

Potato Industry Conference

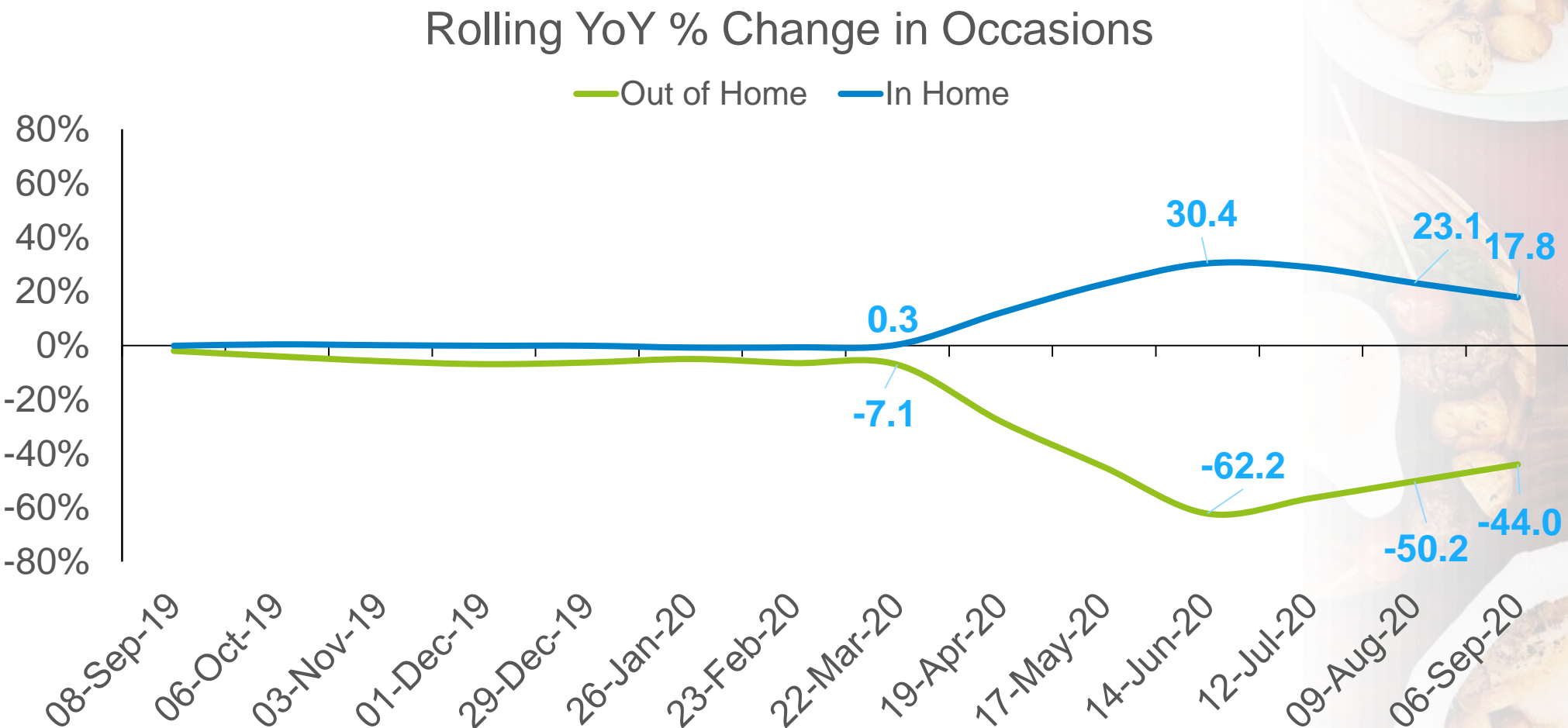
A changing landscape for potatoes

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POTATOES

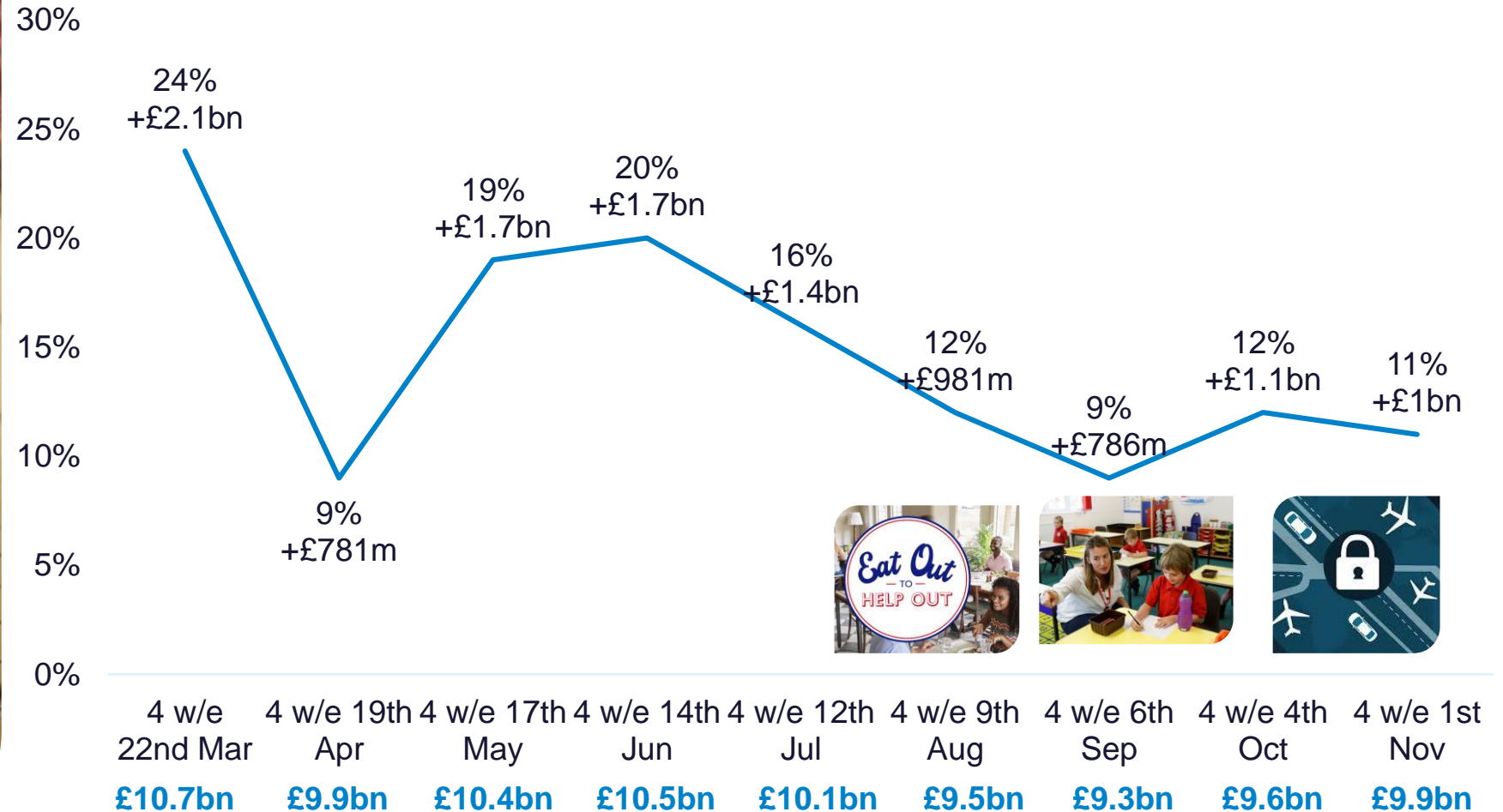
In-home food occasions have grown significantly at the expense of out-of-home occasions



Retail sales have therefore grown massively since the start of the pandemic



YOY retail value growth – total grocery



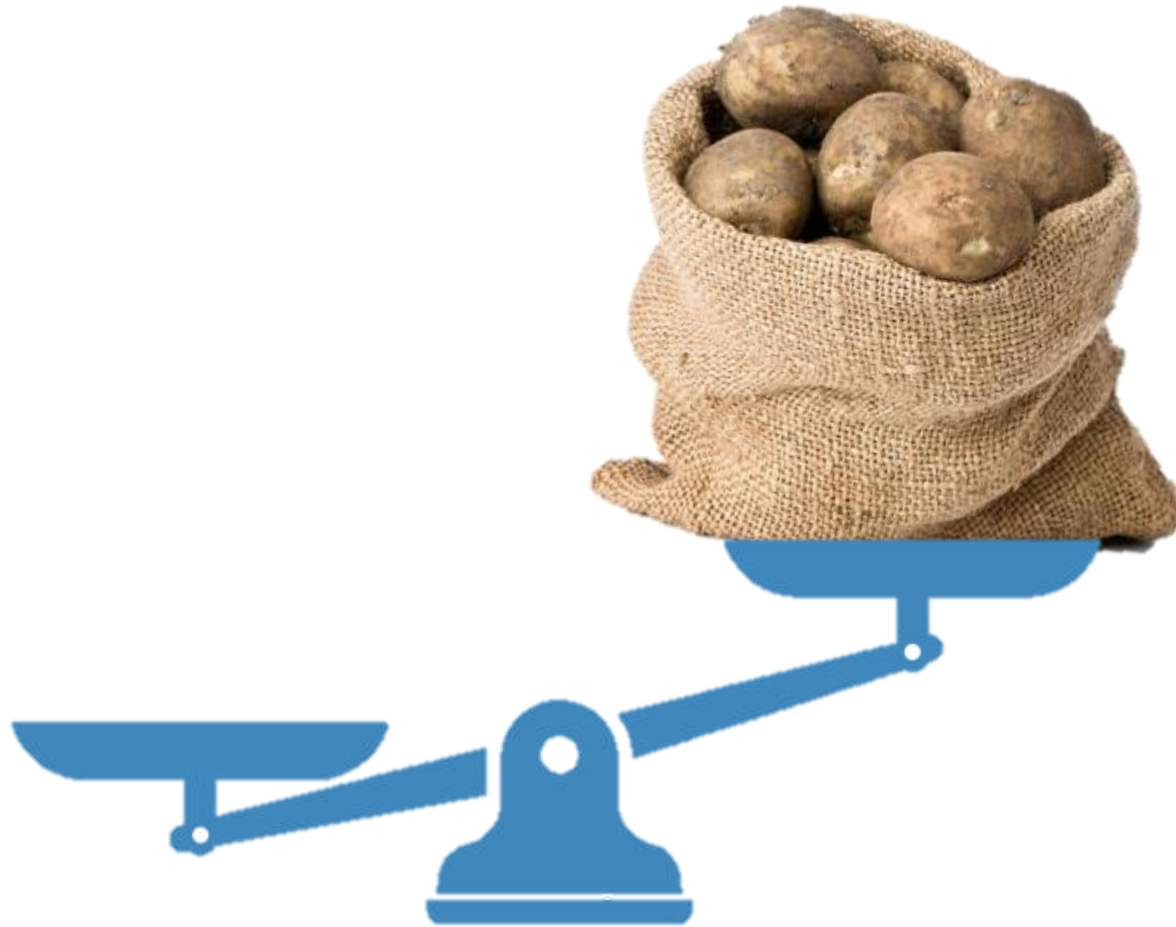
How are potatoes performing?

What does the recovery look like?

How have different market volumes balanced?



On balance we estimate that potatoes have grown so far this year



Total Potato
Volumes
Year to Oct

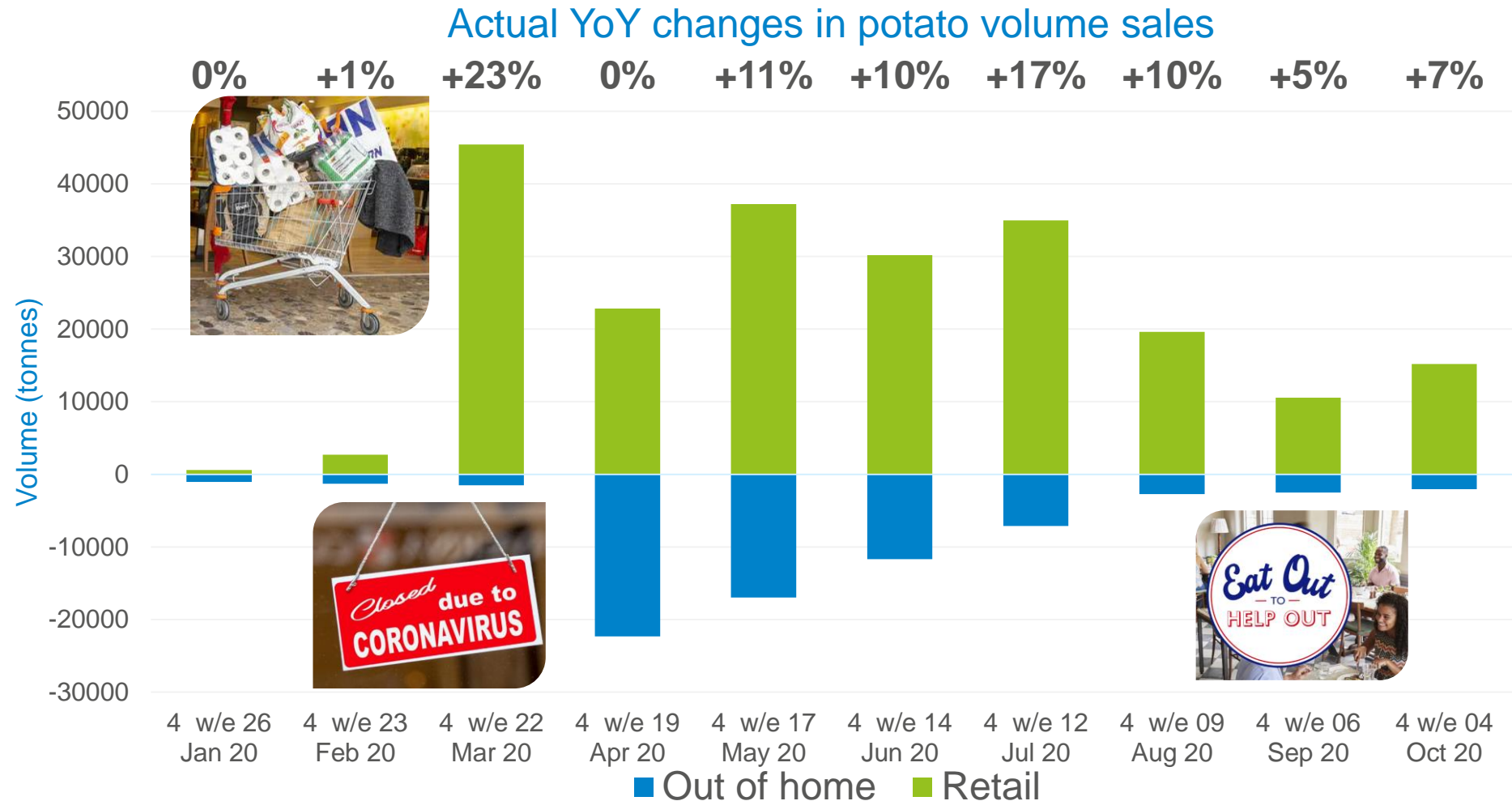
+8%

In the year to date, retail has performed strongly and we predict compensated for out of home losses

**Total potato
volumes
YTD**
(1 Jan – 4 Oct)

Out of home
-28%

Retail
+14%



In retail, fresh potatoes have seen growth of 101kt over the last 6 months

+25% 72kt

Maincrop

+20% 99kt

Prepack

Total Grocery
+12%

+21% 28kt

New

+4% 2kt

Loose

+1% 1kt

Baking

Organic
-22%



Processed potatoes grew by 46kt over the last 6 months

+15% 31kt

Frozen

+16% 24kt

Frozen chips

**Total Grocery
+12%**

-4% -1kt

Chilled

+11% 7kt

Frozen potato products

+17% 16kt

Crisps and potato snacks



The Eat Out To Help Out Scheme boosted potato sales but more volume is sold through takeaways

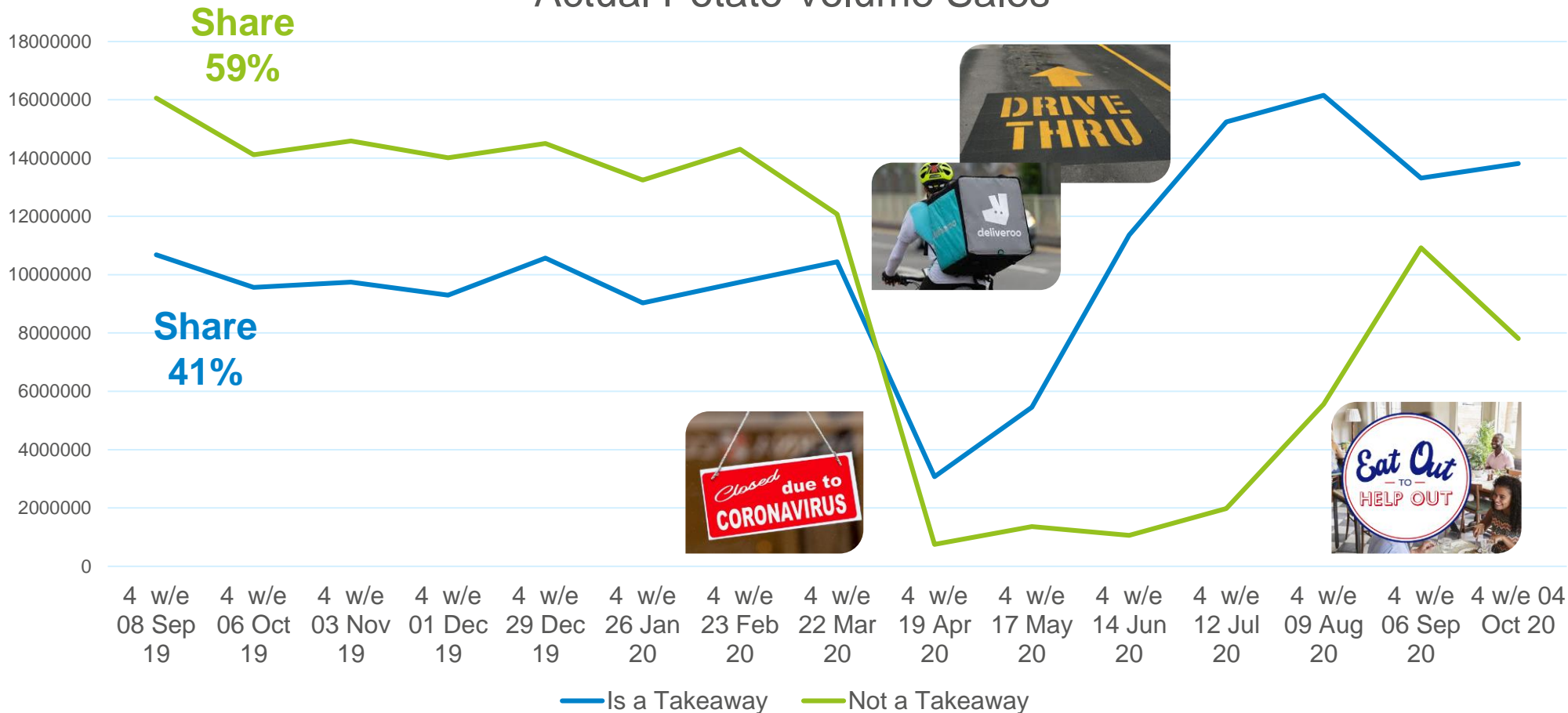
Last 4 weeks YOY
Potatoes

Takeaway
+44%

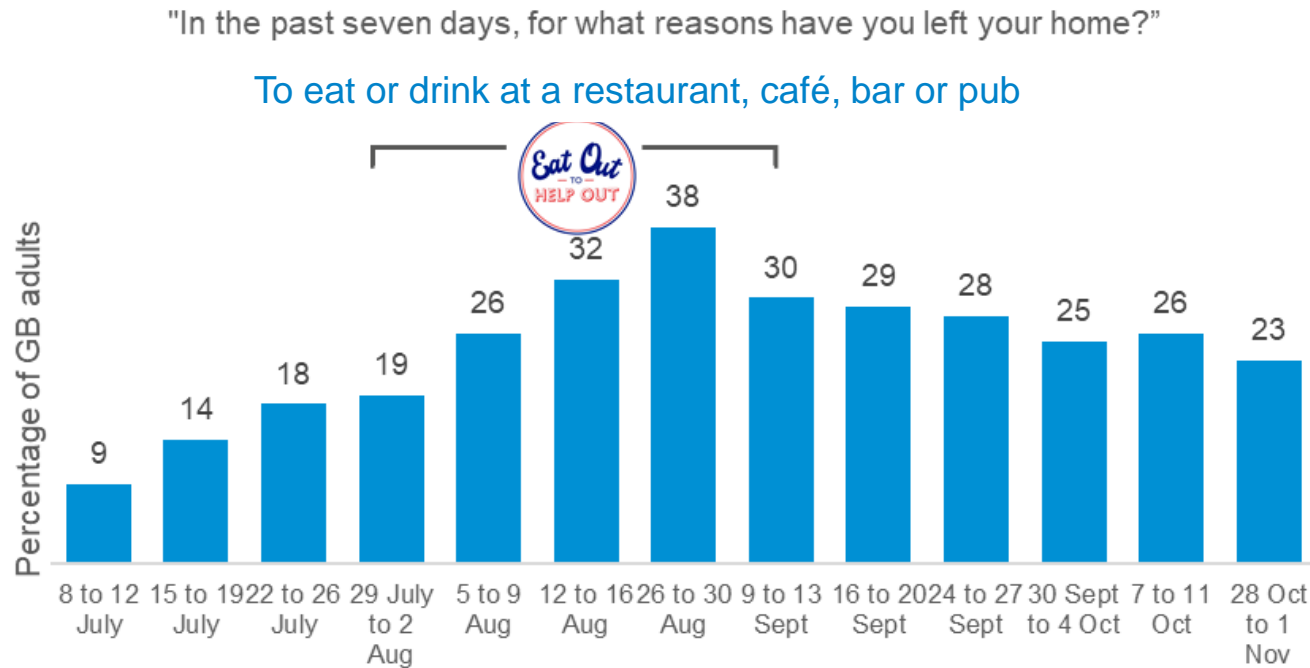
Eat in/on the go
-45%

Total out of home
-9%

Actual Potato Volume Sales



EOTHO boosted footfall back out-of-home but in reality will it ever get back to 'normal'?



57% plan to eat out less because...



We expect potatoes to continue to perform well through the second half of 2020

Volumes
YTD October

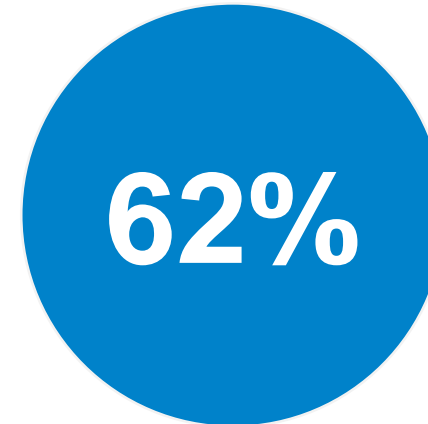
+8%

Our Estimate

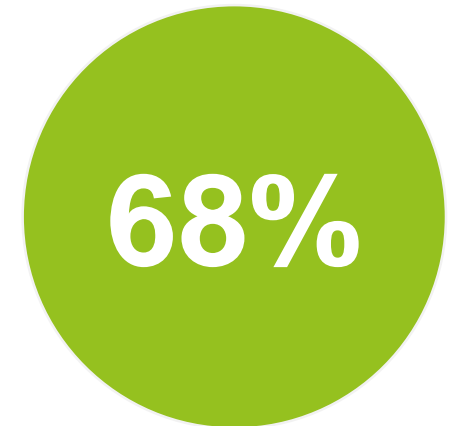
Volumes
2020

+4%

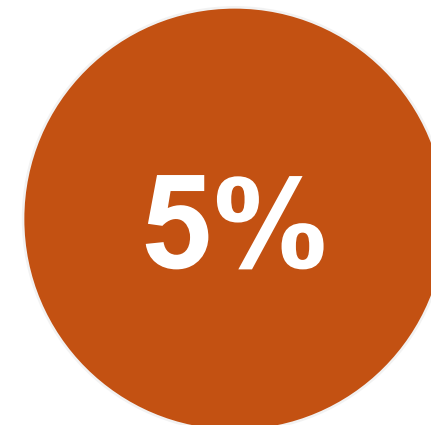
% consumers agree
Versatile



Filling



Expensive

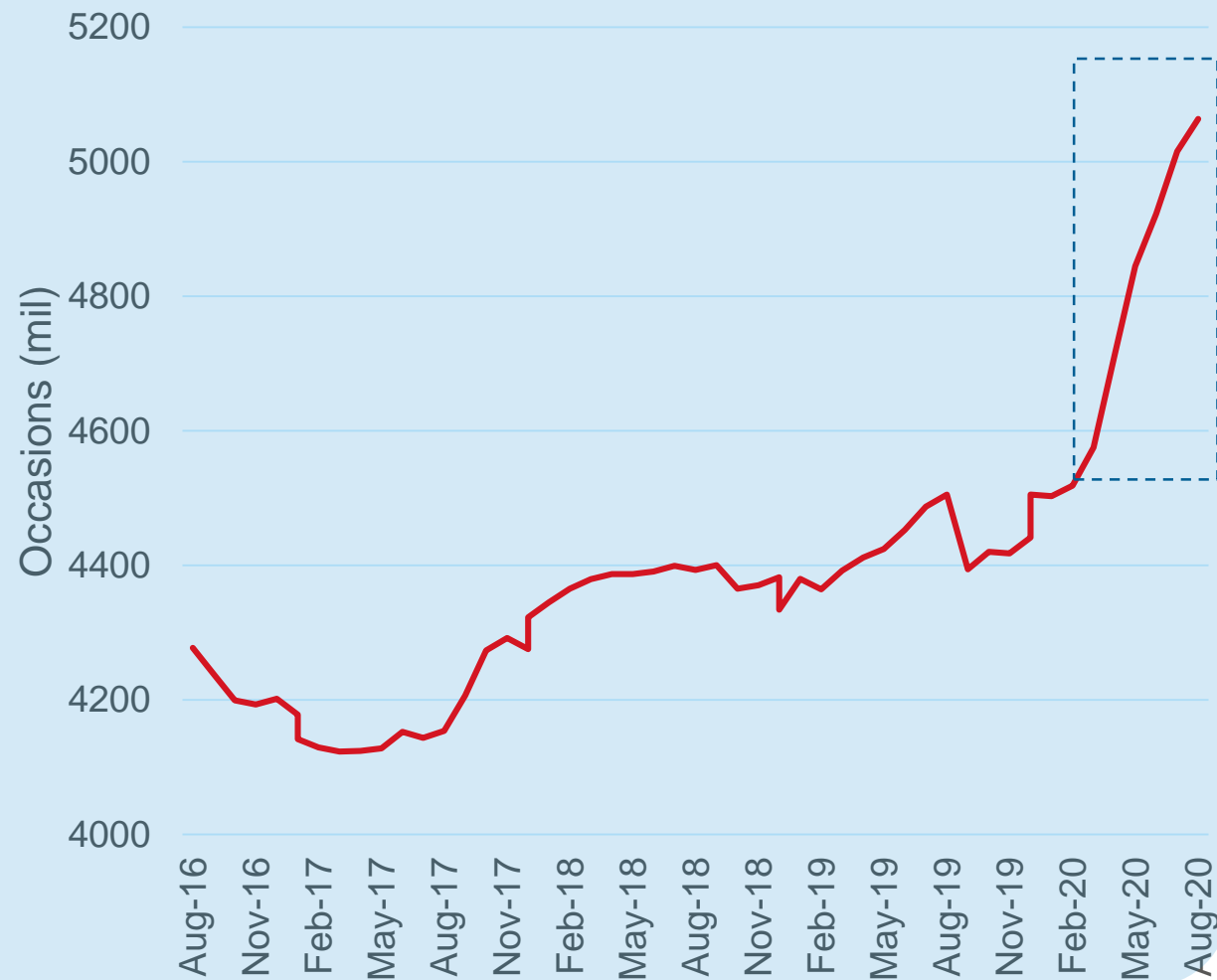


Changing consumer landscape

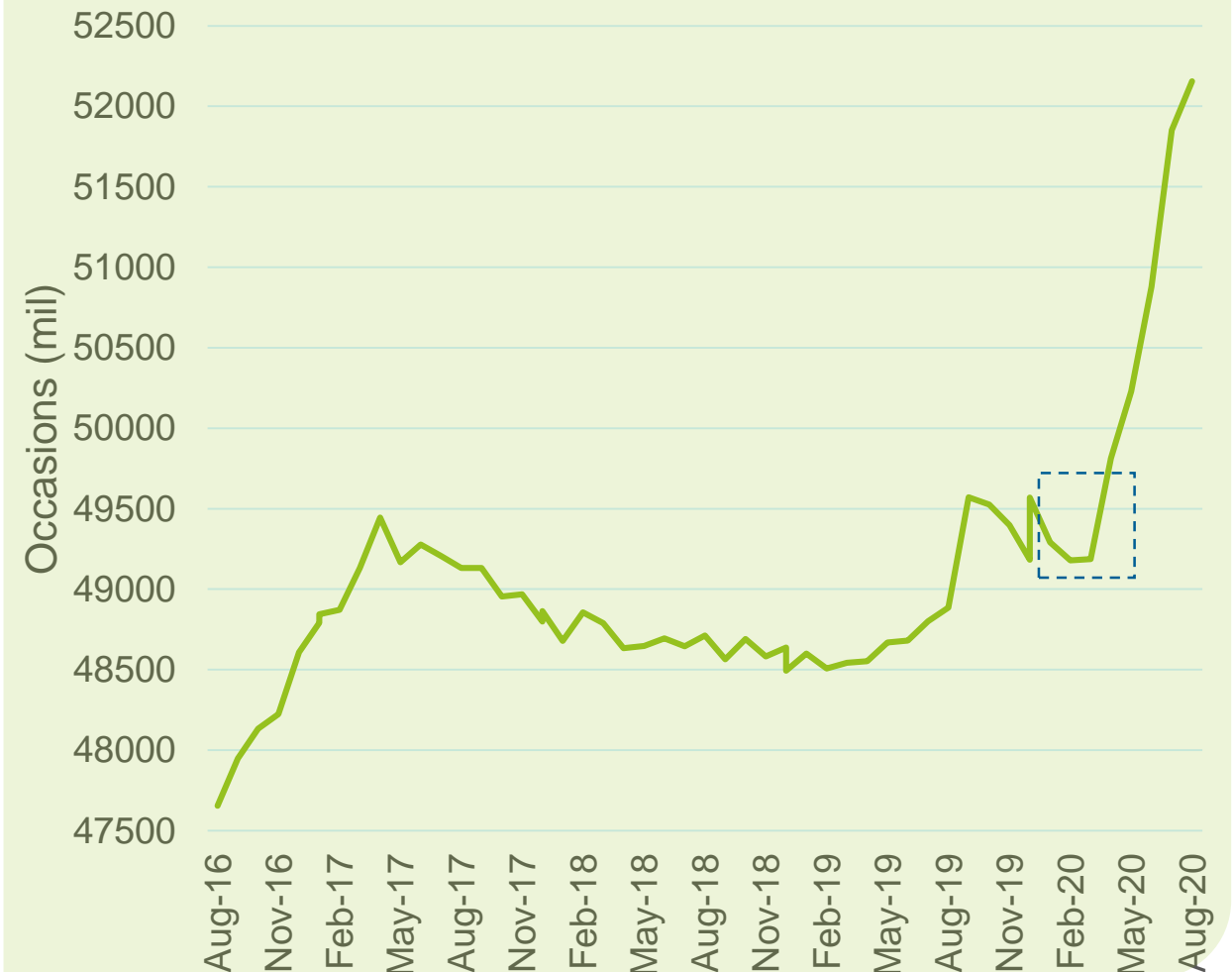


In home occasions have increased. Health and scratch cooking are growing faster than total occasions

Meals cooked from scratch

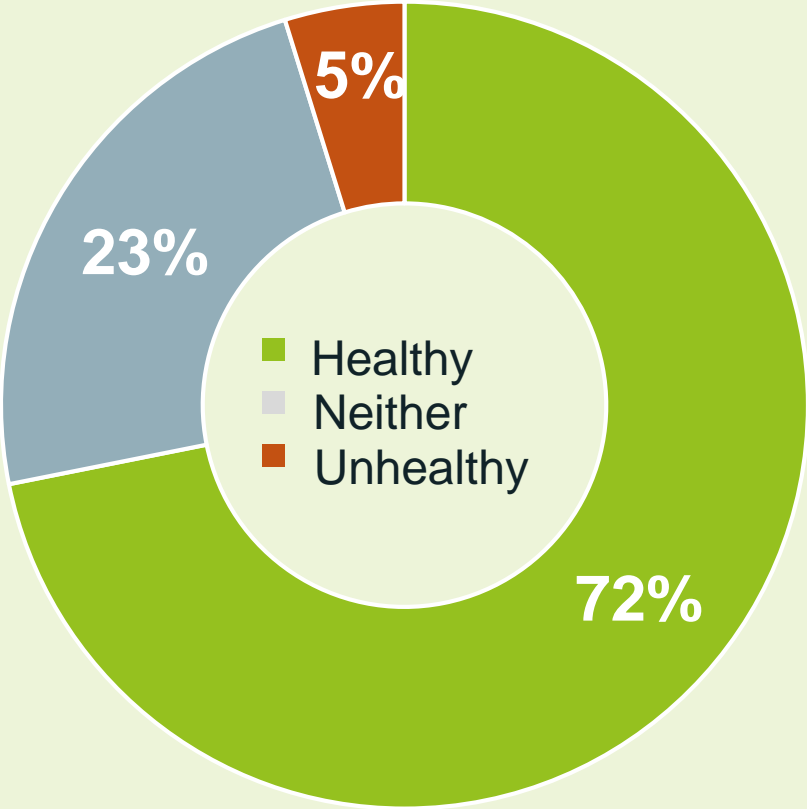


Occasions eaten for health



7 in 10 consumers consider fresh potatoes as a healthy option

Health perceptions of potatoes



It is still more common for main meals to contain meat, fish or poultry but meat free is gaining share



Main meals featuring MFP

17.2bn

-1%

Vs 2019



Main meals without meat*

11.5bn

+4%

Vs 2019

*this is all meals without meat. There doesn't have to be a specific substitute

So is this good news for potatoes?

Some vegetables are more reliant on meat than others...

More likely to be eaten in meat free meals



Combined growth +5%

More likely to be eaten in protein meals



Combined decline -1%

What's next?



Emerging trends

Meal kits from restaurants

Shake Shack DIY Burger Kit



Honest Burger at Home Kit



Home deliveries

Abel and Cole Veg Box



Hello Fresh meal kits



Deliveries from pubs and restaurants

Deliveroo collection point
The King Harry Pub, St Albans



Fish and Chip Delivery
Nicholson's, London



Making sure potatoes are prominent and promoted at these platforms

Lockdown 2

We expect retail sales to grow to compensate for closures in foodservice, as more people eat at home

In home lunches will continue to be the biggest area of growth as people work from home

Takeaways will also perform well, as many are now set up to deliver or are Covid safe



Any questions?

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