Voice of the Consumer Survey 2025

Cash-strapped, health conscious and tech savvy

Meeting the changing needs of Australian consumers

79%

of Australians **shop in-store** at **supermarkets** and **large grocery retailers** daily or weekly, while **18%** do so **online**

56%

of **GenZ** are **comfortable using GenAI** for **meal planning and menu suggestions** compared to **24% of older generations**

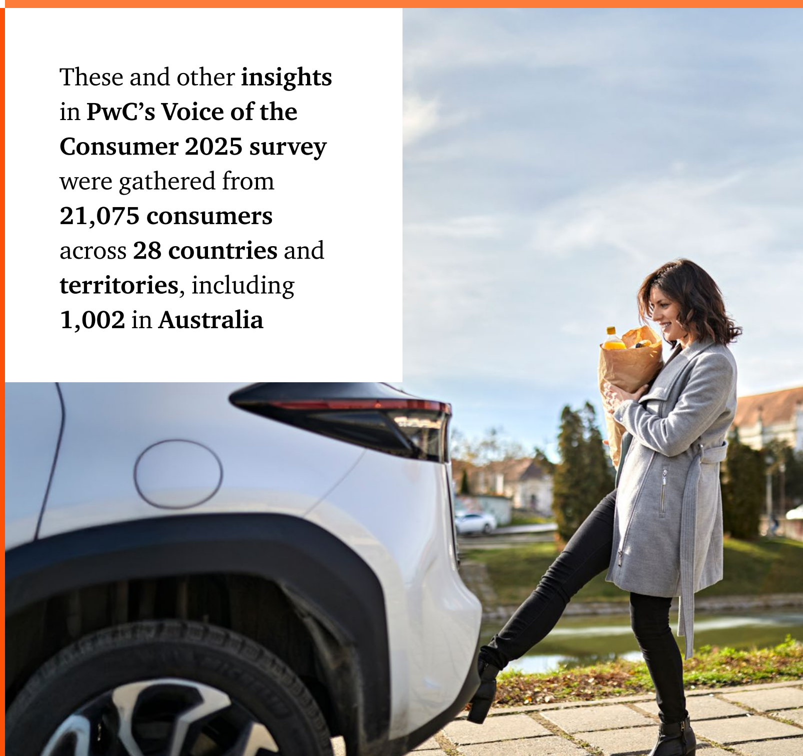
74%

of Australians view the **cost of living** as the **top threat** in the coming year, and **55%** report feeling **financially "coping"** or **"insecure"**

80%

of Australians **rate their health** as **good** to **excellent**, yet many aim to eat healthier; **half plan** to **consume more fresh produce**, while nearly **30%** wish to **cut down** on **alcohol** and **snacks**

These and other **insights** in **PwC's Voice of the Consumer 2025 survey** were gathered from **21,075 consumers** across **28 countries** and **territories**, including **1,002** in **Australia**



Executive summary

Health conscious, tech savvy and concerned about the environment – but financial worries trump all

The future of food is in flux. Technology, changing consumer preferences, rising costs and climate change are impacting not just what consumers buy but also how they buy it.

The way value is created in the food domain could look vastly different 10 years from now, as a result. PwC research predicts a reinvented global food system characterised by greater cross-sector cooperation, innovation and convergence. Globally, these changes will put trillions of dollars of value in motion, creating opportunities for brands and retailers who can adjust quickly to consumer needs in a transforming market landscape.

To understand how preferences are changing, PwC's Voice of the Consumer 2025 survey gathered 21,075 responses from consumers in 28 countries, including 1,002 in Australia. We found that Australian consumers are more worried about the rising cost of living than those in other countries: 74% versus 58% globally. And while consumers care about being healthy and making better choices for the planet, they are adjusting their buying habits to cope with the squeeze on their pockets.

Consumer companies – both retailers and brands – have a tough assignment ahead. They need to hold in balance the divergent needs of Australia's cash-strapped but aspirational consumers: helping them get value for money while making healthier choices and minimising their environmental impact. And they'll need to adapt to an increasingly tech-savvy population, where everything from meal planning to shopping could be outsourced to AI in time.

Five major trends are shaping consumer choices in Australia, with important implications for consumer companies; Value for money, Healthier lifestyles, Conscious consumption, Supermarket supremacy, and Technology: A generational perspective.

01

Value for money

02

Healthier lifestyles

03

Conscious consumption

04

Supermarket supremacy

05

Technology: A generational perspective

Value for money

55%

are financially coping or insecure

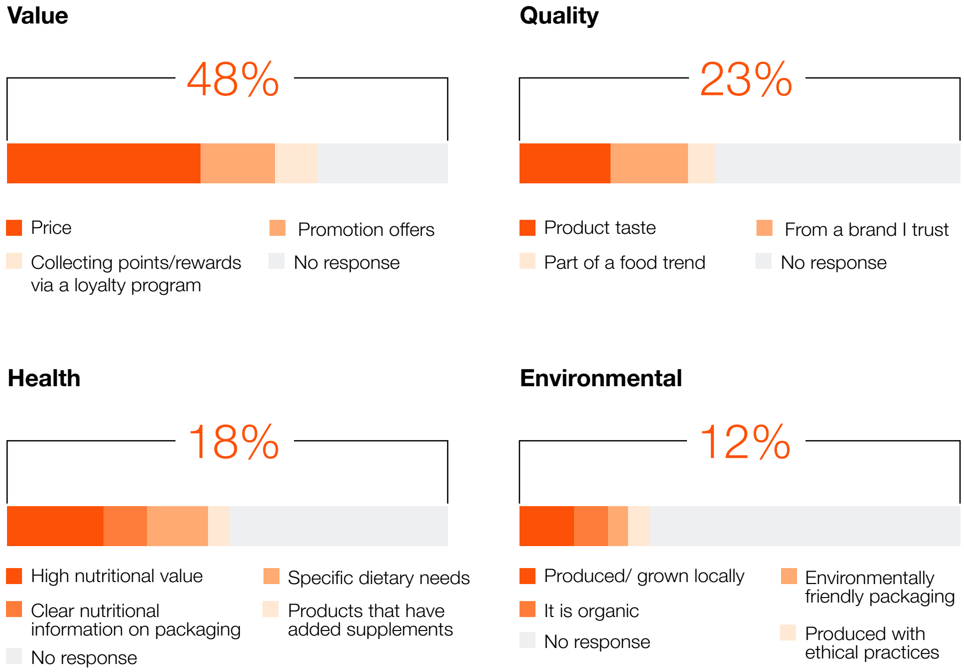
1 in 2 Australians rate value for money factor of price, promotion and reward points as the most important

74%

of Australian consumers say the cost of living is the biggest threat over the next 12 months

Value is the number one consideration for Australian consumers when it comes to the food they buy. Nearly half (48%) of Australians say price, promotions and loyalty rewards are the most important factors when choosing what to buy, versus 37% of consumers globally (Figure 1).

Most important factors when choosing which food items to buy (ranked 1)



Q5: when you're choosing which food items to buy, which factors are most important to you?
Base: All respondents = 1002
Note: Groupings have been created based on theme of response, but are not analysis defined groups

The search for value is filtering through to shopping behaviour. Australian consumers are finding plenty of ways to make their money stretch further – from simple changes like using up food at home before buying more (54%), to buying reduced items close to their use-by date (47%), to shopping in different stores to maximise offers (44%) (Figure 2).

Australian consumers are optimising their consumption needs, further on price at which they buy and then exploring alternative retailers in that order

What actions are you taking to reduce or offset the effects of food costs?

	Optimise consumption needs	Optimise spend with existing retailer		Explore other options
Same product	54% are using up the food in refrigerators before buying more	35% are using coupons or promotional offers	44% are buying in bulk	44% are shopping in different stores to maximise offers
	50% are reducing impulse spending by better planning	47% are shopping for items that may be reduced in price because they are close to use by date		
Cheaper alternative	29% are growing their own food	47% are looking for alternative, cheaper ingredients or product replacements	41% are switching to discount products	14% using support of food banks/ local charities

Q11: You've noted that you're concerned about the cost of food. What actions, if any, are you taking to reduce or offset the effects of food cost?
Base: All respondents who state they were somewhat, very or extremely concerned for 'the cost of my food' option (Respondent base – 937)

While Australian consumers care about quality, health and the environment, value counts more. To save money, half of Australian consumers are looking for clearance items, 44% are buying in bulk and 30% say they will switch brands for a better value option (versus 22% of consumers globally).

Implications for consumer companies

Despite a recent easing of inflation, value will continue to shape choices. Fresh food, particularly, is becoming more expensive, creating challenges for companies and consumers alike. Wholesale prices for fresh produce saw double-digit growth over the last 12 months, with staple items like bananas skyrocketing by 110%, lamb by 110% and beef by 37%. As pricing pressures persist and consumers become more comfortable using technology to help them plan their shopping, consumer companies could see spending drop on high-margin impulse buys. Brands with strong sustainability credentials but premium price tags are also at risk of seeing value-driven swaps.

Meanwhile, supermarkets will need to tread carefully as they adjust to changing consumer needs. The Australian Competition and Consumer Commission (ACCC) supermarkets inquiry has urged greater transparency in discounting methods, with plans to review supermarket loyalty programs within the next two-to-three years.

Opportunities to create value

Consumer companies that focus on transparency and value may be the ones that perform best in the current environment. Three opportunities stand out:

Designing effective and transparent promotions: Retailers have a myriad of promotion mechanisms at their disposal and will need to use these in combination – and transparently – to offer the best value. For large supermarket chains that can carry more than 25,000 SKUs and have 50% of their products on promotion at any given time, technology will be critical in managing this complexity and improving the effectiveness of promotions, particularly on fresh products with shorter shelf lives and high demand.

Investing in value own- brand portfolios: As grocery costs rise, price-conscious consumers are intentionally opting for wallet-friendly, entry-level product ranges. In response, supermarket chains are expanding their own-brand offerings with everyday low prices. Even in traditionally price-inelastic categories, consumer demand for affordable options presents retailers with opportunities to extend their own-brand portfolios, capturing cost-conscious shoppers without altering overall demand volume.

Regaining trust with stakeholders: Supermarkets will need to rebuild trust with regulators, suppliers and consumers following the ACCC supermarkets inquiry. Recommendations in the ACCC report include boosting competition over the medium to long term, supporting consumers in making informed decisions, and enhancing the efficiency of grocery supply chains. A systematic approach to adopting ACCC recommendations can help alleviate the concerns of regulators, while transparent, competitive and consistent pricing can rebuild trust with consumers. Meanwhile, rising costs and a focus on fair practices will place renewed importance on building long-term supplier relationships.

Healthier lifestyles

68%

use healthcare apps or wearable technology

Consumers are leaning into fresh produce with over 50% planning to increase consumption whereas 30% are planning to reduce consumption of alcoholic beverages

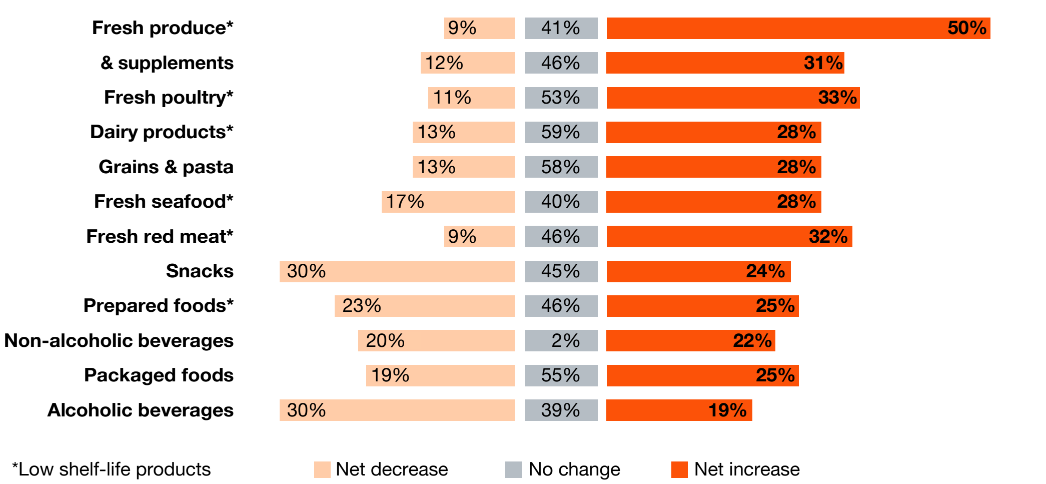
80%

of Australian consumers rate their general health as good or excellent

Australians are increasingly aware of health and wellbeing, translating this focus into their choices in both purchases and lifestyle. Currently, 80% rate their general health as good or excellent, and 30% plan to reduce their alcohol intake, indicating significant health consciousness.

The surge in digital health aids contributes to this shift, with 68% of Australians using healthcare apps or wearable technology—85% of whom report subsequent changes in their daily habits and behaviours. Notably, 35% of respondents leverage these apps for decisions related to dieting, weight loss, and healthy eating, while 12% receive real-time personalized nutrition recommendations. A key trend observed is the intention of half (50%) of consumers to increase their consumption of fresh produce in the next six months, driven by better health awareness. This demonstrates a growing commitment to healthier lifestyle choices among Australians.

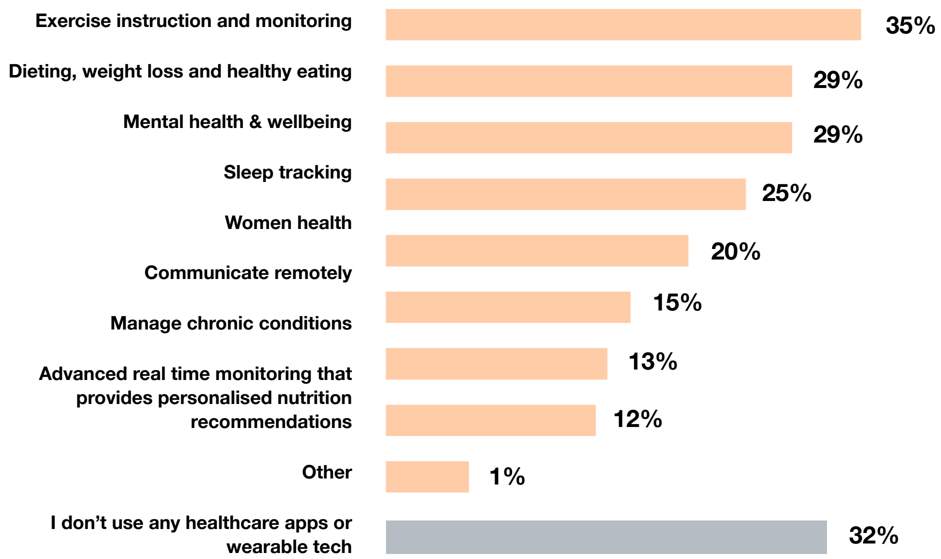
Expected changes in food consumed across specific categories



Q6: Do you expect any change over the next six months in the amount you eat from the following categories?
Base: All respondents = 1002
Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

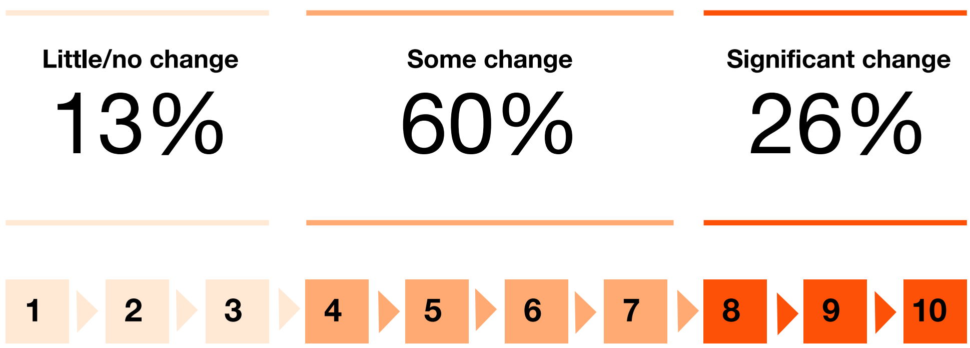
2 in 3 Australians use healthcare apps/wearable with 85% of the users witnessing better outcomes

Use of healthcare apps for following reasons/activities



68% of Australians use healthcare app or wearable technology

Extent that apps/wearable technology have changed daily habits or behaviours



85% of the users of wearables/ healthcare apps are changing their daily habits or behaviours

Q21: Do you use healthcare apps (mobile applications that provider users with health-related information and services) or wearable technology (e.g., fitness trackers, smartwatches) for any of the following reasons/activities? Q22: How extensively has your use of these apps or wearables changed your daily habits or behaviours?
Base: All respondents = 1002
Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

Implications for consumer companies

As the consumer appetite for fresh, seasonal produce surges, supermarkets may face a growing supply–demand mismatch, especially in products that face constrained supply, like eggs and bananas. The supply of eggs, for example, has been impacted by avian influenza in parts of the country as well as a shift away from caged eggs to free-range eggs, while floods in North Queensland early in 2025 threatened about 20% of the banana crops. More frequent natural disasters because of climate change will not help with supply challenges, while the rising demand for fresh produce could increase supply chain pressures within perishable categories.

Consumers are paying more attention to health claims and nutritional choices and companies can start preparing for regulatory changes that will see key nutritional information moved from the back of packages to front and centre. This will increase costs, not just in terms of labelling and packaging updates, but also for quality testing and possible reformulations.

Looking ahead, the impact of popular weight loss prescription drugs, such as GLP-1 RAs, remains to be seen, but 37% of Australians we surveyed indicated that they are open to using weight loss prescription drugs. With one in two users of these drugs spending less on food and alcohol, and 67% reporting eating smaller portions, companies may begin to see these impacts at the checkout. impacts at the checkout.

Opportunities to create value

As Australian consumers make choices to support their health, consumer companies can meet their needs by filling product white spaces, providing clear nutritional information, targeting premium health products at higher income groups, and ensuring abundant availability of fresh produce:

Filling existing white space: There is still ample unmet consumer need, with 48% of Australian consumers wanting more products targeted for specific health requirements, and 37% saying they would value a wider range of portion sizes from food and beverage companies. Traditional retailers could also improve their offerings in adjacent consumer health categories, with 31% of Australian consumers expected to increase their consumption of vitamins and supplements within the next six months.

Focusing on health over emotional attributes: Clear, factual nutritional information can help brands stand out in the aisle, with health-conscious consumers prioritising this information over traditional brand messaging. The Australian government's voluntary Health Star Rating (HSR) system is aimed at helping consumers compare product options more easily. With the current adoption of HSR below the government target, brands that approach the health trend with authenticity and credibility could establish a market presence.

Targeting health-focused products at higher income segments: Our survey found a strong correlation between higher income segments and positive self-perceptions of health. With a preference for premium products kicking in for households with income levels over $200,000, this segment offers plenty of premiumisation potential for brands.

Conscious consumption

25%

of Australian consumers prefer locally made products, compared to 18% globally, indicating a rise in conscious consumption

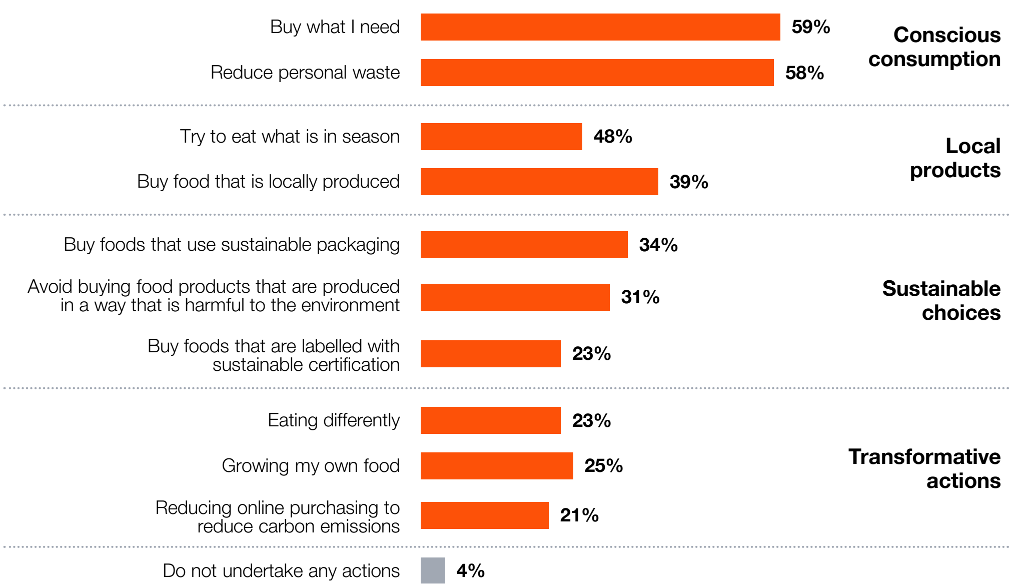
Australians have prioritised conscious consumption followed by local product preference to reduce impact on climate change

56%

of Australian consumers want to learn about the climate and sustainability initiatives of food companies

Australian consumers are increasingly aware of the impact of their food choices on the environment, with 96% having taken some kind of action to minimise their role in climate change. Some 59% buy only what they need, 58% have tried to reduce personal waste, and 48% say they try to eat foods that are in season (Figure 5).

Have you taken any of the following actions to reduce your impact on climate change with food you eat and buy?

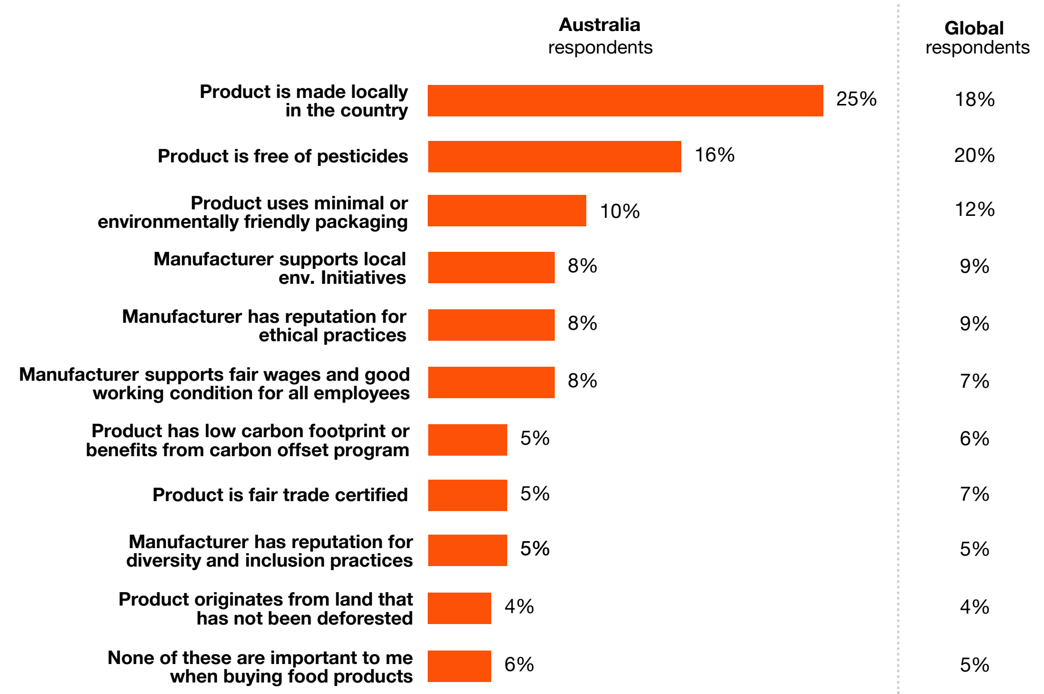


Q28: Have you taken any of the following actions to reduce your impact on climate change with the food that you buy and eat?
Base: All respondents who said climate change worries them at Q27
Note: Groupings have been created based on theme of response, but are not analysis defined groups

The most prominent sustainable practice among Australian consumers is buying locally made products. A quarter (25%) of Australians say this is important to them (Figure 6).

Locally produced and pesticide free products topped the list of important sustainability practices for food purchase

When you buy food products, which of the following sustainable practices are most important to you



Note: Responses were collected Jan/Feb 2025
Q31: When you buy food products, which of the following sustainable practices are most important to you?
Base: All respondents 1002
Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

Preferences for locally produced significantly rated important amongst Australian consumers

However, rising environmental awareness and action are trumped by value-for-money considerations. Only 35% of Australian consumers are willing to pay more to support the health of the land, versus 44% of global consumers.

Implications for consumer companies

For consumer-packaged goods companies and food retailers developing market strategies, understanding the gap between consumers' stated intentions and actual purchasing behaviour is crucial. This consideration is particularly important given the generational differences in willingness to pay for sustainability efforts, prompting all sectors in the food value chain to adapt to evolving consumer expectations. GenZ and Millennial consumers, for example, show markedly higher levels of curiosity about brand sustainability efforts, while GenX and Older generations remain more reserved. Around 40% of younger generations express a willingness to pay premium prices for climate-related benefits.

When seeking information about sustainability initiatives, more than 55% of active consumers turn to social media platforms as their primary source, followed by traditional media and product-packaging information.

Opportunities to create value

Sustainability trends among Australian consumers suggest there is consistent demand and a stable foundation for market development in this space, though certain complex market dynamics need to be kept in mind:

Tapping local attribute opportunities: The preference for locally produced products features across all demographic segments, supported by many different benefits including community support, perceived freshness and quality, and sustainability considerations. Brands and retailers can highlight local sourcing and production and their accompanying benefits, wherever applicable.

Balancing sustainability desires and value consciousness: While Australian consumers across generations show strong preferences for pesticide-free products and environmentally friendly packaging, product price remains an important factor.

The transition from traditional supply chains to more sustainable ones require investment and typically results in cost differential . The resulting tension between sustainability considerations and price makes it unclear whether consumer preferences for sustainable options will translate into a willingness to absorb associated costs. Navigating this tension will be critical for driving mass consumer adoption.

Supermarket supremacy

94%

of consumers from the Older Generation shopping in-store on a daily or weekly basis, compared to 72% of Gen Z

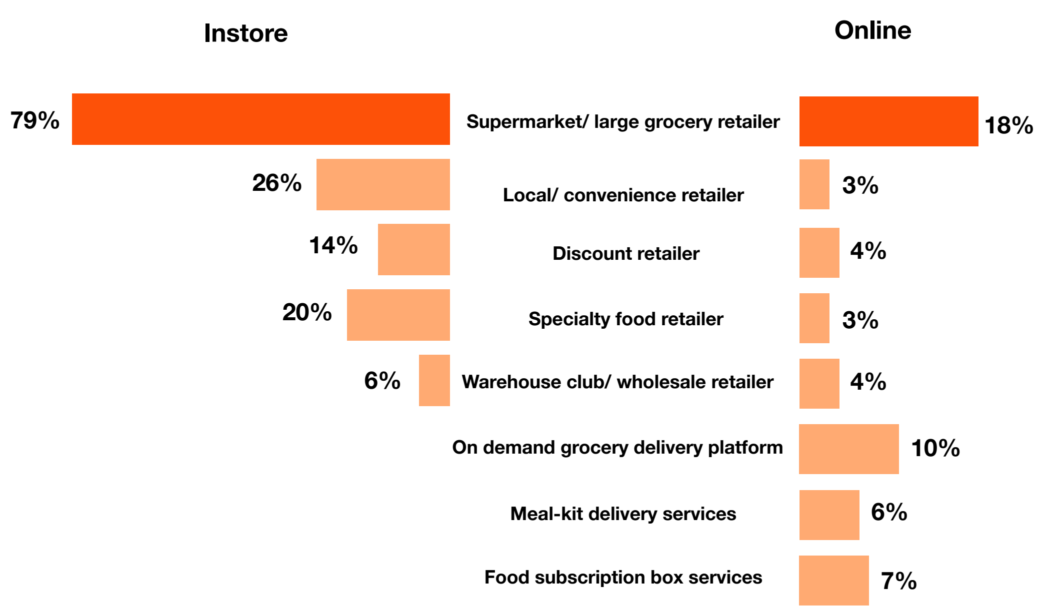
Focussing on channels, Australian consumers prefer supermarket/large grocery retailers across both instore and online shopping journey

79%

of Australian consumers have used supermarkets daily/weekly for grocery shopping in the last year

Supermarkets continue to reign supreme in Australia, with 89% of Australian consumers shopping for groceries at a supermarket or large grocery retailer in the last year, compared with 82% of consumers globally. Australians show a strong preference for these large retailers for their daily and weekly shops, even when shopping online (Figure 7).

Grocery shopping frequency by channel (daily/weekly frequency) instore and online



Q4: How often do you shop for grocery items from these sources?
Base: All respondents = 1002
Note: Farmers market not included for comparison for in-store and Online shopping frequency

Implications for consumer companies

Australia's grocery market is highly concentrated, with the top three large supermarket chains accounting for around 76% of the total grocery market. These retailers leverage their scale and balance sheets to invest in capabilities that differentiate them from alternative grocery channels, for example, by investing in automated distribution centres, centralised fulfilment centres (CFCs) and micro-fulfilment centres (MFCs) to improve service levels, grow online market share or expand into remote locations.

The ACCC supermarkets inquiry has highlighted the negotiating power of supermarkets, especially in perishable product categories with fragmented supplier bases and homogeneous products. Rising consumer demand for these products, coupled with strong consumer preferences for supermarkets both in store and online, could further strengthen their position. By building positive partnerships with suppliers, supermarket chains can maximise opportunities to create value for themselves, suppliers and consumers.

Other retailers can look for opportunities to differentiate from supermarkets and fill gaps through specific assortments or by offering consumer advice. However, specialty grocery retailers with premium pricing could feel the effects of the current economic environment, while local convenience retailers could also be impacted as cost-of-living pressures see shoppers choosing value over convenience.

Opportunities to create value

Supermarkets are here to stay and will continue to play a critical role in providing nutrition to Australian consumers. To ensure consumers receive their desired balance between value, healthy living, and sustainability, the food industry can work more closely together to generate value for suppliers, retailers, and the customers.

Building deeper supply- chain partnerships: Suppliers and supermarkets can nurture closer supply chain collaborations to jointly find solutions for reducing costs and wastage — to their shared benefit and for customers. This can be in closer collaboration and transparency, through longer-term partnerships or strategic investments.

Selective vertical integration: Supermarkets should continuously consider and assess opportunities to take more control of upstream supply where there is opportunity to increase supply chain transparency, improve security of supply, and unlock value. Any endeavour of vertical integration should offer an increased level of certainty to farmers, and any value unlock should be evenly shared across.

Higher price transparency: The ACCC's supermarkets inquiry found no evidence for deliberate price gouging by the retailers, however, identified the need for more price transparency in the industry. While this may put additional burden on supermarkets and their suppliers, price transparency can also be a source of competitive advantage, especially as customers become more price sensitive and active in their pursuit towards better value.

Technology: A generational perspective

41%

of the Older Generation consider food buying price important, compared to 34% of Mature Millennials

Food buying choices are more similar than different across generations with regards to food habits/preferences

24%

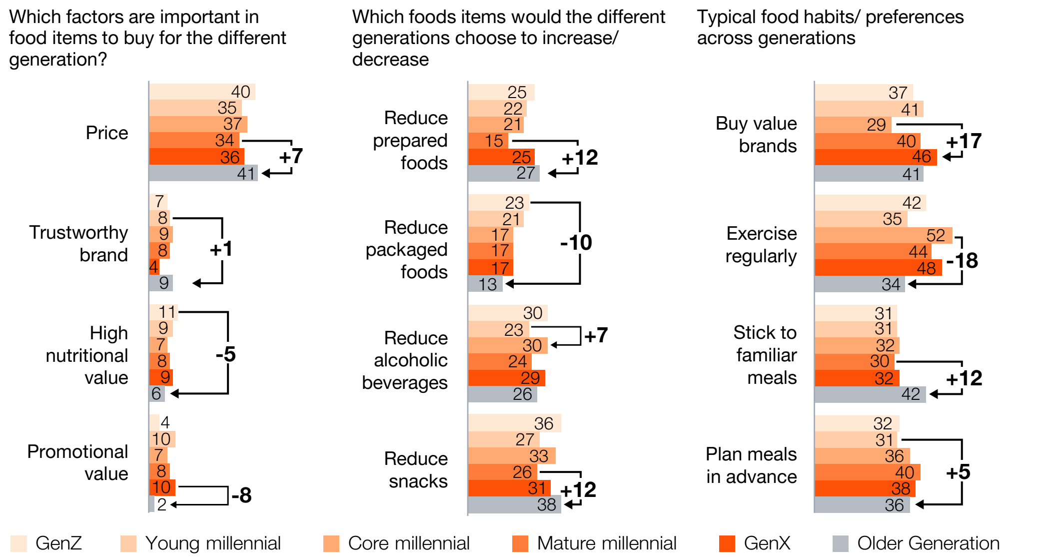
of the Older Generation use GenAI for meal planning, compared with 56% of Gen Z

When buying food, there's more that unites Australians across generational lines than divides them. Food preferences, reflected in their grocery choices, appear broadly consistent as consumers of all ages opt for healthier food products and look for value for money. However, the generations differ most in their adoption of technology, which impacts how they shop, the channels they prefer and their comfort in using GenAI to support purchase decisions.

Australians, especially younger generations, have significantly increased their use of AI, with GenAI adoption growing twenty-fold globally over the last 24 months. Younger Australians are leading the charge, showing greater comfort with GenAI tools compared to older generations, who also have the lowest online shopping participation. Among different age groups, Young, Core, and Mature Millennials are the most frequent users of online supermarket channels for their daily and weekly grocery shopping needs.

Food buying choices are more similar than different across generations with regards to food habits/preferences

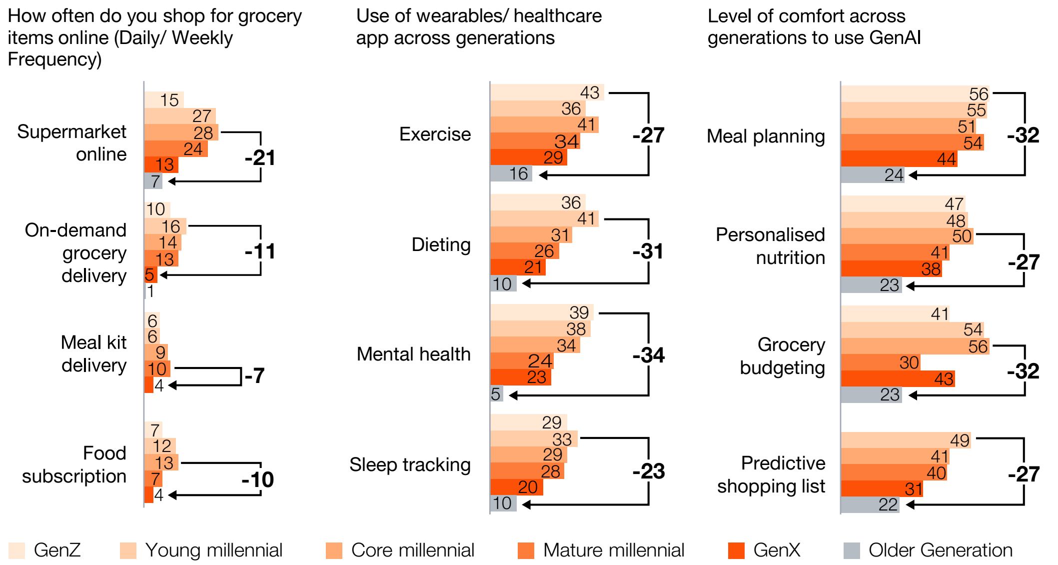
At the same time, the Older Generation cares most about price, though only 7% more than Mature Millennials, the generation that cares least about this aspect (Figure 10).



Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

The generational divide is also more apparent in the use of wearables and healthcare apps. Gen Z makes the greatest use of apps and wearables to support their exercise goals and mental health, while Young Millennials are the biggest users of devices and apps for dieting and sleep tracking (Figure 11).

Areas of divergence across generations when it comes to use of technology (healthcare apps, online channels) and adoption levels



Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

In the last year, Australian consumers have become more sophisticated in their use of AI. Many are now comfortable with the idea of moving from basic to more complex tasks — and increasingly open to using GenAI to help with meal planning, personalised nutrition, grocery budgeting, predictive shopping lists, personalised training and exercise regimes (Figure 12).

Consumers have ascended in their use of GenAI "from" basic tasks to more complex recommendation such as meal planning, grocery budgeting and creating exercise regimes

Which activities would you be comfortable for GenAI to perform?

2024

43%
Collate product information

42%
Use for product recommendation

39%
Support with written communications

2025

49%
Use to support meal planning and menu suggestions

48%
Support grocery and food budgeting based on current habits

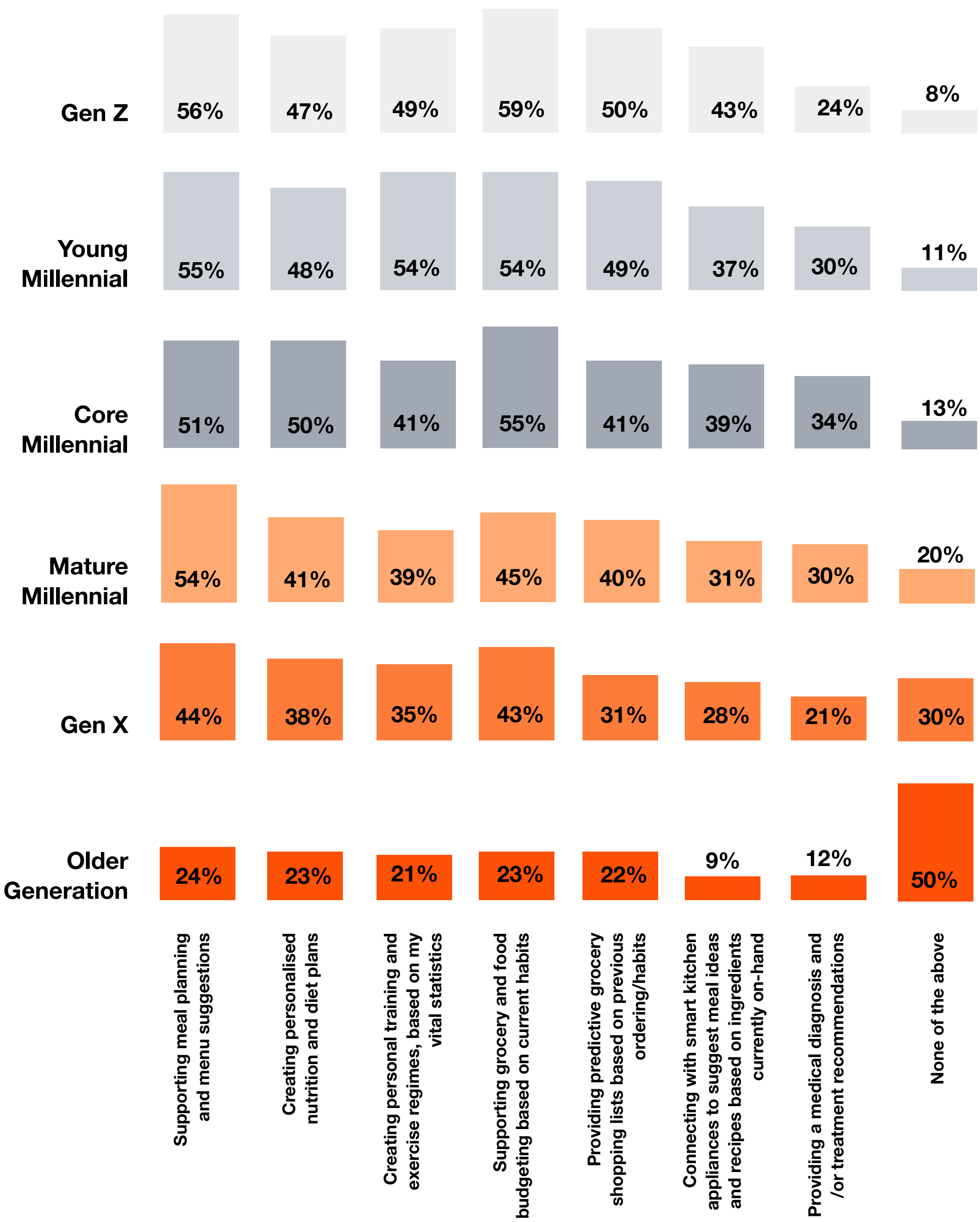
41%
Create personal training and exercise regimes based my vital habits

Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

Younger generations show the highest levels of comfort across these tasks, while the Older Generation is far less comfortable using GenAI for any of these activities – and half are not comfortable using it at all (Figure 13).

Younger generations are more open to GenAI compared to older generations

Comfort with GenAI compared to older generation



Q1: Which of the following activities would you be comfortable allowing GenAI to perform?
2025, Australia, N = 1002; Base: All respondents = 1002
Source: PwC Voice of the Consumer Survey 2025, Strategy & Analysis

Implications for consumer companies

Fundamentally, our research shows that the needs of Australian consumers are more consistent than divergent across the generations, implying product needs are universal and provide profitable scale economies for brands and retailers.

As the use of technology to support shopping and meal planning increases, so too does the case for greater personalisation and targeting for different generational preferences. The vast amounts of data collected through online shopping and loyalty programs enables more sophisticated personalisation, including through location-based services and app interactions on mobile devices. Health and dietary preferences are deeply personalised, making them ideal targets for more targeted recommendations.

Influenced by digital channels such as social media, grocery apps, and loyalty programs, the consumer journey—from awareness and purchase consideration to intent and buying—is evolving. With limited budgets, companies must strategically allocate spending on brand and marketing initiatives across these touchpoints, as consumers often spend primarily at the point of purchase. To improve outcomes, businesses should make strategic choices in attracting and engaging new customers, especially as Generative AI technologies advance. Additionally, they must balance automation with human interaction, as some consumer segments prefer automated solutions while others value personal engagement.

Finally, making greater use of customer data brings a need to stay on top of stringent data protection regulations – not just for compliance purposes, but also to respect consumer preferences and the data itself. Last year's PwC Consumer Survey found 70% of Australians were concerned about data privacy, for example.

Opportunities to create value

As companies leverage data to drive personalisation, they will need to make the right investments and keep in mind consumer preferences and habits across the generations. And while growing consumer use and levels of comfort with GenAI – and, in the future, AI agents – represent significant disruption, they also create opportunity for brands and retailers:

Driving personalisation at scale: Technology advancements fast-tracked with GenAI solutions have made personalising customer interactions more cost efficient, reducing the net cost of customer acquisition and retention. However, effective personalisation calls for significant investment in technology and data analytics capabilities, with the total cost of an at-scale transformation running into millions of dollars. People capabilities will be equally important to deliver the personalisation transformation journey, and companies must be careful not to overlook investment in talent.

Maintaining a human touch: While AI can drive personalisation at scale, maintaining some human aspects in customer interactions remains crucial. With Australians spending more than five hours per day on their smartphones, on average, companies have plenty of opportunity to target consumers and personalise their communications, especially for younger generations who are more digitally "at home." However, over-personalization can be seen as creepy and off-putting for many consumers, so companies should be wary of overstepping the mark.

Making the right technology bets: Companies will need to stay on top of a fast-changing technology space to make the right bets as consumer shopping habits change. Consumers could shift from today's preferred language models to custom-built AI tools that optimise the user experience to their specific needs. Such custom apps could leverage feedback loops to learn from the actual inventory of grocery items at home, pushing the degree of personalization even further. Real-time pricing comparison will also give consumers access to the most budget-friendly options.

Prioritising factual attributes: As consumers become more comfortable with AI agents taking care of tasks such as meal plans and shopping lists, companies need to understand AI agent behaviour to provide the best customer proposition. Early movers that can augment their capabilities in this space may be the ones that feature more prominently in AI recommendation lists.

About the survey

The old adage 'retail is detail' applies across Australia's retail and consumer markets in 2025. If you look past the news headlines, digital hype and seasonal fluctuations, there's a lot more happening than first meets the eye.

PwC's Voice of the Consumer research presents a comprehensive, nuanced picture of consumer sentiment, behaviour and spending. The survey identified the issues of most concern to Australian consumers in January and February 2025 and considered the strategic and tactical responses that executives can make to best serve their consumers and companies. PwC surveyed 1,002 consumers in Australia as well as 20,073 more across 28 other countries and territories: Brazil; Canada; China; Czechia (Czech Republic); Egypt; France; Germany; Hong Kong, SAR; Hungary; India; Indonesia; Ireland; Malaysia; Mexico; the Netherlands; the Philippines; Poland; Qatar; Romania; Saudi Arabia; Singapore; Slovakia; South Africa; South Korea; Spain; Thailand; United Arab Emirates; Ukraine; the United States; and Vietnam. The respondents were at least 18 years old and were asked about a range of topics relating to consumer trends, including shopping behaviours, emerging technology and social media. The survey was supplemented by interviews with retail and consumer industry executives in May 2025. PwC Research, our global centre of excellence for market research and insight, conducted this survey.

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