

## Price comparison of Baw Baw Organics produce and local supermarket competitors.

### Research highlights



Monash University Nutrition and Dietetic students, in partnership with the Open Food Network, conducted a price audit of supermarkets local to Baw Baw Organics, in Warragul. The cost and availability of a range of produce was compared using a virtual food box in April 2015.

### Local food in Victoria

Public interest in regionally-focused food systems is growing in Victoria and around the world.<sup>1</sup> Discouraged by the unsustainable practices of the mainstream food industry, consumers are looking for environmentally conscious sources of fresh groceries.

Food hubs, like Baw Baw Organics, simplify the process of buying and selling local produce in a transparent manner. The close proximity of producers to consumers directly reduces the time that fruit and vegetables are transported and stored, resulting in a smaller carbon footprint and less nutrient degradation.<sup>2</sup>

A key barrier that consumers have identified to buying local food is price.<sup>3</sup> To improve environmental outcomes and food security in Victoria local food hubs must offer produce at a comparable cost to supermarkets.

### The price audit

In April 2015, four Monash University students conducted a price comparison of Baw Baw Organics vegetable boxes and local supermarket produce. In store produce prices at Coles and Woolworths in Warragul were compared to the small, standard and large vegetable boxes sold at Baw Baw Organics that month. Supermarket organic produce was audited, where possible, and conventional items otherwise. Where items were unavailable in store at the supermarkets, online prices were used.

### VEGETABLE CONSUMPTION AND THE HEALTH OF AUSTRALIANS

The availability of food directly impacts nutritional intake.

The *2011 Victorian Population Health Survey* found:<sup>4</sup>

5.5% of Baw Baw Shire residents reported experiencing food insecurity compared to the state average of 4.6%.

Nutrition related diseases caused by obesity, high cholesterol and inadequate fruit and vegetable intake contribute to the greatest burden of disease in Victoria.

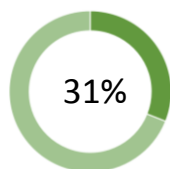
The *Australia's Health 2014* report found in 2011-12:<sup>5</sup>

92% of Australians do not eat enough vegetables.

## Key findings

### Availability of organic produce

Vegetables audited were chosen according to the Baw Baw Organics autumn offering. Considering this group of items, Woolworths and Coles offered on average, 35% and 27% organic produce respectively.



On average less than one third (31%) of produce offered by supermarkets was organic.\*

These results show that supermarkets do not offer a wide range of organic produce and consumers looking to purchase from sustainable sources would struggle to do so exclusively from Woolworths and Coles.

### Cost of comparison of produce

It was found that most of the organic vegetable items offered at the major supermarkets were more expensive than their conventional equivalent. This indicates that the calculated supermarket prices per box is less than the price of a box made up of only organic produce at the same store.

The price comparison was graphed assuming a consumer was looking to purchase the same items from the food hub and supermarkets.

## Conclusions

1. A wide range of organic vegetables are available from Baw Baw Organics.
2. Food hub vegetable boxes are affordable compared to local supermarket produce.
3. It would be cheaper to buy from the Baw Baw Organics if a customer was interested in exclusively organic produce.

1. Kickbush I. The Food System: a prism of the present and future challenges for health promotion and sustainable development. Health Promotion Switzerland; 2010.  
2. Knezevic I, Landman, K, Blay-Palmer A, Nelson E (Eds.). Models and best practices for building sustainable food systems in Ontario and beyond. Ontario Ministry of Agriculture, Food and Rural Affairs. Guelph, Ontario; 2013.

\*Considering only items featured in the autumn Baw Baw Organics vegetable box.



Figure 1. Price comparison between Baw Baw Organics and local supermarkets.

The greatest difference in price was found when comparing the small vegetable box. Baw Baw Organics offered a box for \$20 compared to less than \$16 at the cheaper supermarket. The large boxes were all similar prices with only \$2.43 (5.4%) difference between Woolworth and the food hub. Coles was \$0.05 more expensive, even considering not all produce was organic.

*The difference in cost reduced as the size of the box increased.*

In terms of weekly household budgets the difference in the prices of produce is relatively little and would be considered affordable by most families. Baw Baw Organics offer a 5% discount on orders placed for a 12 week season making them even more competitive if cost is the primary barrier to consumers.