# Initial Report on Project to Enable Ontario's Potato Industry to Capture Added Value

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Investment in this project has been provided by Agriculture and Agri-Food Canada through the Canadian Agricultural Adaptation Program (CAAP). In Ontario, this program is delivered by the Agricultural Adaptation Council.

Over the past two decades, the per capita consumption of fresh potatoes in North America has dropped by 40 percent.

The primary reasons for this include more alternative products coming onto the market, changing lifestyles, and greater consumer emphasis on nutrition and health when purchasing food. It also stems from the potato industry's continuing focus on selling commodities instead of value-added products. This has led to Ontario's potato industry missing market opportunities.

While consumer markets have changed radically in their composition, tastes, and desires, the potato industry has not followed suit. A primary reason for this is that Ontario's potato industry does not possess definitive information on consumers' purchasing behaviour and the drivers of behaviour. This is particularly the case when compared to jurisdictions that include the U.K., New Zealand, and South Africa.

The purpose of a unique project being undertaken with Canadian Agricultural Adaptation Program (CAAP) support, and in conjunction with Loblaw Companies Limited and Downey Farms, is to enable Ontario's potato industry to capture greater value from the market. This will be achieved through conducting extensive research among 1,000 Ontario consumers to identify which attributes certain consumers are willing to pay above commodity prices for, and why. This will be followed by confidential interviews with industry stakeholders operating along the value chain, which together with the consumer research will enable the development of a roadmap that will guide our industry's future endeavours.

Though the project only began in late April, an initial study conducted among a random group of 210 Ontario consumers has already identified potential market opportunities. The majority of respondents (64%) stated that, while they know that certain varieties of potato are more suited to specific uses than others (e.g., mashing vs. boiling vs. baking), they are not sufficiently familiar with the varieties on offer to make informed purchasing decisions. Value could be captured by providing consumers with greater information on the suitability of certain varieties (or types of potato) for specific meal occasions.

A more rigorous study conducted through in-store interviews will occur later in July. This will be followed by a detailed analysis of the results. A communication strategy will enable businesses of all sizes across the industry to digest the resulting information to identify its relevance to them, resulting in a more competitive and sustainable potato industry.

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