

# Fries Surge: How is the growing influence reshaping the Frozen Potato Industry?

The **INSIGHT**  
Partners



# EXECUTIVE SUMMARY

The frozen potato industry is rapidly evolving due to changing consumer trends toward convenience food and product innovation. Products like French fries require minimal preparation, often requiring heating or frying, which suits the fast-paced lifestyles of people who may have limited time for cooking. This ease of preparation makes frozen potatoes an attractive option for quick meals or snacks. As per the Insight Partners' analysis, the global frozen potato market is projected to exceed **US\$ 98 billion** by 2031.

High growth is anticipated from less developed economies of Asia and Africa due to increasing Westernized diet culture and rapidly expanding fast food industry. In developed countries, manufacturers should focus more on product diversification and consumption through food service channels.

Apart from shifting consumer preferences, the frozen potato industry's expansion is influenced by advancements in the supply chain. The rise of organized retail industry in countries such as India and rapid urbanization have played a pivotal role in the expansion of cold storage facilities. Thus, frozen food products are quickly available through various channels, including quick-service-restaurants (QSR), retail stores, and fast-food chains.

# Why French Fries Dominate Global Frozen Potato Market?

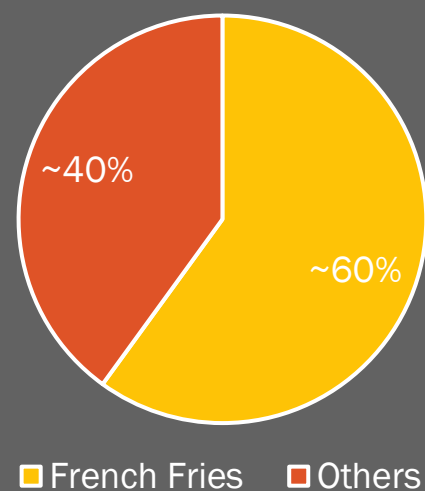


The industry offers a wide range of products in the frozen potato category: French fries, hash brown, mashed potato, potato shots, shaped potato snacks (wedges, star-shaped, alphabet-shaped, smiley shaped, etc.), battered and stuffed potato, and potato shells. Manufacturers offer new flavors and a variety to each product category to cater to diverse tastes.

As per [The Insight Partners](#), French fries accounted for nearly 60% of global sales of the frozen potato market in 2024. French fries are one of the most popular side dishes worldwide.

Fries are frequently consumed as snacks, appealing to those looking for quick bites between meals. Their status as comfort food also plays a role in their preference among consumers seeking indulgent treats.

Global Frozen Potato Market, 2024



Source: The Insight Partners

# Popular Accompaniments , Along with French fries, by Key Countries/Region

Country	French Fries Accompaniments
Belgium	French fries with cooked mussels or fried egg
UK	French fries with fried fish (Fish and chips)
Middle-East	French fries with sharwarmas, pita bread, etc.
Canada	Poutine (French fries and cheese curds)
Peru	Salchipapas (French fries topped with sliced hot dogs and various condiments)
Spain	Patatas Bravas (cube-shaped fried potatoes served with a spicy tomato sauce or aioli. )
Japan	Furikake Fries (fries are often seasoned with furikake, a mix of seaweed, sesame seeds, and other spices)

Source: Company Press Release, The Insight Partners

Due to rising popularity of French fries as a side dish, manufacturers are focusing on experimenting with new seasoned products. They also focus on developing new technologies aiming to provide more crispers fries and remain crunchy for longer time. Another evident trend in the foodservice industry is “loaded” fries and often French fries are topped or loaded with bacon, cheese, sour cream, and Nachos. Manufacturers are reformulating their French fries taking into account health concerns raised by few segment of consumer as it is linked with poor diets and rising obesity rates. Some of the development includes minimizing use of artificial additives, removing hydrogenated oils and adding fiber content.



# Impacts on the Frozen Potato Industry

The growing demand for fries has had a profound impact on the frozen potato industry, reshaping its dynamics, supply chains, and market strategies.

As fast-food chains, restaurants, and consumers increasingly prefer convenient, ready-to-cook options, frozen fries have become a staple. This surge in demand has led to increased potato cultivation, advanced processing technologies, and global trade expansion. Additionally, manufacturers are focusing on product diversification, including healthier options like low-oil or air-fryer-friendly fries.

Fast-food giants like McDonald's, KFC, and Burger King rely heavily on frozen fries to maintain consistency and efficiency, leading to increased production. In retail, brands such as McCain, Lamb Weston, and Simplot dominate supermarket shelves with a variety of frozen fry options, including crinkle-cut, shoestring, and curly fries. Additionally, the rise of healthier alternatives has led to air-fryer-friendly and sweet potato fries gaining popularity.

However, the supply side is likely to face challenges due to this surging demand. Farmers may struggle to meet the growing demand for potatoes, resulting in potential shortages, increased costs, and quality inconsistencies due to the pressure to boost production within tight deadlines.

Processing plants might face capacity limitations,

as their freezing, packaging, and storage infrastructure may be insufficient to accommodate a sudden spike in production, leading to delays and inefficiencies.

Additionally, higher manufacturing output can raise environmental concerns, such as increased energy consumption, excessive water use, and greater waste from packaging materials. Labor shortages across farming, processing, and logistics sectors may further disrupt supply chain operations, making it challenging to maintain steady production.

Furthermore, global trade disruptions—including shipping delays, export restrictions, and rising transportation costs—can complicate the smooth distribution of frozen potatoes, impacting both suppliers and consumers. Additionally, the industry is influenced by fluctuating potato prices, ongoing supply chain challenges, and growing sustainability concerns.

The surging demand for fries has transformed the frozen potato industry, driving market growth, innovation, and sustainability efforts. However, challenges such as price volatility, competition, and environmental concerns remain. By leveraging technology, focusing on health trends, and expanding into emerging markets, the industry can continue to thrive in the coming years.

# Sourcing of Potatoes and Supply Chain

Potatoes are important raw material for frozen potato industry and all potatoes are not suitable to manufacture different frozen potato products. To meet specific criteria of potatoes and in order to keep steady supply of potatoes, manufacturers are focusing on sourcing of potatoes and optimizing the entire supply chain.

Potatoes are typically stored in large, specialized warehouses or cold storage facilities to maintain freshness and prevent spoilage before processing. Frozen potato manufacturers

have their own or contract processing facilities where potatoes are washed, peeled, cut into fries, blanched, frozen, and packaged. Efficient supply chain management is crucial to ensure that potatoes are delivered to processing plants on time and in optimal condition. Large giants such as McCain, Lamb Western Holdings Inc., The Kraft Heinz Co., and J.R. Simplot Company have established a comprehensive procurement strategy for sourcing potatoes. This strategy focuses on sustainability, efficiency, and collaboration with farmers.



## Focus on Sustainability

McCain Foods is committed to sustainability in its procurement practices. They have set targets to reduce Scope 3 CO2 emissions associated with potato farming and transportation by 2030. Additionally, they are working on improving water-use efficiency in regions facing water stress. Lamb Weston has implemented water conservation practices across its operations. They focus on reducing water usage through advanced irrigation techniques and recycling water in their processing plants. In August 2024,

Simplot received an award for “Most Outstanding Contribution to Food Rescue in Australia.” This award was to recognize a long partnership with Foodbank to enable food rescue across our whole value chain. In Tasmania, Simplot has played an active role in buying and reusing rejected tons of vegetables that do not meet retail specifications for minor defects and converting them into final products like Simplot’s frozen chips or vegetables.

## Investment in Advanced Processing Facilities

In March 2023, McCain announced a significant investment of US\$ 600 million to expand its potato processing facility in southern Alberta. This expansion aims to double the facility's capacity, enhancing its ability to process more potatoes efficiently and cater growing demand for frozen potatoes. In June 2022, McCain Foods Limited acquired the predictive crop intelligence portfolio from Resson to enhance farming efficiency. Resson has developed algorithms to forecast farm yields using remote sensing technologies to assess potato fields and crop development. Companies are increasingly adopting automation and AI technologies to enhance efficiency. Advanced sorting technologies have improved product yield by up to 15%, while AI-powered quality control systems have reduced defects by 20%.



## Support for Soil Health

In November 2023, McCain Foods USA received US\$ 6.9 million from the US\$A's Regional Conservation Partnership Program to support initiatives aimed at improving soil health among potato farmers. This program emphasizes sustainable farming practices that benefit both the environment and crop yields. Simplot supports 4R Nutrient Stewardship Program, which combines conservation of nutrient management for reducing the overuse of fertilizers and reducing waste. Simplot manufactures and sells fertilizers through its division, Simplot Grower Solutions, which supports over 38,000 farmer customers in the U.S. and Canada.

## Direct Partnerships with Farmers

McCain Foods collaborates closely with potato farmers to ensure a steady supply of high-quality potatoes. The company is recognized as the largest purchaser of British potatoes, buying approximately 15% of the annual crop. This partnership not only secures their supply chain but also supports local agricultural economies. Simplot contracts with farmers across North America for over 100,000 acres of potatoes and vegetables annually. Simplot also grows thousands of acres of raw product on its own farms and sells crop nutrients to all farmers.

# Business Advantages

The price of final products in the frozen potato category depends on raw material procurement, technology used, and manufacturing location. Pricing is an essential factor to succeed in this business, especially for players targeting the QSR segment. Profit margins, competition and price of raw materials are major factors affecting the final prices of the product. Maintaining operational efficiency is another key factor in this business. Maintaining high-quality standards, streamlining technology, minimizing waste, and optimizing efficiency enhances operational efficiency. Factors such as pricing strategy, marketing and promotional activities and operational efficiencies would benefit new entrants in the longer run. Despite large competition from large multinational companies, new entrants have ample opportunity in the food service industry. Generally, the average wholesale price of potato is around US\$ 0.3-0.6/kg, the estimated production cost of frozen French fries is ~US\$ 0.8-1.5/kg, the final price that a consumer pays for a kg of French fries is US\$ 3-6/kg. So, this is a lucrative business; however, new entrants have to be cautious with the prices.





# Industry Competition

The frozen potato industry is competitive, with several large companies vying for market share. Key players in this industry often engage in rivalries based on product innovation, pricing strategies, distribution channels, and brand loyalty.

As per The Insight Partners, McCain Foods Limited, Lamb Weston Holdings, and J.R. Simplot Company together account for more than 30% market share globally and capture more than 70% share in North America. Other companies that hold significant shares include Cavendish Farms Corporation, The Kraft Heinz Company, Agristo, Clarebout Potatoes NV, Farm Frites International, Aviko Holdings B.V., and BemBrasil.

Browse More on <https://www.theinsightpartners.com/pr/frozen-potato-market>

Many grocery chains have their private-label frozen potato products. These brands, while not as prominent as large established giants, offer direct competition through pricing strategies, aiming to undercut branded products while offering similar quality.

## TOP PLAYERS OF FROZEN POTATO MARKET



Source: The Insight Partners

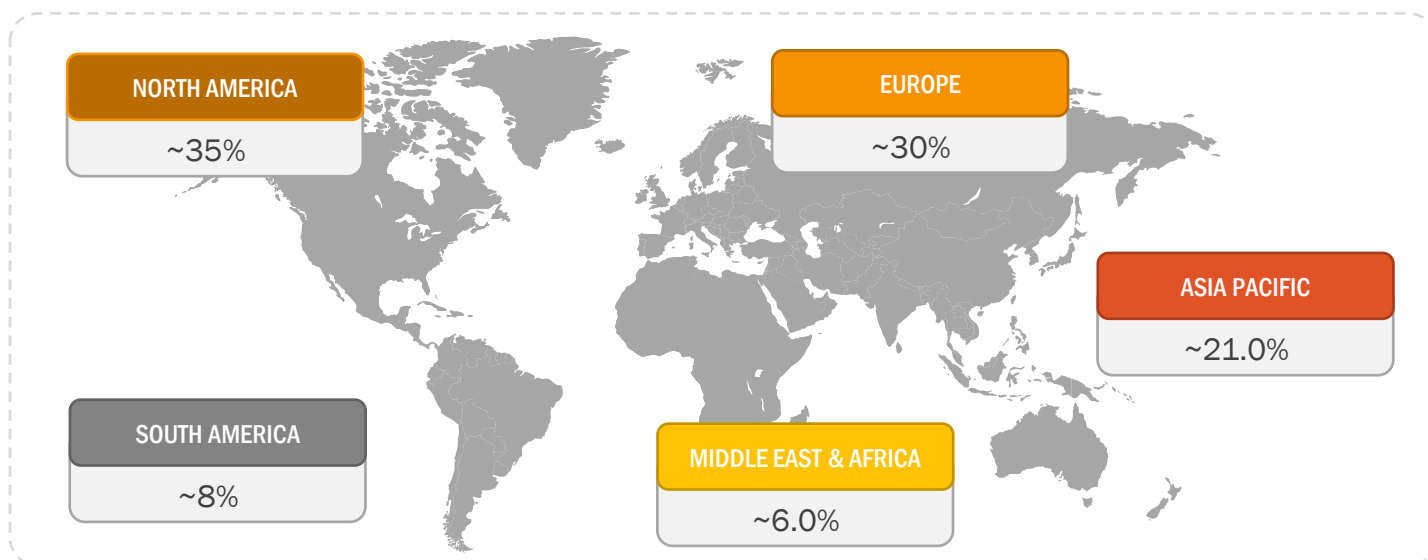
# The Potato Cartel: Driving Price Fluctuations

In 2024, McCain Foods and Lamb Weston Holdings are among several frozen potato product suppliers facing lawsuits in the US over alleged price-fixing. The grocery chain Redner's Markets filed a lawsuit against McCain, Lamb Weston, JR Simplot, and Cavendish Farms. The chain alleges that the four defendants conspired to set prices above competitive levels to increase their profit margins. Another lawsuit was filed against these four companies and Potatoes USA by plaintiff Alexander Govea. The court document

alleges that defendants' frozen potato prices increased in 2021, skyrocketed in 2022, and remained high through July 2024, resulting in excessive profit margins. The lawsuit accuses McCain Foods, Lamb Weston, JR Simplot, Cavendish Farms, and Potatoes USA of conspiring to manipulate prices in the frozen potato market. It claims the companies used data aggregation services and trade associations to coordinate price hikes, harming purchasers.



# Regional Perspective: Frozen Potato Market



Source: The Insight Partners

**North America**, especially the US, was the largest consumer of frozen potatoes in 2024, largely driven by the rising consumption of convenience foods and an increasing demand from the working population. As per The Insight Partners, North America accounted for more than **35%** share in global frozen potato market in 2024. The rising trend of dine-in, takeaway, and on-the-go consumption, along with well-established food processing industry and string retail & food service sector are some of the major factors driving the North America frozen potato market.

In **Asia Pacific**, India is emerging as a key player in the frozen potato market. Rapid urbanization and growth of the fast-food industry in India contribute to increased consumption of frozen potatoes, with global chains relying heavily on these products for their menus. Although India has significant potato production, only a small fraction of the entire production goes into potato processing, unlike developed countries. Considering the current consumption rate of frozen potatoes in India, the fast food industry expansion is anticipated to drive the frozen potato market in India at a

CAGR exceeding **6%** from 2025 to 2031. Nonetheless, industry players face challenges in availing good quality potatoes, supply uncertainties, and a narrow genetic base for developing new varieties of potatoes. Despite these challenges, companies such as McCain Foods, HyFun Foods, and Iscon Balaji Foods have established huge capacities for French fries in India. These companies serve top QSRs as well as export frozen potato products.

Growing appeal for Westernized fast food and growing urbanization is projected to provide lucrative opportunities to frozen potato manufacturers in the **Middle East**. In November 2024, The Agricultural Growth and Processing Company, a subsidiary of Americana Holding for Food Ltd, is poised to expand its operations with a substantial US\$ 100 million (SAR 375 million) investment in a new Greenfield Frozen French Fries manufacturing plant in Riyadh, Saudi Arabia. Building on a successful 30-year partnership with Farm Frites, a global leader in potato cultivation and frozen French fries production, the new processing facility will be located in Sudair Industrial and Business City, further strengthening our collaboration with Farm Frites.

# Notable Developments in Frozen Potato Industry

Year	Development
Jan 2025	McCain Foods United Kingdom has transformed the frozen food aisle with its latest innovation—a potato snack that combines the crispiness of a chip with the fluffiness of a fry. This exciting new product offers a unique texture and flavor experience and it is currently exclusive to Iceland, with plans to launch in Tesco, Morrisons, and Sainsbury’s in March 2025.
Jan 2025	After conducting extensive potato trials across various US states, Agristo has chosen Grand Forks, North Dakota, as the ideal site for its new facility. The company is confident in the region's high-quality potato farming and is working with local authorities to prepare the site and improve logistical connections to serve its US clients. Once negotiations are completed, Agristo plans to invest up to US\$ 450 million in a state-of-the-art production facility, creating 300–350 direct jobs and driving indirect investments in agriculture and supply chains, benefiting local and regional economies.
Dec 2024	Post Holdings, Inc., a consumer packaged goods holding company, has announced an agreement to acquire Potato Products of Idaho, L.L.C. Potato Products of Idaho is a producer and packager of refrigerated and frozen potato products, and the acquisition includes a manufacturing facility in Rigby, Idaho. The deal is expected to close in the first calendar quarter of 2025.
Nov 2024	Lamb Weston opened a new production facility in Kruiningen, The Netherlands. This expansion boosts the company’s annual production capacity by 195 million kilos to meet the rising global demand for frozen potato products. The site has expanded its production capabilities while incorporating sustainable technologies to enhance potato processing and packaging. The plant is designed to maximize raw material efficiency and optimize water and heat reuse to reduce emissions.
Oct 2024	Lamb Weston plans to shut down an older, higher-cost processing facility in Connell, Washington, and temporarily reduce production lines and schedules across its North American network.
Oct 2024	The Association of Washington Businesses (AWB) has announced the construction of a 420,000 square-foot processing facility at 2107 Road O. The plant is expected to create 150 new jobs and will feature a 14-story freezer with a capacity of 65,000 pallets. The facility is currently 75% complete, though the timeline for its finalization and operational launch has not been disclosed.
Aug 2024	Lamb Weston celebrated the grand opening of its newly expanded French fry manufacturing line in American Falls, Idaho. This cutting-edge addition increases production capacity by about 40%, significantly upgrading the facility and making it one of the largest frozen potato processing centers worldwide.
Aug 2024	Al-Jouf Agricultural Development Company’s board of directors has approved the expansion of its French fries factory, with an estimated cost of 87 million Saudi Riyals (i.e., US\$ 23.18 million). The expansion will boost production capacity by 50%, according to a statement to the Saudi stock exchange. Construction will begin in the third quarter of 2024, with completion expected by the third quarter of 2026. A trial run will start in the third quarter of 2026, lasting one month, followed by the commencement of commercial production in the fourth quarter of 2026.

Source: Company Press Release, The Insight Partners

## Conclusion

The frozen potato industry is poised to grow rapidly due to advancements in processing technology, use of AI in potato production, improvements in cold chain facilities, and focus in sustainable practices by manufacturers. Mushrooming quick-service restaurants across the globe is likely increase the pace of the frozen potato market growth in the food service sector. Despite price sensitivity and recent allegations of price fixing on large giants, new players (especially private labels) can offer strategic pricing to beat the competition. Existing players can focus on product

diversification and localization as per regional tastes and preferences.

In conclusion, the frozen potato industry has numerous avenues for growth by leveraging technology, focusing on health trends, expanding product offerings, targeting emerging markets, implementing sustainability initiatives, and enhancing marketing strategies. By adapting to changing consumer preferences and market dynamics, the industry can achieve substantial growth in the coming years.

## Suggested Reading

[Frozen French Fries Market](#)

[Frozen Sweet Potato Market](#)

[Frozen Vegetables Market](#)

[Frozen Food Market](#)

[Frozen Pizza Market](#)

[Frozen Sweet Potato Hash Brown and Tater](#)

[Shots Market](#)

[Mashed Potato Market](#)

[Potato Protein Market](#)

[Potato Fiber Market](#)

[Potato Chips Market](#)

[Sweet Potato Flour Market](#)

# References

1. Potato Processors' Association
2. United States Department of Agriculture (USDA)
3. Natural Frozen & Refrigerated Foods Association
4. British Frozen Food Federation
5. Manufacturing of Frozen, Speciality and Dehydrated Potato Products, Vibrant Gujarat, 2024
6. <https://potatoesusa.com/news-events/frozen-potato-demand/>
7. <https://icebergdriveinn.com/blogs/news/why-did-french-fries-become-a-staple-side-dish>
8. [https://potatoes.com/images/event/potato-summit/presentations/2023-Cedric\\_Porter\\_-\\_Global\\_Perspective\\_of\\_Potato\\_Processing.pdf](https://potatoes.com/images/event/potato-summit/presentations/2023-Cedric_Porter_-_Global_Perspective_of_Potato_Processing.pdf)
9. <https://indianpotato.com/fries-on-the-rise-gujarats-remarkable-transformation-into-a-global-french-fries-hub/>
10. <https://www2.deloitte.com/content/dam/Deloitte/in/Documents/consumer-business/in-consumer-future-of-food-noexp.pdf>
11. <https://chillfillfoods.com/blog-detail/crispy-frozen-french-fries-manufacturer-exporter-in-india>
12. <https://www.potatonewstoday.com/2023/09/28/from-fries-to-fortunes-the-booming-growth-of-the-frozen-potato-industry-sector/>
13. <https://www.potatobusiness.com/wp-content/uploads/White-Paper-PPI-3-2019.pdf>
14. <https://indianexpress.com/article/explained/explained-economics/french-fries-export-contract-farming-win-win-9787669/>
15. <https://sourcetrace.com/blog/understand-the-farm-to-factory-model-of-the-potato-supply-chain/>

## About TIP

The Insight Partners is a one stop industry research provider of actionable intelligence. We are committed to providing highest quality research and consulting services to our customers and help them understand key market trends, identify opportunities, and make informed decisions by providing market research solutions at an affordable cost.

We offer various market research services, including industry analysis, market forecasting, consumer insights, competitive intelligence, and custom research solutions. Whether you are looking to enter a new market, assess potential growth opportunities, or track industry trends, our expertise ensures that you gain actionable intelligence with ballpark estimates to stay ahead of the curve.

We help our clients in getting solutions to their research requirements through our syndicated and consulting research services and specialize in industries.



[sales@theinsightpartners.com](mailto:sales@theinsightpartners.com)



Authors - Shejal Jamdade (AVP, Research)

## Disclaimer

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of the publisher, "The Insight Partners".