An Overview of the UK Retail Tomato Category

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The largest shopper panel in Great Britain

Geographically and demographically representative of the population of GB

30,000

Households in GB

How does Worldpanel work?

Take Home purchases scanned by palm pilot and clicker technology

Data retrieved and collated into databases on a 4 weekly cycle

Data converted into insight

Todays agenda

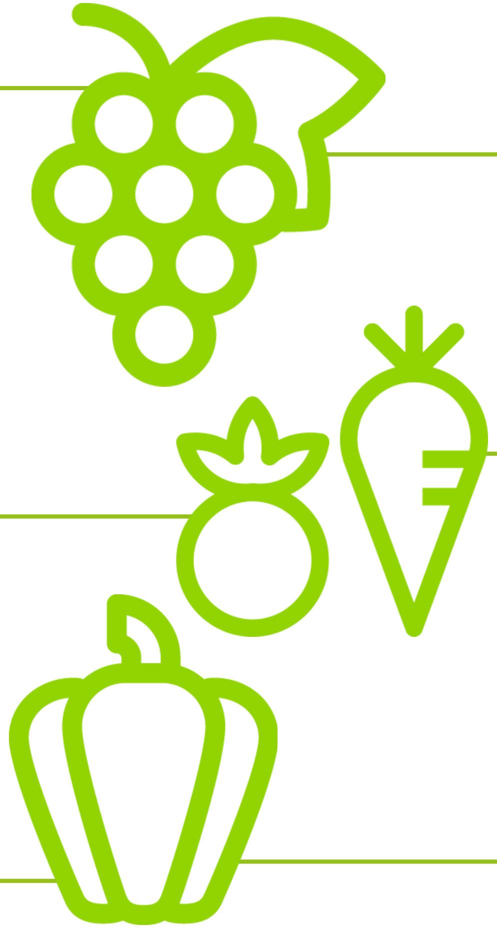
Market Trends and Tomatoes

The UK Retail Tomato Market

Opportunities for different varieties

£11.2 billion
The Produce market grew by 2.7% in the last year while volume grew by 1%

2% price increase
Prices increasing as volume sold on promotion declines



104 trips
The average household makes 104 trips featuring Produce in an average year

Veg out perfoms Fruit
However Veg much more reliant on price inflation than Fruit – how long can this go on?

Berries up 8%
Berries among the strongest performing Fruits, with shoppers now making 2 additional trips

Brassicas up 6%
Brassicas perform strongly but there is a strong reliance on price inflation

The UK is more engaged with Produce than ever before

104 trips in 2019 relative to 98 in 2015; 6 more trips in an average year featuring Produce

It’s not just about how often we go either; shoppers are buying across a broader repertoire

An average household now buys across 49 different varieties during the course of a year

2015

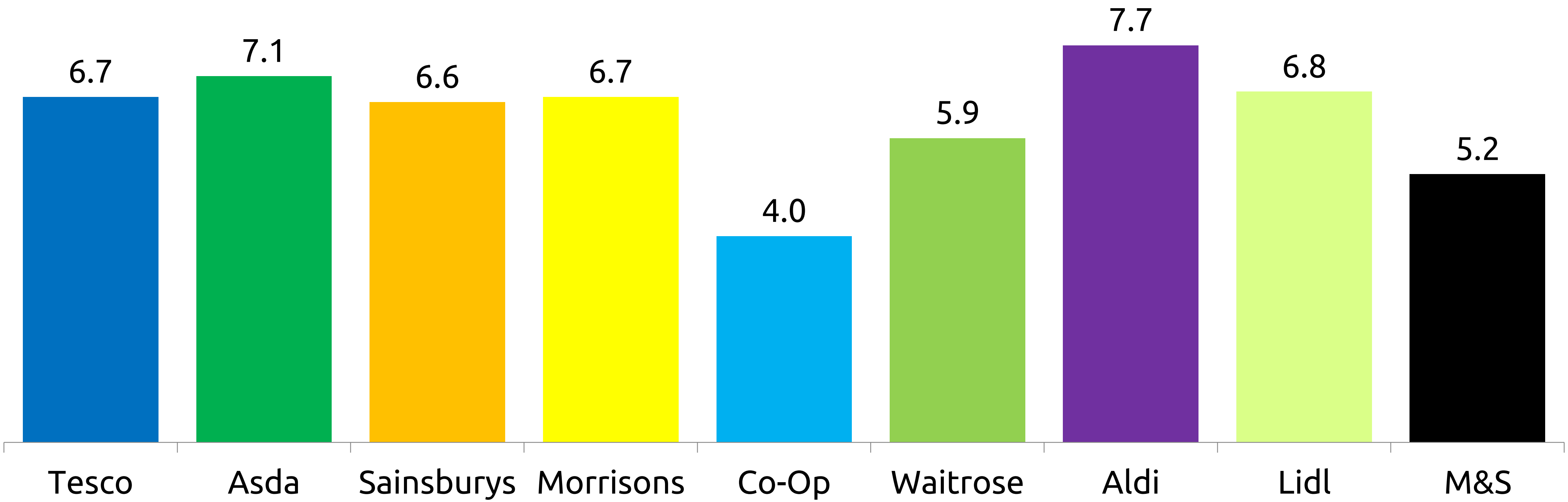
47 different items in an average repertoire

2019

49 different items in an average repertoire

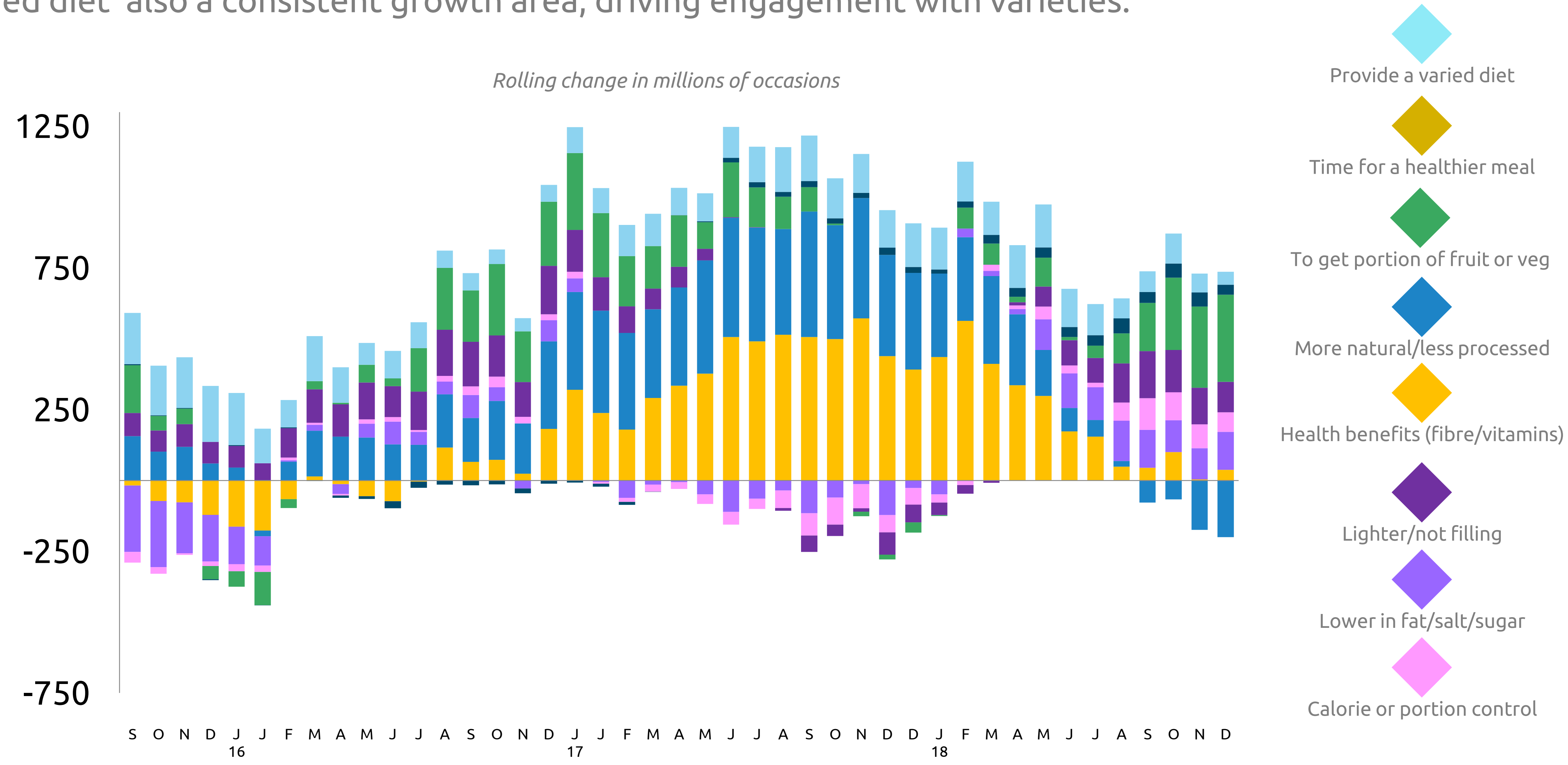
Price initiatives like Super 6 drive repertoire and trip size; others are trying to emulate Aldi's efforts (e.g. Fresh 5, Fresh 3).

Average number of items bought per trip



Getting a portion of fruit or Veg is consistently growing as a reason for consumption.

'Varied diet' also a consistent growth area, driving engagement with varieties.



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Tomatoes benefiting from the healthy UK agenda, but there is still room for growth.

'Get a portion of fruit or veg'

% of Tomatoes consumed to
'get a portion of fruit or veg'
in 2015

% of Tomatoes consumed to
'get a portion of fruit or veg'
in 2019

Still under-trades in consumption for health vs the average Produce item…

dial up health in future campaigns.

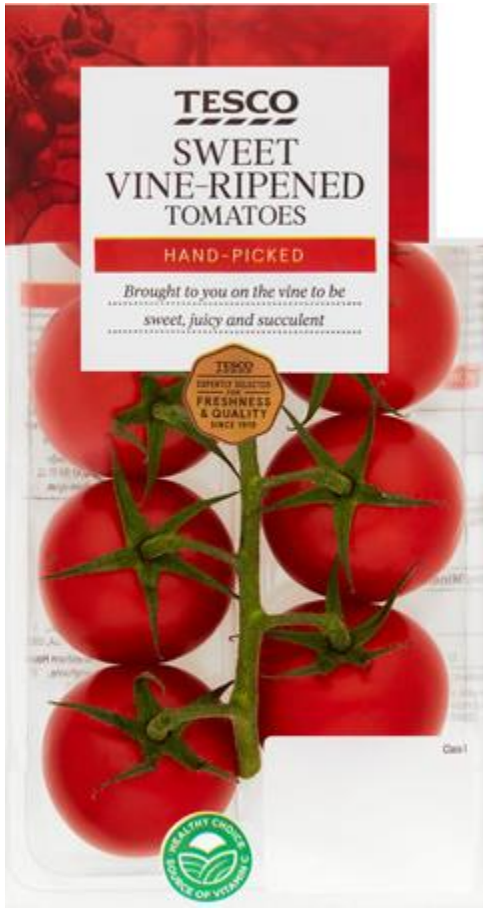
How can we do this?

Spraying with aspirin – sweeter and higher in vitamins.

Are the many health benefits of tomatoes being communicated effectively?

Sweetness is being called out on pack, but vitamin C not as much.

Callouts on pack could boost consumers' health perceptions of tomatoes and drive sales.



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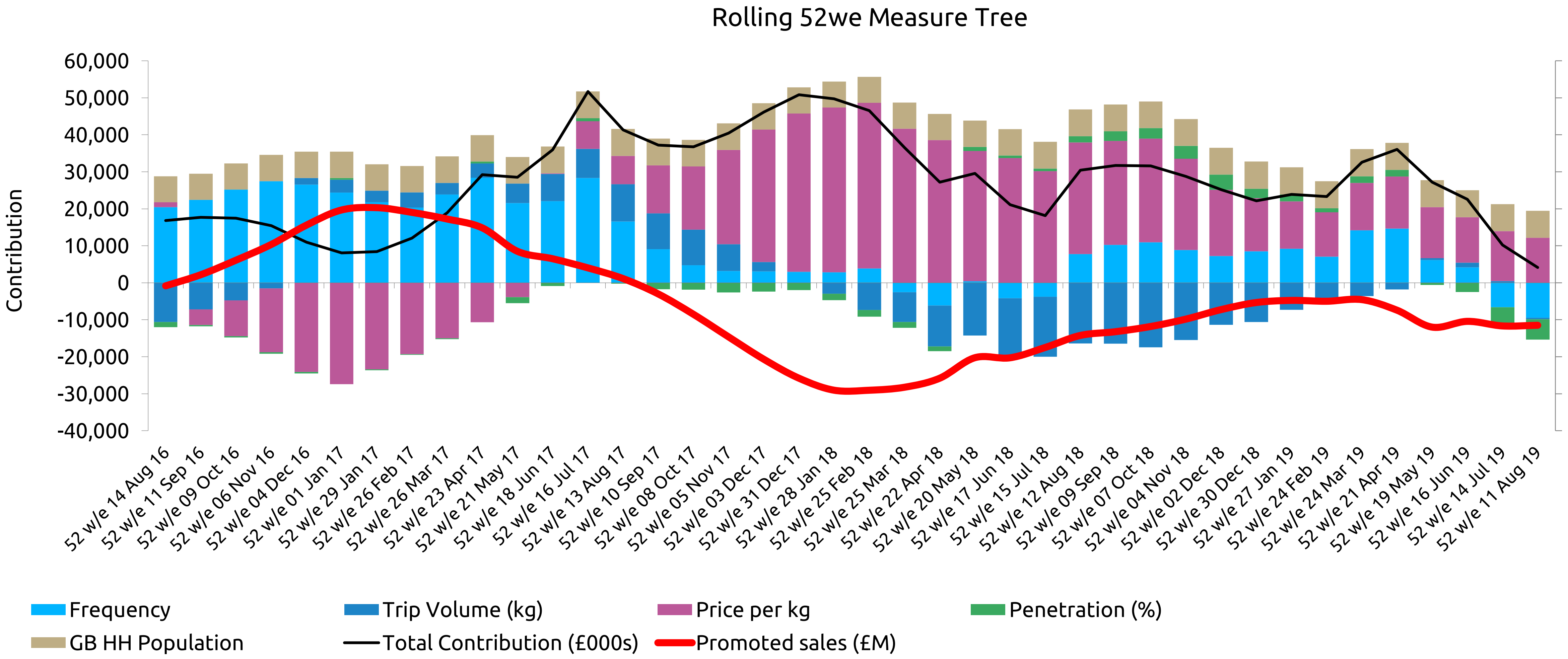
On the surface, higher prices seem to have affected volume performance this year.

In contrast the wider salads market sees growth of 3.7%.

VALUE	VOLUME	AV. PRICE	FREQUENCY	TRIP SIZE	PENETRATION
£790M SPEND	274M KGs	£2.89 PER KG	25.3 TRIPS	0.4 KGs	92.7% OF GB HH
+0.5%	-1%	+1.6%	-1.2%	FLAT	-0.7%

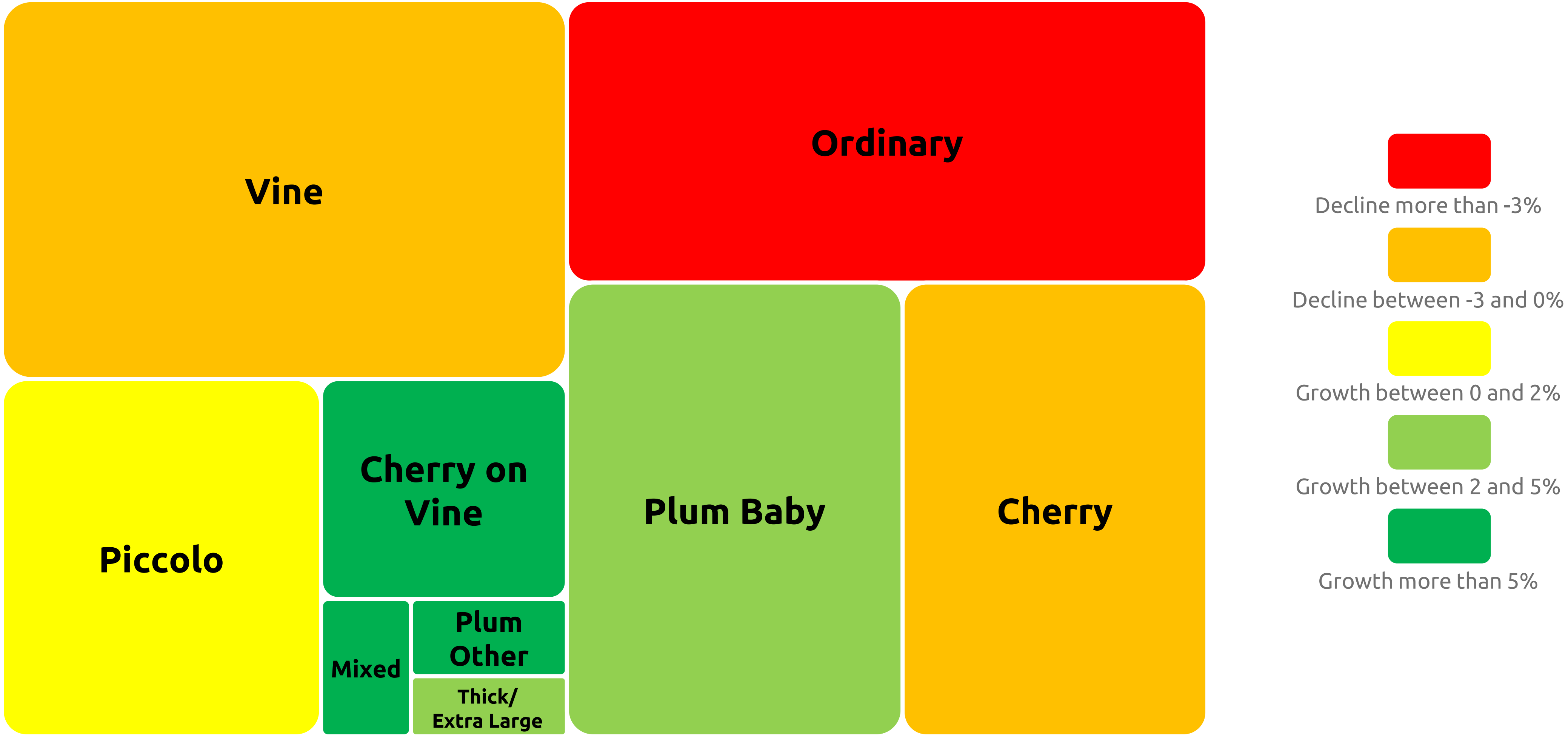
Shoppers are now making fewer trips and dropping out of the category.

Promotional cutbacks are having an impact on shoppers' engagement with Tomatoes.



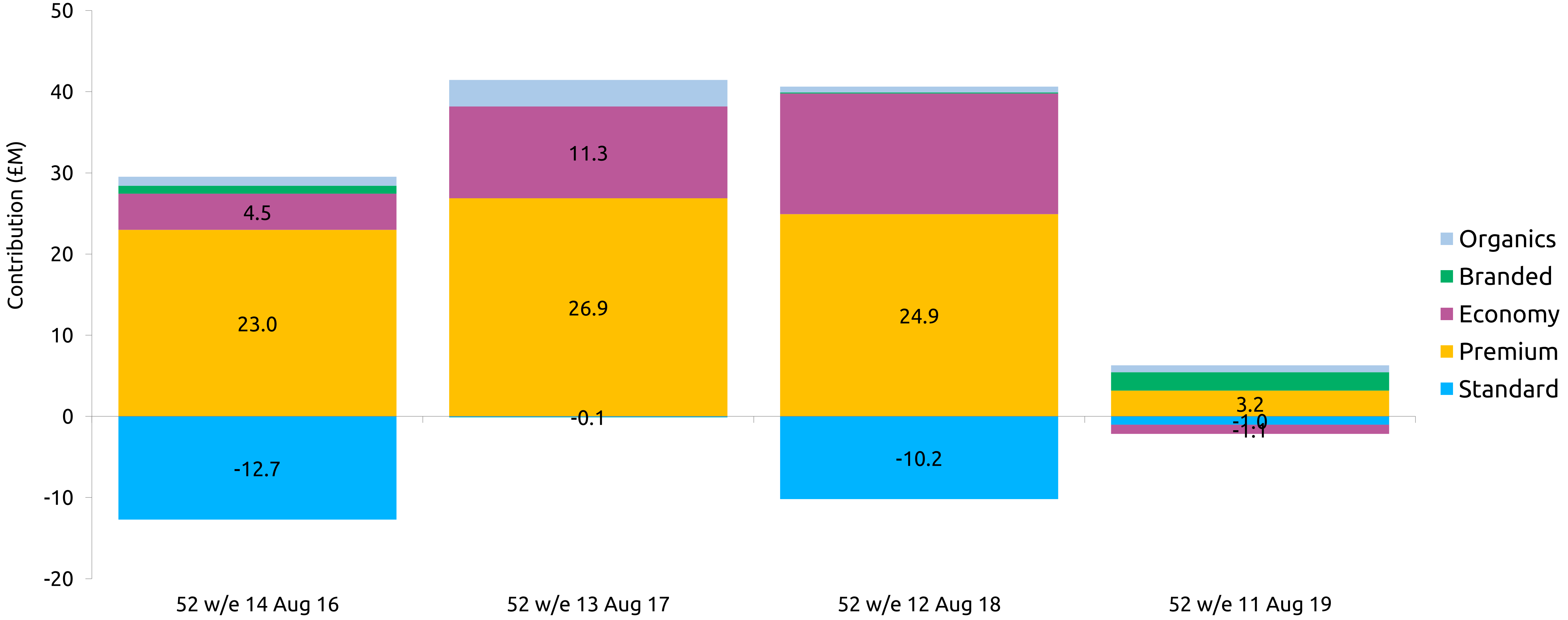
Ordinary tomatoes bear the brunt of this trend.

Vine and Cherry are also declining vs last year.



Despite a much smaller growth rate, it is still driven by Premium and Branded.

Premium is over twice the price per kilogram of standard (£5.62 v £2.50)



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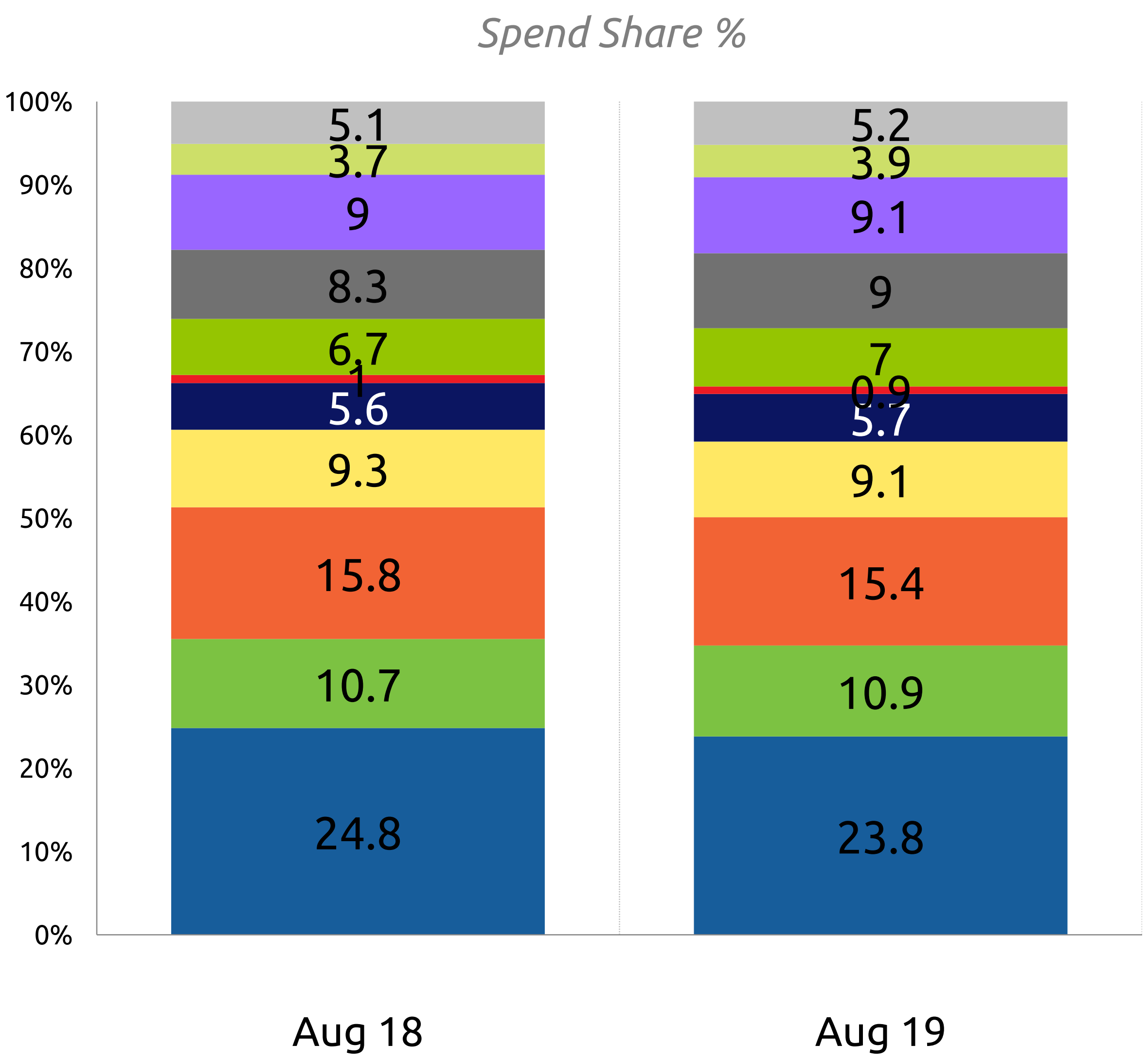
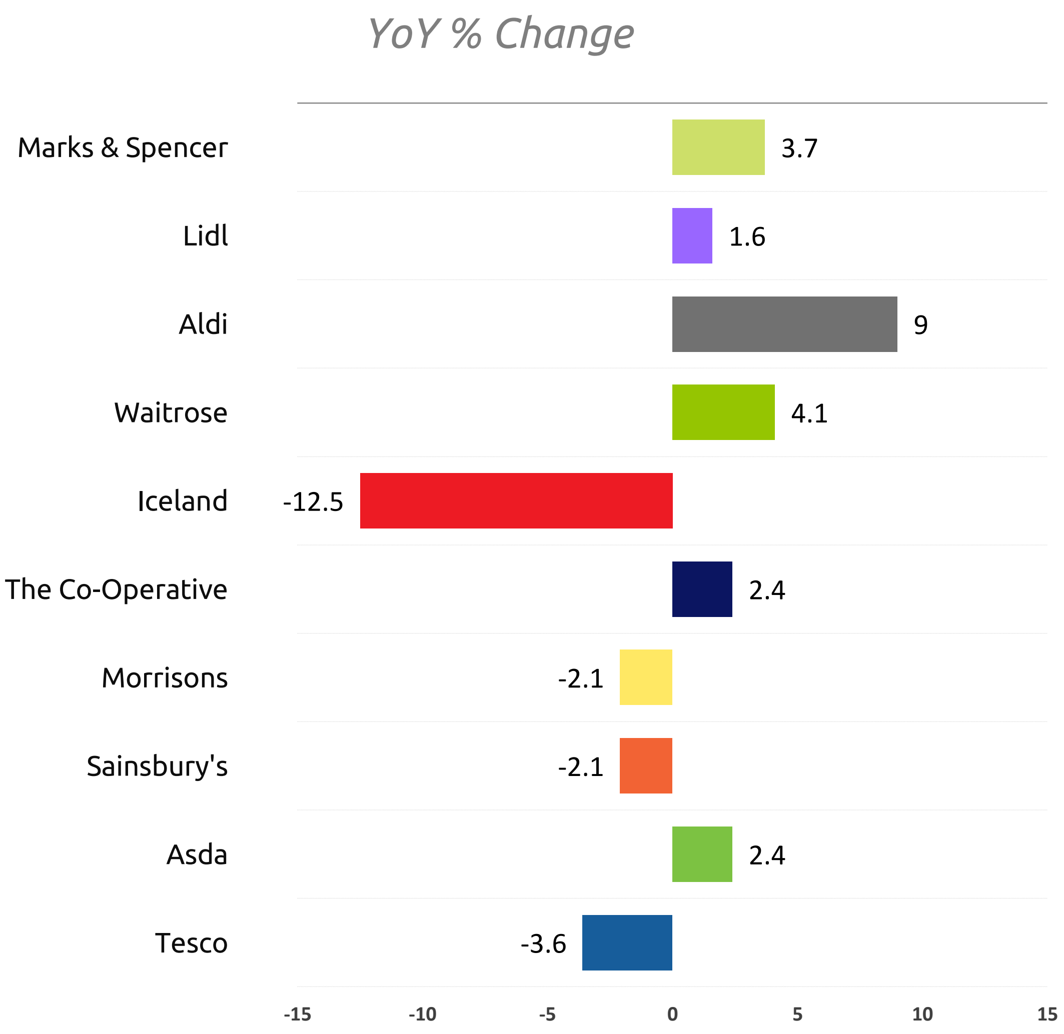
Aldi post by far the strongest growth in tomatoes; the premium end of retail also prospers.





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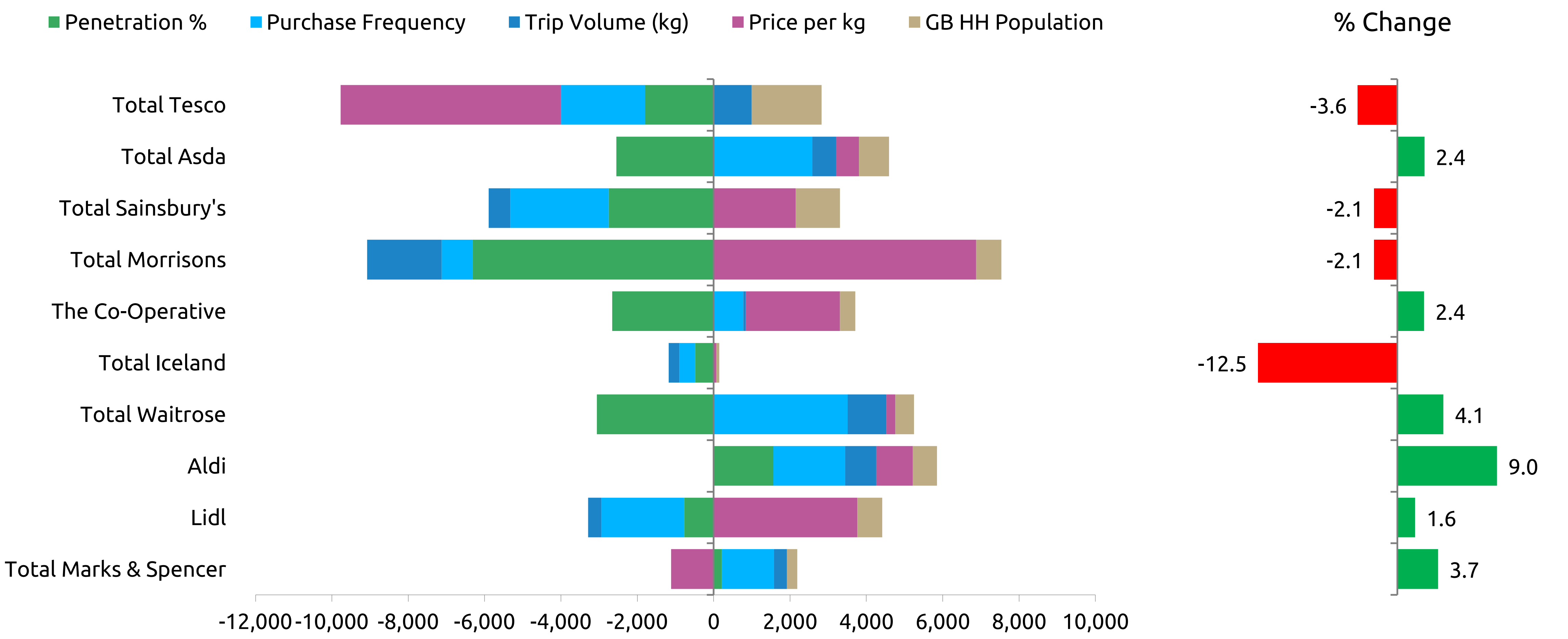
52 w/e 11th August 2019

Tesco's investment in price hasn't bought them shoppers, but they have lost fewer shoppers than Big 4 competitors.

Aldi and M&S are the only retailers in shopper growth.



What are Tomato shoppers buying more of as well as, or instead of tomatoes?

Watercress, Asparagus, Fresh Peas, Spring Greens and Spinach all feature in their baskets more.

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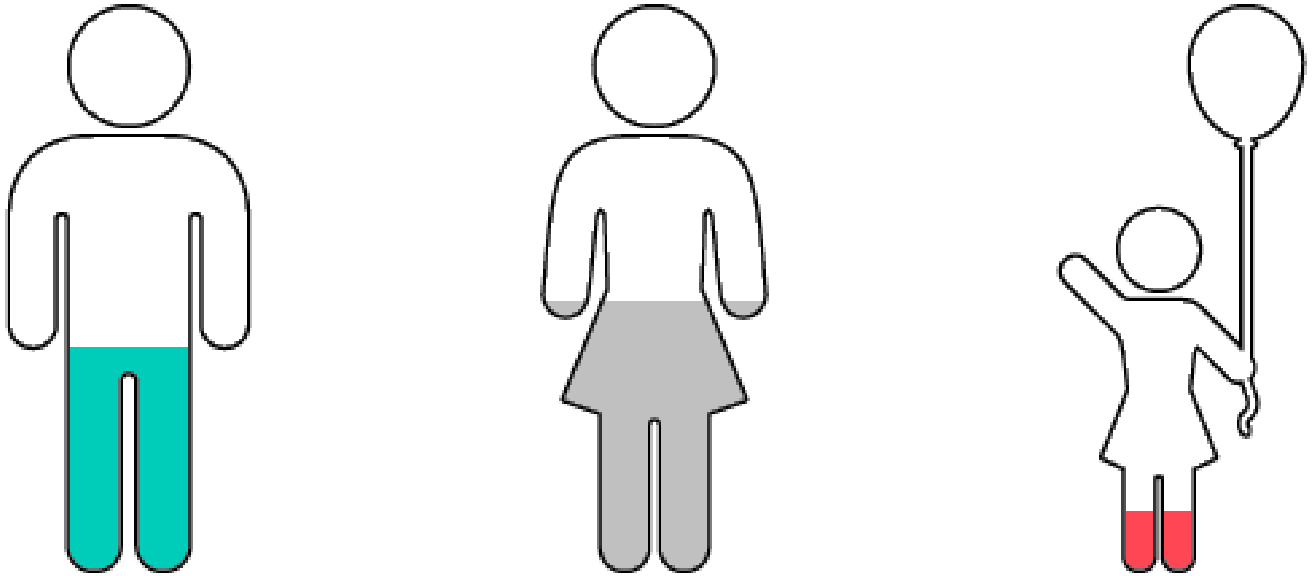
How do we drive higher engagement with tomato varieties?

How can we attract new consumers?

Children are the long term target – they under index vs total Produce.



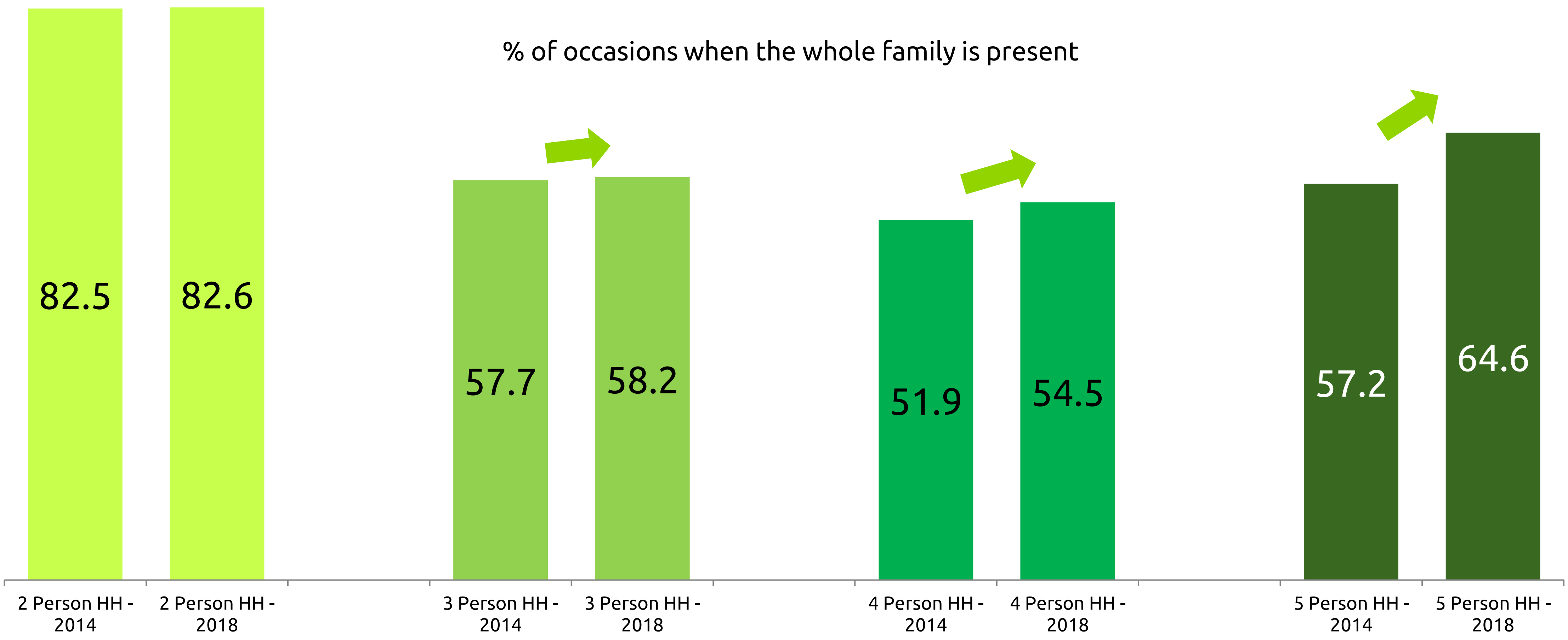
% tomato consumption	40.3	48.2	11.5
Index vs Produce	+8	+5	-31

No evidence that Veg Power has boosted children's Tomato consumption.

Children's tomato consumption is lower than last year.

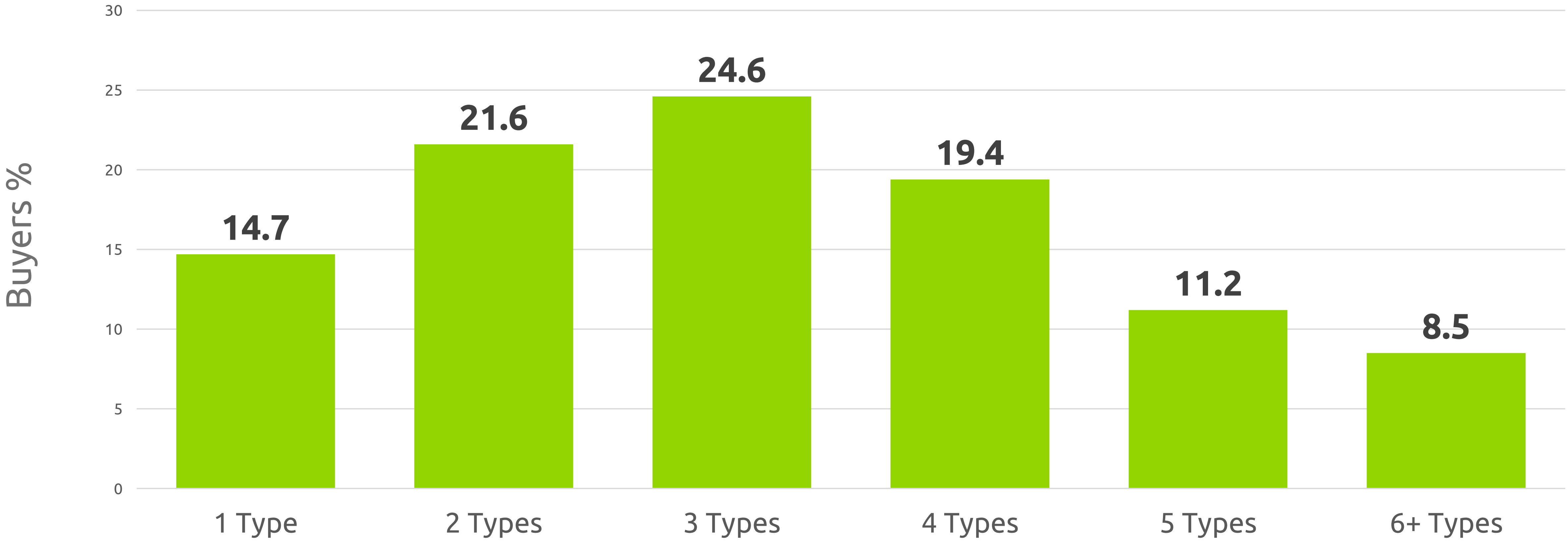
However there is still opportunity given the macro environment.

More families eating together means more chances to get Tomatoes into the meal.



How can we engage existing shoppers more?

Over a year, shoppers commonly buy multiple types of Tomatoes.



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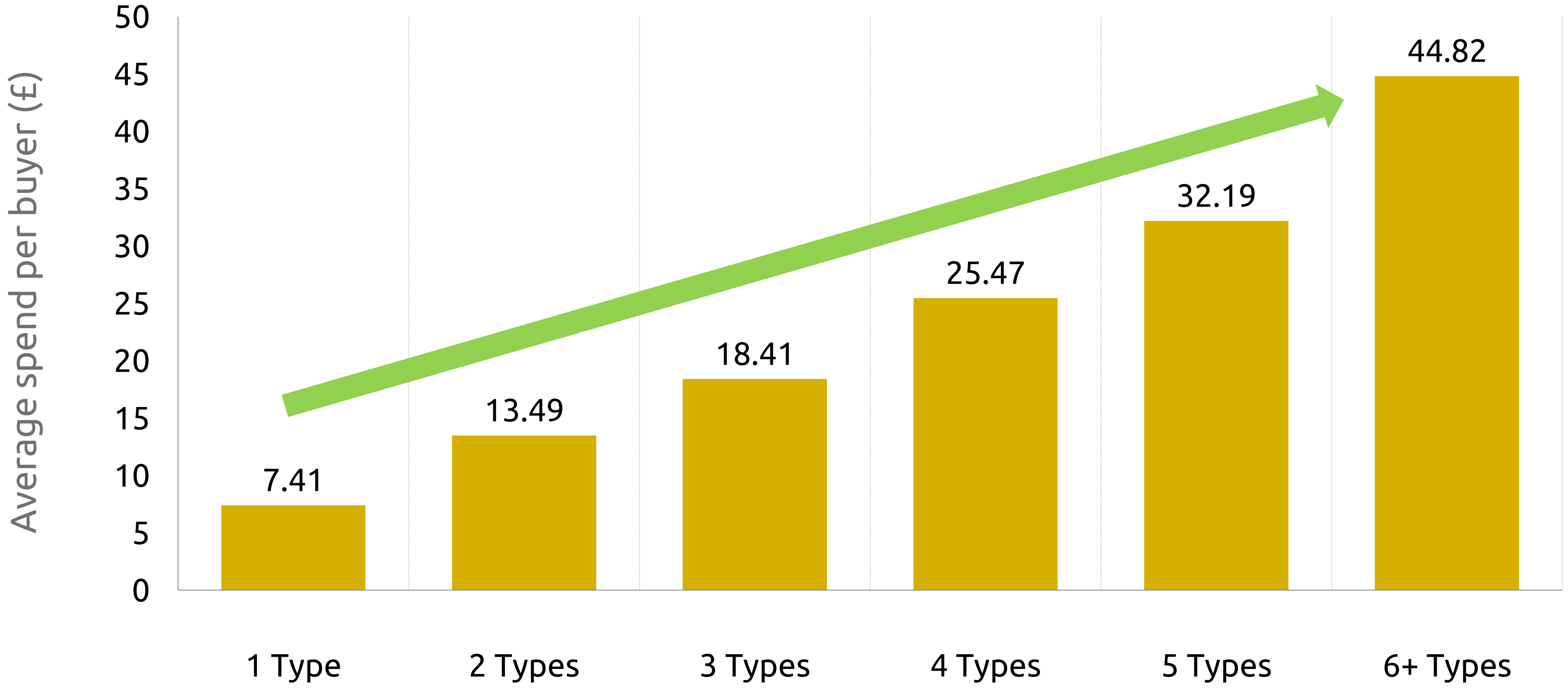
Total Tomatoes | Total Market | 52 w/e 11th August 2019

The more we can encourage shoppers to buy different varieties, the more valuable they are likely to be to the category.



Even small changes in behaviour can be lucrative.

Shoppers who buy 2 types	10% of them buy 3 types	£2.7M
Shoppers who buy 3 types	10% of them buy 4 types	£4.5M

Vine Tomatoes are a favourite for the more engaged shoppers; get shoppers to add Vines to their basket and trade them up!

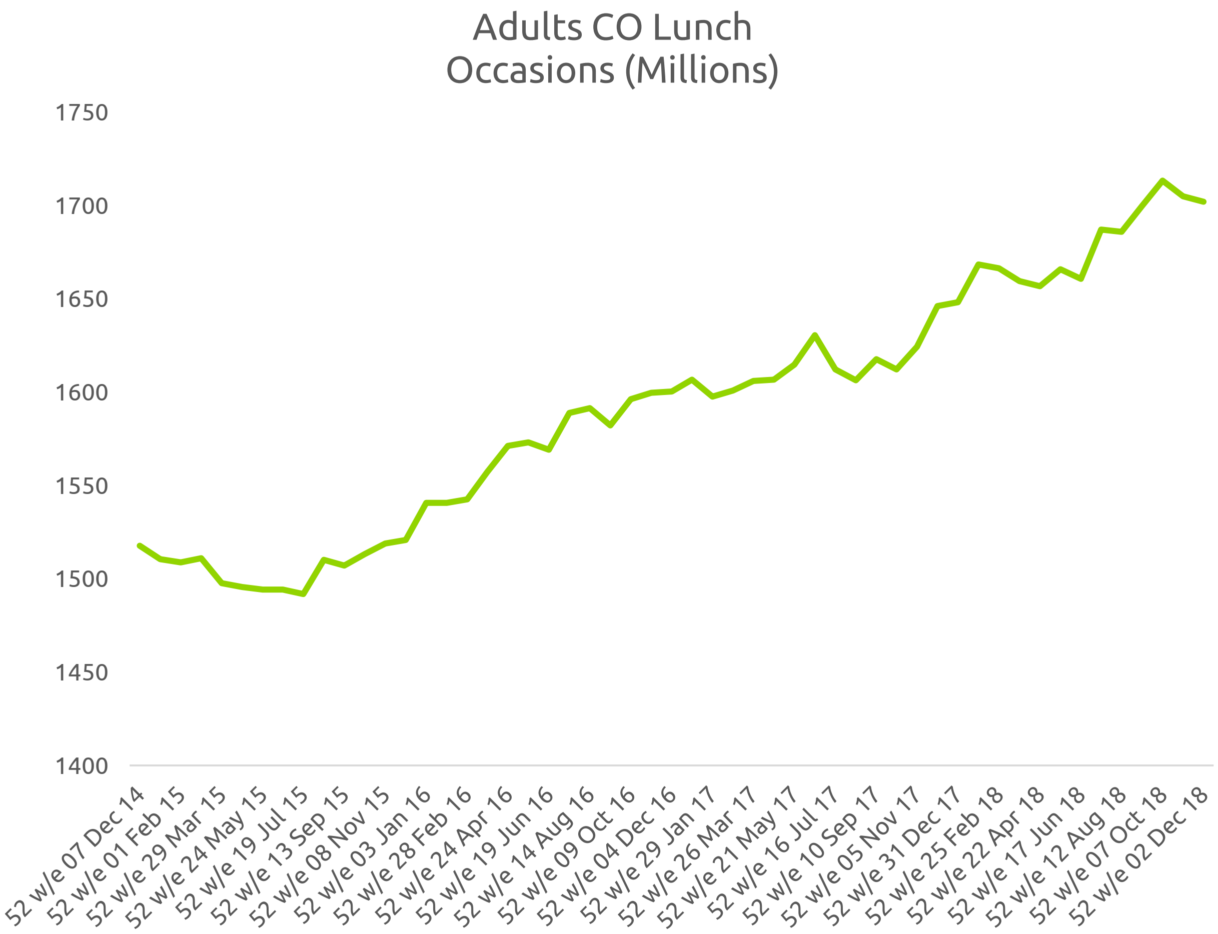
The further up the scale people move, the more likely they are to be **affluent**, **older**, shopping in **premium retailers** and buying **vine tomatoes**.

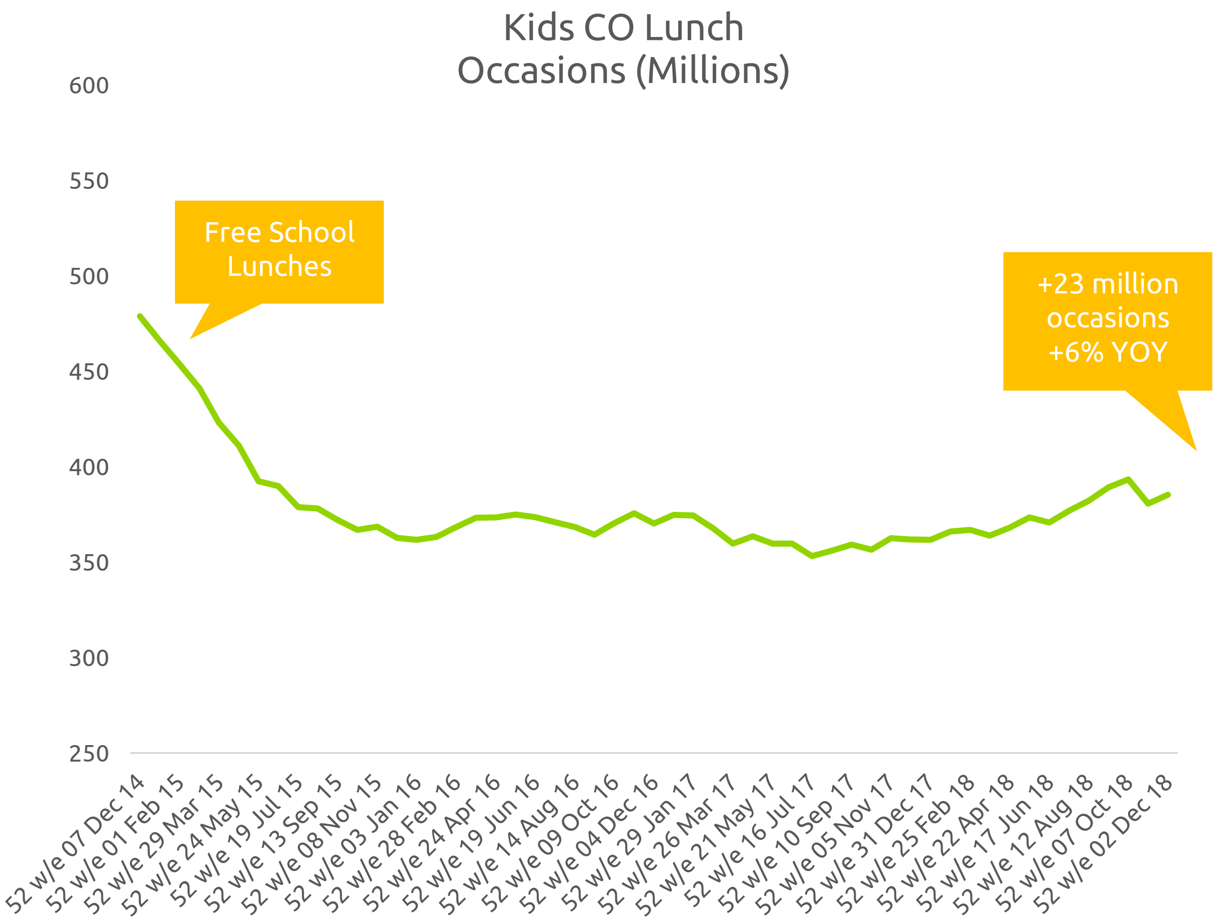
Which occasions provide the greatest opportunity?

We ate tomatoes on an additional 66m occasions this year.

In home lunch contributed 40m more occasions to this growth yet carried out lunch declined by 7m.

Adults are carrying out lunch more and more – get into their consideration set!

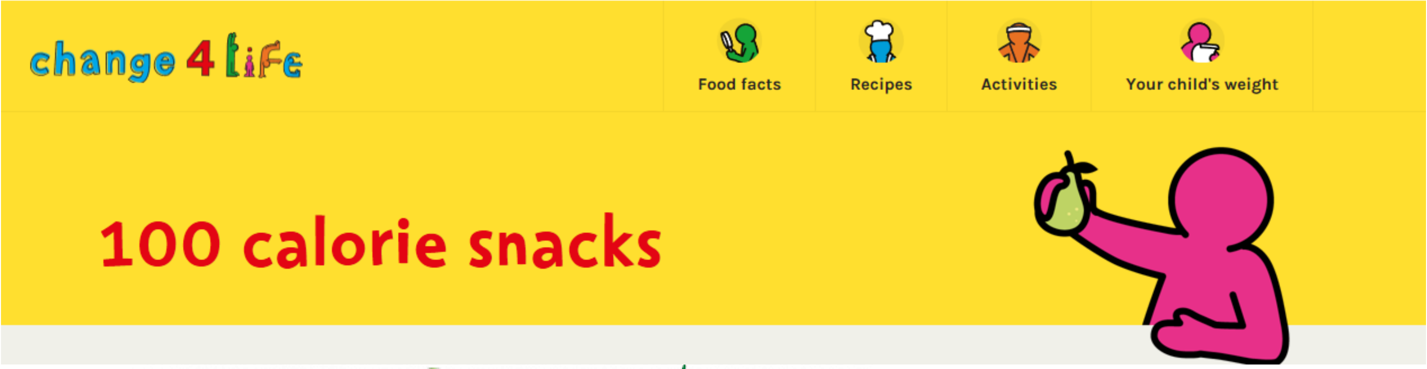




We have eaten tomatoes at 3 million more snacking occasions this year.

Other fresh produce is much more likely to feature as a snack. We are snacking more as a nation – Tomatoes can grow here.

Rivalling fruit as a snacking option is a big opportunity for cherry tomatoes in particular.



british TOMATO WEEK

The produce market grew by 2.7% while Tomatoes grew by 0.5%. Health drives growth throughout Grocery and Produce is no different – Tomatoes are not maximising this trend.

Ordinary, Vine and Cherry Tomatoes have struggled this year as nearly all retailers see shopper losses – often moving into adjacent salad sectors. We need to keep encouraging shoppers to buy into more sectors – the category will prosper!

Snacking remains a large opportunity for Tomatoes, it significantly under-indexes against total produce but is considered both more practical and more enjoyable in comparison.

Healthy snacking options for kids should be at the top of the agenda for future growth plans.