

Rising berry stars

Jane Richter, with data provided by Harvest to Home

Berries continue to be a rising star in the total fresh fruit category in Australia, with relative newcomer – the humble Blackberry – showing over 100% volume growth in the last year, albeit from a small starting base.

Sales volume of Blackberries has grown by 102.9% in the last year, but slightly less in value terms up by 92.0%, indicating a small decrease in the average price per kilo sold.

Raspberries continue to be a solid purchase for consumers with 7.5% growth in volume sales and 5.7% growth in sales value, but interestingly the proportion of total households reportedly purchasing Raspberries over the same period fell by 1%.

Strawberries are the most mature berry in the category, with 84% of all Australian households buying at least one punnet of Strawberries in the twelve months to 19 April 2020.

The Harvest to Home dashboard can be found at harvesttohome.net.au and provides a series of charts that help us to understand what is happening with individual berries with detailed data available for Strawberries, Raspberries and Blackberries, and some comparative data available for Blueberries.

It is important to recognise that the ‘what’ is only part of the equation; this data can’t tell us ‘why’ consumers are choosing to behave in these ways. For that information, a different type of research is required.



So, what does the current data tell us and how can those insights be used?

Let’s look at Raspberries first.

According to the data, 41% of households in Australia purchased at least one punnet of fresh Raspberries in the 12 months to mid-April 2020. This figure is what’s known as the ‘household penetration’ of fresh Raspberries. The next measure tells us that those households that are buying Raspberries, are buying them more frequently on average than they did in the previous year – in fact the average number of buying occasions are now at 7.2 which is more than fresh Oranges! In total terms, households are spending \$37.50 on average on Raspberries during the year with a total volume purchased of 1.1kg. The final measure lets us look at how much is typically purchased on each buying occasion and it looks like consumers are still generally buying just one punnet each time they buy.

Who is buying these Raspberries?

The Nielsen data allows us to identify several factors about the buyers; their lifestage; household income; age of the main shopper and the size of the household. This enables us to build up a picture of the Raspberry buyer in comparison to the average fruit buyer. Raspberry supply has increased substantially over the last 2-3 years and with this increase in supply has come with a lower average retail price, making a punnet of raspberries an affordable item for families. The lifestage analysis shows us that ‘Start-up Families’ have increased their Raspberry purchasing dramatically in the last year, as well as being the largest total volume buying lifestage with 1.2kg purchased. Half of all households with children aged 17 or less are buying Raspberries making it a firm family favourite in the making.

What are the insights we can draw from this information?

To increase sales of Raspberries there are two main avenues open; to increase the total pool of consumers that purchase Raspberries (increase household penetration) or to sell more Raspberries to the 41% of households that are already buying Raspberries (increase weight or frequency of purchase).

To encourage new purchasers, one of the marketing techniques often used is to offer consumers the chance to try before they buy. Operating tastings where the fruit is sold can be a relatively cost-effective method for attracting new purchasers to a category. Other techniques that are often used in packaged goods include money-back guarantees, mail-in discounts or even a gift with purchase; all of which are designed to offset the perceived risk of purchasing something that a consumer is not familiar with.

It is generally acknowledged that it is easier to sell more of an item to consumers that are already 'bought in' to the category, than it is to convert a consumer to purchasing a product they have never bought before.

With 41% of households already buying Raspberries, a simple way to increase the amount purchased could be to introduce a larger punnet size when the fruit is in higher availability. Increasing the pack size obviously sells more volume per transaction and assuming the size increase wasn't too substantial, is unlikely to put off would-be purchasers.

Other tactics that retail outlets often employ include offering a promotional discount for buying more punnets on each occasion – buy 2 for \$X, and even using the tactic commonly found at cafes – the frequent sippers card approach to increase the number of times a consumer buys in order to gain a 'prize' of some kind. Generally, these latter tactics are controlled by the retailer, and in Australia retail sales are dominated by a number of large players, making a change in punnet size a logical idea to explore.

Some of the data can even help to suggest what type of social media strategy to use to help grow sales. Knowing that families with children are a key and growing lifestyle for Raspberries would also suggest promotional tactics that focus on showing families quick and easy ways to add Raspberries to their everyday favourites as opposed to long and complicated 'entertaining' recipes that just don't fit into a busy family lifestyle.

Blackberries are booming

An additional 10% of households are buying blackberries in the latest data period as compared to the year prior, with household penetration now at 29%. As would be expected from a relatively new berry, the average number of buying occasions is still very low at just 3.2 but this can also be a factor of their availability in the market; blackberries are still only available in short seasonal bursts.

Much like Raspberries, it appears that consumers currently only buy a single punnet when they do purchase Blackberries. It looks like families are yet to really discover the humble Blackberry, with a skew towards the modern day SINKs and DINKs*. Blackberries are comparatively expensive and so it won't surprise anyone that it is higher income, smaller households and older shoppers doing much of the buying currently.

To grow the sales of Blackberries further, better availability will act as a natural driver given one third of households are already prepared to give them a go. Finding ways to get new consumers to try the Blackberries that are available will also be key; the new varieties being introduced are larger, juicier with more flavour than many consumers will have experienced in a Blackberry before so trial tactics will be essential for growth.

This is just a small section of the insights that can be gleaned from a review of the data available at Harvest to Home. The information is updated approximately every six months with the previous year available to provide a window onto the longer term trends.

Why not check it out for yourself at www.harvesttohome.net.au

The logo for Harvest to Home features the word "HARVEST" in a large, bold, orange, sans-serif font. Below it, the words "TO HOME" are written in a smaller, dark brown, sans-serif font. The "TO" is positioned between the "V" and "E" of "HARVEST" and the "H" of "HOME".

* Single Income No Kids and Double Income No Kids