

NEW ZEALAND

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RETAIL TRENDS

Marked by a substantial duopoly between Foodstuffs and Progressive Enterprises and dotted with independent high-end chains the New Zealand market is locked in a fierce neck-and-neck race between the major chains. 2015 marked an increase in the number of store openings, but locations are becoming scarce. Health and convenience continue to trend upwards. Over the past year local artisanal ranges trended particularly in convenience. Cross-pollination of brands is an interesting new trend with several new product collaborations launched.

CONSUMER TRENDS

Health and convenience are still trending with sustainability and country of origin is gaining importance. Consumer demand for "free from" products increases with particular emphasis on sugar reduction. Change in shopping habits, from one big shopping spree to more frequent visits and smaller basket sizes. All retail players are supporting plastic bags reduction with reusable bags. Major chains use fashion designers/artists to produce limited edition bags. Both major chains are now offering online shopping with limited click and collect options. Beeswax food wraps as a substitute for cling film is a small but growing area of interest due to increasing consumer demand for products that meet sustainability criteria.

TREND 1: CROSS-POLLINATION

Cross-pollination of brands was another interesting trend, which saw leading FMCG companies teaming up to create new products and flavors. The two most successful launches in 2015 were Whittaker's Artisan Range and Lewis Road Creamery Chocolate Milk.

LEWIS ROAD CREAMERY FRESH CHOCOLATE

Brand: Lewis Road Creamery

Launch date: 11/2014

Category: Grocery

Family: Milk



General description: A quality raw ingredient combination of great milk and New Zealand's favourite Whittaker's chocolate resulted in Lewis Road Creamery Chocolate Milk. The cross-pollination of these two brands has been an outstanding success story in New Zealand. At launch, the product sold out resulting in a limit per customer and frenzied buying, "a milk mania". Carries Oritain mark to prove authenticity & origin. Smashed sales targets, gained 55% of market share and reinvigorated what was a stagnant category.

Why is this product a success? The originality of joining these two products that are individually made from the very best ingredients creates something truly special in a recyclable bottle designed to pay tribute to a time when milk was "real" and milk bottles a part of Kiwi life.





TREND 2: ARTISAN

Artisanal products are gaining real traction on New Zealand supermarket shelves. Two examples show the spectrum of product variety. Little Beauties air dried Fejoia slices give this fruit extended usage, the drying process is a world first for this unique flavour. While Huffman's sauces tapped into the growing hot sauce market which has exploded driven by consumer demand.

HUFFMAN'S CRAFTY SAUCES

Brand: Huffman's Crafty Sauces

Launch date: 09/2015

Category: Grocery

Family: Condiments and sauces

General description: Huffmans Original Chilli Pepper Not-Too-Hot Sauce is a robust blend of sun ripened sweet peppers, distilled white vinegar, pure sea salt imbued with warm red chillies and smoked Spanish Paprika. Original recipe crafted with local ingredients where possible. Winner World Champion Pepper Blend in World Hot Sauce Awards 2015. Finalist NZ Food Awards.

Why is this product a success? Market explosion for hot sauce in 2015 saw Huffman's take a strong position on the shelf. Reusable bespoke bottles, optimized for shelf placement, artisanal processes & natural ingredients have seen this brand achieve from launch 30% growth month on month.



TREND 3: LOCALLY SOURCED

Locally sourced ingredients have trended in 2015 with many successful launches. Artisanal local soda syrups boomed in 2015 and Soda Press is an excellent example of this trend.

The variety of locally sourced products is growing, from Homemade Dumplings to sodas, jams and sauces. These brands use locally sourced ingredients, sustainable practices and have a clear origin path.

SODA PRESS CO RANGE OF SODA SYRUPS

Brand: The Soda Press Co

Launch date: 11/2015

Category: Beverages

Family: Soft Drink

General description: A modern day artisan low sugar syrup that uses the best of old and new production techniques. These organic and natural syrups are designed to expand healthier and sustainable syrup consumption in Soda Machines, Hot/Cold water drinks, cocktails, mixers, flavored ice blocks and slushies. Natural ingredients, low sugar (30-40% less) no artificial sweeteners and no added chemicals. They are made to taste like delicious homemade syrups.





Why is this product a success? Local artisanal products with focus on natural ingredients, low sugar, no additives, broad appeal. Sustainable bottle made from 98% recycled material. Authentic brand story of a premium product.

NEW RETAIL CONCEPT

New in 2015 was the introduction of sushi counters in supermarkets. Deli offerings continued to grow and cheese varieties increased. Instore pharmacies are increasing. Underground parking is being incorporated in new stores because of urban land constraints.

OTHER RETAILERS

Gourmet/Specialty grocers are becoming more and more popular with consumers. Stores like “Good NZ Grocer” have opened recently and “Faro” and “Nosh” banners continue to extend their reach in the market with consumers liking the “farmers market” style of shopping, even though the prices are higher than supermarkets. These stores carry a more expensive and exclusive product range.

DO NOT MISS

1. Faro Fresh, Lunn Avenue. Excellent example of an independent store providing a targeted range of local and artisanal products. Fresh convenience foods are well displayed,
2. Countdown Queenstown, beautifully sited with excellent range for resort town.
3. New World Victoria Park Auckland, extensive deli range, state of the art bakery, fresh seafood and top quality cuts of meat butchered in-store daily. Probably the most photographed and visited store by industry and overseas visitors.