

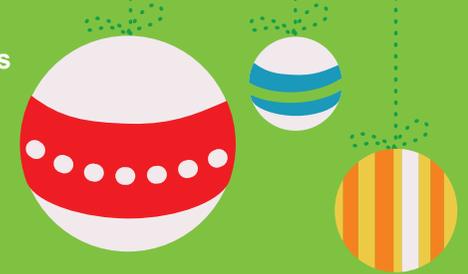
WOOLWORTHS

FESTIVE FOOD REPORT

The festive season is well and truly upon us and this year the average Australian family is expected to spend \$1,156 on Christmas food and gifts.

At Woolies, this is our busiest time of year and will see more than 4 million kilos of ham, 1000 tonnes of prawns 16,000 free-range turkeys make their way into shopping baskets across Australia.

Here, we take a look at how Aussies have and will be spending this holiday season, and some of the key trends expected in the run up to Christmas Day.



When do people start their Christmas shopping?



January – June



18%

July – October



25%

November



32%

1-16 December



14%

after 18 December



11%



\$82

average spend on seafood



\$93

average spend on specialty meats



\$51

average spend on bakery products



\$54

average spend on confectionary



\$595

average spend on non-food gifts



\$75

average spend on decorations

The majority of customers begin their Christmas planning and shopping



Roughly 18% start planning and shopping over



The average family spend **\$1,156** on Christmas food and gift buying



Types of Shoppers

'The Preparers'

1.1x more likely to be a female

40% are highly organised and plan ahead

Finding the right gifts is the most common stressor



52% purchase online



1.1x more likely to be over 40 years



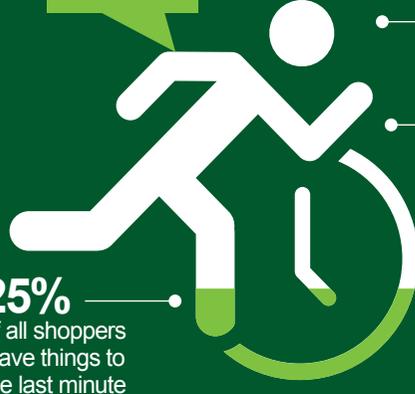
spend 20% more on Christmas gifts



'The Latecomers'

1.1x more likely to be a male

25% of all shoppers leave things to the last minute



40% purchase online



more likely to be younger generations, looking forward to the post Christmas sales



spend 10% less on Christmas gifts



'Christmas Lovers'

36%

Most likely to be female, with family

likely to be shopping for others



highly likely to be hosting a meal and planning / shopping in November

likely to be purchasing gifts throughout the year

average 18 gifts

'Christmas Loathers'

Most likely to be male, with kids 15-20 yrs

most likely to have bought gifts more than 6 months before Christmas



average 10 gifts

28%

the rest sit in between

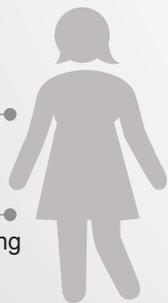
Pre-Family

Leave things to the last minute – least likely to purchase throughout the year

Least likely to be hosting an Christmas meal

Most likely to be forward looking to post-Christmas sales

Least concerned about general economic outlook



Lowest total numbers of gifts

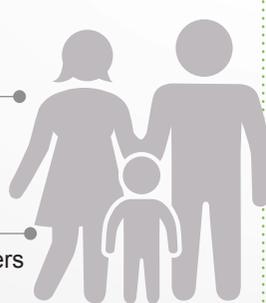
Family

Much more positive about Christmas

Most likely to have made online purchases

Biggest bargain hunters

Most likely to be hosting Christmas meals



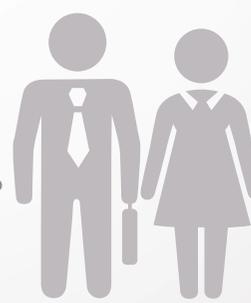
Biggest gift purchasers

Empty Nesters

Christmas cynicism strong but still lots of planning taking place

Least likely to be heavily stressed about Christmas

Likely to be hosting an Christmas meal

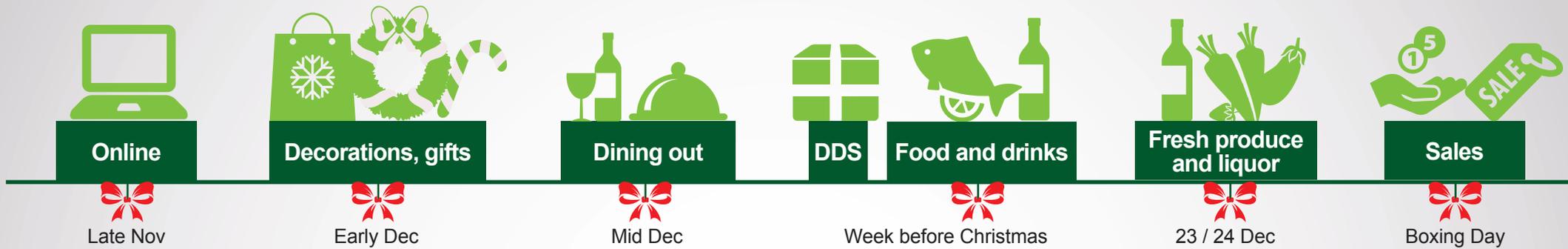


of shoppers are 'Christmas Budgeters' – they look for a bargain and spend cautiously forecasting their Christmas shopping to be the same very year



of shoppers are Christmas indulgers – more likely to go Christmas shopping with no budget in mind, more likely to be male and most purchase gifts online

Christmas Retail Spending Timeline



Consumers are spending more online for Christmas this year



Despite reaching their peak in November, **online retail sales** continue their strong performance into mid / late December with online players pushing back delivery cut off dates

Why?



1 Perceived savings - bargain hunting



2 Convenience - speed, delivery of bulk goods, avoid hassles of shopping



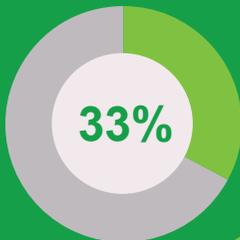
3 'Added value' benefits - free delivery, overseas savings / 'smart shopping' kudos

families are the most likely group to have made an online purchase, biggest bargain hunters

Feelings about Xmas:



love shopping for Christmas gifts



agree that Christmas celebrations and activities always seem to end too quickly



Associations with Xmas:



1 Socialising with friends / family



2 Preparing / enjoying meals



3 Decorating the house

Christmas Eating & Festive Buys

forecast sales of ham to rise by 5% compared to last year

Meat / Poultry

Woolworths will sell more than **4 million kilos** of ham in the four weeks leading up to Christmas

Woolworths will sell more than **16,000 Macro Free Range Turkeys** this Christmas

Woolworths forecast sales of boneless turkey to rise by more than **20%** compared to this time last year

Fresh turkeys come on show **18th December** They can be pre-ordered in store and picked up as late as Christmas Eve

At Woolworths, there is a wide range of products to suit all families, occasions and budgets including the Woolworths Gold Turducken – a combination of marinated turkey, chicken and duck with a fig and pistachio stuffing core, topped with a bacon lattice

Woolworths forecast as **6% increase** in fresh Pork sales this Christmas

20% of shoppers are buying food for Christmas in November (typically pantry items and snacks that last on the shelf)

42% are shopping for Christmas meals come December (including the bulk of fresh Christmas produce, with a top up nearer to the big day itself)

Seafood

Woolworths sells **10x the volume** of prawns (equal to more than 1,000 tonnes) during the Christmas and New Year period, compared to any other time of year

The season starts the week before Christmas, with **200 tonnes** of fresh prawns sold in these 7 days

more than **100 tonnes** sold in the last 2 days leading up to Christmas day

Australian Tiger Prawns – this is the most popular cooked prawn and comes in many sizes from small through to giant

Prawns

Top selling lines of prawns include: Australian Banana Prawns – this is the most popular raw prawn, caught in the MSC certified Northern Prawn Fishery

Oysters

Woolworths sells two varieties of fresh oysters (Pacific Oysters and Sydney Rock Oysters) and both have a short shelf life of less than seven days from time of shucking

Woolworths' oyster shuckers work around the clock at Christmas to deliver fresh oysters, hand opening more than **800,000 oysters** during the Christmas and New Year period

Woolworths will sell 10x its normal volume, opening **15 dozen oysters a minute for 3 days** straight to meet customer demand during the Christmas and New Year period

Deli

Customer buying habits during the festive season show that they like to buy the more indulgent and unique products to impress their family and friends

Last year Woolworths saw an overall growth in Deli of between **8 to 10%** across most categories, and this year Woolworths expect to see the same growth

This year Woolworths have a new hot Boneless Festive Roast Chicken to tantalise festive taste buds

serves **4 to 6 people**

New Gold Deli meats are the perfect addition to any entertaining platter - this year Woolworths have introduced a Provenance PDO Prosciutto di Parma imported from Italy; made using traditional methods, the product is matured for a minimum of 18 months

Due to the success of the award winning Truffle Salami, Woolworths have introduced **Pork & Fennel Salami** packed full of flavour, locally produced and hand crafted using Australian pork

It will be available sliced fresh or packaged in a 300g portion for convenience

Stone / Fruit

This December, Woolworths will sell:

56% of all this season's Australian cherries

30% of all this season's Australian Mangoes

26% of all this season's Australian nectarines

22% of all this season's Australian peaches

13% of all this season's Australian grapes



Bite-Sized Insights



What are Aussies Buying for their Kids?

★ Young Families ★



★ Older Families ★



SOURCES:
Quantum data
Understanding Attitudes to Christmas Shopping Report, Woolworths, 2013
Christmas Insights Report, Woolworths3, 2013