



Domestic Marketing

Annual Meeting

MARCH 2021

Potatoes
USA



Committee Chair Report

Steve Elfering



Domestic Market Situation

John Toaspern





Source: All Recipes Magazine Oct/Nov 2020



TOP GROWING VEGETABLES

*Annual eating occasions per
capita change, 2015-2020*

1. Potatoes (including fries), +5.3
2. Caesar Salad, +2.5
3. Avocados, +1.2
4. Tomato Sauce/Paste, +0.9
5. Tomato Salsa, +0.9

Source: Produce for Better Health Foundation, State of the Plate: American's Fruit & Vegetable Consumption Trends 2020

Menu Champ



**POTATOES
ARE ON**

84%

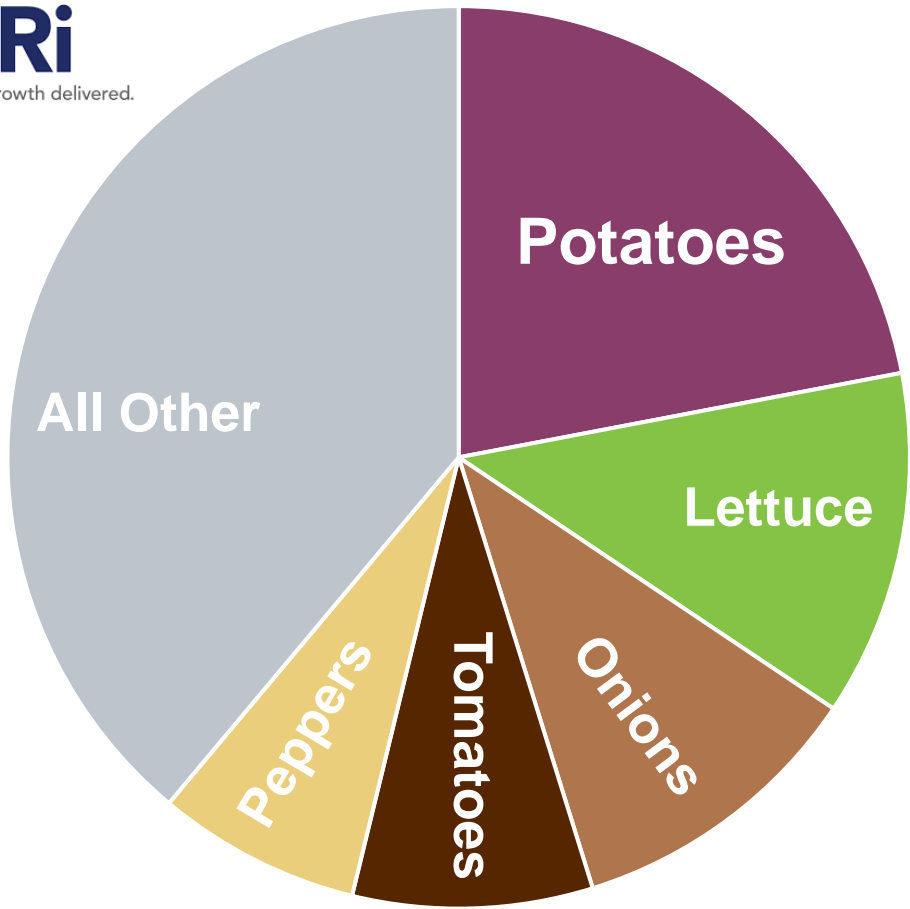
**OF ALL
FOODSERVICE
MENUS**

Source: Datassential Potato Report, August 2020

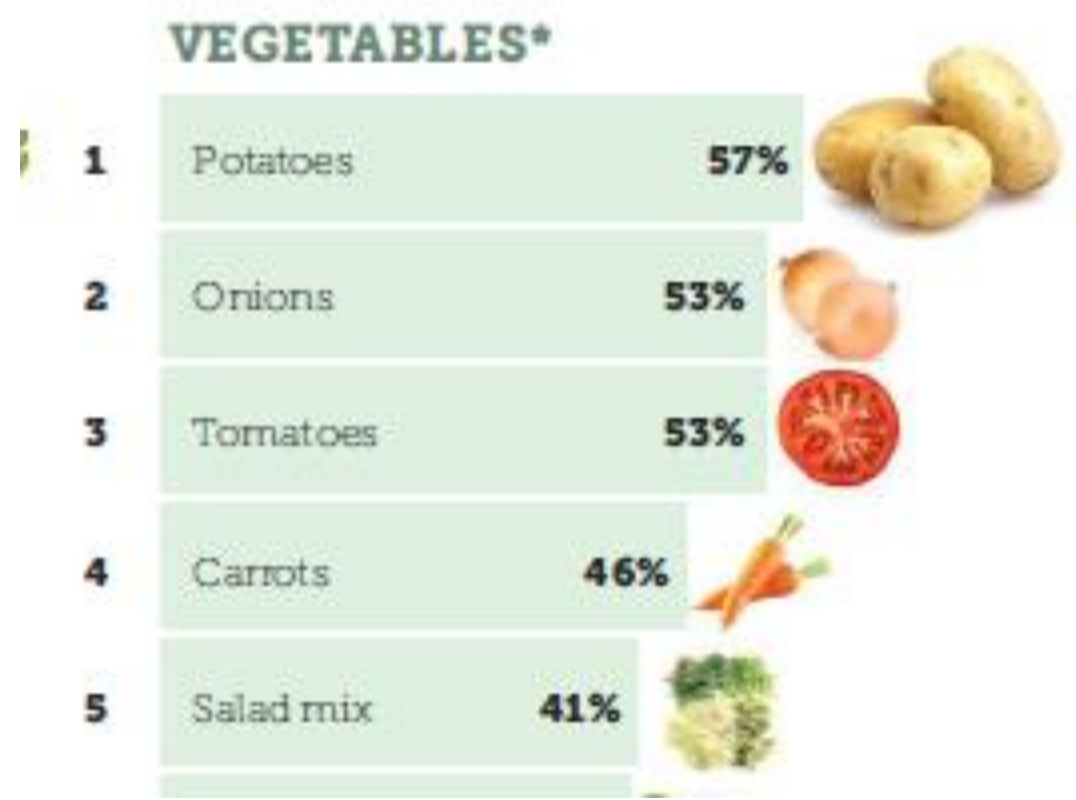




#1 Vegetable at Retail



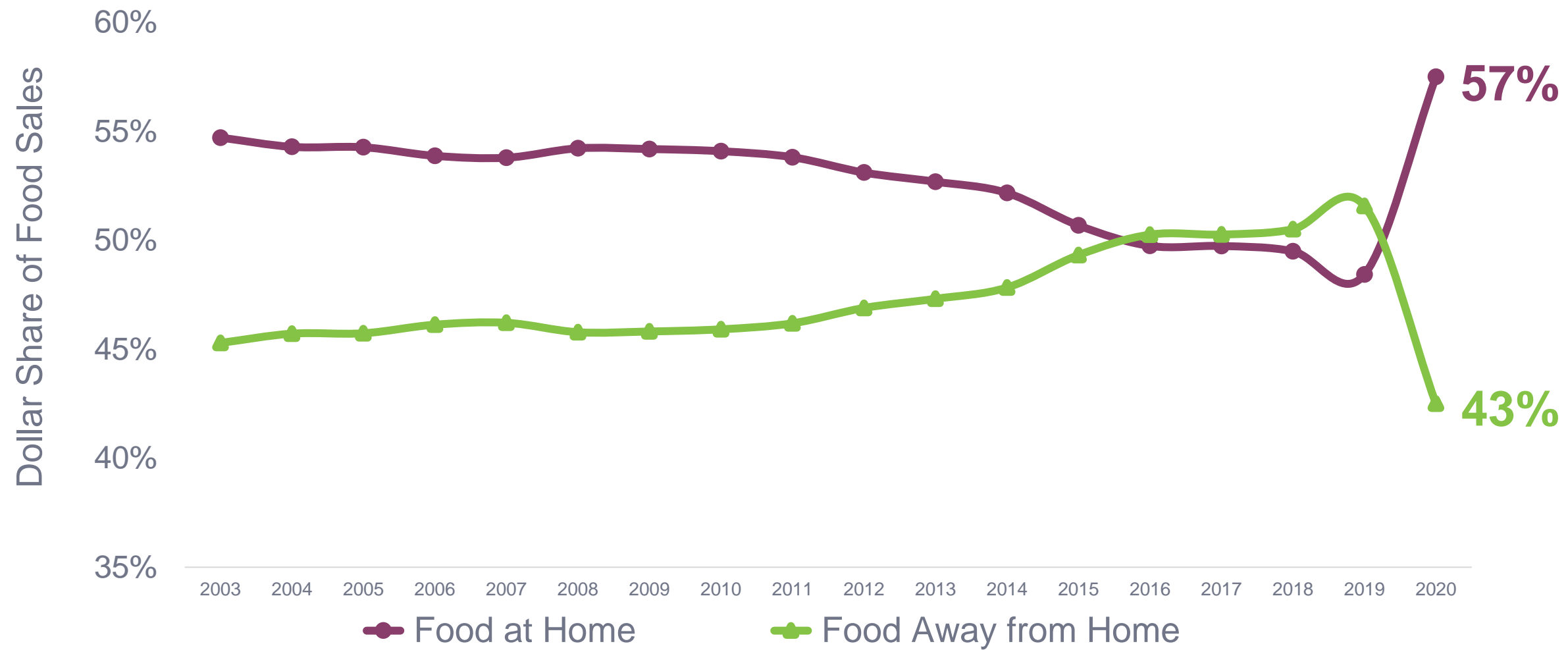
The Packer



Source: IRI/Fresh Look Marketing, vegetables % of pound sales, 52 weeks ending 1/24/2021 The Packer, Fresh Trends 2020



Food Spending Has Shifted



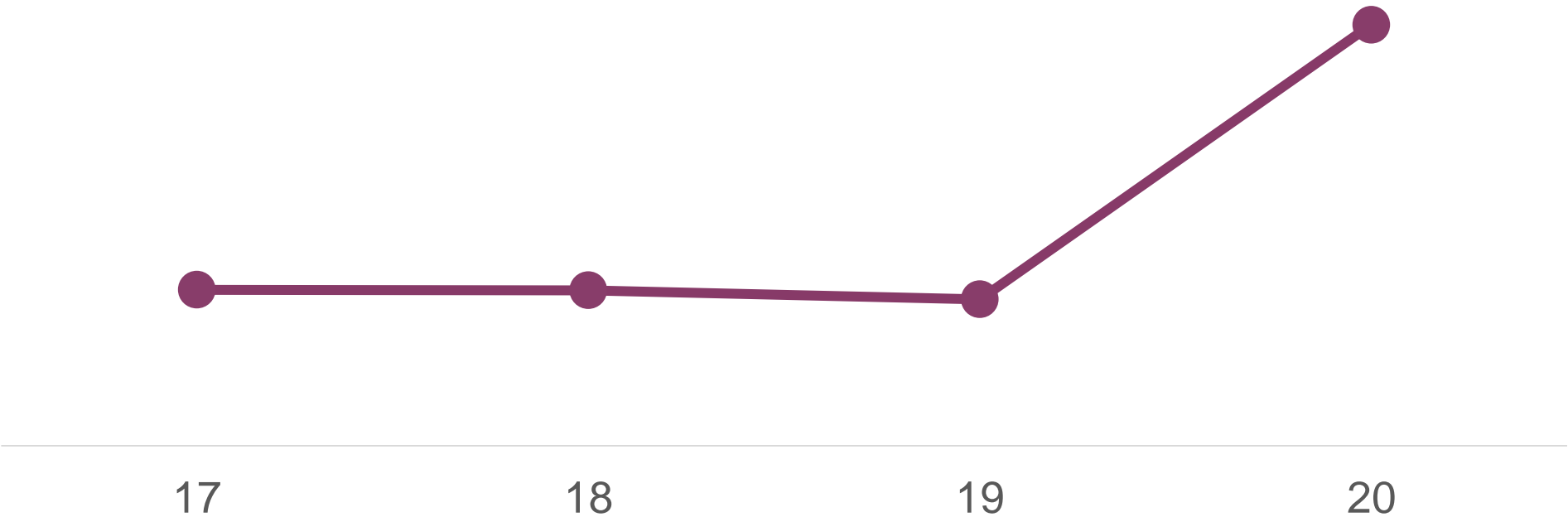
Source: USDA ERS Food Expenditure Series – Food Sales from monthly and annual data in Census Retail Trade – data through December 2020



Retail

Domestic Volume Sales – 4 years

+8.3%



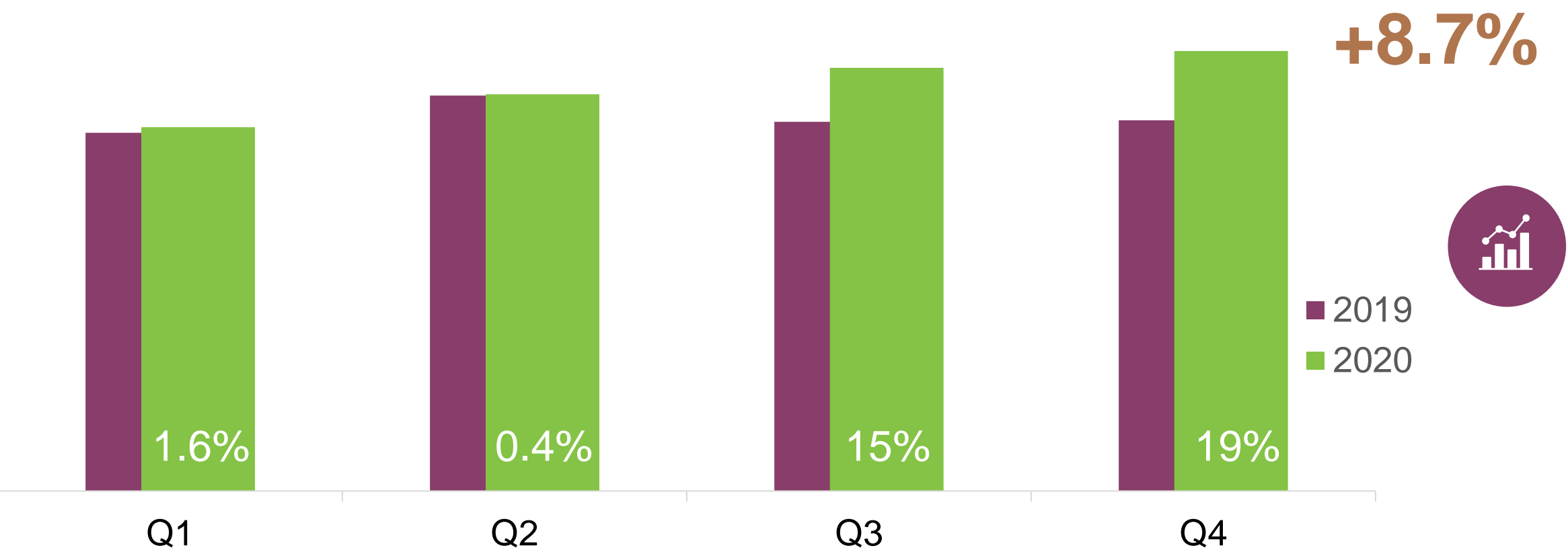
Marketing Year
July-June

Source: IRI, Fresh Weight Equivalent, Marketing Year. Sales & Utilization Report



Retail Sales

Domestic Retail Volume – Marketing Year 20

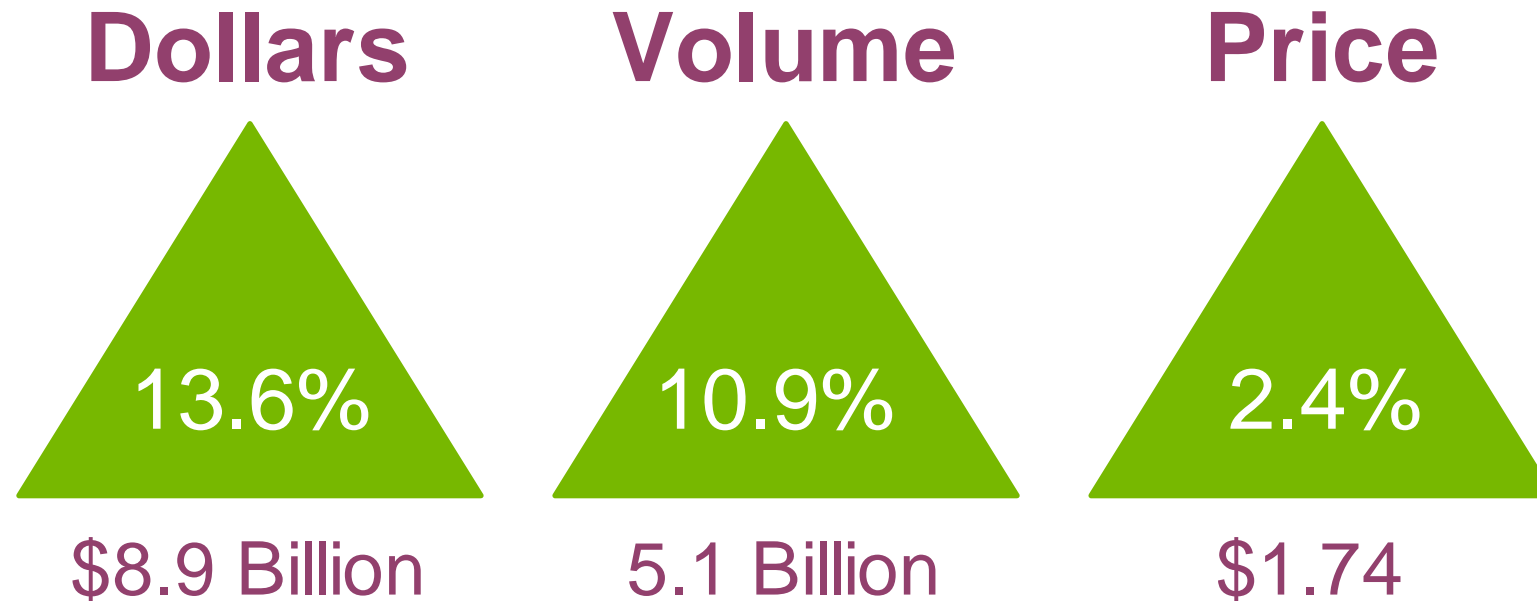


Source: IRI, Fresh Weight Equivalent, January – Sept 6, 2020



Retail Potato Sales

Marketing YTD: July - February
























Source: IRI Unify Retail Sales 6/29/20-2/21/21



Retail Potato Category Sales

Marketing YTD: July - February

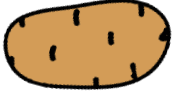
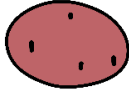






















							
	CHIPS	FRESH	FROZEN	DEHYDRATED	REFRIGERATED	DELI-PREPARED	CANNED
Dollars	 10.1%	 14.8%	 23.2%	 20.3%	 19.8%	 -5.0%	 17.7%
Volume	 4.0%	 10.4%	 19.5%	 18.0%	 12.2%	 -6.8%	 15.5%

Source: IRI Unify Retail Sales 6/29/20-2/21/21



Fresh Potato Sales

Marketing YTD: July - February













								
	RUSSET	RED	YELLOW	WHITE	PETITE	MEDLEY	FINGERLING	PURPLE
Dollars	 12.1%	 11.5%	 26.3%	 4.1%	 23.9%	 36.5%	 23.4%	 4.9%
Volume	 9.0%	 8.8%	 19.9%	 5.5%	 25.9%	 43.1%	 17.6%	 3.6%

Source: IRI Unify Retail Sales 6/29/20-2/21/21



Fresh Potato Pack Size Sales

Marketing YTD: July - February

	1-4 lb	5 lb	8 lb	10 lb	>10 lb	All Other
Dollars	 23.3%	 13.7%	 14.5%	 17.5%	 7.3%	 9.9%
Volume	 18.8%	 7.8%	 10.8%	 13.4%	 4.8%	 11.1%

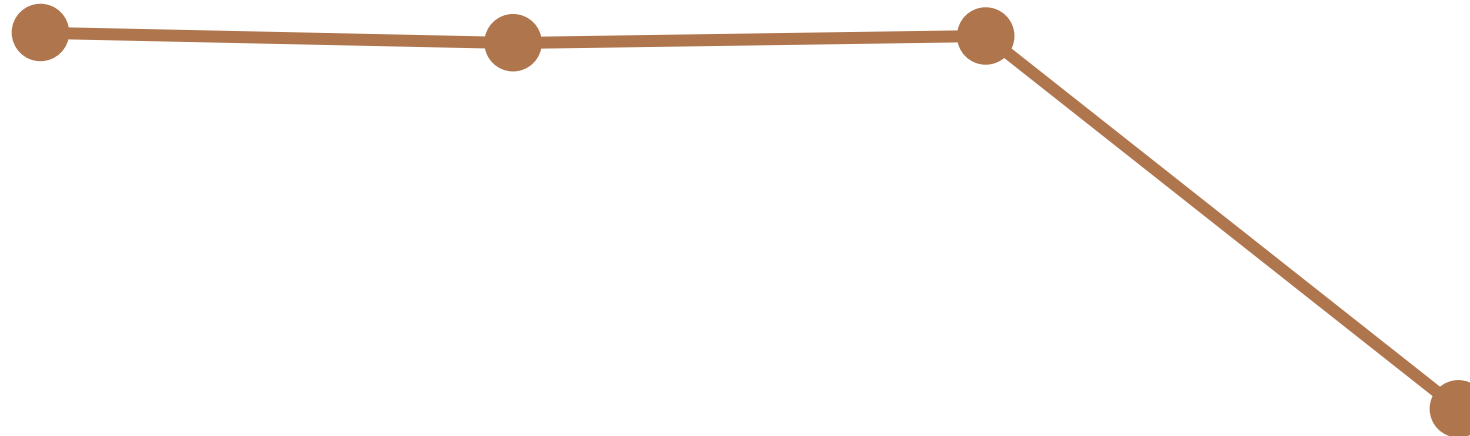
Source: IRI Unify Retail Sales 6/29/20-2/21/21



Foodservice

Domestic Volume Sales – 4 years

-12.7%



Marketing Year
July-June

Source: Technomics, Volume Study, Calendar Year. Sales & Utilization Report

Impact of Pandemic

87,500 Restaurants
Closed

12% of the National Total

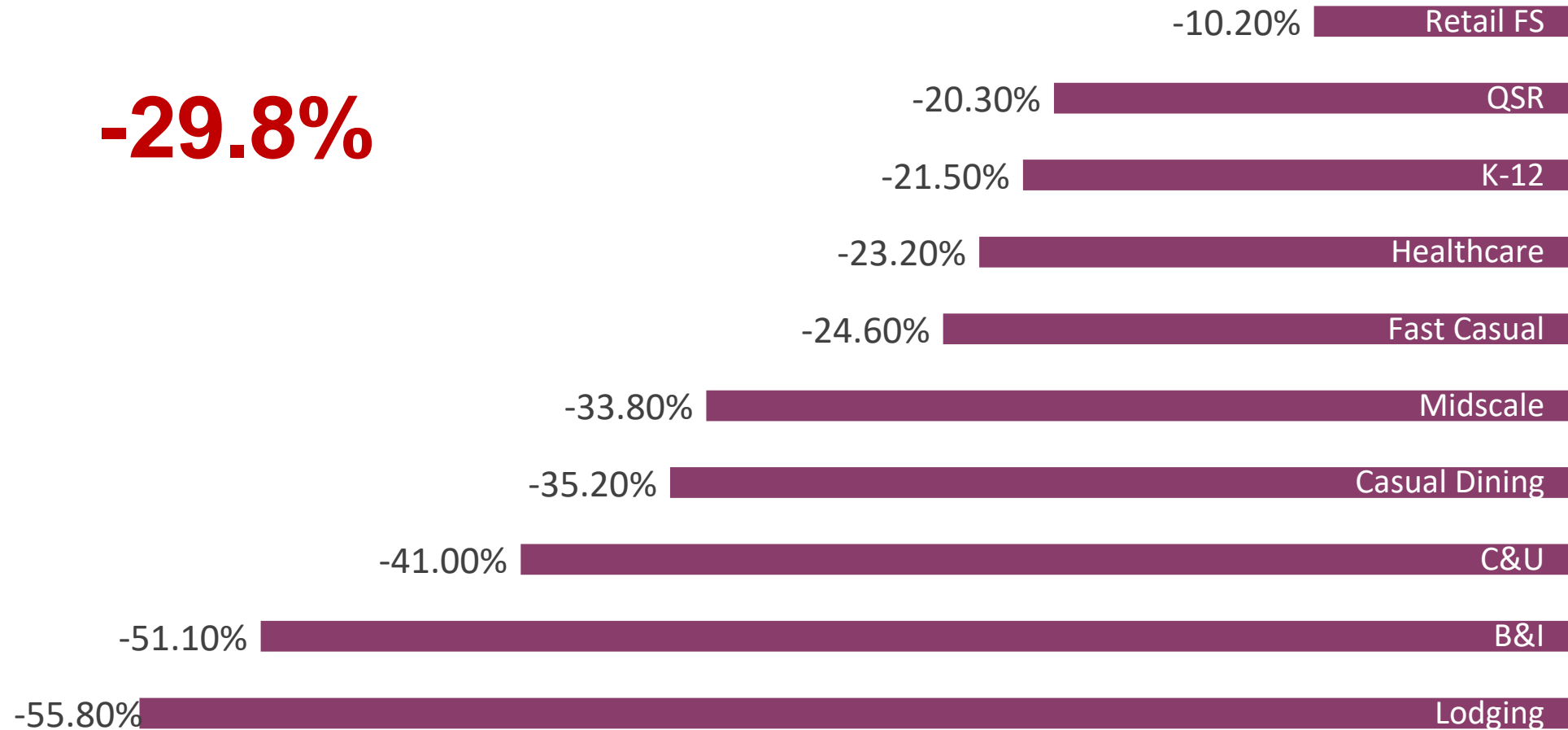
Source: Datassential, December 28, 2020



2020 Foodservice Performance



-29.8%



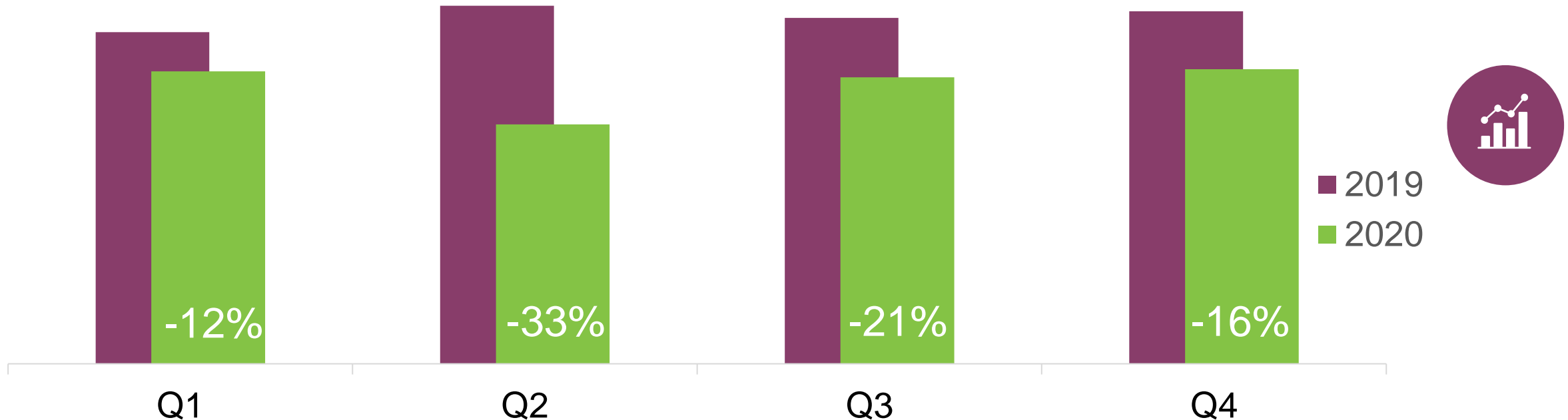
Source: IFMI Scope 2020: Operator Spending



Frozen Sales

Domestic Frozen Volume – 2020

-19.8%

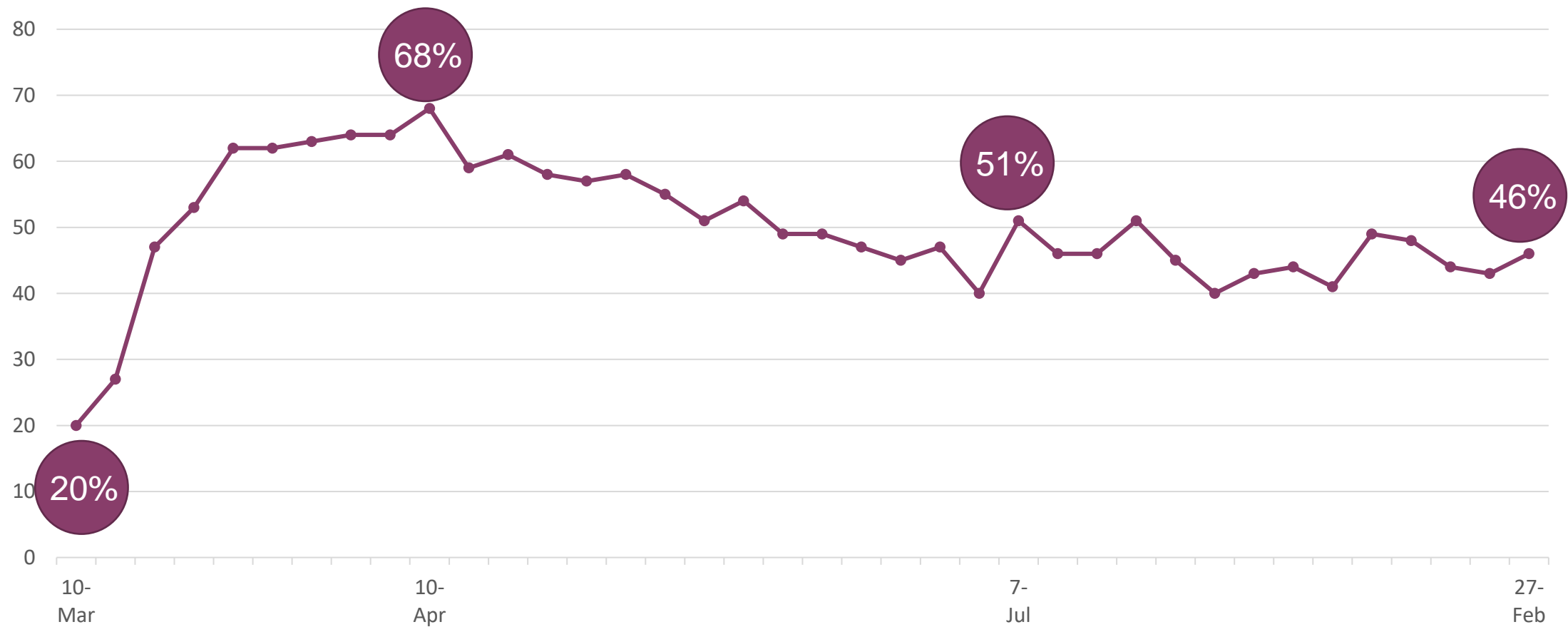


Source: Technomics Volumetric Study, 2019 compared to 2020



Consumer Foodservice Confidence

“Definitely avoid” eating out



Source: Datassential



Where are we going from here?

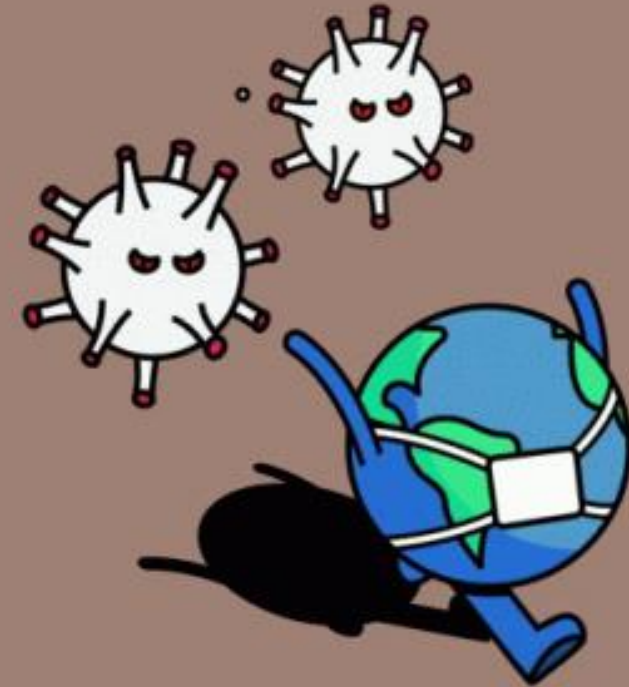
A look forward at the market situation



Changes in Consumer Behavior

Where are we one year on?

- Life has been at home and online
- Increased awareness and scrutiny of food
- Overcoming COVID-19





Life at home

So, what do you do with your family for 365 days?

- Lots of home cooking
- Lots of take out
- Lots of online shopping, including groceries
- New hobbies, but also lots of screen time
- Go camping, boating, back-country skiing...
- Anything for a few minutes of me time

**75% of Americans
report trying a new
shopping behavior
during the pandemic.**

McKinsey



No longer taking food for granted

Should I eat this?

- Immunity boosting
- Other health benefits
- Does it fit in this diet plan?
- Impact on me and the planet
- What are the “experts” saying?





The end is in sight

But when will it truly be here?

- Economic recovery
- Serious economic damage
- Return to public activities
- Increased travel
- Return to schools and offices
- Foodservice returns!



Consumer Revenge Spending -



Lasting Changes

How will things be different, the same?

- Economic disparity
- Take out and delivery here to stay
- Online shopping to grow
- More home cooking
- Food scrutiny to intensify
- Stress and uncertainty are not going away





Economic disparity grows

How do I pay rent? What else can I fix up?







More E-Commerce

Different Platforms and Approaches



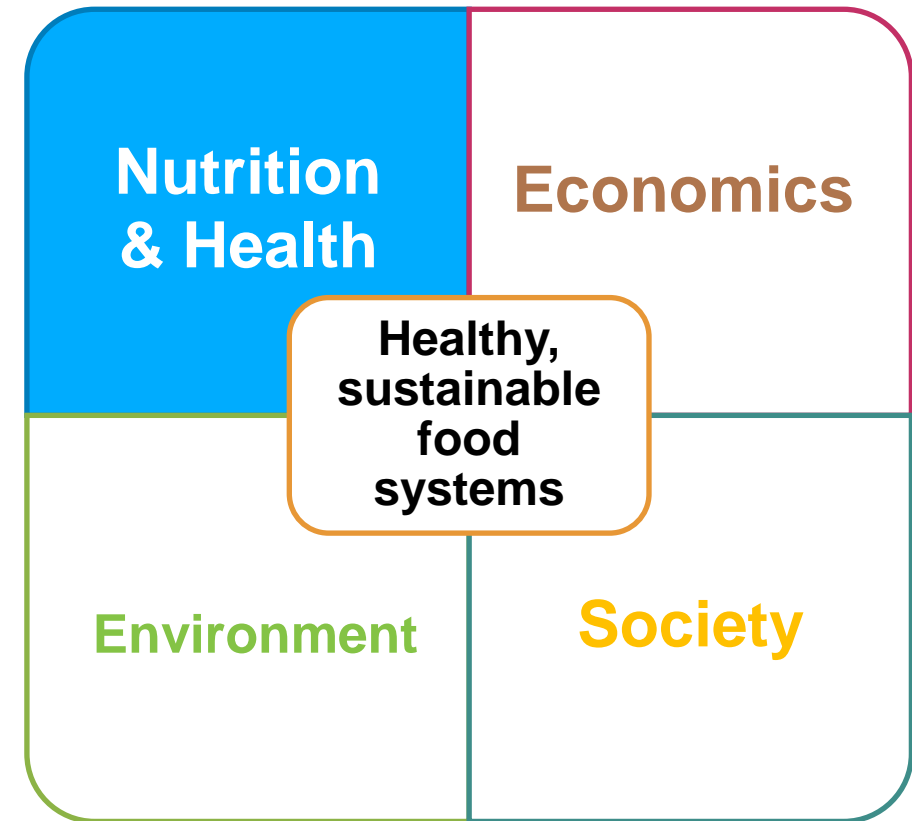
Cooking at Home

“We kind of liked it and it wasn’t half bad”



Food Scrutiny

Still can't figure out what to eat



International Food Information Council. 2020 Food & Health Survey. 10 June 2020.

Balanced Wellbeing

Can it be achieved?

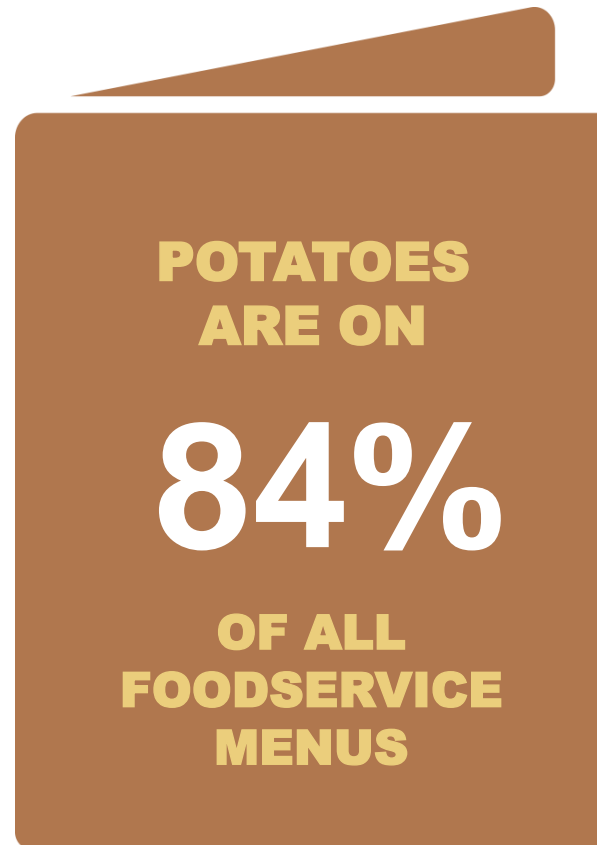
86%

of people think taking
time alone to
disconnect is a vital
part of self-care.

Source: OnePoll on behalf of iHerb



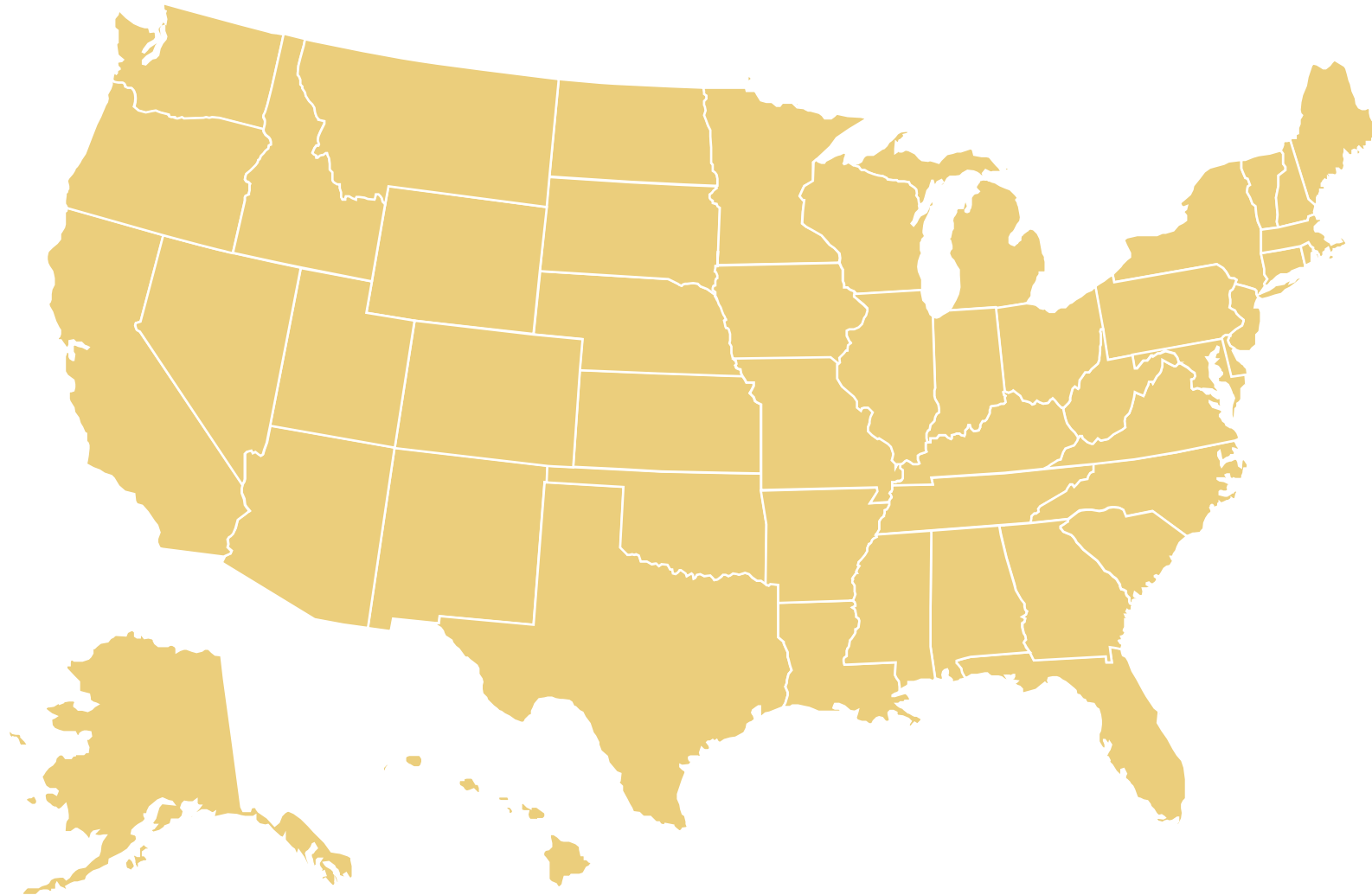
America Loves Potatoes





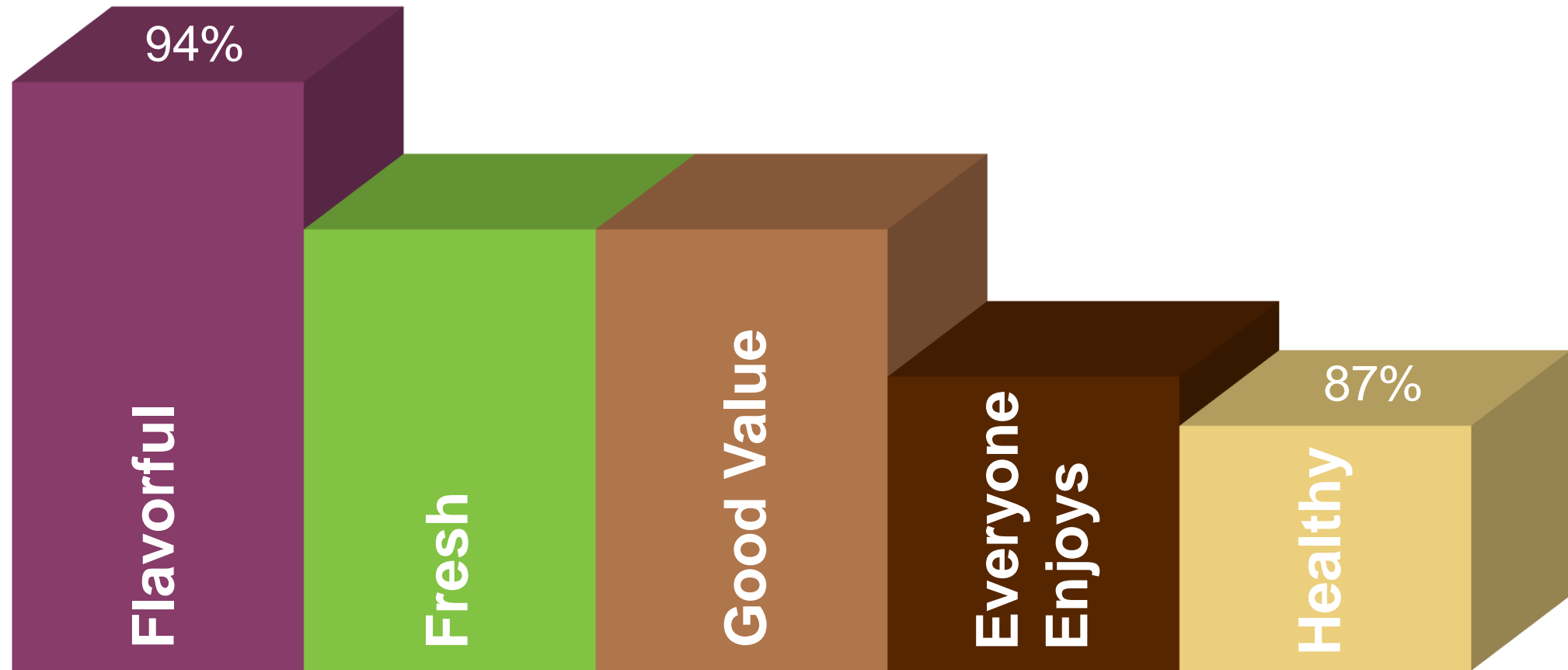
Attitudes & Usage Research

Kim Breshears



United States[®]
Census
Bureau

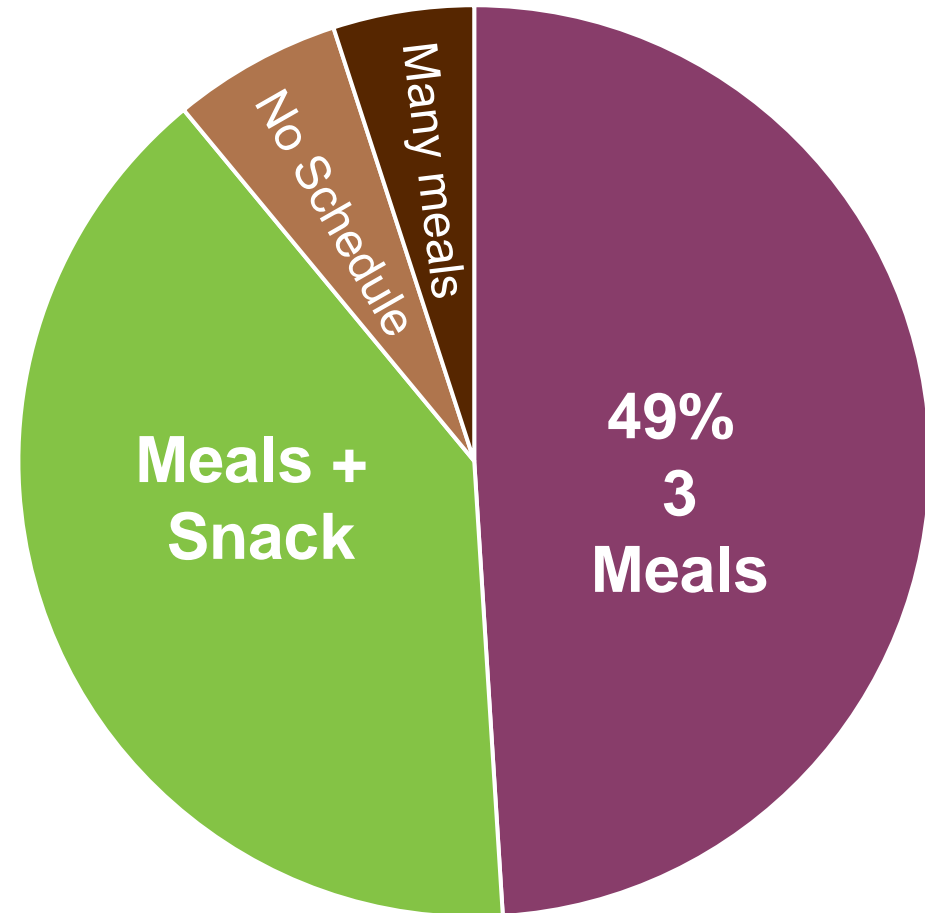
Attitudes About Food



Source: 2021 Consumer Attitudes & Usage

Thinking about what's most important to you when choosing food in general, how important are the following to you?

Daily Eating Habits



Source: 2021 Consumer Attitudes & Usage

Which of the following best describes your eating habits throughout the day in terms of meals, snacks, etc.?

U.S. Diets



44%

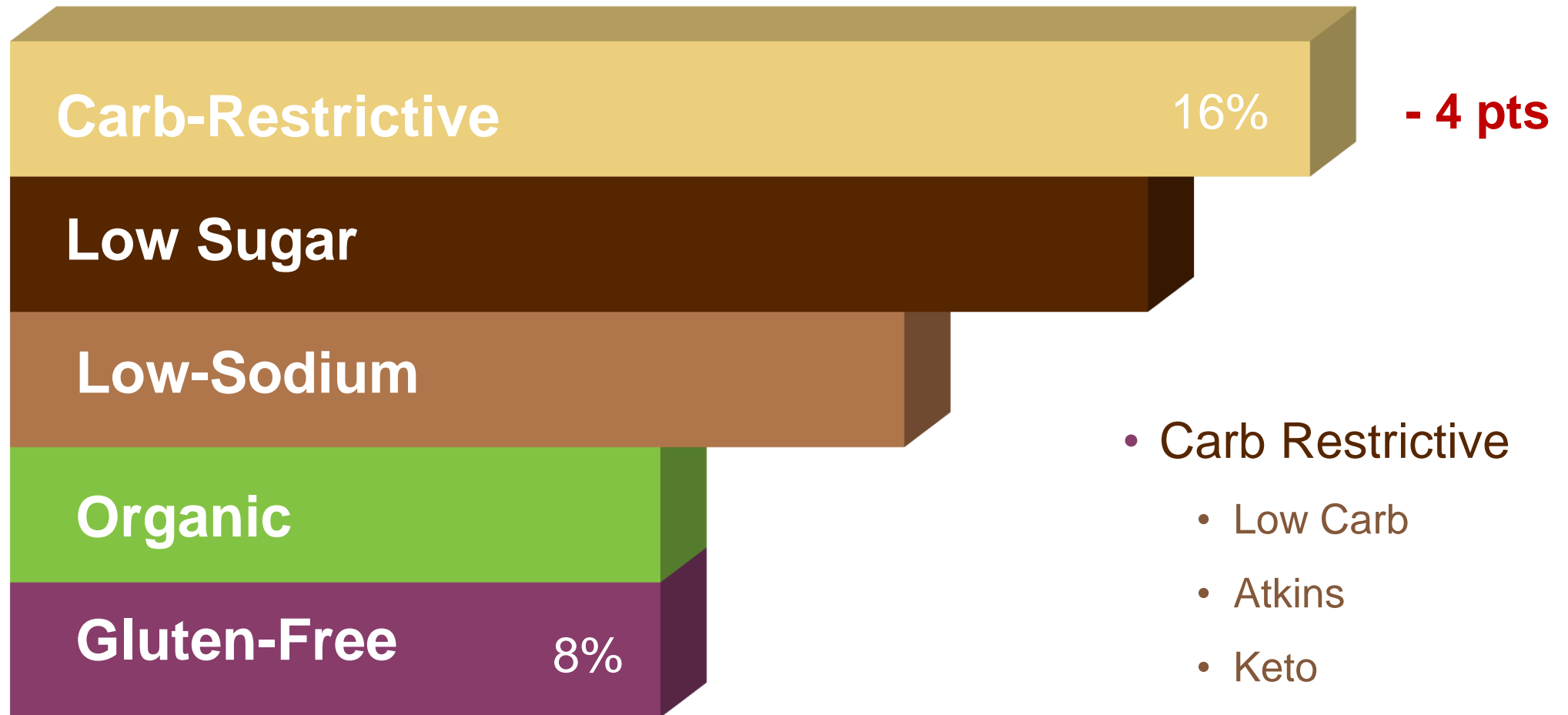


**Claim they follow a
specific dietary guideline**

Source: 2021 Consumer Attitudes & Usage

Do you or anyone in your household follow any of the dietary plans listed?.

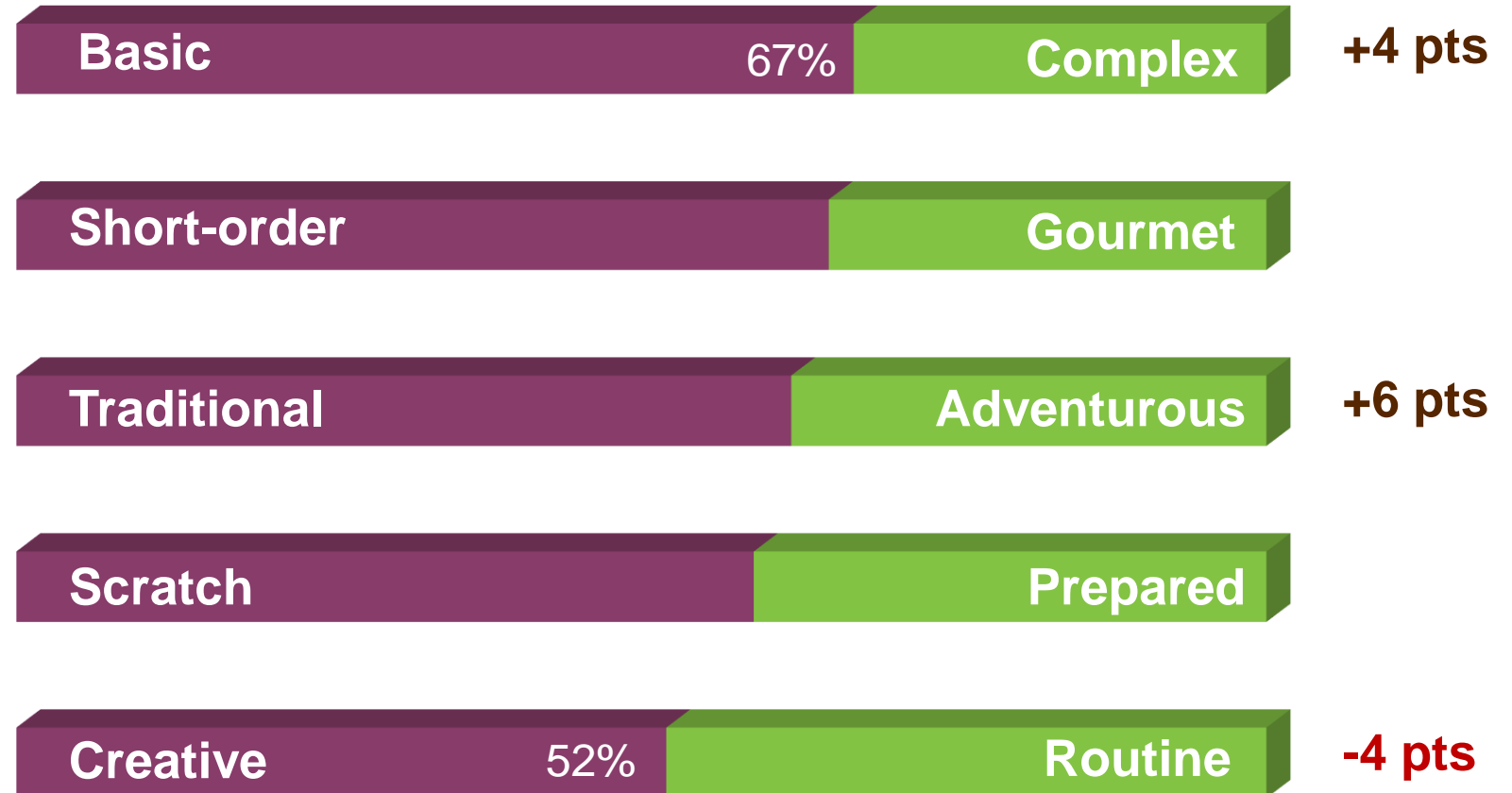
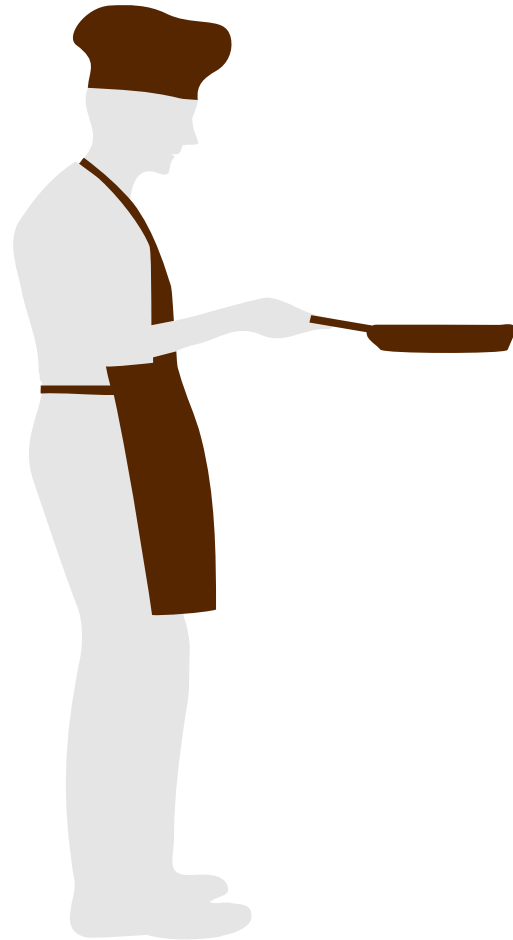
U.S. Diets



Source: 2021 Consumer Attitudes & Usage

Do you or anyone in your household follow any of the dietary plans listed? Please check all that apply.

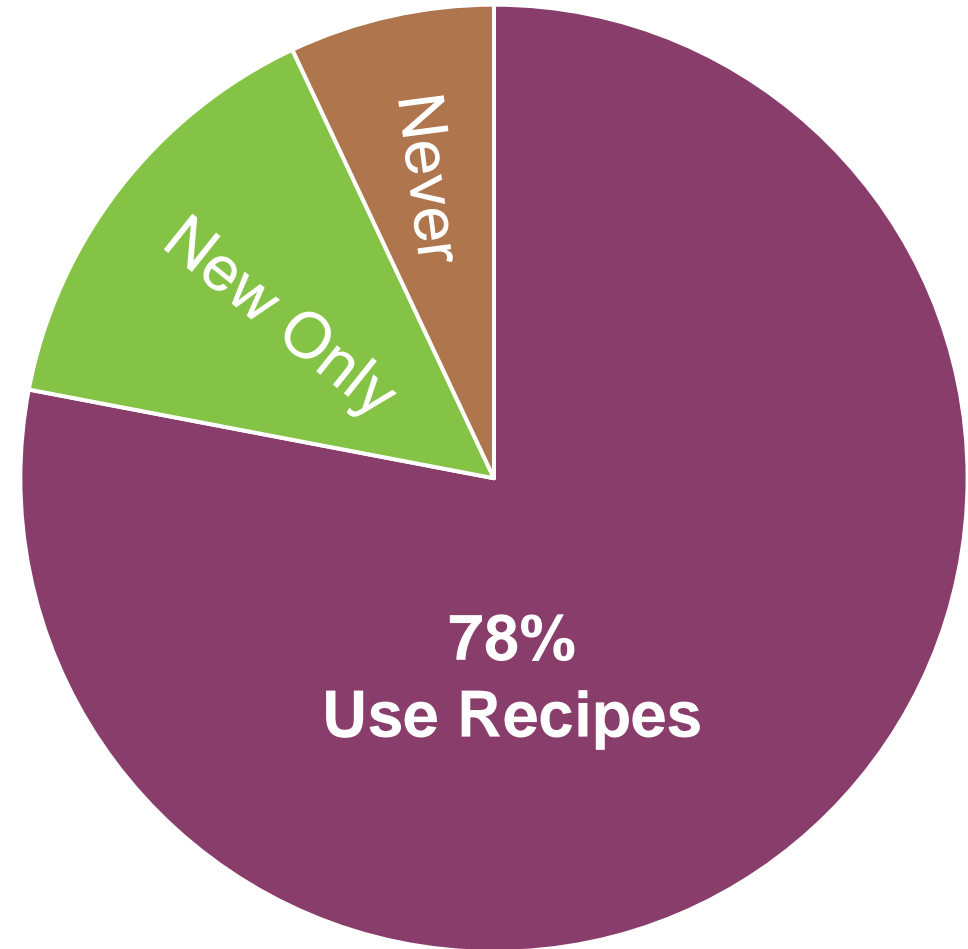
Views on Cooking



Source: 2021 Consumer Attitudes & Usage

Please read the following pairs of statements and select the one that best describes your view of cooking.

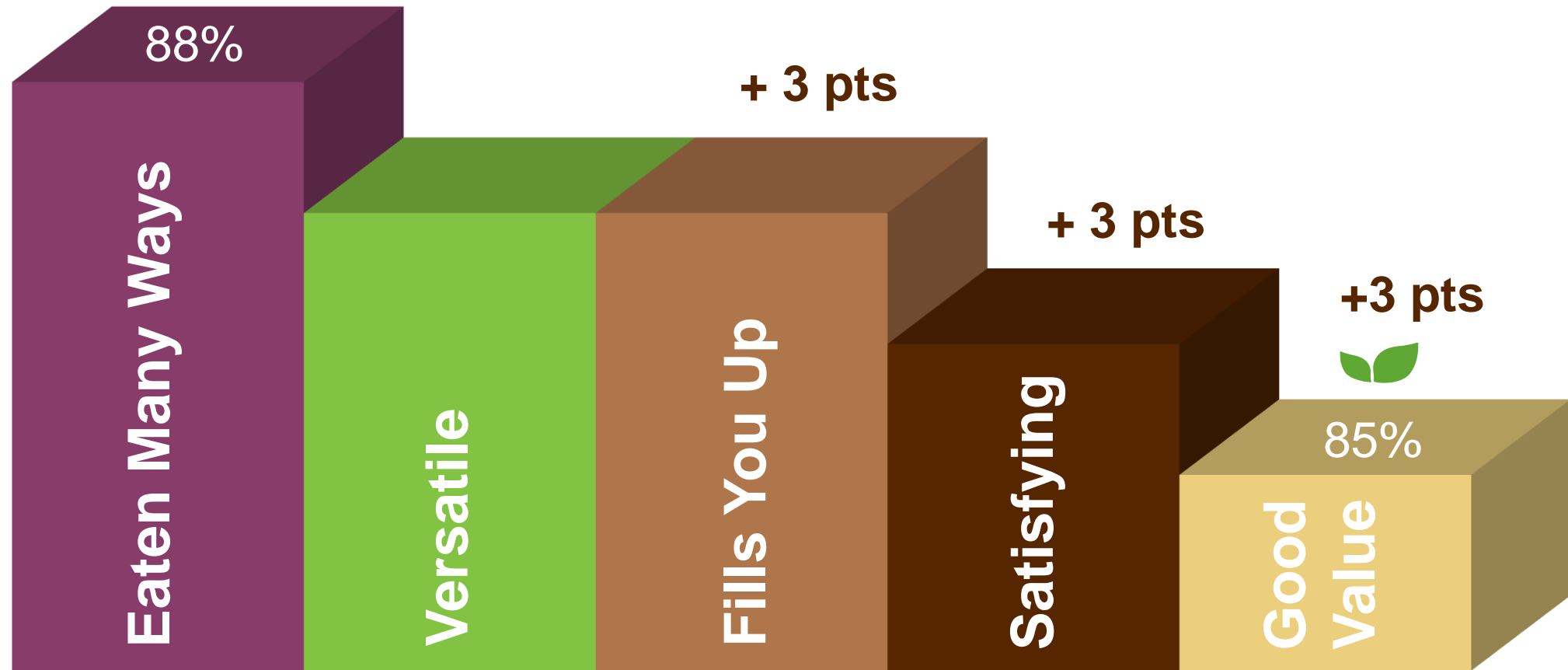
Recipe Usage



Source: 2021 Consumer Attitudes & Usage

When you make or cook a meals in your household, what is your preference for recipes for those meals?

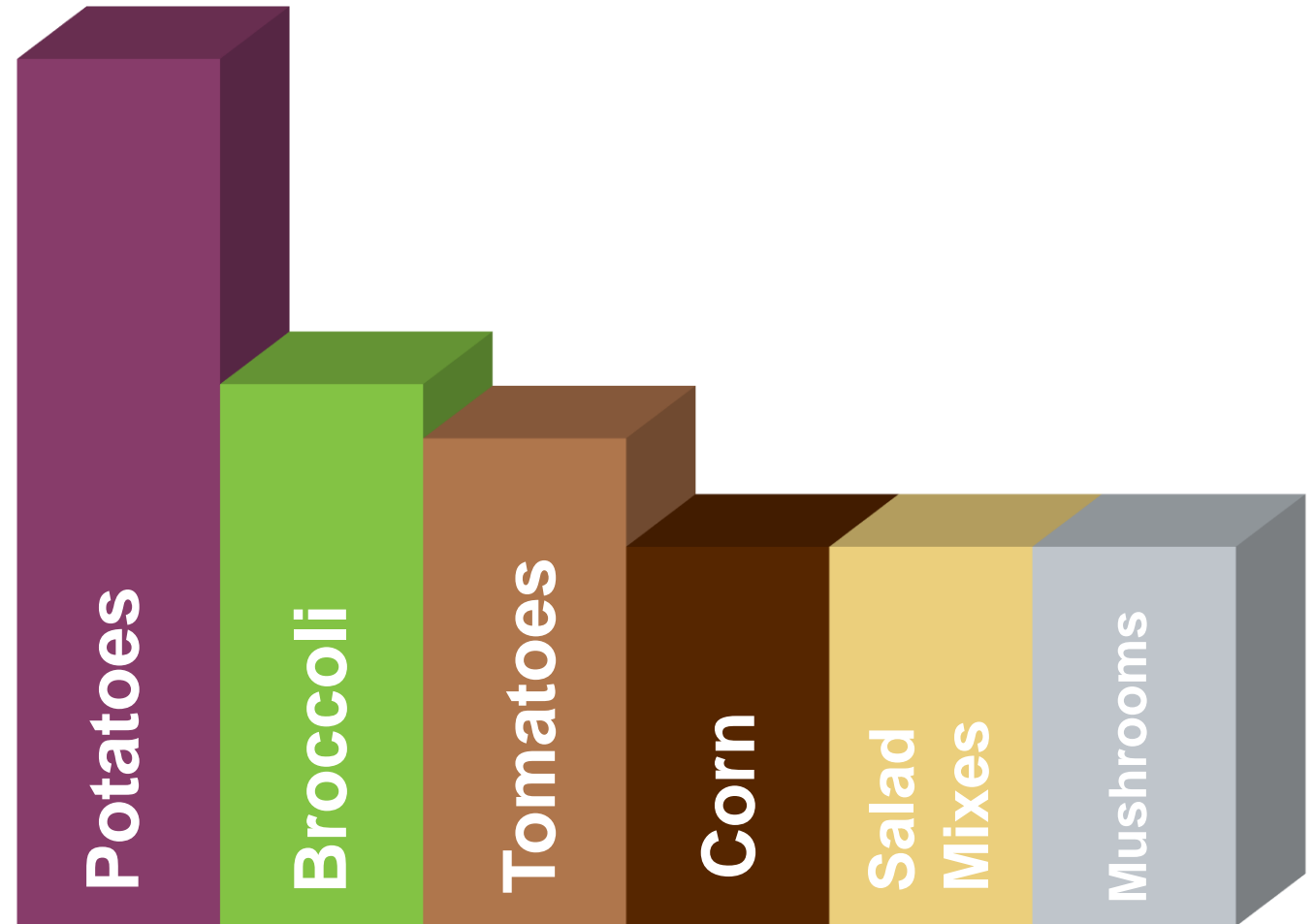
Attributes of Potatoes



Source: 2021 Consumer Attitudes & Usage

How would you rate potatoes in terms of how well they deliver against the following attributes?

America's Favorite Vegetable

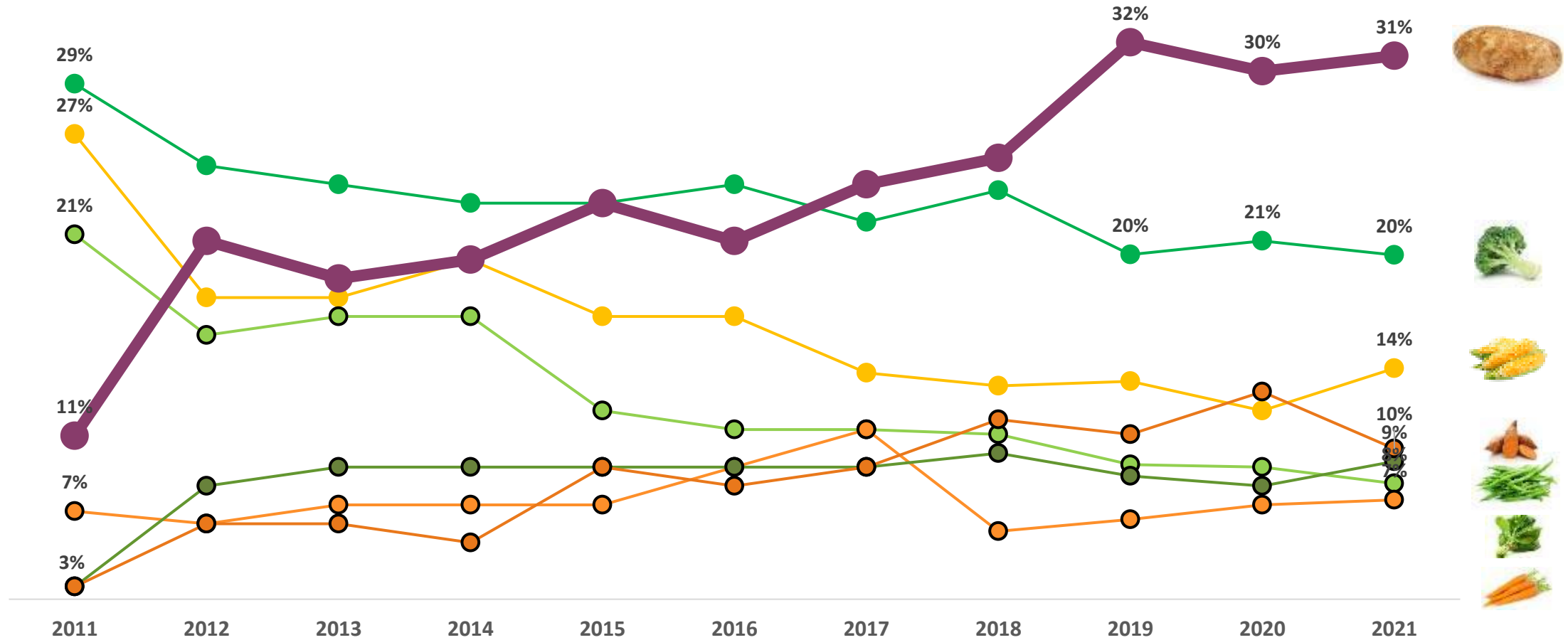


Source: 2021 Consumer Attitudes & Usage

Please consider the list of specific vegetables and indicate which one is your favorite.



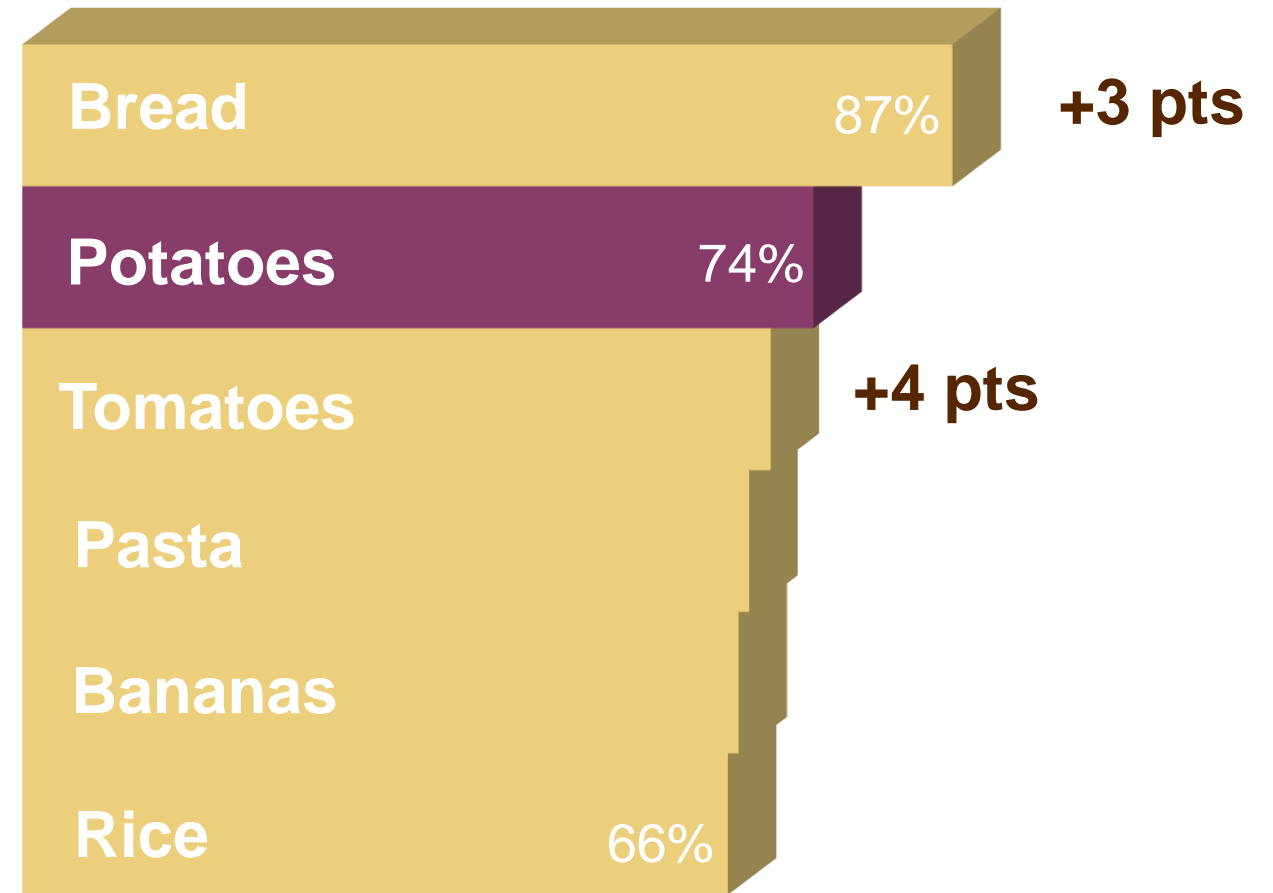
Favorite Vegetable Over Time



Source: 2021 Consumer Attitudes & Usage, Favorite Vegetable (legacy set)

Please consider the list of specific vegetables and indicate which one is your favorite (wording and options vary over the years). Results flattened.

Weekly Consumption

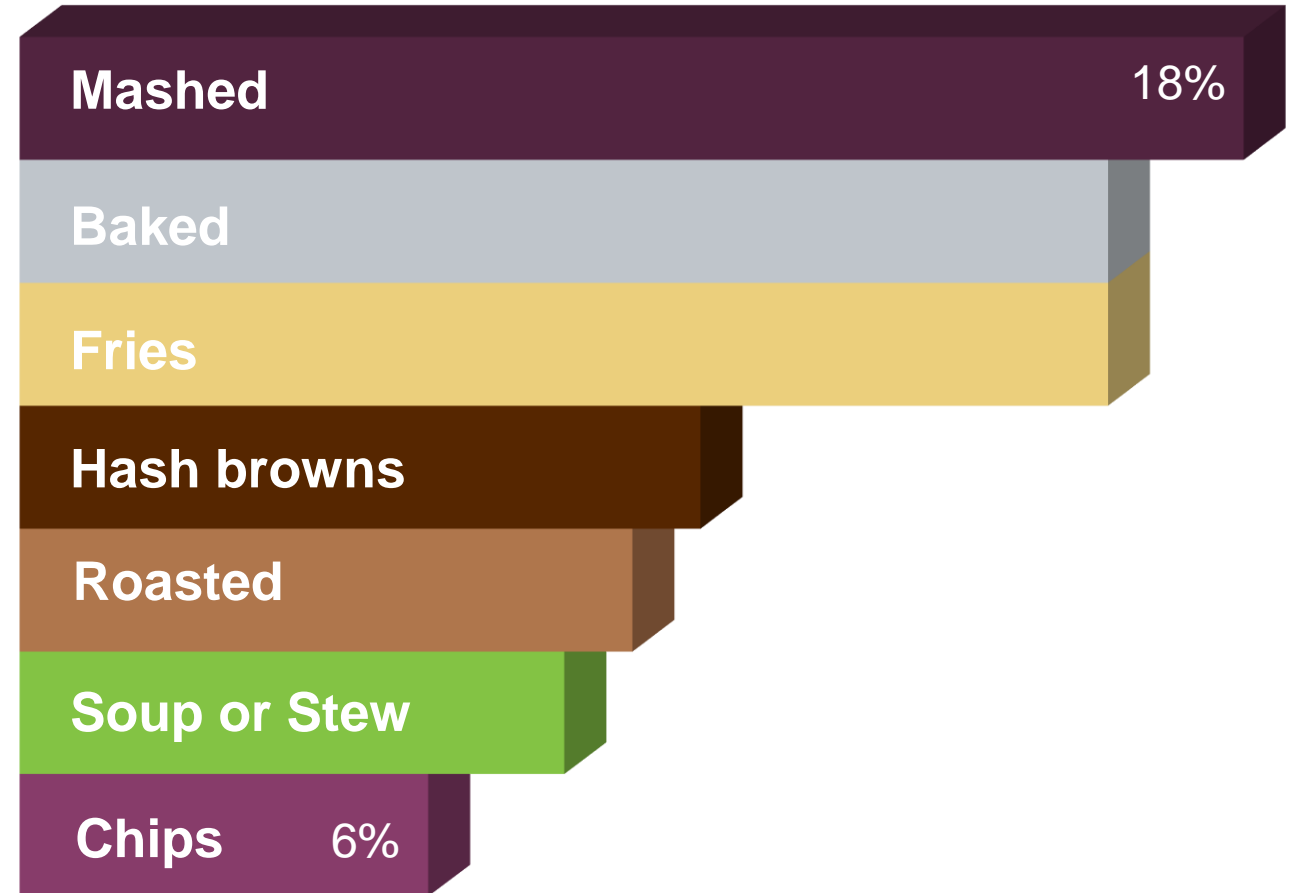
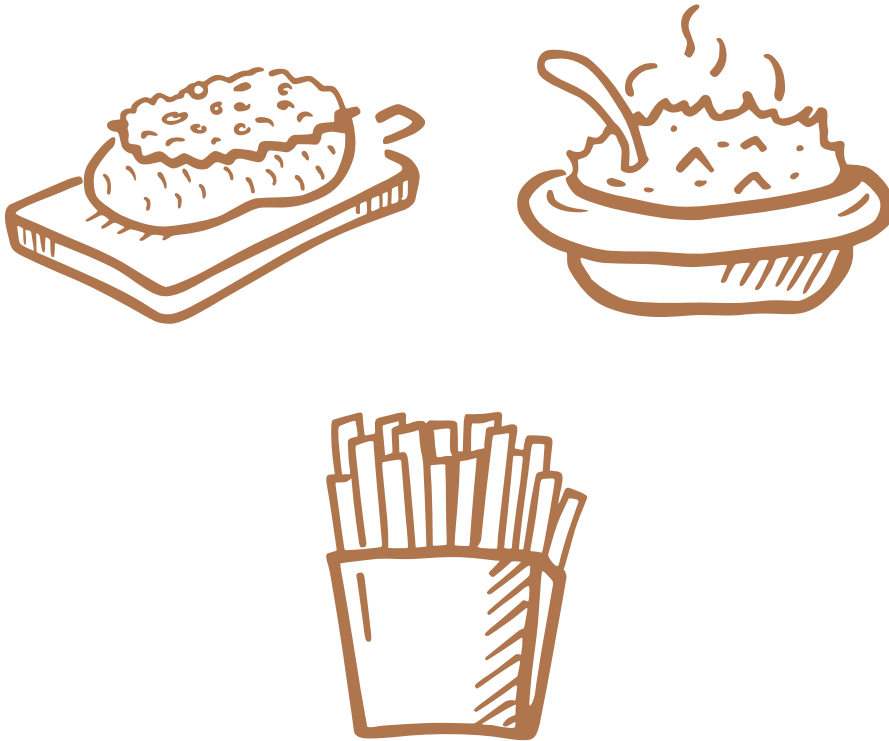


Source: 2021 Consumer Attitudes & Usage

In an average week, how often do you eat the following foods?



Potato Styles Eaten Most Recently

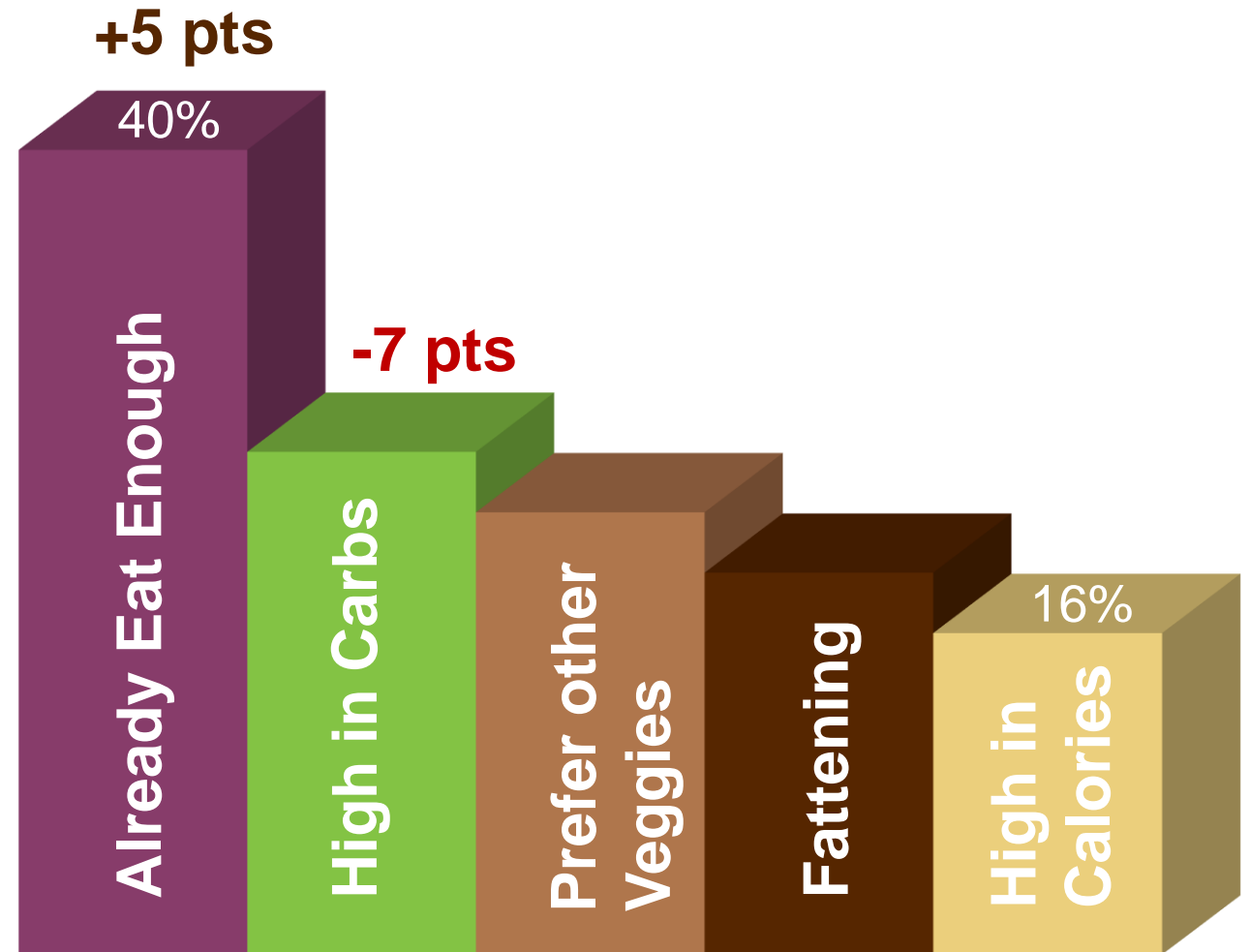
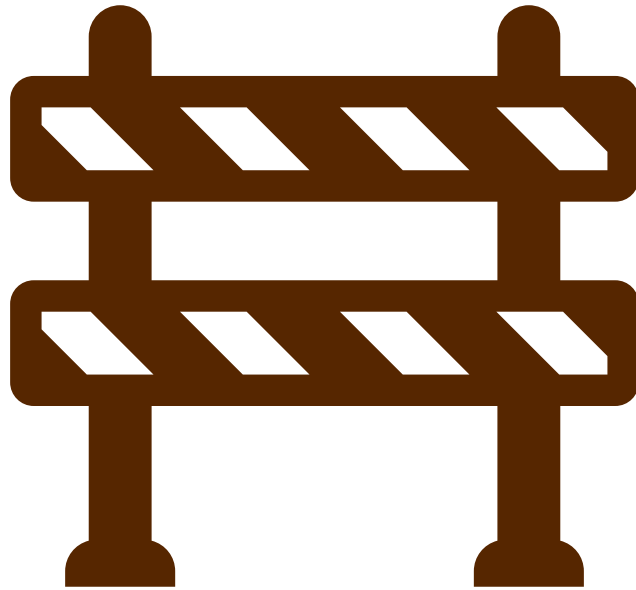


Source: 2021 Consumer Attitudes & Usage

Which of the following best describes the form or style of the potatoes that you had as part of your meal yesterday?



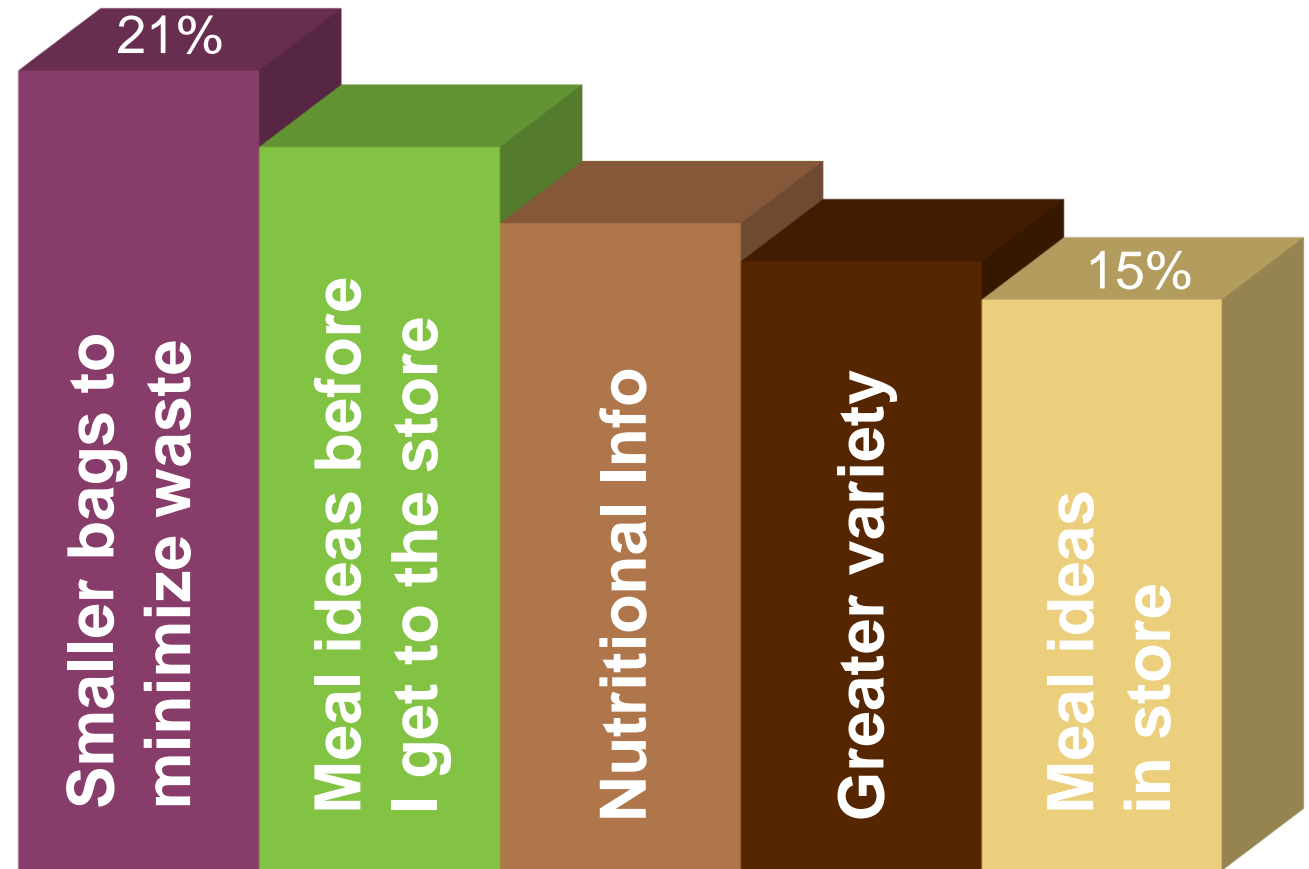
Barriers to More Frequent Usage



Source: 2021 Consumer Attitudes & Usage

Which of the following, if any, are reasons you don't eat potatoes more frequently?

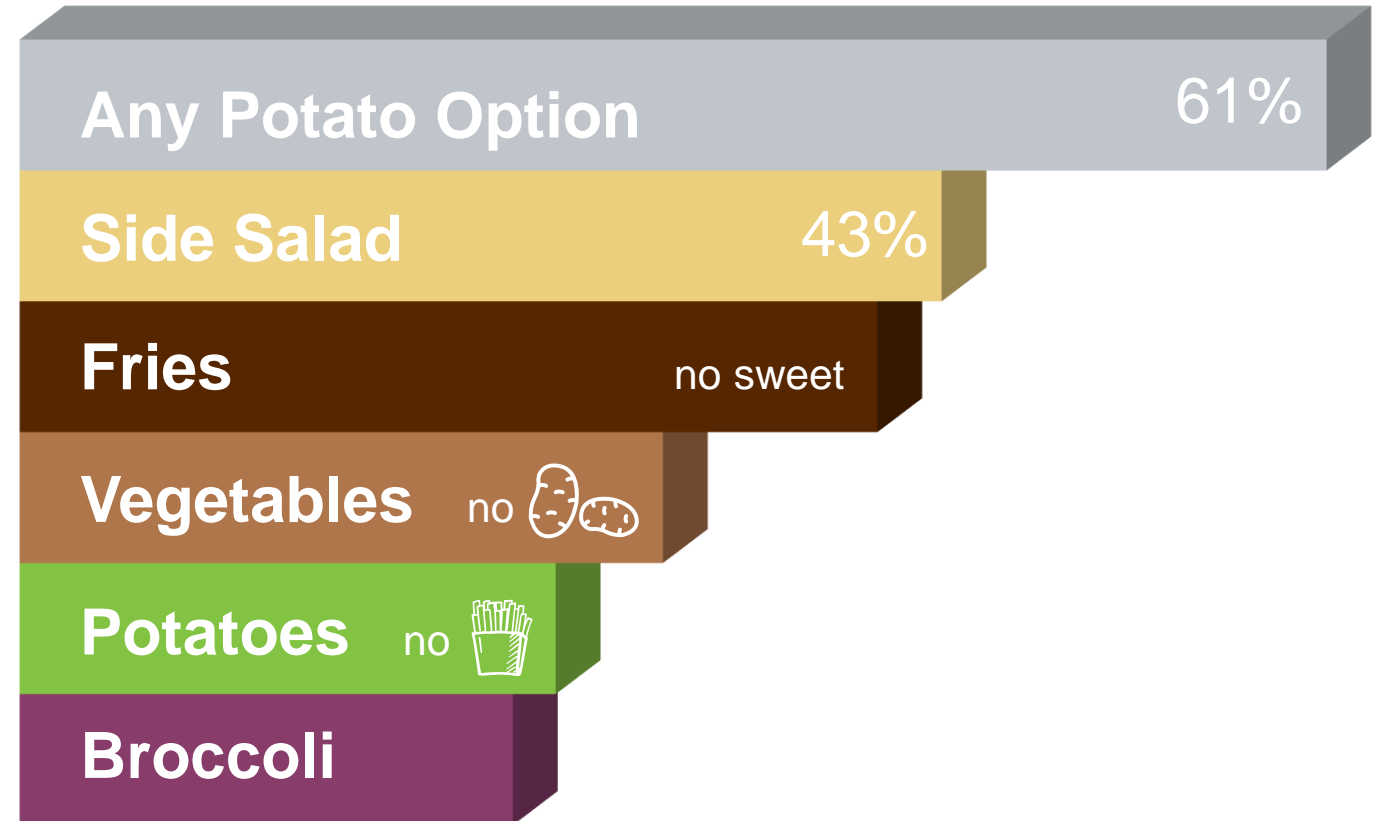
Motivations to Purchase More



Source: 2021 Consumer Attitudes & Usage

Which of the following would be most likely to motivate you to buy more potatoes?

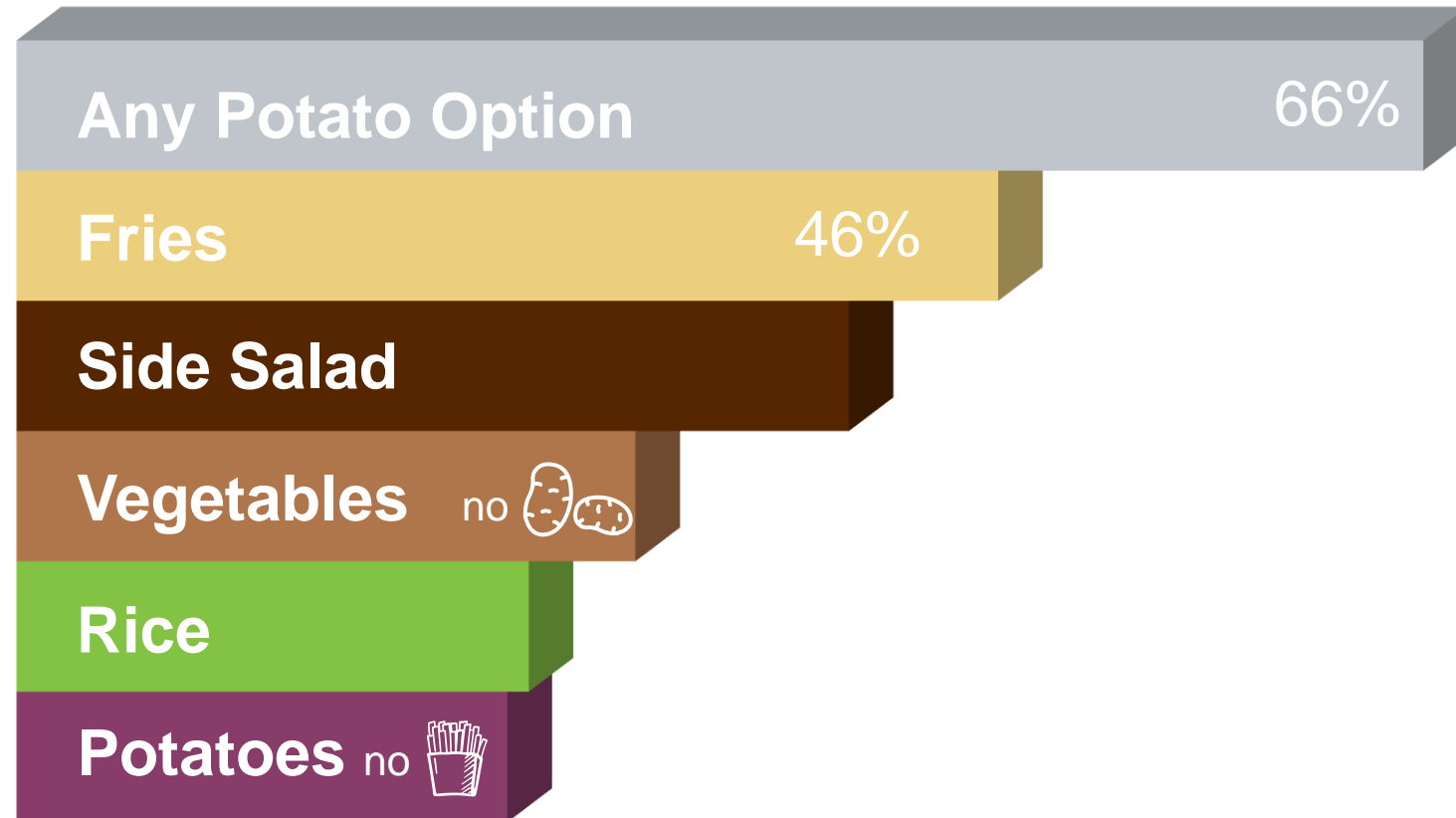
America's Favorite Side Dish



Source: 2021 Consumer Attitudes & Usage – Top 3 favorite sides

When you think about side dishes you order at a restaurant (dine-in), please rank your top 3 from the following list.

America's Favorite Takeout Dish



Source: 2021 Consumer Attitudes & Usage – top 3 favorite takeout

When you think about side dishes you order at a restaurant (Takeout), please rank your top 3 from the following list.



How would you rate potatoes in terms of how well they deliver against the following attributes?



Potato Attribute Changes



- Allow you to feel good about what you are eating +7 pts
- Fresh +6 pts
- Convenient & easy to use +6 pts
- Are an energy-packed vegetable + 6 pts
- Good for athletic performance +6 pts
- Help fuel me for my everyday activities +5 pts
- Providing sustained energy +5 pts

Source: 2021 Consumer Attitudes & Usage

How would you rate potatoes in terms of how well they deliver against the following attributes?



Potato Attribute Changes



- Something I usually have on hand +4 pts
- A good source of potassium + 4 pts
- Healthy for you +4 pts
- Gluten-free +4 pts
- Contains protein +4 pts
- Being used and approved by athletes +4 pts

Source: 2021 Consumer Attitudes & Usage

How would you rate potatoes in terms of how well they deliver against the following attributes?



Potato Attribute Changes



- Fills you up +3 pts
- Satisfying +3 pts
- A good value +3 pts
- Good for recovery +3 pts

Source: 2021 Consumer Attitudes & Usage

How would you rate potatoes in terms of how well they deliver against the following attributes?



American's Love Potatoes



Program Discussion

Marketing Team



———— **MORE PEOPLE** ————
EATING MORE POTATOES
———— **IN MORE WAYS** ————



CONSUMER



NUTRITION



RETAIL



FOODSERVICE

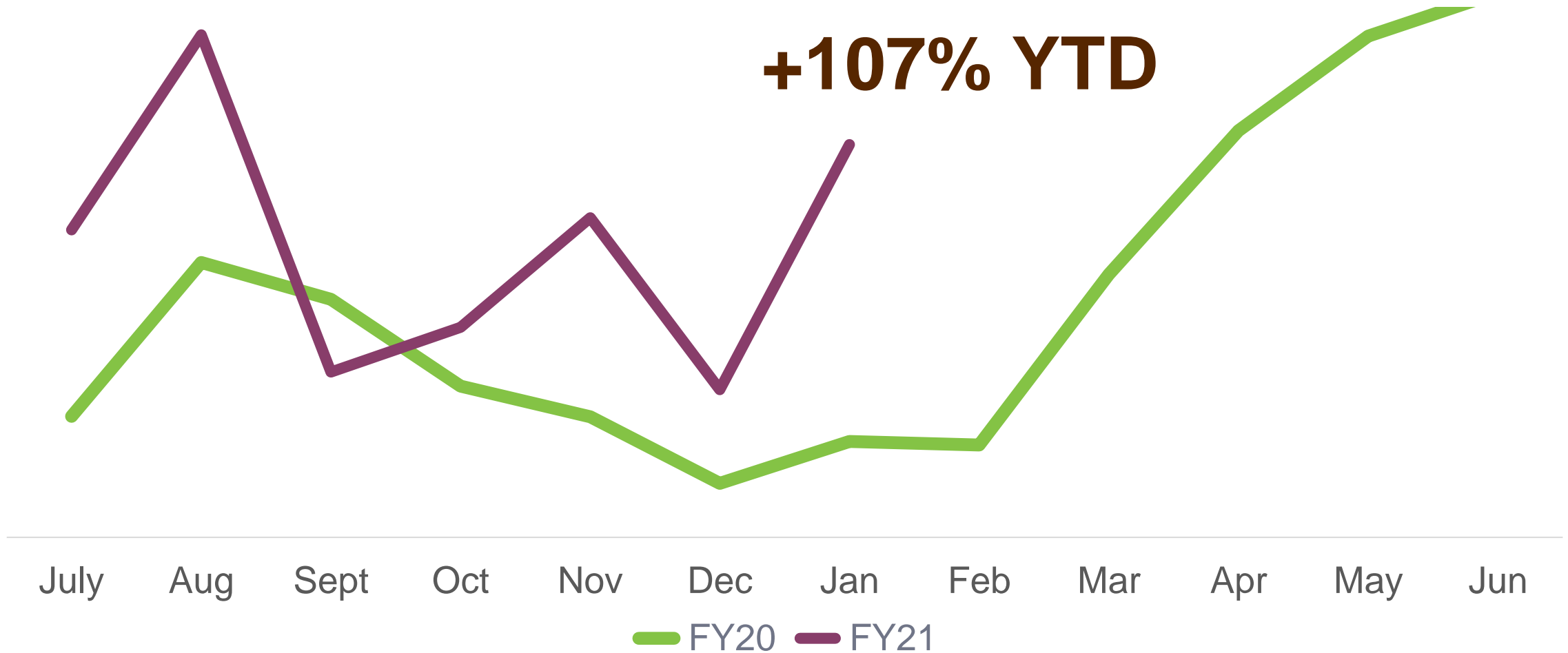


RESEARCH

PotatoGoodness.com Traffic

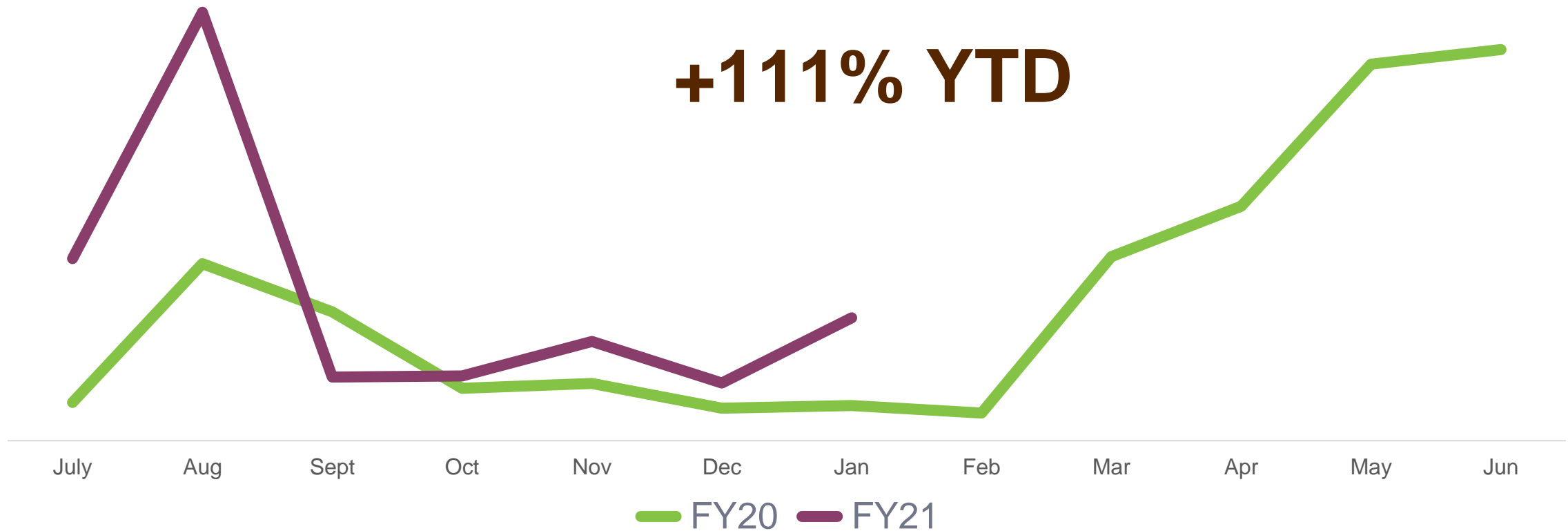


+107% YTD



PotatoGoodness.com

Recipe Searches





Consumer & Nutrition Marketing



Who do we focus on?

Target Audience

**Generation
Tater**

Team Potato

**Nutrition
Professionals
& Media**

**U.S. Potato
Industry**

What do we talk about?

Messaging Mix

**How To
Recipes**

**Recipe
Inspiration**

**Nutrition
Benefit:
Performance**

Nutrition 101

**Community
Engagement:
Team Potato**

**Athletic
Inspiration**



How do we deliver our message?

Media Mix – Consumer & Nutrition

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Weekly Email												
Facebook												
Instagram												
YouTube												
Organic Social												
Team Potato Events												
PR Releases												
Responsive Social												
Industry Meetings												

Impacts YTD



11M
Engagement
Of all Content

Spending
3x less
than Industry
Benchmarks

17
Consumer
Attitude
Improvements

500K
Recipe
Searches



Who do we focus on?

Target Audience

Shippers

Retailers

**U.S. Potato
Industry**



What do we talk about?

Messaging Mix





How do we deliver our message?

Media Mix

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Sales Reports												
Trend Reports												
Public Relations												
Retail Email												
Podcasts												
Retail Pub Social												
New Brochures												
Consultations												
Industry Mtgs												



Impacts YTD

Retail

3K
Engagement
Of all Content

3
Retailer
Consultations
To share insights

6
Grower
Consultations
To review insights



Foodservice Marketing





Who do we focus on?

Target Audience

Foodservice

**School
Foodservice**

**U.S. Potato
Industry**



What do we talk about?

Messaging Mix





How do we deliver our message?

Media Mix

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Potato University												
Innovation 1:1												
Flavor & the Menu												
Potato U Media												
Newsletter												
Facebook - FS												
Instagram - FS												
Pizza												
Organic Social												
FB - Schools												
FS Insights												



Impacts YTD

Foodservice

89K
Engagement
Of all Content

**Spending
1.5x less**
than Industry
Benchmarks

84%
Menu
Penetration

73%
Pizza Menu
Penetration

3
Menu
Launches





Culinary





















































Other Business

John Toaspern





Thank You.