INTERNATIONAL FRESH PRODUCE ASSOCIATION

2024 Australia

Produce Industry Brand

Who we are:

International Fresh Produce Association (IFPA) is the leading global trade association representing companies in the fresh produce and floral supply chain.

We are here to:

- advocates for members and industry;
- connects individuals and organizations with ideas, data and with each other;
- guides with education, insight, expertise, and solutions.

Produce Industry Branding

In today's fast-paced world, people turn to quick, convenient meals and snacks. But where will they look tomorrow? The fruit and vegetable industry's brand is vital in capturing consumers' attention and preference.

Why it matters: Understanding our brand is crucial. By resonating with consumers, we can increase our share of stomach and compete against other grocery store products.

The big picture: A brand is shaped by consumer perception and every aspect of the industry. And to win the food fight, fruits and vegetables must compete with various grocery store sections.

The bottom line: Consumer feedback helps us understand brand perception and increases our share of stomach.

Understanding Brand Perception

Brand perception is crucial in developing relationships with customers and winning their loyalty.

Why it matters: Consumers always consider their emotional connection when choosing between items that fulfil a similar purpose whether it be hunger in the produce category or indulgence in the floral category.

The big picture: Understanding the personality and attributes of our industries helps us connect with consumers.

The bottom line: Leverage industry personality and attributes to help shape your brand perception with consumers.

A guide for marketers

What this research tell us:

- While the reputation of the produce industry is strong for businesses to build their messaging.
- The produce industry is not seen as dynamic so it can benefit by demonstrating innovations in breeding and growing as well as showing produce in modern settings.
- Produce marketing can build off the industry's personality of being consistent and trustworthy– "fruits and vegetables should be the highlight of every meal."
- There are opportunities to build on produce is good for public and individual health and makes room for a wide variety of brands. These matter to consumers, yet the produce industry is not leveraging these attributes.
- Millennials have a positive attitude toward the produce industry and were more likely to describe the industry as one which promotes individual health, Use tech wisely, and Treats employees fairly. This may be a cohort to target for talent.

Our Research Methodology

The study was conducted using an online methodology, with all fieldwork conducted on the Russell Research survey website.

A total of 4,533 interviews were conducted from February 9 – 28, 2024.

To qualify for study inclusion, respondents were screened to meet the following qualifications:

- Age 18 - 78
- Primary or shared responsibility for purchasing groceries for household
- Purchase groceries once a month or more often
- Typically purchase groceries at a supermarket/grocery store or online retailer
- Reside within the United States, Brazil, the United Kingdom, Germany, China or Australia
- Does not work in a competitive industry

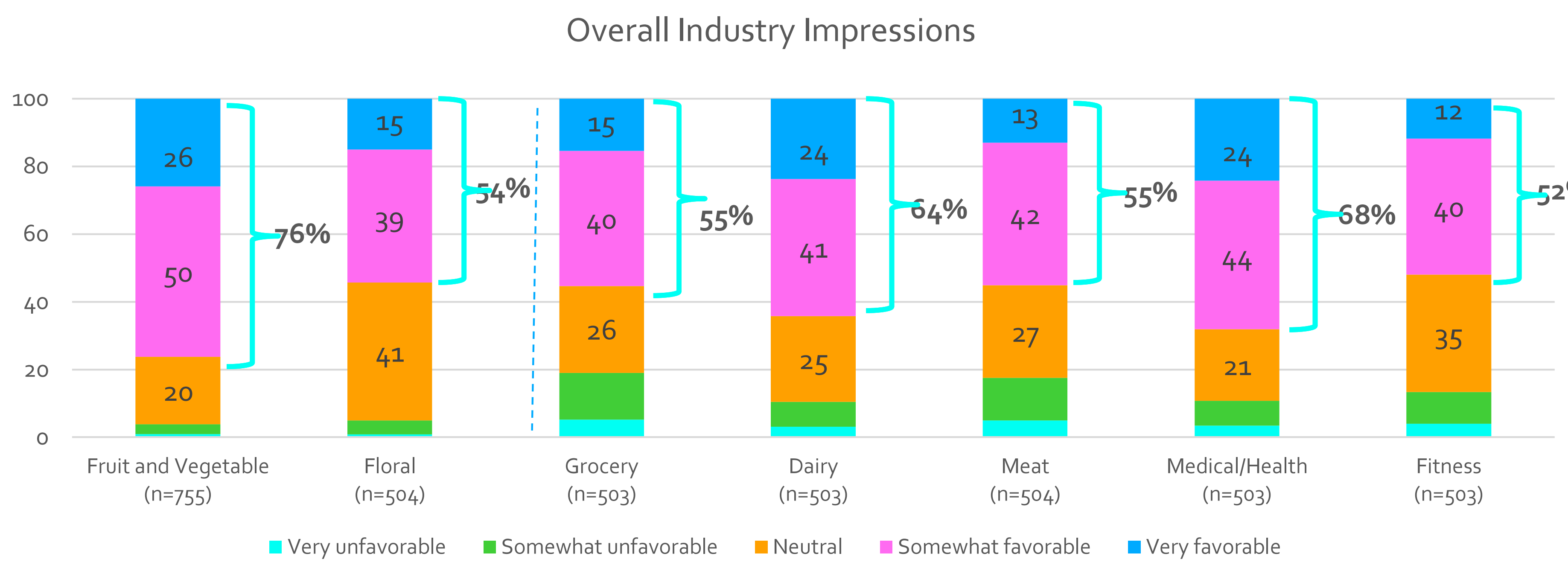
All research was carried out in compliance with all relevant legal and ethical requirements within the United States and in compliance with ISO 20252:2019.

Australia Consumer Perception

- Consumer impressions of the Fruit and Vegetable industry were positive, especially compared to benchmarks.
  - Slightly more than 3 in 4 consumers have a <u>favorable</u> impression
  - Nearly half (44%) of consumers believe the industry is 'on its way up' while the balance believe its 'holding its ground'. Industry Momentum ratings are above Floral, Grocery, Dairy, and Meat.
  - The Fruit and Vegetable industry is in the top-tier vis-à-vis competitive benchmarks, with nearly 3 in 4 consumers describing it as very/somewhat favorable.

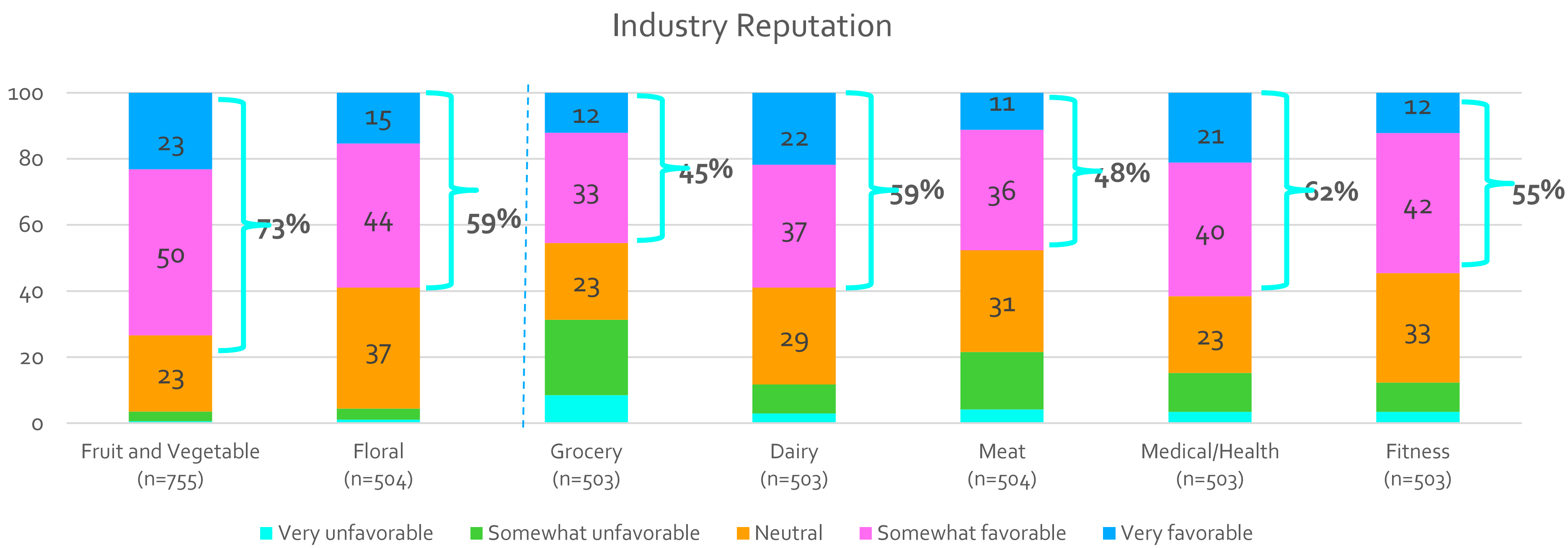
Fruit & Veggie Industry	**Fruit & Veggie Industry Personality Traits**
• Promotes both <u>individual</u> and <u>public</u> health • Offers affordable options.	• Consistent • Simple • Friendly • Trustworthy

Consumers have a favorable impression of the fruit & veggie industry, outpacing grocery, dairy, meat and floral. This is a great foundation for marketing to consumers.



Base: Total Australia Respondents Evaluating Industry
3. What is your overall impression of the [INSERT INDUSTRY]?

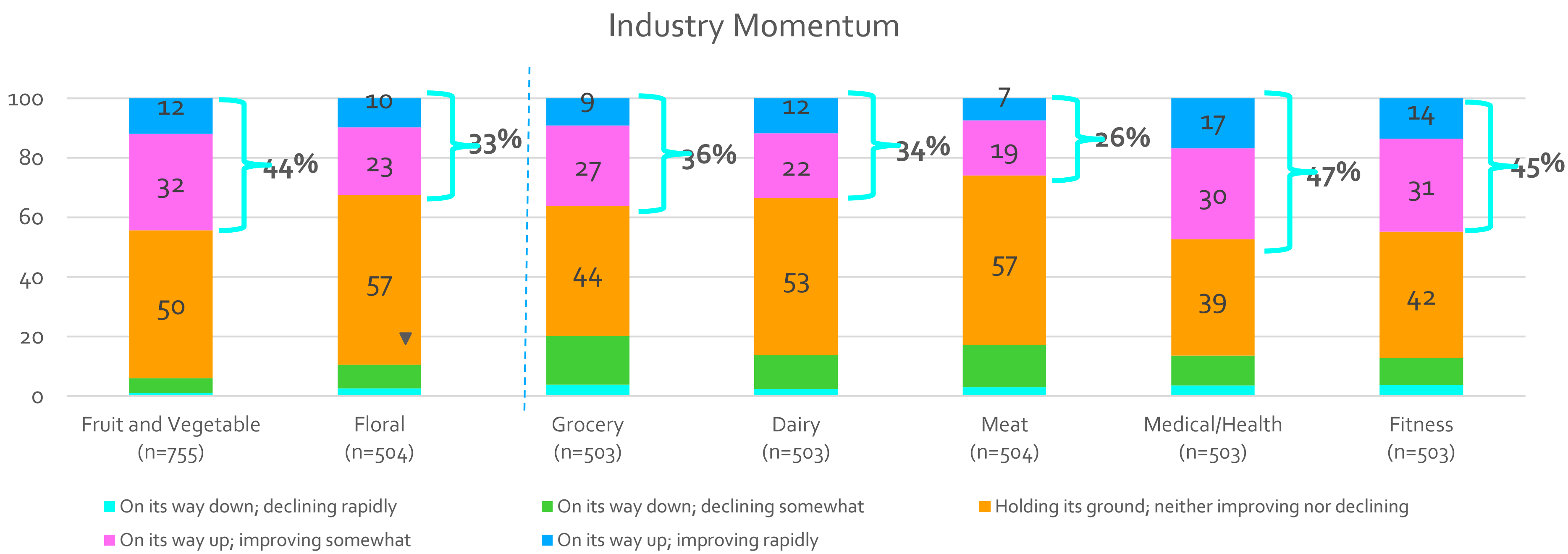
The produce industry has a better reputation than all the benchmarked industries. This provides great starting point for marketers in the industry.



Base: Total Australia Respondents Evaluating Industry
6. Which of the following best describes what you feel is the current reputation of the [INSERT INDUSTRY]?

Most consumers view the fruit &veggie industry stagnant.

TIP: There is an opportunity to message consumers on technology, innovation and sustainability efforts within the produce industry.



Base: Total Australia Respondents Evaluating Industry

5. When you think about certain industries, some seem to be on their way up and have a lot going for them, while others don't. Which of these statements best describes how you feel about the [INSERT INDUSTRY]?

Industry Drivers Australia

Relative Importance

What is it?

It is an extension of regression analysis that allows us to assess which attributes are most important and exactly how much more important one is than another.

The most important factors to Australian consumers when evaluating the produce industry are:
Trustworthy
Promotes public health.

Relative Importance for Fruit and Vegetable Industry

	Relative Importance	Rank Order
Total Australia Respondents	(755)	
Is trustworthy	18.34	1
Promotes public health	11.98	2
Promotes individual health	8.70	3
Is mindful of the environment	7.10	4
Makes room for a wide variety of brands	6.92	5
Offers affordable options	6.35	6
Offers unique products and experiences	6.04	7
Is transparent in its production/service methods	5.92	8
Uses technology wisely	5.10	9
Treats employees fairly	4.99	10
Adapts quickly to meet the needs of consumers	4.07	11
Creates products or services worth paying extra for	3.78	12
Is innovative	3.32	13
Values diversity, equity and inclusion	3.05	14
Helps solve some of society's most pressing problems	2.64	15
Attracts top talent	1.69	16

Stated vs. Relative Importance

The results of the Relative Importance Analysis are compared to what consumers state is important to them and plotted on a quadrant map. From this map, three important groupings of attributes are defined as follows:

Critically Important

(High Relative / High Stated Importance)

- **These are strong positioning attributes if an industry can deliver in these areas.**
  - ✓ Is trustworthy
  - ✓ Is mindful of the environment
  - ✓ Offers affordable options

Hidden Opportunities

(High Relative / Low Stated Importance)

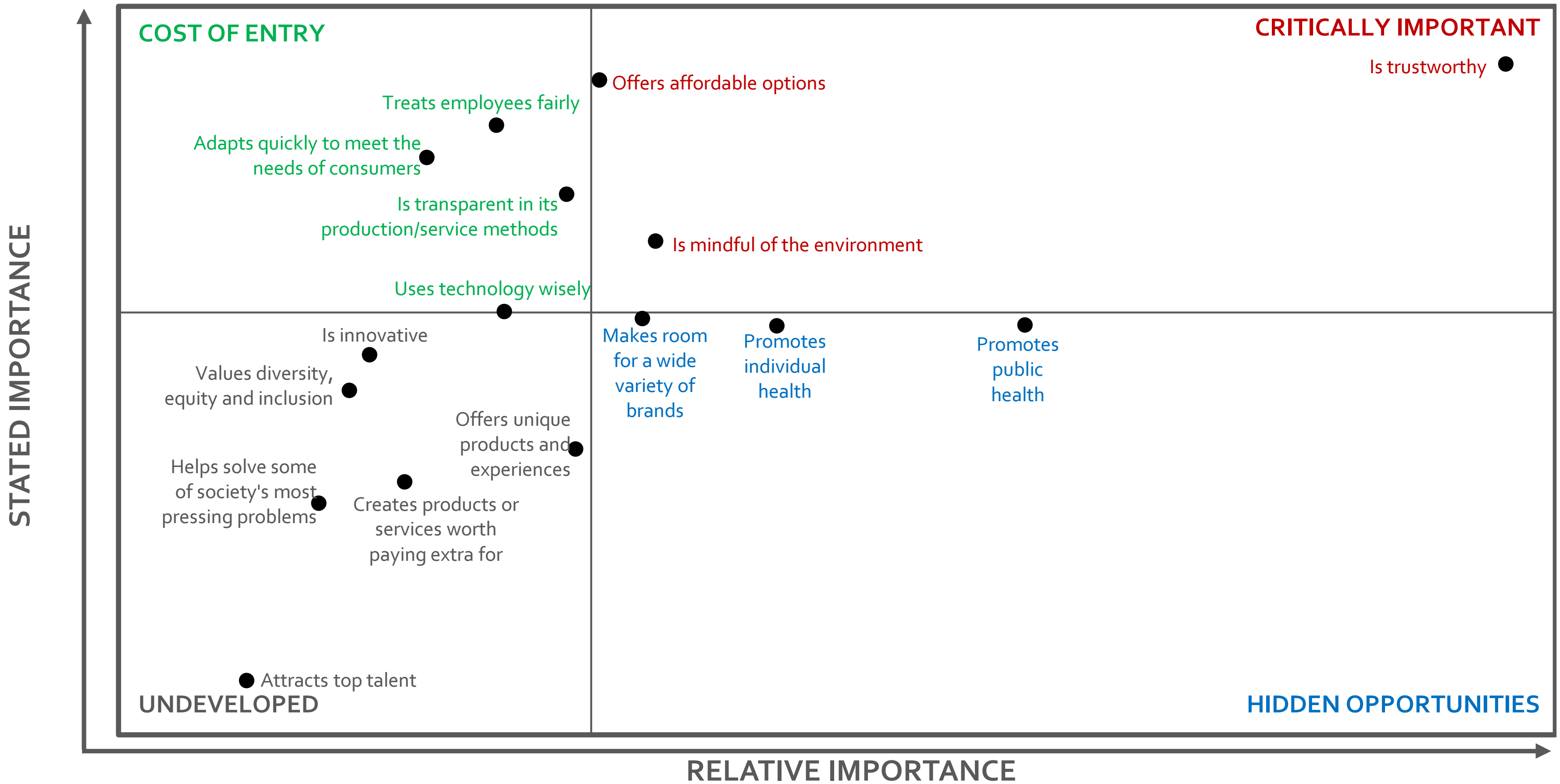
- **These drivers may not be expressed but are important positioning attributes.**
  - ✓ Makes room for a wide variety of brands
  - ✓ Promotes individual health
  - ✓ Promotes public health

Cost of Entry

(Low Relative / High Stated Importance)

- **These are important for all category industries to deliver. They are necessary but provide no leverage.**
  - ✓ Treats employees fairly
  - ✓ Adapts quickly to meet the needs of consumers
  - ✓ Is transparent in its production/service methods
  - ✓ Uses technology wisely

Australia Stated vs. Relative Importance



Industry Descriptor Agreement Ratings
(Top-Two Box Ratings: Agree Completely/Somewhat)

Australian consumers were most likely to agree that the Fruit and Vegetable industry:

Promotes both <u>individual</u> and <u>public</u> health
Offers affordable options.

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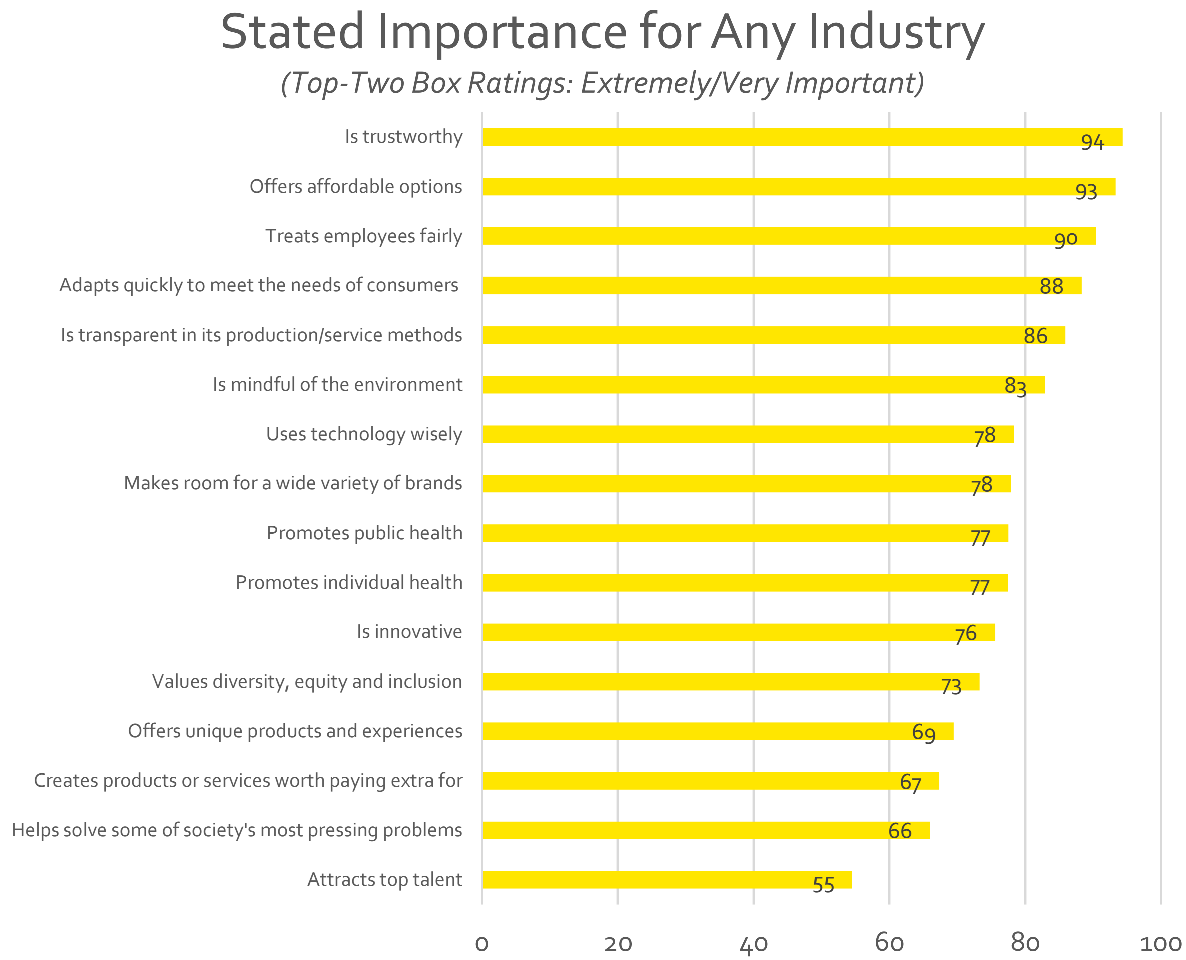
	Fruit and Vegetable	Floral	Grocery	Dairy	Meat	Medical/ Healthcare	Fitness
Total Australia Respondents Evaluating Industry	(755)	(504)	(503)	(503)	(504)	(503)	(503)
	%	%	%	%	%	%	%
Promotes individual health	78	36	62	71	55	85	83
Promotes public health	78	36	61	67	55	84	79
Offers affordable options	77	57	72	78	65	56	52
Is trustworthy	73	65	58	70	58	71	56
Is mindful of the environment	70	62	55	59	52	45	42
Makes room for a wide variety of brands	70	57	81	73	64	62	55
Adapts quickly to meet the needs of consumers	67	64	69	67	63	71	64
Creates products or services worth paying extra for	63	57	54	59	58	64	50
Offers unique products and experiences	61	68	65	63	56	67	65
Is innovative	61	58	64	63	53	78	62
Is transparent in its production/service methods	61	53	49	60	54	56	51
Uses technology wisely	59	42	61	62	52	77	60
Values diversity, equity and inclusion	57	50	61	53	50	67	60
Treats employees fairly	54	51	55	57	54	60	51
Helps solve some of society's most pressing problems	54	36	45	44	39	75	47
Attracts top talent	42	42	41	43	39	68	50

2. Thinking about the [INSERT INDUSTRY], how much do you agree or disagree that the following **<u>attribute</u>** describes this industry?

When thinking about any type of industry…

Australian consumers place the highest importance on

Trustworthiness
Affordability
Making sure its employees are treated fairly.



Base: Total Australia Respondents (n=755)

1. How important is it to you that any type of industry …?

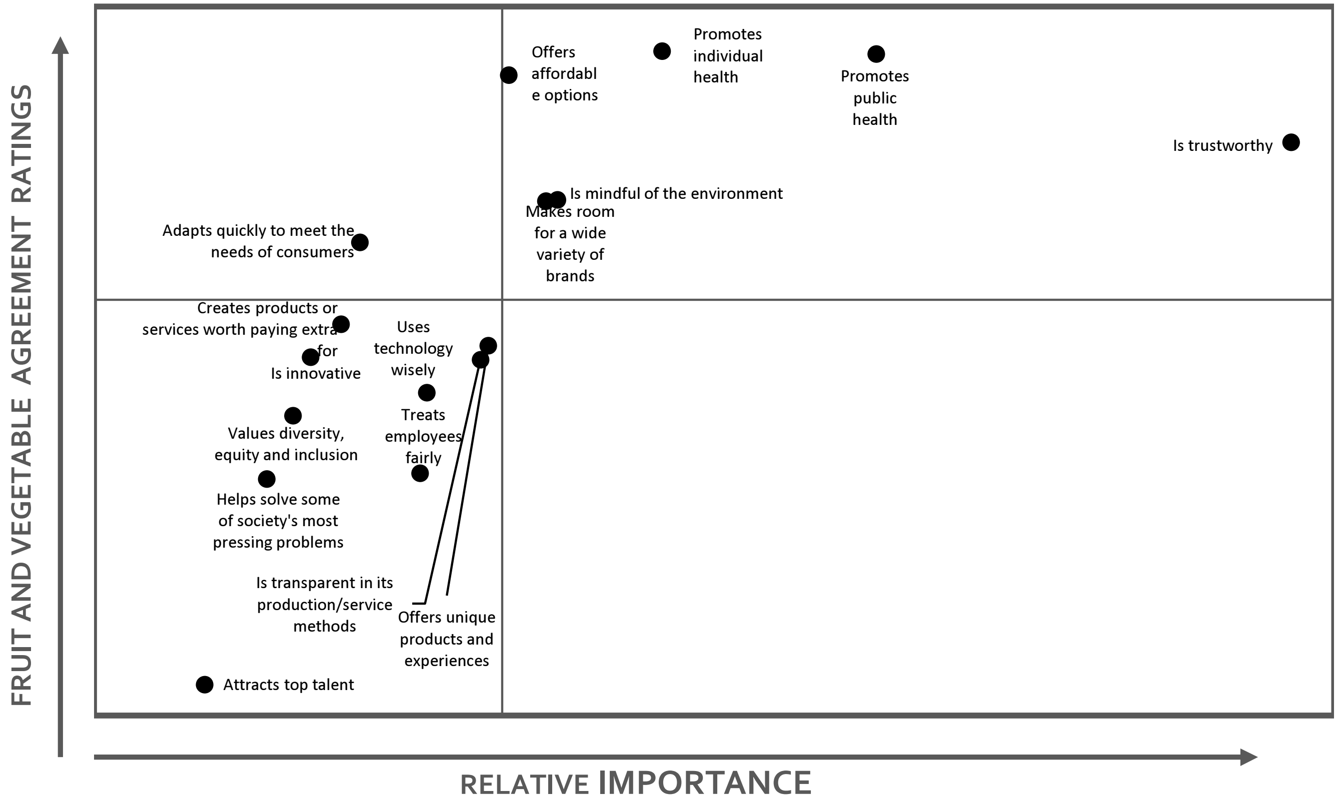
The relative importance of each statement and respondents' agreement that the industry portrays that statement was plotted on this map.

Attributes on the right side are most important to respondents.

Attributes appearing in the <u>lower right quadrant</u> need the greatest attention—they are high in relative importance but rated low for the industry.

The Australian produce industry is currently delivering on the most important drivers.

Relative Importance vs. Produce Agreement Ratings



Australian Produce Industry Personality

AI Chosen Image to Depict Produce Industry

	Fruit and Vegetable	Floral	Grocery	Dairy	Meat	Medical/ Healthcare	Fitness
Total Australia Respondents Evaluating Industry	(755)	(504)	(503)	(503)	(504)	(503)	(503)
	%	%	%	%	%	%	%
Consistent	37	21	29	37	36	27	23
Simple	37	19	24	33	24	8	11
Friendly	36	42	27	29	16	24	30
Trustworthy	35	21	22	34	23	40	17
Approachable	31	26	26	25	19	28	23
Honest	28	19	16	27	18	29	12
Classic	27	25	17	33	28	12	5
Expert	24	21	18	27	29	52	27
Confident	22	20	24	23	24	36	41
Budget-Conscious	20	7	22	14	12	9	6
Casual	18	12	15	11	11	5	12
Modern	18	23	27	19	18	35	33
Accepting	16	14	17	13	14	22	20
Fun	15	32	9	11	7	4	33
Adventurous	8	16	7	5	9	6	22
Exotic	8	28	4	3	4	1	3
Trendy	7	26	8	7	6	4	39
Formal	5	17	7	7	8	22	3
Boring	4	3	8	5	5	4	6
Uptight	3	3	10	5	6	9	9
Outdated	3	5	9	11	14	9	5

4. Imagine for a moment the [INSERT INDUSTRY] was a person. What types of words and/or descriptions would you use to describe that person? Please select as many or as few adjectives and/or descriptors you'd like.

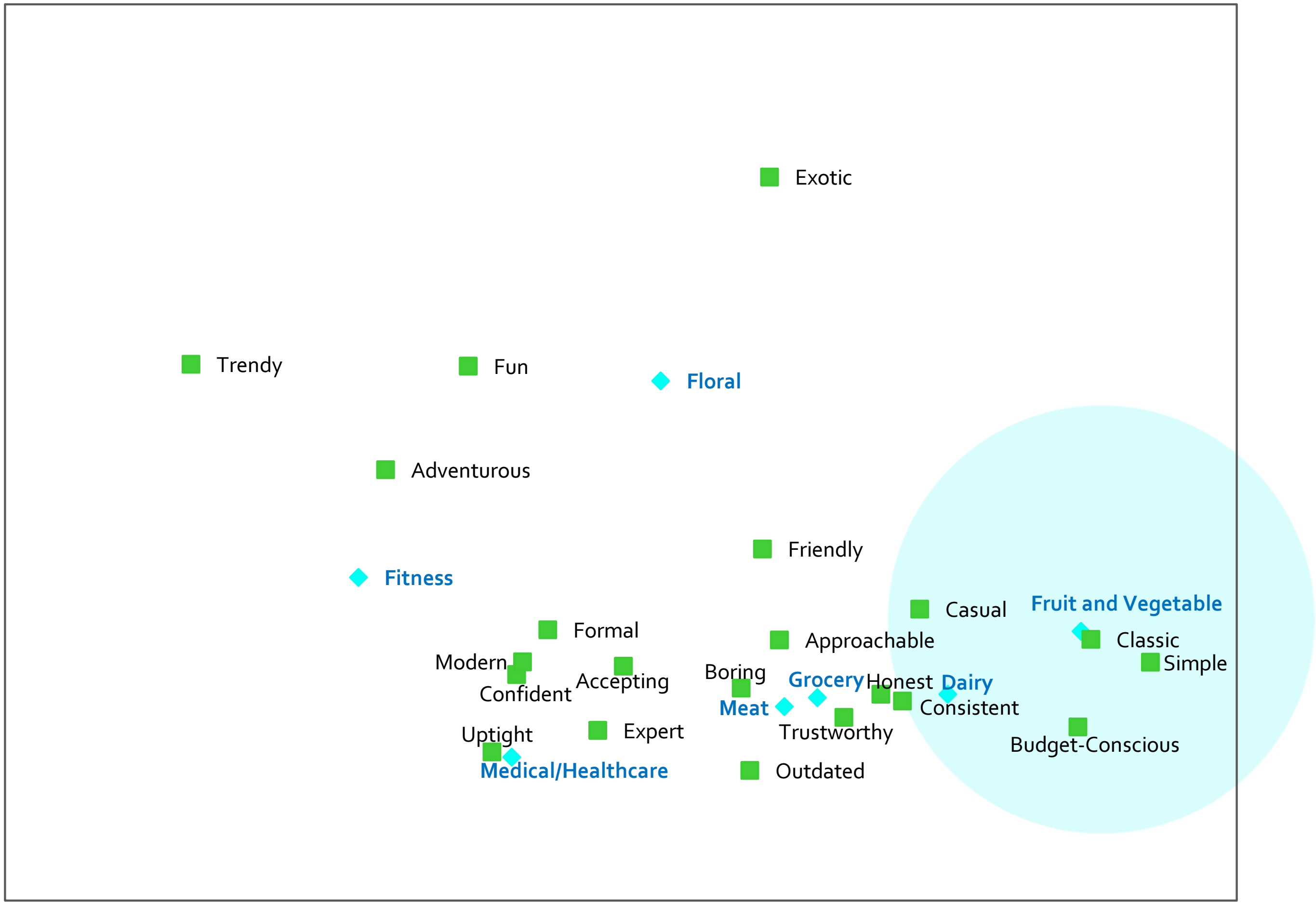
Correspondence analysis

What it is:

A mapping technique that allows us to determine which industry attributes are most differentiating for and which attributes would need to be changed to move industry perceptions closer or farther from another industry.

Industries and attributes that are rated similarly are placed close to each other on the map, while those that are rated differently will appear in a different area of the map.

Industry Personality Correspondence Map



Fruit and Vegetable Industry Findings By Key Segments

		Gender		Generation				Income	
	Total Australia	Male	Female	Gen Z	Millennials	Gen X	Boomers	Under $75K	$75K or More
Total Australia Respondents	(755)	(328)	(427)	(99)	(214)	(187)	(255)	(347)	(379)
	%	%	%	%	%	%	%	%	%
Overall Impression of Industry									
Very Favorable	26	28	23	15	25	29	30	26	27
Very/Somewhat Favorable	76	78	75	66	74	77	85	75	78
Industry Momentum									
On its way up /Improving rapidly	12	10	14	10	14	11	12	12	13
On its way up /Improving rapidly or somewhat	44	44	45	45	44	43	46	41	47
Industry Reputation									
Very Favorable	23	24	22	15	24	24	26	23	25
Very/Somewhat Favorable	73	74	73	60	73	73	83	73	76

Produce Findings By Key Segments

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	%	%	%	%	%	%	%	%	%
Promotes individual health	78	76	81	71	84	80	75	74	83
Promotes public health	78	76	80	78	80	78	77	77	81
Offers affordable options	77	76	78	72	82	77	74	76	80
Is trustworthy	73	72	74	69	76	70	76	72	75
Is mindful of the environment	70	67	72	68	71	67	72	69	72
Makes room for a wide variety of brands	70	71	68	60	73	72	70	70	70
Adapts quickly to meet the needs of consumers	67	66	69	62	71	68	67	65	69
Creates products or services worth paying extra for	63	58	67	65	70	60	55	57	68
Offers unique products and experiences	61	61	62	59	65	62	58	58	65
Is innovative	61	58	63	59	66	57	60	57	64
Is transparent in its production/service methods	61	59	62	61	65	55	60	58	63
Uses technology wisely	59	62	55	61	65	55	53	55	62
Values diversity, equity and inclusion	57	54	61	64	61	53	54	57	59
Treats employees fairly	54	52	56	63	61	48	46	52	57
Helps solve some of society's most pressing problems	54	53	55	62	61	52	42	49	58
Attracts top talent	42	42	42	54	52	37	27	38	46

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	%	%	%	%	%	%	%	%	%
Consistent	37	38	37	31	28	42	47	37	39
Simple	37	39	36	36	36	38	39	39	38
Friendly	36	35	37	29	31	35	45	38	34
Trustworthy	35	36	33	30	31	35	42	40	31
Approachable	31	30	32	32	27	31	34	34	29
Honest	28	30	27	22	26	27	35	29	27
Classic	27	26	27	29	29	30	19	27	27
Expert	24	26	23	13	20	27	32	26	24
Confident	22	21	23	20	23	17	25	22	22
Budget-Conscious	20	20	20	22	17	20	21	23	18
Casual	18	20	17	23	22	18	12	16	22
Modern	18	19	18	14	18	17	24	19	18
Accepting	16	17	16	15	15	19	15	16	17
Fun	15	16	15	17	18	16	10	14	16
Adventurous	8	7	10	11	10	6	7	9	8
Exotic	8	6	11	8	11	9	5	8	9
Trendy	7	6	8	13	8	6	4	5	9
Formal	5	5	5	9	8	2	2	6	4
Boring	4	5	4	7	5	4	2	3	5
Uptight	3	4	3	5	4	3	2	2	5
Outdated	3	4	2	5	3	3	2	2	3

Shopping Habits

		Gender		Generation				Income	
	Total Australia	Male	Female	Gen Z	Millennials	Gen X	Boomers	Under $75K	$75K or More
Total Australia Respondents	(755)	(328)	(427)	(99)	(214)	(187)	(255)	(347)	(379)
	%	%	%	%	%	%	%	%	%
Responsibility for Grocery Purchases									
Primarily responsible	75	66	83	71	78	83	65	75	74
Share responsibility	25	34	17	29	22	17	35	25	26
Frequency of Purchasing Groceries									
Several times per week	40	39	42	33	42	53	30	38	43
Once a week	51	53	49	56	52	41	57	49	51
2 to 3 times per month	8	8	9	11	6	6	12	13	5
Once a month	0.3	0	0	0	0	1	1	0	0
Mean times per month:	5.7	5.6	5.8	5.3	5.8	6.3	5.1	5.5	5.9
Groceries Purchase on a Regular Basis									
Fresh produce (fruits and vegetables)	98	98	97	99	97	97	98	97	98
Dairy milk	91	93	90	92	94	90	88	87	93
Beef and/or poultry	89	89	89	85	90	91	88	86	91
Fresh flowers	11	10	12	17	16	9	4	5	17

Shopping Habits

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Total Australia Respondents	(755)	(328)	(427)	(99)	(214)	(187)	(255)	(347)	(379)
	%	%	%	%	%	%	%	%	%
Typical Grocery Purchase Locations *									
Supermarket/Grocery Store	97	98	97	95	97	97	99	97	98
Online retailer	19	15	22	28	28	15	5	16	21
Convenience Store	15	17	14	28	20	12	5	15	16
Farmer's Market/Farm Store	14	14	15	15	17	15	11	10	19
Warehouse Club	9	11	8	10	14	9	3	6	13
Mass Merchandiser	7	7	7	13	9	6	2	4	9
Dollar Store	4	5	4	6	6	3	2	4	4
Drug Store	4	3	4	8	4	3	1	3	4

* Respondents had to purchase from a supermarket/grocery store and/or from an online retailer to qualify for this study.

Demographic Summary

		Gender		Generation				Income	
	Total Australia	Male	Female	Gen Z	Millennials	Gen X	Boomers	Under $75K	$75K or More
Total Australia Respondents	(755)	(328)	(427)	(99)	(214)	(187)	(255)	(347)	(379)
	%	%	%	%	%	%	%	%	%
Gender									
Male	49	100	-	36	45	52	59	48	50
Female	51	-	100	64	55	48	41	52	50
Generation									
Gen Z (18 - 26)	16	12	20	100	-	-	-	14	16
Millennials (27 - 42)	31	28	34	-	100	-	-	21	39
Gen X (43 - 58)	27	29	25	-	-	100	-	25	29
Boomers (59 - 78)	26	31	21	-	-	-	100	39	16
Mean Age:	45.8	48.2	43.5	23.3	35.0	50.1	67.9	50.2	42.3
Marital Status									
Married	44	49	38	18	43	47	57	35	51
Not Married	56	50	61	81	57	53	43	65	49
Employment Status									
Employed	66	69	63	74	84	72	33	44	86
Not Employed	34	31	37	26	16	27	67	55	14

Demographic Summary

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	%	%	%	%	%	%	%	%	%
Education									
Less than high school	6	4	7	2	3	7	9	10	2
High school	47	51	43	49	39	48	55	61	35
College	47	45	50	49	58	46	36	29	63
Median Annual Household Income:	$83.6K	$85.8K	$81.5K	$85.1K	$105.2K	$85.9K	$53.9K	$46.4K	$126.5K
Territory/State									
New South Wales	31	33	30	27	36	26	33	31	30
Victoria	29	28	30	30	32	35	20	26	33
Queensland	17	19	15	14	14	16	23	19	15
Western Australia	9	7	11	12	10	7	9	9	9
South Australia	9	10	8	13	3	11	11	10	8
Tasmania	3	2	4	3	3	3	4	4	2
Australian Capital Territory/Canberra	1	2	1	1	2	1	2	1	2
Northern Territory	0 .3	0.3	0.3	0	0.4	1	0	0	1