THE IRISH FAMILY: HOW THEY LIVE AND SHOP

THOUGHTS ON...

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The Central Statistics Office (CSO) 2016 census revealed 862,721 families with children living in Ireland, an increase of 28,455 since 2011. Despite this growth in the number of families with children, the days of the stereotypically large Irish family are fading fast. Only 4,000 households have six or more children, while the average number has declined steadily to just 1.38 – down from 2.0 in 1991. Understanding how this changing family unit shops, how they eat and their attitudes to food and drink is vital for brands and retailers alike.

Shifting shopping baskets: how families shop

Grocery spending habits have shifted over time. According to the CSO, as disposable income has grown the proportion of spending on food has fallen – from 28% in 1980 to 15% in 2016. Families with children currently account for 34% of grocery spending, averaging 214 shopping trips each year and spending just under €30 each time. In contrast, households without children make 296 shopping trips on average, spending a little over €20 per trip. Although those with children shop less frequently than those without, they are making an additional 23 trips annually compared to five years ago.

The way families shop is also changing. They may spend around €10 more per trip than non-families, but the familiar "trolley shop" associated with time-poor parents – featuring items from ten or more different categories – is becoming a less regular fixture.

Instead, families are becoming more likely to visit the shops with something specific in mind: visits to stock up primarily on alcohol or treats like snacks, chocolate or fizzy drinks have increased by over 30% during the past five years.

Online shopping by families is worth

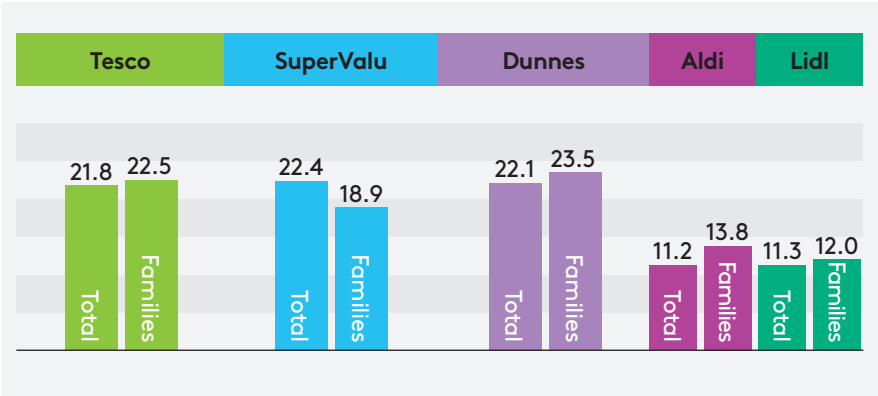
€107 million

Understandably, families are also increasingly likely to take refuge behind a screen: online shopping among this demographic has grown by a whopping 87% since 2012 and is now worth €107 million – up from €58 million.

Families' favourite supermarket is Dunnes Stores, attracting the highest proportion of spending from this group. This is due in part to the successful 'Shop & Save' campaign. During the past three years, Dunnes has managed to attract an additional €162 million from families. Of that, 94% has come from shops larger than €100, which qualify customers for €20 off their next visit under the scheme. Beyond 'Shop & Save', Dunnes Stores also sees Ireland's highest spending on promotion – another tick in the box for families looking to save some cash.

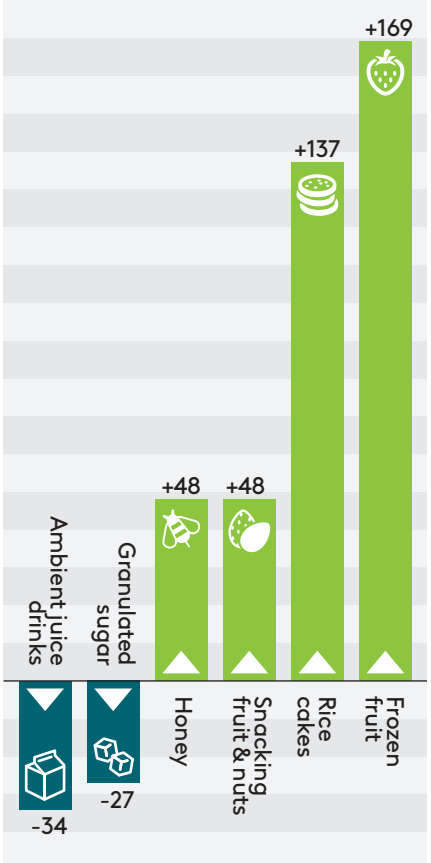
So how should retailers and brands respond? Families shop less frequently, but buy more each time. With fewer opportunities to make an impression but a bigger spend to tap into, retailers need to make every trip count through everything from ranging to store layout.

Retailer share of total grocery spend vs family grocery spend
%, 52 w/e August 2017



An appropriate proportion of promotions should reflect families' desire to save money and the tendency to buy in bulk. The huge growth of online shopping in recent years is also a strong signal to retailers: families are open to this approach, so make the process as appealing and straightforward as possible.

Ireland's shopping baskets are getting healthier
Volume sales change since 2012, %



How families eat: the health factor

Around one in four children in Ireland is either overweight or obese. In an effort to address the problem, the Department of Health last year published A Healthy Weight for Ireland: Obesity Policy and Action Plan 2016-2025, along with recommendations for healthy eating and physical activity.

But do strategies like this make a difference? Irish consumers are certainly becoming more mindful of health concerns – over two thirds are concerned about sugar, with 90% actively trying to reduce the amount they eat. 60% are taking steps to increase their fibre intake, while a similar number are making efforts to eat foods high in vitamins and minerals.

There are some encouraging signs in the nation's shopping baskets, too. Over the past five years, Irish families have started to move away from sugary snacks and opt for healthier alternatives, driving volume declines in categories including granulated sugar and ambient juice drinks. At the same time, families have been filling their baskets with more honey, rice cakes, frozen fruits and snacking fruit and nuts.

Their shopping baskets may be getting healthier, but the average family hasn't quite embraced "super foods" yet: it's those that fall into the pre- and post-family categories driving the growth in products like avocados (+158%), peanut butter (+125%) and instant porridge (+86%) during the past five years.

> Could better labelling or promotional strategy help shift the focus to fresh foods?

How can retailers and brands tap into this growing appetite for healthier products? A great place to start is making everyday products work harder. Shouting about the health benefits of ingredients in a way that is appealing and accessible for families could mean better labelling, or a promotional strategy which focuses on fresh foods.

There is also a vast opportunity for new product development across all price points. For example, in August 2017 Lidl launched its new Healthy Co. line in Ireland. The range – which includes chickpea pasta, a high-protein chocolate hazelnut spread and organic coconut oil – looks to give health-conscious shoppers an affordable way to access the latest healthy eating ingredients.

Family favourites

They may be more health-conscious, but when it comes to cooking at home Irish shoppers prefer to stick to what they know. The vast majority of families agreed with the statement "a home-cooked meal is unbeatable", and nine out of 10 families eat dinner at home at least four times a week. Only a quarter of families spend between 40 and 60 minutes preparing their weekday evening meals, but this rises to a third on Saturdays and Sundays when families have more time and are more likely to try new dishes.

When it comes to breakfast, convenience is king during the week; nearly half of weekday breakfasts take under five minutes to prepare. Meanwhile, the weekend provides an opportunity to relax and take longer preparing the first meal of the day – up to 25 minutes on average.

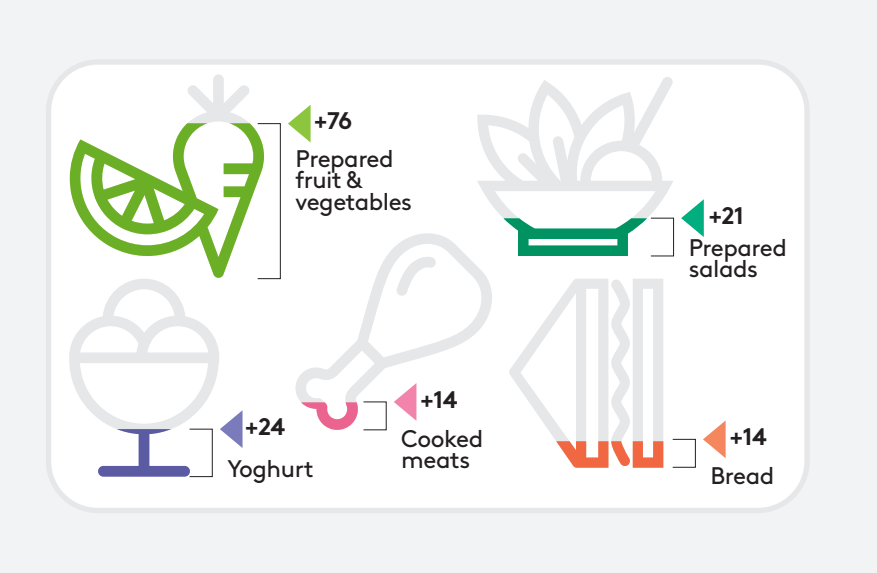
To better meet families' needs, retailers should think about positioning the ingredients for a home-cooked meal together in store to inspire shoppers and make cooking from scratch less daunting. SuperValu's Good Food Karma and Let's Get Ireland Cooking campaigns – encouraging families to embrace whole foods and cook from scratch by providing recipes, competitions and bespoke offers – are great examples of this approach in action.

What's for lunch?

Lunch is the meal most commonly enjoyed outside the home – almost one in every five is eaten on the go. Rather than buying lunch out, a high proportion of Irish families rely on the trusty lunchbox: 78% of families – 302,000 – send their kids off with a packed lunch, while in 56% of cases (218,000 families) the adults follow suit.

The most popular lunch box components have seen considerable growth in volume sales over the past five years, as packed lunches have gained popularity. The number one reason to opt for a lunchbox is to ensure a healthy and nutritious meal, while saving money was the second most common motivator.

Ireland's most popular lunchbox items
Increase in volume sales since 2012, %



Prepared fruit and vegetables, prepared salads, yoghurt, cooked meats and bread are the most commonly chosen lunchbox items, all seeing double digit growth as shoppers aim for a balanced lunch. For those families who don't use lunchboxes, a lack of time was the most oft-repeated reason.

Broadening ranges of products designed specifically for lunchboxes – snack-sized items and prepared fruit and vegetables – would be a convenient shortcut for busy parents and an easy win for retailers.

Supermarkets also need to sell the benefits of lunchboxes to those who currently eat out for lunch. Again, this could mean grouping the most popular items together in stores to persuade shoppers that lunchboxes are a convenient option, or running 'back to school' promotions to get parents into the habit of packing lunches.

Getting your offer right

While it can be tempting to think of shoppers in isolation, understanding the shape and variety of their households is incredibly important.

To take advantage of the significant potential spend from families, retailers should bear in mind the following:

- Health – as Irish households become more concerned about wellbeing, retailers need to make healthy eating easier and more accessible
- Convenience – families need time-saving solutions, from shopping online to pre-prepared options and quick recipe ideas
- Value – budget-conscious parents are looking for competitive pricing and appealing offers

METHODOLOGY

All primary data used in this report comes from our grocery shopper panel, which continually measures the purchasing behaviour of 5,000 demographically representative households in the Republic of Ireland.

We collect information on what they are buying, where they have bought it and why. This allows us to develop a detailed picture of the Irish retail market. The potential level of detail available on the panel goes well beyond that used in this report to help manufacturers and retailers really understand their performance at a granular shopper level.

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