



For Immediate Release

Financial Tsunami Changes Grocery Shopper Trends

Increasing Demand for Canned and Frozen Products, and House Brands

(2 April 2009, Hong Kong) Shopping trends in the current financial tsunami are similar to that of the 1998 Asian financial crisis, according to studies of Wellcome grocery shopper trends and The Nielsen Company (HK) Ltd's continuous tracking. This shows that even under weak economic conditions, there's an increasing demand for convenient goods such as canned and frozen food, house brands and economy packs.

Wellcome Meets Consumers Needs

Ms Diane Chiu, Marketing Director of Wellcome said, "Over the years, Wellcome has watched Hong Kong grow and evolve. We've been through the same economic highs and lows as Hong Kong people and therefore thoroughly understand customers' needs. Regardless of the financial tsunami, Wellcome has been keeping its low price promise by introducing various discounted and affordable products. As customers' grocery shopping trends change, Wellcome has also introduced more product variety and house brands so as to meet the demands of different customers, and to offer them affordable items."

Increased Demand for Canned and Frozen Products

In the recent years, convenient and easy-to-cook products have been the top choice for Hong Kong people. Experiencing an increase in demand in particular, are instant products like canned and frozen products, such as dumplings. These findings go hand in hand with Nielsen's data which revealed that the sales for canned and frozen products increased by 5% (nearly 120 tonnes) between December 2008 and February 2009. Due to market demand, **Wellcome's canned and frozen products have also increased, and the pricing of these products have also dropped in response to market deflation by 7 to 11 percent.** (For details, please see [attached PowerPoint slides](#))

House Brands Favoured by Different Consumers

Nielsen's continuous tracking for its Consumer Panel Service reveals that there has been an increasing demand for house brands in the fourth quarter of 2008, especially from discerning customers. This reflects that some customers still value product quality and are able to make smart consumer choices even during the current financial tsunami. **Wellcome's three house brands – First Choice, Yu Pin King and No Frills – aptly meet market needs and jointly offer customers more than 1,800 quality products.** (For details, please see [attached fact sheet](#))

Increasing Demand for Economy Packs

According to Nielsen's data, economy packs such as bonus-buy items, buy-one-get-one-free offers, refill packs, etc. have been increasing in sales since September 2008. **Wellcome's study reveals that sales of economy packs have also increased from 3,330 SKU in 2007 to 3,769 SKU in 2008, representing a 13 percent increase.** This shows that customers have had an apparent increase in demand for economy packs.

Price Transparency via Wellcome's Website

Under the financial tsunami, customers have become more price sensitive. Throughout, Wellcome has stood by its promise to offer "the lowest prices in town", and has been actively promoting its affordable products through newspaper advertising and in-store posters, and has increased product price transparency via its website.

Wellcome's Way of Giving Back to the Society

Keeping with its "Every dollar saved is every dollar gained" concept and to meet customer's demands for canned and affordable products, Wellcome is offering the following promotions:

Promotion Period	Offer
3 - 9 April, 2009	Discount on Hong Kong people's favourite canned goods from 50% up
3 - 16 April, 2009	All red/white wines 15% off upon HK\$300 purchase
Till 23 April, 2009	Kappa Traveler Series Redemption Programme: Receive a stamp upon every \$50 spent; receive an additional stamp upon purchase of selected items; and receive double stamps for transactions of HK\$300 or more on Saturdays and Sundays
3 rd and 23 rd of every month	enJoy cardholders can receive 5% off all purchases
Ongoing	Octopus Rewards: Reward\$1 can be earned upon spending HK\$200; and can be used as cash at Wellcome on the next purchase.

— END —

About Wellcome

Founded in 1945, Wellcome is Hong Kong's largest and longest-established supermarket chain. Since 1964, the company has been wholly owned by Dairy Farm. With a staff of around 5,000, Wellcome's network of 250 stores in Hong Kong serves more than 14 million customers every month. Wellcome is committed to maintaining its market-leading position by providing one-stop shopping convenience to customers and consistently delivering value for money through friendly services. Wellcome will continue to improve shopping experience, provide more value-for-money products and better service customers. Please visit <http://www.dairyfarmgroup.com> or <http://www.wellcome.com.hk> for more details about Wellcome.

For further information, please contact:

Wellcome

Annie Sin (Group Marketing Manager)

Tel: 2299 3458 / 9612 1777

Email: asin@dairy-farm.com.hk

Weber Shandwick Worldwide

Bonica Wong

Tel: 2533 9911 / 9369 0455

Email: bwong@webershandwick.com

Diane Chiu (Marketing Director)

Tel: 2299 3899 / 9612 0057

Email: dchiu@dairy-farm.com.hk

Christy Chan

Tel: 2533 9983 / 9621 9081

Email: chchan@webershandwick.com