



AUSTRALIA

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RETAIL TRENDS

Supermarket chains **Coles** and **Woolworths** continue to compete head-to-head. Coles continues its positive momentum in sales with an increase in comparable food and liquor store sales in its 2016 third quarter sales. Woolworths reported a decline in sales for the 2016 first half-yearly results and is undergoing significant changes in the business and leadership, and is also exiting the home improvement business.

Coles and Woolworths continue to open new and refurbished stores in their latest formats. Both retailers have opened a number of **express stores in metro areas offering smaller format stores with convenience offers.**

ALDI and **Costco** are expanding their footprint and opening stores in South Australia and Western Australia. ALDI remains competitive with brands offering quality private label products.

CONSUMER TRENDS

Online grocery shopping is on the rise. Consumers are still looking for **fresh and local products** for home cooking. **They are also looking for diversity, quality and innovation** - products that cater to their specific needs, quality authentic products, and healthy products that offer functional benefits to assist in their active lifestyles.

TREND 1: HEALTH

Leading a healthy lifestyle continues to be a strong trend in Australia as consumers are increasingly aware of their health, well-being and consumption habits. This is evident in the availability of alternate options and high quality products launching on the market such as gluten free, sugar free (or lower sugar/salt content), low fat, and so forth. There is also an increasing demand for high protein foods for consumers looking for functional benefits to aid in their active lifestyles and diet.

BODIE'z PROTEIN WATER

Brand: BODIE'z Protein Water

Launch date: 04/2015

Category: Beverages

Family: Bottled Waters



General description: BODIE'z Clear Protein Water is an Australian breakthrough that is set to revolutionize the protein drinks category nationally and internationally.

This ready-to-drink, Clear Protein Water comes in various 500 ml formulations, one with 20 grams of Whey Protein Isolate (WPI) and Guarana for pre-workout and two 30 gram WPI flavors for post-





workout recovery. Both are packed with a scientifically tailored vitamin and electrolyte mix.

Why is this product a success? The key to the success of the product has been that Bodie Lazar has been able to create a truly innovative alternative to other protein supplements, in a format that has a great mouth and stomach feel, is refreshing and tastes great.

TREND 2: CONVENIENCE

Consumers are always looking for convenience products to help make their busy lives a little bit easier. This can come through any number of formats such as ease of use and practicality, pack format, and on the go options. With plenty of sugary soft drinks and energy drinks available on the market, packaged fresh beverages offer convenience and a healthier alternative. These fresh beverages can also offer diverse uses such as a pre-workout option or to be blended in shakes.

H2COCOESPRESSO

Brand: H2Coco

Launch date: 04/2015

Category: Beverages

Family: Bottled Waters

General description: H2Coco continues to broaden its range in line with increasing demand, offering coconut water in various sizes, in addition to a recently launched coconut oil. To broaden the penetration of coconut water, in April H2Coco introduced Cocospresso, offering a combination of premium coconut water with a full shot of espresso. This innovative new product is the perfect example of exploring trends – coffee and coconut water – and bringing them together to cater to consumer demand.



Why is this product a success? H2Coco claims coconut water is growing at more than 150 per cent in the grocery sector, driven by strong consumer demand and supported by strong brand activity, national merchandising, increasing shelf space and regular promotions.

TREND 3: PREMIUMIZATION

Premiumization is a trend that is relevant to most categories. The ice-cream category has traditionally been known to be quite stagnant in the past. However in recent years, consumers' taste profiles have diversified and manufacturers have delivered on products that show that even a previously tired frozen category can be revitalized by premium, gourmet and luxurious products that adults can indulge in.



BAILEYS ICE CREAM

Brand: Bulla Dairy Foods and Diageo

Launch date: 08/2015

Category: Frozen products

Family: Ice-creams

Sub-family: Individual ice-creams and sorbets

General description: The unmistakable taste of Baileys Original Irish Cream liqueur has now been immortalized in the freezer with a premium collection of Baileys Ice Cream, signifying the beginning of a successful business partnership with Bulla Dairy Foods and Diageo. Australia's Bulla Dairy Foods has collaborated with the world's leading premium drinks company, Diageo, and its Baileys brand, to craft a luxurious and velvety range of ice creams in Original, Burnt Toffee and Chocolate flavors.



Why is this product a success? Baileys Original Irish Cream is the number one liqueur brand in the world. This range captures Baileys iconic flavor in ice-cream, bringing it to Australian and New Zealand palates for the first time, as a decadent, indulgent adults-only range.

NEW RETAIL CONCEPT

Coles and Woolworths - dark stores (online distribution centers) cater to growing online shoppers. Click & collect - order online, pick up item at a nominated store. Self-serve checkouts are a fixture.

DO NOT MISS

Coles Broadway, Sydney NSW - concept store, café, Mix clothing range.

Ritchies Mt Eliza, Victoria - fine food and wine, premium deli and bakery offer, La Maison Maille Boutique, energy efficient green store.

Fairview Park Foodland IGA, South Australia - state-of-the-art supermarket reflects European influences. 3,300sqm store, local and imported goods, market fresh seafood, premium butcher and bakehouse, cheese bar, quality fresh food.

IGA Marketplace Greenslopes, Queensland - sustainable initiatives and technology, quality gourmet deli, fresh produce, butchery and florist, bakery, organic, gluten free and fine food.

Woolworths Crows Nest, Sydney NSW – part of a \$52 million investment, fresh fruit & vegetables, butcher, delicatessen, fresh sushi bar, Woolworths Macro range (free range, free-from, organic choices) inspiring meals ideas, wide choice of healthy options, and dedicated Thomas Dux (gourmet & fine food) aisle.