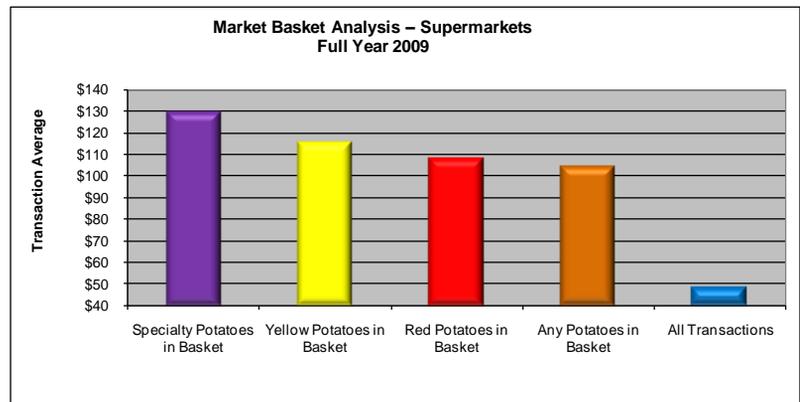


## Market Basket Analysis: Potatoes

The USPB sought to better understand the impact that fresh potato purchases have on retail transaction averages, as well as what food items were most commonly in the basket with potatoes and how their purchase incidence varied from the norm.

### Research approach & methodology:

Using loyalty card data collected from two national retailers, the study aggregated over 750,000 transactions which included fresh potatoes from 200,000 households during the years 2008 and 2009. The study determined overall market basket size vs. average basket size for potato purchases, and analyzed co-purchase frequency for all food purchases in potato baskets and in any food basket, identifying potato co-purchases with a 30% increase in incidence over any food basket incidence.



### Results and Implications:

The purchase of fresh potatoes have a profound impact on total basket ring – a 216% increase in basket size during 2009, from \$48 to \$104. Red potatoes grew the average basket size to \$108 (a 225% increase) and yellow potatoes increased the transaction average even further, to \$115 (a 240% rise). When specialty potatoes were included in the market basket, the grocer rang up an average sale of \$129, a 269% increase compared to the average transaction.

The study also identified foods more likely to be purchased with potatoes:

- Onions were found in 33% of baskets (index of 260, or 2.6X higher than average)
- Peppers were in 21% of baskets (207 index)
- Tomatoes were in 37% of baskets (193 index)
- Fresh beef was in 56% of baskets (207 index)
- Fresh chicken was in 33% of baskets (193 index)
- Fresh pork was in 17% of baskets (216 index)
- Butter/spreads were in 35% of baskets (194 index)

**Want to know more?** Find the complete report on the USPB's resource center posted under "industry research"