

U.S. Fresh Table-Stock Potatoes Return to Vietnam

A Potatoes USA reverse trade mission and a series of retail promotions during October-November 2016 are reinvigorating U.S. fresh table-stock potato exports to Vietnam. U.S. potato exporters have so far shipped 162 metric tons, valued at \$139,546, during the first six months of the current July 2016-June 2017 marketing year. Although the Vietnam market opened to U.S. fresh potatoes in July 2010, exports have been sporadic, due primarily to the market's strong price orientation and lack of familiarity with U.S. table-stock potatoes. No exports occurred last year, and exports during the prior fiscal year totaled \$138,588 for the entire year.

Market development work by Potatoes USA has demonstrated interest in U.S. fresh potatoes, however, local and Chinese potatoes offer more competitive pricing. Last year, in particular, the stronger U.S. dollar impacted sales. However, market work has also shown that importers, retailers and consumers lack awareness and knowledge of the high quality and wide range of varieties offered by the U.S. Feedback from participants during activities has shown a willingness to buy the higher-priced potatoes from the U.S. once they have developed confidence in the U.S.' higher quality.

To that end, Potatoes USA has found reverse trade missions for importers to the U.S. to be greatly beneficial. Utilizing MAP funds, Potatoes USA brought four importers from Vietnam to the U.S. in October 2016 to witness firsthand how the U.S. employs stringent industry-wide standards to ensure the highest quality potatoes. As a direct result of the trip, one of the importers followed up with their first-ever purchase of a container of U.S. fresh potatoes, while another importer placed orders to bring in at least six containers this winter. Importers also cited Potatoes USA's retail marketing assistance as a crucial factor in their purchases, by aiding product pull-through at the consumer level.

In November, Potatoes USA worked with two retailers, Aeon Supermarket chain and Metro-Mega Market Supermarkets, to promote the U.S. fresh table-stock at the consumer level. Because U.S. potatoes are still new to local consumers, the promotions helped store customers understand the quality and nutrition of U.S. potatoes while enhancing their knowledge of how to prepare the various varieties. Sampling, recipe cards and an in-store promoter to call potatoes to customers' attention proved to be effective in driving sales. The Metro-Mega Market promotions sold 2,641 kilograms of U.S. potatoes during the two-week event, 105% higher than sales immediately before the promotion. After the promotion, sales remained 60% higher than the pre-promotion period. Aeon Supermarket's promotion caused a 30% increase in sales to 1,116 kilograms. Sales would have climbed higher if the new variety of white potatoes had not proved so popular with consumers that it sold out during the promotion. This ultimately spurred the chain's supplier to order another entire container of white potatoes. Customer feedback during the promotions indicated that shoppers felt that food safety, quality and nutrition was highly important and that they are willing to spend more money for higher quality potatoes.

