Thailand

MARKET SNAPSHOT | BEEF & SHEEPMEAT

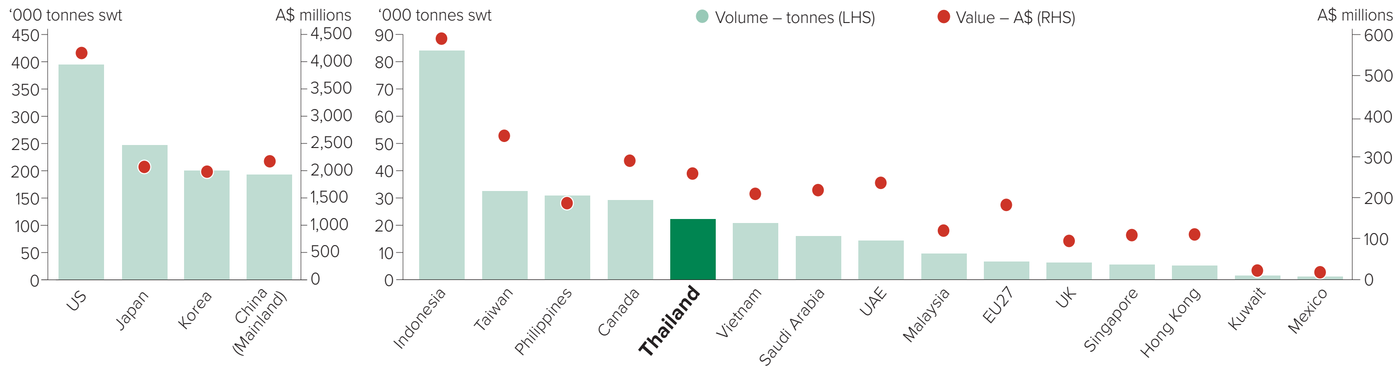
MLA MEAT & LIVESTOCK AUSTRALIA

EXPORTS
Growing demand for high value chilled beef

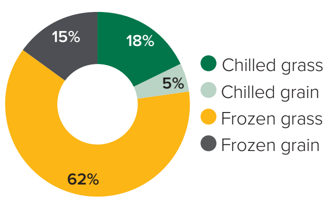
CONSUMERS
Growing incomes and appreciation for quality beef among urban locals

GROWTH
Well-established mid- and high-end foodservice for locals and tourists

Australian beef exports to Thailand in a global context [1 and 2]

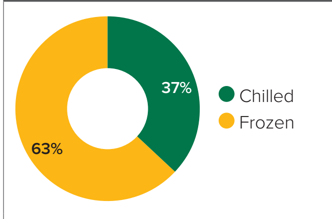


Australian beef exports – volume[1]



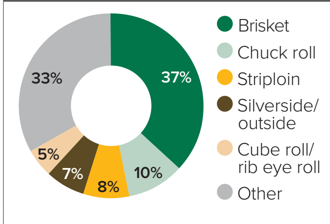
Total 22,305 tonnes swt

Australian beef exports – value[2]

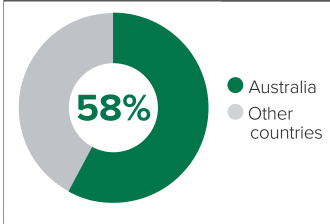


Total A$259 million

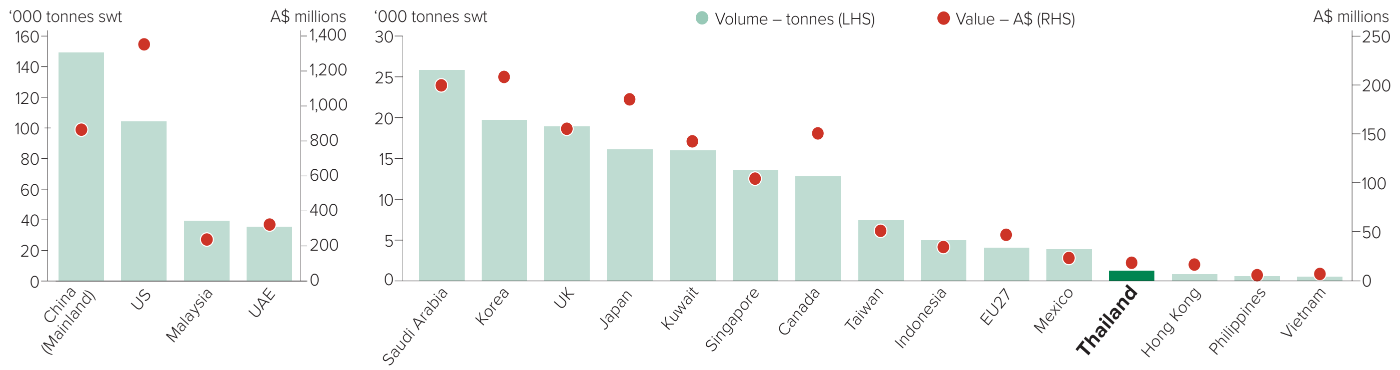
Australian beef exports by cut[1]



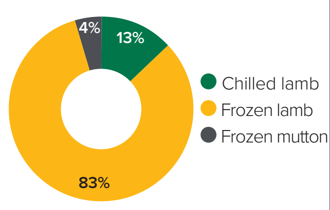
Australia's volume share of beef imports[2]



Australian sheepmeat exports to Thailand in a global context [1 and 2]

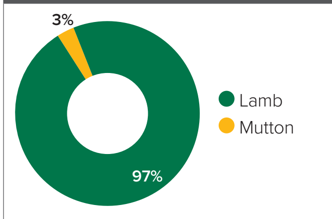


Australian sheepmeat exports – volume[1]



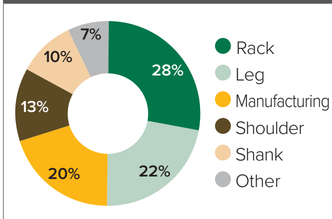
Total 1,283 tonnes swt

Australian sheepmeat exports – value[2]

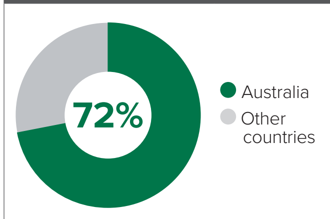


Total A$18 million

Australian sheepmeat exports by cut[1]



Australia's volume share of sheepmeat imports[2]



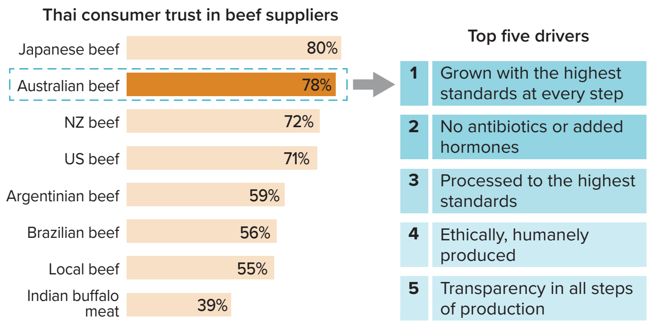
Data source for charts: [1]DAFF (CY2024), [2]Trade Data Monitor (TDM) (MAT November 2024)

Beef

CONSUMERS

- Thais enjoy the third highest Gross Domestic Product (GDP) per capita in South-East Asia behind Singapore and Malaysia and the second highest average consumer annual grocery spending at A$1,843 in 2025*f* *(Source: IGD)*.
- As a significant regional poultry, fish and pork producer, these proteins naturally dominate Thai diets, being widely available and cheaper than other options. Beef is perceived as being a superior meat compared to others, with a delicious taste, making it the ideal meat for special occasions *(Source: MLA Global Consumer Tracker Thailand 2023)*.
- Thailand is well-known for its own cuisine, developed over centuries, and is among the top drawcards for tourists. Beef is a prominent ingredient in Thai cuisine, particularly in popular dishes such as pad krapow nue (beef basil stir fry), guay teow ruea (boat noodles) and panang nue (beef curry). Hence, beef is a prominent protein in Thai consumers' minds. Bovine offal consumption is relatively small for the region but is used in north eastern dishes in foodservice such as *tom krueng nai waua* (hot & sour beef tripe soup), *soy ju* (raw beef & offal with spicy and bitter sauce).
- Thais have a relatively high disposable income in the region which has been growing rapidly. This is underpinned by steadily increasing urbanisation which is supporting greater demand for higher-value products such as Australian chilled beef. Current forecasts indicate total beef consumption will grow by 1.9% annually to 2028 *(source: GIRA)*. Already supplying the largest share of Thailand's beef imports, Australia is in a strong position to leverage new opportunities.
- Thais are increasingly willing to pay a premium for high-quality beef cuts, driven largely by young, affluent consumers who typically set food trends. This has led to growing demand for premium cuts like rib eye, striploin and rump cap. Additionally, the rising focus on health has sparked greater interest in grassfed beef, which is associated with various health benefits.
- Heightened cost of living pressures are a major concern for Thais, with around half worried about its impact on their household budgets *(Source: GlobalData Consumer Survey Q2 2024)*. As a result, more consumers are cooking meals at home more often than before. This shift presents an opportunity for Australian beef, which is gaining popularity among those seeking high quality, versatile beef for a wide variety of home-cooked dishes.
- Australian exports are comprised of a significant proportion of high value cuts such as loins, suitable for grilling. Australia also exports a high proportion of brisket cuts, where they are sliced for Korean BBQ and in Thai cuisine dishes such as in boat noodle soup (kuaitiao ruea).

Trust in beef by country of origin

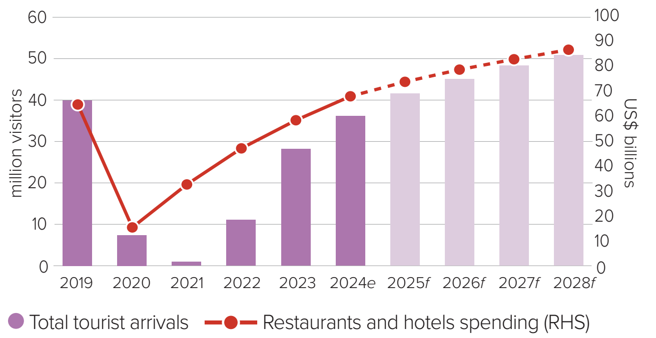


Source: MLA Global Consumer Tracker Thailand 2023

FOODSERVICE

- Thailand has a large and well-established foodservice sector that serves the large volume of international tourist visitors alongside local diners, as well as growing numbers of domestic tourists.
- The number of full-service restaurants continue to expand, thanks to a rebound in both local and international tourism, as well as diversification of income through ventures into retail, the introduction of new menu items such as packaged meals, and investment in food delivery services. However, rising operational costs, more conscious consumer spending and intense competition have all impacted establishments that haven't sufficiently adapted to the changing environment.
- Tourism is a key driver of foodservices and beef consumption. Thailand is forecast to receive 41 million international tourists, generating US$73 billion in 2025 *(Source: Fitch Solutions)*.
- Dining-out is an important part of local culture and social life, especially among affluent and young Thais, particularly for Generation Z and young millennials (aged 18–35). These consumer segments seek new dining experiences such as trying new food trends, concepts and cuisines. International cuisines have become increasingly popular, especially Japanese and Korean but also American and European, which all feature high quality imported beef.
- Take-away services continue to grow, allowing restaurants to expand their reach. The fragmented nature of food outlets, increasing online connectivity, growing desire for healthy, multi-cuisine options amid busier lifestyles, including a rising proportion of women in the workforce, have all driven sustained demand for this service.

Thailand international tourist arrivals and restaurants and hotels spending



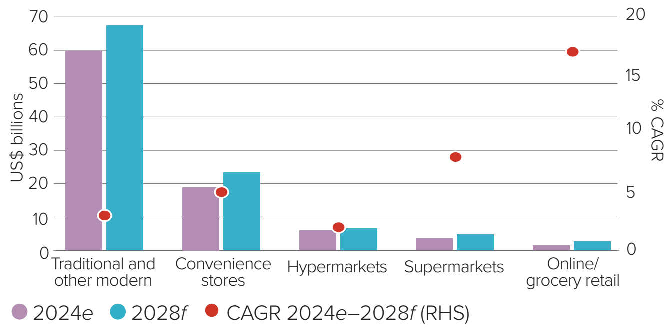
Source: Fitch Solutions

- Despite the current challenging cost of living situation, Thai consumers are seeking healthier lifestyles, including foods perceived to offer health benefits. With families becoming wealthier and the ageing of the population, demand for quality, nutritious food is on the rise. Australian red meat is increasingly sought after as it is perceived to offer consistently high quality *(Source: MLA Global Consumer Tracker Thailand 2023)*.

RETAIL

- Thailand's forecast total grocery retail sales are estimated to total US$130 billion in 2025. Similar to other regional counterparts, Thailand's retail channel is dominated by traditional small-scale independent players which will still account for 67% of the total retail sector in 2025. However, the country has a relatively well-established modern retail segment and the largest in the region by sales value, dominated by a mix of convenience stores and hypermarkets *(Source: IGD)*.

Thailand's total grocery retail sales and outlook



Source: IGD. CAGR = compound annual growth rate

- Modern retail growth is forecast to outpace traditional channels and gain market share in the coming years. Modern players are expanding their store networks to reach more consumers, many of whom prefer to do grocery shopping at smaller stores closer to home.
- Recent years have seen increased demand for chilled beef, driven by consumers preparing more meals at home. This has presented new opportunities for Australia as Thailand's dominant supplier of high quality chilled beef.
- Modern retailers have been adapting their business models by developing and expanding their wholesale capabilities. Key players are now supplying smaller stores, hotels and foodservice venues that previously used more traditional channels looking for freshness. This growing trend highlights a gradual shift to higher demand for quality, safe products that require more advanced cold chain.
- Health is a trend with appeal across age groups but that is especially driven by the ageing population. As a consequence, more Thais seek foods to enhance their wellbeing. Around half of beef consumers have purchased grassfed or organic beef in the past, products associated with naturalness and safety. Some 61% of Thais link home-cooked food to a healthy lifestyle. This has driven demand for high quality chilled beef at retail for home consumption, with Australia well-positioned as the leader in the segment.

Top five factors motivating Thais to choose beef and things consumers look for on beef packs

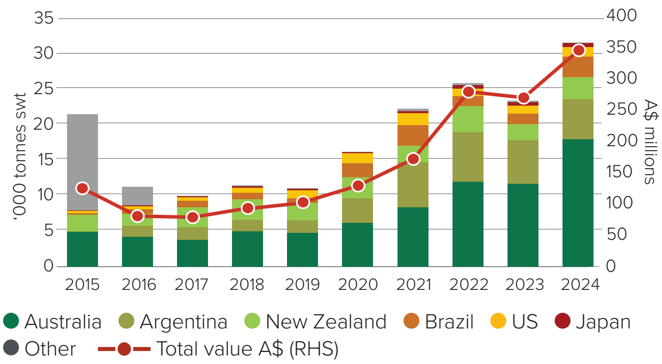
	Motivating factors	Top things affluent* Thais look for on-pack when buying beef
1	Safety certification	100% natural
2	Not genetically modified	Country of origin
3	100% natural	Freshness
4	Quality grading	Animal welfare
5	Antibiotic-free	Colour of meat

Source: MLA Global Consumer Tracker Thailand 2023
**Affluent: annual household income >750,000 baht*

COMPETITIVE LANDSCAPE

- Thailand has a significant cattle herd, supplying the domestic market and a small export trade with neighbouring countries. Despite government efforts, however, productivity remains low and the production-consumption gap has continued to widen.
- Beef imported by Thailand accounts for about 20% of local consumption, a relatively small proportion by regional standards. However, imported beef plays a bigger role in meeting the growing demand for high quality beef.
- Australia is the largest supplier of imported beef to Thailand, gradually growing its market share from 22% ten years ago to 58% in 2023–24. Despite imports achieving an all-time record high in the 12 months ending in September with 31,614 tonnes shipped weight (swt) valued at A$348 million, Australian volumes have been growing faster than the average. Australia dominates the smaller but higher value and expanding chilled market, with a 98% market share. Exports of chilled beef to Thailand also registered a record high in the 12 months ending in September 2024, comprising 24% of Australia's total export value to the country. In 2023–24, Australian beef exports to Thailand achieved the second highest unit value in South-East Asia (after Singapore), 20% above the regional average.
- Australia and New Zealand benefit from a zero-tariff arrangement under the ASEAN-Australia New Zealand Free Trade Agreement. This tariff advantage over key competitors such as the US, Argentina and Brazil (that face a 50% tariff), is helping support demand growth for Australian beef in this lucrative market.
- Over the past four years, Argentina has solidified its position as Thailand's second-largest beef supplier, accounting for a 18% volume share in the 12 months ending in September 2024. However, it represents only 2% of the total import value, as its lower unit price is the demand driver for more commodity type products. Similarly, Brazil has been exporting significant volumes of frozen boneless beef, making it the fourth-largest supplier, with volumes exceeding those of the US and Japan.
- Japanese beef enjoys high awareness among Thais as the most superior beef, occupying a small premium niche, particularly in Japanese cuisine restaurants. From a low base, Japanese beef has increased its presence in the market, reaching 610 tonnes swt in the 12 months ending in September 2024. This small volume represents only 2% of the total volume imported but 11% of the value, indicative of the demand for high value products in Thailand.
- Thailand is Australia's largest chilled beef market in South-East Asia. In 2023–24, Australia exported a record high volume of 4,328 tonnes swt, representing some 98% of total chilled beef imports.

Thailand beef imports by supplier*



*Source: Trade Data Monitor (TDM), *MAT year ending September*

Sheepmeat

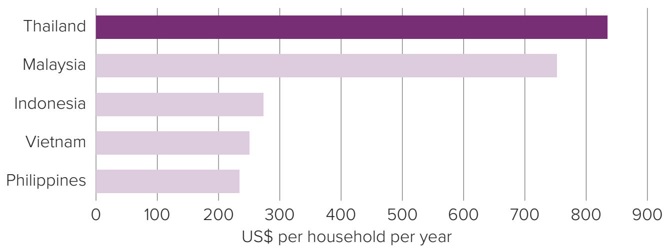
CONSUMERS

- As a niche protein, sheepmeat in Thailand is typically consumed on special family occasions and mainly in foodservice venues.
- Although consumption has been relatively low and stable for some years, it is projected to increase at a compound annual growth rate (CAGR) of 0.6% from 2024 to 2028 *(Source: GIRA)*. This is driven by the rebound in international tourism and the growing population of affluent, urban consumers seeking a wider variety of proteins in terms of taste, nutrition and cuisine.
- Thailand has relatively small domestic sheep and goatmeat production, meeting about half of the country's consumption *(Source: GIRA)*. Thais tend to choose local and imported products for different reasons, with imported products often preferred for their quality and trust *(Source: MLA Global Consumer Tracker Thailand 2023)*.
- Tenderness, high quality and superiority are the key attributes Thais associate with lamb which they believe make it a protein worth paying a premium for *(Source: MLA Global Consumer Tracker Thailand 2023)*.
- For Thai consumers, Australian lamb is positively associated with superiority and having consistently high quality standards, while Australia's production system is positively linked with good animal welfare.

FOODSERVICE

- Foodservice is the key channel for sheepmeat consumption in Thailand, as most consumers either do not know how to prepare it or find it difficult to cook at home. The vast majority of Australian sheepmeat exported to Thailand is utilised in the foodservice sector.
- Recovery of both international tourism and domestic dining-out are sustaining the growth in demand for lamb in foodservice.
- Take-away and meal delivery, along with ready meals, remain growth opportunities in the market despite the resumption of dine-in services.

Total household spend on restaurants and hotels

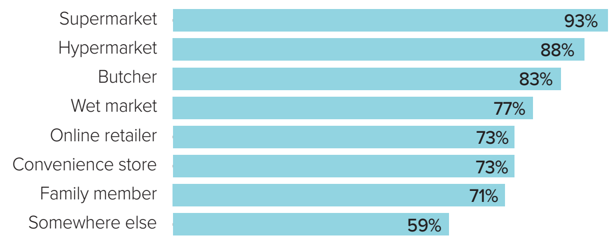


Source: Fitch Solutions

RETAIL

- A relatively small proportion of sheepmeat is sold through Thai retail compared to foodservice. However, as consumers shift towards more home cooking to manage rising living costs, more Thais are experimenting with cooking lamb at home, leading to increased familiarity and knowledge of the product.
- Thailand's sheepmeat imports in 2023–24 softened following a demand surge the previous year which reached an all-time record volume. Australia is the top sheepmeat supplier, accounting for a volume share of 75% in 2023–24. New Zealand is the second largest, comprising 25% of import volume, while smaller volumes are imported from the UK.

Thailand monthly lamb purchase channels

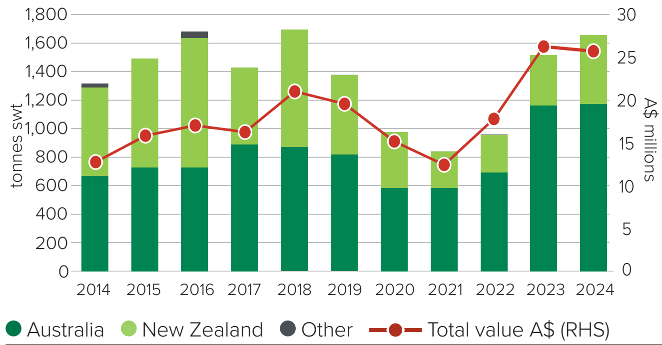


Source: MLA Global Consumer Tracker Thailand 2023, Channels purchase lamb at least once a month from

COMPETITIVE LANDSCAPE

- Thailand's domestic sheep production is relatively small. The demand for imported sheepmeat is primarily driven by the high-end foodservice sector.
- Thailand's sheepmeat imports in the 12 months ending in September 2024 grew following a demand surge the previous year and continued to strengthen after a dip in 2021 volumes. Australia is the top sheepmeat supplier, accounting for a volume share of 70%. New Zealand is the second largest, comprising 29% of import volume, while smaller volumes are imported from the UK.

Thailand sheepmeat imports by supplier*



*Source: Trade Data Monitor (TDM), *MAT year ending September*

Beef

Market access overview – beef

Trade agreements	Import tariffs	Competitors	Volume restrictions	Technical access
ASEAN – Australia New Zealand Free Trade Agreement **(AANZFTA)** Thailand – Australia Free Trade Agreement **(TAFTA)**	**Under AANZFTA:** 0% for all product lines	**New Zealand:** Same conditions as Australia **Japan:** Zero tariff under JTEPA **US, Argentina, Brazil:** No FTA, tariff 50%	Zero	No major hurdles

Best access — Major challenges

Source: Trade agreements, DFAT, WTO

Sheepmeat

Market access overview – sheepmeat

Trade agreements	Import tariffs	Competitors	Volume restrictions	Technical access
ASEAN – Australia New Zealand Free Trade Agreement **(AANZFTA)** Thailand – Australia Free Trade Agreement **(TAFTA)**	**Under AANZFTA:** 0% for all product lines	**New Zealand:** Same conditions as Australia **UK:** No FTA, tariff 30%	Zero	No major hurdles

Best access — Major challenges

Source: Trade agreements, DFAT, WTO