

Christmas sales reflect the warmer weather, our love of celebrating outdoors and trifle!

- Warmer weather boosts sales of ice blocks, ice cream cones and sun care
- Traditional turkey and Christmas cake are still ranked top seasonal categories but sales are down compared to 2004
- Australian consumers are feeling optimistic about the year ahead

Warmer weather over Christmas 2005 and our love of celebrating outdoors has boosted the sales of sun care products, ice blocks, sparkling juices and disposable cups and plates – whilst strong growth in chilled cream, custard, packaged cakes and jelly, indicate that trifle is still a traditional Aussie favourite, a report released recently by leading marketing information company ACNielsen has revealed.

With the average maximum temperature for December 2005 in Sydney, Brisbane and Melbourne reaching up to two degrees hotter than November, and three degrees hotter than Christmas 2004, sales for sun care products increased by a staggering 47.4 per cent, ice blocks grew by 45.9 per cent and ice cream cones/wafers increased by 31.4 per cent versus November.

Conversely, the warmer weather appears to have had a negative impact on the highest ranking seasonal items, with frozen poultry, Christmas cake, and firelighters/barbeque all recording declines versus Christmas 2004.

The results also highlight the Australian tradition for home-made trifle on Christmas day, with chilled cream and custard growing at 64.3 per cent versus November, and packaged fresh cakes and jelly growing at 44.5 and 37 per cent respectively.

According to ACNielsen | Homescan data, Australian households spent an average of \$338 on groceries over the four weeks to 24 December, up \$15 from Christmas 2004, driven by an increased number of visits to the supermarket (eight shopping trips in December 2005 versus seven in 2004) – the amount we spent per visit remained stable at \$45.50.

The report also provides extracts from the November 2005 ACNielsen Global Consumer Confidence survey which is designed to gauge consumers' economic confidence for the year ahead. According to the results, Australians are feeling increasingly optimistic about 2006 and our overall confidence index is 117 – the fifth highest globally.

The results of the survey also show that Australian consumers have an increasingly positive employment outlook for 2006, with 75 percent of respondents believing that job prospects were 'good' or 'excellent', compared to 69 percent in May 2005.

When it comes to personal finances, Australian consumer perception also improved seven points to 74 per cent, which translated to an increase in the perception that it is now a good time to buy things that we want and need.

"Whilst consumer outlook appears positive for the year ahead, turbulence in petrol prices and interest rates could rock the boat again and lead to tightened consumer spending," says Anton van den Berg, Client Service Director, ACNielsen. "Uncertainty among manufacturers about the growth in Private Label products is keeping a lid on new product development and hence on growth."



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