Australian Grapes

Table Grapes Consumer Acceptance & Attitudes
Seasonal Deep Dive March 2022

Hort Innovation
Strategic levy investment

TABLE GRAPE FUND

Executive Summary

NielsenIQ

Program objectives

We are currently in the 'Monitor' phase with this report covering the findings from the first Seasonal Deep Dive. Where possible, we will compare back to the 'Discover' stage Quantitative Benchmark Survey.

DISCOVER

We will commence the project with an all important Discover Phase. This phase will provide a thorough understanding of consumer attitudes and purchase behaviours regarding Table Grapes, including barriers, triggers, substitution, quality perceptions and path to purchase.

Online Focus Groups

4 online mini groups with main grocery buyers that regularly buy grapes.
Explore:
Drivers of liking
Triggers & Barriers to purchase
Path to Purchase

Quantitative Benchmark Survey

Online quantitative custom research.
n=400 20 minute surveys
Nat. rep. sample of Australian fruit buyers.
Measure: Awareness, consideration, triggers and barriers to purchase
Statistically derive drivers of consumer acceptance to be included in Homescan survey

BUILD

Working session with Hort Innovation to review and analyse insights from Phase 1. Nielsen will provide recommendations on what measures should be carried through to monitor phase for discussion.

MONITOR

Ongoing measurement and diagnostic assessment of quality perceptions using Nielsen Homescan panel.
Seasonal deep dive attitude and behavioural measurement as/if required (depending on results from Homescan study)

Homescan Quality Performance Tracker

From Nov-May each year we will conduct 3 dips of **assessment** and **reporting of KPIs**:
80% benchmark being achieved or not; and why using drivers of liking
Validation of time to recover from a bad experience

Seasonal deep dive (1 per year)

Online quantitative custom research.
n=400
10 minute surveys with same target group
Measure: cut down KPIs from benchmark survey
Conducted
March each year

Executive summary

Key points noted from all research conducted to date:

- Due to the seasonal nature of Australian Table Grapes, they hold a special place in the hearts of Australian consumers
- Grapes are seen to have the key benefits of being a convenient, easy and healthy snacking option, in addition to having a relatively long lifespan. Key benefits are dialed up in the consumer mindset during peak grape season
- Many are happy to substitute other fruits into their grape eating occasions, so if the availability, display or price is not right, it can lead to lost sales. Bananas and Berry Fruits seen as viable substitutes for many grape occasions.
- There is limited awareness of either the grape season or types of grapes in the market, but this does not appear to be an impediment to sales or quality perceptions with many feeling grapes were at their best when they had recently purchased them
- Consumers buying red, and in particular, black grapes, are more knowledgeable about grape varietals
- Fresh is best and shoppers use visual cues as well as pricing cues to trigger sales
- Many hold strong preferences for grape type (green), and grapes being seedless, but packing preferences for loose vs pre-packed are split
- Opportunity to improve country of origin communication on pack and in-store as many consumers reported this is important information that is hard to find
- Opportunity to work more closely with major supermarkets to optimise quality and displays. These are where the majority of grapes are being bought, but there is much to improve:
    - This is an impulse category, even among those who plan to buy, many make their minds up in-store
    - Point of Sale is key: visual cues of freshness trigger sales, and if there are availability issues, poor displays or limited stock rotation shoppers are turned off

Executive summary

Key points noted from all research conducted to date:

- The Homescan results showed that the Consumer Acceptance KPI was met among shoppers who bought Australian Table Grapes across all waves, however, December 2021 saw the weakest start to the season yet and this has potentially led to a slower rate of recovery from a bad experience being noted in 2022
- The Quantitative Deep Dive also saw strong consumer acceptance levels driven primarily by the grapes' firmness of flesh, flavour balance, freshness, crunch or crispness when bitten into, juiciness and taste (statistically derived from 11 different aspects)
- When we look more closely at mid season path to purchase behaviour we see the role for supermarkets being heightened. Whilst many consumers claimed to use other channels over time, past 4 week purchasing was heavily weighted towards supermarkets
- As a result, we see significantly more grapes being bought in pre-prepared plastic bags
- Key reasons for buying loose or in pre-prepared plastic bags remains consistent; convenience for pre-prepared plastic bags and control for loose. Those buying pre-prepared plastic bags still feel they are able to judge quality via visual cues
- Snacking remains the predominant occasion grapes are bought for, but many buy and consume grapes across other occasions. A role to educate usage of grapes – particularly red/black, where we see some barriers for green grape buyers.
- Planned purchases of grapes has increased significantly, however, there is still a good proportion of grape buyers that decide exactly what they want only when in store. So, in-store remains key to get right, particularly in supermarkets
- Price, more so than appearance, is driving past 4 week sales. It is also a key factor in encouraging sales, and remains the key barrier to purchasing (although this has fallen as prices reduce and become more acceptable to consumers)
- Price sensitivity analysis conducted in 2021 shows the optimal price to gain maximum consumer buy in is between $3-$5 per kilo. This is backed up by Homescan sales data that showed that around 720,000 households bought in December when prices were around $10 per kilo and this has increased to over 1 million households as prices reduced in peak season

Executive summary

Key points noted from all research conducted to date:

- Shoppers are generally satisfied with their experience of buying grapes regardless of the channel purchased via
- Quality of grapes, stock levels and ease of finding grapes in store are the most important factors to get right for all retailers – with stock levels requiring some improvements as at March 2022.
- Stock levels are particularly a focus area for the majors – Coles & Woolworths, with quality and displays weaker this year for Woolworths.
- Coles has performed better year on year, with Woolworths performance slipping.

Quantitative Methodology

Methodology
Online survey amongst members of an online panel

Target Respondent
Australians aged 18+ who are the main grocery shoppers and not grape rejectors **AND past 4 week grape buyers***

Sample Size
n=401

Coverage
Nationally representative sample of the 18+ main grocery shoppers in Australia

Survey Duration
10 minutes

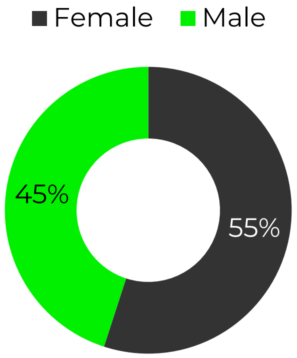
Fieldwork
22-31 March 2021

* New criteria for March Seasonal Deep Dives. Comparisons made back to December 2020 at both a total level and Past 4 Week grape buyer level (P4W Grape Buyers).

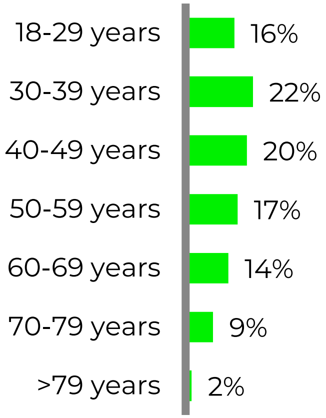
Quantitative Profile

The survey conducted among a nationally-representative sample of main grocery shoppers (aged >18 years) in Australia.

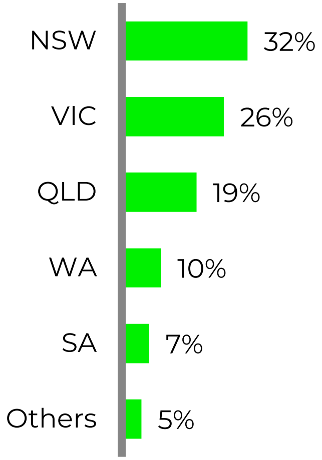
Gender



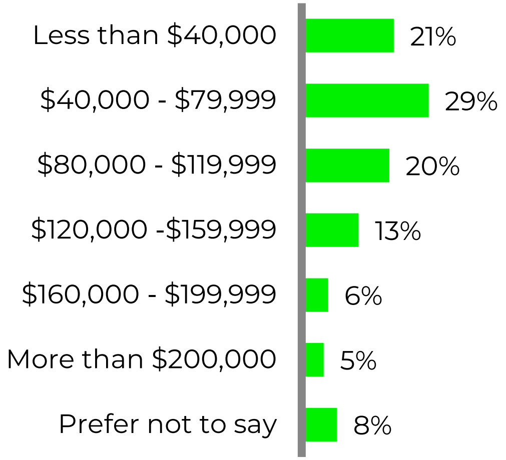
Age



Location



Income



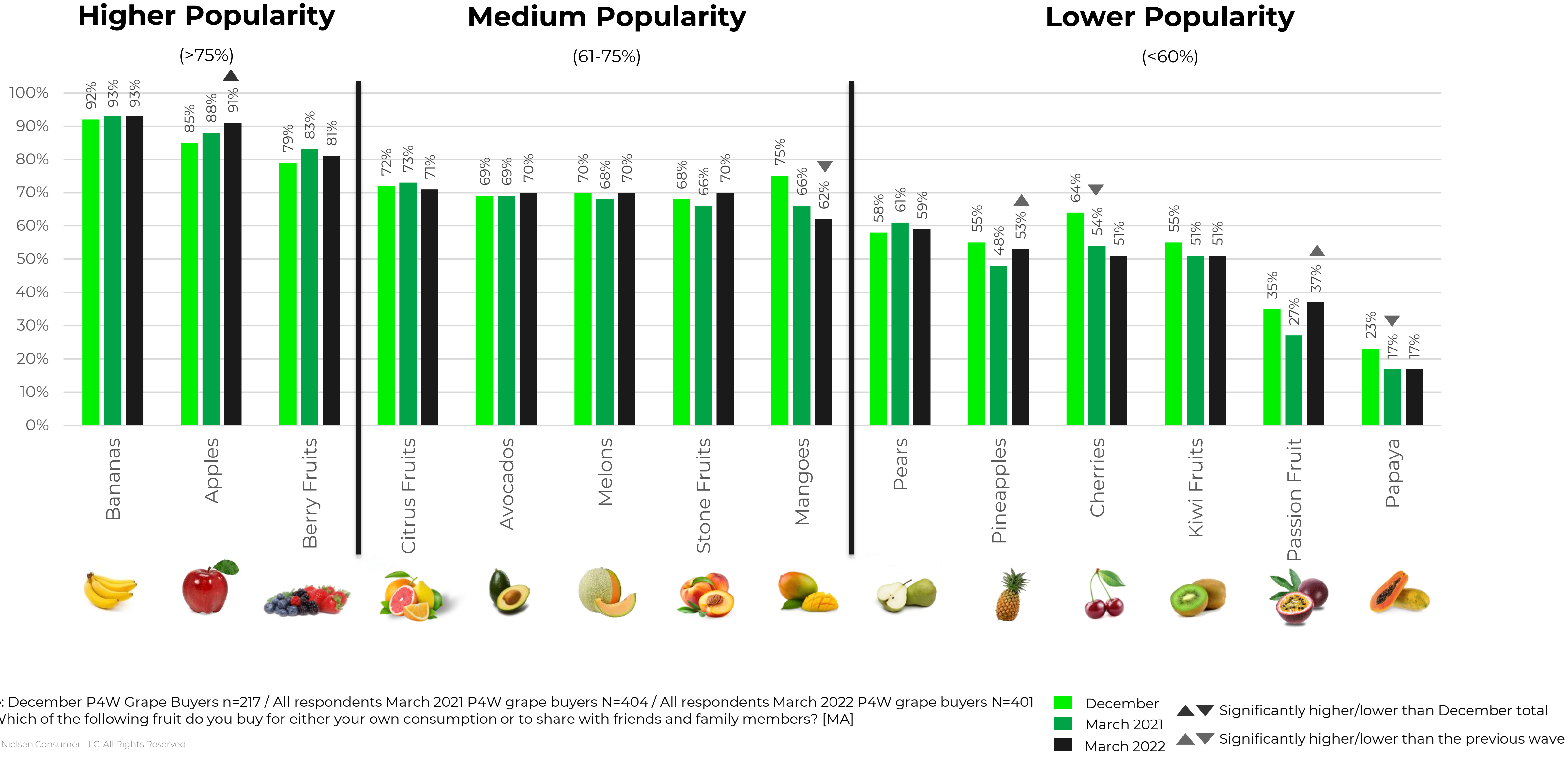
Sum may not equal 100% due to rounding.
Base: All respondents (N=401)
S1: What is your gender? [SA]
S2 What is your age? [SA]
S6: Could you please indicate which of these best describes where you currently live? [SA]
D2: Which of the following income brackets does your combined yearly household income fall into? [SA]

Cross consumption of fruit and perceptions of grapes

NielsenIQ

Grape buyers reduced purchasing of mangoes and cherries this year

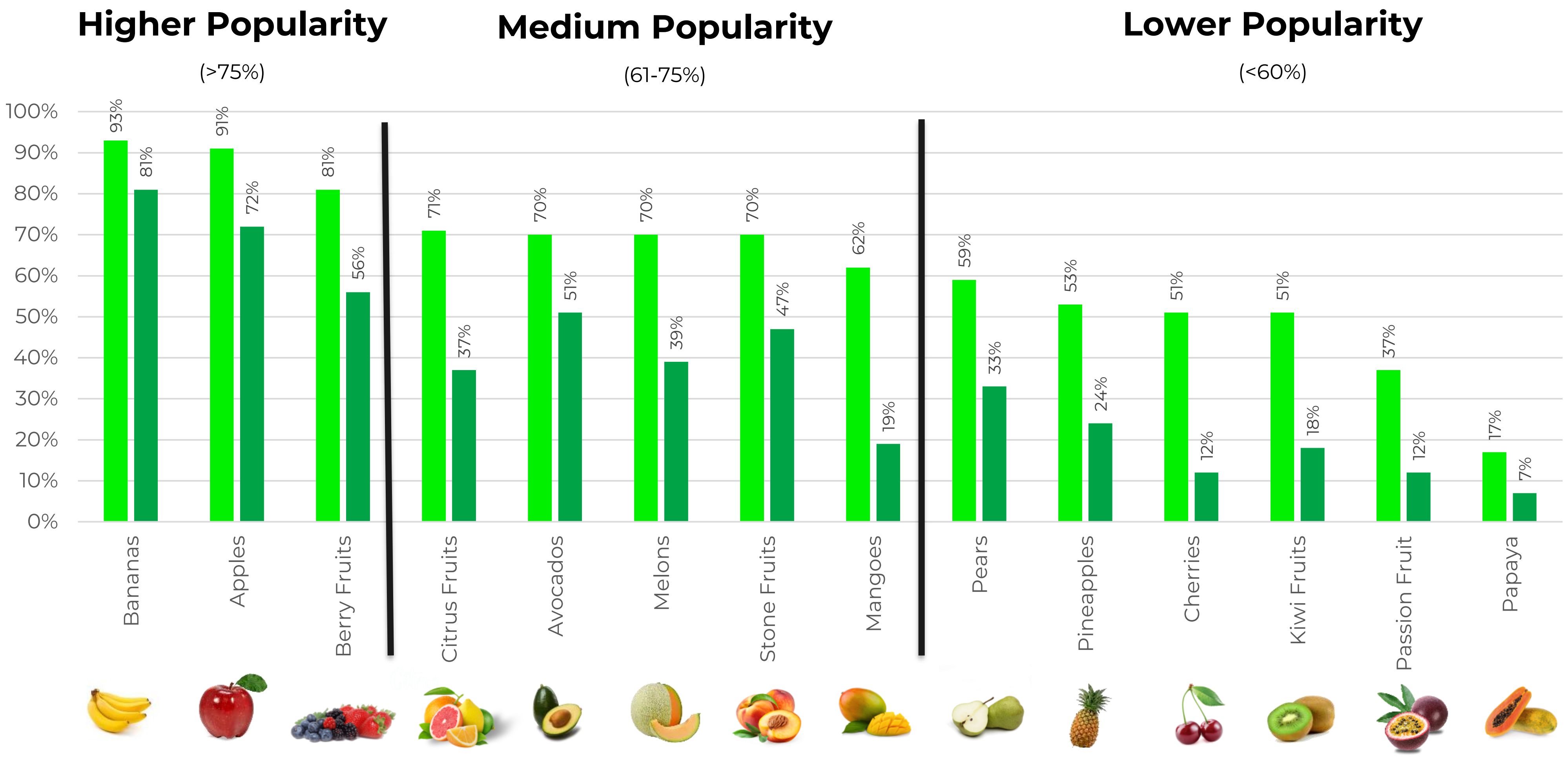
Popular fruit, apples, increased, as did passion fruit and pineapples



Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
S9. Which of the following fruit do you buy for either your own consumption or to share with friends and family members? [MA]

Seasonal impact clear in last 4 week purchase behaviour

Biggest gaps from ever buying to recent buying across mangoes and cherries, which have lost favour this season. For those who bought grapes in the past 4 weeks, there is a very high cross purchase for many categories, again highlighting the potential substitution threat to grapes.

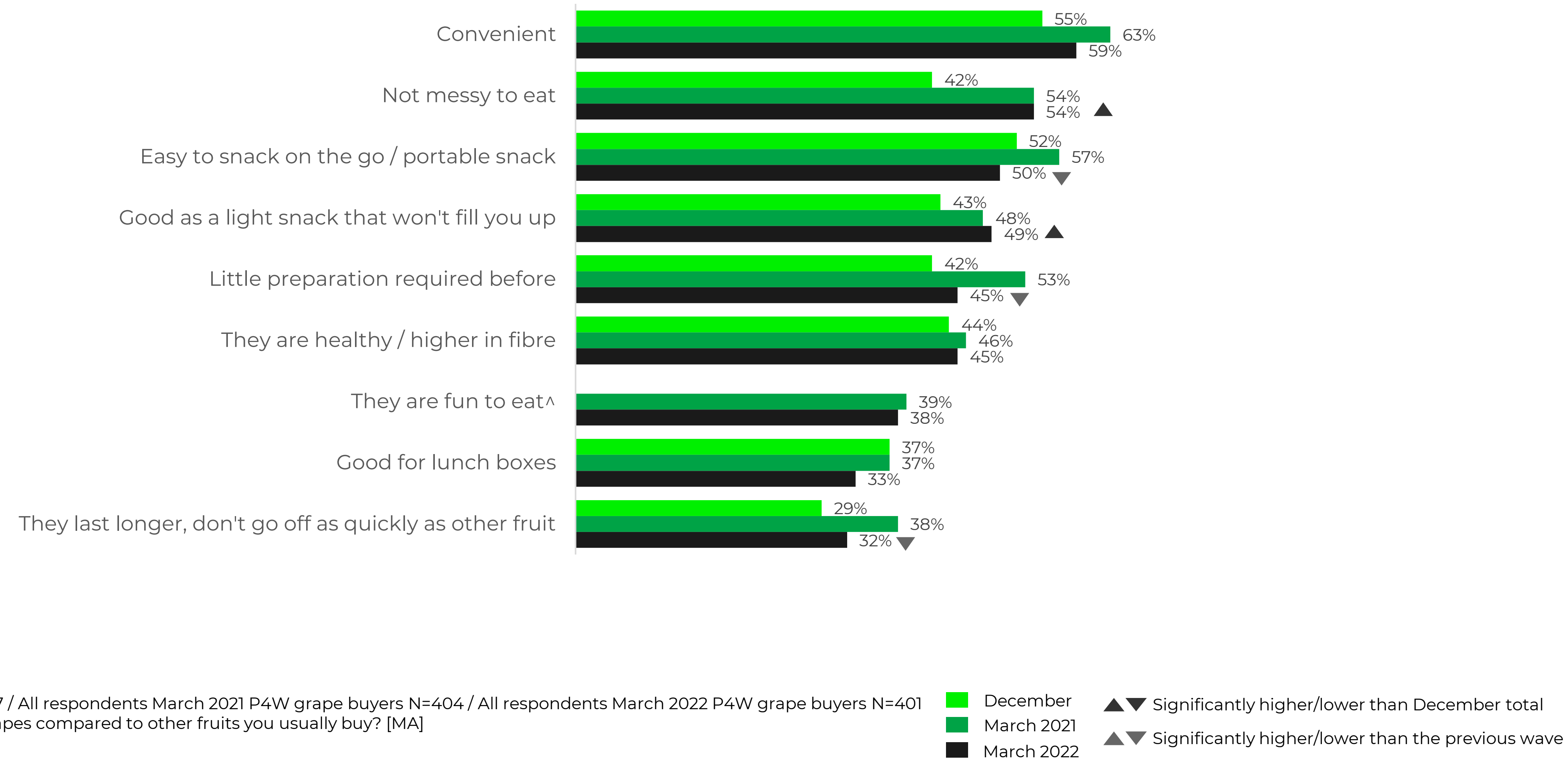


Base: All respondents March 2022 P4W grape buyers N=401
S9 Which of the following fruit do you buy for either your own consumption or to share with friends and family members? [MA]
S9a. And which have you bought in the last 4 weeks? [MA]

Grapes have many perceived benefits being seen as convenient, not messy, and hence a good portable snacking option

Significant decline year on year across ease of preparation, portability and length of ripeness, with other perceptions remaining similar

Perception of Australian grapes compared to other fruits



^ New statement added March 2021.
Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q11. What do you like about Australian grapes compared to other fruits you usually buy? [MA]

Knowledge of Grapes

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There remains very limited knowledge of grape varieties among past 4 week grape buyers

In fact, most commonly shoppers refer to them as just Green (15%), Red (10%), White (6%), Black (1%) or Seedless (6%) when asked which **varieties** they can think of

Top of Mind Awareness of Grape Varietals:

Green Thompson 4%

Green Sultana 2%

Red Globe 2%

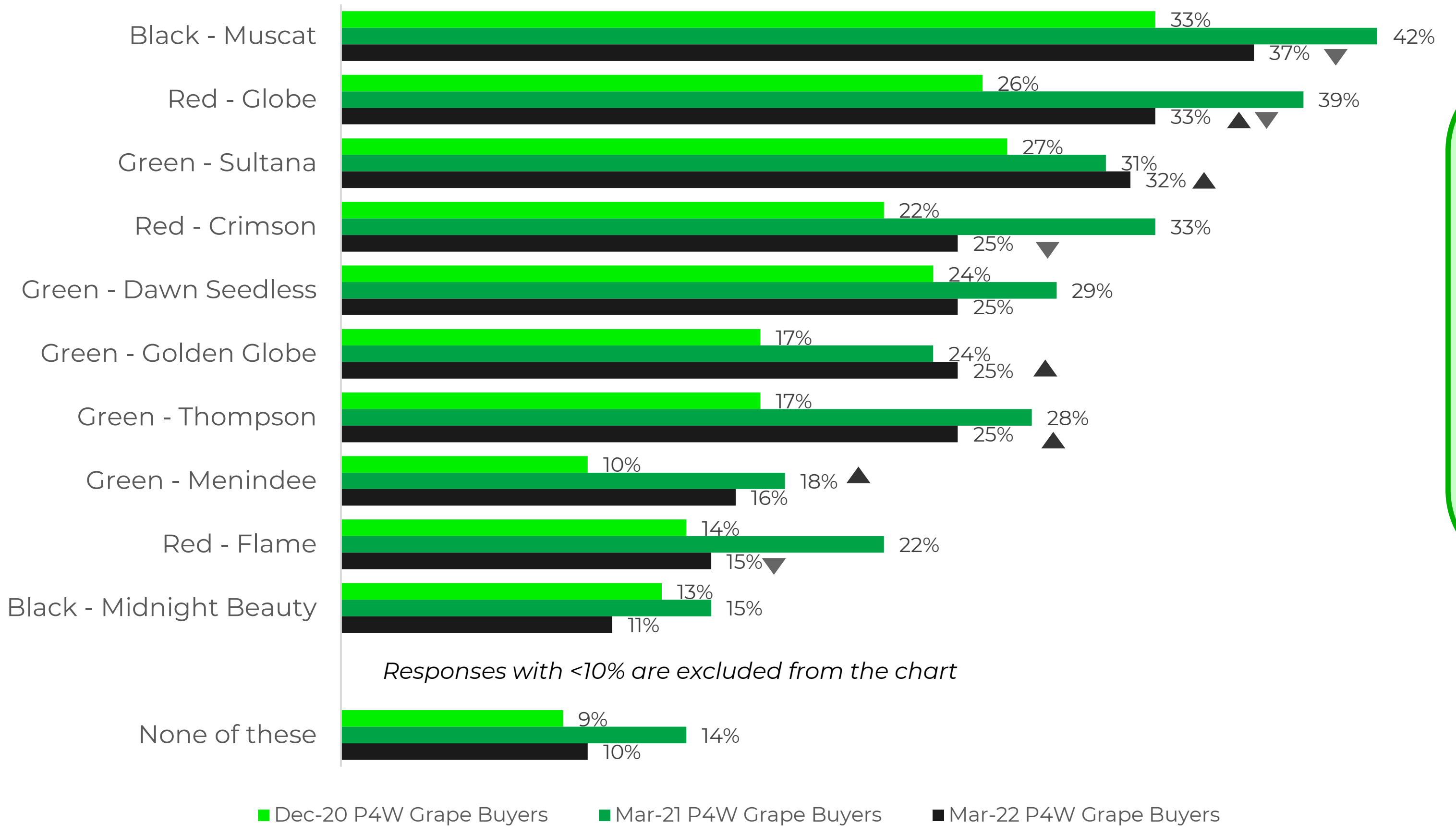
Green Cotton Candy 2%

Q1. Thinking about Australian Grapes, what varieties can you think of? [MA]
All respondents March 2022 P4W grape buyers N=401

Knowledge of grape varieties has fluctuated across seasons

Awareness of Green Sultana and Golden Globe have continued to grow, where others have seen drops in awareness since March ‘21

Total Awareness of Grape Varieties



Past 4 week purchasers of Red and Black varietals remain significantly more aware of varieties in the market, particularly of the red / black types
How do we disrupt blinkered green grape buying?

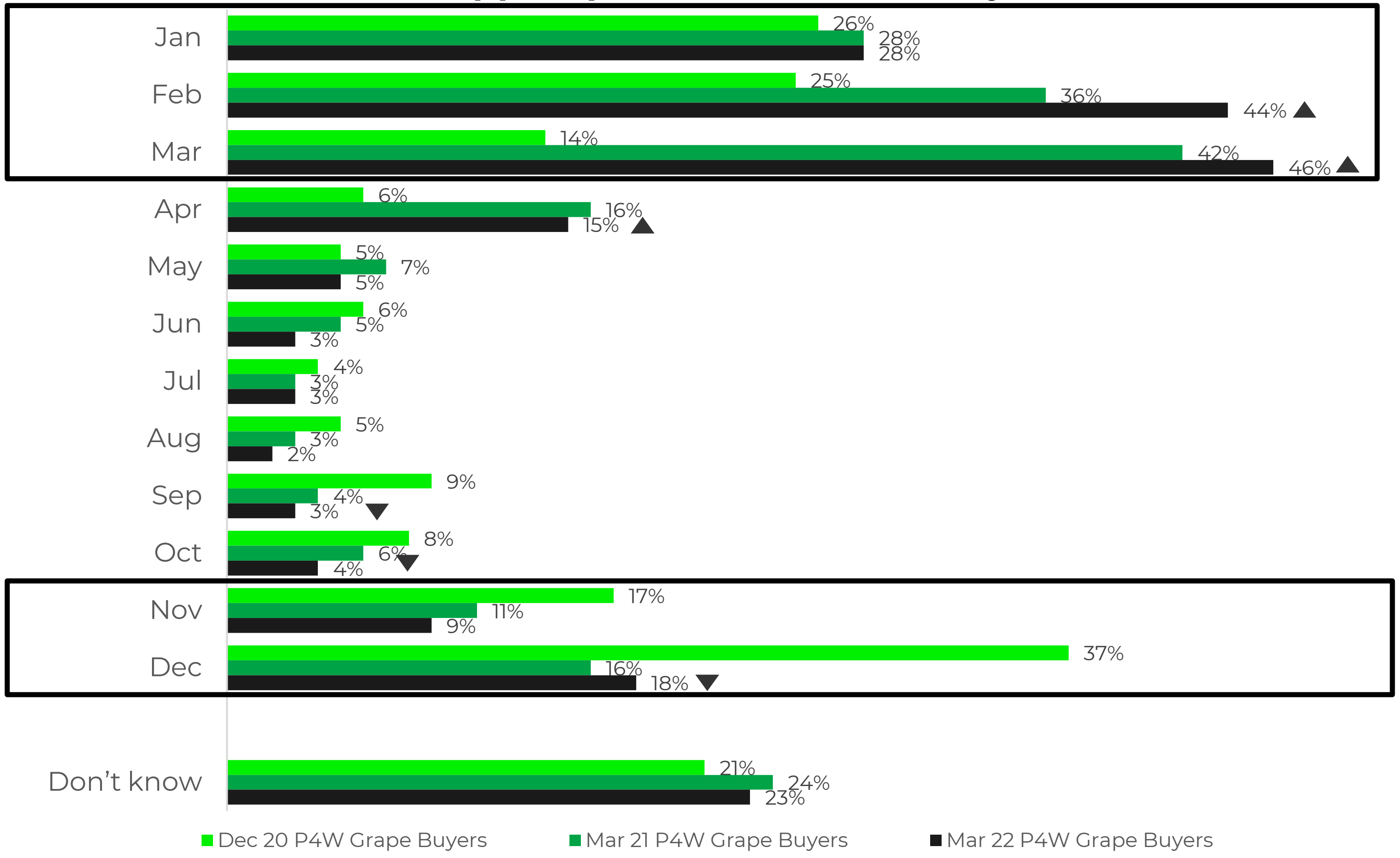
Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q2. Which of the following Australian grape varieties have you heard of before today? [MA]

▲▼ Significantly higher/lower than December total
▲▼ Significantly higher/lower than the previous wave

Just under a quarter of grape buyers are unaware when grapes are the best quality

2022 season buyers were significantly more likely to feel Feb/Mar were good times to buy – signifying a positive experience at this time

Month(s) Grapes are of Best Quality

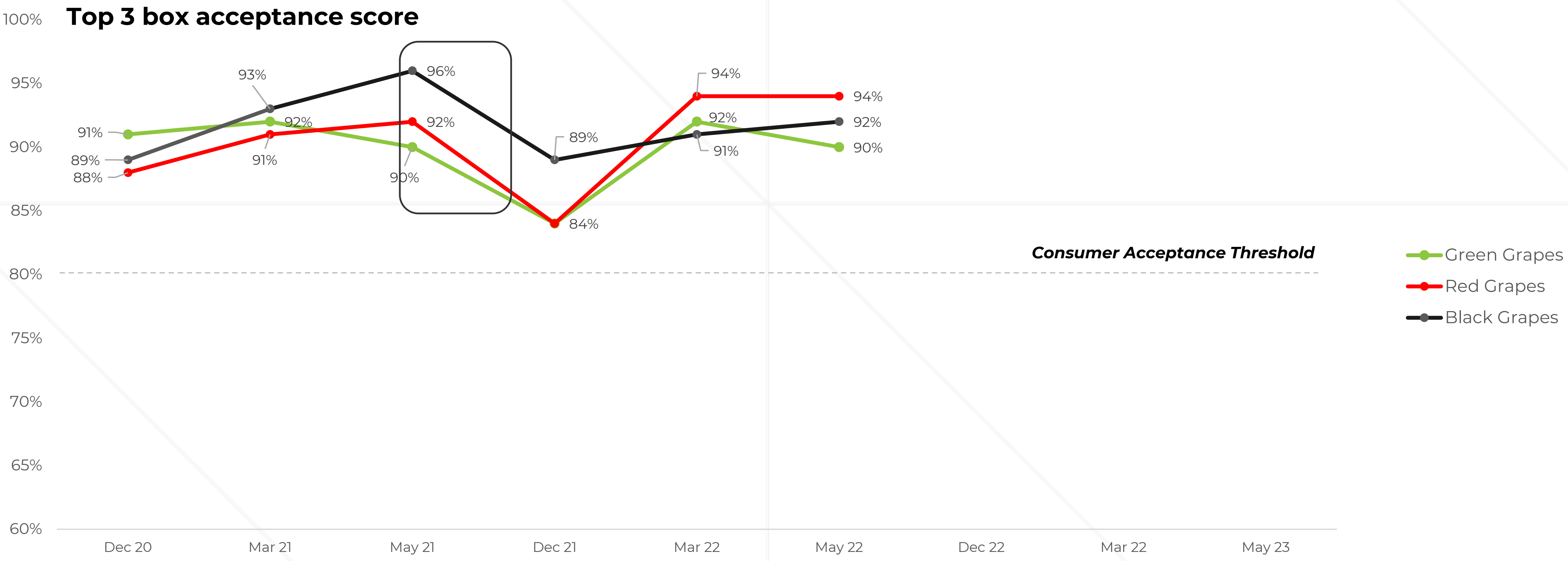


Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q4. When do you find Australian grapes to be the best quality? [MA]

▲▼ Significantly higher/lower than December total
▲▼ Significantly higher/lower than the previous wave

Homescan Consumer acceptance showed that by March 2022 grapes were good, and by May, red and black were seen as consistently high, and green only slightly lower (but still well above acceptance levels)

Dec 2021, the start of this season saw the lowest ratings of red and green varietals



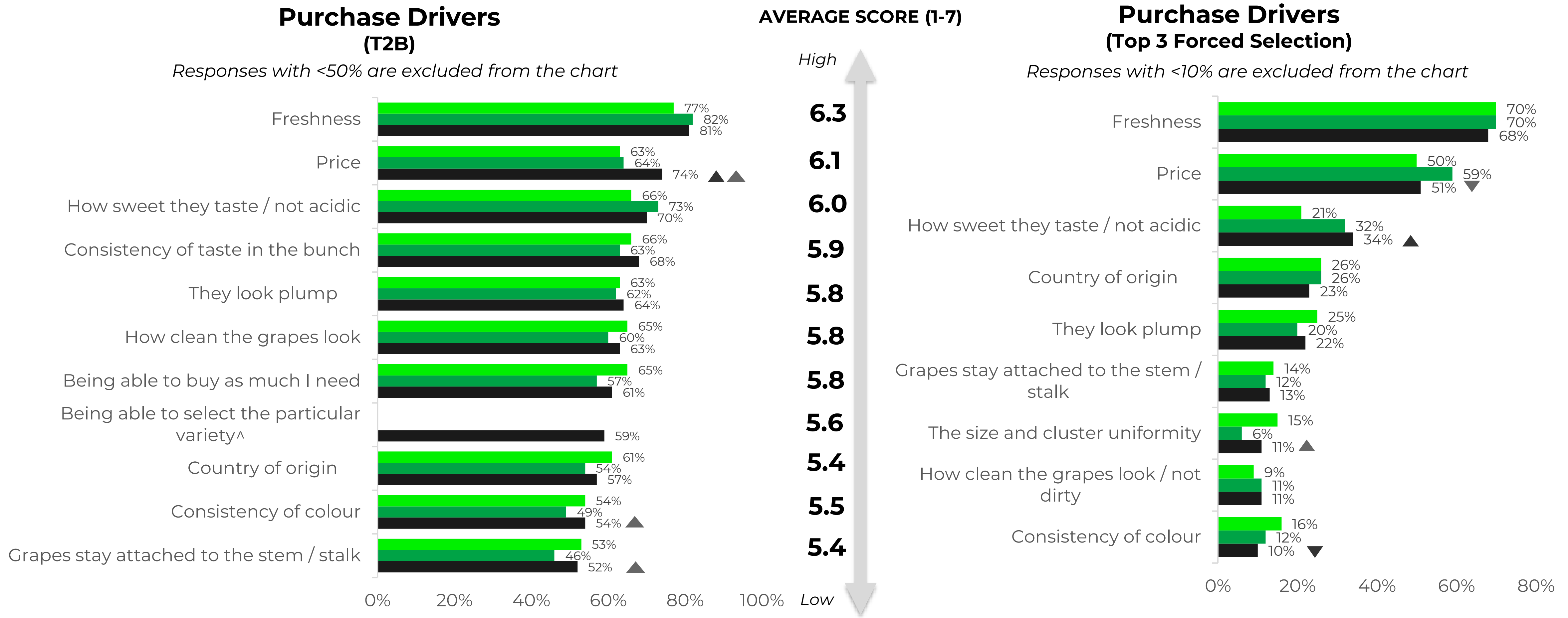
Q2. Please indicate how much you liked or disliked the grapes you bought? Dec 20 n=755; Mar 21 n=1049, May 21 n=1117, Dec 21 n=213*, Mar 22 n=1483, May 22 n=1305
* Results for red and black grapes are indicative only

The path to purchase (past 4 weeks)

NielsenIQ

Freshness and price continue to remain key purchase drivers

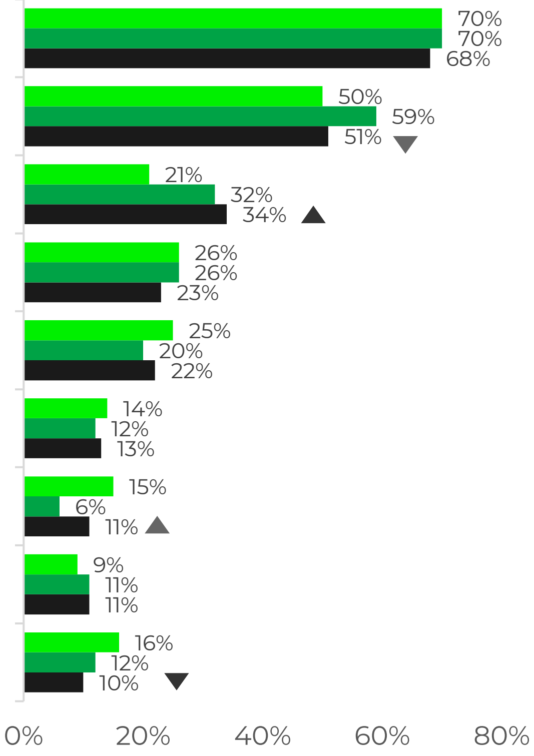
'Affordability' has become significantly more important, and we would expect this to continue with growing inflation. Many factors are important to shoppers, but when forced to pick their top 3 drivers, a combination of 'freshness', 'price' and 'taste' continues to be of high importance



^ New statement added March 2022.
Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401)
Q6. When deciding to buy Australian grapes, how important is each factor to you? [SA]
Q7. Please choose the 3 most important factors when purchasing Australian grapes. [MA]

Freshness & price key purchase drivers, with taste rising in importance – are shoppers willing to pay a price premium for better experience?

Demographics play a role in whether these factors are more or less important.



Factors	Significantly Higher Among
Freshness (68%)	50-59 (80%)
Price (51%)	Female (58%), 40-49 (64%)
How sweet they taste, not acidic (34%)	50-59 (45%), impulse buyers (43%), Woolworths shoppers (43%), bought for snacking (36%)
Country of origin (23%)	Female (28%), 60+ (38%)
They look plump (22%)	Children 6-11yr in household (32%), 18-39 (27%)
Grapes stay attached to the stem / stalk (13%)	Bought for entertaining (20%)
The size and cluster uniformity (11%)	18-24 yrs (23%), ALDI shoppers (27%)
How clean the grapes look / not dirty (11%)	35-44 (24%), with children (16%)
Consistency of colour (10%)	25-34 yrs (22%)
Consistency of taste (10%)	Male (18%), no children (13%)

Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q7 Please choose the 3 most important factors when purchasing Australian grapes. [MA]

December
March 2021
March 2022

▲▼ Significantly higher/lower than December total
▲▼ Significantly higher/lower than the previous wave

Slight increase in purchase rates of all varieties signals a strong season

Green grapes continue to be the most popular variety with 4 in 5 purchasing in the past four weeks

Grape Varieties Purchased

	Dec 2020	Mar 2021	Mar 2022	
	72%	78%	80% ▲	Bought more by young consumers and families with kids under 6
	28%	38%	41% ▲	More often bought by females aged 80-89 living in WA and for entertaining/dessert occasions
	16%	18%	22% ▲	More often bought by NSW residents for breakfast/lunch/dinner occasions

Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q15. What type of Australian grapes did you buy in the last 4 weeks? [MA]

▲▼ Significantly higher/lower than December total

▲▼ Significantly higher/lower than the previous wave

Good cross purchasing of red and black grapes

Green grape consumers don't seem to be open to purchasing red/black varietals – a need understand and address barriers

Grape Varieties Purchased

				
	80%	100%	68%	58%
	41%	34%	100%	**52%**
	22%	16%	**28%**	100%

Base: All respondents March 2022 P4W grape buyers N=401
Q15. What type of Australian grapes did you buy in the last 4 weeks? [MA]

Significantly lower than Total
Significantly higher than Total

Whilst there is some claimed knowledge of the varietal bought, around half do not know what they bought over and above colour

Onus on all growers to produce consistent quality to negate damaging industry perceptions

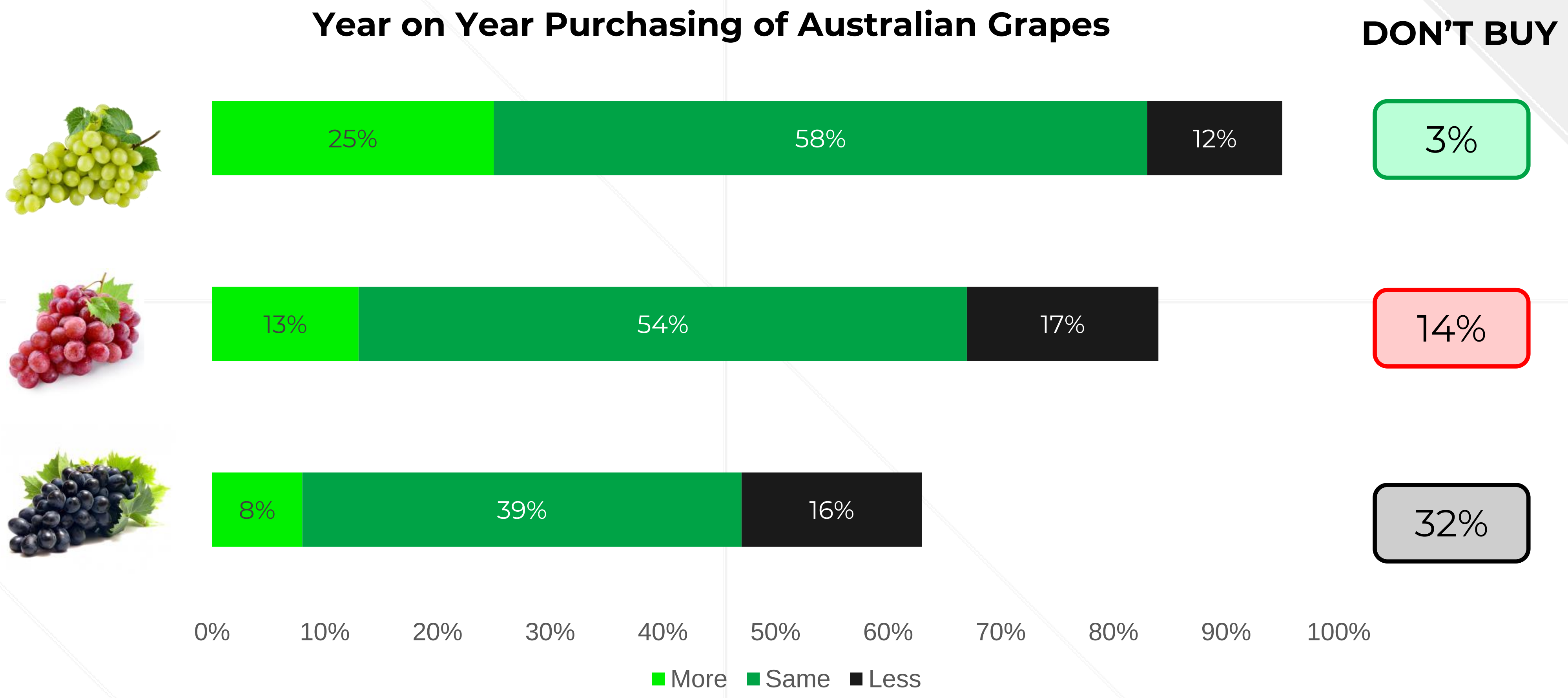
		Grape Varieties Purchased	DON'T KNOW
	80%	Dawn Seedless (17%), Thompson (14%), Golden Globe (11%), Merindee (7%) and Autumn Crisp (7%)	47%
	41%	Globe (26%), Crimson (26%), Flame (15%)	45%
	22%	Muscat (18%), Midnight Beauty (17%), Melody (14%), Autumn Royal (13%)	52%

Mar 2022

Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q15. What type of Australian grapes did you buy in the last 4 weeks? [MA]

Most consumers feel they are purchasing in the same amount of grapes this season

Green are the most likely to be buying more of, while a third don't purchase black grapes at all

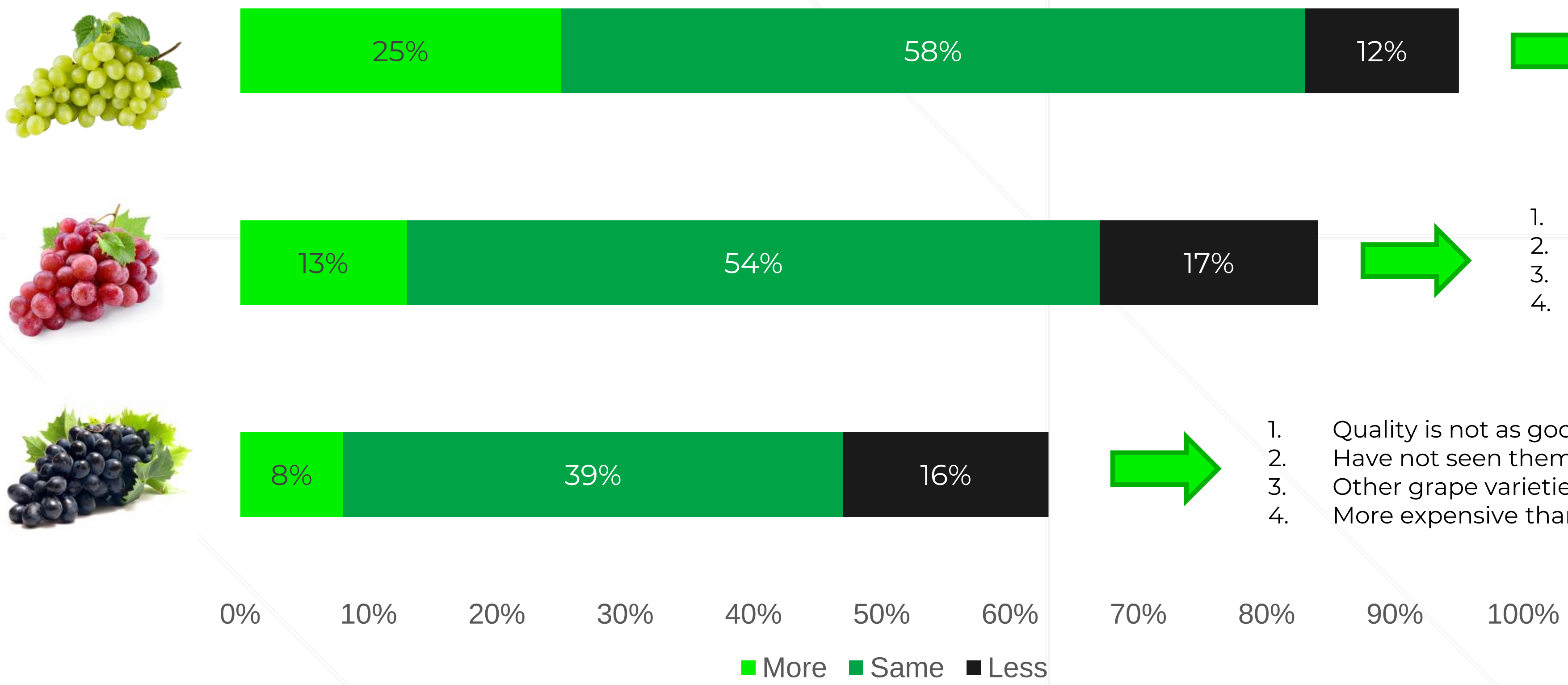


Base: All respondents March 2022 P4W grape buyers N=401
QYOY. Compared to last year, are you buying more, less or the same amount of Australian grapes? [SA]

Quality, price and availability limiting the purchasing of grapes this season

There does seem to be some movement between the grape varieties if perceived quality is better

Year on Year Purchasing of Australian Grapes



REASONS FOR LESS

Green grapes:

1. More expensive than other fruit (44%)
2. Quality is not as good (27%)
3. Other grape varieties better (26%)

Red grapes:

1. Quality is not as good (27%)
2. Have not seen them in shops as much (26%)
3. Other grape varieties better (23%)
4. More expensive than other fruit (20%)

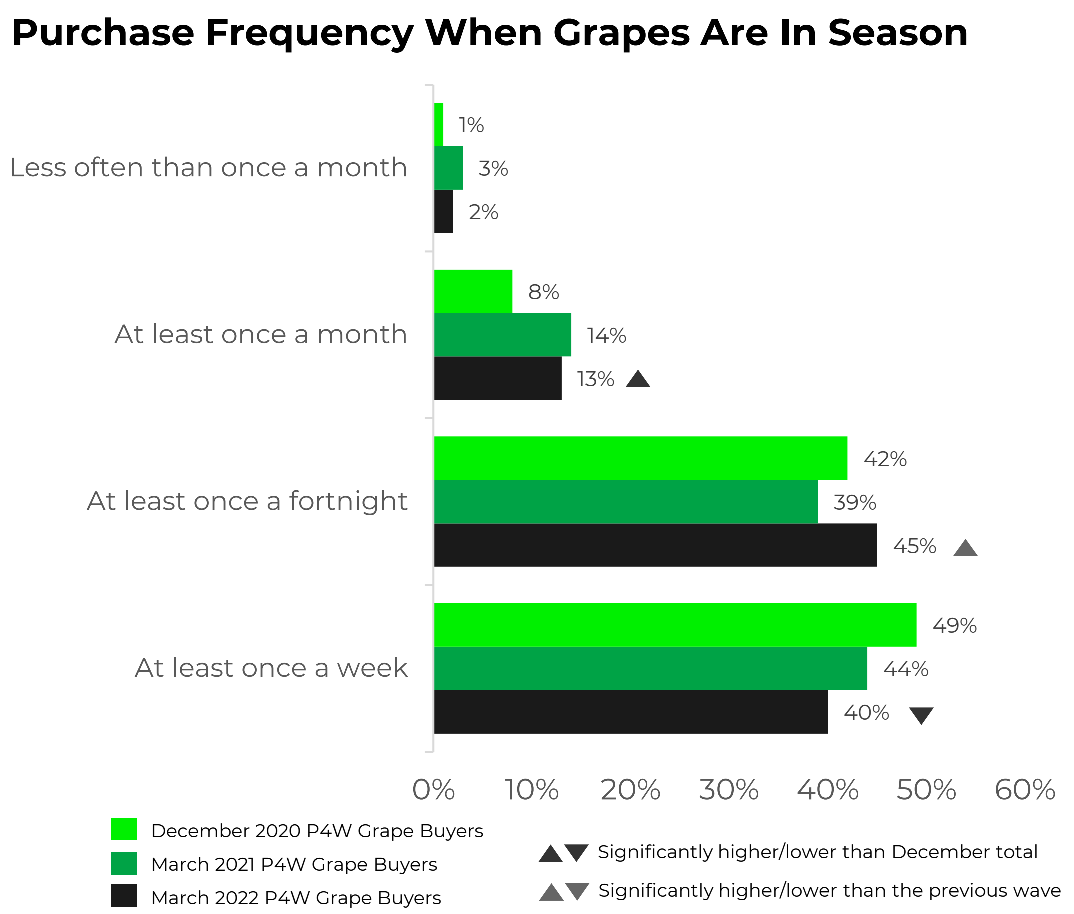
Black grapes:

1. Quality is not as good (25%)
2. Have not seen them in shops as much (24%)
3. Other grape varieties better (23%)
4. More expensive than other fruit (23%)

Base: All respondents March 2022 P4W grape buyers buying less than last year: Green N=50, Red n=65, Black n=67
QYOY. Why are you buying less green/red/black grapes this year? [MA]

Grapes are a frequent purchase with most buying at least fortnightly

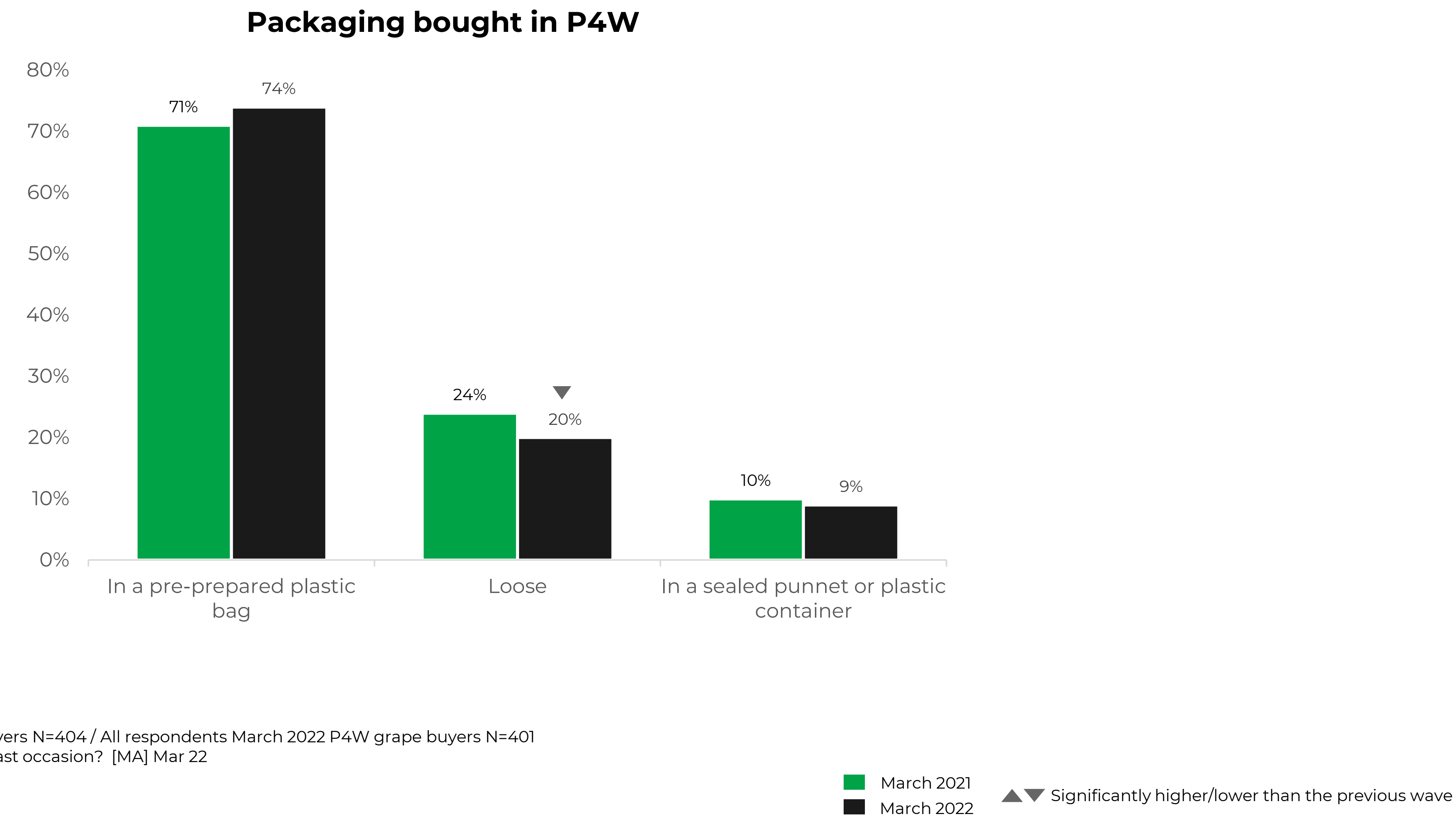
A decline in perceived weekly purchasing of grapes this season, despite P4W penetration increasing



Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q26. How often do you buy Australian grapes when they are in season? [SA]

Strong preference towards pre-prepared plastic bags in past shop

Pre-prepared plastic bags continue to increase in consumer preference, and Loose with a decline in the same time period.

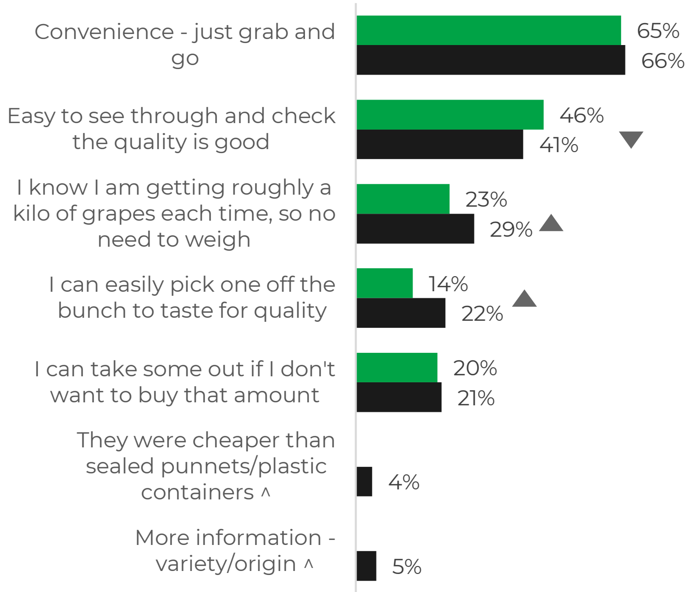


Base: All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q27. How did you buy Australian grapes on this last occasion? [MA] Mar 22

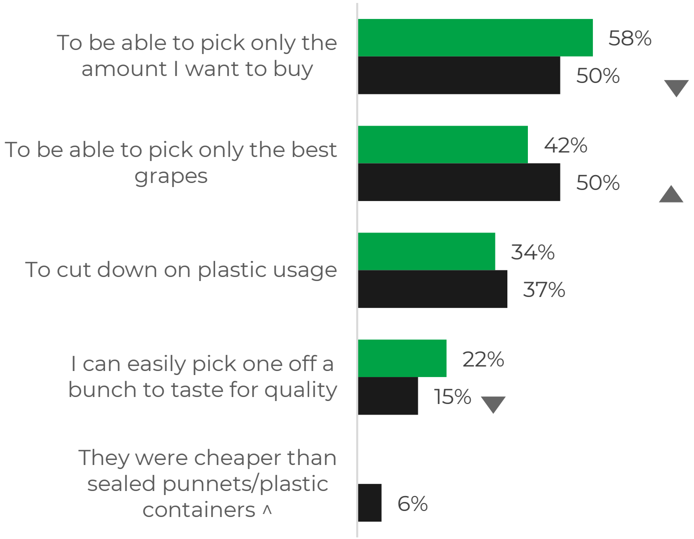
Plastic /punnets favoured for convenience and ease of checking for quality

Loose gives shoppers the ability to hand pick not only the best, but the exact amount they want to buy

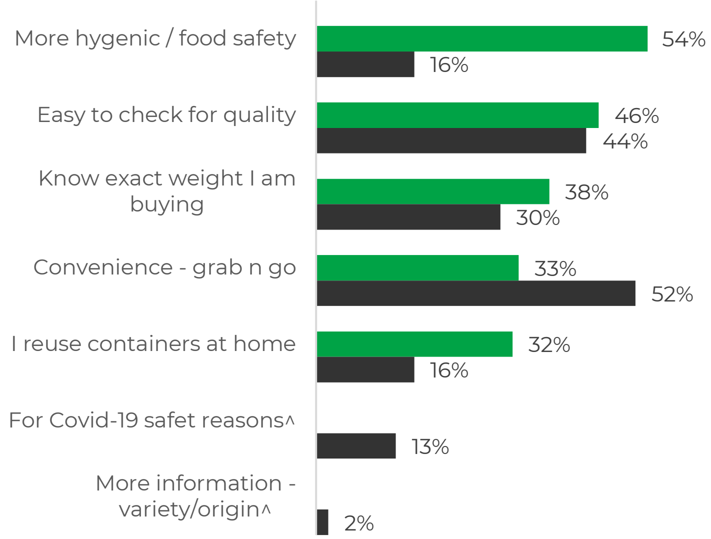
Pre-prepared plastic bag



Loose



Sealed Punnet

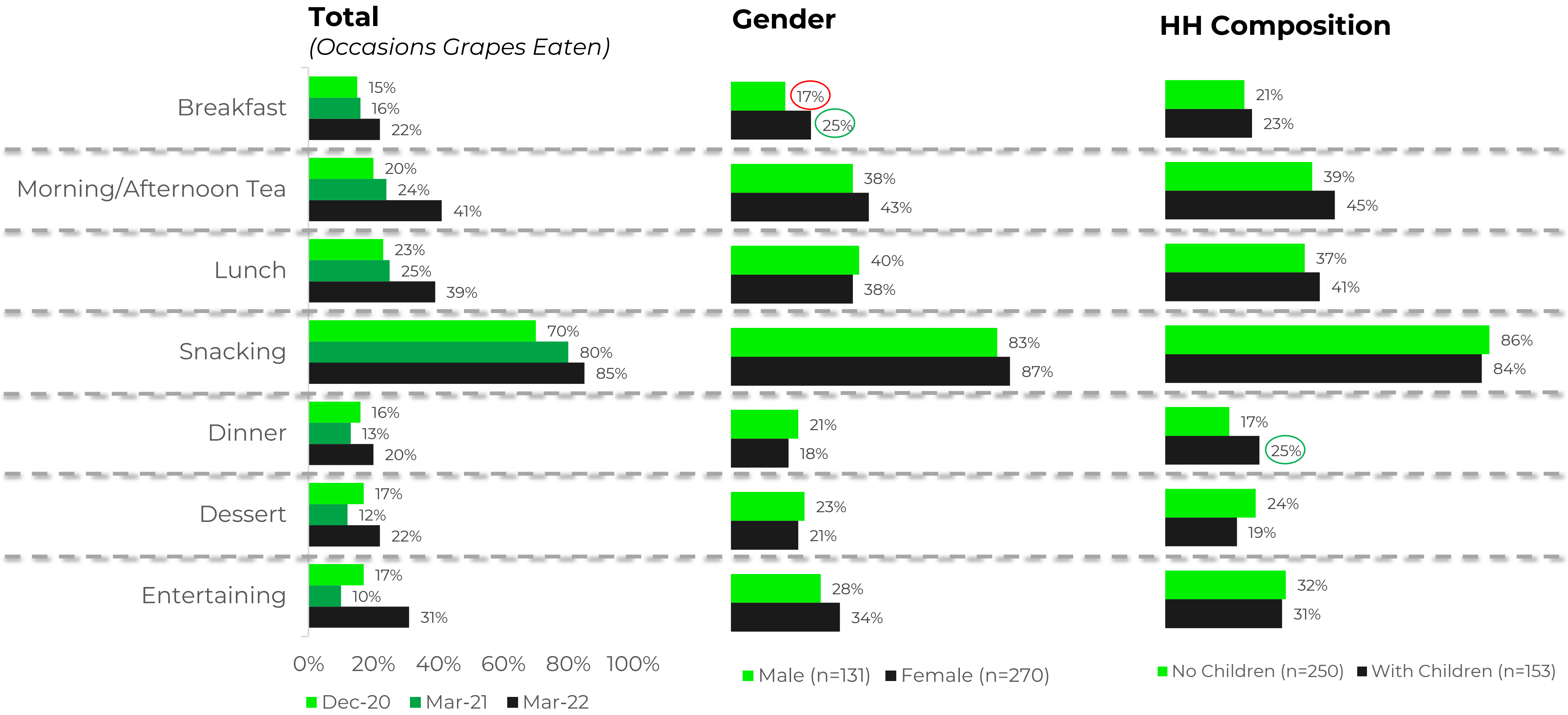


^ New Code in March 2022
Base: All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q27a. Why did you buy Australian grapes loose? [MA] n=78
Q27b. Why did you buy Australian grapes in pre-prepared plastic bags? [MA] n=303
Q27c. Why did you buy Australian grapes in a sealed punnet or plastic container? [MA] n=34

March 2021
March 2022
▲▼ Significantly higher/lower than the previous wave

Snacking remains the key occasion grapes are eaten

Use education at shelf to bolster other occasions, potentially with red/black grape varieties



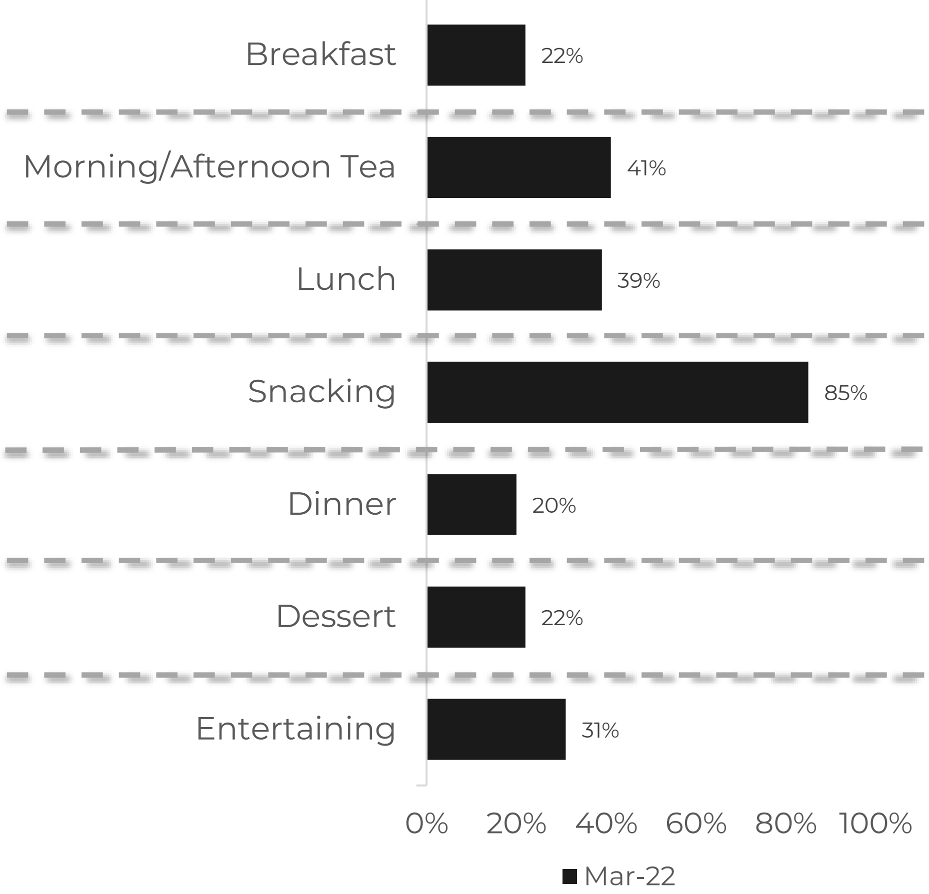
Q29. Thinking about the last time you purchased Australian grapes, what was the occasion? [MA Dec 20 n=217
Q12. What occasion(s) did you buy the Australian grapes for? Mar 2021 | Q12. On what occasions are Australian grapes eaten in your household? [MA] Mar 2022
NOTE: Change in question wording, data not strictly comparable with past waves

Significantly lower than Total
Significantly higher than Total

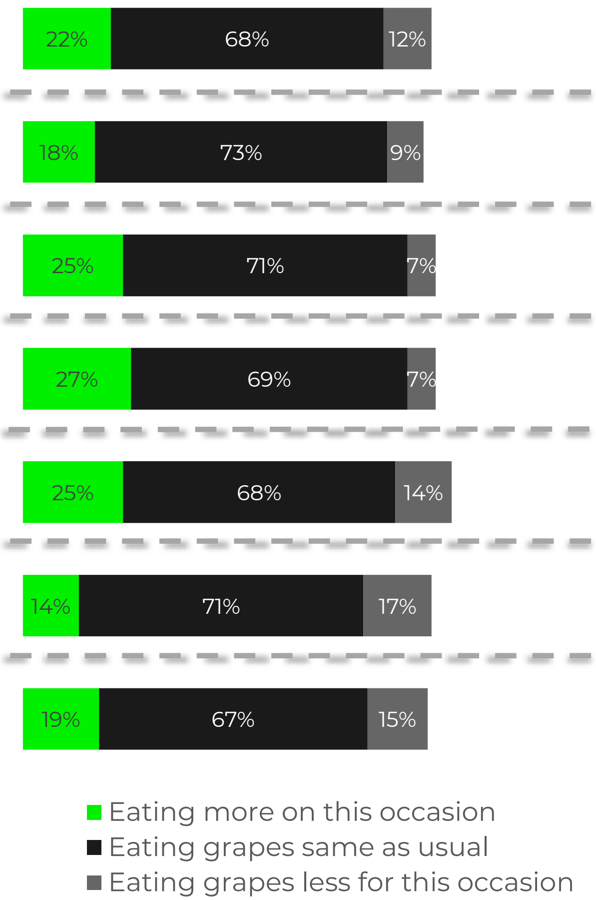
Grapes have been consumed at least in the same, if not more, for these occasions compared to last season

Bananas and berry fruits are common substitutes on these occasions for those eating less grapes

Total
Occasions Grapes Eaten



Frequency
Grapes Eaten on this Occasion



Eating Less Grapes
Fruits Substituted for Grapes

Breakfast:
1. Bananas (59%)
2. Berry Fruits (48%)
3. Apples (41%)

Morning/Afternoon Tea:
1. Berry Fruits (42%)
2. Bananas (39%)
3. Nuts (39%)

Lunch:
1. Mangoes (38%)
2. Berry Fruits, Bananas, Imported Grapes, Melons, Kiwi Fruit (25%)

Snacking:
1. Apples (50%)
2. Nuts (36%)
3. Bananas (35%)

Dinner:
1. Pears (37%)
2. Stone Fruits (36%)
3. Bananas (32%)

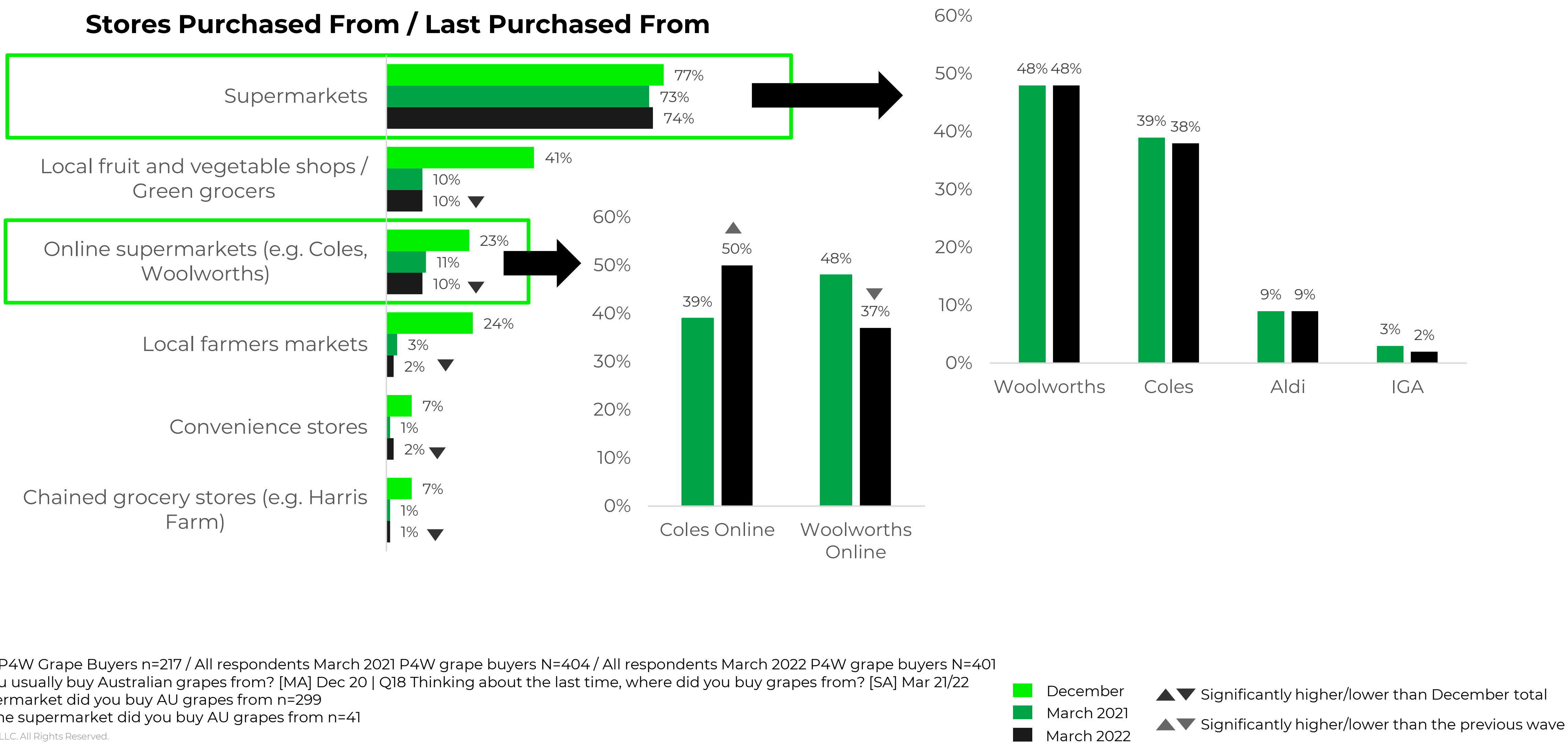
Dessert:
1. Berry Fruits (65%)
2. Bananas (38%)
3. Melons (27%)

Entertaining:
1. Nuts (40%)
2. Berry Fruits (25%)
3. Dried Fruit (25%)

Q12. On what occasions are Australian grapes eaten in your household? [MA] Mar 2022 n=401
Q12a. Have you been consuming Australian grapes more, less or the same as usual on these occasions this season? [SA] Mar 2022 n=401
Q14. You said you have been eating grapes less on these occasions, what have you been substituting on these occasions?

Supermarkets remain the most popular channel to buy grapes

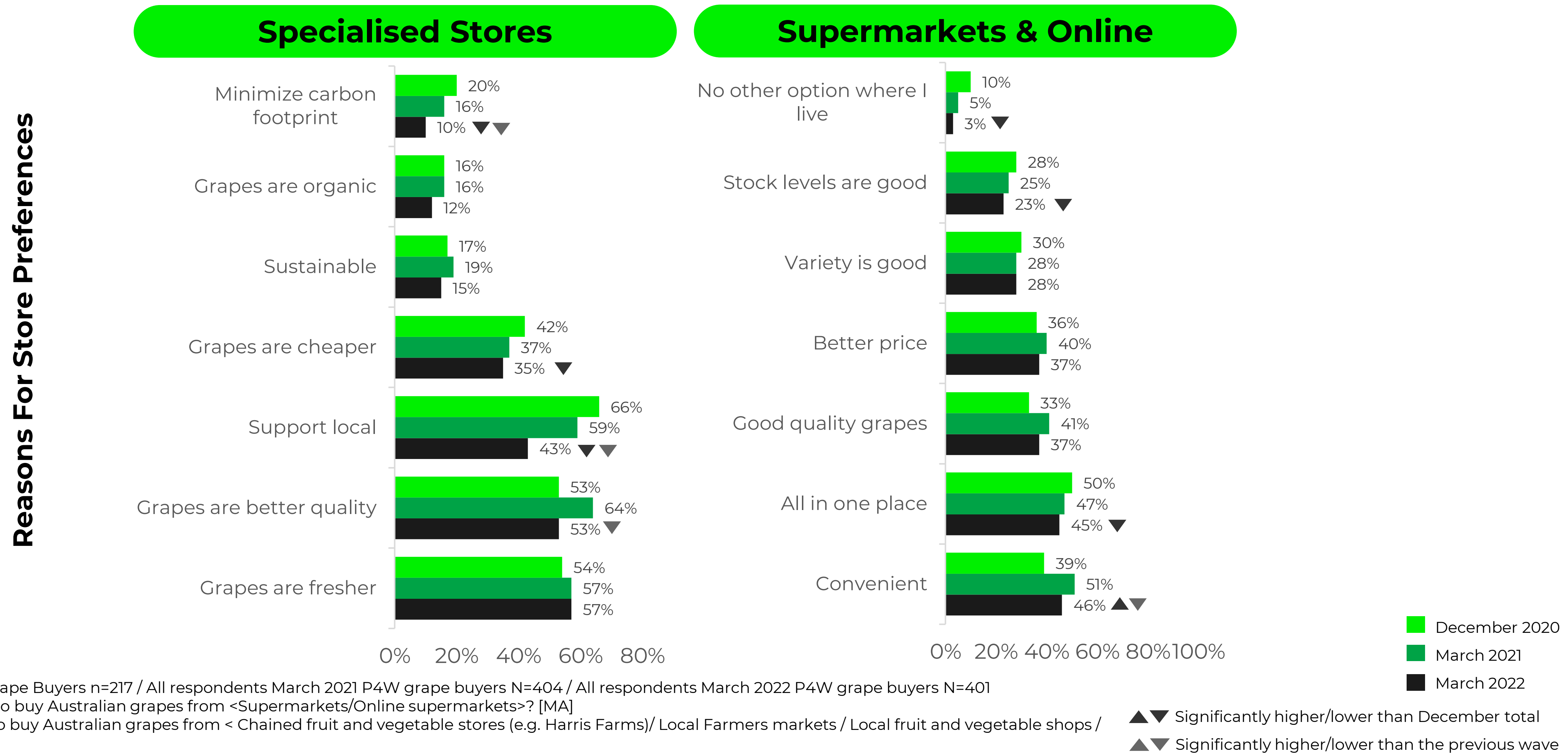
Consistency in stores purchased from with Woolworths the dominant bricks and mortar supermarket. Coles now leading online grocery shopping.



Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q18 Where do you usually buy Australian grapes from? [MA] Dec 20 | Q18 Thinking about the last time, where did you buy grapes from? [SA] Mar 21/22
Q18a. Which supermarket did you buy AU grapes from n=299
Q18b. Which online supermarket did you buy AU grapes from n=41

Supermarkets are preferred based on convenience, with specialized stores chosen due to quality and freshness

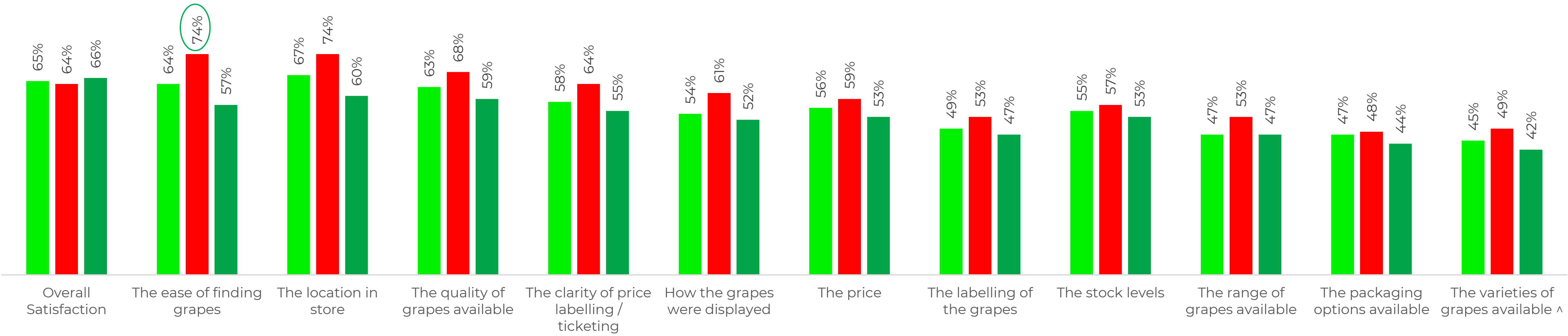
The quantitative survey confirmed that shoppers who prefer supermarkets & online channels value 'convenience' - as they can get all groceries in one go. However, those who prefer specialised stores seek fresher and better-quality grapes, while also helping to support local producers.



Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q20. Why do you prefer to buy Australian grapes from <Supermarkets/Online supermarkets>? [MA]
Q21. Why do you prefer to buy Australian grapes from < Chained fruit and vegetable stores (e.g. Harris Farms)/ Local Farmers markets / Local fruit and vegetable shops / Green Grocers >? [MA]

Grape buyers are generally satisfied with their experience, particularly location, and hence, ease of finding grapes and the quality

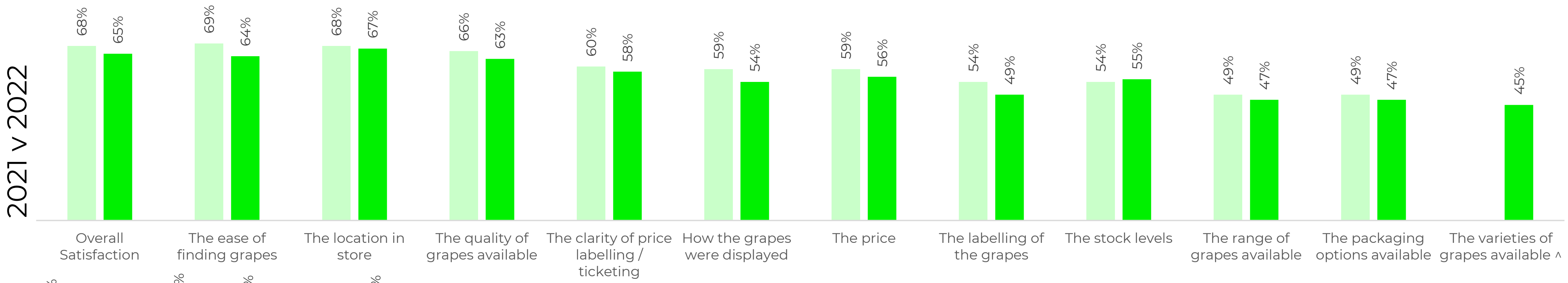
Coles shoppers are generally more satisfied than Woolworths shoppers, significantly more so for ease of finding grapes in store.

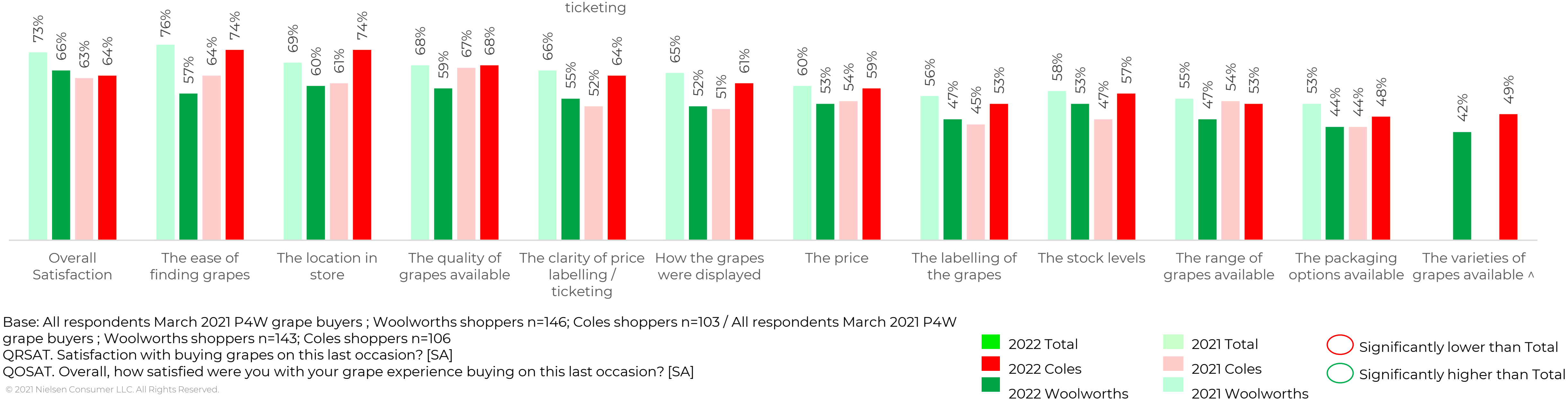


Base: All respondents March 2021 P4W grape buyers ; Woolworths shoppers n=146; Coles shoppers n=103 / All respondents March 2021 P4W grape buyers ; Woolworths shoppers n=143; Coles shoppers n=106
QRSAT. Satisfaction with buying grapes on this last occasion? [SA]
QOSAT. Overall, how satisfied were you with your grape experience buying on this last occasion? [SA]

Satisfaction levels have dropped slightly in 2022

Woolworths shopper's satisfaction levels are lower, but Coles has improved in the shopper's eyes.

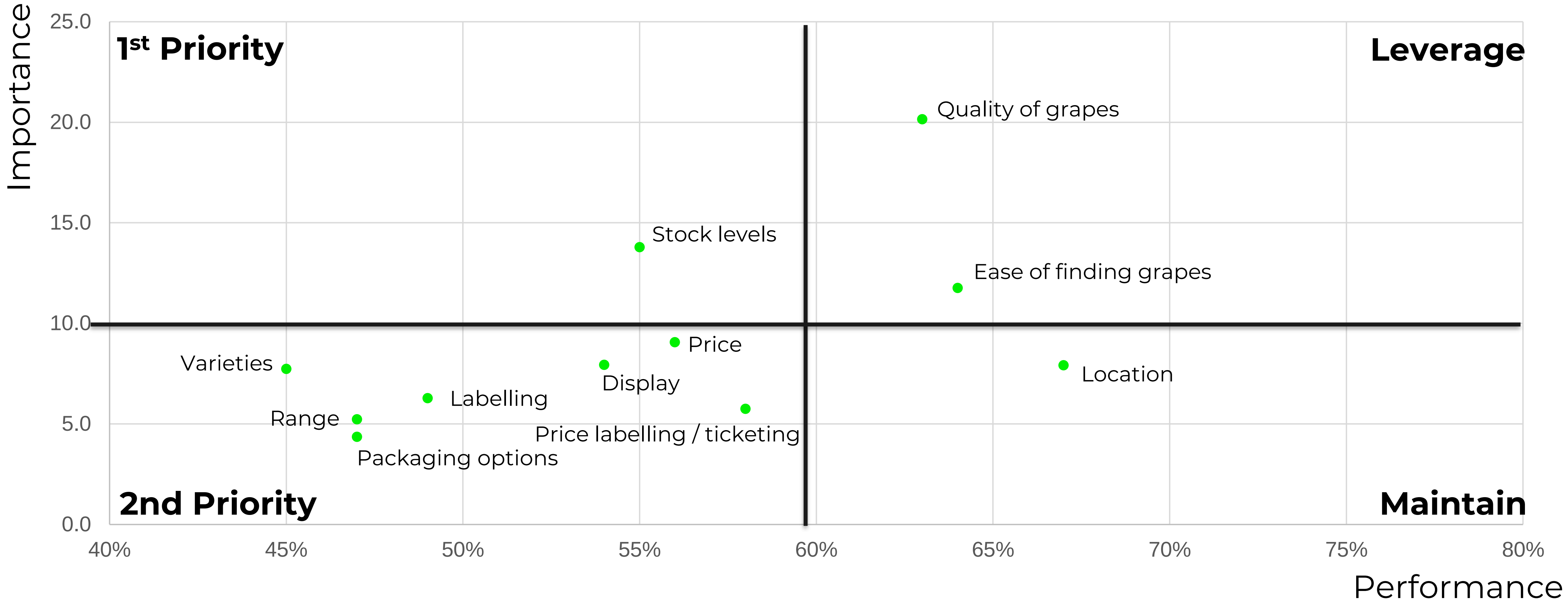




Base: All respondents March 2021 P4W grape buyers ; Woolworths shoppers n=146; Coles shoppers n=103 / All respondents March 2021 P4W grape buyers ; Woolworths shoppers n=143; Coles shoppers n=106
QRSAT. Satisfaction with buying grapes on this last occasion? [SA]
QOSAT. Overall, how satisfied were you with your grape experience buying on this last occasion? [SA]

For all retailers, leverage quality and ease of finding

Stock levels need focus to avoid lost sales, price and display are a second priority.

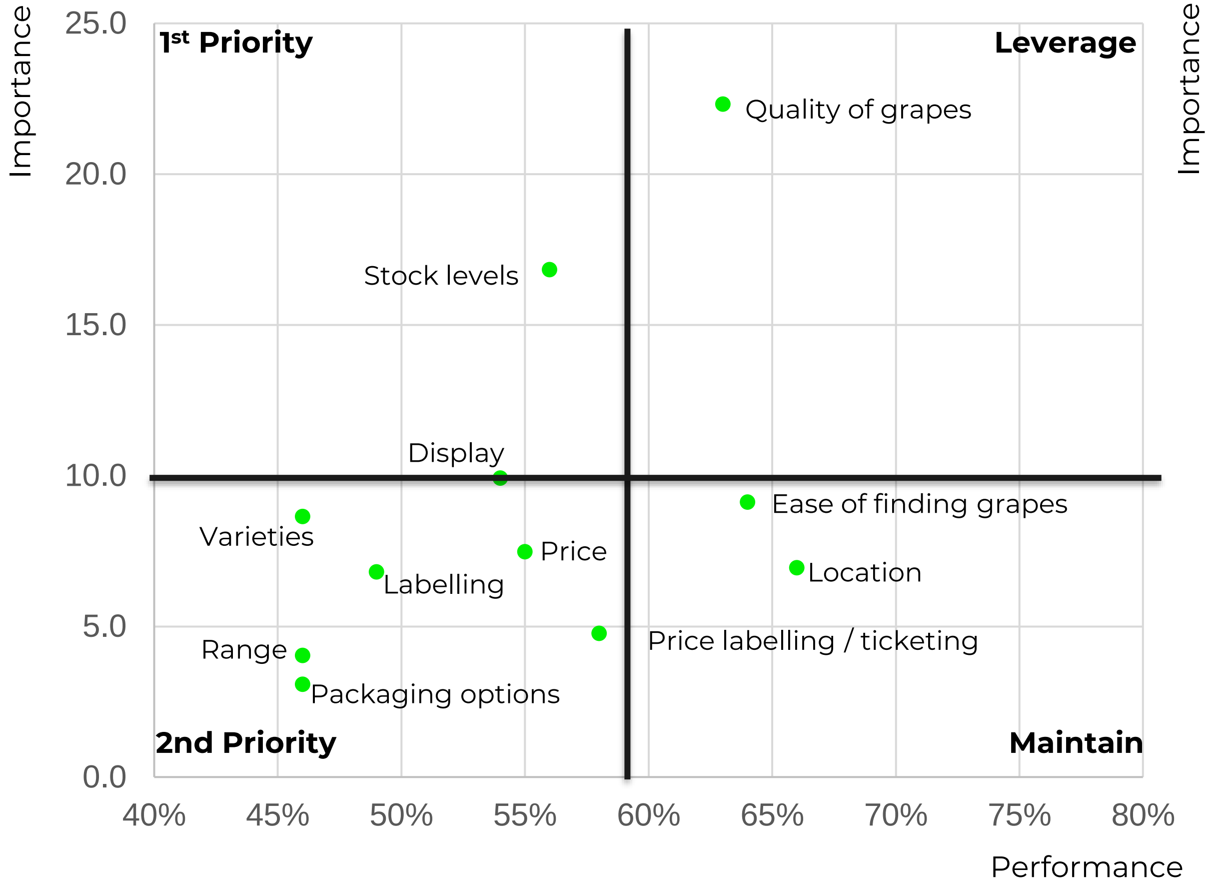


Base: All respondents (March 2022 P4W grape buyers n=401)
QRSAT. Satisfaction with buying grapes on this last occasion – SA
QOSAT. Overall satisfaction with buying grapes on this last occasion

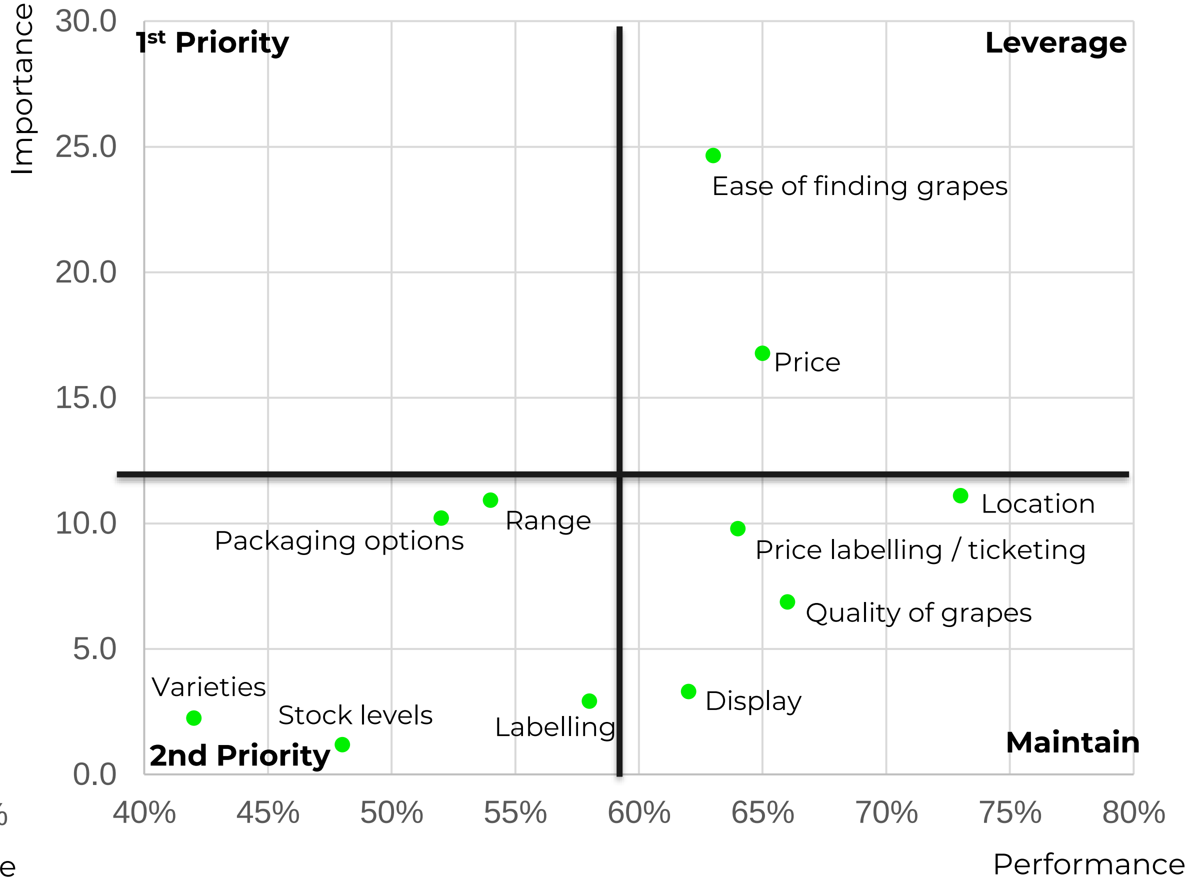
Supermarkets need to focus on stock levels and display whilst leveraging the quality of grapes that are stocked

All other channels are doing a relatively good job on in-store locations and price, but need to focus on range and packaging options

Supermarkets



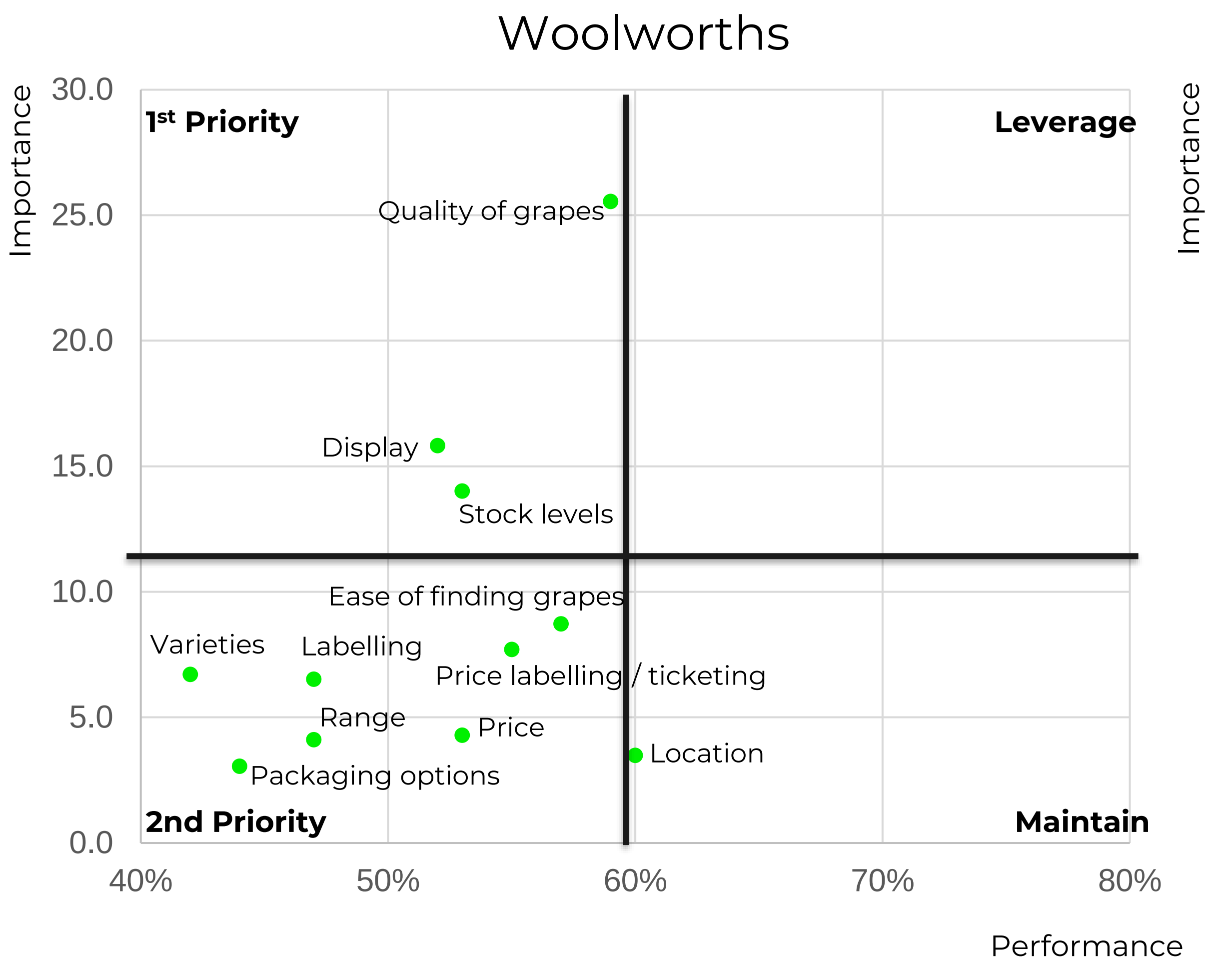
All Other Channels

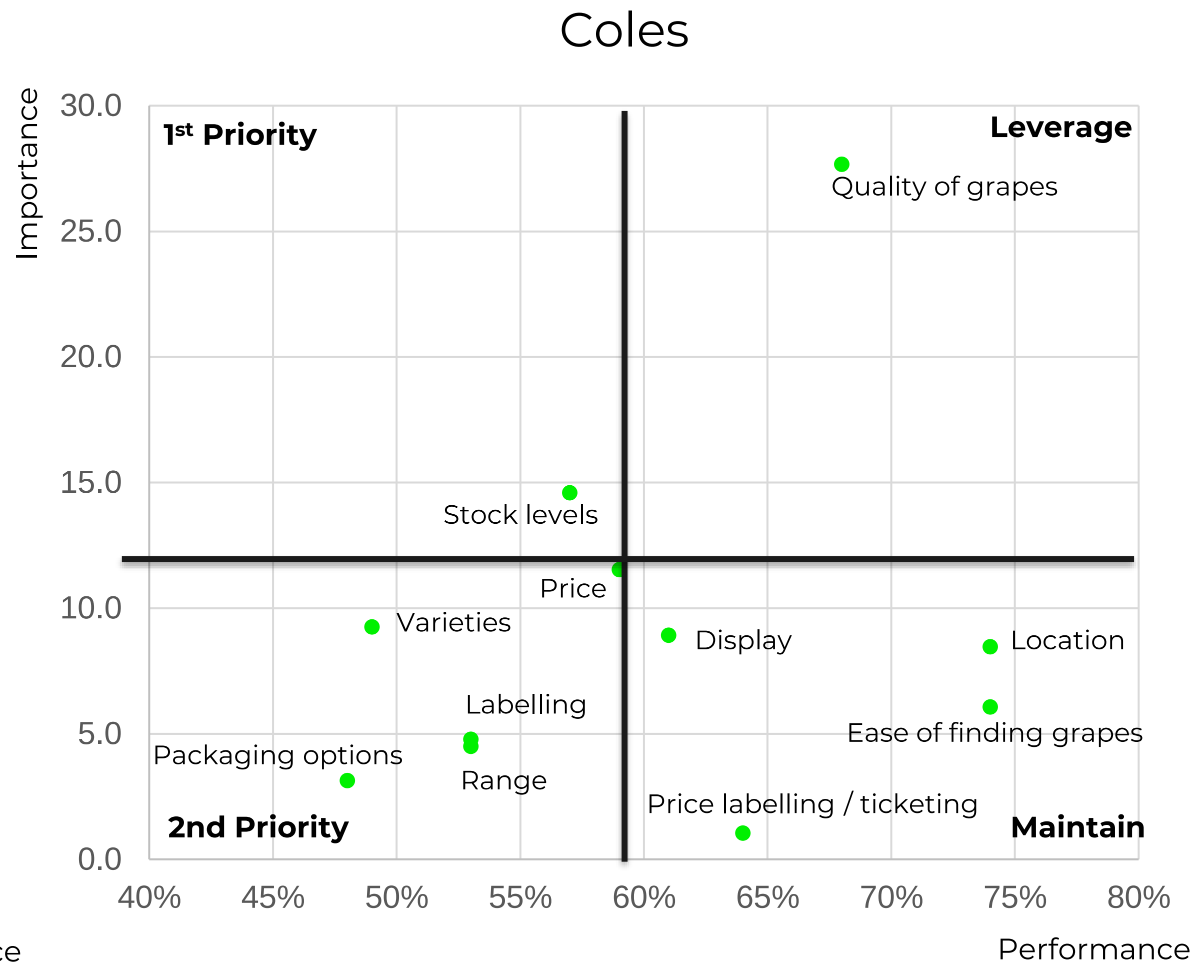


Base: All respondents (March 2022 P4W grape buyers n=401)
QRSAT. Satisfaction with buying grapes on this last occasion – SA
QOSAT. Overall satisfaction with buying grapes on this last occasion

Both Woolworths and Coles need to focus on stock levels

Additionally, Woolworths need to review in display and perceived quality of grapes. Coles a secondary focus on Price and Varieties stocked

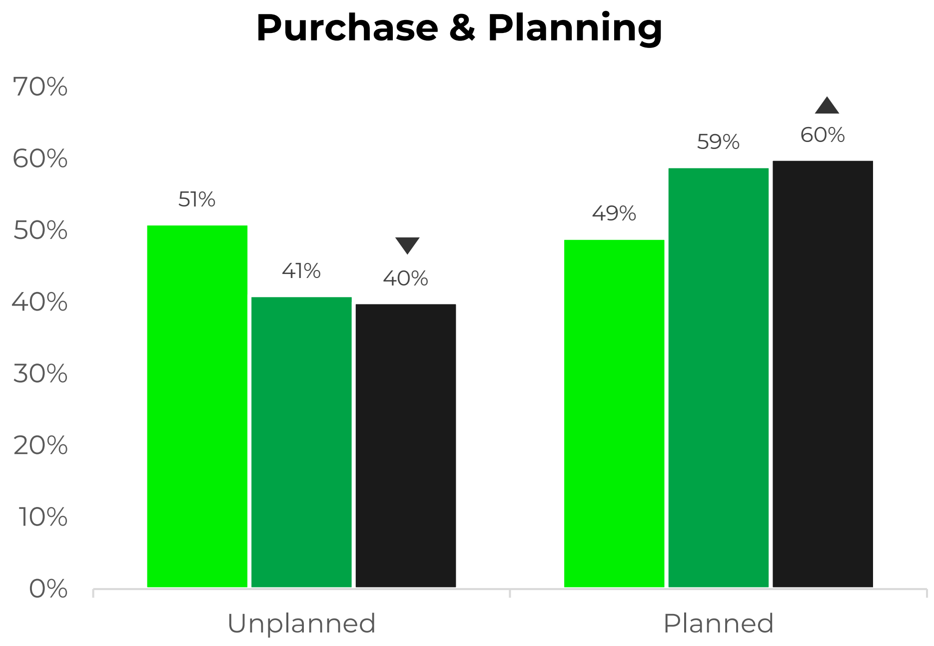


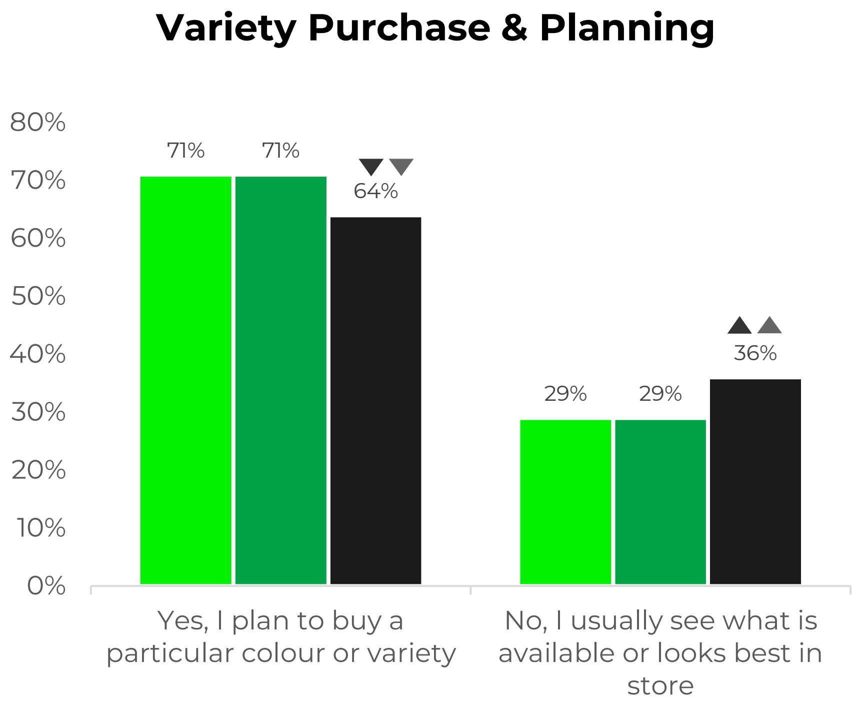


Base: All respondents (March 2022 P4W grape buyers n=401)
QRSAT. Satisfaction with buying grapes on this last occasion – SA
QOSAT. Overall satisfaction with buying grapes on this last occasion

Planned purchase of grapes still represents the majority

Planning around colours and varieties, is slightly less prevalent among past 4 week buyers than in previous years with shoppers more likely to make their choice in-store based on stock and quality – making these more important than ever for retailers to get right





Base: December P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q23. Did you have specific colour or variety (e.g. green grapes, red grapes, black grapes) in mind before you went shopping for in store / online? [SA]
Q22. Did you plan to buy grapes or only buy them when you saw them in store? [SA]

December
March 2021
March 2022

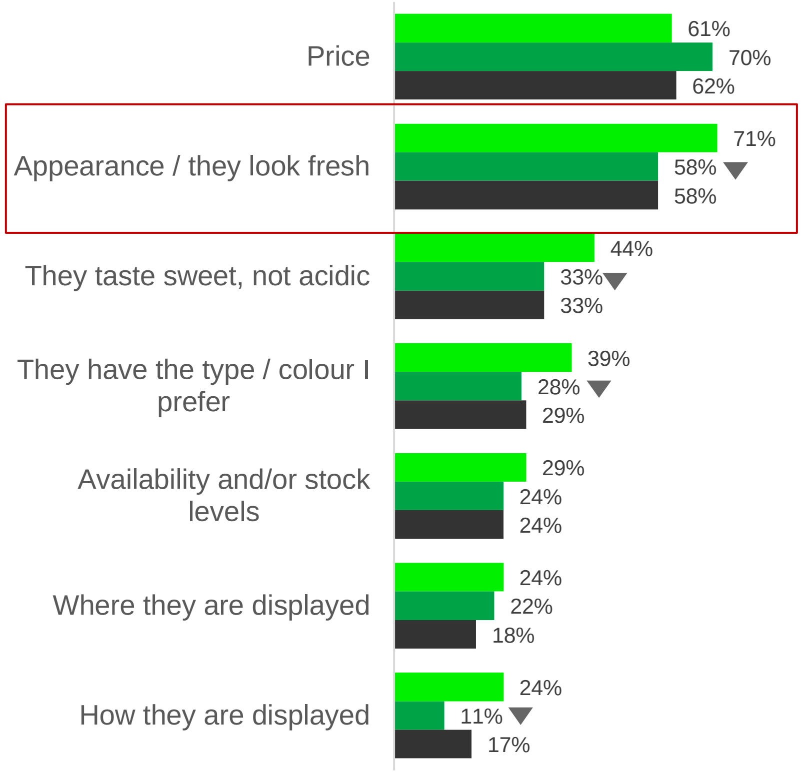
▲▼ Significantly higher/lower than December total
▲▼ Significantly higher/lower than the previous wave

Point of sale key to driving sales

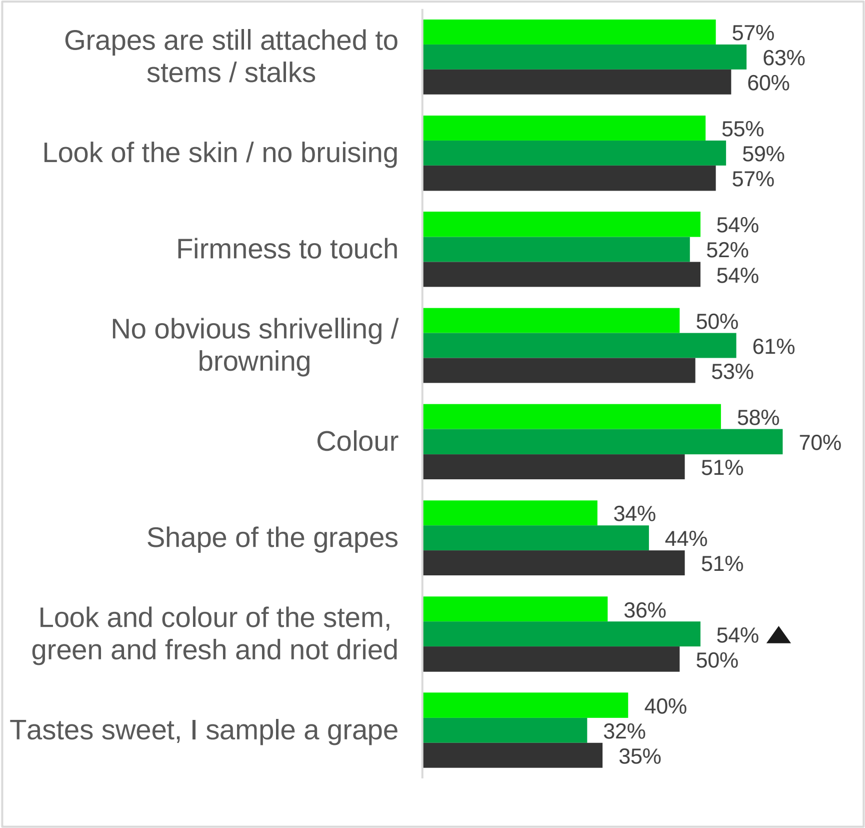
Price and ‘Appearance’ of grapes are the most important factors that may encourage in-store purchasing. Appearance is still important with consumers usually determining the quality of grapes by looking at various factors such as stalks, skin appearance, firmness and colour.

Among those who don’t plan
OR
plan but usually make their decision in store

Prompts At Point-of-sale



How Consumers Determine ‘Appearance’



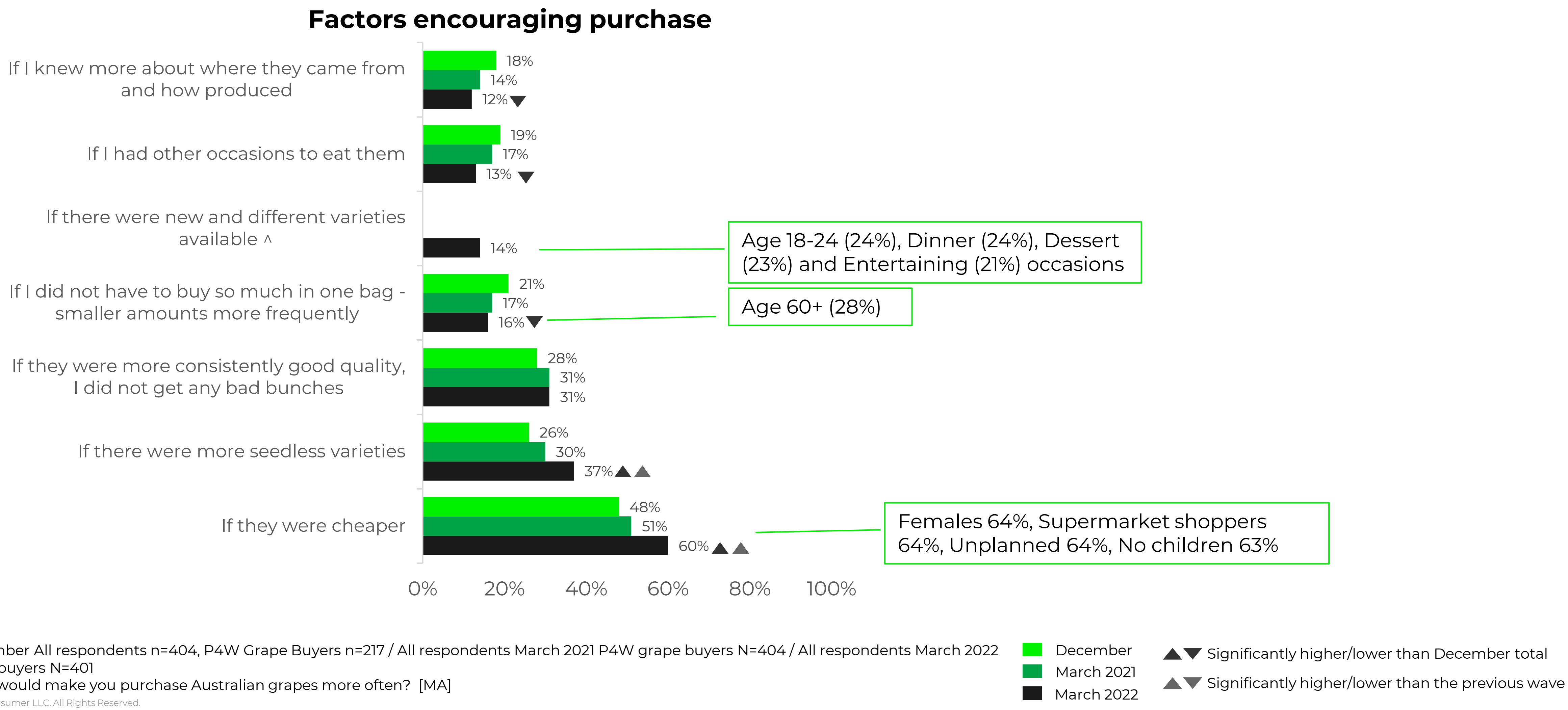
December 2020 P4W Grape Buyers
March 2021 P4W Grape Buyers
March 2022 P4W Grape Buyers

▲▼ Significantly higher/lower than December total
▲▼ Significantly higher/lower than the previous wave

Q24. What prompts you to buy Australian grapes when in store? [MA]
Q25. How do you decide whether the Australian grapes will be good quality by looking at their appearance when you are in store? [MA]

Price remains key to encouraging more regular purchase

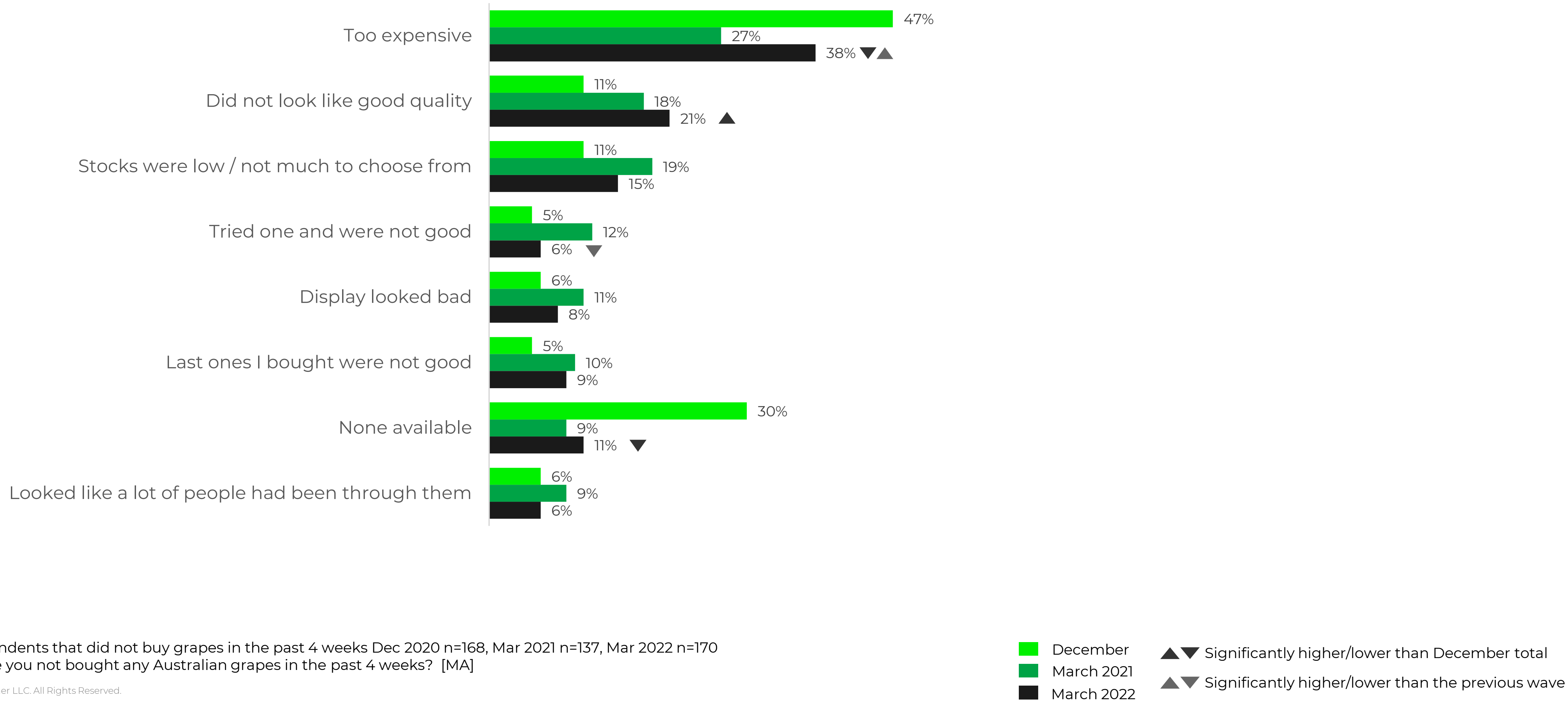
The desire for more seedless varieties has increased, while consistency of quality remains a relatively strong factor. More seedless rather than new varieties are sought – maybe a role for education on seedless varieties available.



Base: December All respondents n=404, P4W Grape Buyers n=217 / All respondents March 2021 P4W grape buyers N=404 / All respondents March 2022 P4W grape buyers N=401
Q26a What would make you purchase Australian grapes more often? [MA]

Price and quality the key reason for not purchasing grapes in the past four weeks.

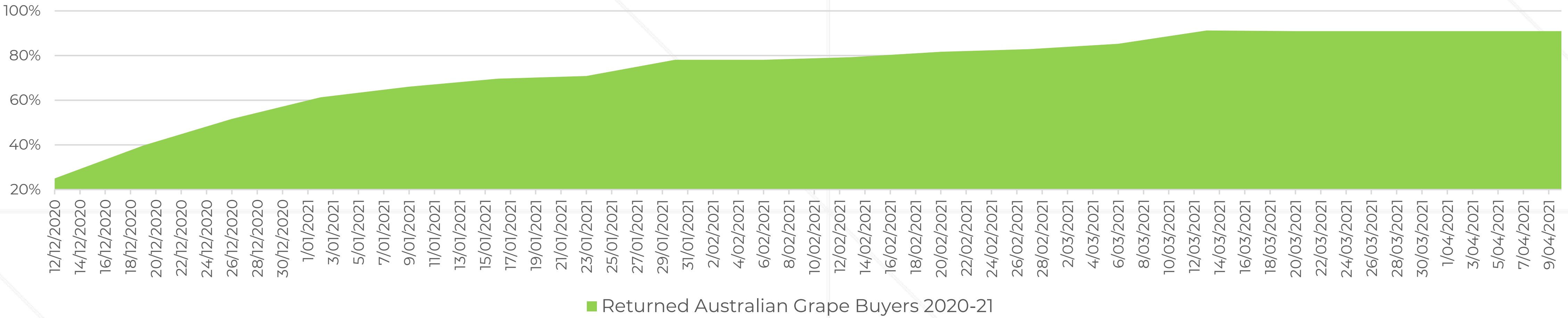
Stock availability and taste not as predominate as in the past

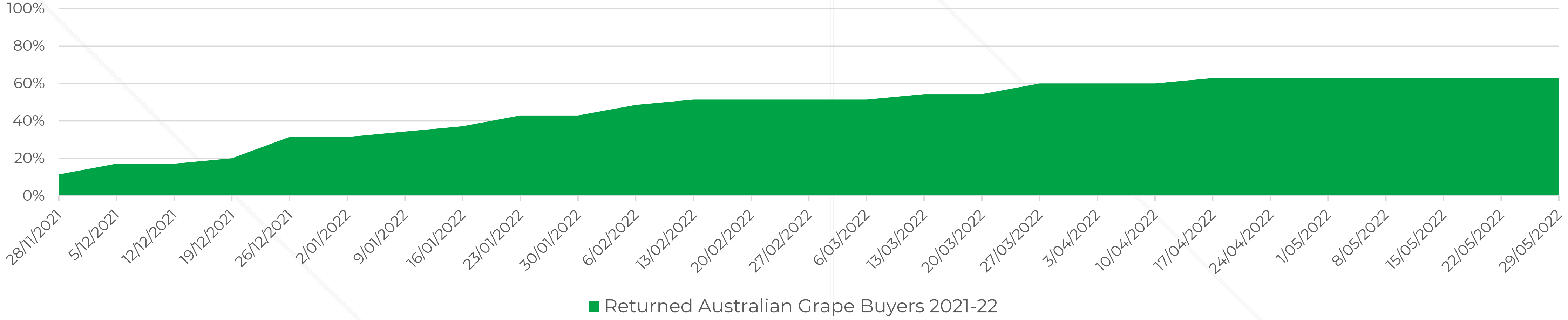


Base: All respondents that did not buy grapes in the past 4 weeks Dec 2020 n=168, Mar 2021 n=137, Mar 2022 n=170
Q38. Why have you not bought any Australian grapes in the past 4 weeks? [MA]

During the 2020-2021 season, almost all that had a bad experience returned at some point during the season (91%). This season it is significantly lower (63%)

The drop in quality ratings in December 2021 – lower than December 2020, appears to have impacted rates of return

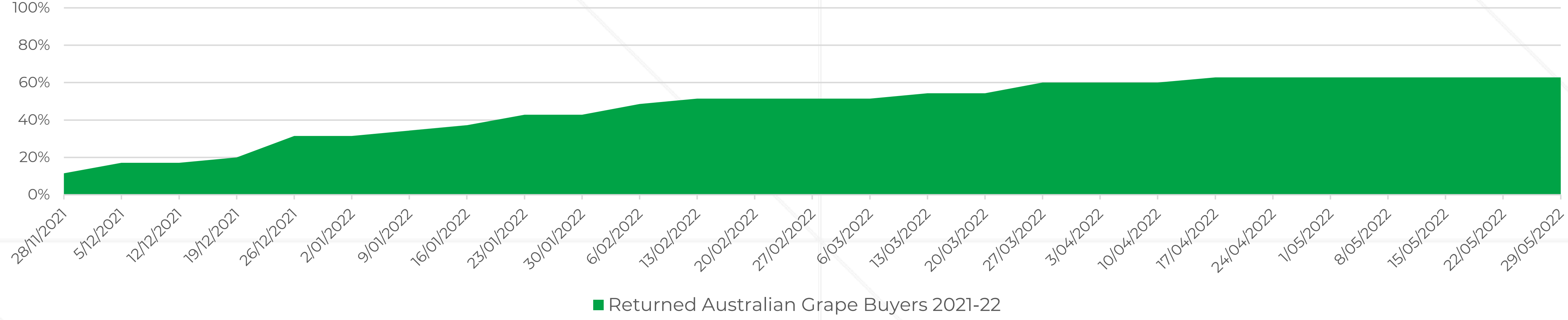


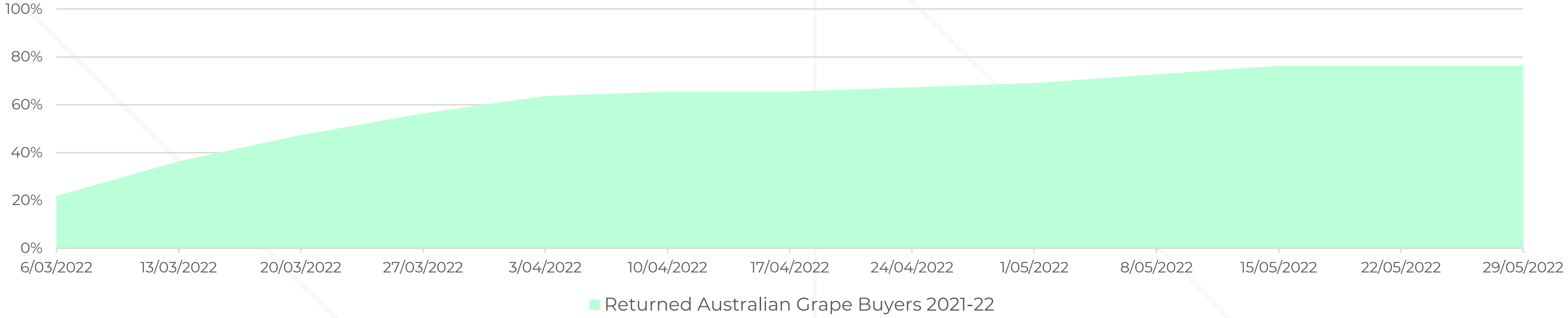


Homescan panel tracking of n=83 households that rated the grapes they bought in December 2020 as below KPI levels vs December 2021 n=35 households

And only a slightly better return rate noted for those households that reported a bad grape experience during March 2022 (76%)

March not being rated as poorly as December has accelerated the rate of return, but not to 2020-2021 season levels





Homescan panel tracking of n=35 households that had a bad experience in December 2021 vs n=55 that had a bad experience at March 2022

Recommendations

This seasonal deep dive focused on the recent path to purchase and importance of varietals

- All respondents had purchased grapes in the past 4 weeks. There was also substantial cross purchasing of other fruits during this time, reiterating the substitution threat to grapes, if the point of sale is not optimised – grapes are particularly at threat from bananas and berry fruits that are key substitutes for most grape occasions. Dial up key benefits of a convenient, long lasting snack option, to negate threats.
- There remains an opportunity to educate shoppers about the different varietals as well as consumption occasions to increase grape buying frequency, particularly for red and black grapes where we see a barrier among green grape buyers/consumers.
- There remains very limited knowledge of grape varieties and even when prompted awareness has not grown. Around half of all past 4 week grape buyers don't know the variety bought, above and beyond red, green or black.
- While choice of varieties of grapes is important to shoppers, when forced to pick only 3 factors that are the most important, varietals falls way down the list. In terms of barriers, shoppers are looking for more seedless varieties, rather than more varieties per se. An education piece at shelf may help shoppers with this key navigation point.
- Growers of all varietals have a duty of care to the industry as shoppers do not seem to be able to delineate between varieties. We saw a relatively poor December 2021 Homescan Consumer Acceptance result, particularly for red and green grapes, and have noted a weaker rate of return among those who experienced a bad grape eating experience at the beginning of this season. So that start of season experience is crucial for all grape growers to have a good overall season.
- Supermarkets are the main channel for regular, routine purchasing of grapes. Other channels appear to be used more sporadically, hence the focus should be on working with the majors, Coles and Woolworths to optimise the point of sale experience.
- Retailers need to focus on prices charged as this is key to driving sales, being a key factor in encouraging more frequent purchasing as well as being the biggest barrier to sales at all.
- Most shoppers were satisfied with the past 4 week shopping experience, mainly as the quality of grapes bought and findability in store was good.
- This season stock levels appear to have been a relatively weaker performing aspect for shoppers, and should be a focus for retailers and producers alike to negate lost sales to competitive products in fresh.

Next steps

HOMESCAN QUALITY PERFORMANCE TRACKER – Next Wave **Nov/Dec 2022**
SEASONAL DEEP DIVE – Next Wave **March 2023 (FINAL)**

Thank you.