Kantar Market Overview

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BORD BIA
IRISH FOOD BOARD



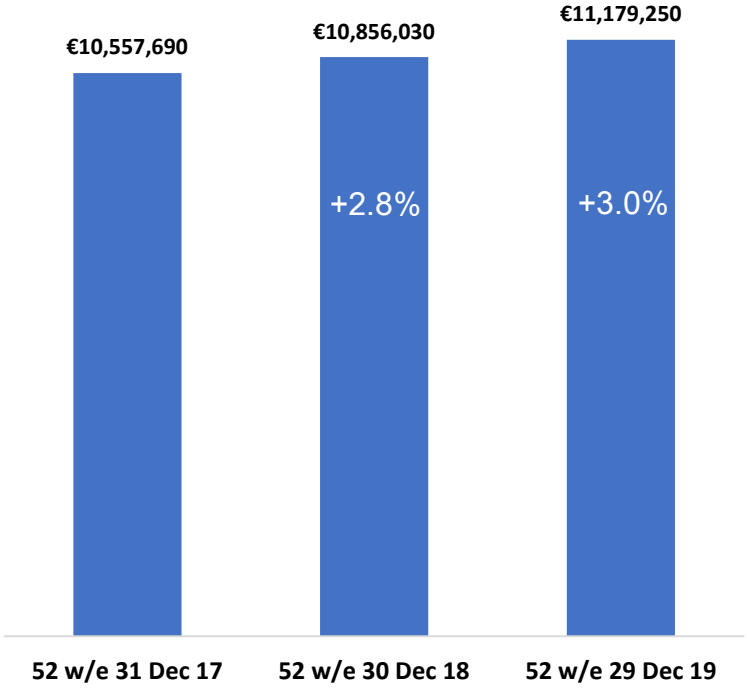
Kantar Market Overview

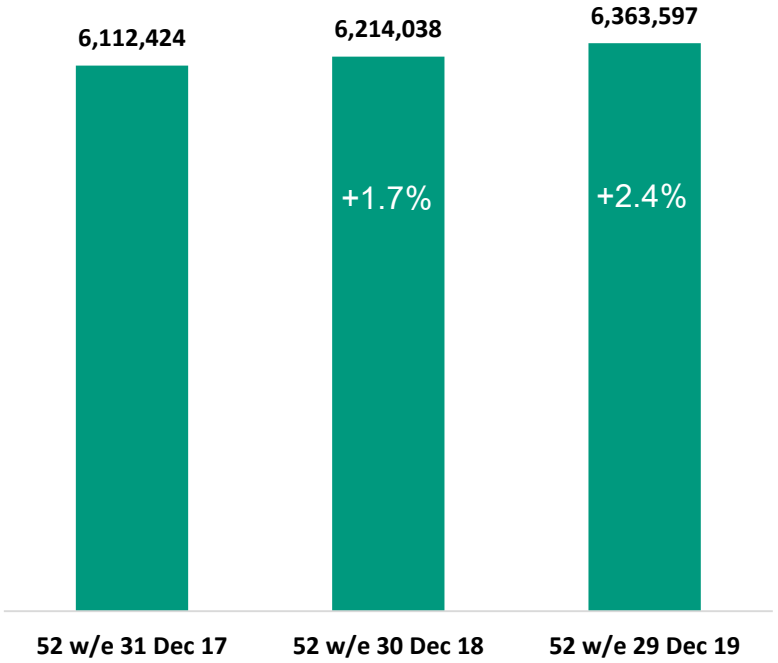
1) Total Grocery Market Headlines
2) Total produce
3) Vegetables excl. Potatoes
4) Fruit
5) Potatoes
6) Changing Consumer Trends

Total Grocery Market Headlines

Total Grocery Market 52 w/e Headlines

Volume has been growing slightly behind value over the long term. Most recently the grocery market has been growing at +3.0% in value terms.





Total Grocery Market 12 w/e Headlines



The Irish Grocery Market continues to grow in the most recent 12we up by +1.5%.



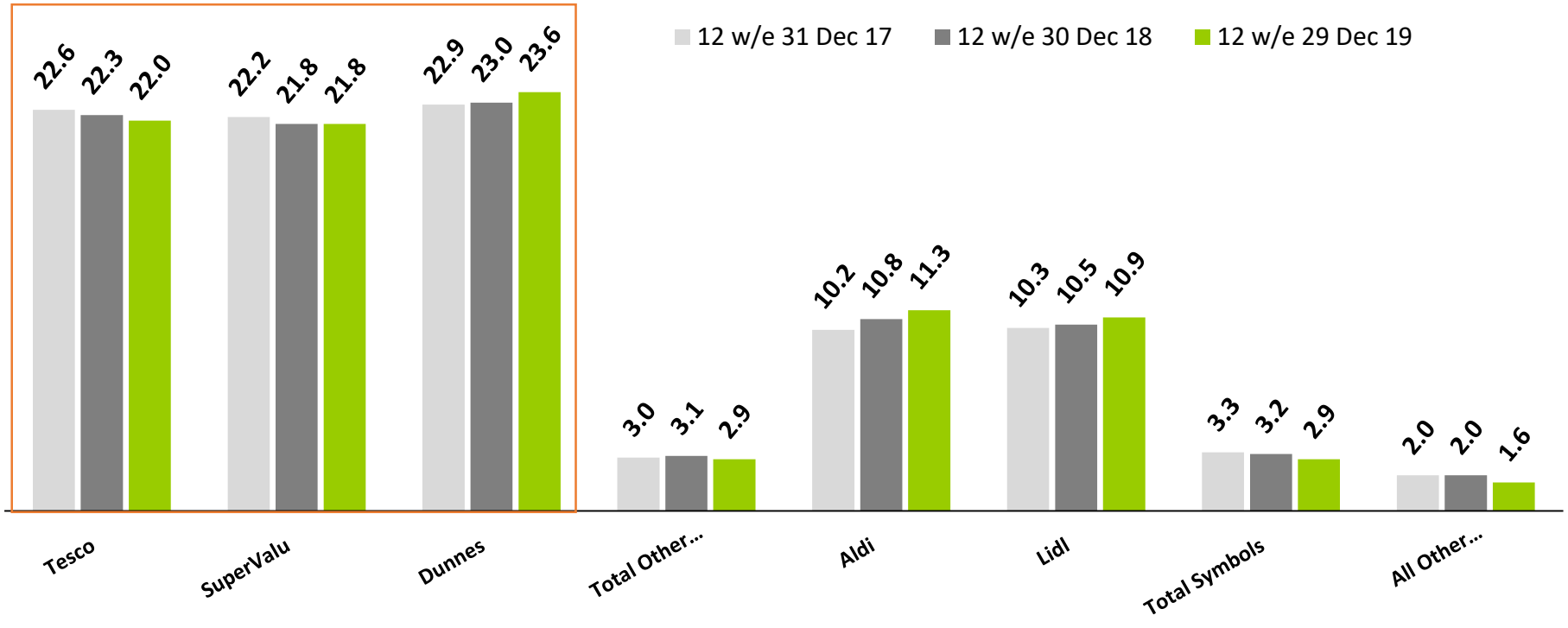
Growth has been driven by consumers spending more per buyer +0.3% and more per Trip +€0.10.



However people are starting to shop less often, frequency declined -0.03%.

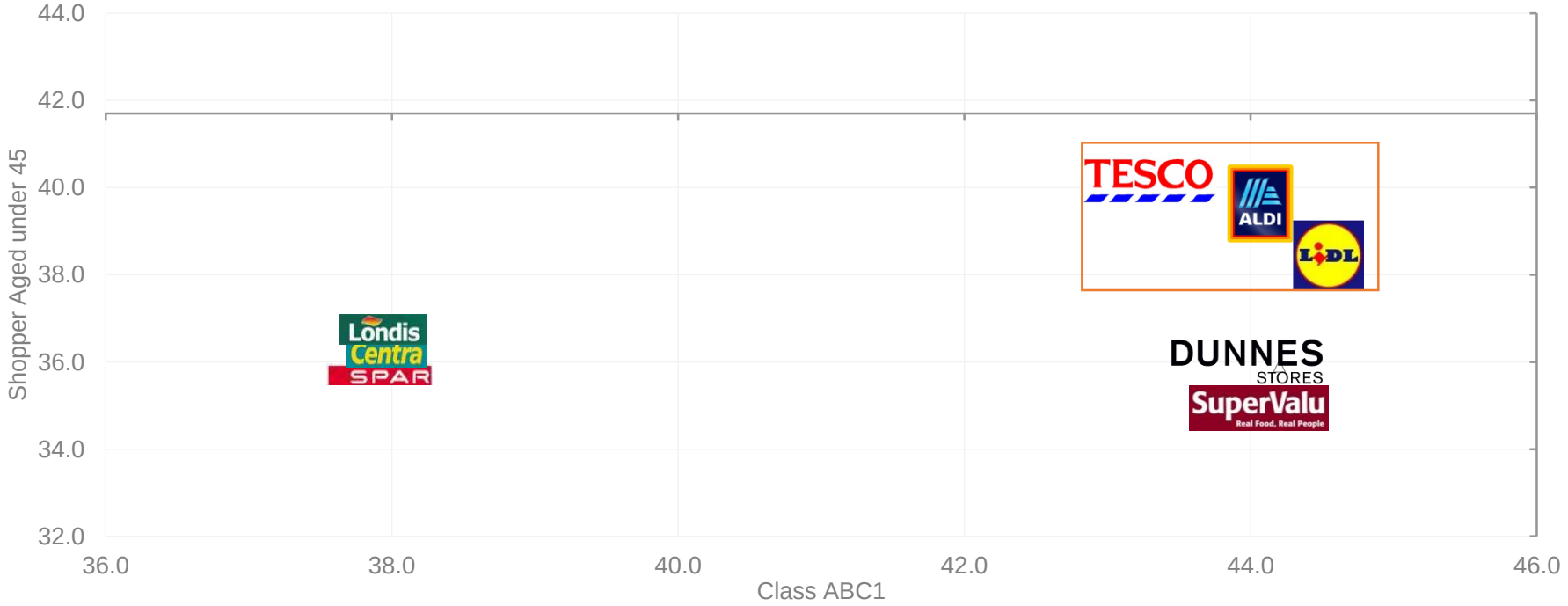
Retailer 12 w/e Headlines

Dunnes grew to 23.6% share of the Irish market in the latest 12 weeks. Tesco moves to have the 2nd highest share of the market during the Christmas period.



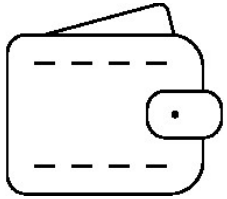
Retailer 12 w/e Headlines

The retailers performing best with younger shoppers are Tesco and Aldi. Lidl is most likely to attract the affluent ABC1 shoppers compared to all the other retailers.



Key Takeout's

Discounters



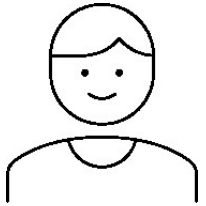
Discounters are growing across the total market and through Fresh & Chilled. However Dunnes are bucking this trend through their vouchering scheme.

Trip Size



Trends are changing, with lower inflation compared to last year, shoppers are now making fewer but larger trips. Winning this bigger basket is key to retailer growth moving forward.

Split Demographics



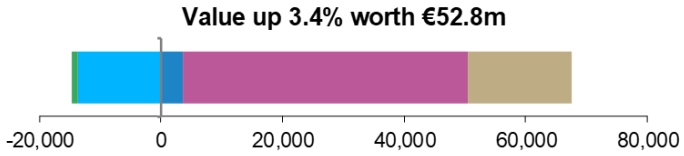
There are three main retailers driving younger shoppers into the market – Tesco, Aldi and Lidl. These are the key targets if you want to attract a younger audience.

Total produce

Produce Market

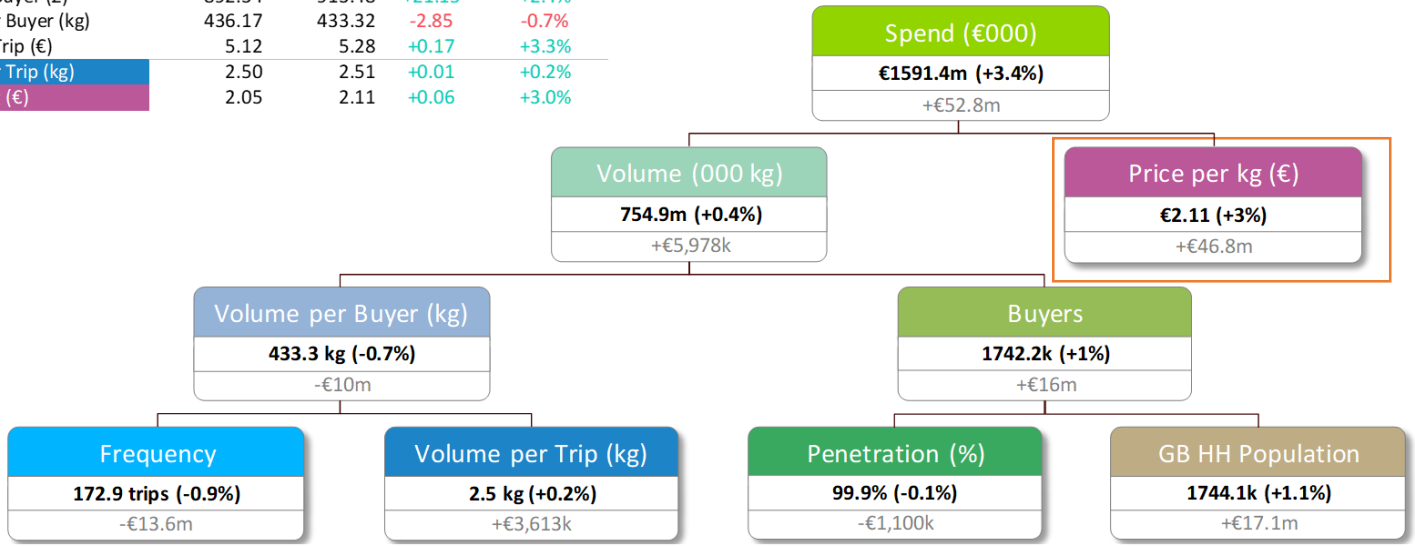
The produce market has grown by +3.4% this year in value terms but mainly due to average price increases. Frequency has fallen with volume per trip up slightly.

Measure	52 w/e 30 Dec 18	52 w/e 29 Dec 19	Change (Actual)	Change (%)
Spend (€000)	1,538,613	1,591,432	+52,819	+3.4%
Volume (000 kg)	752,060	754,902	+2,843	+0.4%
Penetration (%)	99.96	99.89	-0.07	-0.1%
Frequency	174.41	172.86	-1.55	-0.9%
Spend per Buyer (£)	892.34	913.48	+21.15	+2.4%
Volume per Buyer (kg)	436.17	433.32	-2.85	-0.7%
Spend per Trip (€)	5.12	5.28	+0.17	+3.3%
Volume per Trip (kg)	2.50	2.51	+0.01	+0.2%
Price per kg (€)	2.05	2.11	+0.06	+3.0%



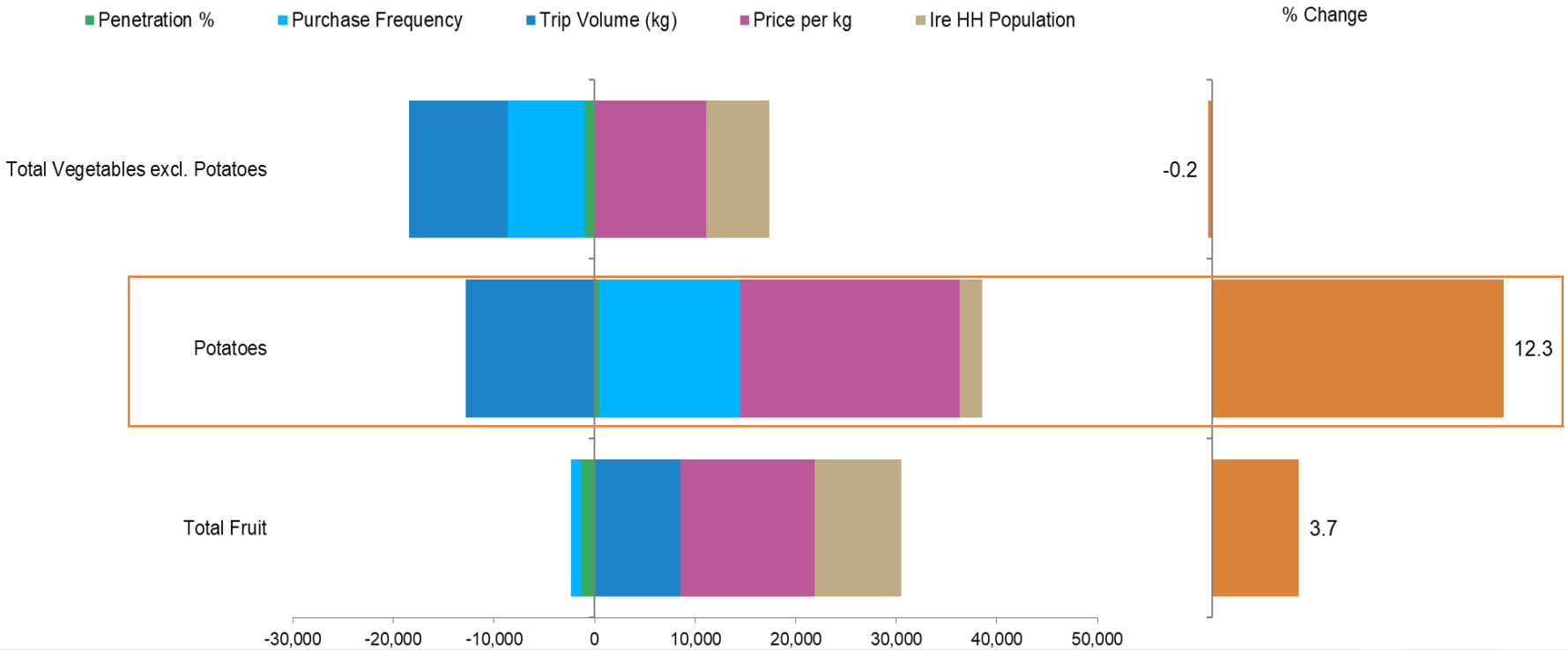


+2.2%



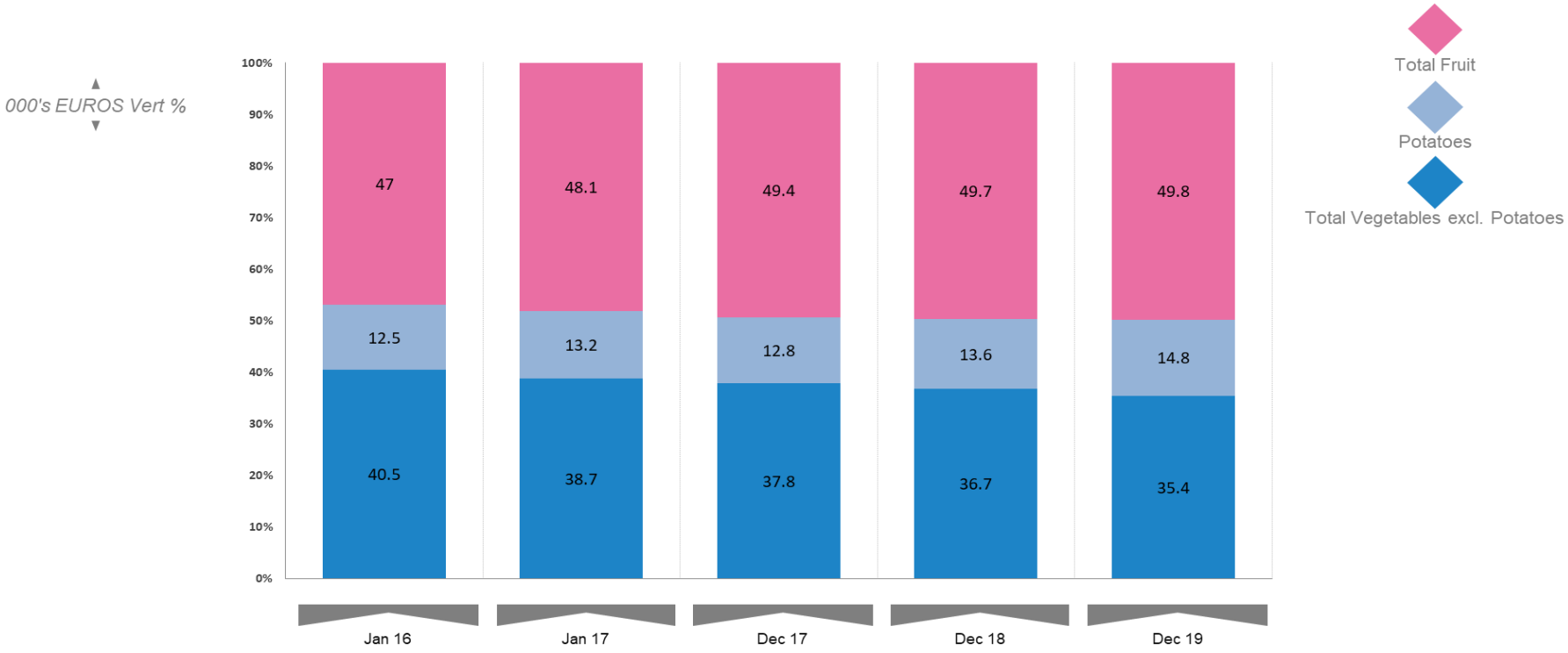
Produce Market

These Price increases have been seen across every area of produce. The main value winner is potatoes who have seen a big increase in frequency as well as prices.



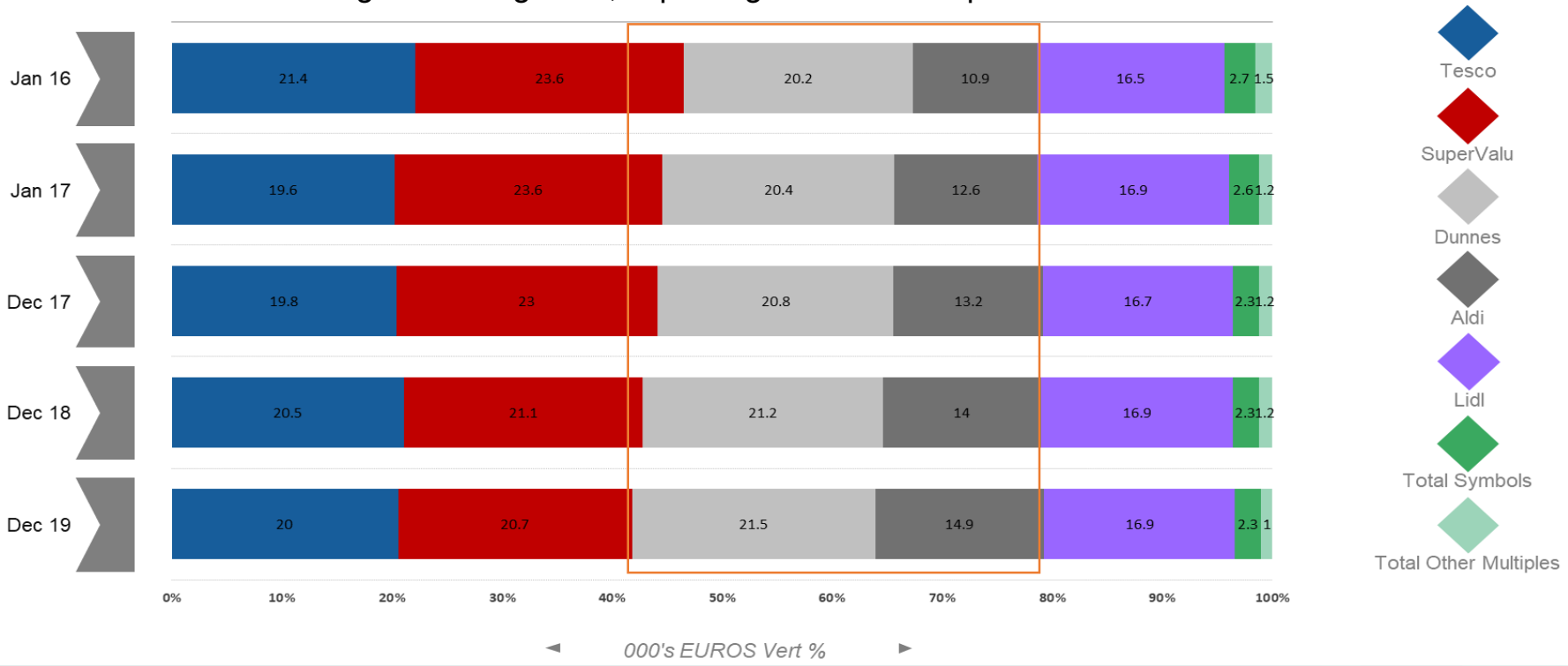
Produce Market

Fruit has started to increase its share of the market in recent years. Vegetables losing out to both of the other areas.



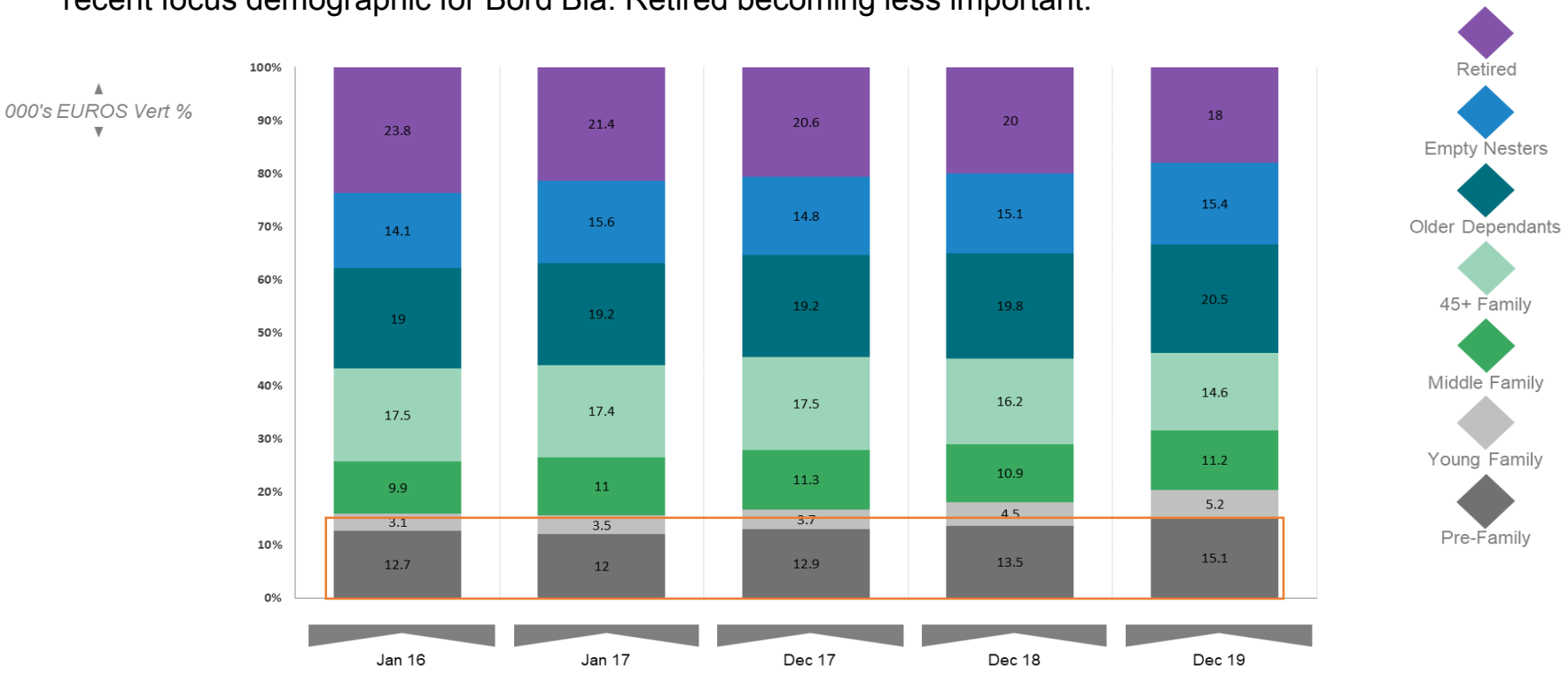
Produce Market

When looking long term, we see the impact that the discounters have had on the produce market. Both Aldi and Lidl with the strongest share growth, impacting Tesco and Supervalu.



Produce Market

We have seen an increase in the importance of younger shoppers in recent years for produce, a recent focus demographic for Bord Bia. Retired becoming less important.

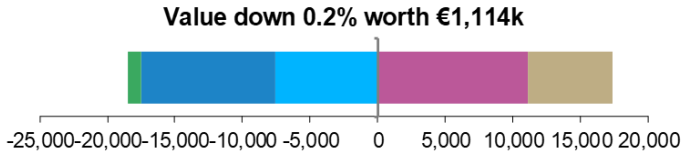


Vegetables excl. Potatoes

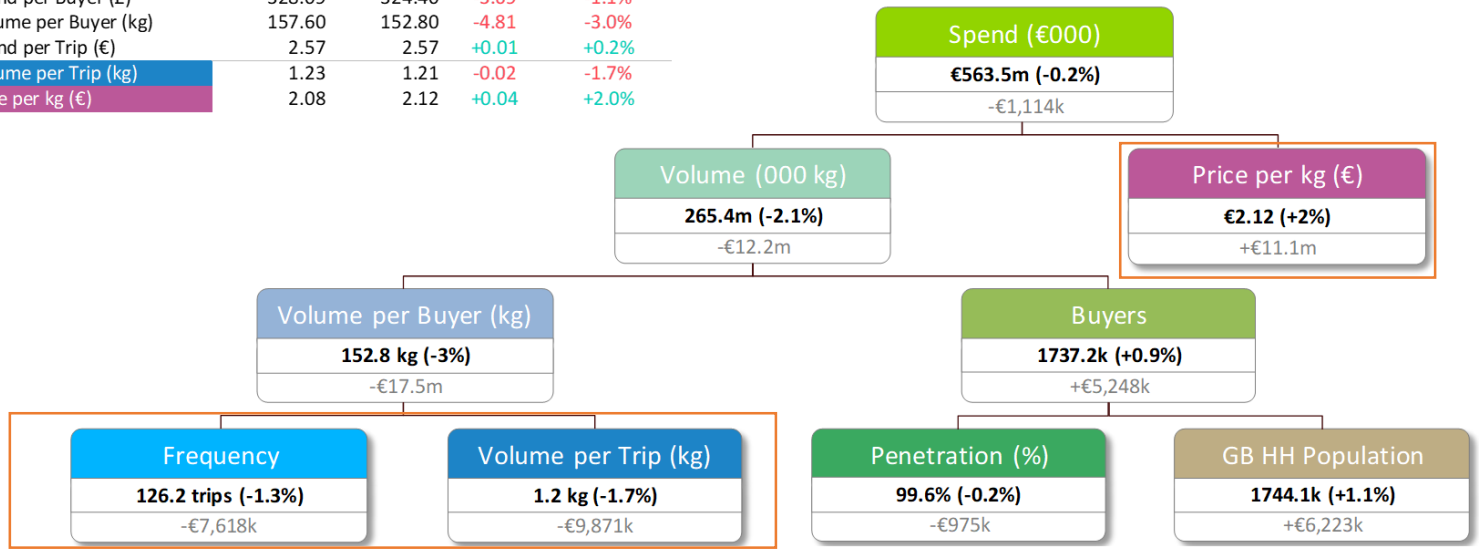
Vegetables excl. Potatoes

Vegetables have remained more or less flat over the past year. Price increases and driven some value but decreases in volume per trip and frequency are an area to look out for

Measure	52 w/e 30 Dec 18	52 w/e 29 Dec 19	Change (Actual)	Change (%)
Spend (€000)	564,647	563,533	-1,114	-0.2%
Volume (000 kg)	271,237	265,430	-5,807	-2.1%
Penetration (%)	99.77	99.60	-0.17	-0.2%
Frequency	127.91	126.20	-1.71	-1.3%
Spend per Buyer (£)	328.09	324.40	-3.69	-1.1%
Volume per Buyer (kg)	157.60	152.80	-4.81	-3.0%
Spend per Trip (€)	2.57	2.57	+0.01	+0.2%
Volume per Trip (kg)	1.23	1.21	-0.02	-1.7%
Price per kg (€)	2.08	2.12	+0.04	+2.0%

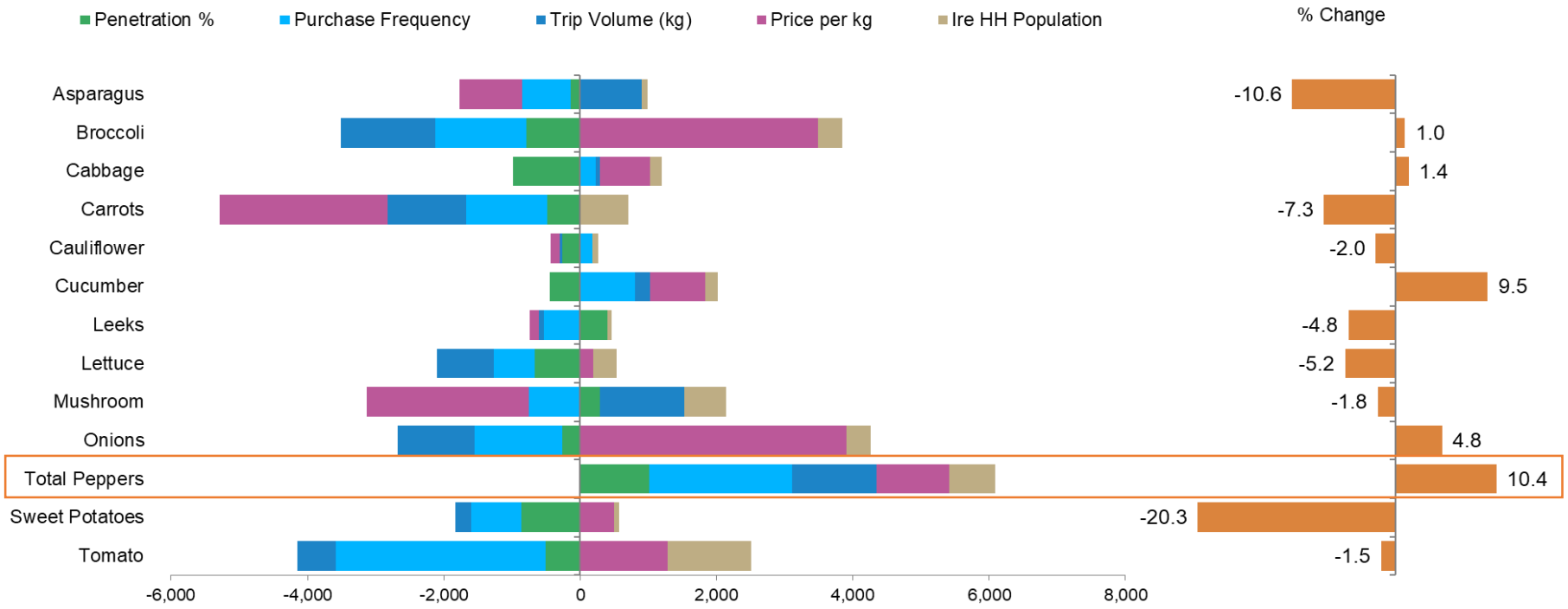






Vegetables excl. Potatoes

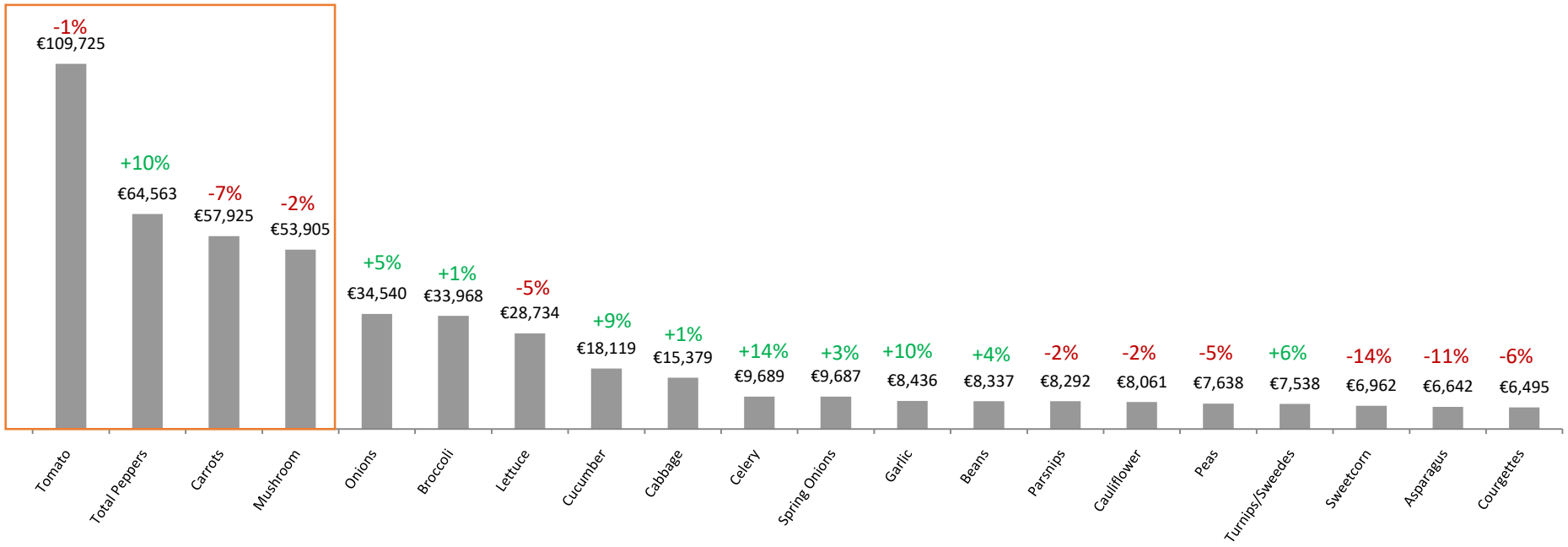
Over the past year, a lot of the key vegetable areas are seeing penetration losses. Peppers attract the most new shoppers. Price increases key in value growth



Vegetables excl. Potatoes

Tomato's and Mushrooms are performing in line with the total market, carrots struggling more at the moment. Both Peppers and Onions with strong growth.

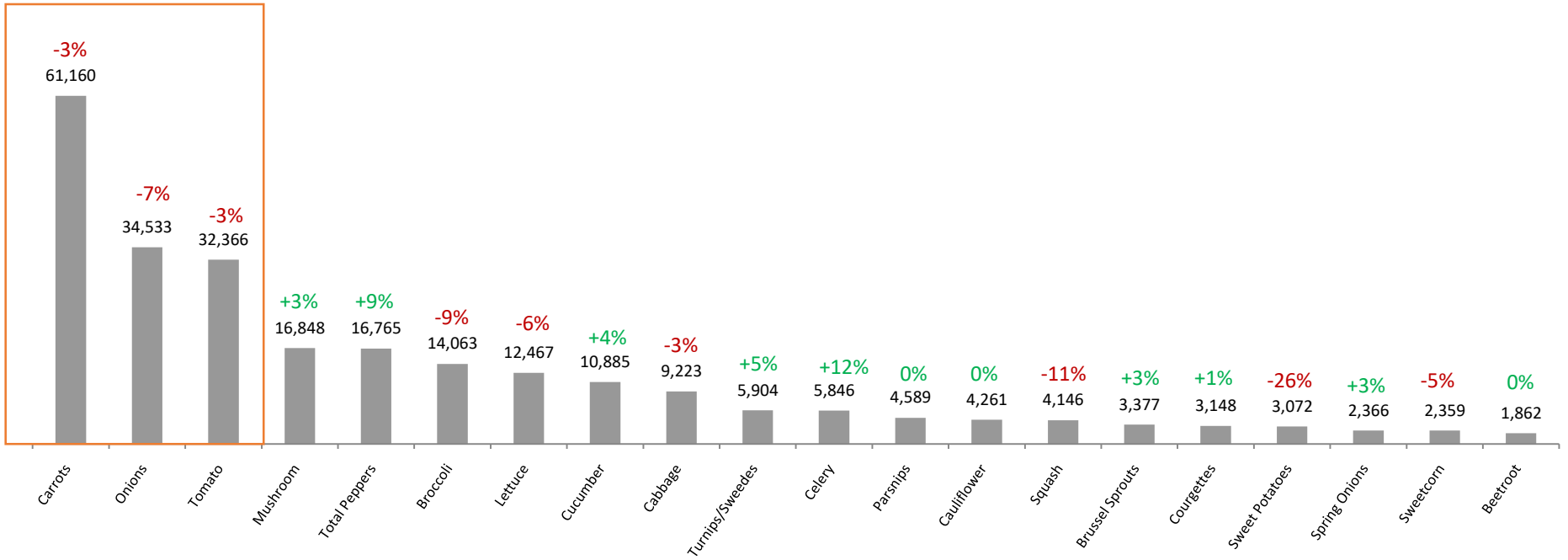
TOP 20 SELLING VEG & YOY % GROWTH – VALUE (€000s) – 52w/e



Vegetables excl. Potatoes

In volume terms, onions start to decline YoY. Mushrooms in volume growth. Carrots and Tomato's both losing out more in volume terms compared to value.

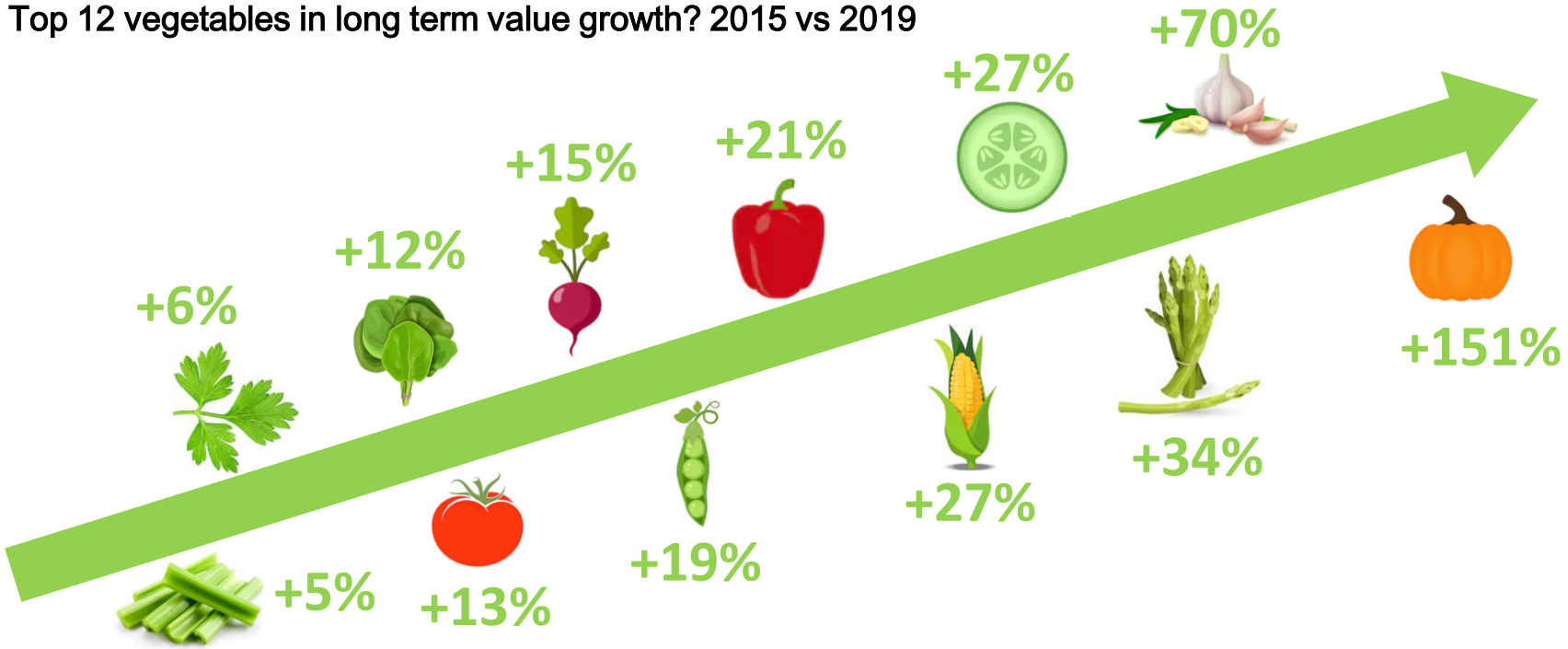
TOP 20 SELLING VEG & YOY % GROWTH – VOLUME (000kgs) – 52w/e



Vegetables excl. Potatoes

Over a 5 year period, pumpkins are the biggest winner, along with garlic. Cucumber and Asparagus growing well in the long term.

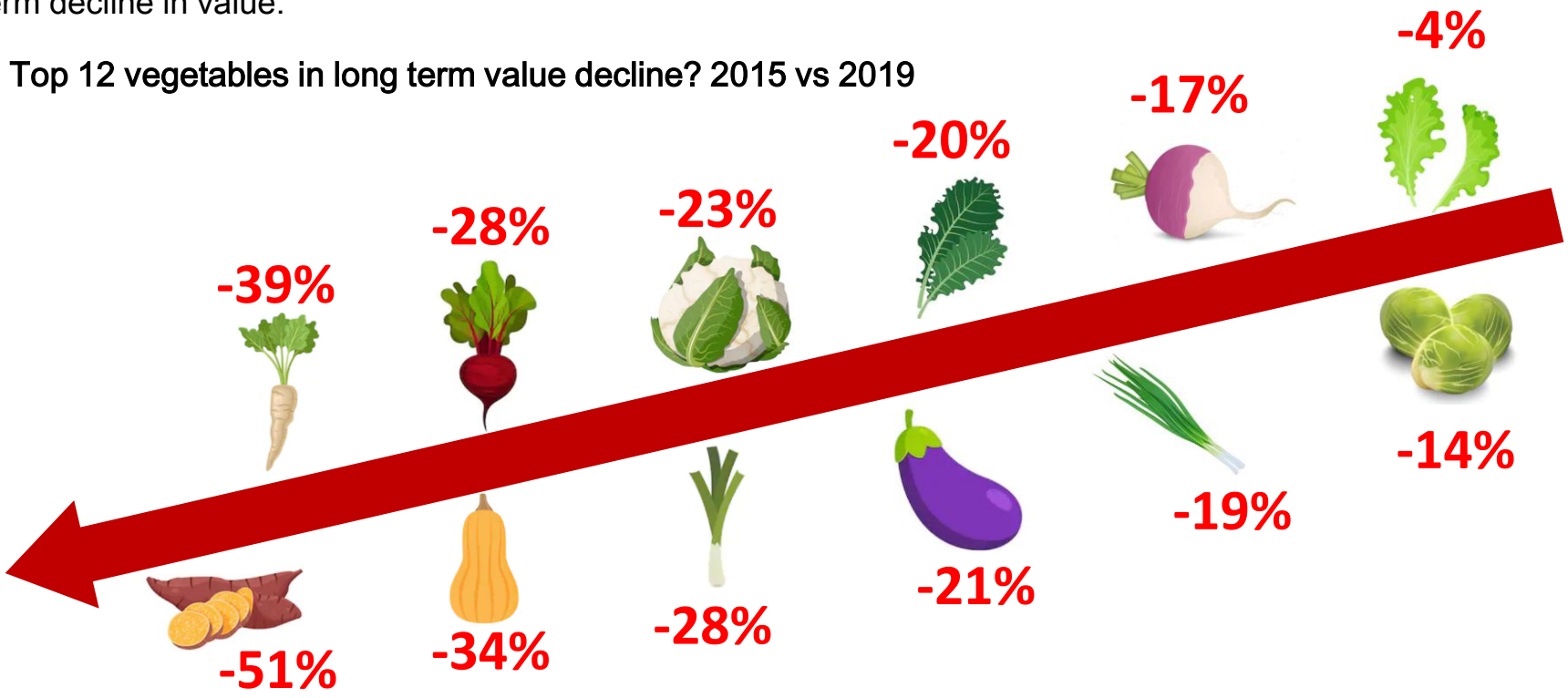
Top 12 vegetables in long term value growth? 2015 vs 2019



Vegetables excl. Potatoes

The main areas in decline again, are some of the more traditional vegetables. Sweet Potato in the largest long term decline in value.

Top 12 vegetables in long term value decline? 2015 vs 2019

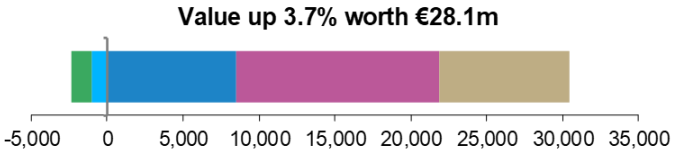


Fruit

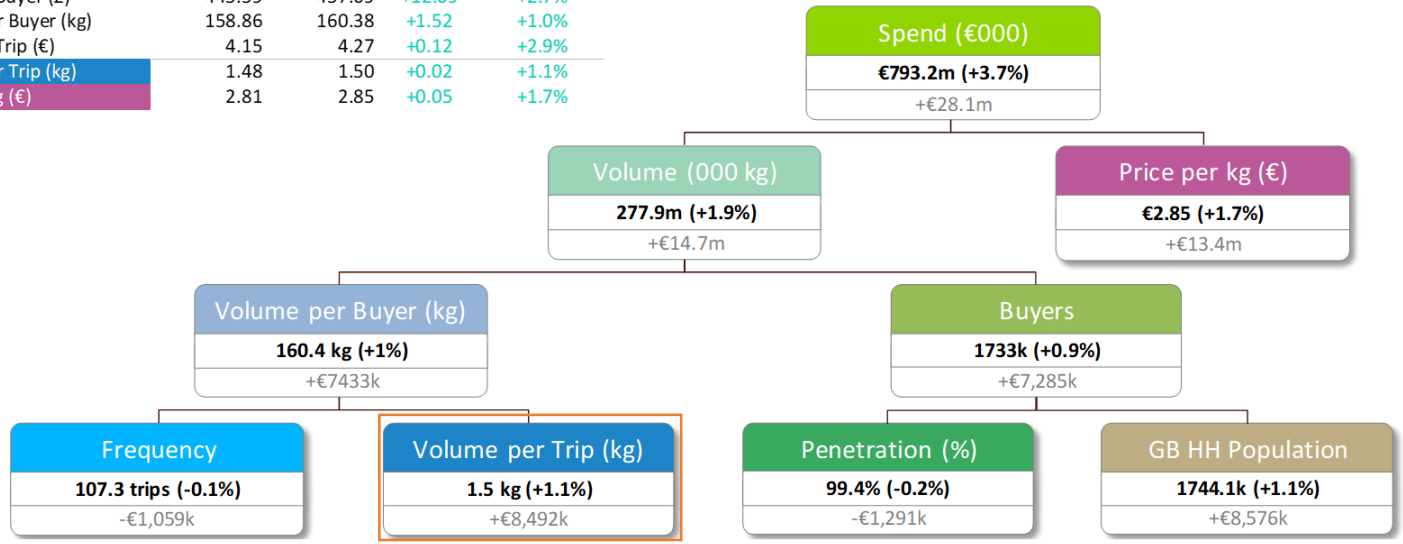
Fruit

Price increases are again seen here in Fruit. A strong increase in volume per trip which has also helped drive the overall growth.

Measure	52 w/e 30 Dec 18	52 w/e 29 Dec 19	Change (Actual)	Change (%)
Spend (€000)	765,021	793,157	+28,136	+3.7%
Volume (000 kg)	272,732	277,932	+5,199	+1.9%
Penetration (%)	99.53	99.36	-0.17	-0.2%
Frequency	107.40	107.25	-0.15	-0.1%
Spend per Buyer (£)	445.59	457.69	+12.09	+2.7%
Volume per Buyer (kg)	158.86	160.38	+1.52	+1.0%
Spend per Trip (€)	4.15	4.27	+0.12	+2.9%
Volume per Trip (kg)	1.48	1.50	+0.02	+1.1%
Price per kg (€)	2.81	2.85	+0.05	+1.7%

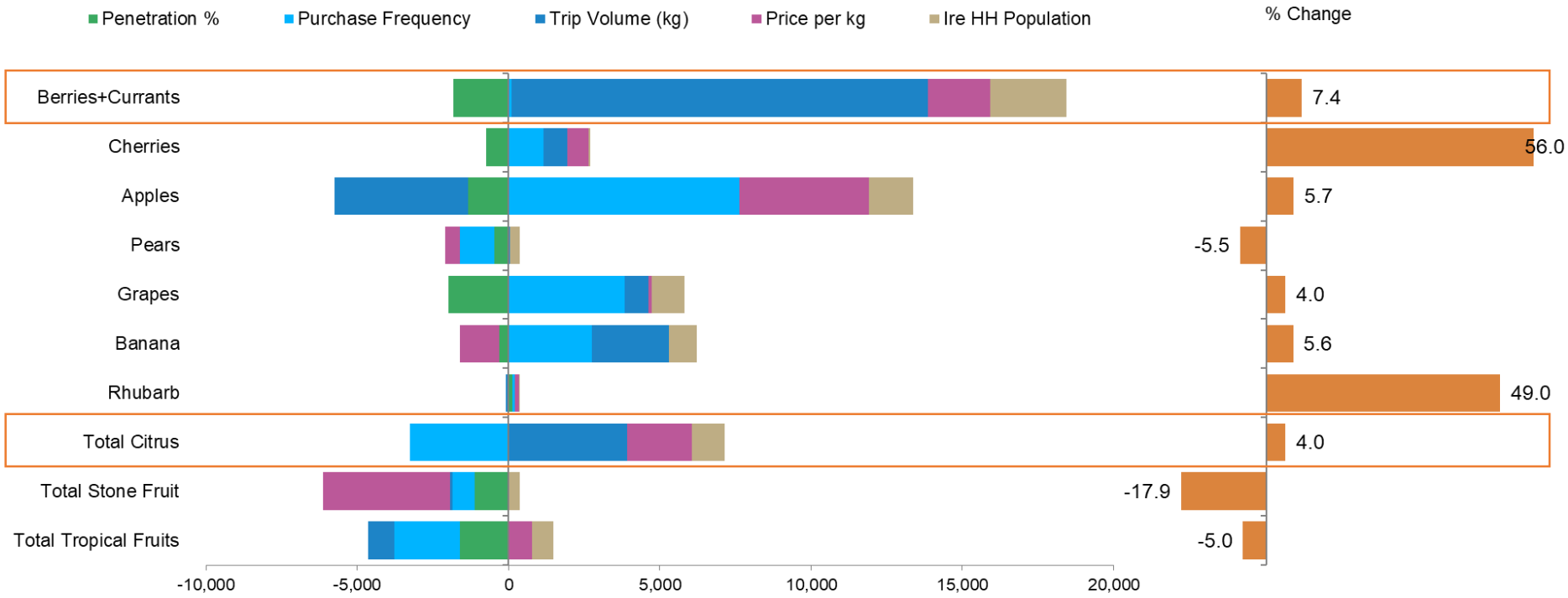






Fruit

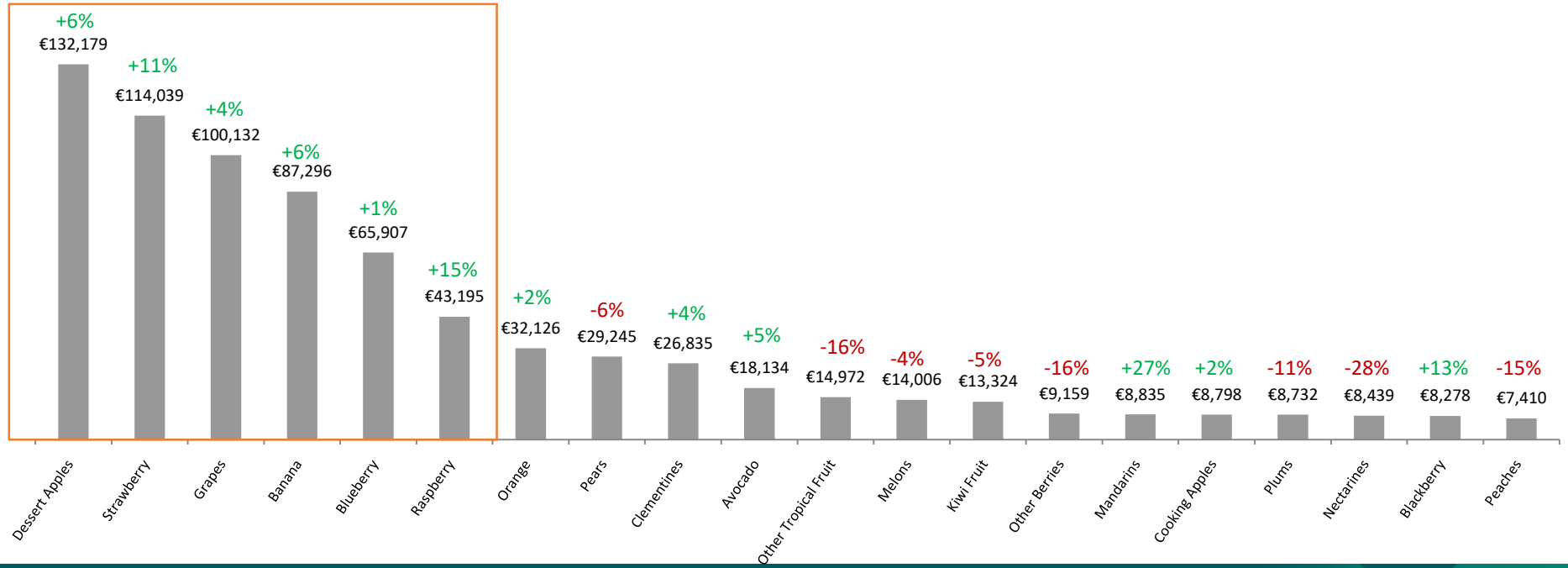
All fruit apart from Citrus have seen a drop off in penetration, Cherries with really strong value growth, however the most impressive increase is the volume growth for Berries and Currants



Fruit

The Top 6 fruit sectors in value terms are all in growth. It tends to be the smaller sectors of fruit that see YoY value decline.

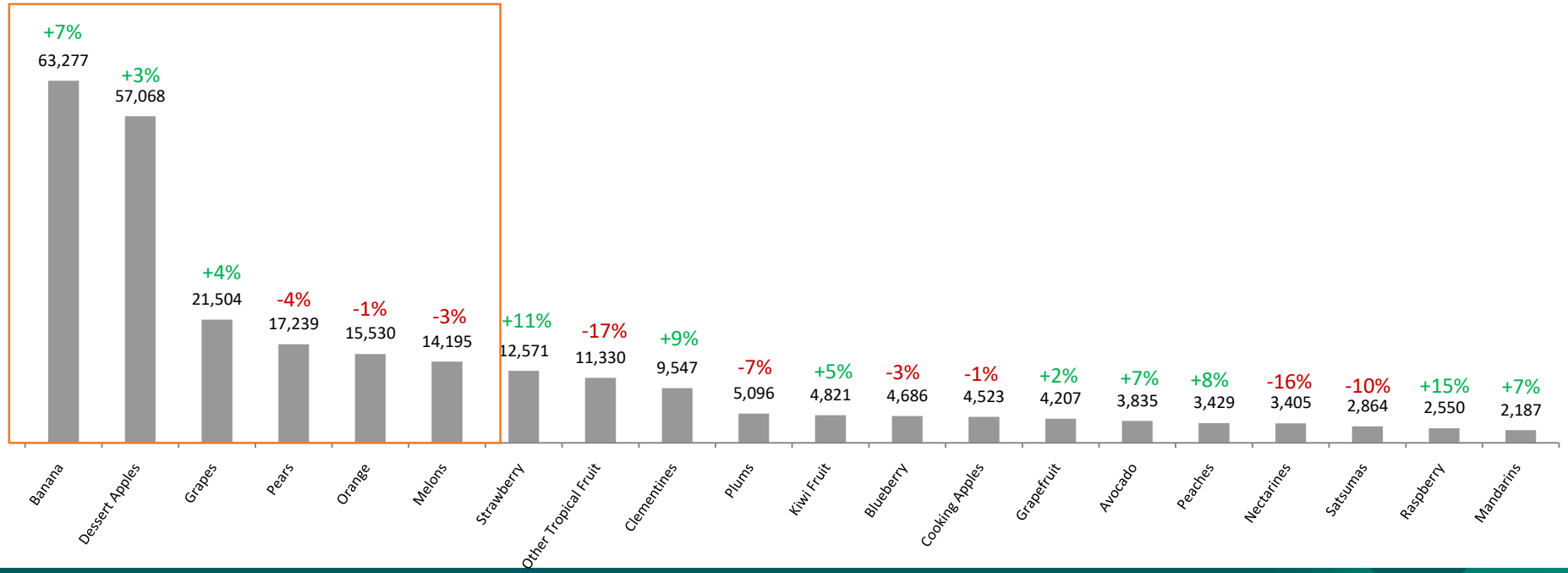
TOP 20 SELLING FRUIT & YOY % GROWTH – VALUE (€000s) – 52w/e



Fruit

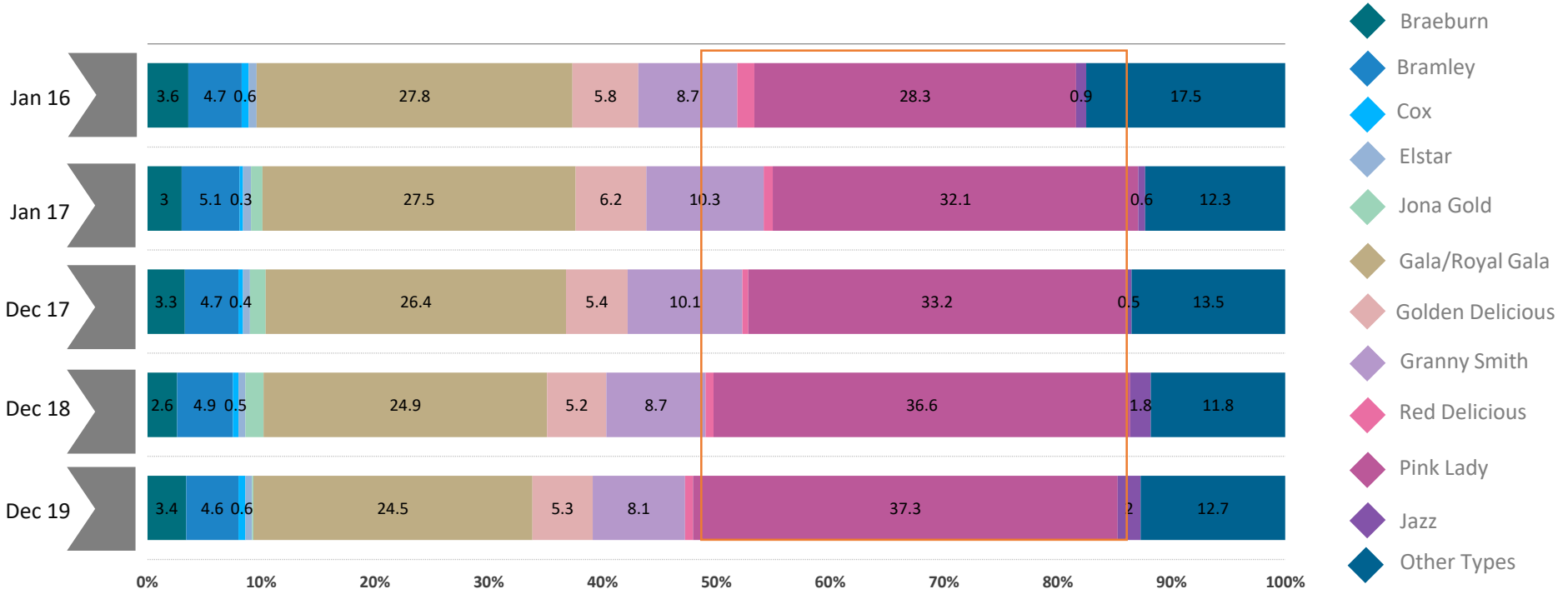
Slight different in volume terms, however bananas are still performing strongly. Pears struggling in both value and volume terms.

TOP 20 SELLING FRUIT & YOY % GROWTH – VOLUME (000 kgs) – 52w/e



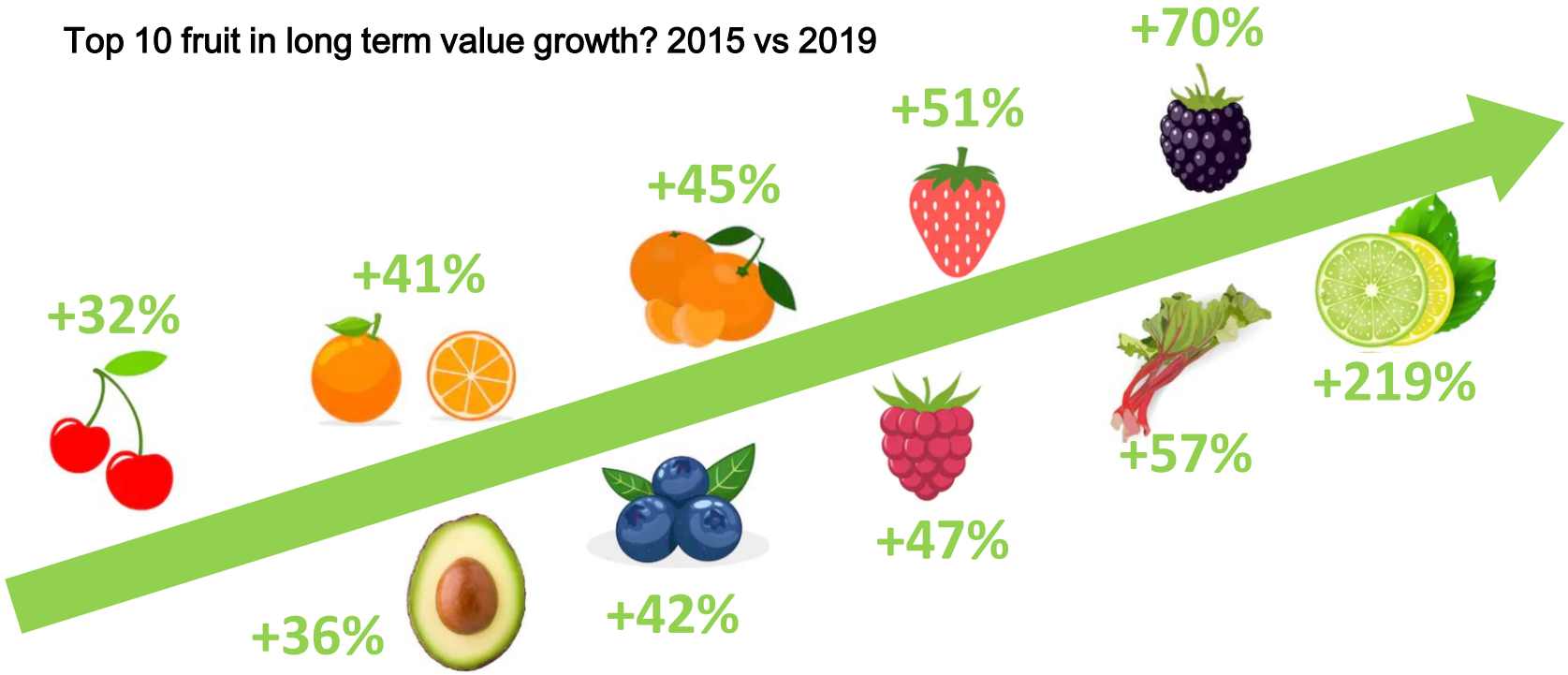
Total Apples

Pink Lady are now the type of apple with the highest value share, after being behind Gala in 2015. One of the few varieties of apple to see value share growth.



Fruit

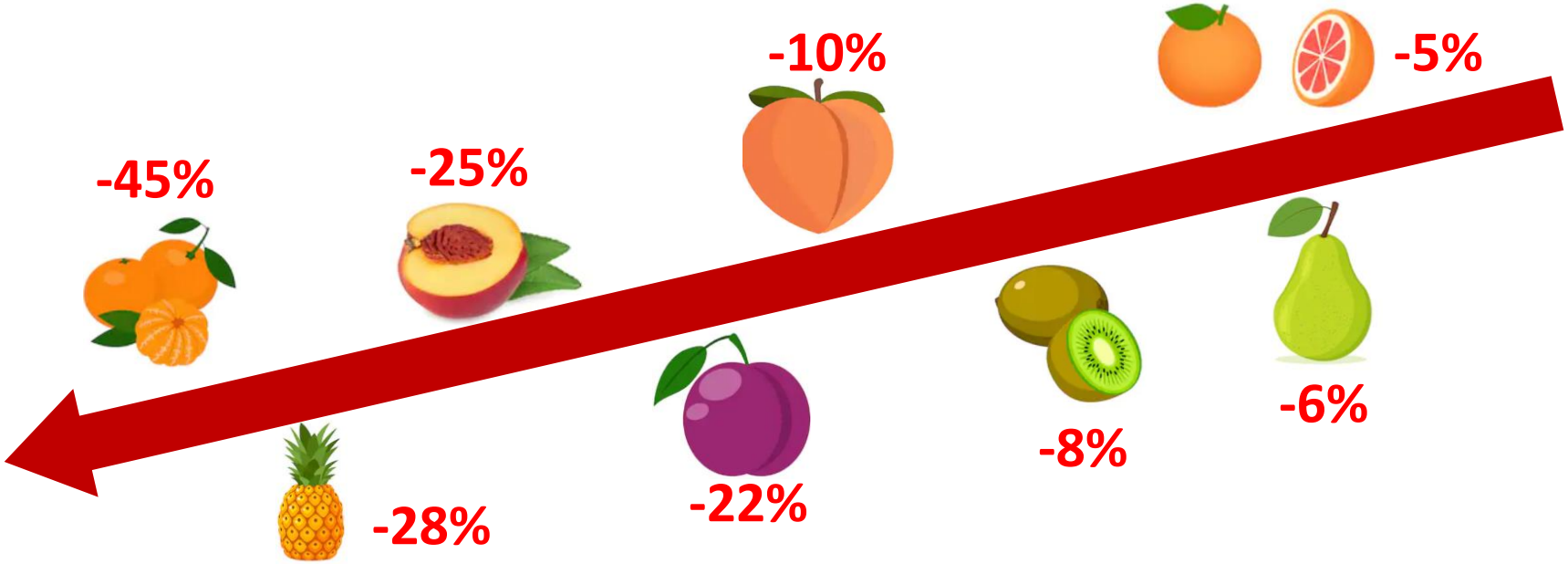
A lot of the fruit within Berries sit at the top in terms of 4 year growth figures. Citrus also dominant with lemon, limes and clementine's.



Fruit

Stone Fruit look to be the ones mainly in long term decline along with grapefruit and nectarines. Like vegetables, are people moving away from more traditional product groups?

Top 8 Fruit in long term value decline? 2015 vs 2019

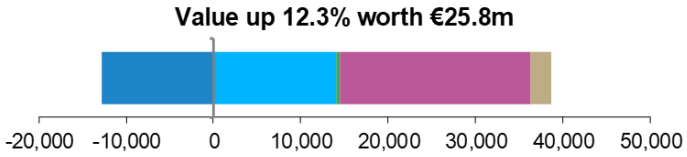


Potatoes

Total Potatoes

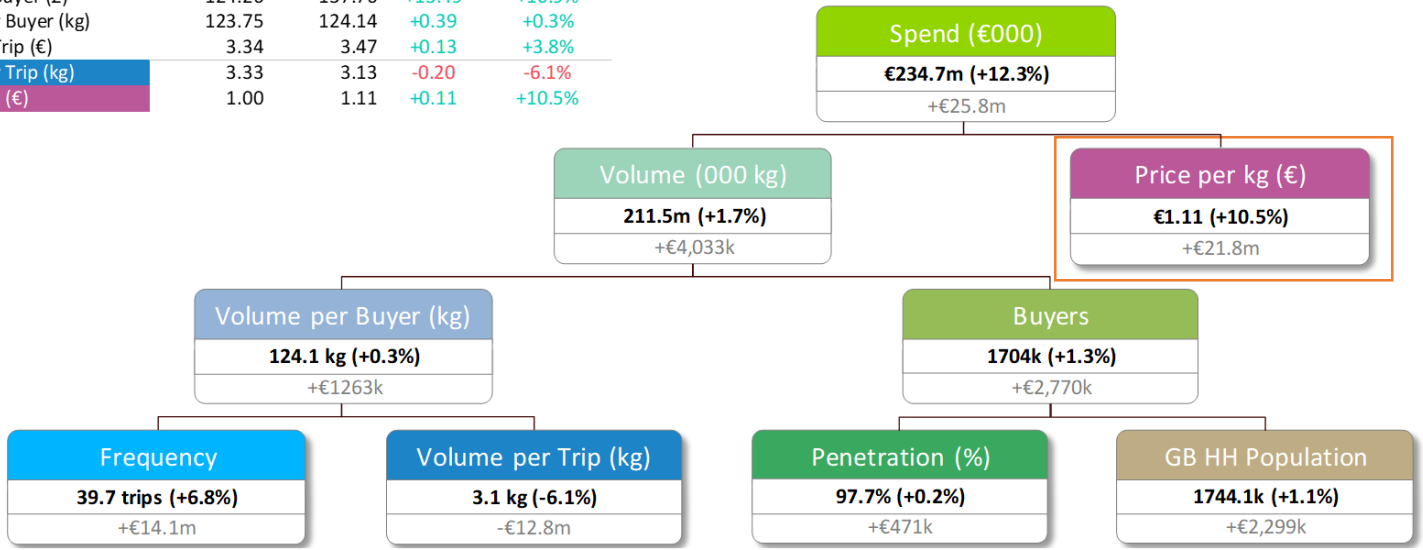
The potato market has grown by +12.3% this year in value terms, mainly due to average price increases. However there have also been strong gains in frequency of purchase

Measure	52 w/e 30 Dec 18	52 w/e 29 Dec 19	Change (Actual)	Change (%)
Spend (€000)	208,945	234,742	+25,798	+12.3%
Volume (000 kg)	208,091	211,541	+3,450	+1.7%
Penetration (%)	97.48	97.70	+0.22	+0.2%
Frequency	37.16	39.68	+2.52	+6.8%
Spend per Buyer (£)	124.26	137.76	+13.49	+10.9%
Volume per Buyer (kg)	123.75	124.14	+0.39	+0.3%
Spend per Trip (€)	3.34	3.47	+0.13	+3.8%
Volume per Trip (kg)	3.33	3.13	-0.20	-6.1%
Price per kg (€)	1.00	1.11	+0.11	+10.5%



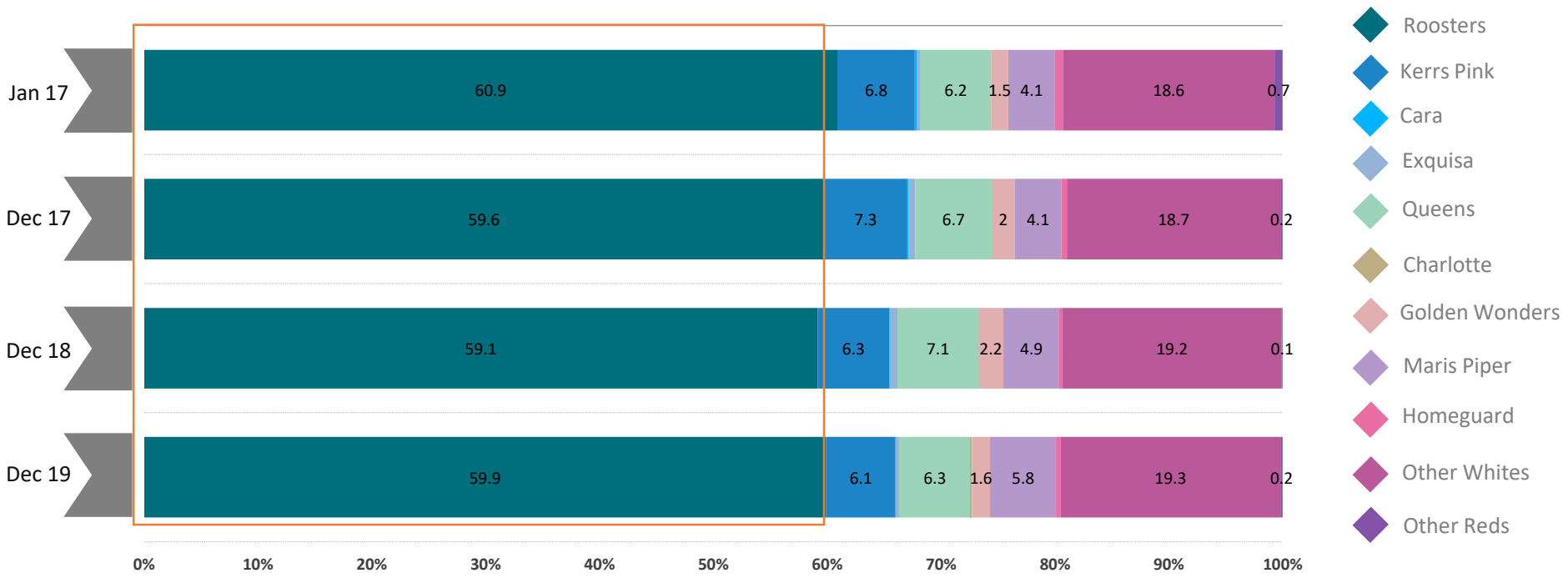


-1%



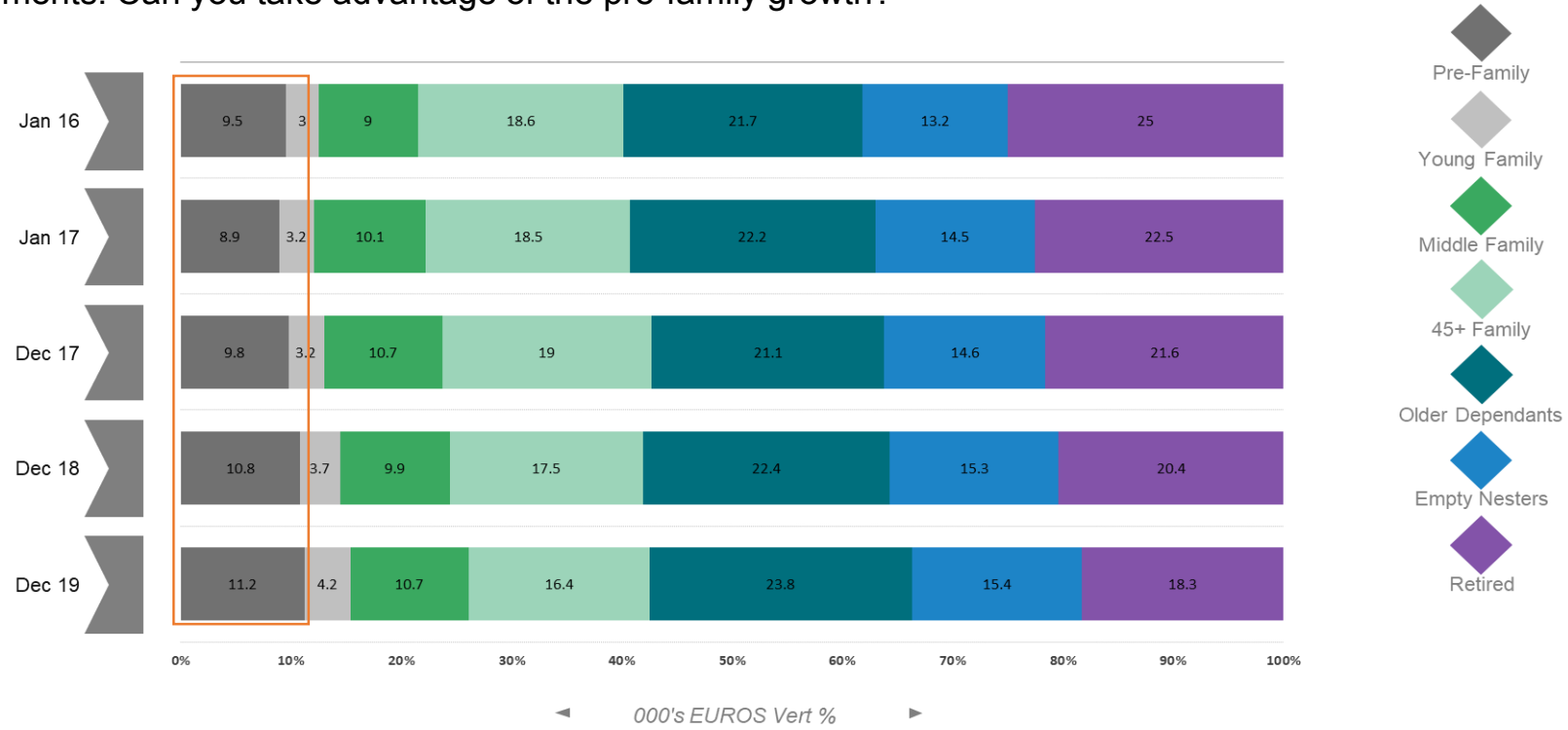
Total Potatoes

Roosters are continuing their dominance in the potato market/ The areas losing share have been Kerrs Pink and Queens.



Total Potatoes

Again, like Total produce, we see a strong growth in Pre-Family Potato buyers, but still one of the smaller segments. Can you take advantage of the pre-family growth?



Summary

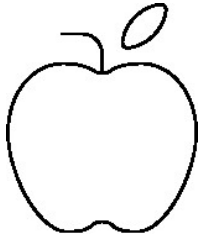
Key Takeout's

Vegetable Price Rise



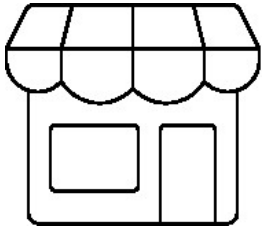
Vegetable value growth has been driven by an increase in prices. Need to address the volume per trip decline that is going against the total grocery market. However Potatoes performing well.

Split market within fruit



Much better volume performance overall within Fruit. Berries and Currants with really strong growth and Pink Lady apples helping their performance YoY. Shoppers moving away from more traditional stone fruits.

Young Shoppers Key

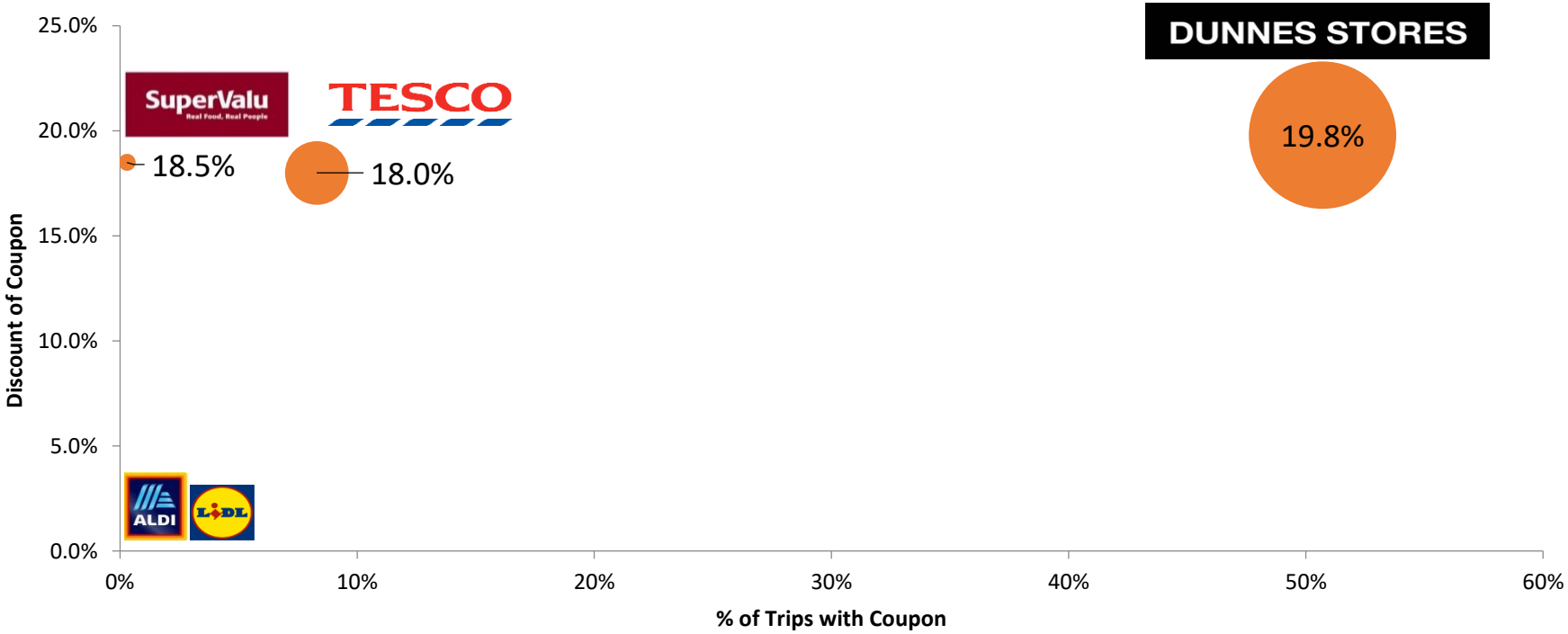


Aldi has been showing the strongest performance across total produce. Pre-Family also moving into produce more over the past few years. The main demographic targeted through Bord Bia's promotional campaigns

Changing Consumer Trends

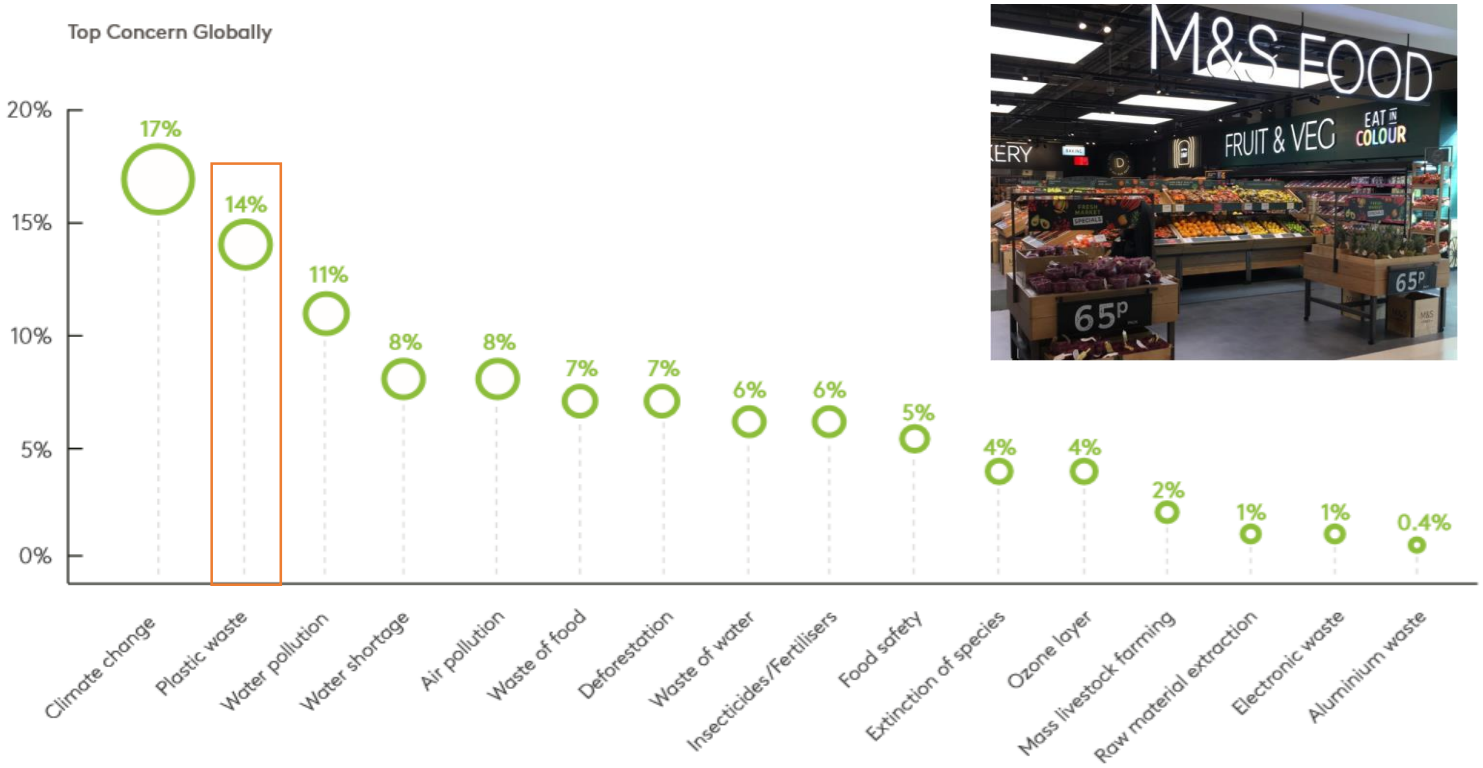
Changing Consumer Trends

1) Consumers are moving towards favouring using vouchers on their shopping trips – helping Dunnes see strong total market growth



Changing Consumer Trends

2) Plastic Waste is a growing concern globally, now the second largest





I avoid buying drinks in plastic bottles



When out of home I drink tap water instead of bottled water



When I go out and take drinks with me, I use refillable drinking bottles

Changing Consumer Trends

3) Concerns around Sustainability and Ethical Consumption are also on the rise. Irish products also becoming more important.

23%
Look for Fair Trade Products
(+0.4ppt vs 2015)

66%
Buy Irish Products when possible
(+1ppt vs 2015)

80%
Claim Reducing Single Use Plastic is Important to Them



However...

58%
Try to Buy Local Products
(-1ppt vs 2015)

45%
Refuse to Pay More for Organic Products
(+1ppt vs 2015)

17%
Not Interested in Buying Eco Friendly Products
(No Change vs 2015)

Changing Consumer Trends

4) Health is a growing concern for our panel members. The below are certain claims made by panellists:



69.5%
Say they try to restrict the amount of sugary food they consume

73.4%
Agree that diet is important to them

80.1%
Try to lead a healthy lifestyle

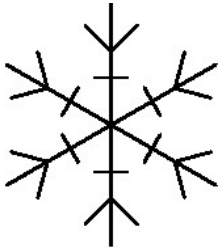


61.2%
Say nutritional information has an impact on their food choices

72.2%
Are aware if a food is good for them

Changing Consumer Trends

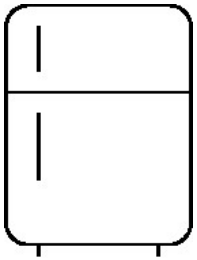
5) A trend in Produce that we have seen is the emergence of Frozen. New brands starting to play in this area and in percentage terms both frozen areas have grown ahead of fresh.



52 w/e 3 Jan 16
Vs
52 w/e 29 Dec 19

Frozen Fruit	Frozen Veg (excl. Potatoes)
+€6m (+84.4%)	+€2m (+5.4%)



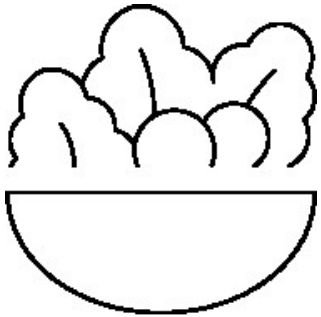


52 w/e 3 Jan 16
Vs
52 w/e 29 Dec 19

Fresh Fruit	Fresh Veg (excl. Potatoes)
+€132m (+20.0%)	-€6m (-1.1%)

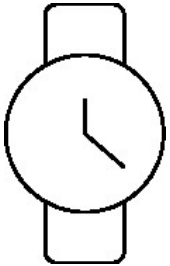
Changing Consumer Trends

6) The next trend we have seen is the emergence of pre-prepared Produce and salad within the Irish market. People wanting more convenient options when they shop to save time rather than money.

	Chilled Prepared Salad	Chilled Prepared Fruit and Veg
		 
52 w/e 3 Jan 16 Vs 52 w/e 29 Dec 19	+€4m (+11.4%)	+€9m (+10.9%)

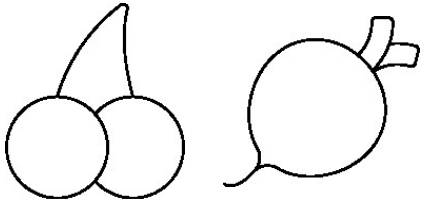
Looking Forward

Convenience



The produce market is moving towards convenience options within Fruit and Vegetables. Can you take advantage of this with more convenience offerings for consumers.

Variety



There is a slight decline in penetration for both fruit and vegetables. People are buying less options now compared to previously. Can you promote a varied diet within produce, tagging onto the emergence of health.

Environmental Concerns



Retailers are starting to move towards no plastic in stores, something to be aware of. UK retailers such as M&S have already taken action, something to prepare for and take advantage of.