

China Retail Promotion Delivers Holiday Sales Surge for U.S. Potatoes

An MAP-funded retail promotion with one of China's top ten retailers stimulated strong holiday sales for U.S. frozen potato products, driving purchases of featured products up 80% compared to the same period the year prior. Potatoes USA partnered with Century Mart, one of the largest and fastest growing retailers in China, with the goal of not only increasing awareness of U.S. frozen potato products among consumers, but also demonstrating to the company management that strategic marketing can drive category growth and excitement.

Held November 4-26, 2017, the promotion featured nine different U.S. frozen potato products offered at Century Mart's 41 stores in Shanghai. To help the chain maximize their sales of these products, Potatoes USA conducted training for all promoters prior to promotion to ensure that the key messages of U.S. potato products' nutrition and quality were delivered. The promotion included product tastings to familiarize consumers with the wide variety of products, and included the distribution of leaflets to reiterate potato nutrition facts while inspiring consumers with preparation and recipe ideas. The 80% increase in consumption translated into 1.2 metric tons of U.S. frozen potato products sold during the promotion. Information from the days immediately following the promotion indicate sales continued to rise even after the activity was concluded -- indicating it spurred repeat purchases. Just as promising, the product sampling convinced consumers to try new and less familiar forms of frozen potatoes such as potato balls and hash browns. Given the lasting impact of the promotion, Century Mart has already begun asking for ideas to continue to boost its sales of U.S. potato products.

China's growing retail sector represents a promising growth opportunity for U.S. frozen potatoes. While U.S. frozen potato exports initially entered the market via foodservice usage, U.S. potato products are increasingly penetrating into retail channels. This activity represented the second year Potatoes USA had partnered with Century Mart, and extended the previous year's success when Century Mart was convinced to add and keep seven new potato products. Information from Century Mart's local supplier, which imports the U.S. product and then repacks it in its own label, shows that the supplier's sales to all customers are now up 125% to 9 metric tons/months compared with the prior year.

