

**Hort
Innovation**

**AV24014 – Avocado Retail
Quality, Education &
Merchandising Project**

March – October 2025



Project Objective

The 2025 Woolworths Avocado Retail Education Program, Training, and Merchandising initiative has been developed to overcome key barriers to Australian avocado purchases. These barriers include issues with quality (such as ripeness at purchase, poor overall condition, and early bruising) and limited knowledge among retail staff regarding varietal characteristics, proper handling, storage, ripening, and in-store display of avocados.

The overall expected outcome is continued improvement on the previous year's measurables for quality management and staff knowledge including :

- Staff knowledge on best storage/handling and merchandising practices
- Overall consumer satisfaction of Australian Avocados, through notably the reduction in bruising of avocados and squeezing by customers to determine ripeness
- Increased conversion at shelf and ultimately sales of Australian Avocados

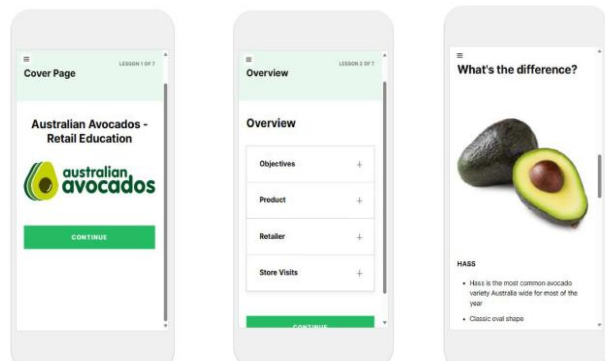
Methodology:

- 400 Woolworths Stores Nationally
- 8 x Visits (3200 total)
- 1st March – 31st October
- Trained Merchandisers visit each store to deliver
 - eLearning training module,
 - Audit store for fruit quality & practices
 - Placement of BOH Poster
 - Delivery merchandising service
 - Conduct Shopper interviews to develop insight into buying behaviour at shelf



	Number of Stores
ACT	15
NSW	144
QLD	98
SA	23
TAS	6
VIC	64
WA	50

eLearning Module



BOH Posters

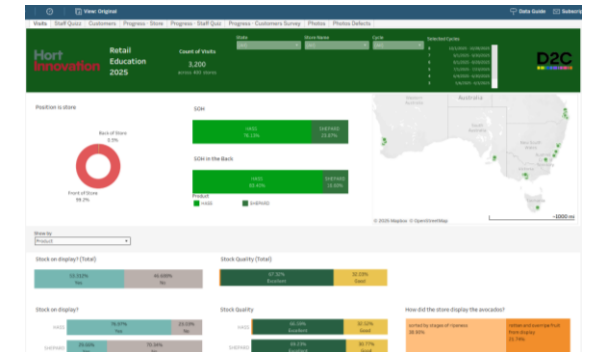


Woolworths Hass



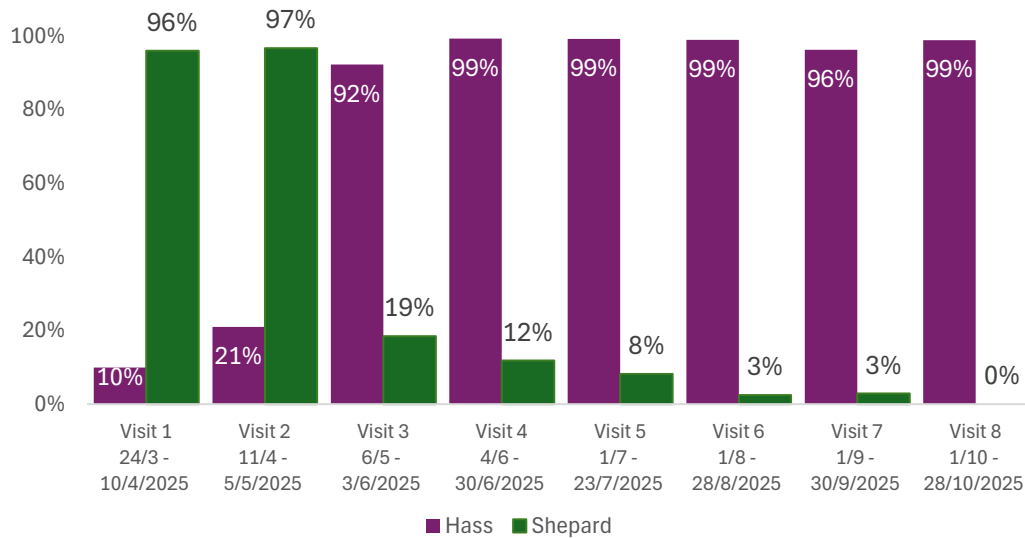
Woolworths Shepard

Live Dashboard



2025 Avocado Retail Program Season

Stores with stock on display



Single Avocados – Units by Variety



Source: WOV Scan, 104 weeks to 21 October 2025 vs Last Year; Universe: Avocados

- Shepard was in the majority of stores Nationally for the first 2 visits through March – early May
- Victoria showed dual ranging of Hass & Shepard, including 30% of stores ranging Hass in Visit 2

Next Steps:

- Align Retail Program start date with Week 1 of Shepard program by state for greatest impact, by state
- State transition to Hass when available (Vic, WA)

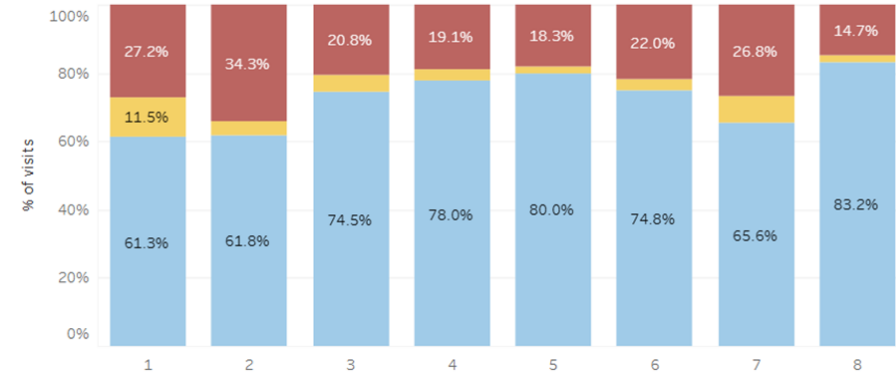


Storage

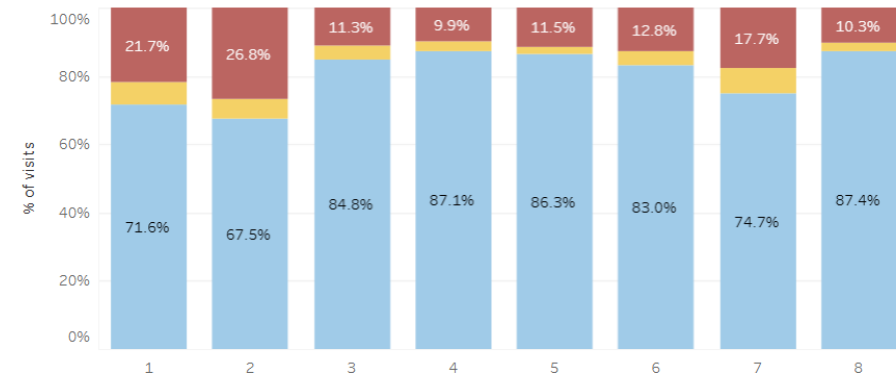
BOH Storage

2025 SEASON

What temperature is SHEPARD avocado stored at?

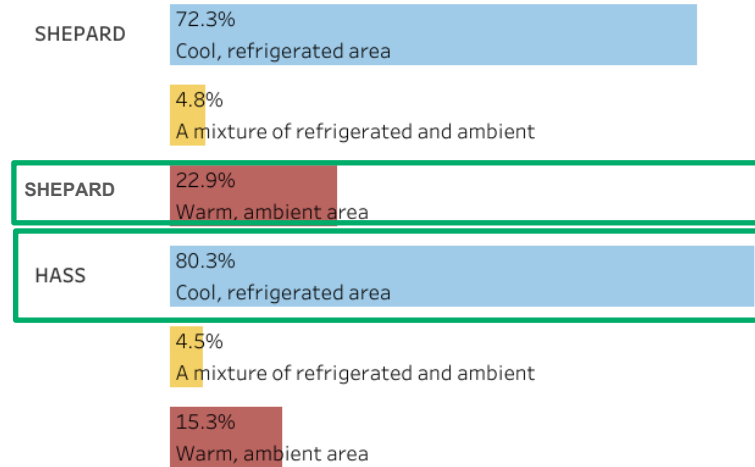


What temperature is HASS avocado stored at?



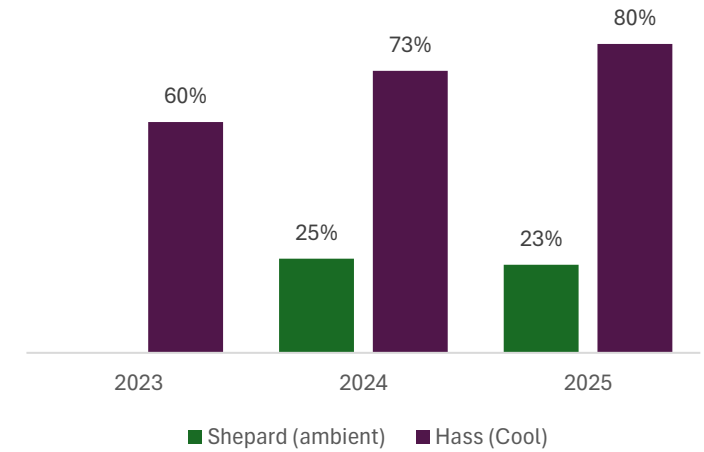
2025 TOTAL

What temperature is it stored?



YEAR ON YEAR

BOH Storage (Woolworths)



Storage

- Shepard BOH storage practice continues to be a challenge in store.
- Poor Visit 1 compliance prompted communications to all stores contributing to a slight improvement Visit 2
- Overall Hass BOH storage compliance has improved Year on Year, Shepard declined on YA

Next Steps:

- Drive Shepard ambient storage earlier with both store communications and Retail Program from week 1 of season in all stores



Presentation

Shelf Presentation - Visual Cues

Good

- Displayed in supplier boxes
- Display is stocked
- Eat NOW, Eat LATER (ENEL) grouped together.
- Stickers facing up
- No bruised, rotten and overripe fruit from display



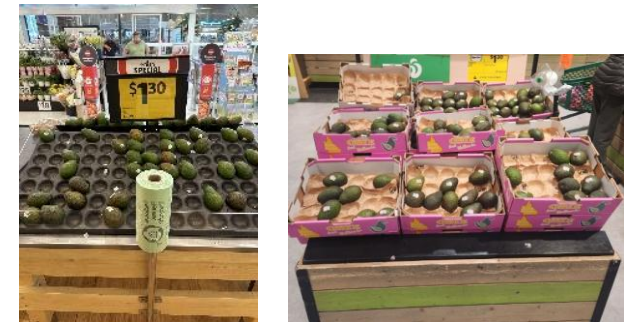
Fair

- Display is partially full
- Fruit is somewhat organised
- Some bruised, rotten and overripe fruit might be on display
- EN/EL not grouped accordingly



Poor

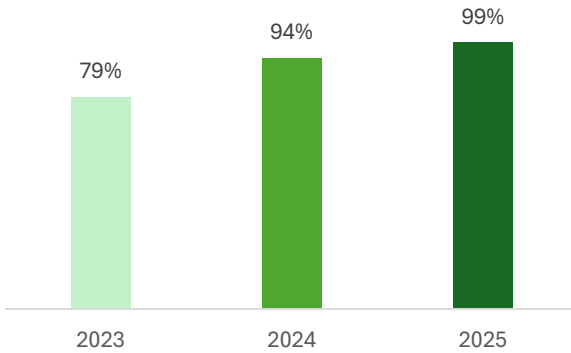
- Low stock
- All avocados look overripe
- Display not set up in line with retailer specific POS
- Rotten, overripe and bruised fruit on display



Presentation

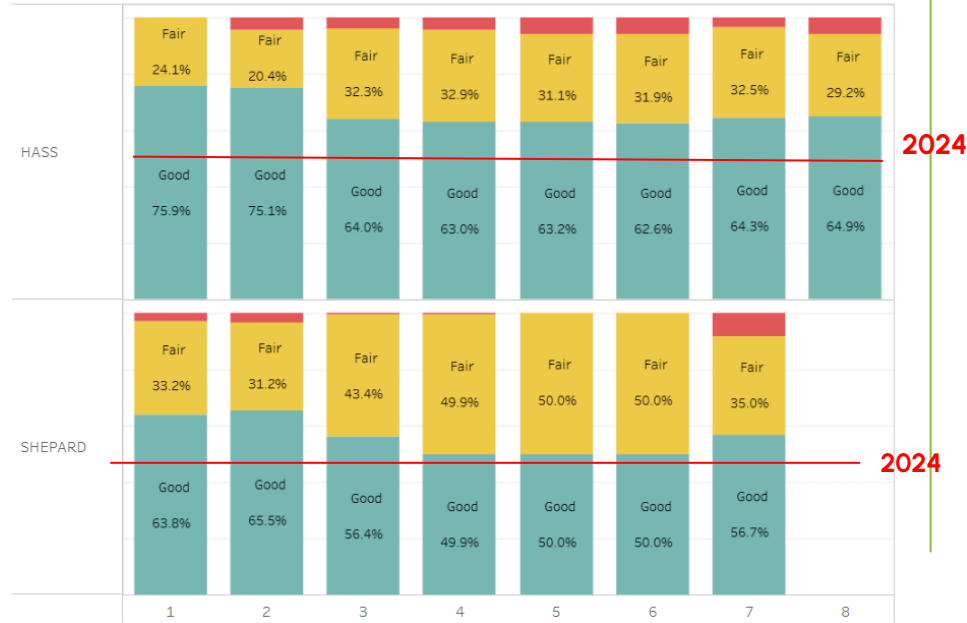
LOCATION - YEAR ON YEAR

Location of Avocado display at front of store (Woolworths)



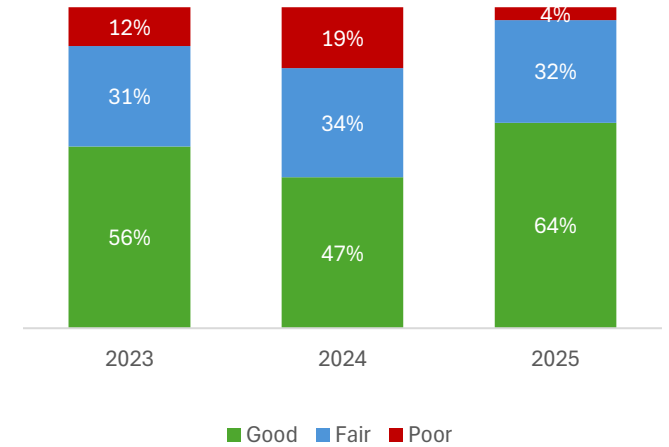
PRESENTATION - 2025 SEASON

Stock Presentation



PRESENTATION - YEAR ON YEAR

Presentation Quality



Presentation

- Nearly all stores have Avocados displayed at the front of the store
- Consistent Good shelf presentation for both Hass and Shepard throughout the season and compared with 2024
- Reduction in 'Poor' displays vs YA

Ripeness & ENEL

Ripeness

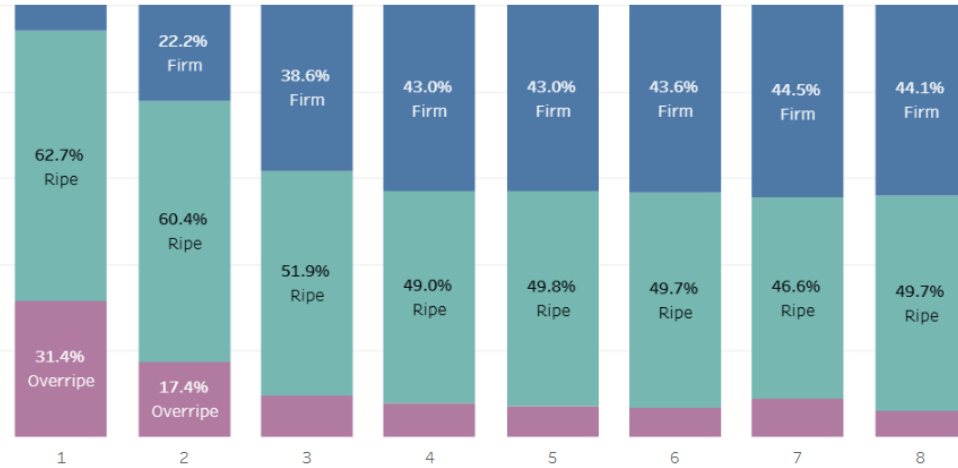
- When in season, there are more 'Ripe' Shepard avocados on display, however there is a greater rate of 'overripe'
- Ripeness levels remain consistent through the season
- Level of 'Ripe' fruit on display improved vs 2024, reduction in overripe

ENEL

- In line with Woolworths ENEL strategy of 30/70, on average 60% of stock on display is categorised as Eat Later.
- There was a decrease in perceived difference between ENEL fruit vs YA
- Perth trial of 50/50 underway

2025 SEASON

Stock Ripeness

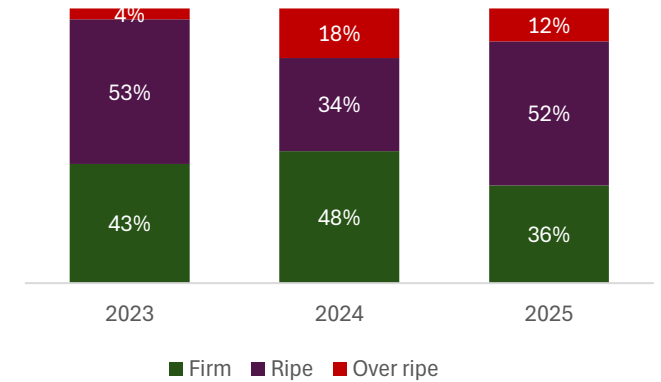


SOH

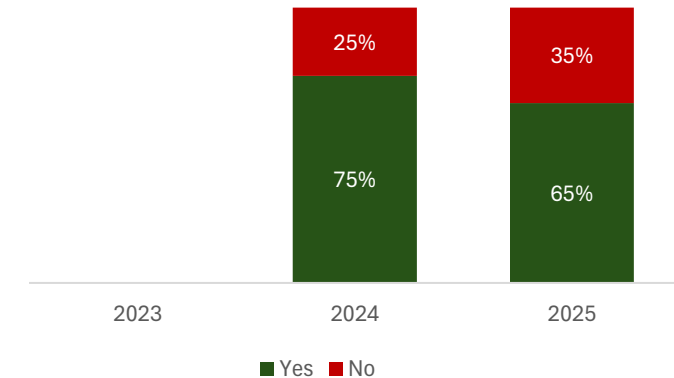


YEAR ON YEAR

Ripeness - % of Fruit on Display



ENEL - Is there a clear difference between EN/EL product?



Displays In Store (Before and After)





Fruit Quality

Fruit Quality Appearance

Fruit Quality results were based on a visual inspection by the team going into store looking at colour, shape, size, ripeness range, damage.

Quality of Fruit examples:

HASS



Excellent

- Range of colours, flesh not smooth (ripe and nearly ripe, no unripe)
- No indents, skin marking, or punctures



Good

- Some overripe (very dark green)
- Some indents, skin markings



Poor

- Overripe
- Indents, skin markings, and punctures
- Rot

SHEPARD



Excellent

- No indents, skin marking, or punctures



Good

- Some indents and light markings

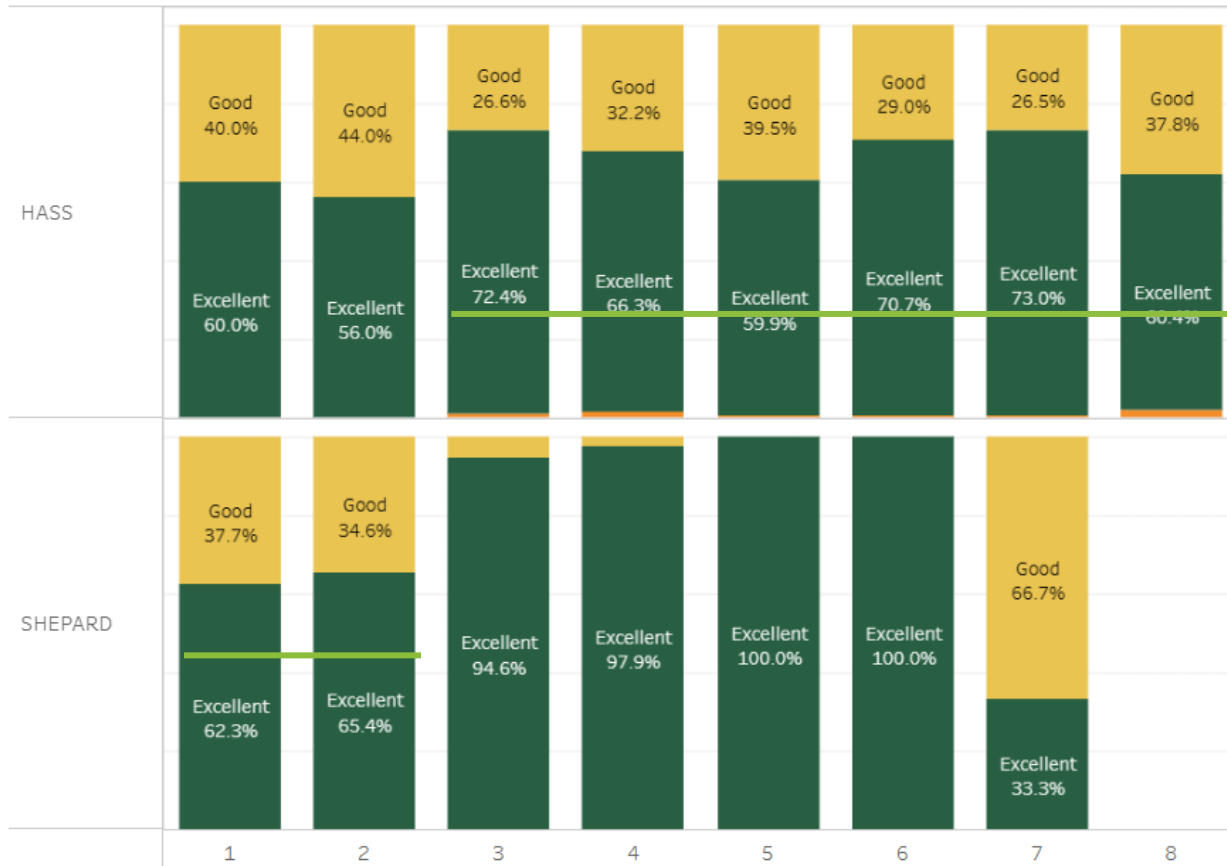


Poor

- Overripe
- Indents, skin markings, and punctures
- Rot

Fruit Quality on Display

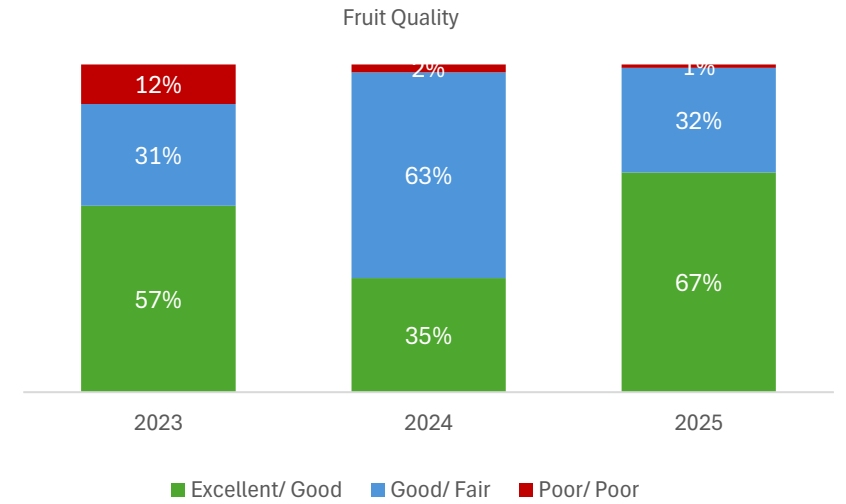
2025 SEASON



2024 Visit 3-10
27%

2024 Visit 1&2
37%

YEAR ON YEAR



2024 quality rating changed to Excellent/Good/ Poor

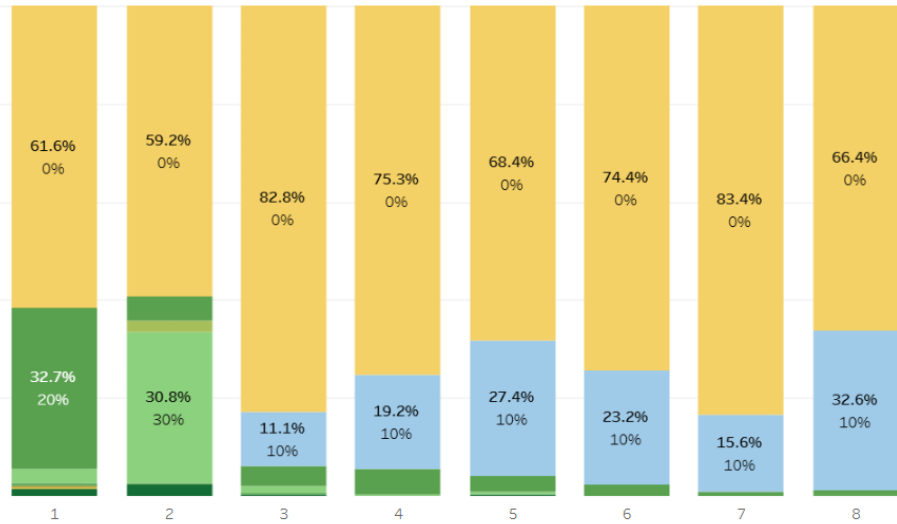
Fruit Quality

- Overall quality for both Shepard and Hass quality on shelf was significantly above 2024 levels.
- Hass quality declined slightly in July (5) and October (8)
- Key driver of overall 2025 quality was more ripe vs overripe fruit on display,

External Damage

2025 SEASON

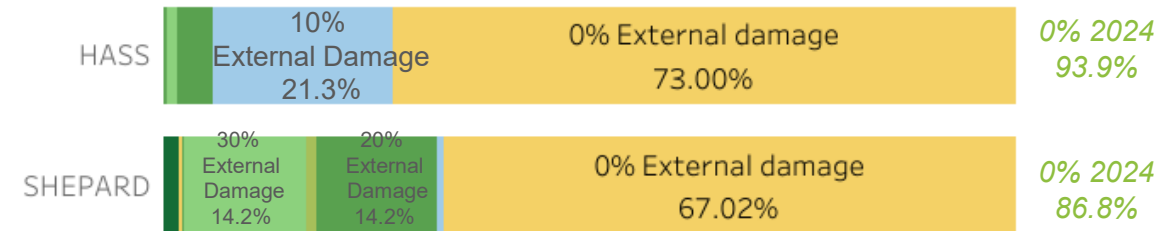
External Damage



* Visit 5 & 8 had more people handling 4 avocados at the shelf

VARIETAL

External Damage



External Damage

- Higher levels of damage on Shepard over Hass
- Over 30% stores with Shepard shows some damage, extent of damage increased in Visit 2
- More fruit on display in 2025 had damage compared with 2024

Staff Reporting Quality Issues

- Below are ways in which staff report back any quality issues in store:
 - Report back to Produce Manager (69.5%)
 - Inform head office (14.7%)
 - Inform distribution center (6.9%)

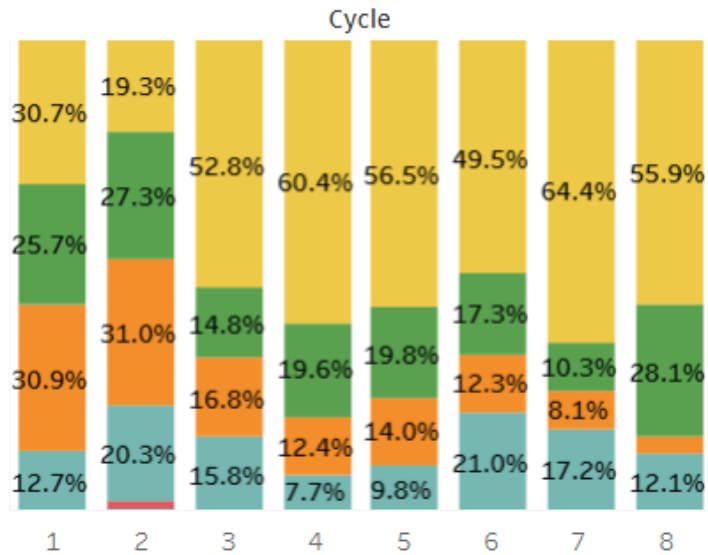


Handling & Merchandising

Restocking & Handling

2025 SEASON

At the time of refilling, how is stock put onto the display?



At the time of refilling, how is stock put onto th...

- Full Trays and minor readjustment by hand
- Full Trays - no touching of produce
- Hand filled
- Tip filled (boxes of fruit "poured" onto the d...

2025 TOTAL

Tip filled (boxes of fruit "poured" onto the display

14.6%

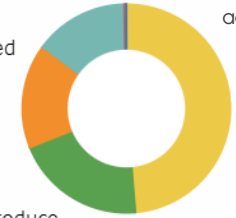
Hand filled

16.2%

Full Trays - no touching of produce

20.3%

Full trays and minor adjustment by hand
48.7%



Restocking

"Store and display in original supplier cartons only. Never tip fill as this will bruise these delicate fruits."

- 69% of stores are following handling guidelines by refilling primarily with Trays, improving throughout the program
- 'Tip Filling' is 14% across the season, spiking in April and August
- Hand filling reduced significantly throughout the program

Consideration:

- Mid season store comms to all stores to reinforce best practices

Restocking & Handling

STOCK ROTATION & REFILLING

81.0% first in first out (ripest fruit from left to right facing the display)

14.5% the stock that is in front in the storage room

4.0% overripe stock first

0.3% unripe stock first

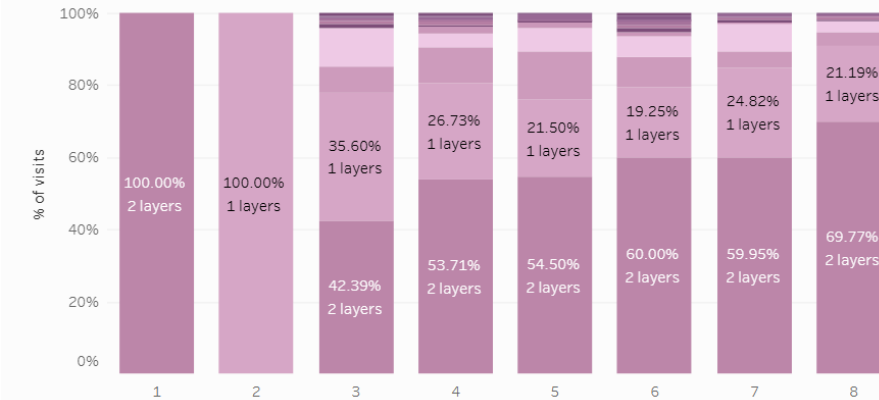
0.2% other

LAYERS

How many layers high is the display?



How many layers high is the display?



Restocking

- 81% of stores follow correct stock rotation and refill methods
- Displaying in layers (trays) improved throughout the program, particularly during Hass season
- Reduction with displays with 3+ layers high over the period

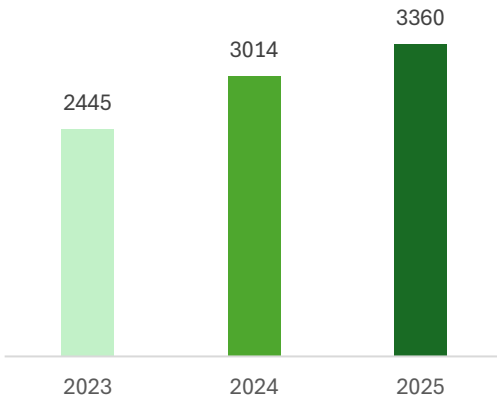


Staff Training

Staff Training

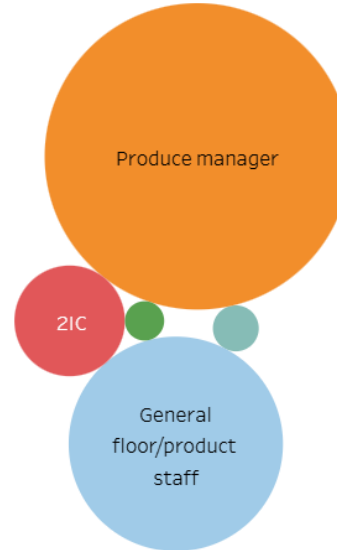
TRAINING SESSIONS

Woolworths Number of Training Sessions



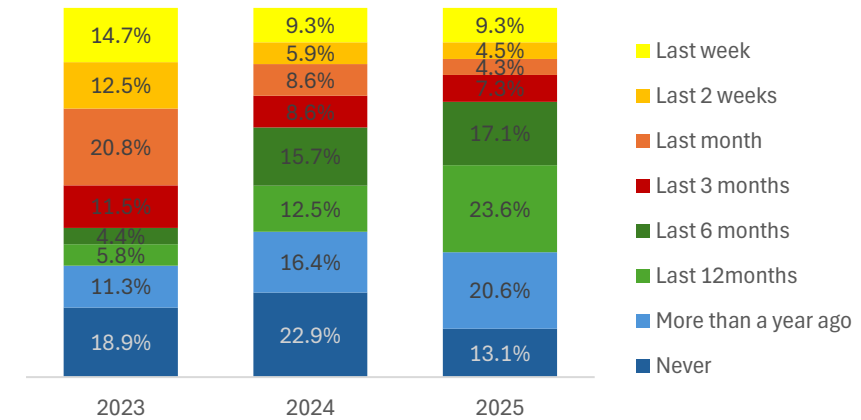
STAFF POSITION

What were the staff titles that participated in the training?



LAST RECEIVED AVOCAOD TRAINING

How long ago did Woolworths Store staff receive training?



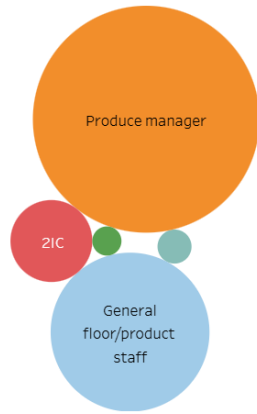
Staff Training

- 12% increase in staff training sessions vs YA
- Produce Managers are the priority staff for the store so they can share best practice with their teams
- Recency of training has declined with 25% receiving Avocado specific training within the last 3 months, compared with 60% 2YA

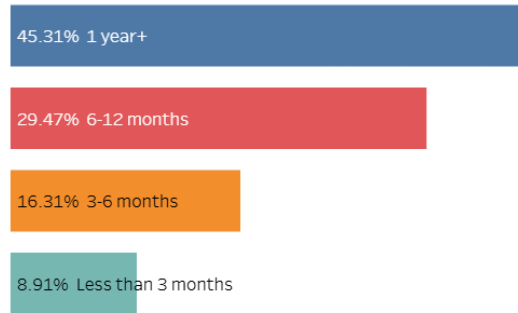
Staff Training

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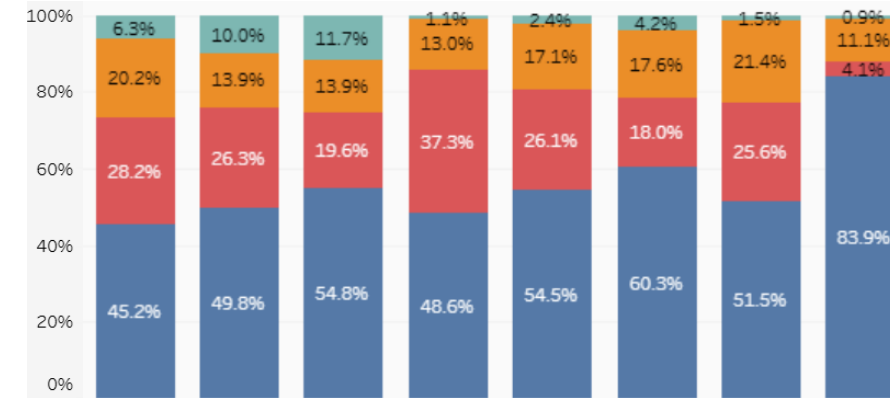


Length on tenure?



LENGTH OF TENURE

Produce Manager



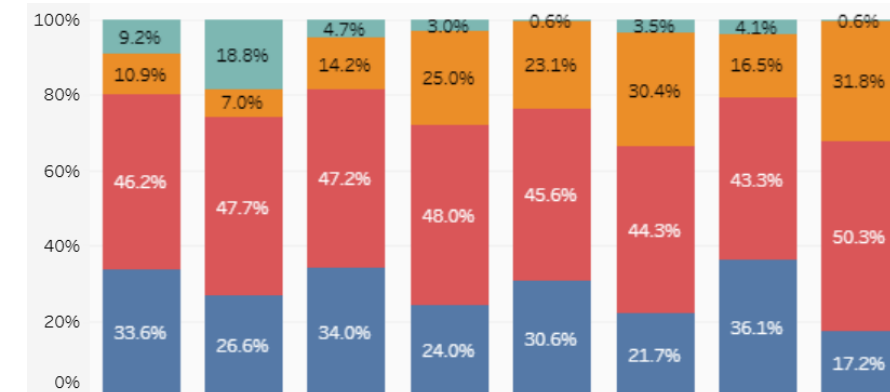
Staff Training

- Majority of training sessions were delivered to Produce Managers
- 55% of staff receiving the training have tenure less than 12 months, looking at only general/produce floor staff this increases to 73%
- General floor staff are being rostered into Fresh Produce

Consideration

- Reach as many Produce Managers as possible at the start of each Shepard & Hass Season
- Aim to reach as many Floor Staff for training rather than retaining the same individuals

General floor / Produce staff





Shopper Knowledge

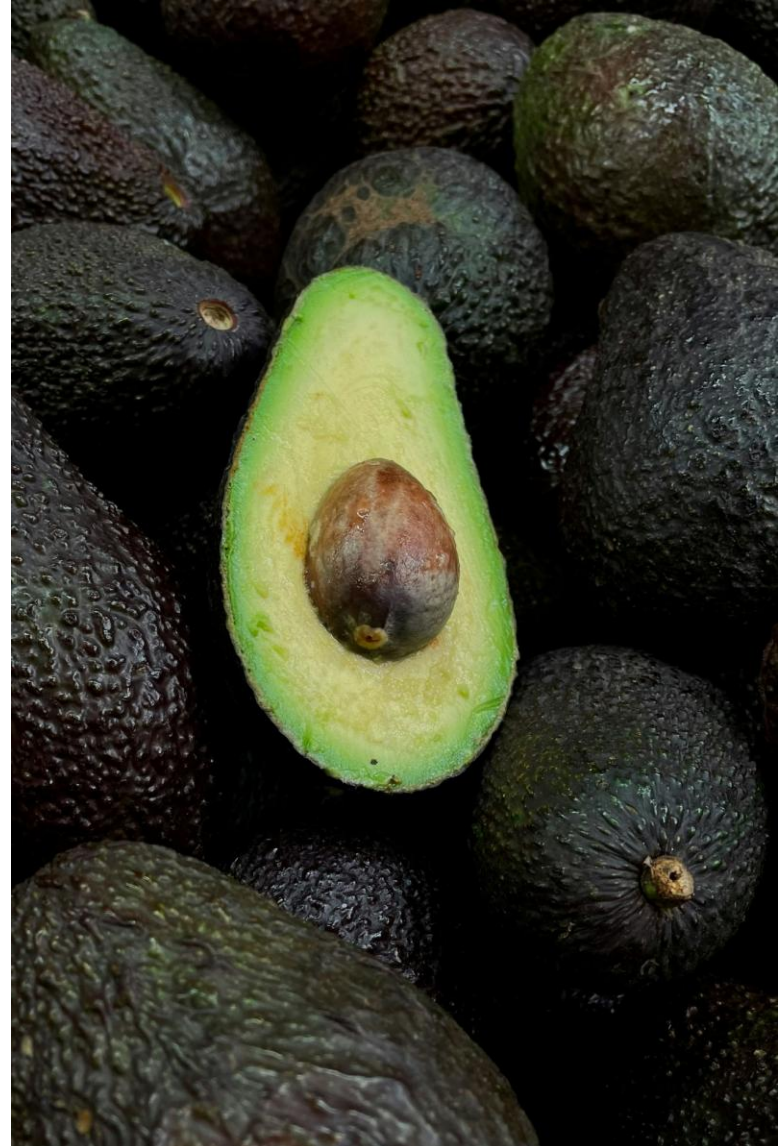
Shopper Insights

To note, results are skewed to existing Avocado shoppers who were engaging with the category & Shoppers were approached around the avocado displays in store.

3,200 shoppers surveyed

Additional questions were added to the survey mid program to provide deeper insight into behaviour:

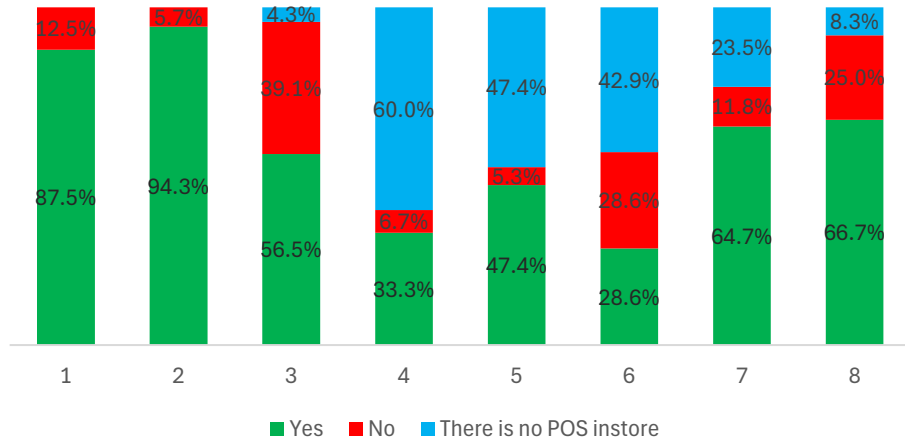
1. How many Avocados were checked by each shopper (6 visits)
2. Conversion – purchase or walk away empty handed (3 visits)



Shopper Insights

POS in Store

Does the store POS help or inform you about varietal difference/ ripeness?



POS

- Varietal & Ripeness POS is most helpful to shoppers during Shepard season
- Transition to Winter Hass sees instore POS execution drop off
- When executed, 78% of shoppers find POS helpful

Next Step

- Drive POS execution at varietal transitions to ensure POS matches stock on shelf
- Optimize creative to better meet shopper needs on Varietal/ Ripeness

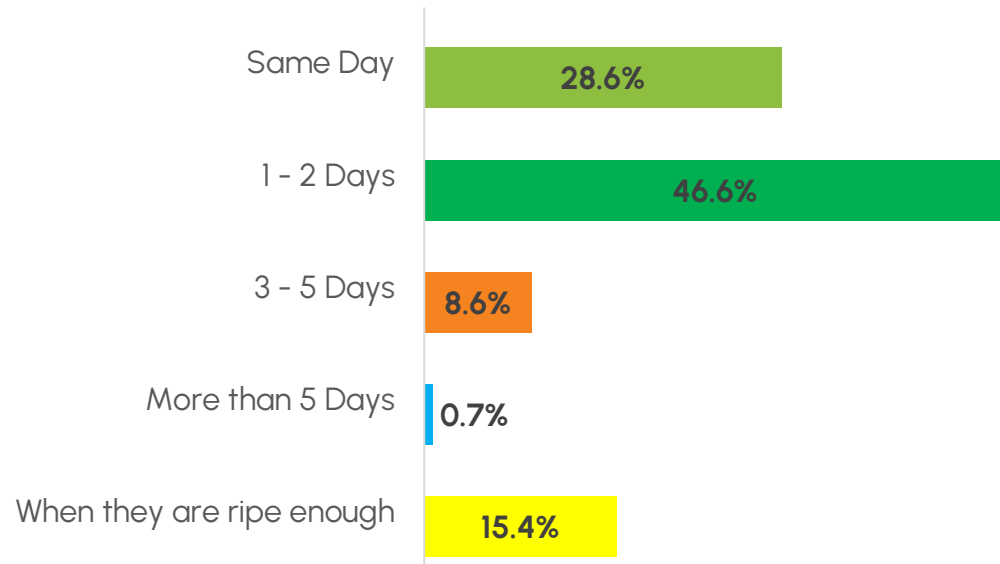


When POS is executed, **78%** shoppers find it helpful



Shopper behaviour at the Shelf: To meet their needs, Shoppers want Avocados available that are ripe and ready to eat

After buying Avocados, how long do you usually wait before eating them?



75% shoppers want Ripe and ready to eat Avocados (within 2 days)

Ripeness:

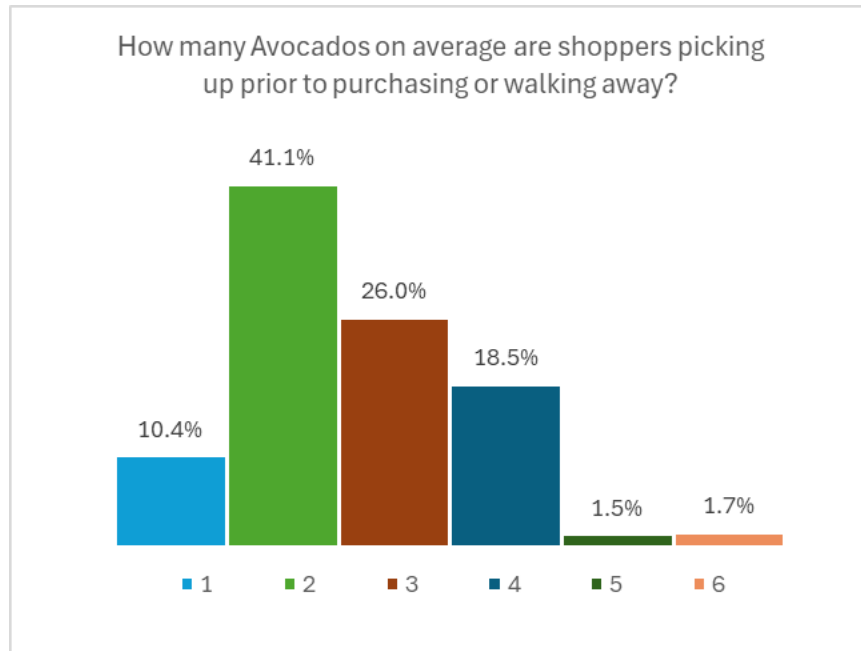
- Firm
- Ripe
- Overripe

Stock Ripeness (Total)



Yet only 52% of available produce is considered ripe

The amount of produce available on shelf at the right ripeness level is below what shoppers are looking for, leading to over handling of fruit and over a quarter walking away empty handed



66% shoppers are handling 2 – 3 Avocados on each shop, up to 4 when firmer fruit on display

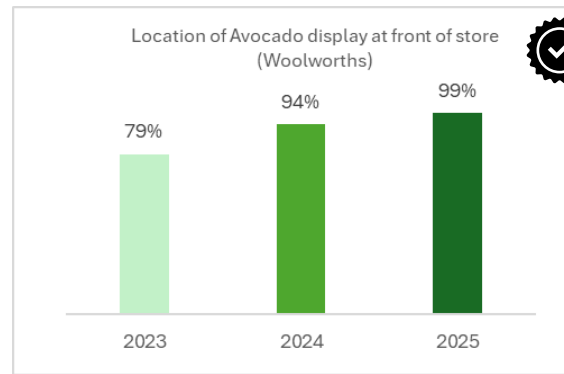
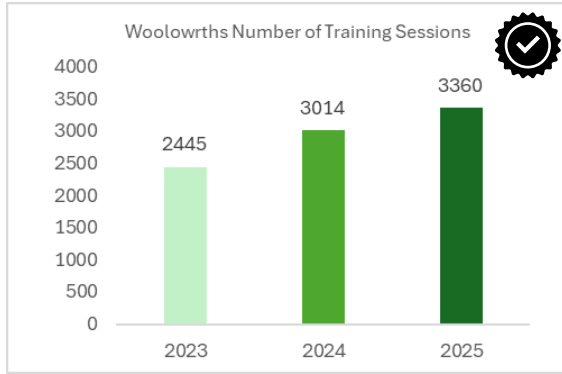


27% shoppers walk away empty handed



Insights

Avocado Retail Quality & Education Annual KPI Dashboard

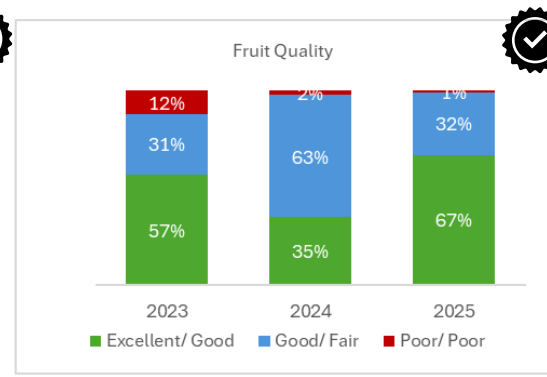
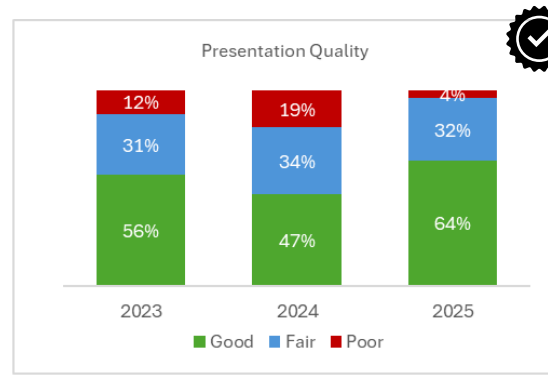
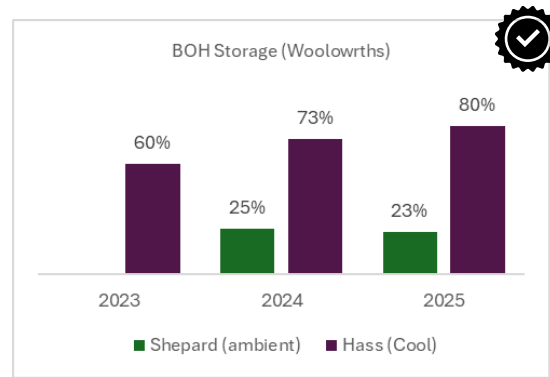


Year on Year improvements across many of the key KPI's reflecting the continuous delivery of education to store staff and focus by the Avocado industry & Woolworths

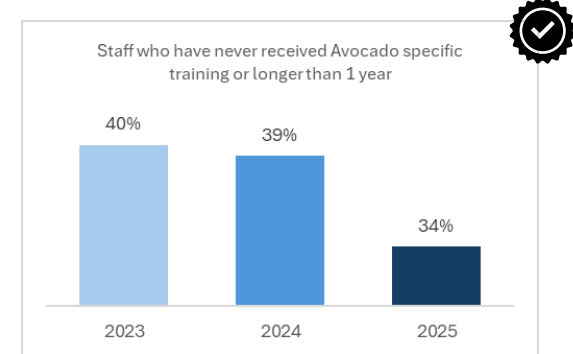
Despite improvements display of Ripe & EN produce on display, still not meeting 75% of shopper needs of ripe and ready now.

Opportunity exists to improve shopper education materials in store as Shoppers find these helpful to understand varieties and ripeness checking

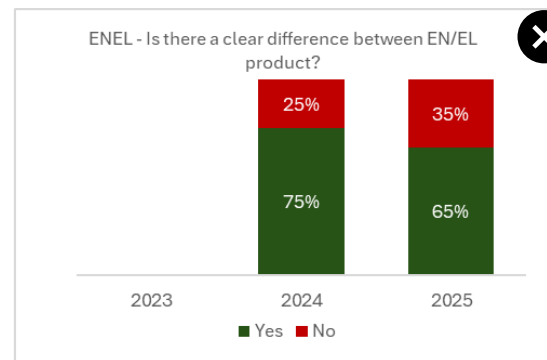
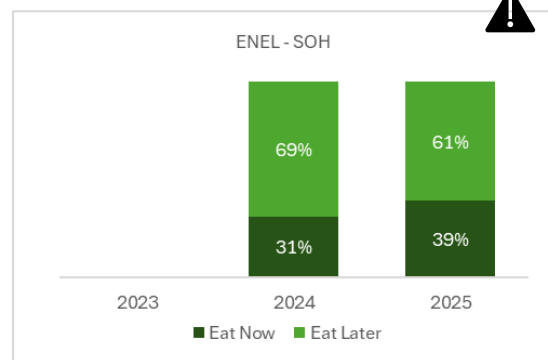
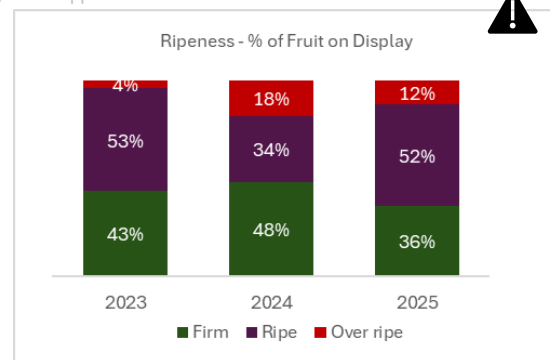
Best Practise & Quality



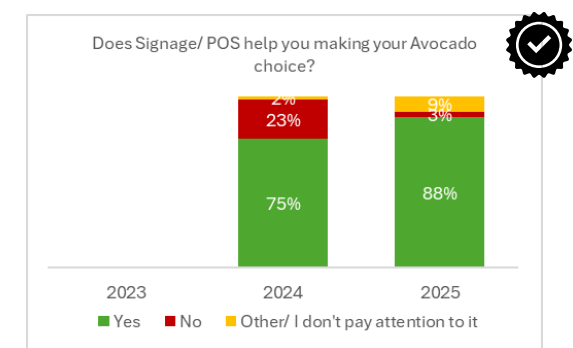
Staff Training



Ripe & Ready for Shoppers



POS



Key Insights & Opportunities

- **Front of store location** has been achieved in 99% of stores
- Overall Avocado **presentation improved** on 2024 to 64% Good
- **Hass BOH storage improved**, however not for Shepard which needs earlier store communication and stronger compliance
- **Refilling practices improved** with Full Trays being the dominant method, handfilling reduced throughout the season, yet tip filling is still experienced in 14% of stores
- **Overall Quality improved** on YA, driven by ripeness improvements however **more fruit displaying defects** were present in 2025 particularly Shepard.
- **Ripeness is key to category success** – more shoppers want ripe and ready to eat fruit
- Current **ENEL strategy is not meeting shopper needs** with allocation of fruit/ space as well as being able to tell the difference.
- **POS is helpful** to 78% of shoppers navigating varietal and ripeness information, POS execution drops off for Winter Hass season
- Delivering training to Produce Managers at the start of Shepard and Hass season is important, but the remaining sessions should be focused on floor staff for greatest reach and impact
- **Recency of training has significantly declined** with only 25% of staff receiving training with the last 3 months compared with 60% in 2023

Learnings for 2026 Program

- Distribution of BOH Posters to all stores at the start of the program, not just 400 stores visited
 - Shepard – 25th Feb
 - Hass – TBC week ahead of transition
- Align Program start with Shepard launch by State
- Strengthen training and awareness of Shepard BOH ambient storage via program & store comms
- Increase % Ripe fruit on display
- Include POS execution detail – varietal vs ripeness check vs ENEL
- Restocking - Target the reduction of 'tip filling'
- Store Staff:
 - Target Produce Managers and F&V Area Managers at the start of the program and again with Hass season change (by state)
 - Aim to educate as many Produce & General Floor staff who merchandise Avocados
- No Shopper survey included in 2026, however continue to monitor Shopper Behavior:
 - Number of pieces of fruit handled
 - Purchase vs walk away