

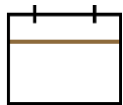


COVID-19 FRESH PRODUCE UPDATE OCTOBER 2020



Data to 04/10/2020

ANALYSIS PARAMETERS



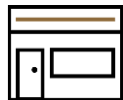
Time Period

Data to 04/10/2020



Data Source

Nielsen Homescan™



Market

Total AUS, Major Supermarkets (Coles, Woolworths and Aldi), Other Supermarkets (Costco, Asian Grocers, IGA & other Independent Supermarkets), Non Supermarkets (Greengrocers and Markets)



Measures

Value (\$), Volume (KG),

What is Homescan?

Nielsen Homescan® is a continuous panel of 10,000 households who record all take-home packed and fresh grocery from all retail outlets. The sample is demographically and geographically representative of the Australian household population.

Each household is equipped with either a small handheld terminal or an app on their mobile phone through which details of all purchasing are entered - product, quantity, price and outlet. This information, along with the date of purchase, is linked with demographic details of the household and the household purchasing history. Data are projected to represent take-home purchases of the Australian household population.

Estimates produced from Nielsen Homescan® are subject to sampling variation which means that every number reported has a standard error associated with it. For example at a Total National level, a 40% share of trade number, will be subject to a 1% standard error at a 95% confidence interval. This implies there is a 95% chance that the true value of the estimate lies between 39 to 41%.

Use of this Report

This report is an output of MT17017 Vegetable Cluster Consumer Insights Program & MT17015 Consumer Behavioural and Retail Data for Fresh Produce and intended for use by Hort Innovation, Australian fruit & vegetable industries, and other stakeholders in the context of understanding and diagnosing market performance and shopper behaviour. Any reproduction of the content of the online dashboard or reports and any part thereof requires prior written permission from Hort Innovation and/or Nielsen. Users/recipients of the dashboard and reports are asked to ensure that report data is not presented in a false or misleading manner; that the Nielsen name is not used to imply that Nielsen is the source of any claims by Hort innovation or the recipient; that Nielsen copyright is noted over Nielsen proprietary information; and that the reports (or the data contained therein) are not used in a manner that is detrimental or which is comparable with the retail purchase measurement services provided by Nielsen, or in exchange for compensation of any kind.

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Funding Statement

This project has been funded by Hort Innovation, using the MT17017 Vegetable Cluster Consumer Insights Program & the MT17015 Consumer Behavioural and Retail Data for Fresh Produce research and development levies, and contributions from the Australian government. Hort Innovation is the grower-owned, not-for-profit research and development corporation for Australian horticulture.

SUMMARY

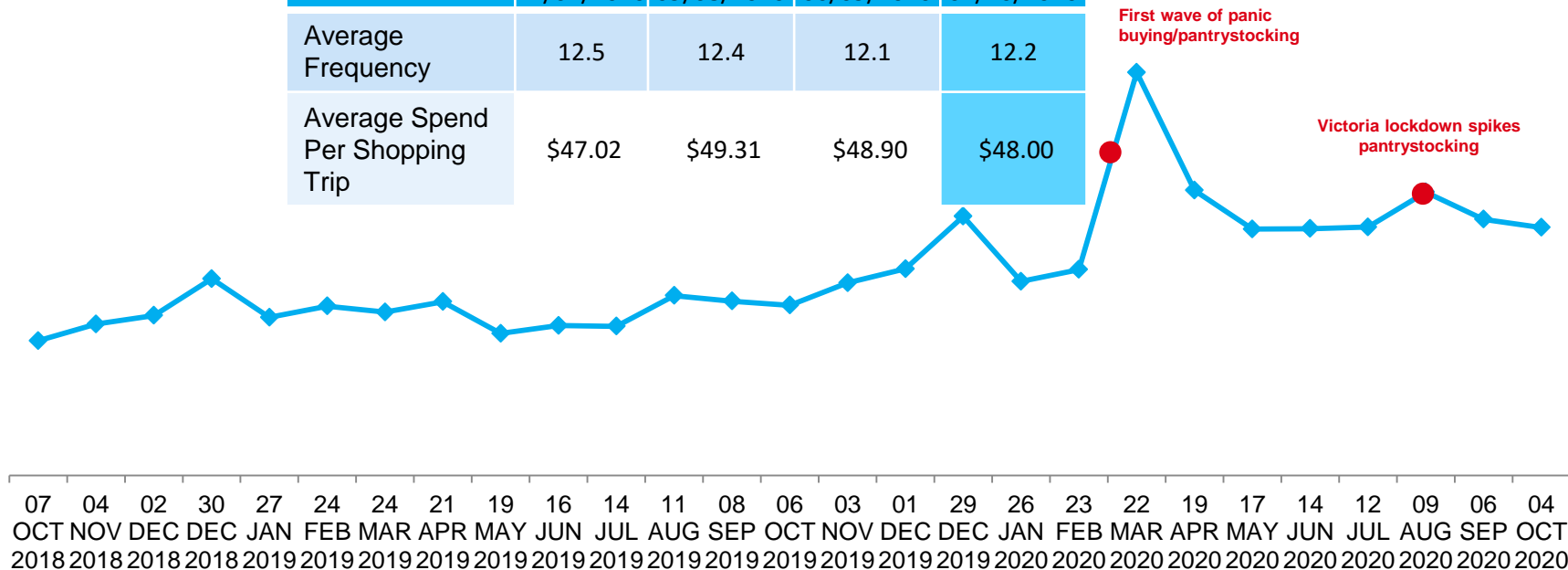
- In the last 4 weeks to 04/10/2020, total grocery sales came down from the previous month however were still 10.6% higher than the same time year ago.
- Produce volume growth was 2.9%, a recovery from last month which was the lowest since national lockdown. This was the net result of a 9.2% increase in vegetables and a -4.4% decrease in fruit volume sales
 - Victoria contributed the most to produce volume growth last month
 - Potatoes and onions continue to dominate volume growth
 - Fruit volume sales lifted by bananas, strawberries & pears while melons and avocados were in decline
- The trend towards purchasing pre-packed fruit & vegetables in major supermarkets continues; perceived safety &/or convenience
- The trend towards shopping more online for fresh items continued with fresh produce online sales doubling this month vs year ago
- Major supermarkets have returned to pre-COVID share of trade levels while other supermarkets are elevated slightly to the detriment of greengrocers and markets

THE PAST MONTH HAS SEEN TOTAL GROCERY SALES CONTINUE TO STABILISE POST THE START OF VICTORIA LOCKDOWN IN JULY

October dollar sales remained higher than same time year ago (+10.6%)

TOTAL GROCERY DOLLAR SALES 4 WEEKLY TO 04 OCT 2020

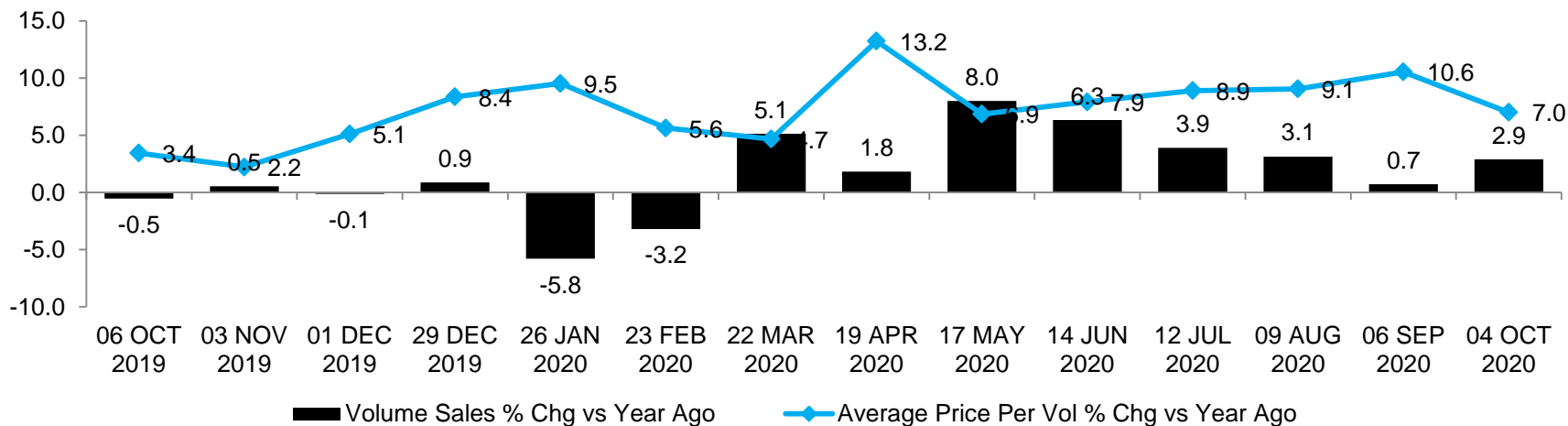
	4 weeks to 12/07/2020	4 weeks to 09/08/2020	4 weeks to 06/09/2020	4 weeks to 04/10/2020
Average Frequency	12.5	12.4	12.1	12.2
Average Spend Per Shopping Trip	\$47.02	\$49.31	\$48.90	\$48.00



PRODUCE VOLUME GROWTH 2.9% HIGHER THIS MONTH THAN SAME TIME YEAR AGO

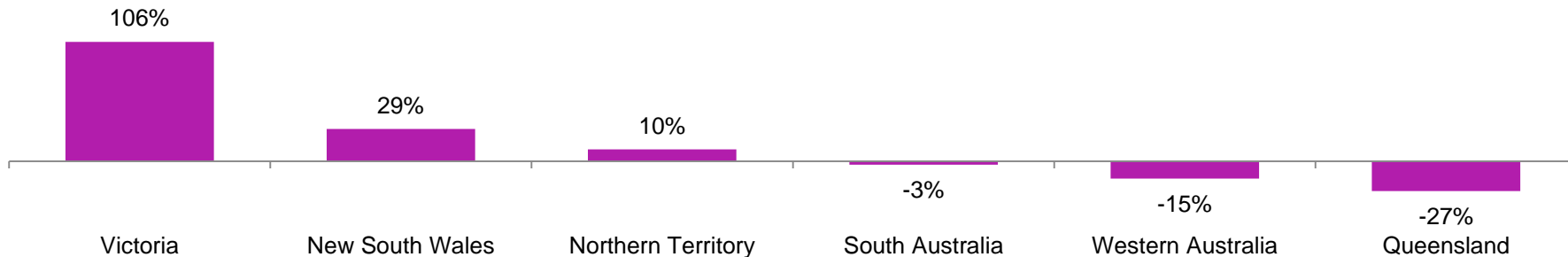
Average price per kg was 7.0% higher than same time year ago

TOTAL PRODUCE

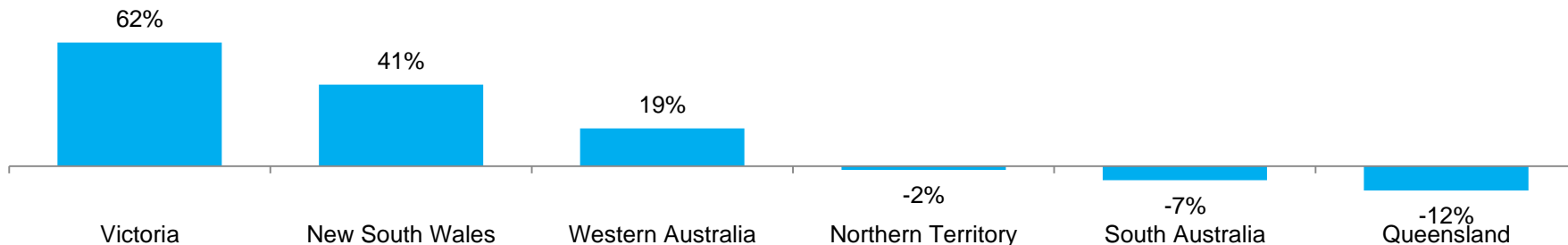


VICTORIA CONTINUES TO CONTRIBUTE THE MOST IN VOLUME PRODUCE GROWTH BOTH IN THE SHORT AND LONG-TERM

SHORT TERM STATE CONTRIBUTION TO PRODUCE VOLUME GROWTH 4 WEEKS TO 04 OCT 2020 VS YEAR AGO

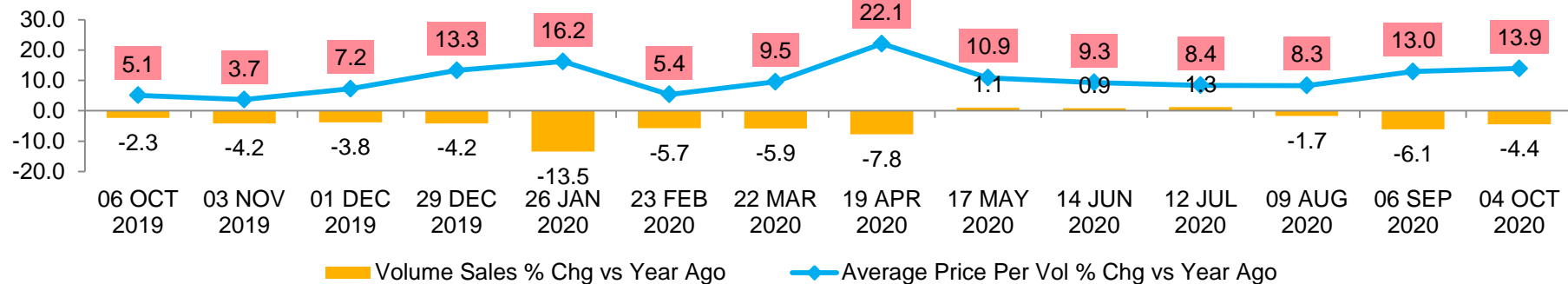


LONG TERM STATE CONTRIBUTION TO PRODUCE VOLUME GROWTH 52 WEEKS TO 04 OCT 2020 VS YEAR AGO

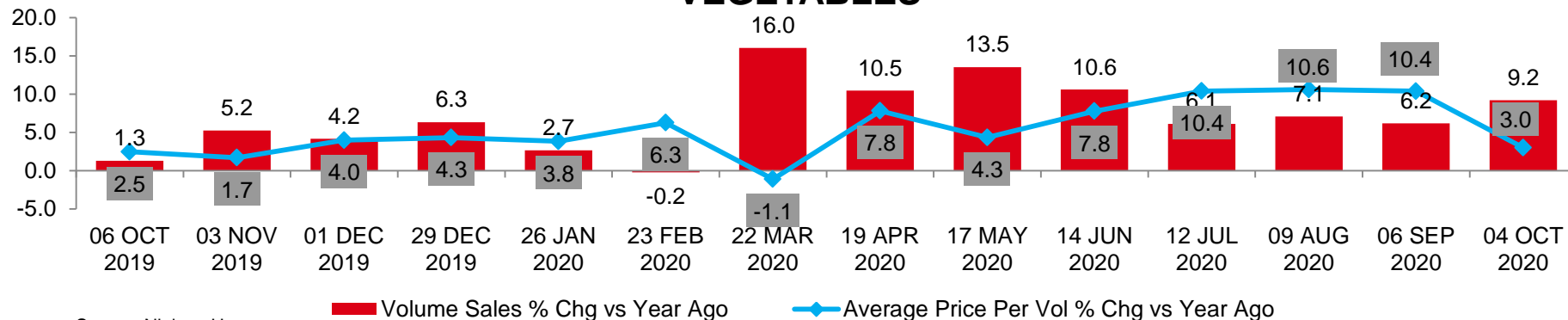


HOMEBOODY ECONOMY CONTINUING TO DRIVE STRONG VEGETABLE SALES WHILE FRUIT SALES REMAIN LESS THAN YEAR AGO, CONTRIBUTED TO BY HIGHER PRICING

FRUIT



VEGETABLES

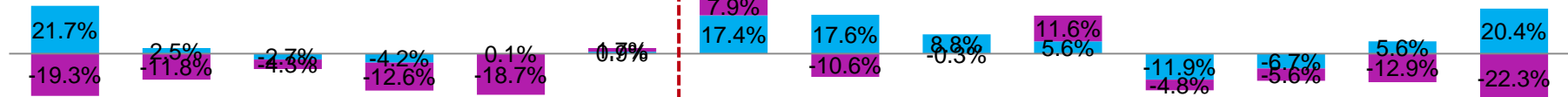


PRE-PACKED FRUIT & VEG CONTINUES TO SHOW SIGNIFICANT GROWTH SINCE COVID

Perceived safety & convenience of pre-packed

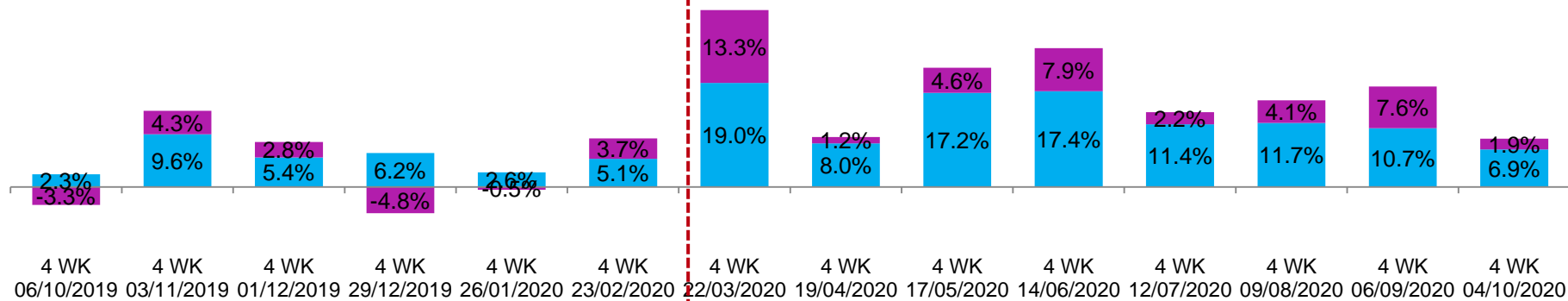
FRUIT: MAJOR SUPERMARKETS

■ Pre-packed Volume % Chg ■ Loose Volume % Chg



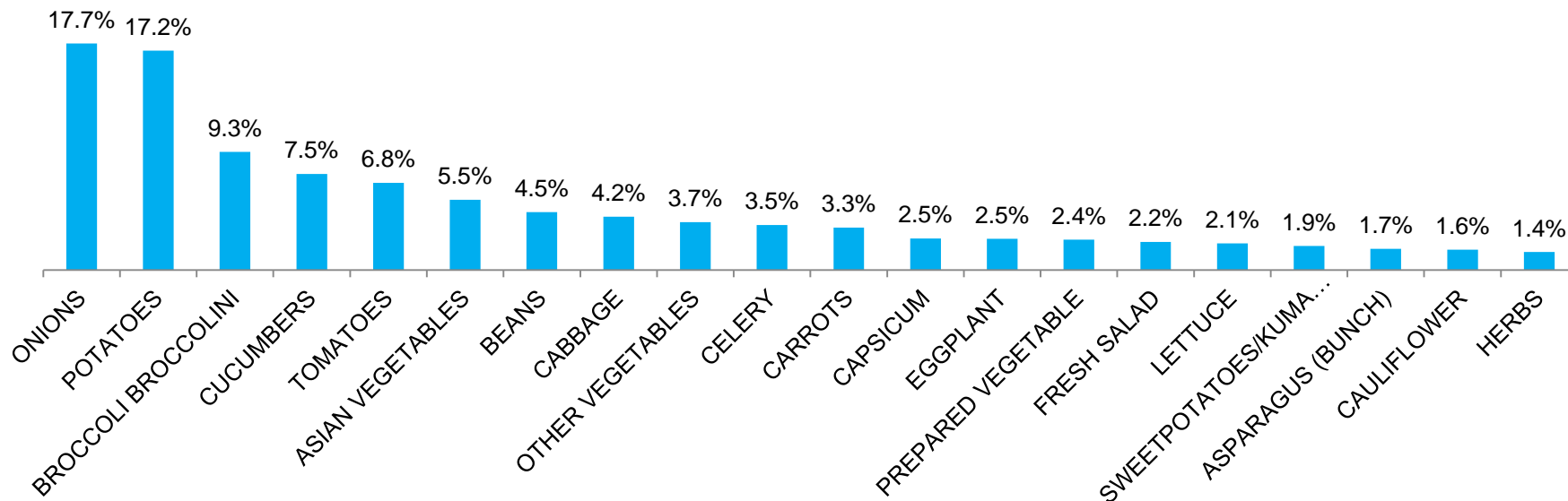
VEGETABLES: MAJOR SUPERMARKETS

■ Pre-packed Veg Volume % Chg ■ Veg Loose Volume % Chg



POTATOES & ONIONS, THE BASIS OF MANY HOME COOKED MEALS, CONTINUE TO DOMINATE THE CONTRIBUTION TO VOLUME GROWTH

TOP 20 CONTRIBUTION TO VEGETABLE VOLUME GROWTH 4 WEEKS TO 04 OCT 2020 VS YEAR AGO

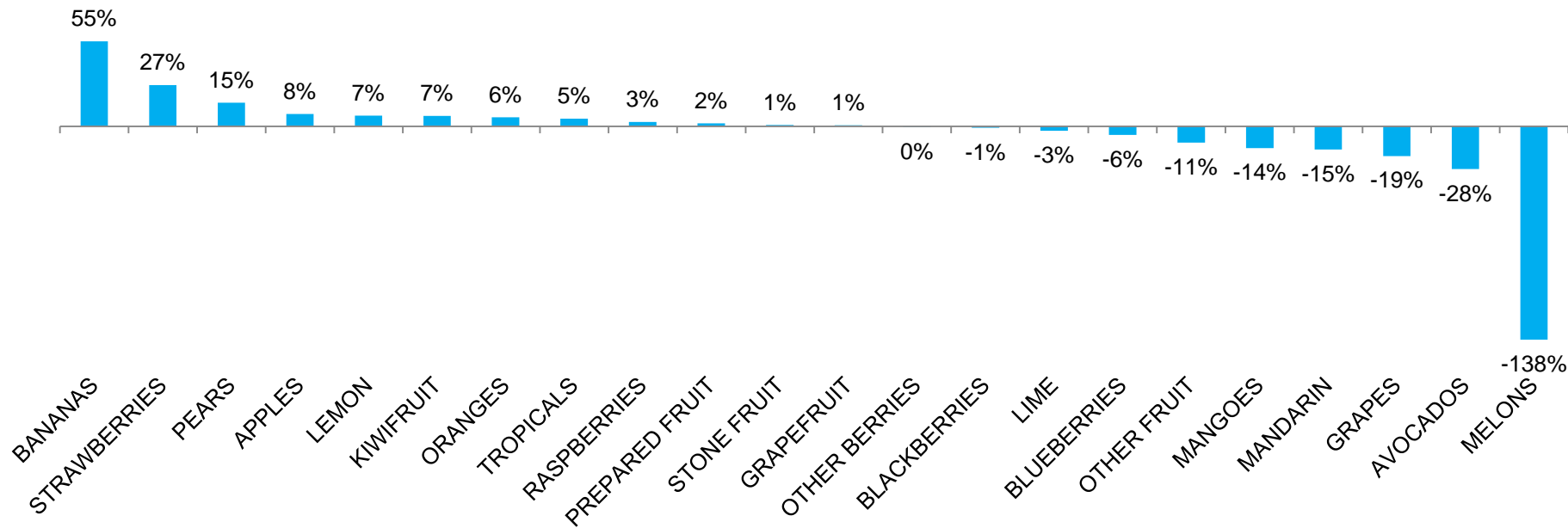


Source: Nielsen Homescan : Other Vegetables are Brussels Sprouts, Parsnip, Radish, Spinach/Silverbeet, Spring Onion | Contribution to Growth - factors in the importance of the segment to the total

STRONG GROWTH IN BANANAS, STRAWBERRIES & PEARS WAS COUNTERACTED BY DECLINES IN AVOCADOS & MELONS LEADING TO AN OVERALL NEGATIVE VOLUME RESULT (-4.4%)

Bananas continue to contribute the most to fruit volume growth

CONTRIBUTION TO FRUIT VOLUME GROWTH 4 WEEKS TO 04 OCT 2020 VS YEAR AGO



THE AMOUNT PURCHASED PER BUYING OCCASION HAS STABILISED FOR BOTH FRUIT AND VEG HOWEVER HOUSEHOLDS ARE SPENDING MORE FOR THE SAME AMOUNT OF FRUIT AND LESS FOR THE SAME AMOUNT OF VEG

FRUIT	4 weeks to 12/07/2020	4 weeks to 09/08/2020	4 weeks to 06/09/2020	4 weeks to 04/10/2020
% Buying Households	91.3	91.3	92.5	92.0
Average Buying Occasions	4.7	4.8	4.9	5.0
Average Weight Purchased Per Buying Occasion	1.5	1.5	1.5	1.5
Average Amount Spent Per Buying Occasion	\$7.33	\$7.57	\$7.95	\$7.99
VEGETABLE				
% Buying Households	96.1	96.0	95.9	96.1
Average Buying Occasions	5.5	5.5	5.4	5.5
Average Weight Purchased Per Buying Occasion	1.8	1.8	1.8	1.8
Average Amount Spent Per Buying Occasion	\$9.06	\$9.32	\$9.23	\$9.01

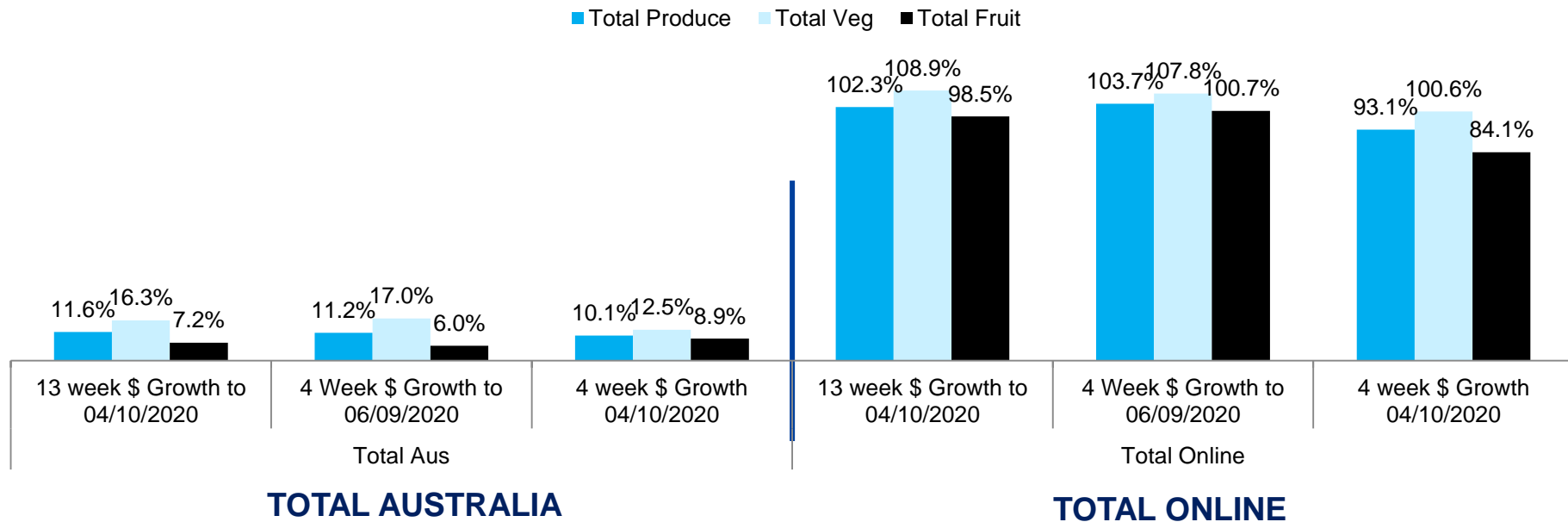
MAJORS HAVE RETURNED TO THEIR PRE-COVID SHARE OF FEB 2020

Other supermarkets elevated to the detriment of greengrocers & markets

TOTAL PRODUCE Dollar Share	Share of Trade 4 weeks to 23/02/2020	Share of Trade 4 weeks to 09/08/2020	Share of Trade 4 weeks to 06/09/2020	Share of Trade 4 weeks to 04/10/2020
Major Supermarkets	75.3%	74.4%	75.1%	75.2%
Other Supermarkets	9.9%	11.1%	10.8%	10.5%
Greengrocers & Markets	14.8%	14.5%	14.2%	14.3%

Source: Nielsen Homescan | Major Supermarkets are Coles, Woolworths & ALDI; Other Supermarkets are IGA, Costco, Asian Grocers & all other independent full service supermarkets

VEG GROWTH CONTINUES TO EXCEED TOTAL PRODUCE ONLINE SALES GROWTH. ONLINE PRODUCE SALES NEARLY DOUBLE THAT OF SAME TIME YEAR AGO





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