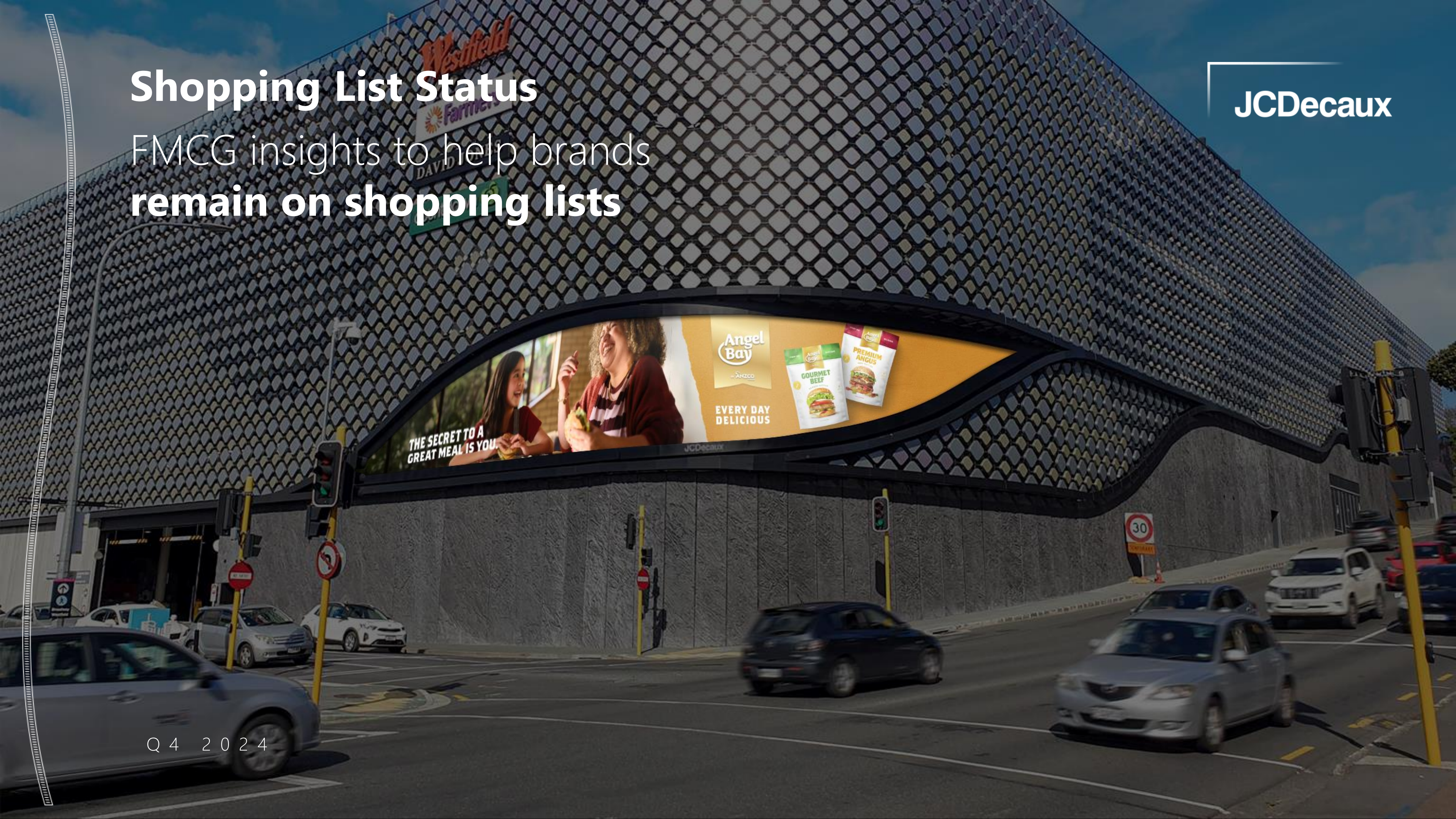
Shopping List Status

FMCG insights to help brands **remain on shopping lists**



Q4 2024

Longitudinal **FMCG insights**

As we near the end of 2024, **almost every household in New Zealand is aware of the rising cost of living and needing to make choices about how to best manage fixed household incomes.**

Households are being advised to control costs they can; **the weekly grocery shop being any easy place to rein in spend.**

Economists are telling us that we've reached the bottom – interest rates are dropping, consumer confidence is edging up, and inflation is within the acceptable range**. If we can 'survive to 25' things should get easier.**

This research is a second deep dive into spending habits, particularly brand choice in the supermarket. It identifies opportunities for brands to demonstrate they are 'worth it' whilst consumers question spending using **Out-of-Home to build and maintain brand beliefs.**

Methodology:

N=400 Kiwis, nationwide

In market September 2024

18 – 75 years

Those making supermarket decisions for themselves or a household

Sourced from Pure Profile panel >100K Kiwis

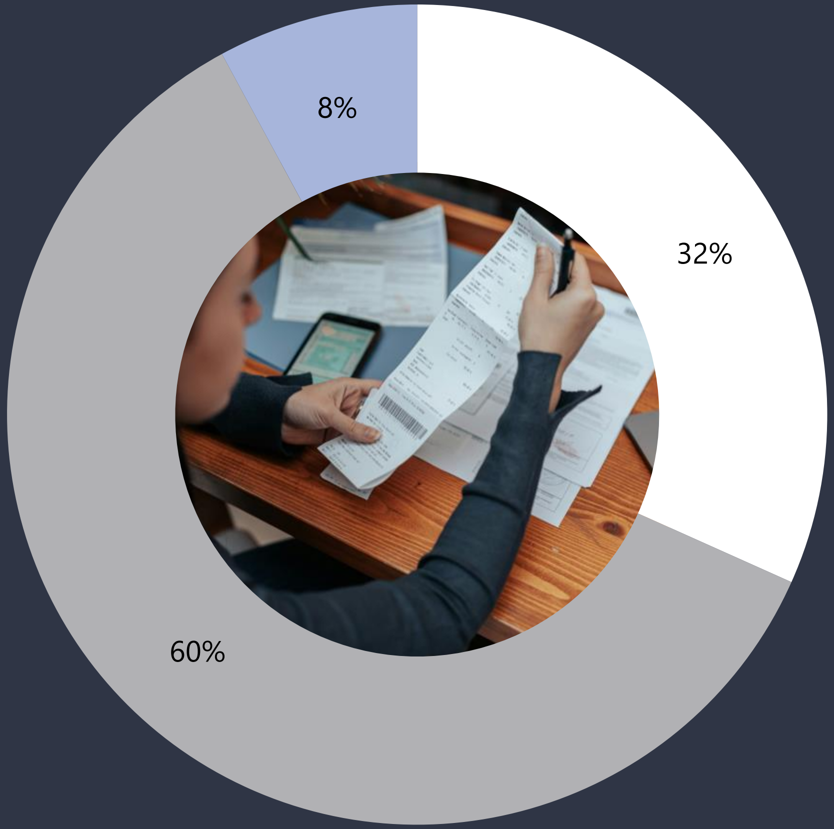
Pureprofile JCDecaux

Cost of Living
Insights

92%

of Kiwis are actively aware of rising household costs

Which mostly describes the impact on your household of rising living costs?



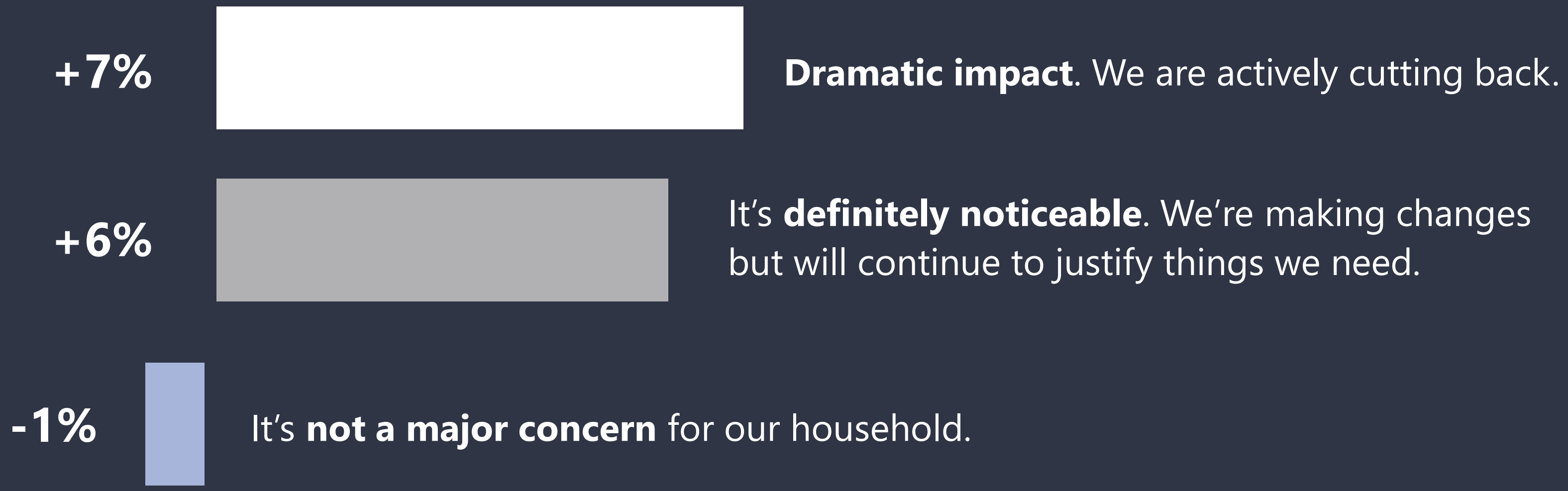
Dramatic impact. We are actively cutting back.

It's **definitely noticeable**. We're making changes but will continue to justify things we need.

It's **not a major concern** for our household.

Dramatic and noticeable impact have increased since

2022



Uncontrollable household costs **are rising**

44%
respondents

Have responsibility for a mortgage

- 20% paying >$1K more each month for mortgage
- 47% paying $500 to $1K
- 1 in 5 no change

36%
respondents

Rent the home they live in

- 70% seen significant rent increases in the last two years

Mortgages/rent are typically the largest household costs. Petrol, power, rates, insurance costs have all been rising too.

Kiwis are resilient and have a range of hacks to influence grocery costs; more rigor since 2022

81%
Stopping buying luxury grocery items

77%
Sticking to a strict shopping list

72%
Buying fewer branded products and adopting home brands

67%
Buying favourite brands in bulk when on special

66%
Shopping less regularly for more premium items i.e. every second shop

63%
Only buying trusted brands

57%
Buying premium items i.e. top meat cuts instead of dining out

54%
Setting a firm weekly groceries budget they don’t exceed

Kiwis are resilient and have a range of hacks to influence grocery costs; more rigor **since 2022**

(+23%)
Stopping buying luxury grocery items

(+20%)
Sticking to a strict shopping list

(+25%)
Buying fewer branded products and adopting home brands

(new)
Buying favourite brands in bulk when on special

(+26%)
Shopping less regularly for more premium items i.e. every second shop

(+10%)
Only buying trusted brands

(+15%)
Setting a firm weekly groceries budget they don't exceed

Brands should be planning for a **rosier 2025**

1 in 3

Believe their financial situation will improve in the next six months.

General shopping
Insights

Concept of **'main household shopper' is outdated**

92% of Kiwis have a role in household shopping

51%

Households
Have a main HHS

27%

Households
Share shopping/decisions

27%

Eat independently
Shop for themselves

Only 5% opt out of buying decisions

What's needed for meals, is **top of mind throughout the day**

51%

Agree, when out and about, I think about upcoming meals and make a mental shopping list

"As I head home, I think, what's for dinner and do I need to stop for anything?"

"I start thinking about that night's dinner on the school run. As I get into the day's admin…"

Verbatim quotes

Shopping is #1 reason kiwis leave home*;
grocery shopping is frequent

9% Kiwis
Shop for food every day

37% Kiwis
Shop a couple of times each week for food

47% Kiwis
Shop about weekly for food

*OOHMAA Aotearoa in Motion Mobility Study, 2024

Most households do a ‘big shop’, and then add to it as needed

69%

I do regular large shops and then buy additional items to make meals or what the household needs

“Doing a large shop is a good way to control monthly food costs. I try to get all the basics, and make sure I’m shopping on special for the things I know we need. Then when I pop in to the supermarket, its to grab a couple of things, not go mad and over spend”

Verbatim quote

In-store grocery shopping commands the highest share of spend/big shops

85% Spend most In a physical supermarket/store

8% Spend most Online, delivered

6% Spend most Online, Click N Collect

Online shopping is consistently growing

70%

Kiwis
Say they are shopping for groceries online more

“As well as being more convenient, I like that I can see how much it all costs with online shopping. If the final amount is too high I review, and invariably take out the treats!”

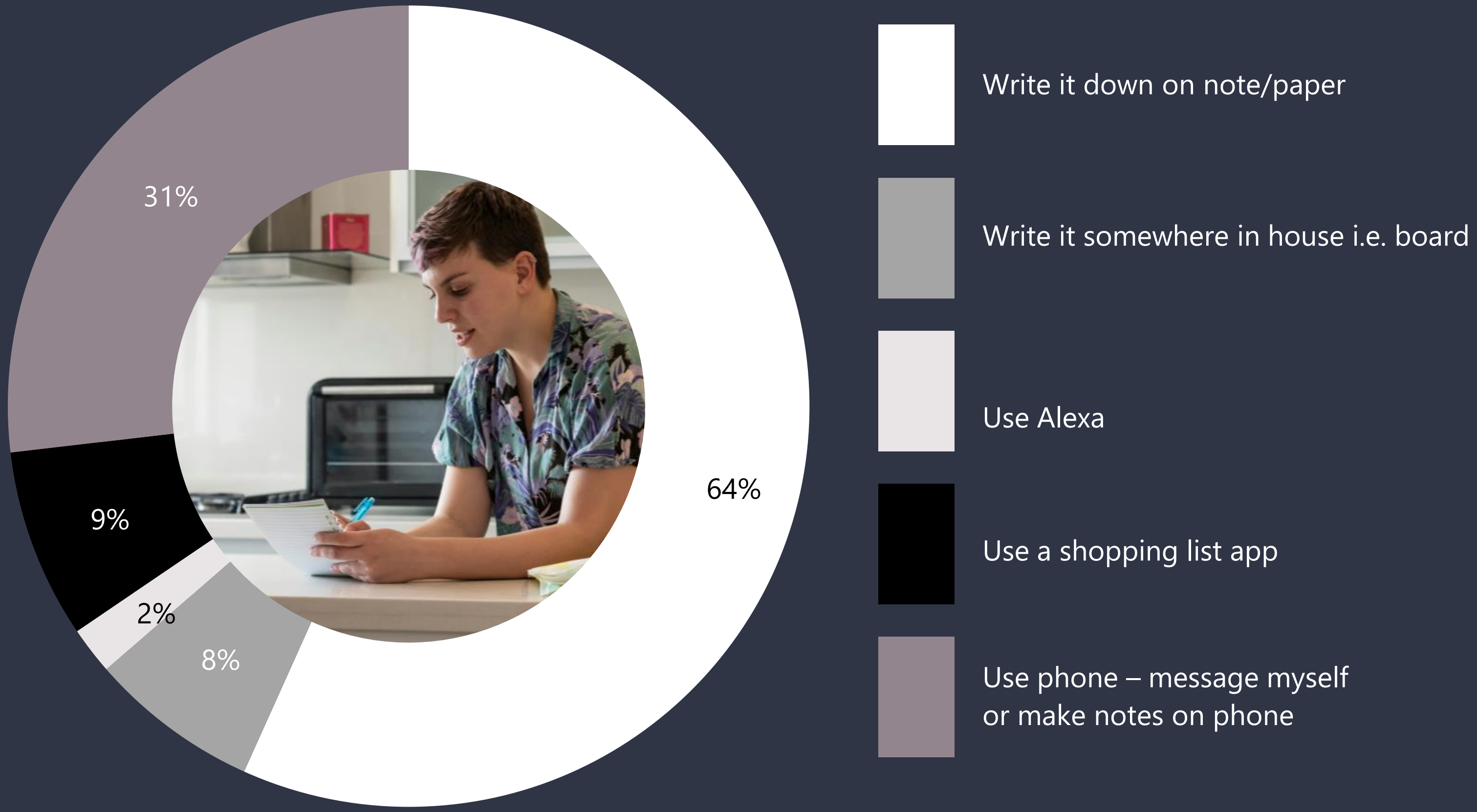
Verbatim quote

We rely on
shopping lists!

79%

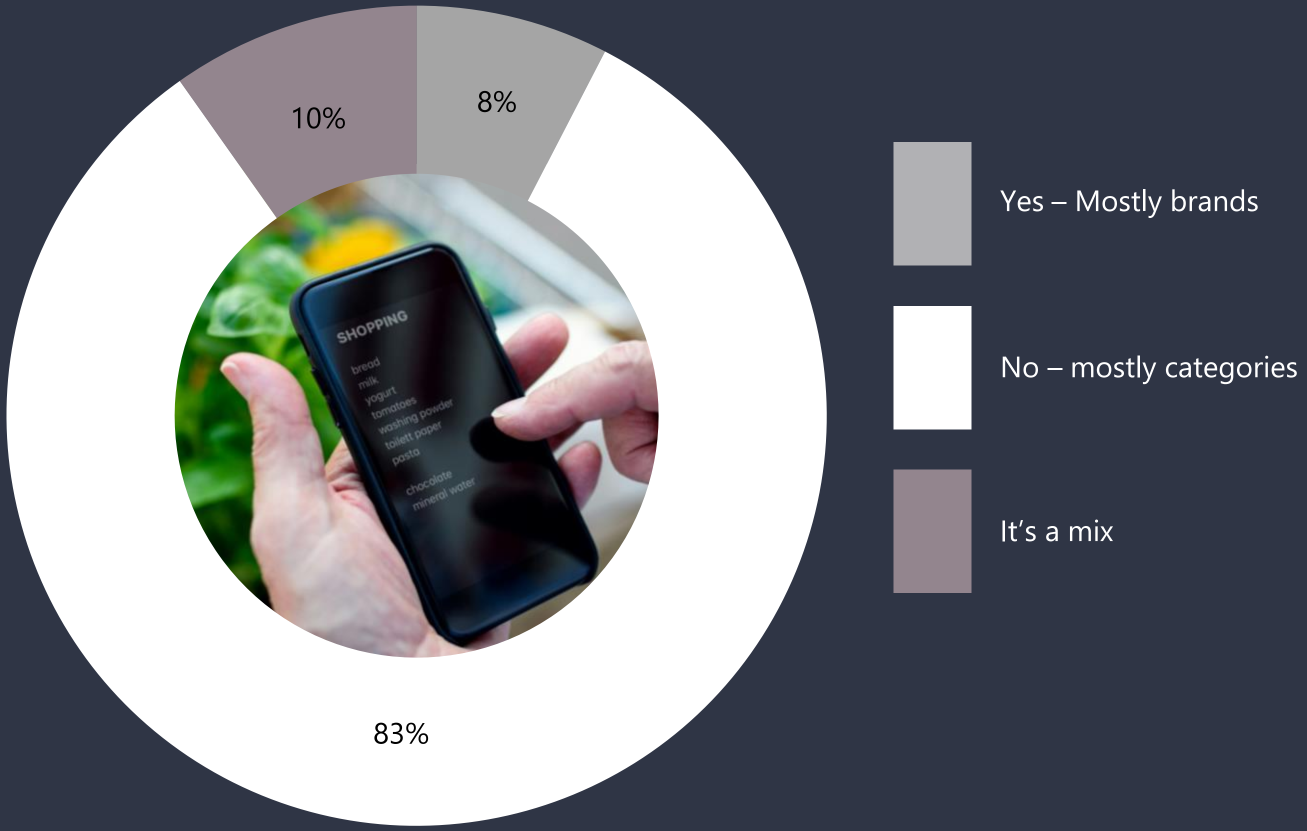
Kiwis make a specific (not mental) shopping list

How do you make your shopping list?



Lists made up of **mostly generic** category needs

Do you write brands on your shopping list?



Grocery shopping is **habitual**

48%	Like to try new products and notice innovation
80%	Tend to buy the same brands
1 in 3	Think they 'sleep shop' and reach for the same brands

Creating intention to trial requires consistency.

Supermarket brand **Insights**

We understand prices fluctuate

84% agree

Prices fluctuate considerably between supermarkets

Up to $50

The majority (87%) think this would be the cart differential between the highest and lowest cost supermarket for an average shop

But are unsure how to master price cycles

84% agree

Prices fluctuate considerably between supermarkets

Only 1 in 4

Feel supermarket specials are transparent and real

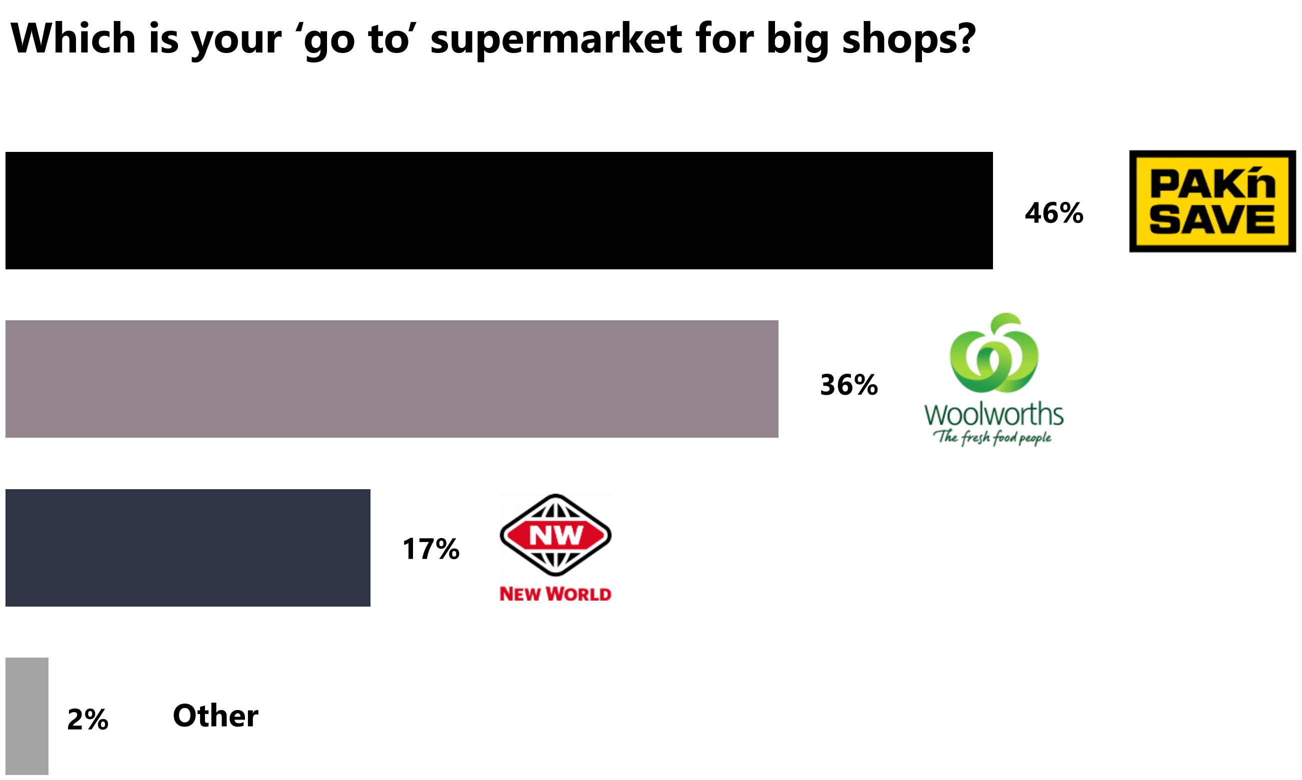
Up to $50

The majority (87%) think this would be the cart differential between brands

Less than half

Try to game or anticipate supermarket price cycles

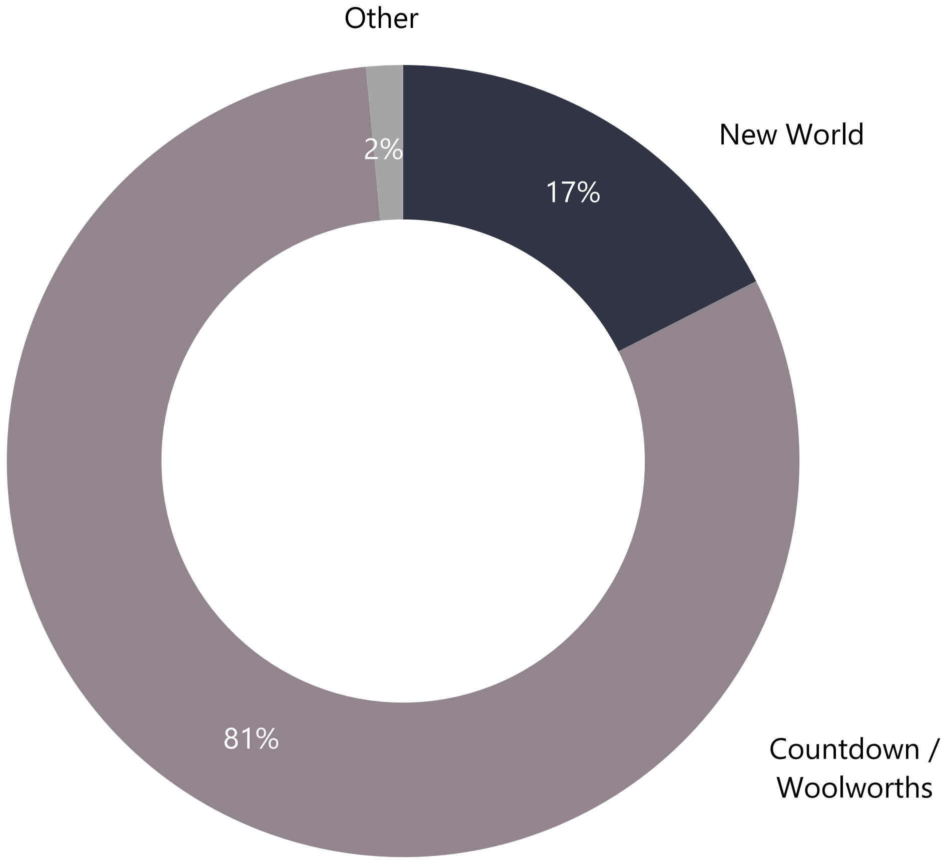
Pak N Save dominates as 'go to' supermarket



1 in 3 are shopping more at Pak N Save, **at the expense of Woolworths**

Has your frequency at Pak N Save changed?

Which supermarket is getting less shopping/spend now?



Shoppers are embracing brands
outside of the 'big three' for groceries

12%

Have a Costco membership

36%

Buy groceries at the Warehouse at least quarterly

33%

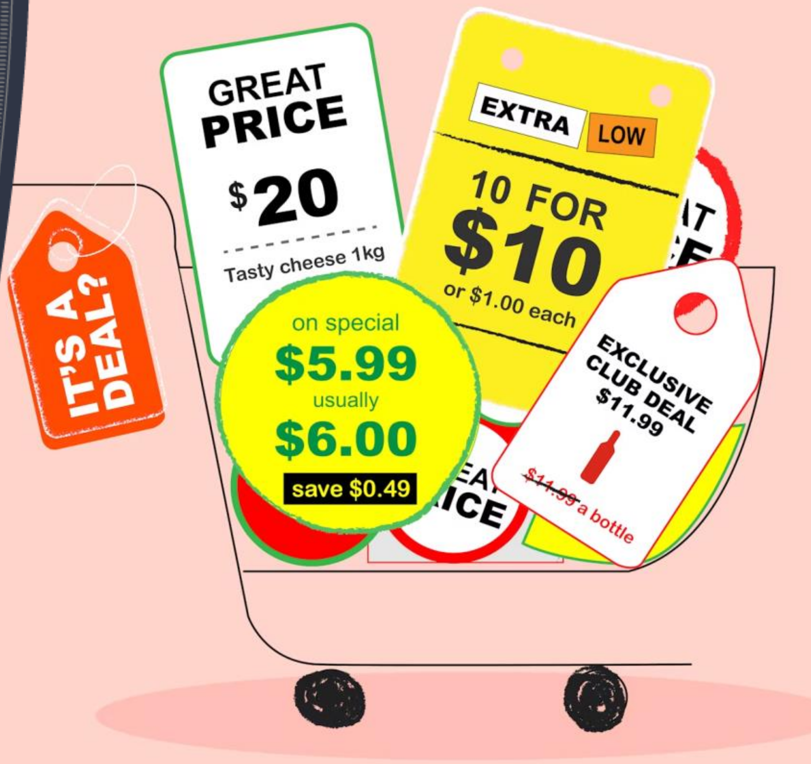
Visit stores such as Why not / Reduced to Clear at least quarterly

Price and FMCG brand **Insights**

We're a nation who says we **love a deal**

84% Are always looking for specials & are drawn to saver price labels

69% Compare prices between supermarkets before shopping



We’re not embracing tech **to compare**

Only

1 in 5 use price comparison sites or apps

"I'm always looking out for super savers on things I buy all the time – cheese, butter, mince, chicken breasts. If I see a great price for these things, that tends to define where I shop that week"

Vertbatim quote

Price remains the strongest driver of choice

84%

Say price is the main consideration when choosing between two similar products

+7% 2022

Despite noise, **sustainability has low influence**

Less than

1 in 3

Say sustainability is a big consideration when choosing between different products

Home brands are accepted, more so that 2022

65%

Believe home brands are as good as the branded equivalent

+4% 2022

Only 1 in 5

Think higher prices mean better quality foods

-4% 2022

Hero brands,
being named on shopping lists

Only 18%

Write brands on shopping lists

-27% 2022

1 in 4

Write a category but have a set brand in mind

Brands being named more than three times as a brand that is stated on a shopping list

‘Category listers’ are more influenced by specials

40%

Shop the category completely

60%

Have a small repertoire they compare

Preference and quality drives 'shopping list status'

"my husband likes that brand"

"brands that I check specials for"

"our 'daily needs' brands"

"offers the flavour option we want"

"one that everyone eats"

"my pets are very fussy"

"I will only use professional laundry liquid and quality toilet paper"

"tried and trusted"

"my go to brands"

"family favourites"

"good quality that I trust"

"I like them best"

"the quality items"

Verbatim quotes

‘Brand listers’ are still aware of price

How price sensitive are you for named/necessity brands on your shopping list?

Very price sensitive, I only buy them when on special and will buy in bulk when price is low

Somewhat price sensitive. I know what they should cost but buy them even if not on special

Not price sensitive at all. I buy as necessities and don’t consider price too much

Large Format's role in **building brand preference and perception** for fmcg brands

Research **implications**

Kiwis are **constantly and consciously assessing** how they can save money to manage household budgets and scrutinising spend

Price is influential – until it isn't. **Preference and perceived quality trump price.** Brand advertising can establish and defend the **emotional beliefs** that make price less of an influence

Brands that can demand a premium **sustain perceptions of superiority, consistently and confidently,** and thus remain on shopping lists, especially during recessionary times

Large Format Out-of-Home, that **is emotive, commanding** and seen at **high frequencies** throughout the day, can influence short term behaviour and longer-term intent

80% of kiwis are out-and-about each day*, with an opportunity to see Out-of-Home

1 in 3

Kiwis Agree

They actively notice grocery brands on billboards when out and about

1 in 4

Kiwis Agree

Regular billboard advertising makes me confident in choosing brands/ try brands outside my repertoire

1 in 3

Kiwis Agree

I like to see this week's specials on billboards to keep me in the loop on savings

*OOHMAA Aotearoa in Motion Mobility Study, 2024

JCDecaux network **can influence shoppers in the moment**

Interrupt on path to purchase

Influence immediate trial

Many sites with direct supermarket proximity

JCDecaux network **can influence shoppers and drive future intent**

- Maintain brand perception and loyalty
- Build future demand
- Hero sites on main arterials

SMARTFRAME for **FMCG influence**

Amplify Street Furniture activity

More visible and impactful than Street Furniture

28 SMARTFRAME within 1km of three main supermarkets

Building out network to suburbs and suburban retail

Reaching FMCG **audiences with affinity and intent**

Use JCDecaux data to understand sites that over index for specific brand supermarket shoppers

Pak N Save:

1. Aotea Quay
2. Jervois Quay
3. The Fortress
4. The Capital
5. MOTAT digital

New World:

1. Vic Park Flyover
2. Colombo Street
3. Stanley Street
4. Ponsonby Central
5. Ferrymead IN

Woolworths:

1. Vic Park Flyover
2. Greenlane digi
3. The Continental
4. Colombo Street
5. Blenheim Rd

Talk to your JCDecaux sales lead about the target audiences for brands you work with.

factori

Reaching FMCG **audiences with affinity and intent**

Use JCDecaux data to understand SMARTFRAME that over index for cross shoppers (shop a range of supermarket brands)

1. Waterloo Quay
2. LynnMall West
3. Sylvia Park Highway
4. Royal Oak
5. The Arena
6. North Shore
7. Sylvia Park Entry
8. Greenlane
9. Dominion Road
10. Riccarton IN

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Reaching FMCG **audiences with affinity and intent**

Use JCDecaux data to understand sites that over index for specific interests or behaviours relate to FMCG products.

Wine Enthusiasts:

1. Ponsonby Centre
2. SMARTFRAME Northshore
3. SMARTFRAMEs Sylvia Park
4. Westgate Digital
5. SMARTFRAME Greenlane

Foodies:

1. SMARTFRAME Northshore
2. Westgate Digital
3. SMARTFRAME Sylvia Park Highway
4. Remuera Rd Digital
5. SMARTFRAME Royal Oak

Cat owners:

1. SMARTFRAME Remuera
2. Vic Park Flyover
3. The Olympic
4. Parnell Rise
5. SMARTFRAME MAX CBD

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Shopping List Status

Thank you

JCDecaux