

National Eating Trends (NET): 2010 Potato Consumption Trends



OBJECTIVES

Track and examine in-home potato consumption trends

METHODOLOGY

Data obtained from the NPD Group's National Eating Trends database

- Tracked since 1985

Balanced panel of 2,000 households

- Participants report all foods and beverages consumed by all individuals in their household during an average two-week period via a paper diary
- Panel is balanced to the U.S. Census on key demographic variables and is distributed evenly throughout the year so that all seasons are represented equally

"Eatings"

- Data is measured as an "eating" and does not attempt to measure actual volume consumed
- In-home consumption includes all foods and beverages prepared and/or consumed in the home and carried meals prepared in the home, i.e., "brown bag lunches"

Potatoes

- The definition of potatoes throughout this analysis excludes in-restaurant and sweet potatoes
- Mentions to potato consumption exclude potato chips unless otherwise stated



INSIGHTS AND IMPLICATIONS

	Insights	Implications
Dinner Time!	<ul style="list-style-type: none"> ➤ Dinners account for nearly 80% of in-home potato eatings ➤ Potato eatings at the dinner occasion, however, continue to drop, and dinner is driving the long-term decline in overall potato eatings ➤ In-home dinners are on the rise, but potatoes are losing share at this occasion 	<ul style="list-style-type: none"> ➤ Focus consumer communications on the dinner occasion <ul style="list-style-type: none"> • Need to protect current usage at this occasion and begin to recapture share ➤ More detail is needed about different dinner meals and corresponding need states <ul style="list-style-type: none"> • Use the upcoming segmentation study to gain a better understanding of the dinner types and key decision drivers
Side Dishes	<ul style="list-style-type: none"> ➤ Potato usage as a base dish (i.e., "as is") is six times greater than as an ingredient (58 vs. 9 annual eatings per capita) ➤ In addition, side dish usage of potatoes is three times the size of potatoes as the main dish (14% of dinners vs. 4%) ➤ Six of the top ten dinner entrées are "potato friendly" (i.e., a good match for a potato side) <ul style="list-style-type: none"> • Sandwiches, poultry, and seafood are both growing and "potato friendly" ➤ Total side dish eatings have stabilized 	<ul style="list-style-type: none"> ➤ Usage as a side dish still accounts for the large majority of potato eatings and, therefore, is still most important ➤ Opportunity to protect and grow this usage of potatoes by making the traditional potato side dish contemporary ➤ Focus on pairings within the top ten entrée types, especially sandwiches, poultry, and seafood

National Eating Trends (NET): Potato Consumption Trends (cont.)



INSIGHTS AND IMPLICATIONS (cont.)

	Insights	Implications
Competitive Starches	<ul style="list-style-type: none"> ➤ Potatoes are by far the largest starch side dish to accompany protein base dish dinners, and despite declines, still dominate other options, including rice and pasta <ul style="list-style-type: none"> • Rice is the second largest starch side dish and is growing; however, rice still has less than half the number of eatings ➤ Potatoes are the number one starch side dish across all protein dinner types (beef, poultry, pork, and seafood) 	<ul style="list-style-type: none"> ➤ Need to keep competitive starches in perspective <ul style="list-style-type: none"> • Potatoes are as, if not more, relevant across all types of protein dinners ➤ Potatoes are unique compared to all other starches; leverage the competitive advantage of “fresh” and natural over other starches (i.e., rice and pasta), which are not vegetables
Poultry	<ul style="list-style-type: none"> ➤ Potato share of poultry dinners has remained stable ➤ The number of total poultry dinners has grown while the number of beef occasions has dropped, resulting in poultry dinners being nearly as large as beef (for number of potato eatings) 	<ul style="list-style-type: none"> ➤ Leverage potatoes’ strength as a beef side dish to grow poultry occasions as beef eaters continue to switch to poultry <ul style="list-style-type: none"> • <i>When you switch from beef to chicken, take the potatoes with you!</i>
Convenience	<ul style="list-style-type: none"> ➤ Use of ready-to-eat and frozen meals is increasing ➤ Time spent preparing dinner continues to decrease ➤ The use of the microwave to prepare baked potatoes is growing but is flat for potatoes overall (i.e., it’s only growing for baked potatoes) 	<ul style="list-style-type: none"> ➤ Convenience is critical for potatoes but is not just about the microwave, as use of the microwave is only relevant and growing for baked potatoes ➤ Need to go beyond the microwave when defining and communicating convenience
Audience	<ul style="list-style-type: none"> ➤ Consumption of fresh potatoes dropped less from 2001 to 2009 (vs. 1992 to 2000) ➤ Potato eatings continue to drop, primarily due to a drop in frequency among eaters (vs. penetration) <ul style="list-style-type: none"> • Penetration for potatoes remains extremely high (nearly 80% in an average two-week period for in-home eatings alone) ➤ Lower-income families account for the largest share of recent declines in in-home potato eatings 	<ul style="list-style-type: none"> ➤ The more dramatic drops in fresh potato consumption during the 90s suggest that larger trends and change forces are impacting consumption (i.e., the anti-carb trend was likely not the primary reason for recent drops in potato eatings) ➤ Because penetration remains high and frequency is what is causing recent drops in potato eatings, there may be a need to make potatoes relevant to more situations/occasions (vs. to more people) <ul style="list-style-type: none"> • The segmentation study will provide insight into growth opportunities by need states and situations ➤ Also an opportunity to adjust media plan to reach more lower-income families