





Horticulture Innovation Australia and AUSVEG. PT13015 Potato Tracker.

This project has been funded by HIA using the fresh potato levy and matched funds from the Australian Government.

Wave 12: August 2015

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Contents.

⇒ Background & Methodology	4
⇒ What We Found	9
⇒ Response to Ad Hoc Questions	12
⇒ Online Tracker Findings	15





Background & Methodology.



Background.

- The Australian fresh potato industry needs to better understand consumer attitudes to fresh produce, sales trends and market sizes over time.
- In order to most effectively deliver to consumers' needs as well as overall market trends, a comprehensive and dedicated research program that guides commercial activation was required.
- This project has been funded by HIA using the fresh potato levy and matched funds from the Australian Government.
- The monthly online tracking project for potatoes is across a 12 month period to assist in better understanding consumer behaviour.





Sample Structure.

This month a total of 301 Australians completed our online questionnaire. Respondents represented all States and Territories, as well as both metro and rural areas.

Demographic profiling information about age and household structure was collected to examine differences between life stages.

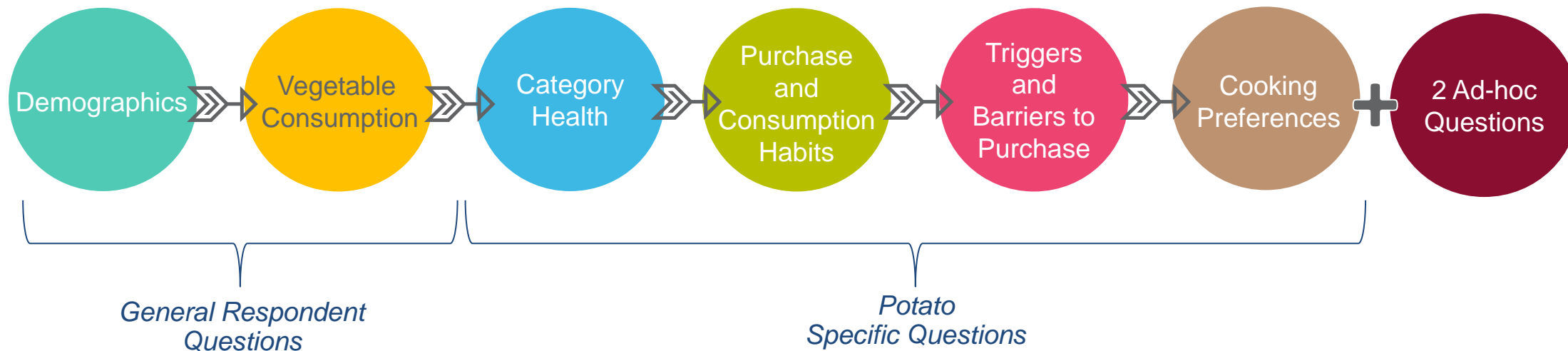
Sample specifications:

- ➔ Aged 18 + years
- ➔ Purchased fresh vegetables in the last fortnight
- ➔ Purchased potatoes in the last month
- ➔ Main grocery OR Joint grocery buyers

Total		Wave 12 n=301	Waves 1-9 n=2,833
Gender	Male	34%	33%
	Female	66%	67%
Age	18-24 years	6%	6%
	25-34 years	20%	18%
	35-44 years	13%	16%
	45-54 years	18%	18%
	55-64 years	26%	21%
	65 + years	17%	20%
Household	Single Income no Kids	20%	22%
	Double Income no Kids	18%	17%
	Young Families	18%	17%
	Established Families	20%	19%
	Empty Nesters	24%	25%
State	New South Wales	17%	16%
	Victoria	18%	16%
	South Australia	16%	16%
	Queensland	18%	16%
	Western Australia	17%	16%
	Tasmania	12%	16%
	Australian Capital Territory	2%	3%
	Northern Territory	0%	1%



Online Tracker Methodology.



- All respondents complete general demographic and consumption questions. If respondents purchase any of the specific commodities within the last month they complete those questions.
- An additional 2 ad-hoc questions are asked at the end of the questionnaire. The subjects of these questions are supplied by Horticulture Innovation Australia and AUSVEG.
- Questions asked appear on the bottom of each page of this report. Unless stated otherwise, all scales were 0 -10 scales, with higher scores indicating greater agreement/liking/importance etc.



Trends Research: Our Approach



- ▶ Colmar Brunton has used a combination of both desk research and in the field market research to explore trends.
- ▶ Our main source of secondary data for this report was collected from Mintel Global New Products Database (GNPD).
- ▶ This data source is used to analyse products launched around the globe in the last 3 months (L3M) that contained potato as a core ingredient. **Trends data will be reported quarterly, and is available in this report.**
- ▶ Trends are determined at a global and regional level.
- ▶ Claims and pack types used for the launched products are explored and the relevant product categories are determined. Specific examples of products being launched around the globe that are particularly innovative are displayed for reference.



What We Found.



Wave 12: Potato Fast Facts



- ▶ Consumer sentiment, including satisfaction and endorsement is strong this month. There is a high level of future purchase intent amongst consumers.
- ▶ Potatoes are purchased more than 3 times and consumed on 13 occasions per month. Both purchasing and consumption are slightly higher than past months.
- ▶ On average, 2.5kg of potatoes are purchased. Recalled last spend is lower this month at \$4.20. Overall, consumers perceive brushed potatoes to be better value for money than washed potatoes.
- ▶ More than half of all consumers are purchasing both washed and brushed styles, generally in loose formats and medium bags.
- ▶ Price tracking reveals stable prices across states and retailers, with the national average price in August \$3.98 per kilo.
- ▶ Spontaneous and prompted awareness of potato types is relatively consistent to past months. Desiree and Dutch Cream are the most recalled and purchased varieties.
- ▶ The key influences on potato purchase are that they are easy to prepare and cook with as well as taste. “I already consume enough for my needs” consistently remains the key barrier to future purchase.
- ▶ This month sees an increase in potatoes being baked. Mashing and roasting remain popular cooking styles. Australian, British and Indian cuisines are most commonly cooked using potatoes.
- ▶ Potatoes are expected to remain fresh for 16 days and expectations are generally met. Importance of potato provenance increased this month, and is somewhat important to consumers.



Potato Grower Action Plan

90%

Of consumers purchased potatoes in the last month.

1.

Insight:

Consumers choose specific potato varieties primarily based on price.

Recommendation:

Lack of variety awareness is allowing the category to be driven by price, rather than by functional attributes i.e. flavour, freshness, cooking style.

Consumers need to be educated on the differences in potato varieties, and why one should be purchased over another. This will allow the category to develop and expand into the future.

2.

Insight:

Consuming enough for their needs remains the dominant barrier to future purchase. Through other vegetable research, we have found this is intrinsically linked to wastage (and actively limiting waste).

Recommendation:

Provide consumers with recipe ideas that utilise the whole potato, including the skin. Inform consumers on the additional flavour and nutritional benefits it will add to engage consumers and prevent waste.

3.

Insight:

Consumers are concerned about wastage and are seeking information on freshness (best before dates).

Recommendation:

Ensure that all pre-packaged potatoes have best before dates clearly printed.

If possible, provide estimated freshness for loose potatoes at the point of sale, such as 'will last for 2 weeks in your cupboard'.



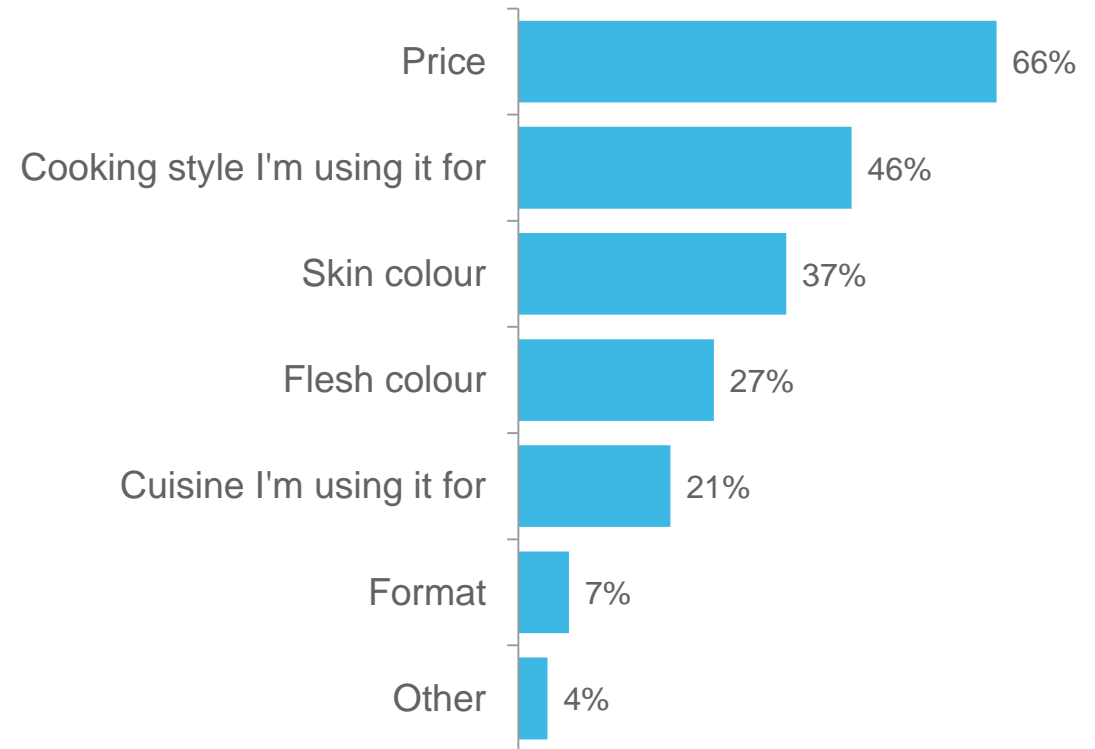
Response to
Ad Hoc
Questions.



Price is the primary driver of specific potato variety purchase.

This indicates that the majority of consumers are relatively price sensitive.

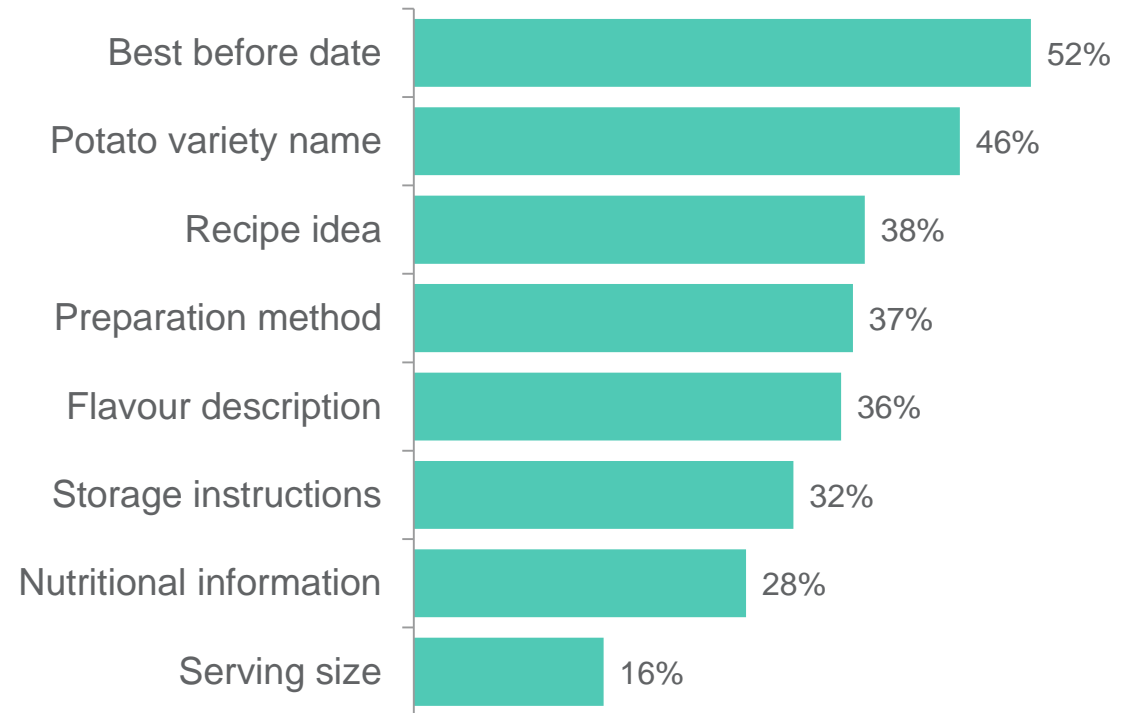
Cooking style also largely determines what variety of potato a consumer purchases, as certain potatoes are more suitable for different cuisines or recipes. This should be highlighted on pack to differentiate varieties to consumers.





Information regarding best before dates and potato variety names on packaging would most encourage consumers to purchase.

Recipe ideas would also provide some inspiration in new ways to cook with potatoes as consumers generally tend to stick with Traditional Australian cuisines.



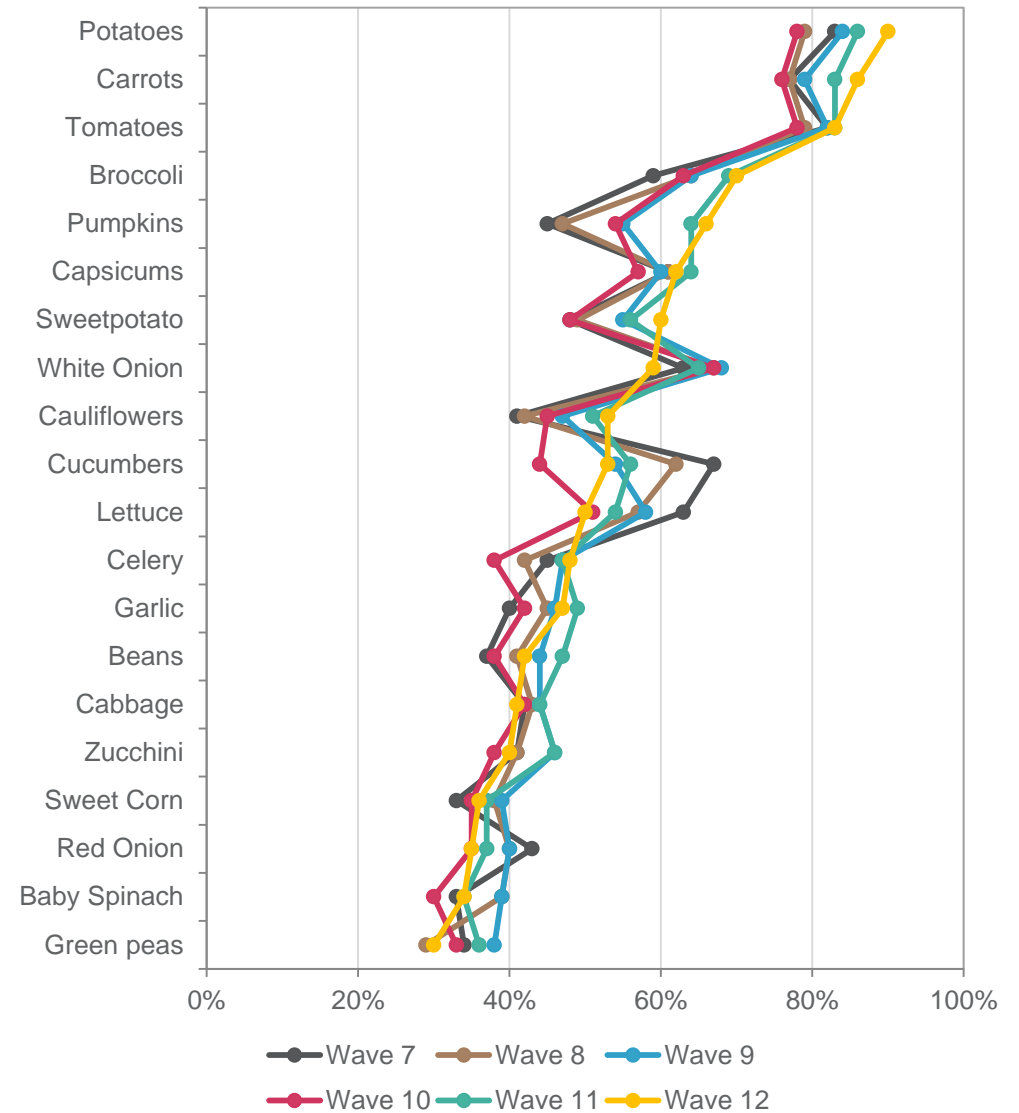


Online Tracker Findings.



Top 20 Vegetables Purchased Last Month

- Overall, there has been an increase in purchase of vegetables this month.
- Potatoes, carrots and tomatoes remain the most commonly purchased vegetables, with nearly all respondents having purchased potatoes this past month.
- Purchase levels for cucumber and lettuce have been lower in the past three waves, potentially due to the colder weather.

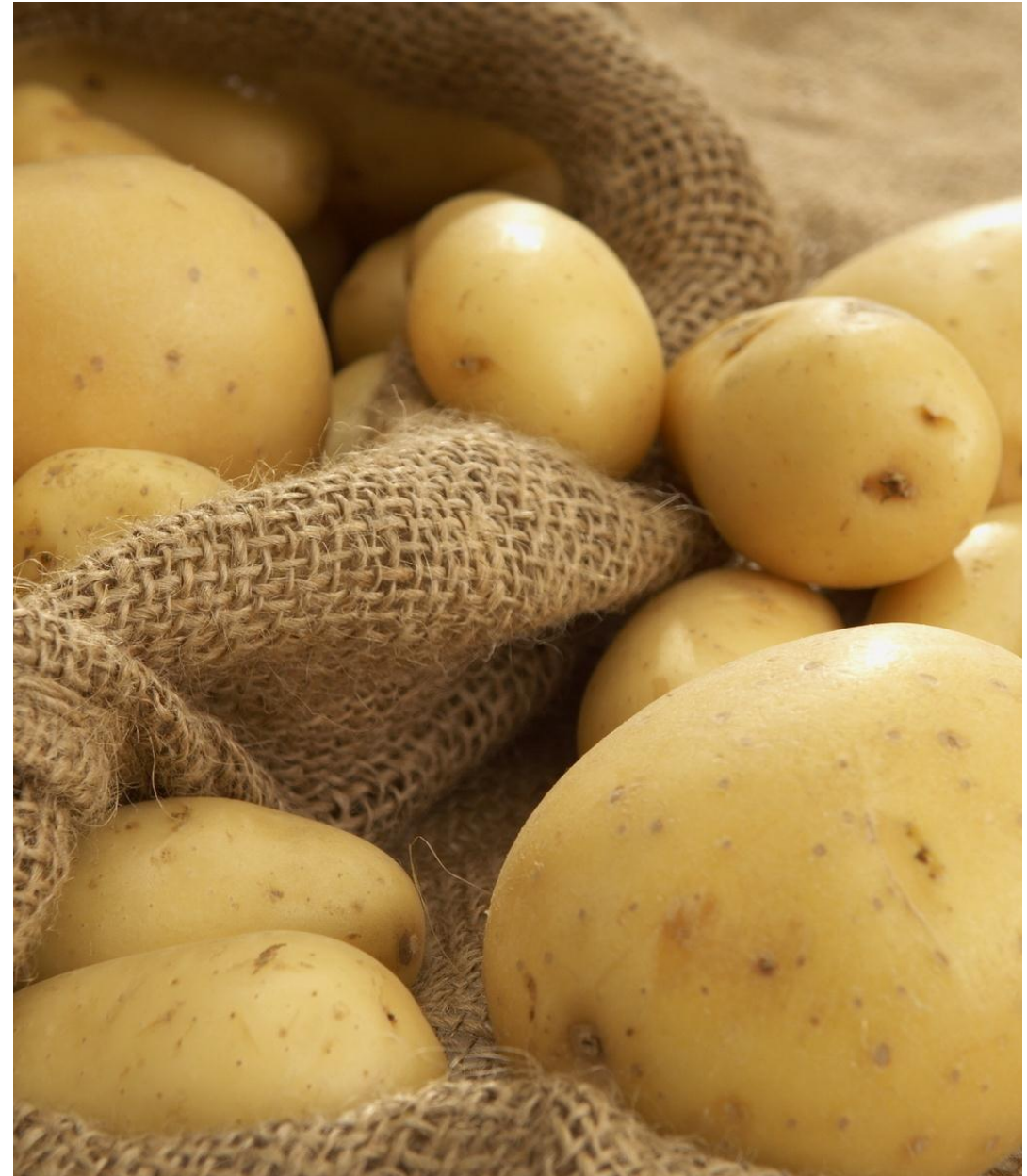




Category Health Explained

The following questions were asked to understand consumer sentiment about potatoes, which can be tracked over time.

- How **important** to you is having a range of *potatoes* available in the store where you usually shop?
- How **satisfied** or dissatisfied are you with the range of *potatoes* currently available?
- How likely would you be to **recommend** *potatoes* to your family and friends?
- How interested or disinterested are you in new *potato varieties*?
- In the future, are you **likely to buy**?

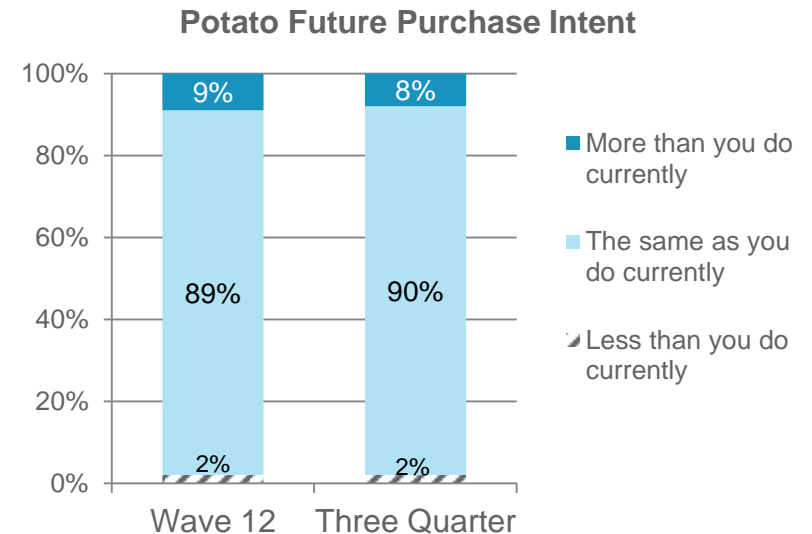




Consumers are very satisfied with the range of potatoes currently available. There is also an increasing trend for consumers interested in seeking out new potato varieties.

Future purchase intent is in line with the average, with just under one in ten consumers indicating they will increase their purchase amount in the future.

	Wave 12	Three Quarter Average
Importance	6.4	6.5
Satisfaction	7.1	6.6
Endorsement	6.7	6.2
Interest (New Types)	6.3	6.0



Three Quarter = Average of Wave 1-9 results



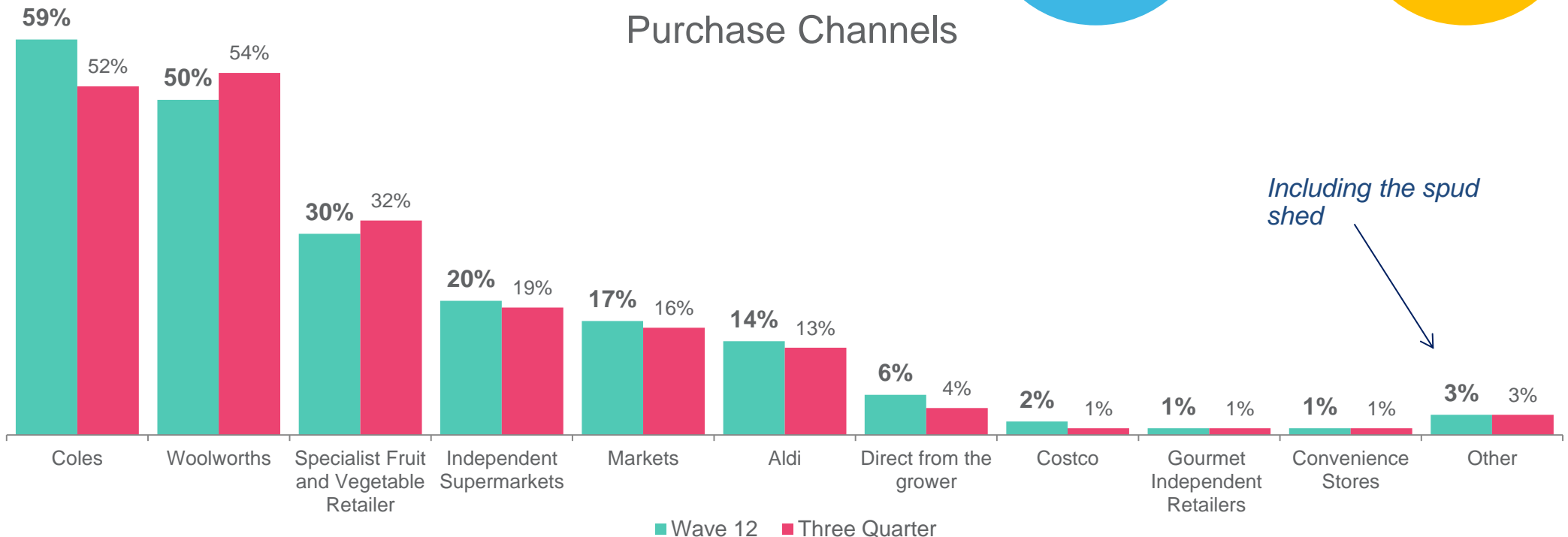
There is an increase in purchase and consumption occasions this month.

Purchase channels are on trend with the Three Quarter average. Coles remains the key retailer for purchase.

Average Purchase
3.7 times per month ▲

Average Consumption
13.5 times per month ▲

Purchase Channels



Q1. On average, how often do you purchase potatoes?
 Q2. On average, how often do you consume potatoes?
 Q5. From which of the following channels do you typically purchase potatoes?
 Sample N=301



Washed potatoes are perceived to be good value for money. Both the average weight of purchase and recalled last spend are below the average.



Average weight of purchase

The average consumer typically purchases **2.5kg ▼** of potatoes, slightly lower than the Three Quarter average.



Recalled last spend

The average recalled last spend is **\$4.20 ▼** in August 2015. This is lower than in previous waves.



Value for money

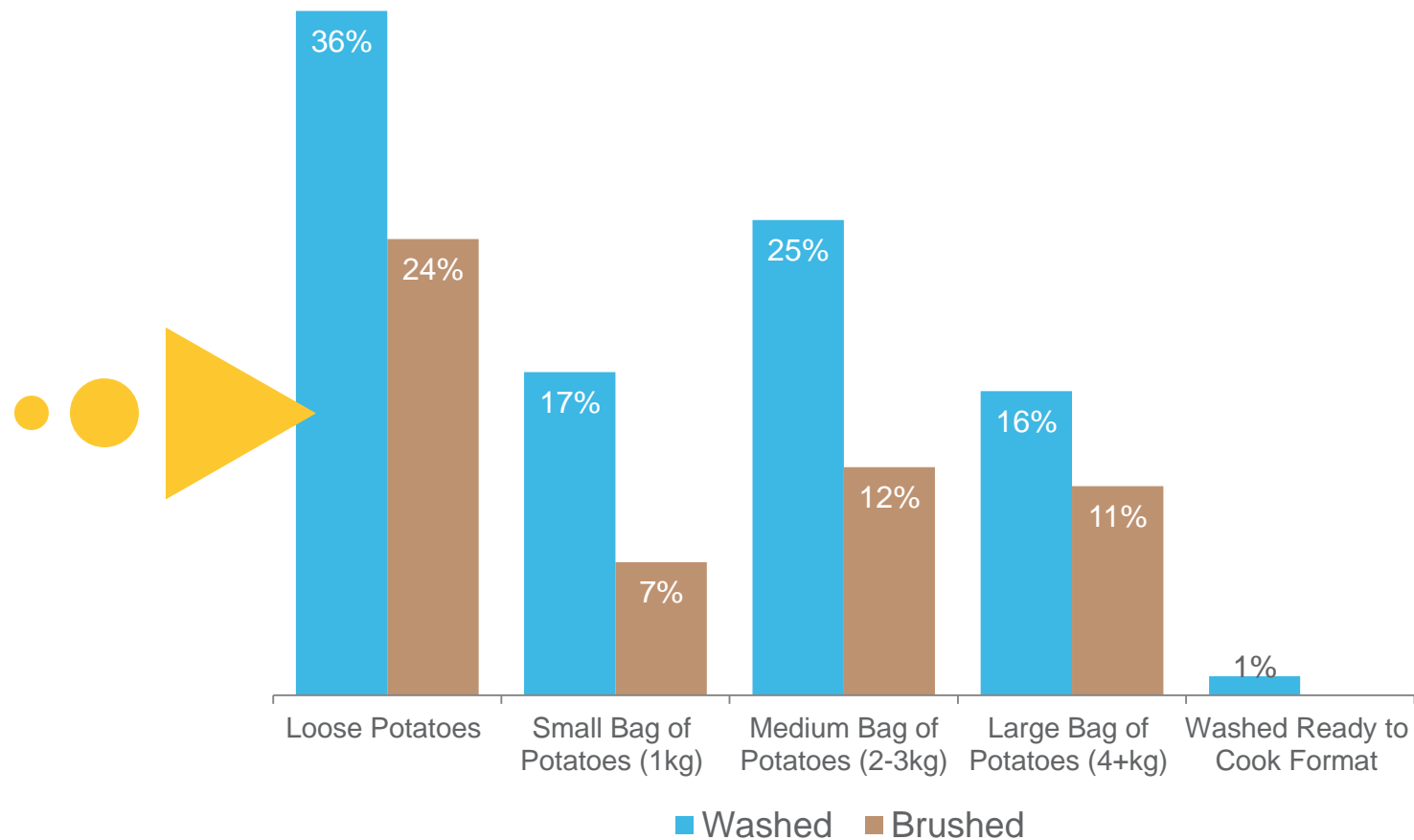
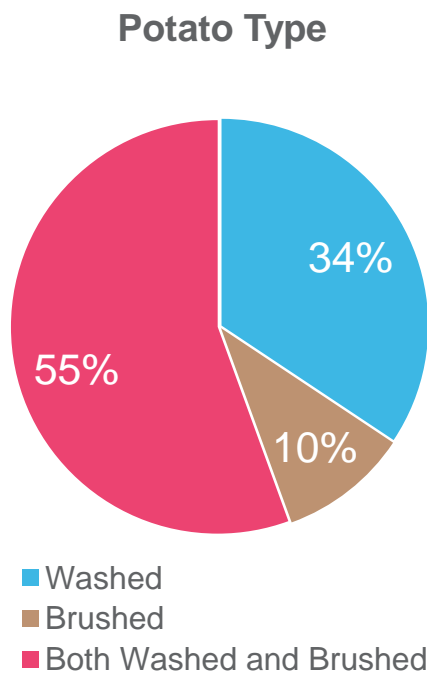
On average, consumers perceive **washed** and **brushed** potatoes to be good value for money (**6.4/10 ▼** and **7.1/10 ▲** respectively).

Q3. How much potato do you typically purchase when you shop for it?
Q3b. To the best of your memory how much did this cost on your most recent typically purchase?
Q4. Please indicate how Poor to Good Value you think this is? (0-10 scale)
Sample N=301



There has been an increase in purchase of both washed and brushed types as well as small bags of washed potatoes this month.

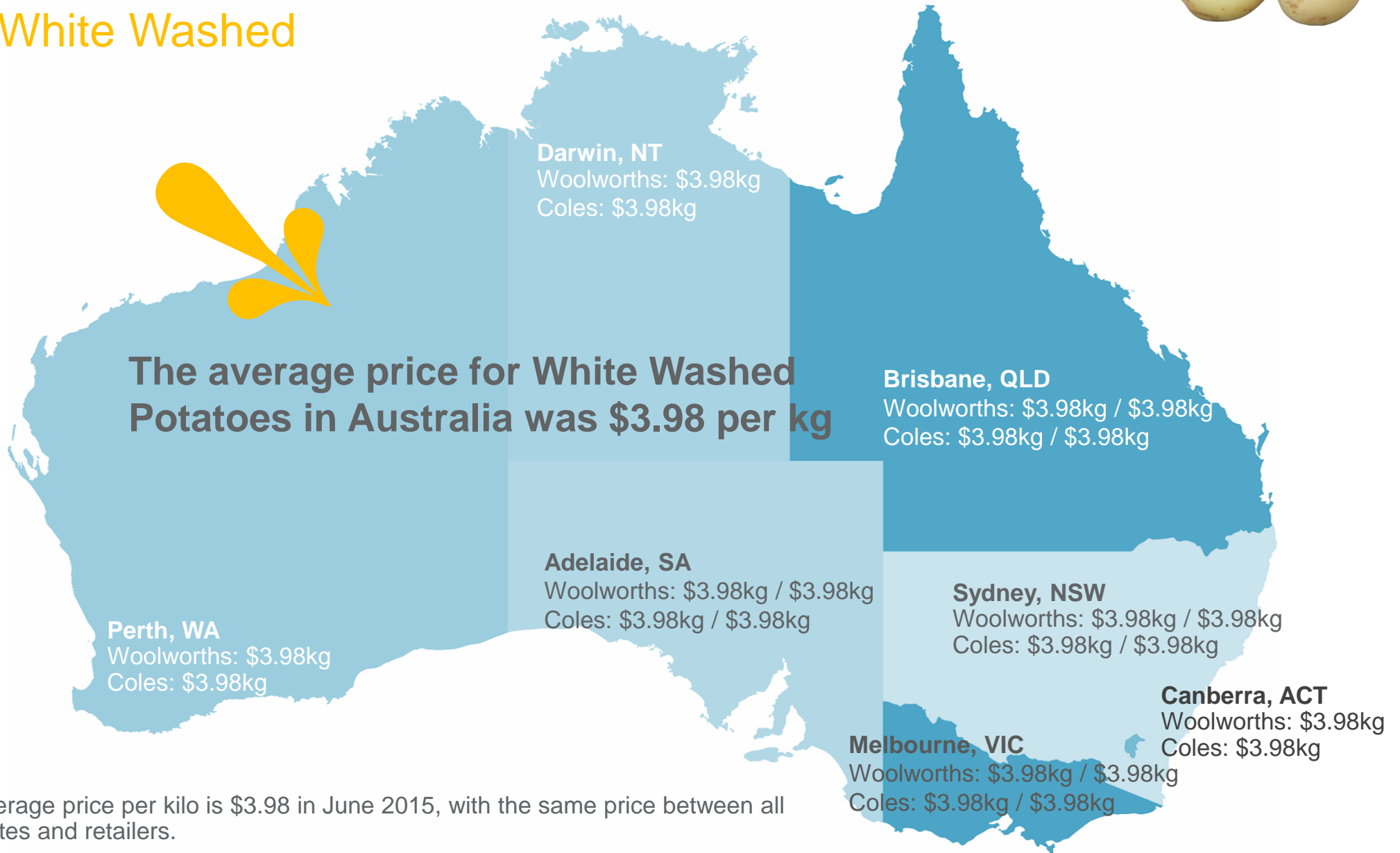
Loose potatoes remains the main format purchased for both varieties.



Q2b. How do you normally buy your POTATOES?
Q3a. How much potato does this typically equate to?
Sample N=301

Online and In-store Prices

White Washed



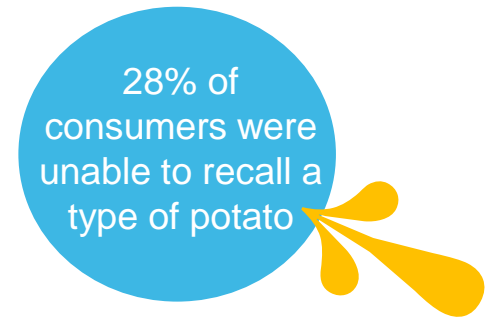
- Average price per kilo is \$3.98 in June 2015, with the same price between all states and retailers.

Pricing was carried out on 17th July between 10am-12pm.
Prices are displayed Online / In-store.
White washed is sold as Crème Gold in Coles and Cream Delight in Woolworths.



Unprompted awareness decreased this month, with less than one third of consumers unable to recall a type of potato.

Desiree, Dutch Cream and Kipfler consistently have high levels of recall.





Awareness of varieties purchased has slightly increased this wave.

Desiree and Dutch Cream remain the most popular varieties purchased, with Kipfler and Nadine varieties seeing an increase in purchase this wave.

14% of consumers don't know what variety they typically purchase

Carisma- 10%▼



Coliban- 16%—



Desiree- 49%▲



Dutch Cream- 28%▲



Gold Rush- 11%▲



Golden Delight- 13%—



Kennebec- 19%▼



Kestrel- 10%▼



King Edward- 11%—



Kipfler- 21%▲



Lady Christl- 7%▲



Maranca- 9%▼



Mozart- 7%▲



Nadine- 17%▲



Nicola- 6%—



Red Rascal- 8%▲



Sebago- 14%▼



Sifra- 3%▼



Valor- 12%▲



Other- 5%▼

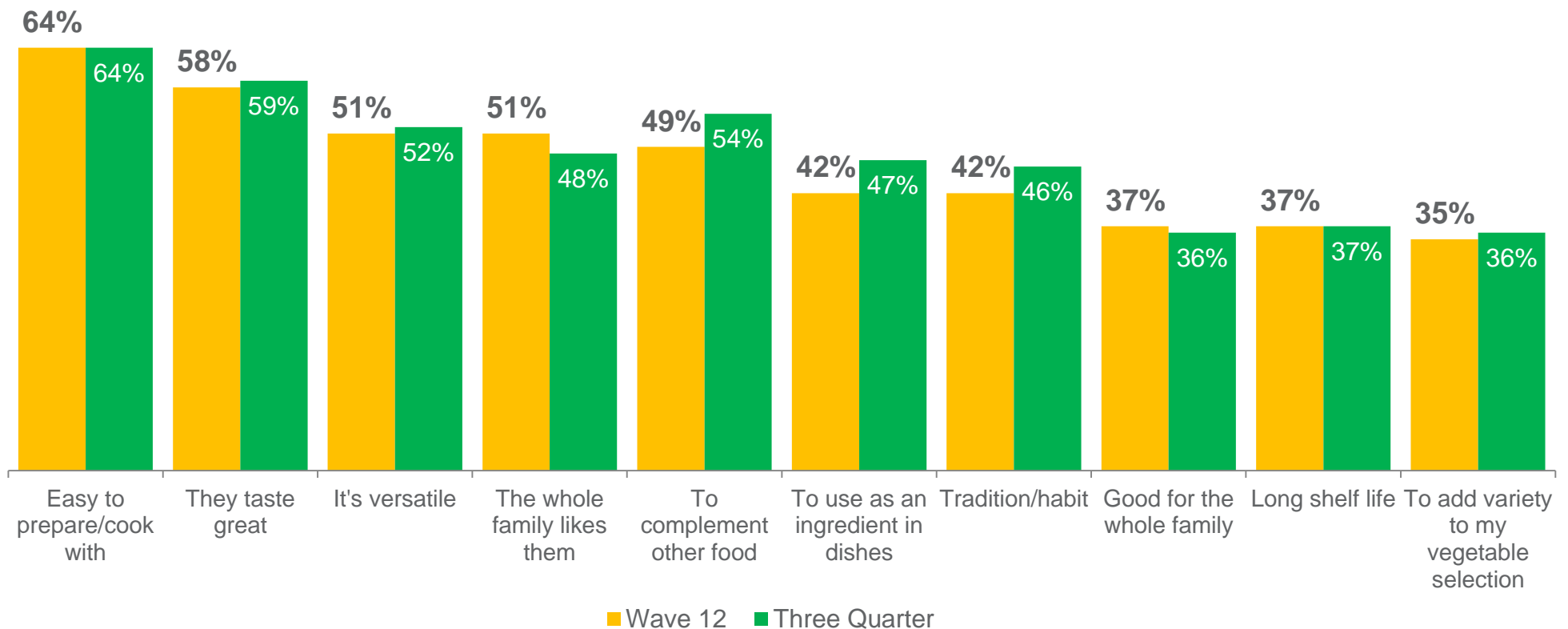


Q6. Which of the following types/varieties of POTATOES do you typically purchase?
Sample N=301



Ease of preparation and taste remain the key influences on purchase.

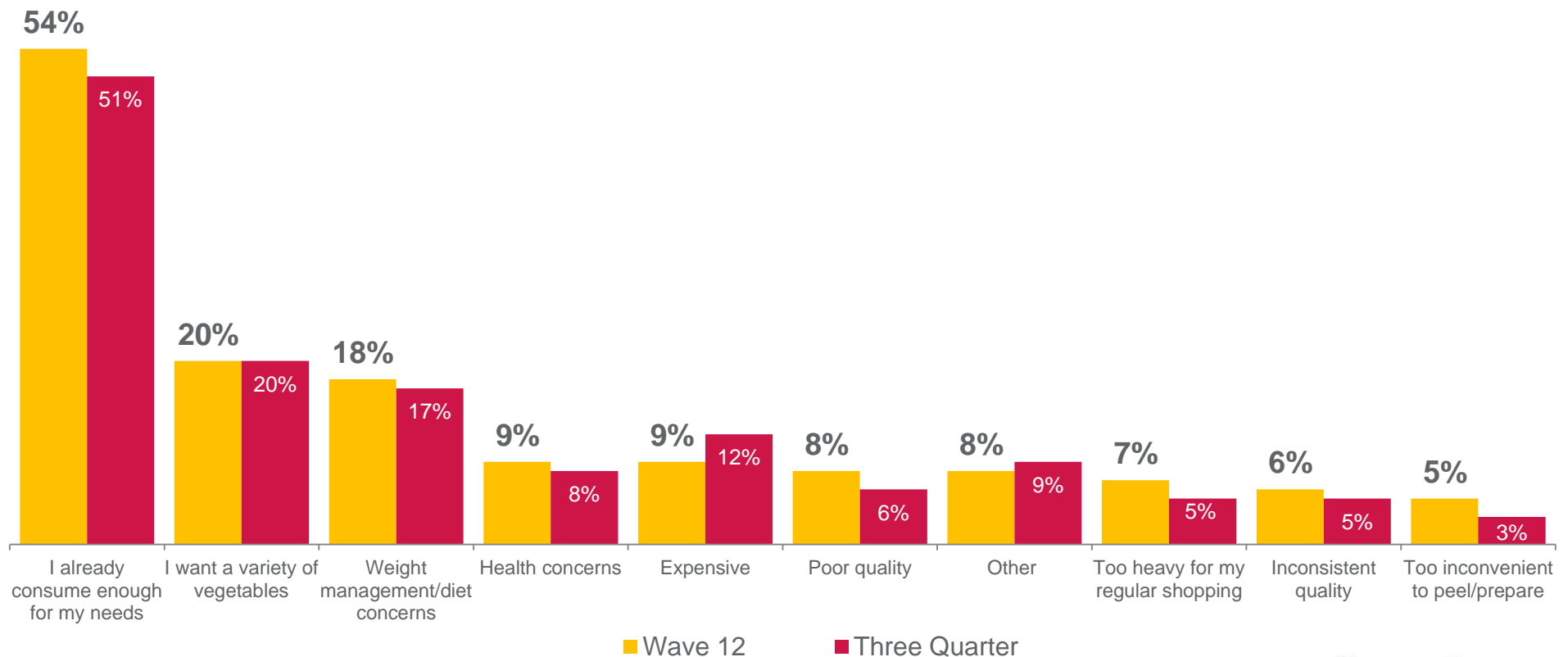
This month sees a decrease in consumers purchasing potatoes to complement other food and use as an ingredient in dishes.





Consuming enough for my needs remains the main barrier to future purchase.

Positively, this month sees a decrease in potatoes being expensive as a barrier to purchase.





Dinner meal occasions remain the key time of day to eat potatoes.

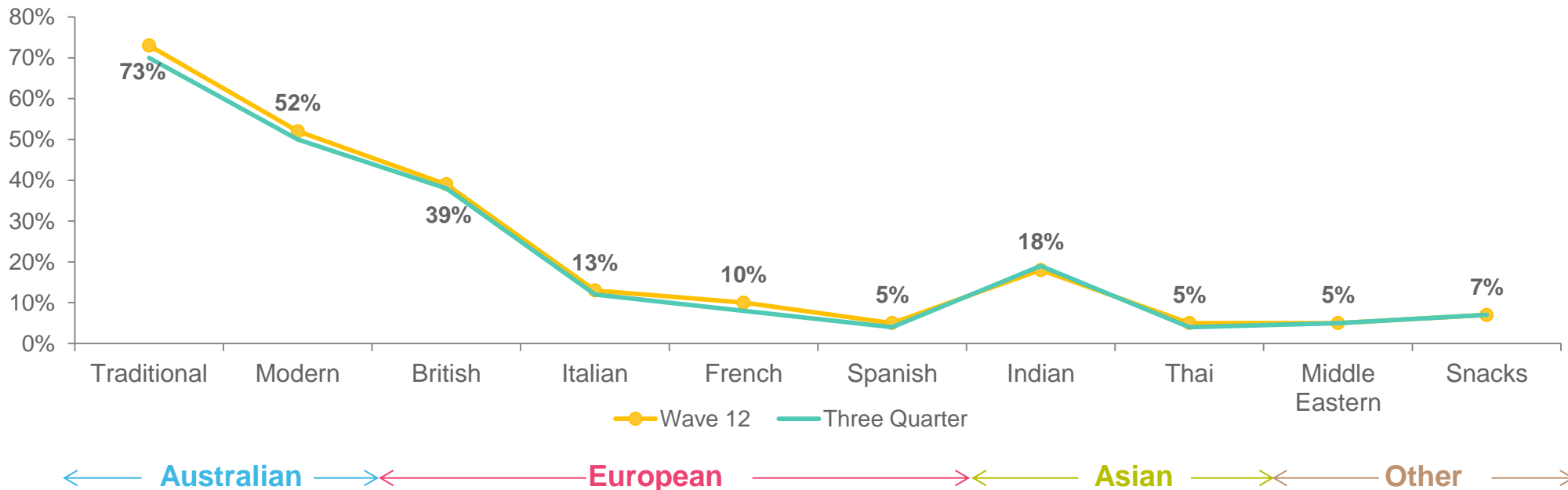
Cooking cuisines are on trend with the Three Quarter average. Australian, British and Indian are popular choices.

Top 5 Consumption Occasions



Wave 12	
Weekday Dinner	69% ▲
Weekend Dinner	50% ▼
Family Meals	50% ▲
Every-day Meals	37% ▼
Quick Meals	27% ▲

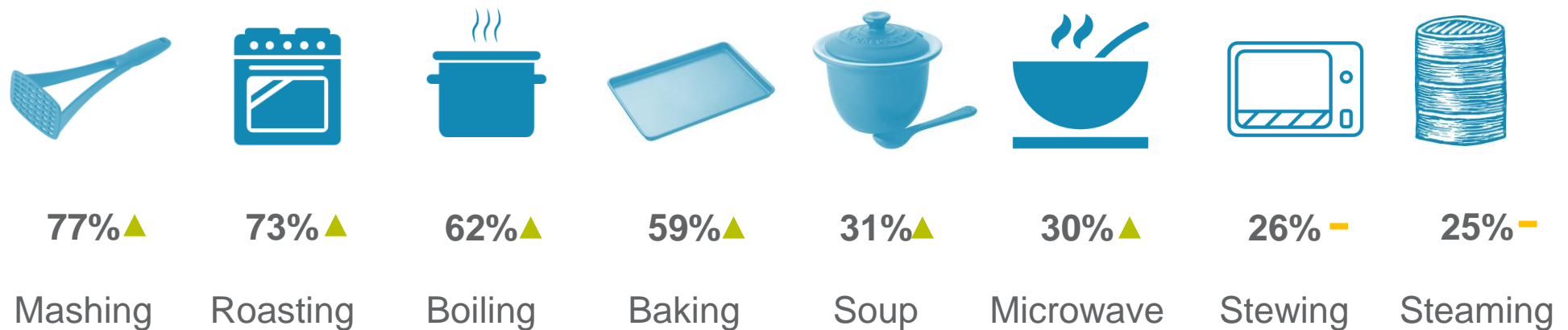
Cuisine



Q10. What cuisines do you cook/consume that use potatoes?
Q11. Which of the following occasions do you typically consume/use potatoes?
Sample N=301

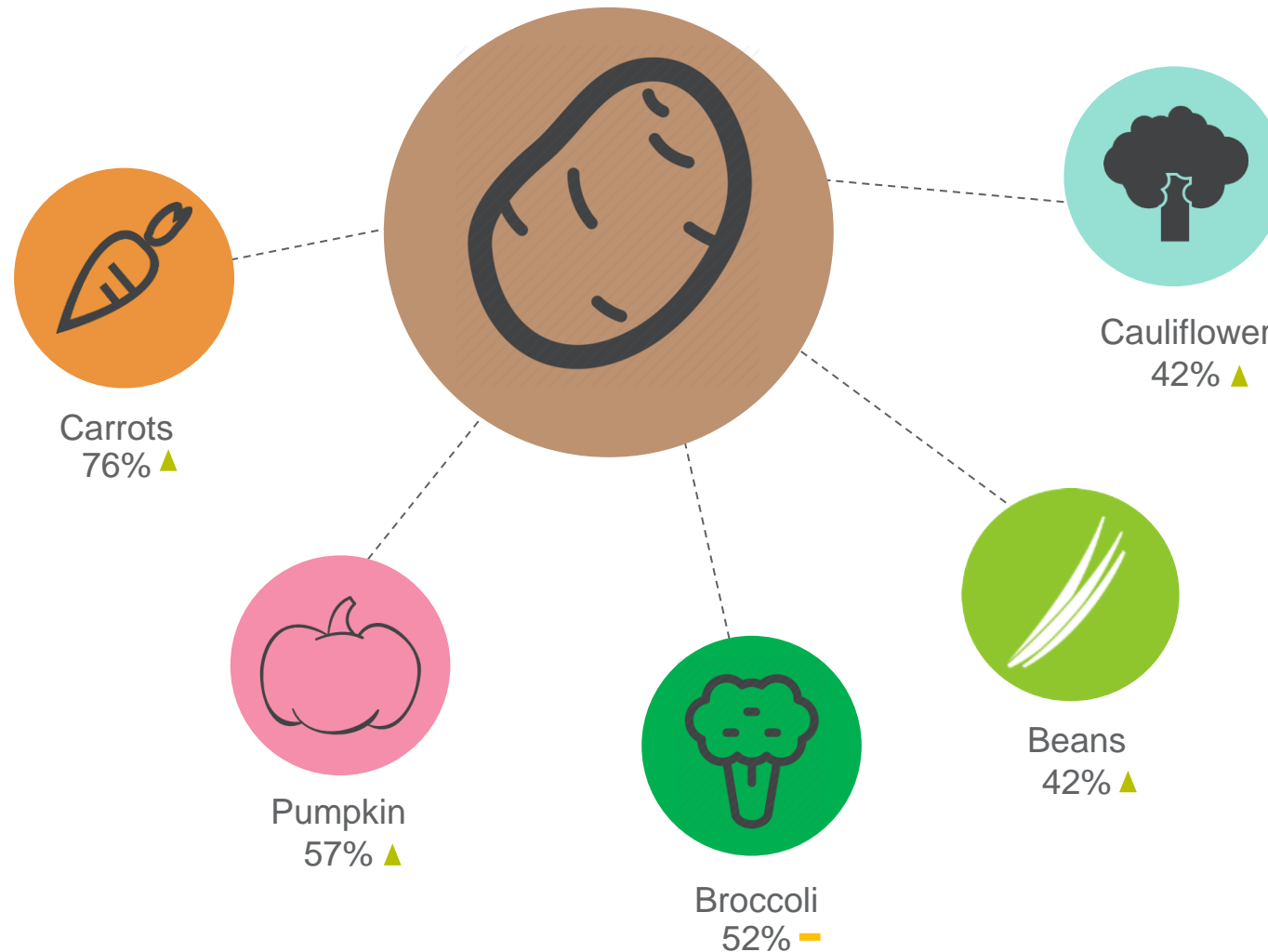


During the winter months the greatest increase in cooking styles has been for roasting and baking. However, mashing remains the most popular cooking style.





Carrots and potatoes are routinely served together. There is little variation this month in comparison to the past wave.



Q10a. And when are you serving potato which of the following do you also serve together with this?
Sample N=301



Importance of provenance is higher than the Three Quarter average. This month sees a relatively large improvement in potatoes meeting expectations of freshness.



Provenance is fairly important to consumers
6.1/10.▲

Compared with the Three Quarter average, importance of provenance has slightly increased.



Consumers expect potatoes to remain fresh for **16.4** days after purchase.▼

This is a decrease from previous trends.



Expectations of freshness is always met **22%** of the time.▲

Only 2% of consumers indicate that their expected freshness is rarely met.

Q14. When purchasing potatoes, how important is Provenance to you?
Q12. How long do you expect potatoes to stay fresh for, once you have purchased it?
Q13. How often is this length of freshness met when you buy potatoes?
Sample N=301



Thanks.