

U.S. Fresh Potatoes Gain Ground in Dominican Republic's Retail Sector

A steady focus on retail trade and consumer education by Potatoes USA in the past few years is successfully increasing the penetration of U.S. fresh potatoes into the Dominican Republic's retail sector. Results achieved during the first six months of the current fiscal year show that one of the market's largest supermarket chains has dramatically increased the volume of its purchases, while the overall number of retail chains carrying U.S. fresh potatoes has jumped from two to four in the current year, thanks to marketing activities. Additionally, Potatoes USA is seeing more interest in new varieties of U.S. fresh potatoes, with four new varieties imported during the current year.

To promote U.S. fresh table-stock potatoes, Potatoes USA has utilized MAP funds to carry out a well-rounded retail campaign over the past several years. Because potatoes play a secondary role in the Dominican diet, where rice, plantains and other products are major crops, part of the campaign's focus has been to develop wider awareness of not only the quality and wide varieties of U.S. potatoes available, but also their many versatile uses. Many of the market's major supermarkets carry potatoes, but these are usually of local origin, and potatoes in general tend to be considered a luxury food associated with social prestige and higher incomes. However, the expansion and popularity of the modern supermarket sector opens opportunities for U.S. potatoes to market themselves as a practical, nutritious part of the everyday diet. Activities by Potatoes USA include one-on-one trade visits to retailers to develop initial awareness followed by seminars and merchandising visits to improve product handling and marketing. In the past couple years, Potatoes USA has expanded its focus on consumers, carrying out in-store demonstrations and cooking workshops to improve consumer awareness of product varieties and uses.

One key target of educational activities has been Centro Cuesta Nacional (CCN), the market's second largest supermarket chain. A series of 21 in-store demonstrations during October-December 2016 showed a strong impact: the promotions themselves caused U.S. potato sales to spike 97% during the promotions, with sales remaining 12% higher post-promotion. More telling yet, CCN now carries a range of potato varieties and reports that its imports of U.S. fresh potatoes were 28.7 metric tons during October-December 2016, up from 3.41 metric tons the same period the prior year.

Another success this year from the retail program was La Cadena Supermarkets, which began importing U.S. fresh potatoes in July 2016 for the first time. Potatoes USA has worked with Mercatodo S.A.S., which owns the chain, since an initial trade servicing visit in April 2015. Ongoing trade servicing convinced them to persevere in obtaining an import permit, and now the company imports an average of 1,000 pounds of U.S. potatoes every two weeks, with plans to eventually increase up to one full container. A second supermarket company, Super Fresh, became yet another new venue selling U.S. fresh potatoes for the first time in the current year.

The steady progress made in convincing retailers to carry and promote U.S. potatoes has contributed to the growth of U.S. fresh potato exports to this market. During the first six months of the current fiscal year, which runs July 2016-June 2017, the tonnage of U.S. exports surged 41% to 3,202 metric tons, compared with the same period last year. By value, the U.S. exported \$1.72 million in fresh potatoes to the Dominican Republic during July-December 2016, a 5% increase from the same period the previous year.

