

# KANTAR

## Global Tracker 2024

### Japan Presentation Deck

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



  
MEAT & LIVESTOCK AUSTRALIA

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1 MACRO MARKET CONTEXT

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2 PROTEIN LANDSCAPE

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3 IMPORTED BEEF CONSUMPTION & COUNTRY OF ORIGIN

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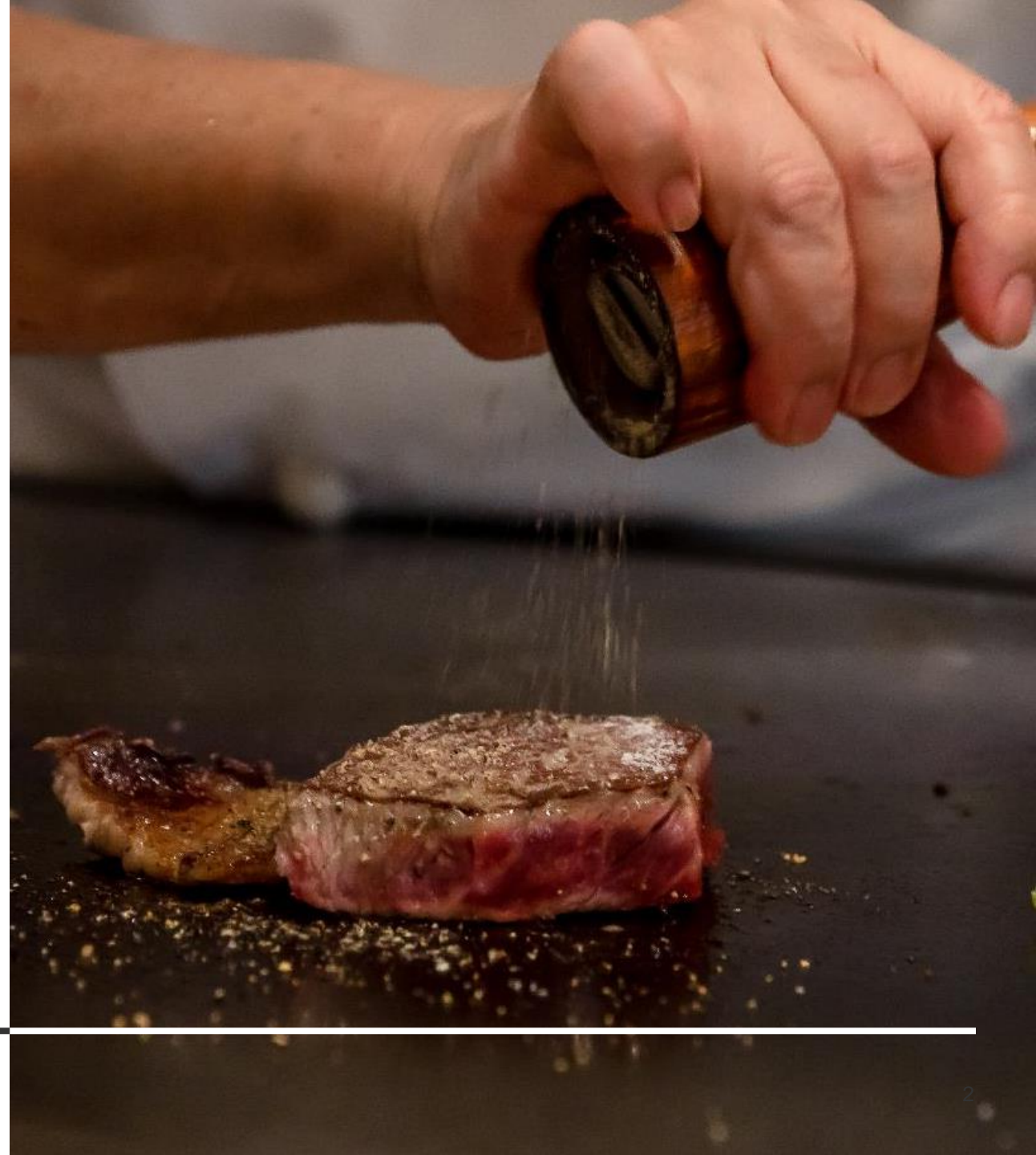


4 AUSSIE BEEF























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5 FINAL THOUGHTS & DISCUSSION



We have conducted the global tracker in 22 markets over the last 10 years, with Japanese 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	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
2024	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green	6



# INTRODUCING MLA'S GLOBAL CONSUMER TRACKER

*Diverse markets, with some universal truths.*

## 2024 Study Details:



5,800 interviews globally  
800 interviews in Japan



6 Markets (See right)



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



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



Captures meat consumption habits,  
attitudes, perceptions of COO Beef.



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



# Demographics

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)*



**Sample is made up of 804 consumers**

		COUNTRY INCIDENCE	SAMPLE STRUCTURE
<b>Gender</b>	Male	50%	-
	Female	50%	100%
<b>Age</b>	18-34	16%	29%
	35-49	21%	45%
	50-64	19%	25%
<b>Cities</b>	Sapporo	2%	13%
	Saitama	0.90%	6%
	Chiba	0.70%	6%
	Tokyo	7%	19%
	Kanagawa	7.20%	6%
	Nagoya	2%	12%
	Kyoto	1%	6%
	Osaka	2%	12%
	Hyogo	4%	6%
Fukuoka	1%	13%	
<b>Consumption</b>	Buy Fresh Meat at Least Occasionally	96%	100%
<b>MGBs</b>	Main Grocery Buyers	97%	92%
<b>Children</b>	Households with Children	23%	34%
<b>Income</b>	Under 4,000,000 yen		30%
	4,000,000 yen – 6,000,000 yen	51%	26%
	6,000,001 yen+	49%	44%

## The Central Question

How can Australian Beef maintain its relevance and differentiate itself from competitors in the context of growing competitive pressure?

1  
Macro- market context



**3 key trends we see influencing consumer consumption, characterized by growth, inflation management, and wage increases.**



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**Economic resilience**



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**Looking towards growth**



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**Influential factors when buying meat**

# The stability in consumer prices and the anticipated growth in the meat market suggest a favourable environment for the red meat industry in Japan.



## Economic resilience

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- Post covid growth:** As the COVID-19 pandemic winds down, economic activity shows promising signs.
- Wage Growth:** In response to rising prices, employers recently agreed to increase average wages by 5.3% - the biggest raise since 1991.



## Looking towards growth

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- Consumer market:** Economy is expected to grow driven by wage growth, consumer spending, and a weak currency. Price rises are projected to stabilize as import prices have.
- Red meat market:** The red meat market in Japan is expected to grow annually by 1.93%.



## Influential factors when buying meat

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- Affordability**
- Safety**
- Health and Wellness Trends** prompting consumers to seek lean and healthier meat options, such as low-fat, organic, and additive-free meat products.
- Preference for Pork:** Pork continues to be the main protein source due to its affordability compared to other types of meat.

2

## Protein landscape



# Overall protein salience and past month purchase remains consistent over the past few years; however, Pork shows some momentum.

## Key Protein Metrics



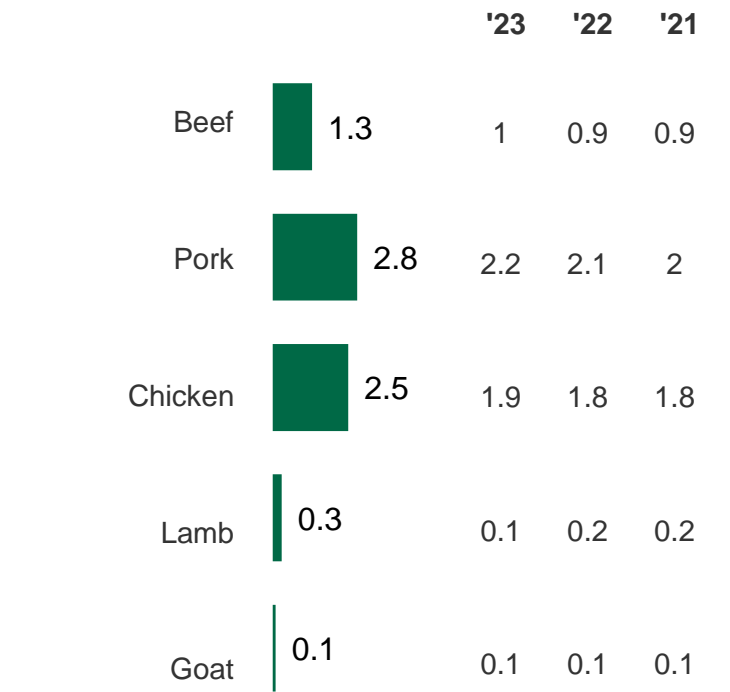
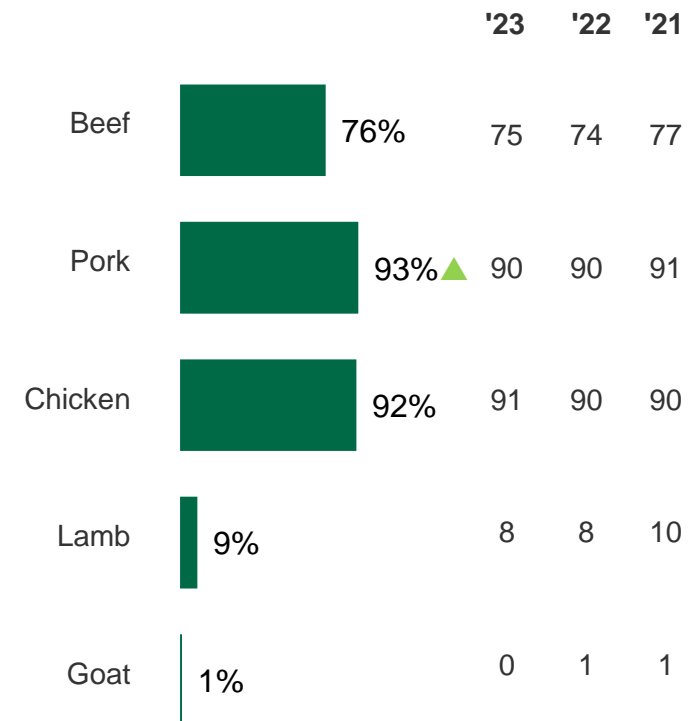
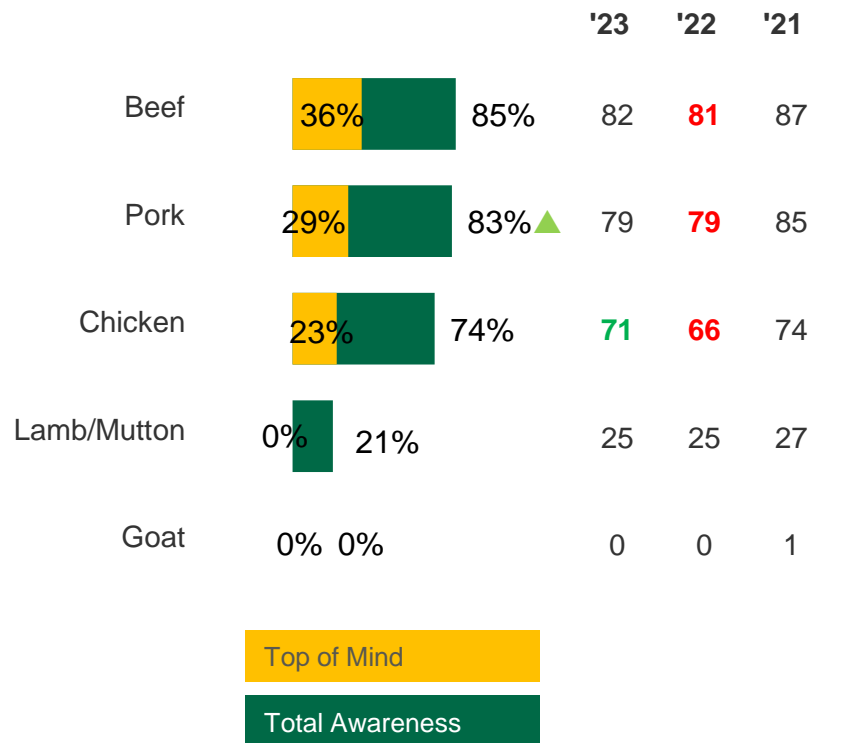
### Spontaneous Awareness



### Bought In Last Month



### Average Serves Last 7 Days



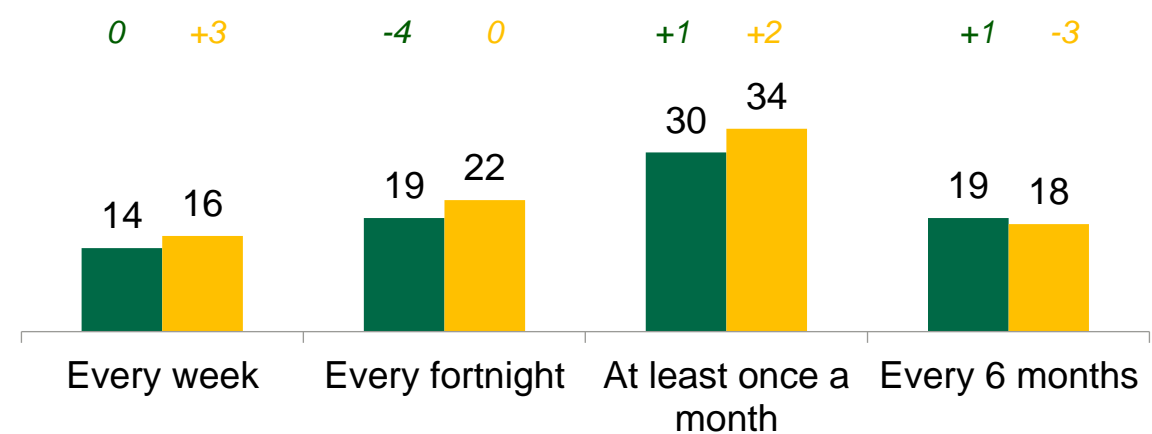
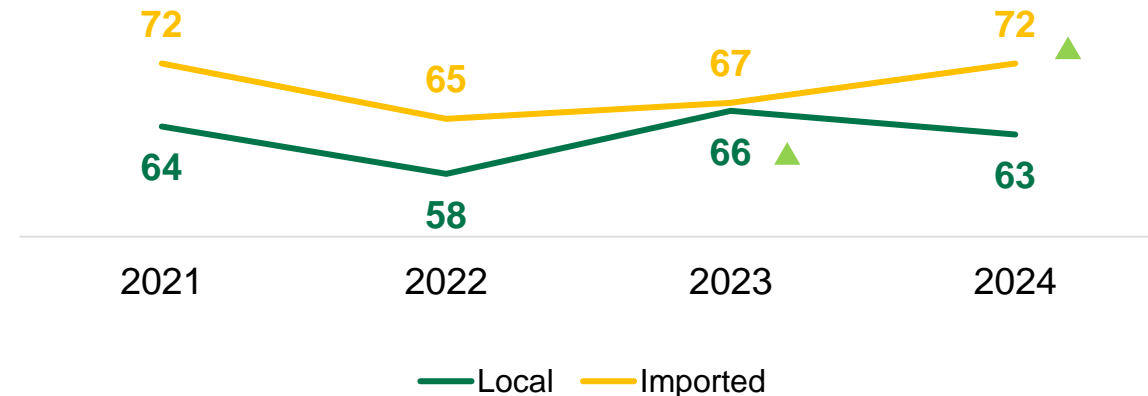
**In the context of inflation slowing, wages increasing, and import prices stabilizing, imported beef purchases regain momentum. Monthly purchases are up significantly since 2023.**

Frequency of buying local and imported beef

**LOCAL/IMPORTED**

**NET Monthly purchase of local/imported beef**

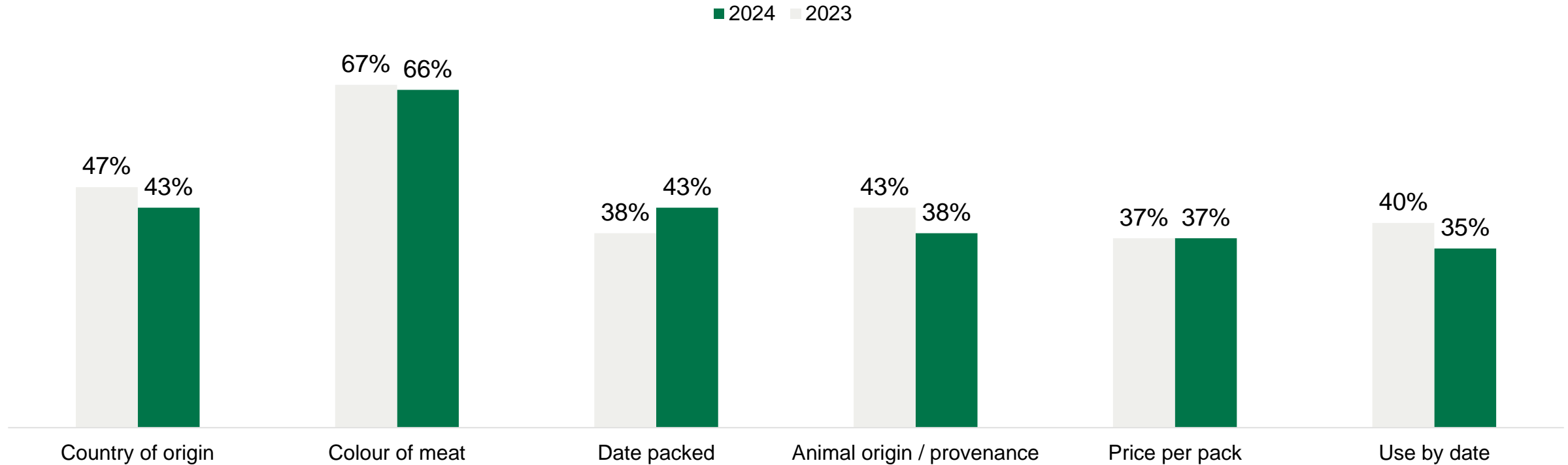
**Frequency of purchase of local/imported beef**



# When buying beef, besides its COO, consumers seek the assurance of freshness and quality, paying attention to the colour of the meat. The date packed has gained relevance.

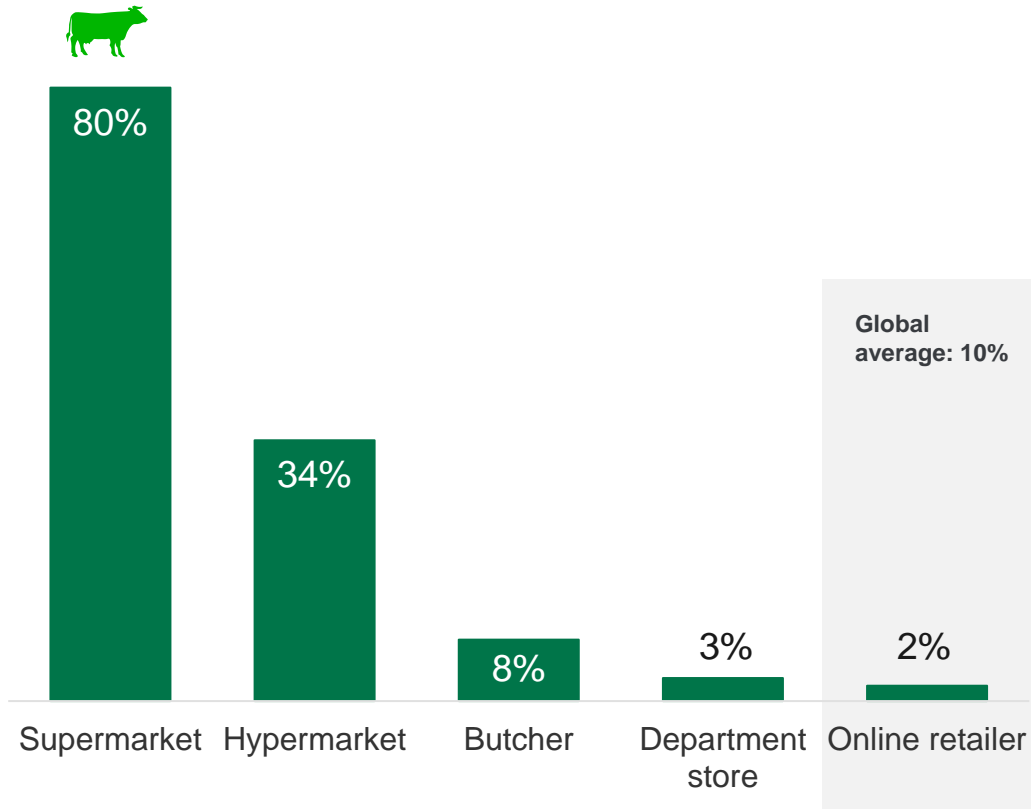


Top 'cues' when buying beef

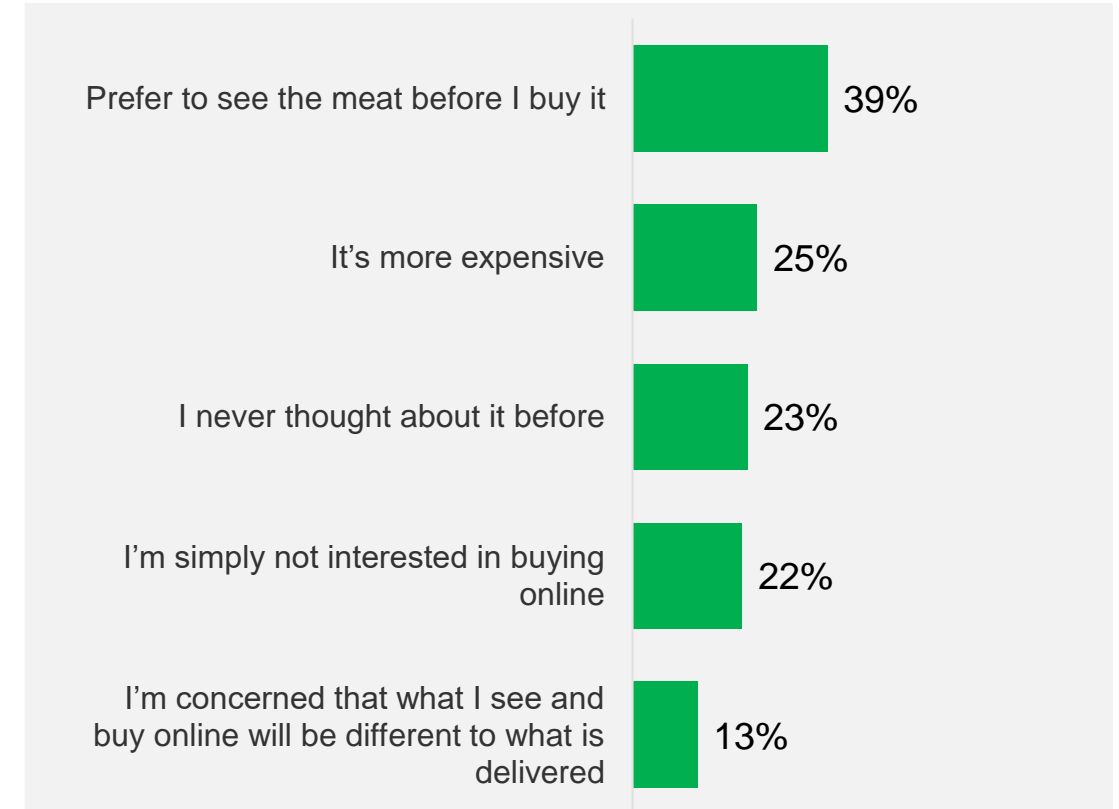


# As Japanese consumers use colour of meat as the key indicator of freshness and quality, they prefer to see the product before purchase – limiting online shopping vs rest of world.

Beef places of purchase at least once a month & online purchase barriers



Top 5 reasons for not buying beef online



# Summarising Protein landscape in Japan

## Protein consumption

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Overall, protein consumption remains broadly stable over the last few years.

Beef has an opportunity to gain from the positive economic outlook, leveraging its perceived superiority. Pork is the largest competitor to shift occasions from.

## Increase in consumption of Imported Beef

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The frequency of purchase has increased for imported beef.

When buying beef, freshness, quality, and safety are important with colour of meat being the primary indicator. Country of origin also is a relevant factor.

Australian beef is well placed to meet this demand as it caters to both functional and emotional needs.

### 3 Beef- Brand Health By Country of Origin



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

# The brand list remains consistent with 2023 allowing year on year comparisons

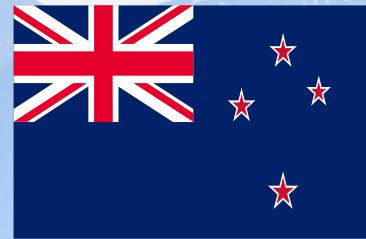
Beef Brands Tracked In 2024

Australian beef

US beef

New Zealand beef

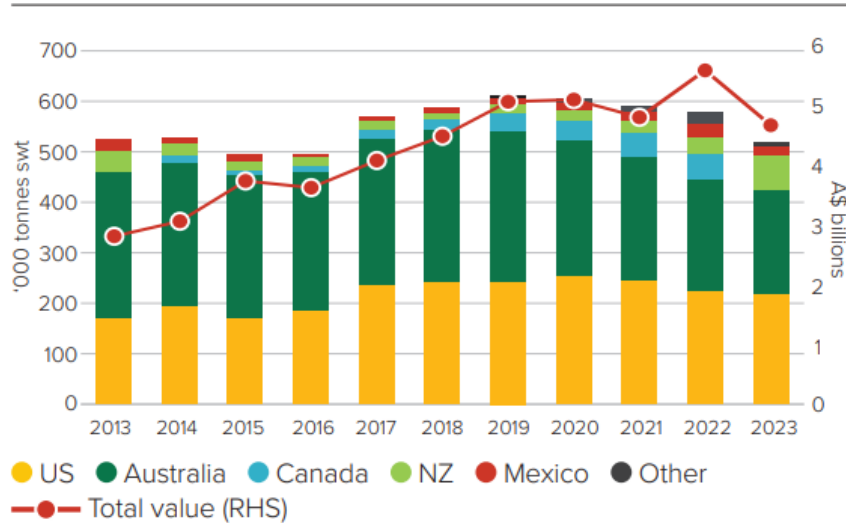
Canadian beef



# AU's tariff advantage in Japan is diminishing due to lower rates for competitors. As a result, Australian exporters are under pressure, particularly from New Zealand and the United States.

Australia and the US are the main suppliers of imported beef into Japan

Japan beef imports by major supplier\*



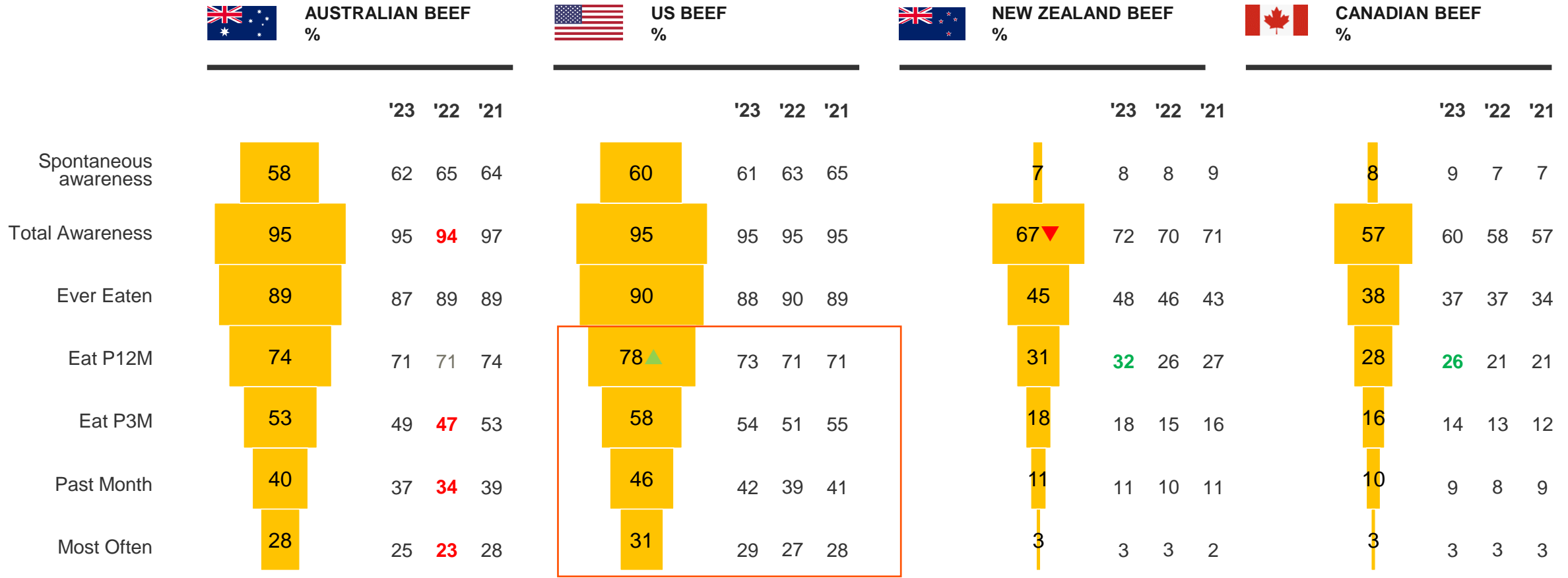
Source: S&P Global MI Global Trade Atlas (GTA), \*MAT year ending September

- In 2023, US beef production has declined from year-ago levels and is expected to continue its downward trends in 2024
- The **import tariff on beef** for CPTPP member countries **will be reduced to 9% by 2033.**
- The tariff on US beef is matched with the CPTPP rate, under the US-Japan Trade Agreement.
- CA, NZ and MX have increased their shipments to Japan since the commencement of the CPTPP

# AU and US beef maintain dominance in Japan. Despite lower import volumes, US beef holds its edge over AU beef and is the only COO to increase P12M consumption.



## Brand Health Funnels – By Country Of Origin



# There are two paths to brand growth

By increasing the likelihood  
that a consumer will buy a brand

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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

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We call this **Pricing Power**



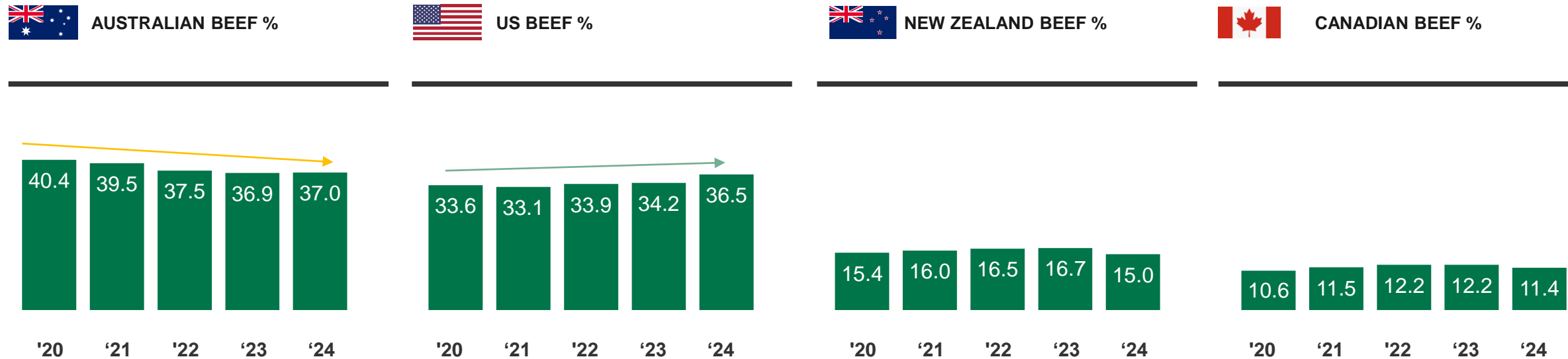
**Pricing Power**

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

# Consumers are most predisposed to choose Australian Beef in Japan, but overtime US beef has closed the gap by slowly drawing likelihood of purchase away from NZ and AU.



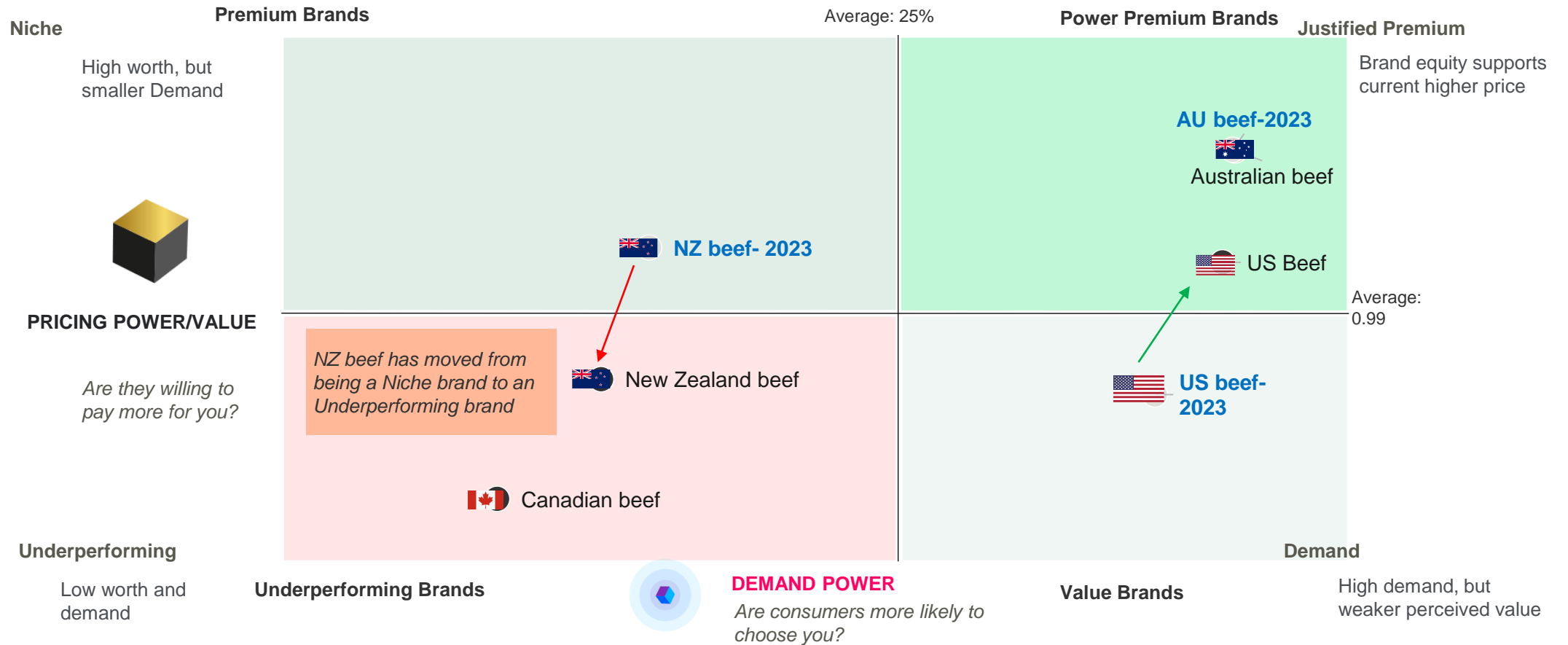
Beef Country Of Origin – Equity/ Demand Power



# US Beef is increasingly seen as able to justify a price above the category average, a position that AU Beef had previously held on its own. NZ weakens in its ability to justify price.



## Beef Power VS. Premium By Country Of Origin



# There are certain associations that consumers hold in their minds for beef. In Japan, these associations break up into 5 broad themes.

## Importance In Driving Demand Power



### Easy Everyday

**36%** (34%)

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



### High quality

**32%** (33%)

- Consistent quality standards
- Is my/my family's favourite beef
- Guaranteed safe to eat



### Superior

**25%** (23%)

- Helps make me and my family feel genki
- The meat is usually tender
- The fat is nicely marbled
- Is the most superior beef



### Welfare

**4%** (-2%)

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



### Healthy

**3%** (8%)

- More nutritious
- Low in fat

**Accessibility, versatility** and **price** are key to drive Demand while **Superiority** is the main lever of Premium. While not vital for driving predisposition, perceptions of **Welfare** and **Health** contribute to a price premium.



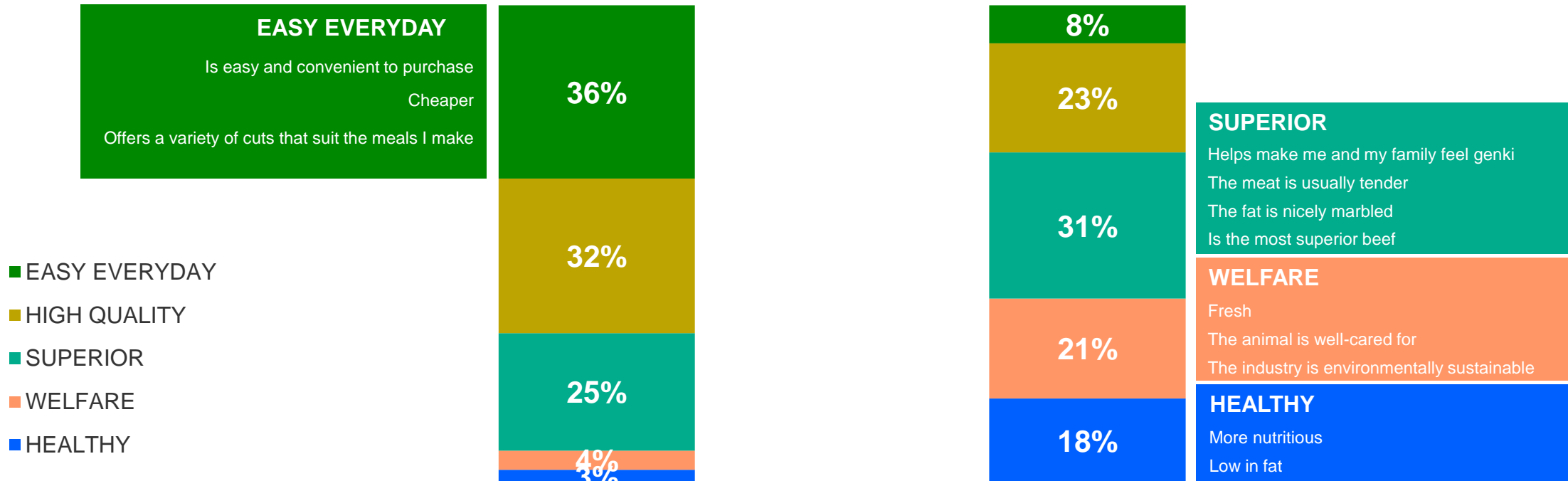
Beef Country of Origin – Equity Drivers



**Demand Power**



**Pricing Power**



# The tight competition between AU and US beef is also reflected in imagery perceptions. US beef leads in variety, price, and ease of access, whereas AU beef is more strongly linked to *sustainability* and *safety*.

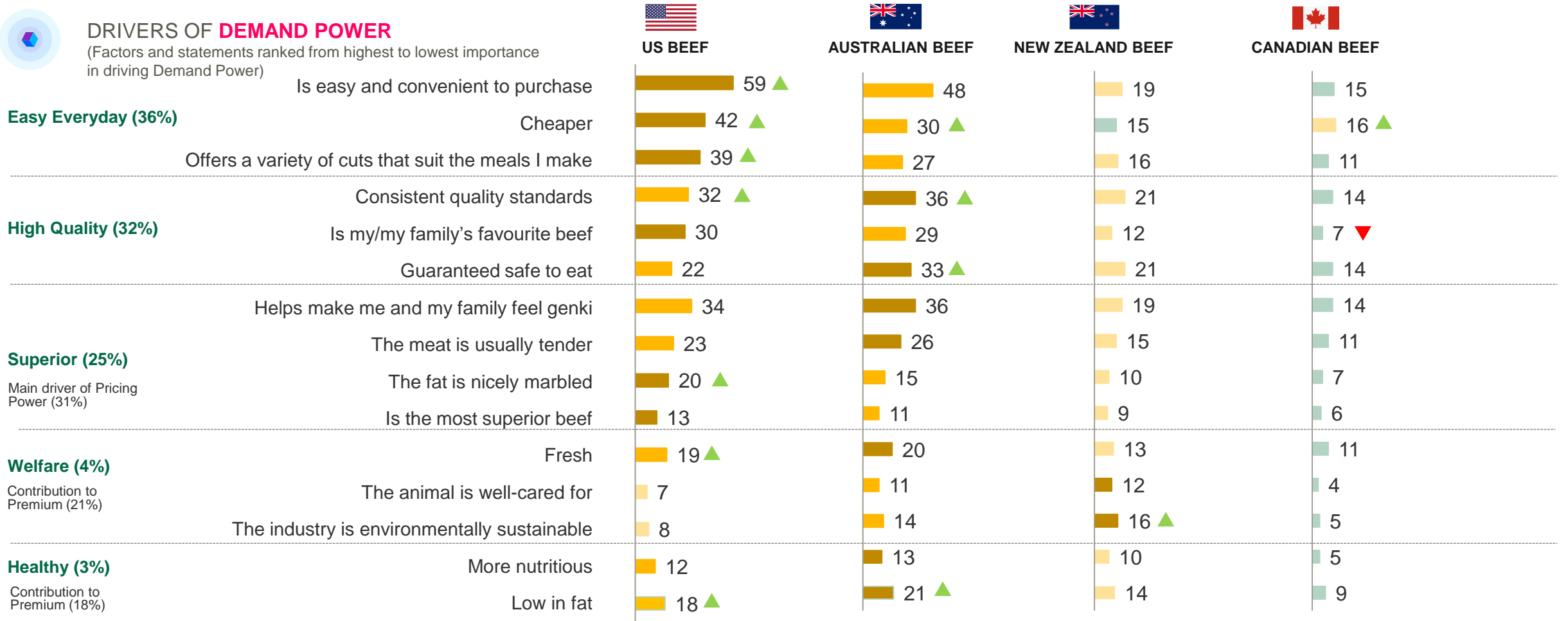


## Drivers Of Demand Power



### DRIVERS OF DEMAND POWER

(Factors and statements ranked from highest to lowest importance in driving Demand Power)



# Despite recovering on key perceptions, AU Beef's position as favourite is challenged by US Beef, which has been slowly strengthening its brand associations.



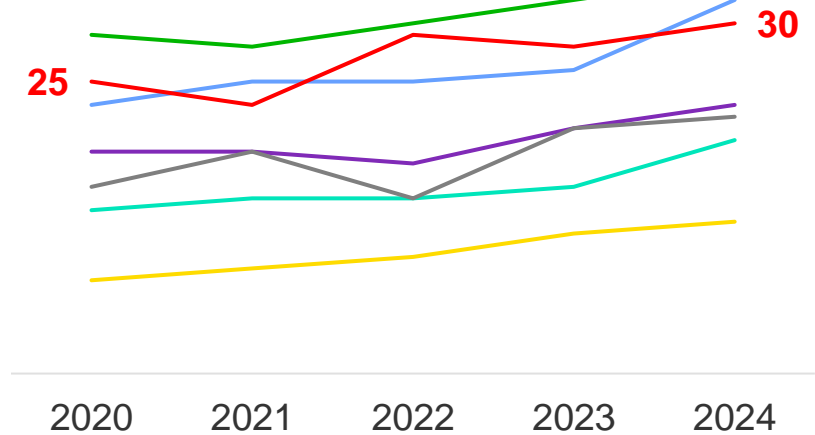
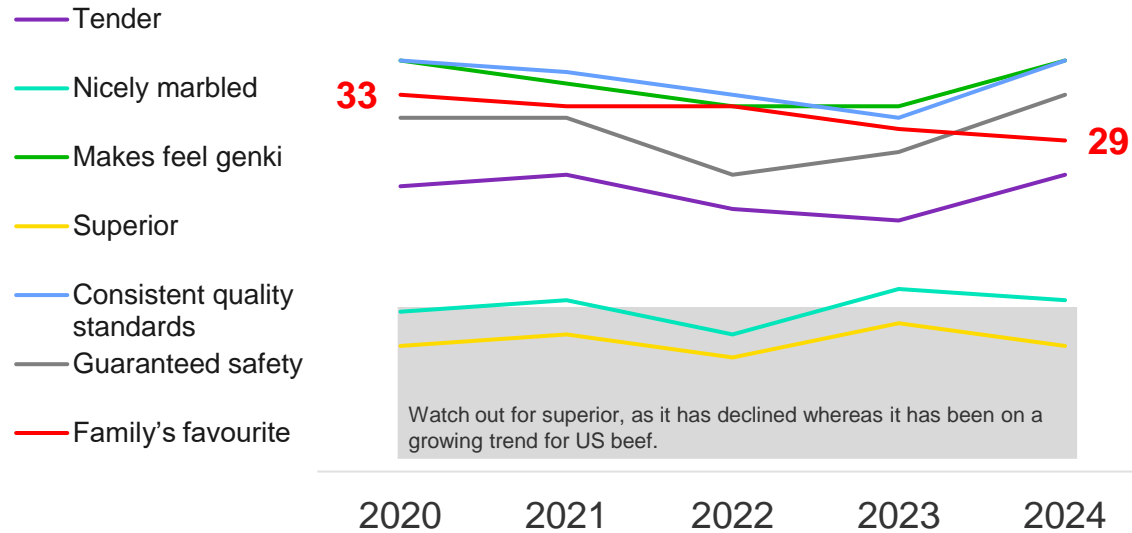
Imagery Associations Australian and American Beef – Trended Overtime



Australian Beef



US Beef



Attributes are related to key drivers of Premium- Superiority & Quality

# 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.

### 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)

# While US beef has strengths in all *easy everyday* perceptions, neither COO stands out on *quality* or *superiority*. Differentiating on Superiority can fuel Demand and, along with Welfare and Healthy, willingness to pay more.







## Drivers Of Demand Power



### DRIVERS OF DEMAND POWER

(Factors and statements ranked from highest to lowest importance in driving Demand Power)

	 US BEEF	 AUSTRALIAN BEEF	 NEW ZEALAND BEEF	 CANADIAN BEEF	
<b>Easy Everyday (36%)</b>	Is easy and convenient to purchase	17	5	-10	-5
	Cheaper	10	-3	-6	2
	Offers a variety of cuts that suit the meals I make	10	-2	-3	-1
<b>High Quality (32%)</b>	Consistent quality standards	-1	3	-1	0
	Is my/my family's favourite beef	7	5	-3	-3
	Guaranteed safe to eat	-7	3	2	1
<b>Superior (25%)</b> Main driver of Pricing Power (31%)	Helps make me and my family feel genki	1	3	-3	0
	The meat is usually tender	-2	1	-1	1
	The fat is nicely marbled	3	-2	-1	0
	Is the most superior beef	0	-3	1	1
<b>Welfare (4%)</b> Contribution to Premium (21%)	Fresh	-2	-2	0	2
	The animal is well-cared for	-4	-1	5	0
	The industry is environmentally sustainable	-6	0	7	0
<b>Healthy (3%)</b> Contribution to Premium (18%)	More nutritious	-1	-1	2	0
	Low in fat	-3	0	1	1

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=804). 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.

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

# Modelling helps us identify the strongest returns for AU Beef lie in conveying the variety of safe, quality cuts that AU Beef offers, to give *your family the feeling of Genki*



Top Associations to Grow - Volume & Premium (Ordered Based On Impact On Building Equity)

1

**Offers a variety of cuts that suit the meals I make**

US Beef currently owns variety

2

**Helps make me and my family feel Genki**

Neither COO stands out in this area

3

**Is my/my family's favourite beef**

US and AU beef are family favourites

4

**Consistent quality standards**

Neither COO stands out in this area

5

**Guaranteed safe to eat**

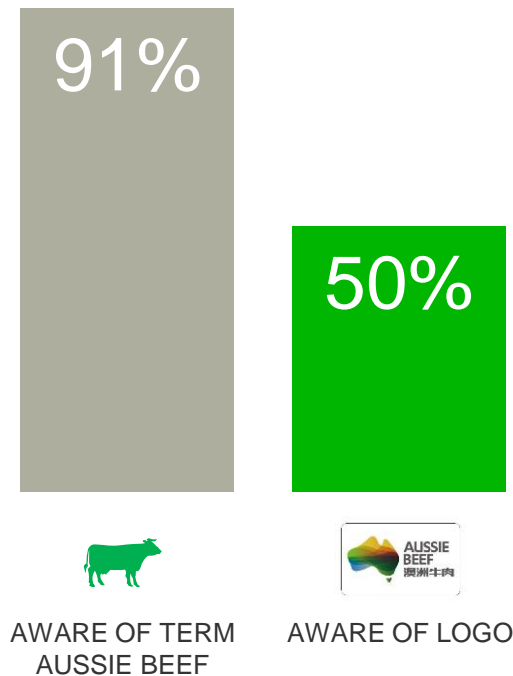
Blank space (and weakness for US Beef)



# 4 Aussie Beef- Awareness & Associations

Those who know the logo associate it with quality, trust, and safety; continue to build familiarity with the logo and its link to these assurances.

Aussie Beef - Awareness and Perception



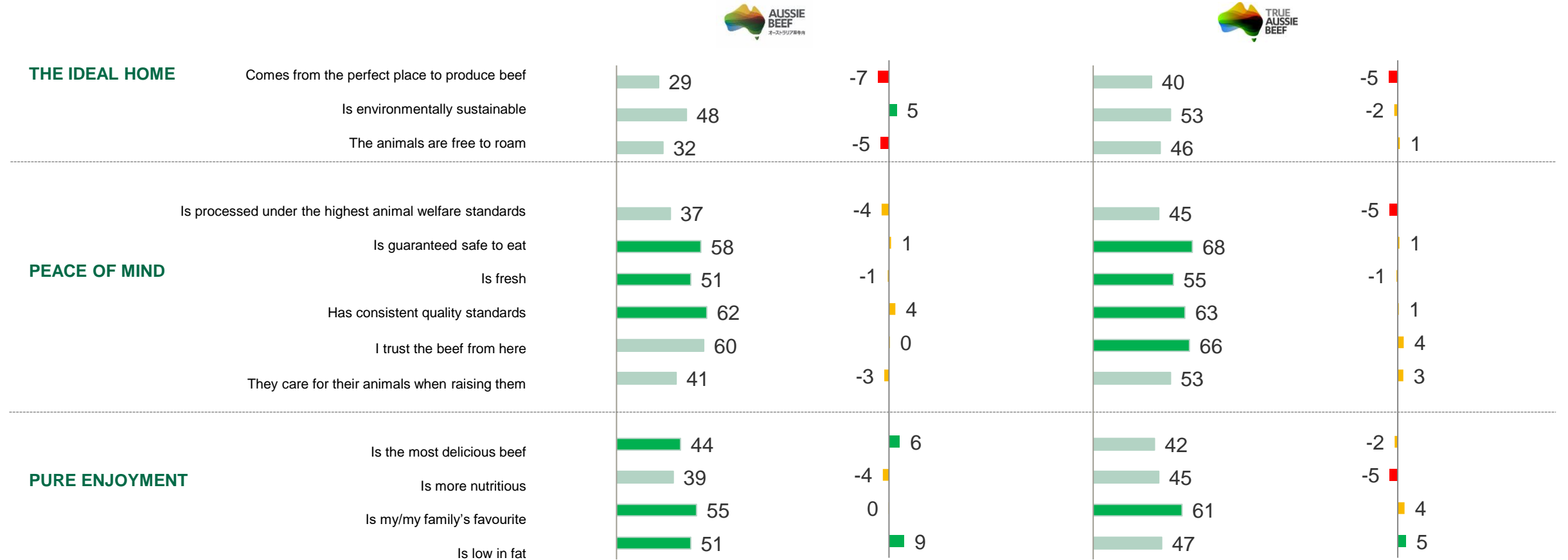
## Top 5 impressions of Aussie beef logo:

1. Has consistent quality standards
2. I trust the beef from here
3. Is guaranteed safe to eat
4. Is my/my family's favourite
5. Is fresh/Is low in fat

# Given that Aussie Beef was launched in 2023, it is encouraging to see that it has not lost any of its essential perceptions or brand pillars so continues to be a brand asset we can leverage.



## Aussie Beef (2024) VS True Aussie (2023) – Comparison on Perceptions



QTA3. Have you ever seen this logo before? (n=804) QTA6. The logos below are used to brand beef as being from particular countries (n=405).. Which of these logos have you seen before when buying beef? QTA7. We would like to know which of the following statements apply to the beef brands you have selected. You may choose as many or as few logos as you wish. It doesn't matter if you don't buy any of them - it's your impressions we'd like. Aussie Beef/Lamb (n=186), US Meat (n=143), NZ Beef & Lamb (n=61), Uruguay Beef & Lamb (n=38)

5  
Final thoughts  
and discussion



# Final thoughts and discussion

## 1. AU beef is being challenged by US beef

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- US beef strongly challenges AU beef in Japan, requiring AU beef to reinforce its position as Japan's top imported beef.
- US beef is gaining traction through its growing associations that are key to driving Demand.
- AU beef can leverage its existing reputation (quality and safety) to solidify its leadership and distinguish itself from US beef, which is rapidly gaining ground with its strengthened brand equity and consumption growth.

## 2. Emphasize AU beef's unique qualities

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- Focus on attributes like guaranteed safety and consistent quality.
- Continue to leverage Australia's clean and green rearing environment to reinforce the health and quality credentials.
- Synonymous with quality and an asset to leverage, Aussie Beef delivers in terms of enjoyment but has yet to establish linkages with 'The ideal home', traits that justify a premium price and on which AU meat must build perceptions.

# KANTAR

## Global Tracker 2024

### Japan Presentation Deck

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



  
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MEAT & LIVESTOCK AUSTRALIA

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- (b) in the case of goods supplied or offered by MLA, which are not of a kind ordinarily acquired for personal, domestic or household use or consumption, replacing the goods, supplying equivalent goods, repairing the goods or paying the cost of replacing the goods or supplying equivalent goods or repairing the goods.

6.7 MLA will not be liable for any loss of profit or for any direct, special, indirect, consequential or economic loss or damage.

## 7 Governing Law

7.1 These Terms of Use are governed by the law applicable in the State of New South Wales, Australia.