

2023

Global Tracker: *Hong Kong* *Presentation Deck*

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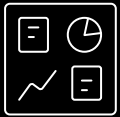
Contents of today's presentation



1

MACRO MARKET CONTEXT

Market context inc. inflation, sustainability and post-covid trends impacting consumer choice



2

PROTEIN LANDSCAPE

Awareness, claimed consumption and perceptions of key proteins – including general beef and lamb buying behaviours.



3

IMPORTED BEEF CONSUMPTION & COUNTRY OF ORIGIN (COO)

COO associations, trust and how these build demand and willingness to pay



4

IMPORTED LAMB CONSUMPTION & COUNTRY OF ORIGIN

COO associations, trust and how these build demand and willingness to pay



5




















FINAL THOUGHTS & DISCUSSION

Lever to pull to support choice of Australian Beef and Lamb

The Central Question

How can Australian red meat build relevance for Hong Kong consumers, while continuing to differentiate from other accessible premium imports in the Hong Kong market?

We have conducted the global tracker in 22 markets over the last 8 years, with Hong Kong fieldwork last run years ago in 2018.

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	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	11
2016	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	15
2017	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	11
2018	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	13
2019	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	10
2020	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	9
2021	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	11
2022	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	11
2023	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	11



Hong Kong sample – a deliberate higher income skew (not representative of total market)



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)

Sample is made up of 537 consumers

Changes in 2023:

BEEF: New Zealand Beef, Uruguayan Beef and Argentinian Beef was added as a new COO

LAMB: British Lamb was added as a new COO

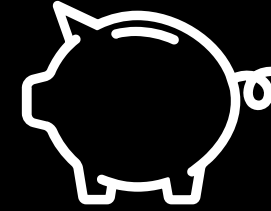
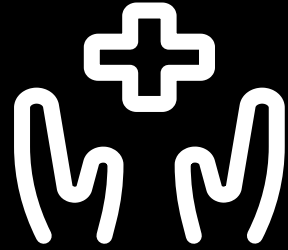
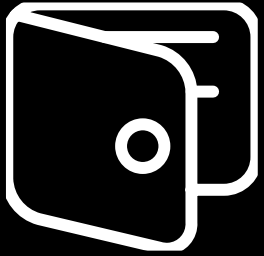
		COUNTRY INCIDENCE	SAMPLE STRUCTURE
Gender	Male	40%	40%
	Female	60%	60%
Age	18-34	49%	45%
	35-49	35%	40%
	50-64	15%	15%
Consumption	Buy Fresh Meat at Least Occasionally	100%	100%
MGBs	Main Grocery Buyers	99%	97%
Children	Households with Children	47%	74%
Income	Less than 100K	5%-	9%
	100K - 199,999	10%	25%
	200K and more	96%	66%



MACRO- MARKET CONTEXT



3 key trends we see influencing consumer decisions now and into the future:



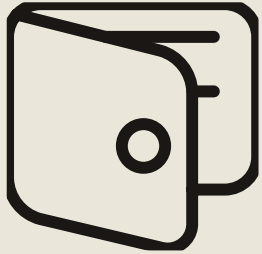
Inflation

Food Safety & Health

Sustainability

Imported red meat is among the top categories impacted by inflation. More consumers claimed noticing higher prices for Imported red meat compared to local red meat.

INFLATION

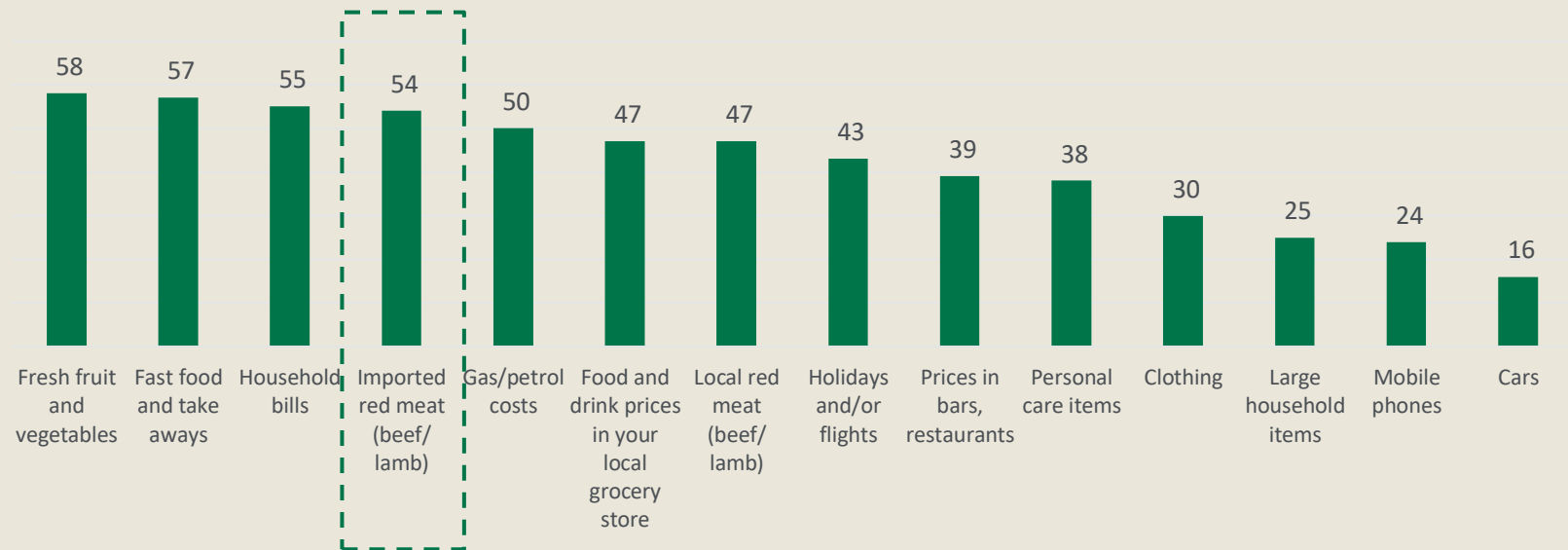


Inflation

Hong Kong's inflation rate is far milder compared to other global cities, at 1.7 per cent in March, down from the average rate of increase of 2.1 per cent in January and February.

But many among the city's underprivileged are feeling the effects of low but festering inflation. Main upward pressures came from food, housing and clothing & footwear.

PRODUCTS AFFECTED BY INFLATION



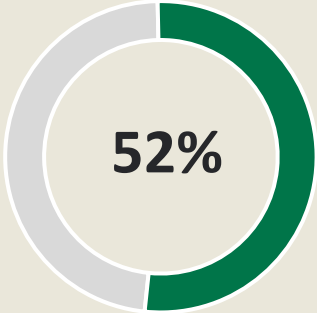
Data from the GT23 HK Survey

Majority claim they will not reduce their imported red meat purchase despite increase in prices, indicating inflation isn't prohibitive yet for this category

IMPACT OF INFLATION ON IMPORTED RED MEAT PURCHASE

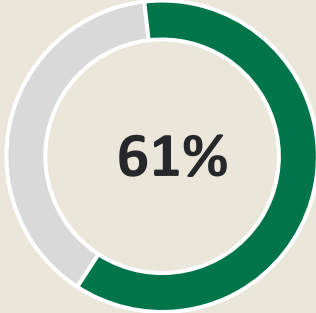
Current purchase behaviour of Imported Red Meat

(among those who noticed higher prices for imported red meat)



Claim to continue buying same as earlier

Future purchase behaviour (next 12 months) of Imported Red Meat

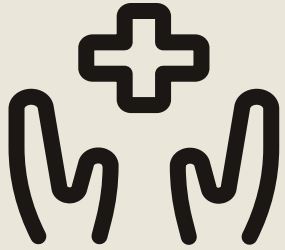


Claim they will not reduce imported red meat purchase

Data from the GT23 HK Survey

Food safety and traceability have become paramount for Hong Kong consumers and focus on health has accelerated post COVID-19

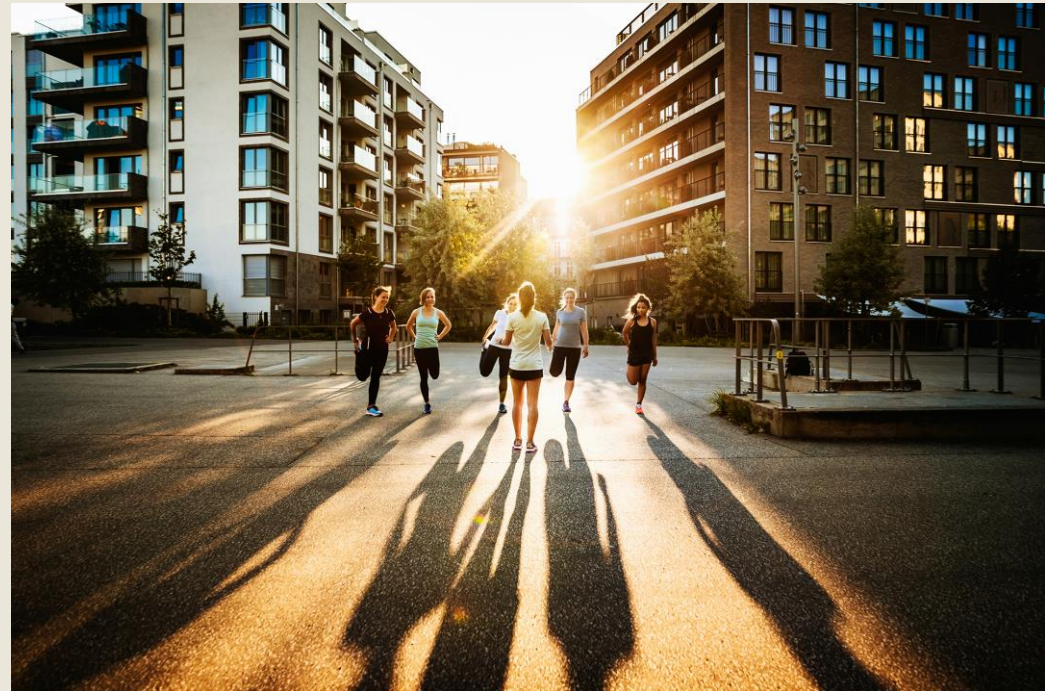
FOOD SAFETY & HEALTH



Food Safety & Health

Food safety and traceability have become paramount concerns for consumers in Hong Kong, particularly in light of past incidents related to food contamination.

This heightened awareness has led to increased scrutiny of imported red meat products, with consumers demanding clear information about the product's origin, production methods, and safety standards



EXPLANATION OF MAXDIFF – TECHNIQUE

Typically, when asking people directly about their priorities, everything tends to be important. This is especially the case if they are asked to rate the importance of every item on a large list. To accurately gauge respondents' preference of different claims we used MaxDiff analysis.



Give anyone a choice of options and suddenly everything becomes important, like a kid in a candy store

Max Diff is a trade off technique that forces respondents to make a choice. They have to have an opinion and cannot consistently choose a middle ground; nor can they simply endorse top box on statements asked as rating scales. This leads to greater sensitivity and discrimination.

How it works

Respondents are shown 5 statements per screen and asked which one they consider to be the most likely & least likely to motivate them to eat Beef/Lamb.

70%

Considering only these five claims, please indicate which one is the **most likely**, and which is the **least likely** to motivate you to choose / eat BEEF....

Task 1 of 12

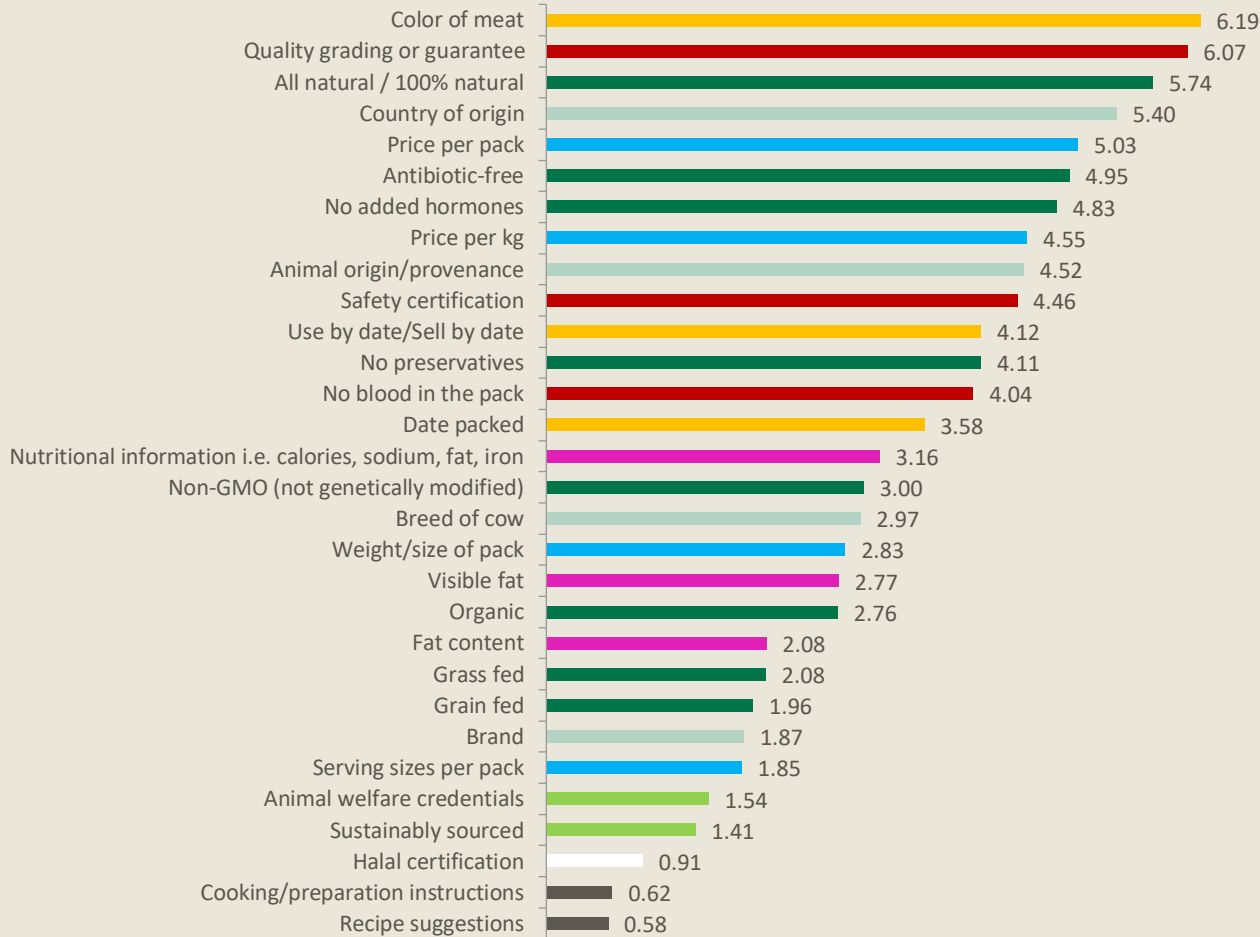
Please select one from the "most" and one from the "least" column. You must choose a different item in each column.

Most likely		Least likely
<input type="radio"/>	Use by date/Sell by date	<input type="radio"/>
<input type="radio"/>	Country of origin	<input type="radio"/>
<input type="radio"/>	Serving sizes per pack	<input type="radio"/>
<input type="radio"/>	Visible fat	<input type="radio"/>
<input type="radio"/>	Breed of cow	<input type="radio"/>

Repeating this around 10 - 15 times gives us enough data to calculate the importance of each statement at respondent level.

MAXDIFF RESULTS – BEEF CLAIMS & THEMES IMPORTANCE

Claims – ranked by Relative Importance



The most important aspects for HONG KONG BEEF buyers are Freshness, Quality grading and Natural. Claims around these are most likely to motivate consumers to choose a particular brand of BEEF.

Data from the GT23 HK Survey

Base: Total (n=205)
 QMAX1 BEEF: Please indicate which one is the most likely, and which is the least likely to motivate you to choose / eat BEEF
 SCR1. Are you personally responsible for the cooking in your household, either mainly or equally with some other person?
 SCR2. How often do you generally buy any meat or seafood for meals for yourself or for people in your household?
 R1a. Approximately how often do you buy beef?

Consumers in Hong Kong are not as enthusiastic about sustainability as other countries yet with lower proportion of Actives compared to the global average.

SUSTAINABILITY



Sustainability

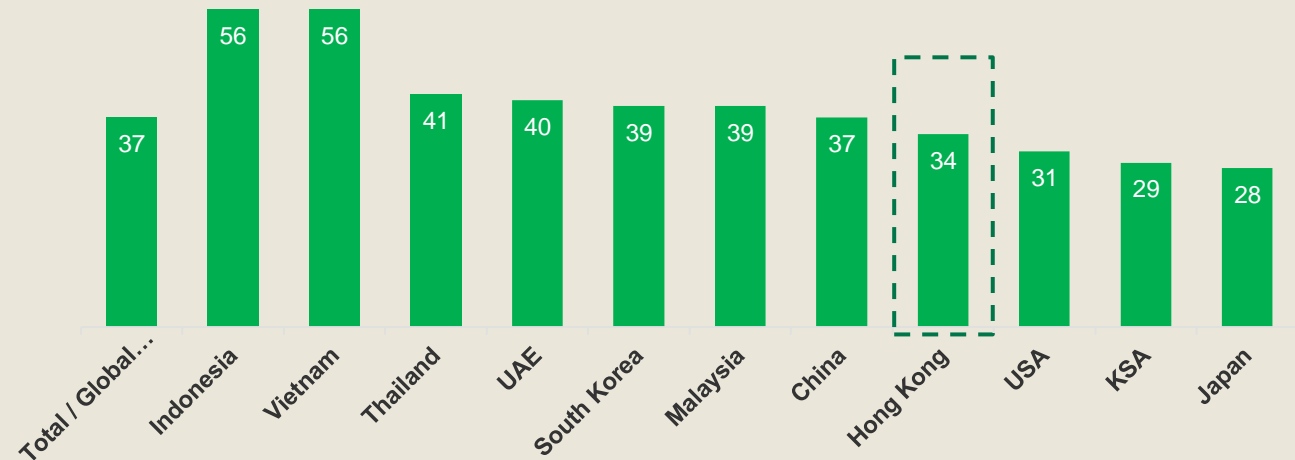
Consumers in Hong Kong are increasingly seeking premium quality and sustainably sourced products, including red meat.

There is a growing awareness of the environmental impact of food production, and consumers are looking for options that align with their values.

Actives

- **Much more likely to believe that they can make a real difference** through their actions
- Believe they are personally **affected by social and environmental issues**
- Their actions match their values, **they want to do more, and they are willing to invest their time and money to support companies that try to do good** like offsetting their impact

% OF 'ACTIVE' SUSTAINABLE CONSUMERS IN...



Data from the GT23 HK Survey



PROTEIN LANDSCAPE

There are some consistent themes for the key proteins across our different markets.
Beef is consistently seen as the ‘Superior’ protein.



Global
Summary

PROTEIN PERCEPTIONS – GLOBAL

THE STAPLE



- Cheap (cost less) and easily available
- Versatile and easy to prepare
- Family favourite
- Doesn't play to taste
- Not nutritious
- Animals treated poorly
- Not environmentally friendly
- Questionable safety
- Not premium or superior



THE SUPERIOR



- Good quality, great taste, superior
- Family favourite
- Worth paying more for
- Nutritious & versatile

THE CURIOSITY

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



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*



Red meat continues to have strong perceptions of being 'Superior' which supports its premium price. Chicken and Pork continue to be staples, strongly positioned as 'Cheap', 'Versatile' and 'Convenient'

PROTEIN PERCEPTIONS- HONG KONG

PREMIUM



Premium, nutritious favourite



Superior, tender

Beef

Strengths vs others

- ★ Tastes delicious
- Versatile
- ☆ Easy and convenient to prepare & purchase
- Family favourite
- ★ Most superior meat
- Willing to pay more

Weaknesses vs others

- Not Fresh
- ★ Not Cheap
- The industry is not environmentally sustainable
- Not low in fat

Lamb

Strengths vs others

- ★ Most superior meat
- Willing to pay more
- Tender

Weaknesses vs others

- Not versatile
- ☆ Not convenient to purchase or prepare
- ☆ Not essential for kids

STAPLES



Easy, affordable, versatile



Easy, affordable, versatile



Fresh & healthy

Chicken

Strengths vs others

- Cheaper
- Versatile
- ☆ Easy and convenient to purchase & prepare
- ☆ Essential for kids
- Family favourite

Weaknesses vs others

- ☆ Not fresh
- Animal is not well cared for
- The industry is not environmentally sustainable
- ☆ Not superior
- Not willing to pay more

Pork

Strengths vs others

- Cheaper
- Versatile
- ☆ Easy/convenient to purchase & prepare
- ☆ Essential for kids

Weaknesses vs others

- Not nutritious
- Not low in fat
- ★ Not superior
- Not willing to pay more
- Not tender

Fish

Strengths vs others

- ★ Fresh
- Nutritious
- Low fat
- ☆ Essential for kids
- Tender

Weaknesses vs others

- Not cheap
- Animal is not well cared for
- The industry is not environmentally sustainable
- Not consistent
- Not versatile
- Not guaranteed safe to eat
- ★ Not superior
- Not willing to pay more

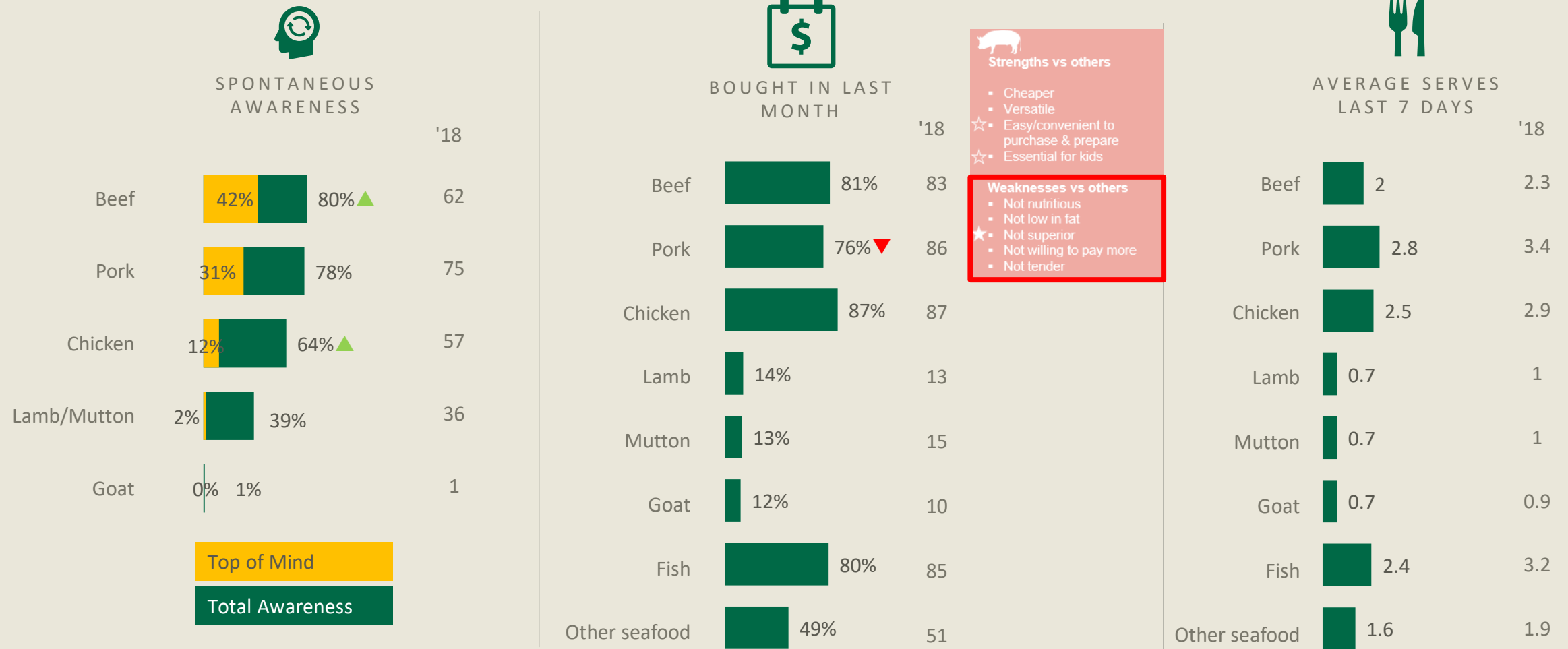


Based on image profiles which show relative strengths and weaknesses relative to other proteins in the consideration set. The consideration set is different for every market hence these are broad characterisations only.

★ Important associations – *volume of purchase*
 ☆ Important associations – *willing to pay more*



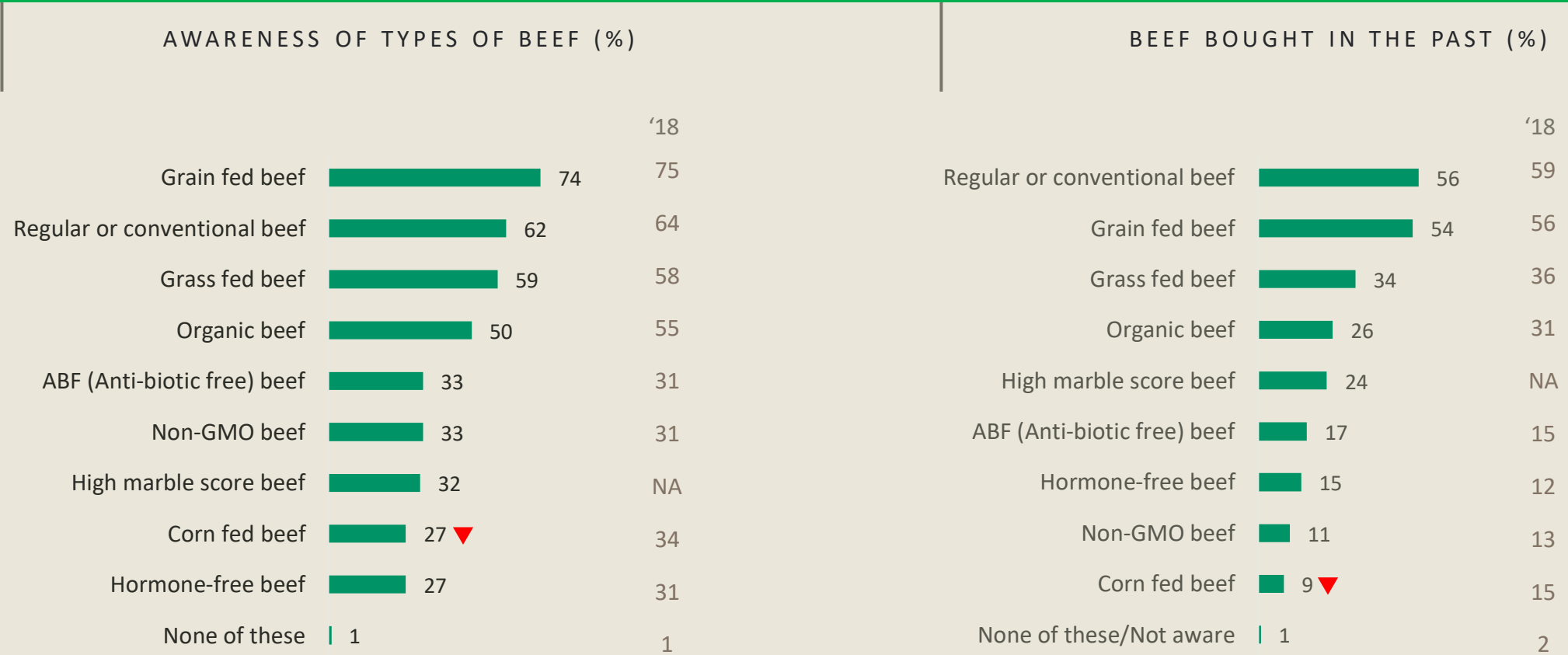
Beef & Chicken are now more top of mind. Pork saw weakening on last month consumption, possibly due to weak perceptions on nutrition, fat content and superiority. Consumption broadly stable across other proteins.



Regular and Grain fed beef continue to be the most bought. Grass fed beef has high awareness but relatively lower consumption.



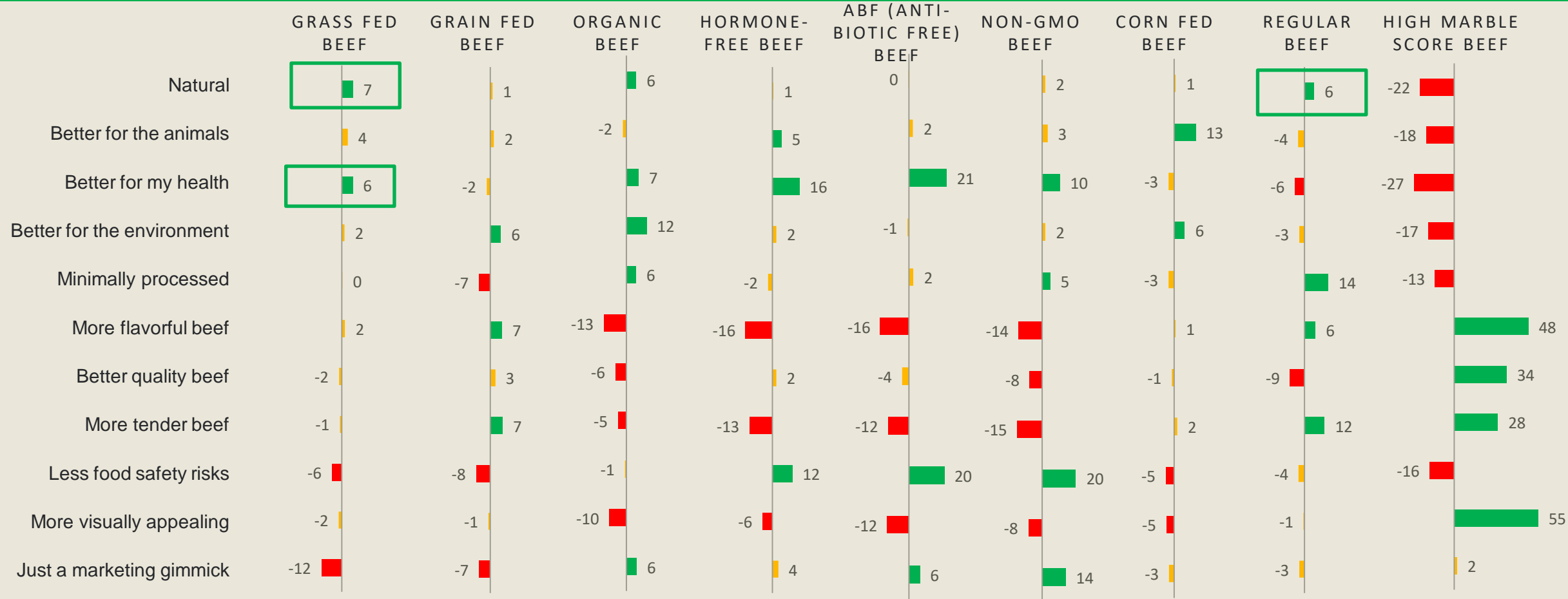
AWARENESS AND PURCHASE OF DIFFERENT TYPES OF BEEF



Regular and Grass fed have strong perceptions of being Natural. High marble score beef has the most defined profile- it is flavourful, tender and better quality but not Natural/ Better for health/ Environment



BEEF TYPE BRAND IMAGE PROFILES (BIPs)



GF5. Which of the following things do you associate with each type of beef below?

Base: Grass Fed Beef (n=312), Grain Fed Beef (n=391), Organic Beef (n=267), Hormone-Free Beef (n=141), Abf (Anti-Biotic Free) Beef (n=173), Non-Gmo Beef (n=174), Corn Fed Beef (n=143), Regular Beef (n=330), High Marble Score Beef (n=171)



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

Supermarkets are the most popular channel for red meat purchase. Increase in online purchase seen for both Beef and Lamb- initially driven by COVID-19 but sustained due to benefits of convenience and competitive pricing.

PLACES OF PURCHASE- BEEF AND LAMB



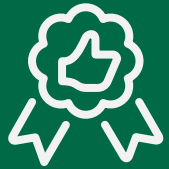
Once per month or more often (net)

	'18 %	'23%
Supermarket	73	79
Wet market	74	71
Butcher	70	69
Hypermarket	69	65
Online retailer	16	33 ▲
Direct from farm/farmer's market	14	17
Convenience store	16	22



Once per month or more often (net)

	'18 %	'23%
Supermarket	83	85
Hypermarket	81	81
Butcher	76	76
Wet market	74	75
Online retailer	57	71 ▲
Direct from farm/farmer's market	52	65 ▲
Convenience store	51	65 ▲



Red meat marries superiority

Red meat is perceived as superior, justifying its premium price. Beef however has weak perceptions from a health perspective as it is perceived to be high in fat.

Chicken and Pork are staples and considered to be an essential part of the diet for growing kids. Pork however has weak perceptions from a health perspective as it is perceived to be high in fat and not nutritious which is possibly impacting its consumption.



Key motivators to choosing Beef

Freshness, Quality and Natural are most important to HK consumers when choosing Beef. Thus, communication centred around these aspects is most likely to motivate consumers to choose a particular brand of Beef.

Despite inflation in prices, majority claim to not reduce purchase of imported beef, indicating imported beef purchase is not likely to be affected by inflation in near future.

BEEF COO KNOWLEDGE, TRUST & PERCEPTIONS



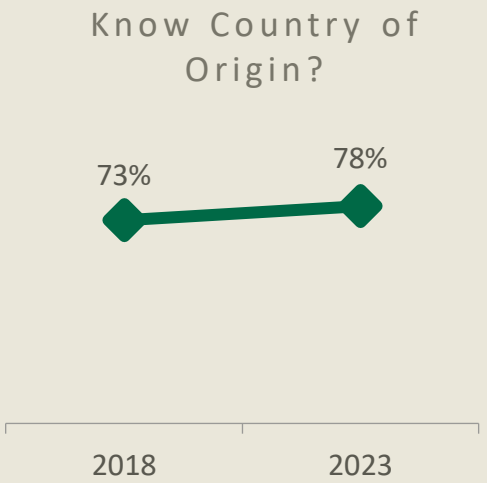
All questions in this section were asked of beef buyers only (must have ever bought beef). They also must have previously bought, or would consider buying, imported beef.

Considering the importance of country of origin, awareness of COOs continues to be high. Frequency of purchase for imported beef seems to have reduced with more consumers now buying it monthly instead of weekly.

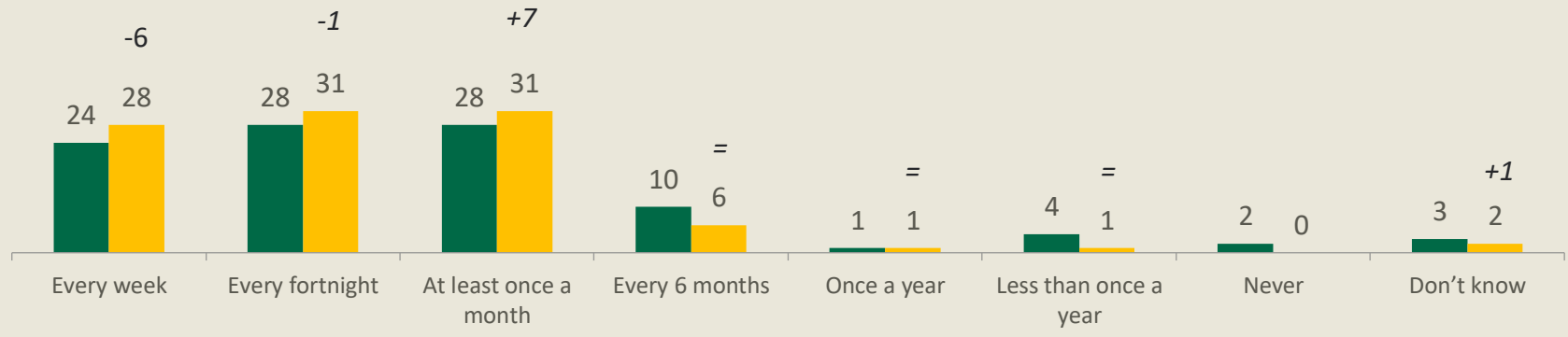


BEEF BUYING BEHAVIOUR

Know Country of Origin?



FREQUENCY OF BUYING LOCAL AND IMPORTED BEEF



Differences vs 2018

**Differences for Local Beef not shown as 2023 was the first year of the data being collected*



(GF3B) Do you know the country of origin of the beef you buy? (n=530)
 (CH4) How often do you buy imported beef? (n=530)
 (CH4LOC) How often do you buy local beef? (n=530)

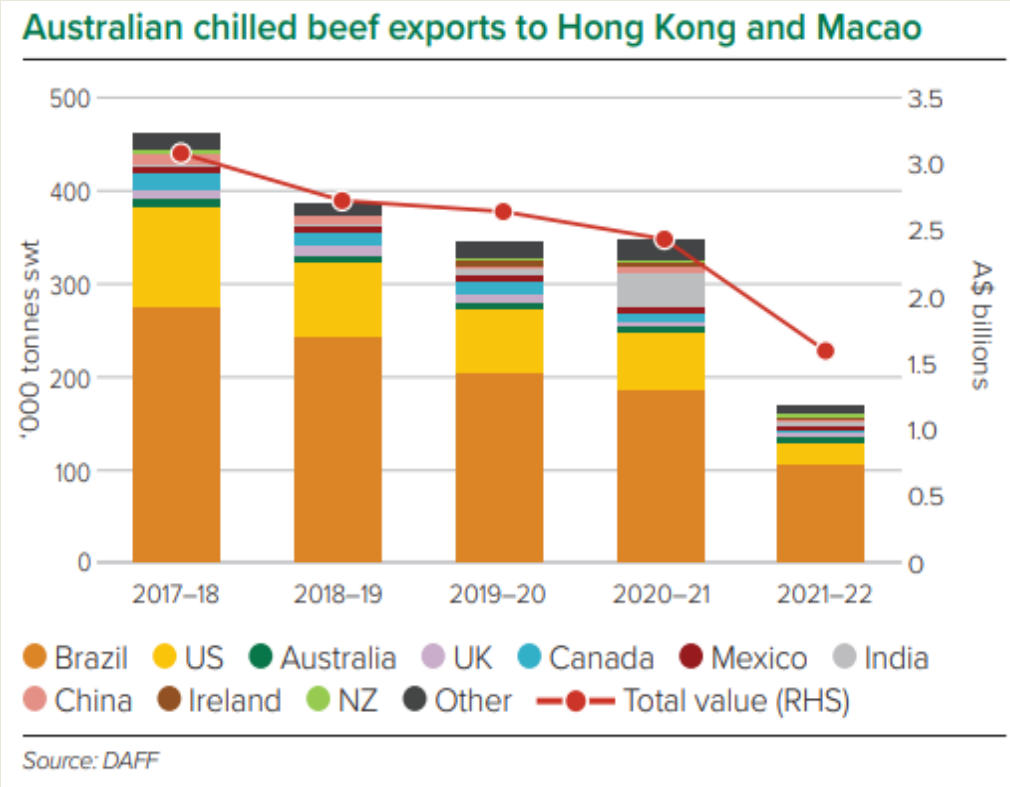
▲ ▼ Sig. different at 95%



Hong Kong has been a comparatively small but high value and growing market for premium Australian beef for over 20 years, although it has plenty of competition to work against.



BEEF IMPORTS BY SUPPLIER – MLA DATA



- While Australia chilled beef has a strong presence in Hong Kong, it has several other countries it need to compete with. With more then 10 other chilled beef suppliers, Australian beef has plenty of competition to work against.
- Hong Kong has 71 Michelin star restaurants as of 2022. Australian beef features in many speciality and high-end venues. These restaurants are where locals and natives have a greater focus on the country of origin of their beef for perceived quality.
- Despite a significant drop in food service consumption since the pandemic in 2020, there is still expected growth in the Hong Kong market. Hong Kong’s total beef consumption is projected to increase by 10,000 tonnes cwe by 2026.

New Zealand Beef, Uruguayan Beef and Argentinian Beef were new brands included in 2023, meaning equity and imagery scores cannot be compared with 2018. Brand funnels can be compared with caution

BEEF BRANDS TRACKED IN 2023

Australian beef



Chinese beef



American beef



Brazilian beef



Canadian beef



Japanese beef



New Zealand beef
Added



Uruguayan beef
Added

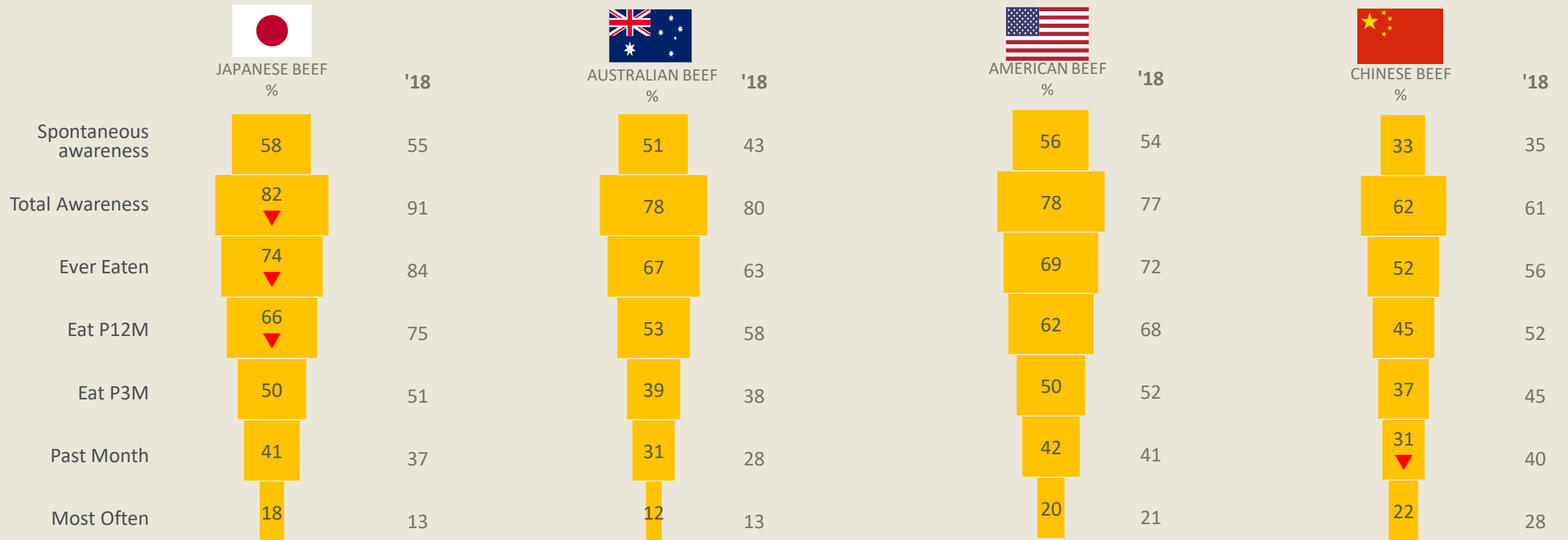


Argentinian beef
Added



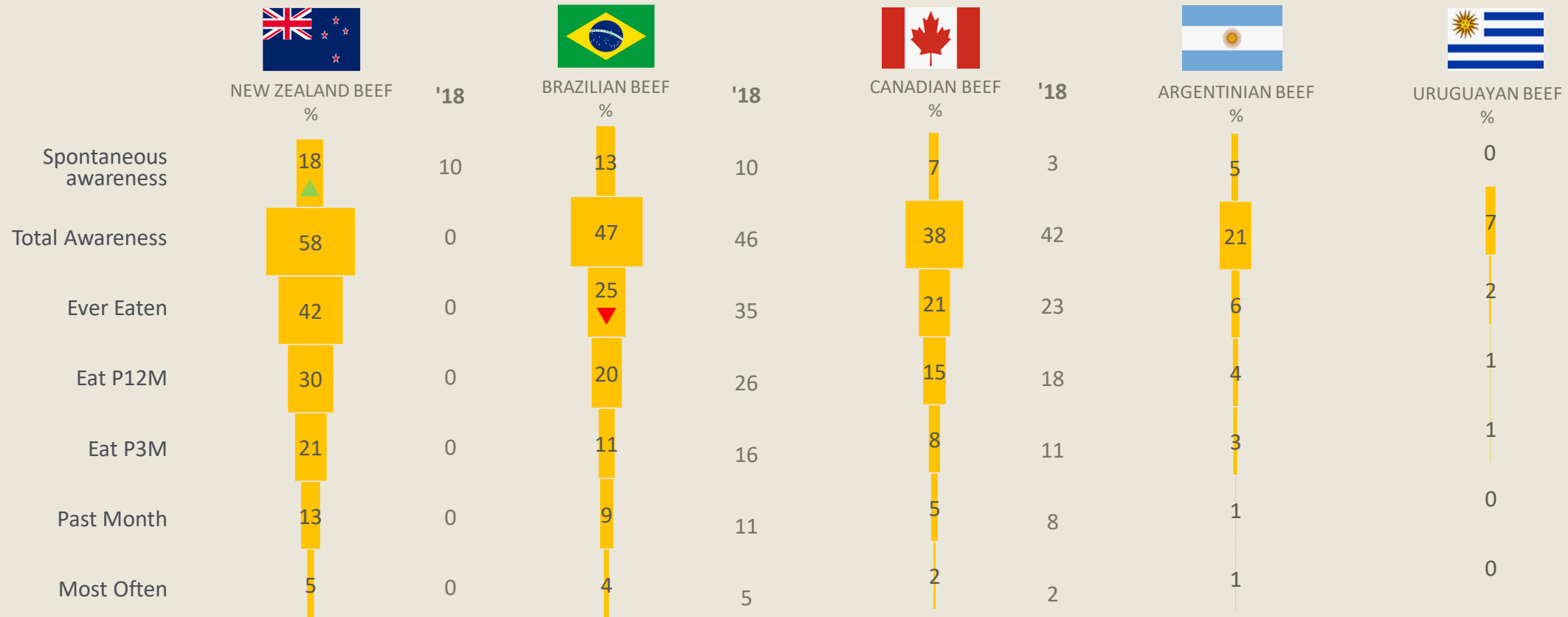
Japanese beef saw a significant drop in Salience and Consumption while it still continues to lead. Despite similar levels of awareness, US beef shows better conversion to consumption compared to AU beef.

BEEF – BRAND HEALTH FUNNEL BY COUNTRY OF ORIGIN



New Zealand beef strengthens on spontaneous awareness. Other newly added brands, Argentinian and Uruguayan beef currently have limited awareness.

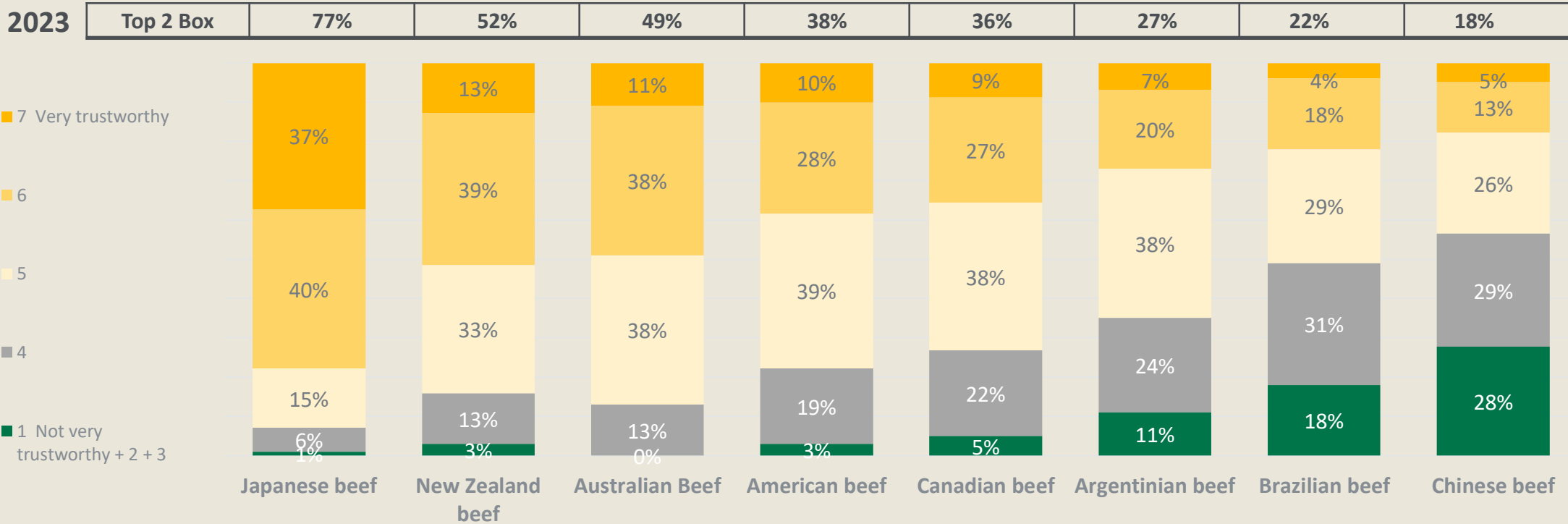
BEEF – BRAND HEALTH FUNNEL BY COUNTRY OF ORIGIN



Japanese Beef is the most trusted among HK consumers followed by NZ and AU beef. Although American beef has higher consumption, AU beef is more trusted.



BEEF- TRUST PERCEPTIONS BY COO



BTR2B. How trustworthy is the imported beef from these countries – 7 point scale
 Base: Australian Beef (264) American beef (263), New Zealand beef (197), Japanese beef (278), Canadian beef (127), Argentinian beef (71), Brazilian beef (157), Uruguayan beef (22), Chinese beef (209)



WHAT NEXT FOR AU BEEF IN HONG KONG?



There are two paths to brand growth.

By increasing the likelihood
that a consumer will buy a brand

We call this Demand
Power



Demand Power

High Demand Power brands capture **5x higher** volume share

By increasing the likelihood
consumers will pay for a brand

We call this Pricing
Power



Pricing Power

High Pricing Power brands can charge **25% more** than
brands with a low Pricing Power score

Japanese, AU and American beef are all positioned as 'Justified premium' brands. Key task for AU beef is to strengthen its Demand Power and differentiate itself vs. American beef



Premium Brands

Power Premium Brands

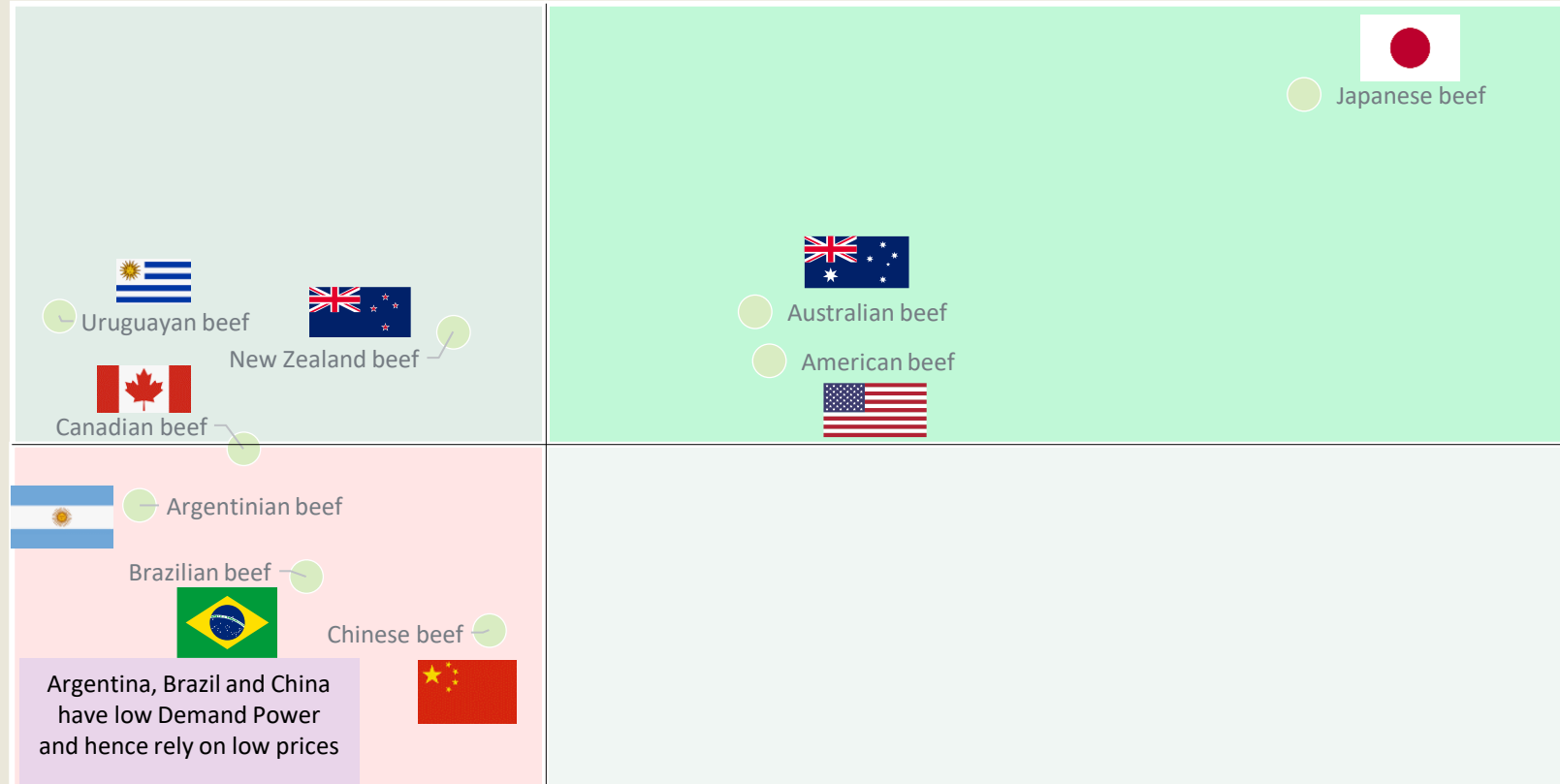
Not worth it
Above average price
not supported by
brand equity

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



PREMIUM/VALUE

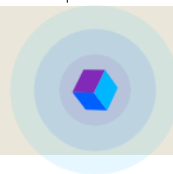
Are they willing to
pay more for you?



Price reliant
Below average price
not supported by
brand equity

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

Underperforming Brands



DEMAND POWER

Are consumers more likely to choose you?

Value Brands

The associations that consumers hold in their minds for beef in Hong Kong breaks up into 6 themes




IMPORTANCE IN DRIVING DEMAND POWER



51%

SUPERIOR
Fresh


- Consistent quality standards
- Guaranteed safe to eat
- Is my/my family's favourite beef
- Is the most superior beef
- The meat is usually tender
- The fat is nicely marbled



16%

CONVENIENT CUTS

- Offers a variety of cuts that suit the meals I make
- Is easy and convenient to purchase



16%

NUTRITIOUS


- More nutritious



8%

WELFARE


- The animal is well-cared for
- The industry is environmentally sustainable



7%

LOW FAT

- Low in fat



3%

CHEAPER

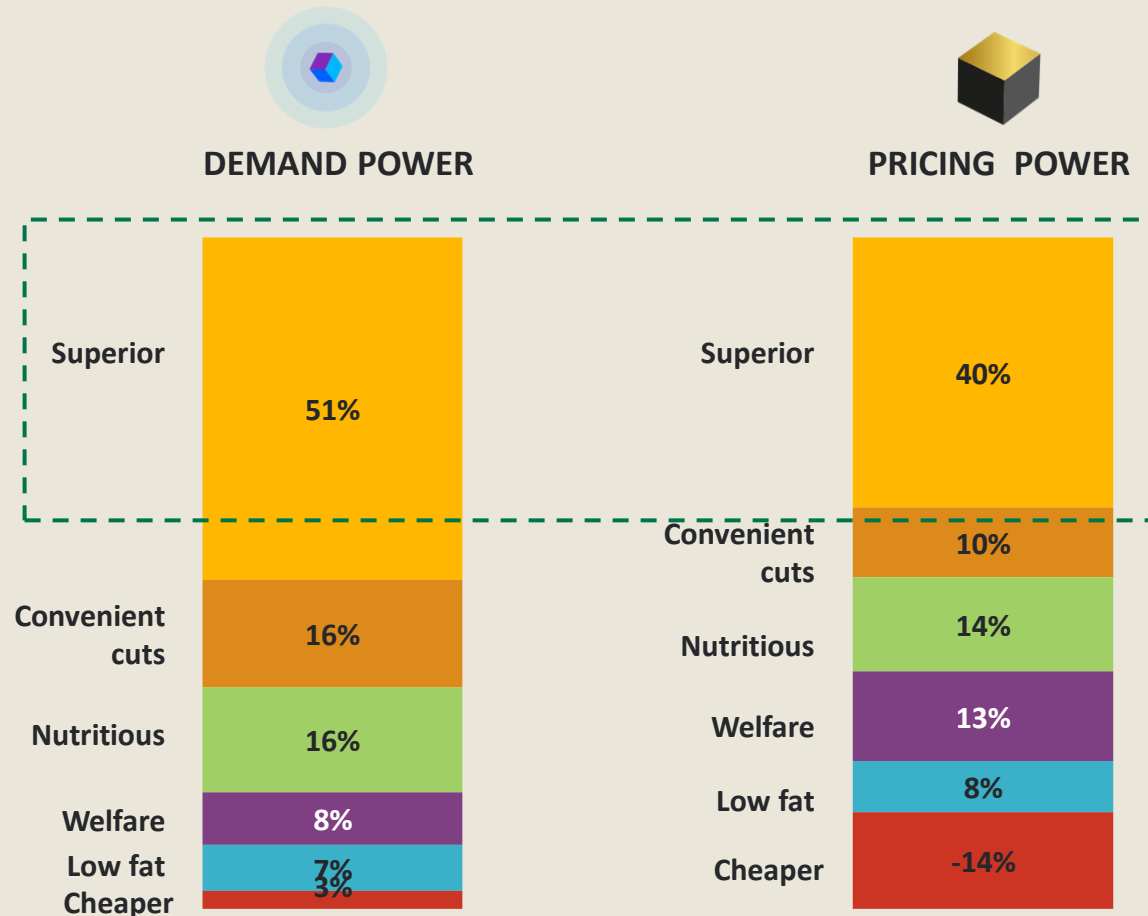
- Cheaper

NOTE: GRASS FED LEVEL

Considering the importance of food quality & safety for consumers in HK, perceptions of 'Superiority' are key to driving both Demand Power as well as Pricing Power



BEEF- WHAT DRIVES DEMAND POWER AND PRICING POWER



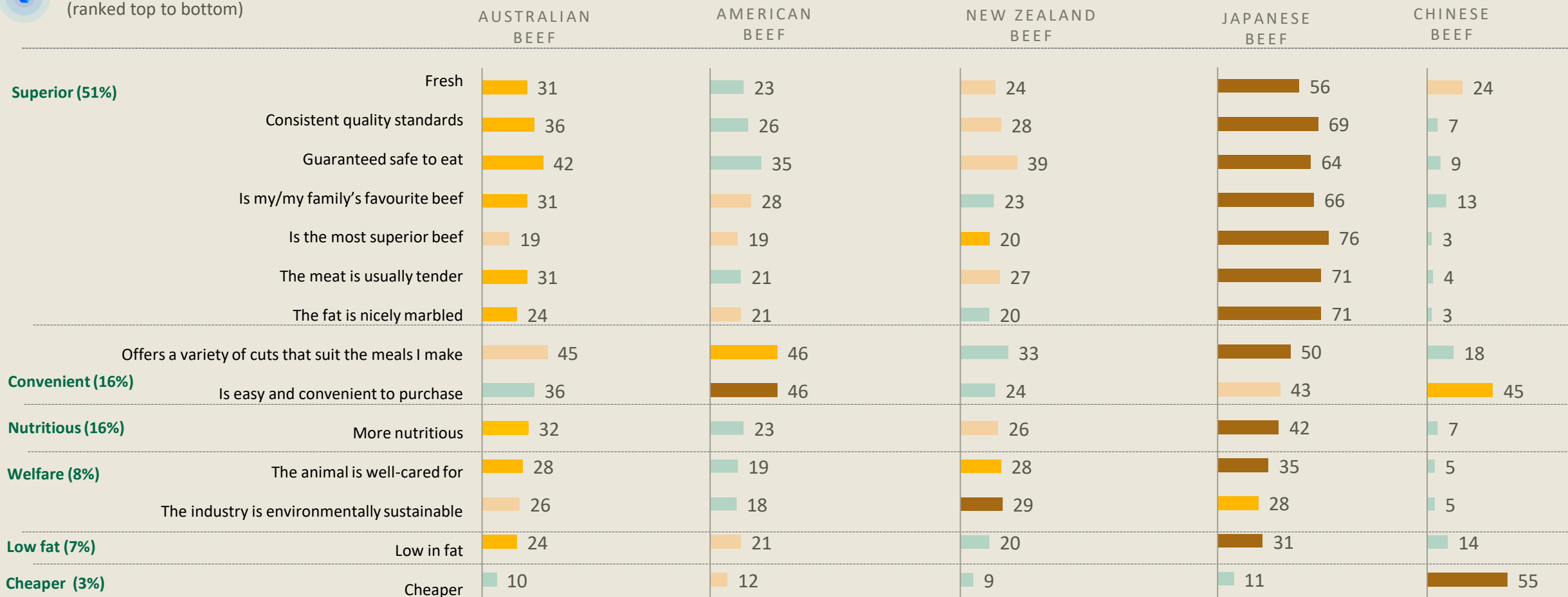
SUPERIORITY

- Fresh
- Consistent quality standards
- Guaranteed safe to eat
- Is my/my family's favourite beef
- Is the most superior beef
- The meat is usually tender
- The fat is nicely marbled

Australian Beef indexes well on superiority, second to Japanese beef. AU beef performs similar to American and New Zealand beef on most equity factors



DRIVERS OF DEMAND POWER (ranked top to bottom)



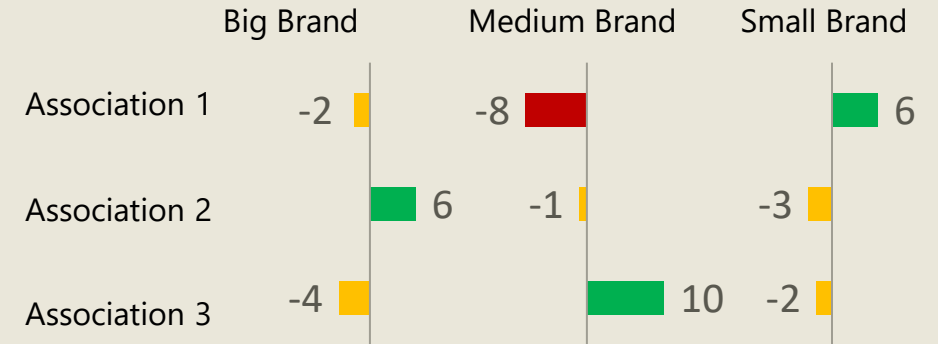
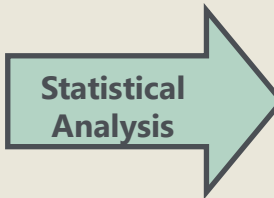
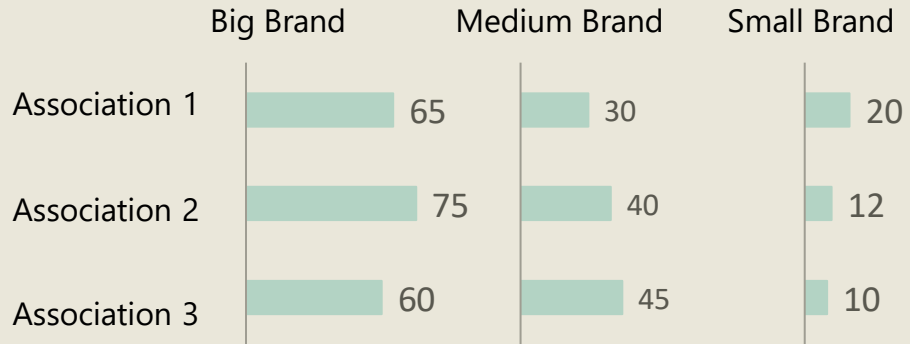
BBH9. Here are some things which people have said about beef. We would like to know which of the following statements apply to beef from different countries of origin. You may choose as many or as few countries of origin as you wish. It doesn't matter if you don't buy any of them - it's your impressions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



Big brands naturally attract high endorsement, which can limit insights.

But we can run a statistical analysis to strip out size to identify relative strengths and weaknesses.

BIP ANALYSIS AND WHY WE SHOULD LOOK AT IT?



Limited Insights:

Big Brand leads on everything, followed by Medium Brand and Small Brand.

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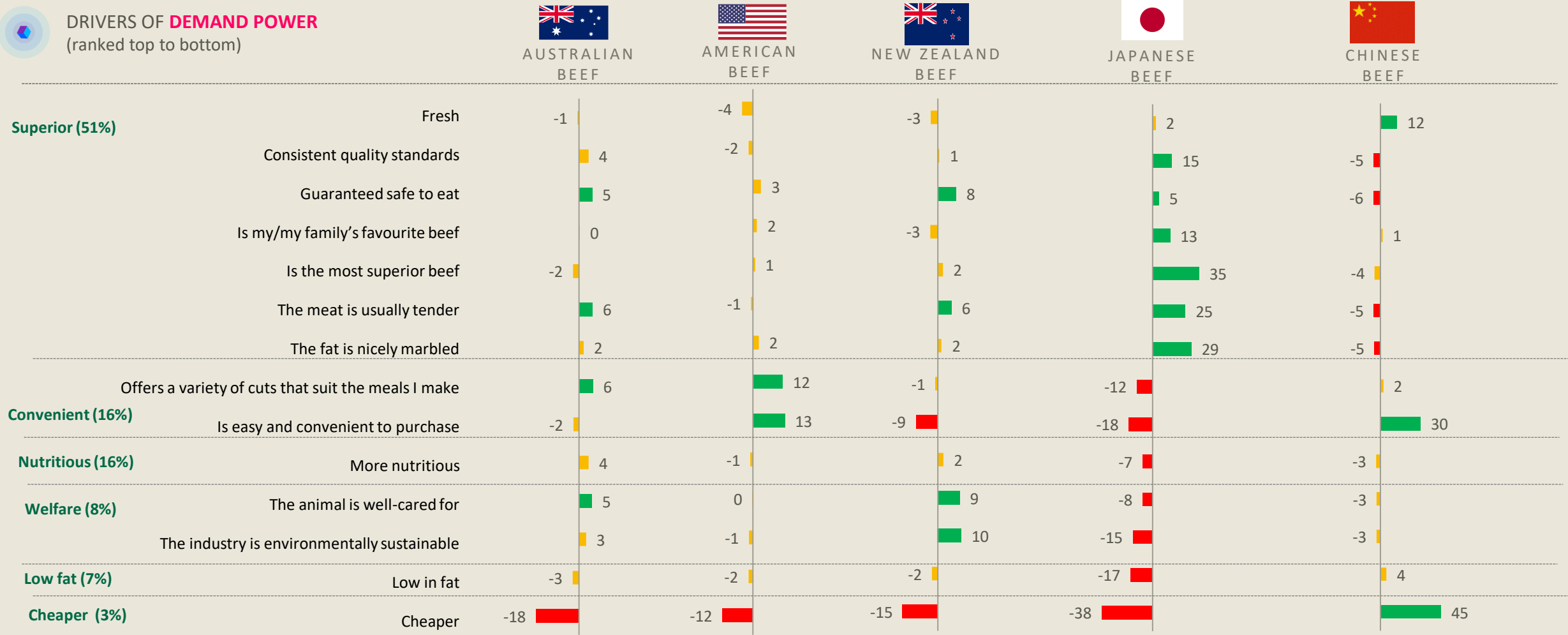
We can then **overlay what drives demand and willingness to pay** to help you pursue what matters most (choice/price driving associations, differentiation/competitive white space)



On the key driver, AU beef stands out as being 'safe' and 'tender' which are also strengths for NZ beef. Differentiating on other aspects of 'Superiority' will help AU beef strengthen performance vis-à-vis NZ and US beef



DRIVERS OF DEMAND POWER
(ranked top to bottom)



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=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.

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



What does AU beef
need to focus on to
target further growth
in Hong Kong?



AU beef needs to build on its existing strengths of Safe & Tender meat and further strengthen associations of Consistent Quality & Superiority by leveraging the narrative of Australia's green & natural rearing environment



Top 5 Associations to Grow – Demand Power & Pricing Power

1. Most superior beef

Space owned by Japanese beef.
Difficult for AU beef to own for now

2. Guaranteed safe to eat

Already a strength for AU beef.
Important to maintain

3. Consistent quality standards

AU beef performs well on this and has potential to differentiate itself

4. Is my/my family's favourite beef

With more at-home cooking, showcasing this becomes important.

5. Meat is usually tender

AU beef performs well on this and has opportunity to grow this statement even further

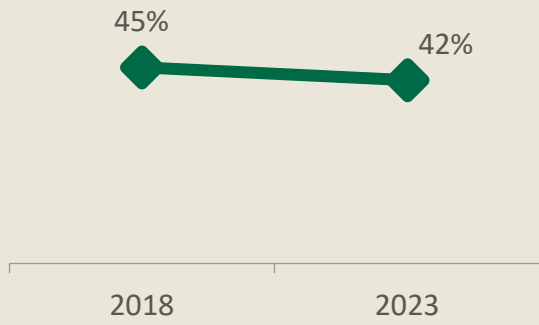
These associations are simulated in the Meaningfully Different model to ascertain which will drive the greatest growth in Power and Premium

True Aussie strongly communicates the key levers we need to focus on and hence is a strong asset we can leverage. Important to make consumers more familiar with the term as well as logo.

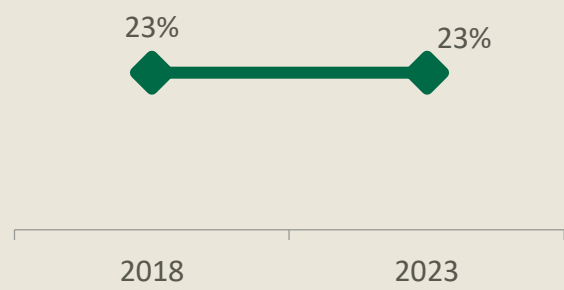


TRUE AUSSIE- AWARENESS AND PERCEPTION

**Aware of Term:
'True Aussie'**



Aware of Logo:



Top 5 impressions of True Aussie logo:

1. Has consistent quality standards
2. Is guaranteed safe to eat
3. Is fresh
4. Comes from the perfect place to produce beef/lamb
5. I trust the meat

Summarising Beef Module

Strengthening Australian Beef's position in the HK market

Australian beef is not the strongest brand among imports in HK. Japanese beef has the highest equity followed by American Beef.

Task at hand for AU beef is to further strengthen equity and differentiate itself vis-à-vis American beef.

AU beef is more trusted compared to American beef . Building on its existing strengths of Safe & Tender meat and further strengthening associations of Consistent Quality & Superiority can help AU beef strengthen its position in the market

Clean, Green and Natural for Quality and Safety

Food quality & safety is important to consumers in HK and it reflects in 'Superiority' being the key driver of Demand Power as well as Pricing Power.

AU can deliver to this need functionally with its clean, green, natural image. This narrative therefore needs to be leveraged in communication

Sustainable practices can also play a role, especially if positioned as a driver of quality and safety which appeals beyond the core Active sustainability segment/ audience as well.

LAMB

COUNTRY OF ORIGIN



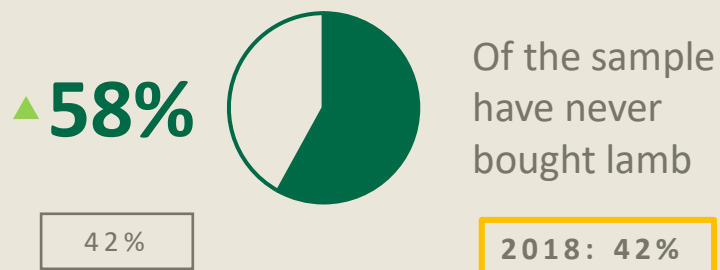
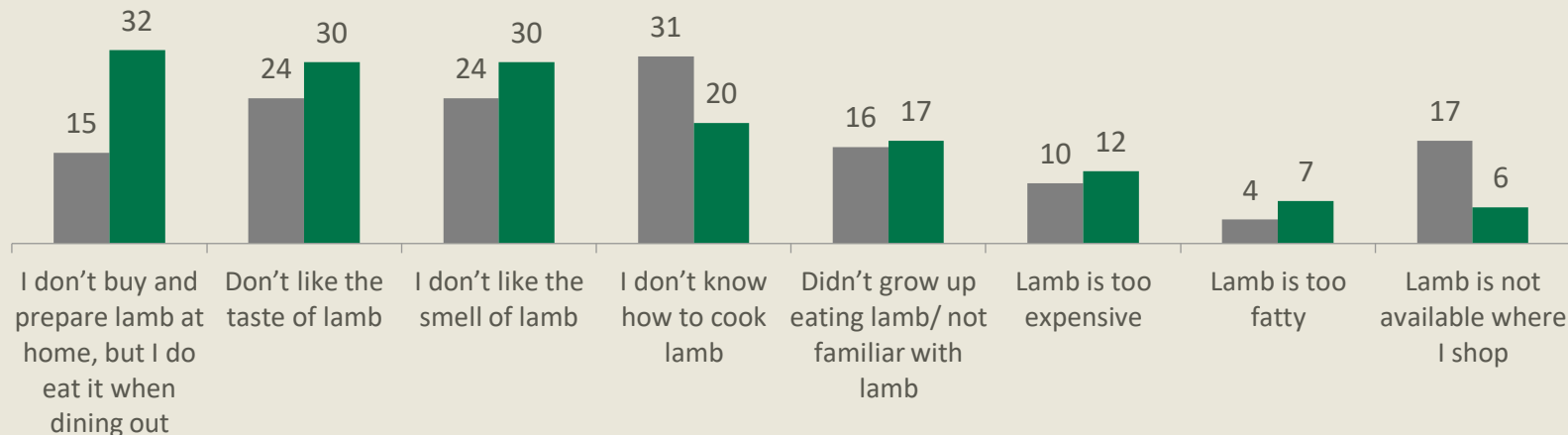
All questions in this section were asked of lamb buyers only (must have ever bought lamb). They also must have previously bought, or would consider buying, imported lamb.

A significant growth is seen in the number of consumers who don't purchase lamb in Hong Kong. Factors holding back lamb purchasing include lamb being eaten when dining out instead of preparing it at home, followed by functional barriers of Taste and Smell



Barriers to eating lamb

■ 2018 ■ 2023

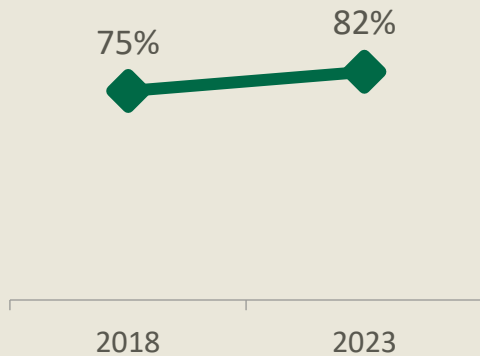


Awareness of the Lamb COO's is stable. Overall, frequency of purchase for lamb has dropped with fewer consumers buying it at least once a month

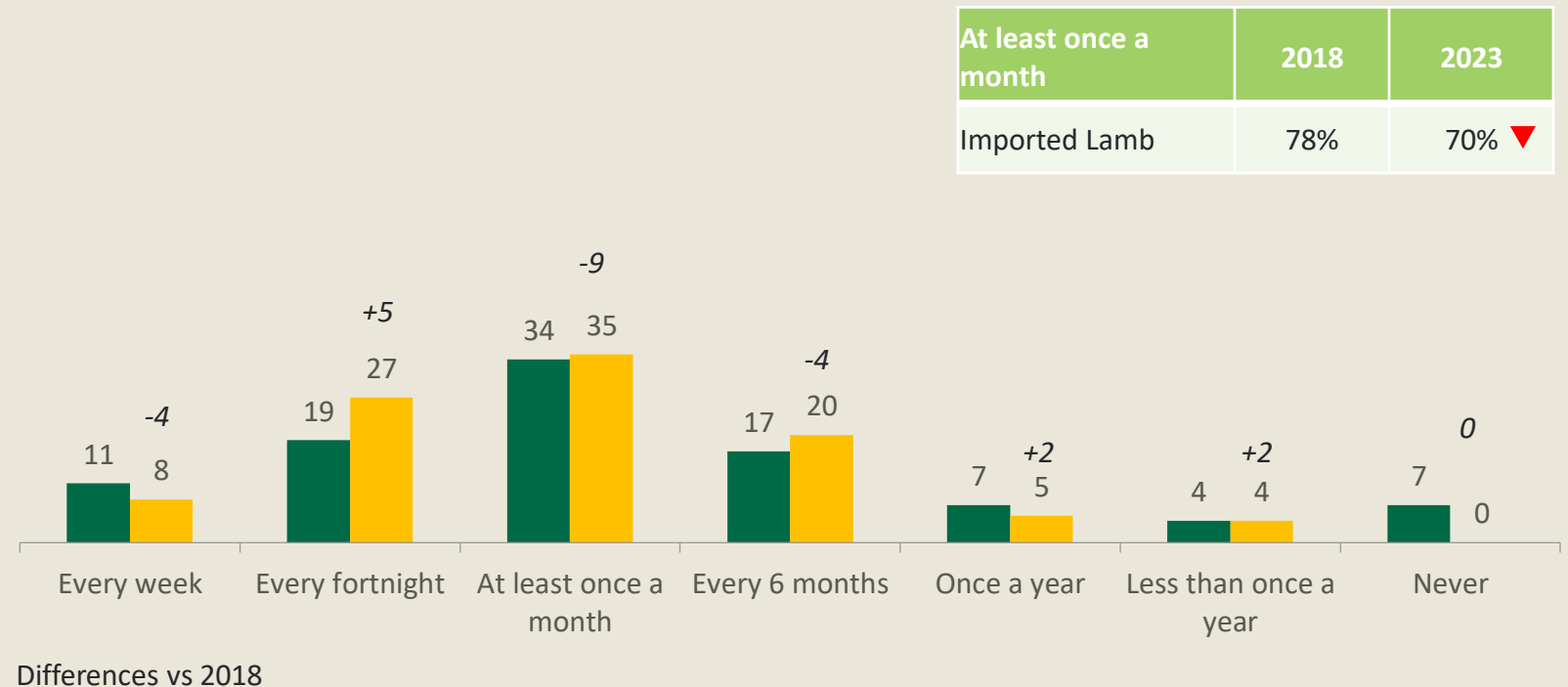


LAMB BUYING BEHAVIOUR

Know Country of Origin?



FREQUENCY OF BUYING LOCAL AND IMPORTED LAMB



At least once a month	2018	2023
Imported Lamb	78%	70% ▼

No new brands of lamb were added to the study since 2018



LAMB BRANDS TRACKED IN 2023

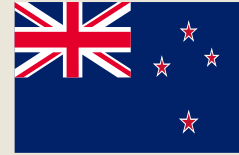
Local Chinese lamb



Australian lamb



New Zealand lamb



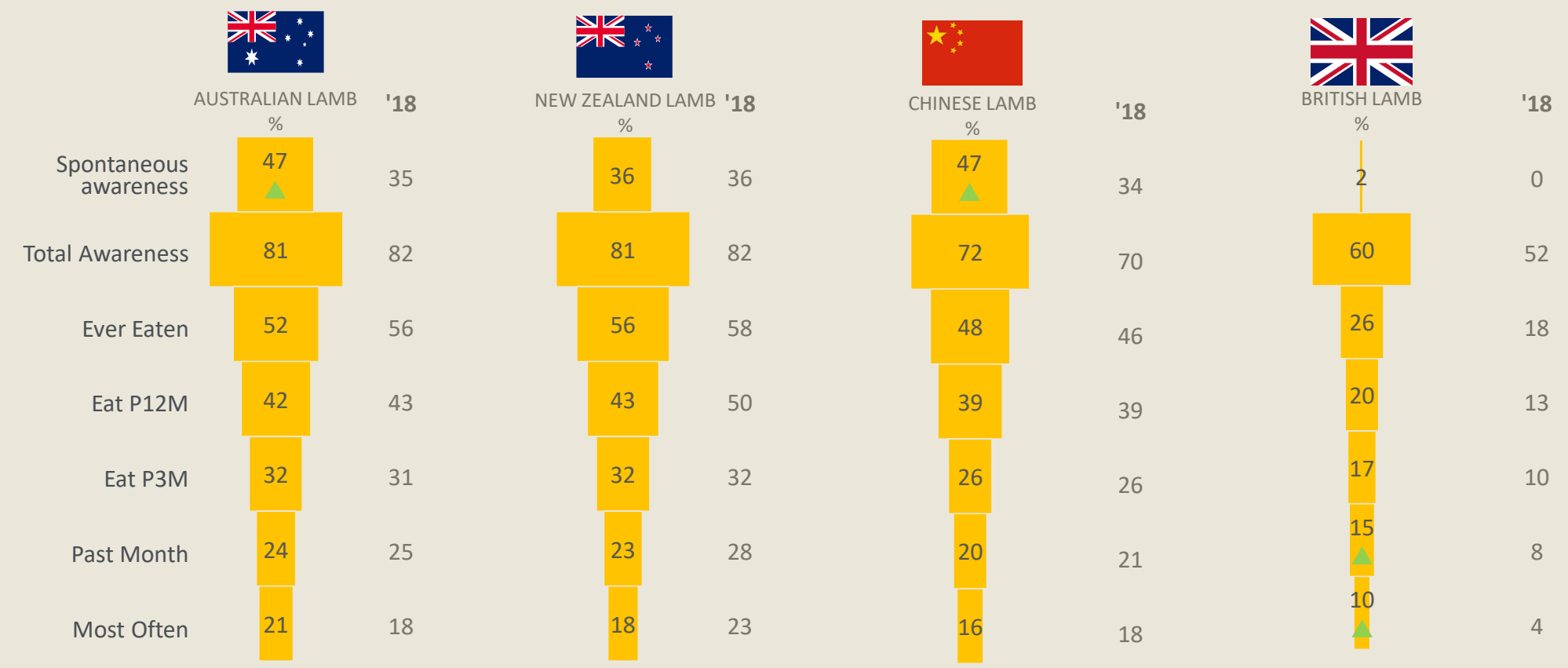
British lamb



Considering AU lamb is more top of mind it has potential to increase conversion to trial and further elevate performance vis-à-vis NZ lamb. British lamb, albeit less consumed saw some upward momentum



LAMB BRANDS TRACKED IN 2023



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: '23 (n=200), '18 (n=210) – Bought lamb in past month or ever buy lamb

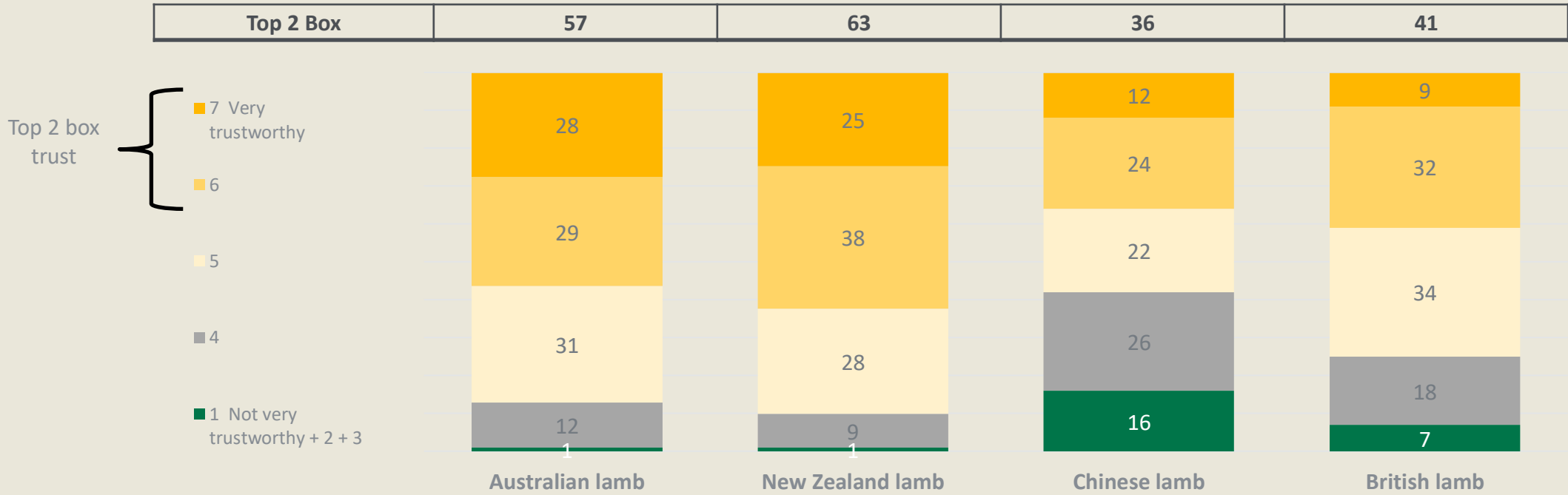
▲ ▼ Sig. different at 95%



AU and New Zealand lamb are the most trusted amongst the Hong Kong consumers, NZ lamb being slightly ahead of AU lamb. Chinese lamb is the least trusted.



Trustworthy – COO Lamb



WHAT NEXT FOR AU LAMB IN Hong Kong?



There are two paths to brand growth.

By increasing the likelihood
that a consumer will buy a brand

We call this Demand
Power



Demand Power

High Demand Power brands capture **5x higher** volume share

By increasing the likelihood
consumers will pay for a brand

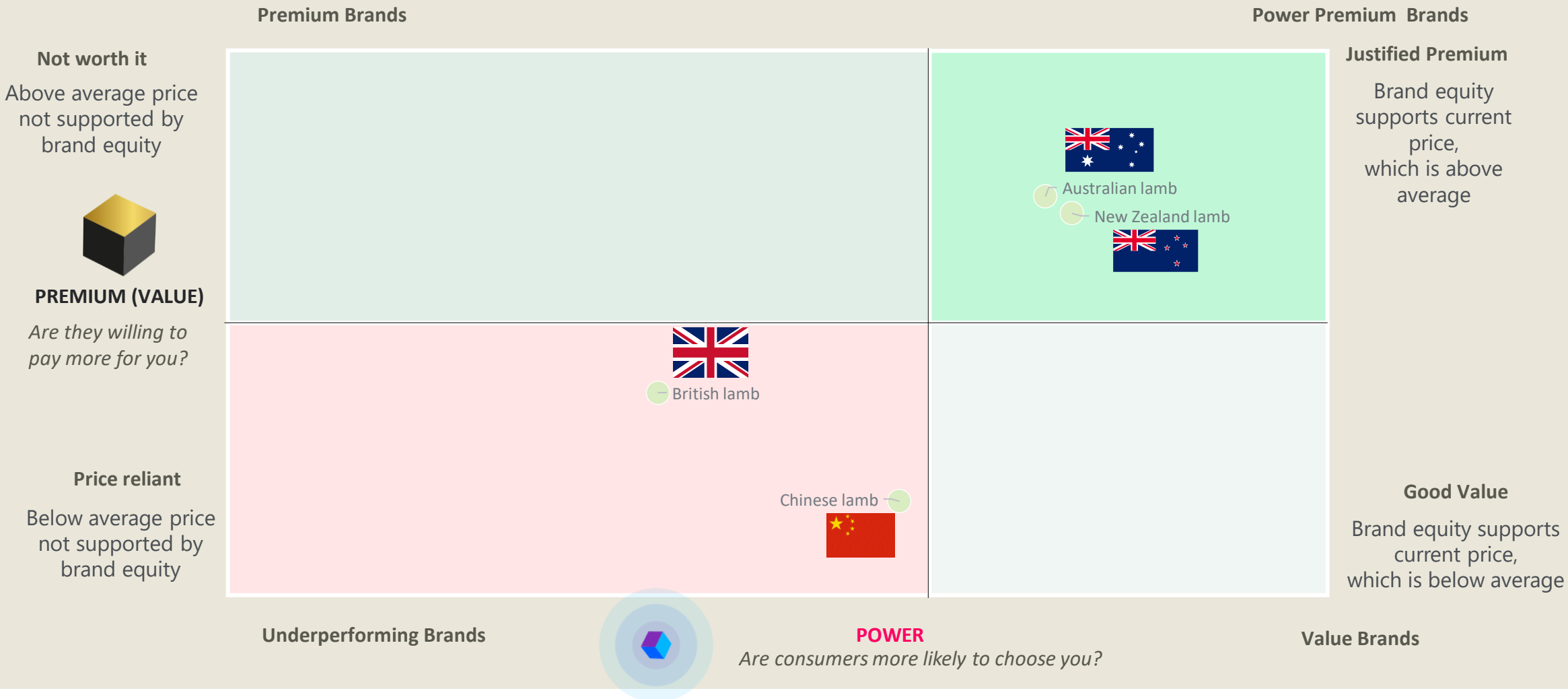
We call this Pricing
Power



Pricing Power

High Pricing Power brands can charge **25% more** than
brands with a low Pricing Power score

AU and NZ lamb both have a 'Justified premium' position in the market with NZ lamb being slightly stronger on equity. AU lamb needs to strengthen its Demand Power which can also help improve conversion to usage



The associations that consumers hold in their minds for lamb in Hong Kong breaks up into 6 themes



IMPORTANCE IN DRIVING DEMAND POWER



25%

FAVOURITE CUTS

Offers a variety of cuts that suit the meals I make

Is my/my family's favourite lamb



20%

SUPERIOR

Consistent quality standards

Is the most superior lamb

The meat is usually tender



15%

LOW FAT

Fresh

Low in fat



15%

SUSTAINABLY SAFE

The industry is environmentally sustainable

Guaranteed safe to eat

More nutritious



13%

WELFARE

The animal is well-cared for



11%

EASY EVERYDAY

Cheaper

Is easy and convenient to purchase

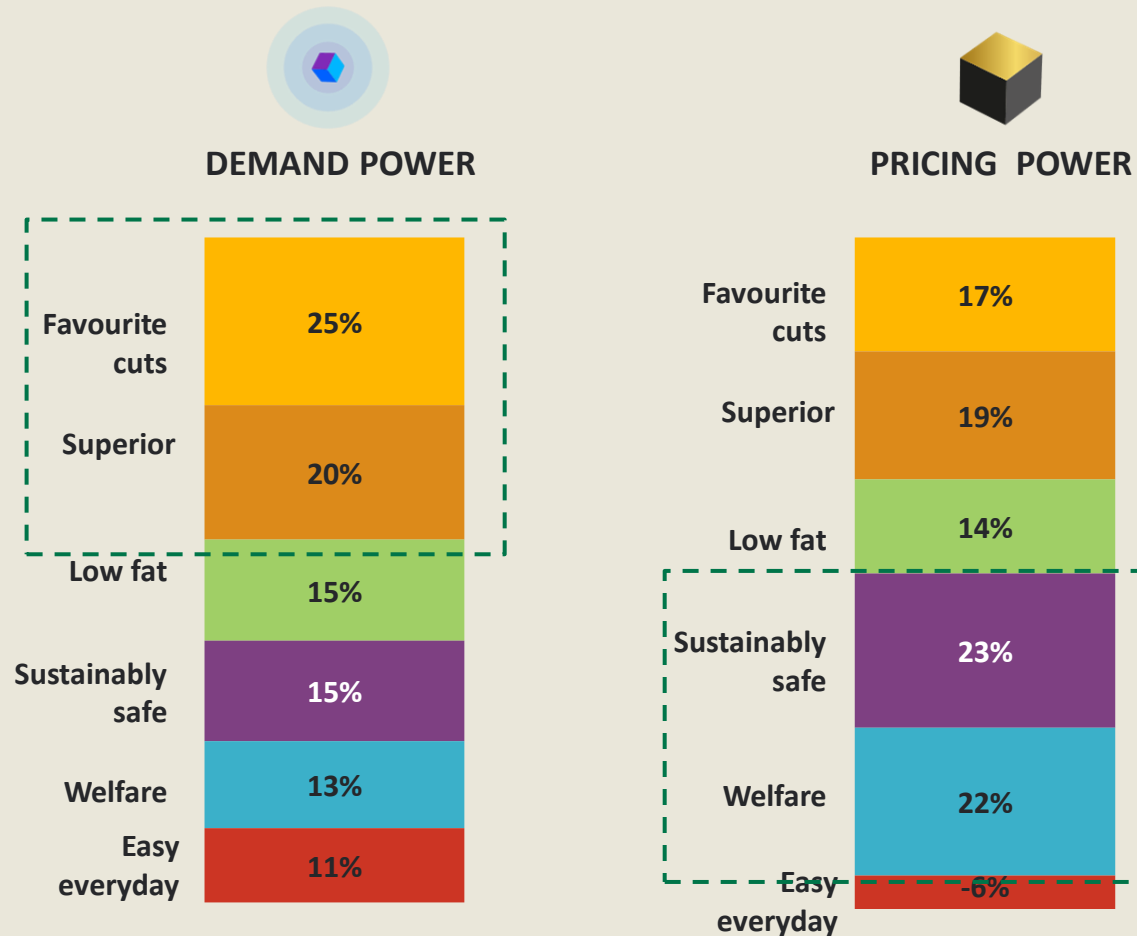
NOTE: GRASS FED LEVEL

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There are separate levers to pull depending on whether we want to strengthen Demand Power or Pricing Power. Strong perceptions on 'Favourite cuts' and 'Superior' are key to strengthening Demand Power while strong perceptions on Welfare & Sustainability will help strengthen Pricing Power.



LAMB- WHAT DRIVES DEMAND POWER AND PRICING POWER



Favourite Cuts
Offers a variety of cuts that suit the meals I make
Is my/my family's favourite lamb

Superior
Consistent quality standards
Is the most superior lamb
The meat is usually tender

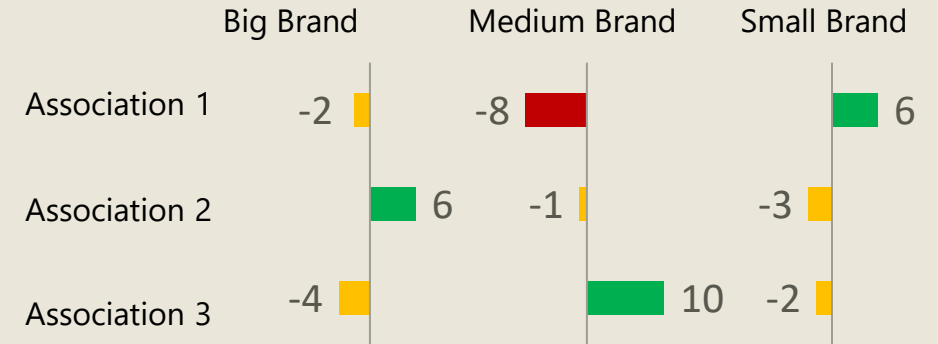
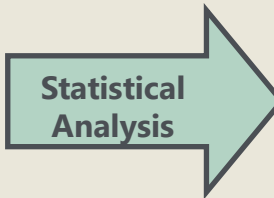
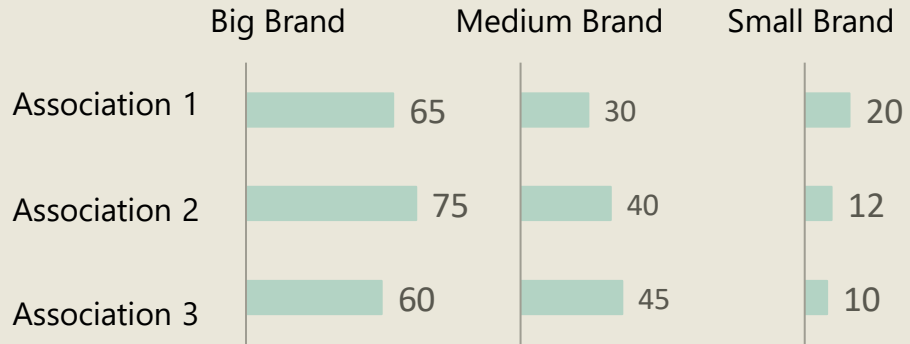
Welfare
The animal is well-cared for

Sustainably Safe
The industry is environmentally sustainable
Guaranteed safe to eat
More nutritious

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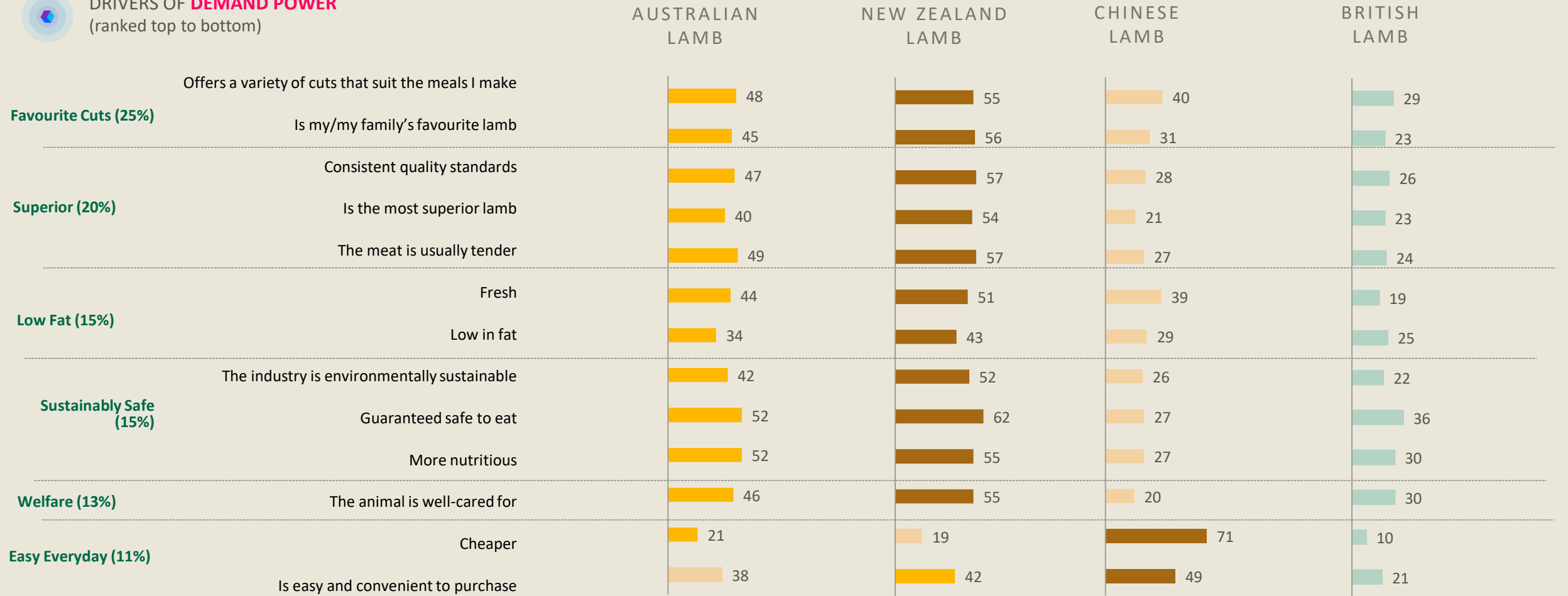
We can then **overlay what drives demand and willingness to pay** to help you pursue what matters most (choice/price driving associations, differentiation/competitive white space)



Australian lamb lags behind New Zealand lamb on associations across key drivers . Chinese lamb is strongly associated with 'Easy Everyday' attributes



DRIVERS OF DEMAND POWER
(ranked top to bottom)



KANTAR

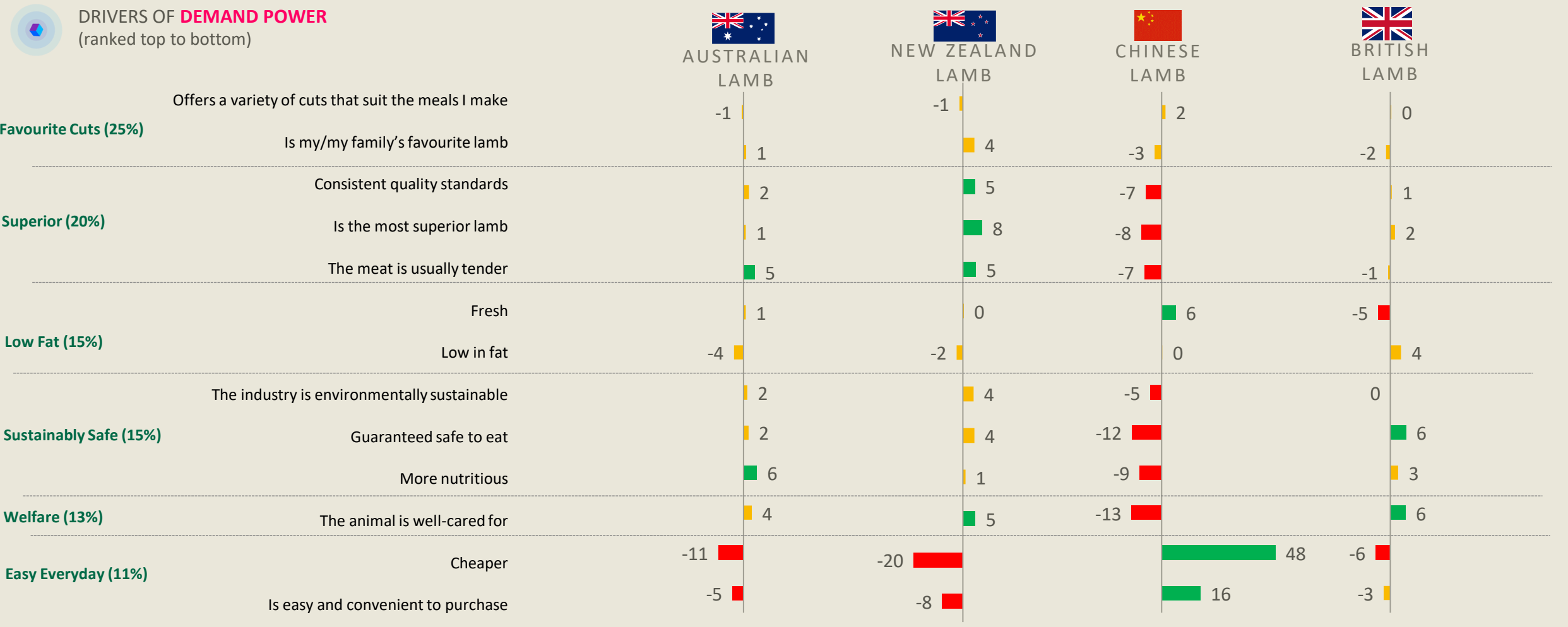
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AU lamb has the opportunity to stand out on key drivers of 'Favourite cuts'. It is also well placed functionally to strengthen associations on attributes related to 'Superior'



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What does AU beef
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target further growth
in Hong Kong?



Building on our existing strengths of 'Nutritious' & 'Tender' and further strengthening perceptions on key drivers of safety, quality and family favourite will help AU lamb strengthen its position in the market.



Top 5 Associations to Grow – Demand Power & Pricing Power

Focussing on these levers can help AU lamb build Demand Power and Pricing Power

1.
Family favourite

A white space with no brand of lamb owning this association

2.
Guaranteed safe to eat

A space owned by British lamb with New Zealand lamb competing closely

3.
Consistent quality standards

A strength for New Zealand with opportunity for AU lamb to compete

4.
More nutritious

A spaced owned by AU lamb and opportunity to continue leveraging this as it is not a strength for any other brand of lamb

5.
Meat is tender

AU lamb and New Zealand lamb outperforms the rest on this association. Opportunity for AU lamb to leverage this along with nutrition

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

Awareness of the True Aussie logo for lamb has increased since 2018. For lamb TA assets strongly communicate trust, nutrition, quality and sustainability and is an important asset to leverage



TRUE AUSSIE- AWARENESS AND PERCEPTION

Aware of Term:
'True Aussie'



Aware of Logo:



2018

2023



2018

2023

Top 5 impressions of
True Aussie logo:

1. I trust the meat
2. Is more nutritious
3. Processed under the highest standards
4. Comes from the perfect place
5. Environmentally sustainable

Summarising Lamb Module

Potential for Lamb in the market

Lamb remains a niche and unfamiliar protein for majority of consumers in Hong Kong, challenged by concerns around not cooking it at home and disliking the taste and smell.

Communication with recipes or different ways of consumption may help boost likelihood to try cooking it at home or at least return it to former levels.

Strengthening position of AU Lamb

NZ lamb currently has stronger equity, trust perceptions and imagery associations compared to AU lamb.

AU lamb is more top of mind it has potential to increase conversion to trial and further to increase usage to elevate performance vis-à-vis NZ lamb.

Building on our existing strengths of 'Nutritious' & 'Tender' and further strengthening perceptions on key drivers of safety, quality and family favourite will help AU lamb strengthen its position in the market.

FINAL THOUGHTS & DISCUSSION



Final thoughts and discussion

1. FOOD SAFETY & QUALITY

Increased focus on health and food safety, makes HK consumers look for high quality and natural products that come from a reliable source.

Australia is well placed to meet these needs by leveraging the narrative of our clean, green and natural rearing environment and consistent quality standards. Important to leverage in our communication in a clear and distinctive way to build differentiation vis-à-vis NZ beef which occupies this positioning currently and is also more trusted.

As a consistent marker for AU Beef, True Aussie can be leveraged to build and sustain trust due to its association with trust, quality, safety, freshness and sustainability.

2. ACTION POINTS FOR AUSTRALIAN BEEF

Australian beef is not the strongest brand among imports in HK. Japanese beef has the highest equity followed by American Beef.

Task at hand for AU beef is to further strengthen equity and differentiate itself vis-à-vis American beef.

Australian beef has an advantage of being more trusted than American beef. It needs to focus on building on its existing strengths of Safe & Tender meat and further strengthening associations of Consistent Quality & Superiority which can help strengthen position in the market.

3. ACTION POINTS FOR AUSTRALIAN LAMB

Similar to Australian beef, key task for Australian lamb is also to differentiate itself vis-à-vis key competition i.e. NZ Lamb and elevate performance.

Australian lamb needs to build on its existing strengths of 'Nutritious' & 'Tender' and further strengthening perceptions on key drivers of safety, quality and family favourite.

Online purchase is more common for Lamb vs. Beef in. Australian lamb needs to also ensure it is well placed from a distribution perspective to improve perceptions of accessibility vis-à-vis competition.

There is potential to expand the category repertoire in HK for lamb. Communication with recipes or different ways of consumption may help boost likelihood to try cooking it at home.

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