



Overall Program

Background

Over the past eight years, covering two long range planning periods, the Domestic Marketing program has undergone significant changes, enhancing its relevance, importance and return on investment to shareholders, growers, and the industry. This was accomplished with virtually the same funding level but made possible via an integrated marketing approach with a laser focus on strategies that spanned distribution and media channels. Fulfilling the strategic focus, smartly crafted activities were combined with heightened grower/leader committee involvement and a higher level of overall integration among programs and agency partners. Throughout the following sections of the Domestic Marketing LRP, an even more advanced evolution of the program emerges. Of special note, a significant influence that has effected each and every component of the program in recent years is the development of the "Potatoes... Goodness Unearthed ®" nutrition campaign, launched in 2007, along with a refinement of the Domestic Marketing consumer target audience.

With the new nutrition campaign, came increased clarity and insight about the target audience, called "Linda." She was defined generally as 25-54 years old with kids under 18 at home and the primary shopper in her household. She serves potatoes at least once a week but probably more, because she's dedicated to serving her family a nutritionally balanced meal, with protein at the center. She's one of the main the reasons potatoes are America's favorite vegetable, as she is responsible for purchasing half the potatoes consumed.

Understanding how "Linda" shops, spends her time and gets her information were all key in understanding how to effectively surround her with positive potato messages. With complementary messages used by each of the domestic programs, reaching "Linda" became more effective at each touch point – on-line, at the grocery store, on a restaurant menu, in the pages of her favorite magazine or on the TV or Radio – wherever the opportunity to serve up positive potato messaging resided.

The power of this information can be made far more effective when industry members across all sectors (fresh, chip, frozen, dehy) leverage the messaging in their own consumer communication. The "Potatoes... Goodness Unearthed" mark goes far beyond nutrition, and as research has proven, resonates positively with consumers on many aspects such as showcasing potatoes contemporary, fresh, surprising and versatile side. There is considerable amount of support for the campaign mark, although total industry adoption has not been rapid.

Challenges

From a grower/shipper perspective, the fresh market is very fragmented and competitive, with a predominant production focus versus a consumer focus. Likewise, the retail market is extremely competitive, and most take a volume/contribution perspective versus a customer focus. Both attitudes fuel the commodity approach to the category. Additionally we still have consumer challenges to overcome. Specially, we must work to strengthen positive opinions around health, convenience and tasty yet good for you preparations. Our chances of overcoming these challenges become more manageable when the entire industry works together to address them by focusing on the consumer. In order for that to happen, the USPB staff must continue to train, educate, inform, and communicate consumer insights to our industry members/retailers/foodservice, encouraging them to change current business practices, thereby, responding to the consumer.

Very different from the fresh market is the chip market. From a chip market perspective, it's an extremely mature market, dominated by a single manufacturer, operating in a highly competitive snack foods arena. Our challenge is to support growers in their efforts to maintain and/or achieve a greater rate of return. In this way, the domestic chip market is similar to the fresh market.

Overall, our biggest challenge remains to enable the industry to effectively utilize the research and the library of tools developed for their benefit to positively affect consumer demand for potatoes.

Resolution

While the basics goals, direction and focus of the programs remain intact, several new strategic elements will be added over the FY2012-2016 LRP to enhance the programs and to respond to the industry. With our refined knowledge and focus on the consumer and our continuing commitment to spreading the good news of potato nutrition these enhancements will better enable the programs to achieve improved grower returns and increased demand for potatoes.

Domestic Marketing <i>Overall Program</i>	
<i>Growth Strategy</i>	<i>Productivity Strategy</i>
<p><i>Education and training for grower/shippers</i></p> <ul style="list-style-type: none"> • Education and training will improve the industry's ability to deal with a changing consumer and retail environment. Programs designed for retailers will help them do a better job of responding to their customers, the consumer. 	<p><i>Communications; use of multiple media vehicles directed to the industry with relevant, timely, business building information</i></p> <ul style="list-style-type: none"> • While communications has always played a major role, the efforts are increased with emphasis not just on the facts of the programs, research and information, but more importantly, "how" to use them to enhance target audience's businesses. In addition, focus will also be placed on explaining the "why" of what we do, as well as ensuring clarity around "how" this event/activity/program is going to build demand for US potatoes and potato products – ensuring fit with our LRP strategies.