

International Consumer Insight

International consumer research on livestock products

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Update covers

- What the Retail and Consumer Insight team do
- Key findings from AHDB International Consumer Insight.
 - Highlights from new Horizon report
 - Views on British in export markets
 - Key takeout's / key pointers for exporters.



Introduction



What we do

AHDB's Retail and Consumer Insight team actively tracks, monitors and evaluates consumer behaviour.

We use this to support growth in our industries by:

- Providing a better understanding of how consumers shop.
- Helping levy payers understand their final customers needs.

How we do this

Through analysis of online surveys, shopper data and reviewing specialist consumer research reports.



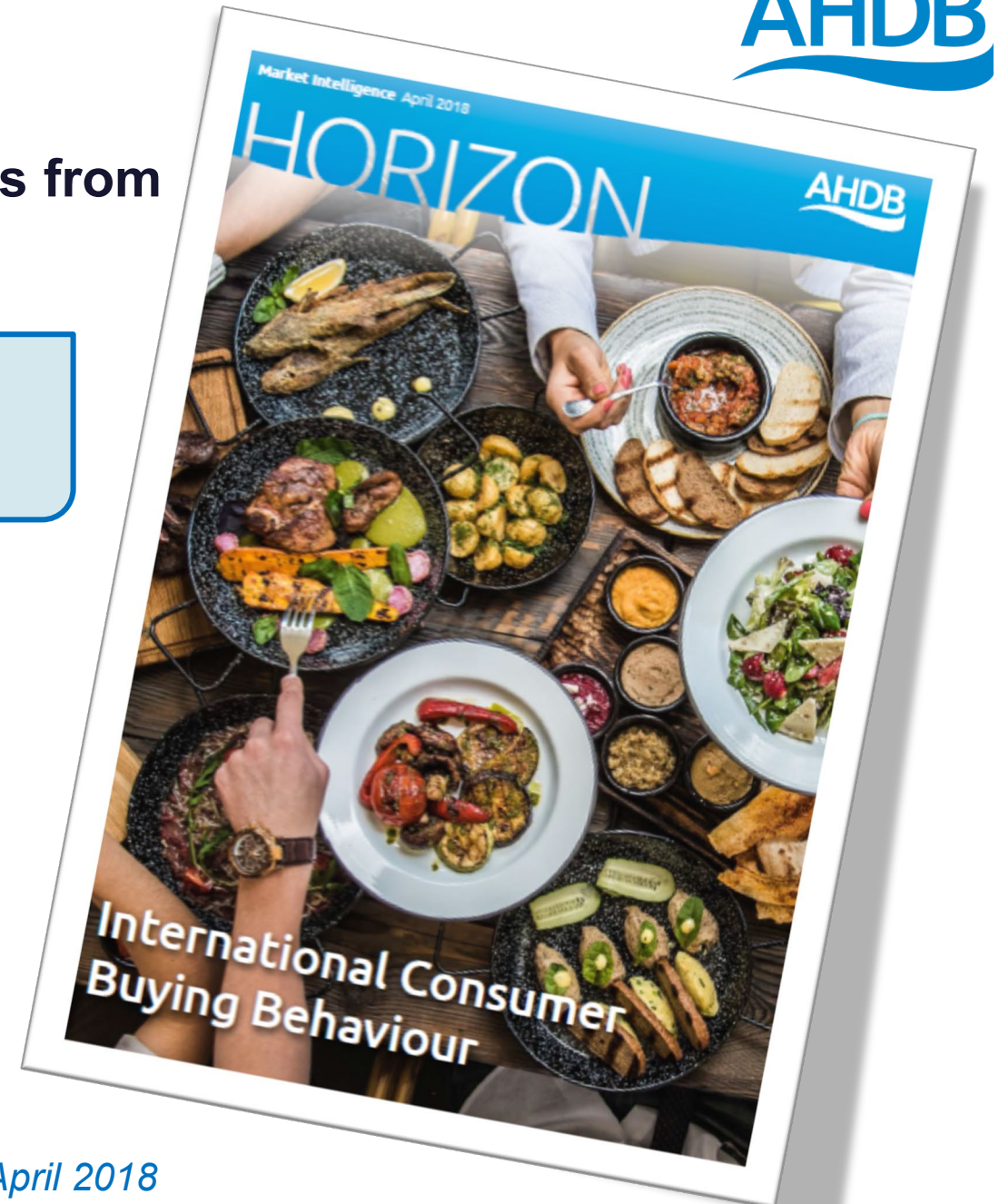
Horizon report released

Provides a summary of key findings from AHDB International research:

✓ Highlights differences in consumer priorities when choosing food.

✓ Assesses consumer perceptions of British food in other countries.

✓ Identifies key considerations for British exporters and opportunities for expanding export markets.



Priorities when choosing food

China



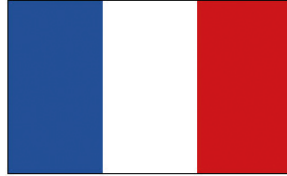
Food Safety
Quality

Canada



Quality
Price

France



Quality
Price

Germany



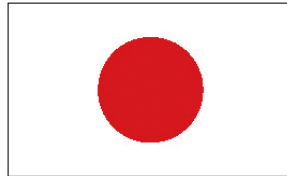
Quality
Family
Preferences

India



Quality
Health

Japan



Price
Food Safety

USA



Quality
Price

UAE



Quality
Health

Saudi Arabia



Quality
Family
Preferences

When thinking about food purchases generally:

- ✓ Quality was found to be the top priority for choosing food to buy in seven of the nine countries. Key variation was China and Japan where 'food safety' came out as critical.
- ✓ Price, health and family preferences were the other options which scored highly.

The background of the slide is a photograph of a wooden cutting board. On the board, there are several pieces of medium-rare steak, some of which are topped with a dollop of white sauce and garnished with finely chopped green herbs. Next to the steak are several stalks of bright green asparagus. In the top right corner of the board, there is a small glass dish containing a yellow liquid, likely a dressing or sauce. The entire scene is set against a dark, textured background.

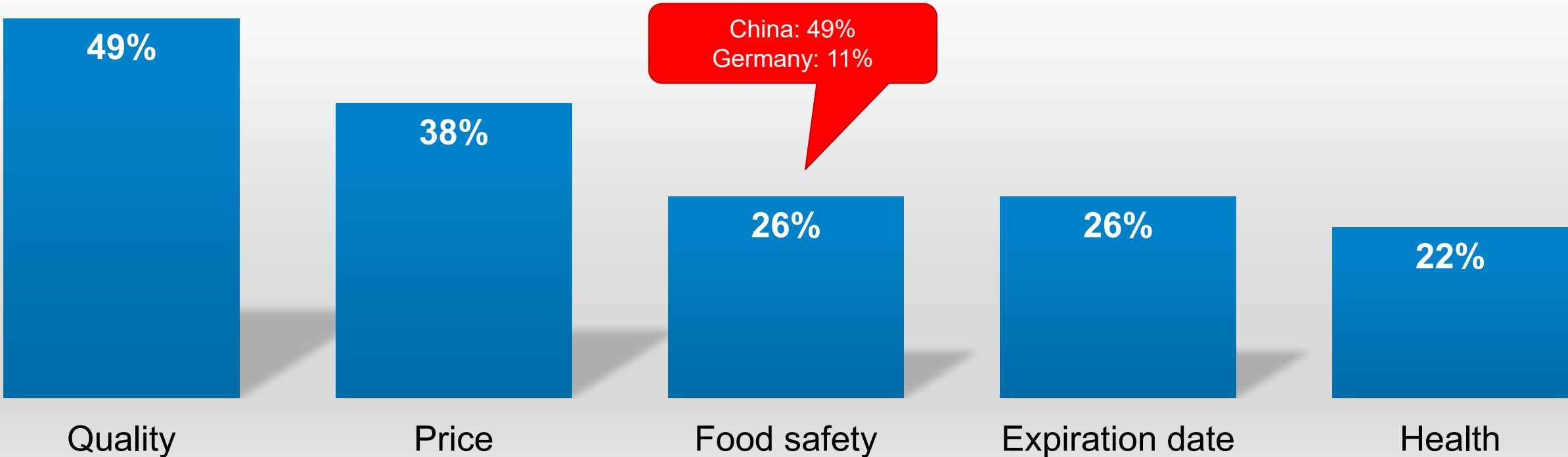
Meat Purchase Drivers



Meat Purchase Drivers – Top 5



■ % included in top 3 priorities



Source: AHDB/ICM– International Consumer Perceptions Research November 2017

Q3 – Thinking specifically about meat, what are your priorities when choosing the products that you buy?

Base: All whose household eats meat at least occasionally (USA 490, Canada 490, Germany 487, France 499, Japan 489, UAE 487, Saudi Arabia 494, China 499, India 396)

Judging quality - Meat

- Exporters must look at the market they supply and adjust to local consumer demands.
- Packaging/process innovation to get product in store quickly but safely can provide a competitive edge.

What do you think about when judging the overall quality of meat products?

* The Flags show those countries which said 'Quality' was the top priority against what factor they said was most important in judging quality.




Quality meat must satisfy three consumer needs: To be in date, safe and tasty.

Source: AHDB/ICM– International Consumer Perceptions Research November 2017

Q4 – Which of the following, if any, do you think about when judging the overall quality of a meat product?

Base: All whose household eats meat at least occasionally (USA 490, Canada 490, Germany 487, France 499, Japan 489, UAE 487, Saudi Arabia 494, China 499, India 396)

Key Meat Findings

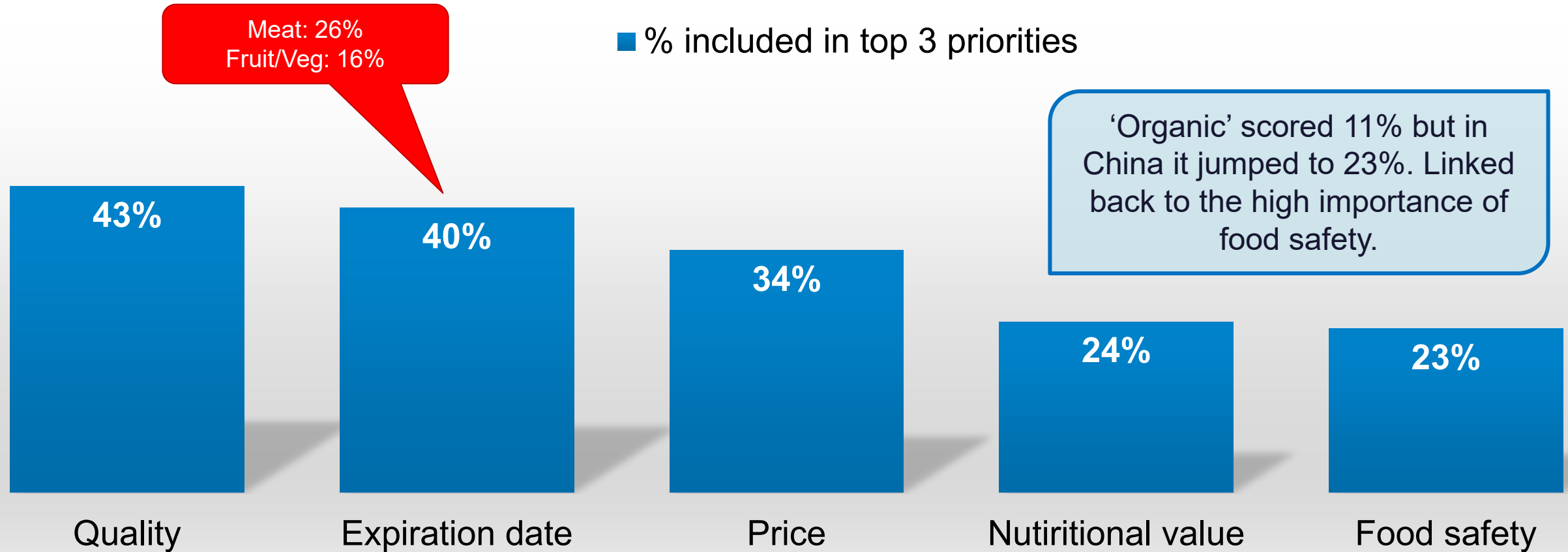
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- Important to consider how meat cuts fit with current and popular meals eaten in export countries. Adapting cuts and producing those which fit consumer needs in the country can increase demand.
 - Food safety is critical in China and Japan. Communication to these markets needs to be tailored to meet the desire of consumers to know more about the safety of the meat they eat.

Dairy Purchase Drivers





Dairy Purchase Drivers – Top 5



Source: AHDB/ICM– International Consumer Perceptions Research November 2017

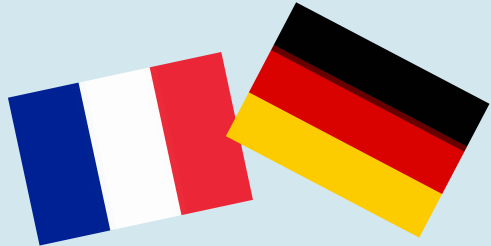
Q5 – Thinking specifically about dairy products, what are your priorities when choosing the products that you buy?
Base: All whose household eats dairy at least occasionally (USA 494, Canada 498, Germany 498, France 498, Japan 490, UAE 499, Saudi Arabia 497, China 496, India 500)

Judging quality - Dairy

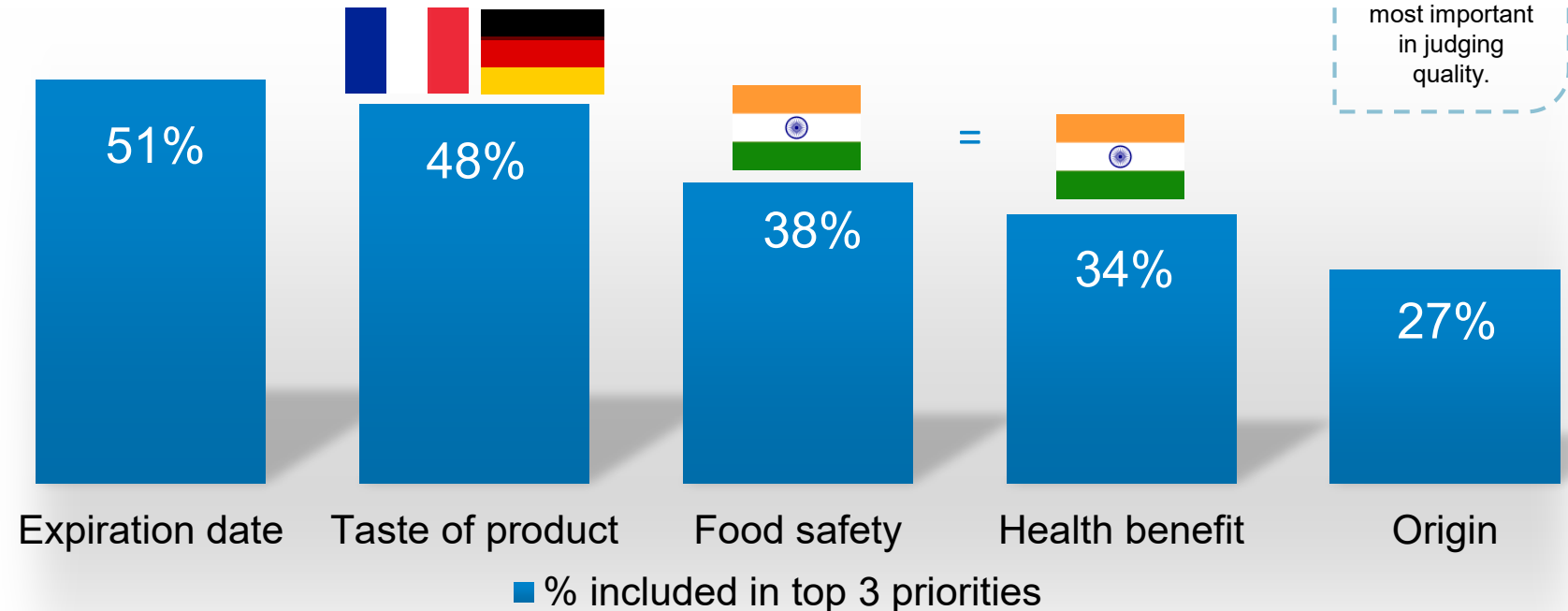
What do you think about when judging the overall quality of dairy products?

* The Flags show those countries which said 'Quality' was the top priority against what factor they said was most important in judging quality.

- Country variations: France / Germany and India all placed 'quality' as the most important factor – but influenced by different things...



- France/Germany: Heavily influenced by **Taste** and **Expiration date**.
- India – Draw on Health benefit and Food Safety.



Source: AHDB/ICM– International Consumer Perceptions Research November 2017

Q6 – Which of the following, if any, do you think about when judging the overall quality of a dairy product?

Base: All whose household eats dairy at least occasionally (USA 494, Canada 498, Germany 498, France 498, Japan 490, UAE 499, Saudi Arabia 497, China 496, India 500)

China: Yogurt Drink New Products

Stylish bottle launch to be distinctive at fixture



Source: Global data – Pack Track 2018

Yili Ambrosial Premium Drinking - Xila Fengwei Suannai (Greek Style Flavored Yoghurt Drink) - Yuanwei (Original)

Consumer knowledge is not always the same

Cheese:

- In countries such as France or Germany, their knowledge of high-quality cheese and different brands is quite extensive, whereas in China, consumers have a lesser understanding of cheese and how to use it in their everyday meals, probably due to lack of exposure.
- While cheese consumption in China is still quite low, we expect it to rise significantly as awareness grows.



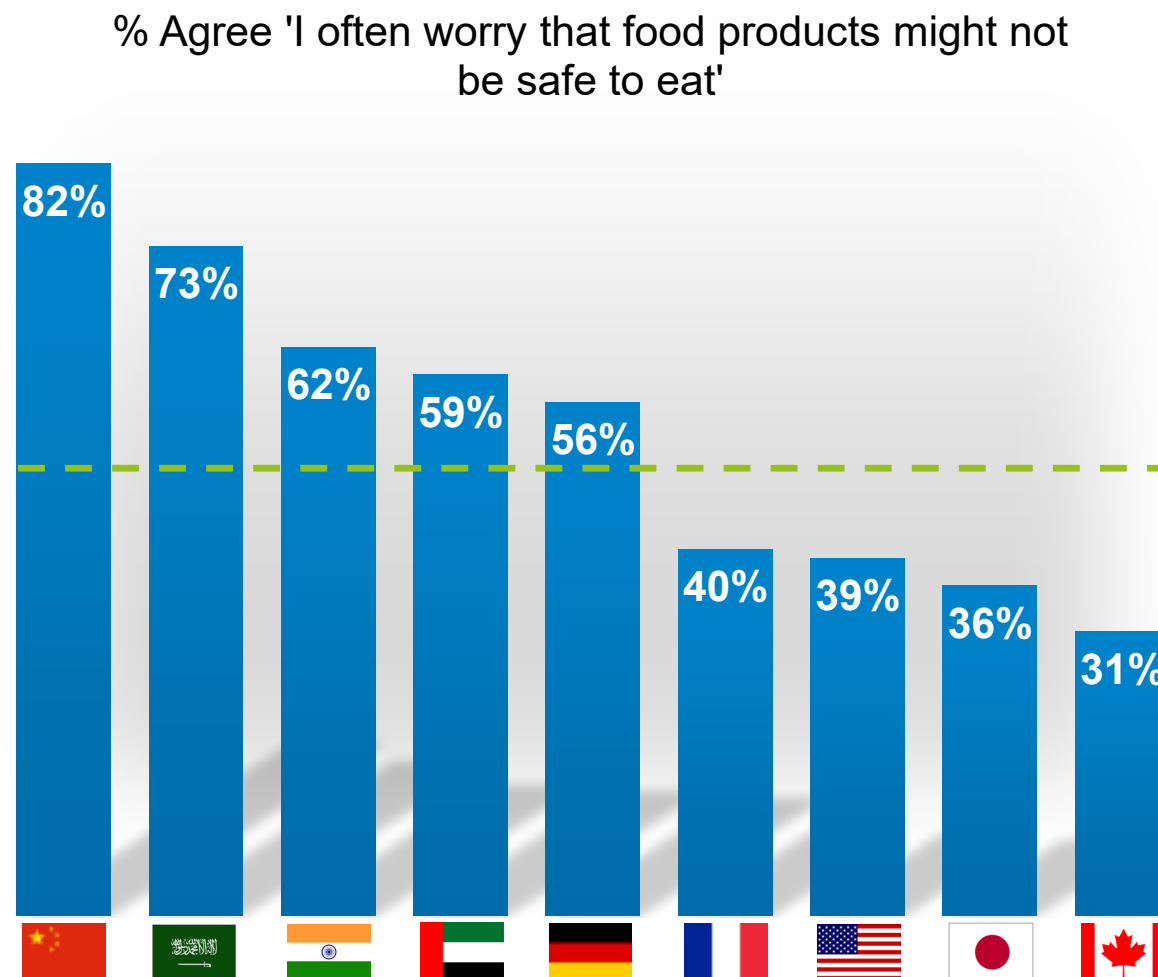
Key Dairy Findings

- Strong link to freshness remains – highest in dairy compared to other food categories.
- Growing premium ranging of dairy products – offering new health benefits and/or flavours. Meeting the natural desires of consumers. China is a strong example of this.



How important is food safety?

- Just over half (53 per cent) of consumers surveyed were often concerned about food safety.
- Concern over food safety is widespread in China, with 4 in 5 respondents (82 per cent) saying they often worry about it.



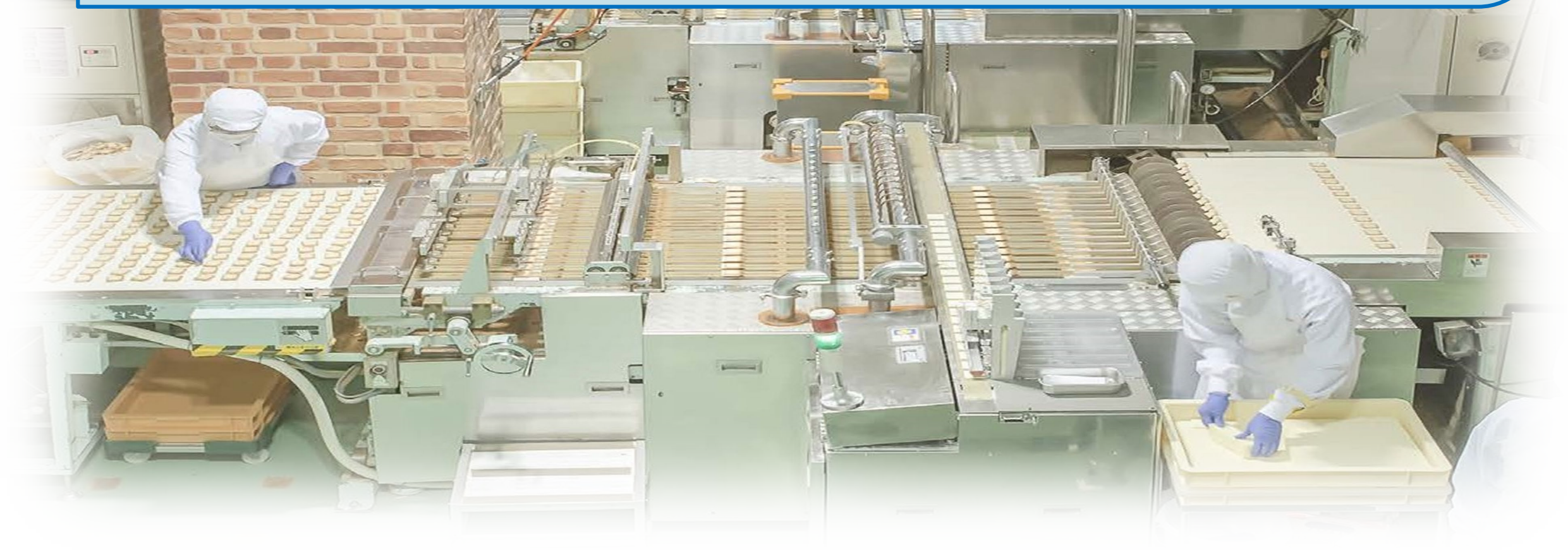
- This not just in satisfying access requirements but also how this is going to be adequately communicated to the consumer.
- Responsible supply chains clearly have value overseas and communicating this through clear messaging to consumers is vital.

Source: AHDB/ICM– International Consumer Perceptions Research November 2017

Q12 – To what extent do you agree or disagree with each of the following statements? Base: All respondents (4,503)

Key takeouts – Food Safety

- Responsible supply chains are valued overseas and communicating this through clear messaging to consumers is vital.
- Important to satisfy food safety concerns – in China, Japan, India and the Gulf States, the premium positioning that GB products may occupy is also likely to further boost food safety credentials.

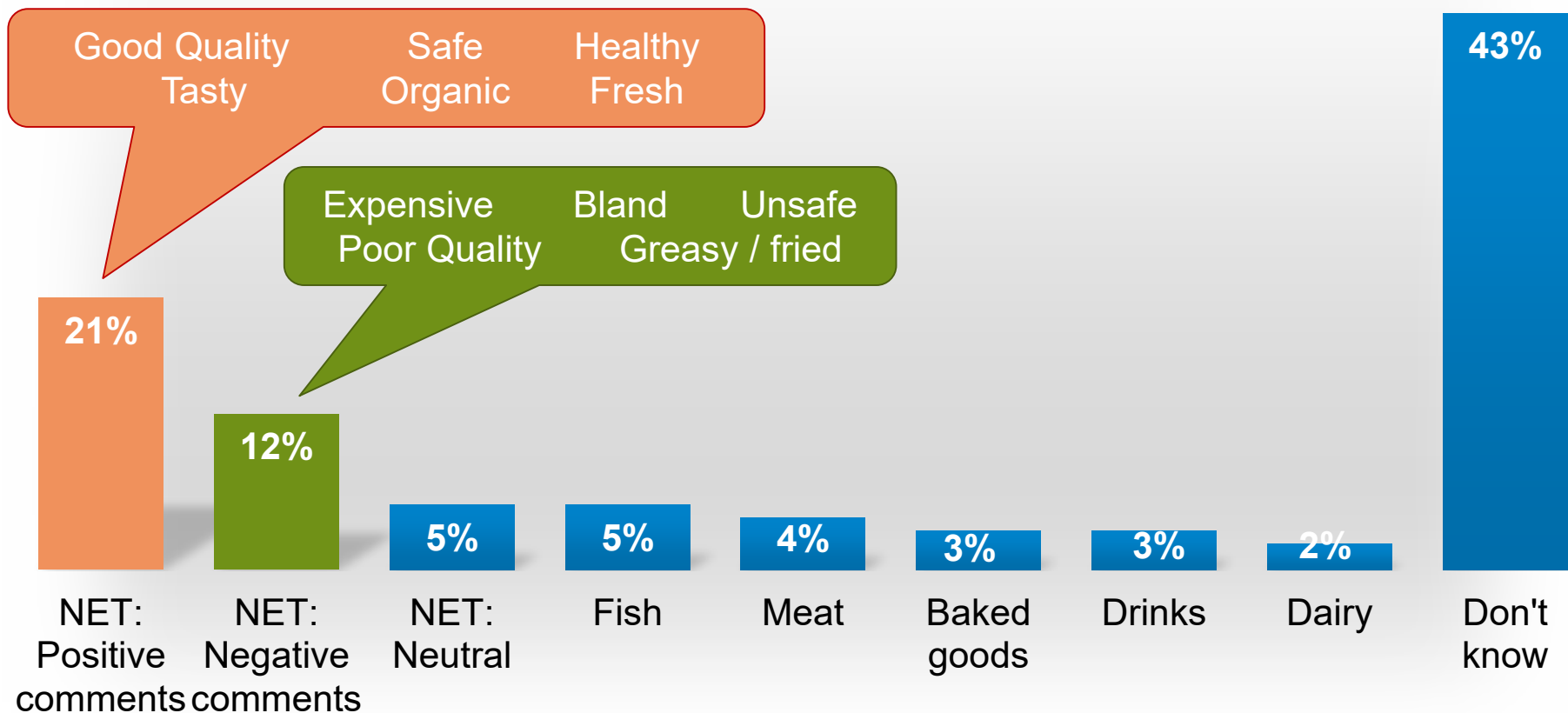


VIEWS ON 'BRITISH' AND THE CONTEXT IN THE INTERNATIONAL MARKETPLACE



What does 'British food' make you think of?

Unprompted associations with British food



➤ When asked to think about associations with British food, the most common response was 'Don't know', suggesting that awareness of British produce specifically is low and many people throughout the countries studied have no clear opinion.

Source: AHDB/ICM– International Consumer Perceptions Research November 2017

Q16 – Thinking about British food, what words and phrases come to mind? *Coded verbatim responses*. Codes <2% not charted.
Base: All respondents (4,503)

Prompted associations with British food



34%
Good quality food

29%
Food safety

29%
Tradition and heritage

27%
Countryside and farming

37 % would pay a premium for British Food

61% China / 65% India

21% France / Germany 24%

Source: AHDB/Red Tractor – ICM International Consumer Perceptions Research August 2017

Q5 – Now thinking specifically about food products from Britain. Which, if any, of the following words or phrases do you associate with British food? (Please select all that apply).



British Food – Context in the International Marketplace

- Fit with popular dishes in target export countries is vital as British food products are predominately being used in a non-British themed meal (61% share).
- There are great products to export – providing consumer with key selling points beyond the country it comes from can all contribute to success
- Many British exporters will find themselves as niche offerings competing against domestic and other imported products.





Final top five pointers for exporters



Know your market – gaining an insight on what consumers are looking for and how your product is used can provide a great competitive edge.

Research – look at the competition and how your product will fit in store.

Don't assume – international consumers may not be as familiar with your product offering as the domestic market. Or you may need to adjust what you offer to local needs.

Adapt product messaging – ensure you communicate on the hot topics for consumers in your target markets.

Be focused in your export strategy – know where you are looking to operate and growth potential.

Thank you



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www.ahdb.org.uk/consumerinsight



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