2023

# Global Tracker: ***USA***
# *Presentation Deck*

*Brought to you by your Kantar Team:*

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MEAT & LIVESTOCK AUSTRALIA

# **Contents** of today's presentation

# The Central Question

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

# 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* |
| 2023 | ✓ | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | | ✓ | ✓ | | | | | | ✓ | | | *11* |

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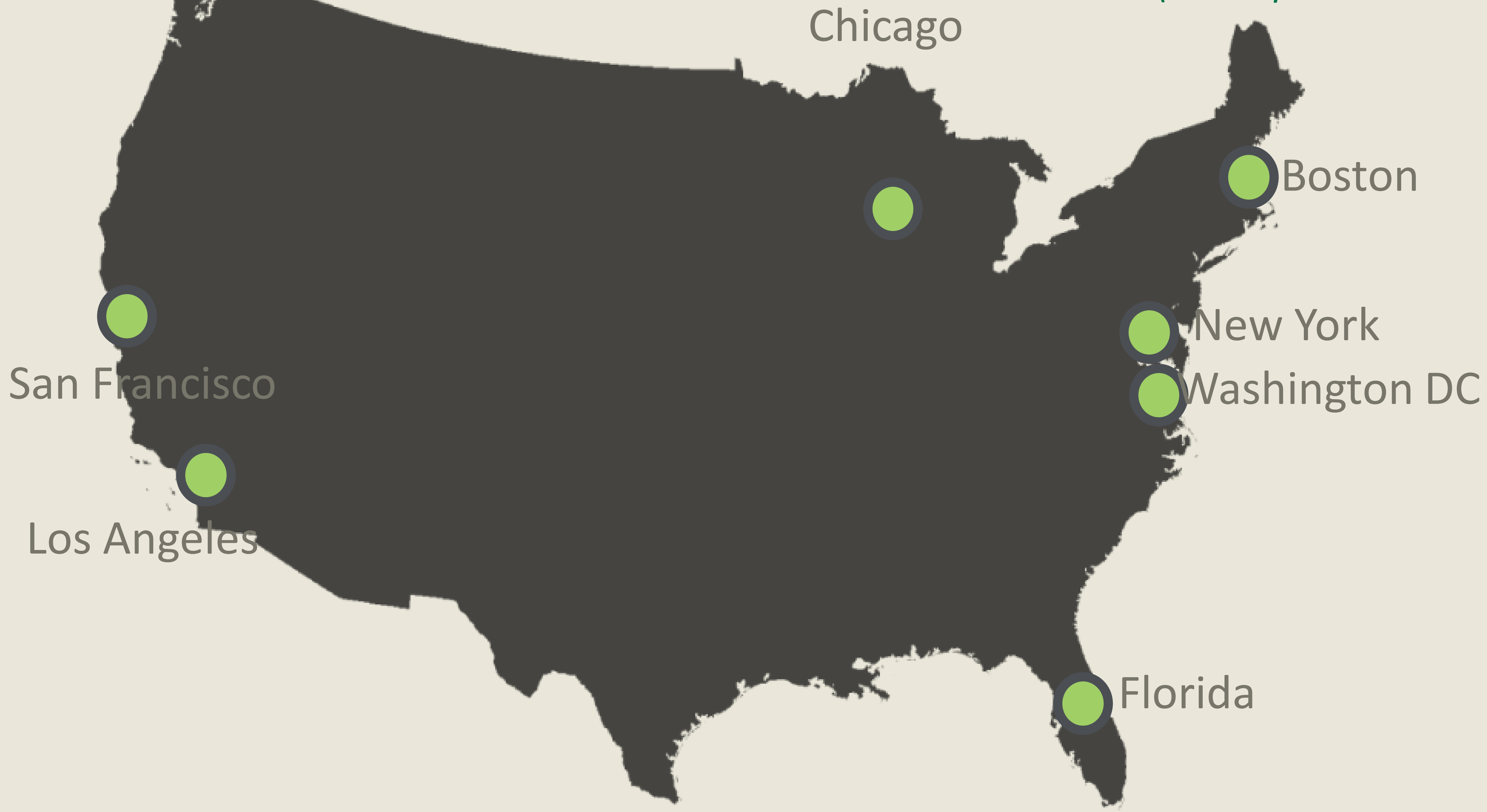
# USA sample – a deliberate Key City and higher income skew (not Nationally Representative).

## DEMOGRAPHICS

**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 2400 consumers***

| DEMOGRAPHICS | | COUNTRY INCIDENCE | SAMPLE STRUCTURE |
|---|---|---|---|
| Gender | Male | 49% | 40% |
| | Female | 51% | 60% |
| Age | 18-34 | - | 35% |
| | 35-49 | - | 35% |
| | 50-64 | - | 30% |
| Cities* | New York City & surrounding area | 7% | 19% |
| | Boston | 0.2% | 14% |
| | San Francisco | 0.3% | 11% |
| | Los Angeles | 1% | 16% |
| | Washington DC | 0.2% | 13% |
| | Florida | 0.2% | 12% |
| | Chicago | 1% | 14% |
| Consumption | Buy Fresh Meat at Least Occasionally | - | 100% |
| MGBs | Main Grocery Buyers | - | 87% |
| Children | Households with Children | - | 41% |
| Income | <$50k | - | 28% |
| | $50k-$90k | - | 27% |
| | $90k+ | - | 44% |

Note: Houston removed in 2020

# MACRO-MARKET CONTEXT

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

## Economic Uncertainty

## Sustainability

## Weighing Up Healthy Choices

Source: Reuters, U.S. consumer spending posts biggest gain in nearly two years; inflation picks up, 2023, NPR Despite high inflation, Americans are spending like crazy — and it's kind of puzzling, 2023

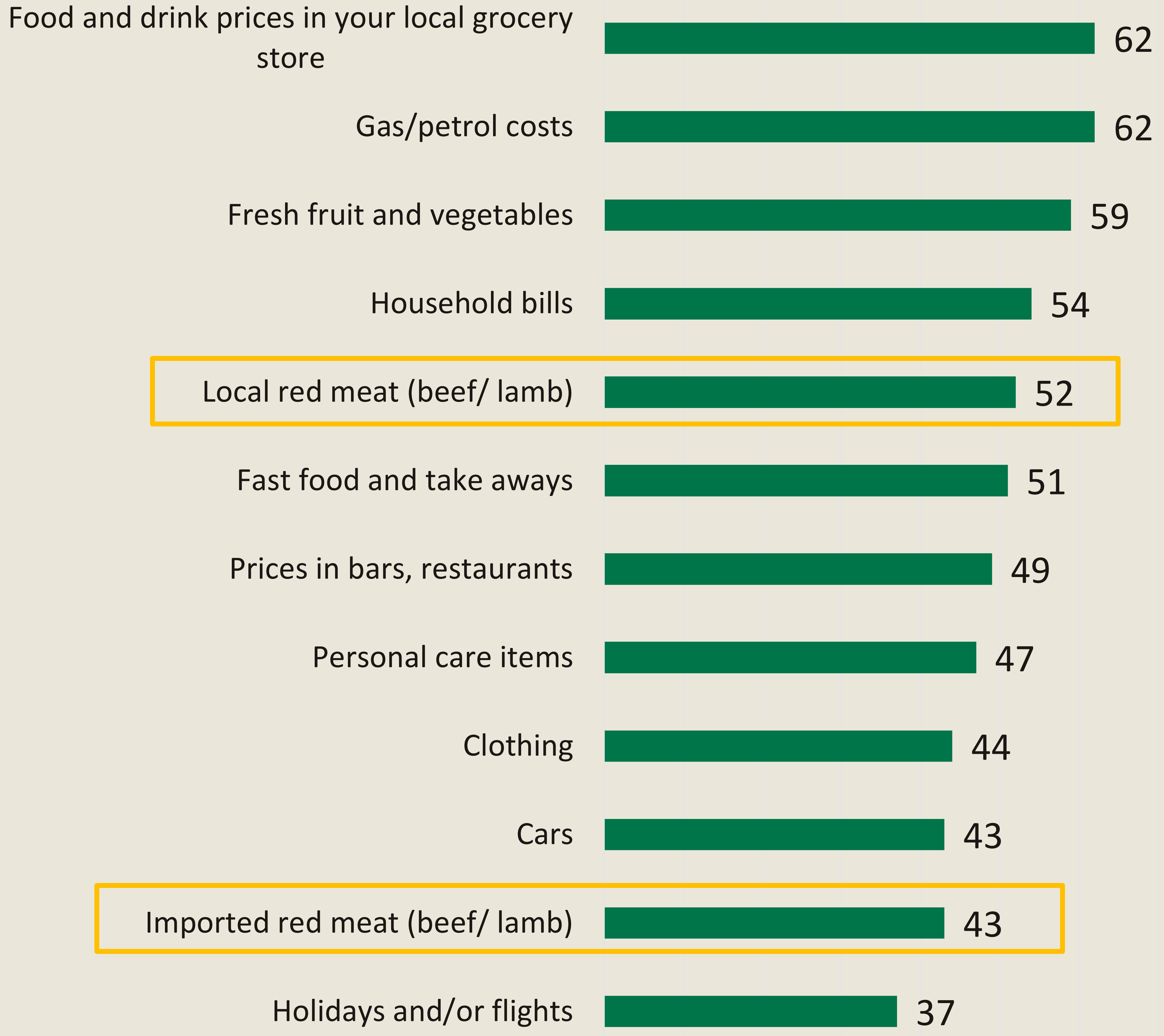
# Higher prices have been more noticeable for local red meat (local herds restocking after the drought) as opposed to imported red meat, but overall red meat has noticed less increase than fresh produce and other food & drinks

## ECONOMIC UNCERTAINITY

### Economic Uncertainty

U.S. **consumer spending increased** the most in nearly two years in January amid a surge in wage gains**, while inflation accelerated,** adding to financial market fears that the Federal Reserve could continue raising interest rates into summer.

## PRODUCTS AFFECTED BY INFLATION



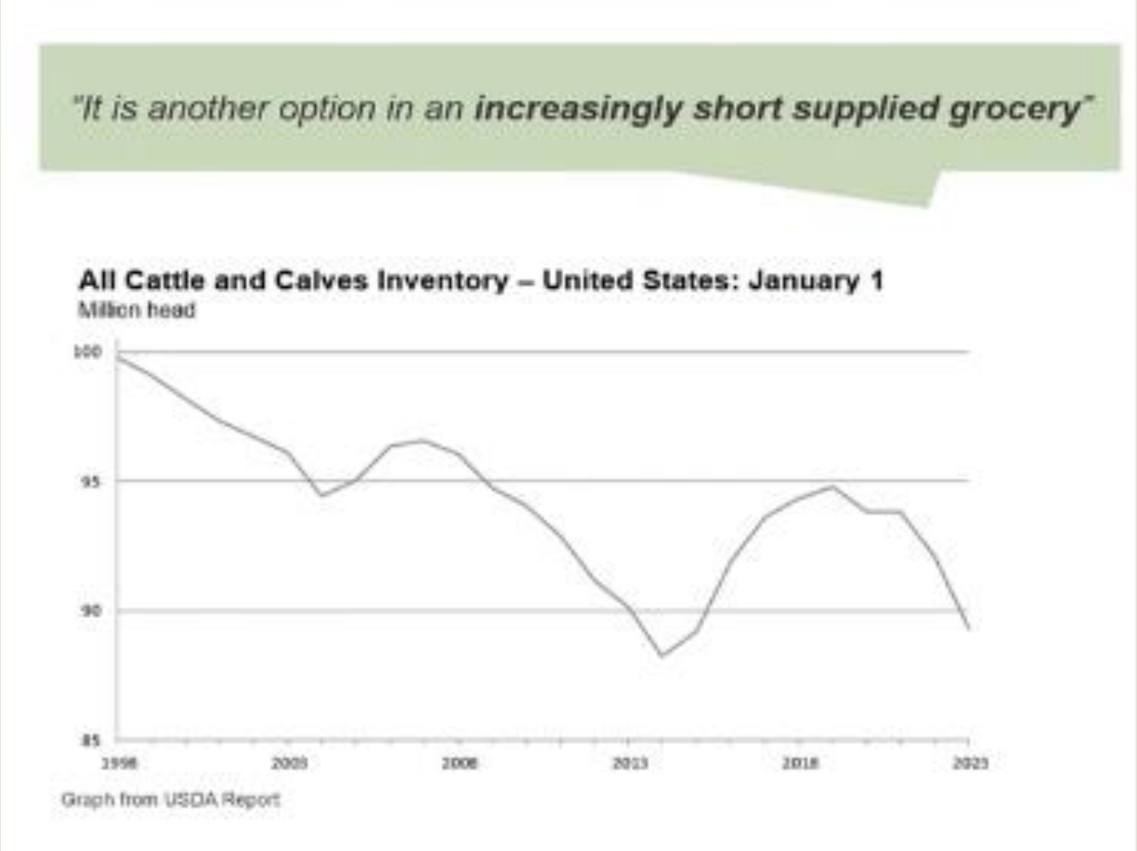

**2023 MEAT SHORTAGE: THE LARGEST BEEF SUPPLY DROP IN 40 YEARS**

By Good Ranchers

February 25th, 2023

The meat industry forecast for 2023 predicts a significant decrease in the supply of beef, leading to higher prices for everyone. **Reports estimate that on average, Americans will eat 5.6% less beef this year due to shortages. If you don't want to eat less meat, then securing your supply now is crucial.** When the supply dropped 4% in 2003, fed-steer prices advanced nearly 25%, similar to the situations in 2011 (a 3.8% decline in supplies led to a 20% price increase) and 2014 (a 3.8% decline contributed to a 23% price jump). **We could be looking at a similar 20% price spike for beef in 2023, which is why you should take advantage of our** Price-Lock Guarantee **today.**

There are several reasons behind the current meat shortage crisis. The closure of meat processing plants due to outbreaks or even potential outbreaks of COVID-19 among workers caused a major slowdown in production, leading to supply chain disruptions. The pandemic has also led to a decrease in the total herd size since farmers were selling cows earlier than they usually would. They did this to take advantage of pandemic prices and probably to stay open in trying times.

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Base: Total (n=2401)
VOL1: Which of these types of products have you noticed higher prices recently?

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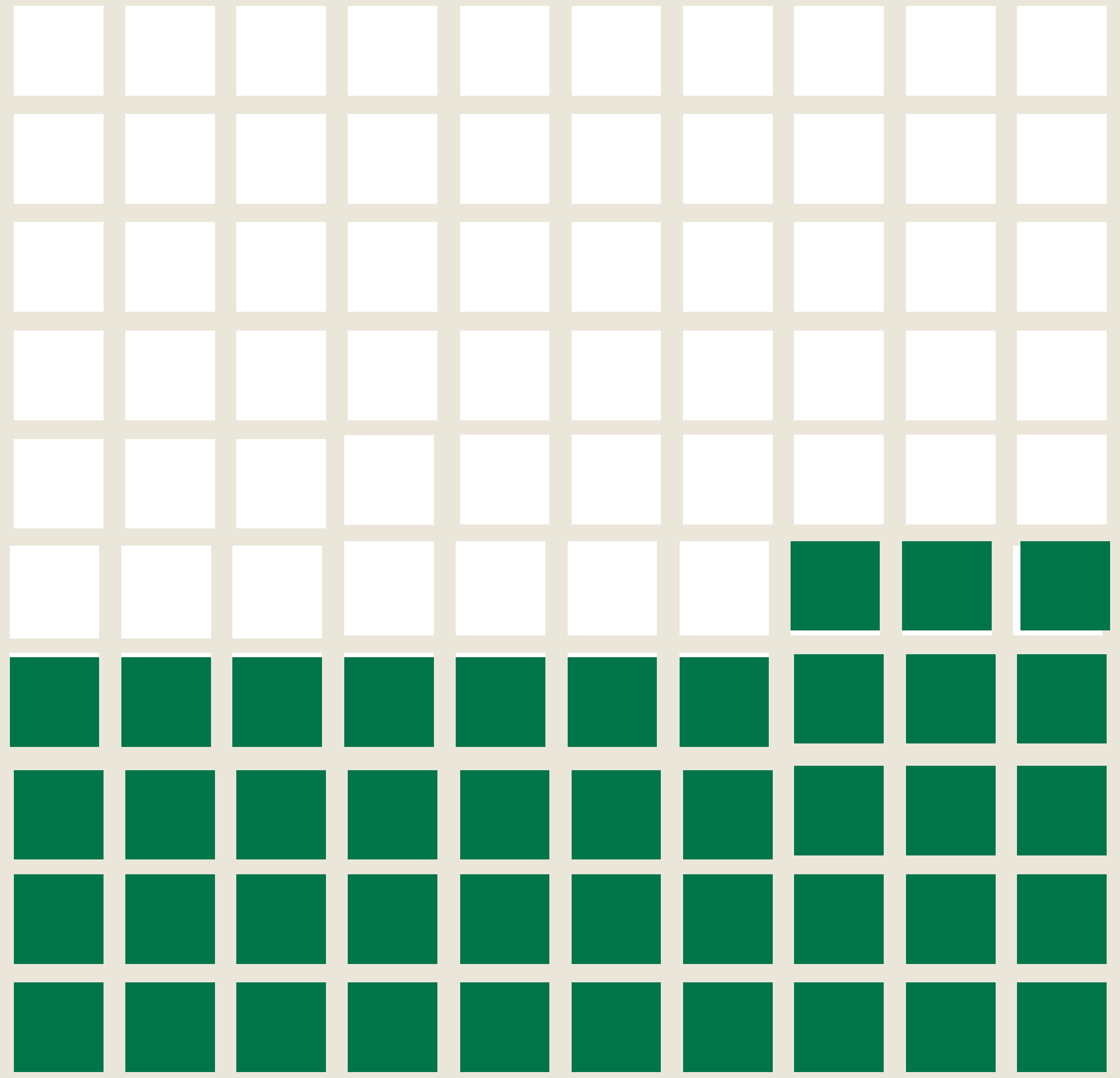
# Amongst the 43% who noticed higher prices for imported red meat, 1 in 3 claim to have not changed their current purchase behaviour.

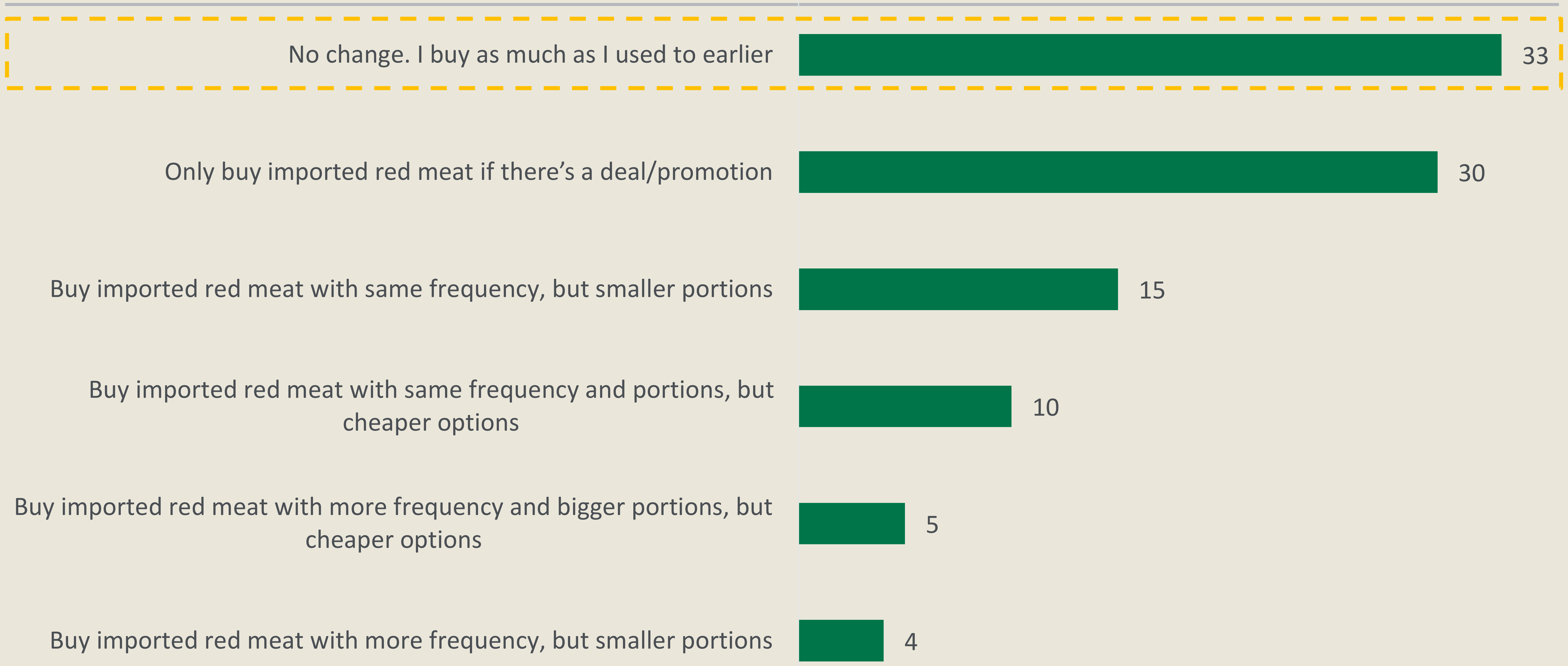
## IMPACT OF INFLATION ON IMPORTED RED MEAT PURCHASE

### People who noticed higher prices for imported meat recently

**43%**



### Changes in purchase behaviour of imported red meat considering higher prices

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Base: Noticed higher prices for imported red meat recently (n=1039)
VOL2: You mentioned you noticed higher prices for imported red meat recently. How has your purchase of imported red meat changed considering the higher prices?

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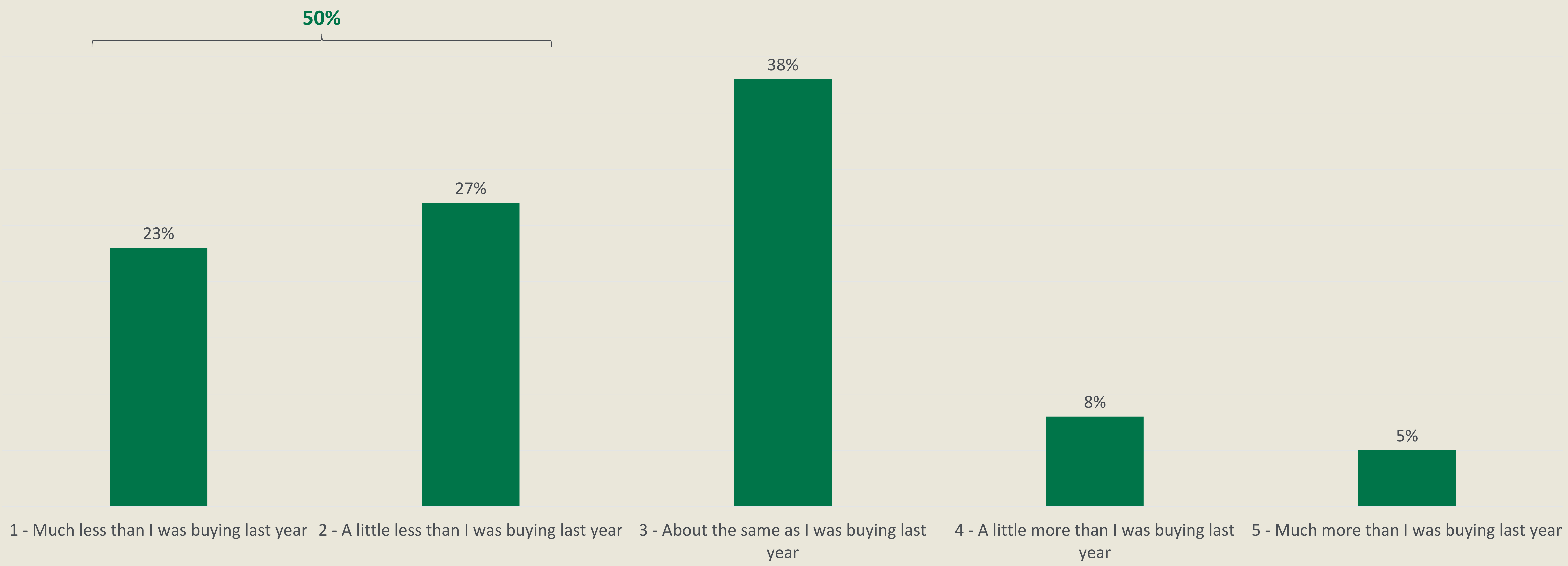
## However, when asked about their future behaviour, 1 in 2 claim that they plan to buy less imported red meat than they currently do.

### IMPACT OF INFLATION ON IMPORTED RED MEAT PURCHASE

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Base: Total (n=2401)
VOL3: Considering the increasing prices for imported red meat, over the next 12 months, how much imported red meat (beef or lamb) do you think you'll be buying? Would you say the amount is…

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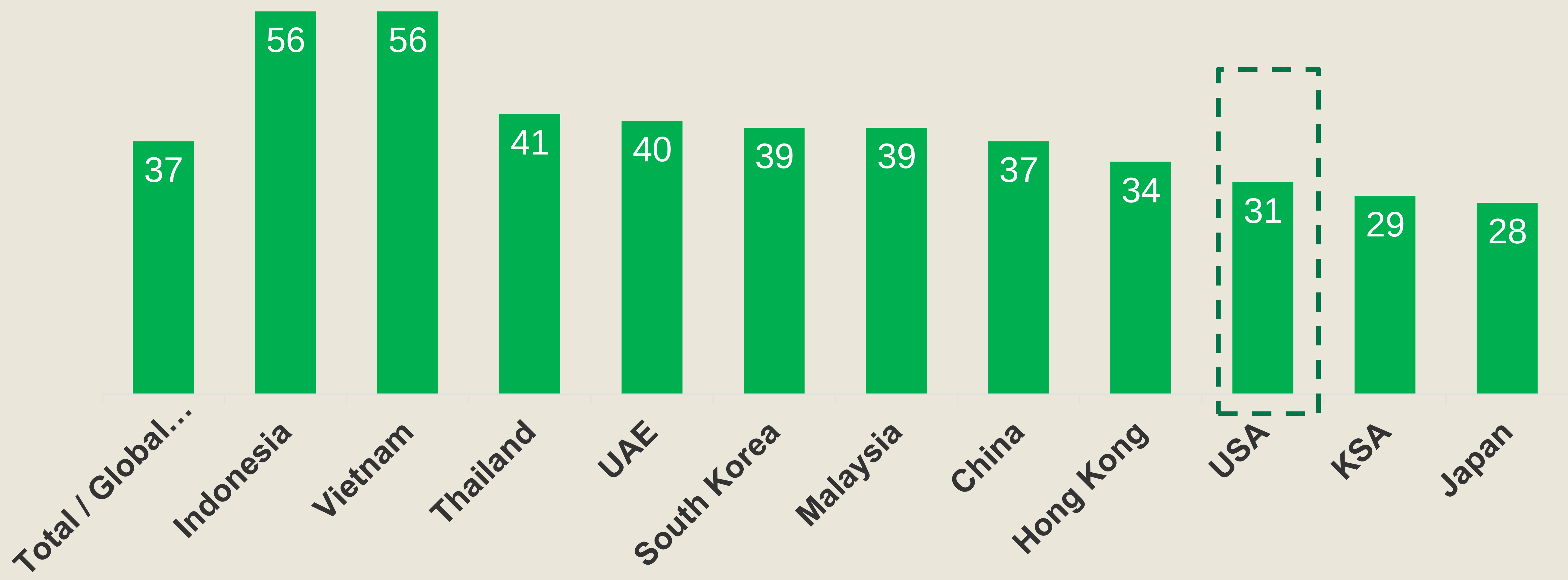
# Looking at sustainability, the US has a smaller number of actives compared to other countries, but a high number of considerers suggesting that consumers are becoming more conscious overall

## SUSTAINABILITY

### Sustainability

US consumers are becoming more environmentally conscious, although they're still behind other countries, when it comes to adopting more sustainable shopping behaviours.

**% OF 'ACTIVE' SUSTAINABLE CONSUMERS IN…**




| | Global Avg. | USA |
|---|---|---|
| Actives | 37 | 31 |
| Considerers | 26 | 29 |
| Believers | 19 | 20 |
| Dismissers | 18 | 20 |

- **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

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Base: Total (2100)
https://www.forrester.com/blogs/the-us-shopper-and-environmental-sustainability-are-consumers-really-eco-conscious/

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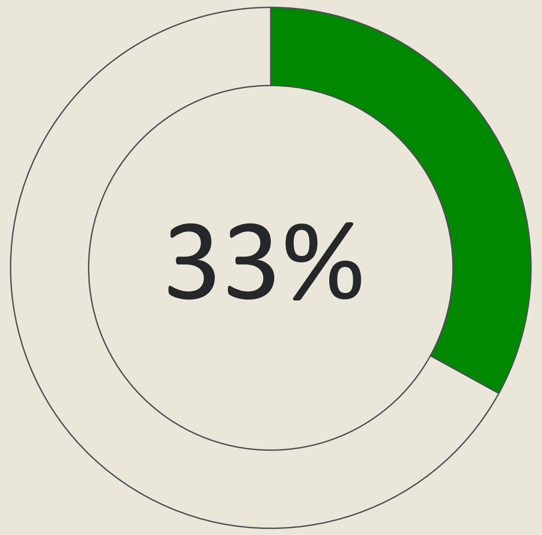
**Fewer Americans claim to be taking more care of themselves at the end of 2022 than the global average. In the MLA GT, we also see USA ranked 3rd last for prioritizing Healthier/Leaner red meats when shopping.**

## WEIGHING UP HEALTHY CHOICES




Of US respondents claim to be taking more care of themselves physically – incl food, exercise, sleep.
(Global average: 40%)

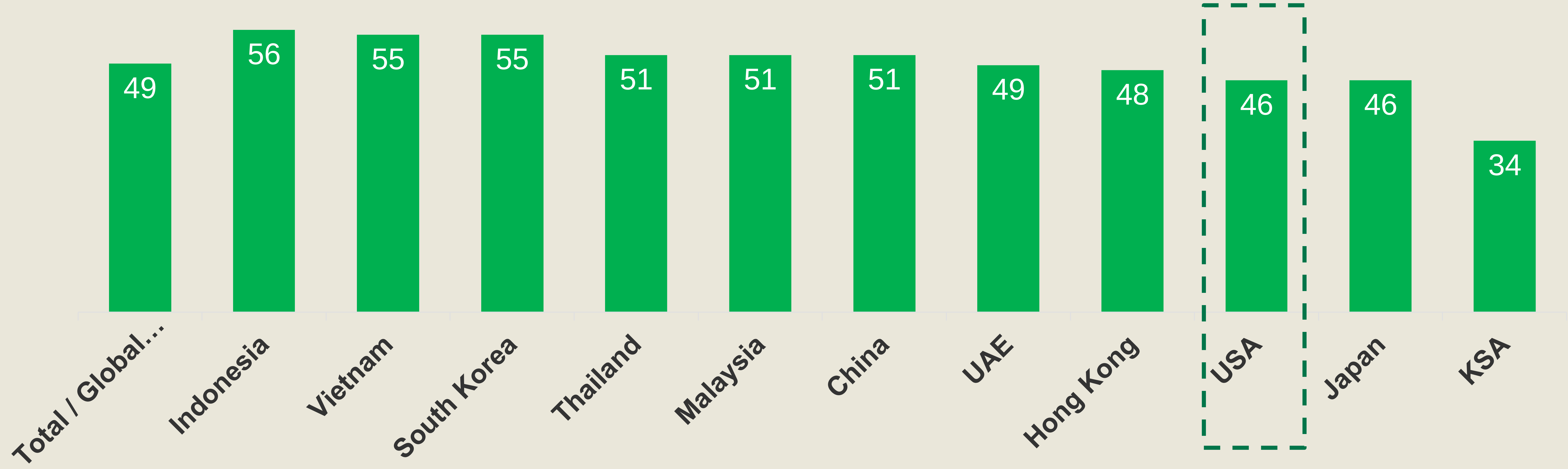
Source: Kantar Global Barometer W4

### Weighing up healthy choices

US shoppers have emerged from Covid-19 pandemic with a more conscious lens on their personal health and well-being, and prioritizing purchases and lifestyles that benefit their health.

However, the number of Americans who are prioritizing health is less than in other countries.

**% OF CONSUMERS RATING 'HEALTHIER/LEANER' AS A TOP 5 PRIORITY WHEN DECIDING ON FRESH RED MEAT**

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Source: Kantar Global Barometer Wave 4: Base: n=800
Base: Total (2400)

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# PROTEIN LANDSCAPE

# A reminder, we know that there are consistent themes when it comes to what different proteins stand for across all of our markets. Beef is the ‘Superior’ protein.



## 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 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 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 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*



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.

# Proteins have even clearer roles to play in the US. Beef owns most attributes compared to other proteins and is clearly the superior, premium and favourite option while Chicken is the easy everyday protein

## PROTEIN PERCEPTIONS - USA

### Beef
**Superior, tasty, tender**

**Strengths** *vs others*
- ★ ☆ Is the superior meat
- ★ ☆ Is my/ my family's favourite meat
- Tender
- ☆ Is easy and convenient to purchase & prepare
- Delicious
- Willing to pay more

**Weaknesses** *vs others*
- Not low in fat
- ★ Not cheaper
- Not nutritious
- Industry not environ. sustainable
- Not fresh

### Lamb
**Worth it, cared for, tender**

**Strengths** *vs others*
- ★ ☆ Willing to pay more
- The animal is well-cared for
- The meat is usually tender
- Is the superior meat

**Weaknesses** *vs others*
- Not easy and convenient to purchase or prepare
- Not versatile
- Is not essential for growing kids

### Chicken
**Cheaper, convenient, essential for kids**

**Strengths** *vs. others*
- Cheaper
- Versatile
- Easy and convenient
- Is essential for kids
- ★ ☆ Favourite meal

**Weaknesses** *vs. others*
- Not willing to pay more
- Not the most superior meat
- Animal not well-cared for
- Not fresh
- Industry not environ. sustainable
- Not guaranteed safe to eat
- Not nutritious
- Not consistent in quality standards

### Pork
**Convenient, cheaper, versatile**

**Strengths** *vs. others*
- Cheaper
- Can be used in many different meals
- Easy and convenient to purchase & prepare

**Weaknesses** *vs. others*
- Not Nutritious
- Not low in fat

### Fish
**Low fat, nutritious, essential for kids**

**Strengths** *vs. others*
- Is fresh
- Low fat
- Nutritious
- An essential part of a healthy diet for a growing child

**Weaknesses** *vs. others*
- Animal is not well cared for
- Not versatile
- Not cheap
- No consistent quality standards
- Not guaranteed safe to eat

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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*

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# Consumption is broadly stable across all proteins except for “Other seafood” which shows higher consumption in last 1 month. Beef and Lamb becoming more top of mind for consumers.

## KEY PROTEIN METRICS

### SPONTANEOUS AWARENESS

| | Top of Mind | Total Awareness | '22 | '21 | '20 |
|---|---|---|---|---|---|
| Beef | 44% | 77%▲ | 74 | 69 | 72 |
| Chicken | 19% | 64% | 62 | 55 | 61 |
| Pork | 9% | 58% | 56 | 52 | 55 |
| Lamb/Mutton | 2% | 26%▲ | 22 | 22 | 21 |
| Turkey | 1% | 6% | 24 | 24 | 24 |
| Goat | 1% | 6% | 4 | 4 | 4 |

Top of Mind

Total Awareness

### BOUGHT IN LAST MONTH

| | | '22 | '21 | '20 |
|---|---|---|---|---|
| Beef | 84% | 86 | 84 | 83 |
| Chicken | 90% | 91 | 91 | 91 |
| Pork | 47% | 47 | 50 | 52 |
| Turkey | 45% | 45 | 43 | 43 |
| Lamb | 20% | 19 | 21 | 17 |
| Goat | 10% | 9 | 10 | 6 |
| Fish | 62% | 64 | 62 | 62 |
| Other seafood | 30%▲ | 27 | 28 | 28 |

### AVERAGE SERVES LAST 7 DAYS

| | | '22 | '21 | '20 |
|---|---|---|---|---|
| Beef | 2 | 2.1 | 2.1 | 2 |
| Chicken | 2.6 | 2.6 | 2.6 | 2.5 |
| Pork | 1.3 | 1.3 | 1.4 | 1.3 |
| Turkey | 1.1 | 1.2 | 1.2 | 1.1 |
| Lamb | 0.8 | 0.8 | 0.9 | 0.7 |
| Goat | 0.6 | 0.7 | 0.7 | 0.5 |
| Fish | 1.5 | 1.6 | 1.6 | 1.4 |
| Other seafood | 1.1 | 1.1 | 1.1 | 1 |

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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: ‘23 (n=2401), '22 (n=2401), '21 (n=2402), '20 (n=2400)

▲▼ *Sig. different at 95%*

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# Grass fed beef continues to be the most consumed followed by Regular or conventional beef. While organic beef has high awareness, consumption is lower and has also dropped back to 2021 levels

## AWARENESS AND PURCHASE OF DIFFERENT TYPES OF BEEF

### AWARENESS OF TYPES OF BEEF (%)

| | | '22 | '21 | '20 |
|---|---|---|---|---|
| Grass fed beef | 73 | 74 | 72 | 75 |
| Organic beef | 63 | 65 | 62 | 68 |
| Regular or conventional beef | 58 ▼ | 63 | 60 | 64 |
| Hormone-free beef | 42 ▼ | 46 | 45 | 49 |
| Non-GMO beef | 41 | 41 | 42 | 44 |
| Grain fed beef | 40 | 40 | 42 | 44 |
| Corn fed beef | 29 | 31 | 31 | 34 |
| ABF (Anti-biotic free) beef | 26 | 27 | 28 | 31 |
| High marble score beef | 23 | 22 | 23 | 23 |
| None of these | 3 ▲ | 2 | 2 | 2 |

### BEEF BOUGHT IN THE PAST (%)

| | | '22 | '21 | '20 |
|---|---|---|---|---|
| Grass fed beef | 55 | 55 | 54 | 54 |
| Regular or conventional beef | 50 | 52 | 50 | 54 |
| Organic beef | 36 ▼ | 40 | 36 | 37 |
| Hormone-free beef | 20 | 22 | 21 | 21 |
| Non-GMO beef | 18 | 20 | 21 | 20 |
| Grain fed beef | 17 | 18 | 18 | 18 |
| ABF (Anti-biotic free) beef | 12 | 13 | 13 | 14 |
| Corn fed beef | 10 | 11 | 12 | 11 |
| High marble score beef | 10 | 9 | 9 | 8 |
| None of these | 4 | 3 | 4 | 4 |

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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 '23 (n=2381), '22 (n=2371), '21 (n=2374), '20 (n=2369)

▲▼ *Sig. different at 95%*

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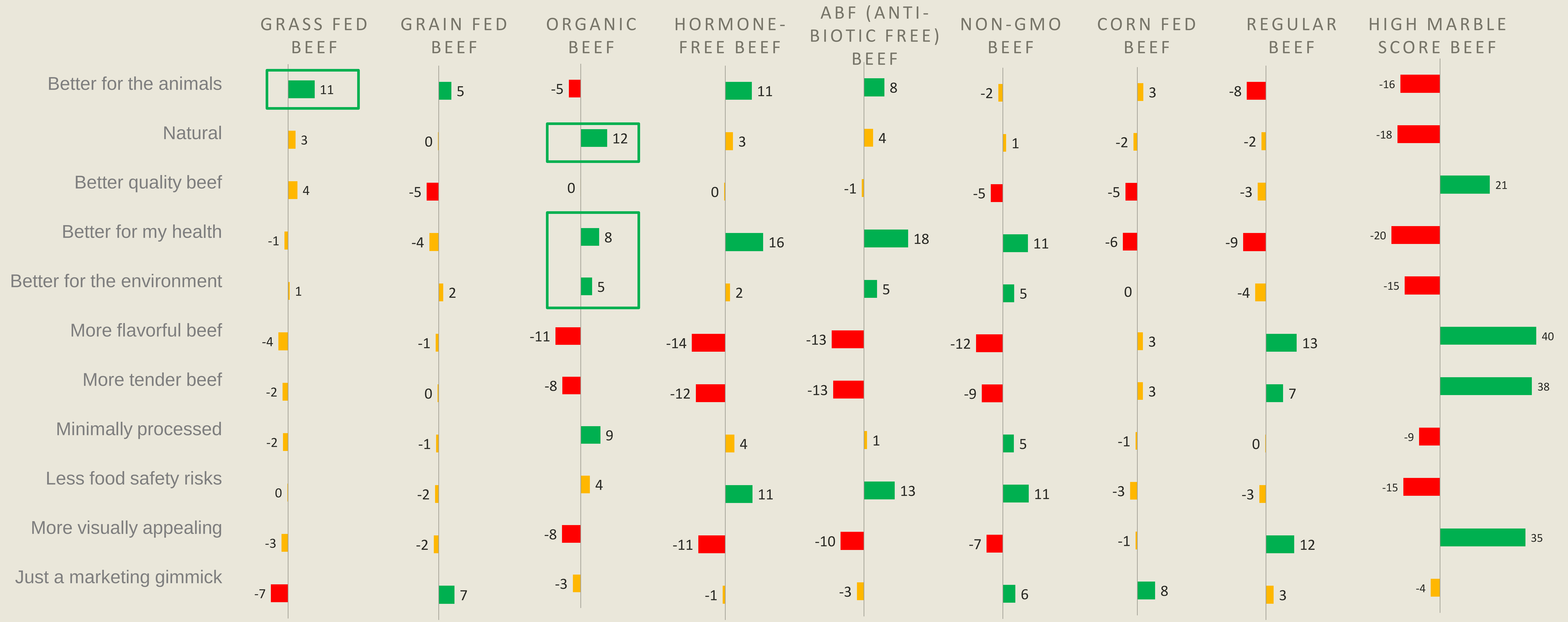
# ‘Better for the animals’ is the only strength for Grass fed beef. In most other markets, it has strong perceptions of being natural and better for health. A potential opportunity to strengthening and gain these perceptions in the US.

## PERCEPTIONS OF DIFFERENT TYPES OF BEEF

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+5 or more = relative category strength

-5 or less = relative category weakness.

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

Base: Grass Fed Beef (n=1735), Grain Fed Beef (n=954), Organic Beef (n=1510), Hormone-Free Beef (n=1011),Abf (Anti-Biotic Free) Beef (n=623), Non-Gmo Beef (n=967), Corn Fed Beef (n=695), Regular Beef (n=1391),High Marble Score Beef (n=539)

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# Supermarkets continue to be the most popular channel of purchase for both Beef and Lamb. Lamb seems to be purchased more from other channels than Beef , even Online.

## PLACES OF PURCHASE- BEEF AND LAMB

### ALL BEEF PLACES OF PURCHASE

NET: Once per month or more

| | '20 % | '21 % | '22 % | '23 % |
|---|---|---|---|---|
| Supermarket | 85 | 85 | 87 | 88 |
| Butcher | 31 | 35 ▲ | 34 | 37 |
| Warehouse club | 33 | 30 | 31 | 33 |
| Direct from farm/farmer's market | 16 | 16 | 18 | 20 |
| Convenience store | 17 | 19 | 19 | 22 |
| Online Retailer | 16 | 19 ▲ | 16 ▼ | 20 ▲ |
| Somewhere else | 15 | 16 | 15 | 17 |

### ALL LAMB PLACES OF PURCHASE

NET: Once per month or more

| | '20 % | '21 % | '22 % | '23 % |
|---|---|---|---|---|
| Supermarket | 76 | 82 ▲ | 79 | 78 |
| Butcher | 58 | 69 ▲ | 65 | 64 |
| Direct from farm/farmer's market | 42 | 55 ▲ | 53 | 50 |
| Warehouse Club | 52 | 60 ▲ | 55 ▼ | 55 |
| Convenience store | 42 | 54 ▲ | 53 | 49 |
| Online Retailer | 41 | 55 ▲ | 51 | 48 |
| Somewhere else | 37 | 48 ▲ | 46 | 44 |

QR3A. How often have you bought beef from each of these locations in the last six months? Base: '23 (n=1398), '22 (n=1393), '21 (n=1319), '20 (n=1485)

▲▼ *Sig. different at 95%*

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# Protein landscape in the USA

## Red meat marries superiority & accessibility

Proteins have clearly defined roles in the US. Beef combines accessibility with superiority and taste making it the prime choice in the household protein repertoire.  Chicken plays the easy everyday role. Fish has the strongest health- related credentials

## Grass fed beef most consumed

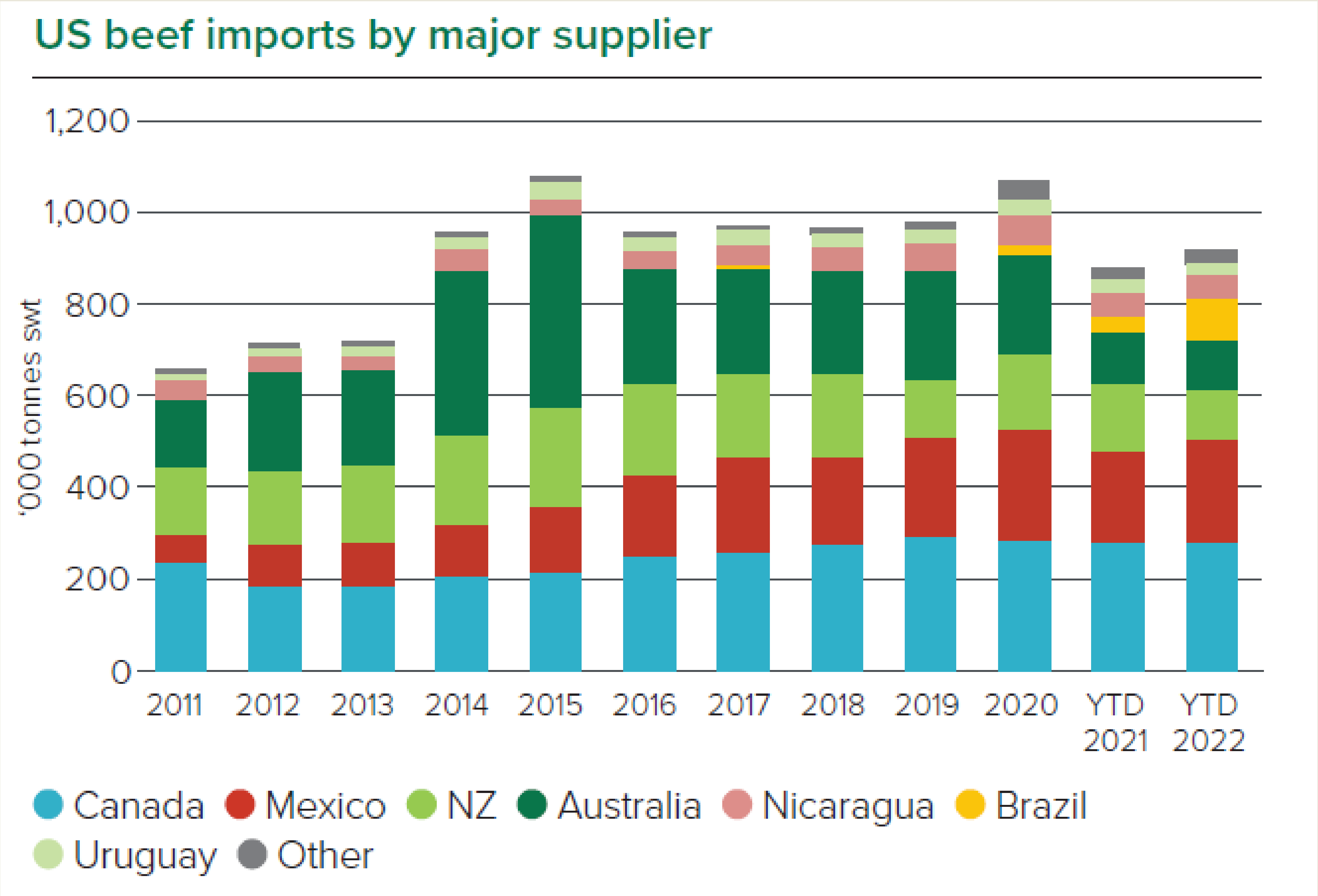
Grass fed beef has strong perceptions of being Better for the animals. In most other markets, it has strong perceptions of being natural and better for health. An opportunity for Australian beef to strengthen and grow these perceptions in the US.

# BEEF
# COUNTRY OF ORIGIN

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

# As most Australian beef entering the market is grassfed, the key competitors are New Zealand, and increasingly the growing mobilisation of local US grassfed beef production.

## BEEF IMPORTS- MLA DATA

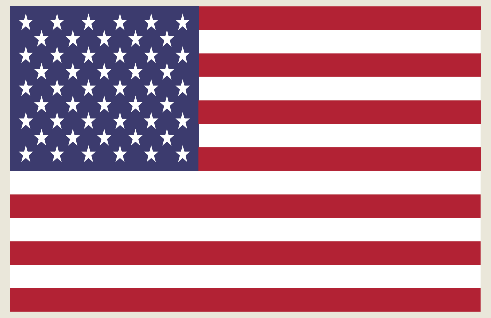



- The main competitors in the US market are US domestic beef and imported beef from Canada and Mexico.
- As most of the Australian beef entering the market is grassfed beef, the key competitors are New Zealand, and increasingly the growing mobilisation of local US grassfed beef production.
- Other smaller suppliers include Brazil, Uruguay and Nicaragua, which have access to smaller quotas.
- Australia maintains its preferred access status to the US, only behind United States-Mexico-Canada Agreement (USMCA) partners (Canada and Mexico – with no quota restrictions).

# The brand list was consistent with 2022

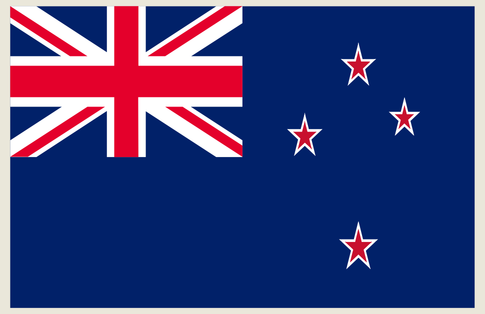
## BEEF BRANDS TRACKED IN 2023

Local Grass fed beef



Australian Grass fed beef

New Zealand Grass fed beef



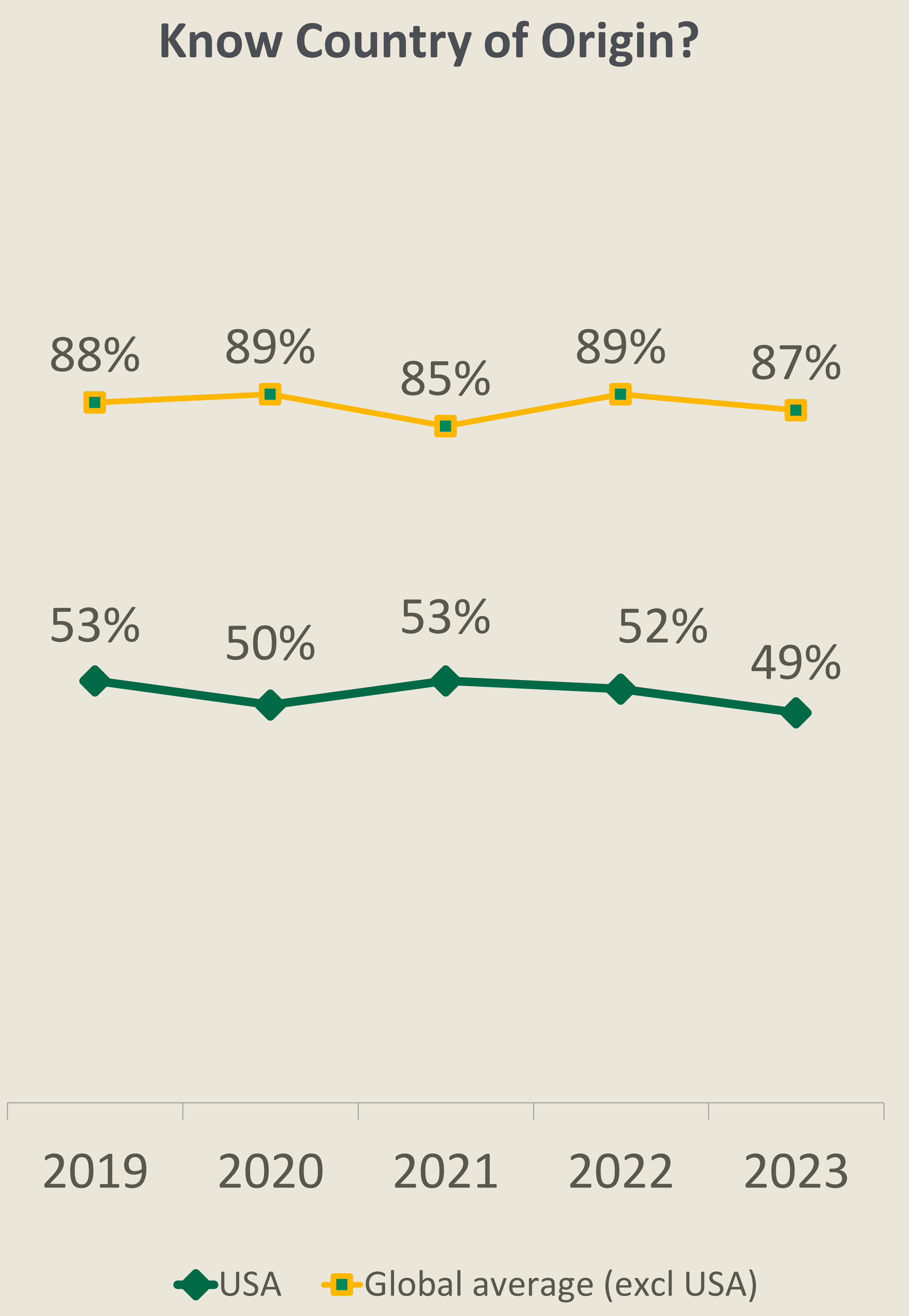
Uruguayan Grass fed  beef

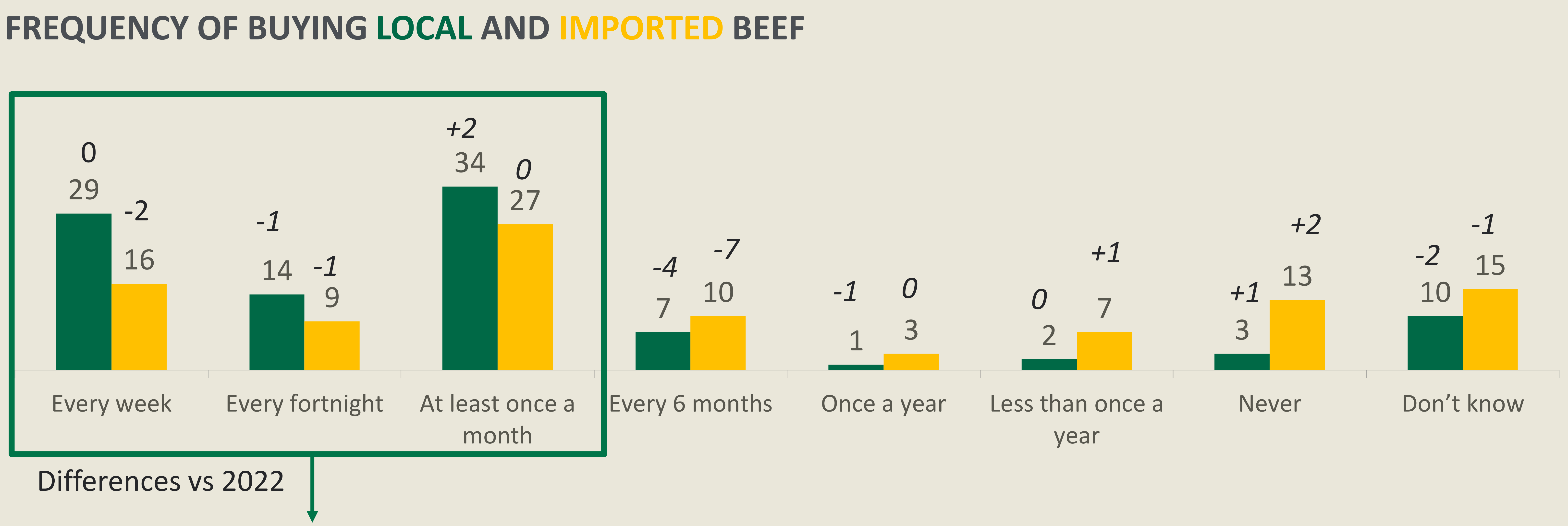
Canadian Grass fed beef

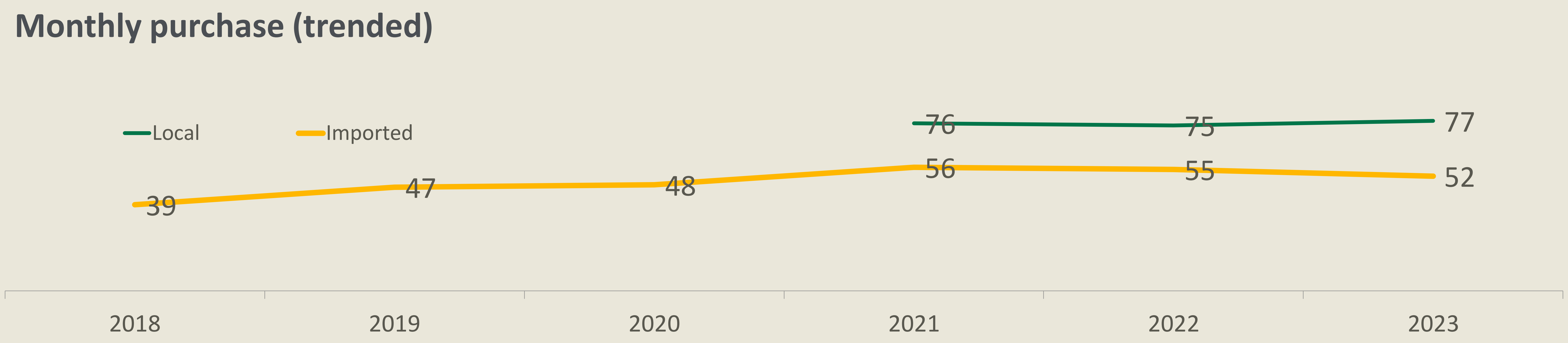
Mexican Grass fed beef

Irish Grass fed beef

# COO knowledge remains steady and lower vs other key markets measured.
# Claimed monthly purchase of imported beef is stable and that of local beef continues to be higher




NOTE: GRASS-FED BEEF LEVEL

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(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%*

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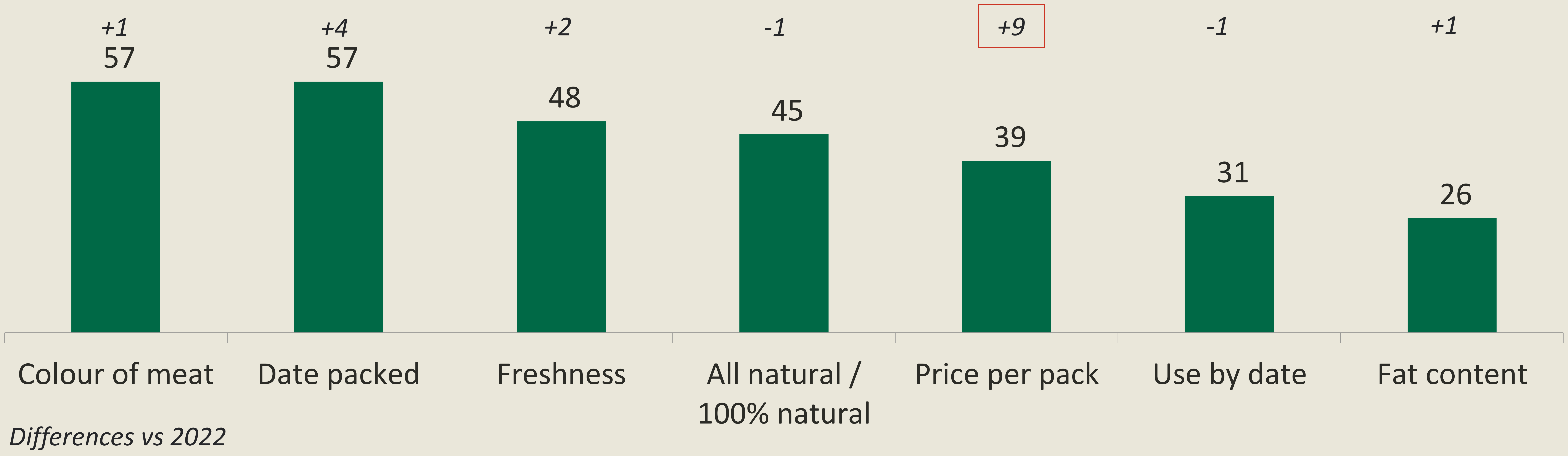
## In line with current inflationary pressures, we see a significant increase in ‘price per pack’ being looked at. Unsurprisingly COO/provenance continue to rank lower in the US vs other markets given labelling challenges.

# TOP ‘ON PACK’ CUES SOUGHT WHILE BUYING BEEF

Country of Origin: **12% (#15)** (#5 globally)
Provenance: **9% (#18)** (#6 globally)




| | Colour of meat | Date packed | Freshness | All natural / 100% natural | Price per pack | Use by date | Fat content |
|---|---|---|---|---|---|---|---|
| Global average 2023 | **53%** | **45%** | **48%** | **35%** | **30%** | **26%** | **21%** |
| Ranking | **#1** | **#3** | **#2** | **#4** | **#7** | **#8** | **#11** |



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=1398)

# Local Beef continues to lead on Salience as well as consumption. AU beef remains stable and with the challenging COO labelling context, the job to be done remains growing awareness and usage for Aussie Grass Fed Beef.

## BRAND HEALTH FUNNELS – BY COUNTRY OF ORIGIN

| | AUSTRALIAN GRASS FED BEEF % | '22 | '21 | '20 | LOCAL GRASS FED BEEF % | '22 | '21 | '20 | NEW ZEALAND GRASS FED BEEF % | '22 | '21 | '20 | CANADIAN GRASS FED BEEF % | '22 | '21 | '20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Spontaneous awareness | 11 | 9 | **11** | 8 | 61 | 60 | 57 | 58 | 6 | 6 | **7** | 4 | 9▼ | 12 | 10 | 9 |
| Total Awareness | 32 | 33 | **33** | 28 | 67 | **64** | 60 | 59 | 31 | 31 | **32** | 27 | 29 | 29 | 27 | 26 |
| Ever Eaten | 17 | 17 | **18** | 14 | 56 | **55** | 51 | 49 | 16 | 15 | **15** | 12 | 18 | 16 | **17** | 14 |
| Eat P12M | 11 | 11 | 12 | 10 | 50 | 49 | 46 | 44 | 10 | 9 | 10 | 8 | 12 | 11 | 12 | 10 |
| Eat P3M | 8 | 8 | 9 | 7 | 43 | 40 | 38 | 35 | 7 | 6 | **7** | 5 | 9 | 8 | **8** | 6 |
| Past Month | 6 | 6 | **7** | 5 | 36 | 34 | **32** | 28 | 5 | 5 | **6** | 4 | 7 | 7 | **7** | 4 |
| Most Often | 2 | 3 | 3 | 3 | 32 | 31 | 29 | 27 | 3 | 2 | 2 | 2 | 2 | 3 | **3** | 1 |

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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: '23 (n=1324), '22 (n=1343), '21 (n=1323), '20 (n=1362) – Bought beef in past month or ever buy beef

▲▼ *Sig. different at 95%*

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# In 2023 there is little change YoY across brand health measures for Uruguayan, Mexican and Irish beef. Similar to Canadian GF beef, Mexican GF beef has weaker brand health despite high share,  signalling weaker pre disposition

## BRAND HEALTH FUNNELS – BY COUNTRY OF ORIGIN

URUGUAYAN GRASS FED BEEF

| | % | '22 | '21 | '20 |
|---|---|---|---|---|
| Spontaneous awareness | 1 | **1** | **2** | 1 |
| Total Awareness | 11 | 11 | **13** | 10 |
| Ever Eaten | 6 | 7 | **9** | 5 |
| Eat P12M | 4 | **5** | **7** | 4 |
| Eat P3M | 3 | **3** | **5** | 2 |
| Past Month | 3 | 3 | **4** | 2 |
| Most Often | 1 | **1** | **2** | 1 |

MEXICAN GRASS FED BEEF

| | % | '22 | '21 | '20 |
|---|---|---|---|---|
| Spontaneous awareness | 10 | 10 | 9 | 7 |
| Total Awareness | 22 | 22 | **22** | 16 |
| Ever Eaten | 15 | 16 | **14** | 10 |
| Eat P12M | 11 | 12 | **11** | 7 |
| Eat P3M | 9 | 9 | **8** | 6 |
| Past Month | 8 | 8 | **7** | 4 |
| Most Often | 4 | 4 | 3 | 2 |

IRISH GRASS FED BEEF

| | % | '22 | '21 | '20 |
|---|---|---|---|---|
| Spontaneous awareness | 3 | 3 | **2** | 1 |
| Total Awareness | 20 | 19 | **17** | 13 |
| Ever Eaten | 10 | 10 | **10** | 7 |
| Eat P12M | 6 | 6 | **6** | 4 |
| Eat P3M | 4 | 4 | **4** | 2 |
| Past Month | 4 | 3 | 3 | 2 |
| Most Often | 1 | 1 | 1 | 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

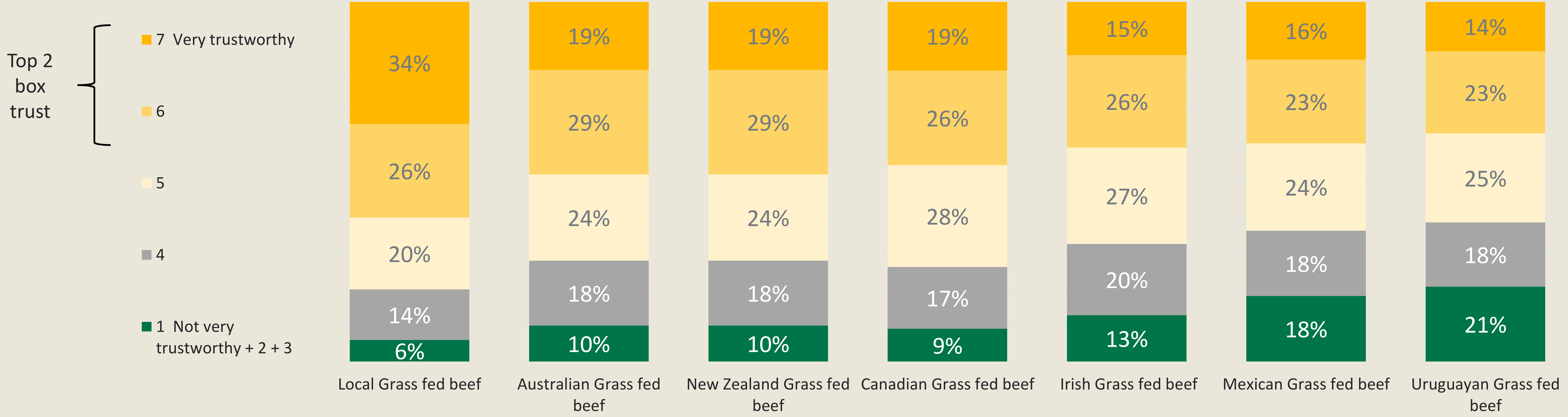
Base: '23 (n=1324), '22 (n=1343), '21 (n=1323), '20 (n=1362) – Bought beef in past month or ever buy beef

▲▼ *Sig. different at 95%*

# Across the board, ‘Trust’ in grass fed beef eroded vs. 2022. Local product has a significantly higher level of trust. Most imported COOs have similar levels of trust to each other although AU and NZ are ahead of the others

## TRUSTWORTHY – BY COUNTRY OF ORIGIN

| Top 2 Box (vs. 22) | 60% (-3%) | 48% (-9%) | 48% (-8%) | 45% (-9%) | 41% (-11%) | 39% (-12%) | 37% (-11%) |
|---|---|---|---|---|---|---|---|

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BTR2B. How trustworthy is the imported beef from these countries – 7 point scale

Base: Local Grass fed beef (883) Australian Grass fed beef (426), New Zealand Grass fed beef (415), Uruguayan Grass fed beef (151), Mexican Grass fed beef (296), Canadian Grass fed beef (386),

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# WHAT NEXT FOR AU BEEF IN THE USA?

# 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 **5× 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

# Local Beef maintains the strongest equity and ability to command a premium. NZ and AU Beef both sit in the Premium space and given the challenge of building distinctive brand equity, premium price point is not supported by equity

## BEEF DEMAND POWER VS PRICING POWER – BY COUNTRY OF ORIGIN

**Not worth it**

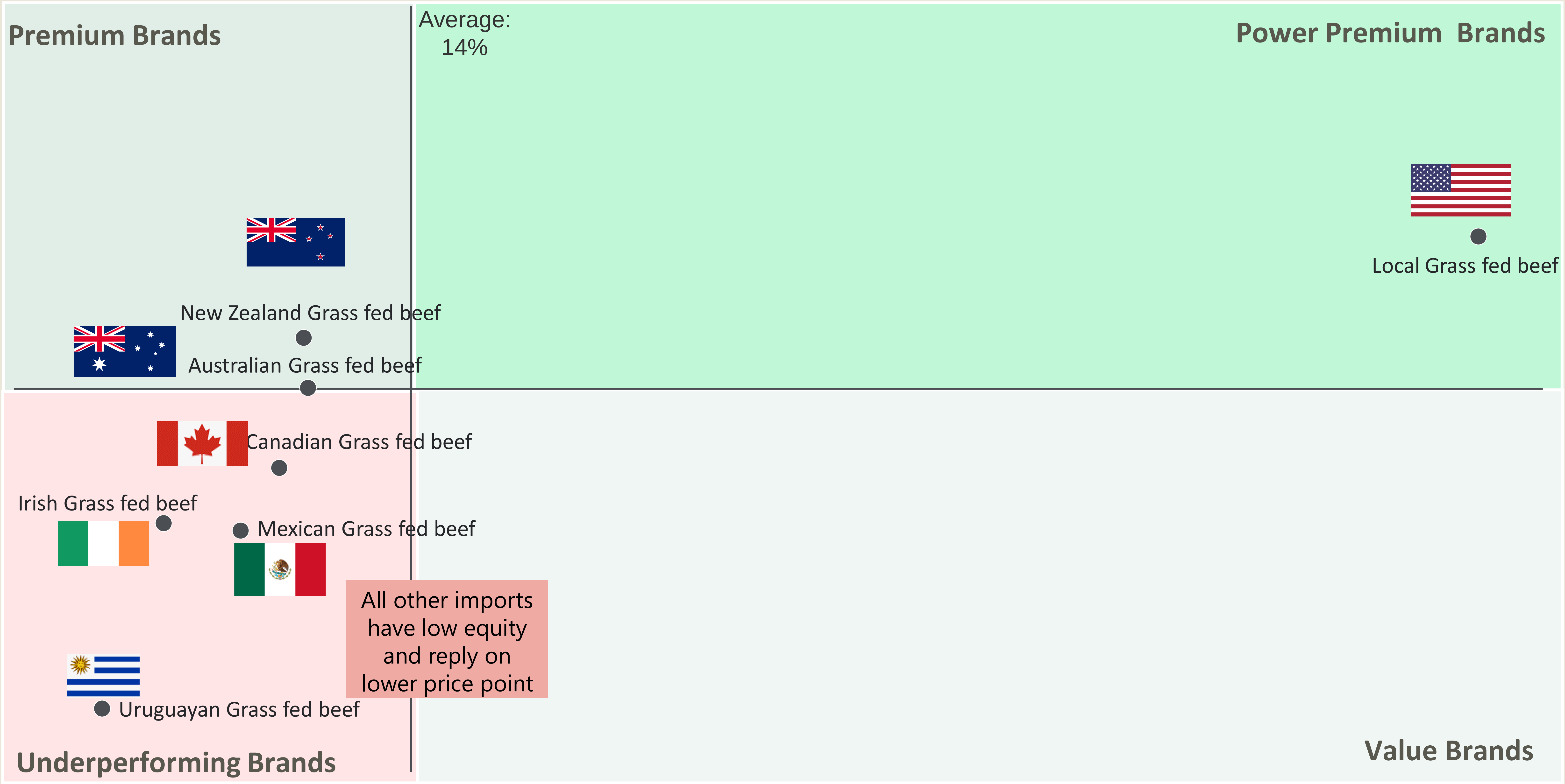
Above average price not supported by brand equity

**PRICING POWER/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

Average:
1.0

**Good Value**

Brand equity supports current price, which is below average

**DEMAND POWER**

*Are consumers more likely to choose you?*

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Filter: Total Sample // Base: Total – 1343

MEAT & LIVESTOCK AUSTRALIA

# The associations that consumers hold in their minds for beef in USA cluster into 5 themes

DRIVERS OF DEMAND POWER

## HIGH QUALITY
37%

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

## SUPERIOR
28%

Is the most superior beef

More nutritious

Is my/my family's favourite beef

## MARBLED
12%

The fat is nicely marbled

## CHEAP
13%

Cheaper

## LOW IN FAT
10%

The meat is usually tender

The industry is environmentally sustainable

NOTE: GRASS FED LEVEL

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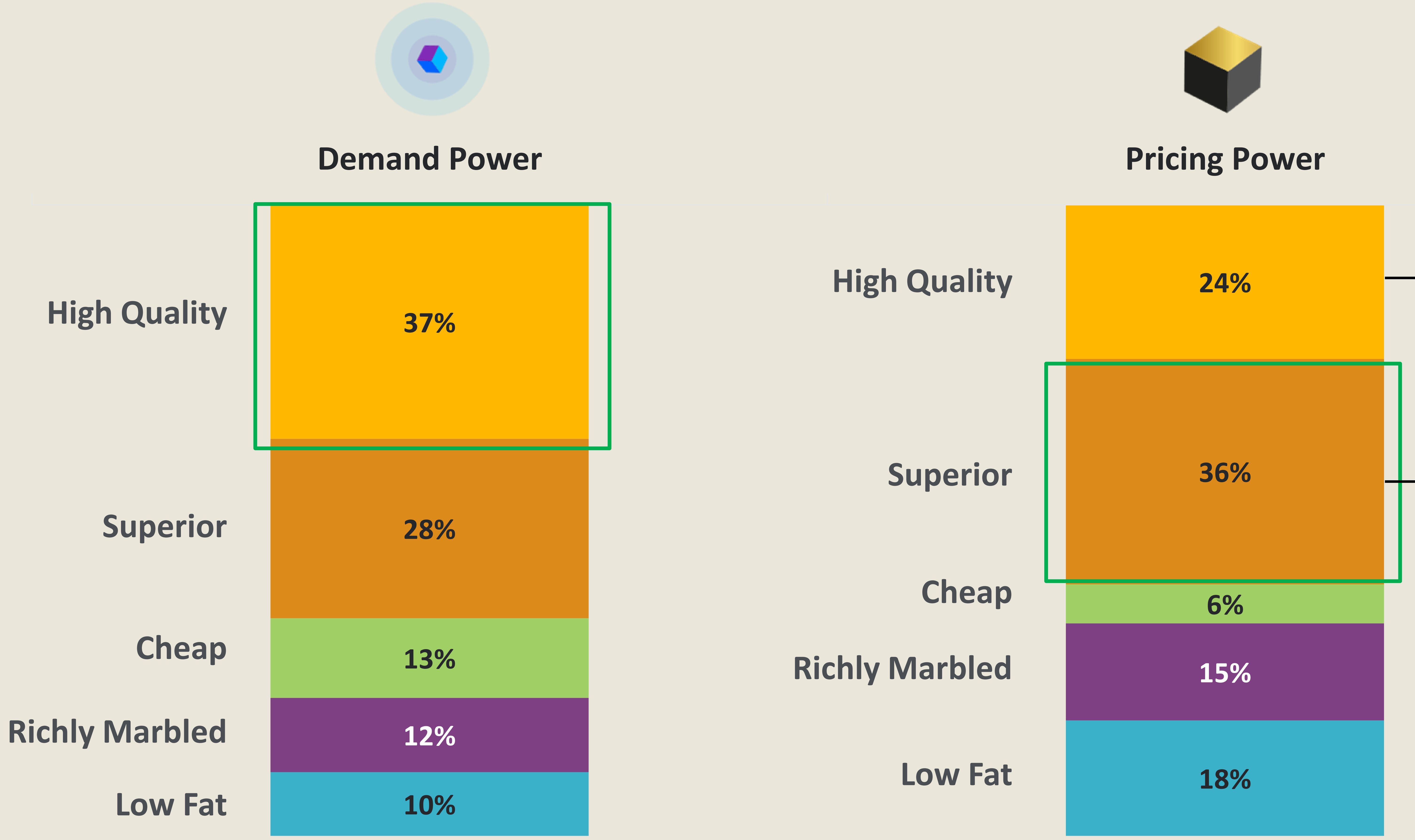
# There are different levers to pull depending on whether we want to drive Demand Power or Pricing Power. Considering the immediate task at hand for AU beef is to strengthen its equity, focus on strengthening perceptions of ‘High Quality’ related attributes

## WHAT DRIVES DEMAND POWER AND PRICING POWER




**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

**SUPERIOR**
- Is the most superior beef
- More nutritious
- Is my/ my family’s favourite beef

# 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 raise the profile of Australian Beef.

# Local beef holds the highest endorsements across attributes, which is expected given its dominant position in the category. NZ Beef has the highest associations of all the competitors with AU lagging behind

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

| | | AUSTRALIAN BEEF | AMERICAN BEEF | NEW ZEALAND BEEF | CANADIAN BEEF | URUGUAYAN BEEF | MEXICAN BEEF | IRISH BEEF |
|---|---|---|---|---|---|---|---|---|
| High Quality (37%) | Fresh | 13 | 56 | 15 | 14 | 8 | 11 | 8 |
| | Is easy and convenient to purchase | 8 | 58 | 9 | 9 | 5 ▼ | 10 | 4 |
| | Offers a variety of cuts that suit the meals I make | 14 | 49 | 14 ▼ | 14 | 10 | 14 | 8 |
| | Consistent quality standards | 16 | 46 | 19 | 14 | 8 | 11 | 9 |
| | The meat is usually tender | 17 | 47 | 17 | 13 | 9 | 11 | 9 |
| | Guaranteed safe to eat | 14 | 41 | 15 | 14 | 8 | 11 | 9 |
| | The industry is environmentally sustainable | 14 | 33 | 16 | 12 | 8 | 10 | 8 |
| | The animal is well cared for | 17 | 34 | 17 | 14 | 10 | 11 | 11 |
| Superior (28%) | Is the most superior beef | 13 | 36 | 14 | 8 | 7 | 9 | 6 |
| | More nutritious | 13 | 34 | 15 | 12 | 8 | 10 | 8 |
| | Is my/my family's favourite beef | 8 | 50 | 9 | 7 | 6 | 9 | 4 |
| Cheap (13%) | Cheaper | 6 | 36 | 7 | 7 | 7 | 12 | 3 |
| Richly Marbled (12%) | The fat is nicely marbled | 14 | 33 | 14 | 11 | 7 | 10 | 7 |
| Low Fat (10%) | Low in fat | 11 | 32 | 13 | 11 | 7 | 10 | 7 |

Highest association
Second highest
Third highest

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

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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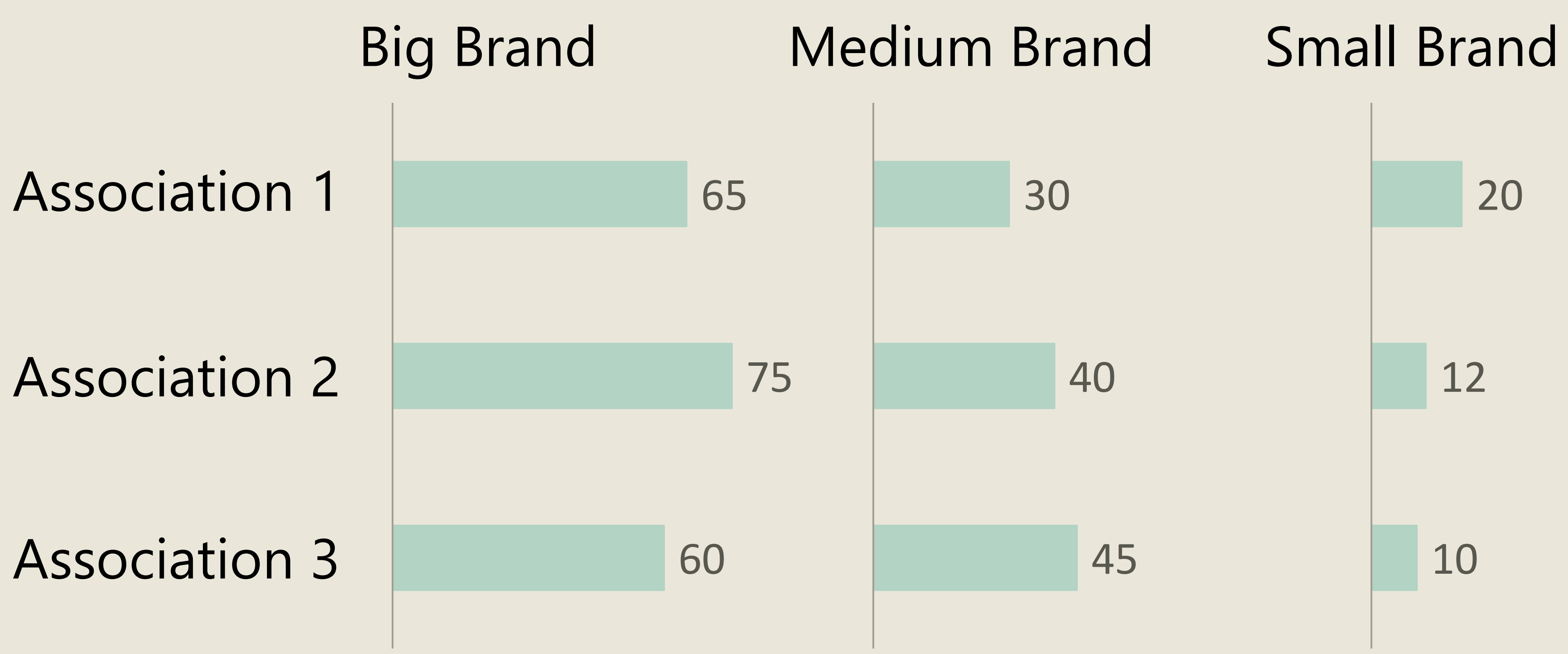
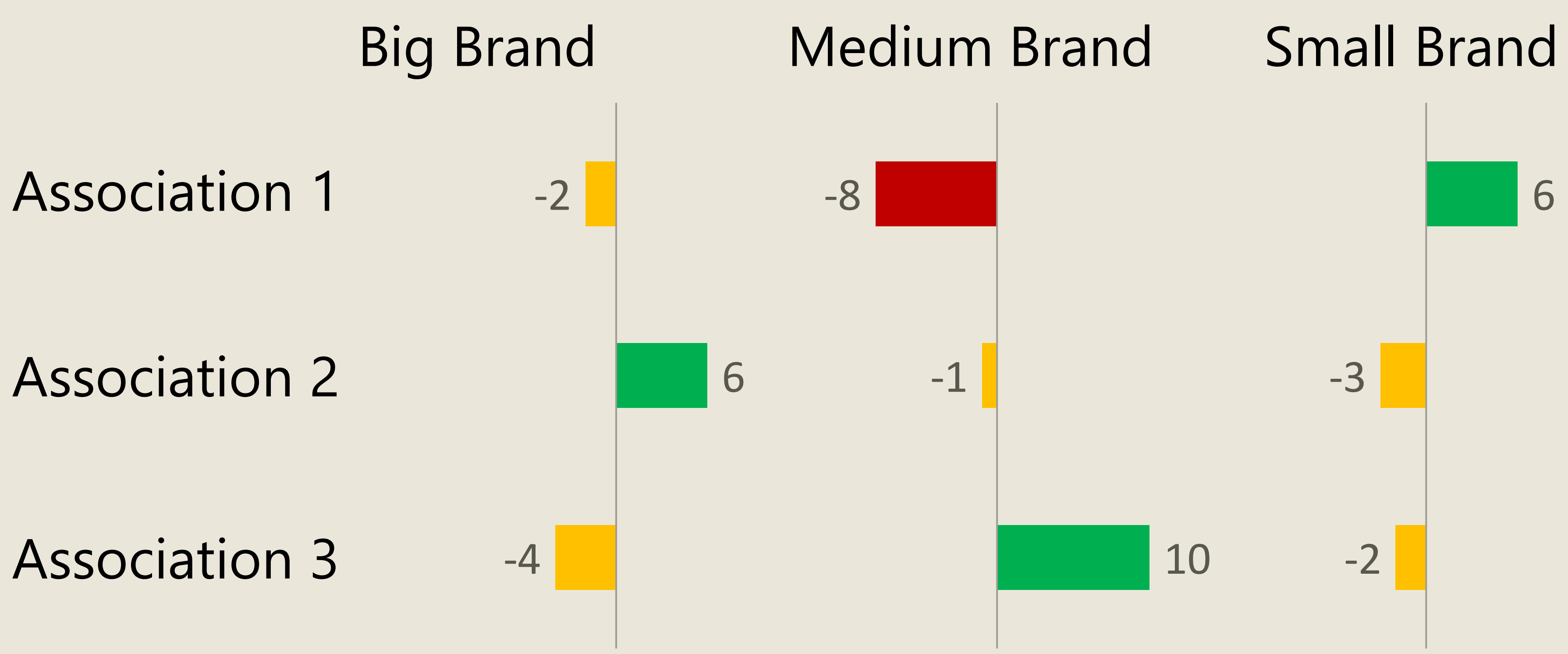
## Big brands naturally attract high endorsement, which can limit insights.
## But we can run a statistical analysis to strip out size to identify relative strengths and weaknesses.

# BIP ANALYSIS AND WHY WE SHOULD LOOK AT IT?




**Statistical Analysis**




**Limited Insights:**
Big Brand leads on everything, followed by Medium Brand and Small Brand.

**More Insights**:
- Big brand's strength is driven by Association 2
- Medium brand's role is clear in consumers' minds – it is known for Association 3, but not for Association 1
- While small, Small Brand is a threat on Association 1

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)

Note: +/- 5 = relative strength or weakness
It is not possible to have a relative strength on everything - brands with relative strengths/weaknesses typically perform best because they play a clear role for consumers

# None of the imported brands are however differentiated. AU and NZ beef also have very similar image profiles. Important for AU beef to build awareness and associations and also differentiate vis-à-vis NZ beef

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

| | | AUSTRALIAN BEEF | AMERICAN BEEF | NEW ZEALAND BEEF | CANADIAN BEEF | URUGUAYAN BEEF | MEXICAN BEEF | IRISH BEEF |
|---|---|---|---|---|---|---|---|---|
| **High Quality (37%)** | Fresh | -1 | 10 | -1 | 1 | -1 | -1 | 0 |
| | Is easy and convenient to purchase | -2 | 22 | -2 | 0 | -1 | 1 | -2 |
| | Offers a variety of cuts that suit the meals I make | -1 | 2 | -2 | 0 | 1 | 1 | 0 |
| | Consistent quality standards | 1 | -1 | 3 | 0 | -1 | -2 | 1 |
| | The meat is usually tender | 2 | 0 | 1 | -1 | 0 | -2 | 1 |
| | Guaranteed safe to eat | 0 | -4 | 0 | 2 | -1 | -1 | 1 |
| | The industry is environmentally sustainable | 1 | -9 | 2 | 1 | 0 | -1 | 1 |
| | The animal is well cared for | 2 | -13 | 1 | 1 | 1 | -2 | 3 |
| **Superior (28%)** | Is the most superior beef | 2 | -2 | 2 | -2 | 0 | 0 | 0 |
| | More nutritious | 1 | -8 | 1 | 1 | 0 | -1 | 1 |
| | Is my/my family's favourite beef | -1 | 15 | -1 | -1 | 0 | 1 | -1 |
| **Cheap (13%)** | Cheaper | -2 | 5 | -2 | 0 | 2 | 5 | -2 |
| **Richly Marbled (12%)** | The fat is nicely marbled | 2 | -7 | 1 | 0 | 0 | 0 | 0 |
| **Low Fat (10%)** | Low in fat | 0 | -7 | 1 | 1 | 0 | 0 | 1 |

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

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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# What does AU beef need to focus on to target further growth in USA?

# AU beef needs to communicate its consistent quality standards and freshness. Communicating about accessibility and variety of cuts can also help strengthen both equity while helping justify a price premium

## Top 5 Associations to Grow – DEMAND POWER & PRICING POWER (Ordered based on impact on building equity*)

### 1. Easy and convenient to purchase

Owned by local beef. Continued softening for AU beef, now behind Canadian and Mexican beef - distribution channels need to be maintained

### 2. Consistent quality standards

AU beef losing position to NZ beef – an attribute AU beef can confidently talk to in comms

### 3. Is my/my family's favourite beef

Space owned by local beef. Difficult for AU beef to own

### 4. Offers a variety of cuts

An attribute NZ beef significantly declined on – AU beef could talk to this in distribution channels to maintain retail penetration

### 5. Fresh

Space owned by local beef. Difficult for any imported beef to own due to distances travelled. Could be addressed through sharing processes to ensure freshness.

NOTE: GRASS FED LEVEL

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

Associations for AU to communicate

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# Summarising Beef Module

## Differentiating AU beef vis-à-vis other imports in the market

AU beef’s performance is stable compared to 2022. With the challenging COO labelling however the job to be done remains growing awareness and usage for Aussie GF beef.

AU and NZ beef have a Trust advantage over other imports. Strengthening awareness can help further grow conversions.

## Strengthening equity to weather the potential headwinds of inflation

Imported red meat might face some headwind in 2023 due to it’s perceived premium. To weather the potential headwinds, focus should be placed on strengthening equity which supports premium pricing.

On Trust as well as imagery associations, AU and NZ have a very similar profile requiring AU Beef to push harder on its superior quality and trust credentials.

# LAMB

## COUNTRY OF ORIGIN

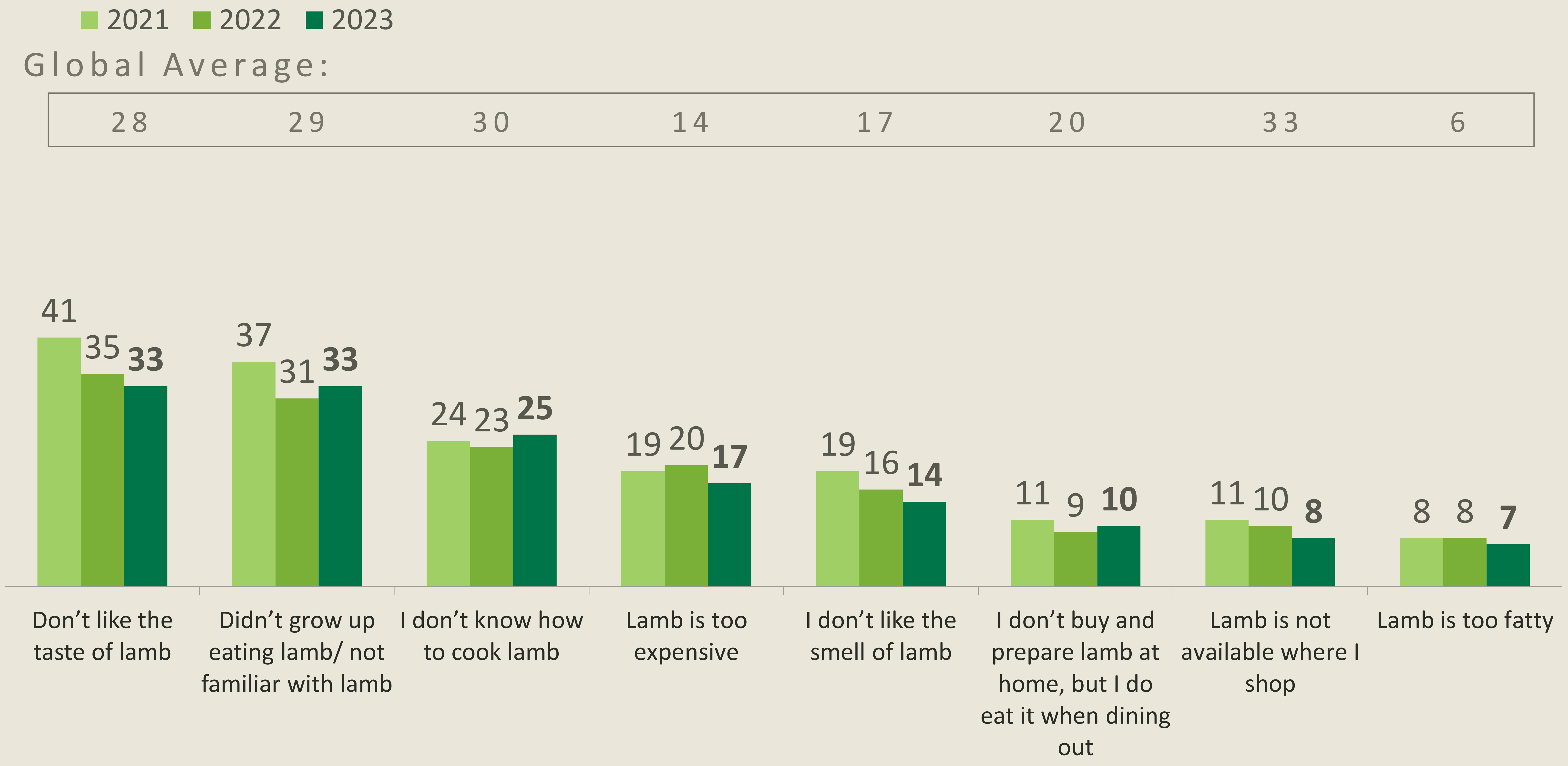
All questions in this section were asked of lamb buyers only (must have ever bought lamb). They also must have previously bought, or would consider buying, imported lamb.

# Around 2 in 5 claim to have not bought lamb before. Main barriers centring around, taste, familiarity and cooking know how remain while becoming less prominent compared to previous years

## LAMB PURCHASE BEHAVIOUR


Of the sample have never bought lamb

2022: 43%
2021: 42%




CH6. Do you ever buy lamb? Base: (n=2401) (Never bought lamb rebased to total sample)
QCH6a. Why do you not buy lamb? Base: '23 (n=1046), '22 (n=1037), '21 (n=1009)

Sig. different at 95%

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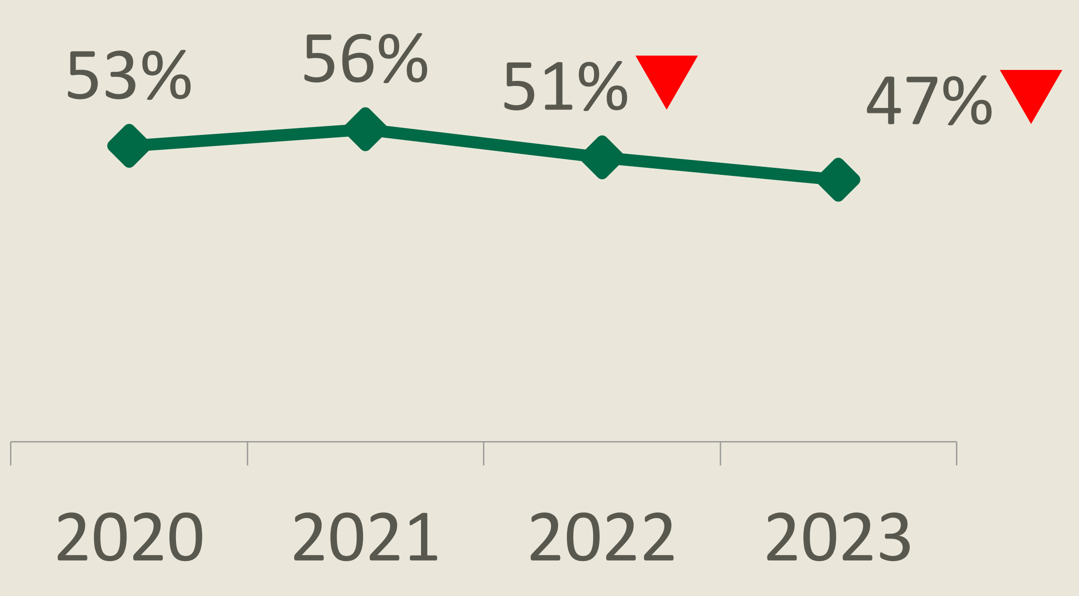
# Awareness of country of origin, however, has further dropped. Declining trend for monthly purchase of imported lamb continues while local lamb remains stable

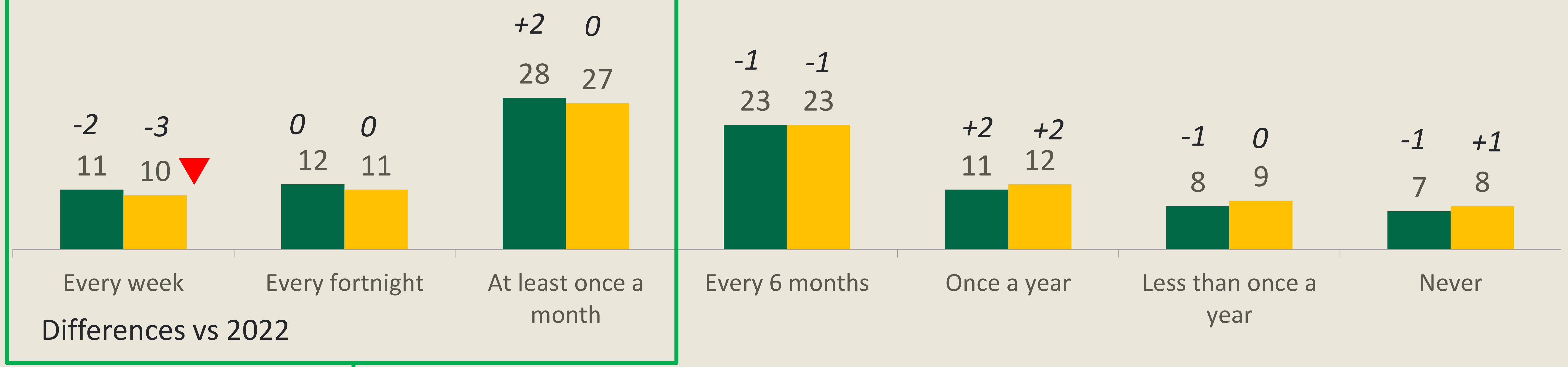
## LAMB PURCHASE BEHAVIOUR

### Know Country of Origin?

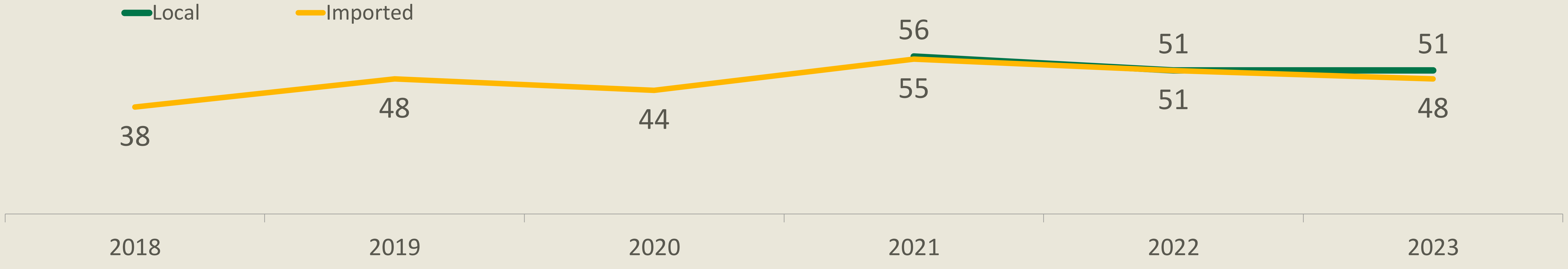



GLOBAL (2023)- 73%

### FREQUENCY OF BUYING LOCAL AND IMPORTED LAMB




### Monthly purchase (trended)

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(LBH1A) Do you know the country of origin of the lamb you buy? Base: (n=1355)
(CH7) How often do you buy imported lamb/Halal compliant lamb? Base: (n=1355)
(CH7LOC) How often do you buy local lamb/Halal compliant lamb? Base: (n=1355)

*Sig. different at 95%*

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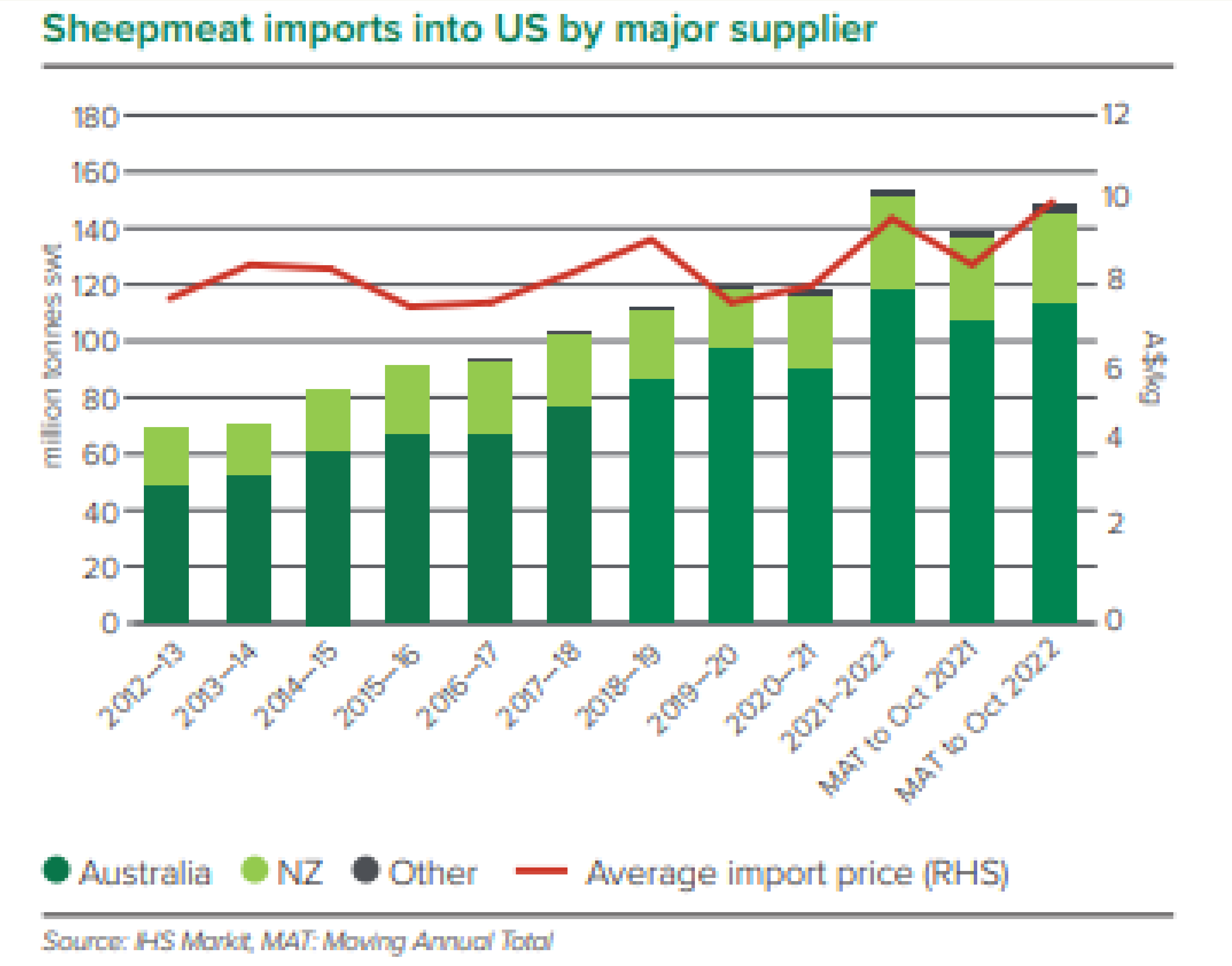
# Imports contribute significantly to lamb and mutton supply in the US. Australia is the major supplier contributing 80% of imported lamb. New Zealand is the second largest supplier

## LAMB IMPORTS CONTEXT- MLA DATA

**MLA market snapshot – USA Lamb imports**
(MAT to Oct. 2022)




https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/os-markets/red-meat-market-snapshots/north-america_2022-mla-industry-insights-market-snapshot_revised-300323.pdf

- Imports make a significant contribution to the lamb and mutton supply in the US. In 2021, imports accounted for approximately 70% of total sheep meat consumed in the US.
- Australia is the major supplier of lamb in the US (just under 80% of imported lamb in 2021), and among fastest growing major importer (20% growth compared to 2021).
- The second largest supplier is New Zealand, accounting for around 20% of total imports, and growing by 10% compared to 2021.

# The brand list was consistent with 2022

## LAMB BRANDS TRACKED IN 2023

Local American lamb

Australian lamb

New Zealand lamb

Chilean lamb

Uruguayan lamb

Icelandic lamb

# Local Lamb maintains its lead on all brand health metrics. While AU Lamb is stable, it lags slightly behind NZ Lamb on most metrics. With COO labelling challenge for Lamb as well, AU Lamb needs to push harder to strengthen its awareness

## LAMB - BRAND HEALTH FUNNELS BY COUNTRY OF ORIGIN

| | AUSTRALIAN LAMB % | '22 | '21 | '20 | NEW ZEALAND LAMB % | '22 | '21 | '20 | LOCAL AMERICAN LAMB % | '22 | '21 | '20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Spontaneous awareness | 20 | 21 | 21 | 24 | 23 | 24 | 24 | 27 | 33 | 30 | 29 | 30 |
| Total Awareness | 56 | 57 | 58 | 56 | 55 | 58 | 60 | 59 | 69 | 67 | 69 | 60 |
| Ever Eaten | 30 | 31 | 32 | 31 | 32 | 36 | 35 | 38 | 53 | 53 | 54 | 48 |
| Eat P12M | 20 | 19 | 21 | 20 | 21 | 24 | 23 | 27 | 45 | 44 | 45 | 40 |
| Eat P3M | 12 | 13 | 15 | 14 | 13 | 16 | 14 | 16 | 34 | 32 | 35 | 28 |
| Past Month | 9 | 10 | 11 | 10 | 8 ▼ | 11 | 12 | 11 | 26 | 24 | 29 | 21 |
| Most Often | 7 | 8 | 8 | 8 | 7 | 9 | 10 | 8 | 24 | 23 | 27 | 20 |

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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: '23 (n=1077), '22 (n=1058), '21 (n=1079), '20 (n=1038) – Bought lamb in past month or ever buy lamb

▲▼ *Sig. different at 95%*

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# Awareness itself is currently limited for other imported Lamb brands

## LAMB - BRAND HEALTH BY COO

| | URUGUAYAN LAMB % | '22 | '21 | '20 | ICELANDIC LAMB % | '22 | '21 | '20 | CHILEAN LAMB % | '22 | '21 | '20 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Spontaneous awareness | 1 | 0 | 2 | 0 | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 0 |
| Total Awareness | 20 | 22 | **23** | 17 | 26 | 25 | 27 | 24 | 28 | 29 | **27** | 23 |
| Ever Eaten | 6 | 7 | 7 | 5 | 7 | 8 | 8 | 6 | 8 | 8 | 8 | 7 |
| Eat P12M | 4 | 4 | **5** | 3 | 4 | 5 | 5 | 4 | 5 | 6 | 5 | 5 |
| Eat P3M | 3 | 3 | 4 | 3 | 4 | 4 | 4 | 3 | 4 | 4 | 4 | 3 |
| Past Month | 2 | 3 | 3 | 2 | 3 | 4 | 3 | 2 | 4 | 4 | 3 | 3 |
| Most Often | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 2 | 2 |

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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: '23 (n=1077), '22 (n=1058), '21 (n=1079), '20 (n=1038) – Bought lamb in past month or ever buy lamb

*Sig. different at 95%*

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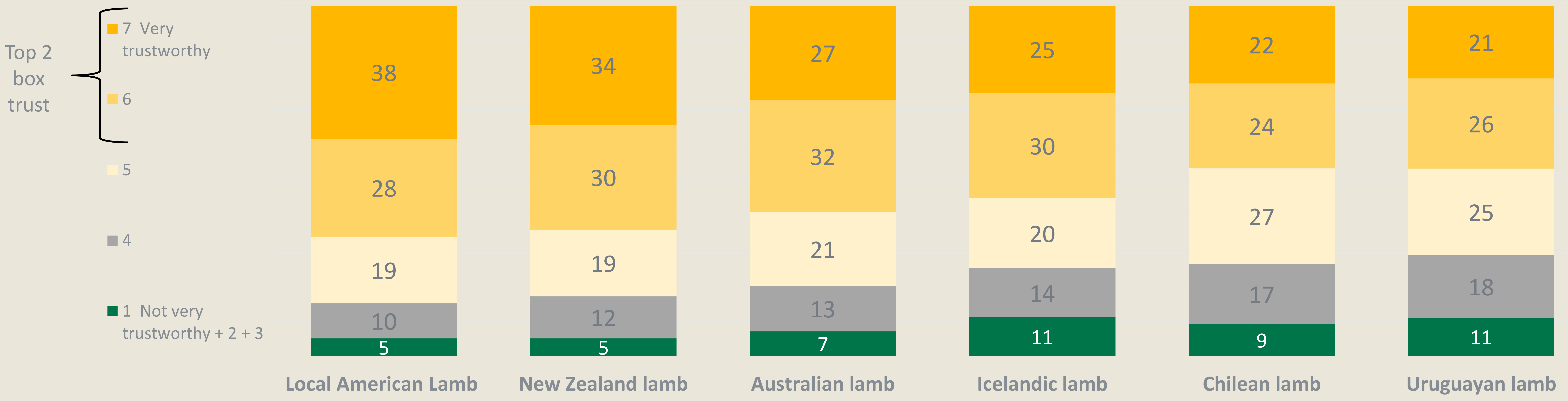
## Local Lamb continue to demand the highest trust for Lamb, and holds its gap to New Zealand. Trust for other competitors have decayed in 2023, reinforcing the advantage that local and NZ Lamb have in this part of the market.

### TRUST – BY COUNTRY OF ORIGIN

| Top 2 Box (vs. 22) | 66% (=%) | 64% (=%) | 59% (-2%) | 55% (-3%) | 46% (-3%) | 47% (-10%) |
|---|---|---|---|---|---|---|

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BTR2L. How trustworthy is the imported lamb from these countries

Base: Local American lamb (738) Australian lamb (600), New Zealand lamb (597), Uruguayan lamb (218), Icelandic lamb (275), Chilean lamb (298),

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# WHAT NEXT FOR AU LAMB IN USA?

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# Local Lamb remains the market leader in terms of Demand Power as well as Pricing Power. Both AU and NZ Lamb also sit in the same space, NZ being slightly ahead of AU

## LAMB DEMAND POWER VS PRICING POWER – BY COUNTRY OF ORIGIN


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# The associations that consumers hold in their minds for lamb in USA cluster into 5 themes

## IMPORTANCE IN DRIVING DEMAND POWER

### SUPERIOR
31%

Is my/my family's favourite lamb/goat

Is the most superior lamb

Offers a variety of cuts that suit the meals I make

### HIGH QUALITY
30%

Fresh

The meat is usually tender

Consistent quality standards

Guaranteed safe to eat

### GOODNESS
11%

The industry is environmentally sustainable

The animal is well-cared for

More nutritious

### CHEAP AND EASY
17%

Cheaper

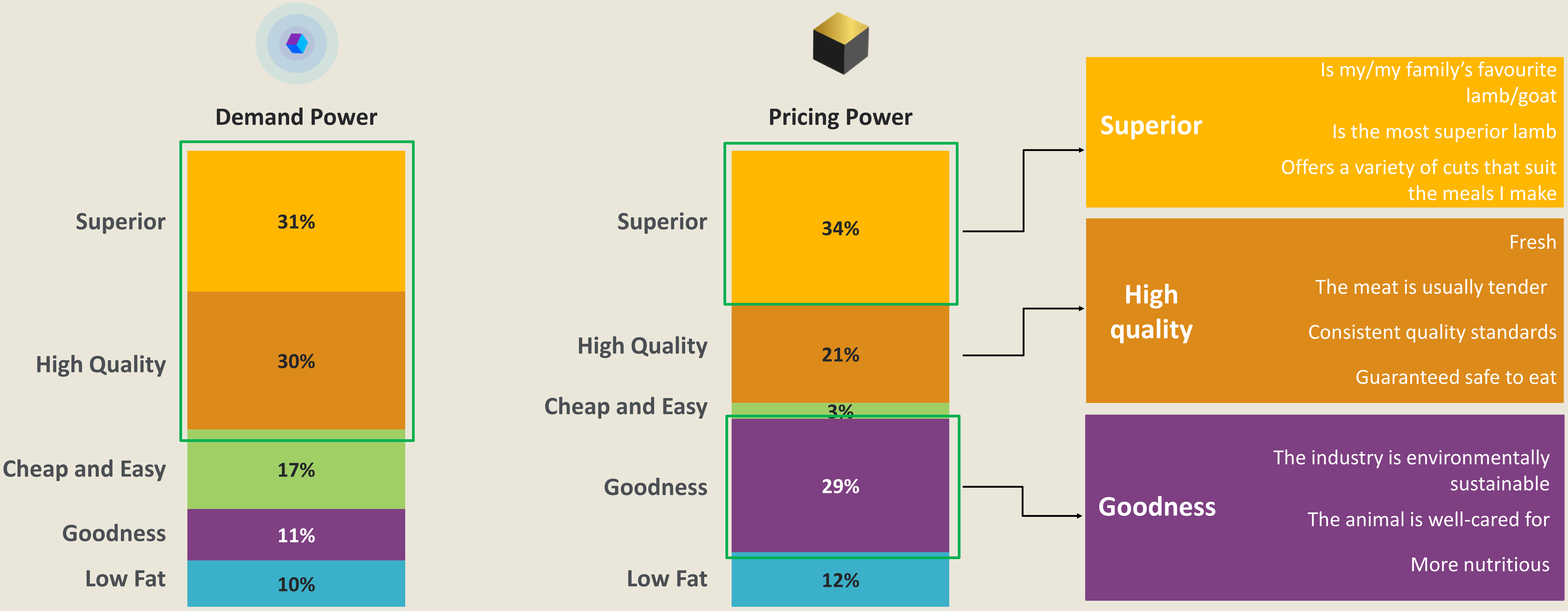
Is easy and convenient to purchase

### LOW IN FAT
10%

Low in Fat

# Similar to beef, drivers of Demand & Pricing Power differ slightly with associations of 'Superiority' driving both. Although 'Goodness' contributes most to Pricing Power.

## LAMB EQUITY DRIVERS



# Similar to Beef, American Lamb holds the highest endorsement for all statements, however, Lamb from New Zealand and Australia have stronger associations than Beef

## DRIVERS OF DEMAND POWER

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

| | | AUSTRALIAN LAMB | LOCAL AMERICAN LAMB | NEW ZEALAND LAMB | URUGUAYAN LAMB | ICELANDIC LAMB | CHILEAN LAMB |
|---|---|---|---|---|---|---|---|
| **Superior (31%)** | Is my/my family's favourite lamb/goat | 21 | 44 | 25 | 10 | 8 | 7 |
| | Is the most superior lamb | 24 | 32 | 29 | 10 | 11 | 8 |
| | Offers a variety of cuts that suit the meals I make | 28 | 50 | 31 | 14 | 13 | 14 |
| **High Quality (30%)** | Fresh | 26 | 57 | 27 | 13 | 13 | 13 |
| | The meat is usually tender | 31 | 49 | 34 | 14 | 14 | 12 |
| | Consistent quality standards | 31 | 47 | 35 | 13 | 14 | 13 |
| | Guaranteed safe to eat | 28 | 45 | 31 | 15 | 16 | 13 |
| **Cheap and Easy (17%)** | Cheaper | 13 | 46 | 12 | 11 | 9 | 10 |
| | Is easy and convenient to purchase | 22 | 57 | 24 | 12 | 10 | 10 |
| **Goodness (11%)** | The industry is environmentally sustainable | 23 | 34 | 27 | 13 | 14 | 10 |
| | The animal is well-cared for | 26 | 34 | 27 | 14 | 14 | 12 |
| | More nutritious | 24 | 32 | 26 | 12 | 12 | 12 |
| **Low Fat (10%)** | Low in fat | 25 | 35 | 28 | 16 | 15 | 15 |

Highest association
Second highest
Third highest

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

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.*

# Local Lamb is clearly defined. NZ Lamb has a strength in ‘most Superior’. AU Lamb however, does not own any strengths and needs to focus on strengthening perceptions of ‘Superiority’

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

| | | AUSTRALIAN LAMB | LOCAL AMERICAN LAMB | NEW ZEALAND LAMB | URUGUAYAN LAMB | ICELANDIC LAMB | CHILEAN LAMB |
|---|---|---|---|---|---|---|---|
| **Superior (31%)** | Is my/my family’s favourite lamb/goat | 1 | 7 | 3 | 0 | -2 | -2 |
| | Is the most superior lamb | 3 | -6 | 6 | -1 | 1 | -1 |
| | Offers a variety of cuts that suit the meals I make | 0 | 3 | 0 | -1 | -1 | 1 |
| **High Quality (30%)** | Fresh | -1 | 10 | -3 | -2 | -1 | 0 |
| | The meat is usually tender | 3 | 1 | 3 | -1 | -1 | -1 |
| | Consistent quality standards | 3 | -1 | 4 | -2 | -1 | 0 |
| | Guaranteed safe to eat | 0 | -3 | 0 | 0 | 1 | 0 |
| **Cheap and Easy (17%)** | Cheaper | -5 | 12 | -8 | 2 | 0 | 2 |
| | Is easy and convenient to purchase | -2 | 15 | -2 | 0 | -2 | -1 |
| **Goodness (11%)** | The industry is environmentally sustainable | 0 | -7 | 1 | 1 | 2 | -1 |
| | The animal is well-cared for | 1 | -9 | 0 | 1 | 2 | 1 |
| | More nutritious | 1 | -9 | 1 | 0 | 1 | 2 |
| **Low Fat (10%)** | Low in fat | -1 | -10 | -1 | 2 | 2 | 3 |

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+5 or more = relative category strength

-5 or less = relative category weakness.

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.*

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# Similar to Beef, AU lamb also needs to clearly communicate around its consistent quality standards and safety. Communicating about variety of cuts can also help strengthen equity

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

### 1. Offers a variety of cuts

Local lamb leading, with NZ Lamb close behind with AU lamb marginally behind NZ lamb.

### 2. The meat is tender

A shared attribute between local, AU and NZ lamb, with both AU and NZ lamb scoring marginally higher than Local lamb – potential is there to differentiate on.

### 3. Guaranteed safe to eat

A relative weakness of Local lamb, whereas AU lamb is in a neutral position, and could be an area to communicate.

### 4. Consistent quality standards

Similar to AU beef, AU lamb losing position to NZ beef – an attribute AU lamb can confidently talk to in comms

### 5. Family favourite

White space that we have a right to address with process and quality

NOTE: GRASS FED LEVEL

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

Associations for AU to communicate

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# Summarising Lamb Module

## Potential for Lamb in the market

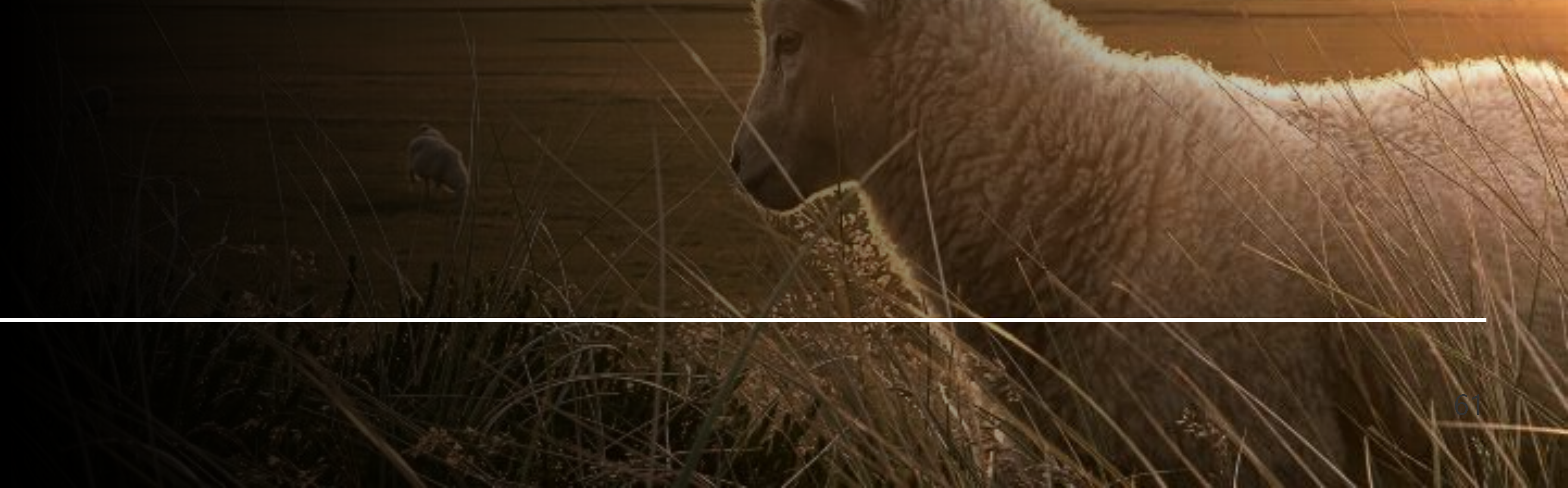
Lamb remains a niche and unfamiliar protein for around 44% of US consumers, challenged by concerns around taste and familiarity.

Strong perceptions of lamb on Superior and Willing to pay more for,  however indicate a potential for growth, especially among the younger generations who are more open to trying new cuisine.

## Differentiating AU lamb vis-à-vis other imports in the market

Like Beef, Local Lamb is strongest on brand health and has clearly defined image profile. In comparison AU lamb is not clearly defined and shares a brand image profile with NZ lamb. NZ lamb is slightly ahead of AU lamb in this market in terms of Equity and Trust perceptions.

AU lamb thus needs to push harder on strengthening awareness and building Trust and Superiority credentials



# FINAL THOUGHTS & DISCUSSION

# Final thoughts and discussion

## 1. Potential headwinds of Inflation

American consumers are becoming more price conscious. **Australian beef** sits in a weak position as a ‘not worth paying more for’ brand.

Imported red meat might face some headwind in 2023 due to it’s perceived premium however this will be countered by the higher price of local meat as herds are being re-stocked. To weather the potential headwinds, focus should be placed on strengthening equity which could support premium pricing.

The task at hand for both AU Beef and Lamb remains strengthening its Salience, Trust credentials and overall equity in the market.

## 2. Differentiating vs. other imports

Due to the challenging COO labelling context, Australian beef is not differentiated compared to other imports in the market.

It is important to seek opportunities to drive superior and consistent quality perceptions, reinforcing nutritious, and justifying the premium perceptions.

Leverage our process as a differentiating asset to reinforce quality. Ensure we communicate the clean and consistent processes for rearing which can be leveraged as reason to believe for safe, nutritious and higher quality product

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