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SA NEWS



South Australia Retail Council Report

By Lynne Zammit

The world economic downturn and the flow on effect to Australia and the Victorian Bushfires were amongst the general topics of conversation at our Retail Council meeting in February. Specific agenda items dealt with included the National Sausage King Competition held in Adelaide, the Retail Strategic Plan for 2009 to 2012, Industrial Relations and the new Fair Work Bill 2008 plus a range of financial and training issues.

We also welcomed two new members to the SA Retail Council; Kelly Fitzgerald from Hawthorn Meat Store and David Armstrong from Flagstaff Superior Meats.

Kelly has a background in Human Resource Management and Occupational Health and Safety and works with partner Darren Klippel at Hawthorn Meat Store. David and Elissia Armstrong operate the business at Flagstaff Hill. Both Kelly and David will bring strong management and operational skills to the Retail Council and I'm certain their contributions will be beneficial.

Other Retail Council issues discussed were:

- **SA Butchers Sausage Day** – we were advised by the Australian Red Cross of their decision to postpone the Red Cross Calling appeal during March due to the overwhelming public support and generosity to the victims of the Victorian Bushfires. As a consequence our SA Butchers Sausage Day promotional appeal in conjunction with Red Cross Calling in March has also been deferred. We now plan to link to the Red Cross Badge Day in May with a collection of donations in store.
- **Meat Food Safety Advisory Committee** – the first meeting for 2009 of the meat food safety advisory committee was held 3 March 2009. Items for discussion included an update on the approved arrangements of the Meat Hygiene Program, information on the progress of high risk processes, the increase in regulated fees and the strategic planning for meat safety in SA.
- **Retail Strategic Plan** – The National Retail Strategic Plan 2009 – 2012 was approved by the National Retail Council at the meeting in Adelaide in February. The plan has been circulated to all State Retail Councils for approval at the State level. The SA Retail Council has now signed off on the plan and it will form the basis of our activities for the planning period. In addition there are a number of SA goals set for the coming year which are based around the strategic plan.

Members can contact the AMIC office on 08 8272 2400 for more details on the plan.

A SPECIAL THANK YOU TO ALL OF OUR 2009 NATIONAL SAUSAGE KING SPONSORS



Food Shopping Trends in a Recession

By Paul Sandercock

Depending on which politician you are listening to or on what day of the week it might be, we are either in or about to enter into a recession. And it's all due to the unprecedented worldwide economic downturn, which has seen many other countries faced with the effects of a general economic slowdown - which in anyone's language signifies the 'R' word.

And the question that is readily asked is how will this downturn affect my business, my job security and my lifestyle? There is no doubt that we are living in different economic times and for most people changes are already being made. But there are some interesting trends that are emerging and one of the important moves is in food shopping habits and general food trends.

Commentary from many experts points to what consumers are likely to be looking for in their food shopping and how entertaining at home is a fast growing and emerging trend and that home cooking has a nostalgic appeal and is becoming a national obsession.

There are many products that excel when times are tough; they become small rewards and luxuries that can be afforded, chocolate being a dominant winner in this regard. It seems that home cooking and entertaining are also joining the list of activities that will increase in popularity as we move forward.

Interesting also is that meat has been identified as a commodity for strong export and domestic growth. Sally Fletcher, Commodity Analyst in Agriculture & Trade at Australian Bureau of Agricultural and Resource Economics (ABARE), in her presentation the *Outlook for Meat* at the ABARE *Outlook 09* conference in early March pointed to a strong demand for meat with increasing production and prices remaining high in the medium term.

So what does all of that mean for the meat industry and the Independent Local Butcher? Here are some key recession proof strategies and shopping trends which are identified from both a business and a consumer perspective.

7 Key Emerging Issues for Businesses;

- Keep customers interested and returning to your store.

- Maintain standards.
- Don't bore customers - give them choice and new products, they will become conservative buyers with restricted product choice.
- Consumers will become immune to sales and endless discounting.
- They will look for affordable retail purchases; the sense of luxury relies on the store environment.
- Consumers become more interested in value for money in uncertain times.
- Women control 51% of the household purchasing decisions but they also do 80% of the shopping.

7 Key Emerging Consumers Issues;

- There is an increase in cooking and entertaining at home – a popular alternative to eating out.
- Cooking from scratch and a strong focus on reduced food waste.
- Product information.
- Animal welfare & environmental sustainability.
- Health and wellbeing.
- Convenience retailing.
- Price as a driver of seeking retail value.

When you consider that a world economic downturn can cause many adverse affects to a country, it is equally comforting to know that some businesses and industries are able to weather the storm or even prosper. Perhaps the meat industry is one that is well placed during these uncertain economic times.

