



COVID-19 FRESH PRODUCE UPDATE AUGUST



Data to 09/08/2020

ANALYSIS PARAMETERS



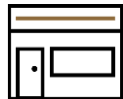
Time Period

Data to 09/08/2020



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.

Disclaimer

Horticulture Innovation Australia Limited (Hort Innovation) and The Nielsen Company (Australia) Limited (Nielsen) make no representations and expressly disclaim all warranties (to the extent permitted by law) about the accuracy, completeness, or currency of information in this dashboard and reports. Reliance on any information provided by Hort Innovation or Nielsen is at your own risk. You are required to make your own independent decisions prior to acting on the information having regard for your own judgement and the advice of professional advisors as appropriate. To the full extent permitted by law, neither Nielsen nor Hort Innovation will be liable, in contract, tort (including negligence) or otherwise, for any loss, expense or damage of any kind arising from your use or reliance on the information contained in this dashboard and/or the reports.

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

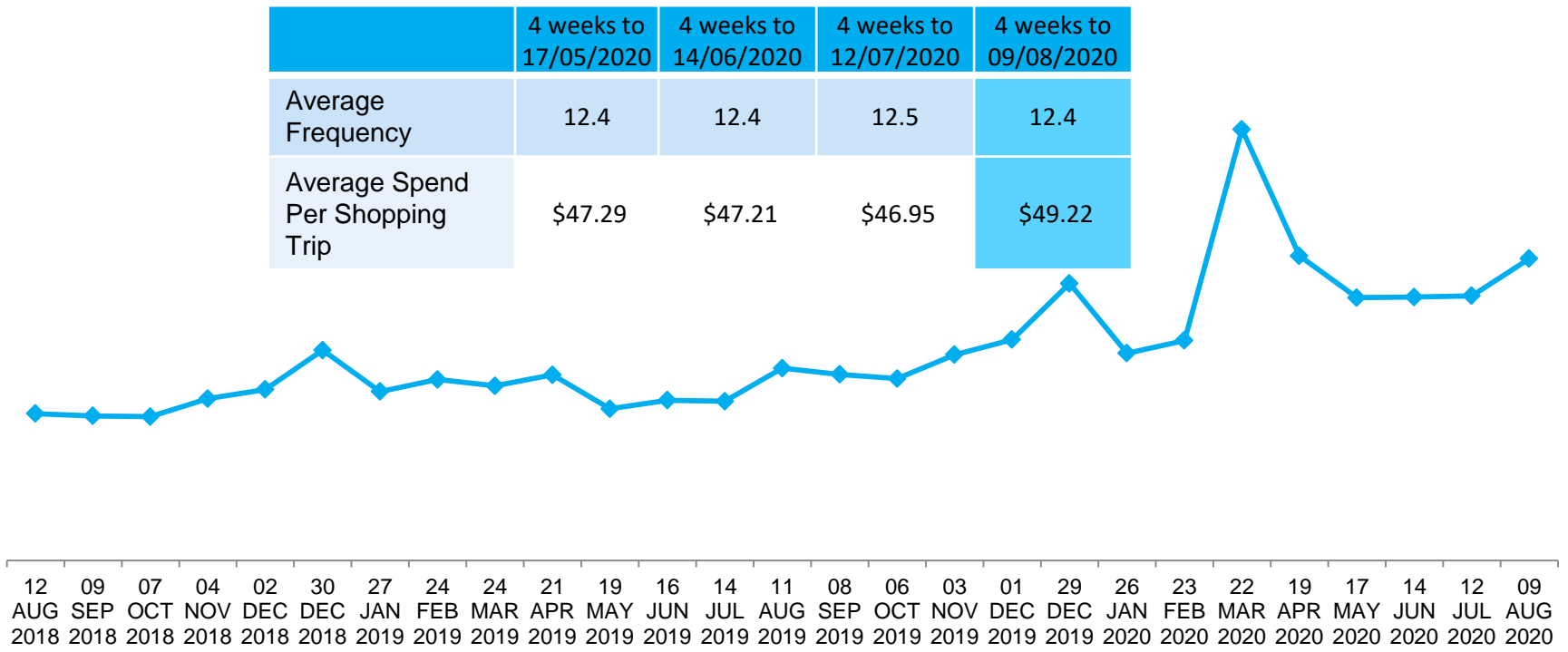
- In the last 4 weeks to 09/08/2020, total grocery sales saw an increase from last month driven by the Victoria lockdown and were 13.8% higher than the same time year ago.
- Produce volume growth was 3.0%; the net result of a 7.1% increase in vegetables and a -2.1% decrease in fruit volume sales
 - Victoria contributed 81% of produce volume growth last month
 - There was a change back to vegies with longer storage life as the top ranking growth contributors
 - Fruit volume sales lifted by bananas, oranges & grapes
- 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
- This month retailer shares of produce have aligned with the long term trends

LOCKDOWN IN VICTORIA HAS DRIVEN AN INCREASE IN TOTAL GROCERY SALES; BASKET SIZE HAS INCREASED AGAIN

August sales remained higher than same time year ago (+13.8%)

TOTAL GROCERY DOLLAR SALES 4 WEEKLY TO 09 AUG 2020

	4 weeks to 17/05/2020	4 weeks to 14/06/2020	4 weeks to 12/07/2020	4 weeks to 09/08/2020
Average Frequency	12.4	12.4	12.5	12.4
Average Spend Per Shopping Trip	\$47.29	\$47.21	\$46.95	\$49.22

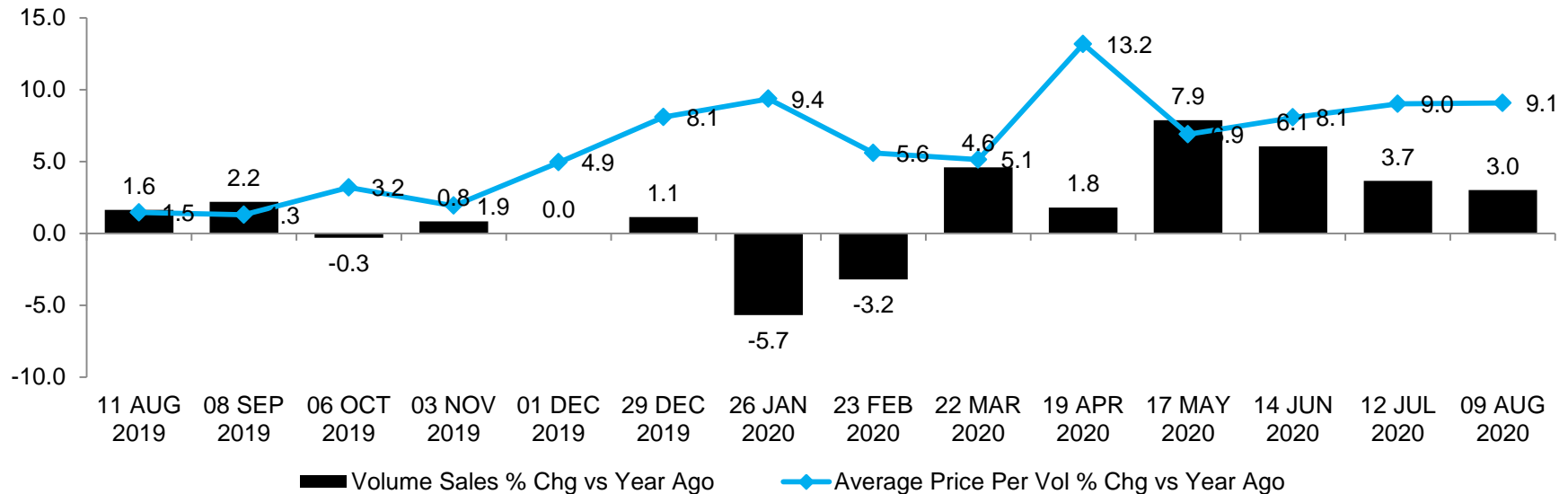


Source: Nielsen Homescan

IN THE 4 WEEKS TO 09 AUGUST, PRODUCE VOLUME GROWTH SOFTENED TO 3.0%

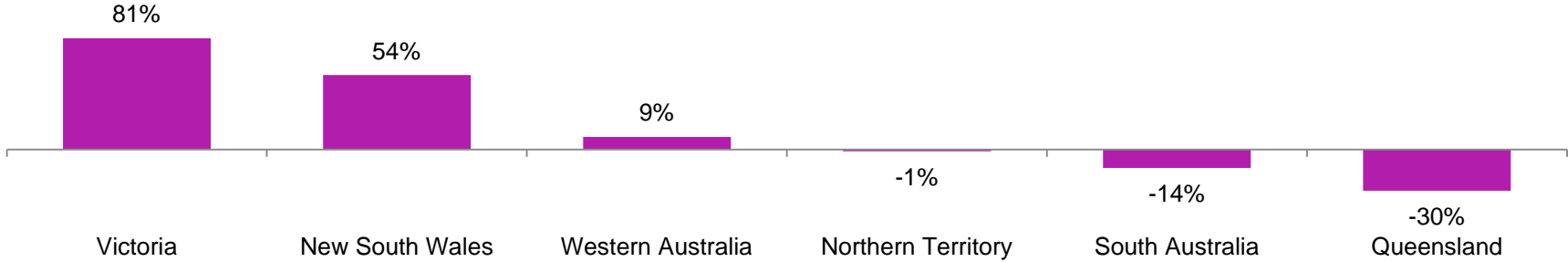
Average price per kg was 9.1% higher than same time year ago

TOTAL PRODUCE

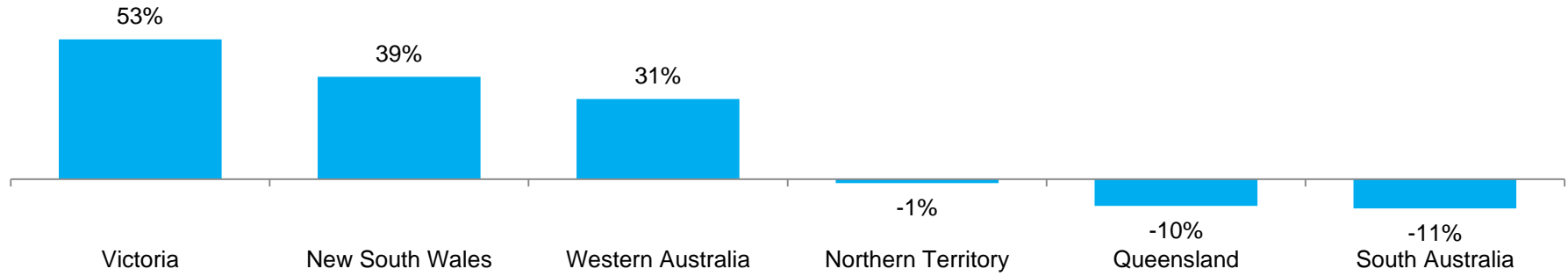


IN THE PAST MONTH VICTORIA HAS SPIKED IN THE VOLUME GROWTH CONTRIBUTION OF PRODUCE DUE TO LOCKDOWN MEASURES

SHORT TERM STATE CONTRIBUTION TO PRODUCE VOLUME GROWTH 4 WEEKS TO 09 AUG 2020 VS YEAR AGO



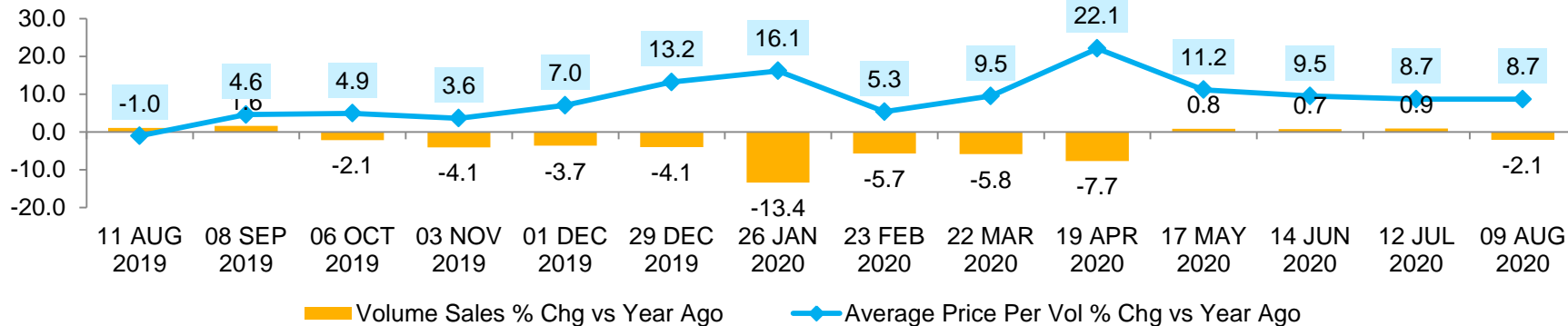
LONG TERM STATE CONTRIBUTION TO PRODUCE VOLUME GROWTH 52 WEEKS TO 09 AUG 2020 VS YEAR AGO



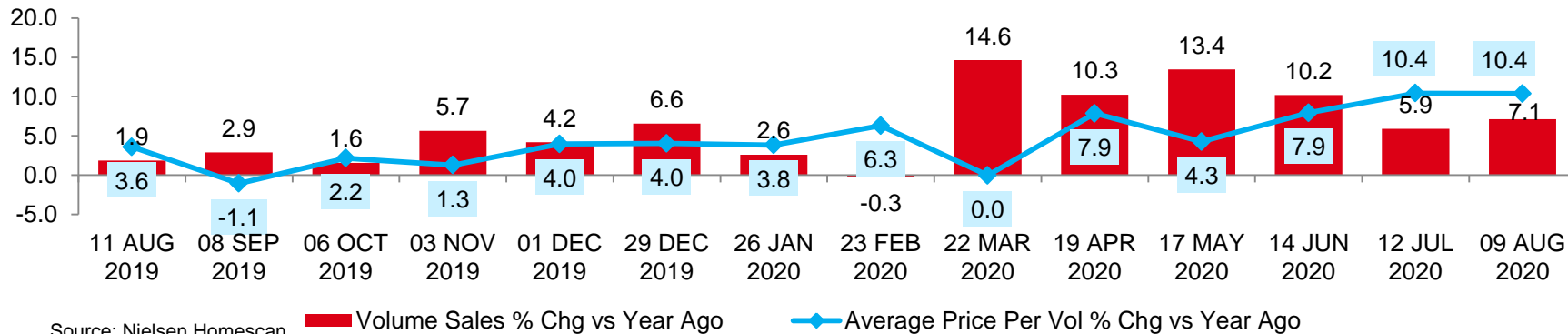
Source: Nielsen Homescan

VEGETABLES REMAIN KEY DRIVER OF PRODUCE VOLUME GROWTH; AVERAGE PRICE PER KG STILL REMAINS HIGHER THAN SAME TIME LAST YEAR; CURRENT VOLATILE COVID MARKET ENVIRONMENT & LEGACY IMPACTS FROM BUSHFIRE AND DROUGHT REMAIN POTENTIAL FACTORS

FRUIT



VEGETABLES

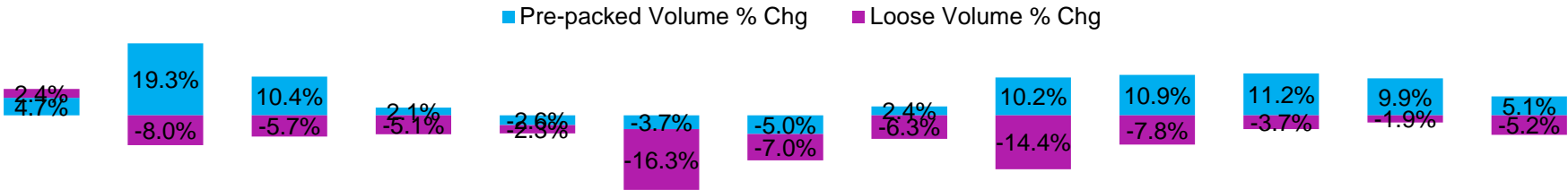


Source: Nielsen Homescan

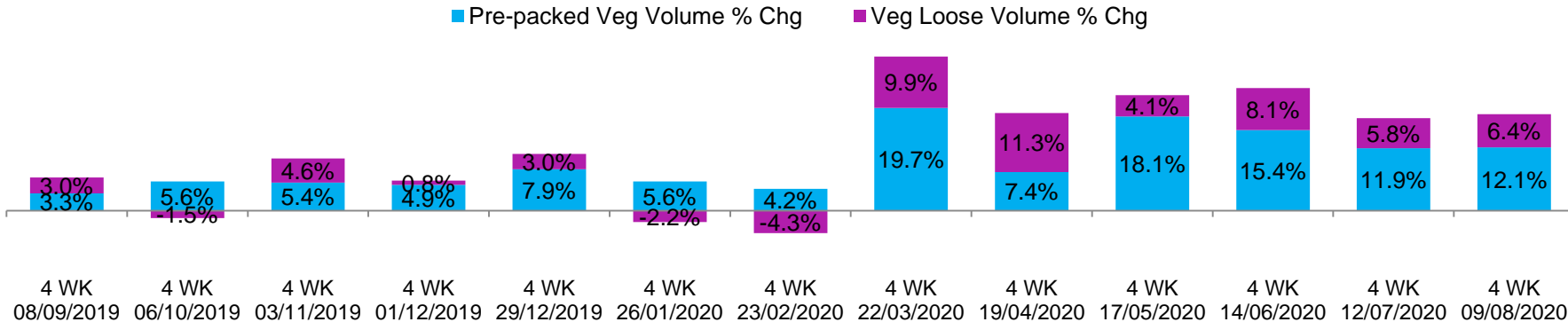
PRE-PACKED FRUIT & VEG CONTINUES TO SHOW SIGNIFICANT GROWTH SINCE COVID

Perceived safety & convenience of pre-packed

FRUIT: MAJOR SUPERMARKETS



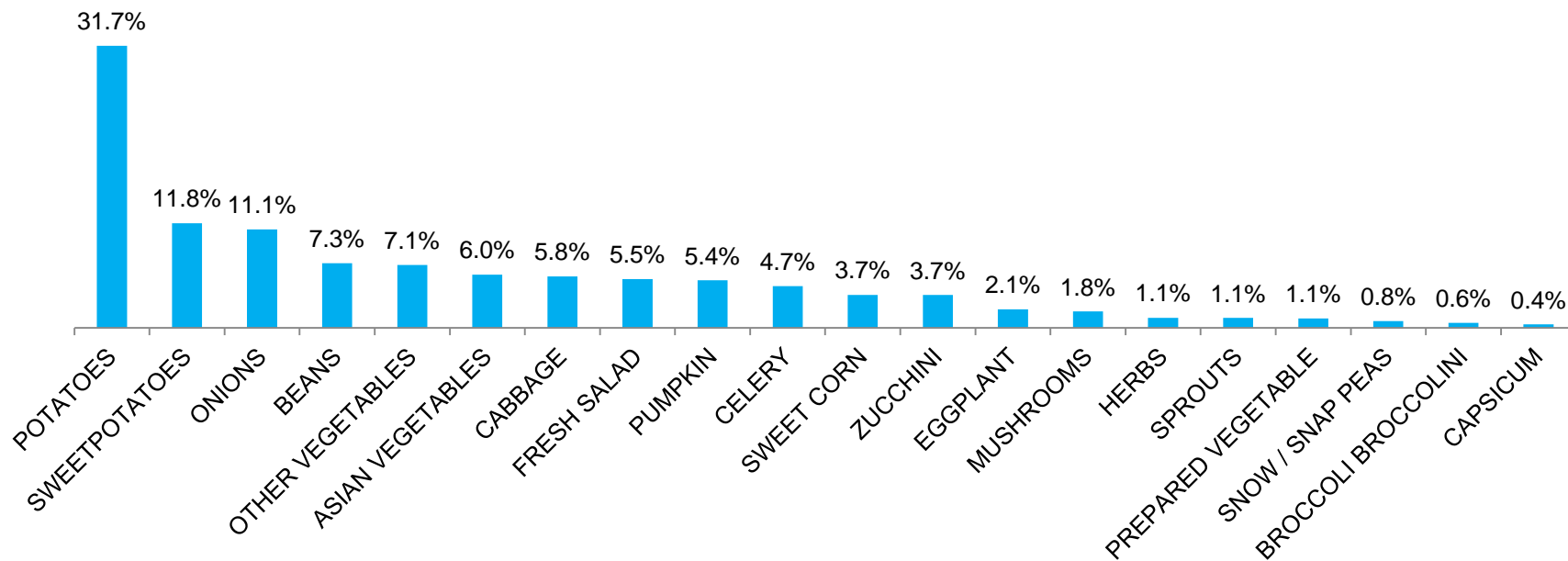
VEGETABLES: MAJOR SUPERMARKETS



Source: Nielsen Homescan

THIS MONTH VEGIES WITH LONGER STORAGE LIFE HAVE MOVED BACK UP THE RANKING

TOP 20 CONTRIBUTION TO VEGETABLE VOLUME GROWTH 4 WEEKS TO 09 AUG 2020 VS YEAR AGO

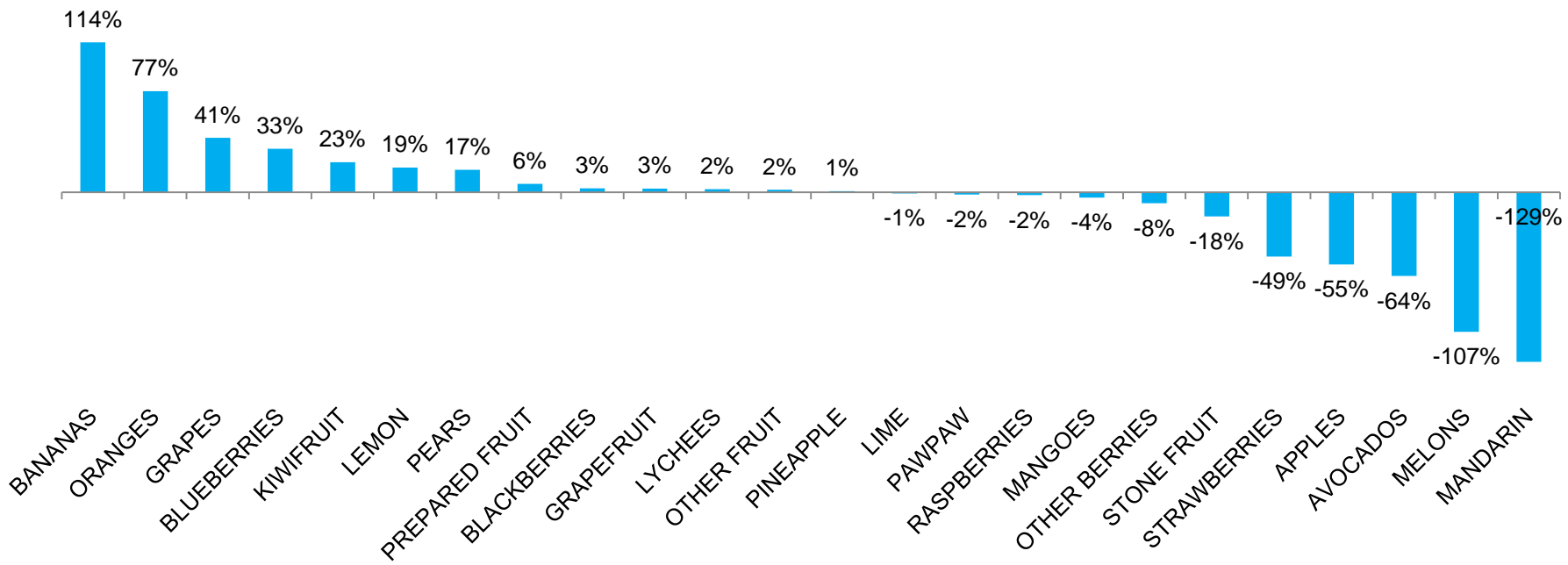


Source: Nielsen Homescan : Other Vegetables are Brussels Sprouts, Parsnip & Radish

STRONG GROWTH IN BANANAS, ORANGES & GRAPES WAS COUNTERACTED BY DECLINES IN MANDARINS & MELONS LEADING TO AN OVERALL NEGATIVE VOLUME RESULT (-2.1%)

Bananas continue to contribute the most to fruit volume growth

CONTRIBUTION TO FRUIT VOLUME GROWTH 4 WEEKS TO 09 AUG 2020 VS YEAR AGO



Source: Nielsen Homescan

VEGETABLE BASKET SIZE HAS INCREASED WHILE FRUIT BASKET SIZE REMAINS THE SAME ALTHOUGH BASKET SPEND HAS INCREASED

	4 weeks to 17/05/2020	4 weeks to 14/06/2020	4 weeks to 12/07/2020	4 weeks to 09/08/2020
FRUIT				
% Buying Households	91.4	91.4	91.3	91.3
Average Buying Occasions	4.8	4.7	4.7	4.8
Average Weight Purchased Per Buying Occasion	1.7	1.6	1.5	1.5
Average Amount Spent Per Buying Occasion	\$7.25	\$7.27	\$7.33	\$7.57
VEGETABLE				
% Buying Households	96.6	96.6	96.1	96.0
Average Buying Occasions	5.6	5.6	5.5	5.5
Average Weight Purchased Per Buying Occasion	1.9	1.9	1.8	1.9
Average Amount Spent Per Buying Occasion	\$9.30	\$9.31	\$9.05	\$9.31

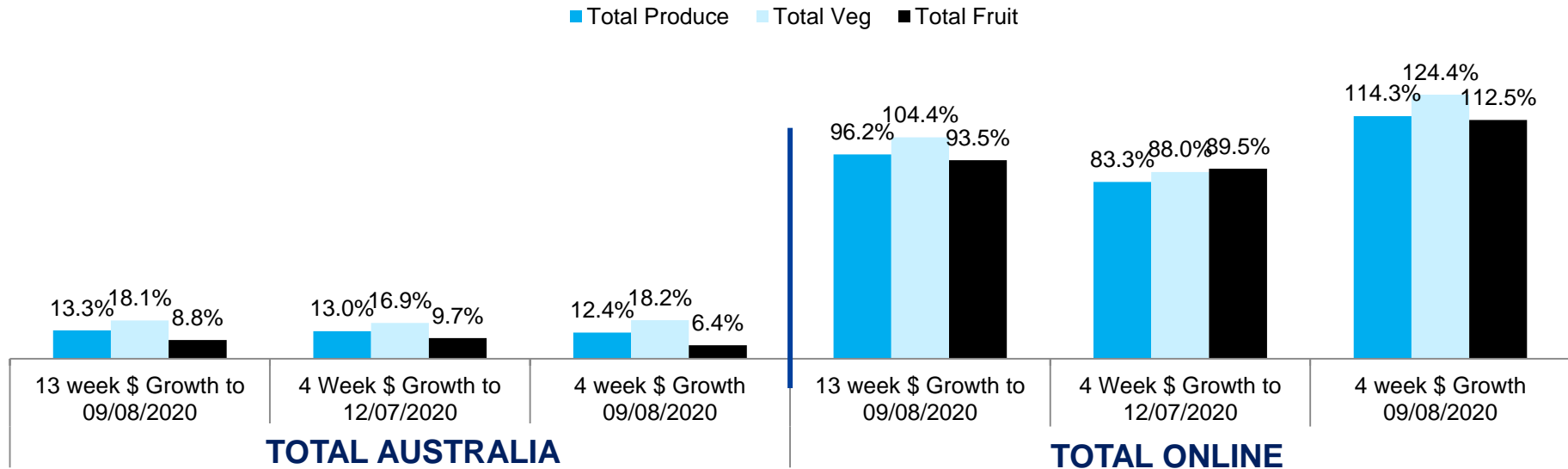
MAJORS CONTINUING TO PICK UP SHARE FROM GREENGROCERS & OTHER SUPERMARKETS IN PAST 4 WEEKS

Short term trend now aligned with long term

TOTAL PRODUCE Dollar Share	Share of Trade 52 weeks to 09/08/2020	Share of Trade 4 weeks to 14/06/2020	Share of Trade 4 weeks to 12/07/2020	Share of Trade 4 weeks to 09/08/2020
Major Supermarkets	74.1%	72.7%	73.8%	74.4%
Other Supermarkets	11.1%	11.7%	11.3%	11.1%
Greengrocers & Markets	14.9%	15.6%	14.9%	14.5%

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

FRUIT & VEG ONLINE SALES GROWTH TRAJECTORY CONTINUES UPWARDS THIS MONTH





nielsen
● ● ● ● ● ● ● ●

This artwork was created using Nielsen data.

Copyright © 2017 The Nielsen Company (US), LLC. Confidential and proprietary. Do not distribute.