



# Consumer sentiment research

July 2020



# Agenda

1. Industry context
2. Consumer sentiment
3. Vegetarianism understanding

# Industry Context

# A number of significant events have impacted the industry, across Australia and also globally

## Drought



## Bushfires

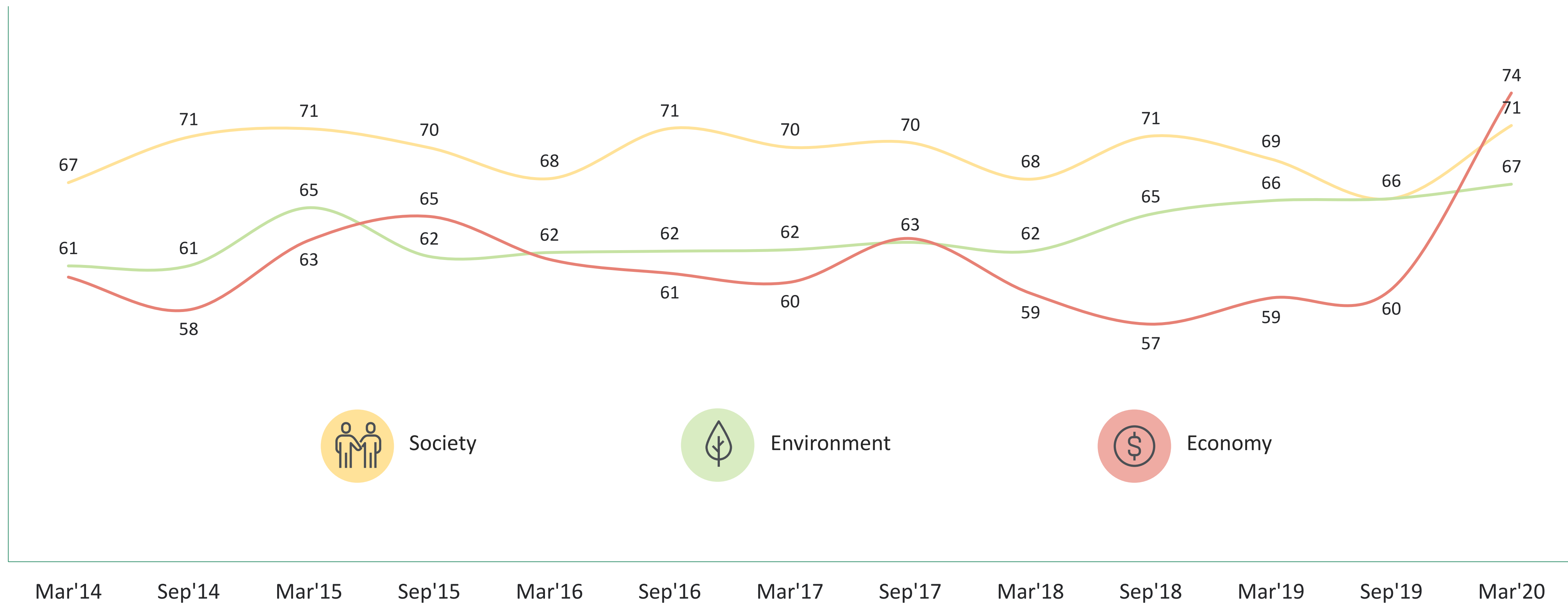


## COVID-19



# Concerns about the economy have overtaken society for the first time, and reached their highest point ever since 2014

Concern about society, economy and the environment (T2B %)



Source: Pollinate Pulse March 2020. Which of the following best describes your concern [about the environment/about the economy/for society]? I am... Base: Australians aged 14-64 (approx. n=1000 nationally representative per wave)

# Beef and lamb are popular household 'staples'



Aus. Households buy beef



Aus. Households buy Lamb

Buying beef



a year

Most popular cut



mince

Buying lamb



a year

Most popular cuts

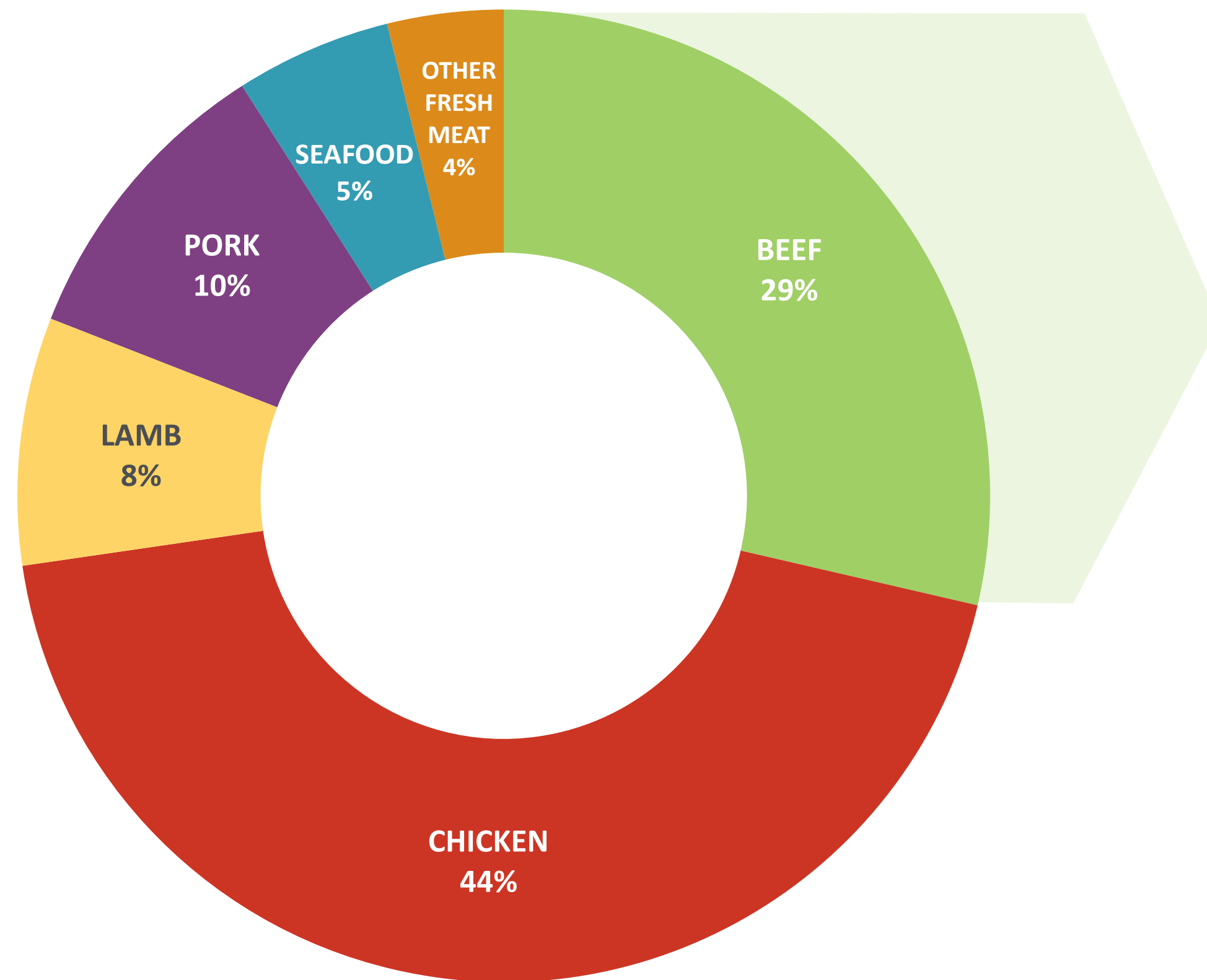


legs & chops

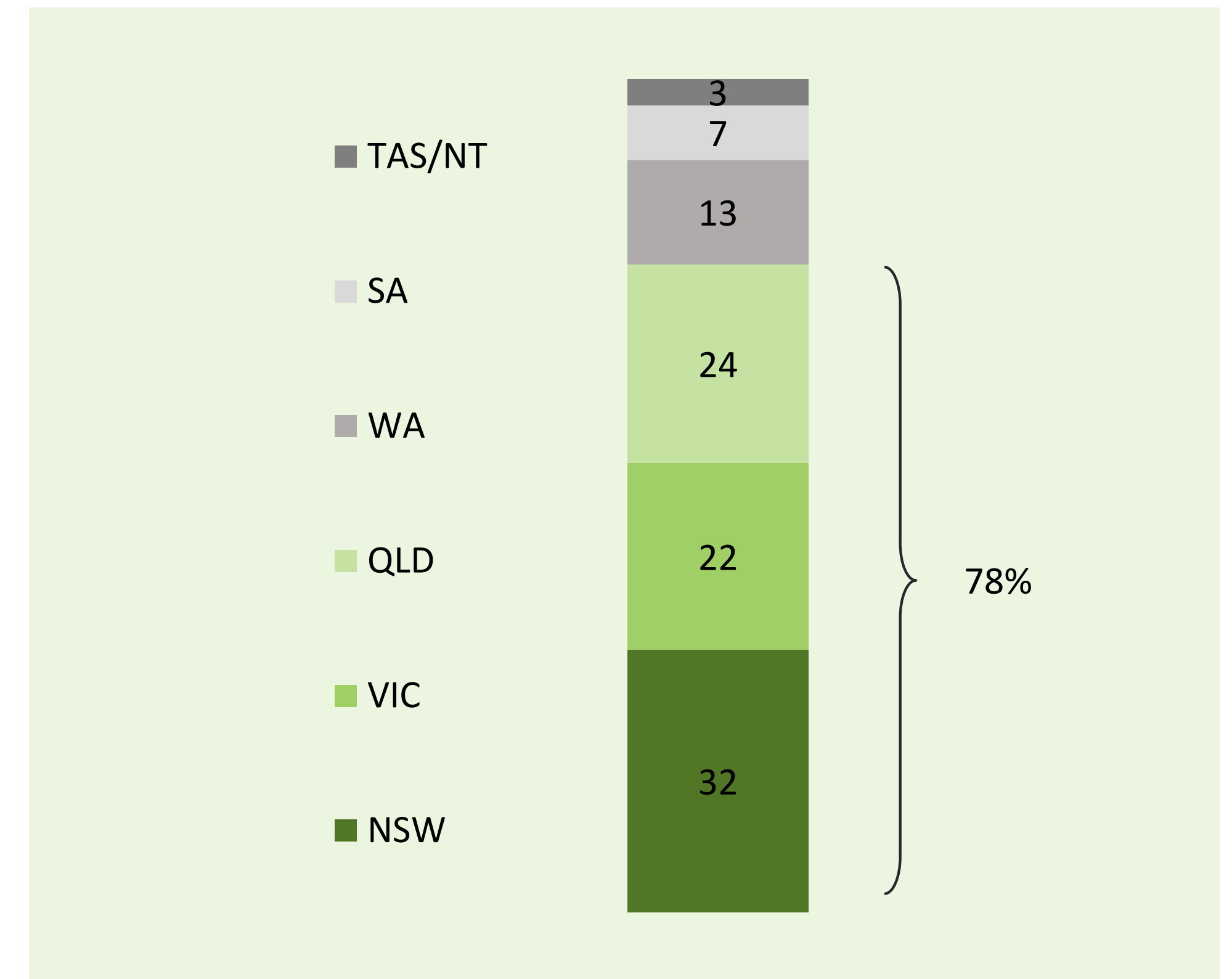
Source: Nielsen Homescan, MAT to 17/05/20

# Beef makes up around a third of supermarket fresh meat volume. The majority is bought by households across just three states

Fresh Meat | Volume Market Share in Supermarkets

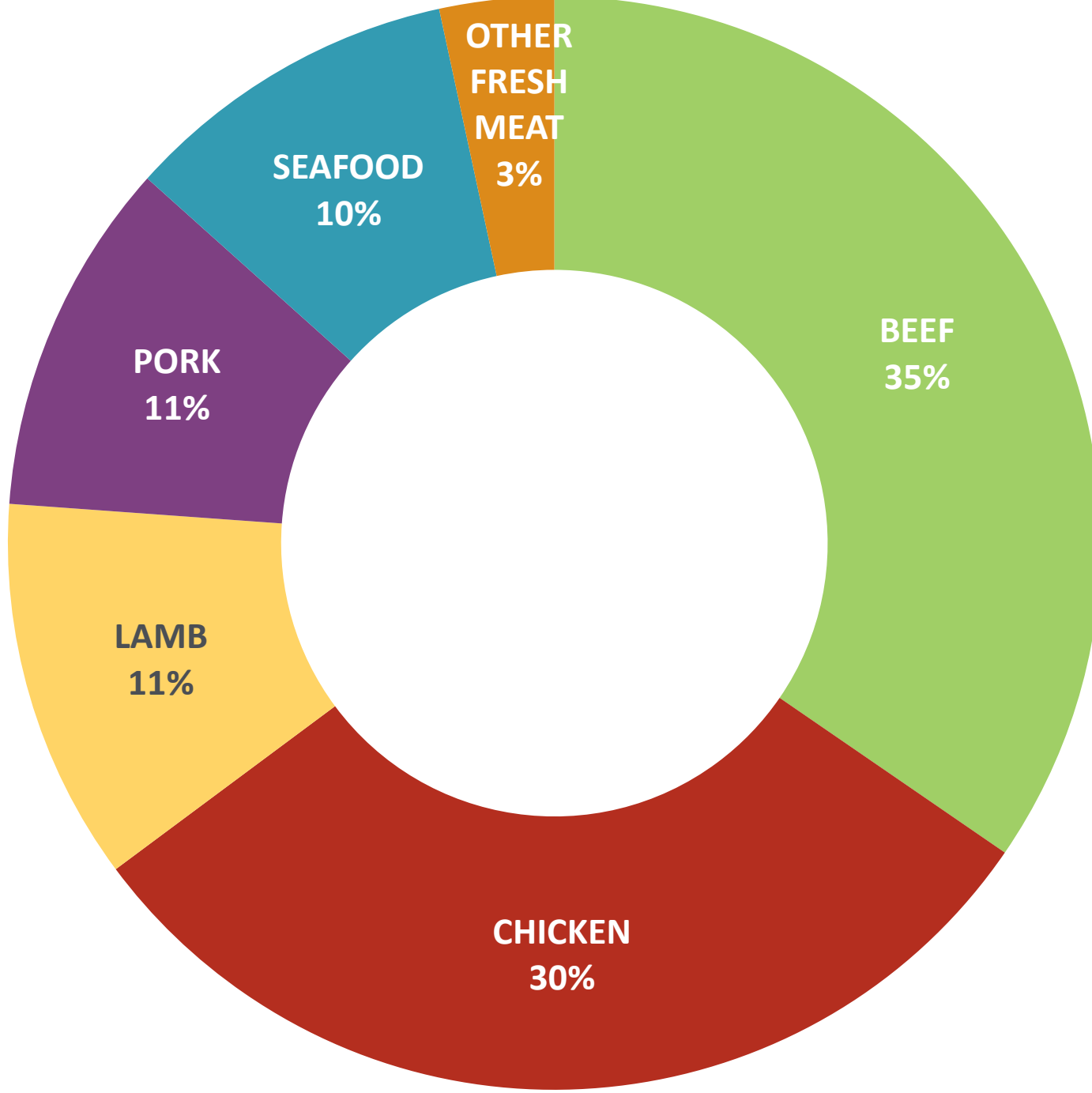


Share of Volume by State (%)  
Fresh Beef

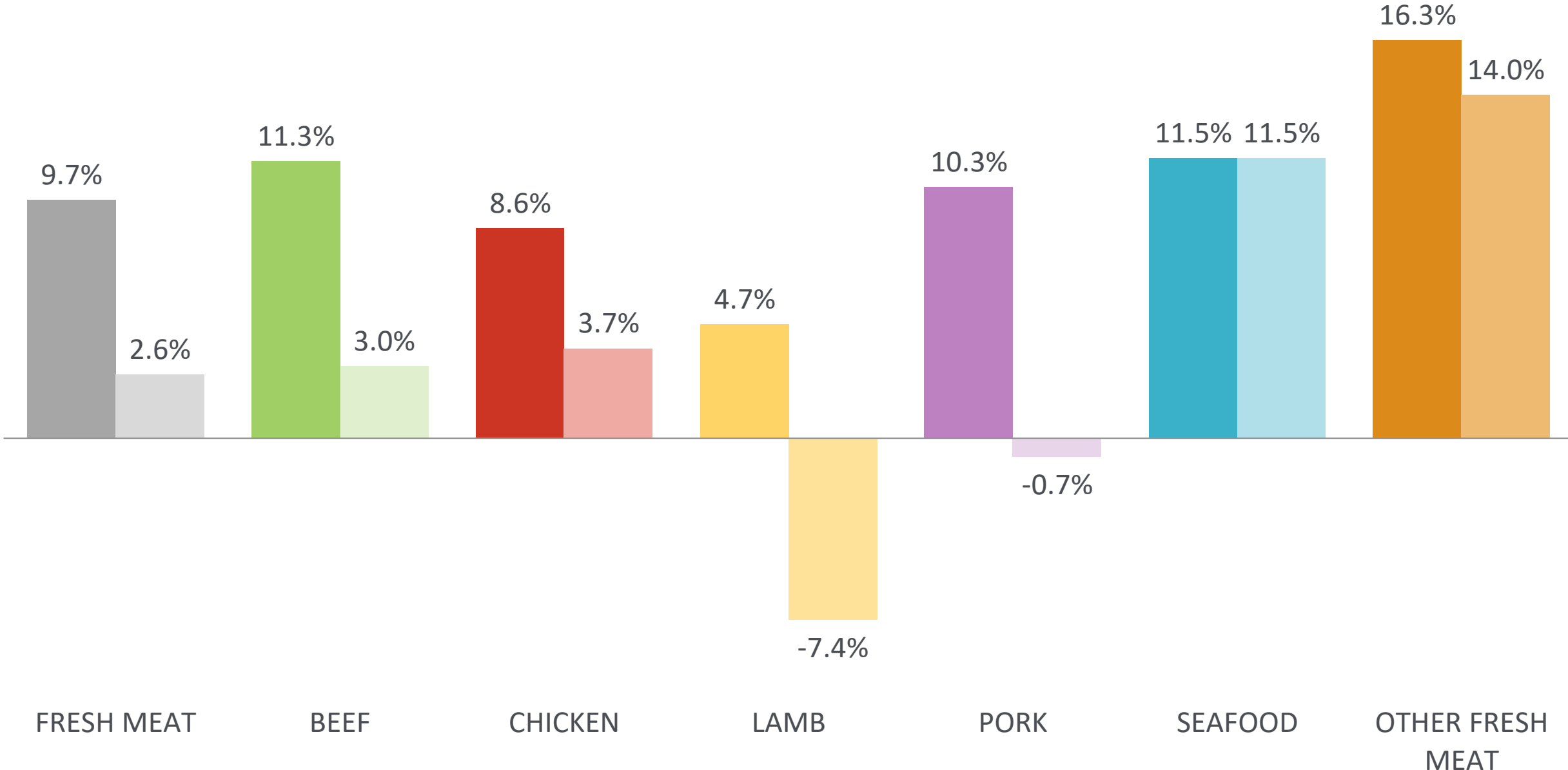


# Fresh meat value growth is outpacing volume growth for most proteins

Fresh Meat | Value Market Share | Total AUS | MAT to 17/05/2020



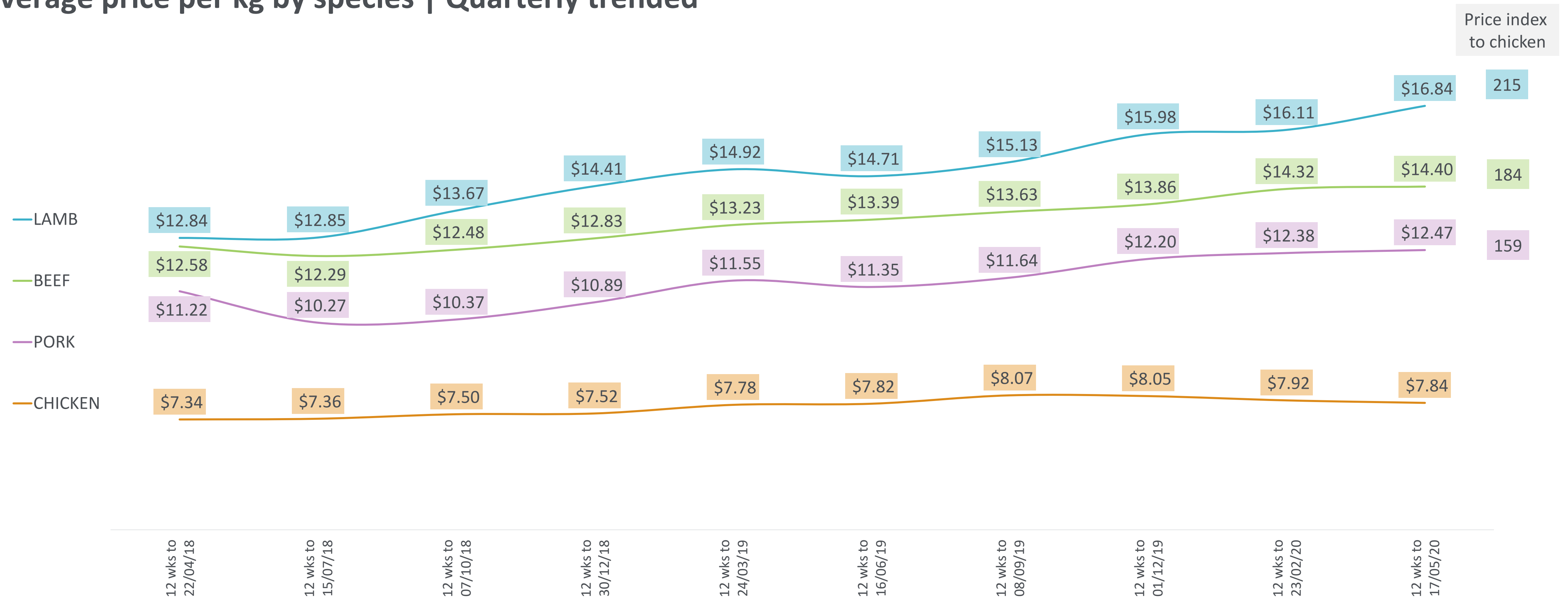
Value & Volume % Change vs YA



Source: Nielsen Homescan, Australia, MAT to 17/05/2020 | \*Other Fresh Meat includes Veal, Turkey, Game & mixed meats

# Price has been increasing at a higher rate for beef and lamb over time vs other proteins

Average price per kg by species | Quarterly trended



# Consumer sentiment research

# Objectives

1. Understand community sentiment towards the red meat industry
2. Identify the size and type of concerns underlying meat eaters reducing consumption
3. Identify the incidence of claimed vegetarians and their drivers of concern with the red meat industry

## The research will be used to:

- Inform the community engagement strategy addressing community concerns
- Benchmark the impact of MLA's programs on building community trust in the beef and lamb industry

# Methodology



15 minute  
online survey



~n=1500 main  
grocery buyers and  
meal preppers aged  
18-64, living in  
metro Australia



Conducted  
annually in June  
since 2010



Conducted by Pollinate:  
an external market  
research agency to  
ensure confidentiality  
and data integrity



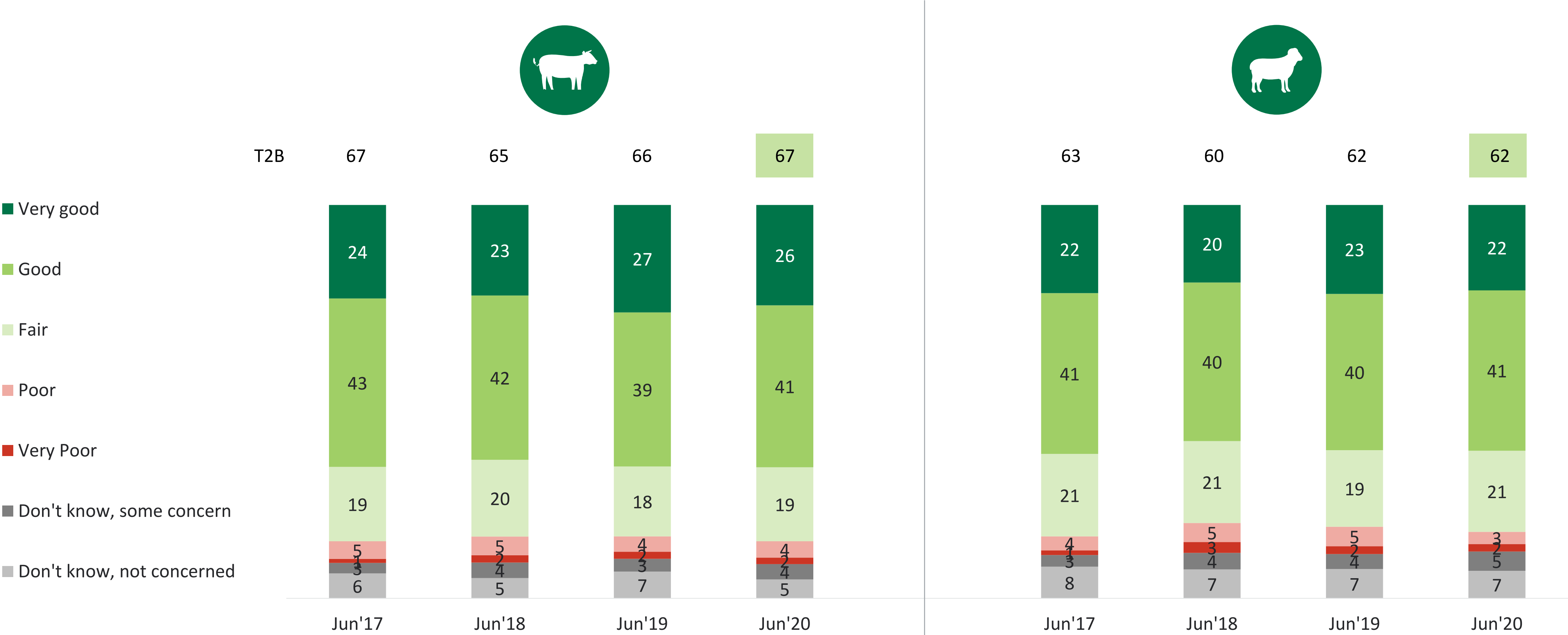
# Industry perceptions

## Key findings

- Industry perceptions are largely positive
- People are hearing more positive messages about the beef and lamb industry – particularly around industry standards and economic impact
- Perceptions around sustainability and ethics have improved (particularly in Australia)

# Industry perceptions of the production of red meat is largely positive, and stable over time

Perception of Australian producer industries (%) – Among meat eaters



X1. Thinking about the production of the following foods in Australia, how do you feel about each industry? The Australian \_\_\_\_\_ industry is... Base n=1400/ 1425 / 1288 /1434

## Awareness of positive industry messaging is up

...but remains low – only ~50% have heard something positive about the Australian beef or lamb industry

In 2020 the community are hearing more about **high standards** and the industry's **positive impact** on the Australian economy



## Awareness of negative industry messaging is flat

~40% have heard something negative about the Australian beef or lamb industry

Negative messaging is mostly around **animal welfare** and **live export**

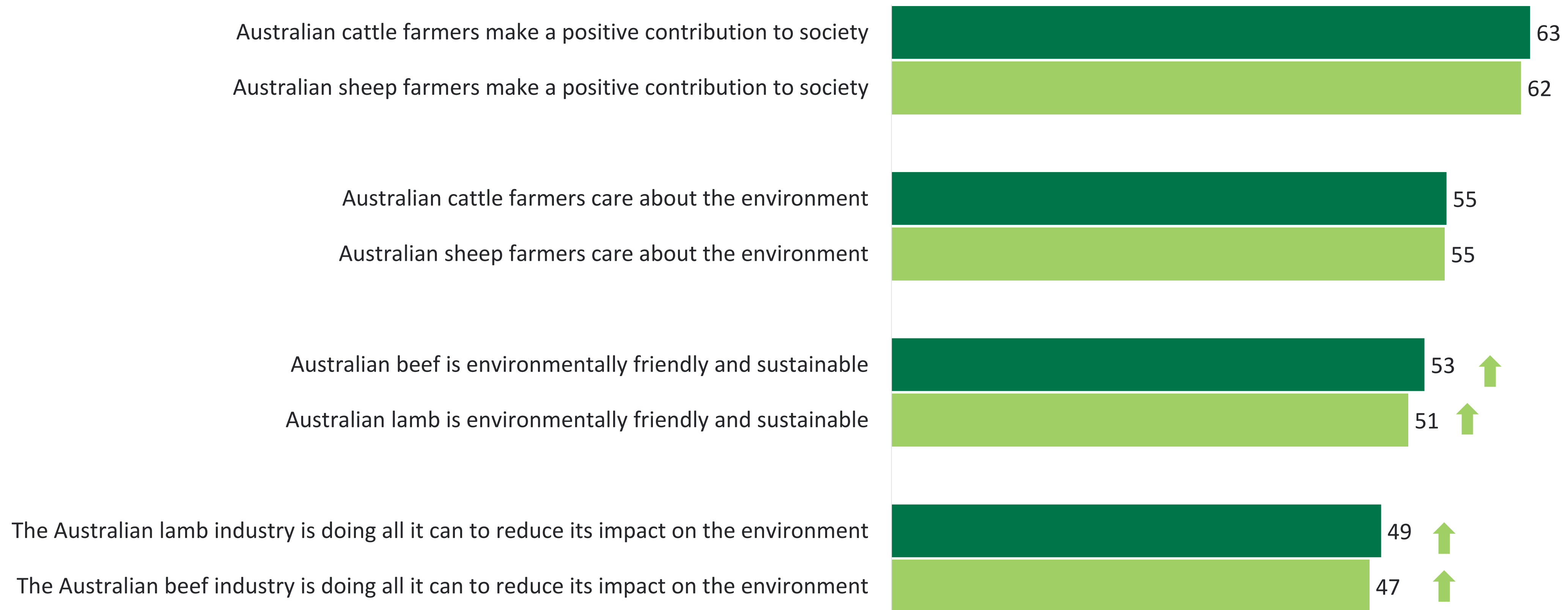




# Increase in positive perceptions of the Australian beef and lamb industry in relation to sustainability and environmental impact

Agreement with statement (T2B %)

↑ Significant increase June 20



# Perceptions of ethical and humane treatment within the Australian industry have also become more positive this wave



Agreement with statement (T2B %)





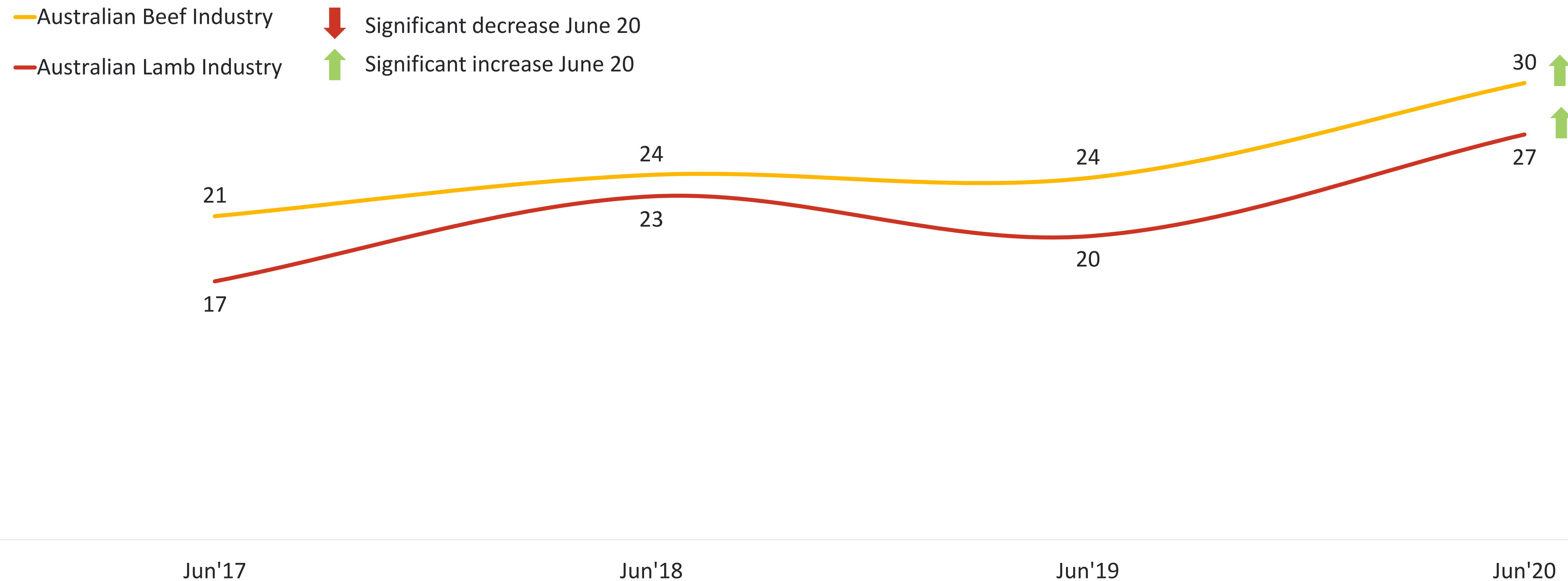
# Knowledge

## Key findings

While perceived industry knowledge has increased, people feel they know less about the specifics, e.g. environmental impact and industry ethics

# Overall, perceived knowledge of both the Beef and Lamb industries in Australia is on the rise

I have a very good knowledge and understanding of... (Agree + strongly agree %)



# But when it comes to specifics there are also more people who feel they have little understanding

Agreement with statements (T2B %) – Among meat eaters

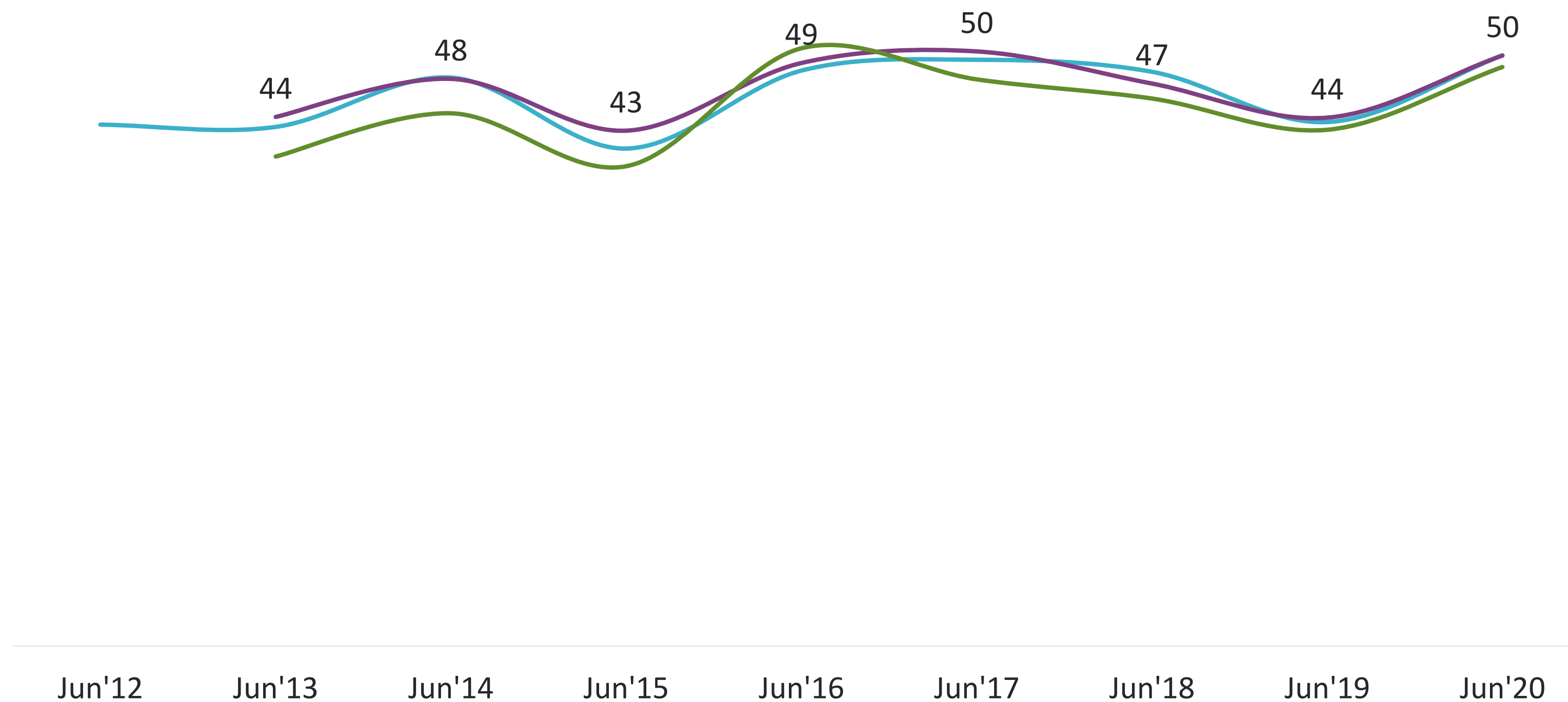
↑ Little understanding of the industry's environmental impact

↑ Little understanding about welfare/ethical issues associated with the lamb industry

↑ Little understanding about welfare/ethical issues associated with the beef industry

↓ Significant decrease June 20

↑ Significant increase June 20





# Information sources

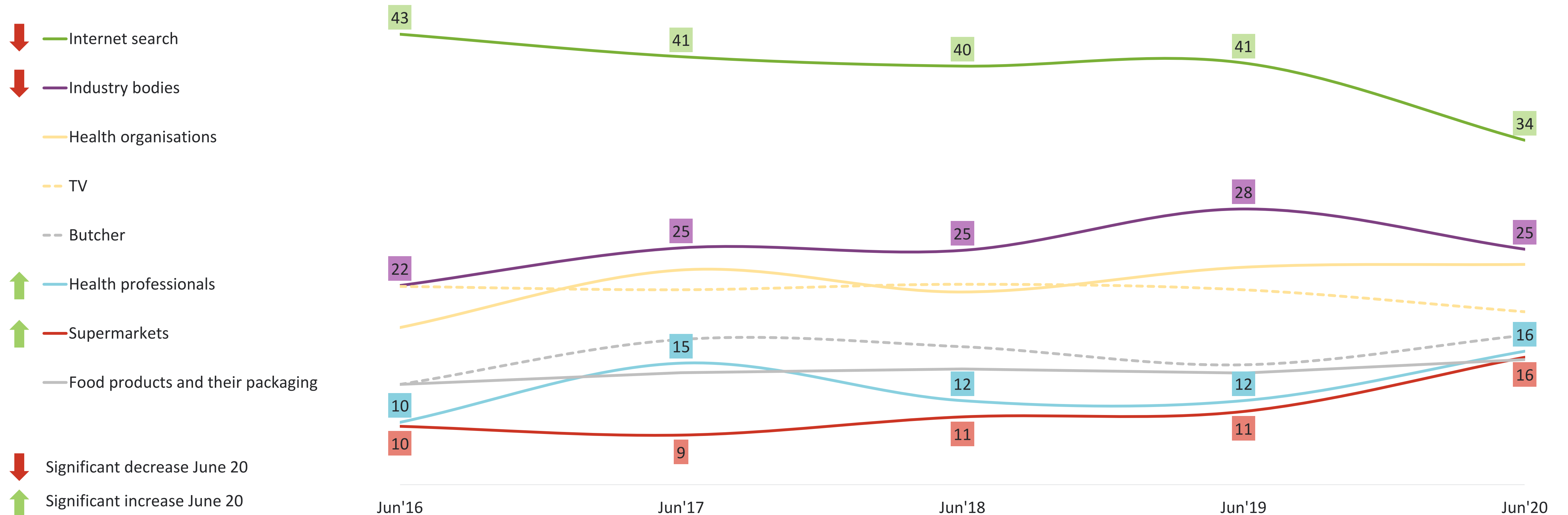
## Key findings

- The internet, industry bodies and health professionals are still top sources
- Supermarkets, butchers and manufacturers are becoming more important

# Supermarkets have also become more important for animal welfare information, as have health professionals. Internet and industry bodies are declining



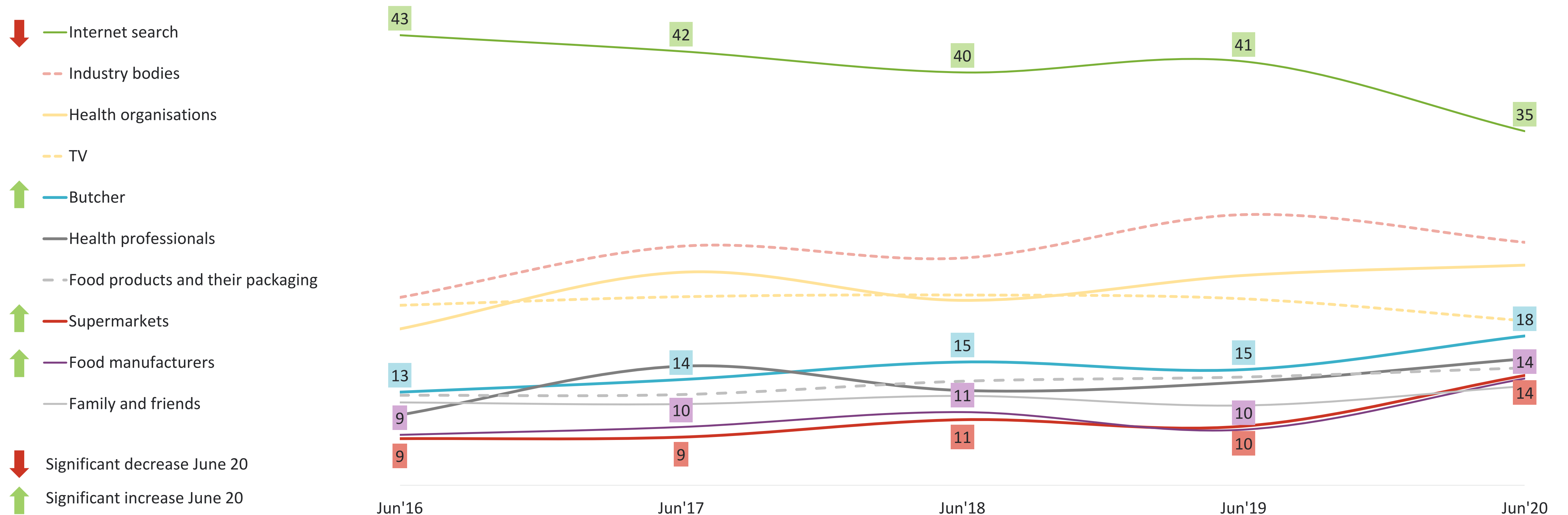
Sources of information about beef and lamb animal welfare (Top 8 - %)



# Supermarkets are also becoming more important for information around environmental impact, along with manufacturers and butchers.



Sources of information about beef and lamb environmental impact (Top 10 - %)





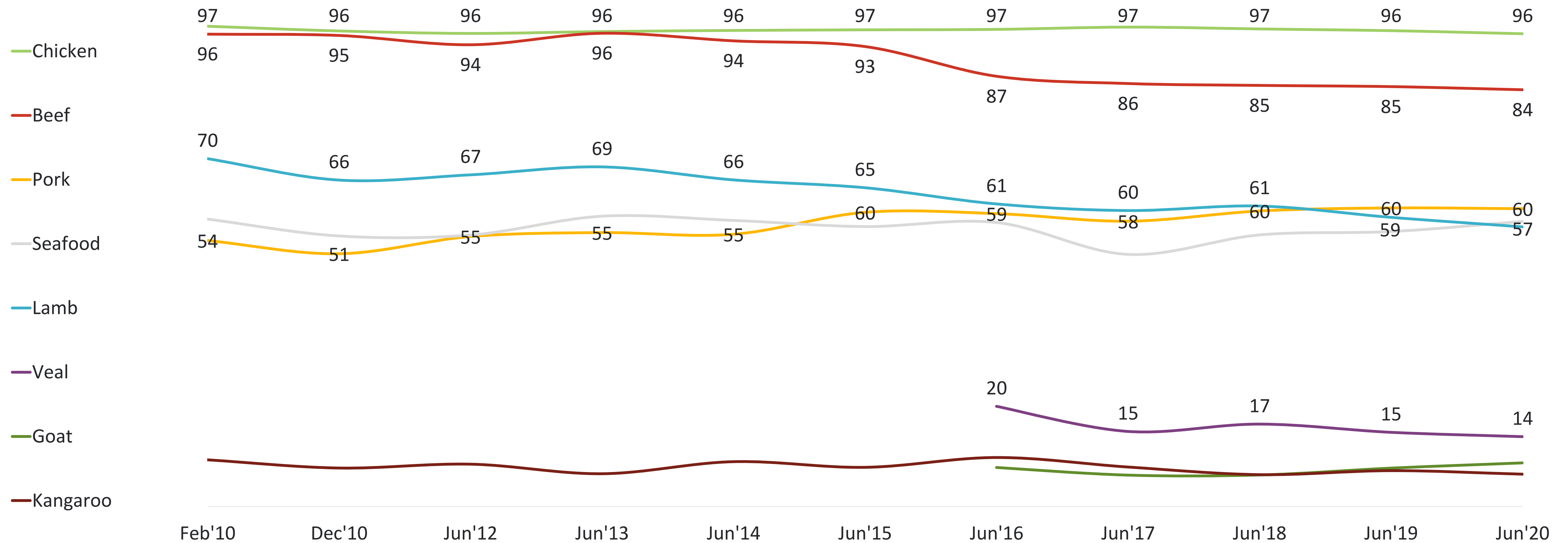
# Consumption

## Key findings

- Consumption of red meat is stable
- Most have not reduced and are not planning to reduce

# Consumption of red meat is relatively stable over time

Buy and eat regularly (%) – Among meat eaters



A1. Which of the following do you buy and eat regularly at home? Base Those who eat meat (n=761/1000/1002/602/1001/1007/1389/1400/1425/1288/1434)

# Most red meat eaters have NOT reduced consumption in the last year, nor are they planning to do so next year

Last 12 months



Next 12 months



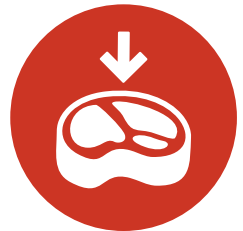
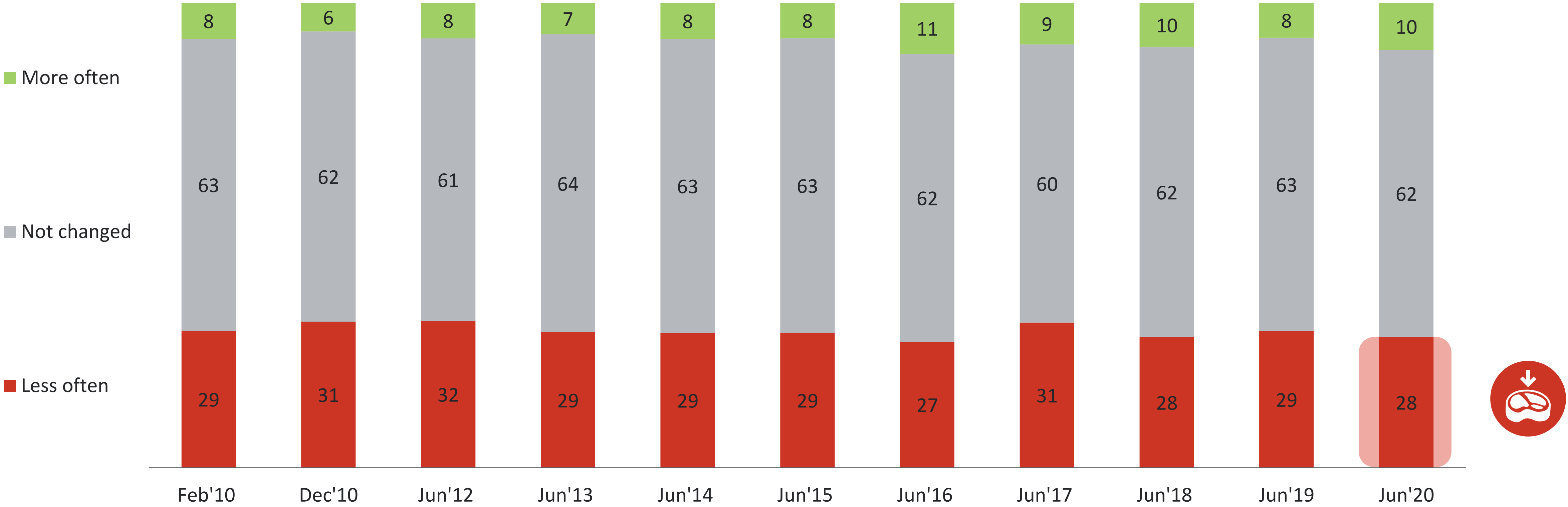
7 out of 10 meat eaters have NOT reduced their red meat consumption



8 out of 10 meat eaters are NOT planning to reduce their red meat consumption

# The proportion of red meat reducers remains stable at less than 1 in 3

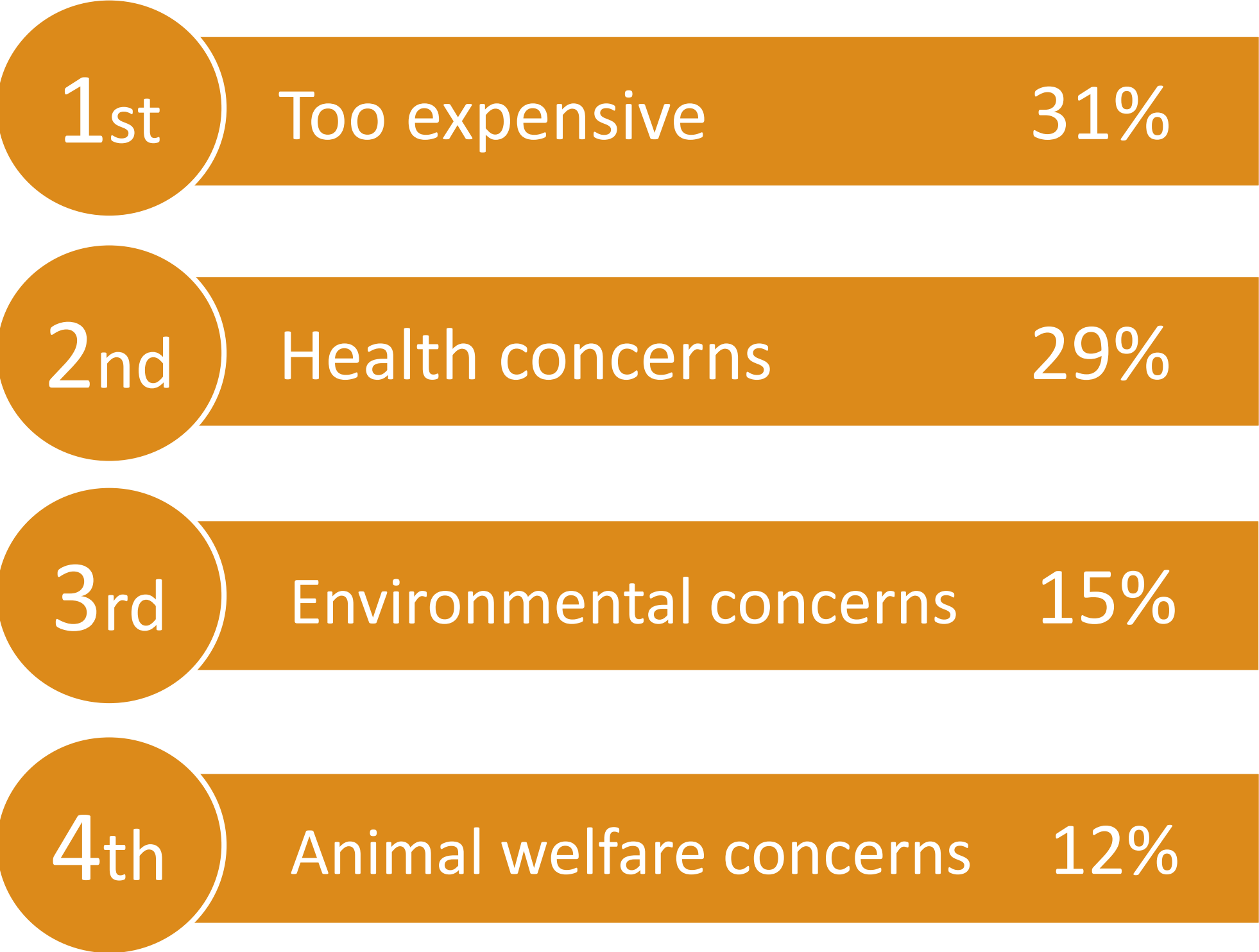
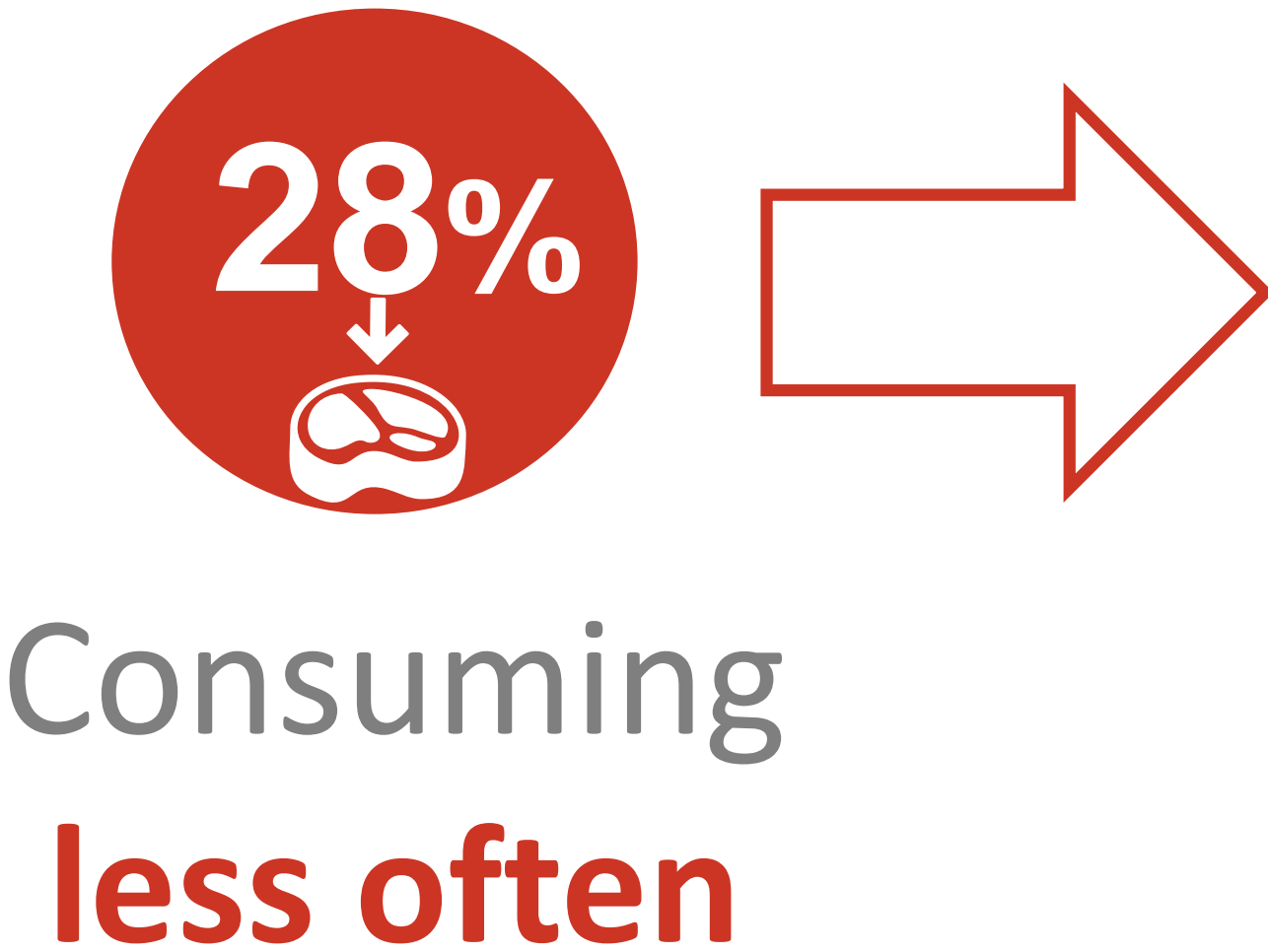
Relative red meat consumption, compared to 1 year ago (%) – Among meat eaters



A7 Which one of the following statements best describes how often you eat red meat now, compared to 12 months ago? Base n=761/ 1000/1002/602/1001/1007/1389/1400/1425/1288/1434

# Cost and health remain the primary drivers of red meat reduction, followed by concerns about the environmental impact

Top reasons for eating less red meat (%) | red meat reducers

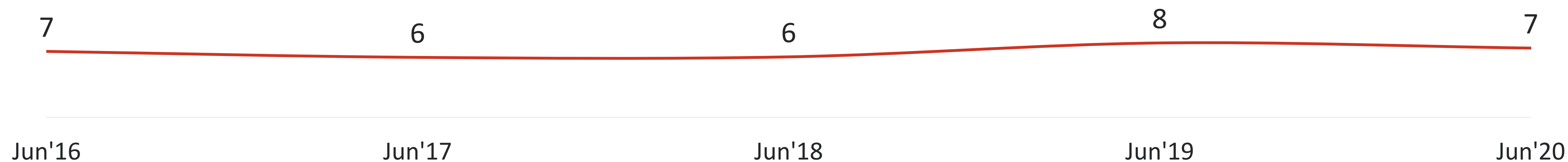




# Vegetarianism understanding

# The number of people in metro Australia who claim to be vegetarians has remained stable since 2016

Are you a vegetarian? (%)



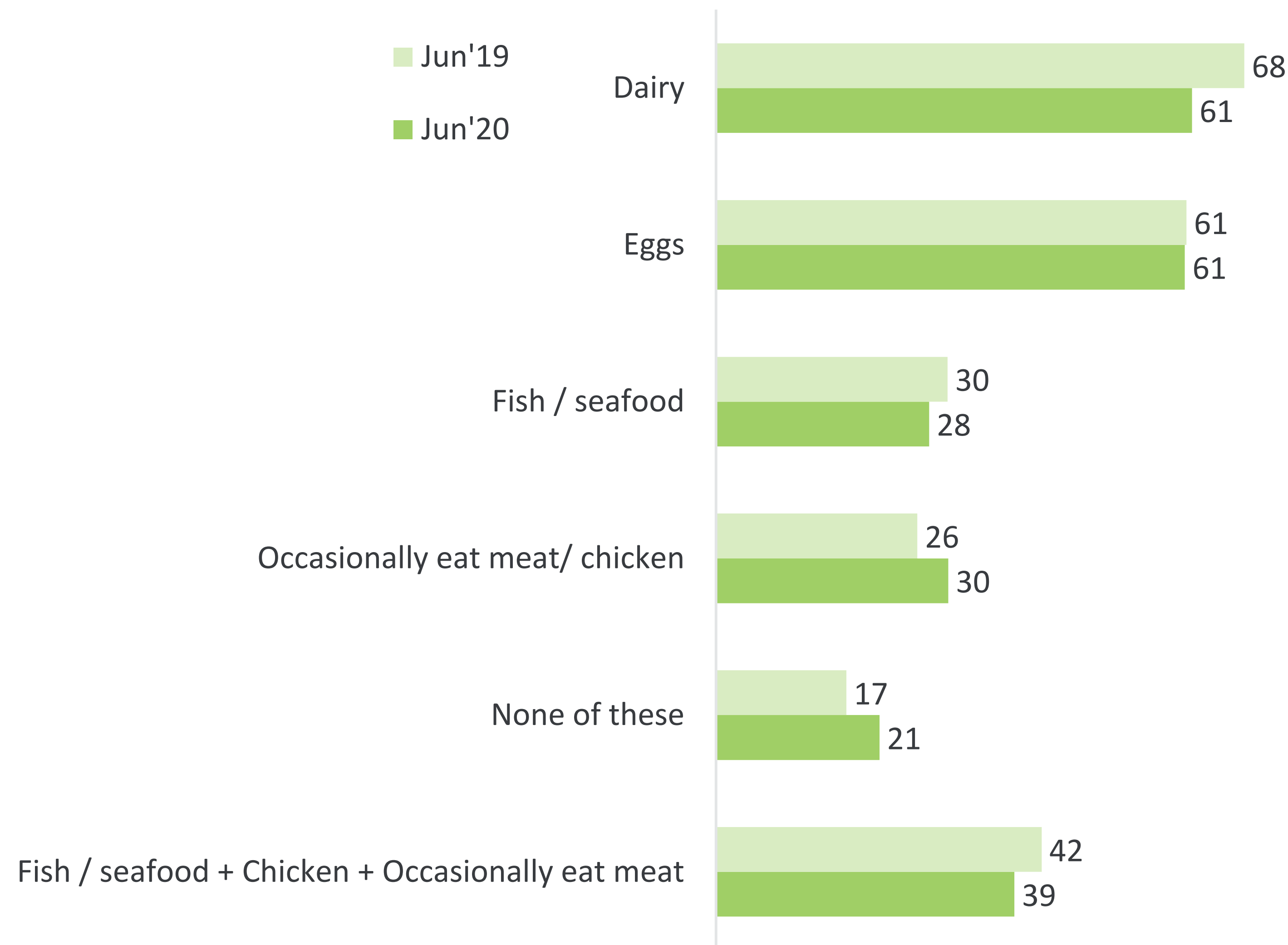
7%



# 39% of claimed vegetarians still eat meat

Do you eat any of the following? (%)

Among claimed vegetarians

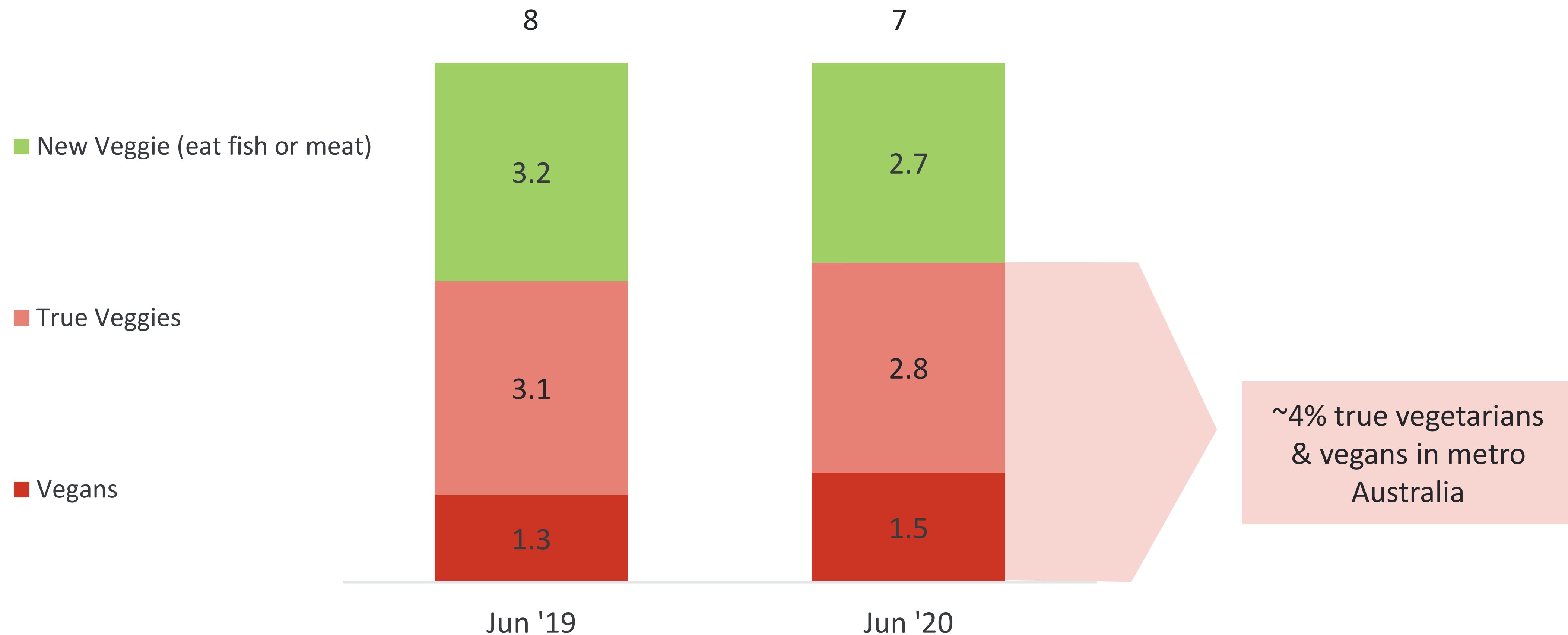


# The proportion of vegans is small, with the total incidence of vegans & true vegetarians sitting around 4% in metro Australia

7%



Vegetarianism in metro Australia (%)



S7. Are you a vegetarian? Base n=1422 / 1556

S7B. Do you eat any of the following? Base: Those who claim to be vegetarian, n=107/109

# Summary

# Summary

## Red meat industry perceptions are improving

Despite an environmentally, socially and economically tumultuous year the red meat industry has managed to maintain or grow positive industry perceptions

Consumers are hearing more positive messages about the industry

There have been increases in positive industry perceptions in relation to sustainability, environmental impact and animal welfare

## People know more, but also less than ever before

Perceived industry knowledge has increased.

When it comes to specifics around environmental impact and animal welfare people are more likely to feel uninformed

Industry bodies and health professionals are still important information sources.

Supermarkets, butchers and manufacturers are becoming more important

## Red meat consumption and reduction is stable

Overall meat consumption is stable over time

The portion of red meat reducers in the community is stable. Cost and health are still important, environmental impact and animal welfare concerns are becoming more prominent

The proportion of vegetarians is stable, with some also eating meat occasionally

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