

NEWS RELEASE

National Watermelon Promotion Board FOR IMMEDIATE RELEASE

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Watermelon Board Announces Significant Positive Impact for Watermelon Industry with 19:1 ROI

*Findings from Study in Partnership with Armada Corporate Intelligence, Inc. Conclude Strong
Relationship Between Promotional Activities and Grower Revenues*

Winter Springs, FL – May 10, 2023 – National Watermelon Promotion Board (NWPB) has released the findings of a new study, conducted along with research partner Armada Corporate Intelligence, Inc., that demonstrates the significant positive impact of the NWPB's activities on the demand for watermelon. The study also shows that investment in the NWPB's promotional activities results in a strong return on investment (ROI) of 19:1. Additional findings of the study included the NWPB's significant impact on the retail and FOB price of watermelon from 2017 – 2021 and its impact on the general economy.

"The NWPB is proud to continue our work in promoting watermelon and supporting the watermelon industry," said Mark Arney, Executive Director at the NWPB.

The study, which developed a model explaining the retail demand for watermelon, found that the NWPB's promotional activities have a significant positive impact on watermelon demand. Funding the NWPB's activities at actual levels versus the lowest monthly level experienced results in a 4.5% increase in the retail price of watermelon. Furthermore, the price flexibility coefficient for the NWPB's expenditures is 0.031, meaning that a 10% increase in expenditures on the NWPB's promotional activities would result in a 0.31% increase in retail watermelon price.

Retail revenues rose sharply – 31.6% in fact – from 2017 to 2021. During that same time span, NWPB expenditures remained steady.

The study also found that the NWPB's promotional activities have a positive impact on farm prices. On average, there is a \$0.012 per pound difference in farm price when the NWPB's expenditures are set to their historically lowest level versus what was experienced using the actual expenditures. This difference resulted in a \$225.19 million increase in farm sales, meaning NWPB increases farm price by 3.5%

The study indicates that spending on promotion by the NWPB potentially increased employment in the industry by 4,234 jobs, based on incremental grower income and the median fruit and vegetable worker salary. Using economic multipliers from the USDA Economic Research Service for the melon segment of agricultural output, the total effect of the NWPB's spending likely also increased broader economic output in the nation by \$160 million.

Christian Murillo, current President at the NWPB, noted that "These findings reinforce the importance of our efforts and provide a compelling case for amplified investment in the NWPB's activities. The models are certainly worth exploring."

For questions about the study or more information about NWPB's activities, contact Megan McKenna, Senior Director of Marketing & Foodservice at mmckenna@watermelon.org. The full report *An Economic Analysis of Market Impacts of the National Watermelon Promotion Board: 2017-2021* is [available at the Industry section of NWPB's website](#).

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The National Watermelon Promotion Board (NWPB), based in Winter Springs, Florida, was established in 1989 as an agricultural promotion group to promote watermelon in the United States and in various markets abroad. Funded through a self-mandated industry assessment paid by more than 700 watermelon producers, handlers and importers, NWPB mission is to increase consumer demand for watermelon through promotion, research and education programs.

A serving of nutrient-dense watermelon provides an excellent source of Vitamin C (25% DV), a source of Vitamin B6 (8% DV), and a delicious way to stay hydrated (92% water), with only 80 calories per 2-cup serving. Watermelon consumption per capita in the United States was nearly 15.5 pounds in 2022. Watermelon consumption in the United States was nearly 5.2 billion pounds in 2022. The United States exported an additional 328 million pounds of watermelon. For additional information, visit www.watermelon.org.