



National Chip Week  
15th-21st February 2010

# Retail Report

Issue 77

January 2010



## Potato Statistics

### Observations

Overall, total frozen value shows a year on year increase of 3.8% and an increase of 0.3% by volume

In value terms, all categories show an increase except canned potatoes – down 12.9% and recon. and convenience potatoes – down 11%. The largest increase is seen with chilled potatoes up 11.4% followed by crisps up 9.7%

In volume terms, chilled potatoes show the largest increase, up 17.9%, while canned potatoes are down 14% and recon. and convenience potatoes are down 14.3%

### Observations

Total fresh potatoes show a decrease in value of 2.4% but growth in volume of 1.2%. Within this, total pre-packed shows a value increase of 0.5% and a volume increase of 3.3%, while total loose shows a value decrease of 16.4% and a volume decrease of 19.9%

In terms of value growth, the largest increase is shown by pre-packed baking at 4.4% with organic showing the largest decrease of 24.8%

Pre-packed baking is also the category showing the highest volume growth of 14%. Loose new and organic show the highest rate of decrease – 31.3% and 28.3% respectively

POTATO PRODUCTS 52 wks to 29 Nov 2009	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Frozen Chips	338,615	4.9	327,127	1.5	1.04
Frozen Potato Products	199,884	2.0	137,416	-2.3	1.45
<b>TOTAL FROZEN</b>	<b>538,498</b>	<b>3.8</b>	<b>464,543</b>	<b>0.3</b>	<b>1.16</b>
Recon. & Conven. Potato	28,466	-11.0	13,835	-14.3	2.06
Chilled Potatoes	145,837	11.4	43,792	17.9	3.33
Canned Potatoes	11,366	-12.9	17,112	-14.0	0.66
Crisps	754,253	9.7	126,961	1.6	5.94

POTATOES by PACK TYPE 52 wks to 29 Nov 2009	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Pre-packed New	277,783	-0.7	373,907	-0.7	0.74
Pre-packed Maincrop	523,402	0.1	1,050,072	3.1	0.5
Pre-packed Baking	82,906	4.4	127,116	14.0	0.65
<b>TOTAL PREPACKED</b>	<b>886,053</b>	<b>0.5</b>	<b>1,556,195</b>	<b>3.3</b>	<b>0.57</b>
Loose New	58,220	-16.7	40,820	-31.3	1.43
Loose Maincrop	19,986	-7.5	24,261	-2.3	0.82
Loose Baking	70,269	-18.5	54,437	-16.3	1.29
<b>TOTAL LOOSE</b>	<b>148,476</b>	<b>-16.4</b>	<b>119,519</b>	<b>-19.9</b>	<b>1.24</b>
Organic	21,454	-24.8	24,790	-28.3	0.87
Conventional	1,013,071	-1.8	1,650,901	1.8	0.61
<b>TOTAL FRESH (Retail)</b>	<b>1,034,529</b>	<b>-2.4</b>	<b>1,675,714</b>	<b>1.2</b>	<b>0.62</b>

DATA SOURCE—TNS

All potatoes—GB & Imports

## Retail Detail



RETAILER SHARE OF FRESH POTATO MARKET 52wks to 29 Nov 2009 % change year on year	VALUE %			VOLUME %				
	Total Potatoes	Prepack Potatoes	Loose Potatoes	Total Potatoes	Prepack Potatoes	Loose Potatoes		
Tesco	28.3	-1.6	29.7	20.1	28.8	-4.7	29.7	17.9
Sainsbury	15.8	-1.2	16.1	13.9	14.0	-0.4	14.1	12.5
Morrisons	12.3	-0.9	12.0	13.7	12.5	7.6	12.5	12.9
Asda	14.8	1.3	15.7	9.3	17.2	4.4	17.9	8.6
Somerfield	3.1	-29.2	3.0	4.1	2.6	-29.2	2.6	3.1
Co-Op Grocers	5.6	0.7	5.6	5.5	5.1	3.3	5.1	4.6
Marks & Spencer	2.9	-12.1	3.0	2.3	1.5	5.7	1.5	1.7
Waitrose	3.9	-2.9	3.2	7.7	2.5	-0.2	2.2	6.0
Aldi	3.2	8.9	3.7	0.1	5.6	40.3	6.1	0.1
Lidl	1.9	6.0	2.0	1.1	2.5	10.2	2.6	1.4
All others	8.2		6.0	22.2	7.7		5.7	31.2
<b>TOTAL MARKET</b>	<b>100.00</b>	<b>-2.4</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>1.2</b>	<b>100.00</b>	<b>100.00</b>

DATA SOURCE—TNS

## Retail News

### Multiples rule top-up shop market

*'56% top-up shop in supermarkets'*

A new report out from Evolution Insights reveals that Convenience stores are losing the battle against the supermarkets for the lucrative top-up shopping market. Only 30% of shoppers claimed to visit convenience stores to do their top-up shopping, against 56% who claimed to top-up shop in supermarkets. Evolution Insight analyst Alistair Lockhart commented, "Top-up shoppers often perceive supermarkets as more convenient because they have good parking, a wider range and people are familiar with them."

### Strong growth predicted for online shopping

*'online grocery shopping will double by 2014'*

New research from IGD forecasts that we will spend £7.2bn on food and grocery shopping online by 2014 – nearly double the figure for 2009.

The report, Online Shopping 2009, just published by IGD, also found that:

- In 2009, 13% of adults shopped online for groceries – an increase of 63% on 2006
- Three out of five (61%) online grocery shoppers use more than one online store for their food shopping
- Half (49%) would like to try other supermarket websites, but many are put off by the perceived effort involved.
- 30% purchase less often than once a month
- 34% expect to shop in a variety of outlets, including online, in the next 5-10 years (compared to 27% in 2007)

Joanne Denney-Finch, chief executive, IGD, said: "People are increasingly mixing the channels they use for their weekly or monthly shop. Many are choosing to visit their local store on a regular basis, while purchasing a number of bulk items, like tinned foods and toiletries, online less frequently.

"The future of grocery shopping is 'multi-channel', with people shopping in different ways and using various outlets – whether convenience stores, online or hypermarkets."

## Sales boosts at the multiples

A recent article in the Daily Telegraph on Waitrose results highlighted changes to shopping behaviour in the cold snap. A certain amount of panic buying of groceries due to the cold weather saw sales at the supermarket jump 22 per cent over the week to 9<sup>th</sup> January 2010.

The supermarket said that shoppers were buying larger baskets of food, and that sales of staples and long-life products had shot up. Sales of corned beef increased by 70% while sales of Spam rose by 30% over the week. Milk sales increased by 28%.

Waitrose also said that frozen chips, tinned beans and frozen fish fingers were all significantly up on the same week last year.

“As the big chill gripped Britain, consumers’ desire for warming comfort food helped drive a strong sales uplift,” said Tony Solomons, retail director at Waitrose.

Mr Solomons said that the 22% sales rise – which excludes petrol sales – came as healthy eating was put on hold for comfort food.

“As the country shivered, the traditional New Year diet was put on hold in favour of pies and cupcakes, which saw an uplift of 20% and 30% respectively,” he said. The uplift in pie sales is also reflected in recent Nielsen figures which show the pie market – pastry and potato topped dishes - has grown by 16% since the start of 2008, put down to the resurgence of British food and the creation of better quality supermarket produce.



Waitrose also reported a strong performance in its Waitrose Deliver home-shopping service. The icy conditions spurring many to make their first on-line order, in preference to braving the cold themselves. Over the week to 9<sup>th</sup> January new registrations increased by 283% compared with the same time last year.

Meanwhile at rival Sainsbury’s the last quarter of 2009 produced record sales attributed to customers abandoning

austerity rations and stocking up luxuries. Sainsbury’s chief executive, Justin King, said that while Christmas 2008 was the “most price driven” he had seen, 2009 heralded a “swing back to quality”, with its stores seeing demand for traditional food. It sold 850,000 turkeys and 1.6m bottles of champagne during the festive period, with sales of fresh cranberries also up 116%.

The shopping trends indicated people planned to cook at home more and were “fed up with being fed up”.

King said that Sainsbury’s had 1 million more customers than a year ago, serving a record 24 million customers in the week to Christmas Eve. Experts suggest that Sainsbury’s has taken customers from the likes of Marks and Spencer which announced weaker food sales.

Analysts had been concerned that Sainsbury’s upmarket reputation would make it vulnerable in a recession, but King said long term trends such as the growing “foodie culture” played in its favour while initiatives such as ‘Feed your family for a fiver’ and ‘Love your leftovers’ had strengthened its credentials for good value.

## Adding value to fresh produce

Some fascinating new products have been shortlisted for the Fruit Logistica Innovation Award 2010 including green wax-tipped organic bananas, carrot fettuccine and a flavour concept for potatoes for use at the point of sale to help shoppers choose the right potato for their needs.

Fyffes organic bananas feature a green layer of food-approved wax on the tip of each banana to add colour and interest to the category as well as differentiate themselves from regular produce and reduce the need for labelling. The bananas have been trialled in Germany and are expected to be rolled out to other countries if successful.

Italian producer Aureli Mario has produced Carrot Fettuccine which is made from strips of raw carrot aimed at invigorating the fresh vegetable convenience sector. It can be eaten raw as a snack or boiled in the normal way.

Dutch company HZPC has launched a new taste guide for its potato range under the Pommonde® brand name using different logos and colour codes to clearly identify each separate type of potato.

**Fine (creamy and refined):** A potato with a creamy structure and a fresh, sweet, buttery flavour. Especially suitable for high-quality gourmet dishes in which the potato is in balance with other ingredients.

**Lite (light and mild):** A potato with a light soft structure suitable for dishes with soft neutral flavours and textures.

**Bite (firm and tasty):** A potato with a distinctively firm texture and a full rich flavour – something to get your teeth into!

**Ripe (floury and dry):** A drier potato which is more floury in texture and suitable for a wide range of culinary applications.



Israeli company Mtex, already a supplier to the UK has produced a tool for swiftly pitting pomegranates. The tool looks like a lemon press and includes a bowl to catch the seeds.

One product already on sale in this country is Bellaverde Sweet Stem Broccoli, which meets consumer demand for a less bitter tasting variety.

Other products include a foldable box that expands to accommodate the contents, a two colour tray with a lid, from the Netherlands, designed to enhance the visual appeal of fruit and vegetables in store taste guide, and a portable device for determining the inner quality of different fruit and vegetable varieties.

## Potatoes post Sir Walter Raleigh

**Marie Antoinette took to wearing potato blossom in her hair**

We are all familiar with the story of Sir Walter Raleigh introducing the potato into to Britain from its South American roots, but were you aware of its subsequent history? Celebrity chef, Raymond Blanc gives his version in a recent newsletter, repeated below. Oddly enough it was the “educated” class who started championing the potato. In 1795, the Board of Agriculture no less, published a pamphlet entitled “Hints Respecting the Culture and Use of Potatoes”. The Times joined the bandwagon. France waited patiently till the 18th Century and Auguste Parmentier, a chemist, to rally the troops. His thanks, as ever in France, was to have a dish named after him. He was strangely backed by no other than Marie Antoinette who took to wearing potato blossom in her hair. Maybe she should be more kindly remembered as saying “let them eat potatoes”. Having crept northwards through the Americas, Ireland received its potato from the American colonies, becoming such a vital part of the food supply that

it eventually lead to the disaster that was the Great Famine. In Russia none other than Catherine the Great saw the possibilities, and ordered her countrymen to grow the potato. She was contradicted by the Church who, stating that the potato was not mentioned in the Bible, advised against it. In the end the potato won, heathen or not, it had many things on its side: high calorie value, easy to grow, higher yields than wheat, more resistant to infection, easy to collect and cook it had one further ace up its sleeve; rampaging armies would easily destroy wheat fields by just passing through, the potato was left safe underground. Rarely has a vegetable had such an influence, it is said that this easy form of nourishment was the catalyst for the Industrial Revolution. A far cry from something that was frowned on by the Church and commonly given names such as “Earth’s testicles” or even “Eve’s Apple” as it was said to increase the libido. Like others before and after, the potato piggy backed on the ships trading around the world and is now common in the Middle East, the Far East and Asia with China now the greatest producer of potatoes in the world.

### Potato Ambassadors

The Potato Council is looking for growers to help bring our marketing campaigns to life for consumers. We are searching for nine regional Potato Ambassadors; people who are passionate about the industry and can help communicate that potatoes are healthy, filling, versatile and good value for money. This could involve speaking to the press, attending events, hosting farm visits or even chatting online to our target audience. That said we won’t be asking for more than a few days of time during the year.

Nominations will close in mid February and applicants will then receive a brief telephone interview. Short listed candidates will be visited by the PCL team before a final decision is made in April. The new ambassador ‘team’, following media training, will be launched in May to coincide with the start of the new season.

If you know any growers who would love the opportunity to raise their own profile as well as that of the wider industry, contact **Ellie King on 02476 478775** or email [eking@potato.org.uk](mailto:eking@potato.org.uk)

P.S. Don’t forget, registration for Grow Your Own Potatoes closes on 5<sup>th</sup> February so not long for you to recruit your local schools!

## It must be true, it’s in the media

### Spotted in the Grocer:-

In the Grocer’s Top Product survey of 2009 both rice and pasta brands came in the top ten categories ranked by growth. Rice brands were at number two showing a 17.3% year-on-year increase and pasta was at number seven with an 11.8% increase. Pasta sauces were ranked ninth with an increase of 11.5%. Frozen potatoes were further down the list at number 30 with a 5.8% year-on-year increase.

### Spotted in the Guardian:-

Looking into the future of food, a Guardian article predicts we will see a ‘nostalgic’ theme emerging this year. Based on an analysis of worldwide food forecasting the article believes nursery food will be popular, whether it’s cupcakes, cookies or mashed potatoes. The supermarkets look set to gear themselves up to capitalise on more home cooking too. Waitrose, Asda and Marks and Spencer have plans to put more butchers and fresh fish counters into their stores this year. Street food is also predicted to be another emerging trend with the first British awards taking place in September.

### Spotted in the Sunday Telegraph:-

While it is true that the rise in supermarket culture and the growth in internet shopping and farmers’ markets have widened the tastes of consumers, overall, food costs have plunged. Food now accounts for about a tenth of family spending, compared with a quarter 40 years ago. Victorian families spent up to 70% of their income on food. This is based on Engel’s Law which states that as people get richer, they spend proportionately less of their income on food.

