

nielsen

LEAFY ASIAN VEGETABLES COMPREHENSIVE REVIEW

**HARVEST
TO HOME**

**Hort
Innovation**

52 weeks to 15.06.2019 vs Prior Year

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 a small handheld terminal 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 for the population as a whole.

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

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Funding Statement



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SUMMARY

- Leafy Asian vegetables (eg: Buk choy, Choy sum etc) have grown 2.6% in dollar sales in the last 52 weeks to 15.06.2019. Volume (kg) sales saw an increase (+8.8%) compared to total vegetables which stayed relatively flat (-1.4%).
 - Leafy Asian vegetables had small increases in key growth drivers such as buying occasions, average dollars spent and average volume per buying occasion despite the number of households remaining relatively flat.
- Leafy Asian vegetable average price per kg decreased (-5.7%) mostly driven by price decreases in major supermarkets.
 - Leafy Asian vegetable shoppers are more price sensitive with most shoppers not willing to pay more than they would normally pay and only 17% of leafy Asian veg buyers who are willing to pay more.
- Ethnic households are overtrading in leafy Asian vegetables and saw greater increase in average dollar spent per household.
- In the past year, NSW overtook Victoria and is now the leading state in terms of dollar distribution for leafy Asian veg and is driving dollar growth, influenced by NSW becoming the most popular state for migrants in 2017-2018.
- Leafy Asian veg has the potential to further capitalise on an increasingly multicultural Australia.
 - High usage in a recipe suggests growing popularity of Asian cuisine amongst non-Ethnic households.

OPPORTUNITIES

Opportunity 1

Major supermarkets have the highest number of buying households, becoming more competitive in leafy Asian veg by ensuring a wide range and competitive pricing could create an opportunity to grow sales further.

Opportunity 2

Increasing the number of English speaking households buying leafy Asian veg by 1% would result in an additional \$1.2 million in dollar sales and 172 tonnes in volume sales in the 52 weeks to 15.06.2019.

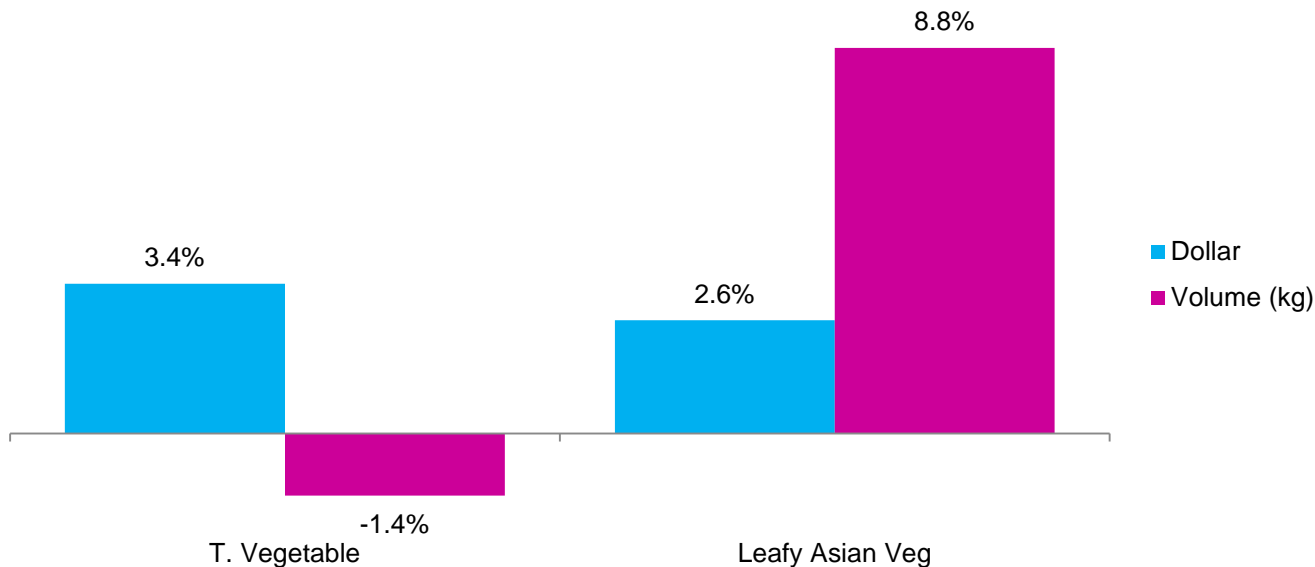
*Major Supermarkets comprises of Woolworths, Coles & Aldi

LEAFY ASIAN VEG

LEAFY ASIAN VEG GREW 2.6% IN DOLLAR SALES

Volume (kg) saw an 8.8% growth compared to total vegetables which remained relatively flat (-1.4%) in volume (kg).

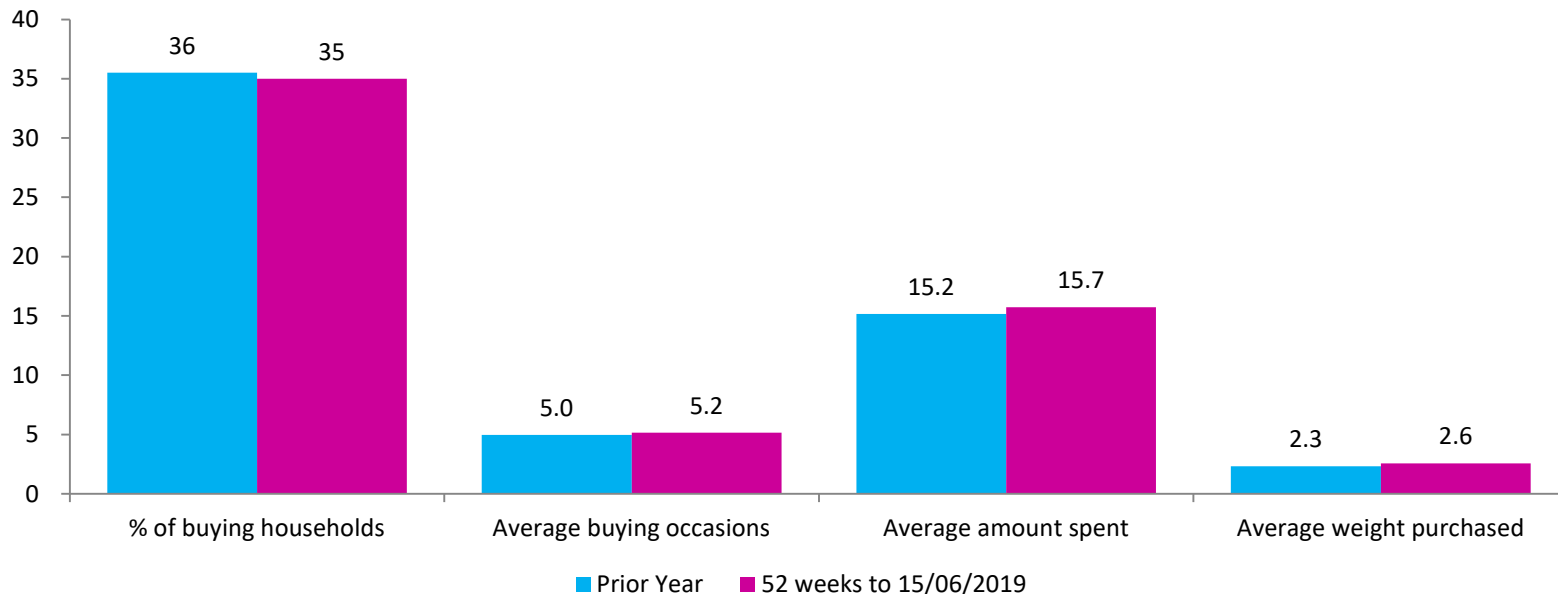
Leafy Asian Veg | Dollar sales and Volume (kg) change | 52 weeks to 15.06.2019 vs Prior Year



INCREASE IN KEY DRIVERS; PURCHASE FREQUENCY, AVERAGE DOLLAR SPENT AND AVERAGE VOLUME PURCHASED PER OCCASION

Despite the decline in average prices (-5.7%) for leafy Asian veg, the number of buying household remained relatively flat.

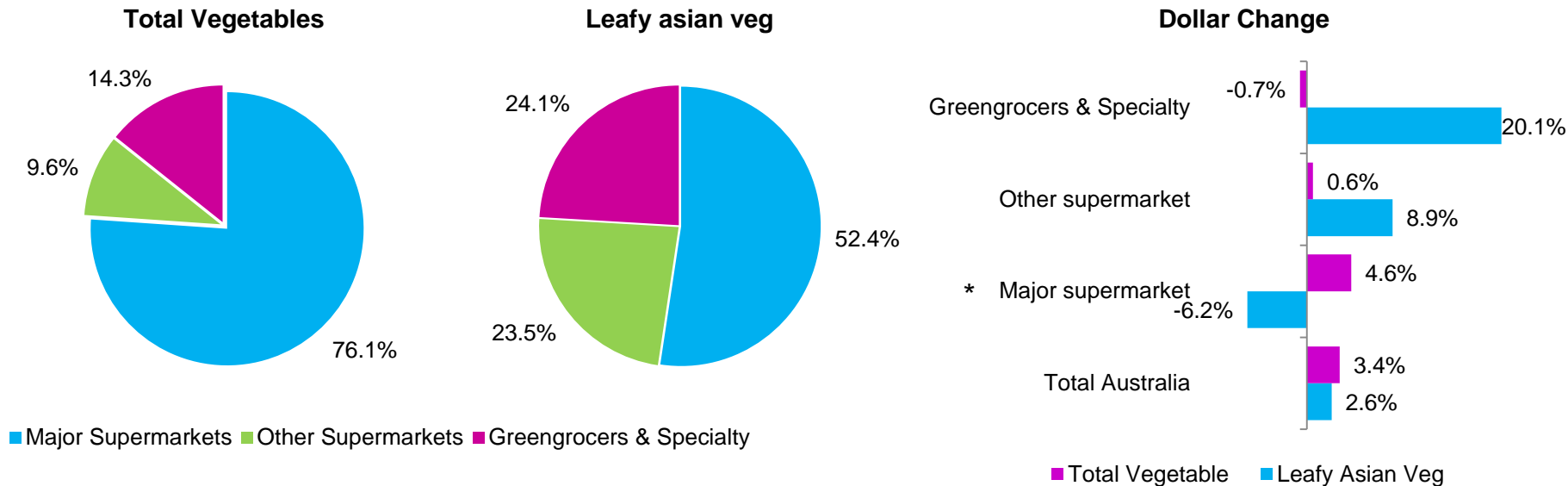
Leafy Asian Veg | Key Performance Indicators | T. AUS | 52 weeks to 15.06.2019 vs Prior Year



GREENGROCERS & SPECIALTY MARKETS OVERTRADING IN LEAFY ASIAN VEG AND HAD THE HIGHEST INCREASE (20.1%) IN DOLLAR CHANGE

Major supermarkets still contribute to more than half of leafy Asian veg dollar sales.

Leafy Asian Veg | Retailer Dollar Share of Trade and Change | 52 weeks to 15.06.2019 vs Prior Year



*Major supermarket saw a greater decline (-12.2%) in average price per kg

MAJOR SUPERMARKETS HAVE THE HIGHEST AVERAGE PRICE PER KG, THE LOWEST VOLUME PER OCCASION & LOWEST AVERAGE BUYING OCCASIONS

Opportunity for major supermarkets to be more competitive with leafy Asian veg.

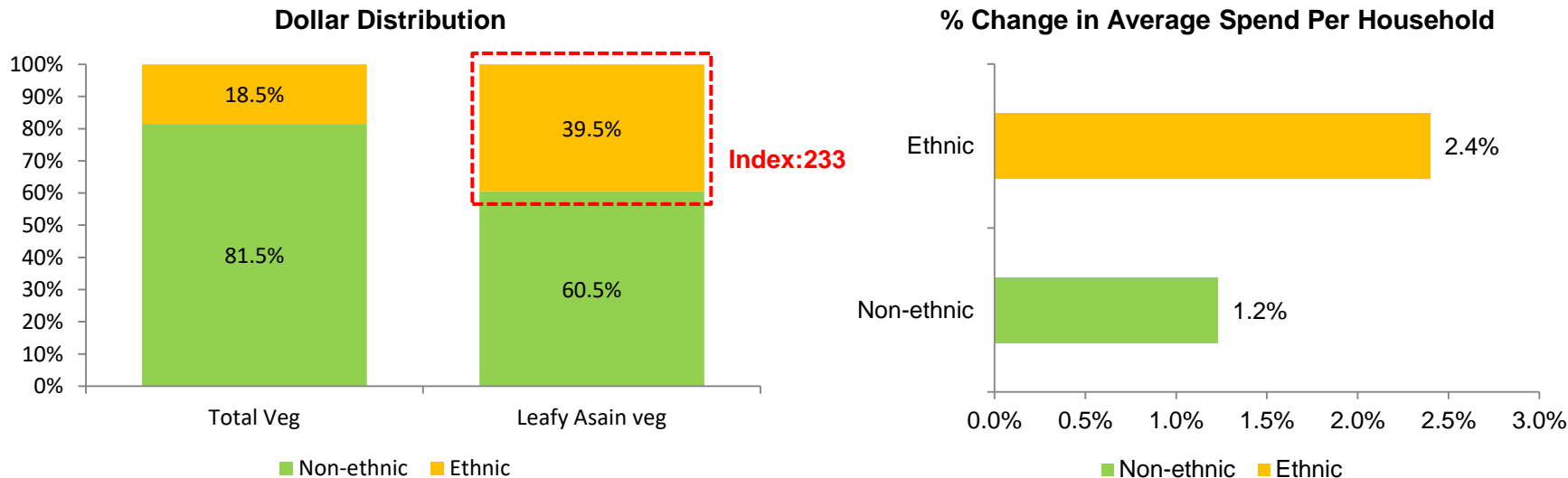
Leafy Asian Veg | Key Performing Indicators by Retailers | 52 weeks to 15.06.2019 vs Prior Year

	% of Buying Households Prior Year	% of Buying Households 52 weeks to 15.06.2019	Average Amount Spent (\$) per Occasion	% Chg Average Amount Spent (\$) per Occasion	Average Buying Occasions per Household	% Chg Average Buying Occasions per Household	Weight (kg) per Buying Occasion	% Chg Weight (kg) per Buying Occasion	Average Price per Kg	% Chg Average Price per Kg
Major Supermarkets	27.5	27.2	3.0	-7.0%	3.5	0.2%	0.4	5.9%	8.43	-12.2%
Other Supermarkets	8.6	8.3	3.3	6.9%	4.6	4.7%	0.7	4.3%	4.93	2.5%
Non Supermarkets	11.5	11.1	3.0	12.5%	3.9	8.8%	0.7	6.3%	4.54	5.8%

ETHNIC HOUSEHOLDS OVERTRADING IN LEAFY ASIAN VEG COMPARED TO TOTAL VEGETABLES

Ethnic households saw a greater % change in average spend per household compared to non-ethnic households.

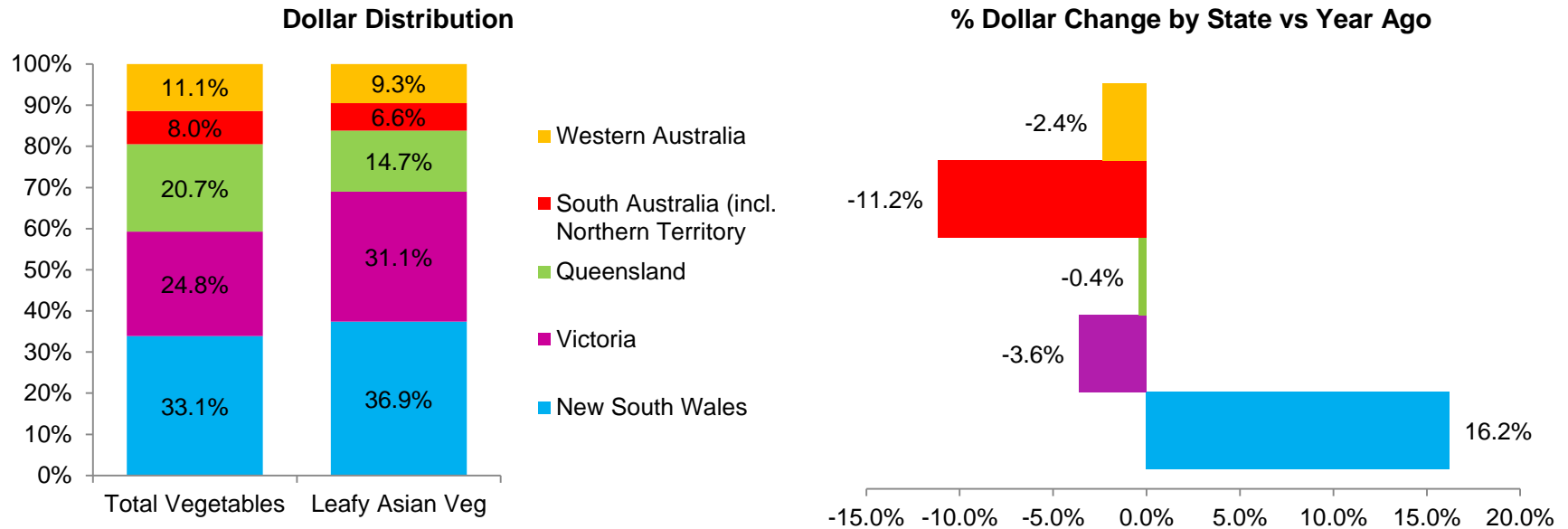
Leafy Asian Veg by Ethnicity | Dollar | T. AUS | 52 weeks to 15.06.2019



NSW CONTRIBUTED TO MORE THAN ONE-THIRD OF THE DOLLAR SALES FOR LEAFY ASIAN VEG

NSW saw the highest (16.2%) dollar growth of all states.

Leafy Asian Veg by State | Dollar | T. AUS | 52 weeks to 15.06.2019

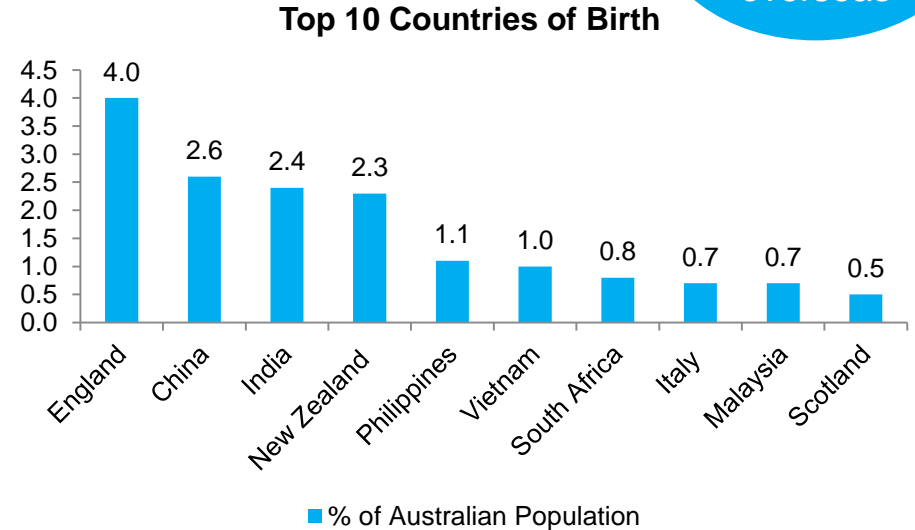
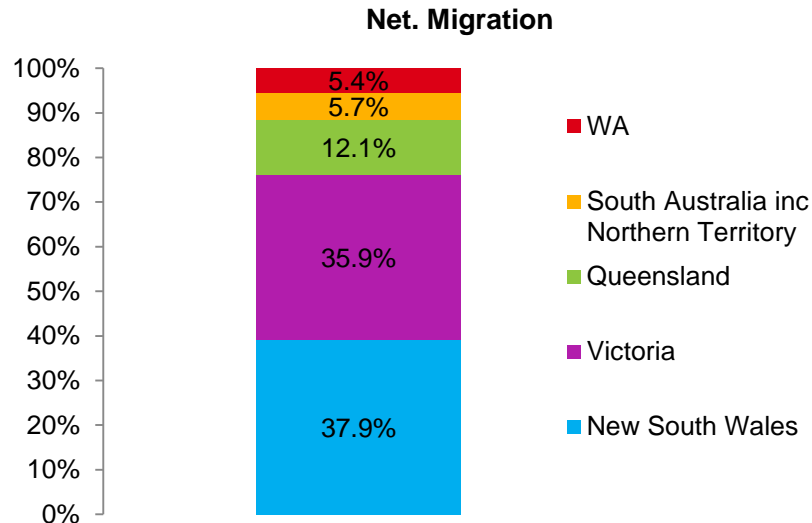


MIGRATION TRENDS INFLUENCING LEAFY ASIAN VEG SALES

Consistent trend with prior year, the state with higher net migrants had the highest contribution to Leafy Asian Veg dollar sales.

Australian Migration Trends – Census Data | 2017 - 2018

29% of
Australians
were born
overseas

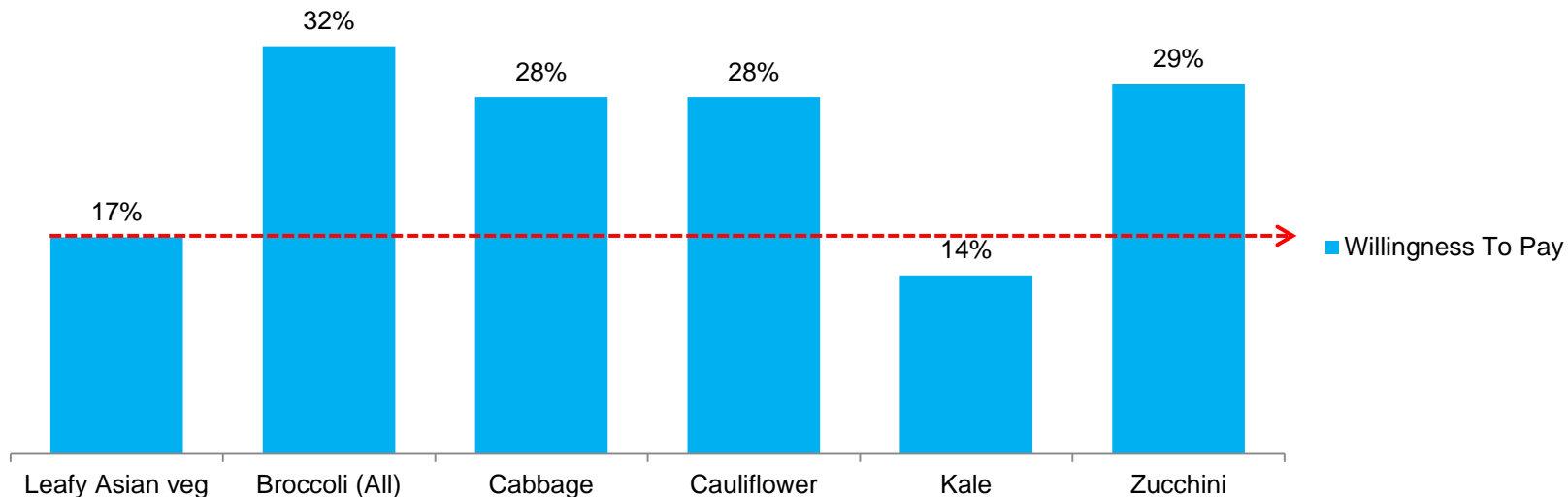


Source: ABS <https://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/3412.0Main%20Features42017-18?opendocument&tabname=Summary&prodno=3412.0&issue=2017-18&num=&view=>
<https://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/3412.0Main%20Features22017-18>

ONLY 17% OF HOUSEHOLDS WERE WILLING TO PAY MORE THAN NORMAL FOR LEAFY ASIAN VEG

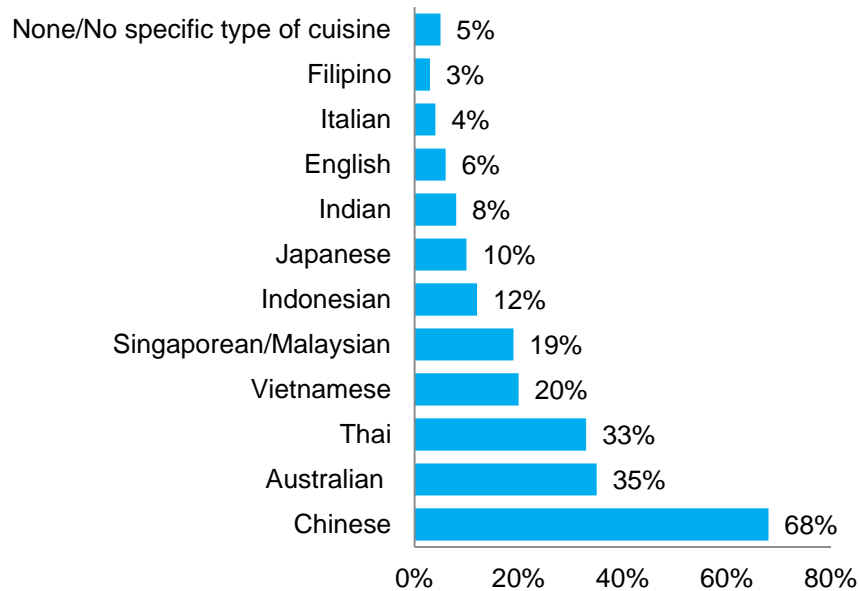
Suggests Leafy Asian veg buyers are price sensitive, hence the decline in major supermarket dollar share of trade.

Willingness to pay a little more than what I would normally pay | T. AUS | 28/03/2019 to 02/04/2019

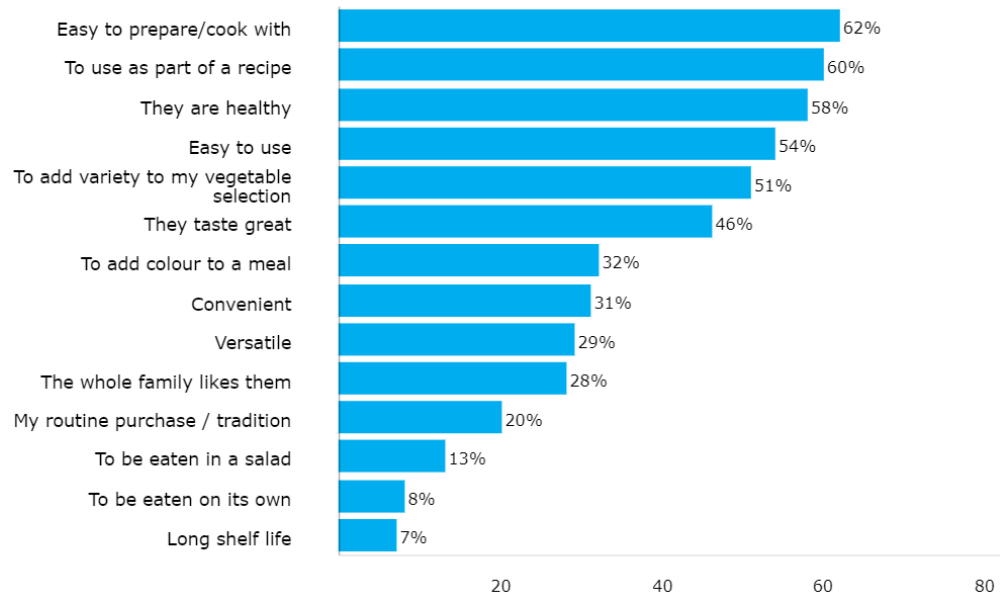


60% OF HOUSEHOLDS WHO PURCHASED LEAFY ASIAN VEG TO USE AS PART OF A RECIPE- SUGGESTS THE GROWING POPULARITY OF ASIAN CUISINE IN NON-ETHNIC HOUSEHOLDS

Preferred Cuisine for Leafy Asian veg (multi-answer)? | T. AUS | 28/02/2019 to 05/03/2019



Triggers For Purchase Leafy Asian veg (multi-answer) | T. AUS | 28/02/2019 to 05/03/2019



Source: Attitudinal reports prepared by Nielsen for Hort Innovation, survey sample minimum n=300, fieldwork from 28/02/2019 to 05/03/2019 for the Australian market. Copyright © 2019 Horticulture Innovation Australia. | Ethnicity defined by English Speaking or Non-English speaking households.



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