



Australia



MARKET SNAPSHOT | BEEF & SHEEPMEAT



MARKET

Largest single market for Australian beef and lamb



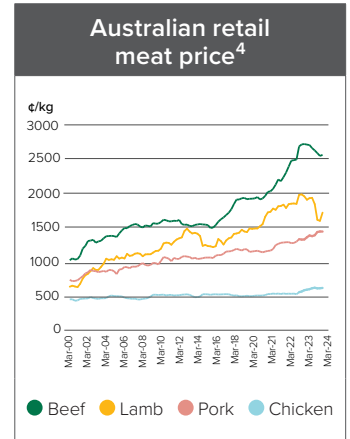
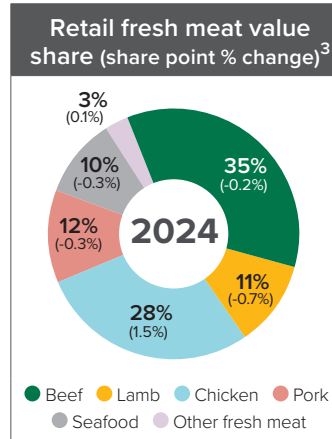
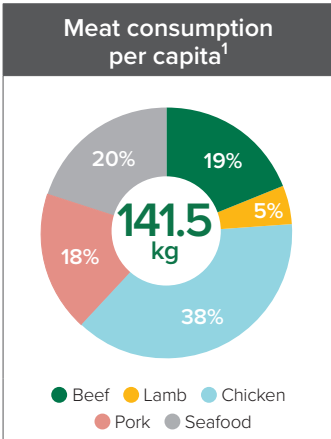
CONSUMERS

Diverse pool of consumers who appreciate a range of red meat

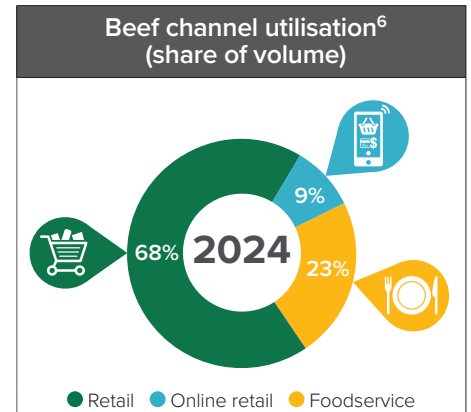
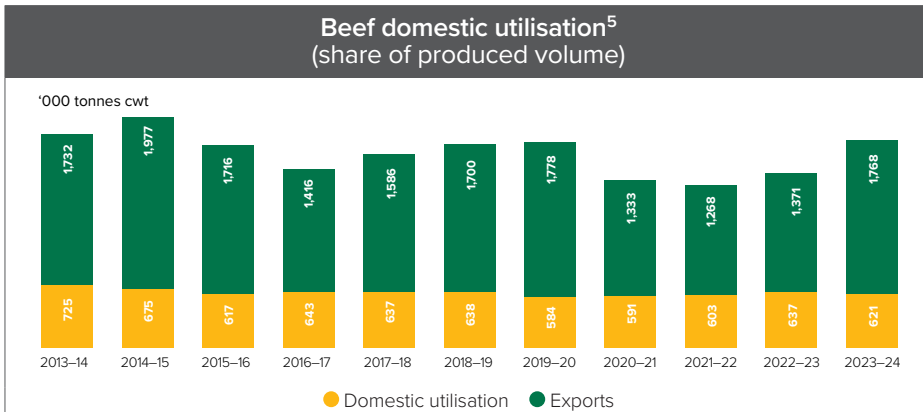


GROWTH

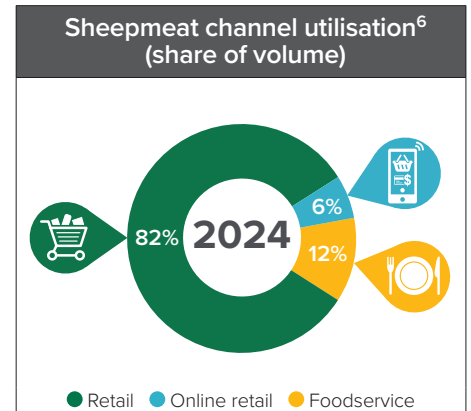
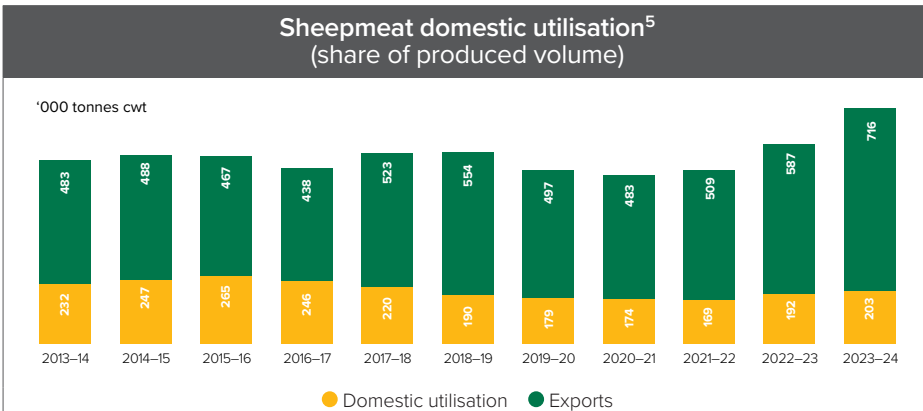
'Trusted quality' that's 'easy everyday' with options that fit all budgets



The Australian domestic market is the largest destination for Australian beef, consistently consuming almost 30% of total beef production volume.



Australia is also the largest market for Australian sheepmeat, consuming around 30% of total production. Almost all the sheepmeat distributed within Australia is lamb while most of the mutton produced is exported to overseas markets.



Data source for charts: ¹Fitch Solutions, GIRA 2025f, ²IGD, 2025f (Grocery spend defined as the total annual grocery retail market turnover in given year, divided by the population for the same year. Grocery retail market data excludes VAT/sales tax, Restaurant spend defined amount of spending on restaurants and hotels (food outlets, restaurants, catering services and accommodation services) divided by the population for the same year), ³NielsenIQ Homescan, MAT to 08/09/2024 (share point change versus year ago), ⁴ABARES, calculated using ABS data, ⁵DAFF, ABS, IHS Markit, MLA calculations, ⁶MLA Estimates 2024






Meat & Livestock Australia calculation based in part on data reported by NielsenIQ through its Homescan Service for the Fresh Meat for the 13/52-week period ending 08/09/2024, for the Total Australia Grocery, according to the client defined product hierarchy. Copyright © 2024, Nielsen Consumer LLC.

CONSUMERS



- Australian consumer demand for beef is impacted by many factors such as demographic shifts, personal financial situations and changes in attitudes and beliefs towards food – influenced by family, friends and the media.
- The overall awareness and purchase rate of beef is high amongst Australians. It is the #1 'top of mind' protein type, more than twice that of chicken and more than seven times that of pork (Source: Kantar Brand Funnels Report Q2 2024).

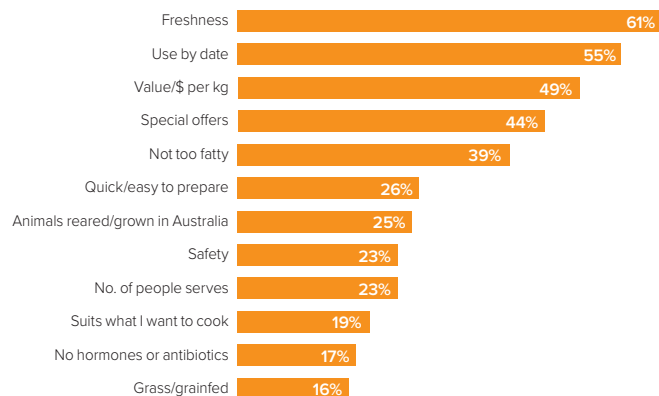
Protein associations strengths

	 Beef	 Lamb	 Chicken	 Pork	 Seafood
Easy everyday			✓		
Trusted quality	✓	✓		✓	
A bit special		✓			✓
Good for you					✓

Source: MLA Domestic Consumer Tracker 2023, Tick = Area of strength versus other proteins

- Beef's strengths include consumer perception of it being 'trusted quality' and 'the greatest meat' and while it's also seen as 'suitable for everyday meals' compared to lamb, seafood and pork, it's well behind chicken on this association (Source: MLA Domestic Consumer Tracker 2023).
- Despite easing inflation, cost of living continues to be a key concern for many households as they try to manage budgets. While everyday suitability and cooking confidence are key drivers for consideration, having options that are suitable for consumer budgets doubles in importance to drive purchase as consumers seek the best 'value' from their purchases (Source: MLA Domestic Consumer Tracker 2023).
- Increased focus on health because of the pandemic saw a growing number of consumers increasing their red meat consumption in the past few years for health and nutrition reasons (Source: MLA Community Sentiment Research 2024). Consumers are looking to understand the role protein plays in their pursuit of making better health choices. Showcasing beef's 'functional' benefits (e.g. protein, iron) will give consumers more reasons to choose beef and increase frequency of consumption (Source: MLA Domestic Consumer Tracker 2023).

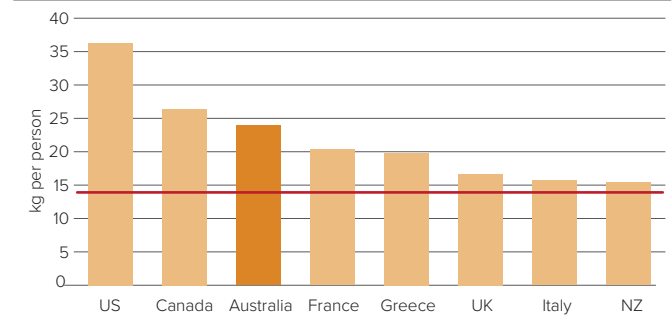
Top things consumers look for when buying beef



Source: MLA Organic Meat Research 2024, Q: What are the 5 key things that you seek when purchasing beef?

- Despite declines in domestic volume consumption of beef over the past two decades, Australia remains one of the world's largest consumers of beef, with per capita consumption sitting well above the global average.

Beef consumption per capita



— OECD average (13.7kg/person 2025f)

Source: Fitch Solutions 2025f, OECD (for OECD average, OECD includes Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States)

Australia's increasingly diverse population

As migration drives population growth, the ethnic profile of Australian households is changing. Over 50% of the Australian population was born overseas or has at least one parent who was born overseas. India overtook China in the 2021 Census as being the second largest country of birth for Australian residents (after England) (Source: ABS). Both East and South Asians* under-index on red meat consumption so understanding Australians' changing preferences will ensure continued growth and opportunities.



*East Asia (e.g. China, Japan, Korea), South Asia (e.g. India, Pakistan)



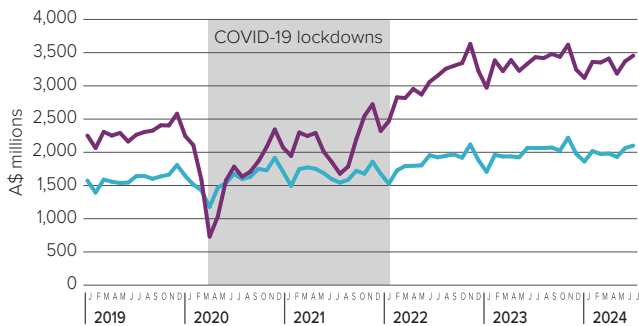
- Eating out is a key part of the Australian way of life with around 35% of Australians' food and non alcoholic beverage budget spent on eating out of home (Source: Food Industry Foresight). While Australia's per capita restaurant spend at A\$4,157 is not as high as that of the US (A\$6,336 per capita) and the UK (A\$5,351 per capita), it's quite significant, placing Australia among the higher end of foodservice spending globally (Source: Fitch Solutions, 2025f).
- As with many other developed countries, the Australian foodservice sector is still going through challenges including rising costs from inflation, supply chain disruptions, staff retention issues and skilled labour shortages.
- The foodservice landscape is large, competitive, and highly fragmented, with many individual companies having a small market share. Commercial restaurants contribute to the majority of the total foodservice industry's value. Less than 10% of beef consumed through the foodservice channel is through non-commercial restaurants (such as aged care, health care, military, education and others) but given Australia's ageing population, there are opportunities to cater to segments of this sector (Source: GlobalData).
- Inflationary pressures have continued to weigh on consumers, resulting in considered discretionary spending in foodservice. Fast food chains and premium eating out venues continued to grow compared to last year while cafés and casual dining restaurants declined in spend. This suggests that consumers are trading down to more affordable options or splurging on the premium end of foodservice on occasion (Source: CommBank IQ Cost of Living Report May 2024). Despite café and restaurants remaining rather flat, the third quarter of 2024 onward has seen an average growth of around 9% for dining in traffic compared to last year (Source: OpenTable October 2024).

- The Australian foodservice channel was estimated to account for around 30% of total domestic beef utilisation in 2019 but current estimated utilisation is still below pre-pandemic levels (Source: MLA Estimates 2024). While beef is the largest fresh meat protein consumed through foodservice, it's under threat from lower-cost proteins such as chicken and pork (Source: GlobalData) so demonstrating the value beef brings or showcasing how alternative cuts can be utilised is key in keeping beef on menu. Despite strong uptake of meal delivery from the pandemic, meal delivery fell 6% as price-sensitive Australian consumers are shifting from delivery to pick up which grew 18% to avoid delivery fees (Source: Circana June 2024). Among the most-ordered food on the DoorDash (food delivery) app, burgers and Wagyu beef dishes ranked third and fourth respectively suggesting consumers' willingness to order a variety of foods through this channel (Source: DoorDash Restaurant and Alcohol Online Ordering Trends ANZ 2024).



Key drivers of eating out for consumers are higher quality, better tasting offerings and socialising

Spending in cafés and takeaway

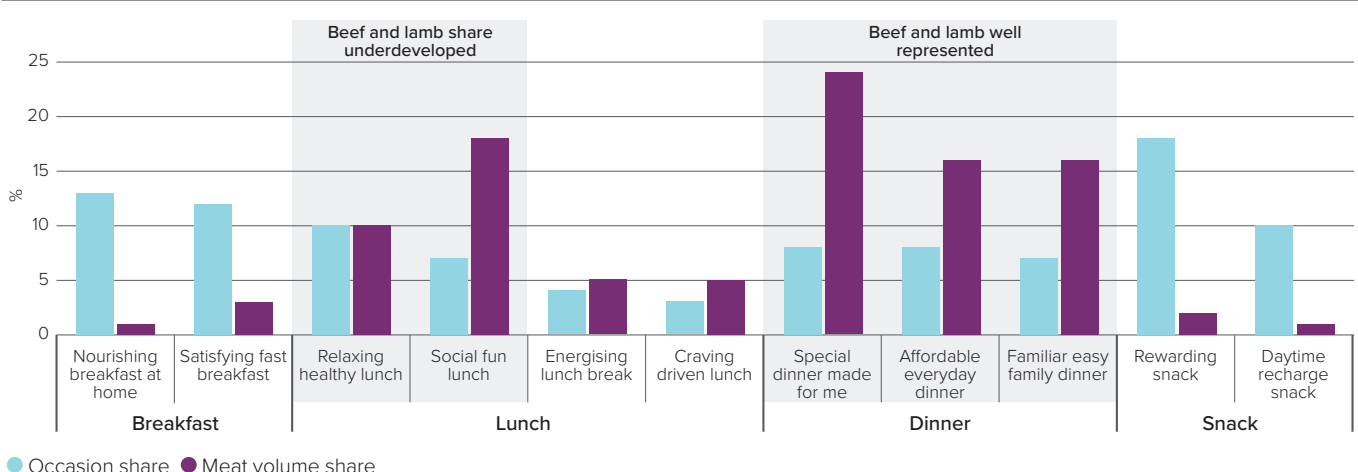


● Cafés, restaurants and catering services ● Takeaway food services

Source: ABS Retail Trade Turnover (Original), Data to August 2024

- Higher quality, better tasting offerings and socialising are the key influences when consumers choose to dine out as opposed to eating at home, which is more driven by value and the convenience of not having to go out (Source: GlobalData Global Consumer Survey Q4 2022). Motivations behind foodservice visitations tend to be more emotionally driven than functional especially in 'indulgence/reward' and 'enjoyable/fun' influences. Foodservice meals already feature a higher incidence of meat compared to home cooked meals while the lunch occasions under indexes in red meat. This provides an opportunity to understand consumer needs met by foodservice to provide unique offerings to increase the red meat share in this channel. (Source: MLA Consumer Protein Landscape 2022).

Occasion share and meat volume share across meal occasions



● Occasion share ● Meat volume share

Source: MLA Consumer Protein Landscape 2022 (base n = 50,116)



- Fresh meat is the largest supermarket category by value (excluding liquor and tobacco) and plays a key role in driving store traffic and store loyalty (Source: NielsenIQ Homescan).
- Beef represents the highest share of retail sales of any meat, holding a 35.4% share of fresh meat sales (by value) and is the largest animal protein type ranked by sales in retail outlets. Beef volume growth was driven primarily by shoppers buying more often, existing buyers purchasing more and switching from pork and seafood (Source: NielsenIQ Homescan 52 weeks to 08/09/2024).

Grocery retail sales and growth by channel



Source: IGD, Liquor specialists excluded, *2025f, % figure in brackets = compound annual growth rate (CAGR) 2025e–2028f. Note: Traditional refers to includes smaller scale, independent food stores

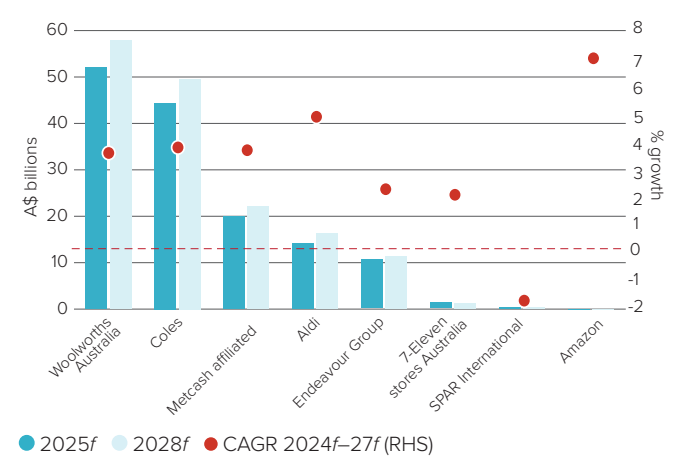
- Beef is a critical product for retailers. The average grocery basket without beef is worth A\$55 but this jumps to around A\$126 when the basket includes beef (Source: NielsenIQ Homescan 52 weeks to 08/09/2024).
- Cost of living remains a major concern for consumers with over 80% monitoring their spend and shifting behaviour to deal with ongoing challenges. However, there are some areas where key opportunities exist including the health, convenience, online and affordable premium, particularly for dining in at home occasion as an alternative to dining out (Source: NielsenIQ Consumer Outlook April 2024).
- Fresh meat is predominately sold in supermarkets, representing just under 85% of fresh meat, with butchers making up just over 15%. Cost pressures have resulted in strong growth in discounters like Aldi driven by new shoppers while butchers have continued to experience slow long-term share decline due to lost foot traffic and occasions (Source: NielsenIQ Homescan 52 weeks to 08/09/2024).

Fresh meat place of purchase, share and spend

	Value share	A\$ per trip
Total Australia	100%	23.88
Total Aust. supermarkets	84.3%	21.69
Aust. non supermarkets*	15.7%	41.86

Source: NielsenIQ Homescan 52 weeks to 08/09/2024, *Non supermarkets includes butchers

Top grocery retailer sales and growth



Source: IGD, Growth % = compound annual growth rate (CAGR) 2025e–2028f

- The online channel already holds the advantage of convenience and as such, represents a key opportunity for red meat – from developments to improve consumer confidence with cuts or recipes, to partnering with major retailers to leverage their online reach and ongoing expansion initiatives in this space.
- Shopping across bricks and mortar (B&M) and online has become the new normal with over half of Australian households doing this. Although fresh meat under indexes in online sales with 8.3% share compared to B&M which is 10.8% of total grocery, fresh meat online growth has outpaced total grocery due to higher volume, frequency and more buyers. (Source: NielsenIQ Homescan 52 weeks to 08/09/2024).
- While beef mince is the leading cut across supermarkets, online and butchers, there are variances between these channels which signal differing consumer needs and occasions. More premium cuts like steaks make up a greater share of purchase in butchers while pre-prepared and pre-cut strips/diced/sliced beef tends to hold a larger share for online sales compared to their share of B&M or butchers (Source: NielsenIQ Homescan 52 weeks to 08/09/2024).
- The food box meal kit trend in Australia (such as Hello Fresh and Marley Spoon) which generally include portioned ingredients and simple recipes that allow consumers to quickly create their meal at home, saw double digit growth because of the pandemic. While penetration at just under 16% of Australian households (households that purchased the product) and share of 1% of total grocery, are both lower compared to other convenience categories, households are spending six times as much on this category compared to other convenience options such as frozen meals, packaged salads, ambient/canned meals, etc. (Source: NielsenIQ Homescan 52 weeks to 08/09/2024).



Sheepmeat

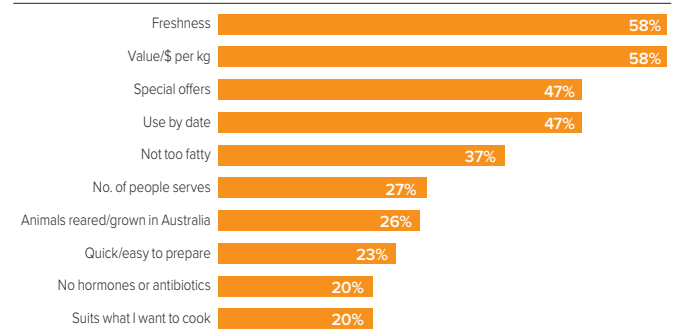
CONSUMERS



- Lamb has a unique role in the national diet of Australians, who are among one of the largest per capita consumers of lamb in the world (Source: OECD).
- Australian consumers have a traditional affinity with lamb: around 70% of Australian households purchase lamb, on average 8.6 times per year (Source: NielsenIQ Homescan 52 weeks to 08/09/2024). Lamb consumption has a skew to older Australians, and while members of this group are typically heavy buyers of lamb, they are also showing signs of decline, purchasing less frequently and less volume, so there are opportunities to attract younger consumers to pave the way for future consumers.
- While lamb features in many cultural cuisines, it under-indexes among Northern Asians (including Chinese, Japanese, Mongolian, Korean) and South-East Asians (including Indonesian, Thai, Vietnamese, Filipino, Singaporean, Malaysian, etc.) meaning there are opportunities to drive lamb consumption within these groups. On the other hand, those that eat Halal foods also eat more lamb and with the growth of Islam trending upwards in Australia (3.2% in 2021 Census due to increased migration from Southern Asia), this presents additional opportunities for lamb to feature more on center of plate (Source: MLA Consumer Protein Landscape).

- Consumers perceive lamb as something that's 'special', 'full of flavour' and 'worth paying more for' compared to other proteins, usually associating it more with 'special occasions'. Demonstrating lamb's versatility and providing recipe inspiration that's quick and easy to prepare, will ensure lamb consumption is spread across more occasions beyond special occasions (Source: MLA Domestic Consumer Tracker 2023).

Top things consumers look for when buying lamb



Source: MLA Organic Meat Research 2024. Q: What are the 5 key things that you seek when purchasing lamb?

FOODSERVICE



- In Australia, foodservice was estimated to account for 25% of the lamb use pre-pandemic, however current lamb volume is estimated to sit at half of this due to the impacts of the pandemic, which saw many foodservice operators streamlining menus and reducing range coupled with ongoing cost pressures. (Source: MLA Estimates 2024).
- Lamb features more prominently on Italian and Indian menus, however there are opportunities for lamb to feature in cuisines where there is less menu penetration, such as Turkish, Mexican and Asian by showcasing lamb's versatility across cuisines (Source: GlobalData Menu Intelligence).

- Consumers are always on the search to 'spice it up' with something new and using lamb in different types of dishes can be something to attract renewed interest in lamb (Source: GlobalData Menu Intelligence).
- Cuisines that utilise lamb are among some of Australia's favourites including Indian, Italian, Chinese and Turkish ranking second, third, fifth and sixth place respectively, showcasing Australians' openness to trying new foods and Australia's diverse food culture (Source: BizCover June 2024).

RETAIL



- In retail, lamb has a similar market share to pork, accounting for around 11% of fresh meat sales (by value), behind beef and chicken. Lamb volume growth was almost double that of total fresh meat growth, driven mostly by existing lamb shoppers (retained buyers) purchasing more (Source: NielsenIQ Homescan, 52 weeks 08/09/2024).
- Lamb buyers are premium buyers for retailers, increasing the value of the average grocery basket from A\$62 without lamb, to around \$130.50 when the basket includes lamb (Source: NielsenIQ Homescan 52 weeks 08/09/2024).
- Households that purchase lamb less frequently (around 3–4 times per year) tend to skew younger – under 35s with no kids or younger families. East-Asian households (e.g. Chinese, Japanese, Korean, etc.) also tend to over-index in the lower

- frequency for lamb purchase although this group typically has high total fresh meat spend comparative to other groups. Opportunities exist in recruiting these under-indexed groups by showcasing the versatility of lamb to encourage ongoing consumption of lamb (Source: NielsenIQ Homescan 52 weeks 08/09/2024).
- While the most popular lamb cuts are legs and chops, representing close to 60% of volume sold in retail stores, newer buyers of lamb tend to seek out 'easier to cook' cuts of lamb such as stir-fry strips and pre-prepared, possibly signalling lower cooking confidence or preference for more convenient options that can be cooked more quickly than more traditional cuts. It is therefore important to have a variety of options to cater for the range of consumer needs (Source: NielsenIQ Homescan 52 weeks 08/09/2024).

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