

July 2022

Global Tracker: USA *Presentation Deck*

*Brought to you by your Kantar Team:
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Flow of the presentation today



MACRO-MARKET CONTEXT

A quick look at the market context and post covid trends that are impacting consumer choice in the USA market.



PROTEIN LANDSCAPE

Setting the scene by looking at the awareness, claimed consumption and perceptions of the key proteins in market. This also includes general beef buying behaviours.



IMPORTED BEEF CONSUMPTION & COUNTRY OF ORIGIN

Looking at the key associations with COO brands and trust in those brands.

How does this flow through to brand equity and Power.



COMMUNICATING TO GROW BEEF & LAMB

Looking at what associations drive brand choice and premium perceptions to understand what we can leverage in spite of labelling challenges.



Final Thoughts & Discussion

What levers can we pull and what should we continue to communicate to build likely AU product choice.

The Central Question

How can Australian Beef and Lamb leverage current assets to build perceptions that will grow relevance of AU product for USA consumers (in a market where COO awareness and perception is challenging to establish, and less meaningful to consumer choice)?

We have conducted the global tracker in 22 markets over the last 8 years, with USA fieldwork run every year.

MARKETS	 Japan	 Korea	 China	 Indonesia	 Singapore	 Malaysia	 Philippines	 Taiwan	 Thailand	 Vietnam	 USA	 Canada	 KSA	 UAE	 Oman	 Jordan	 Kuwait	 Qatar	 UK	 Hong Kong	 Mexico	 Chile	Total # of markets
2015	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	11
2016	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	15
2017	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	11
2018	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	13
2019	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	10
2020	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	9
2021	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	11
2022	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	11



A recap of the key points we shared in 2021

Grass-Fed is natural

While beef types aren't mutually exclusive, Grass-Fed is seen as natural and better for animals/environment.

These are a clear distinctive strengths can be leveraged to communicate and reinforce AU Beef's own distinct strengths.

Market context keeps local strong

With local beef seen as the fresh, cheap and convenient player - how can AU pull apart from other imports and build on the early buds of a relevant premium positioning - centred on consistent quality that can differentiate it from NZ?

Building consistent quality and distribution/awareness is our platform for growth

Differentiate AU vs NZ

With a similar positioning to NZ on some key drivers of Volume and Premium perceptions we need to ensure that we're communicating these more effectively, or distinctively. In particular we need to build on the baseline we have for quality and tenderness to grow these into strengths.

Rearing in the perfect place

There is some opportunity to build further trust in our product by tapping into the 'clean, green' image of Australia, the concept of our rearing environment as perfect for raising cattle, and underpinning our quality and taste associations.

Reassure safe/fresh online

Online channel growth is likely to continue - what learnings can transfer from lamb to beef? Online barriers are the same globally - safety and freshness and can impact AU with its distance to travel. We should be reassuring sellers, and ensuring that AU beef and lamb can be delivered with quality maintained.

INTRODUCING MLA'S GLOBAL CONSUMER TRACKER

Diverse markets, with some universal truths.



2022 Study Details:



8,300 interviews



11 Markets (See right)



20-minute online survey
(supported by interviewer in MENA)



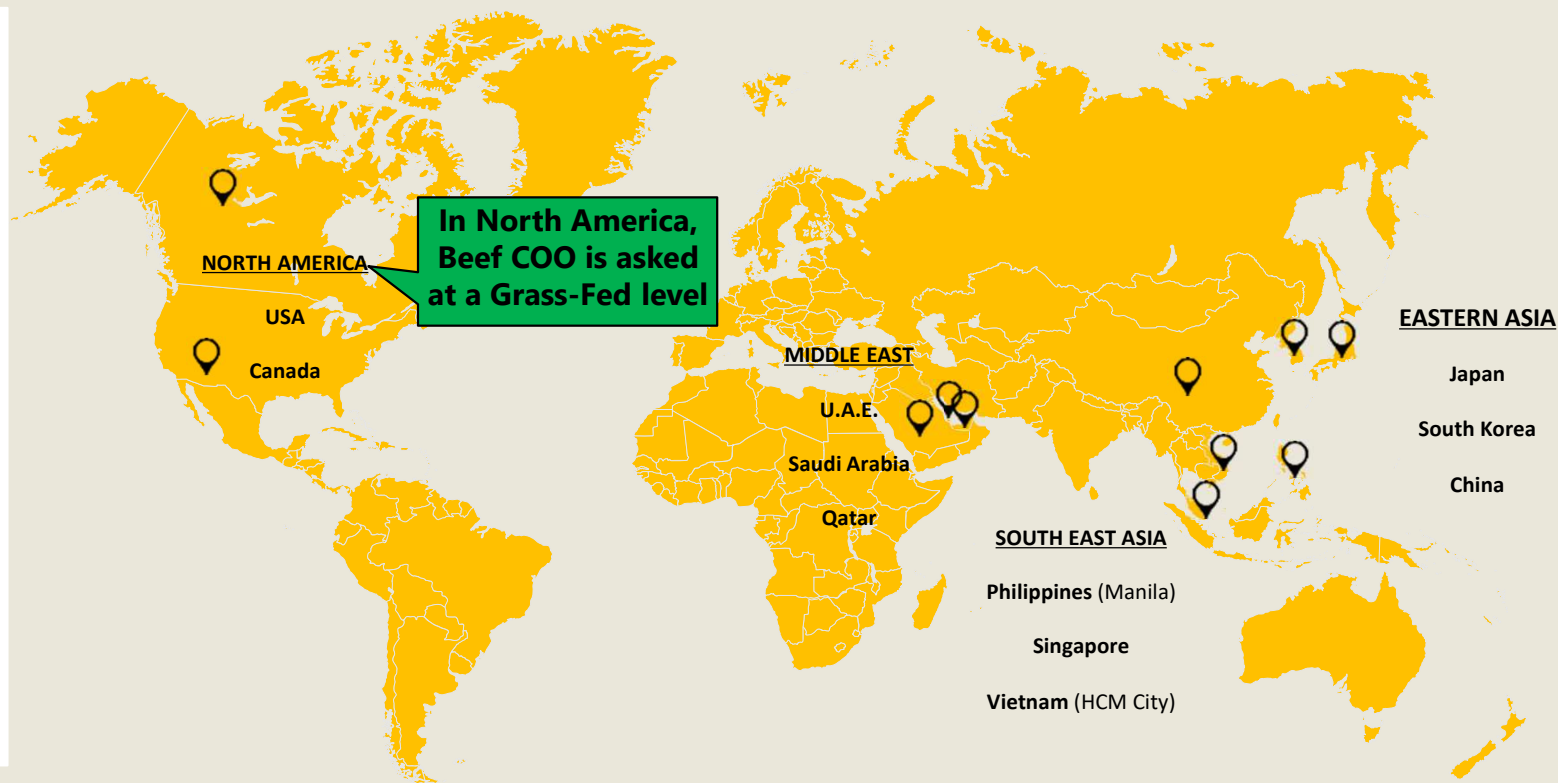
Consumers aged 18-64
Grocery buyers, meal planners
Affluent households (skew)
Selected based on potential openness
and ability to buy AU Beef and/or
Lamb
(Not representative of total market)



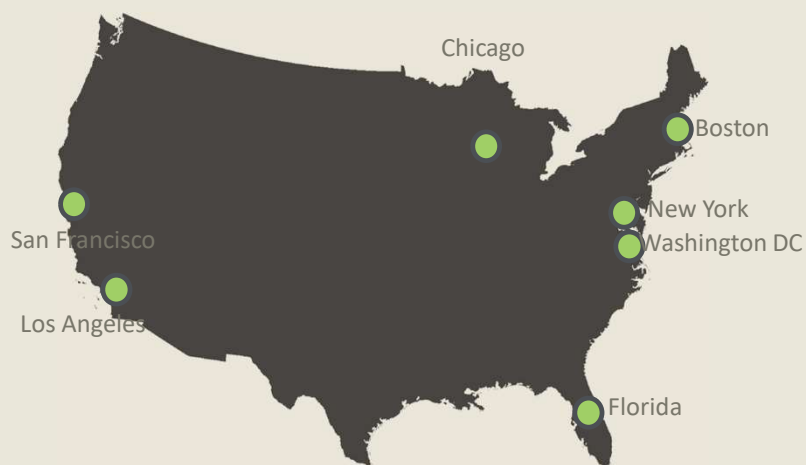
Captures meat consumption habits,
attitudes, perceptions of COO Beef &
Lamb, purchase drivers, channels, trust
and True Aussie



Conducted annually, this study collects
historical data allowing the tracking of
trends overtime



USA Sample – a deliberate skew (not Nationally Representative) Fieldwork prior to Easter 2022 (to avoid impacting Lamb)



Sample is made up of 2400 consumers

DEMOGRAPHICS		COUNTRY INCIDENCE	SAMPLE STRUCTURE
Gender	Male	49%	39%
	Female	51%	61%
Age	18-34	-	35%
	35-49	-	35%
	50-64	-	28%
Cities*	New York City & surrounding area	7%	19%
	Boston	0.2%	14%
	San Francisco	0.3%	9%
	Los Angeles	1%	17%
	Washington DC	0.2%	13%
	Florida	0.2%	11%
	Chicago	1%	17%
Consumption	Buy Fresh Meat at Least Occasionally	-	100%
MGBs	Main Grocery Buyers	-	89%
Children	Households with Children	-	39%
Income	<\$50k	-	31%
	\$50k-\$90k	-	28%
	\$90k+	-	41%



MACRO-MARKET CONTEXT



There are 3 broad macro-contextual factors that are impacting markets and these are filtering down to four consumer considerations



Economic

The post-covid economic environment, has increased concerns across developed markets around managing household income and rising costs and inflation this has left consumers preparing for affordability challenges



Trade Relations & Politics

Political forces at play have altered the landscape for USA beef trade impacting accessible product, in particular Bi-lateral trade agreements



Covid

Covid response has been to refocus on health & well-being, and re-evaluate brand choices. Health consciousness entrenched post-COVID, has impacted food choices, and use of e-commerce to procure products, including groceries.



Value

Consumers are seeking value, whether buying better - premium products and categories, or bringing value options into their repertoire



Accessibility & Availability

Supply challenges mean physical availability is increasingly important for maintaining relevance



Health

A focus for particular segments of society who are finding ways to better manage their mental and physical health through diet and exercise



Local

Buying locally produced products, consumers have traditionally shown a strong willingness to buy local products even at higher costs

The Covid pandemic has created a new context for US citizens food choices, health considerations and use of online channels for purchasing groceries

May 2021 – Mid pandemic

60%

saying they were affected by covid in some way

Mid-pandemic we saw that covid was impacting the majority of US citizens.

#5 most impacted market

Online shopping #1

(27% doing more than pre-pandemic)

US citizens changed their behaviors as a result with increases in online shopping, eating habits, exercise and cooking at home.

Eating healthier #4

Feb 2022 – This year

25%

say it is the main priority

New concerns on the horizon for global citizens as economic impact of the pandemic is felt

31% are concerned about the economy, slightly lower than global average, but higher as a main priority.

Almost half

Have a negative outlook of the economy in the USA

On balance people are more concerned than not about the state of the economy globally. This is true in the USA.

19% say energy prices need to be controlled vs. 9% globally

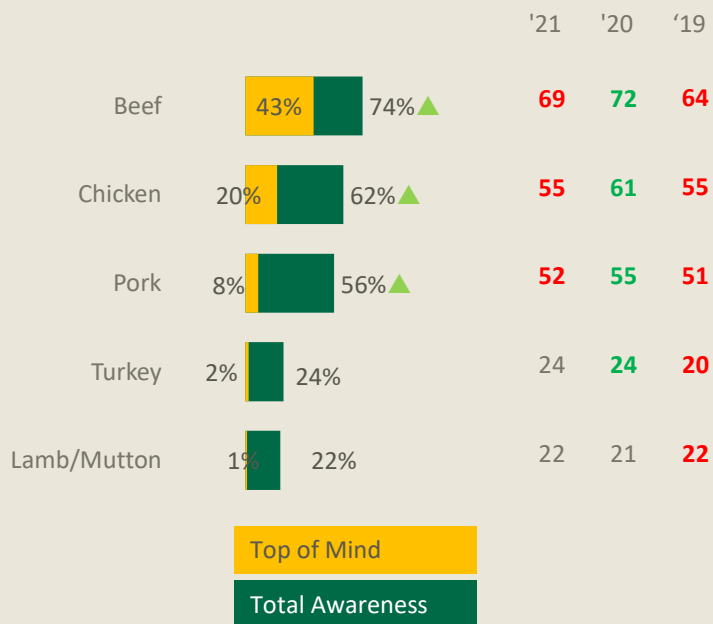


PROTEIN LANDSCAPE

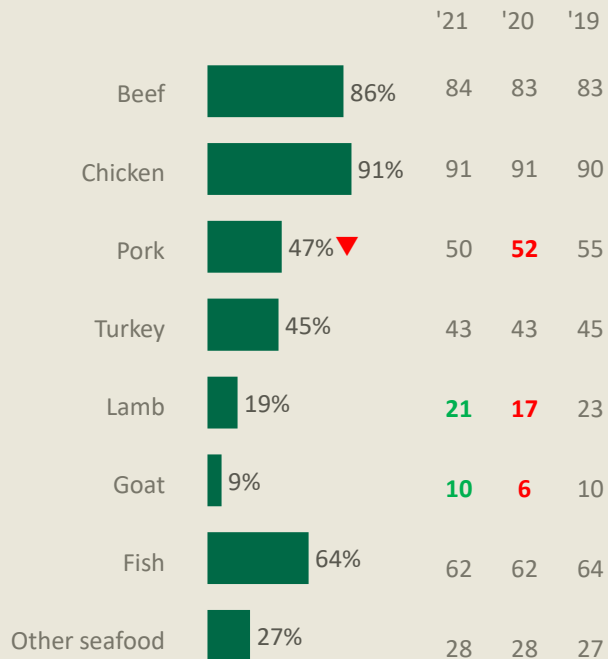
Beef remains most top of mind protein, monthly HH penetration and claimed consumption remain consistent, with Chicken and Beef the dominant proteins.



SPONTANEOUS AWARENESS



BOUGHT IN LAST MONTH



AVERAGE SERVES LAST 7 DAYS



NOTE: GENERAL BEEF LEVEL

KANTAR

CH1 Spontaneous Awareness – When thinking about meat, which types come to mind?
 CH10 How many meals that included the following meats have been prepared and eaten in your home in the last 7 days? CH2 Bought in the last month – Which types of meat have you bought in the last month to prepare for a meal at home?
 Base: '22 (n=2401), '21 (n=2402), '20 (n=2400), '19 (n=2601)

▲ ▼ Sig. different at 95%



A reminder, we know that there are some consistent themes of what the proteins stand for across all of our markets. Beef is the Prime protein.



THE STAPLE



- Cheap and easily available
- Versatile and easy to prepare
- Doesn't play to taste
- Not very nutritious
- Animals treated poorly
- Questionable safety
- *Pork: Consistent quality, favourite and taste in key markets like China, Taiwan, US, Jp, SK)*



THE SUPERIOR



- Good quality, good taste, superior meat
- Worth paying more for
- Nutritious
- *In MENA, beef is a Staple*

THE CURIOSITY

- Unfamiliar, occasional purchase
- Premium option
- Not sure what to do with it
- Fatty
- Taste is a barrier for some
- *In MENA lamb is a Prime*



THE SPECIALTY



- Few strengths or weaknesses
- Weakly positive on animal welfare and sustainability
- Taste is a barrier
- Lean/tough
- Unfamiliar and uncommon except amongst certain groups



THE HEALTHY ALTERNATIVE

- Fresh
- Nutritious – especially for children
- Low in fat
- Tricky to use
- Welfare is not great
- *In SEA, fish is a cheap, low value protein - elsewhere it is premium*



NOTE: GENERAL BEEF LEVEL

KANTAR

Based on image profiles which show relative strengths and weaknesses relative to other proteins in the consideration set. The consideration set is different for every market hence these are broad characterisations only.



There are 2 nuances to the protein landscape when comparing US to other markets...



Proteins have very clear roles

In the US, proteins have more clearly defined roles than anywhere else



Beef is the clearest of all

Beef owns a number of attributes which define its role as an essential to the lives of US consumers.

...and these roles have remained stable over the last 5 years

NOTE: GENERAL BEEF LEVEL

KANTAR


MEAT & LIVESTOCK AUSTRALIA

Beef combines accessibility with superiority and taste making it a the prime choice in household protein repertoire. Chicken plays the easy everyday role.

Tasty, premium, versatile



Beef

Strengths vs others

- Easy/convenient to purchase and prepare
- Versatile
- Tastes delicious
- Tender
- Most superior
- Willing to pay more for
- Family's favourite

Weaknesses vs others

- Not low fat
- Not cheaper
- Not high nutritional value
- Not enviro. sustainable

Easy, affordable, healthier



Chicken

Strengths

- Cheaper
- Versatile
- Easy/convenient to purchase and prepare
- Low fat
- Essential for healthy children's diet
- Family's favourite

Weaknesses

- Not fresh
- Not well-cared for
- Not enviro. sustainable
- Not guaranteed safe
- Not Superior
- Not worth paying more for

Fresh, nutritious, low fat



Fish

Strengths

- Fresh
- High nutritional value
- Low fat
- Essential for healthy children's diet

Weaknesses

- Not cheaper
- Not well-cared for
- Not versatile
- Not superior

Seafood is fresh, low fat and willing to pay more

Easy, affordable, tasty



Pork

Strengths

- Cheaper
- Versatile
- Tastes delicious
- Easy/convenient to purchase

Weaknesses

- Not high nutritional value
- Not low fat
- Not willing to pay more for *(slight improvement)*

Turkey is cheap, low fat but not superior, favourite or willing to pay more for

Superior, unfamiliar



Lamb

Strengths

- Is well-cared for
- Tender
- Superior
- Willing to pay more for

Weaknesses

- Not versatile
- Not easy/convenient to purchase or prepare
- Essential for healthy children's diet

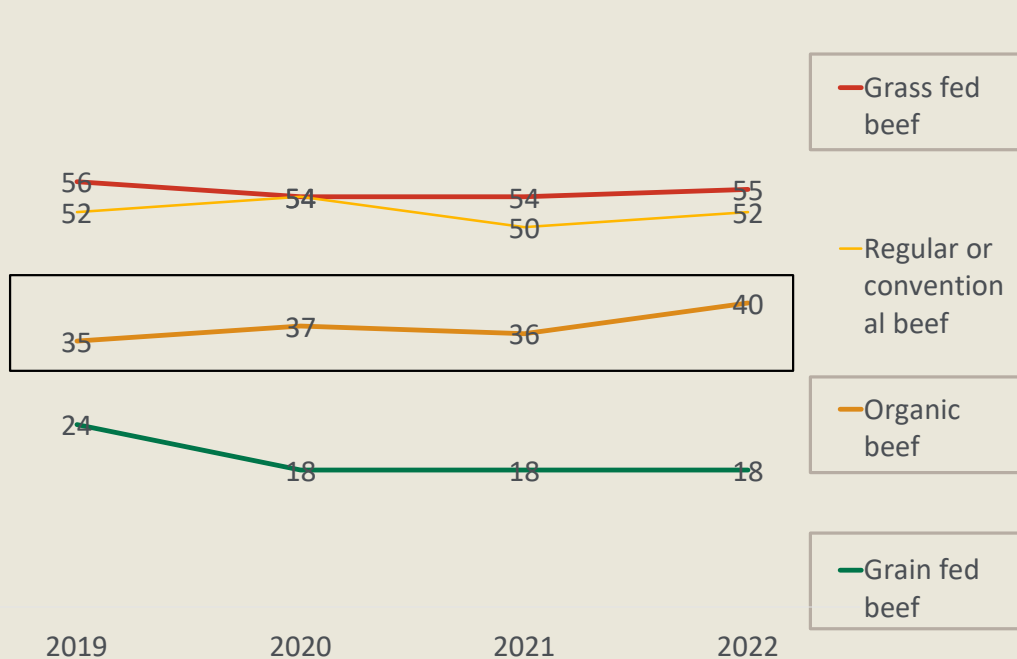
NOTE: GENERAL BEEF LEVEL

KANTAR

Based on image profiles which show relative strengths and weaknesses relative to other proteins in the consideration set. The consideration set is different for every market hence these are broad characterisations only.

Amongst this grass-fed consumer cohort, grass-fed retains highest awareness and consumption, but organic has been trending up in recent years. Better for my health, better for the environment and natural are key associations that these consumers see in both grass-fed and organic product.

BEEF BOUGHT IN THE PAST (%)



Relative strengths / weaknesses

- Grass fed beef**
 - Better for the animals
 - Better for the environment
 - Natural
 - Better quality beef
 - Better for my health
- Organic beef**
 - Better for the environment
 - Natural
 - Better for my health
 - NOT Better quality beef**
 - NOT Better for the animals**

Grain fed beef Awareness Grain-Fed in particular has trended down amongst this group over the last 4 years.

NOTE: BEEF TYPE LEVEL

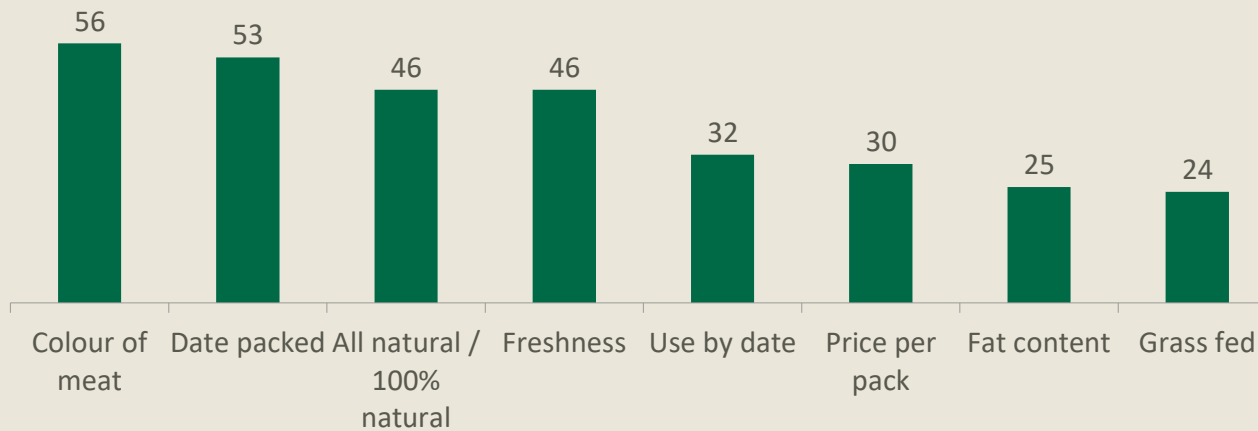
KANTAR

QGF1. Which of the following types of beef are you aware of?
 QGF2. And which types of beef have you bought in the past? (rebased to QGF1)
 Base '22 (n=2371), '21 (n=2374), '20 (n=2369), '19 (n=2567)

Top 4 on pack cues align with global, however 'natural' is of greater relative importance for US consumers. Reassurance of 'grass-fed' higher than in other markets, and unsurprisingly COO/provenance perform on par (11%) and rank lower in the US vs other markets given labelling challenges.



On pack cues sought when buying beef



Country of Origin: 11% (#5 globally)
 Provenance: 11% (#6 globally)



Global average 2022

Ranking

55%	46%	39%	48%	26%	25%	19%	15%
#1	#3	#4	#2	#7	#10	#11	#13

NOTE: GENERAL BEEF LEVEL

KANTAR

PACK 1- Can you please select up to 6 things you look for (on the pack, on the shelf etc.) when buying beef?
 Base: (n=1393)

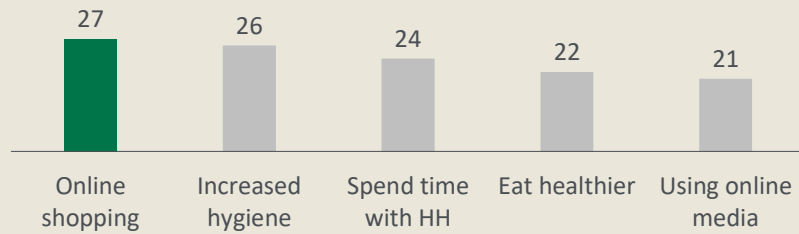


Throughout 2021 online shopping was the #1 increased behaviour, and expectations amongst consumers were that they would retain the behaviour into the future.

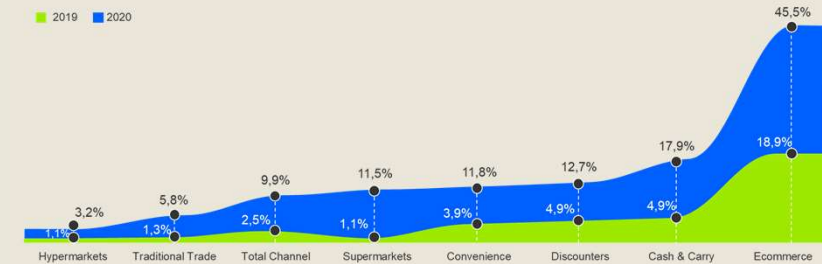
The pandemic accelerated online shopping

Kantar Covid Barometer data

Online shopping is the #1 increased behaviour



Resulting in ecommerce being the fastest-growing channel in 2020, more than doubling its growth rate from 2019



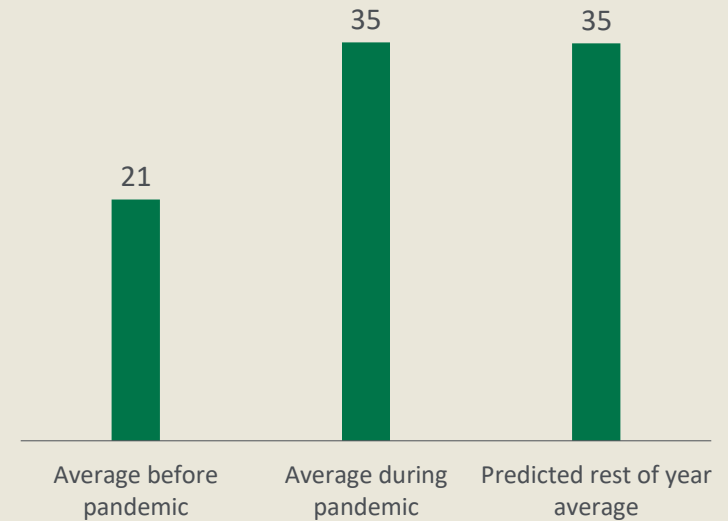
Source: Winning Omnichannel 2021 - FMCG 2019 & 2020 Global value annual growth

And consumers planned to continue to use new online stores and new brands



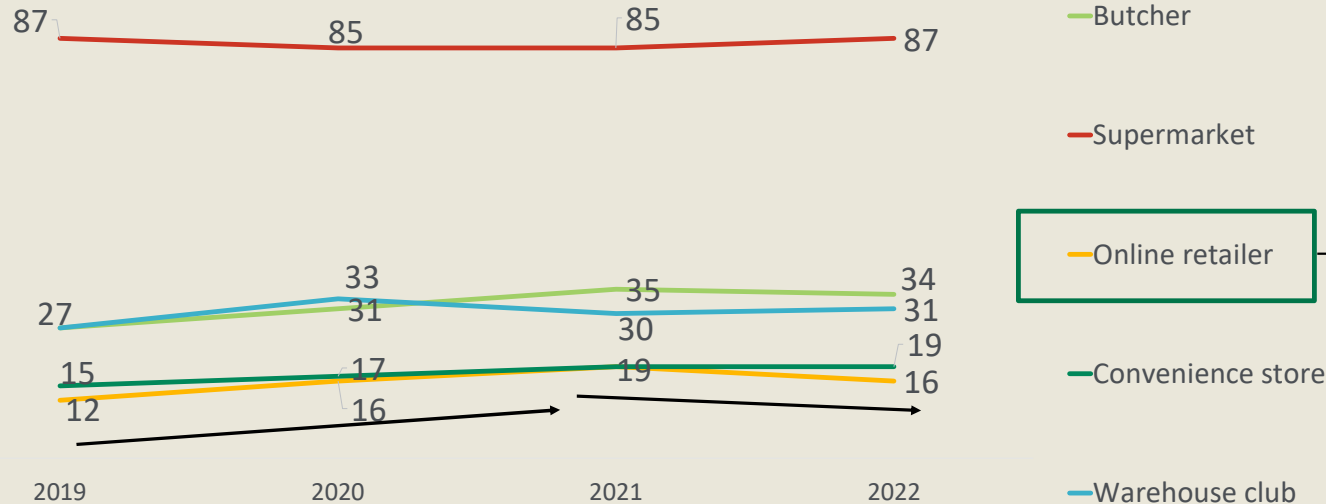
Found new online stores and will continue to use them

% of groceries bought online



Claimed shopping behaviours reflected this, with rises into 2021, but online dipping back slightly this year to 2020 levels. This channel skews strongly to younger families.

ALL BEEF PLACES OF PURCHASE
Once per month or more often (net)



Online channel much more prevalent amongst families (21%) and younger consumers (24%)



Supermarket is on par for lamb, but all others are twice monthly penetration –reflecting use of specialty channels for speciality meat

NOTE: GENERAL BEEF LEVEL

KANTAR

QR3A. How often have you bought beef from each of these locations in the last six months? Base: '22 (n=1393), '21 (n=1319), '20 (n=1485), '19 (n=1473)

▲ ▼ Sig. different at 95%



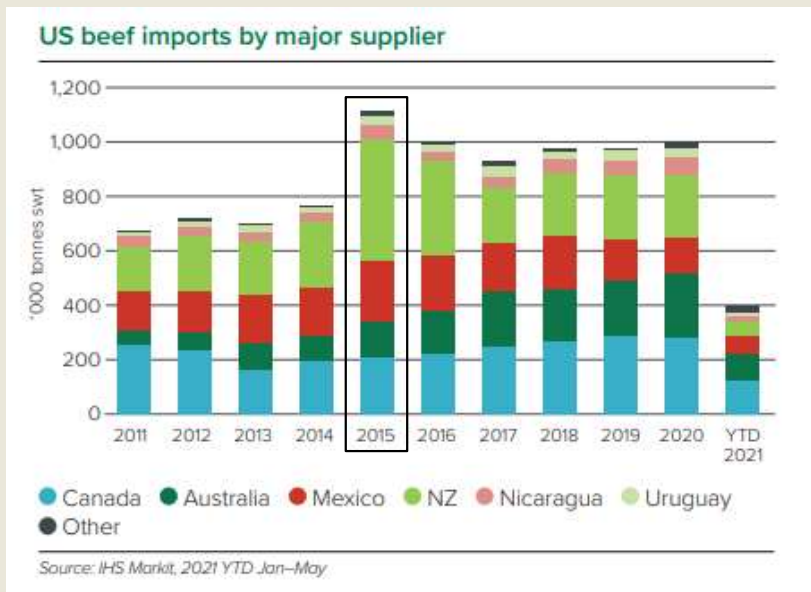
IMPORTED BEEF CONSUMPTION & COUNTRY OF ORIGIN



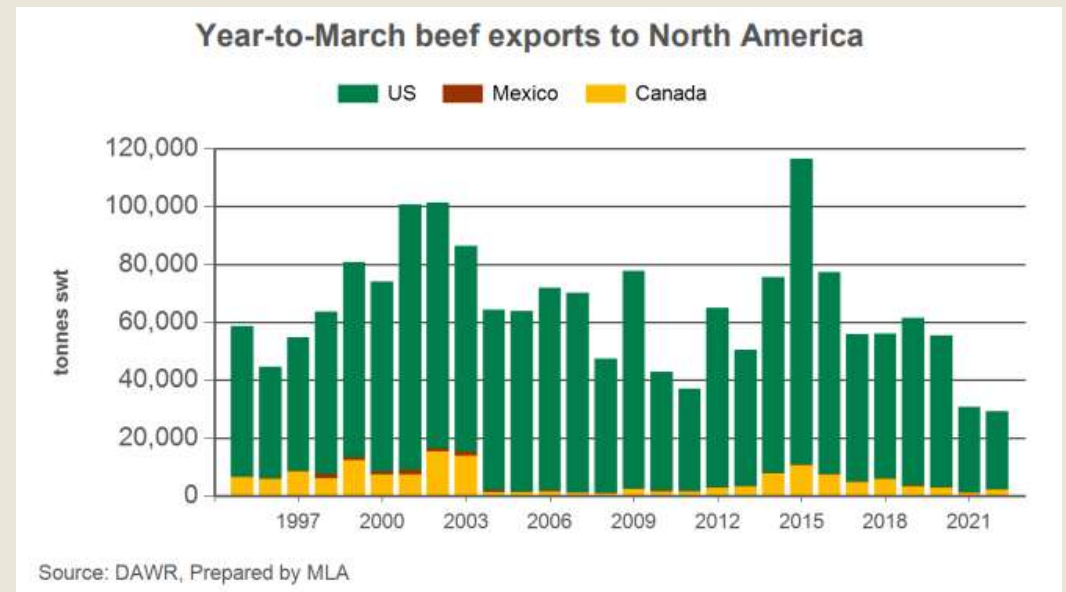
All questions in this section were asked of beef buyers only (must have ever bought beef). They also must have previously bought, or would consider buying, imported beef.

Beef exports to the US peaked in 2015 and have remained fairly stable over the past few years, with similar volume levels to Canada, Mexico and NZ.

MLA market snapshot – USA Beef Imports
(November 2021)



MLA USA Beef exports to USA summary
(March 2022)



https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/os-markets/red-meat-market-snapshots/2021-north-america-market-snapshot-red-meat_r2_141221_distribution.pdf

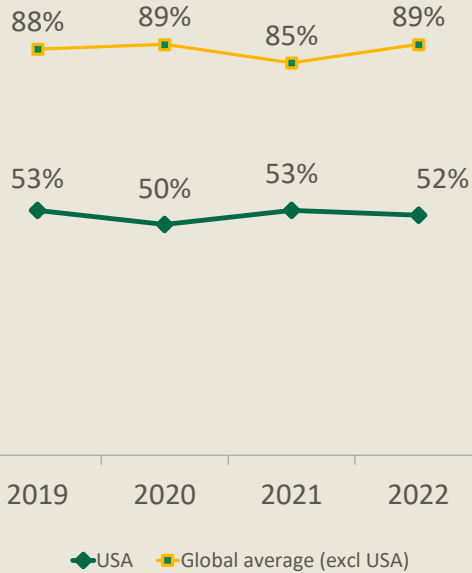
<https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/os-markets/export-statistics/mar-2022/2203---australian-beef-exports--north-america-summary.pdf>

COO knowledge remains steady and lower vs other key markets measured.

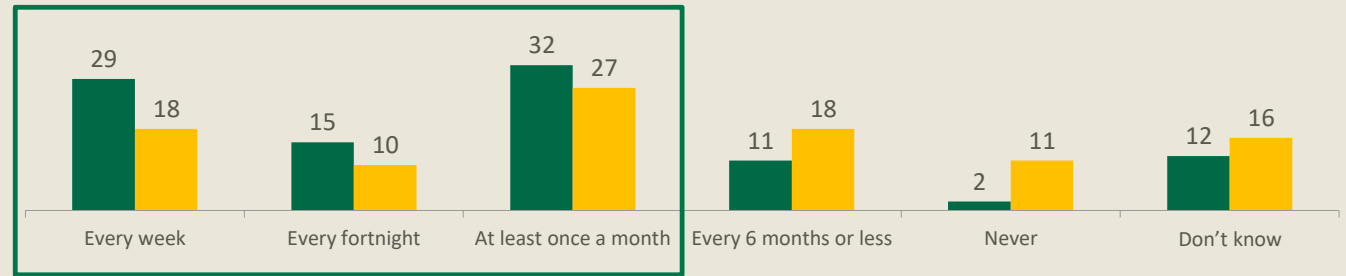
Monthly purchase of local remains higher, but claimed monthly purchase of imported product has been rising over the last 5 years.



Know Country of Origin?



FREQUENCY OF BUYING LOCAL AND IMPORTED BEEF



Monthly purchase (trended)



NOTE: GRASS-FED BEEF LEVEL

KANTAR

(GF3B) Do you know the country of origin of the beef you buy? (n=1315)
 (CH4) How often do you buy imported beef? (n=2371)
 (CH4LOC) How often do you buy local beef? (n=2371)

▲ ▼ Sig. different at 95%

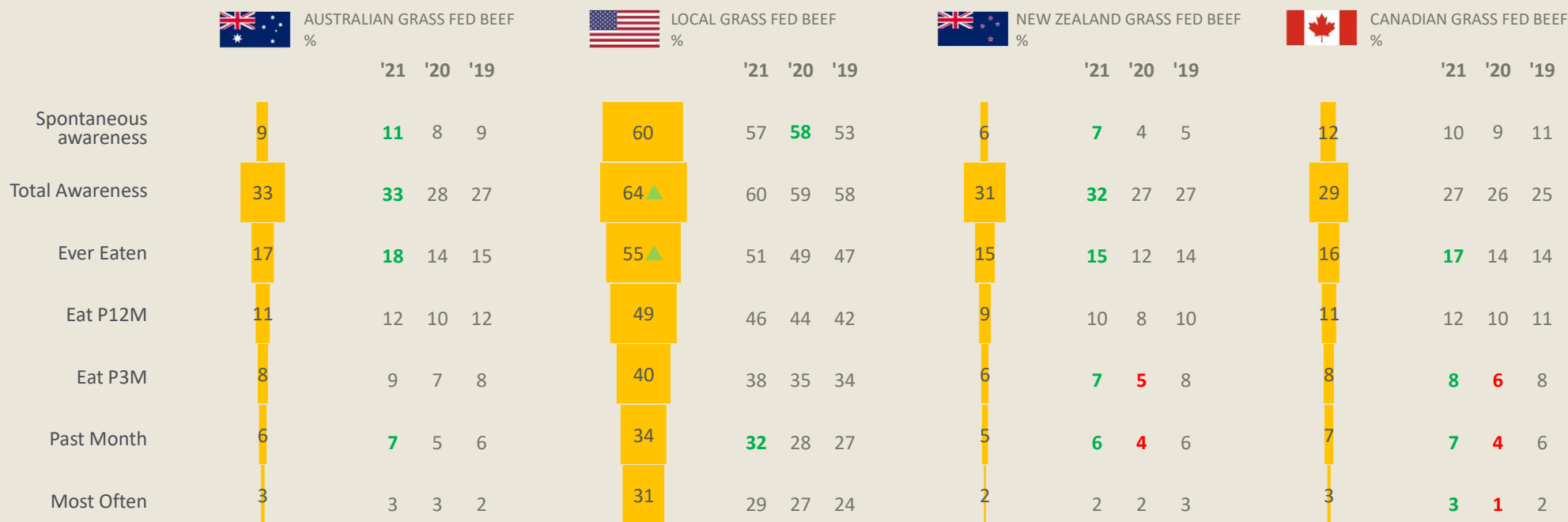


Local beef remains #1 with significant increases in awareness and trial in 2022.

Within the challenging COO labelling context, the job to be done remains growing awareness and usage for Aussie GF beef.



BRAND HEALTH – BEEF



NOTE: GRASS-FED BEEF LEVEL

KANTAR

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: '22 (n=1343), '21 (n=1323), '20 (n=1362), '19 (n=1355) – Bought beef in past month or ever buy beef

▲▼ Sig. different at 95%



Mexican beef consolidates the growth seen in 2021, as does Irish.



BRAND HEALTH – BEEF



NOTE: GRASS-FED BEEF LEVEL

KANTAR

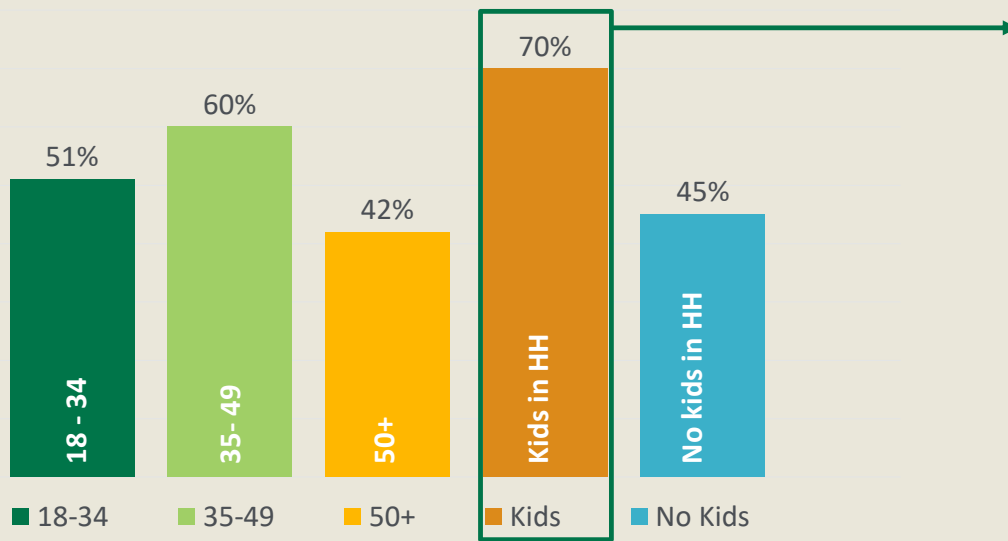
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▲ ▼ Sig. different at 95%










When considering who our current target user is, those who are buying imported beef on a regular basis skew to younger consumers (under 50s) and households/families with children.

What proportion of each group buy Imported Beef at least monthly?



No difference by income

Eaten COO in Past 3 Months

COO Beef	Parents who buy imported monthly	Total
 Local grass-fed	51%	40%
 Australian grass-fed	22%	8%
 New Zealand grass-fed	17%	6%
 Mexican grass-fed	25%	9%
 Canadian grass-fed	21%	8%
 Uruguayan grass-fed	10%	4%
 Irish grass-fed	9%	3%

NOTE: GRASS-FED BEEF LEVEL

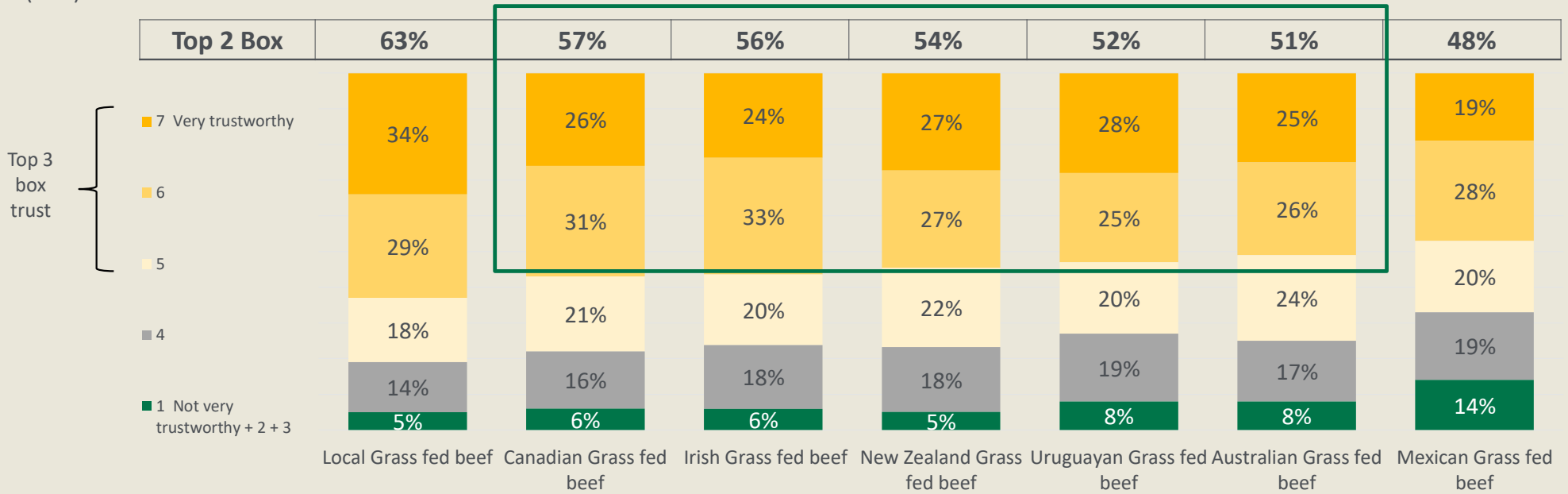
KANTAR



In keeping with challenges posed by labelling, and narrow COO knowledge, local product has a significantly higher level of trust. Most imported COOs have similar levels of trust to each other.



Trustworthy - COO BEEF (USA)



Trust higher across the board for those who are buying imported monthly

NOTE: GRASS-FED BEEF LEVEL



BTR2B. How trustworthy is the imported beef from these countries – 7 point scale
 Base: Local Grass fed beef (858) Australian Grass fed beef (443), New Zealand Grass fed beef (416), Uruguayan Grass fed beef (149), Mexican Grass fed beef (302), Canadian Grass fed beef (386), Irish Grass fed beef (254)

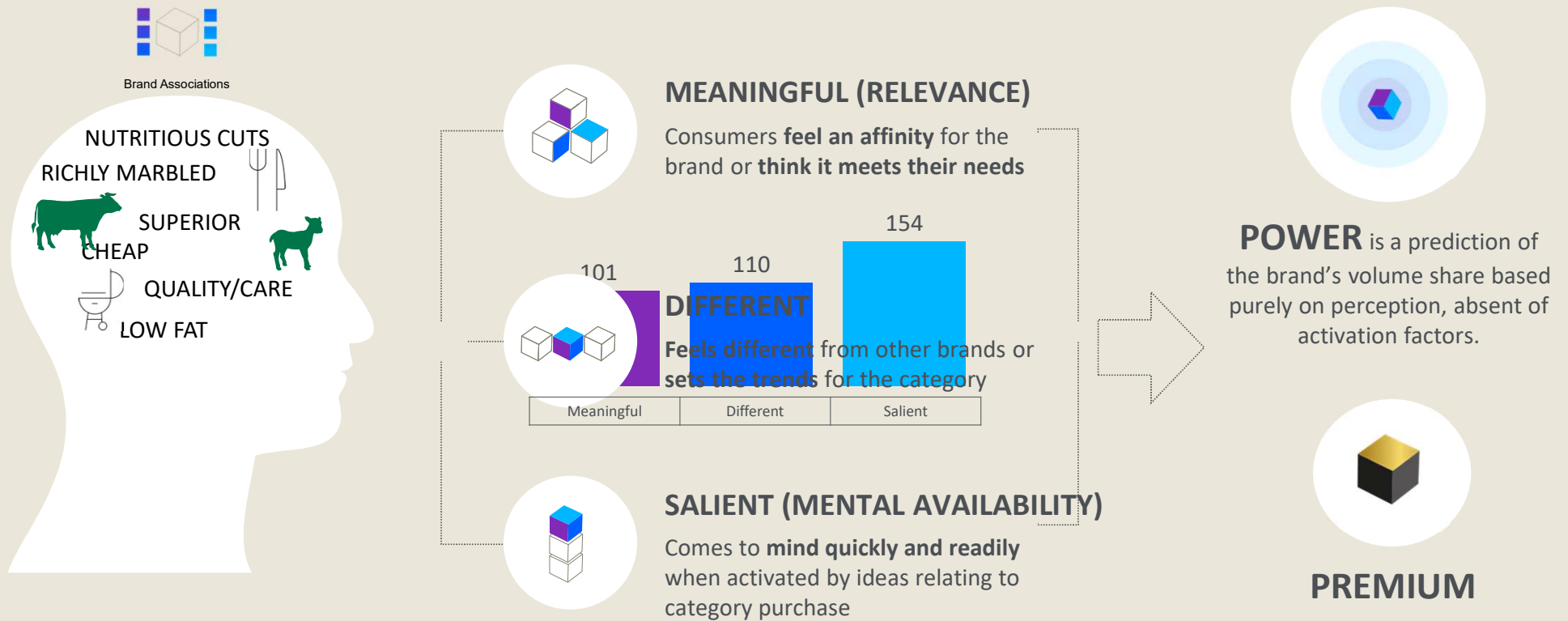


COMMUNICATING TO GROW BEEF WITH USA CONSUMERS



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.

The elements of a successful brand or ensuring you are relevant, build an emotional connection, are differentiated from the crowd and mentally available when it matters.



An acknowledgement

We recognise that country of origin labelling is not mandatory.

The program does measure what people *tend to associate* with what they *believe* they buy.

So the focus here is on what we can leverage, possibly through alternative channels, and engagement with retailers to enhance the likely choice of product by USA consumers.



Consistent overtime, there is very little definition in imported COOs.
 Local is known as fresh, cheap, convenient and the family favourite. Mexican is just defined as cheap.



**LOCAL
BEEF**

Stronger
associations
overtime

- Fresh
- Convenient
- Cheaper
- Favourite
- Nicely marbled
- Low Fat
- Safe
- Sustainable
- Well-cared for



**AUSTRALIAN
BEEF**

No defining
strengths or
weaknesses

Consistent with
previous years



**NEW ZEALAND
BEEF**

No defining
strengths or
weaknesses

Consistent with
previous years



**MEXICAN
BEEF**

Cheaper

NOTE: GRASS-FED BEEF LEVEL

KANTAR

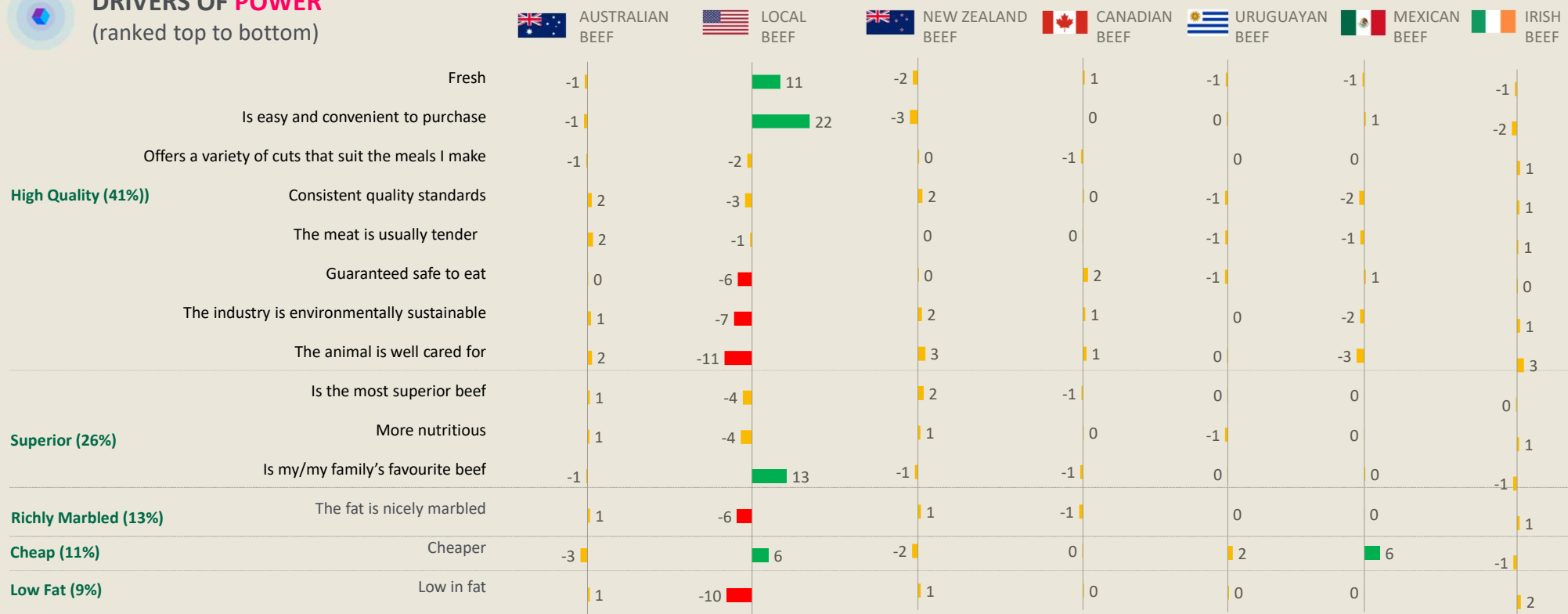
BBH9. Here are some things which people have said about beef. We would like to know which of the following statements apply to beef from different countries of origin. You may choose as many or as few countries of origin as you wish. It doesn't matter if you don't buy any of them - it's your impressions we'd like.. 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.



Consistent overtime, there is very little definition in imported COOs.
Local is known as fresh, cheap, convenient and the family favourite. Mexican is just defined as cheap.



DRIVERS OF POWER
(ranked top to bottom)



+5 or more = relative category strength
-5 or less = relative category weakness.

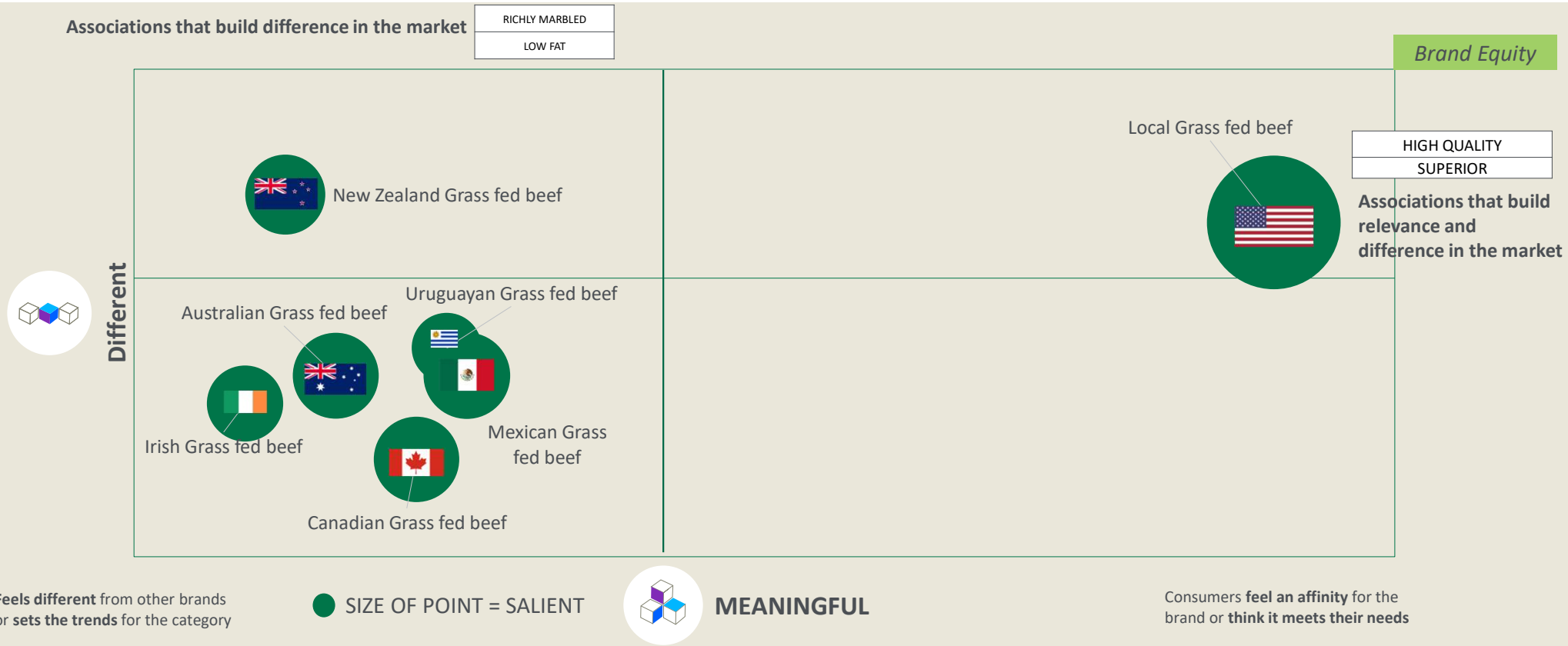
KANTAR

NOTE: GRASS-FED BEEF LEVEL

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Local grass fed beef has both relevance and perceived difference as well as strong mental availability. New Zealand beef is the only COO that seems to be establishing difference in the category context.



NOTE: GRASS-FED BEEF LEVEL

KANTAR



AU & NZ Beef are perceived to sit at the highest price-point within the market, and given the challenge of building distinctive brand equity, premium does not support their premium price point.



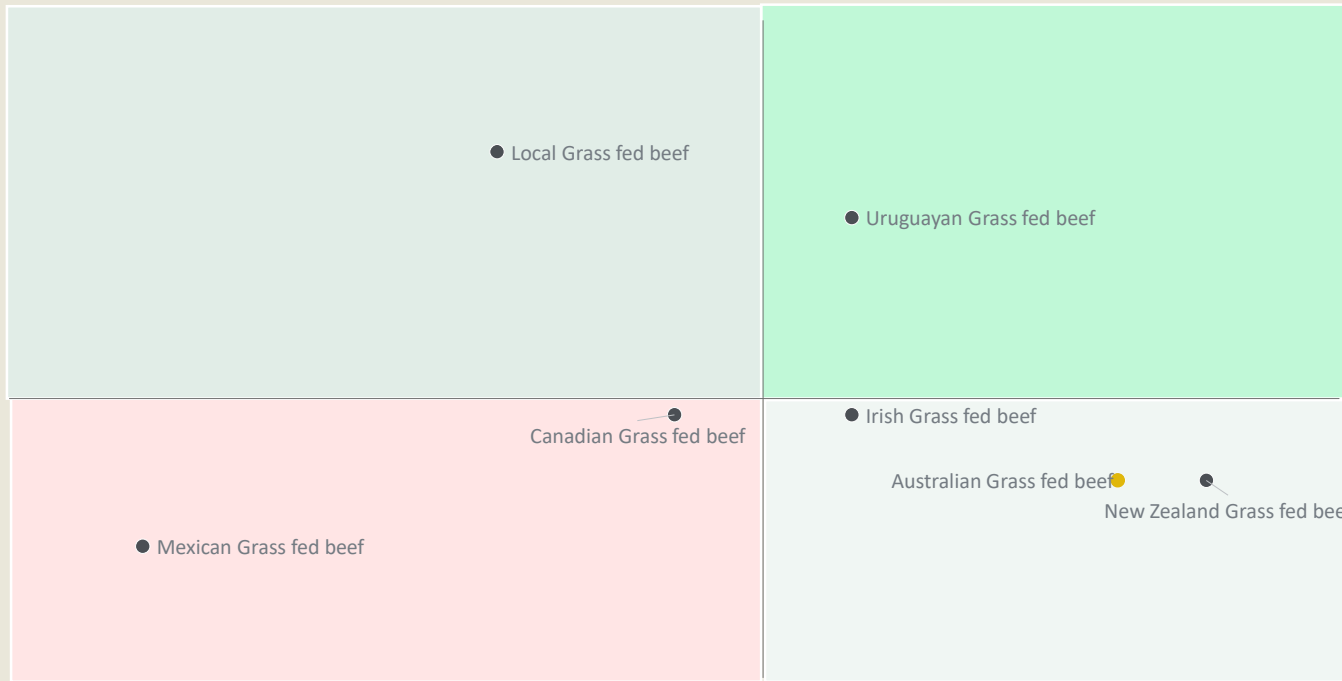
Good Value
Brand equity supports current price, which is below average



PREMIUM (VALUE)

Are they willing to pay more for you?

Price reliant
Below average price not supported by brand equity



Justified Premium
Brand equity supports current price, which is above average

PERCEIVED PRICE
How much do they think you cost ?

Not worth it
Above average price not supported by brand equity

NOTE: GRASS-FED BEEF LEVEL

Associations that build power and premium differ slightly, with superiority and quality building relevance of the COO to consumers, and leading to greater volume and premium perceptions.



Driving these perceptions...

Contribute to driving...



	Group of Perceptions	Meaning (Relevance) Consumers feel an affinity for the brand or think it meets their needs	Difference Feels different from other brands or sets the trends for the category	Power (Volume)	Premium (Value)
1	HIGH QUALITY	34%	23%	41%	25%
2	SUPERIOR	33%	26%	26%	32%
3	RICHLY MARBLED	13%	23%	13%	19%
4	CHEAP	12%	-1%	11%	5%
5	LOW FAT	8%	27%	9%	18%

NOTE: GRASS-FED BEEF LEVEL

KANTAR



And there are some specific attributes that we can focus on to communicate our benefits and drive brand choice and justify premium.



HIGH QUALITY

Fresh

Is easy and convenient to purchase

Offers a variety of cuts that suit the meals I make

Consistent quality standards

The meat is usually tender

Guaranteed safe to eat

The industry is environmentally sustainable

The animal is well cared for



TENDER

Is the most superior beef

More nutritious

Is my/my family's favourite beef

MARBLING

The fat is nicely marbled



CHEAPER

Cheaper



LOW IN FAT

Low in fat

NOTE: GRASS FED LEVEL

KANTAR

While growing awareness is a key challenge, connecting the AU GF Beef proposition with perceptions nutritious and superior are opportunities to grow volume and willingness to pay (if backed with availability).



**Top 5 Associations to Grow - Volume & Value:
(Ordered based on impact on building equity*)**

Associations for AU to communicate



1.
Easy and convenient to purchase




Difficult to achieve amongst consumers in the labelling context of the US



2.
Fresh

Difficult to achieve when competing vs. a local product

Associations to Build

 <p>3. More nutritious</p>	 <p>4. Consistent Quality</p>
<p>Implicit outcomes</p>	 <p>5. Superior</p>
<p style="text-align: center;">Supported by perceptions of Australia as a clean rearing environment</p>	

NOTE: GRASS-FED BEEF LEVEL



*These associations are simulated in the Meaningfully Different model to ascertain which will drive the greatest growth in Power and Premium



COMMUNICATING TO GROW LAMB

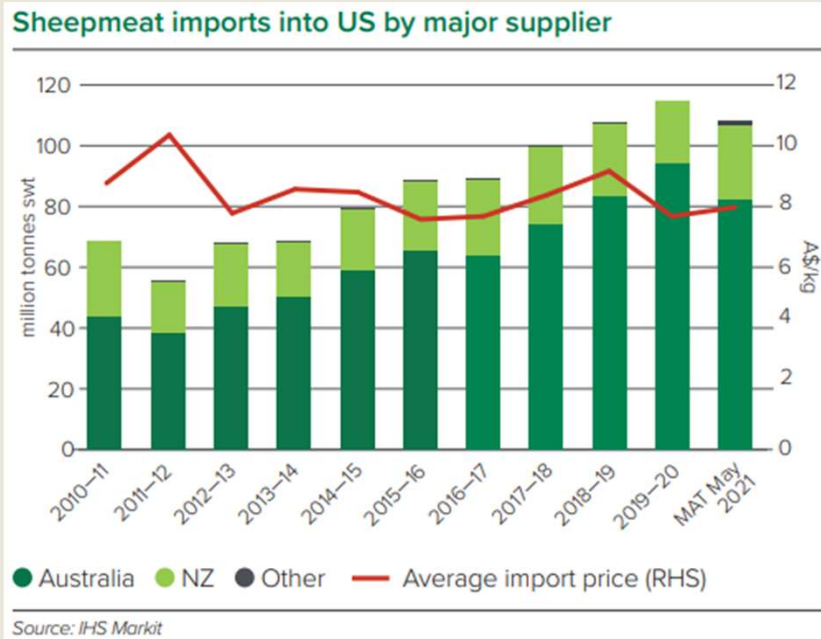


All questions in this section were asked of lamb buyers only (must have ever bought lamb). They also must have previously bought, or would consider buying, imported lamb.

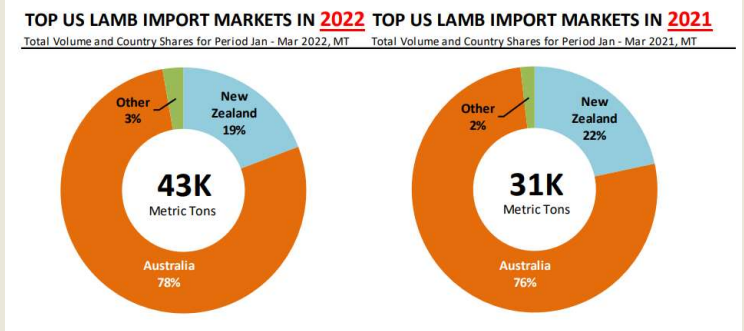
Sheepmeat exports have been growing YOY for the past 3 years, and Australian retains similar share of imports into the market vs last year. Growth in value of the market in 2022.



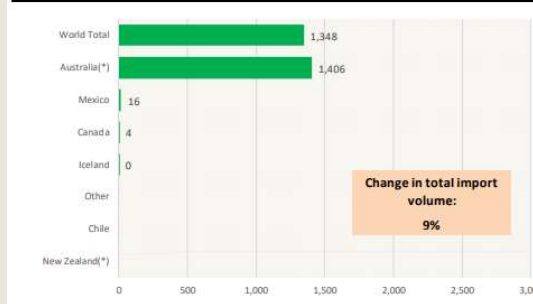
MLA market snapshot – USA Lamb imports from Australia (2019-2021)



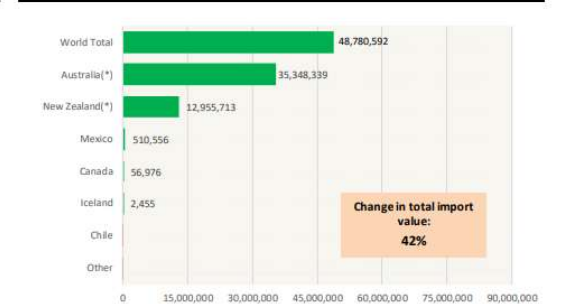
MLA USA Lamb Imports share and volume + change in volume/value vs. 2021 (2021/22)



Y/Y Ch. in Mar. 22 vs. Mar. 21 US Mutton, Goat, Lamb Imports



Y/Y Ch. in Mar. 22 vs. Mar. 21 US Mutton, Goat, Lamb Import Value (\$)



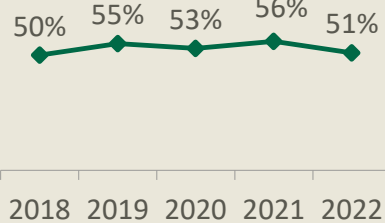
<https://www.mla.com.au/prices-markets/overseas-markets/market-trade-statistics/>

<https://www.mla.com.au/prices-markets/overseas-markets/market-trade-statistics/>

Awareness of Lamb COO remains consistent with around 1 in 2 people being aware. Those who claim to be aware are also purchasing imported product slightly less frequently this.



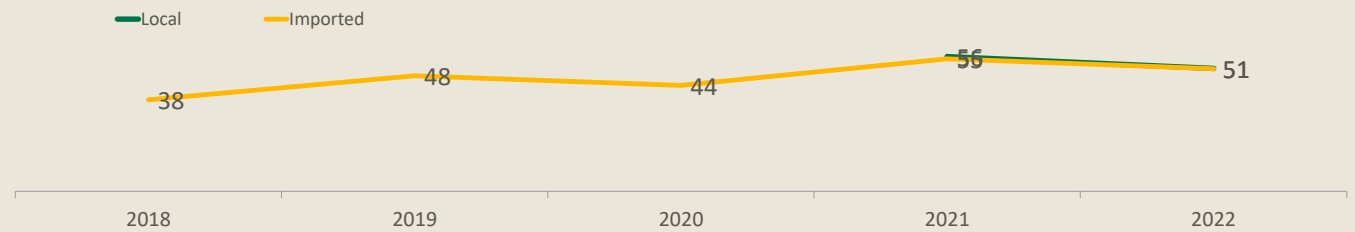
Know Country of Origin?



FREQUENCY OF BUYING LOCAL AND IMPORTED LAMB



Monthly purchase (trended)



NOTE: GENERAL LAMB LEVEL

KANTAR

(LBH1A) Do you know the country of origin of the lamb you buy? Base: (n=1364)
 (CH7) How often do you buy imported lamb/Halal compliant lamb? Base: (n=1364)
 (CH7LOC) How often do you buy local lamb/Halal compliant lamb? Base: (n=1364)

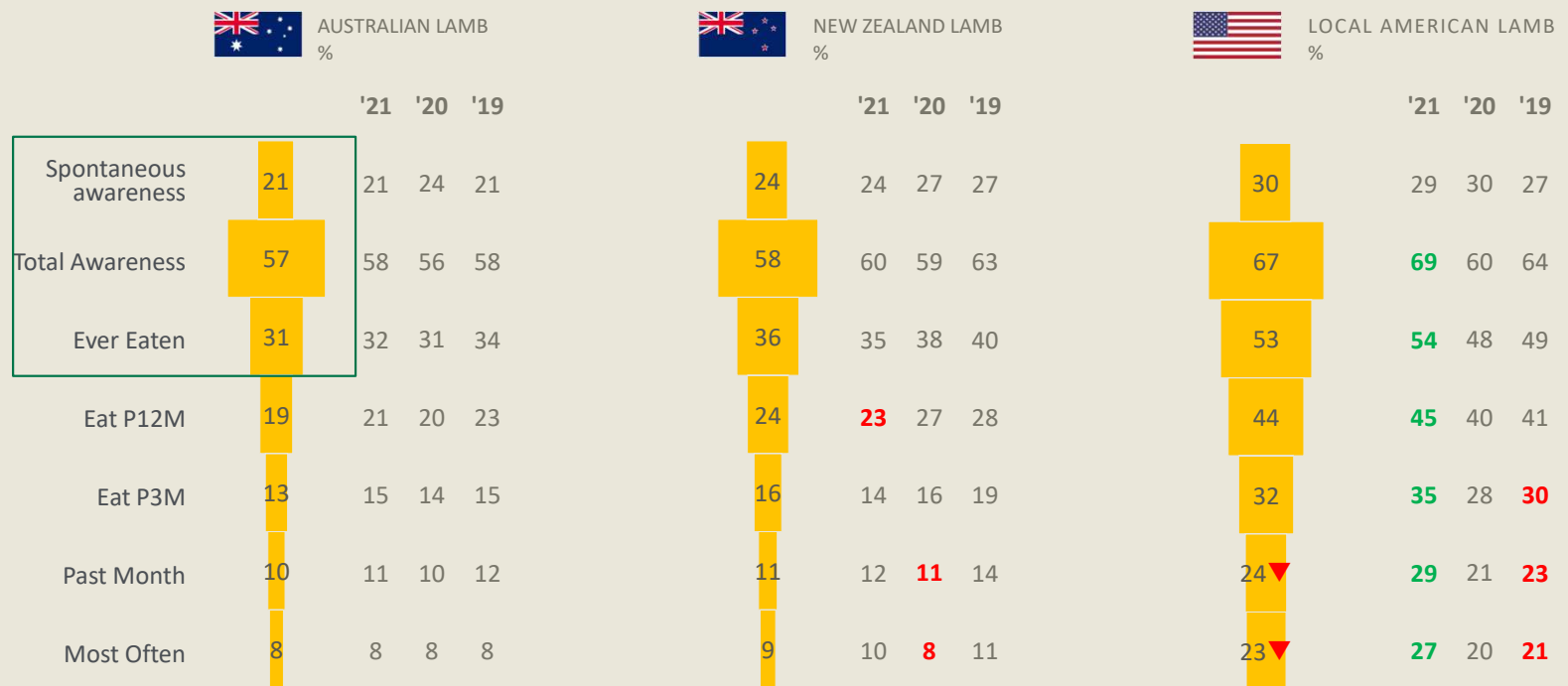
▲ ▼ Sig. different at 95%



Local Lamb remains the strongest product in market but sees some falls at the bottom of the funnel with current consumption and preference. Australian and NZ remain on par but there is still an opportunity to build TOM awareness, with conversion to trial being the next job.



BRAND HEALTH – LAMB



NOTE: GENERAL LAMB LEVEL

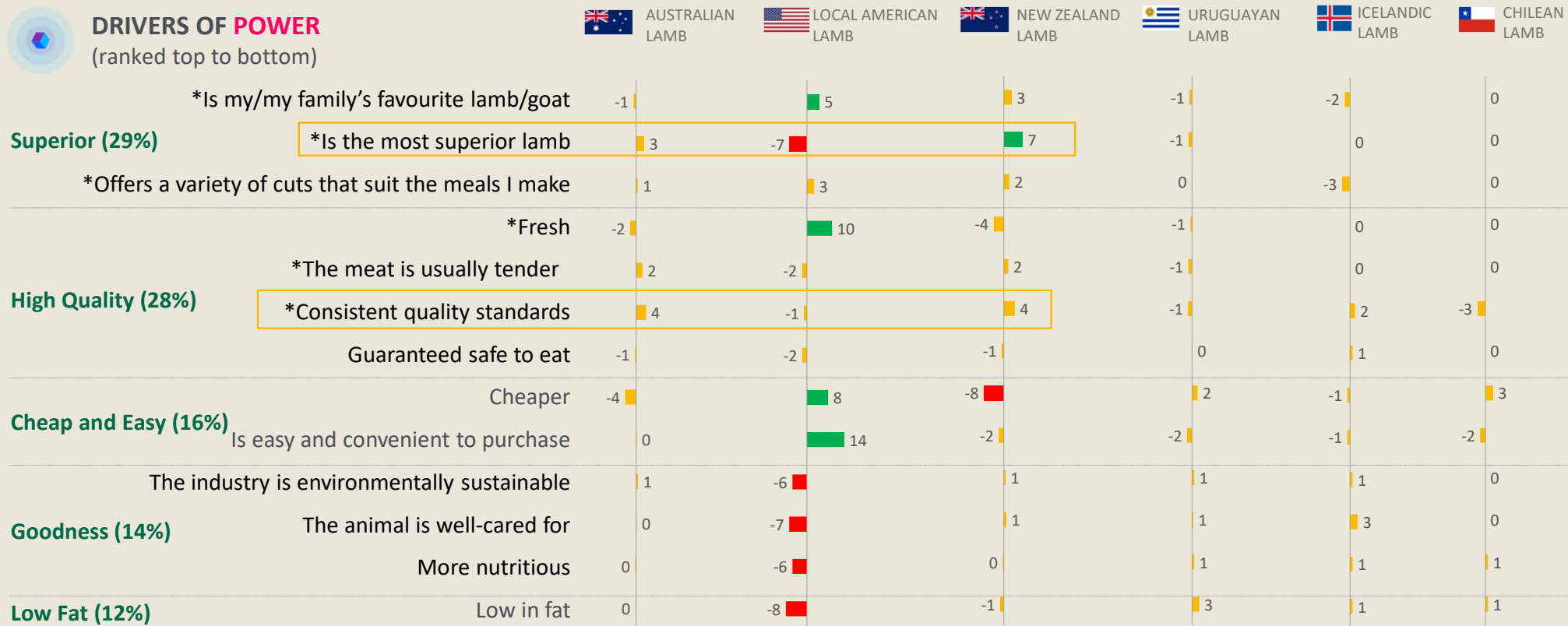


LBH1. Spontaneous Awareness, LBH2. Prompted Awareness, LBH3. Ever Eaten, LBH4. Eaten last year, LBH5. Eaten in the last 3 months, LBH6. Eaten last month, LBH8. Most often
 Base: '22 (n=1058), '21 (n=1079), '20 (n=1038), '19 (n=1246) – Bought beef in past month or ever buy beef

▲ ▼ Sig. different at 95%



Like Beef, Local Lamb is clearly defined, as with local generally is cheap, convenient, fresh and the family favourite. In comparison Australian lamb is not well defined, with the strongest associations consistent quality but this is shared with NZ. NZ has some definition, seen as superior.



+5 or more = relative category strength
-5 or less = relative category weakness.

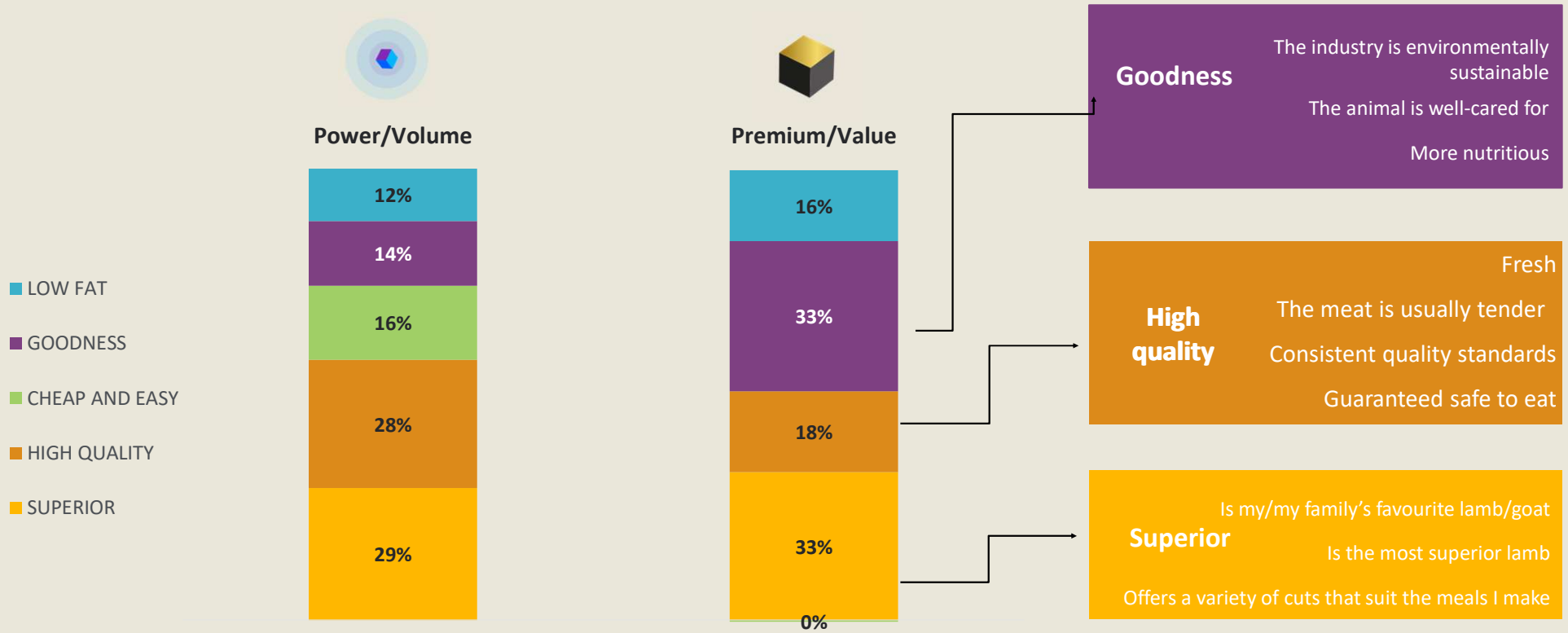
KANTAR

43 NOTE: GENERAL LAMB LEVEL

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=xxx). 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.

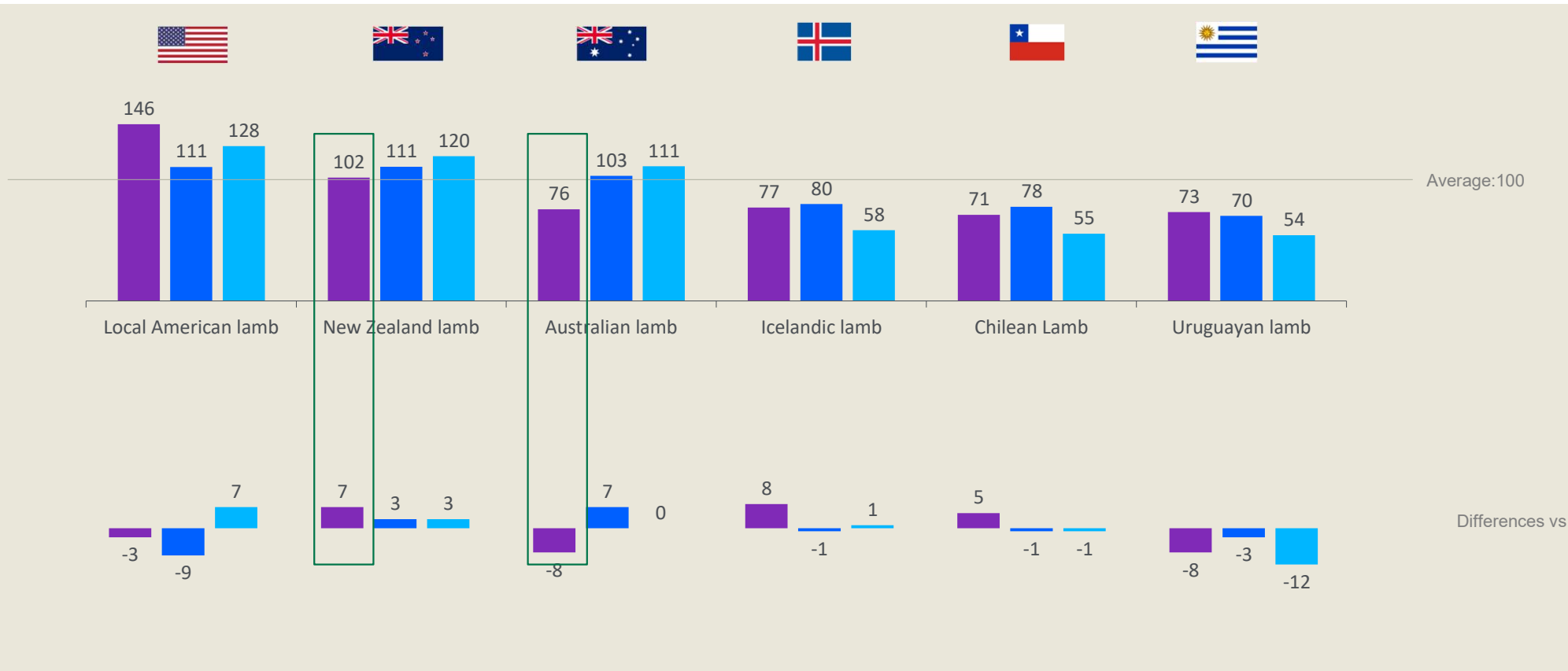


There are differing associations that drive Power from those that drive Premium, with associations of 'Superiority' impacting both, while 'Quality' driving Power and elements that convey 'Goodness' having the greatest impact on Premium.



NOTE: GENERAL LAMB LEVEL

As with beef, what is perceived as 'local' is seen as relevant. AU lamb has a similar profile to NZ lamb - with the key difference on brand meaning which reflects AU's greater perceived relevance.



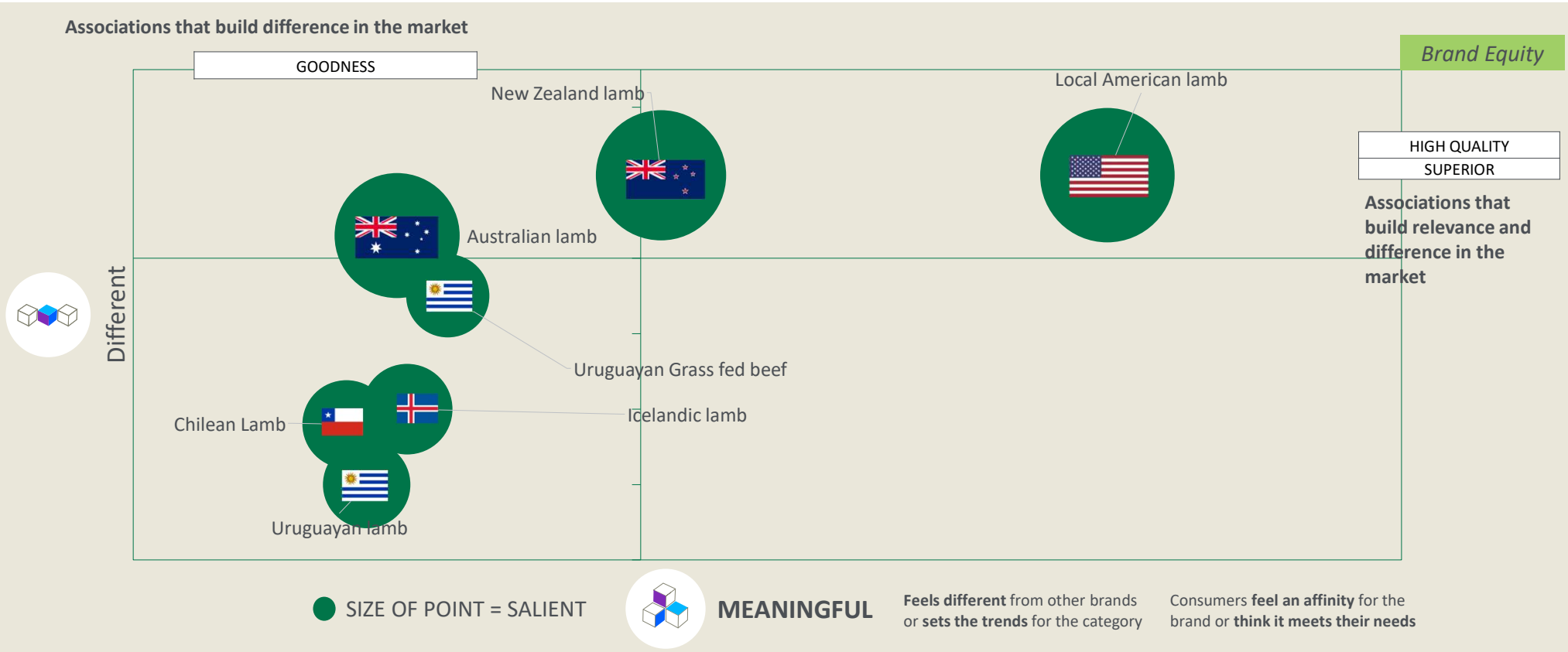
NOTE: GENERAL LAMB LEVEL

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● Meaningful ● Different ● Salient



Local grass fed beef is a meaningfully different brand with strong mental availability – where New Zealand beef is the one brand that appears to be establishing some difference in the category context .

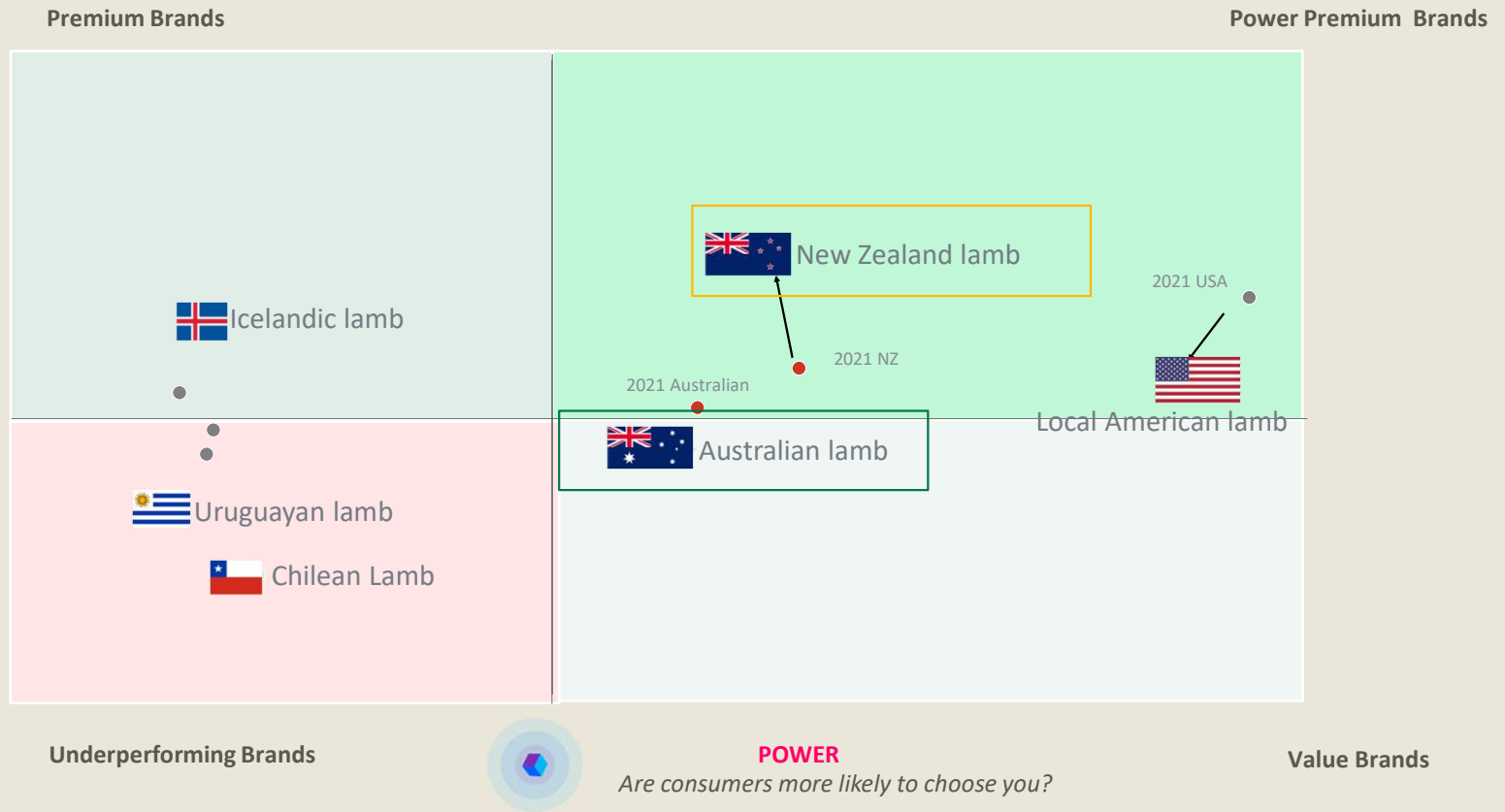


NOTE: GENERAL LAMB LEVEL

Local lamb remains the market leader in terms of Power, but, NZ has improved on Premium perceptions. AU lamb is in a similar position in terms of both Power and Premium as it was last year.



PREMIUM/VALUE
Are they willing to pay more for you?



NOTE: GENERAL LAMB LEVEL


KANTAR



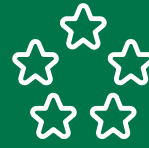

Continuing our focus consistent quality and communicating the superiority of our product, tenderness acting as a proof point and nutritious as an outcome of better product. These will grow volume and premium perceptions.



Top 5 Associations to Grow - Volume & Value:
(Ordered based on impact on building equity*)

 <p>1. Offers a variety of cuts</p>	<p>2.  Is my family's favourite</p> <hr/> <p>3.  Fresh</p>
<p>Difficult to achieve for imported product</p>	

Associations for AU to communicate

Associations to Build	
<p>4.  Consistent quality standards</p>	<p>5.  The meat is usually tender</p>
<p>Superior</p>	<p>Nutritious</p>
<p>More explicit</p>	<p>Implicit outcomes</p>

NOTE: GENERAL LAMB LEVEL



*These associations are simulated in the Meaningfully Different model to ascertain which will drive the greatest growth in Power and Premium



A top-down photograph of a woman with long dark hair, wearing a white patterned blouse, sitting at a dining table. She is holding a glass of water in her left hand and a fork in her right. The table is set with several plates of food, including a large roasted lamb or beef dish, a plate of sliced meat with vegetables, and a plate of lamb chops with green beans. There are also white napkins, silverware, and a small vase with red flowers on the table. A yellow diagonal line runs across the image, separating the text from the photograph.

WHAT NEXT FOR AU BEEF & LAMB IN THE USA?

Recapping what we have seen today

Managing health and eating well has increased in importance. Economic concerns remain a consideration, particularly for families

There has been a shift to online that has remained post-pandemic. This is particularly strong amongst imported buyers who are younger families.

Proteins have very clear roles in the USA market, and beef has a sweet spot of being accessible delicious, yet premium

Organic beef has grown and key benefits of healthier and more natural are important in choice at shelf. Grass fed communicates this.



Local beef remains strongest by some way, with clear definition. No definition for other COO.

Superior and Quality build relevance to USA consumers, and particularly attributes of Nutritious, Consistent quality laddering up to superior.



Lamb category is slightly more defined and NZ has built relevance, and ownership of 'Superior' perceptions.

Quality and reflecting superior (or variety) key to building volume and premium. Differentiate on elements of goodness such as sustainable and nutritious

What should we communicate?



1. Seek opportunities to drive superior and consistent quality perceptions, reinforcing nutritious, and justifying the premium perceptions and rising price perceptions of AU product.



2. Build out consistent quality, superior and tenderness as a proof point (and thus implied nutritious) perceptions tapping into the natural and BFY opportunity



3. Our clean, safe, rearing environment markets, can be leveraged as reason to believe for safe, nutritious and higher quality product

FINAL THOUGHTS & DISCUSSION



Final thoughts & recommendations

Changing context has accentuated beef's challenges

Changing market context due to Covid has highlighted traditional weaknesses of beef: Health, Affordability, Sustainability. More so for families

More impetus on being clear on our points of difference to justify our premium, in particular to families who are seeking value



Value

Families are our target, justifying value in AU beef for them is key

Imported more often purchased by families and the accessible premium offered by imported is a more competitive space with improvements for USA product

Protect traditional channel, Supermarket in particular, to make it easy for consumers to find and choose AU product



Accessibility & Availability

Ensure we are accessible for Japanese consumers to combat USA product

Physical and mental availability is key to ensuring we are chosen, and owning category entry points will help us to do so, in particular in driving Saliency of COO product

Promote accessibility to maintain our Saliency in the context of more challenging economic and consumer conditions



Value



Accessibility

Leverage our process as a differentiating asset to reinforce quality

Quality is key in reinforcing our value perceptions (not cheap, but worth what you pay, "accessible premium" position) and our process can be leveraged as a reason to believe for quality claims.

Ensure we communicate the clean and consistent processes for rearing that reinforce quality and healthier



Health

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