MLA Global:
CONSUMER TRACKER

UK 2021

Presentation Deck

MEAT & LIVESTOCK AUSTRALIA

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Agenda…

Intros, Background & Methodology

An overview of the sample structure, geographic spread, survey inclusions and approach

UK Context

A look what has happened in the UK between 2018 and 2021

Protein Landscape

A look at the awareness, claimed usage and associations with the different main proteins

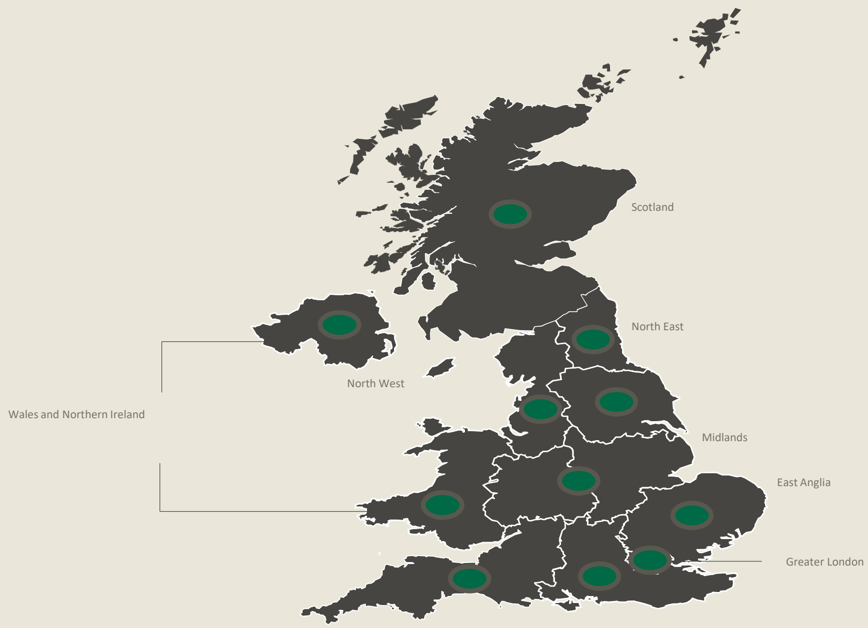
Beef COO Brand Health & Perceptions

Digging down the country of origin level for Beef to understand their 'brand' associations, any strengths and weaknesses

Lamb COO Brand Health & Perceptions

Digging down the country of origin level for Beef to understand their 'brand' associations, any strengths and weaknesses

DEMOGRAPHICS



Sample is made up of 1001 consumers

		COUNTRY INCIDENCE	SAMPLE STRUCTURE
Gender	Male	52%	41%
	Female	48%	59%
Age	18-34	31%	24%
	35-49	49%	45%
	50-64	19%	32%
Cities	South East	9%	16%
	Greater London	23%	13%
	North West	13%	10%
	East Anglia	5%	8%
	Midlands	15%	15%
	South West	5%	9%
	Yorkshire and Humberside	5%	9%
	North East	4%	4%
	Scotland	6%	9%
	Wales	6%	6%
	Northern Ireland	2%	2%
Consumption	Buy Fresh Meat at Least Occasionally	92%	100%
MGBs	Main Grocery Buyers	93%	89%
Children	Households with Children	62%	46%
Income	<$40k GBP	25%	36%
	$40k -$80k GBP	40%	45%
	>$80k GBP	35%	17%

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CONTEXT

The UK has experienced notable market disruption since 2018, with both the pandemic and Brexit impacting consumer behaviour

2018 Dip

January 31 2020
United Kingdom withdraws from the European Union, and transitional arrangements begin

March 23 2020
PM announces the first lockdown in the UK

November 5 2020
Second national lockdown comes into force in England

December 31 2020
UK completes its separation from the European Union with the ending of the Brexit transition period

January 6 2021
England enters third national lockdown

December 16 2021
The UK has signed an historic trade agreement with Australia

An initial tariff-free quota for Australian beef of 35,000 tonnes will lead to the elimination of tariffs after 10 years

2021 Dip

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Sources
https://www.instituteforgovernment.org.uk/sites/default/files/timeline-coronavirus-lockdown-december-2021.pdf
https://en.wikipedia.org/wiki/Timeline_of_Brexit#2018
https://www.gov.uk/government/news/
https://www.aljazeera.com/economy/2021/12/17/australia-and-uk-sign-trade-deal-worth-estimated-13-3bn

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Disruption is not necessarily negative though: the pandemic has sparked a trend toward healthy eating and in-home food consumption the can be leveraged

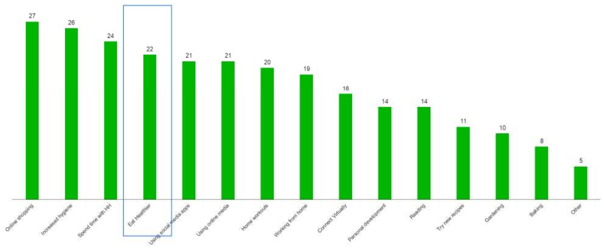
Kantar Covid learnings

Eating Healthy is one of the behaviours that is seen to remain

Behaviours most likely to maintain post lockdown (Top5, wave 5, May 2020*)

1. Increased hygiene
2. Eat healthier
3. Spending time with HH
4. Personal development
5. Online shopping
6. Using online media
7. Reading
8. Social media apps usage
9. Working from home
10. Try new recipes
11. Connecting virtually

Behaviours now doing more of compared to pre-pandemic (Top3, wave 9, April 2021)



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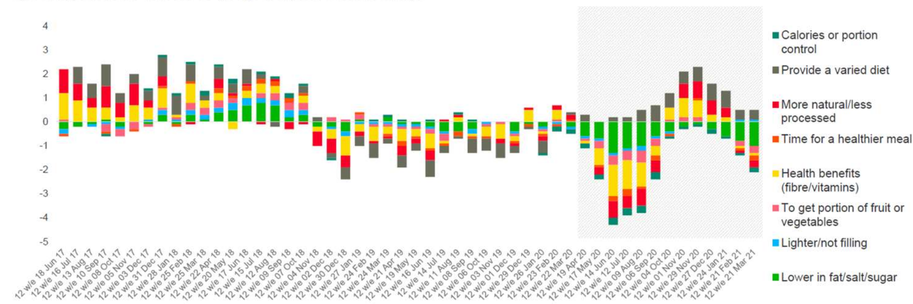
Q51. What are the behaviours that you think you're most likely to maintain once the lockdown is over?
Q92. Compared to before the pandemic began, which of these behaviours are you now doing more of?
*only includes a subset of markets

Health is a catalyst for in-home occasions as restrictions ease

%pt change in health reasons vs. yr. ago total food & drink servings



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Kantar Usage panel, 12w/e 21st Mar '21, %pt. change in servings vs. Yr. Ago, total food & drink, in home & carried out

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This is evidenced not only in claimed behaviour, but in the growth of the meat category across 2020

The extent to which grocery spending habits in the UK have shifted because of the impact of COVID-19 is revealed in new data from Nielsen for The Grocer's annual Top Products survey. It shows supermarket sales of meat and alcohol soared in 2020 at the same time as sales of cosmetics and personal care products slumped.

UK consumers spent an extra £2.5bn on lager beer (+£791.9m), wine (+£717.4m), spirits (+£566.8m) and **meat (+£438.9m)** in 2020 as restrictions limited their ability to visit pubs and restaurants. Brits are drinking at home and **preparing more meals from scratch**."

Source: https://www.warc.com/newsandopinion/news/uk-sales-of-meat-and-alcohol-surged-during-pandemic/44496

The free trade agreement with Australia has opened up opportunities - but need to be mindful of local market criticism inextricably linked to the financial impact of Brexit

1. Tiny fraction of what was lost from Brexit
2. Risk of undercutting British farmers

Brexit: UK-Australia trade deal 'as one-sided as the Ashes', Tory MP tells ministers

Tory MP Neil Hudson said he was worried that the free trade agreement (FTA) could see British farmers undercut and "undermined" by cheap Australian meat imports.

"Free trade agreements should be fair to both partners," he said the Commons. "The Australian FTA, dare I say it, like the Ashes cricket series, is a bit one-sided in favour of Australia."

Source: https://www.independent.co.uk/news/uk/politics/brexit-uk-australia-deal-ashes-b1997051.html

UK-Australia trade deal slammed again by meat sector

Britain's meat producers have reiterated concerns about the potential impact the government's new free trade agreement with "very effective" agriculture exporter Australia could have on their sector.

Giving evidence at a Commons Environment, Food and Rural Affairs Committee hearing about the deal this week, National Sheep Association CEO Phil Stocker warned it offered "no real benefit" to British farmers and would lead to"an unlevel playing field" in favour of competitors Down Under.

UK production standards had been "sold down the river" by the deal, claimed National Beef Association CEO Neil Shand, who said the rules for Australian farmers were less rigorous than those in Britain.

Source: https://www.thegrocer.co.uk/brexit/uk-australia-trade-deal-slammed-again-by-meat-sector/664336.article

There is also risk with going against sustainability views and increasing environmental concerns. This can be a challenge for the meat and particularly importation industry…

The majority of people in the UK are ready to make changes in their own lives around sustainability and to become active and influence others. Less than half of the people we surveyed (45%) thought it was the responsibility of 'others' to solve sustainability issues – and only 18% thought this with any conviction (fast reaction time) which implies that more than half of people feel a degree of personal responsibility

Two thirds of the population (68%) – the Adopters and the Planners - are already acting on living more sustainably, planning to do so, or thinking about it, and only 30% are in denial about what needs to be done

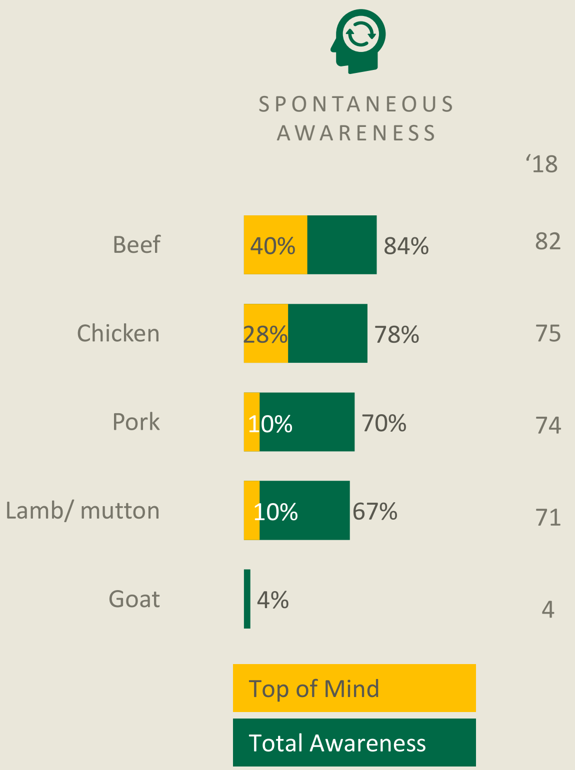
Source: https://www.warc.com/content/article/warc-research/six-steps-to-sustainability-a-positive-approach-for-brands/142657

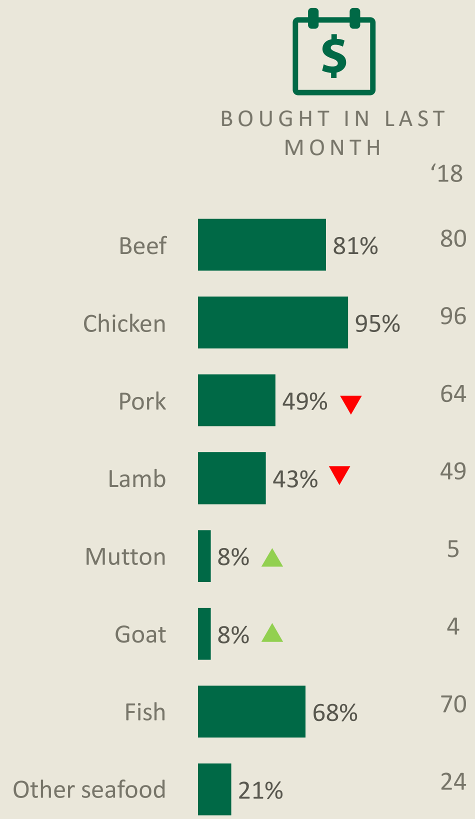
British farmers are concerned the deal could damage their industry, while Greenpeace has warned that UK consumers could be eating **Australian beef linked to deforestation, flown across the world at a time when demands are growing for sustainable produce with fewer miles between farm and fork**.

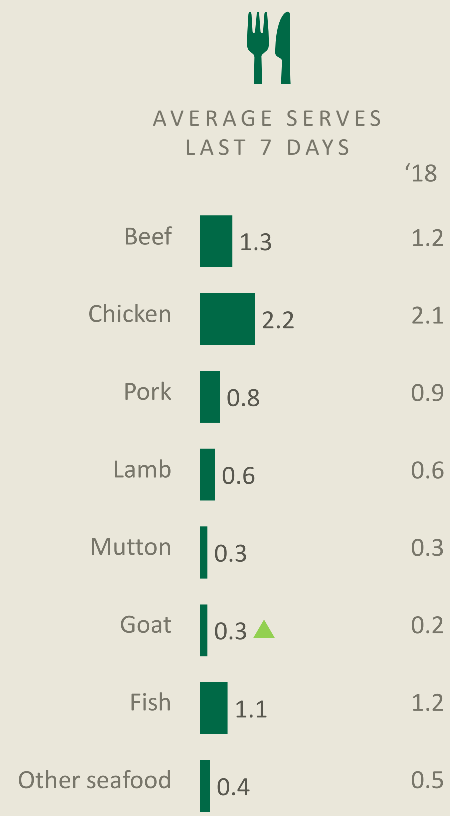
Source: https://www.theguardian.com/business/2021/dec/17/uk-australia-trade-deal-is-more-golden-duck-than-golden-goose

PROTEIN LANDSCAPE

Spontaneous awareness of protein types remain similar to those seen in 2018. Regular purchase of pork and lamb have significantly softened since 2018, while mutton and goat have risen. Chicken, beef and fish are market staples.







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CH1 Spontaneous Awareness – When thinking about meat, which types come to mind?
CH2 Bought in the last month – Which types of meat have you bought in the last month to prepare for a meal at home?
CH10 How many meals that included the following meats have been prepared and eaten in your home in the last 7 days?
Base: '21 (n=1001), '18 (n=522). **Caveat: Sample structure skewed to higher income in 2021 vs 2018.**

Sig. different at 95%

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Associations with Beef and Chicken have improved since 2018, although not necessarily in the areas that will most efficiently drive volume. Only Goat is improving on these, but remains relatively niche.

Increases

★ Important associations – *volume of purchase*

☆ Important associations – *willing to pay more*

	BEEF '18 %	BEEF '21 %	CHICKEN '18 %	CHICKEN '21 %	PORK '18 %	PORK '21 %	FISH '18 %	FISH '21 %	OTHER SEAFOOD '18 %	OTHER SEAFOOD '21 %	LAMB '18 %	LAMB '21 %	MUTTON '18 %	MUTTON '21 %	GOAT '18 %	GOAT '21 %
Fresh	51%	53%	58%	60%	35%	32%	61%	55%	29%	25%	41%	39%	16%	18%	16%	17%
Cheaper	6%	11%	58%	61%	20%	19%	11%	13%	3%	4%	5%	6%	12%	14%	5%	5%
High nutritional value	37%	45%	54%	54%	20%	19%	62%	54%	25%	20%	25%	26%	10%	13%	9%	12%
The animal is well-cared for	25%	33%	25%	32%	14%	17%	13%	16%	8%	7%	22%	27%	9%	12%	9%	12%
The industry is environmentally sustainable	17%	21%	26%	26%	12%	10%	18%	22%	9%	9%	17%	16%	6%	8%	6%	9%
☆ **Consistent quality standards**	39%	48%	46%	52%	24%	24%	33%	35%	14%	14%	33%	33%	8%	11%	7%	11%
☆ ★ Tastes delicious	67%	68%	72%	73%	45%	37%	55%	51%	27%	25%	57%	53%	14%	15%	11%	15%
Can be used in many different meals	61%	63%	85%	83%	41%	37%	46%	43%	25%	20%	37%	36%	15%	16%	11%	15%
★ Is easy and convenient to prepare	47%	49%	80%	80%	33%	31%	45%	45%	21%	15%	30%	29%	9%	10%	5%	9%
Low in fat	10%	14%	66%	64%	6%	9%	60%	57%	29%	24%	6%	8%	2%	5%	4%	7%
Guaranteed safe to eat	34%	42%	36%	45%	24%	25%	30%	34%	14%	17%	28%	32%	13%	17%	11%	16%
★ Is an essential part of a healthy diet for growing children	34%	36%	64%	61%	16%	18%	59%	55%	14%	14%	19%	21%	6%	8%	4%	7%
☆ ★ Is my/my family's favourite meat	32%	34%	55%	61%	9%	13%	17%	18%	7%	6%	21%	22%	2%	5%	2%	5%
☆ Is the most superior meat	38%	40%	16%	23%	3%	8%	10%	11%	4%	4%	23%	26%	2%	6%	3%	6%
I am willing to pay a bit more for this meat	37%	43%	16%	21%	7%	8%	20%	20%	9%	10%	33%	33%	4%	7%	5%	7%
★ Is easy and convenient to purchase	59%	58%	84%	81%	42%	38%	51%	49%	23%	20%	43%	38%	7%	8%	3%	7%
☆ The meat is usually tender	42%	47%	57%	55%	18%	18%	31%	29%	10%	8%	39%	35%	5%	8%	4%	8%

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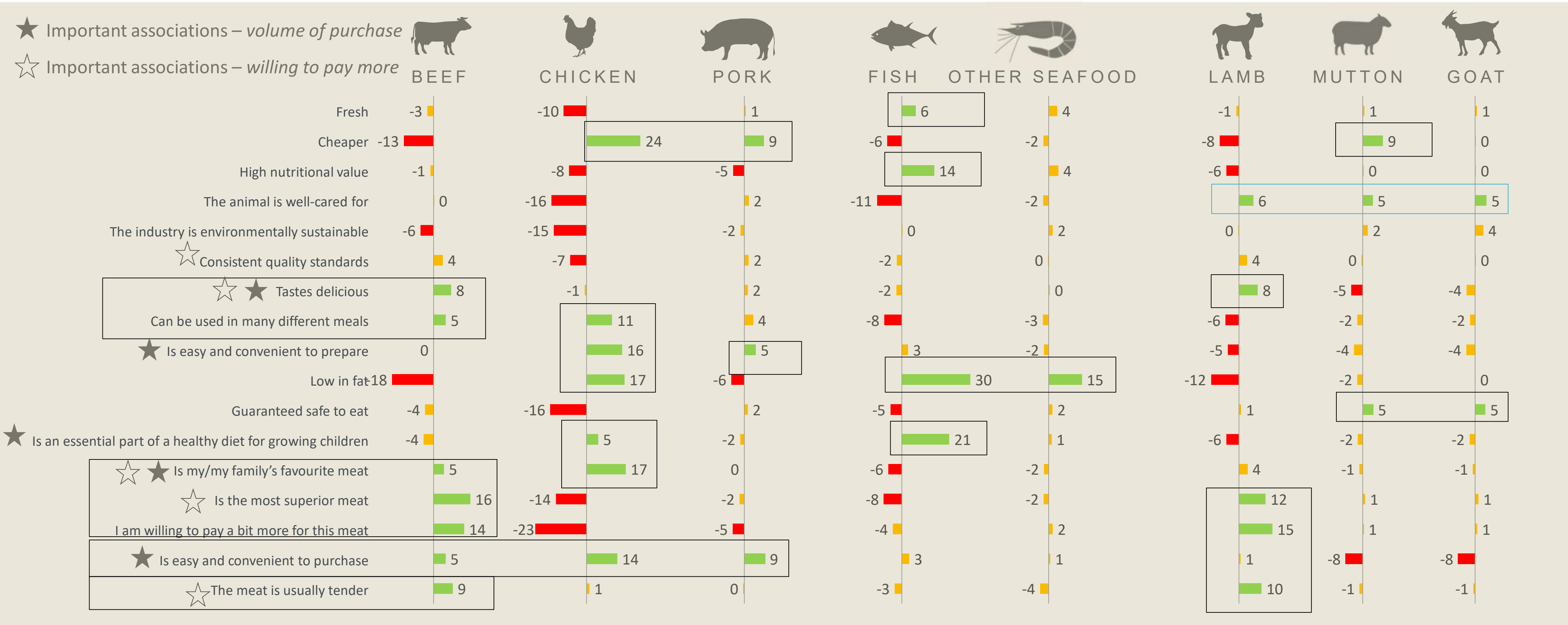
CH12. Which of the following things do you associate with each type of protein? Base: '21 (n=1001), '18 (n=522)

Significantly higher/lower than previous year at 95% level

Whilst growth may not be orientated towards volume drivers, Beef has existing strengths in many of these areas – i.e. Taste, Convenience and Family Favourite. Superiority and Tender are additional strengths that can support Premium



CH12. Which of the following things do you associate with each type of protein? Base: (n=1001)

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+5 or more = relative category strength

-5 or less = relative category weakness.

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PROTEIN LANDSCAPE IMPLICATIONS:

Beef, chicken and fish are food staples in the UK market. Lamb consumption is lower, with weekly servings half that of Beef.

What do we see?

1 Chicken, Beef and Fish Are most popular

Chicken and Beef have a strong advantage over other proteins on being top of mind, penetration serves.

2 A clear positioning for Beef to leverage

Chicken wins on convenience factors of price and ease.

Beef lacks these drivers of frequency – but has strength in more premium associations of taste, versatility, superiority, and tenderness.

3 A distinct profile for Lamb – but opportunity for greater serves

With the decline in monthly purchases versus 2018, and weekly servings just half that of beef, there is an opportunity to further elevate lamb in the UK.

Now what?

Leverage the quality and build the health associations that can justify Beef's inclusion in consumers' repertoires, and that will counter the *convenience* strengths of chicken.

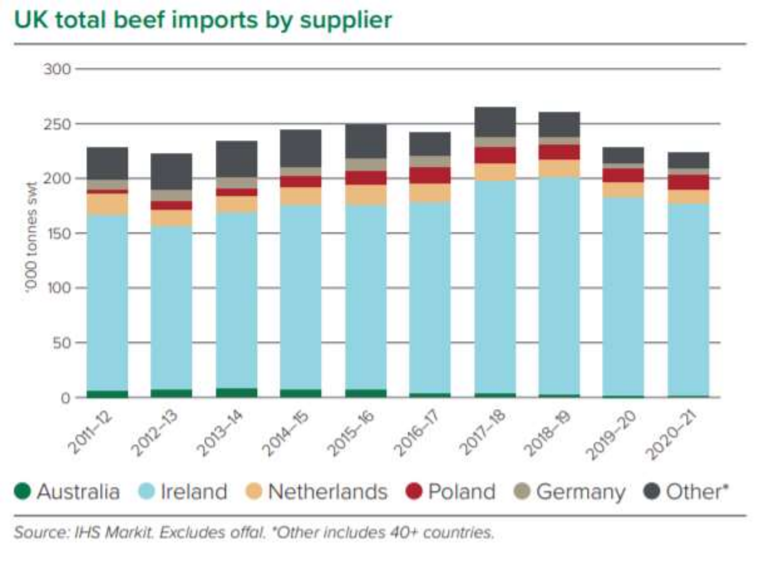
Reinforce awareness as well as messaging around superior taste and animal care in order to encourage purchase

BEEF
BRAND PERCEPTIONS

All questions in this section were asked of beef buyers only (must have ever bought beef). They also must have previously bought, or would consider buying, imported beef.

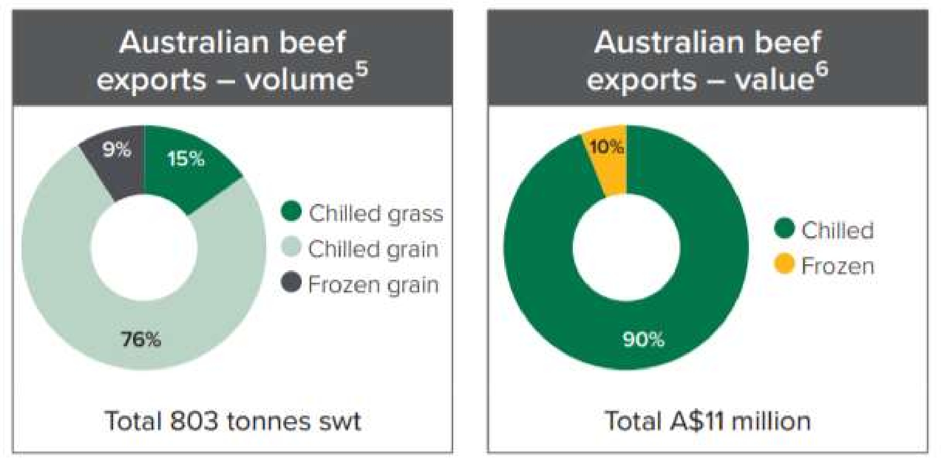
Volume of Australian beef imports to the UK has reduced in recent years, with total imports also softening since 2018/19: this means there is a challenge to compete against recent market dynamics in order to drive growth of Australian beef.

MLA market snapshot – UK Beef Imports



https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/os-markets/red-meat-market-snapshots/2020/2020-UK-market-snapshot.pdf

MLA beef exports to UK in terms of Volume and Value



https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/os-markets/red-meat-market-snapshots/2020/2020-UK-market-snapshot.pdf

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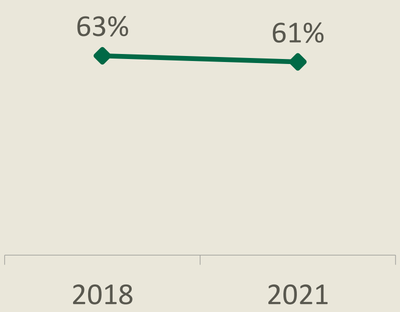
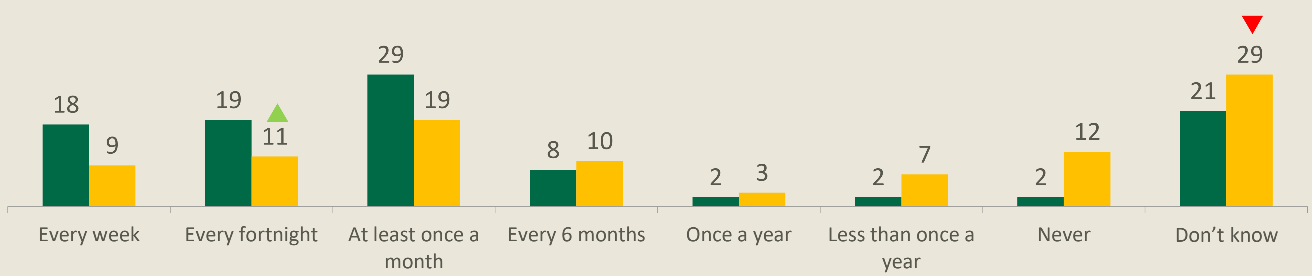
Claimed knowledge of Beef COO has remained stable in the UK since 2018. Weekly purchases of local beef double that of imports, however there is significant increase with imported beef being purchased more frequently.

Know Country of Origin?



FREQUENCY OF BUYING
KEY: **LOCAL** AND **IMPORTED** BEEF



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(GF3B) Do you know the country of origin of the beef you buy? (n=981)
(CH4) How often do you buy imported beef? (n=981)
(CH4LOC) How often do you buy local beef? (n=981) **- not asked in 2018**

Sig. different at 95%

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Australian Beef has significantly increased in awareness and consumption since 2018, although there remains notable headroom for growth

BRAND HEALTH – BEEF

	LOCAL BRITISH BEEF %	'18	SCOTTISH BEEF %	'18	IRISH BEEF %	'18	AMERICAN BEEF %	'18	AUSTRALIAN BEEF %	'18	BRAZILIAN BEEF %	'18
Spontaneous awareness	58	57	23	23	28	23	12	NA	10 ▲	5	5	4
Total Awareness	72	66	63	58	57	51	33	NA	26 ▲	19	24	18
Ever Eaten	68	64	55	53	47	45	19	NA	15 ▲	9	13	10
Eat P12M	64	62	44	40	35	33	10	NA	8 ▲	3	6	4
Eat P3M	58	55	33	28	24	19	6	NA	6 ▲	2	4	2
Past Month	52	47	25	21	18	13	4	NA	5 ▲	2	3	1
Most Often	42	43	13	14	7	5	1	NA	3 ▲	0	0	0

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BBH1. Spontaneous Awareness, BBH2. Prompted Awareness, BBH3. Ever Eaten, BBH4. Eaten last year, BBH5. Eaten in the last 3 months, BBH6. Eaten last month, BBH8. Most often Base: '21 (n=509) '18 (n=310) Base – Bought beef in past month or ever buy beef

▲▼ *Sig. different at 95%*

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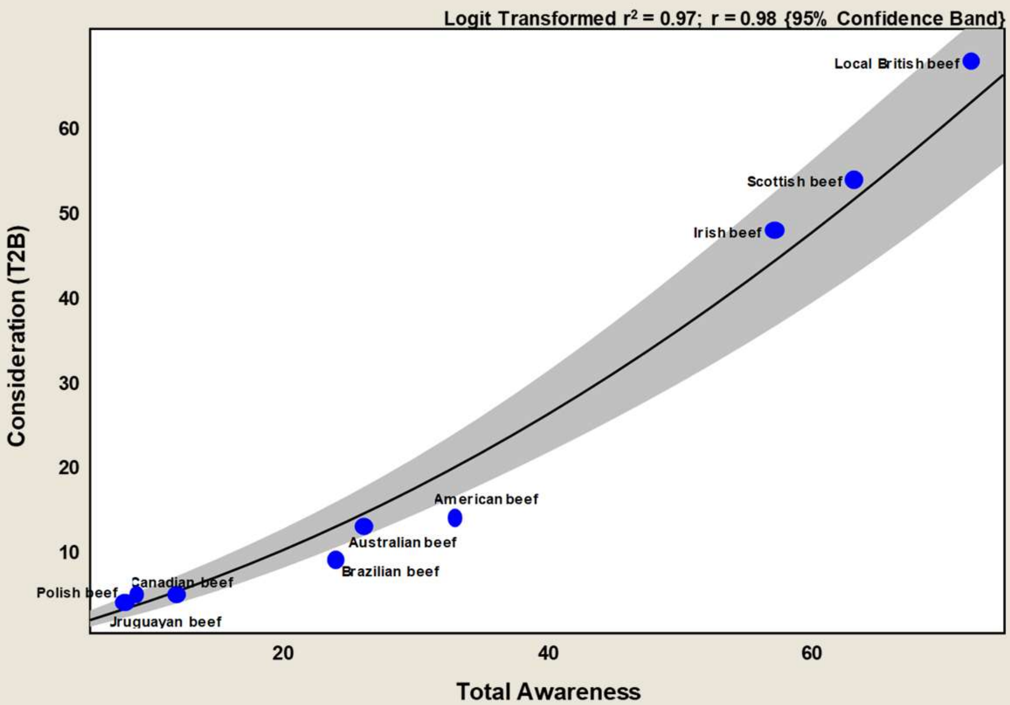
There is no fundamental issue with consideration for Australian Beef, continuing to raise its awareness is the primary job to do

This analysis shows whether the level of consideration for a certain COO brand is within expected levels relative to its level of awareness



Increased awareness and consumption has not laddered up to improved perceptions – meaning additional support is needed to shape the narrative around Australian Beef

BRAND IMAGE ABSOLUTES BY COUNTRY OF ORIGIN: BEEF

	AUSTRALIAN BEEF		AMERICAN BEEF		CANADIAN BEEF		BRAZILIAN BEEF		URUGUAYAN BEEF		LOCAL BRITISH BEEF		IRISH BEEF		POLISH BEEF		SCOTTISH BEEF	
	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %
Freshness	8	9	NA	7	NA	7	6	6	8	7	62	61	34	28	6	6	35	38
Cheaper	3	5	NA	6	NA	4	6	6	7	7	22	25	11	12	12	10	5	9 ▲
The animal is well-cared for	7	7	NA	6	NA	9	4	5	4	6	36	39	21	23	4	4	26	29
The industry is environmentally sustainable	7	7	NA	6	NA	6	4	5	2	5 ▲	31	32	17	15	4	4	21	19
Consistent quality standards	8	11	NA	8	NA	8	7	8	5	5	54	52	28	32	6	5	37	39
Low in fat	7	8	NA	5	NA	4	6	6	6	6	27	31	16	16	6	4	16	19
Guaranteed safe to eat	13	13	NA	10	NA	12	9	10	9	8	47	51	29	31	10	7	32	36
Is my/ my family's favourite beef	3	5	NA	4	NA	3	3	4	3	4	46	49	10	14	3	3	23	25
Is the most superior beef	4	7	NA	3	NA	5	4	6	3	4	36	37	11	15	2	3	29	26
High nutritional value	5	8	NA	6	NA	6	4	6	3	5	29	32	13	16	4	3	17	22
Is easy and convenient to purchase	5	7	NA	6	NA	5	5	5	4	4	64	64	34	30	4	3	37	40
Offers a variety of cuts that suit the meals I make	12	9	NA	10	NA	8	9	7	8	7	58	55	31	29	9	6	36	35
The meat is usually tender	10	9	NA	8	NA	8	8	7	6	6	49	50	27	26	5	4	40	36
The fat is nicely marbled	3	7 ▲	NA	5	NA	5	5	6	4	4	33	31	16	16	3	4	25	23

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Base: '21 (n=509), '18 (n= 310)
QBBH9. Here are some things which people have said about beef. We would like to know which of the following statements apply to beef from different countries of origin. You may choose as many or as few countries of origin as you wish. It doesn't matter if you don't buy any of them - it's your impressions we'd like.

▲▼ *Sig. different at 95%*

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HOW CAN WE DRIVE FURTHER GROWTH FOR AUSTRALIAN BEEF?

There are two paths to brand growth.

By increasing the likelihood
that a consumer will buy a brand

We call this Brand
Power

Power

High Power brands capture **5× higher** volume share

By increasing the likelihood
consumers will pay more for a brand

We call this Brand
Premium

Premium

High Premium brands can charge **25% more** than brands with a low premium score

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Example data Source: BrandZ database

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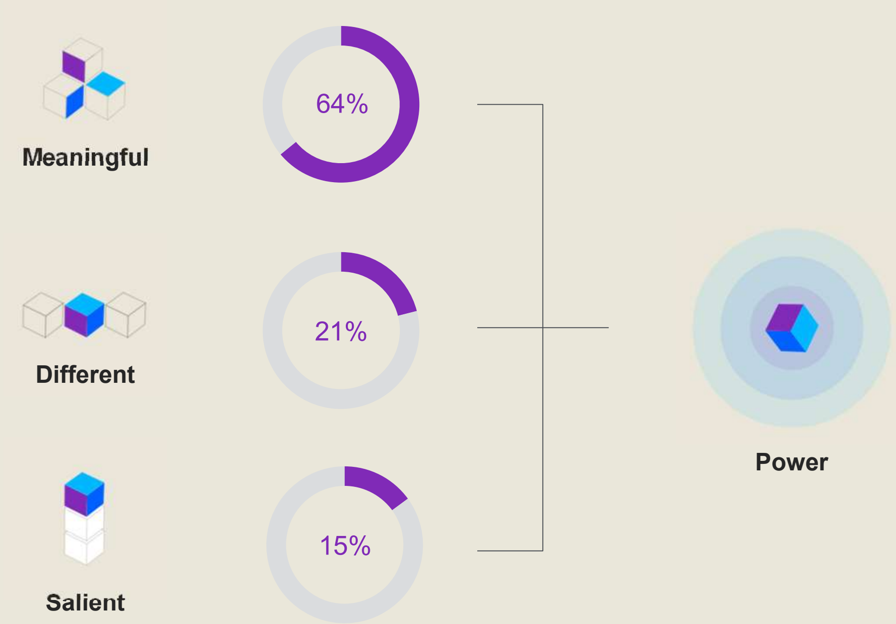
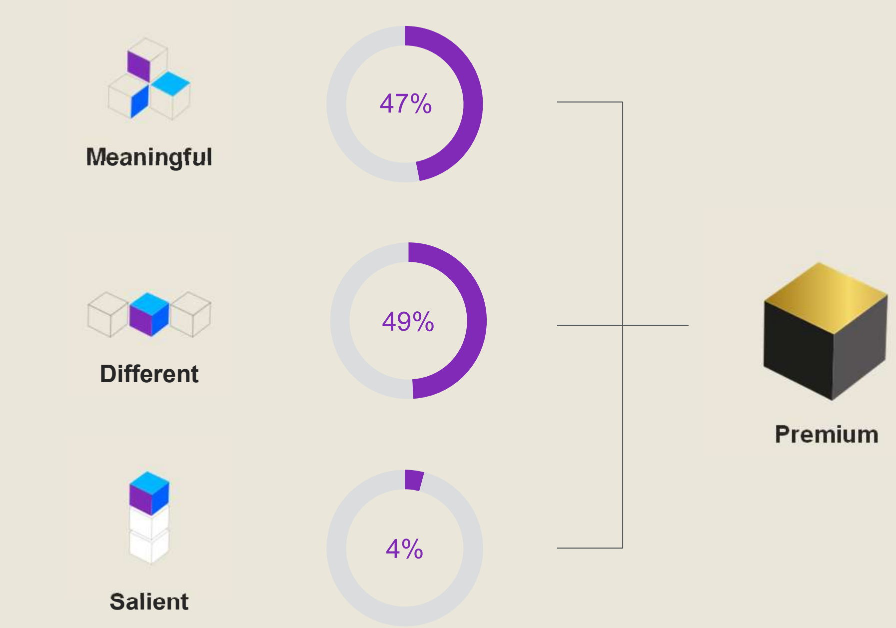
Meaning is the primary component to drive strong brand predisposition. However, being Differentiated also plays a role to justify price premium

Importance in driving **Brand Power**



Importance in driving **Brand Premium**



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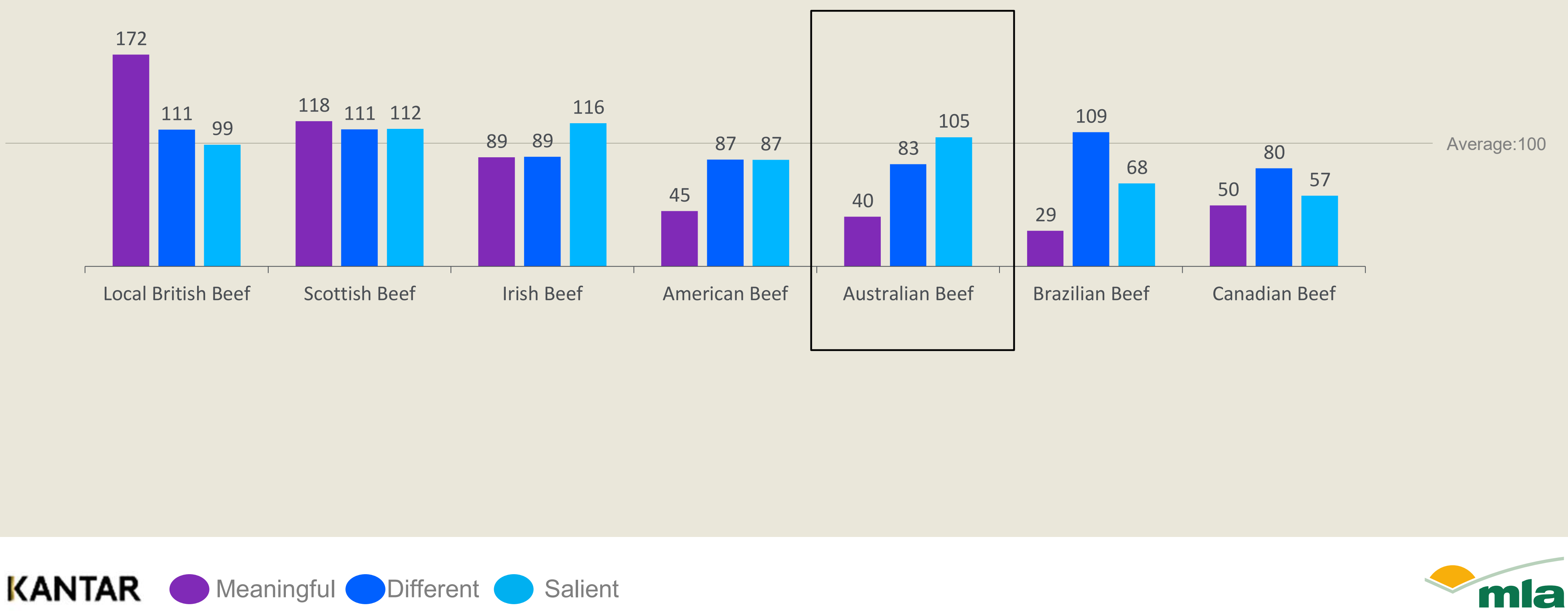
Australian Beef has an equity / perceptual challenge of lacking in Meaning. This is the critical challenge to overcome given its significant role in supporting Volume and Value. Differentiation also a growth opportunity, although secondary to Meaning.

BEEF COUNTRY OF ORIGIN: MEANING, DIFFERENCE, SALIENCE



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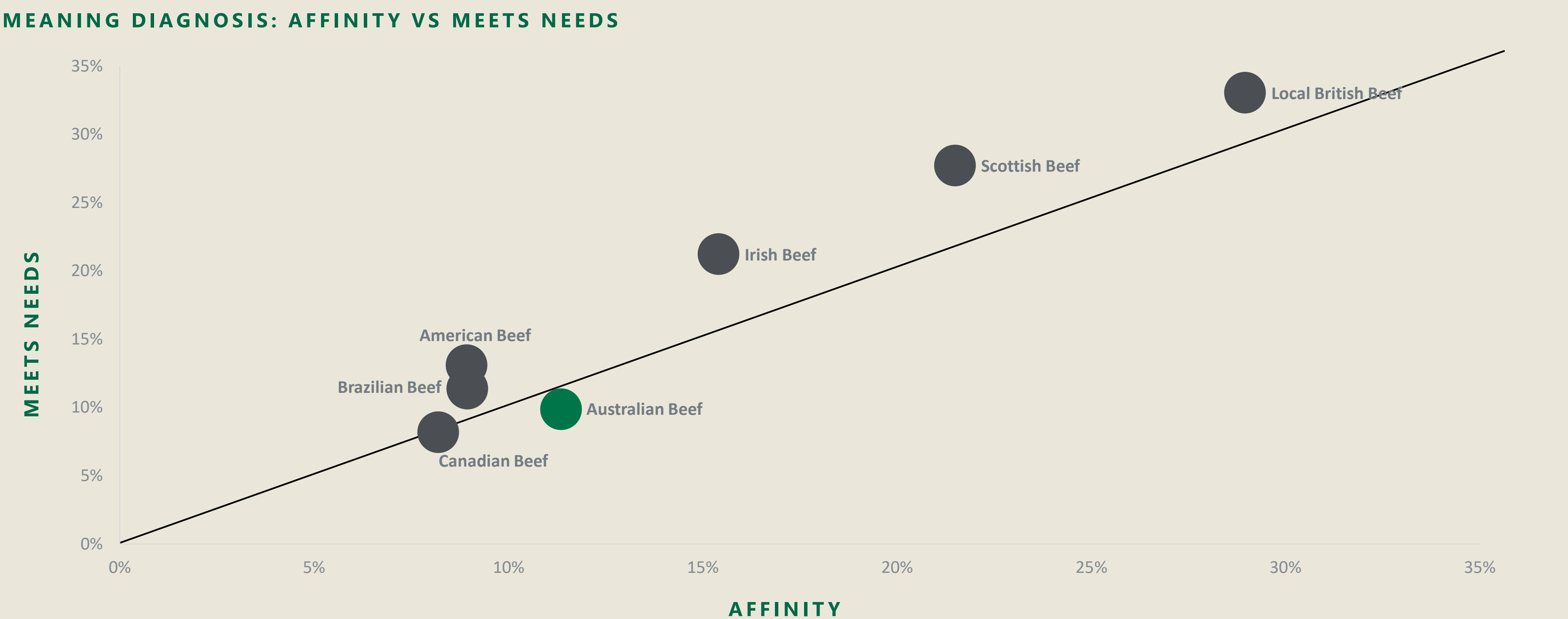
Although Australian Beef has lower Affinity than locally sourced beef, it is the only brand whose Affinity outperforms the more functional measure of Meets Needs – meaning there is an emotive platform to build off in a very functional category



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What is the opportunity for Australian Beef to drive relevant perceptions and positioning in the UK?

We have grouped perceptions into different factor themes

EASY EVERYDAY

- Offers a variety of cuts that suit the meals I make
- Is easy and convenient to purchase
- Fresh
- The meat is usually tender

QUALITY FAVOURITE

- Is my/my family's favourite beef
- Is the most superior beef
- Consistent quality standards

GOODNESS

- Low in fat
- More nutritious

WELFARE AND SAFTEY

- Guaranteed safe to eat
- The animal is well-cared for

SUSTAINABILITY

- The industry is environmentally sustainable

MARBLED

- The fat is nicely marbled

CHEAPER

- Cheaper

Easy Everyday perceptions, alongside Quality credentials, are the foundations in driving Meaningful equity to the COO brands in this category, however goodness benefit is what contributes to a sense of differentiation

Driving these perceptions... *Contribute to driving...*

	Group of Perceptions	Meaning	Difference
1	EASY EVERYDAY	42%	6%
2	QUALITY FAVOURITE	25%	26%
3	WELFARE & SAFETY	15%	11%
4	GOODNESS	5%	25%
5	SUSTAINABILITY	3%	15%
6	MARBLED	9%	17%
7	CHEAPER	2%	1!

Local British and Scottish Beef is highly differentiated in the UK market, standing out on Easy everyday and Quality favourite aspects.

DRIVERS OF **POWER**
(ranked top to bottom)

		LOCAL BRITISH BEEF	IRISH BEEF	POLISH BEEF	SCOTTISH BEEF
Easy everyday (38%)	Offers a variety of cuts that suit the meals I make	4	2	0	1
	Is easy and convenient to purchase	19	8	-2	11
	Fresh	11	2	0	5
	The meat is usually tender	2	2	-1	5
Quality favourite (23%)	Is my/my family's favourite beef	14	-2	0	4
	Is the most superior beef	1	-2	0	4
	Consistent quality standards	1	6	-1	5
Welfare & safety (14%)	Guaranteed safe to eat	-5	1	0	-2
	The animal is well-cared for	-4	2	0	2
Goodness (11%)	Low in fat	-7	-1	0	-4
	More nutritious	-7	-2	-1	-2
Sustainability (6%)	The industry is environmentally sustainable	-6	-3	0	-4
Marbled (5%)	The fat is nicely marbled	-7	-1	0	0
Cheaper (4%)	Cheaper	-11	-4	7	-13

BBH9. Here are some things which people have said about beef. We would like to know which of the following statements apply to beef from different countries of origin. You may choose as many or as few countries of origin as you wish. It doesn't matter if you don't buy any of them - it's your impressions we'd like. Base: (n=509). *Attributes are grouped according to level of co-endorsement i.e. when respondents endorse one attribute for a brand, they are likely to endorse the others in the group. In this way the attributes are linked, then the groups are given an appropriate, summary name.*

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Non-local COO brands are less prominent in the market and thus struggle to standout in meaningful ways to consumers.

DRIVERS OF **POWER**
(ranked top to bottom)

Group	Attribute	AUSTRALIAN BEEF	AMERICAN BEEF	CANADIAN BEEF	BRAZILIAN BEEF	URUGUAYAN BEEF
	Offers a variety of cuts that suit the meals I make	-2	2	0	-1	0
	Is easy and convenient to purchase	-1	-1	-1	-2	-2
	Fresh	-1	-1	-1	-2	0
Easy everyday (38%)	The meat is usually tender	0	1	1	0	-1
	Is my/my family's favourite beef	-1	0	-1	0	0
	Is the most superior beef	1	-2	0	1	0
Quality favourite (23%)	Consistent quality standards	1	0	0	0	-2
	Guaranteed safe to eat	1	0	2	0	-1
Welfare & safety (14%)	The animal is well-cared for	-1	0	3	-1	0
	Low in fat	2	0	-1	1	2
Goodness (11%)	More nutritious	1	1	1	1	0
Sustainability (6%)	The industry is environmentally sustainable	1	1	1	0	1
Marbled (5%)	The fat is nicely marbled	1	0	0	1	0
Cheaper (4%)	Cheaper	-1	1	-1	1	3

KANTAR

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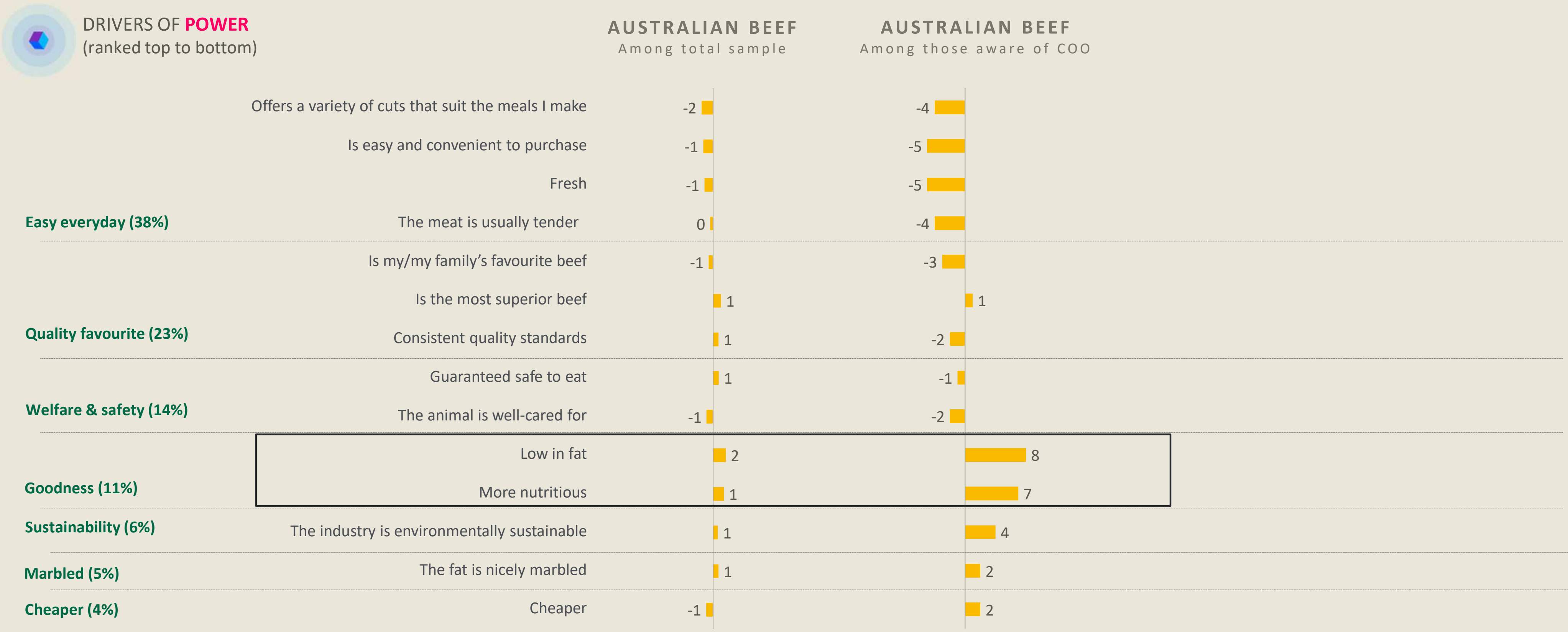
However looking among those who are aware of the COO, Australian Beef stands out on Goodness benefits, suggesting a possible platform to build from in tandem with increased Awareness



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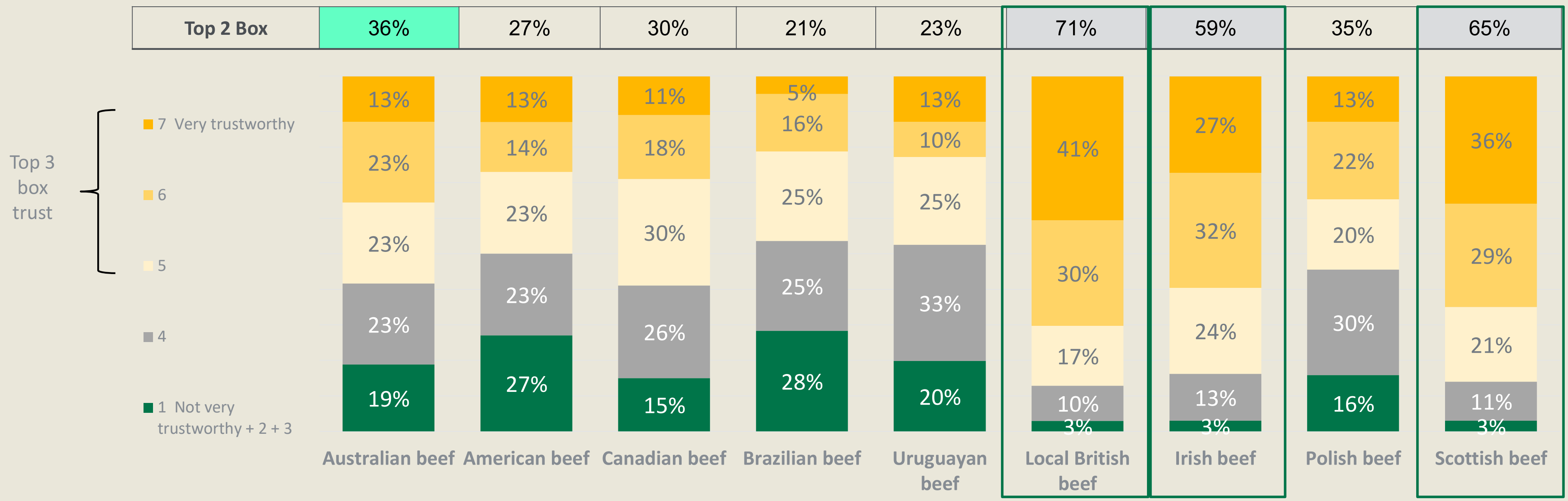
With Britain's heavy cattle farming focus it is understandable that trust is highest for its own locally produced meat. But among non-local COOs, Australian Beef has the highest level of trust that it can leverage

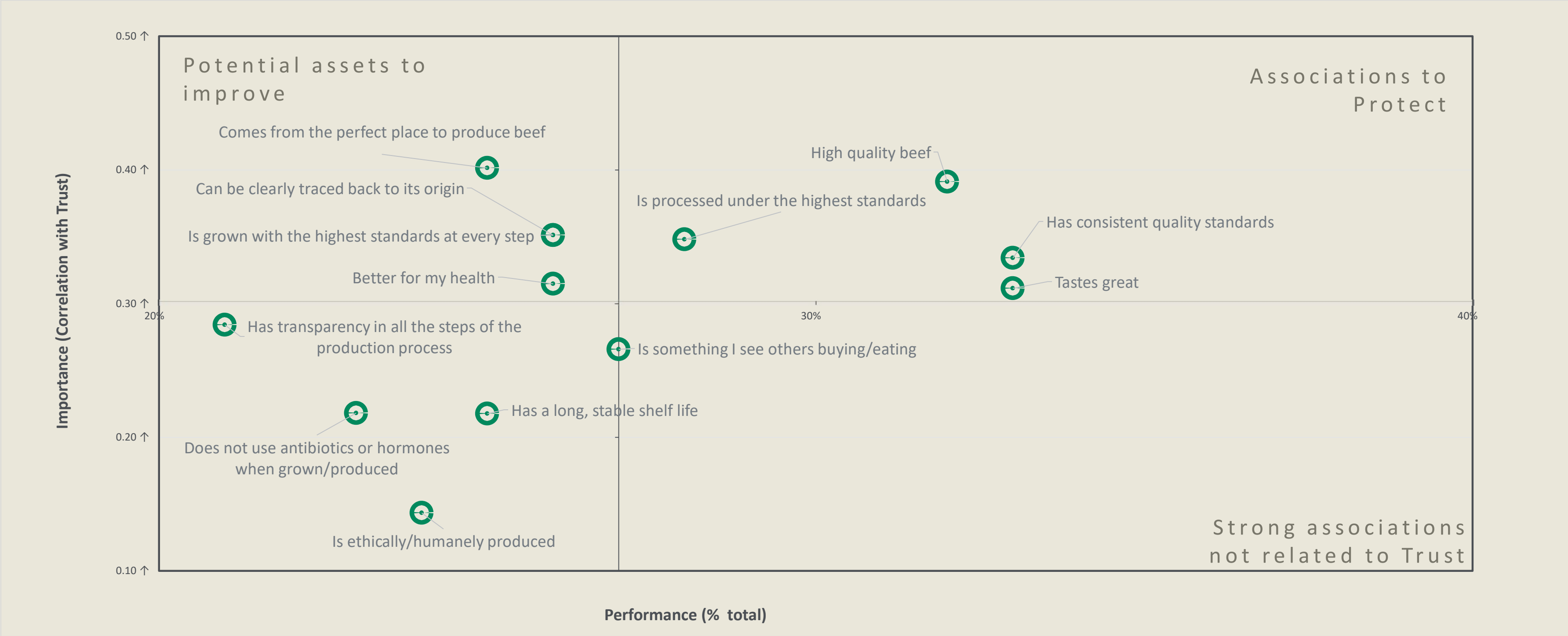
Trustworthy - COO BEEF (UK)



BTR2B. How trustworthy is the imported beef from these countries – 7 point scale
Base: Australian (n=132), American (168), Canadian (61), Brazilian (123) Uruguayan (40), Local British (366), Irish (292) , Polish (46), Scottish (321)

Opportunity for AU Beef is to build narrative around its Origin and Health benefits to further build stronger trust (and eventually Meaning) with UK consumers

Performance vs. Importance on attributes – AU Beef (UK)



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BTR2B. How trustworthy is the imported beef from these countries , which if the
Base: Australia(n=132);

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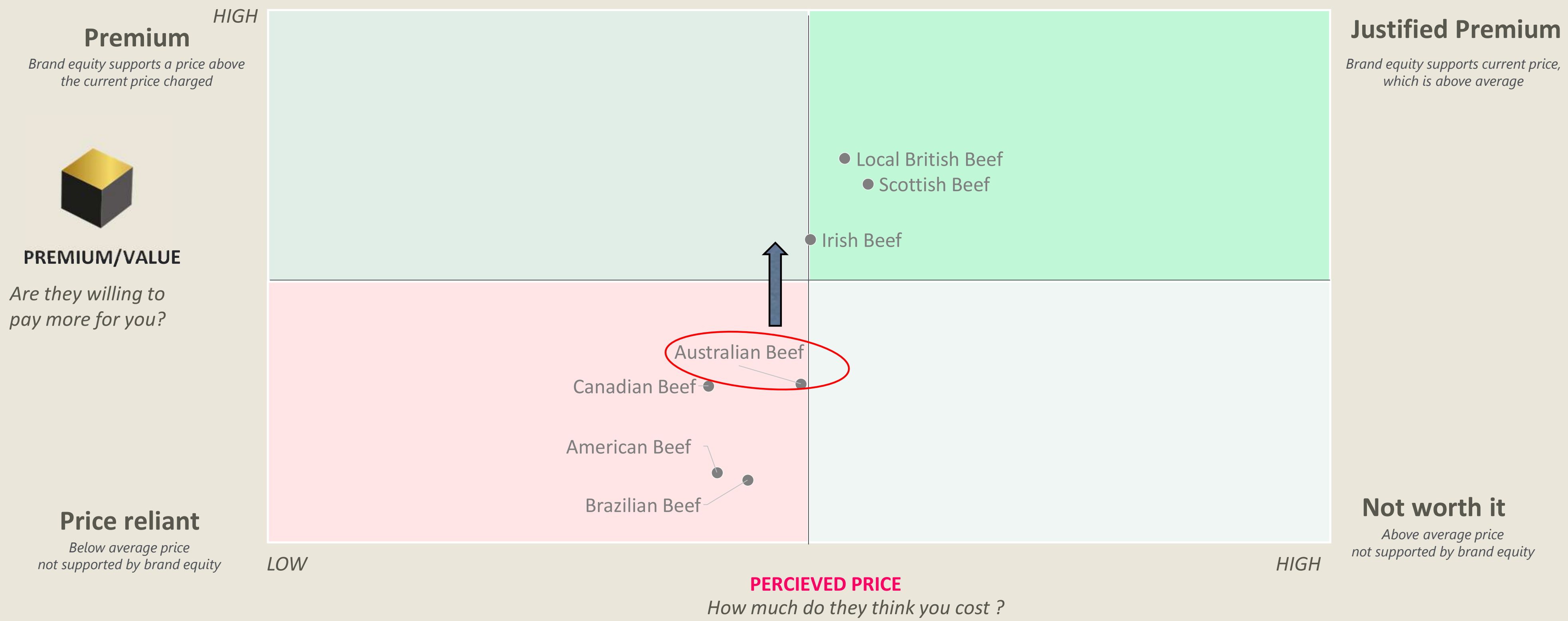
Amongst imported COO brands, Australian Beef is perceived as higher priced. However relative to established brands it does not have the premium value to justify its price. This reinforces the importance of being clearly differentiated to motivate purchase of AU Beef amongst UK consumers

BEEF PREMIUM VS. PERCIEVED PRICE BY COUNTRY OF ORIGIN



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BEEF COUNTRY OF ORIGIN:
Australian and other non-local COO beef brands struggle to perform in the UK market.

What do we see?

1

Local UK COOs are firmly entrenched in the market.

The increase awareness and consumption of Australian Beef since 2018 has not laddered up to improved perceptions.

Australian Beef's equity is still underdeveloped with lack of meaning and differentiated proposition

2

Australian Beef and other imported COOs struggle to stand out.

British, Scottish and Irish Beef dominate the market, making it difficult for foreign imports to compete.

Consumers struggle to clearly see the benefits of these COOs provide, making it hard to justify their elevated imported price versus local meat.

Now what?

There is lack of connection with the brand therefore focus needs to be on **improving perceptual associations** that is relevant to driving Meaning , as well as **having a clear proposition** what makes Australian Beef different to established local UK COOs

It is crucial to get the fundamental aspects for Australian Beef to have a right to play in the market, work will need to be done in communicating its clear benefits to consumers. More importantly, there is a **need to build a clear Australian Beef narrative** to support its distribution and drive increased purchase

What are the opportunities for Australian Beef to build a Meaningfully Different proposition in the UK?

Important to drive volume purchase | *Important in justifying price premium*

MEANINGFUL | DIFFERENCE | SALIENCE

Trust

Area to focus

Origin

Establishing provenance is a strong driver of trust. Building on provenance will help drive a more meaningful connection with consumers

Taste /Quality

These are foundations to drive strong meaning and trust. It is important to get these right but will not necessarily help AU Beef differentiate with other established local COO brands

Goodness

Aside from quality, having goodness is another important driver to differentiation. Currently no COO brand is standing out in this area and AU Beef sees signs of strength / isn't particularly week

What messages we can communicate

Origin:
- Comes from the perfect place to produce beef
- Can be clearly traced back to its origin
- Is grown with the highest standards at every step

Taste /Quality:
- Tastes great
- Fresh
- High quality beef
- Consistent quality standards

Goodness:
- Low in fat
- More nutritious
- Better for my health
- Is processed under the highest standards

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WHO IS THE CONSUMER?

UK consumers who are aware and have purchased Australian Beef skews towards a younger, male and more affluent cohort

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Base size: Total (1001), Purchased Beef in past month (809), Aware of Australian Beef (132), Ever bough Australian Beef (76)

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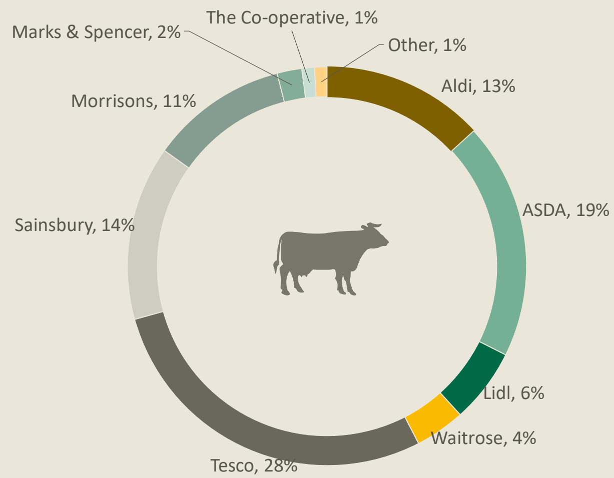
Beef is purchased at numerous stores around the UK, with Tesco and ASDA having slightly elevated prominence.

SUPERMARKET: MOST COMMON PLACES OF PURCHASE



QR7AA. Which of these supermarkets would you say is your main supermarket for purchasing beef? Supermarket Base: (n=387)

Whilst main purchase of beef is predominantly from mainstream retailers, there is opportunity to drive stronger visibility among premium retailers to attract shoppers who are more engaged with purchasing and considering Australian Beef

Indexed vs Total

AUSTRALIAN BEEF	TOTAL (%)	Mainstream (Tesco, Asda, Sbury, Morrisons)	Discounter (Aldi Lidl)	Premium (Waitrose M&S Ocado)
BRAND FUNNEL				
Total Awareness	*26*	-7	11	67
Ever eaten	*15*	0	-6	94
Eat P12M	*8*	-9	0	109
Eat P3M	*6*	-12	13	163
Eat past month	*5*	-17	-17	250
Eat Most often	*3*	0	-67	333
CONSIDERATION				
It would be my first choice	*6*	-14	-43	100
I would seriously consider it	*43*	2	-2	7
I might consider it	*41*	5	-2	-28
I would not consider it	*10*	-37	63	13

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Brand Funnel Base: Total (379), Mainstream (260), Discount (81) Premium (78)
Consideration Base: Total (103), Mainstream (64), Discount (24), Premium (35)

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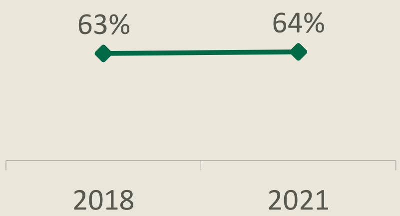
LAMB BRAND HEALTH & PERCEPTIONS

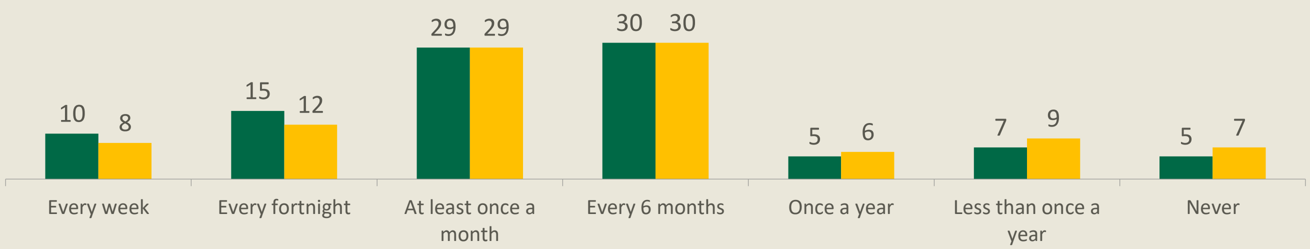
All questions in this section were asked of lamb buyers only (must have ever bought lamb). They also must have previously bought, or would consider buying, imported lamb.

Knowledge of lamb's COO has remained stable since 2018, with local and exported lamb purchased to the same extent. Consumers are less active in the category with purchases taking place less frequently than beef

Know Country of Origin?



FREQUENCY OF BUYING
KEY: **LOCAL** AND **IMPORTED** LAMB



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(LBH1A) Do you know the country of origin of the lamb you buy? Base: (n=767)
(CH7) How often do you buy imported lamb/Halal compliant lamb? Base: (n=767)
(CH7LOC) How often do you buy local lamb/Halal compliant lamb? Base: (n=767)

Sig. different at 95%

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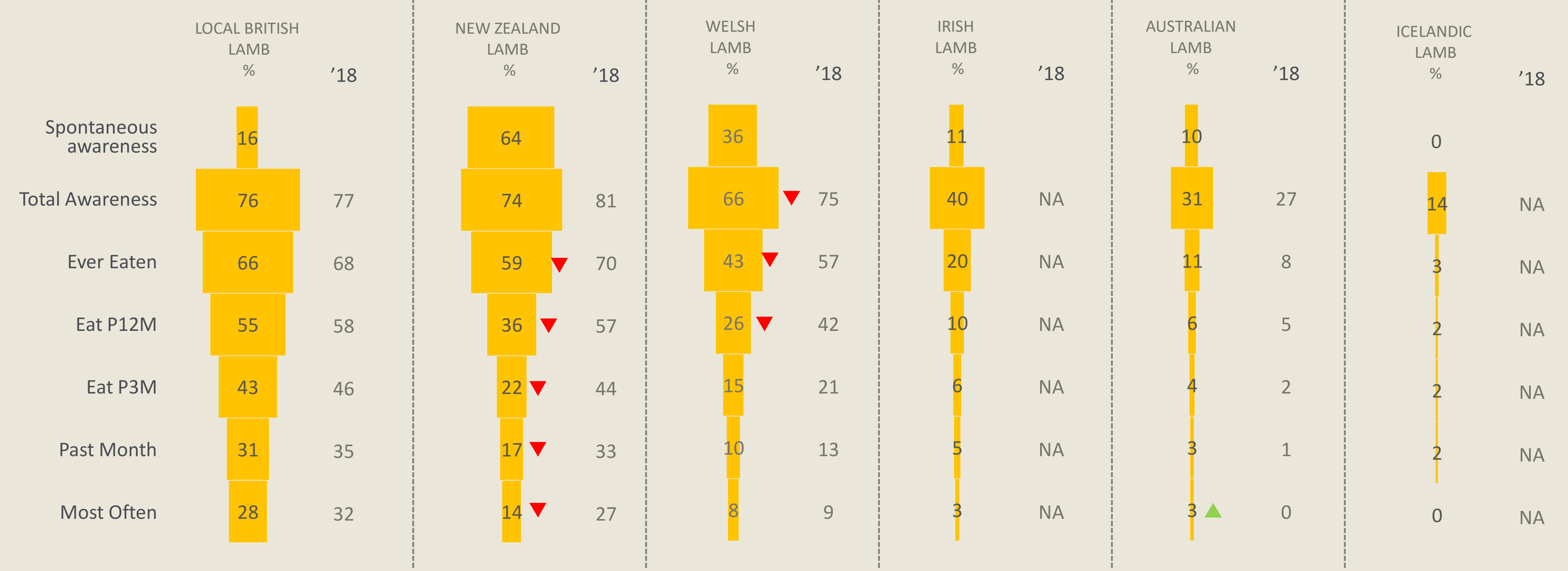
Local British lamb attains the highest consumption in the UK, with New Zealand and Welsh lamb seeing significant decreases since 2018. Meanwhile Australian lamb remains comparatively small in size

BRAND HEALTH – LAMB



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LBH1. Spontaneous Awareness, LBH2. Prompted Awareness, LBH3. Ever Eaten, LBH4. Eaten last year, LBH5. Eaten in the last 3 months, LBH6. Eaten last month, LBH8. Most often Base: ’21 (n=492), ’18 (n=212)

▲▼ *Sig. different at 95%*

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Alongside funnel declines, the perceived benefits of lamb have become less clear to consumers for Welsh and New Zealand lamb. Australian lamb also sees a perceptual challenge with consumers seeing declines on the limited perceptions they have

BRAND IMAGE ABSOLUTES BY COUNTRY OF ORIGIN: LAMB

	AUSTRALIAN LAMB		NEW ZEALAND LAMB		ICELANDIC LAMB		WELSH LAMB		LOCAL BRITISH LAMB		IRISH LAMB	
	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %	'18 %	'21 %
Freshness	22	12 ▼	35	24 ▼	NA	11	57	43 ▼	64	63	NA	22
Cheaper	6	9	26	15 ▼	NA	4	10	10	21	23	NA	8
The animal is well-cared for	17	14	27	27	NA	14	31	31	30	42 ▲	NA	19
The industry is environmentally sustainable	18	8 ▼	36	17 ▼	NA	7	33	22 ▼	34	31	NA	13
Consistent quality standards	21	16	52	40 ▼	NA	12	48	38 ▼	53	53	NA	18
Offers a variety of cuts that suit the meals I make	27	16 ▼	53	40 ▼	NA	12	50	35 ▼	54	55	NA	22
Low in fat	14	9	19	16	NA	8	18	15	19	22	NA	9
Guaranteed safe to eat	29	20 ▼	44	40	NA	17	48	39 ▼	51	53	NA	24
Is my/ my family's favourite lamb	4	4	31	25	NA	4	26	23	38	43	NA	8
Is the most superior lamb	6	6	33	26	NA	4	32	24 ▼	25	31	NA	7
High nutritional value	12	8	24	20	NA	8	27	19 ▼	29	30	NA	9
Is easy and convenient to purchase	13	8	58	42 ▼	NA	4	42	33 ▼	56	60	NA	16
The meat is usually tender	20	13 ▼	51	42 ▼	NA	10	50	39 ▼	52	53	NA	18

KANTAR

Base: '21 (n=492), '18 (n= 212)
QLBH9. Here are some things which people have said about lamb. We would like to know which of the following statements apply to lamb from different countries of origin. You may choose as many or as few countries of origin as you wish. It doesn't matter if you don't buy any of them - it's your impressions we'd like.

▲▼ *Sig. different at 95%*

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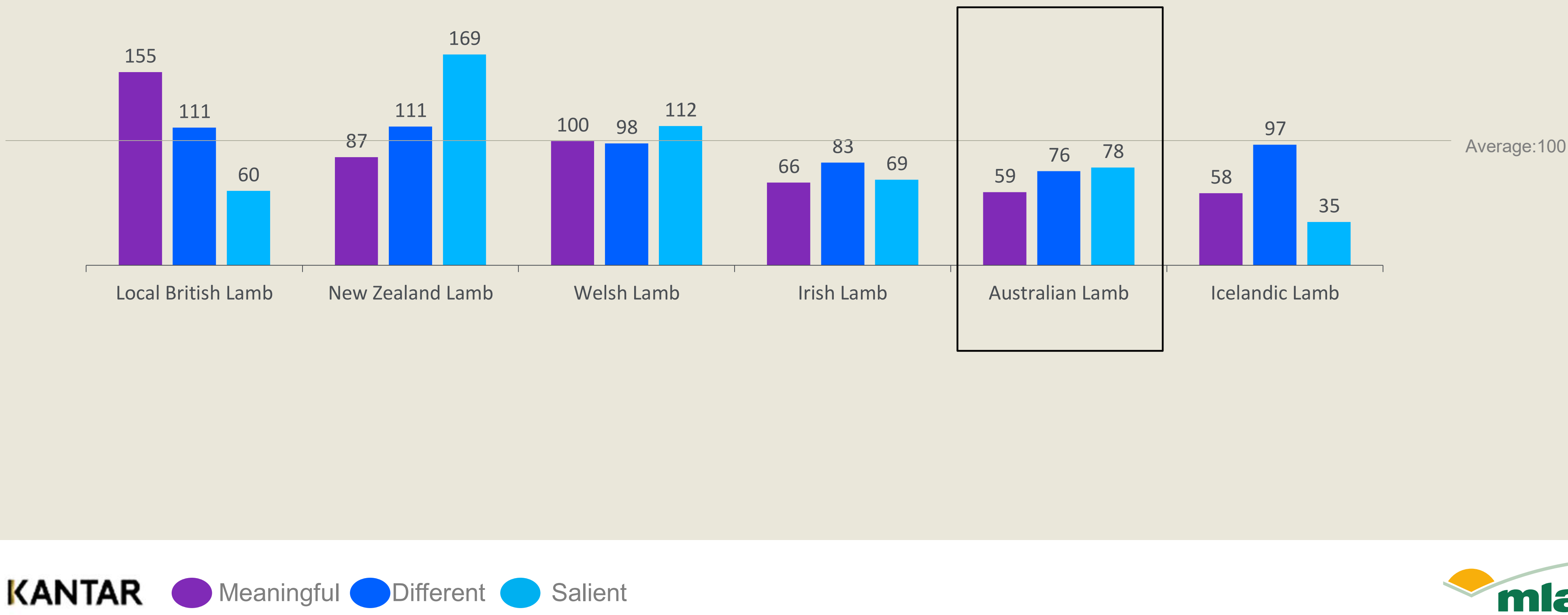
New Zealand Lamb is highly salient and has strong differentiation – the inverse of British Lamb. Australian Lamb performs below category average across all measures, although like Beef, Meaning is the greatest challenge.

LAMB COUNTRY OF ORIGIN: MEANING, DIFFERENCE, SALIENCE



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Being a Family Favourite and Everyday Ease are important in the lamb market to driving relevance, with Goodness supporting Differentiation (alongside Family Favourite)

Driving these perceptions…

Contribute to driving…

	Group of Perceptions	Meaning	Difference
1	FAMILY FAVOURITE	36%	37%
2	EASY EVERYDAY	26%	6%
3	SAFE TO EAT	20%	22%
4	WELFARE	13%	6%
5	GOODNESS	4%	27%
6	CHEAPER	0.4%	4%

Similar to beef, Australian lamb lacks distinctiveness in the UK market. Meanwhile local British and New Zealand lamb stands out on several top drivers that contribute to volume purchase, helping explain its strength

DRIVERS OF **POWER**
(ranked top to bottom)

		AUSTRALIAN LAMB	NEW ZEALAND LAMB	ICELANDIC LAMB	Welsh LAMB	LOCAL BRITISH LAMB	IRISH LAMB
Family favourite (33%)	Is my/my family's favourite lamb	-3	5	-1	4	11	-1
	Is the most superior lamb	-1	7	-1	5	-1	-2
	The meat is usually tender	-2	6	-1	3	1	-1
Easy everyday(26%)	Offers a variety of cuts that suit the meals I make	0	1	0	-3	0	1
	Is easy and convenient to purchase	-3	12	-5	3	14	1
Safe to eat(24%)	Guaranteed safe to eat	2	-2	3	-3	-5	1
	Fresh	-3	-13	-1	7	10	3
	Consistent quality standards	1	2	0	1	-1	-2
Welfare(11%)	The animal is well-cared for	1	-6	4	-1	-7	2
Goodness (6%)	Low in fat	3	-3	3	-3	-9	0
	More nutritious	1	-1	2	-2	-4	-1
	The industry is environmentally sustainable	0	-5	1	1	-4	3
Cheaper(1%)	Cheaper	4	-1	0	-5	-3	1

KANTAR

LBH9. Here are some things which people have said about lamb. We would like to know which of the following statements apply to lamb from different countries of origin. You may choose as many or as few countries of origin as you wish. It doesn't matter if you don't buy any of them - it's your impressions we'd like. Base: (n=492). *Attributes are grouped according to level of co-endorsement i.e. when respondents endorse one attribute for a brand, they are likely to endorse the others in the group. In this way the attributes are linked, then the groups are given an appropriate, summary name.*

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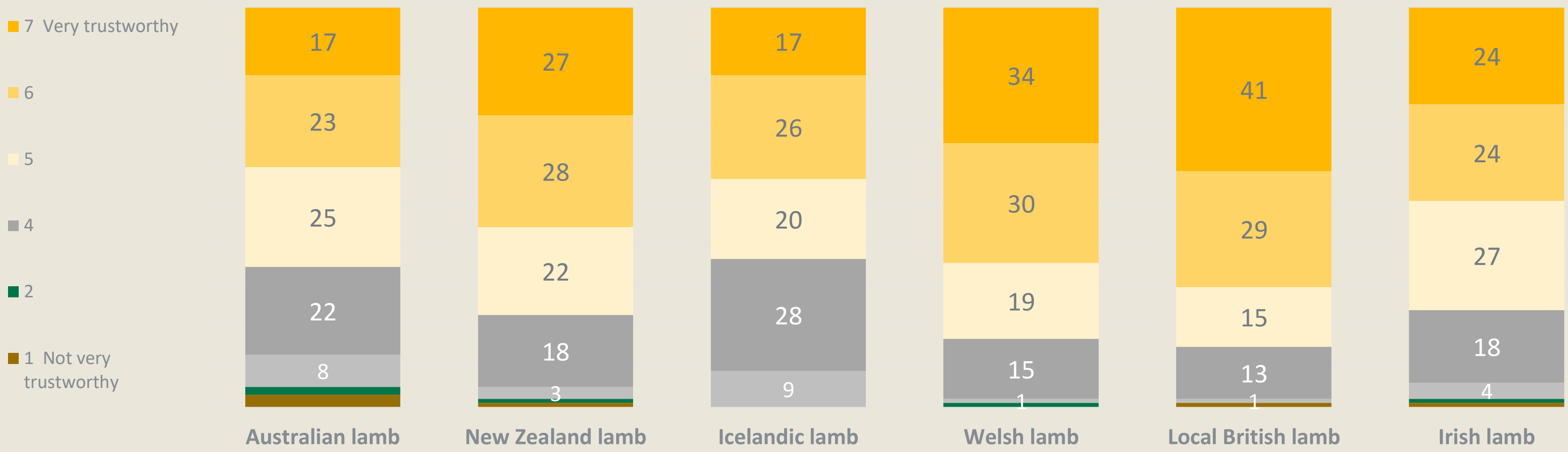
Driving trust amongst UK consumers is also a challenge that AU Lamb needs to overcome to be able to compete with the already established imported NZ Lamb. At present it is the least trusted, presumably linked to its lack of awareness

Trustworthy - COO LAMB (UK)

Top 2 Box	40	55	43	64	70	48



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(BTR2L) How trustworthy is the imported lamb from these countries

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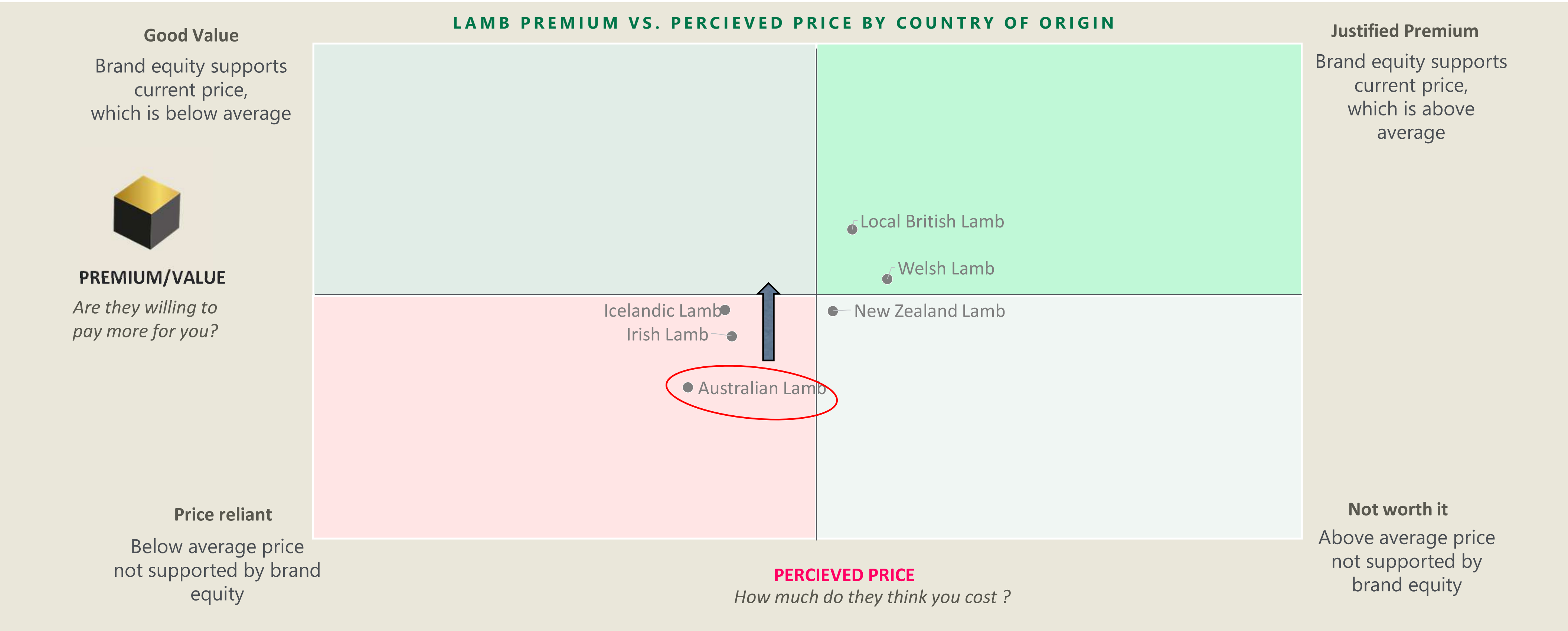
Generally there are limited facilitators of lamb purchases however better price is something that AU lamb could leverage to attract interest.

FACILITATORS TO BUYING LAMB:

(CH6B) What would convince you to buy lamb? Base: (n=234)

Currently Australian lamb is perceived as least expensive – opportunity to push this to a 'good value' space by building up the foundations of what it stands for



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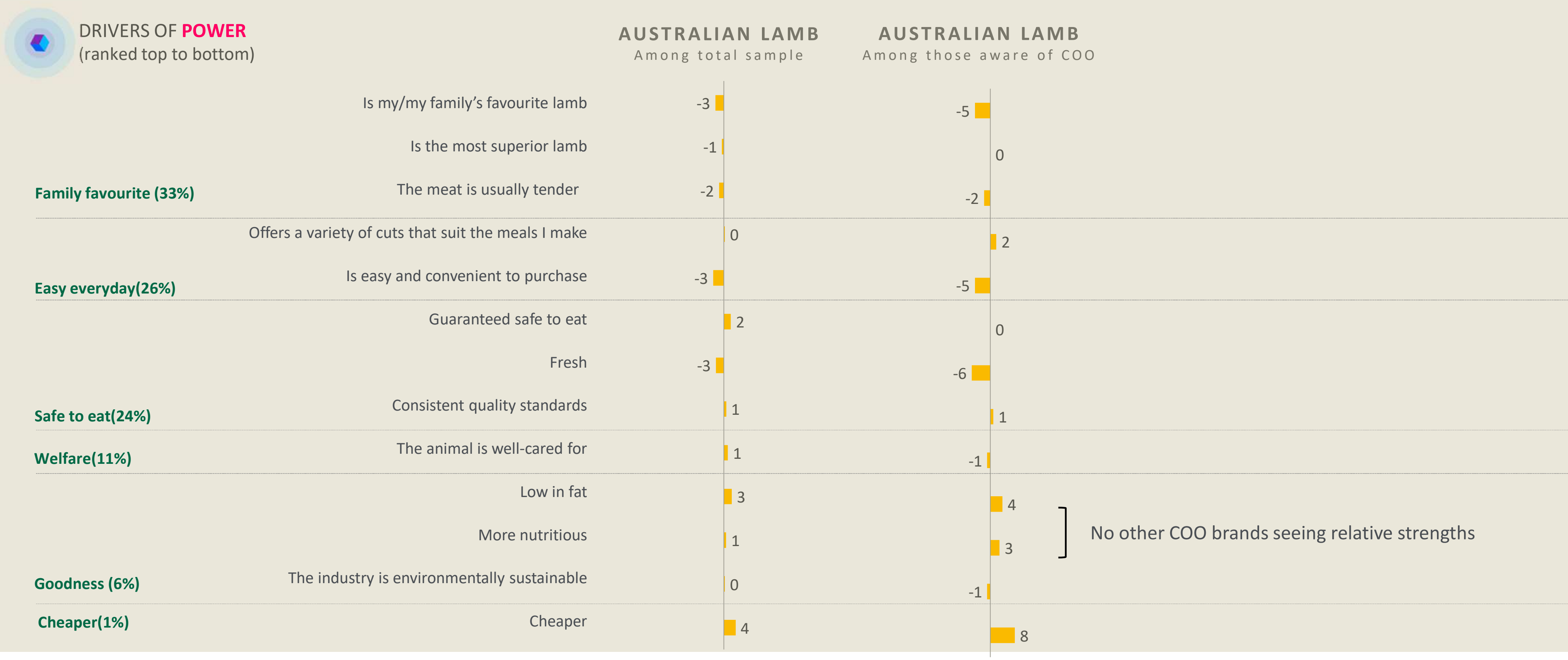
Amongst those who are aware of the brand, AU Lamb stands only on perceived cheapness – presumably at odds with the strategy. Is there opportunity to further reinforce 'goodness' credentials to push the brand further than just being price reliant



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IMGL. Associate with each of the different countries for imported lamb - Base: Australia (n=154)

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LAMB BRAND PERCEPTIONS - IMPLICATIONS:
Consumption of lamb in the UK has significantly declined since 2018, as people are less engaged with this protein.

What do we see?

1

UK consumer's interaction with Australian lamb is still comparatively small in size

Only 1 out of 3 consumers have heard of Australian lamb, and 1 out of 10 consumers have ever eaten.

2

Given the low awareness, familiarity about Australian lamb is also limited.

Perceptual associations are very limited with consumers not being familiar with its benefits and offering

Now what?

Australian Lamb low equity that underpins the brand means it is reliant on its perceived cheaper price rather than delivering exceptional value to consumers. The main challenge is to be able to carve out a distinct positioning to build trust amongst UK consumers. The brand is currently a blank canvas in consumer's minds – opportunity to build perceptions around goodness credentials (such as low in fat and more nutritious) to drive differentiation to its products.

FINAL THOUGHTS & DISCUSSION

FINAL THOUGHTS - UK

1

Driving awareness for Australian COO brand is first step both for Beef and Lamb categories. Availability will be a key facilitator to awareness and purchase – how can MLA support distributors and retailers to ensure accessibility

2

Addressing gaps in familiarity about the COO brand is essential to grow consumer predisposition. Need to build on foundations and have a clear narrative for what Australian Beef and Lamb stands for.

3

Local brands are entrenched firmly and are highly trusted brands. Challenge for Australian brand to be able to differentiate itself and pull itself apart from other imports, particularly within lamb category where NZ is already a well established import brand

4

Two opportunities to position Australian COO brand

1. Talking about provenance, having the perfect place to produce quality beef/lamb from Australian farms.
2. Showcasing 'goodness' benefit as key differentiation for its products.

5

Maximise presence amongst premium retailers to target the relevant consumer who are more engaged with considering and purchasing AU Beef.

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