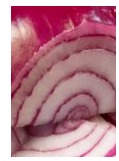


# VEGINSIGHTS

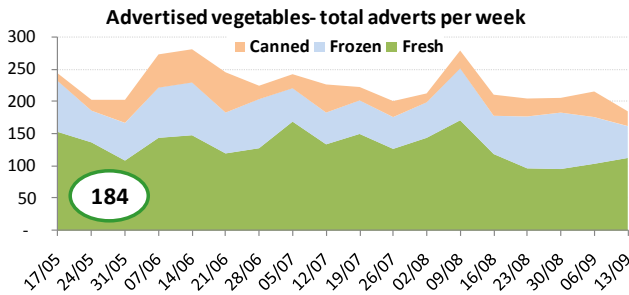
Weekly vegetable market insights - A VIDP initiative



22 Sept 2010

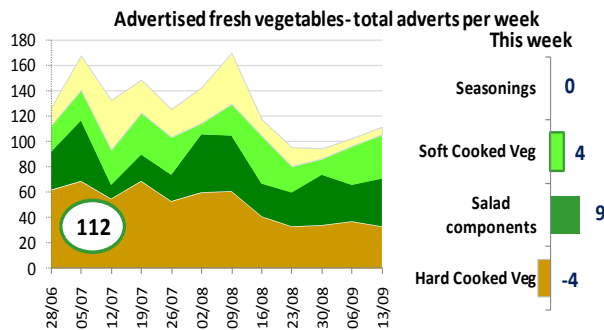
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## Vegetable retail promotional activity



The overall exposure of vegetables in retail promotional advertisements was reduced by 15% from last week's volume to a total of 184 lines. However, within this decline, the mix steered away from frozen and canned lines and increased the fresh lines advertised.

The volume of **fresh veg adverts** increased by 9% to 112 lines, with increases in salad components and soft cooked vegetables. Hard cooked vegetables declined and seasonings matched the previous week's level of exposure.



## New super potatoes

Scientists at the Obihiro University in Japan have discovered that the amount of antioxidants in potatoes can be increased up to 50% through a 30-minute application of ultrasonic or electric shocks. Researchers maintain that the multiplied antioxidants in these potatoes can help in reducing the risk of coronary and neurological diseases.



*This is another innovation where fortifying the nutritional properties of a vegetable has clear scope to broadened its appeal to consumers.*

## Headlines

- Restaurants cater to special diet concerns
- Surprising downturn in confidence
- New super potatoes
- Wholesale prices decline by 2c per kg
- What portion size do consumers want

## Restaurants move to cater for special dietary concerns



A new guide *Safer Meal Service* has been produced with the support of Coeliac Society to help restaurants and cafes understand food allergens and provide food allergy information on menus so that customers can make informed food choices. The guide is also supported by the Australian Food and Grocery Council (AFGC) that has developed complementary guidelines that will help caterers to access information about the ingredients and the foods they use in their kitchens. This marks a major step undertaken by the foodservice channel to recognize and understand the specific needs of consumers with allergic intolerances. It caters to those needs by offering a new level of information in this channel.

*The foodservice channels have moved to make it easy for consumers with specific allergenic health issues to relax and continue to dine out.*

## Consumer confidence in surprising downturn

The Westpac and Melbourne Institute consumer sentiment index has dropped by 5% in September from 119.2 in August to 113.2 in September, the first fall in the index following 2 consecutive months of steady increases. The greatest weakness being responses to questions concerning economic outlook. It appears now that the August reading could have stated overconfidence, reflecting a strong relief rally when the RBA did not raise interest rates.

*The scale of these monthly variations suggest consumer confidence remains fragile.*

Weather Period	Sydney			Melbourne			Brisbane			Adelaide			Perth		
	Last wk	This wk	Last yr	Last wk	This wk	Last yr	Last wk	This wk	Last yr	Last wk	This wk	Last yr	Last wk	This wk	Last yr
Highs & Lows °C	8-24	10-24	13-32	5-18	6-17	6-23	12-26	13-26	16-27	4-20	8-20	6-26	4-28	2-24	6-19
Rainfall															
Rainfall (mm)	3.2	21	0.0	15.4	4.0	12.6	30.0	0.4	0.0	14.4	1.2	10.4	30.6	0	16.6

## How much do consumers really want to buy?

While growers are seeking to maximise production yield, this is not always producing product in the form and portion size the consumer is seeking. This analysis explores the influences on the preferred product size and how the vegetable market is working out how to respond to these demands from consumers.

### Major influences on the vegetable quantity purchased include:

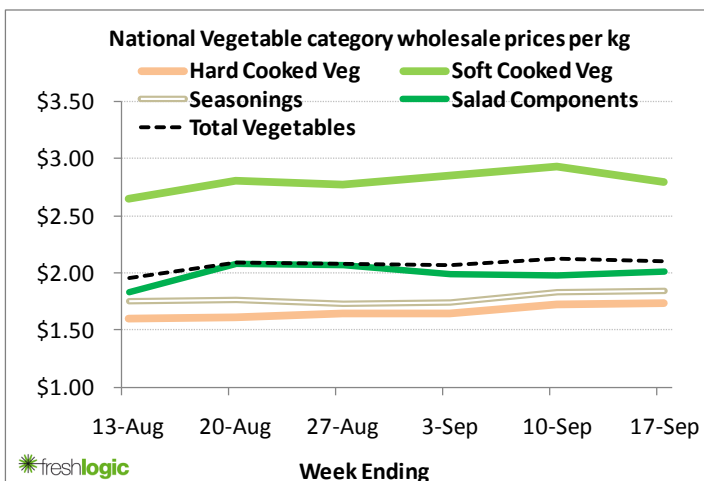
- **Smaller households** which means that 8 million occupied households in Australia require smaller volumes to meet their food requirements. This smaller average household size is reflected in less than half of the Australian households now including children.
- **Frequency of fresh vegetable shopping trips** directly affects the quantity that households will need to repurchase. With the majority of the retail sector open 7 days, the need to plan ahead and buy larger quantities and manage them over longer periods has been removed. Mealpulse™ responses and our analysis confirms that the average Australian household that buys fresh vegetables is making 65 shopping trips a year, which is 5 trips every 4 weeks.
- **Less structured meals** due to more adults being in employment that has time demand over seven days of the week plus a more diverse array of leisure activities. These factors send household members in different directions to eat more meals away from home and this has combined to reduce the amount of meal planning in the household. This has a flow on impact to reduce the need to buy and store larger quantities.
- **Increased value sensitive** as the economic climate has tightened and this has caused households to be less tolerant of waste in the home. It is a known fact that the leading added value vegetable categories are exploring portion sizes that will suit single serves.

### What is the quantity that consumers want?

Based on an analysis of the *DocketData* provided in the Mealpulse™ program, the quantities that consumers purchase of loose self-select product are confirmed. These quantities for the four leading vegetable products are listed to the right of this paragraph. These quantities are clearly influenced by the heavier unit weight of carrots and pumpkin. It is also worth noting that onions are offered in 1, 1.5 & 2 kg pre-packs but this form was purchased by 30% of shoppers. Carrots are available in 1 kg pre-packs and this product form was purchased by 55% of the shoppers.



Consumers appear to be seeking smaller quantities of vegetables bought more frequently. It also appears that consumers may buy more vegetable products that are packaged in the portion size they are seeking.



**The wholesale vegetable price** decreased 1% or 2c per kg last week to **\$2.10 per kg**. This was influenced by a 4.9% decrease in soft cooked veg and a 1.5% increase in salad components.

These changes were caused by declines in beans, sweet corn, mushrooms and lettuce and increases in peas, broccoli, capsicums and salad mix.

The balance between supply and demand is showing the expected seasonal tensions as warmer weather lifts demand for salad lines.