rcbbamk)

Wonderful Halos Halos “Doll House” TV Commercial (2016), Available at: [https://video.ucdavis.edu/media/Wonderful+Halos+%22Dollhouse%22+TV+Commercial/0\_s0wd1cew](https://video.ucdavis.edu/media/Wonderful%2BHalos%2B%22Dollhouse%22%2BTV%2BCommercial/0_s0wd1cew)

Wonderful Halos (Holderness family) Facebook/Instagram/Youtube “Snack Panic Attack” Music Video (2019), Available at: [https://video.ucdavis.edu/media/Wonderful+Halos+%28Holderness+family%29+%22Snack+Panic+Attack%22+Music+Video/0\_onis15vj](https://video.ucdavis.edu/media/Wonderful%2BHalos%2B%28Holderness%2Bfamily%29%2B%22Snack%2BPanic%2BAttack%22%2BMusic%2BVideo/0_onis15vj)

1. Despite its success, these ads were not without controversy. Already created spots had to be edited to display a message about choking hazards to conform with New York State Department of Health recommendations. In order to prevent choking, children should sit up straight when eating, and small children should never be left unattended when eating. [↑](#footnote-ref-1)