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## Media Release

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**FOR IMMEDIATE RELEASE**

### **BANANA AND BROCCOLI SALES FALL AS FLOODS AND YASI BITE**

- *March quarter fresh produce industry volumes down nine percent*
- *Shortages of favourites not to be replaced in many households*
- *Sky-high banana prices force consumers to seek alternatives*

**SYDNEY – May 3, 2011:** According to research undertaken by The Nielsen Company in quarter one of this year (17-23 February), Australians are likely to be eating less fruit and vegetables in coming months as retail prices soar after floods and Cyclone Yasi devastated many key agricultural areas. Over 1,500 consumers were surveyed online about their likely buying behaviour following the natural disasters, which have led to major supply shortages and quality problems, especially in the banana and broccoli industries.

Bananas are an Australian household favourite, with 87 percent of consumers surveyed claiming regular purchase, on average about every two weeks. However, when asked what they would do if the price was to exceed \$7.00 per kilo, only one in five said they would continue to buy the same amount of bananas they were buying before Cyclone Yasi hit.

According to Nielsen's research, 19 percent of consumers said they would not replace bananas with any other fruit purchase. Of those consumers who said they would buy fewer bananas, 80 percent would replace bananas with an average of five other fruit varieties. Apples were recorded as the main banana substitute, with 49 percent of consumers stating that they would buy apples instead of bananas, followed by grapes (32%), oranges (28%), strawberries (27%), nectarines (26%) and pears (26%).

"Bananas and apples are the favourite fruit snack as they're both easy to eat and convenient to carry. With the higher banana prices, consumers will be seeking alternatives, and this provides an opportunity for suppliers in other fresh fruit categories, at least until the banana supply is re-established in late winter," commented Michael Locke, associate director and fresh produce specialist for The Nielsen Company.



In the vegetable category, it's a similar story for broccoli. Seventy-six percent of consumers surveyed said they regularly bought broccoli, with the average household purchase being monthly. When asked what they would do if the price went above \$5-\$6 per kilo, one in every two consumers said they would buy less broccoli if the price reached \$5-6 per kilo. Of the consumers who said they would buy less broccoli, 16 percent said they wouldn't replace it with another vegetable, meaning that a massive 84 percent of consumers who would buy less broccoli would switch to an alternative broccoli offering.

The Nielsen research also found that like bananas, there were multiple replacements for broccoli. Cauliflower was recorded as the main broccoli substitute, with 45 percent of consumers saying they'd buy cauliflower instead of broccoli. Consumers quoted, on average, five different vegetable alternatives for broccoli, which were beans (36%), zucchini (33%), spinach (31%), carrots (26%) and bok choy (26%).

"Our research shows that almost half of consumers surveyed would switch to cauliflower if broccoli was to increase to \$5-6 per kilo as a result of the recent flooding. There are again a number of opportunities for vegetable suppliers to fill this gap.

"The impact of high prices is confirmed by our Nielsen Homescan panel, which shows total household purchase volumes of both fresh fruit and vegetables in the March quarter 2011 are nine percent below the same period last year, even though value is up by seven percent. Interestingly, while the majority of households in Australia also buy fruit and vegetables in canned or packaged form, over half claimed they would not increase purchases of these forms to replace fresh.

"Overall, the natural disasters of recent months are likely to impact the healthy eating habits of Australians in the short-term, with fewer fresh fruit and vegetables being consumed until retail prices fall back to more normal levels, but until this happens, there will be a lot of movement between the fresh produce categories as shoppers seek the best value solution for their budgets," Locke concluded.

#### **About The Nielsen Company**

The Nielsen Company (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and related assets. The company has a presence in approximately 100 countries, with headquarters in New York, USA. For more information on The Nielsen Company, visit [www.nielsen.com](http://www.nielsen.com).

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