

PROGRESSIVE  
GROCER

# POTATO

RETAILING TODAY

NO. 18

TARGETING THE  
HISPANIC  
POTATO  
SHOPPER





## Idaho® potatoes and Hispanic shoppers: A winning combination for retailers

Hispanic consumers shop where they know they'll find quality. For produce, the ultimate quality test for Hispanic shoppers is freshness. But brand loyalty is also an important characteristic of Hispanic consumers, and they consider branded produce a higher-quality product that is worth a higher price.

It's not surprising, then, that when these big consumers of potatoes shop for food, they already know, buy and specifically look for the Idaho brand name and logo on the bag. Hispanic consumers traditionally have shopped at supermarkets in urban centers, but today are increasingly hitting the aisles of suburban grocery stores too. By carrying Idaho® potatoes, retailers can capture these sales and reinforce Hispanic shoppers' perceptions of their stores' quality produce offerings.

### BEHIND THE RESEARCH

Except where noted, all data in this issue of *Potato Retailing Today* are from proprietary research conducted by the Idaho Potato Commission, including dozens of in-depth conversations with Hispanic primary shopping females and a nationwide survey of 1,000 Hispanic females ages 18-plus.



## Leveraging the ‘fresh’ advantage with Hispanic shoppers

Quality is the most important consideration for Hispanics when they shop for produce, and they define quality as “fresh.” Hispanic consumers choose supermarkets where they feel the produce is freshest, less expensive and longer-lasting.



## Brand loyalty rules

U.S. Hispanics in all consumer segments are strongly brand loyal, and they are more likely to buy branded products than Asian and African American consumers. This brand loyalty among Hispanics extends to branded produce, which they see as being of higher quality and worth paying more for because it helps minimize the risk of wasting money. And in the potato category, Idaho is the only branded offering.

“Branded produce is only slightly more expensive, but worth paying more to obtain the best.”

# Hispanics take their potatoes seriously

Potatoes are key in Hispanic food culture, where they are considered a “healthful vegetable” and are used in a variety of dishes and meal occasions an average of four times per week. Consumption is driven by Hispanic consumers’ enjoyment of potato dishes, along with the ease of preparation and potatoes’ versatility.

Hispanic shoppers base their potato type preferences on texture, speed of cooking, size and price, with firmness/texture especially strong considerations. But they predominantly prefer russet potatoes.

## Opting for Idaho® potatoes

Hispanic shoppers already know, buy and specifically look for the Idaho brand name and logo on the bag. In fact, the majority of Hispanics say they have seen/heard of and used Idaho® potatoes.

### Among Hispanic consumers:

**79%**  
know the  
Idaho brand

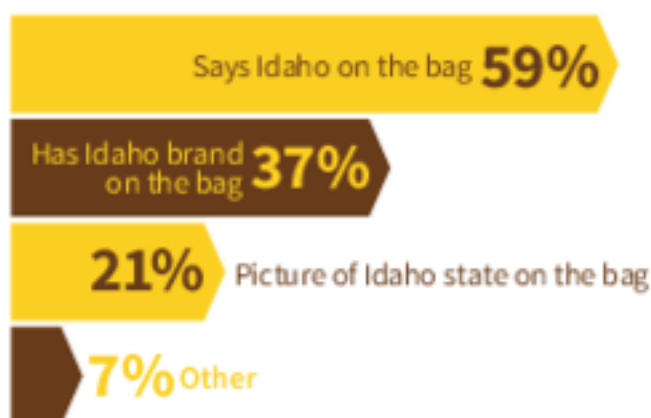
**59%**  
have  
purchased  
Idaho®  
potatoes

**49%**  
look specifically  
for Idaho®  
potatoes “every  
or most of the  
time” when  
buying russets  
(an additional  
31% say “some-  
times”)

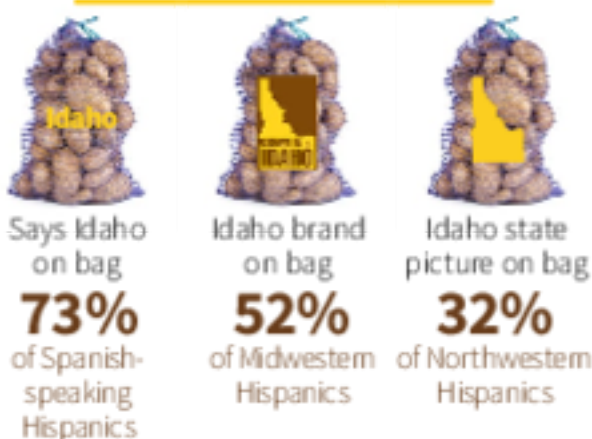
## Why Idaho on-package branding is important

Among Hispanic shoppers, Idaho branding on the package identifies the brand and drives selection and purchase.

### What do you look for to confirm you are actually buying Idaho brand russet potatoes?



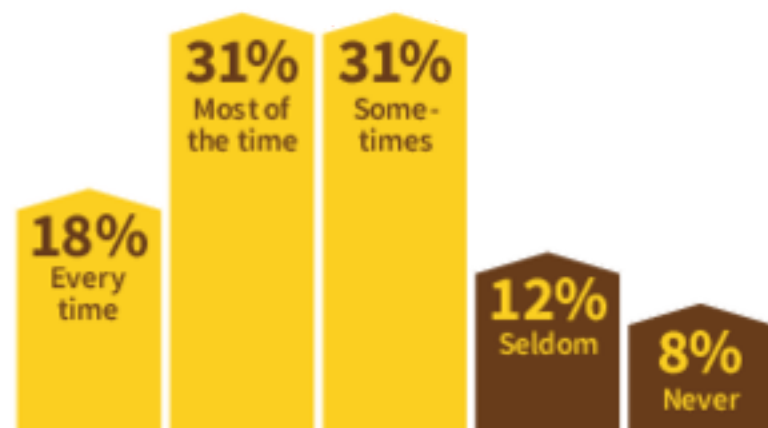
### Who's most likely to look for what when looking for Idaho brand russet potatoes



### Purchase frequency for Hispanics who choose Idaho® potatoes

Eight in 10 Hispanics specifically select Idaho branded potatoes at least some of the time when they buy russets, and foreign-born Hispanics are the most likely to choose Idaho.

### How often Hispanic shoppers make a conscious choice to buy Idaho brand russet potatoes vs. non-branded potatoes



### Foreign-born Hispanics are 39% more likely to choose Idaho every time they buy russets



## Keep Idaho<sup>®</sup> potatoes in stock at supermarkets

Hispanics who buy Idaho shop both chain supermarkets and Hispanic/neighborhood supermarkets. Not finding Idaho<sup>®</sup> potatoes where they shop for groceries is a deterrent for more than one-fifth of Hispanic consumers who would like to put Idaho spuds on their dinner table.

**What, if anything, deters you from choosing Idaho brand russet potatoes when grocery shopping?**

“I don’t find them where I shop.”

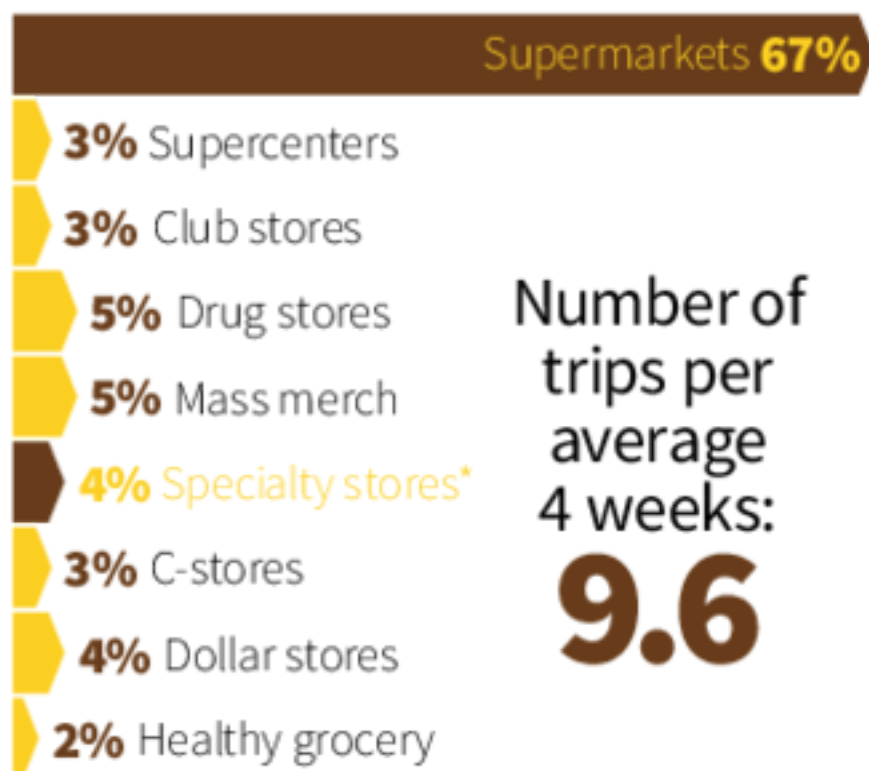
**21%**

## Awareness/usage of Idaho<sup>®</sup> potatoes by purchase channel when buying russet potatoes

	Hispanic supermarkets/ neighborhood stores	Chain supermarkets
Have seen or heard of Idaho <sup>®</sup> potatoes	<b>80%</b>	<b>86%</b>
Have seen or heard of Idaho <sup>®</sup> potatoes and have purchased them	<b>64%</b>	<b>66%</b>
Have seen or heard of Idaho potatoes but have not purchased them	<b>16%</b>	<b>19%</b>
Have not seen or heard of Idaho brand	<b>19%</b>	<b>14%</b>



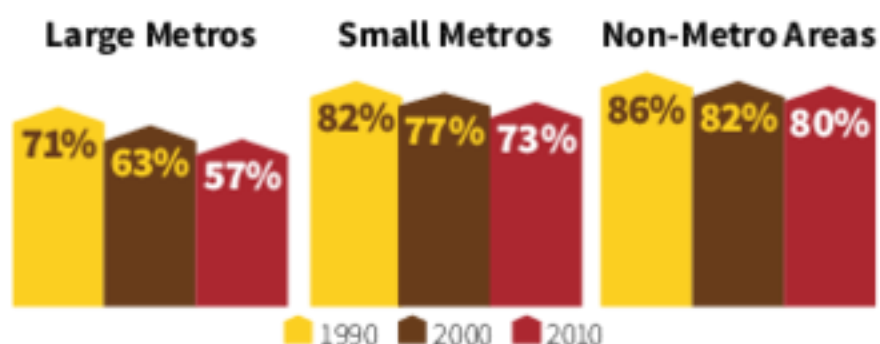
## Although Hispanic consumers hit the supermarket for 2 in 3 shopping trips, they also shop multiple types of stores:



Number of trips per average 4 weeks:  
**9.6**

\* Includes Hispanic independents  
Source: Winning the Hispanic Shopping Trip, Unilever Hispanic Diary Data

## % U.S. non-Hispanic white population



Source: State of Metropolitan America-Brookings

## Idaho in the potato set helps grow share of wallet everywhere

Only 12 percent of Hispanic russet buyers say they don't buy Idaho® potatoes because they're more expensive. In fact, according to Nielsen Homescan data, Hispanics spend more per trip and are no more likely to buy on deal than are non-Hispanics.

Hispanic consumers are also heading to supermarkets for two in three shopping trips, and these supermarkets are in America's Top 100 large metro areas where white consumers are becoming the minority. In 2010, for example, half of the foreign-born population lived in suburbs. With 80 percent of Hispanics looking for Idaho® potatoes in suburban supermarkets and urban stores, having the brands that Hispanics prefer chain-wide is critical to winning a larger share of wallet.





# WHY IDAHO?

The “Grown In Idaho” seal is the guarantee Hispanics look for to assure top-quality potatoes.

Idaho® potatoes are perceived to be premium, and command a price premium at retail.

Idaho® potatoes derive their unique texture, taste and dependable performance from Idaho’s growing conditions: warm days, cool nights, ample mountain-fed irrigation, rich volcanic soil.



Idaho® potato retailers are supported by the nation’s most powerful promotion program, which includes national TV advertising, extensive public relations, the Great Big Idaho® Potato Truck, the Potato Lovers Retail Display Contest, promotional support funds, bilingual point-of-sale materials, and tie-in promotions.



All Idaho® potatoes come with—and only Idaho® potatoes have—the clearly marked “Grown In Idaho” seal.

Idaho has strict rules for what can go into a consumer bag to insure consistent size and quality. Other states do not have such rules.

All Idaho sheds have USDA inspectors to ensure quality at all times.

## Carrying Idaho® potatoes benefits retailers because:

Idaho is the only brand in potatoes.

When you carry Idaho, you tell your customers that you carry only the best.

Because Hispanics are willing to pay more for quality, carrying Idaho® potatoes can enhance total category profitability.