































































































































































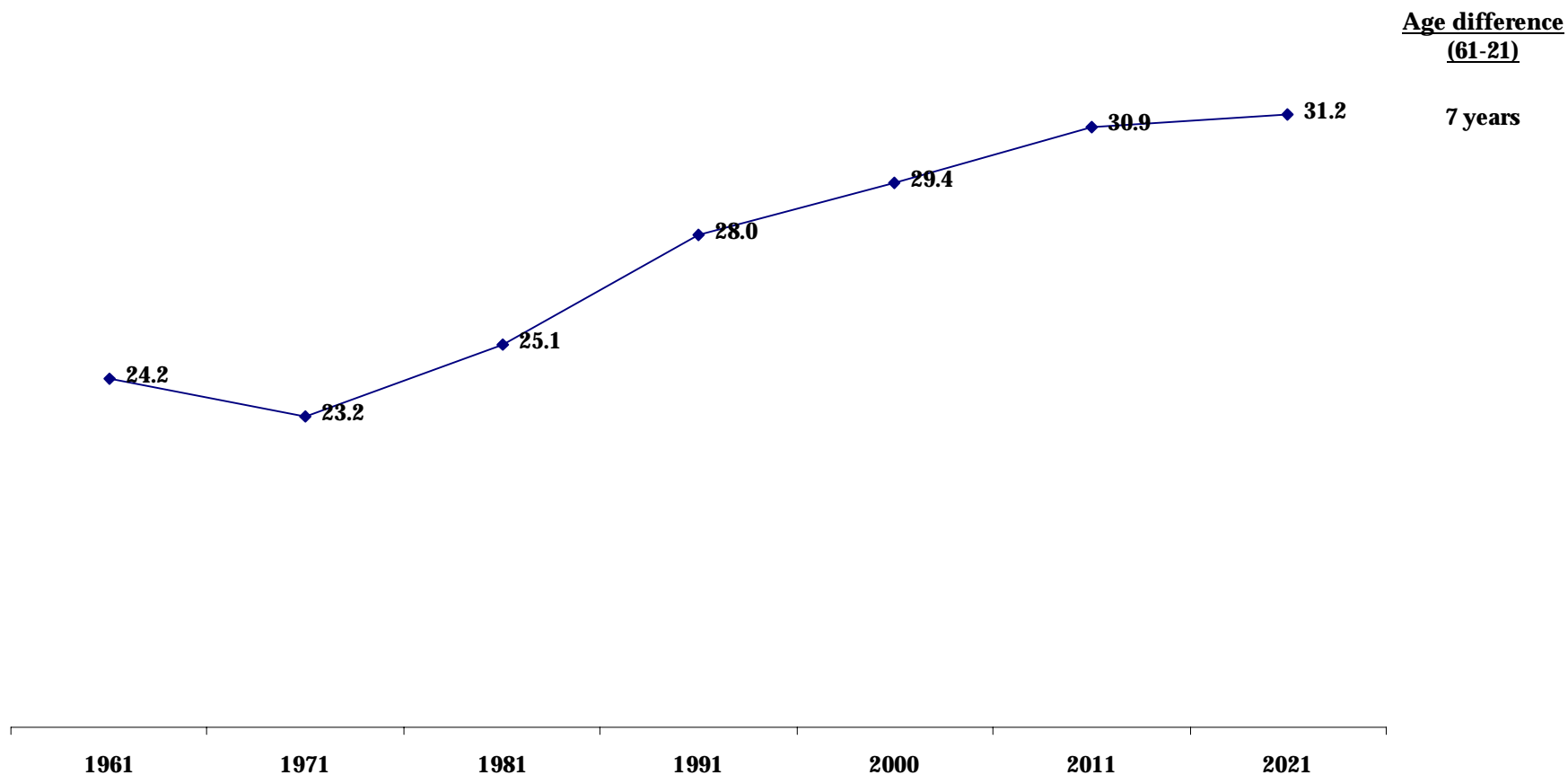






**Women are choosing to have fewer children later in life**

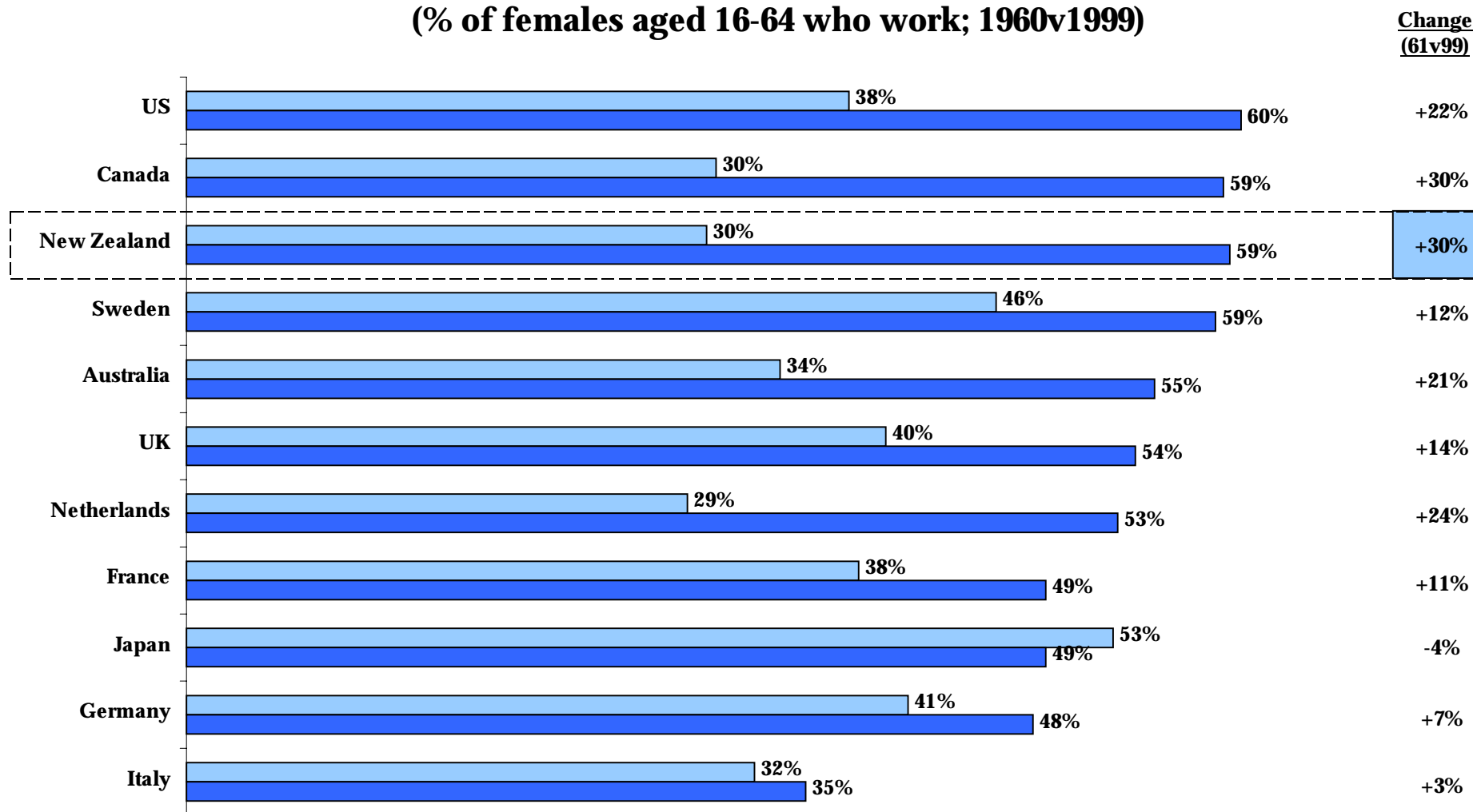
**AVERAGE AGE OF NEW MOTHERS**  
**(Average age at birth of first child; 1961-2000)**



**New Zealand women have doubled their participation in the workforce in the past thirty years, the largest shift in the developed world**

**FEMALE PARTICIPATION IN THE WORKFORCE<sup>1</sup>**

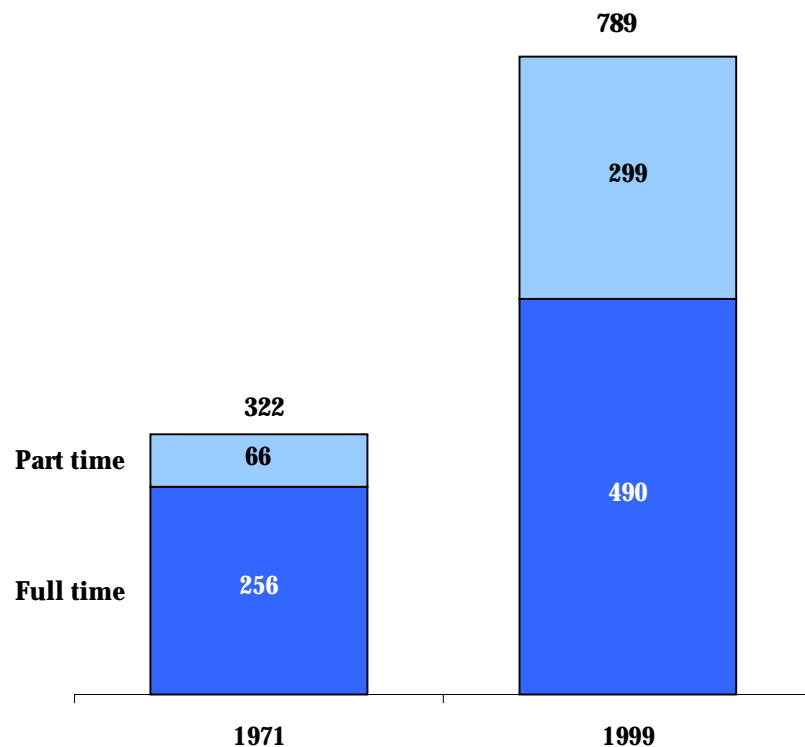
**(% of females aged 16-64 who work; 1960v1999)**



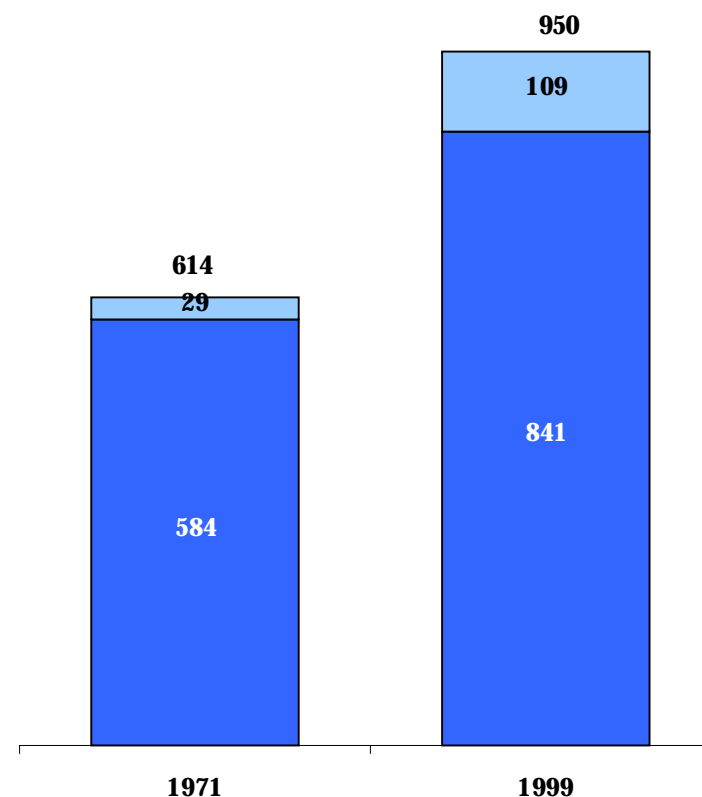
**However, New Zealand women are more likely than men to work part time, partially in an attempt to balance their family requirements**

**EMPLOYMENT BY GENDER**  
**(Thousands; 1971 vs. 1999)**

**FEMALE EMPLOYMENT**



**MALE EMPLOYMENT**



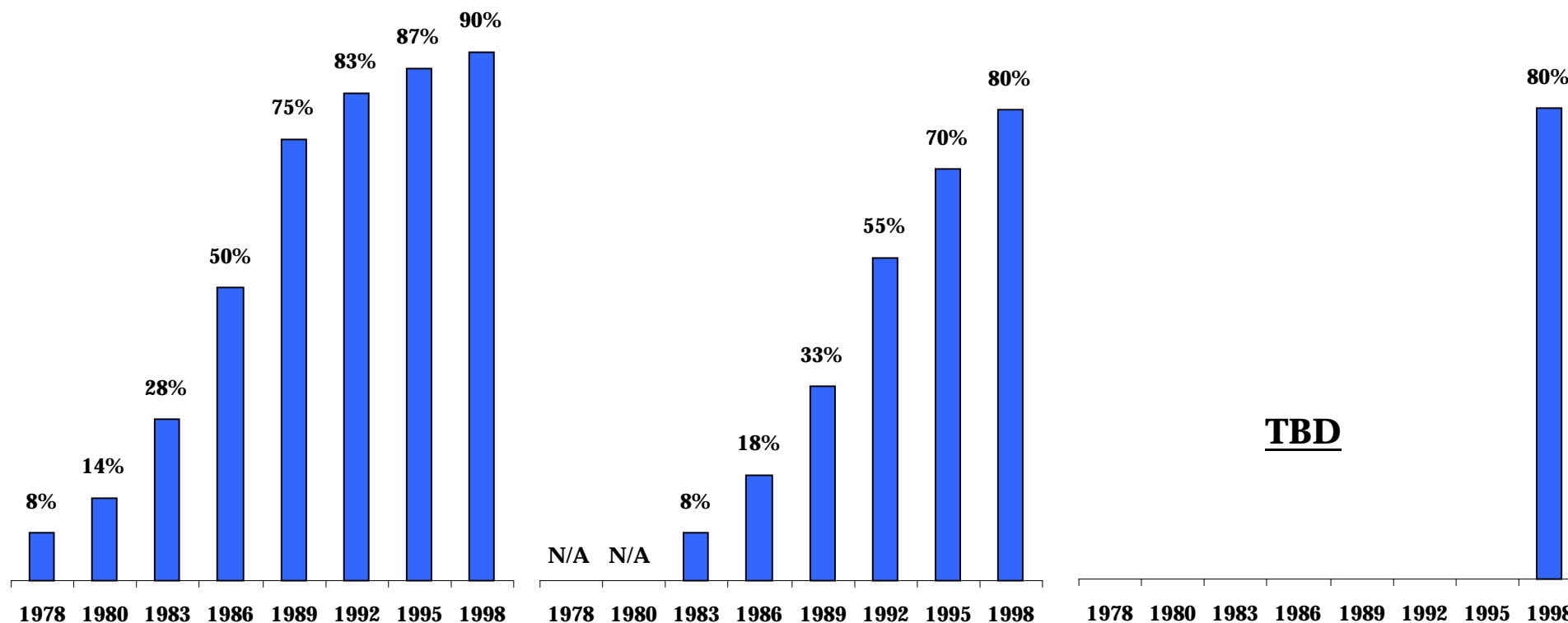
**As one example, this reduced time availability has led to rapid adoption of the microwave**

**HOUSEHOLDS WITH A MICROWAVE**  
**(% of households; 1978-1998)**

**United States**

**United Kingdom**

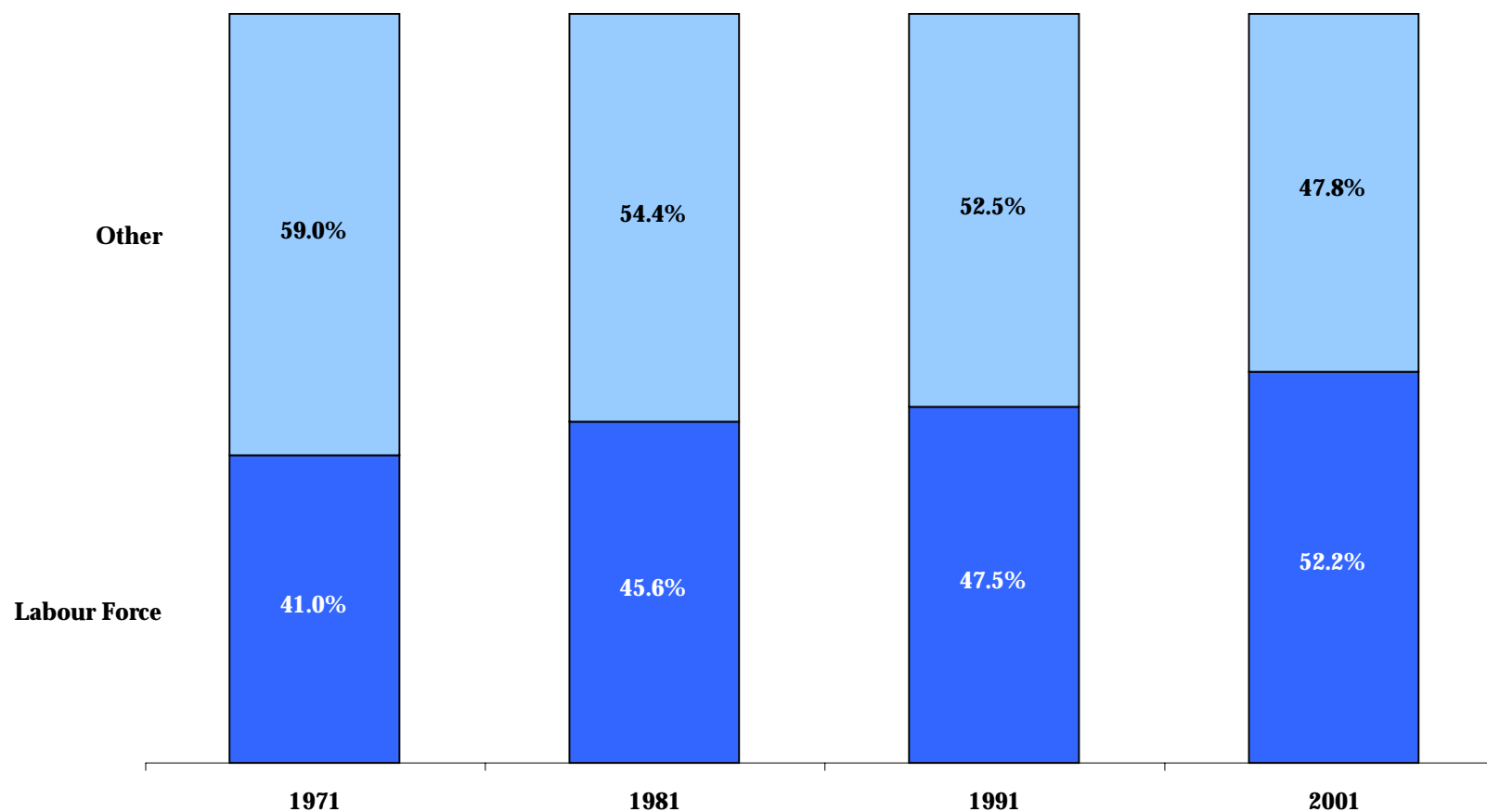
**New Zealand**



**TBD**

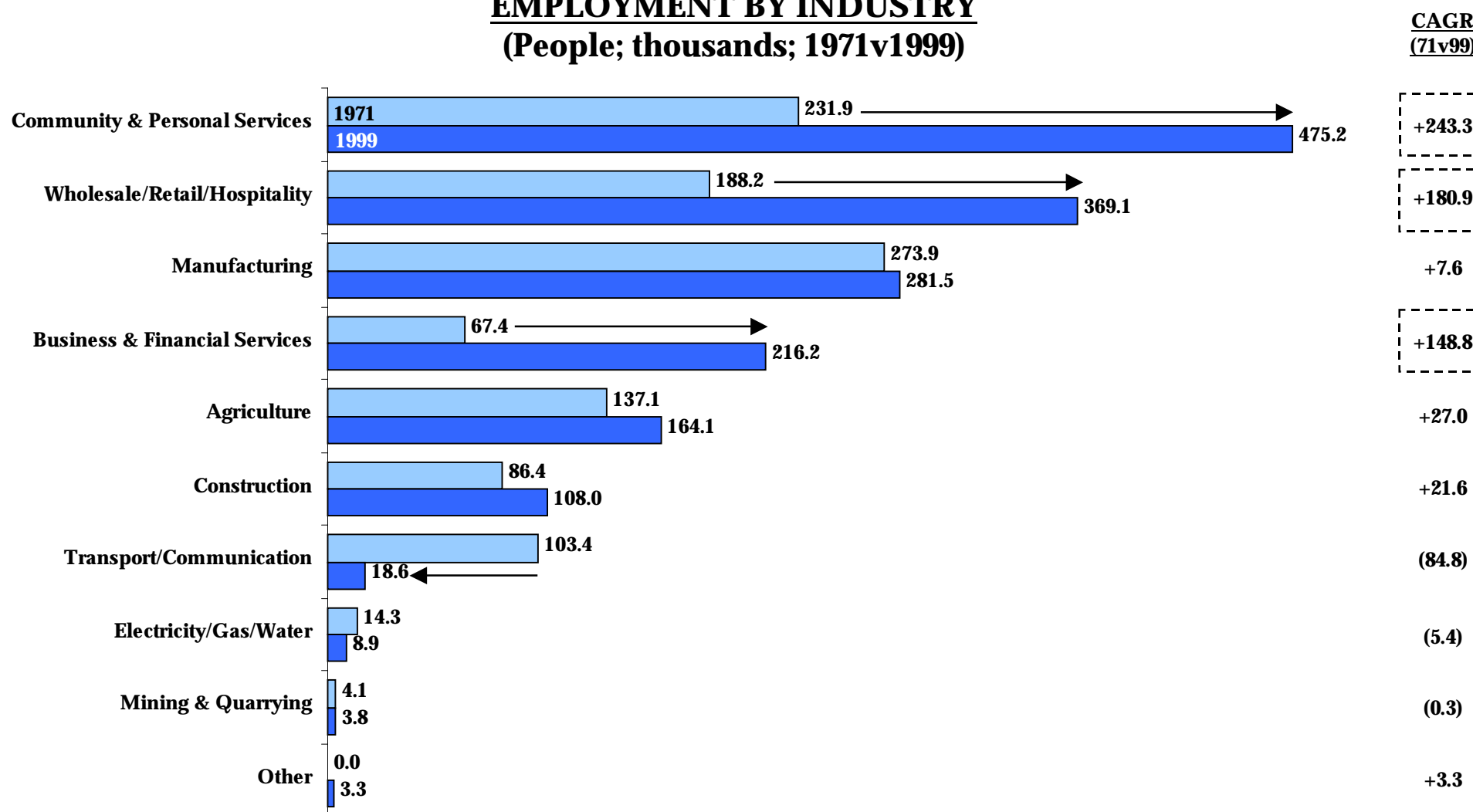
**A larger percent of the total population is working...**

**PARTICIPATION IN THE LABOUR FORCE**  
**(Percent of total population in labour force; 1971-2021)**



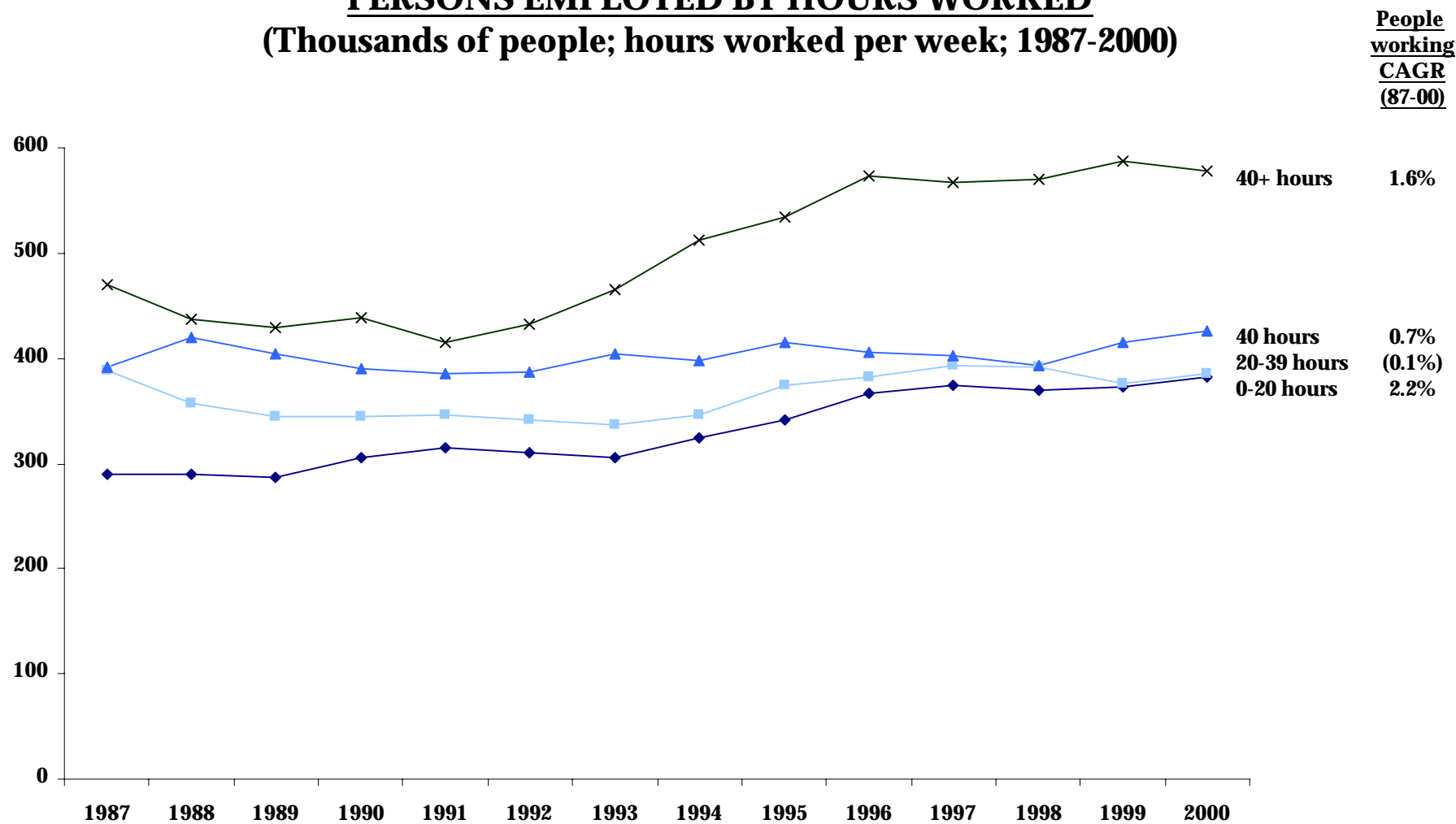
... primarily in the service industries

**EMPLOYMENT BY INDUSTRY**  
(People; thousands; 1971v1999)



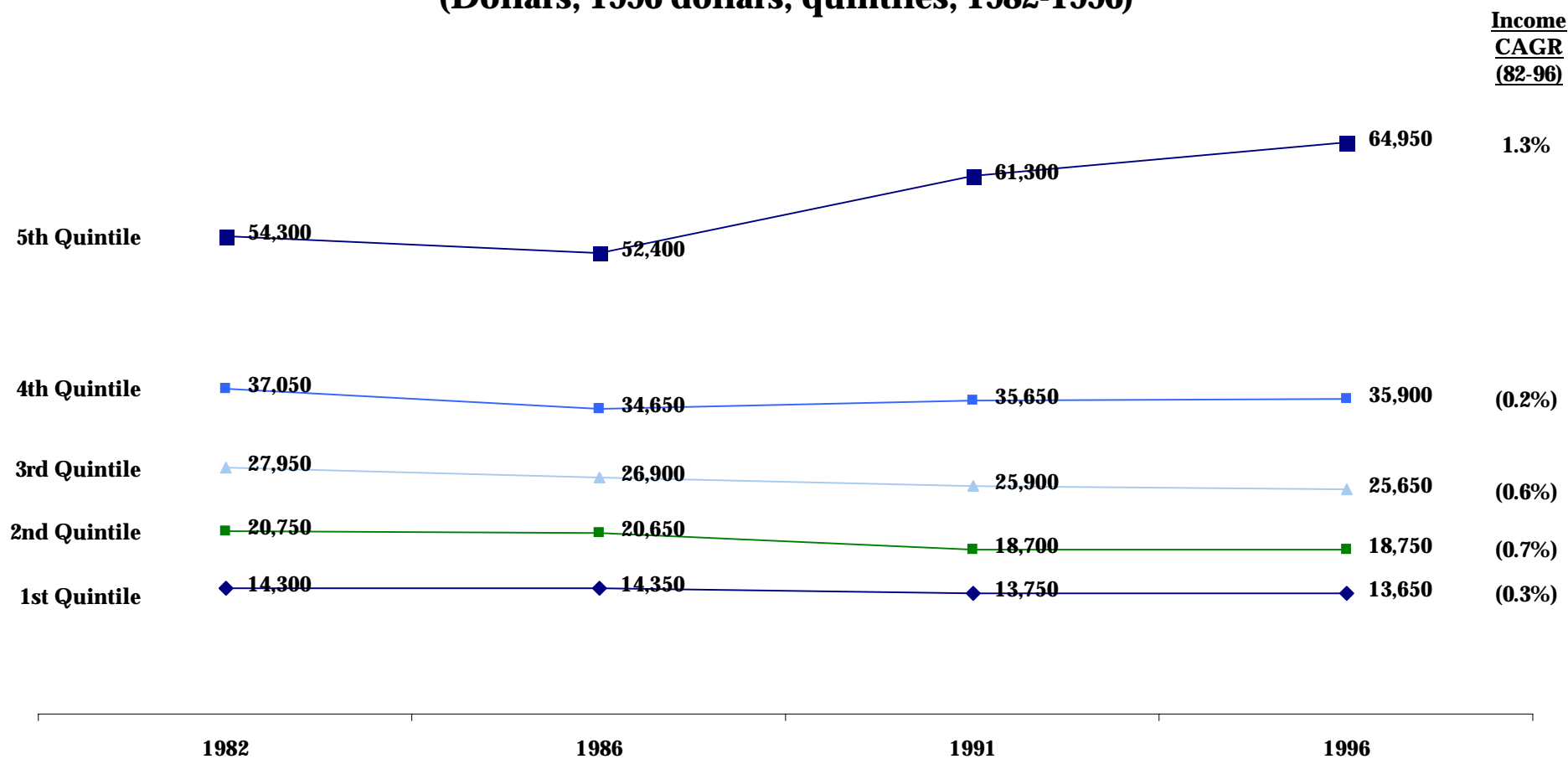
**An increasing numbers of people are working longer hours**

**PERSONS EMPLOYED BY HOURS WORKED**  
**(Thousands of people; hours worked per week; 1987-2000)**



**However, this hard work is not necessarily translating into income - the rich are getting richer while the rest of the population has falling real incomes**

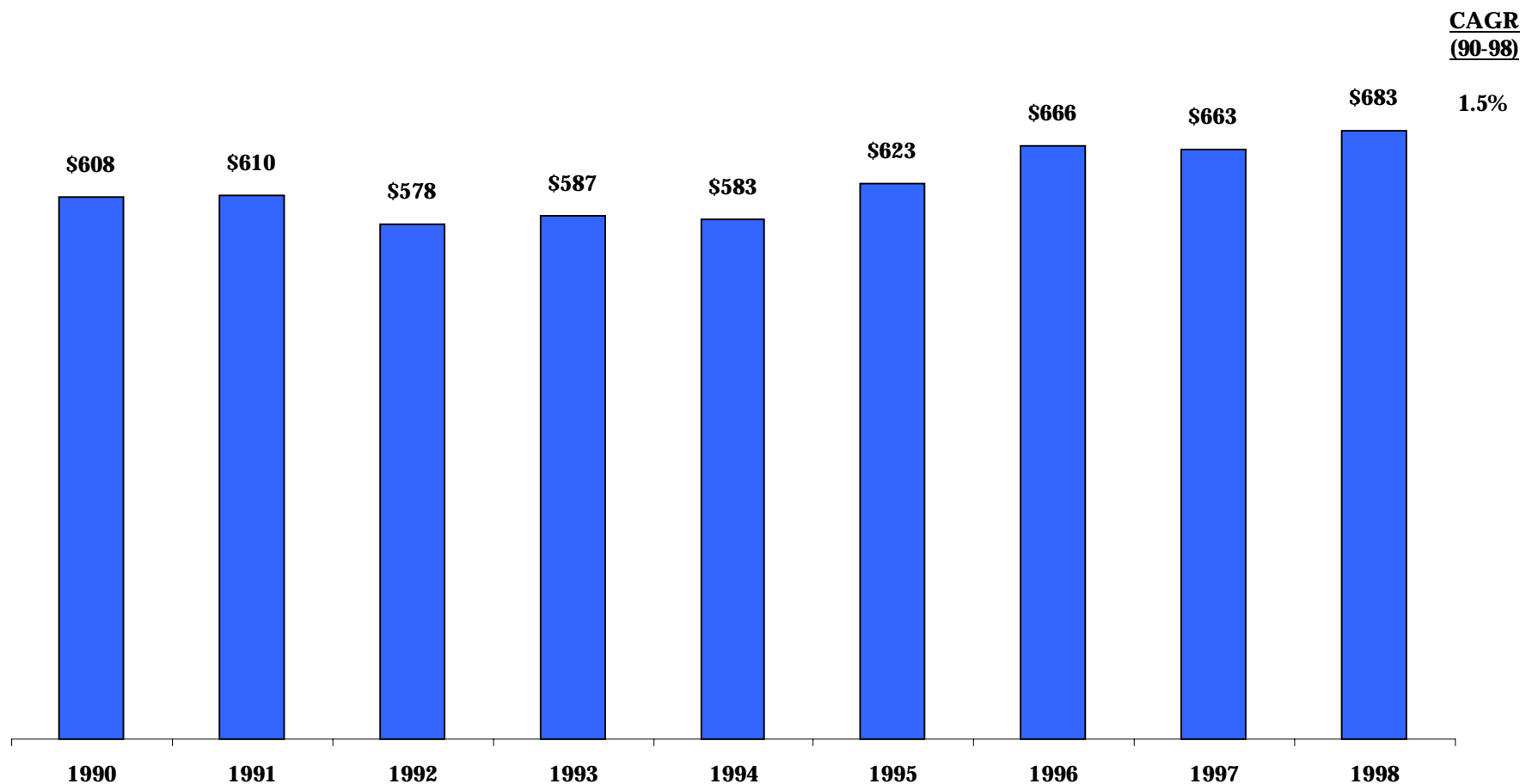
**AVERAGE HOUSEHOLD EQUIVALENT DISPOSABLE INCOME<sup>1</sup>**  
**(Dollars; 1996 dollars; quintiles; 1982-1996)**



**Appendix II: FMCG retailing: In New Zealand, FMCG pathways to the consumer are highly competitive and changing rapidly**

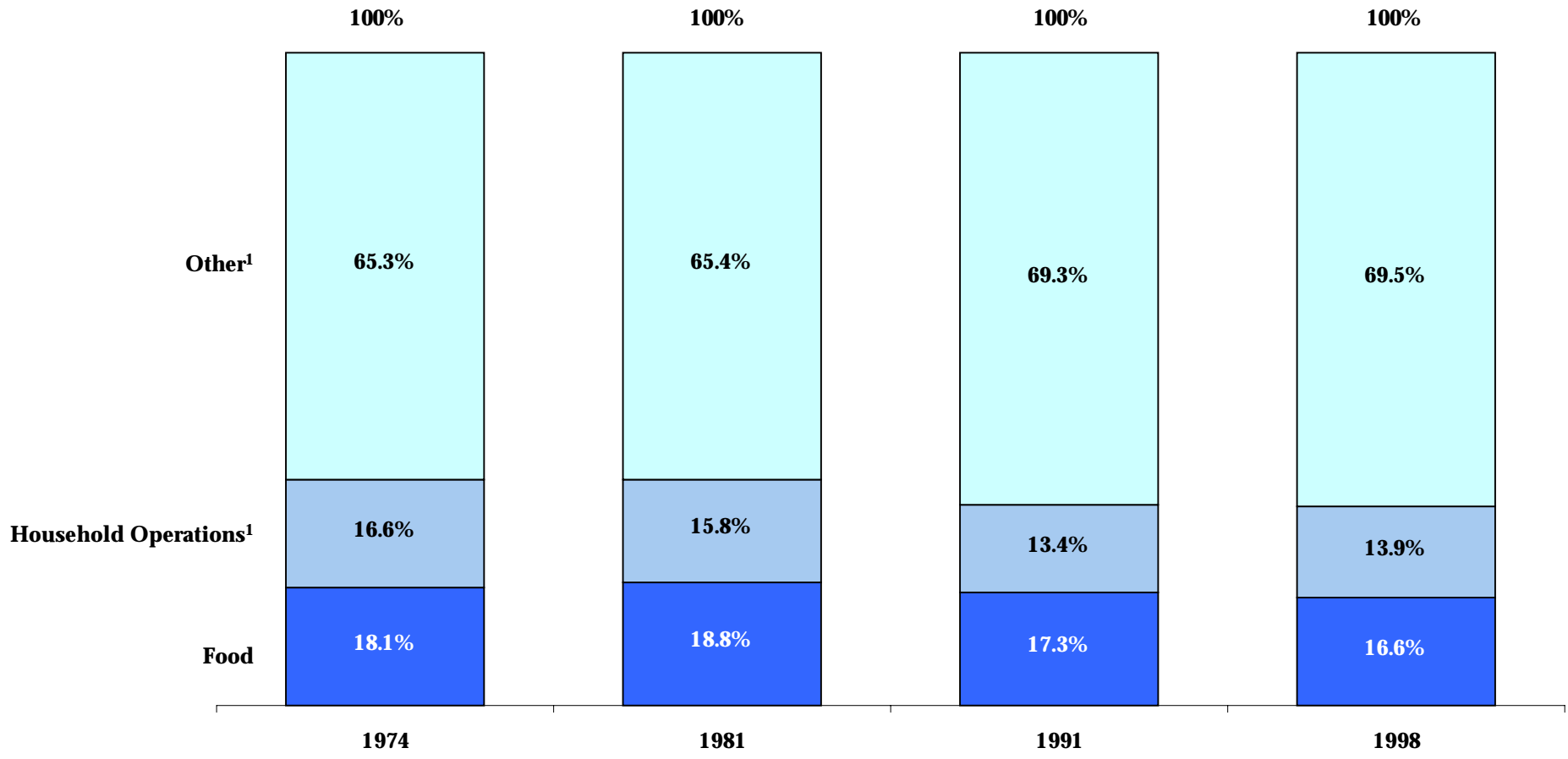
**Average weekly household expenditure is flat**

**WEEKLY HOUSEHOLD EXPENDITURE**  
**(Average dollars per week; 1990-1998)**



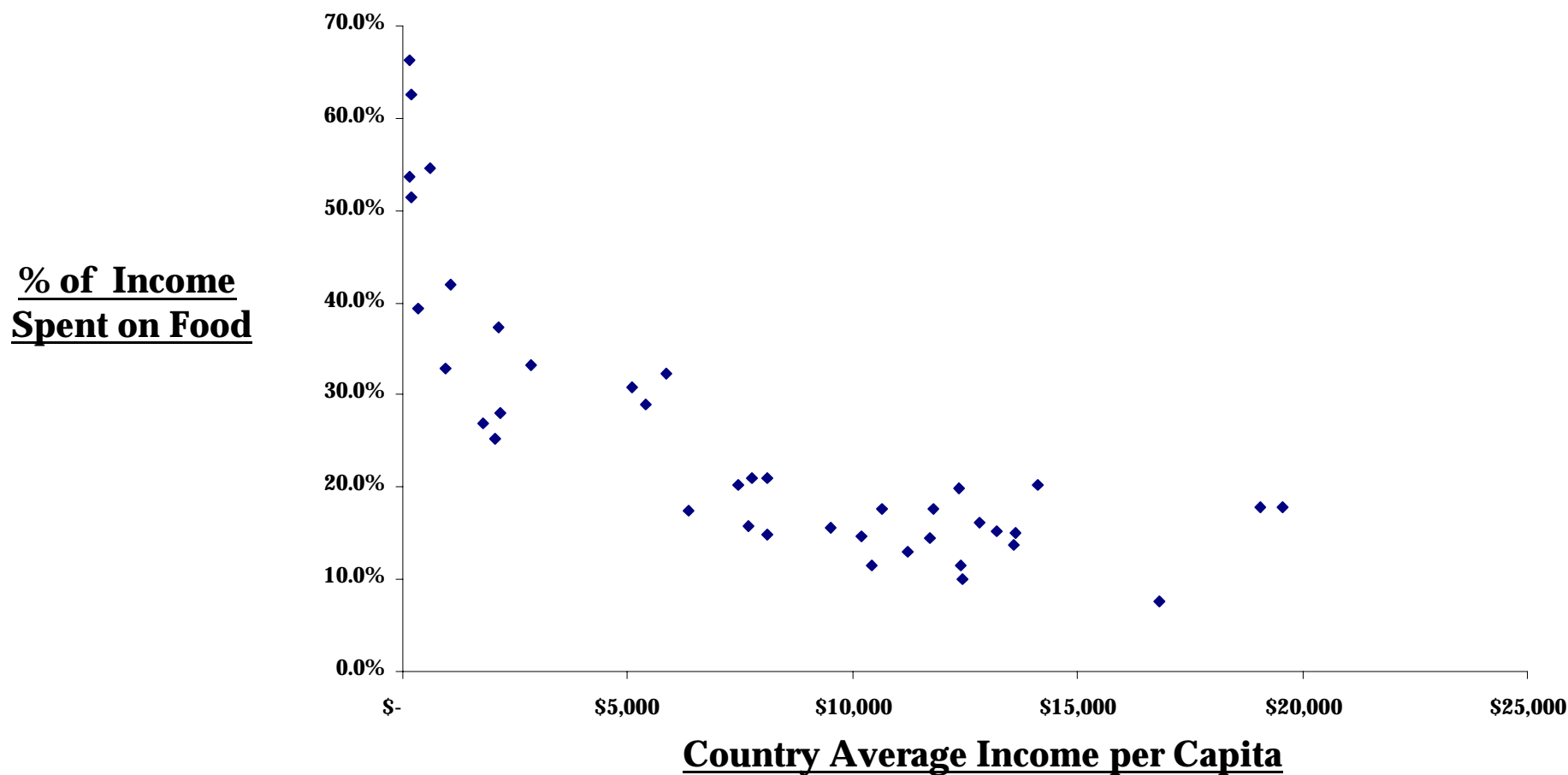
Consumers spending on food and household operations is falling over time

**HOUSEHOLD EXPENDITURE BY TYPE**  
**(Percent of total; 1974-1998)**



**This trend should continue: on a global basis, as incomes rise, the percent of income spent on food declines**

**FOOD SPENDING AS A % SPENDING VS. COUNTRY INCOME PER CAPITA**  
 (% of personal expenditure on food; income at US\$PPP; select countries; 1995)



**Consumers have different types of shopping trips...**

**TYPES OF SHOPPING TRIPS RANKED BY IMPORTANCE OF ATTRIBUTES**

	Price	Selection	Quality	Service	Speed
<b>Routine Shop</b>	◐	●	●	◐	●
<b>Stock-up Shop</b>	●	●	●	○	○
<b>Fill-in Shop</b>	○	○	○	○	◐
<b>Same Day</b>	○	◐	●	●	◐
<b>Adventure</b>	○	●	●	●	○

... and chose a destination based on its ability to meet their needs

**STORE FORMATS RANKED BY ATTRIBUTE STRENGTH**

	Low Price	Large Selection	Product Quality	Service	Speed
<b>Dairy/Grocer/Convenience</b>	○	○	◐	○	●
<b>Butcher, Baker, Greengrocer</b>	●	◐	●	●	◐
<b>Pharmacy, cosmetics &amp; toiletries</b>	●	◐	●	●	◐
<b>Local Supermarket</b>	◐	●	●	◐	◐
<b>Food Warehouse</b>	●	◐	◐	○	○
<b>Discount Department Store</b>	●	◐	◐	○	○

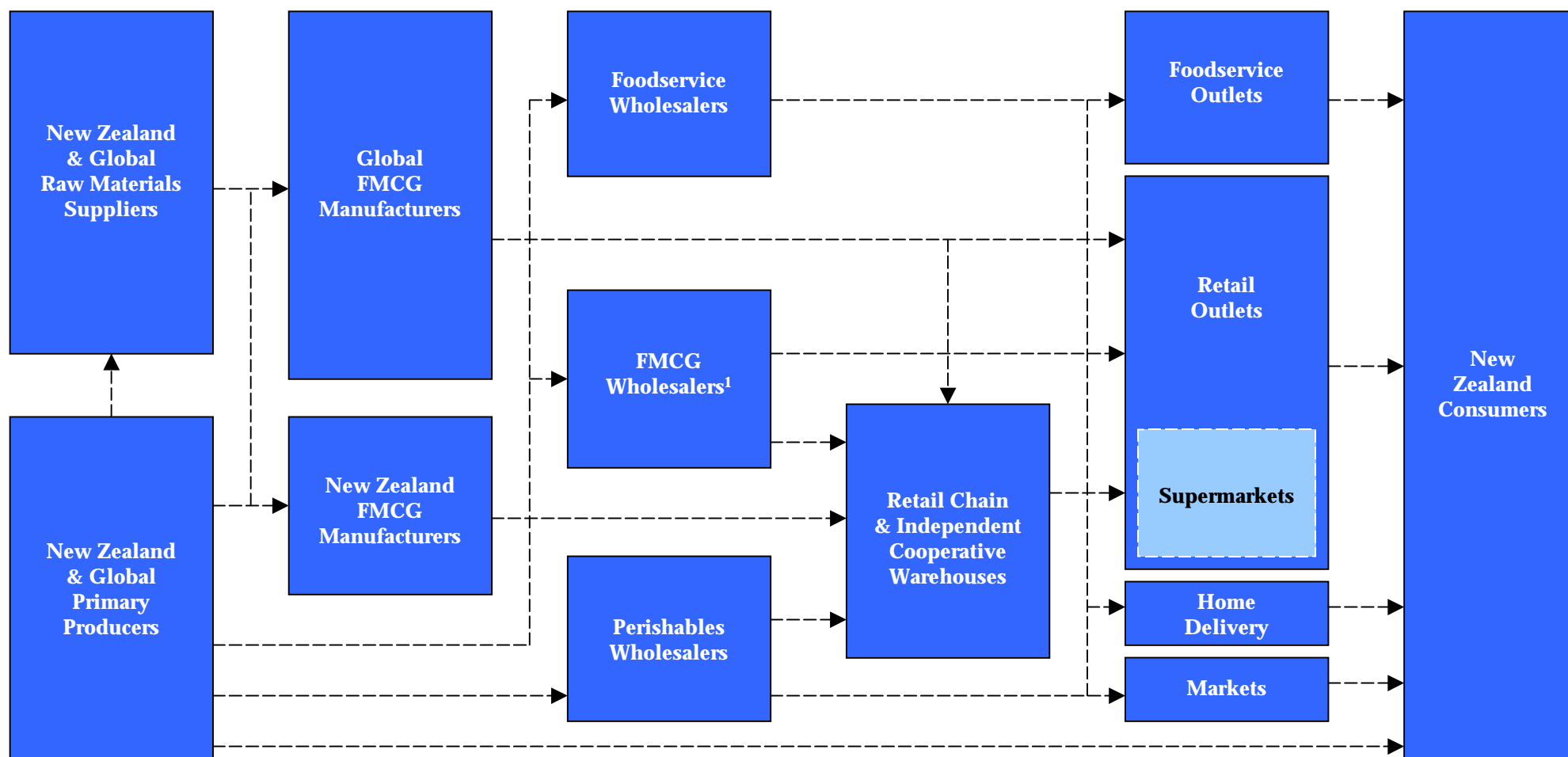
**Fast moving consumer goods retailers are defined by the high volume, low margin nature of their business**

**FMCG DEFINITION**

	<b>Fast Moving Consumer Goods</b>	<b>Consumer Durables</b>
<b>Consumer Definition</b>	<b>Consumed Low cost Low commitment Frequent purchase</b>	<b>Used repeatedly High cost High commitment Occasional purchase</b>
<b>Retailer Characteristics</b>	<b>High volume Low margins</b>	<b>Low volume High margins</b>
<b>Examples</b>	<b>Chocolate bar Bottle of wine Toothpaste Lightbulb Newspaper</b>	<b>Television Dishwasher Automobile Computer</b>

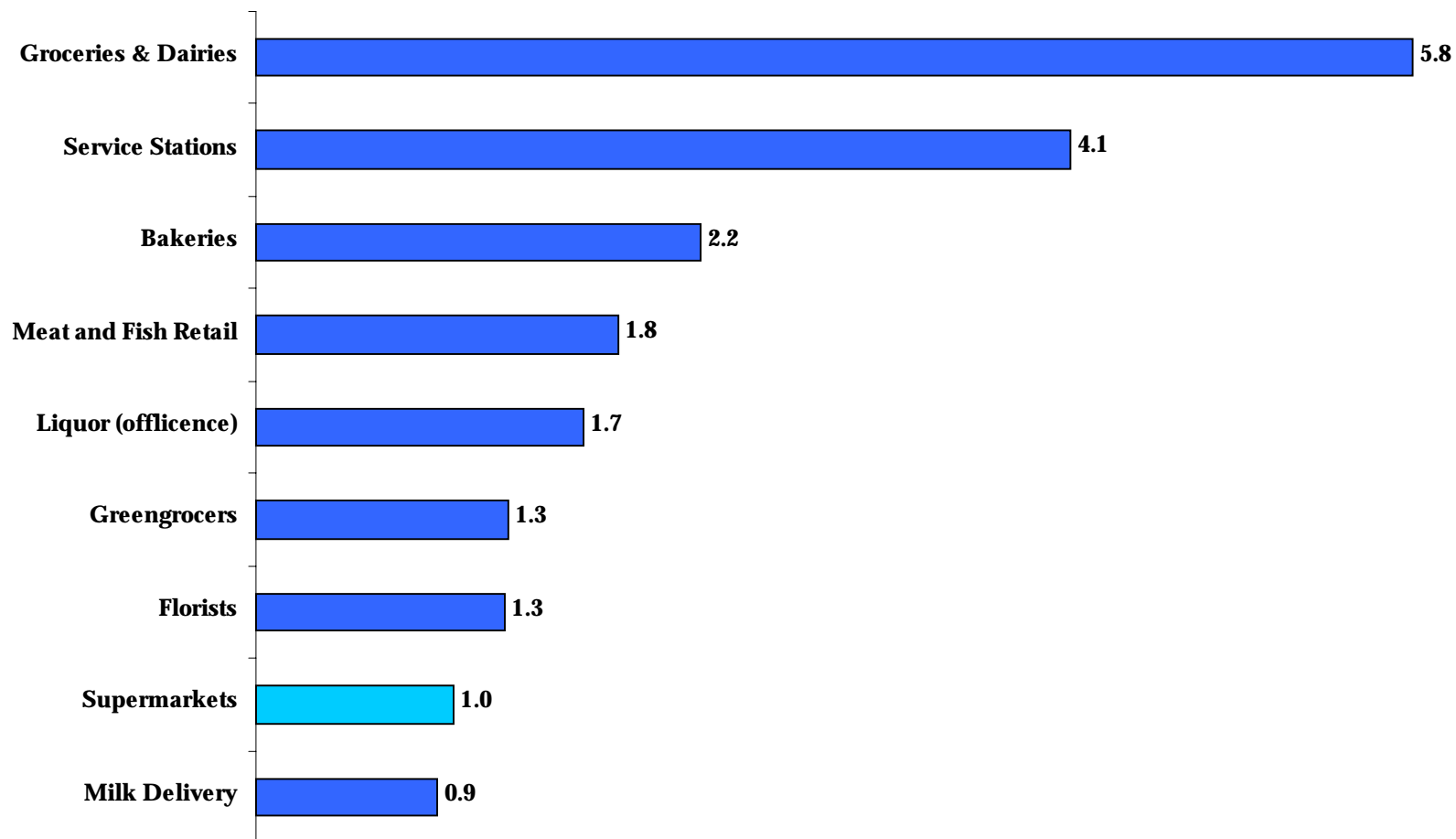
Fast moving goods travel to consumers through a large number of pathways from the producer to the final consumer

**PATHWAYS TO THE CONSUMER**



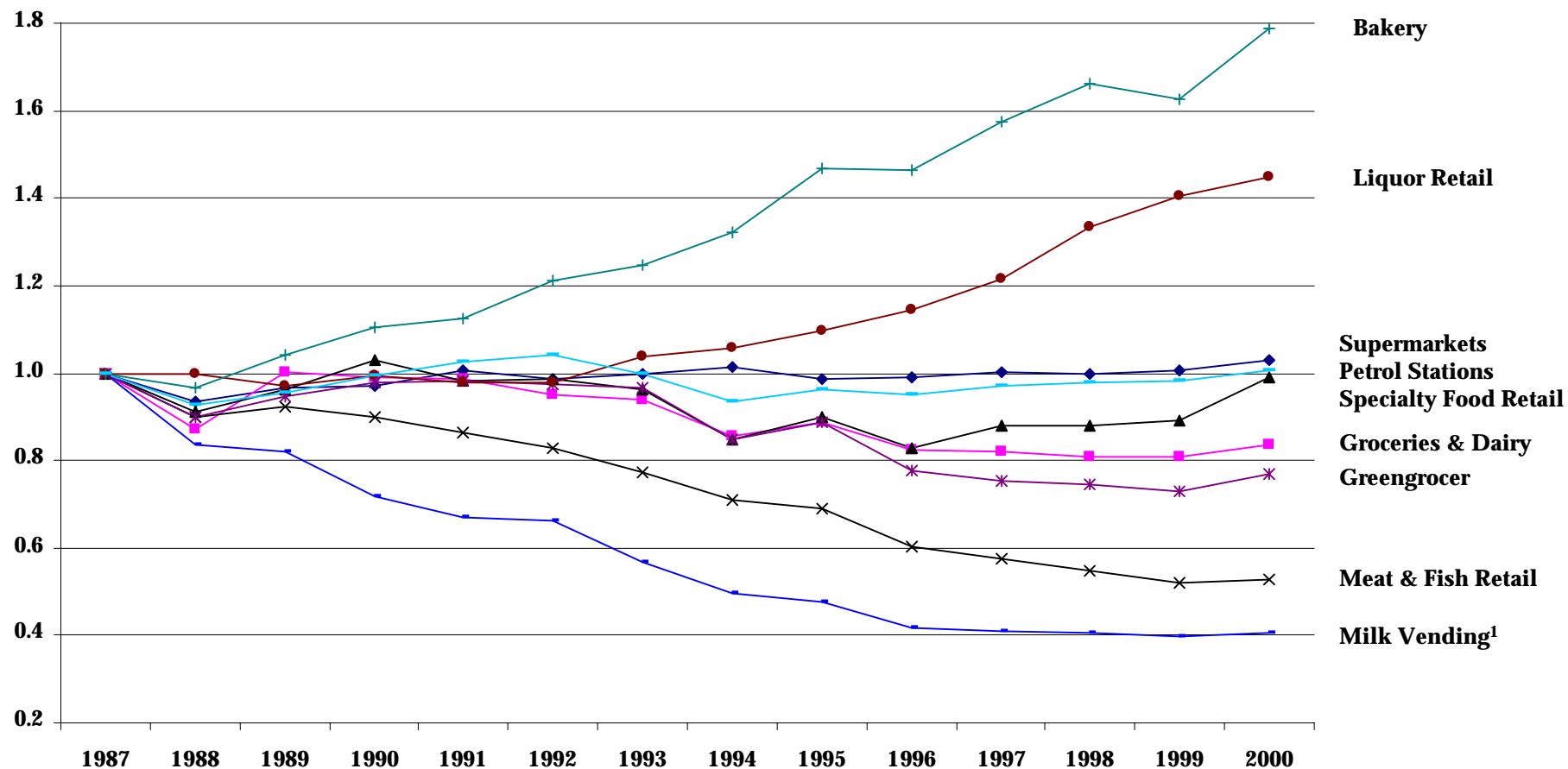
**In terms of outlet numbers, supermarkets are vastly outnumbered by other food at home competitors**

**FOOD AT HOME OUTLETS PER SUPERMARKET<sup>1</sup>**  
**(# of outlets per supermarkets)**



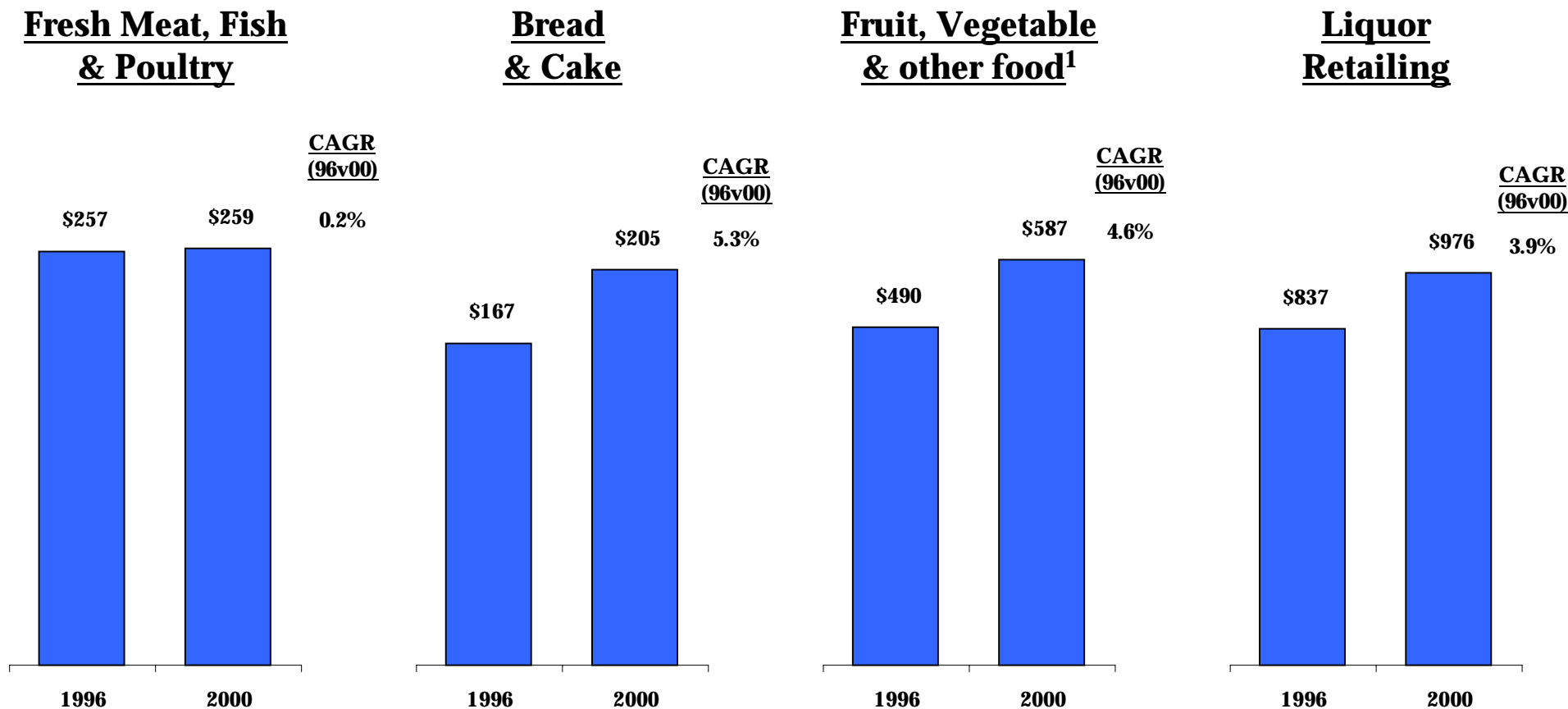
While the number of supermarkets has remained relatively flat, the number of other food type stores is fluctuating, with both winners and losers

**RELATIVE CHANGE IN OUTLET NUMBERS BY TYPE OF RETAILER**  
 (Number of outlets in 1987=1; 87-00)



**Most categories of food specialist are showing sales growth**

**RETAIL SALES BY TYPE OF OUTLET<sup>1</sup>**  
**(Dollars; millions; 1996v2000)**



**The retail bakers sector is showing strong growth, both by chains and by independents**

**RETAIL BAKERIES/CAKE SHOPS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Bakers Delight</b>	<b>27</b>	<b>Franchised</b>
<b>Baker Boys</b>	<b>15</b>	<b>Independents</b>
<b>KBs</b>	<b>13</b>	<b>Franchised</b>
<b>Baker Street</b>	<b>5</b>	<b>Private</b>
<b>Other Retailers</b>	<b>832</b>	
<b>Total Retailers</b>	<b>904</b>	

**Liquor retailing is highly competitive, with a number of strong chains battling with independents**

**LIQUOR RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Super Liquor</b>	<b>99</b>	<b>Franchised</b>
<b>Liquorland</b>	<b>84</b>	<b>DB Breweries</b>
<b>Liquor King</b>	<b>34</b>	<b>Lion Breweries</b>
<b>Glengarry</b>	<b>22</b>	<b>Glengarry Hancocks Ltd</b>
<b>Other Retailers</b>	<b>429</b>	
<b>Total Retailers</b>	<b>668</b>	

## The four major petroleum companies are making a global push into convenience retailing

### PETROL/CONVENIENCE RETAILING

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>On the Run</b>	<b>39</b>	<b>Exxon Mobil</b>
<b>Mobil Mart</b>	<b>199</b>	
<b>Mobil Stations (other)</b>	<b>286</b>	
<b>BP Express</b>	<b>42</b>	<b>BP Amoco</b>
<b>BP Connect</b>	<b>11</b>	
<b>BP Stations (other)</b>	<b>301</b>	
<b>Select</b>	<b>98</b>	<b>Royal Dutch Shell</b>
<b>Shell shop</b>	<b>772</b>	
<b>StarMart</b>	<b>82</b>	<b>Chevron-Texaco (Caltex)</b>
<b>Caltex Shop</b>	<b>149</b>	
<b>Caltex</b>	<b>52</b>	
<b>Challenge</b>	<b>130</b>	<b>Fletcher Energy</b>
<b>Gull Shop</b>	<b>20</b>	<b>Private (Rae family)</b>
<b>Total</b>	<b>2,181</b>	

**The classic Kiwi dairy is evolving into professional chains of convenience stores with better pricing and a more relevant product offer**

**GROCERY/CONVENIENCE/DAIRIES**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>On the Spot</b>	<b>244</b>	<b>Independently owned; supplied by Trents</b>
<b>Four Square</b>	<b>353</b>	<b>Independently owned; supplied by Foodstuffs (Various)</b>
<b>Price Cutter</b>	<b>56</b>	<b>Independently owned; Supplied by Rattrays (Infogate)</b>
<b>Super 7</b>	<b>69</b>	<b>Independently owned; Supplied by Rattrays (Infogate)</b>
<b>Others</b>	<b>1,635</b>	
<b>Total</b>	<b>2,357</b>	

**Independent greengrocers and florists are still a very strong force in New Zealand retailing**

**GREENGROCERS/FLORIST RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Pumpkin Planet</b>	<b>14</b>	<b>Private; franchised</b>
<b>Vegie World</b>	<b>8</b>	<b>Private</b>
<b>Total Greengrocers</b>	<b>516</b>	
<b>Total Florists</b>	<b>507</b>	

**While the number of independent butchers shops is down, total sales have remained stable - implying an increasing turnover per outlet**

**BUTCHERS/FISHMONGERS/DELI'S**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Mad Butcher</b>	<b>19</b>	<b>Private</b>
<b>Lenards Chicken</b>	<b>5</b>	<b>Private; being sold</b>
<b>Aussie Butcher</b>	<b>4</b>	<b>Private</b>
<b>Other Retailers</b>		
<b>Total Retailers</b>	<b>737</b>	

**New Zealand has a strong Cash & Carry sector servicing primarily small retailers and foodservice**

**CASH & CARRY WAREHOUSES**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Gilmours</b>	<b>10</b>	<b>Foodstuffs (Auckland)</b>
<b>Toops</b>	<b>5</b>	<b>Foodstuffs (Wellington)</b>
<b>Moore Wilson</b>	<b>6</b>	<b>Private</b>
<b>Rattrays</b>	<b>6</b>	<b>Infogate</b>
<b>Trents</b>	<b>7</b>	<b>Foodstuffs (South Island)</b>
<b>Other Retailers</b>		
<b>Total Retailers</b>		

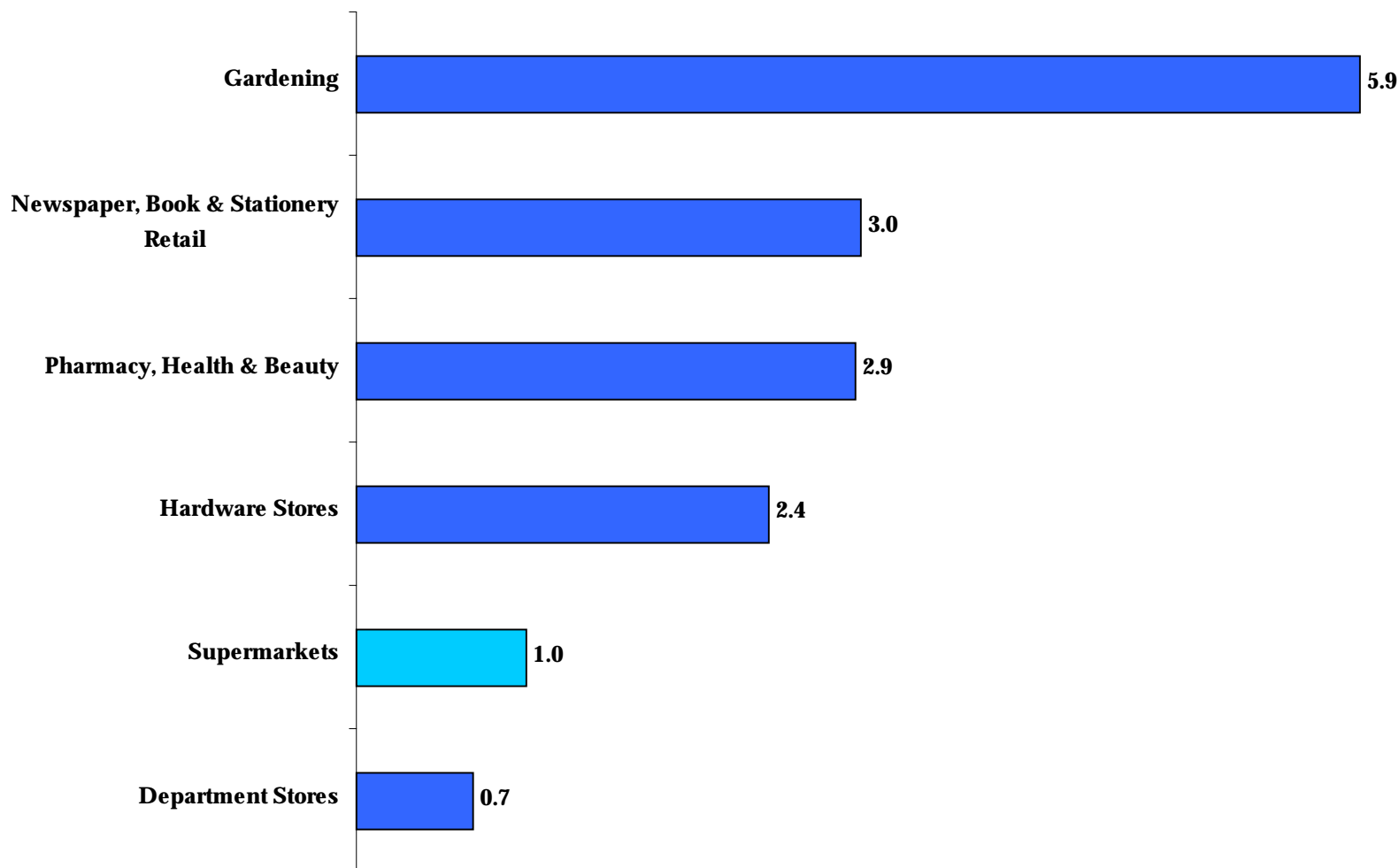
**There is also a large group of other specialist retailers each with a different offer and different market niche**

**SPECIALTY RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Bin Inn</b>	<b>52</b>	<b>Franchised</b>
<b>Bulk Barn</b>	<b>3</b>	<b>Independent</b>
<b>Total Public Markets</b>	<b>64</b>	
<b>Total Specialty Food Retailing</b>	<b>554</b>	

**Supermarkets are outnumbered by non-foods competitors**

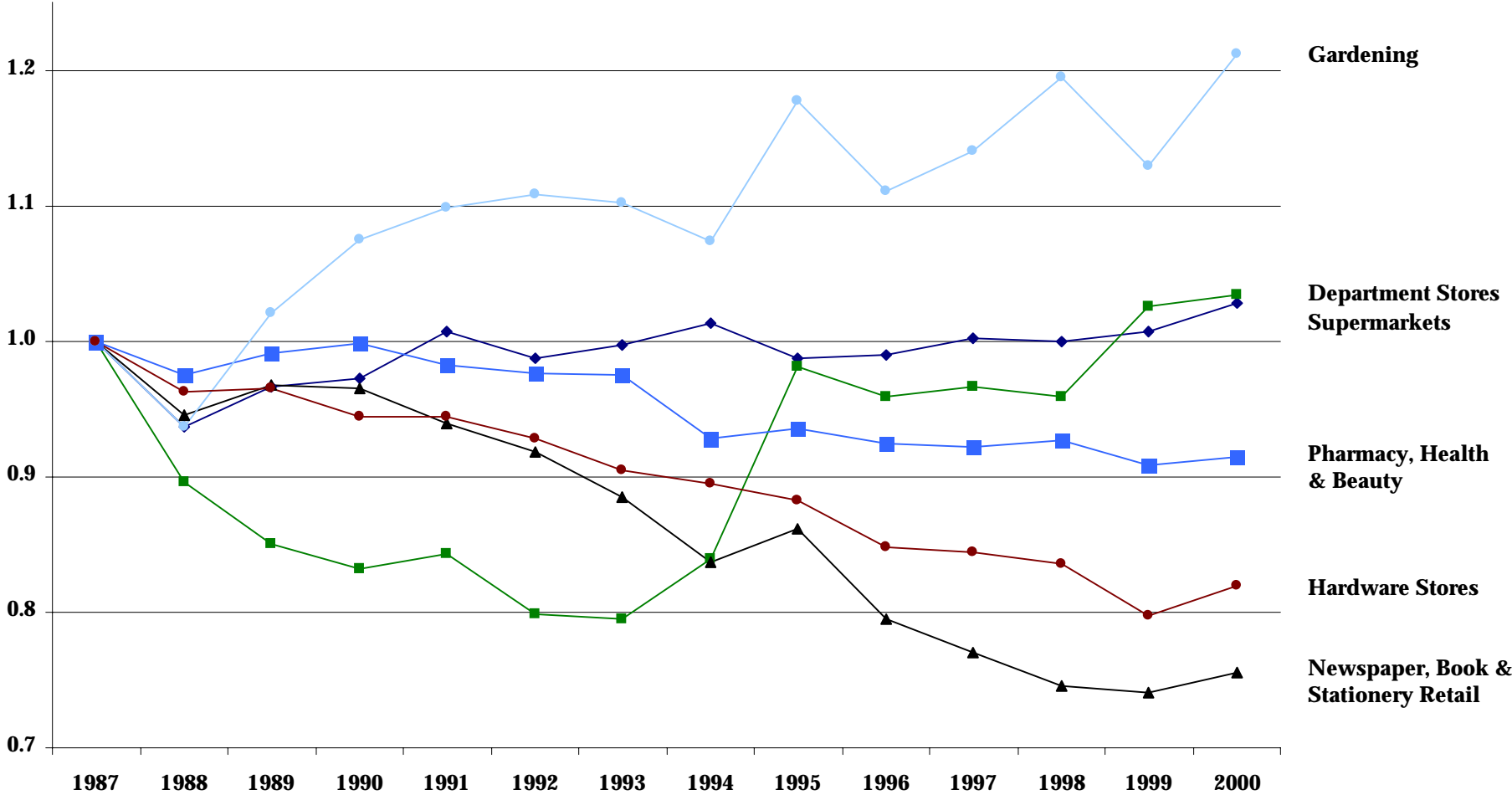
**PRIMARILY NON-FOODS OUTLETS PER SUPERMARKET<sup>1</sup>**  
**(# of outlets per supermarkets)**



CORIOLISRESEARCH *1. Number of outlets divided by 403 supermarkets (e.g. 516 greengrocers divided by 403 supermarkets = 1.3 greengrocers per supermarket)*  
 Source: Statistics New Zealand Business Demography Survey; Coriolis analysis

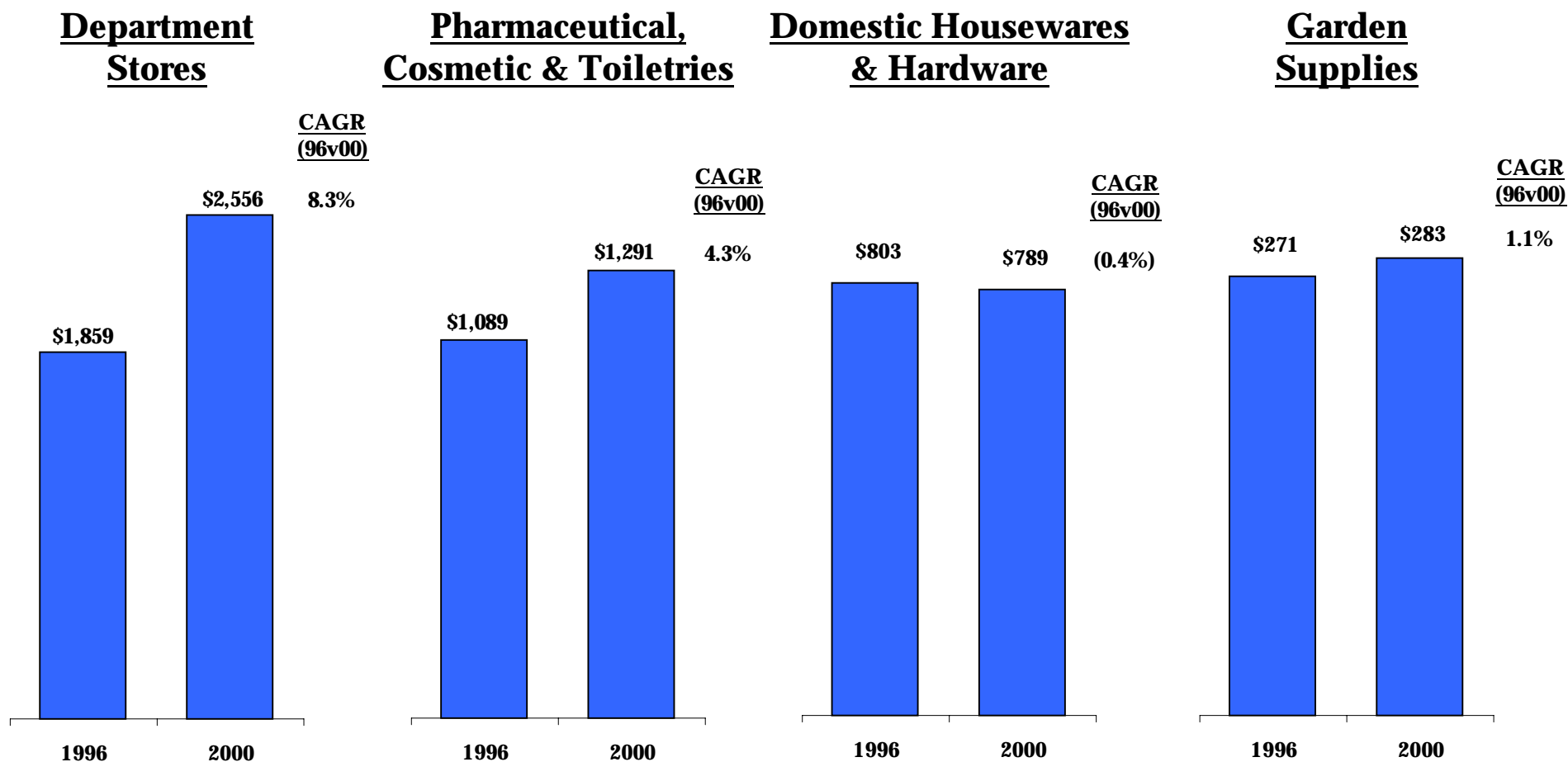
The primarily non-food FMCG sector is undergoing massive changes as discounters replace traditional department stores

**RELATIVE CHANGE IN OUTLET NUMBERS BY TYPE OF RETAILER**  
(Number of outlets in 1987=1; 87-00)



**Department stores and pharmaceutical, cosmetics and toiletries retailers are showing strong sales growth while other sectors are flat or down**

**RETAIL SALES BY TYPE OF OUTLET<sup>1</sup>**  
**(Dollars; millions; 1996v2000)**



**Competition in the department store sector is fierce, with new price-oriented discounters like The Warehouse and The \$2 Shop displacing old favourites**

**VARIETY/DEPARTMENT RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Farmers</b>	<b>63</b>	<b>FAL</b>
<b>DEKA</b>	<b>62</b>	<b>FAL (closing)</b>
<b>The Warehouse</b>	<b>47</b>	<b>Public</b>
<b>The \$2 Shop</b>	<b>40</b>	<b>Franchised</b>
<b>Briscoes</b>	<b>28</b>	<b>Private</b>
<b>K-Mart</b>	<b>11</b>	<b>Coles Myer</b>
<b>Rendells</b>	<b>7</b>	<b>Private</b>
<b>Other Retailers</b>	<b>19</b>	
<b>Total Retailers</b>	<b>277</b>	

**There is a strong hardware sector with growing FMCG sales, especially in detergents and cleaning products**

**HARDWARE RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Hammer Hardware</b>	<b>85</b>	<b>Franchised</b>
<b>Mitre 10</b>	<b>130</b>	<b>Franchised</b>
<b>ITM</b>	<b>83</b>	<b>Independently owned</b>
<b>Placemakers</b>	<b>55</b>	<b>Private &amp; Fletcher Distribution</b>
<b>Benchmark Building Supplies</b>	<b>42</b>	<b>Corporate</b>
<b>Other Retailers</b>	<b>582</b>	
<b>Total Retailers</b>	<b>977</b>	

**There are a large number of chain and independent chemists and health and beauty specialists selling a wide range of health and beauty related products**

**PHARMACEUTICAL, COSMETICS & TOILETRIES RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Unichem</b>	<b>120</b>	<b>Independents (Zuellig Pharma banner group)</b>
<b>Amcal</b>	<b>82</b>	<b>Independents (Zuellig Pharma banner group)</b>
<b>Care Chemists</b>	<b>16</b>	<b>Independents (Zuellig Pharma banner group)</b>
<b>The Chemist Shop</b>	<b>7</b>	<b>Independents (Zuellig Pharma banner group)</b>
<b>Other Retailers</b>	<b>955</b>	
<b>Total Retailers</b>	<b>1,180</b>	

**The line between most newsagents and stationers, and convenience stores is becoming blurred**

**NEWSPAPERS, BOOKS & STATIONERY RETAILERS**

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>PaperPlus</b>	<b>171</b>	<b>Franchised</b>
<b>Whitcoulls</b>	<b>32</b>	<b>Blue Star Retail Group</b>
<b>Office Products Depot</b>	<b>38</b>	<b>Franchised</b>
<b>Warehouse Stationery</b>	<b>32</b>	<b>Public</b>
<b>Books&amp;More</b>	<b>23</b>	<b>Franchised</b>
<b>Bennetts Bookstores</b>	<b>7</b>	<b>Blue Star Retail Group</b>
<b>Stationery City</b>	<b>6</b>	<b>Private</b>
<b>Other Retailers</b>	<b>846</b>	
<b>Total Retailers</b>	<b>1,193</b>	

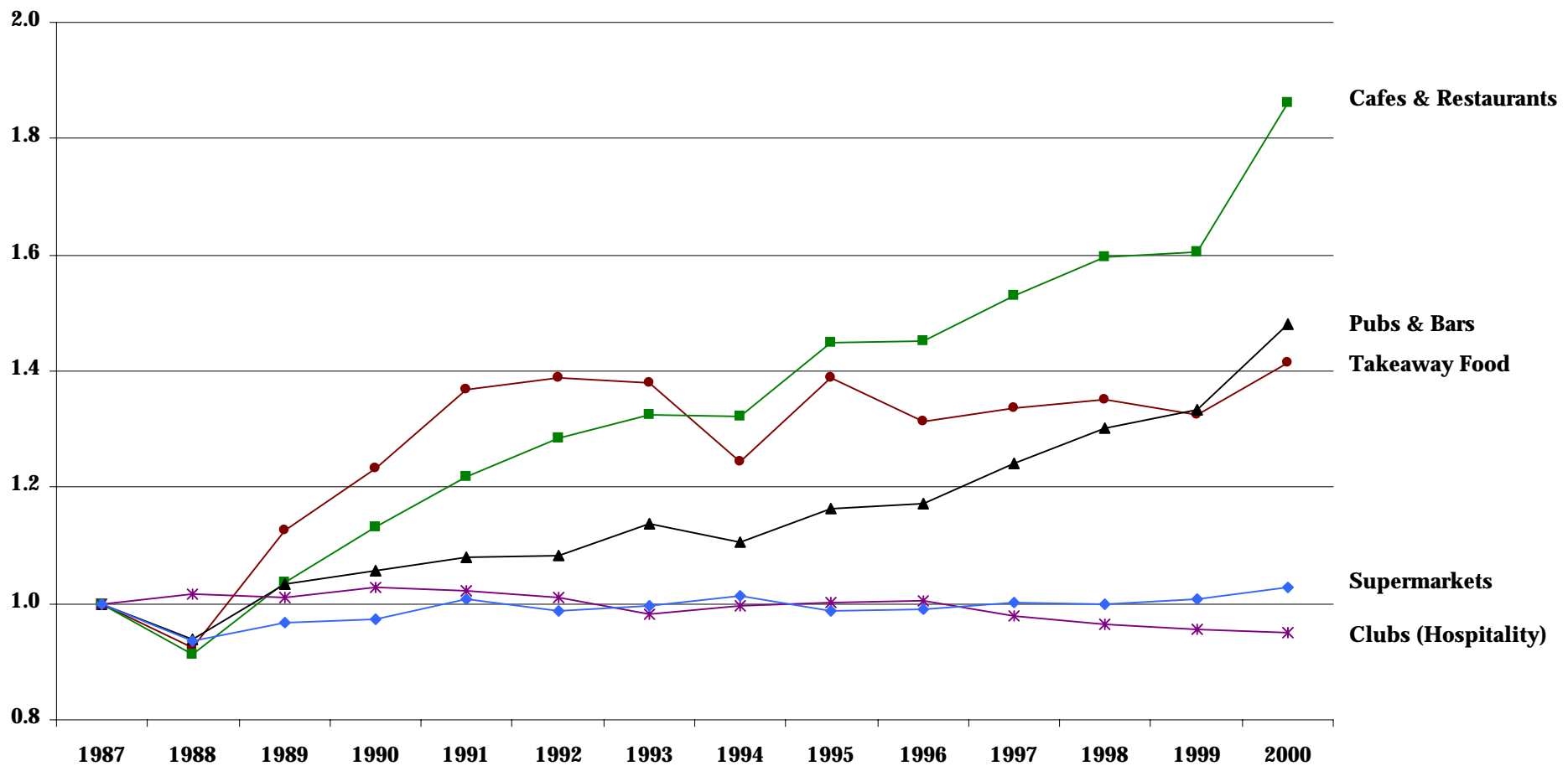
## The garden supplies sector is still highly fragmented

### GARDEN SUPPLIERS

<b>Brand</b>	<b># of outlets</b>	<b>Supplier/Owner</b>
<b>Palmers Garden World</b>	<b>20</b>	<b>Mitre 10</b>
<b>Oderings</b>	<b>9</b>	<b>Private</b>
<b>Athol McCully</b>	<b>3</b>	<b>Private</b>
<b>Gardenways</b>	<b>3</b>	<b>Franchised</b>
<b>Turners Garden Centre</b>	<b>2</b>	<b>Private</b>
<b>Other Retailers</b>	<b>364</b>	
<b>Total Retailers</b>	<b>401</b>	

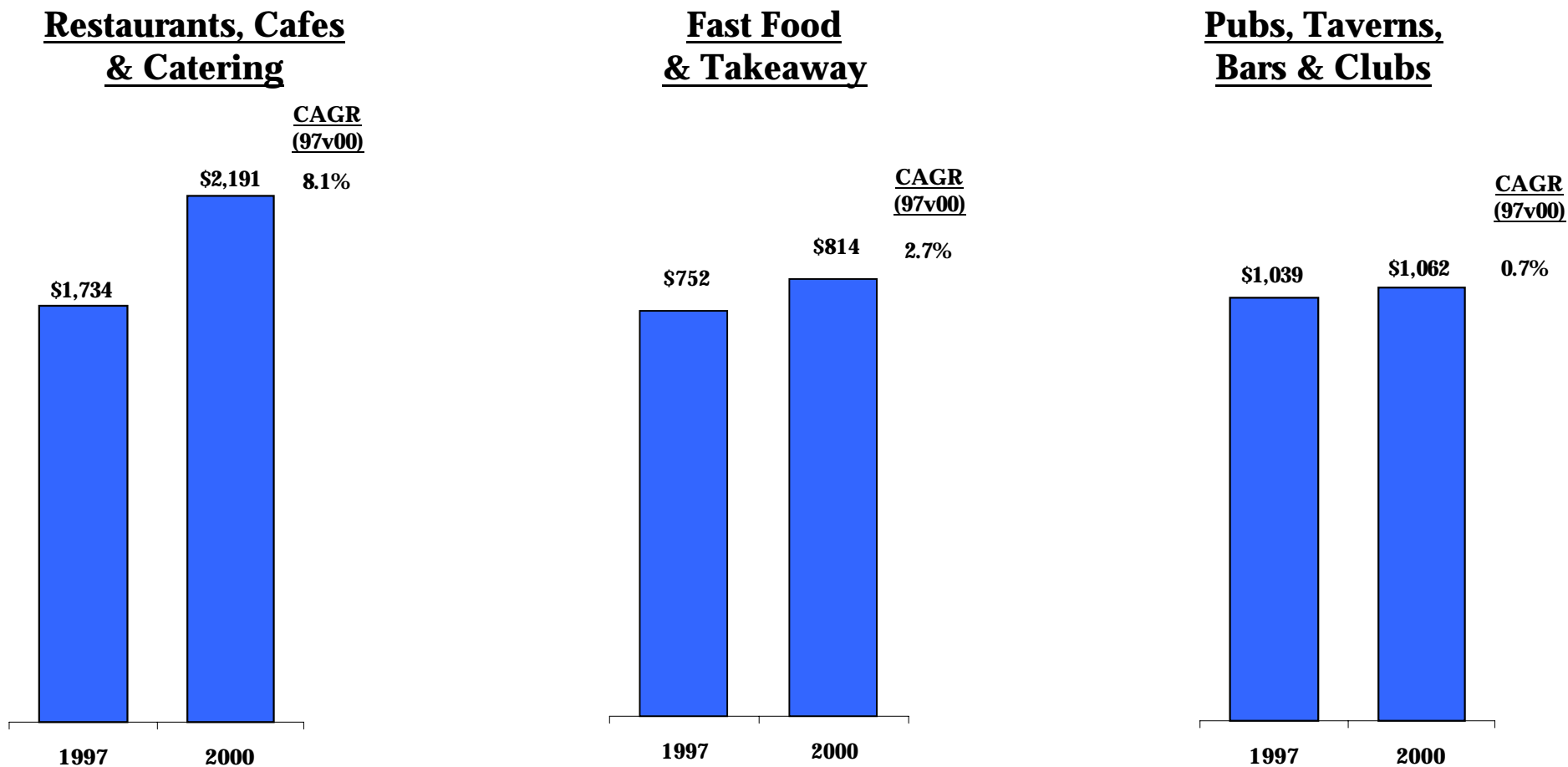
**The number of food away from home outlets is growing rapidly**

**RELATIVE OUTLET NUMBERS GROWTH FOOD AWAY VS. SUPERMARKET**  
**(Normalised in 1987 to one; 87-00)**



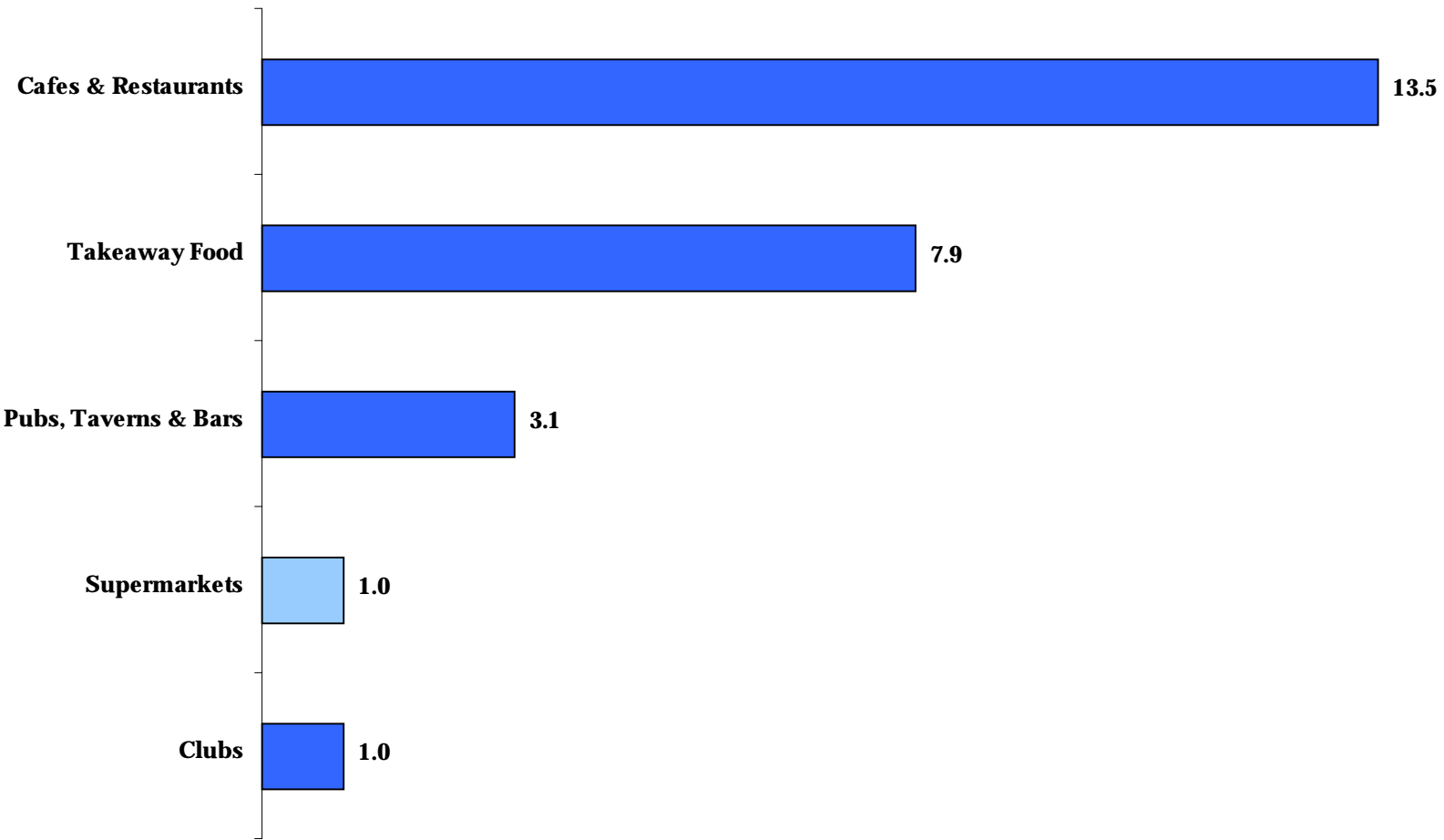
Restaurants are showing much stronger turnover growth than other food away segments

**RETAIL SALES BY TYPE OF OUTLET<sup>1</sup>**  
**(Dollars; millions; 1997v2000)**



**In terms of outlet numbers, there are now more than twenty five food and alcohol away outlets per supermarket**

**FOOD AWAY OUTLETS PER SUPERMARKET<sup>1</sup>**  
**(# of outlets per supermarkets)**



CORIOLISRESEARCH 1. Number of outlets divided by 403 supermarkets (e.g. 401 greengrocers divided by 403 supermarkets = 1.3 greengrocers per supermarket)  
Source: Statistics New Zealand (Business Demography Survey); Coriolis analysis

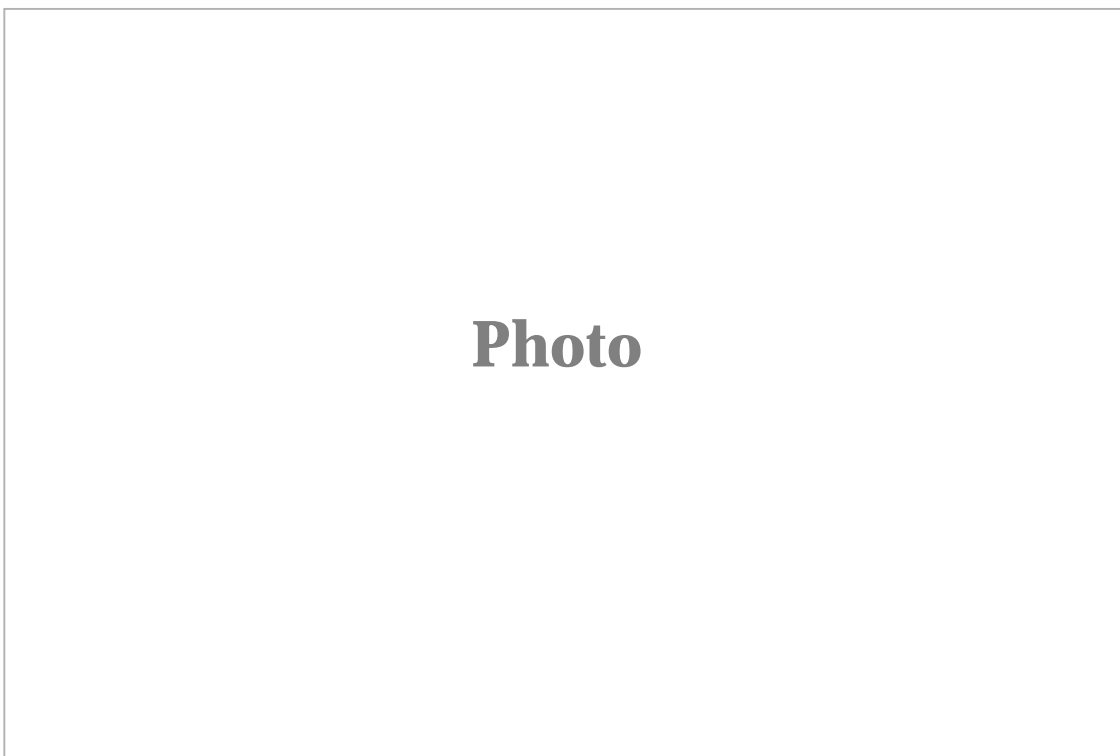
**Appendix III: Competitor Photos**



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CORIOLISRESEARCH

**FoodWorld, Bader Drive, Mangere**



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CORIOLISRESEARCH

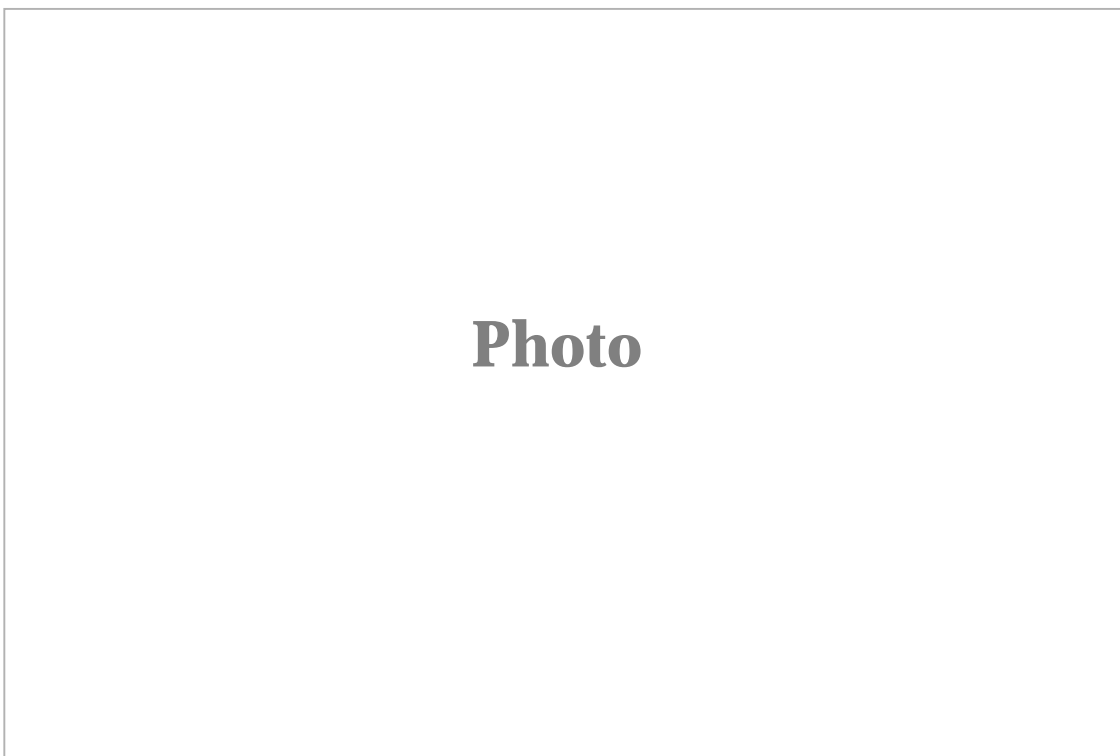
**FoodWorld, Watford St, East Tamaki**



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CORIOLISRESEARCH

**Tai Ping Trading, Salesyard Rd, Otahuhu**



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CORIOLISRESEARCH

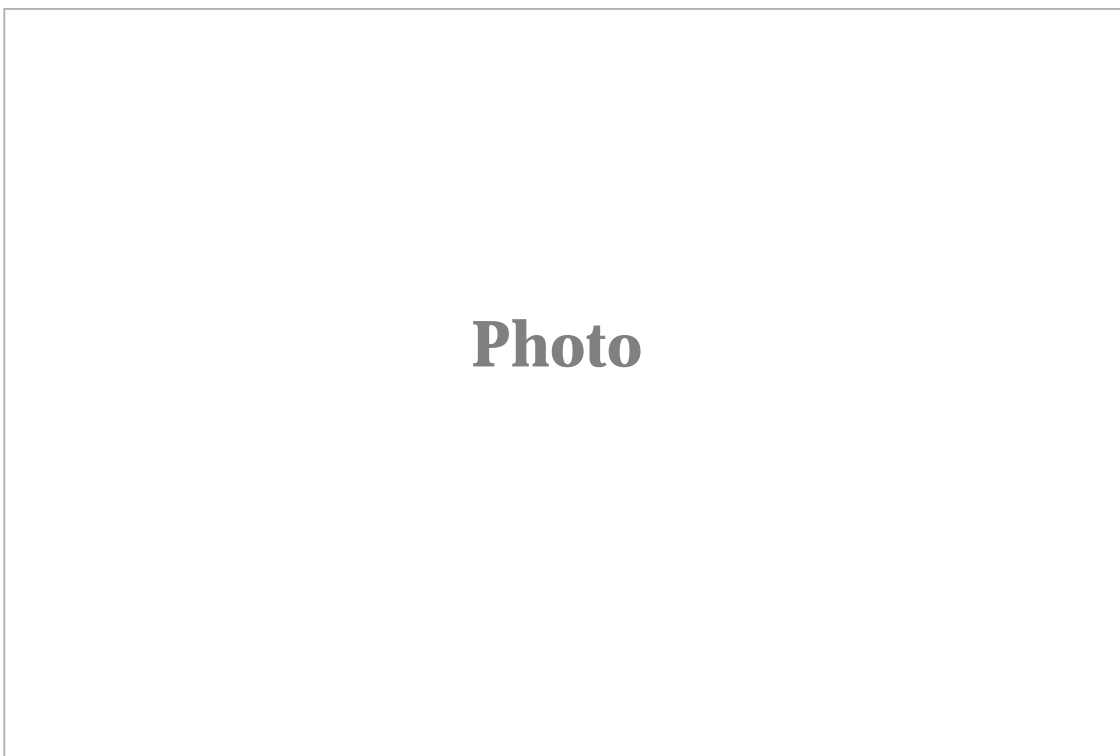
**Gai Lee Asian Food Warehouse, Atkinson Ave, Otahuhu**



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CORIOLISRESEARCH

**Ings Asian Food Warehouse, Great South Rd, Otahuhu**



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CORIOLISRESEARCH

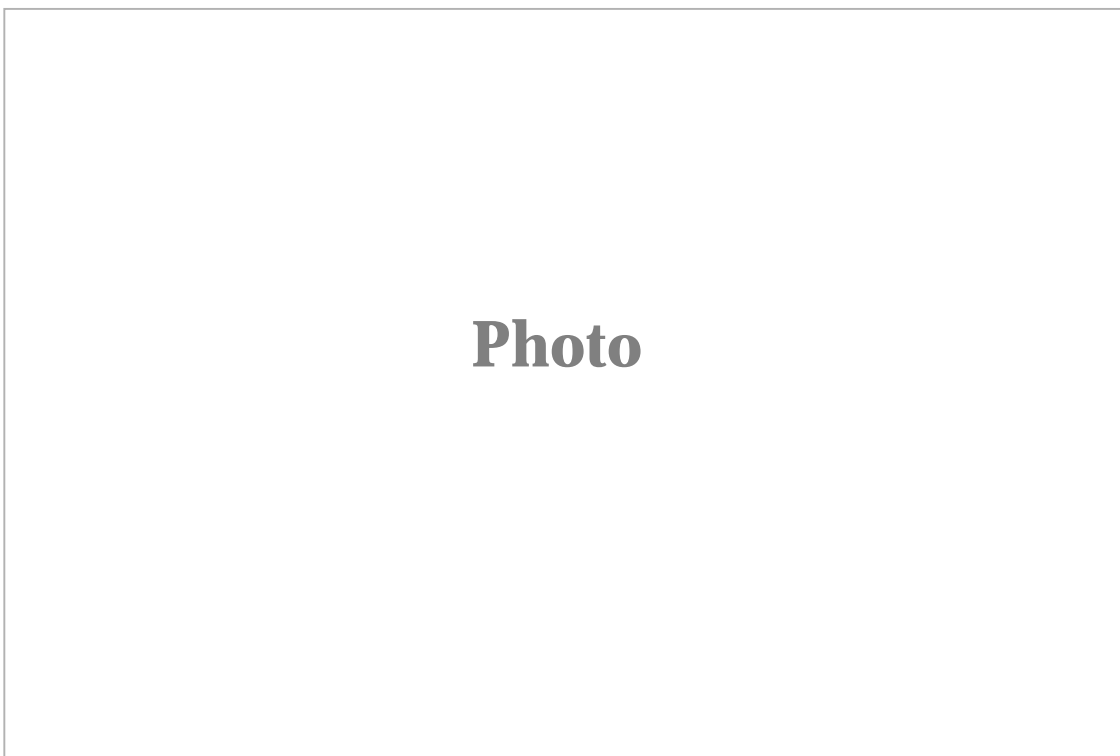
**Whenuapai Gardens, Atkinson Ave, Otahuhu**



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CORIOLISRESEARCH

**Vegie World, Salesyard Rd, Otahuhu**



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CORIOLISRESEARCH

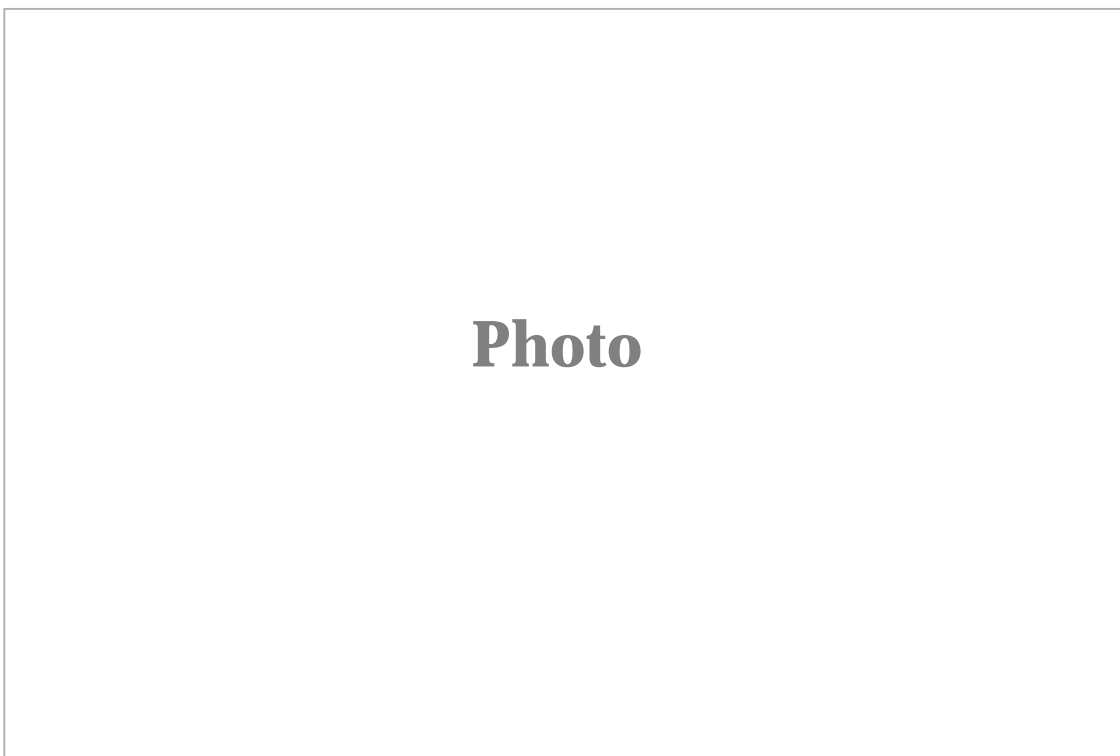
**Bulk Food Savings, Valley Rd, Mt Eden**



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CORIOLISRESEARCH

**StarMart, Dominion Rd, Mt Eden**



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CORIOLISRESEARCH

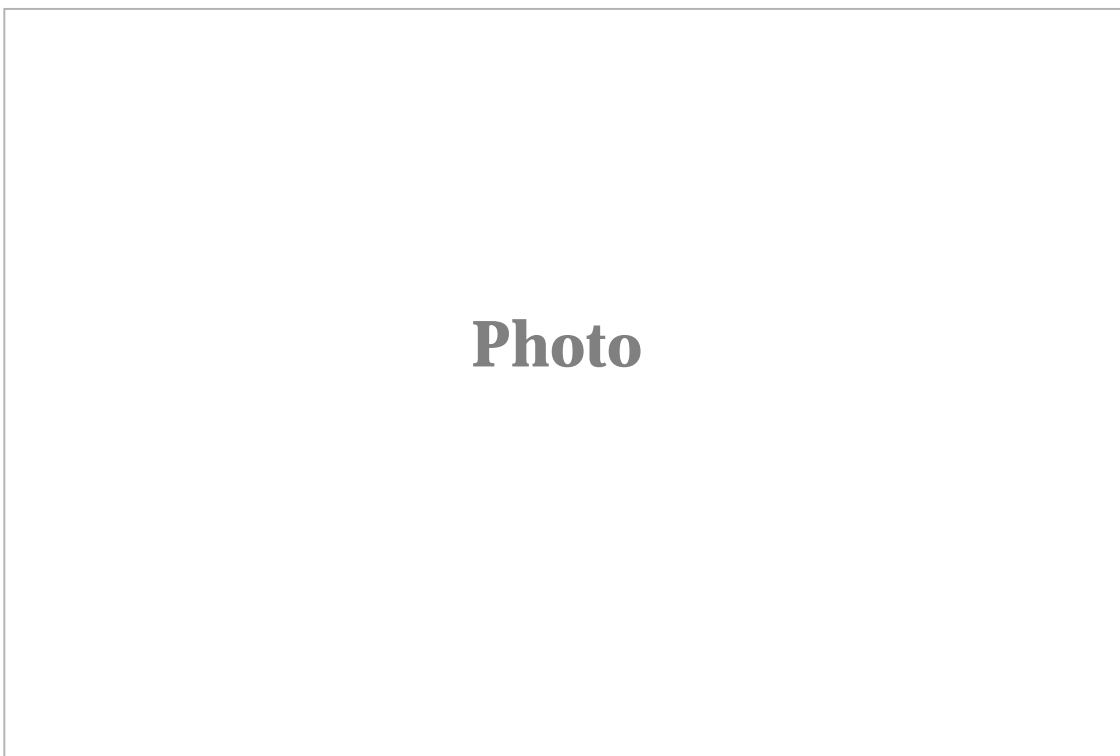
**BP Connect, Jervois Rd, Ponsonby**



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CORIOLISRESEARCH

**Gull Shop, New North Rd, Kingsland**



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CORIOLISRESEARCH

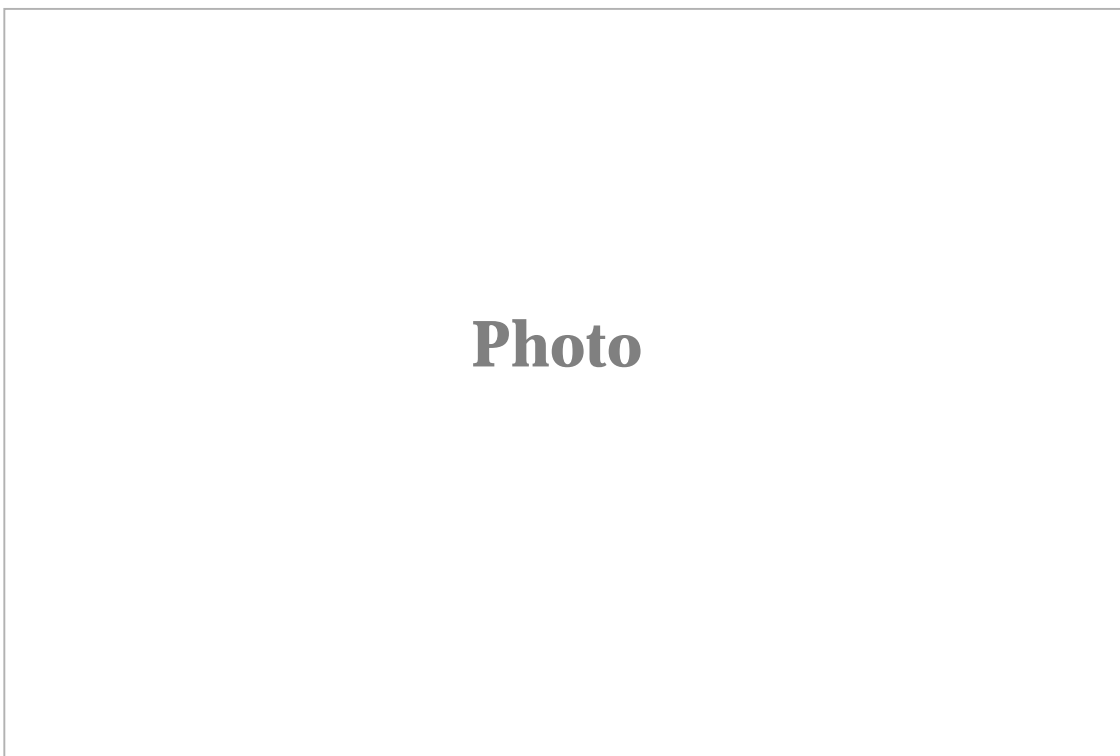
**Challenge, Great North Rd, Western Springs**



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CORIOLISRESEARCH

**LiquorKing, Ponsonby Rd, Ponsonby**



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CORIOLISRESEARCH

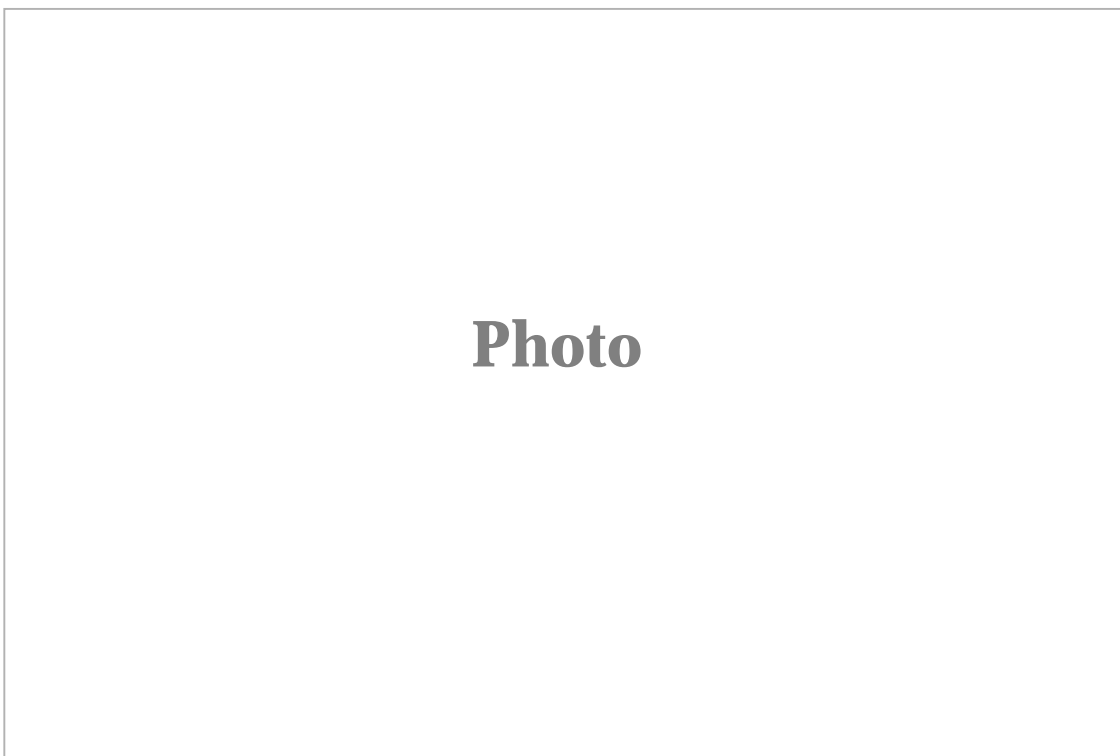
**Glen Garry, Ponsonby Rd, Ponsonby**



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CORIOLISRESEARCH

**Cardales Stationery City, Albany**



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CORIOLISRESEARCH

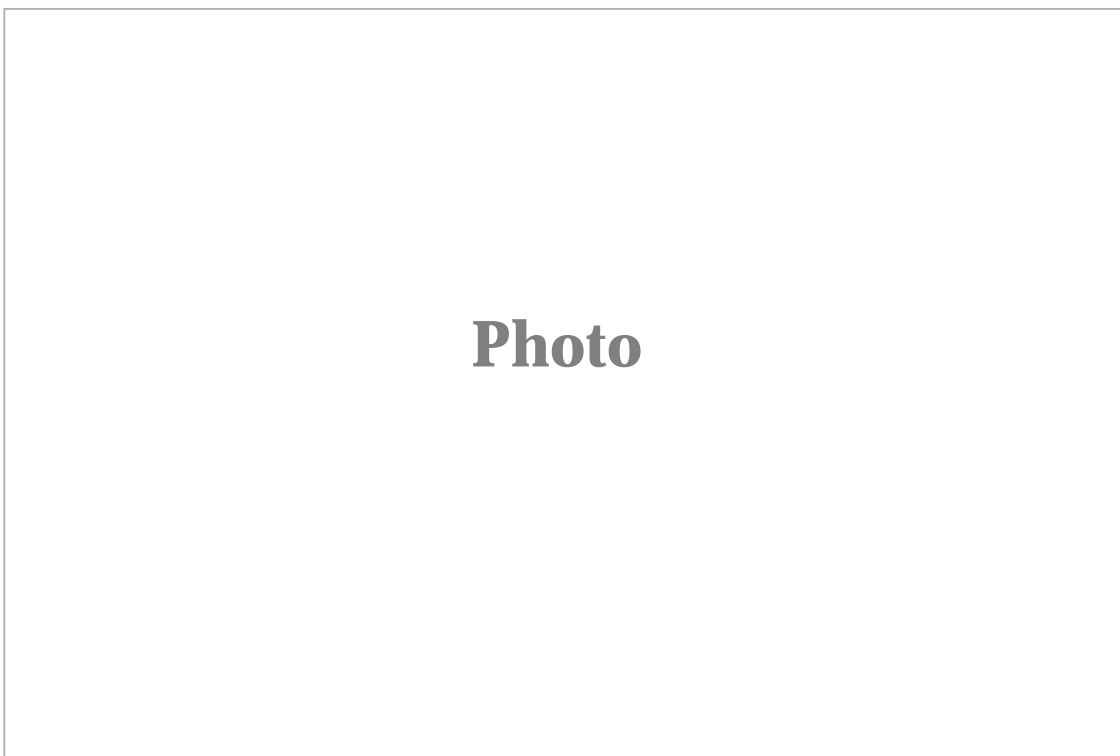
**Warehouse Stationery, Wairau Park**



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CORIOLISRESEARCH

**Hardware House, Lambie Dr, Manukau**



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CORIOLISRESEARCH

**Placemakers, Wairau Park**



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CORIOLISRESEARCH

**Mitre10, Target Rd, Wairau**



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CORIOLISRESEARCH

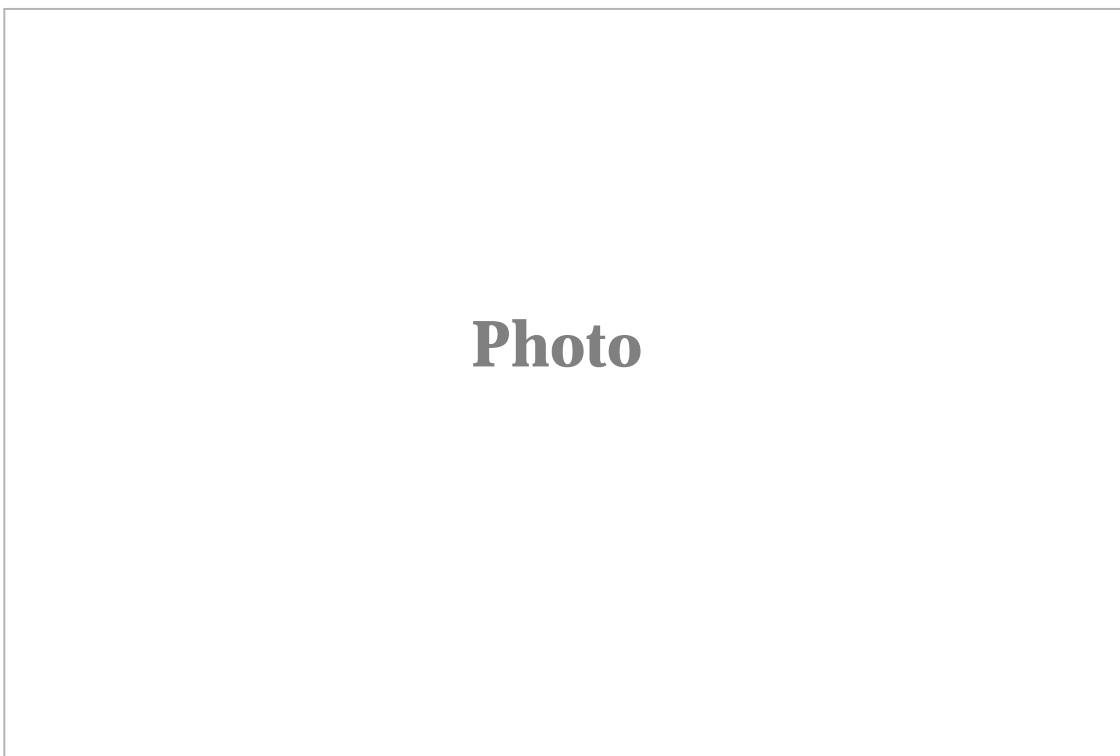
**Mitre10, Target Rd, Wairau**



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CORIOLISRESEARCH

**The Mad Butcher, Massey Rd, Otahuhu**



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CORIOLISRESEARCH

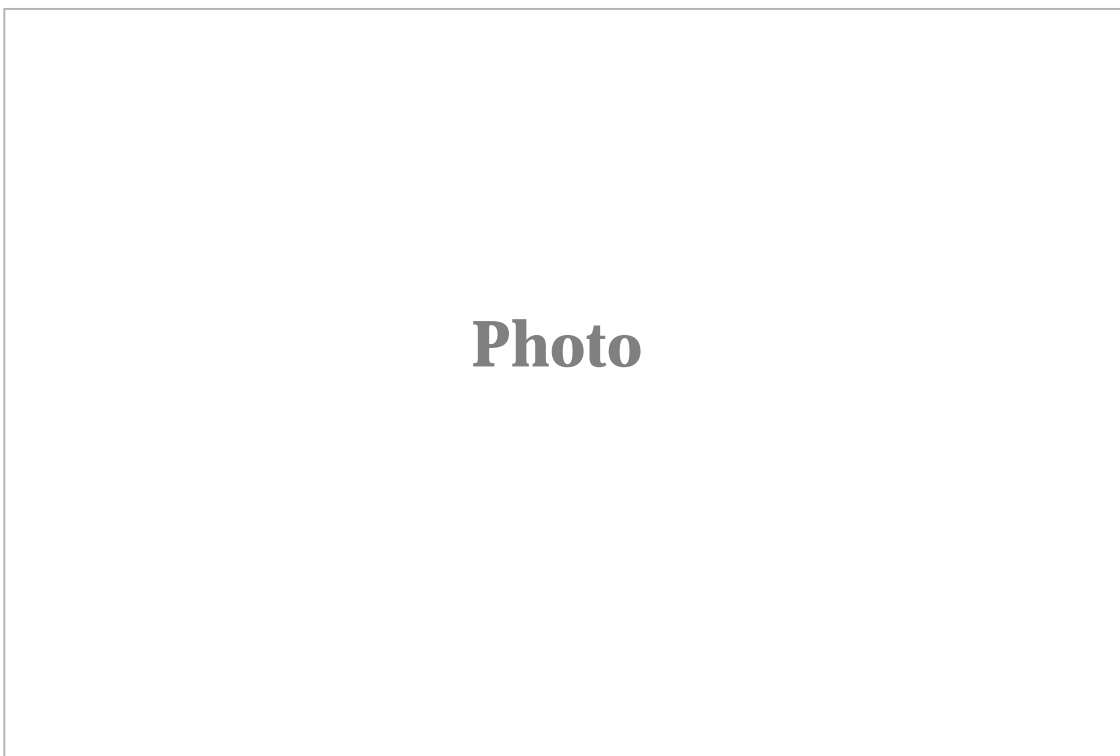
**Bakers Delight, Dominion Rd, Mt Eden**



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CORIOLISRESEARCH

**Farmers Home Centre, Link Rd, Wairau**



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CORIOLISRESEARCH

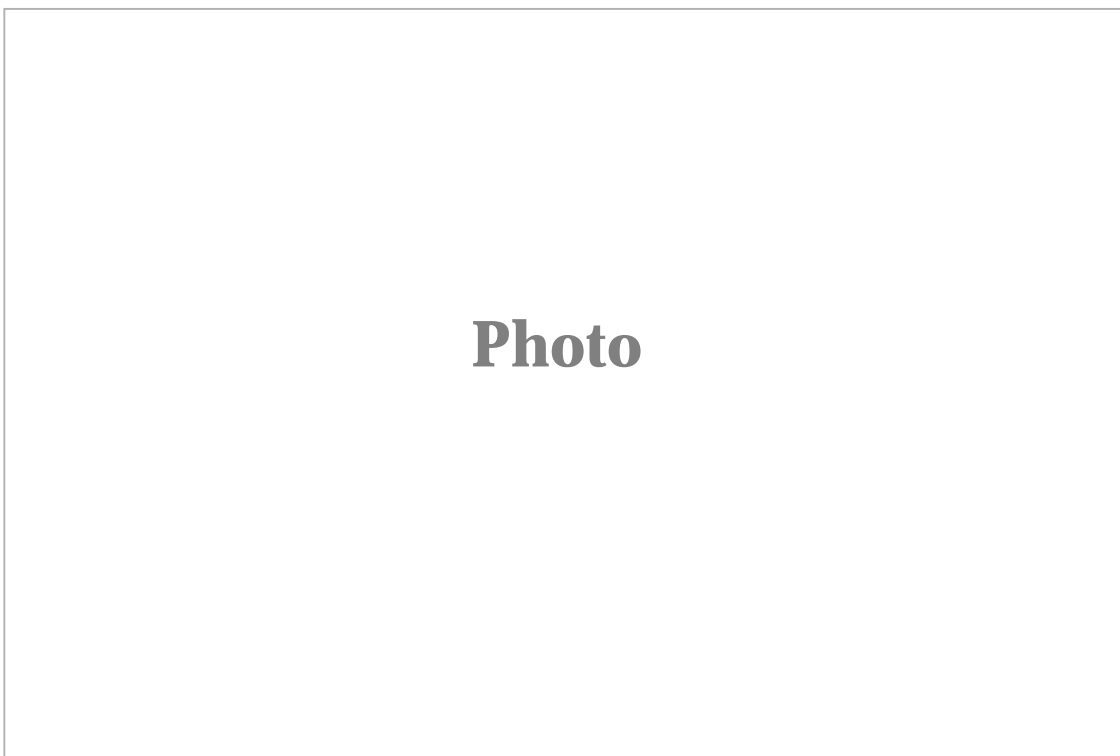
**Briscoes, Link Rd, Wairau**



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CORIOLISRESEARCH

**The Warehouse (including Care Chemist), Albany**



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CORIOLISRESEARCH

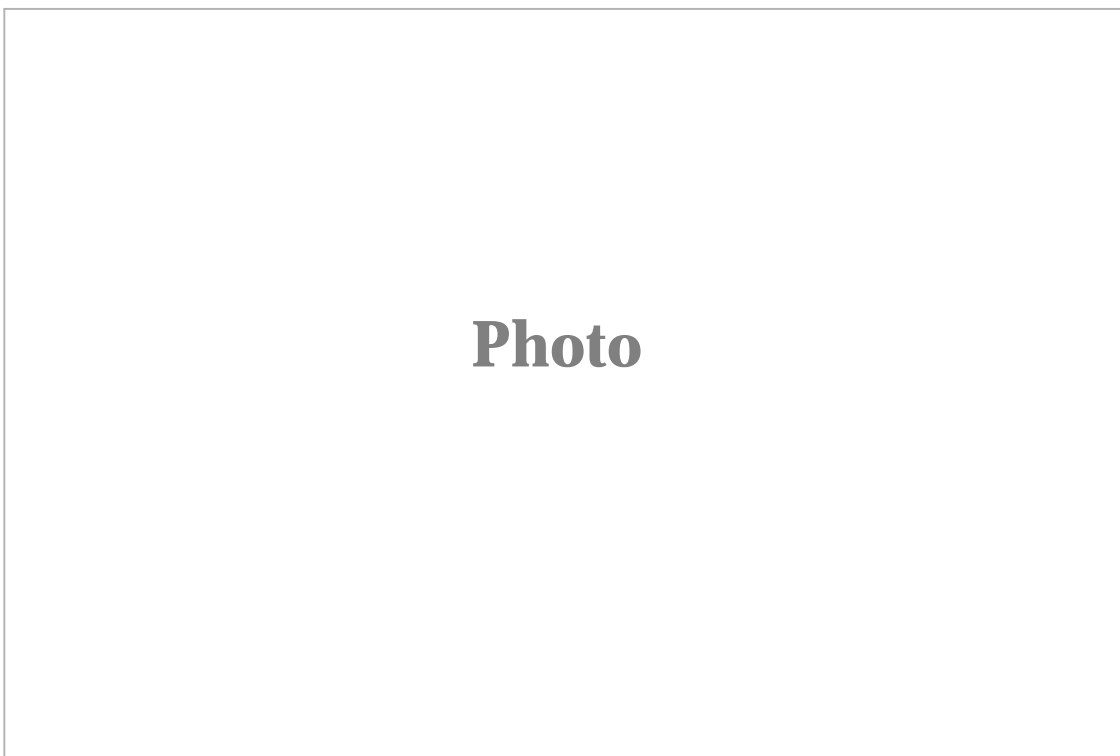
**Amcal, Dominion Rd, Mt Eden**



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CORIOLISRESEARCH

**New World, Victoria St West, Freemans Bay**



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CORIOLISRESEARCH

**Pak'N Save, Albany**



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CORIOLISRESEARCH

**Price Cutter, Ponsonby Rd, Ponsonby**



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CORIOLISRESEARCH

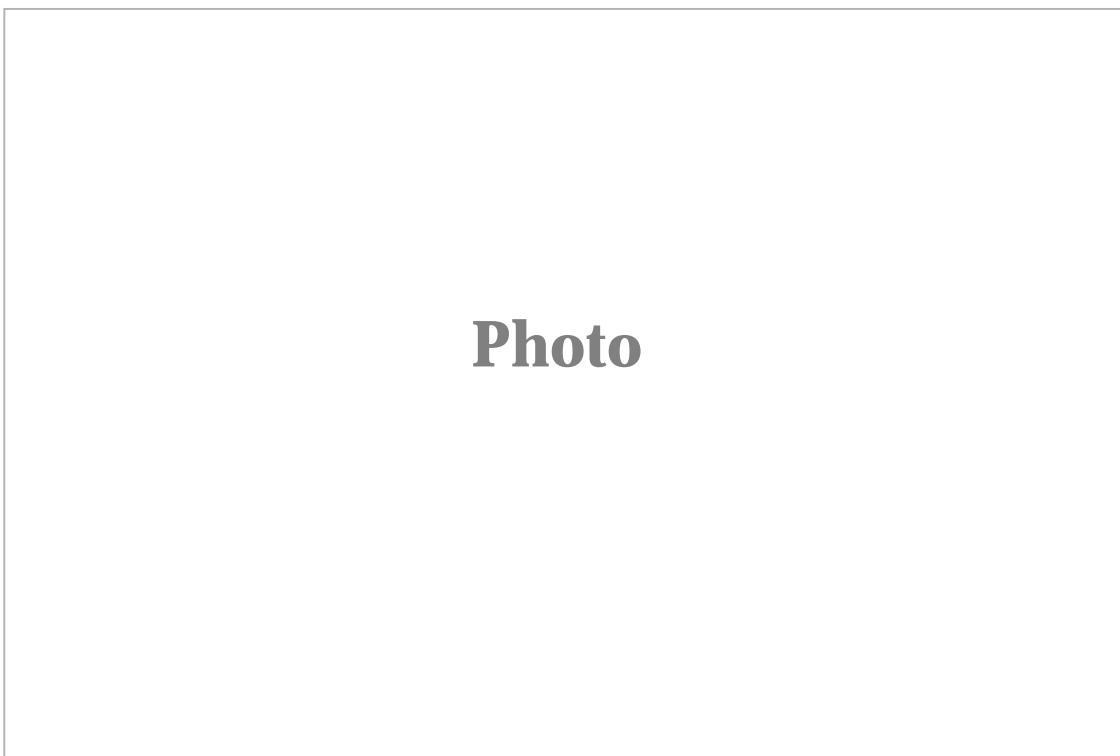
**Gilmours, Cavendish Dr, Manukau**



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CORIOLISRESEARCH

**Foodtown, Dominion Rd, Mt Eden**



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CORIOLISRESEARCH

**Woolworths, Richmond Rd, Ponsonby**

