

2015 Supermarket Price Survey

CHOICE says our two biggest supermarkets are not so 'cheap cheap'.

4 June 2015

Consumer advocacy group CHOICE has released the findings of its 2015 supermarket price survey, which looks at the average price of a basket of 31 items at Coles, Woolworths, Aldi and IGA from 93 supermarkets across Australia.

"Our survey has revealed that by forgoing leading brands at the big two supermarkets and heading to Aldi, you can save about 50% off your weekly grocery bill," says CHOICE spokesperson Tom Godfrey.

"Coles and Woolworths bombard consumers with advertising jingles and flashy promotions designed to convince us we are getting great prices, but our latest survey shows the big retailers' price claims are going down down."

A basket of leading brand products costs on average \$87.29 more at Coles (\$174.97) and \$89.09 more at Woolworths (\$176.77) than a basket of equivalent products at Aldi (\$87.68).

The news comes following CHOICE's April national consumer pulse research that found food and grocery prices remain one of the top cost of living concerns with 75% of Australians feeling the pressure at the checkout^[1].

"Savings, low prices and value for money are the top priorities for grocery shoppers, so it's likely the growth of private label will continue and Aldi is in the box seat," says Mr Godfrey.

"When it comes to private label, which now accounts for 21% of packaged grocery sales, Aldi (\$87.68) still had the cheapest basket, coming in 23% less than Coles (\$114.24) and 27% less than Woolworths (\$119.40)."

"If Aldi's no-frills experience is not your thing, but lowest price is a priority, you can still save 35% at Coles and 33% at Woolworths by swapping leading brands for the chains' private label equivalents."

"However, when it comes to buying leading brands at Coles and Woolworths, the difference between baskets at the big two retail giants is only \$1.80. This would seem to reflect the intensive process of price monitoring between the duopoly."

"Independent supermarket chain IGA returned the most expensive basket coming in at 8% more expensive than the same basket of leading brand products at Coles."

Where you live can also impact the price you pay at the checkout. CHOICE found the cheapest basket in the Australian Capital Territory (\$163.60), coming in \$7.02 cheaper than the most expensive basket in the Northern Territory (\$170.25)^[2]. Western Australia was also at the top end coming in at \$169.71.

"It's not all bad news for consumers in Western Australia, with Aldi planning to move west in the near future," says Mr Godfrey.

The basket items priced were leading brands (and their private label equivalents) across 28 product categories from sliced bread, cheese and chocolate to canned tuna, toilet paper and frozen peas, as well as three fresh food items.

[1] <https://www.choice.com.au/about-us/media-releases/2015/april/consumer-pulse>
 [2] CHOICE 2015 Supermarket Price Survey, average basket price (incl specials) from Coles and Woolworths only. Made up of 28 leading brand products and three fresh food items.

How we survey

We sent undercover shoppers into 93 supermarkets – 32 Coles, 32 Woolworths, 18 Aldi and 11 IGA stores – in 17 cities across Australia. Supermarkets were chosen to give good coverage of socio-economic status and relative distances to city centers within each city and state. We surveyed supermarkets in clusters so that each store has local competition.

We collected price data on 31 different products. For 28 of these we priced the leading brands as well as their private label equivalents at each supermarket, where available. The remaining three products were fresh, unbranded items.

SUPERMARKET PRICE SURVEY

 <p>ALDI PRIVATE LABEL</p> <p style="font-size: 2em; font-weight: bold; color: white;">\$87.57</p> <p style="font-size: 0.8em;">Average basket (inc. specials)</p>	 <p>coles PRIVATE LABEL</p> <p style="font-size: 2em; font-weight: bold; color: white;">\$113.75</p> <p style="font-size: 0.8em;">Average basket (inc. specials)</p>
 <p>the fresh food people Woolworths PRIVATE LABEL</p> <p style="font-size: 2em; font-weight: bold; color: white;">\$118.56</p> <p style="font-size: 0.8em;">Average basket (inc. specials)</p>	 <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>coles LEADING BRANDS</p> <p style="font-size: 2em; font-weight: bold; color: white;">\$162.56</p> <p style="font-size: 0.8em;">Average basket (inc. specials)</p> </div> <div style="width: 45%;"> <p>the fresh food people Woolworths LEADING BRANDS</p> <p style="font-size: 2em; font-weight: bold; color: white;">\$172.16</p> <p style="font-size: 0.8em;">Average basket (inc. specials)</p> </div> </div>

We sent undercover shoppers into 93 supermarkets: 32 Coles, 32 Woolworths, 18 Aldi and 11 IGA stores – in 17 cities across Australia. Supermarkets were chosen to give good coverage of socio-economic status and relative distances to city centres within each city and state. We surveyed supermarkets in clusters so each store has local competition. We collected prices for 31 different products. For 28 of these we priced the leading brands as well as their private label equivalents where available. The remaining 3 products were fresh, unbranded items.



choice
CHOICE.COM.AU