

KANTAR

Global Tracker 2024

Indonesia Presentation Deck

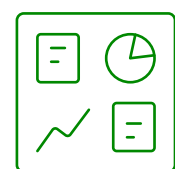
Brought to you by your Kantar Team:
Sally Kennedy, Poorva Shinde and Carolina
Ferrando



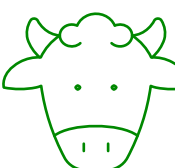
Contents of today's presentation



1 MACRO MARKET CONTEXT



2 PROTEIN LANDSCAPE



3 BEEF- BRAND HEALTH BY COUNTRY OF ORIGIN



4 LAMB- BRAND HEALTH BY COUNTRY OF ORIGIN



5 FINAL THOUGHTS & DISCUSSION



INTRODUCING MLA'S GLOBAL CONSUMER TRACKER

Diverse markets, with some universal truths.

2024 Study Details:



5,800 interviews globally
500 interviews in Indonesia



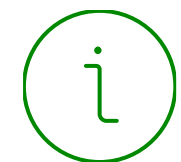
6 Markets (See right)



20-minute online survey



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



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



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

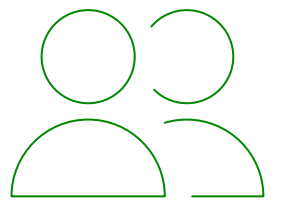


We have conducted the global tracker in 22 markets over the last 10 years, with Indonesian fieldwork run every year, apart from 2022.

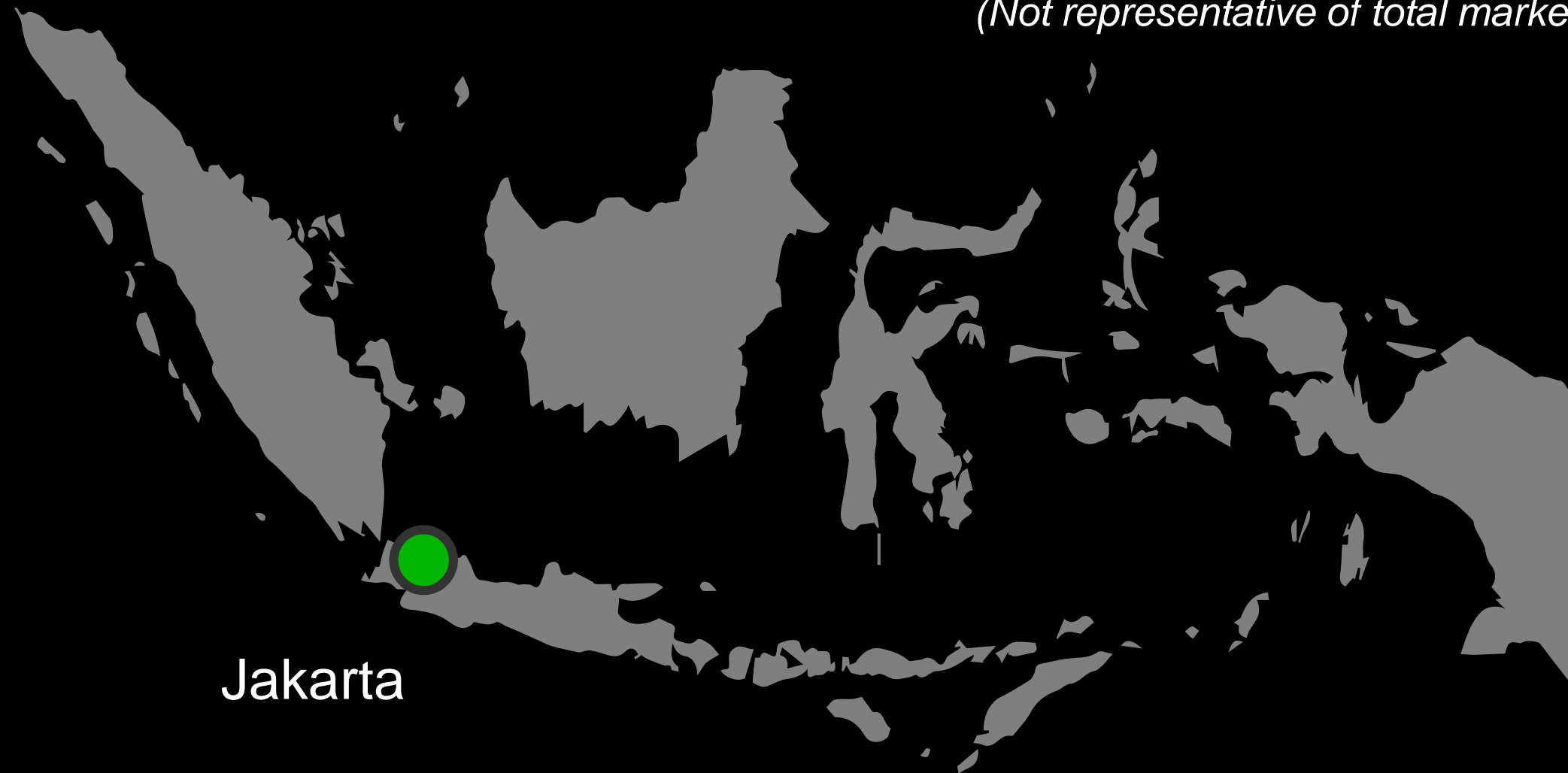
MARKETS																							Total # of markets
	Japan	Korea	China	Indonesia	Singapore	Malaysia	Philippines	Taiwan	Thailand	Vietnam	USA	Canada	KSA	UAE	Oman	Jordan	Kuwait	Qatar	UK	Hong Kong	Mexico	Chile	
2015																							11
2016																							15
2017																							11
2018																							13
2019																							10
2020																							9
2021																							11
2022																							11
2023																							11
2024																							6



Indonesia sample – a deliberate skew (not Nationally Representative)



Women 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)



Jakarta

Sample is made up of 501 consumers

		COUNTRY INCIDENCE	SAMPLE STRUCTURE
Gender	Male	50%	-
	Female	50%	100%
Age	18-34	24%	54%
	35-49	22%	40%
	50-64	13%	5%
Location	Jakarta	4%	92%
	Outer Jakarta		8%
Consumption	Buy Fresh Meat at Least Occasionally	97%	100%
MGBs	Main Grocery Buyers	91%	94%
Children	Households with Children	81%	89%
Income	Under Rp39,999,999	-	8%
	Rp40,000,000 – Rp69,999,999	-	13%
	Rp70,000,000+	-	78%

1
Macro- market context



2 key trends we see influencing consumer behaviour:

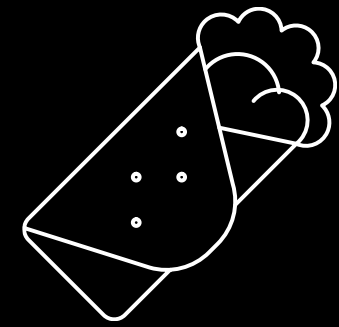


Higher focus on health & nutrition



Growth of online grocery retail

2 key trends we see influencing consumer behaviour:



Higher focus on health & nutrition

- Some of the habits that emerged during the COVID-19 pandemic appear to have had a lasting impact on current consumer behavior and food-related preferences.
- Many consumers are now paying more attention to their physical health and devoting more attention to what they put into their bodies.
- In addition to purchasing healthier food products and reducing consumption of highly processed food products, many Indonesians are also opting for home-cooked meals to support their healthy lifestyles.



Growth of online grocery retail

This growth in online grocery retail sales is driven by:

- The COVID-19 pandemic, which accelerated the growth of online grocery shopping.
- Online butcheries that specialize in home delivery of meat and associated products.
- Social media influence: Increasingly buying meat via social media platforms such as Instagram. Meat is then distributed via motor scooters.

2

Protein landscape

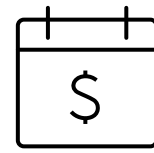
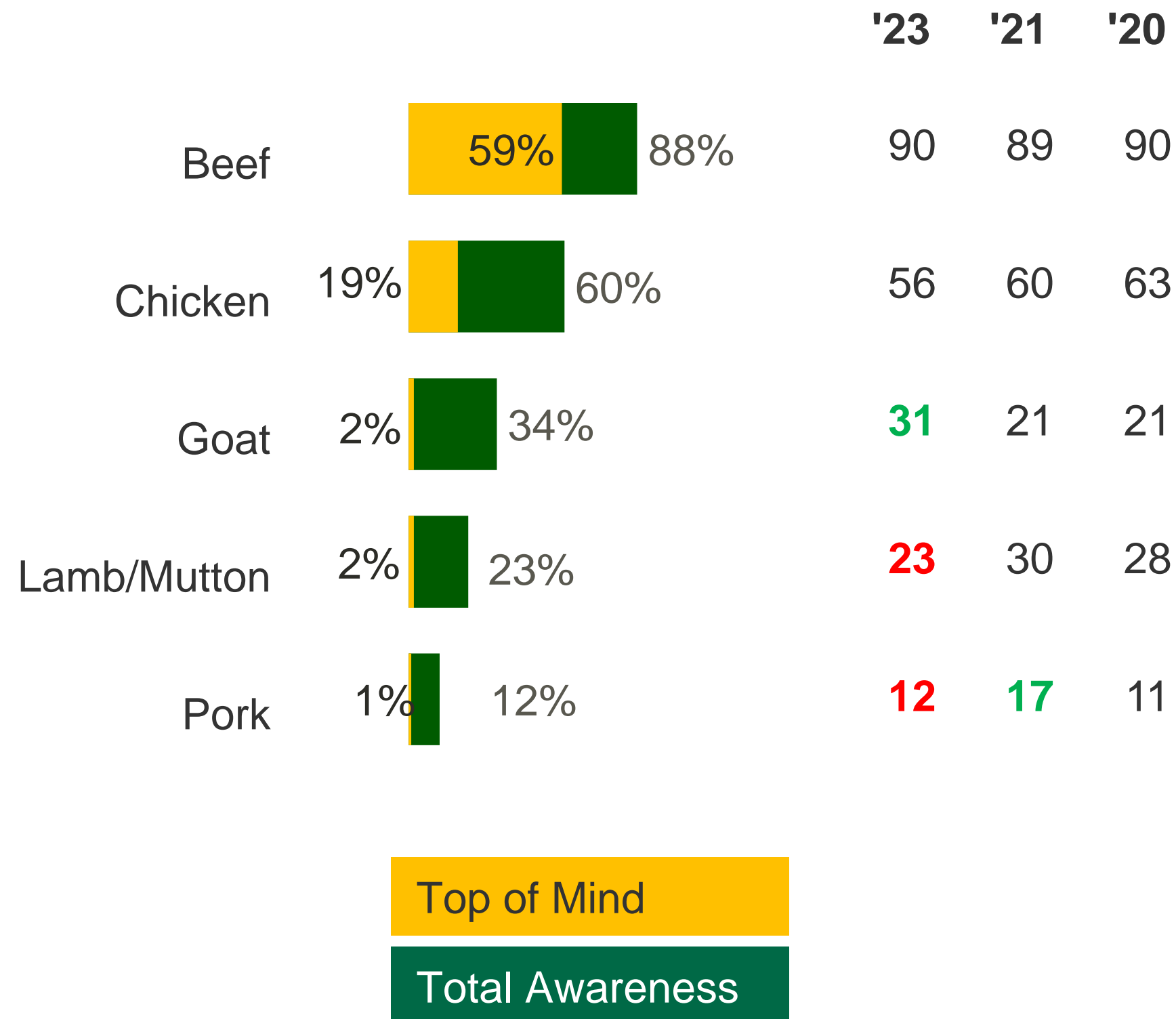


Chicken and Beef remain the most often bought proteins followed closely by Fish. Average servings in the past week remained stable across all proteins. Lamb witnessed a softening in bought last month vs 2023

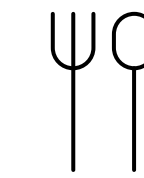
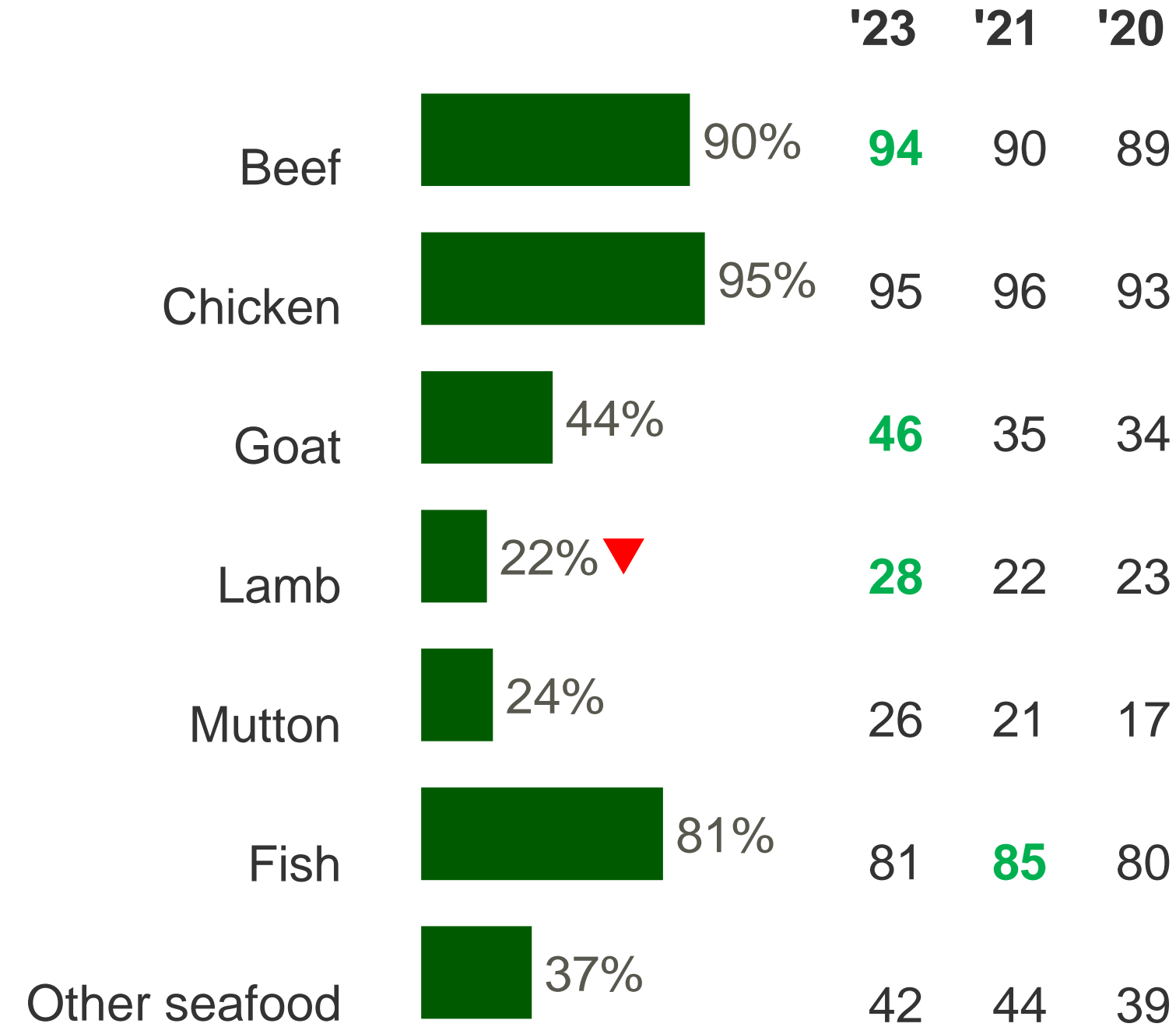
Key Protein Metrics



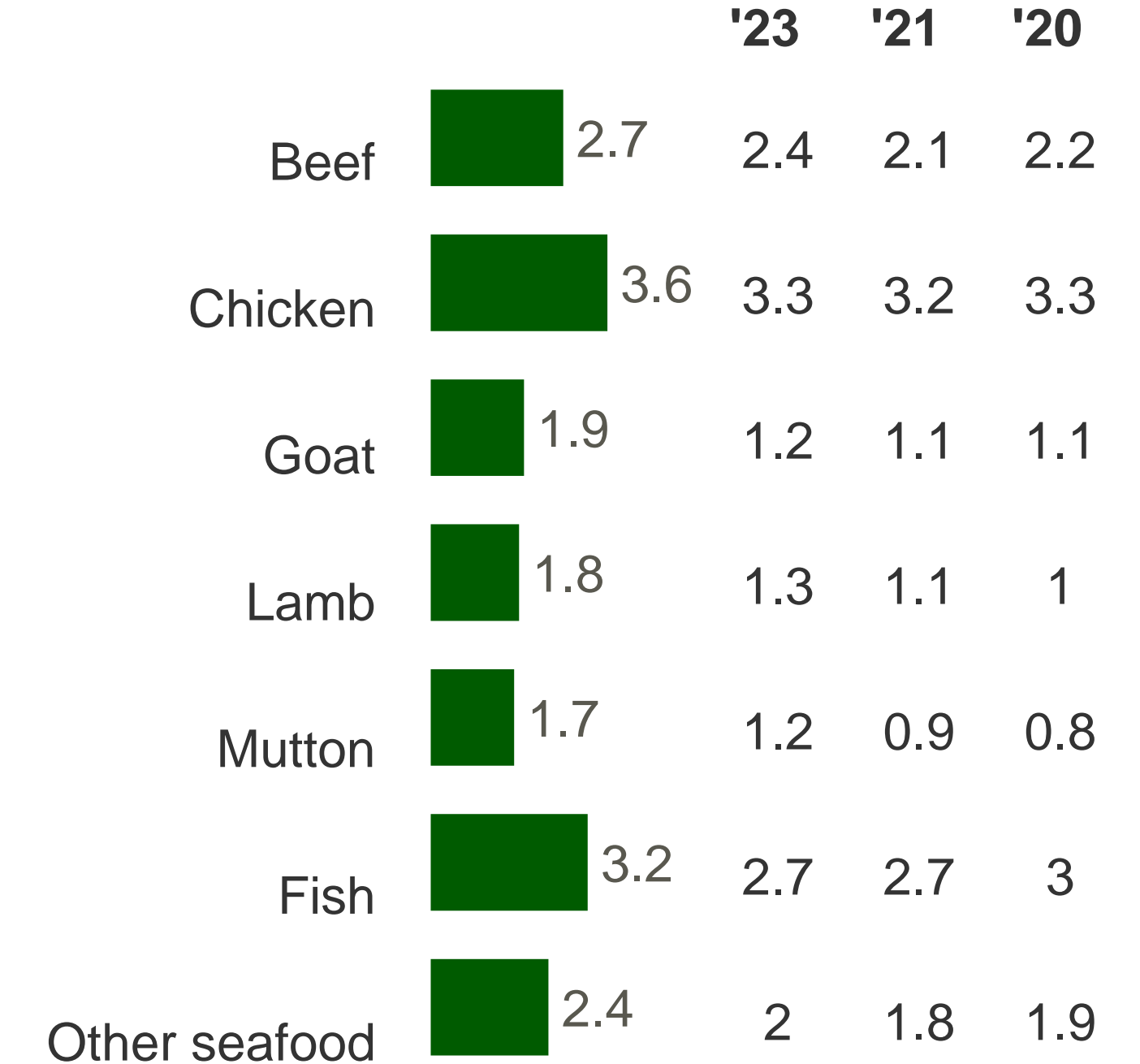
Spontaneous Awareness



Bought In Last Month

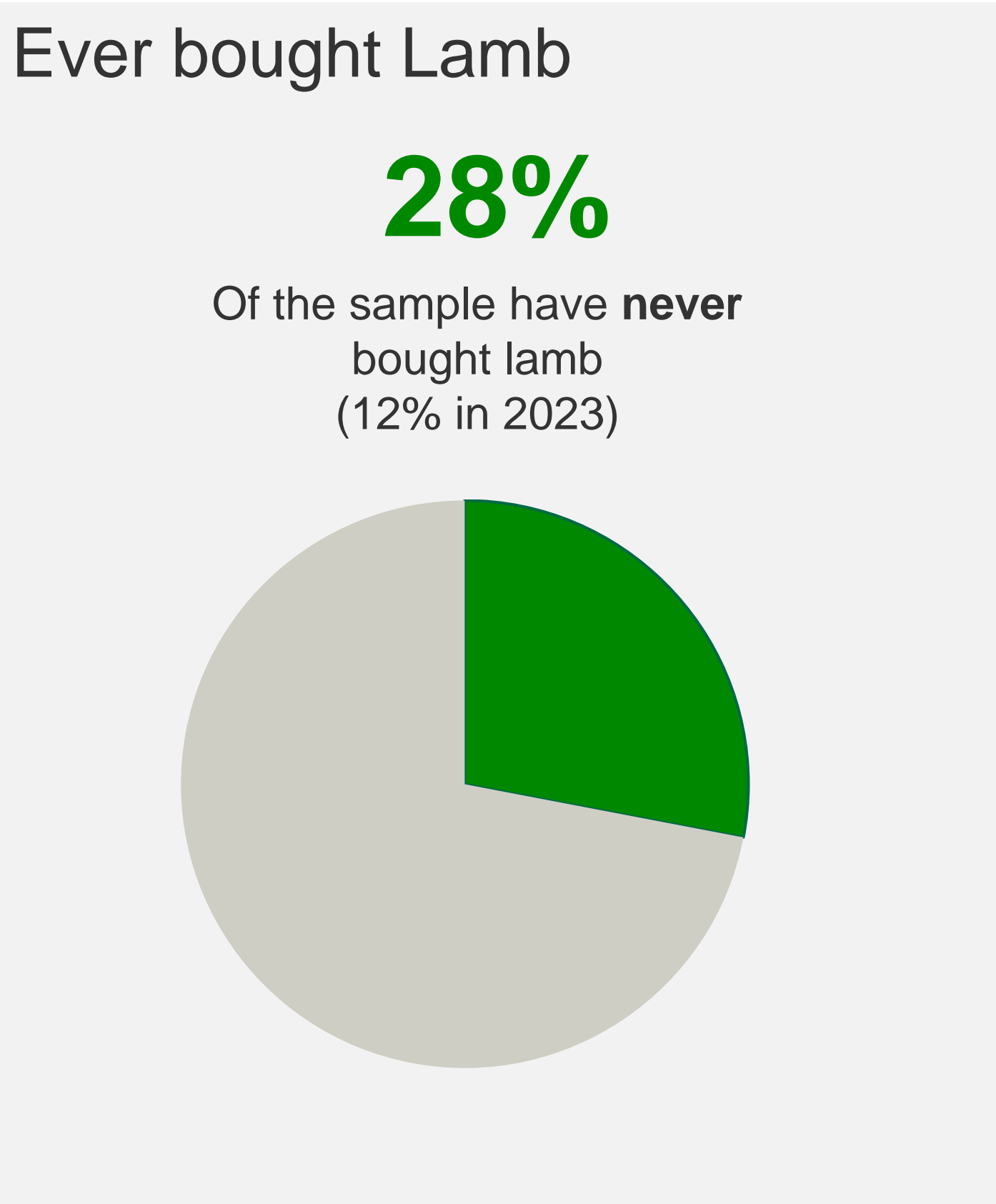


Average Serves Last 7 Days

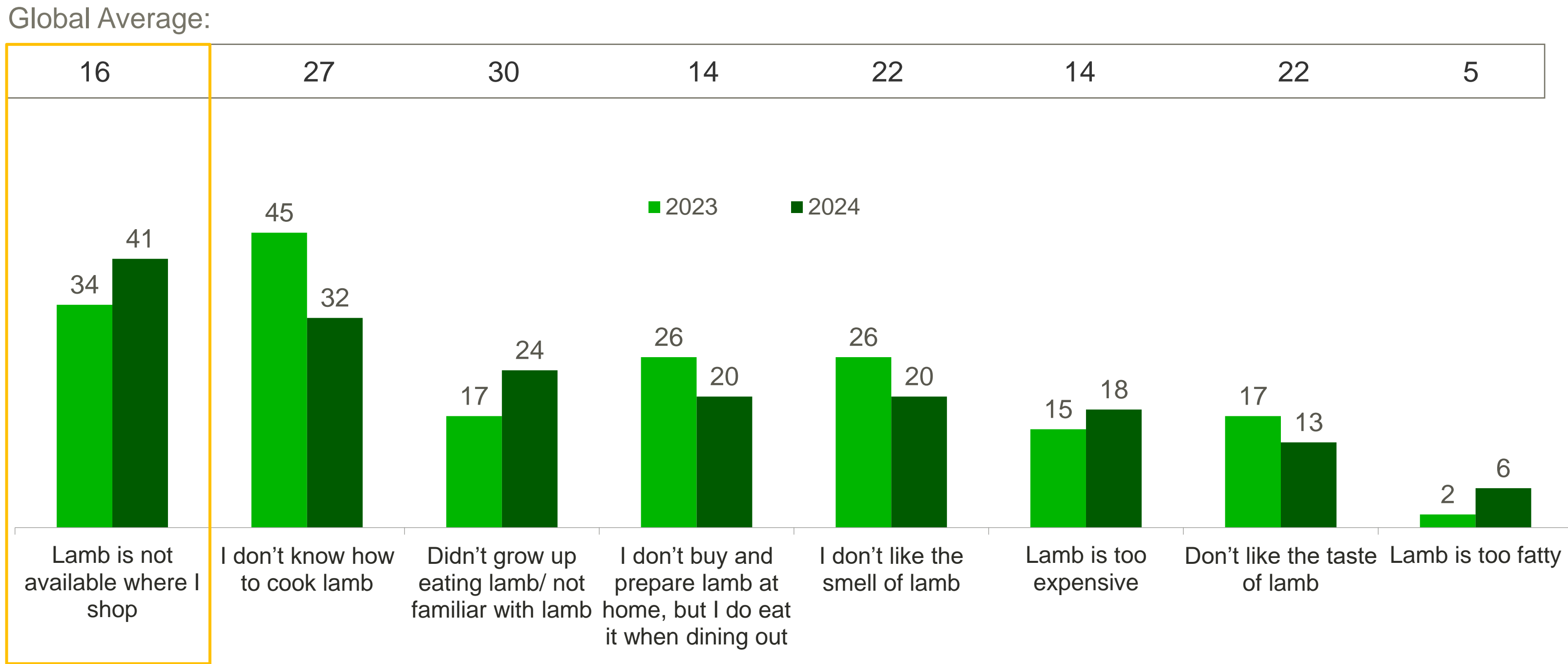


Lack of availability affects lamb purchases in Indonesia and is a bigger barrier in Indonesia than in other markets.

Lamb Purchase



Barriers to buying Lamb

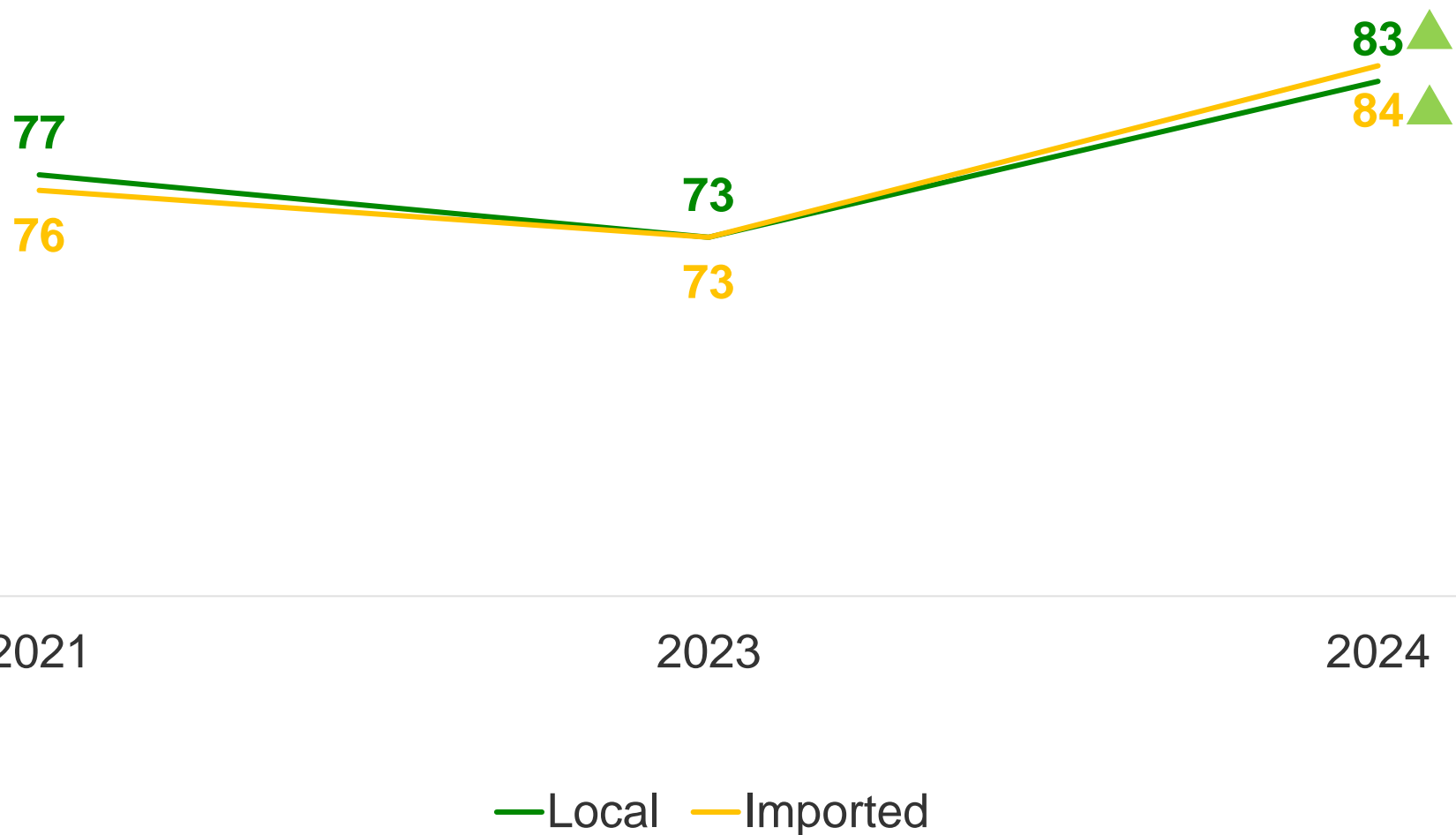


While overall lamb consumption decreased vs. 2023, those who buy it are doing so more frequently than in 2023.

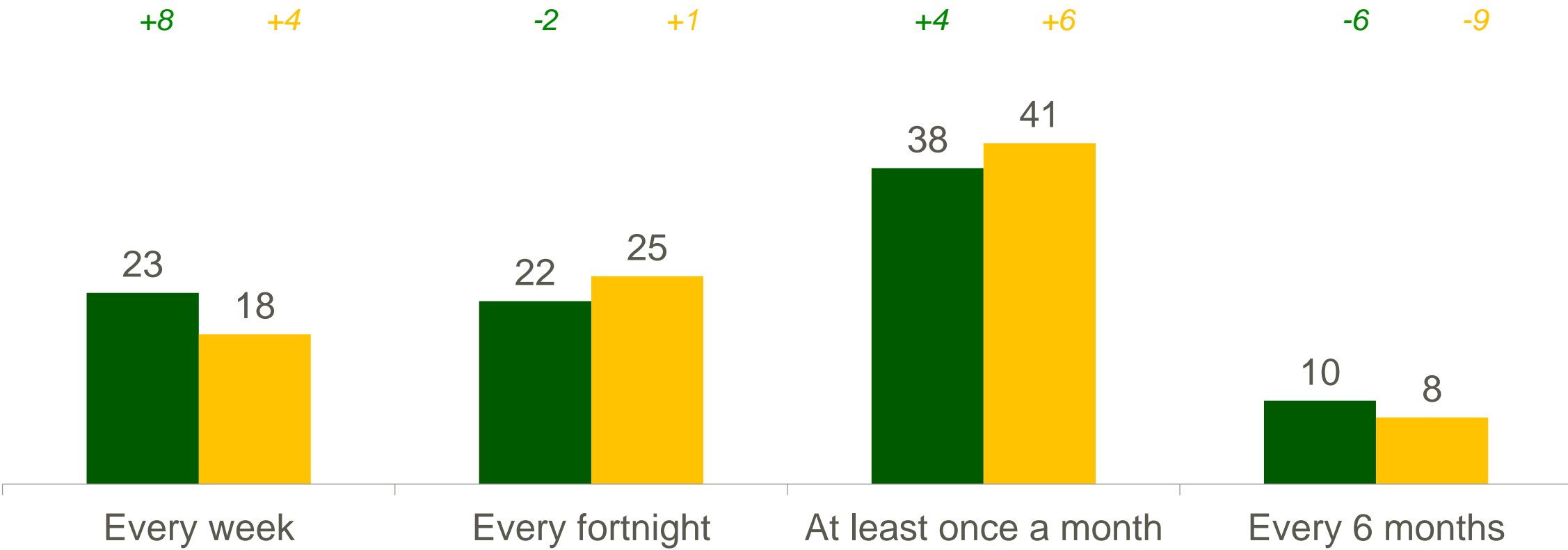
Frequency of Lamb purchase- Local & Imported

LOCAL/IMPORTED

NET - Monthly purchase of local/imported lamb
(among those who have bought lamb)



Frequency of purchase of local/imported lamb
(among those who have bought lamb)

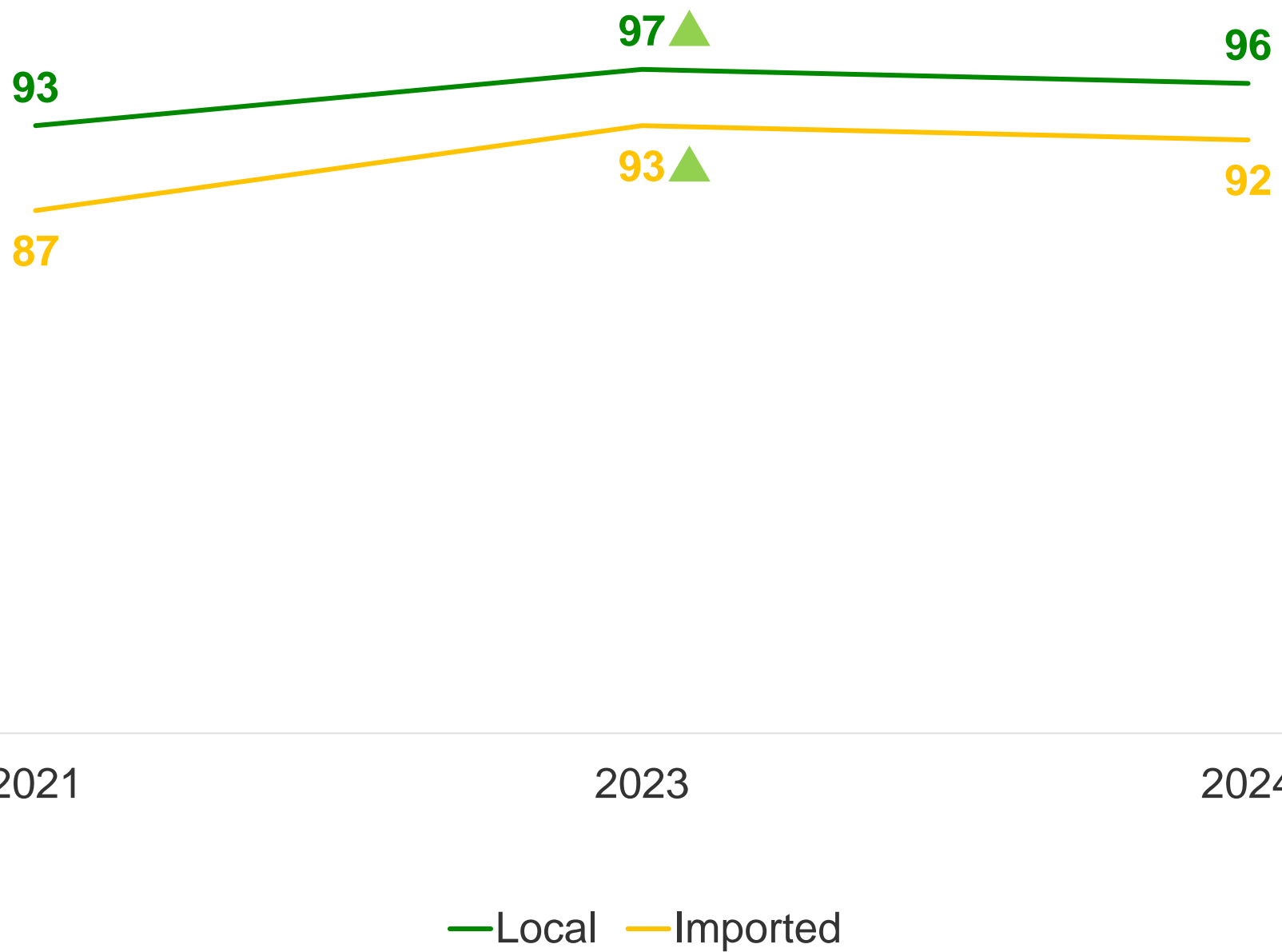


As for beef, monthly consumption of both local and imported remains stable vs 2023 and Local beef continues to be bought more often compared to Imported beef.

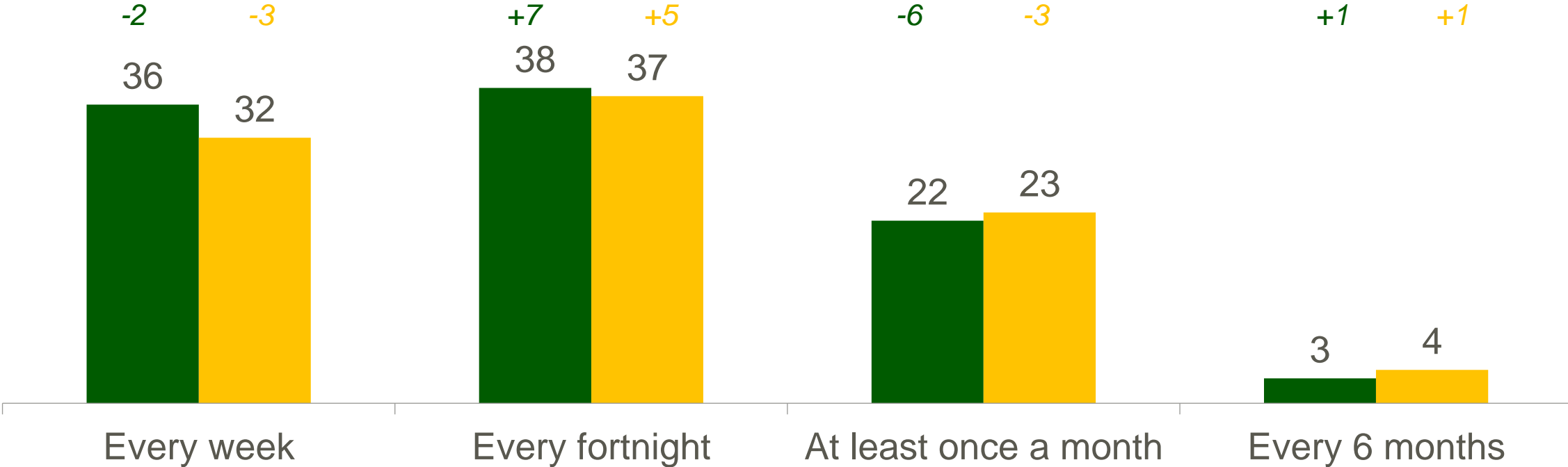
Frequency of Beef purchase- Local & Imported

LOCAL/IMPORTED

NET - Monthly purchase of local/imported beef
(among those who have bought beef)

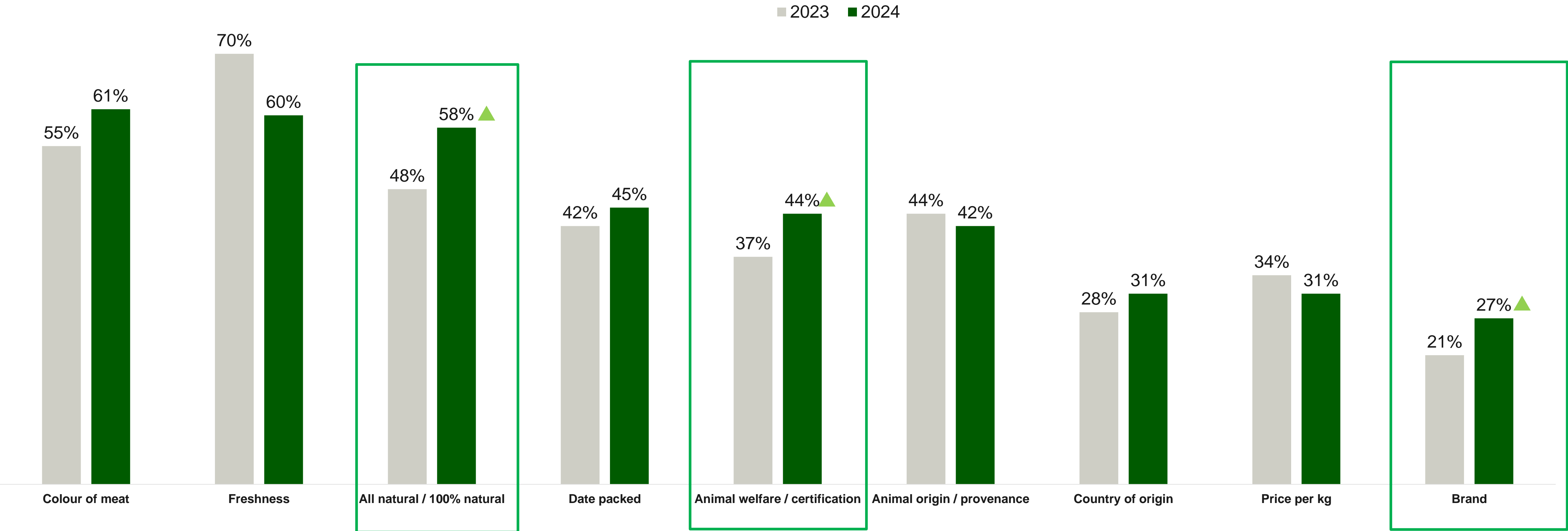


Frequency of purchase of local/imported beef
(among those who have bought beef)



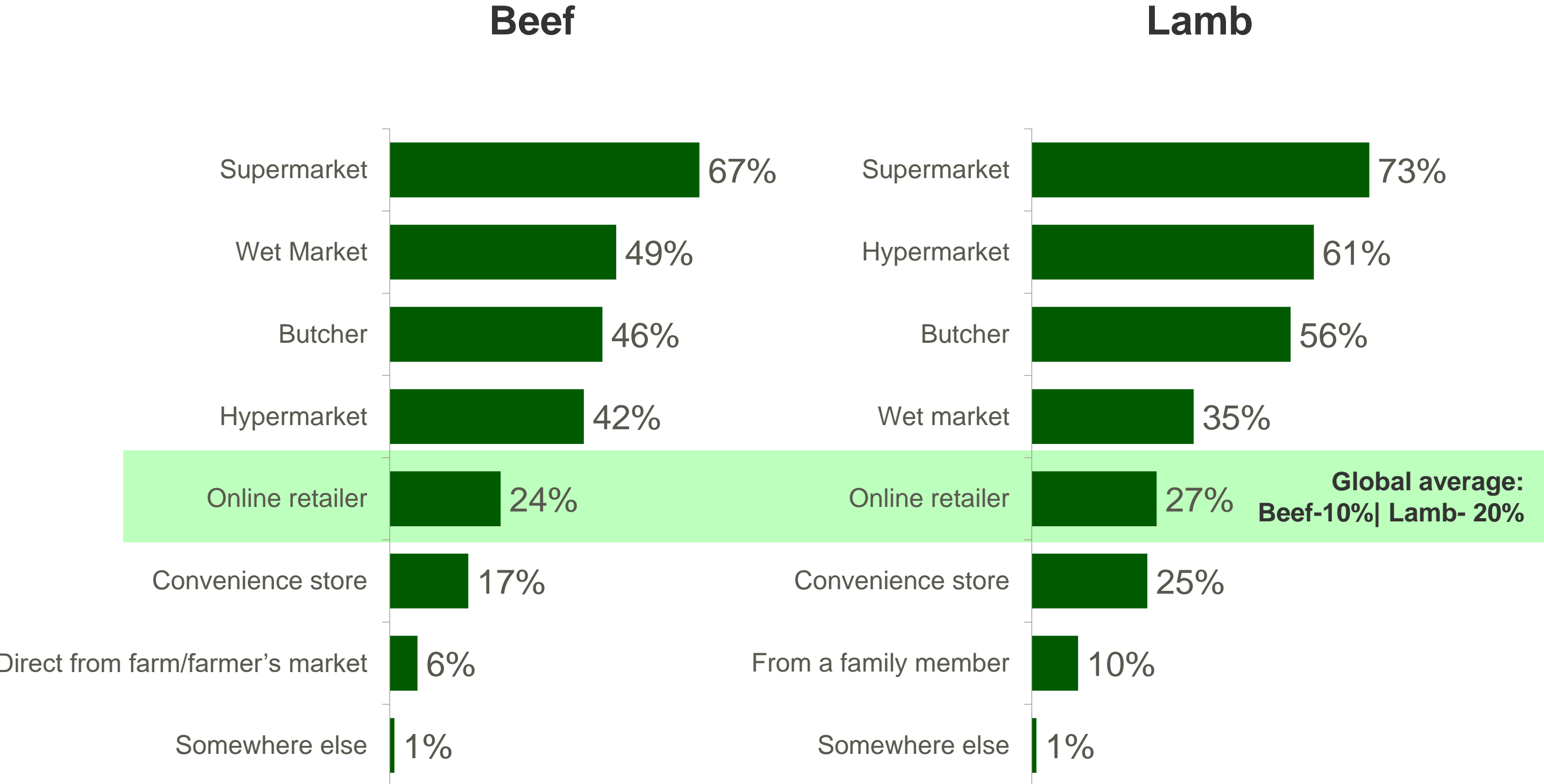
When buying beef, as consumers become more health conscious, credentials of being natural & animal welfare along with the brand, are becoming increasingly important

Top 'on pack' cues sought while buying beef

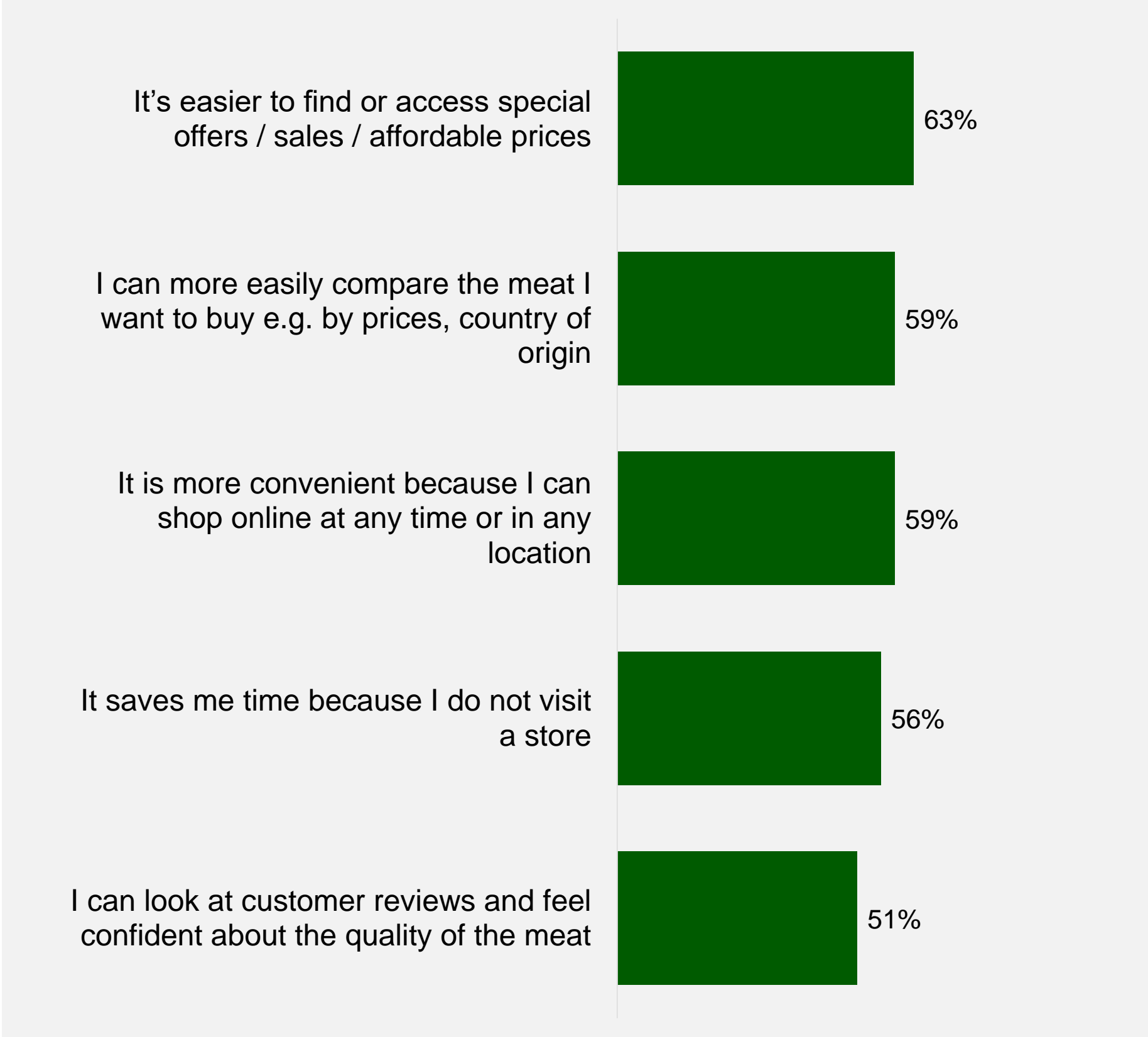


While physical channels continue to dominate, online purchase is higher compared to the global avg. and is motivated by the ability to compare prices, find special offers, and the benefits of convenience

Beef & lamb places of purchase – at least once A month

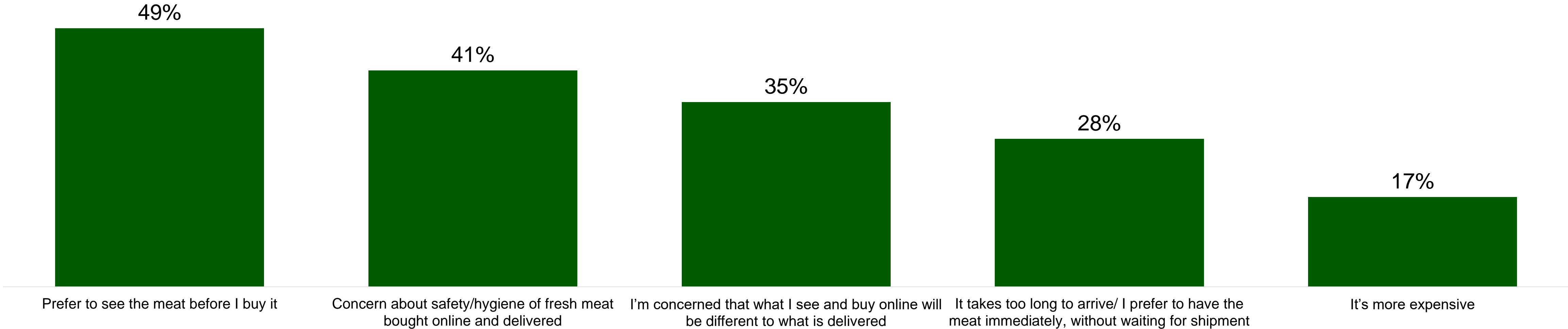


Top 5 reasons for buying beef online



For those unwilling to purchase online, not being able to see the meat in real life and concerns about safety and hygiene remain the key barriers

Reasons people haven't bought beef online in the past month- top 5



Summarising the Protein landscape in Indonesia

Protein consumption

Chicken and Beef are the most bought proteins followed by fish.

Availability is a key factor influencing Lamb consumption.

Physical channels are still preferred for red meat purchase, but consumers buy more beef and lamb online compared to the global average.

Ability to compare prices and find special offers motivates online purchase, however the need to see the meat and its colour before purchase and concerns about safety/hygiene are barriers among those who don't buy.

Factors influencing red meat purchase

Local beef is bought more often than imported beef.

There are several factors that consumers consider when buying meat, including meat colour, natural credentials, animal welfare, brand reputation, and country of origin.

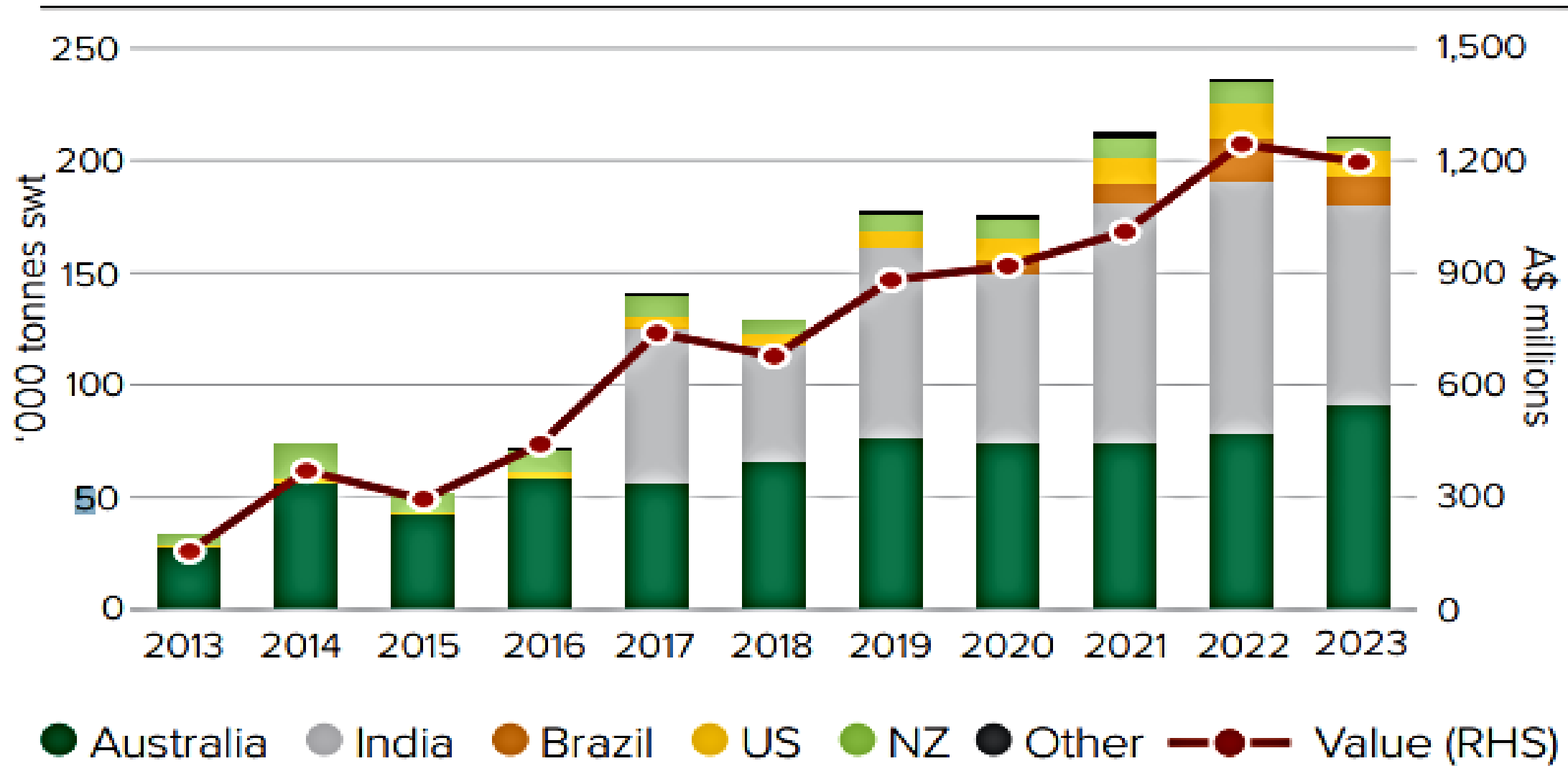
In a country where food safety, quality, and animal welfare are a priority, it is important for AU beef and lamb to assure consumers about its safe, sustainable practices.

3
Beef- Brand Health
By Country of Origin



Australia continues to play a crucial role in meeting Indonesia’s demand for quality beef. Reduced imports from US and NZ indicate a favourable environment for AU beef.

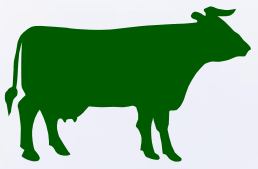
Indonesia beef imports by supplier*



Source: S&P Global MI Global Trade Atlas (GTA), *MAT year ending August

- In 2023, Australian beef boxed imports increased by 17% supported by easing Australian beef prices and higher demand from foodservice.
- India is the second-largest supplier of boxed beef/buffalo meat. However, imports dropped 22% in 2023 due to importers switching back to more competitive beef meat prices and Australian live cattle prices.
- Imports from Brazil have increased since it regained market access in 2019
- The US and New Zealand both saw reduced imports of 24% and 39% respectively with the US facing supply limitations and NZ shifting to alternative markets.

The brand list remains consistent with 2023 allowing year-on-year comparisons.

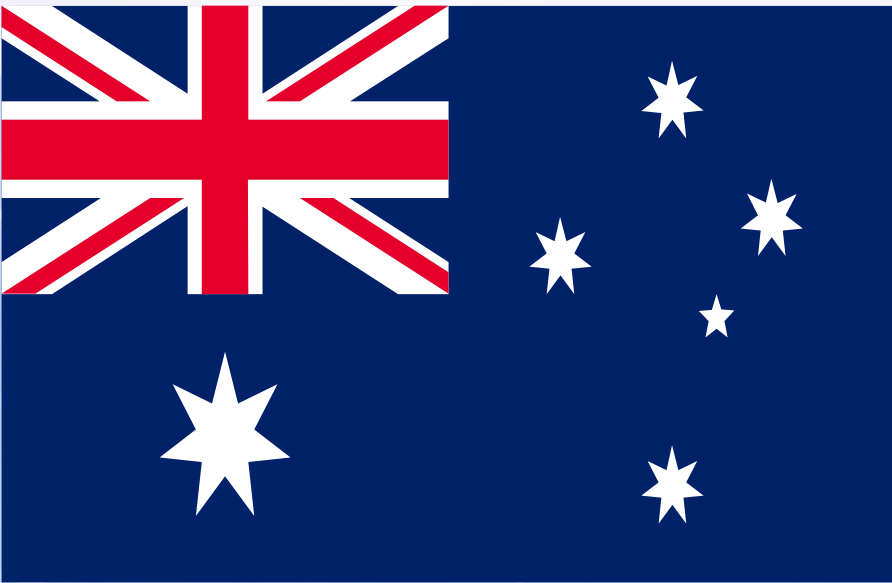


Beef Brands Tracked In 2024

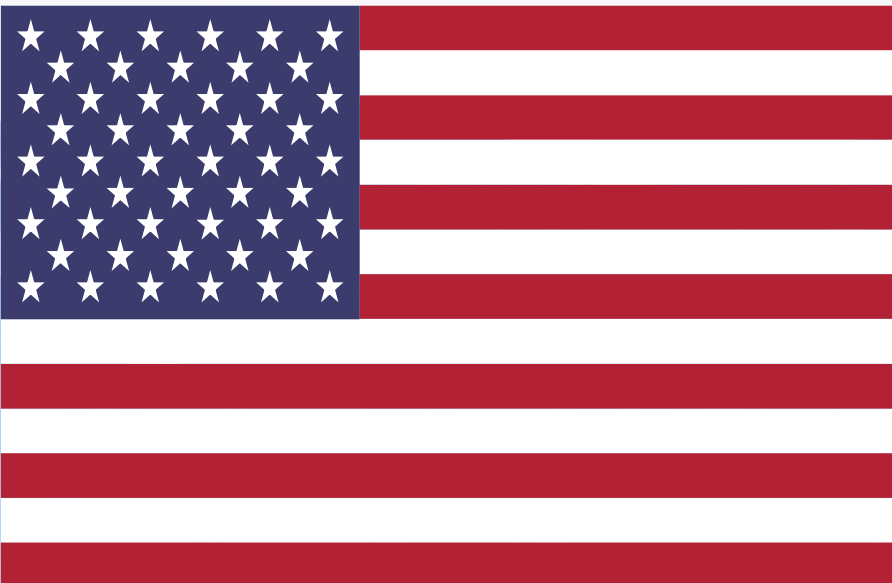
Local Indonesia beef



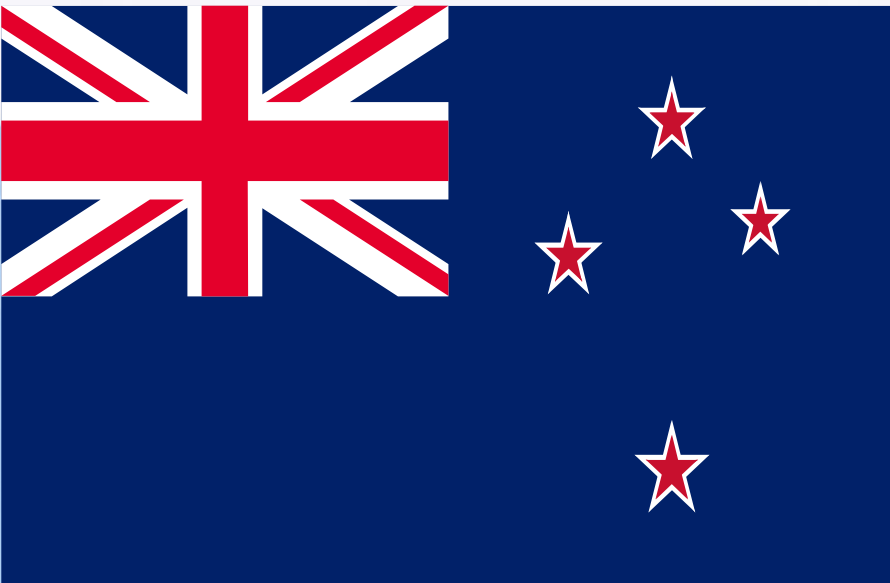
Australian beef



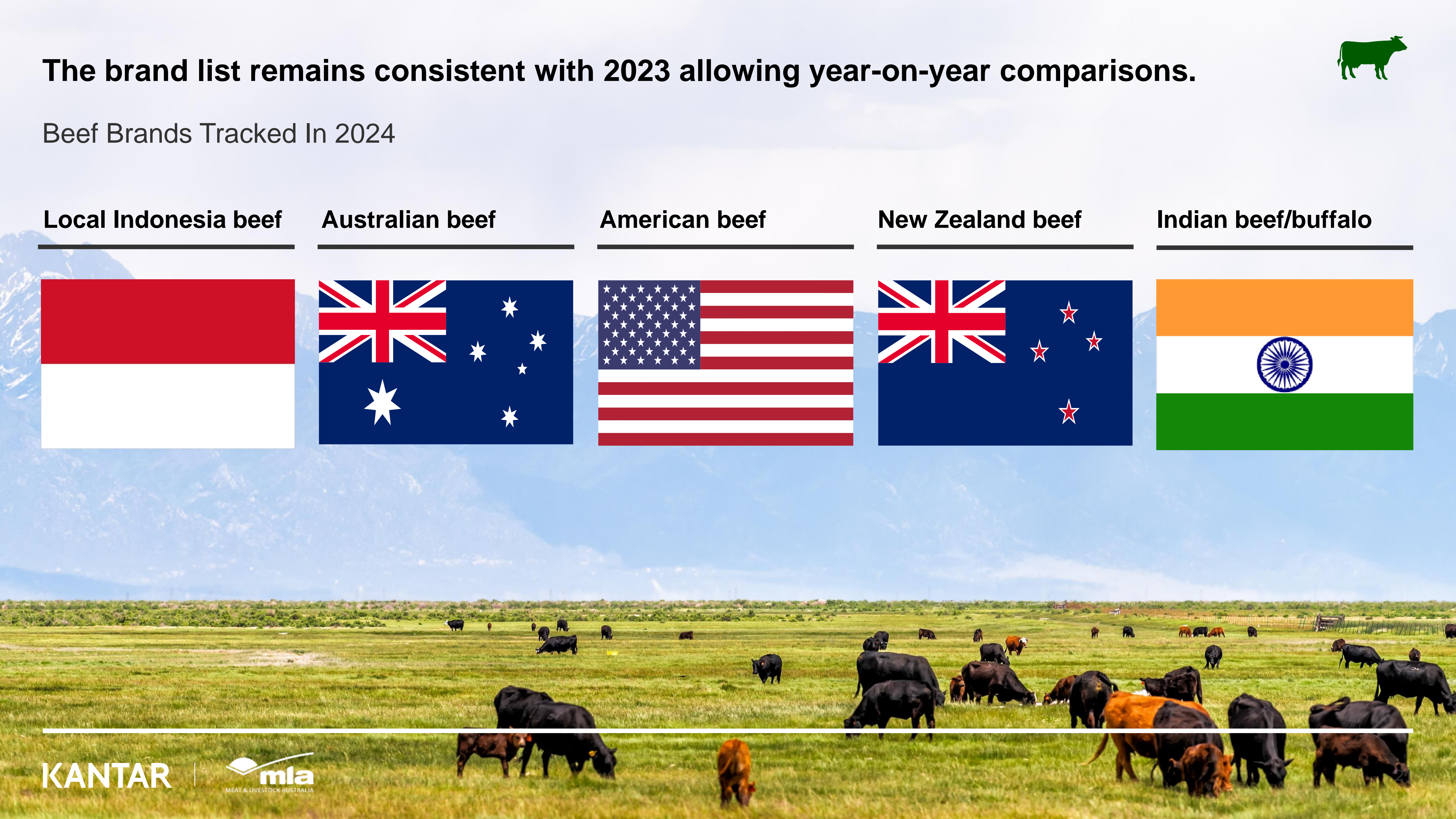
American beef



New Zealand beef



Indian beef/buffalo



There are two paths to brand growth

By increasing the likelihood
that a consumer will buy a brand

We call this **Demand Power**

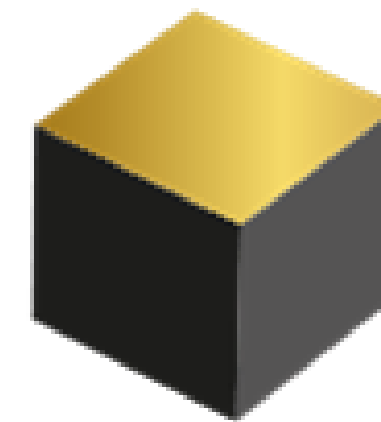


Demand Power

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

By increasing the likelihood
consumers will pay for a brand

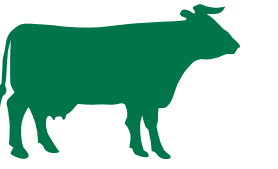
We call this **Pricing Power**



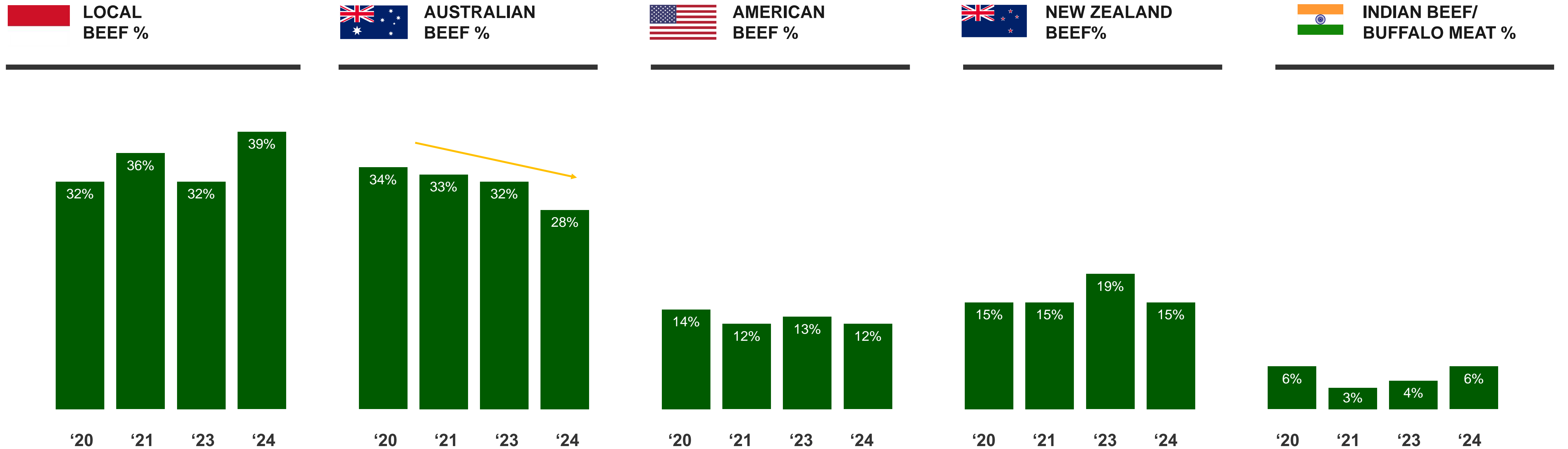
Pricing Power

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

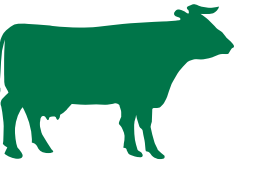
Demand Power for Local Beef grew, drawing share from other imports – mainly AU and NZ beef. AU beef shows a long-term decline - key to strengthen its position.



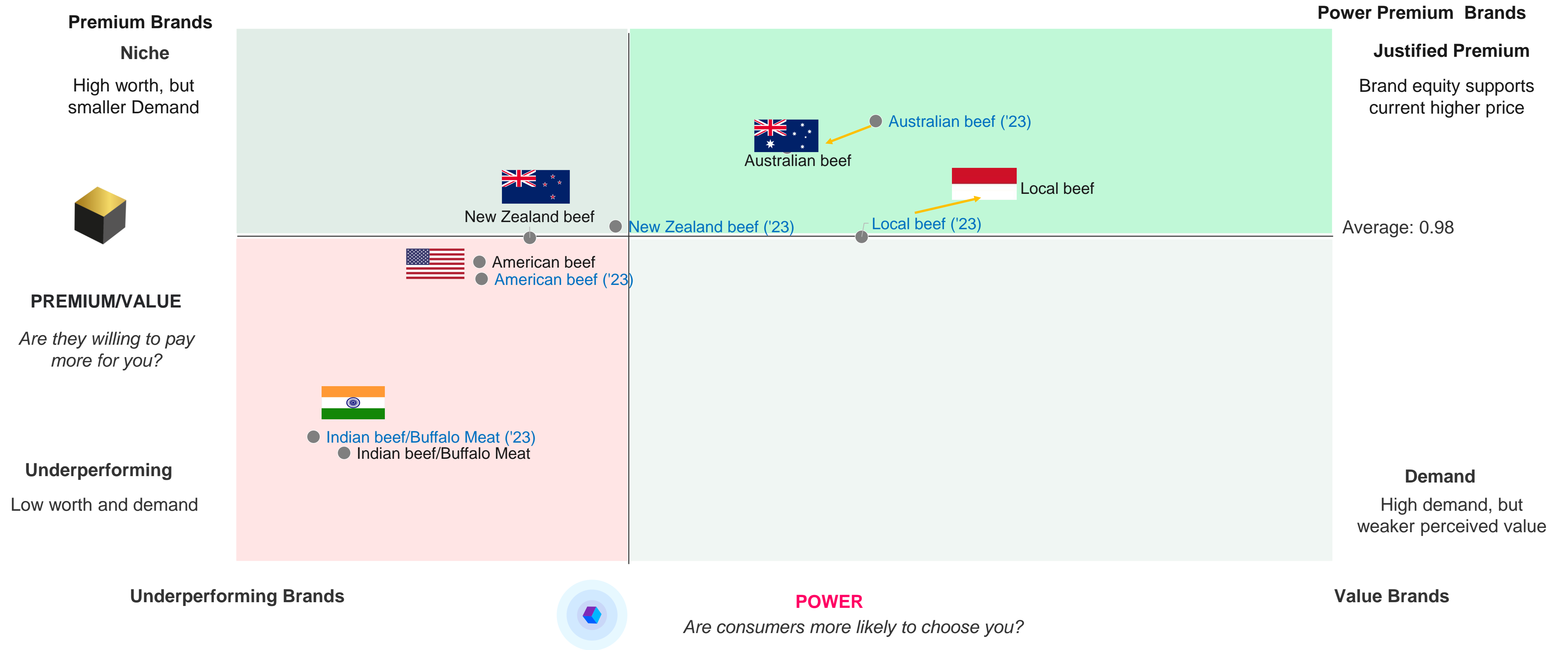
Beef Country Of Origin – Demand Power



AU Beef remains a 'Justified Premium' COO, its position has however weakened vs. 2023. Local Beef, on the other hand, strengthened its position, challenging AU Beef.



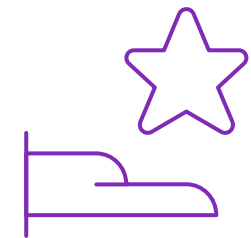
Beef Power VS. Premium By Country Of Origin



The associations that consumers hold in their minds for beef in Indonesia break into 5 themes



Imagery Factors & Drivers of Demand Power



Superior Quality

29% (31%)

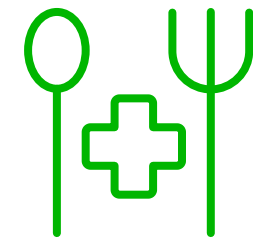
- Consistent quality standards
- Guaranteed safe to eat
- More nutritious
- Is easy and convenient to purchase
- Is my/my family's favourite beef
- Fresh
- Is the most superior beef



Tender

22% (23%)

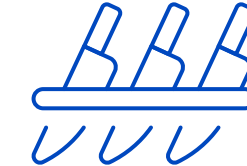
- The meat is usually tender
- The industry is environmentally sustainable



Halal

21% (16%)

- Animal is well-cared for
- I trust that this beef is slaughtered according to sharia law and is therefore Halal



Variety Of Cuts & Fat

17% (21%)

- Offers a variety of cuts that suit the meals
- The fat is nicely marbled
- Low in fat

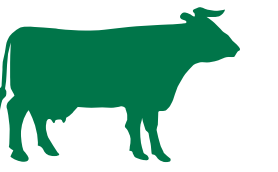


Cheap

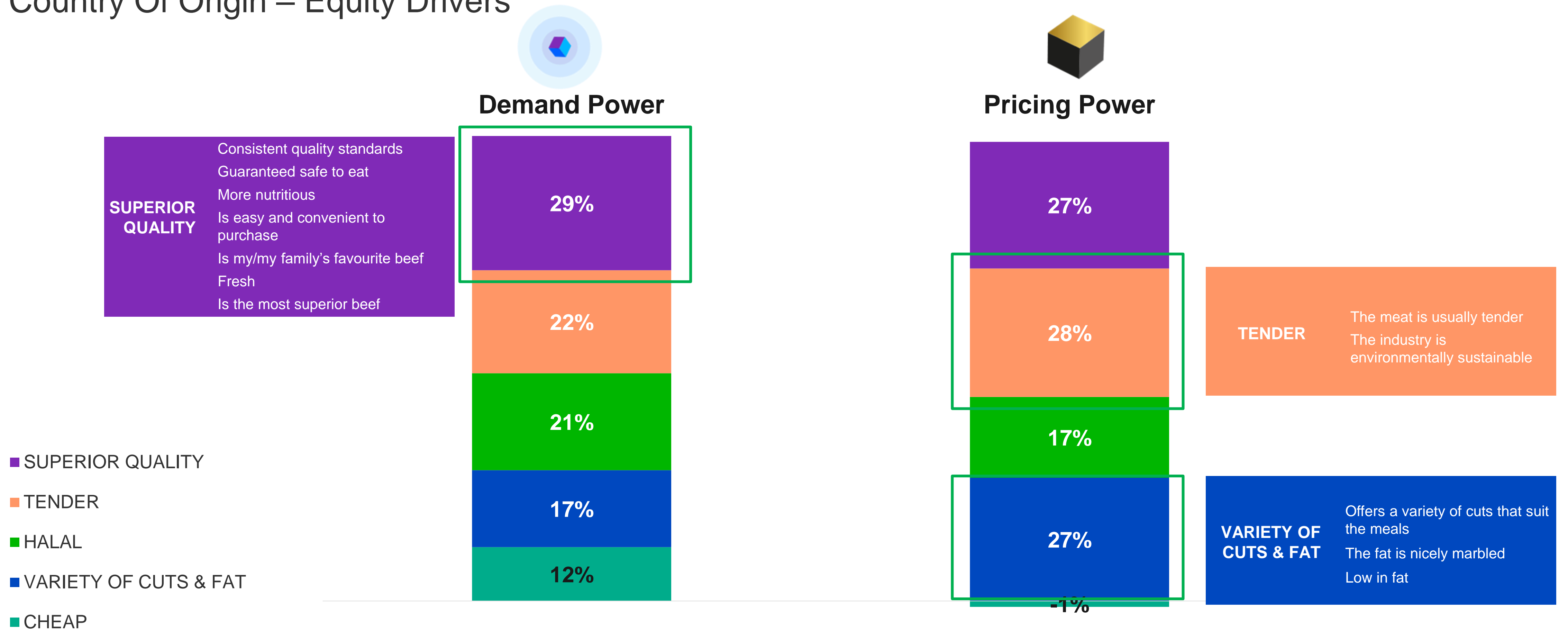
12% (9%)

- Cheaper

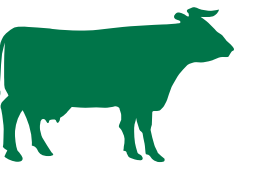
Superior quality is key in driving Demand and supporting a Premium Price, while perceptions of **Tenderness**, and **Variety & Fat cuts** have a greater influence on consumers' willingness to pay a premium price.



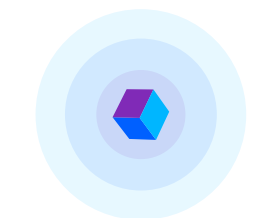
Beef Country Of Origin – Equity Drivers



The growth in Local Beef's equity is driven by stronger perceptions of being *Superior Quality*. AU Beef's perceptions have however weakened on being *family favourite*



Beef Drivers of Demand Power



DRIVERS OF DEMAND POWER
(Factors and statements ranked from highest to lowest influence in driving Demand Power)

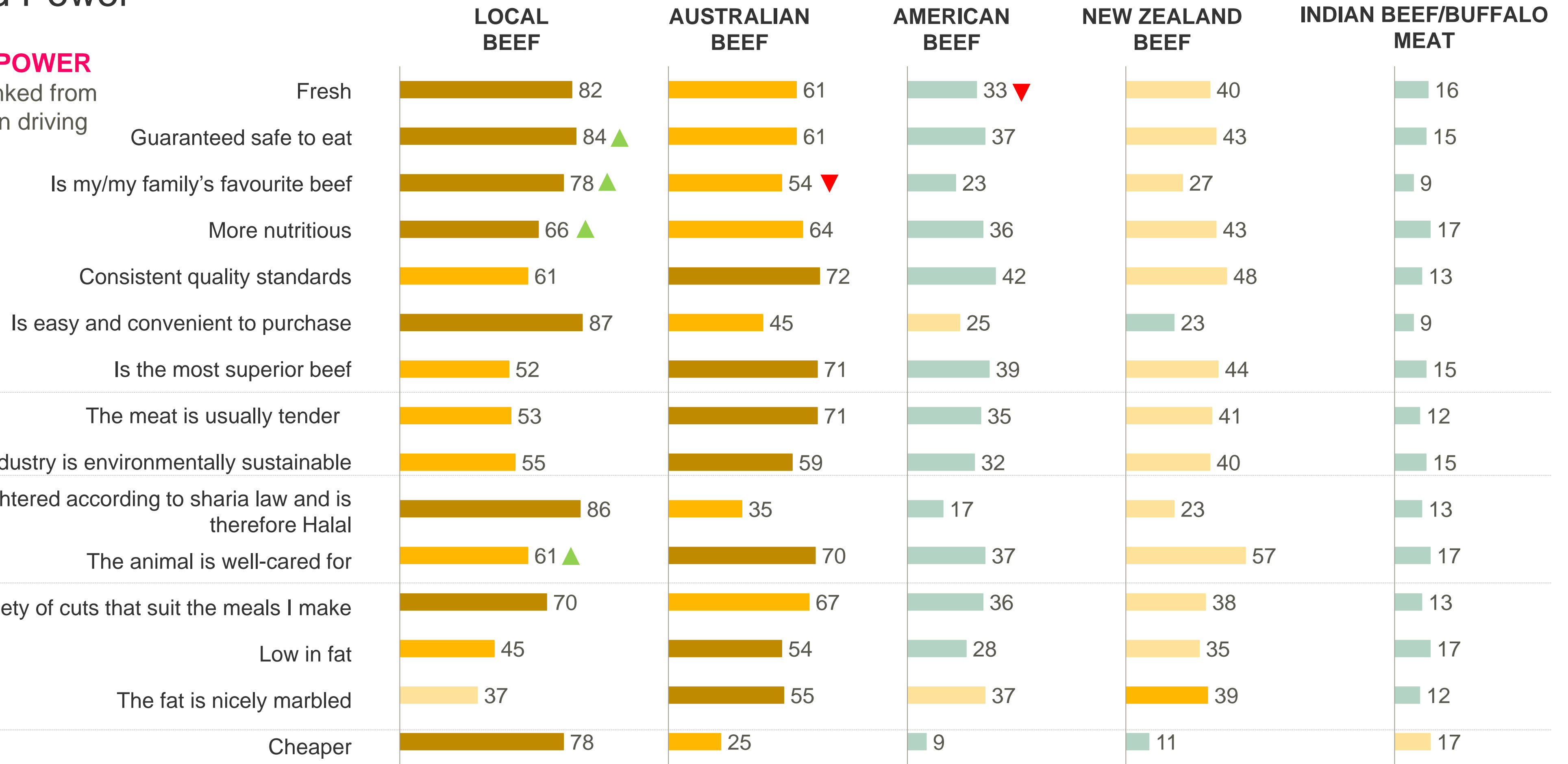
Superior Quality (29%)
(#2 Driver of Pricing Power)

Tender (22%)
(#1 Driver of Pricing Power)

Halal (21%)

Variety of cuts & fat content (17%)
(#2 Driver of Pricing Power)

Cheap (12%)



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

BIP analysis and why we should look at it



Limited Insights:

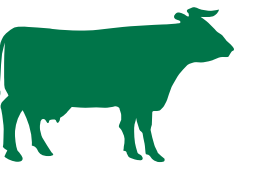
Big Brand leads on everything, followed by Medium Brand and Small Brand.

More Insights:

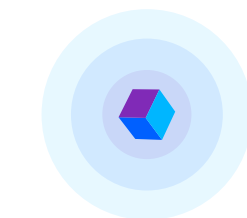
- Big brand's strength is driven by Association 2
- Medium brand's role is clear in consumers' minds – it is known for Association 3, but not for Association 1
- While small, Small Brand is a threat on Association 1

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)

In addition to maintaining its strong associations with Superior Quality, AU Beef must improve its perception on being Nutritious, a white space that can help differentiate itself further and grow Demand and Pricing power.



Drivers of Demand Power



DRIVERS OF DEMAND POWER
(Factors and statements ranked from highest to lowest influence in driving Demand Power)

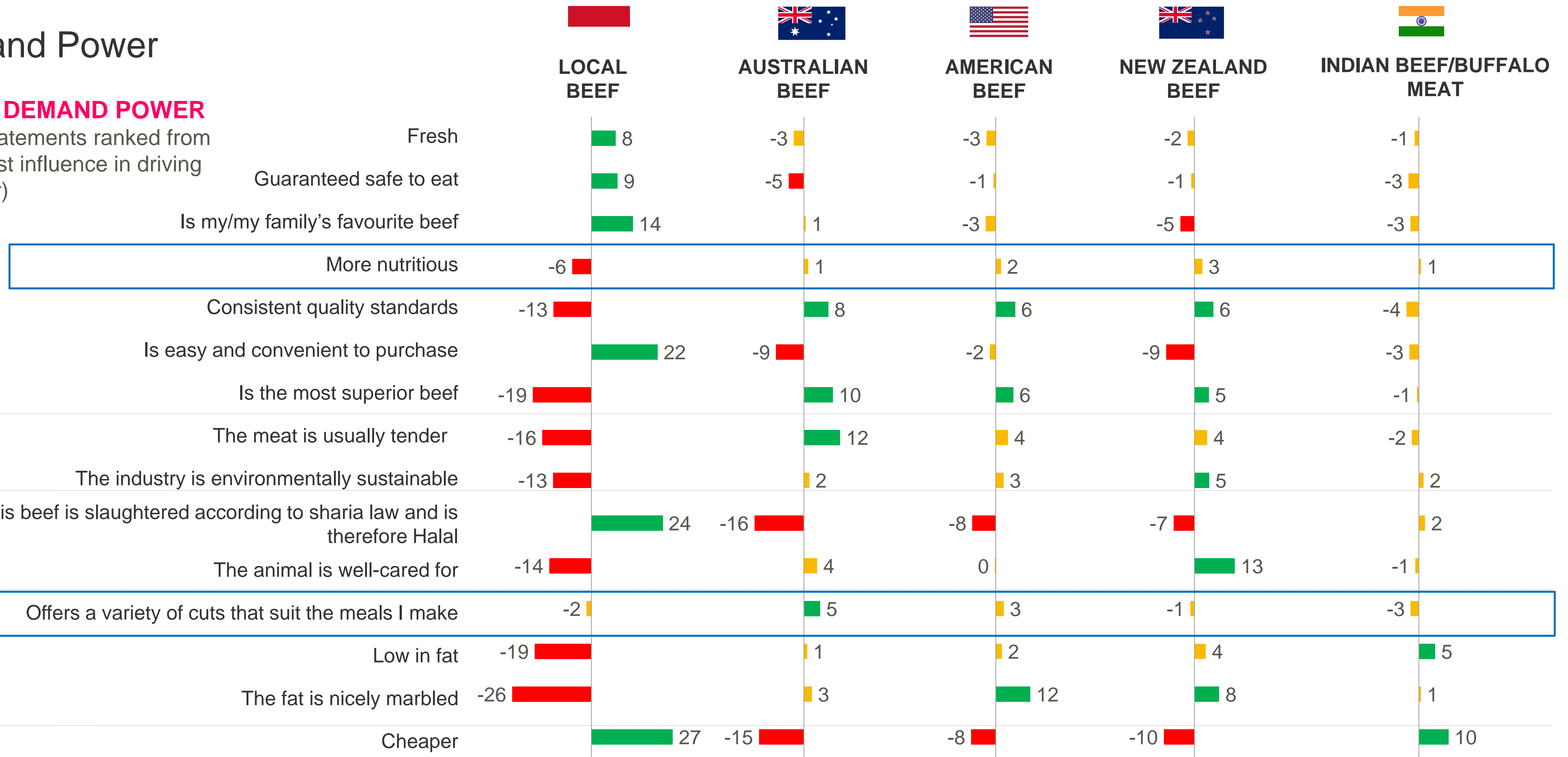
Superior Quality (29%)
(#2 Driver of Pricing Power)

Tender (22%)
(#1 Driver of Pricing Power)

Halal (21%)

Variety & fat cuts (17%)
(#2 Driver of Pricing Power)

Cheap (12%)



Modelling helps us identify that the strongest returns for AU Beef lie in guaranteeing high safety processes, and ensuring fresh, nutritious, Halal cuts.



Top associations to grow - volume & premium (ordered based on impact on building equity)

1

Halal

Owned by local beef

2

Guaranteed safe to eat

Owned by local beef but AU Beef is well placed to strengthen associations

3

More nutritious

White space

4

Is my/my family's favourite beef

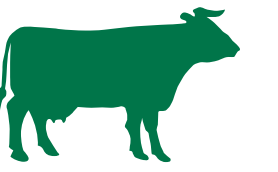
Owned by local beef so difficult space for AU Beef to own

5

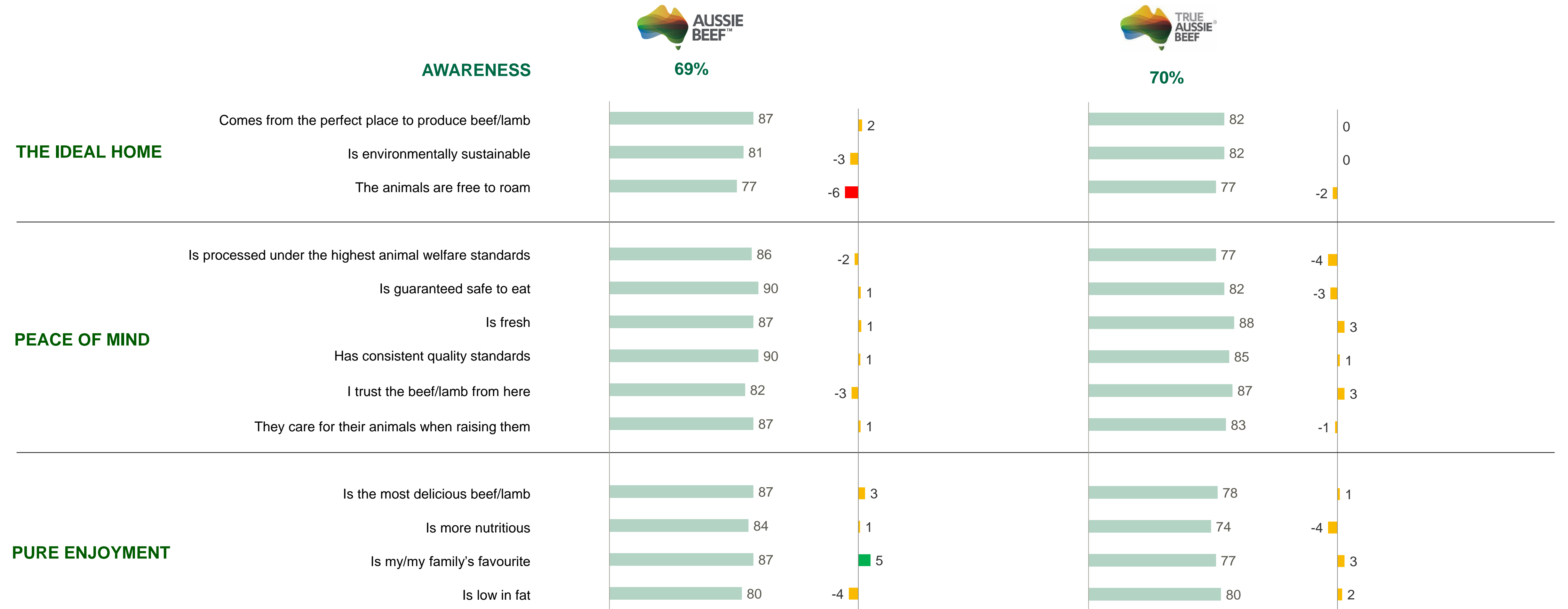
Fresh

Owned by local beef - Difficult to achieve when competing vs. a local product

The updated logo for Aussie Beef has maintained strong awareness and associations. However, more needs to be done to build its image and differentiate vs. competition on the three main pillars.



Aussie Beef - awareness and perception



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

Summarising the Beef module in Indonesia

Strengthen Australian Beef's Equity in Indonesia

While AU beef has a strong position and continues to be a justified premium brand in Indonesia, its equity has decreased over time, which must be addressed to safeguard its leading position among imports.

Guaranteeing availability in both bricks and mortar and online channels is key as online shopping grows increasingly popular.

Superior Quality and Safety credentials

While AU Beef is differentiated on its superior quality, tenderness and variety of cuts, it must strengthen its perceptions on other attributes of superior quality and safety credentials.

As Indonesians are more concerned with food quality and safety – it is important to highlight AU's clean, green, natural image and rearing practices.

Ensuring high safety processes and fresh, nutritious, Halal cuts yields the strongest returns.

Being seen as more nutritious is a white space opportunity for AU Beef

4 Lamb- Brand Health By 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.

The brand list remains consistent with 2023 allowing year-on-year comparisons.

Lamb Brands Tracked In 2024

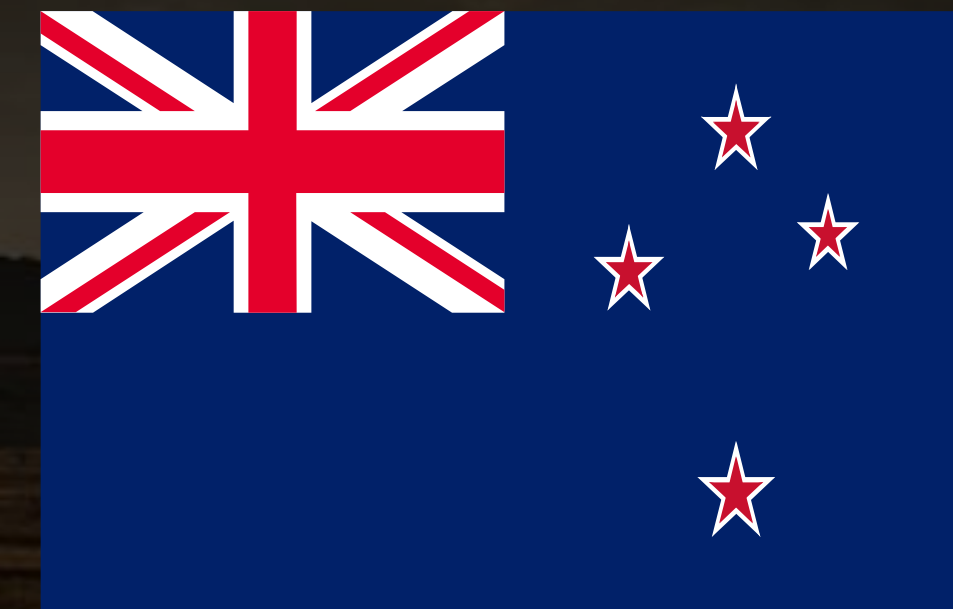
Local Indonesia lamb



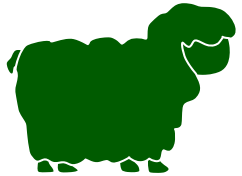
Australian lamb



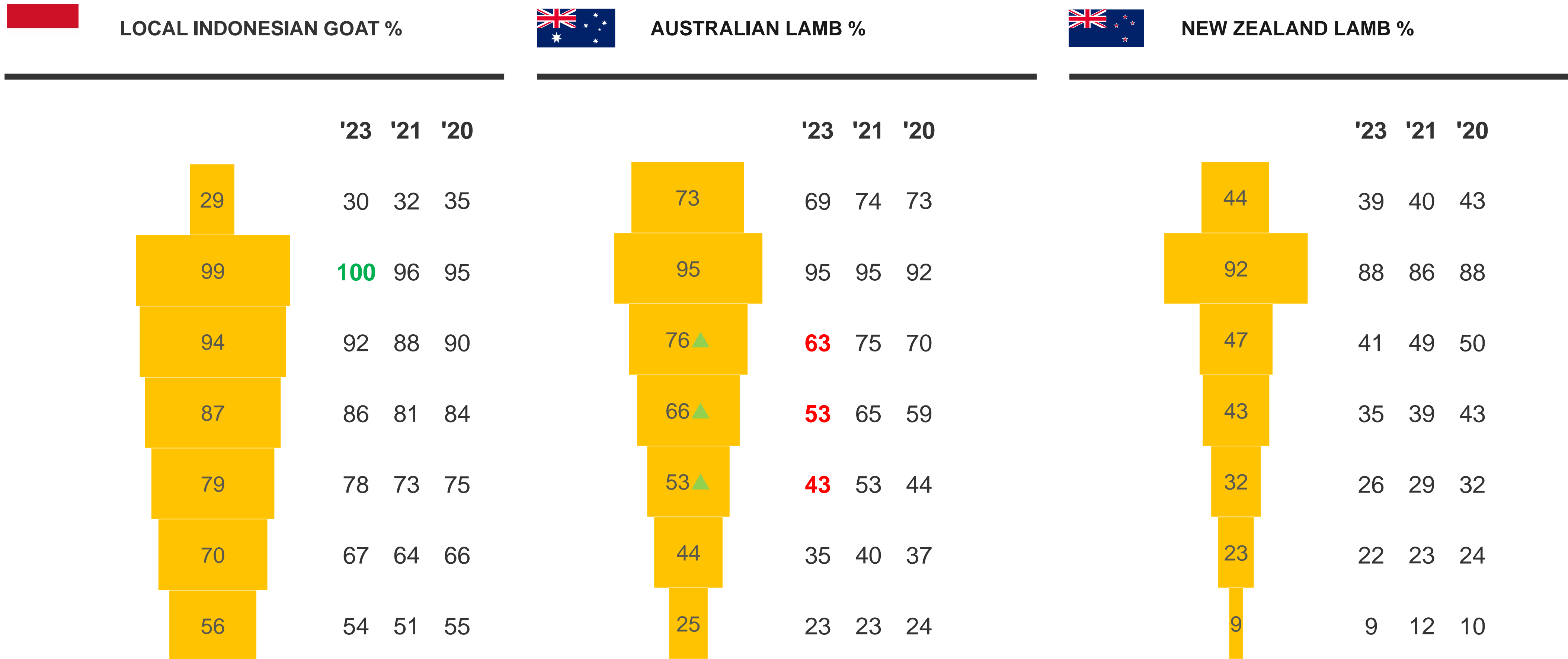
New Zealand lamb



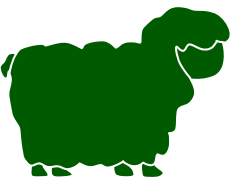
Consumption of AU Lamb recovered, returning to 2021 levels and maintaining a strong lead over NZ Lamb. Local Lamb however continues to dominate.



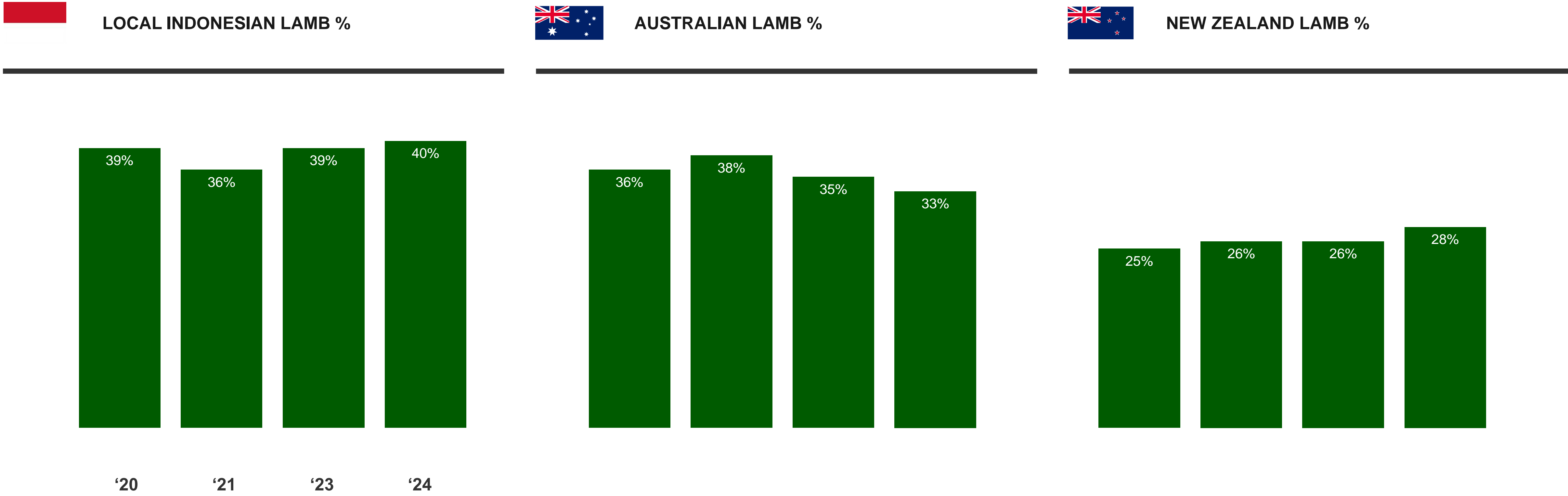
Brand Health Funnels – By Country of Origin



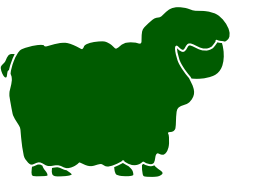
Equity of Local and NZ Lamb has been slowly growing, taking market share from AU Lamb



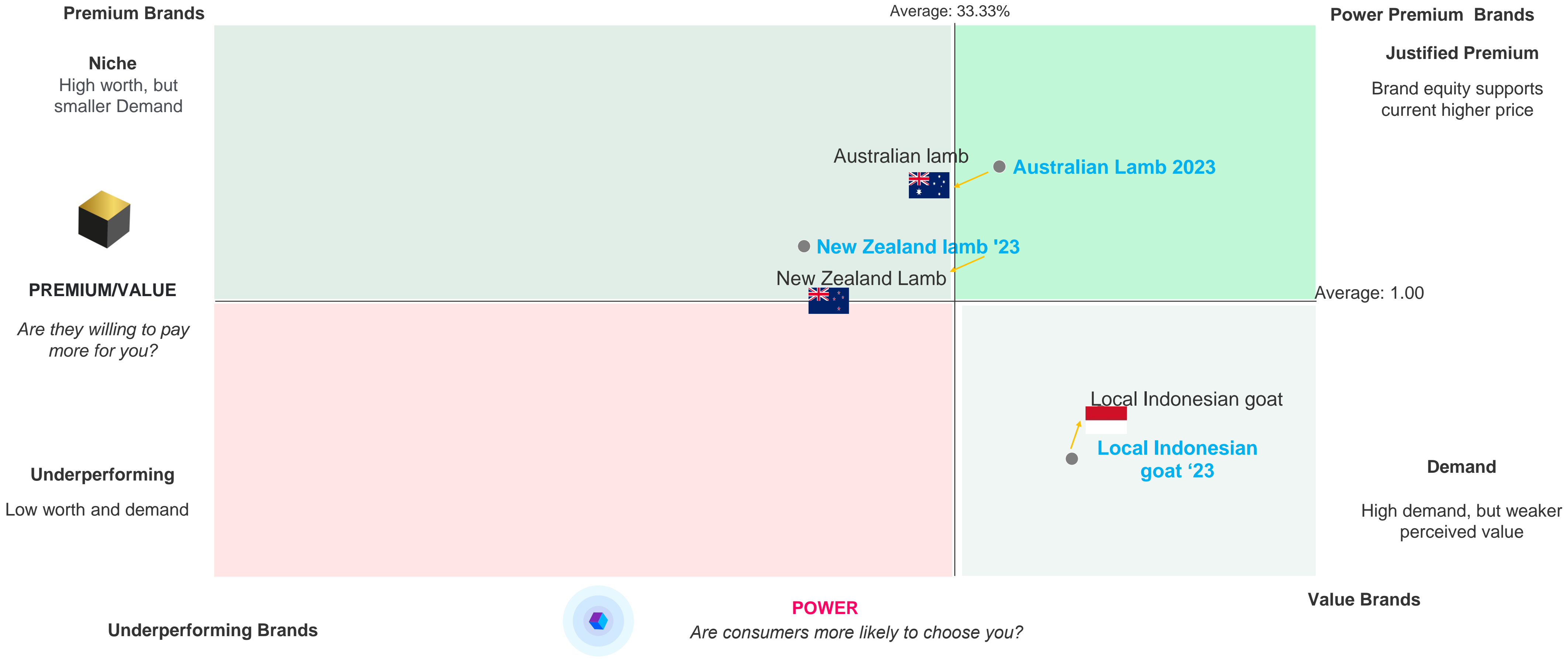
Beef Country of Origin – Equity



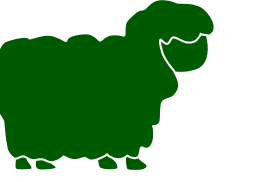
AU Lamb has lost ground as a 'Justified Premium' brand as its equity softened vs. 2023. On the other hand, Local lamb has stronger equity but much weaker perceived value which allows it to drive volume but remains dependant on its price.



Lamb Power VS. Premium by Country of Origin



The associations that consumers hold in their minds for lamb in Indonesia break into 6 themes



Better for my family

30% (34%)

- Is my/my family's favourite lamb/goat
- Fresh
- More nutritious
- Guaranteed safe to eat
- Is the most superior lamb
- The meat is usually tender
- Is easy and convenient to purchase



Quality cuts

23% (26%)

- Offers a variety of cuts that suit the meals I make
- Consistent quality standards
- The animal is well-cared for



Halal

17% (8%)

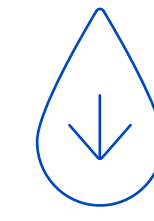
- I trust that this lamb is slaughtered according to sharia law and is therefore Halal



Environment

12% (13%)

- The industry is environmentally sustainable



Low fat

12% (12%)

- Low in fat

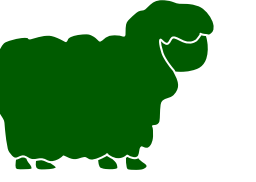


Cheap

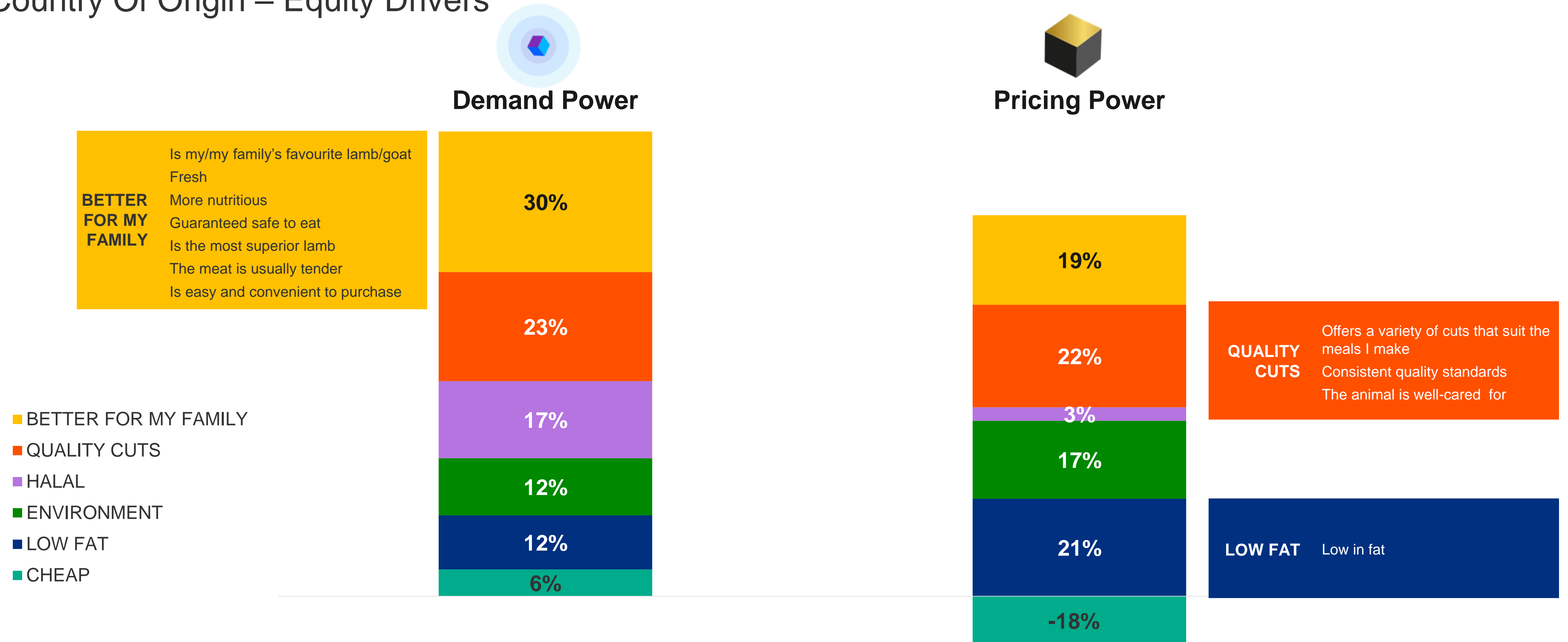
6% (6%)

- Cheaper

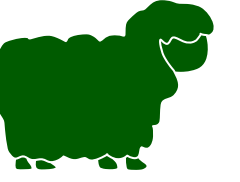
Better for my family and **Quality cuts** are both key in growing Demand and Premium for lamb, while being perceived as **low in fat** has a greater influence on consumers' willingness to pay more for a COO.



Beef Country Of Origin – Equity Drivers



While AU has key strengths that must maintain across all key levers, it must strengthen perceptions of safety, availability, and versatility to reclaim its Justified Premium position.



Drivers of Demand Power



DRIVERS OF DEMAND POWER
(Factors and statements ranked from highest to lowest influence in driving Demand Power)

Better for my family (30%)

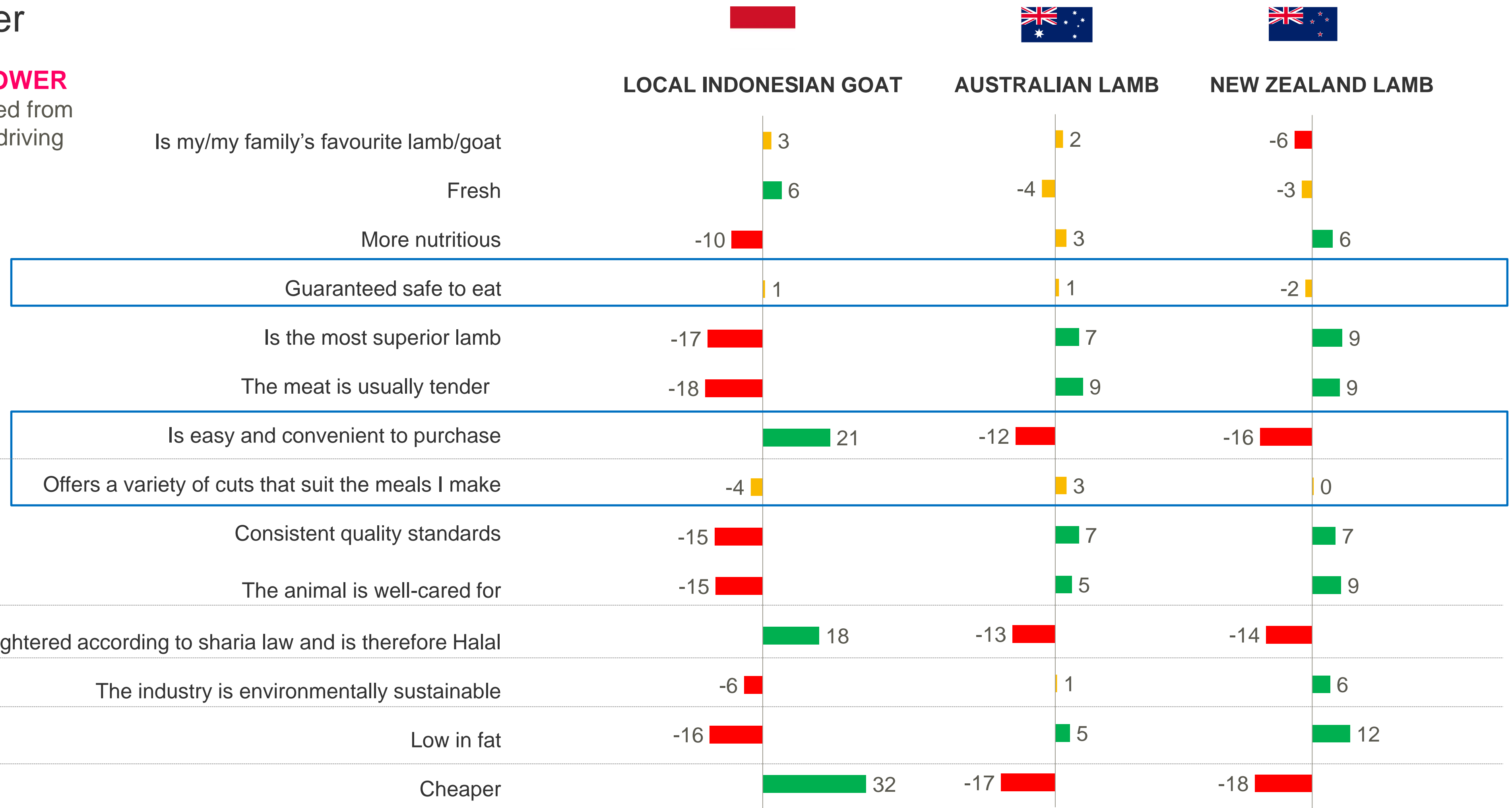
Quality cuts (23%) (#1 Driver of Pricing Power)

Halal (17%)

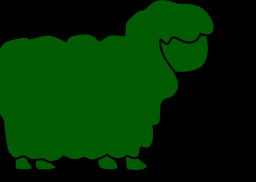
Environment (12%)

Low fat (12%) (#2 Driver of Pricing Power)

Cheap (6%)



Modelling helps us identify that the strongest returns for AU Lamb lies in guaranteeing consistent quality and high safety processes.

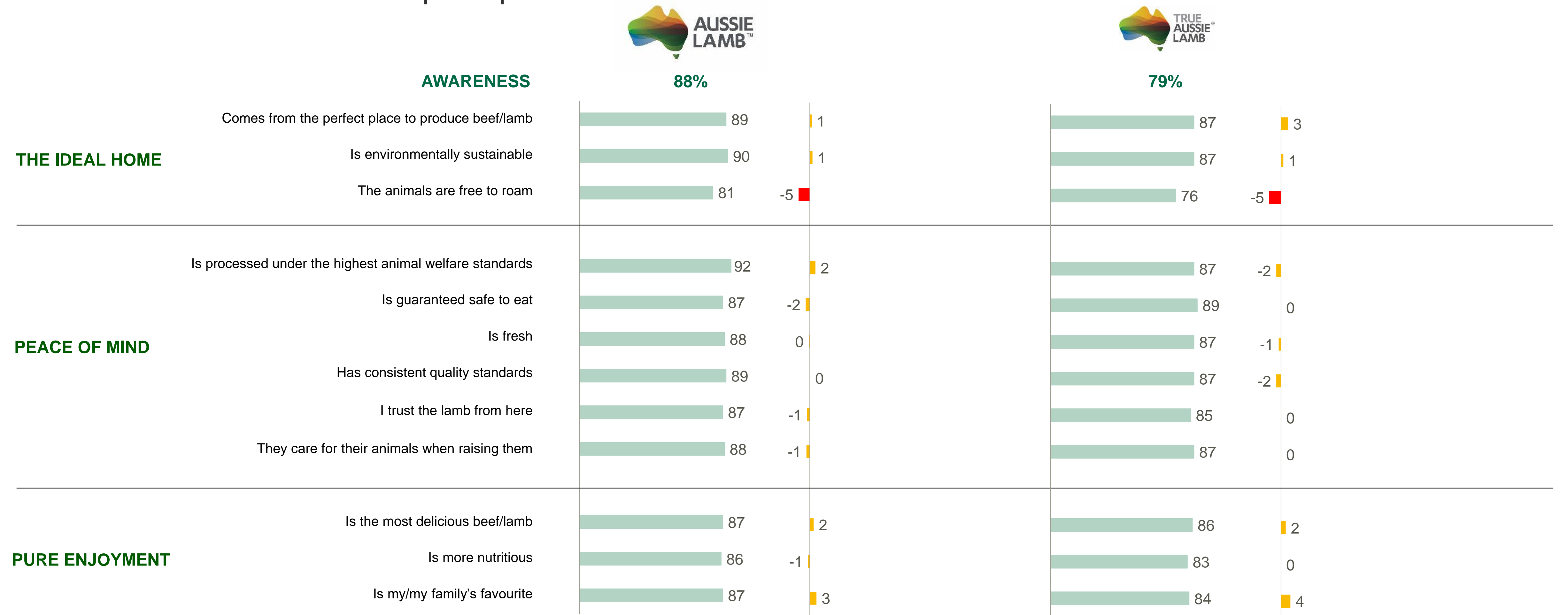


Top associations to grow - volume & premium (ordered based on impact on building equity)

1	2	3	4	5
Consistent quality standards	Guaranteed safe to eat	More nutritious	Fresh	Halal
Owned by AU and NZ Lamb	White space	Owned by NZ Lamb	Owned by local goat - Difficult to achieve when competing vs. a local product	Owned by local goat

Similar to Aussie Beef logo, Aussie Lamb logo maintained strong awareness and associations. However, more needs to be done to build its image on the three main pillars.

Aussie lamb - awareness and perception



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

Summarising the Lamb module in Indonesia

Australian Lamb is losing ground to Local and NZ Lamb

Overtime, local and NZ lamb have been gaining equity share from Australian lamb. As a result of declining equity, AU Lamb has lost its status as 'Justified Premium'.

It is key for AU Lamb to strengthen its equity and reclaim its 'Justified Premium' positioning.

Focus on Food quality & safety, and ensure availability

While AU Lamb holds strengths across various key factors, it must reassure consumers about its safety measures and versatility, as well as make Lamb more accessible through numerous channels, as lack of availability is the main barrier to consumption.

The narrative of our clean, green, and natural rearing environment may be used at all touchpoints to bring functional and perceptual benefits.

5 Final thoughts and discussion



Final thoughts and discussion

Focus on health, nutrition and food safety

Indonesian consumers are paying more attention to food safety, brand reputation, and animal welfare.

Both AU Beef and lamb must strengthen perceptions around safety by reassuring Australia's safety procedures and leveraging the narrative of its clean, green and natural environment in all communications.

Action points for Australian Beef

Although AU Beef has a strong position in Indonesia, its equity has weakened over time, challenged by Local Beef.

AU Beef must focus on strengthening its Superiority and Safety credentials in order to be consumers' first choice.

Ensure availability across all channels, as supermarkets are still the preferred point of purchase, but online shopping is gaining traction.

Actions point for Australian Lamb

Despite being the strongest import, AU Lamb has lost its Premium status and is losing ground against Local and NZ Lamb.

It is essential to focus efforts on increasing associations with food quality and safety, as well as guaranteeing the availability of fresh, nutritious, and Halal cuts, since these can help Australian lamb improve its market position.

KANTAR

Global Tracker 2024

Indonesia Presentation Deck

Brought to you by your Kantar Team:
Sally Kennedy, Poorva Shinde and Carolina
Ferrando



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