

KANTAR

Hort Innovation

Understanding International Consumer Demand

India Market Report
2023



Hort
Innovation





This project has been prepared independently by Kantar for Hort Innovation and is funded through the Australian Government's Agricultural Trade and Market Access Cooperation (ATMAC) program with Hort Innovation levy contributions from the almond, apple & pear, avocado, blueberry, cherry, citrus, dried grape, fresh potato, lychee, macadamia, mango, melon, olive, onion, raspberry & blackberry, strawberry, summerfruits, sweet potato, table grape and vegetable industries.

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1. Background and Objectives

The project context, objectives, approach and methodologies

Background

- Addressing the disruptions of COVID-19 on Australia's ability to export, Hort Innovation proactively initiated and invested in several critical projects
- One of these projects, carried out by Deloitte, was designed to assess the opportunities to rapidly diversify and expand in export markets. They identified 13 markets that offer growth potential
- This project builds on these past programmes and is designed to provide an in-depth understanding of consumers in these critical markets

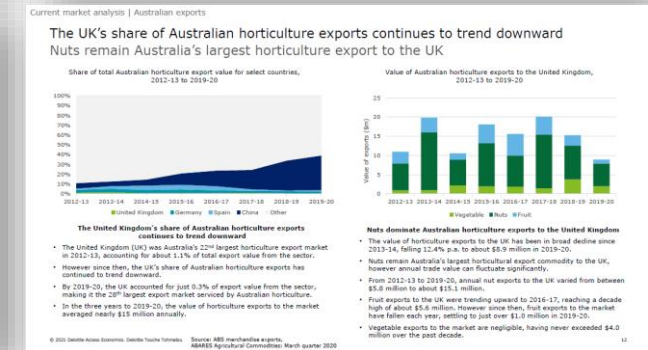
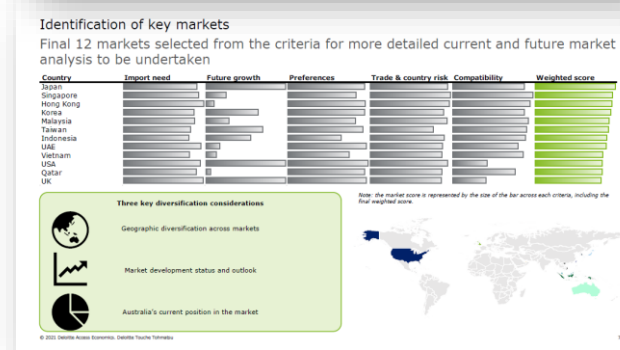
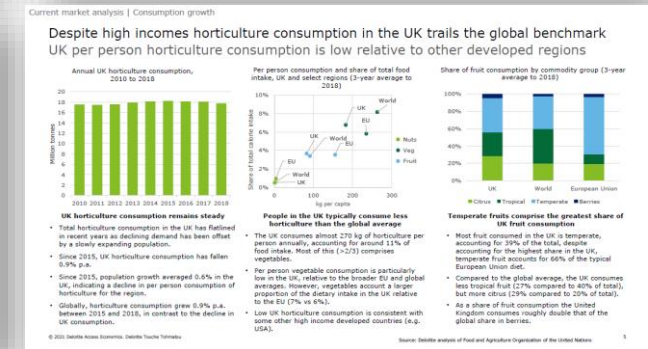
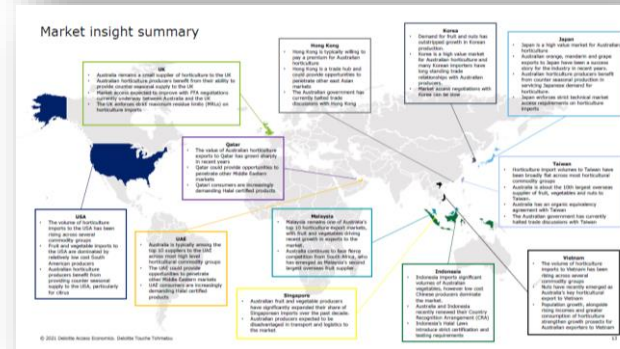


The Deloitte report

The Summary Market Analysis report identified x12 markets for Australian export and ranked the markets based on import need, future growth, preferences, trade & country risk and compatibility

The Market Analysis then dove into each markets' import potential, based on existing market sizes, trajectory and the competitive landscape

This Kantar report builds on this analysis and provides the crucial consumer lens for the x12 markets. Furthermore, India has been included as a 13th additional market.



A photograph of a grocery store vegetable section. In the foreground, there are several baskets filled with fresh green leafy vegetables, including spinach and lettuce. The background shows more produce, including what appears to be yellow bell peppers and other vegetables, slightly out of focus. The lighting is bright, typical of a supermarket.

Central research question:

“How can Australian Horticultural Industries unlock growth by generating consumer demand for different categories across different international markets for today and tomorrow?”



Objectives

- The objective of this study is to provide a consumer-led perspective on the export opportunity of Australian horticulture
- It will unpack consumers attitudes and values, as well as their fresh produce shopping behaviour and how they consume fruits, vegetables and nuts in each of the 13 markets
- It will provide a strategic lens on which markets represents the most attractive opportunity for each of the priority commodities
- Plus, identify commodities that have the strongest right to play within each market
- This is about optimising export & product positioning today and in to the future in order to drive growth against prioritised industries and facilitating the deployment of effective & coordinated trade marketing resources

Therefore, the focus of this report is understanding the consumer.

We will get under the skin of peoples' attitudes towards food, how they shop for produce and why, when and how they consume fruits, vegetables and nuts.

Through analysing their propensity to spend more on premium, plus their appetite for Australian, we will reveal the strongest commodity consumer export opportunities.





The 13 markets included in the study



USA



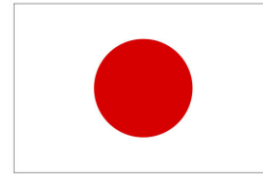
UK



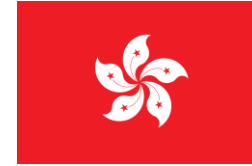
Singapore



India



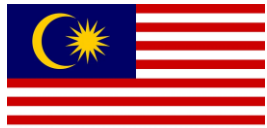
Japan



Hong Kong



South Korea



Malaysia



UAE



Qatar



Taiwan



Vietnam



Indonesia

The 20 industries of interest in the study



Almond



Apple & Pear



Avocado



Blueberries



Cherry



Citrus



Dried Grapes



Lychees



Macadamia



Mango



Melons



Olives/Olive Oil



Onion



Potatoes



Raspberries & Blackberries



Strawberries



Summer fruit



Sweet Potato



Table Grapes



Hard Veg,
Fruiting Veg & Leafy Veg

The approach



1. Audit & Discovery

What we will do

- Project kick off
- Knowledge audit
- Stakeholder alignment

The outcome

Clear understanding of key hypotheses and inputs into later stages of work and alignment on the knowledge gaps



2. Localise & Enrich

What we will do

- In-depth culture, category & consumer understanding
- Expert interviews (x3 per market)

The outcome

In-depth local market understanding of the cultural forces driving & shaping consumer demand in the market today and where it is moving to in the future



3. Develop Growth Plan

What we will do

- Identify & quantify
- Growth opportunities

The outcome

Consumer profiling based on demographics, occasions and needs. Defined & quantified opportunity spaces and clear recommendations on prioritized opportunities



4. Align & Embed

What we will do

- Create & embed roadmap for growth

The outcome

Aligned team trained, engaged and ready to activate clear missions & jobs to be done against prioritized horizons. A unified growth narrative tailored and fit for purpose for key stakeholder groups.

1. Audit and Discovery

Interview programmes methodology

Internal stakeholder interviews

- 30 x 1 hour interviews with key stakeholders identified by Hort Innovation

Knowledge audit

- Thorough review of the existing resources within Hort Innovation to ensure we build on existing body of knowledge rather than repeat it



2. Localise and enrich

Enriched market understanding

External expert interviews

- 3 x 1 hour interviews per market with local market experts
- Experts were either direct importers of priority commodities or fresh produce retail experts
- The 39 interviews totalled nearly 70 hours of shared knowledge and insight across the 13 markets and 25 commodities



3. Develop Growth Plan

Quantitative research methodology

Local Market Research

- 25-minute online survey conducted in each of the x13 markets
- Demographically national representative sample of N=4,000 per market
- Respondents are medium & high income consumers only
- Survey design included:
 - Category usage across fruit, veg and nuts
 - General attitudes, values and produce shopping behaviours
 - In-depth occasion understanding of their own recent consumption of up to two of the priority commodities consumed frequently
 - Surveyed perceptions of Australia, perceptions of premium and the right for Australia to command a premium



3. Develop Growth Plan

Outputs & reporting structure

Market reports

- The **x13 market reports** take the lens of the priority country. The purpose is to provide a holistic picture of consumers within that market, including their attitudes, shopping behaviours and horticulture consumption.
- The strategic lens will identify which priority commodities are most attractive and have the greatest appeal for consumers in that market.

Category reports

- The **x3 category reports** will include detailed profiling of each of the priority commodities. The purpose is to provide in depth analysis on how each fruit, vegetable or nut is consumed around the world.
- The strategic lens will provide a perspective on which markets represent the strongest consumer opportunity for export.



The focus
of this
report

3. Develop Growth Plan

Market report contents

	CHAPTER	CONTENT
1	Key insights	Headline report findings
2	Introduction	Project context, research question, objectives and methodologies
3	Market foundations	Key fresh produce market dynamics, drivers of consumer behaviour and essential 'need to knows' straight from the in-country retail and import experts
4	The Consumer	Consumer values and attitudes to food and fresh produce, plus, shopping preferences and typical behaviours
5	Commodity consumption	Deep dive into data profiling the priority fruits, vegetables and nuts consumption moments to illuminate how the fresh produce is typically consumed in market
6	Commodity prioritisation	Leverage the strategic framework to prioritize commodities based on consumer behaviour and perception
7	Strategic consumer recommendation	Recommendations on how to go after growth opportunities, based on consumer needs, triggers & barriers
8	Appendix	Commodity groupings & market Demand Space framework





2. Market foundations

Key fresh produce market dynamics, drivers of consumer behaviour and essential 'need to knows' straight from the in-country retail and import experts



India expert interviewees



Thiyagarajan Thangaiah

Director at Frutto.com, India's leading portal for online shopping of fresh fruit(2010-Present)

15+ years industry experience

12 years working at Frutto.com. Frutto is India's leading portal for online shopping of fresh fruits and is involved in the imports of fresh fruits into India. Thiyagarajan has particular experience in Apple, Pear and Citrus imports.



Prashant Gidwani

Director at G T Fruitech, a global, India-based fresh fruit import-export company (2008 – present)

14 years industry experience

10 years working for G.T. Fruitech Pvt Ltd, a leading importers & distributors of fresh fruits in India, with more than 6 decades of experience in the fresh fruit industry. Prashant is also the Founder at Fresh Fruit Alliances Pvt. Ltd. (2021 - present). He has over 14 years of experience in importing and exporting fresh produce, as well as selling and marketing to Indian consumers.



Ashok Kumar

Head of Fresh of Udaan.com (2020 – present) and previously Vice President, Fresh of Walmart Inc. (2018 – 2020)

15+ years industry experience

Mr. Ashok Kumar is the Head of Fresh of Udaan.com, the Indian e-commerce platform (since 2020). Before that, he was the Vice President - Fresh of Walmart Inc. (2018 – 2020). Prior, he was also the Head - Fresh Food of METRO Cash and Carry India Private Limited (2015 – 2018) and Director, Fresh, India of Carrefour Limited (2011, 2014).

India expert interviews: Key observations



Strong domestic production

A small proportion of Indian fresh fruits and vegetables are imported. However, the small amount of produce that is imported is high quality apples, citrus and kiwis that usually come from the USA

This is driven by strong domestic production, but also high duties imposed on imports by the government to (in part) protect local farmers



Many mouths to feed

However small the import market, India's huge population means there remains an opportunity for high quality fresh produce. Currently, imports are mainly driven by seasonality where produce is imported in the off-season



A nation of vegetarians

The vast majority of India's population is vegetarian so all nutrition, minerals and fibres come from fruits and vegetables and per-cap consumption is strong



The gift of good health

Fruit baskets are purchased as presents – they are perceived to be giving the gift of good health. Consumers are open to trying new and unusual produce so exotic and premium fruits are commonplace in these gift baskets



Informal vendors reign

The vast majority of grocery shopping in India is done via roadside vendors with only a small proportion of high income consumers using traditional retail channels. The COVID-19 pandemic saw the rise of online but it still remains small



India imports a very small percentage of its produce, driven by strong domestic production and heavy import tariffs

“ Out of the \$100 billion fruit market right now, the imported fruit market is USD 1 billion at this point of time. That's only 1% the rest 99% is all domestic fruits, both fresh and processed. The most imported fruits are apple, citrus, kiwi. These are the 3 major fruit groups where India imports the produce.

- Ashok Kumar

“ India imports huge volumes of apple, oranges, then some quantities of kiwis from other countries.

- Thiyagarajan Thangaiah

“ The majority of the produce that is being sold in the retail counters as well as the wholesale market is domestic, is the local fruit. And if I would just guess it, the imported fruits would be about 20% of total consumption of India. I think the 80% would be domestic.

- Prashant Gidwani



Despite a low % of imports, India's large population means there is still an import opportunity particularly out of season

“ We've got 1.3 billion people to feed. So even if it is in a not very common item, like olives, there are still a lot of olives that are being consumed.

- Prashant Gidwani

“ So the driver for import is different for different commodities. Each commodity would have a different reason. Some of the commodities would be quality. Some of the commodities, it would be the seasonal difference

- Prashant Gidwani

“ That's where the New Zealand also developed India as a market for kiwi fruit, even though they get a lesser price for kiwi fruit in India versus any other country. But still, they kept this going because the potential consumption is around 1.8 billion people. So that's the strategy and vision one should carry in developing any export strategy.

- Ashok Kumar





High levels of vegetarianism mean per capita consumption is high

“The driver for fruit consumption is basically the health benefits. And right now, because the Indian consumers are mostly a vegetarian population.

So they don't consume much meat, the meat consumption in all of India is not more than 15 kilos per capita per annum. So most of the vegetarian population, their source of fiber and minerals is fresh fruits and they spend a lot on fresh fruits

- Ashok Kumar

“As a trend, consumption of fruits and vegetables is going up while the population is growing, the consumption of high-quality premium fruits and vegetables is also growing up. Thanks to this modern retail and e-commerce really bringing the right quality product to the households.

- Ashok Kumar



Fruit baskets are a common form of gifting, particularly for special occasions and have grown in popularity since the pandemic

“And in India, there is a habit of premium fruit gifting. When you go to somebody's house, when you visit somebody's house, you bring it as a gift. In Australia, carrying a wine bottle is a custom. Here, it is taking some fruits to the host's home is a custom.

And especially, the more premium fruits you carry with you that shows your status and your heart of giving. There are many players who do this premium fruit gift packing, a variety of exotic fruits, they put it in a fruit basket and wrap it up and put some good ribbon around that. That's been gifted to the host.

- Ashok Kumar

“Retailers like fresh produce because it's what keeps consumers coming back to supermarkets weekly as they want fresh produce and whilst they're there they will buy other foods and produce too. Fresh produce accounts for a huge proportion of retail.

- Marcela Arratia Paris

“Most people, they consume fruits for gifting to relatives and people who are not feeling well, and they use fruits for marriage functions. It is usually fruit considered auspicious. So most of the people, they buy fruits not only for consumption of their own, but also for gifting and for praying, for celebration and other things.

- Thiyagarajan Thangaiyah

“There is a big culture of gifting fruits and vegetables in general and as well as a huge, huge consumption in gifting during the festivals and the wedding season. So let's say, if anybody wants to go for a dinner to a friend's house instead of taking a bottle of wine or scotch or anything, before the pandemic, we all used to do that. But now everybody is, wants to gift some health and they are the more conscious. And yes, gifting has now become a big part of the sales.

- Prashant Gidwani





Significant shopping for produce is done via informal vendors, but some consumers still shop at retail stores

“Thinking of the retail landscape of India, still modern retail is only a small amount of the market, a lot of fruit trade is happening via unorganized retailer or a fruit resellers through the wholesale market channel.

- Ashok Kumar

“So e-commerce is playing a larger role in driving specialty fruits and imported fruits because of the better storage conditions and better assortment and access to the supply

But yes, slowly, it is changing. It is changing. Post-COVID there's a lot of adoption of people migrating from modern retail to e-commerce and also from fruit reseller to e-commerce. It will take time, at least a decade before e-commerce becomes a major share in selling imported fruits.

- Ashok Kumar

“Before COVID, before the pandemic, the percentage of organized retail/online platforms was 6% to 7%, which has now reached to 11% and is growing. I feel this is growing and, in future, we expect that the online and the organized retail will grow in the near future. But yes, there is always going to be a huge part of the produce that goes through the wholesale markets. It's always going to be the bigger number.

- Prashant Gidwani

“In India, there's a huge gap between the middle class and the higher class. The majority of the population is lower and middle class. So the limited percentage of consumers who can afford and are in that segment, are the people who are buying from supermarkets and these organized retails

But majority of the mass population is buying from the streets, a very growing segment of the new generation post-pandemic is also now buying from online platforms.

- Prashant Gidwani





3. The Consumer

Consumer values and attitudes to food and fresh produce, plus, shopping preferences and typical behaviours

We will unpack 3 key themes to unpack consumers in India



Demographics

- Population, life expectancy
- GDP per capita and key wealth metrics
- Age breakdown
- Religious identity and background



Attitudes & values

- Attitudes & values relating to: food & cooking...
- Safety & sustainability
- Premium & value
- Local vs. imported
- Health & wellbeing



Shopping behaviour

- Grocery and fresh produce shopping behaviour
- Shopping preferences, including triggers and barriers
- Imported vs. local shopping behaviour



The population size & consumer wealth in India

POPULATION

1.4 billion

Indian population¹
vs. 25.7m Australians

48%   52%

female/male population split
vs. 50/50 globally

70_{y/o}

Life Expectancy¹
vs. 72 y/o globally

0.8%

Indian population per annum growth
(2021)¹ vs. 0.8% globally

WEALTH

\$3.18t

Indian GDP (USD)¹
vs. \$1.6t in Australia

\$2,256

Indian GDP/Capita (USD)¹ vs. \$60k
in Australia



Unpacking the India survey sample

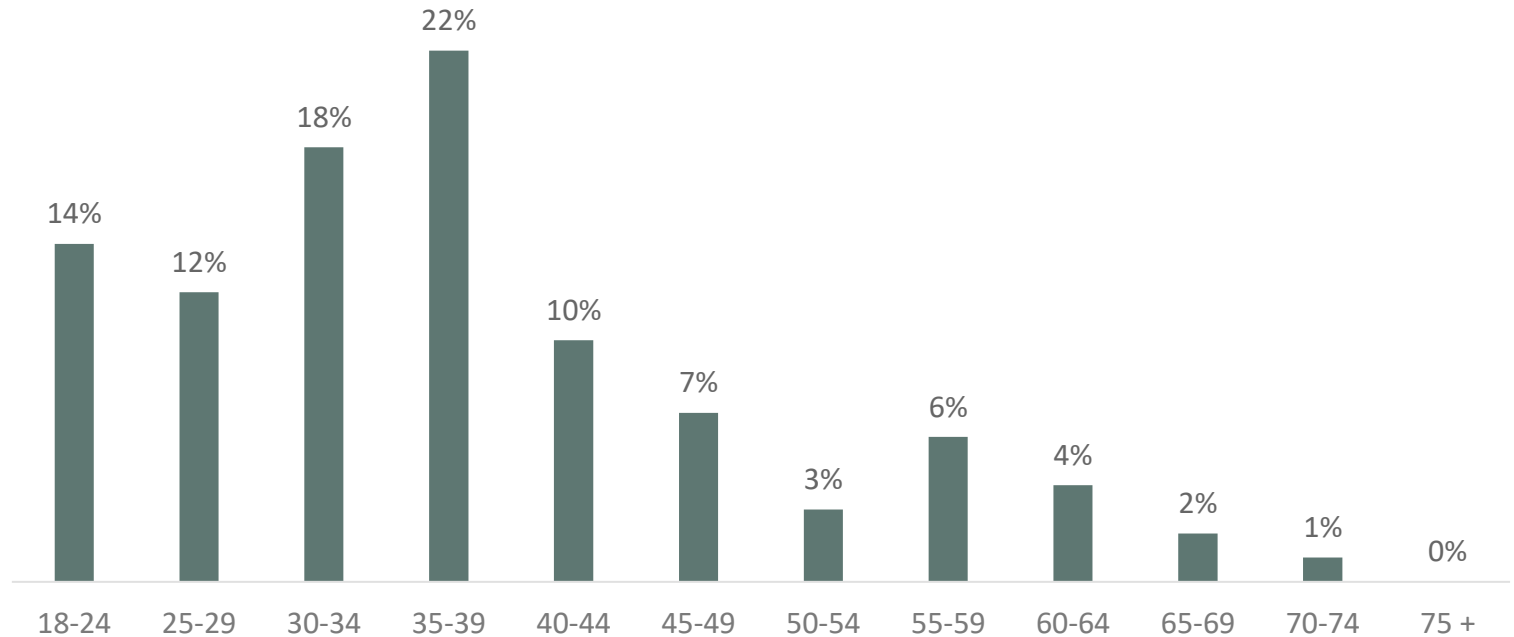
BACKGROUND

How would you describe your religious identity?

81%
'Hindu' population

AGE

How old are you?





Key attitudes & values of India consumers

India consumers love food & cooking

83%

Enjoy cooking

74%

Consider food a passion

Some claim to have comfortable lifestyles

72%

Are comfortable with their current income

61%

Often pay extra for premium quality food

Food safety is a concern, as is environment

83%

Worry about poor quality, toxic or contaminated food

79%

Worry about climate change





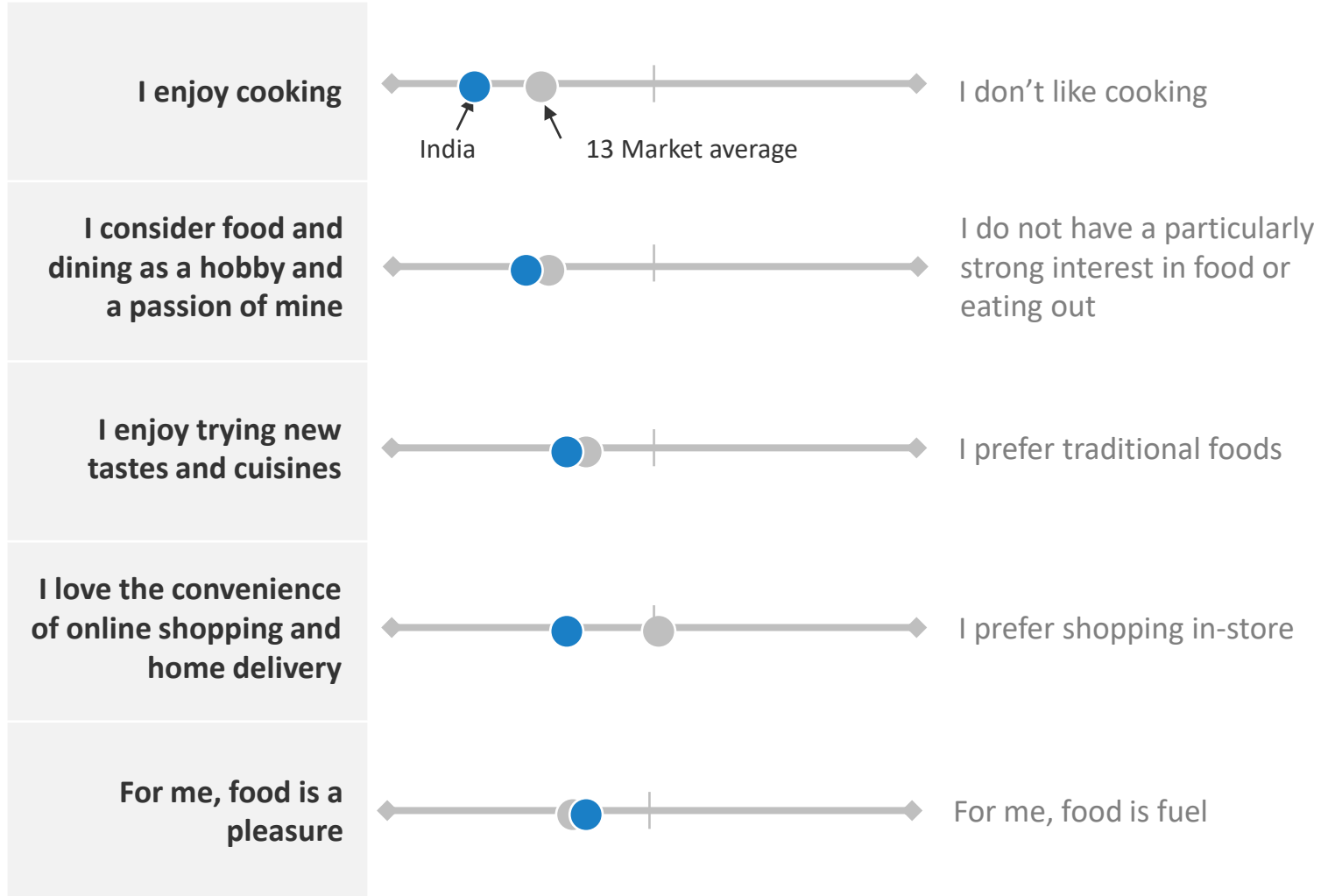
“

I love cooking and find great pleasure in all types of food and cuisines.

I love the convenience of online shopping and home delivery.

”

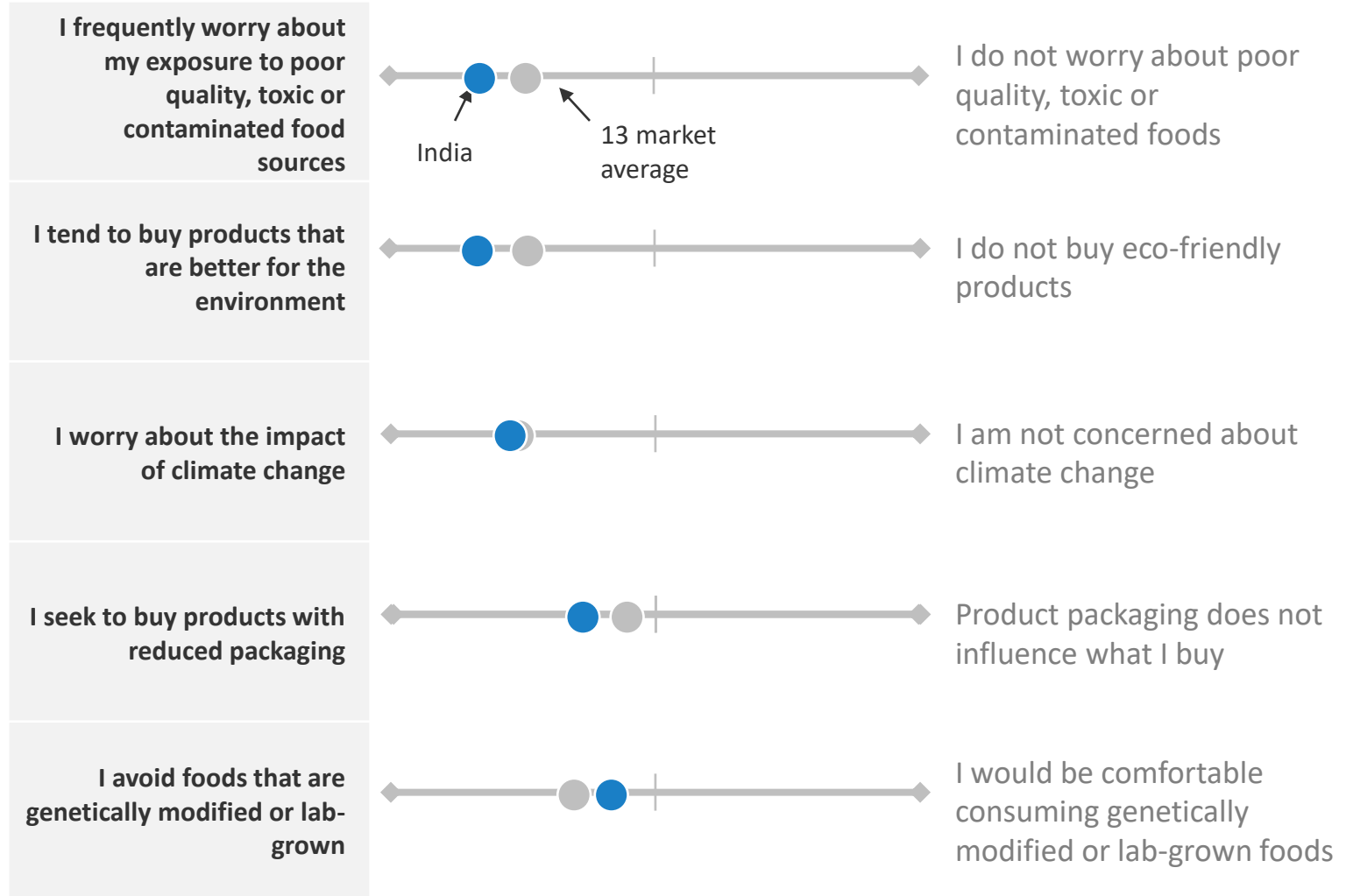
Attitudes & values related to Food & Cooking



Question: Which of these statements appeals to you more?
Source: Kantar HIA International Demand Study 2022
n= 4053



Attitudes & values related to Safety & Sustainability



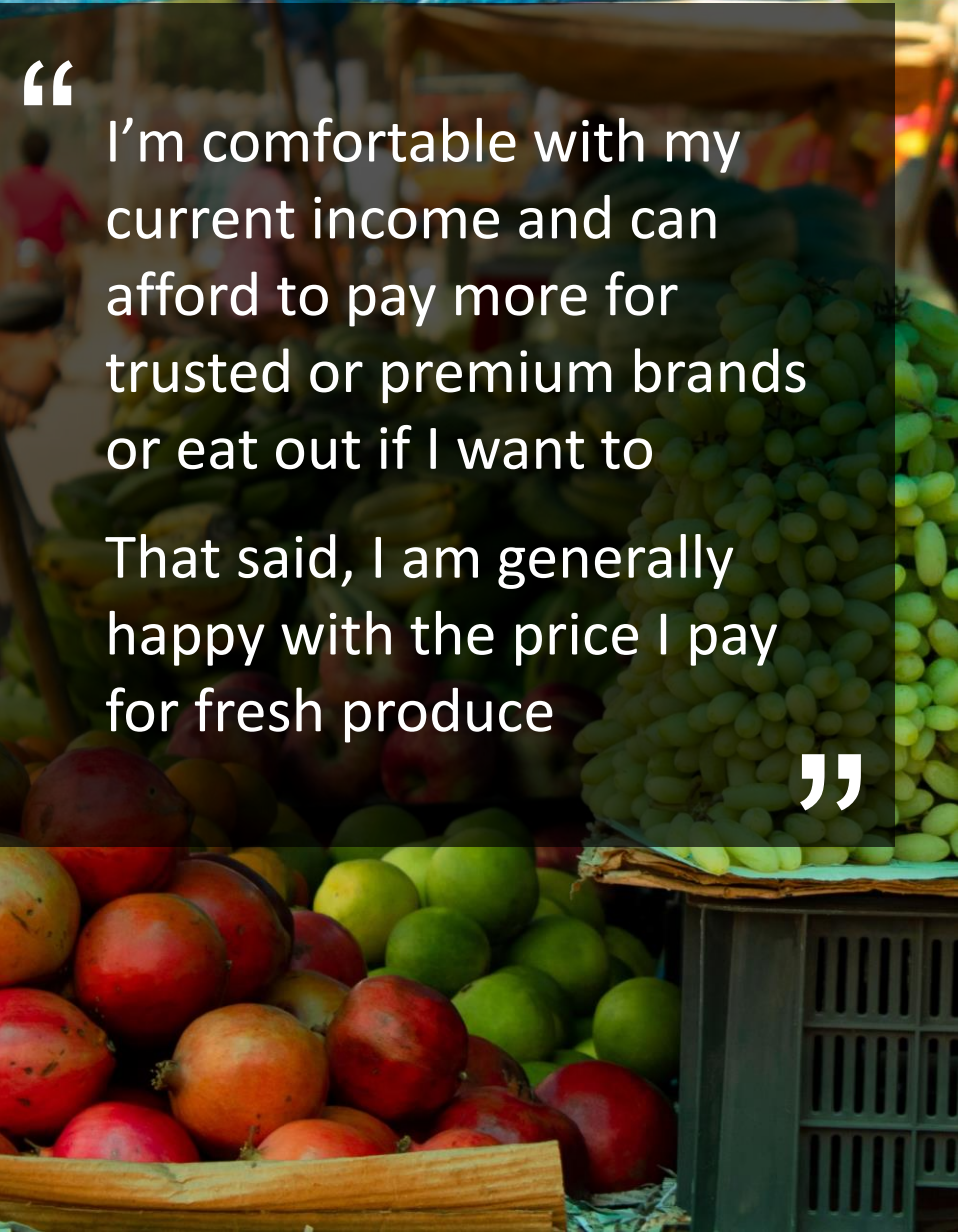
“

Food safety is a major concern for me

I also worry about climate change and seek to reduce my impact by buying products that are better for the environment

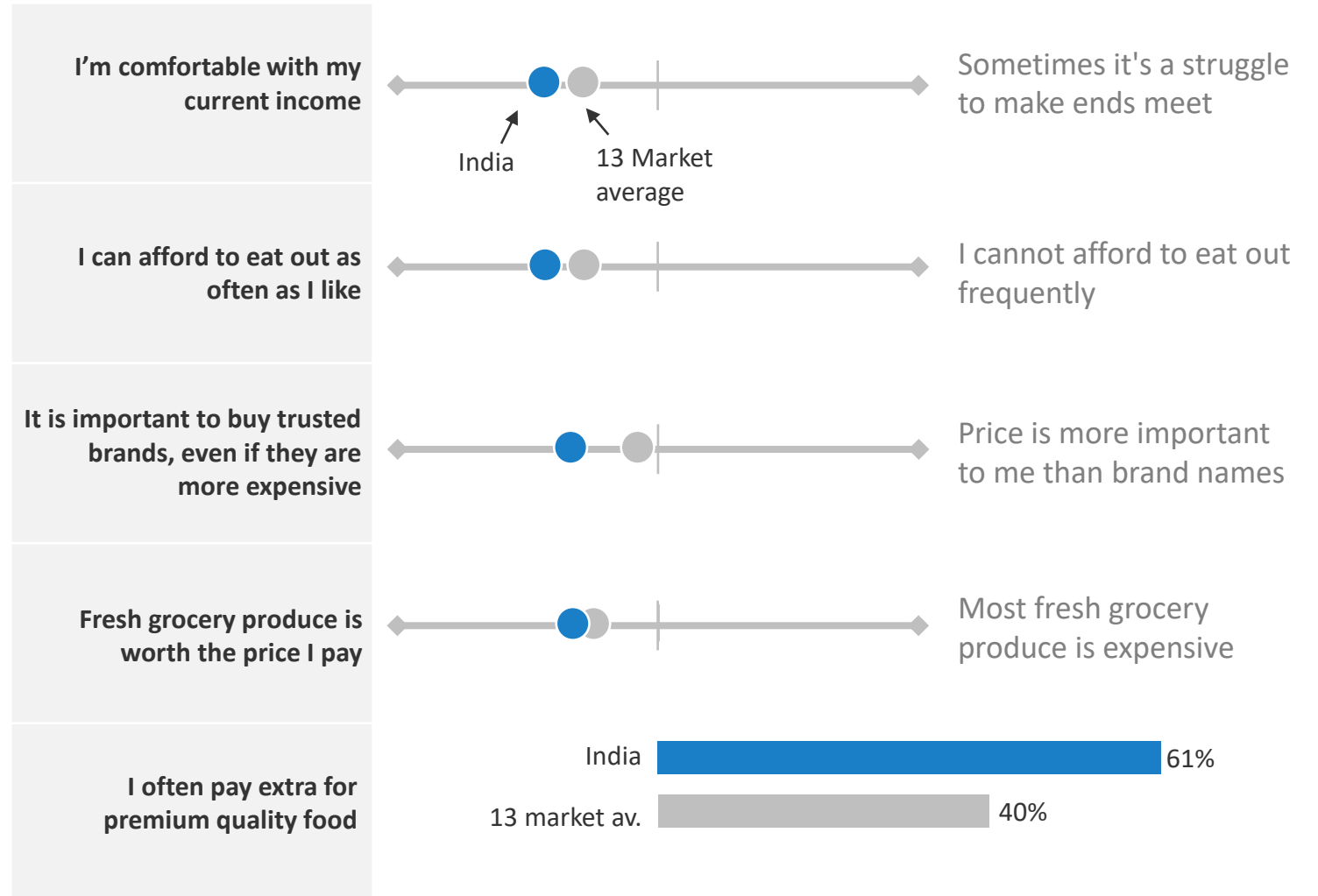
”

Question: Which of these statements appeals to you more?
Source: Kantar HIA International Demand Study 2022
n= 4053



“ I’m comfortable with my current income and can afford to pay more for trusted or premium brands or eat out if I want to. That said, I am generally happy with the price I pay for fresh produce ”

Attitudes & values related to Premium vs. Value



Question: Which of these statements appeals to you more?
 Source: Kantar HIA International Demand Study 2022
 n= 4053

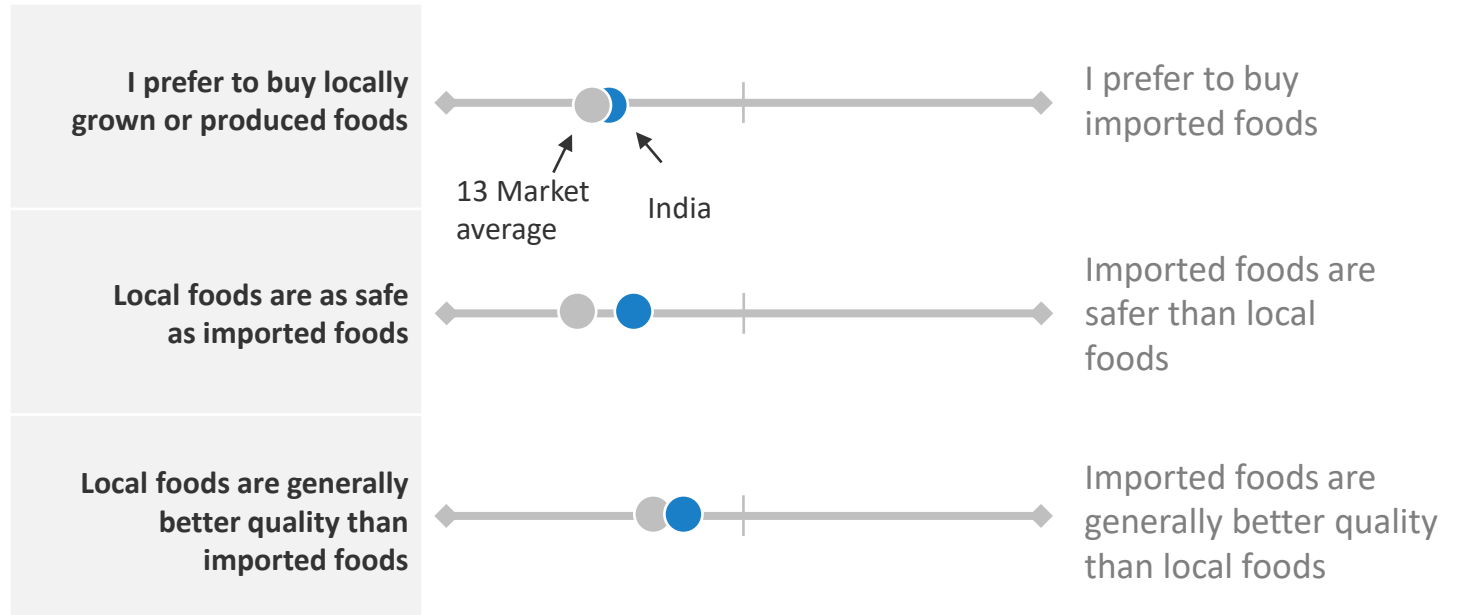


“

If I can I will buy local foods as they must have come from a farm closer than anything imported, so the quality must be better. Food safety is somewhat an issue in India but I will buy local if its available.

”

Attitudes & values related to Local vs. Imported



Question: Which of these statements appeals to you more?
Source: Kantar HIA International Demand Study 2022
n= 4053



“

Eating enough fruits & vegetables is important to me, along with nuts and wholegrains. I prefer vegetables to meat

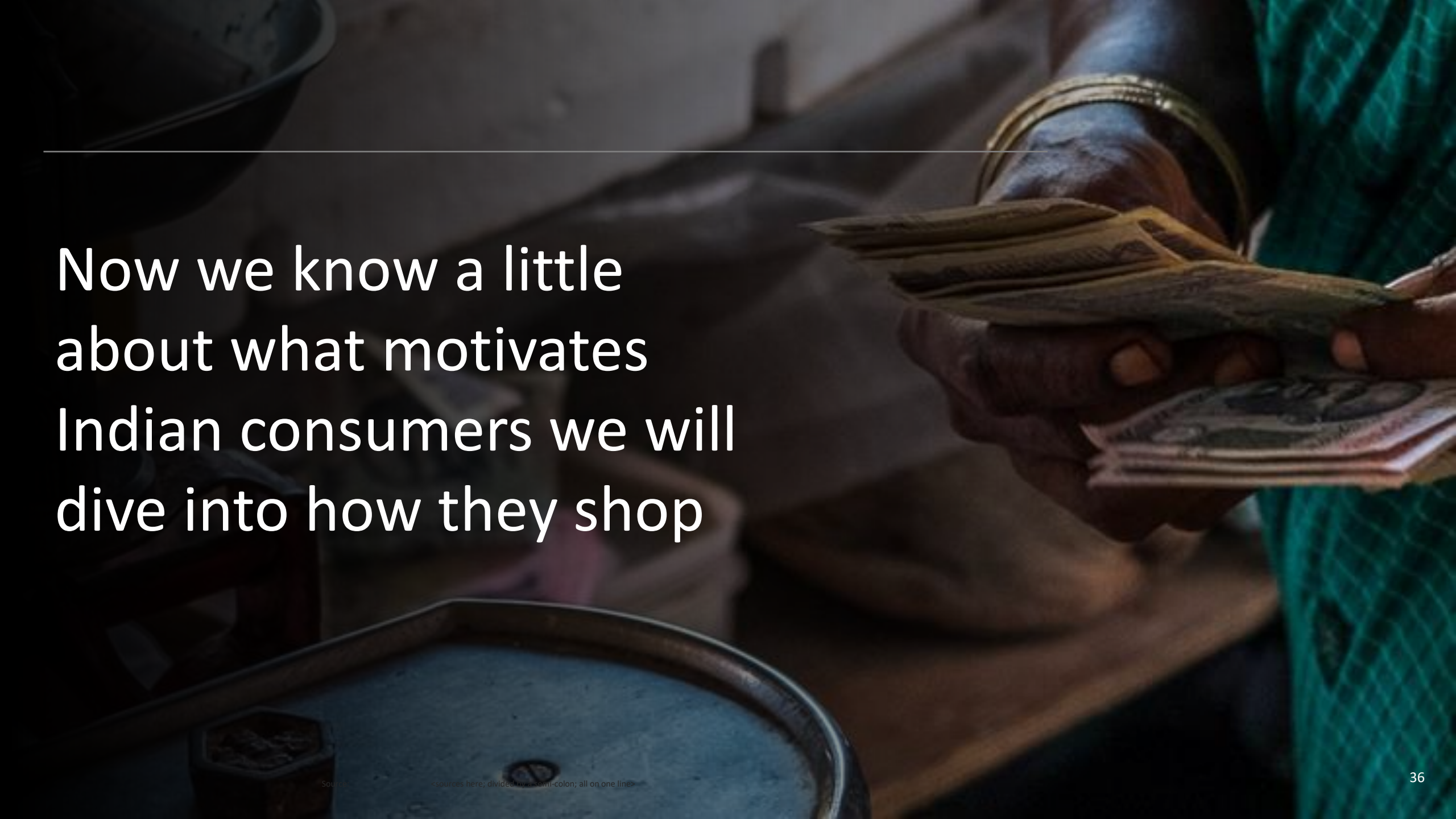
I believe in traditional remedies to manage health and try to avoid food with additives or preservatives

”

Attitudes & values related to Health & Wellbeing



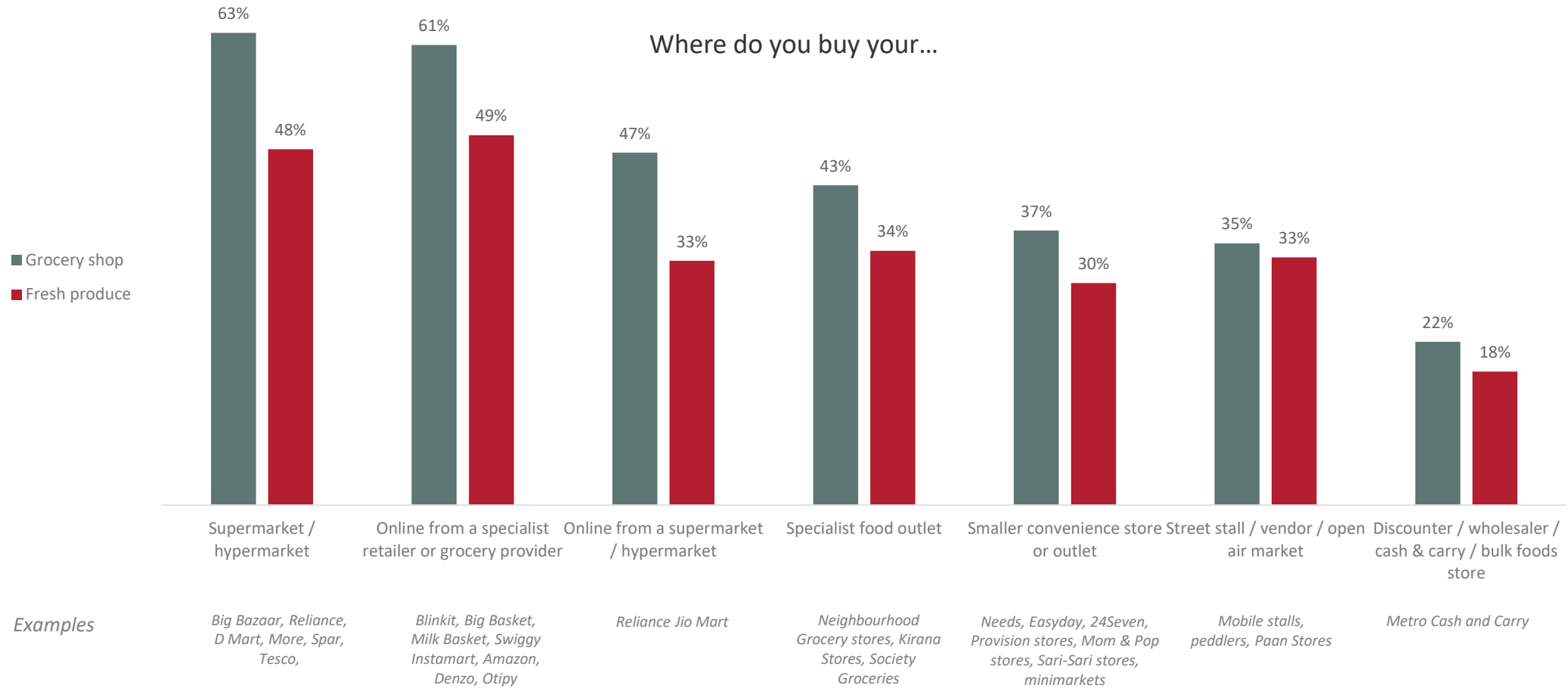
Question: To what extent do you agree with the following statements?
 Source: Kantar HIA International Demand Study 2022
 n= 4053

A close-up photograph of a person's hands counting Indian currency notes. The person is wearing a green patterned garment and a gold bangle. The background is blurred, showing what appears to be a market stall with various items. The text is overlaid on the left side of the image.

Now we know a little
about what motivates
Indian consumers we will
dive into how they shop



Supermarkets (including online) and street stalls are the predominant channels for purchasing fresh produce

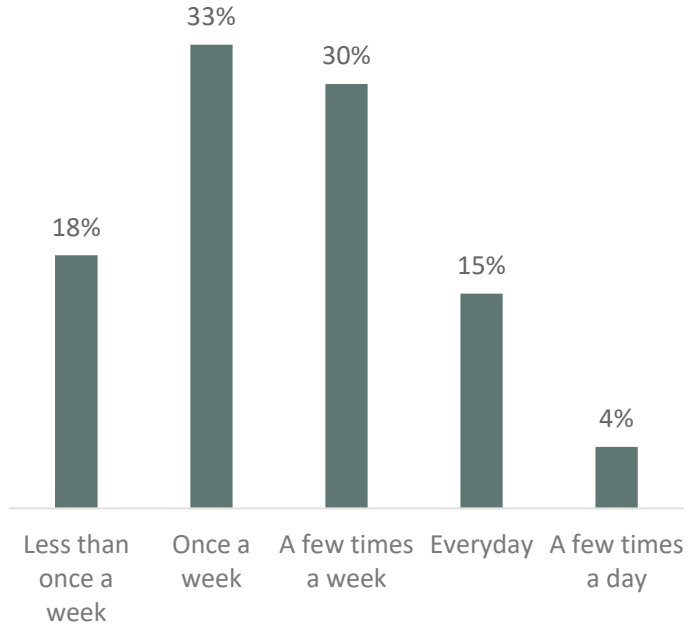




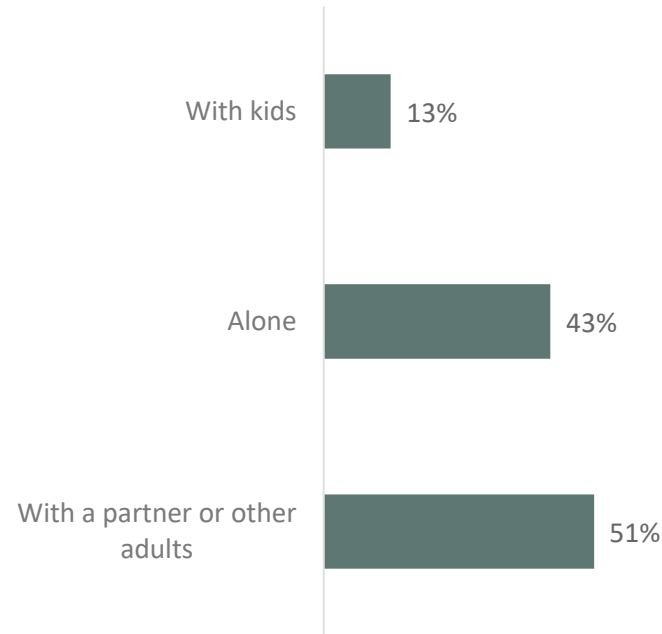
Mostly, people shop once a week

Adults typically shop with a partner, but where they have under 18's in the household, c. 40% of fresh produce is for them

How often do you shop for fresh produce?



With whom?



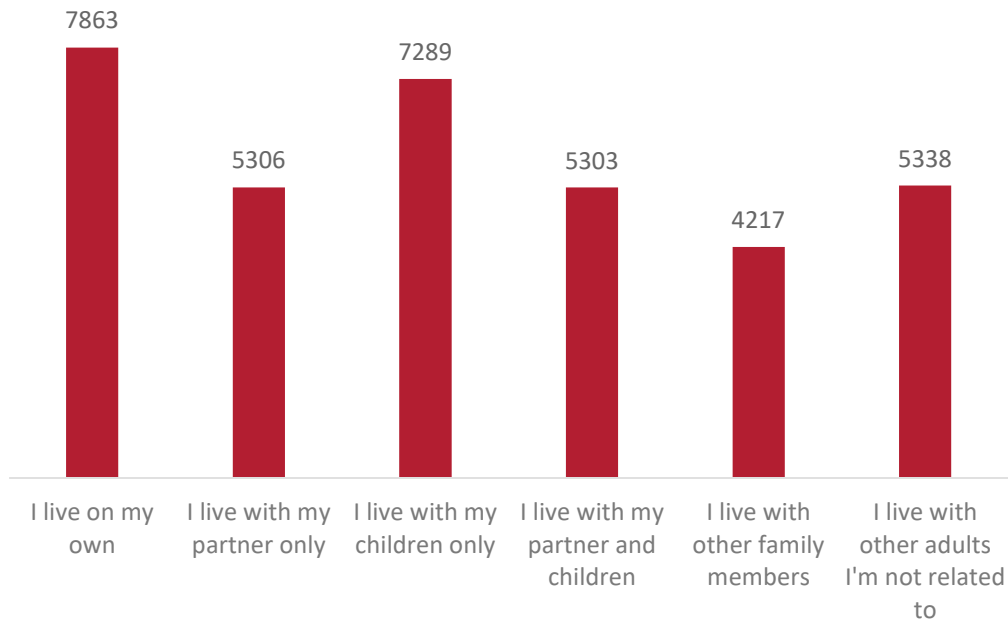
How much are the kids having?





Most households are spending less than 8000 Indian Rupees (approx. \$140 AUD) on groceries a week, of which about half is on fresh produce

In a typical week, how much do you spend on groceries (by household structure)?



How much do you spend on fresh produce?

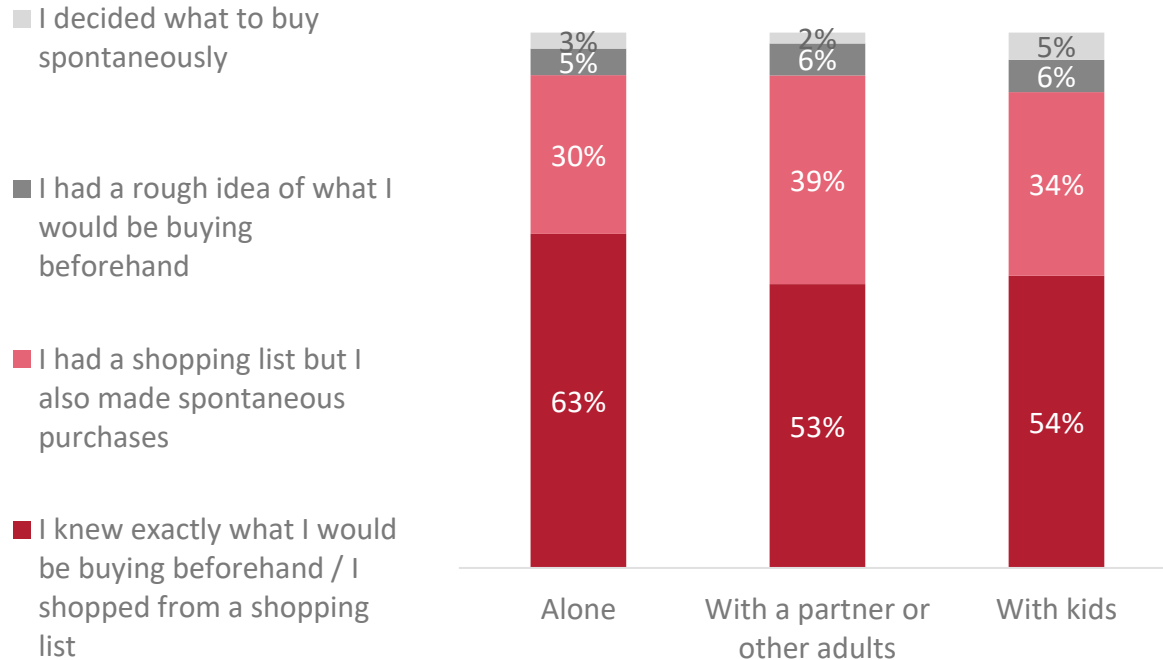
48%

Estimated share of grocery cost spent on fresh produce specifically in a typical week

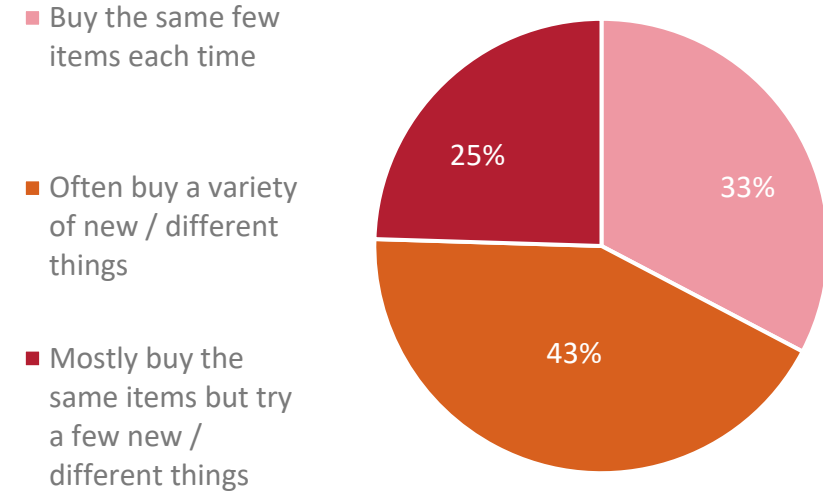


Consumers are typically shopping from a list. For **fresh produce**, mostly people buy the same items and buy just a few new things.

Which would you say describes your shop when shopping...



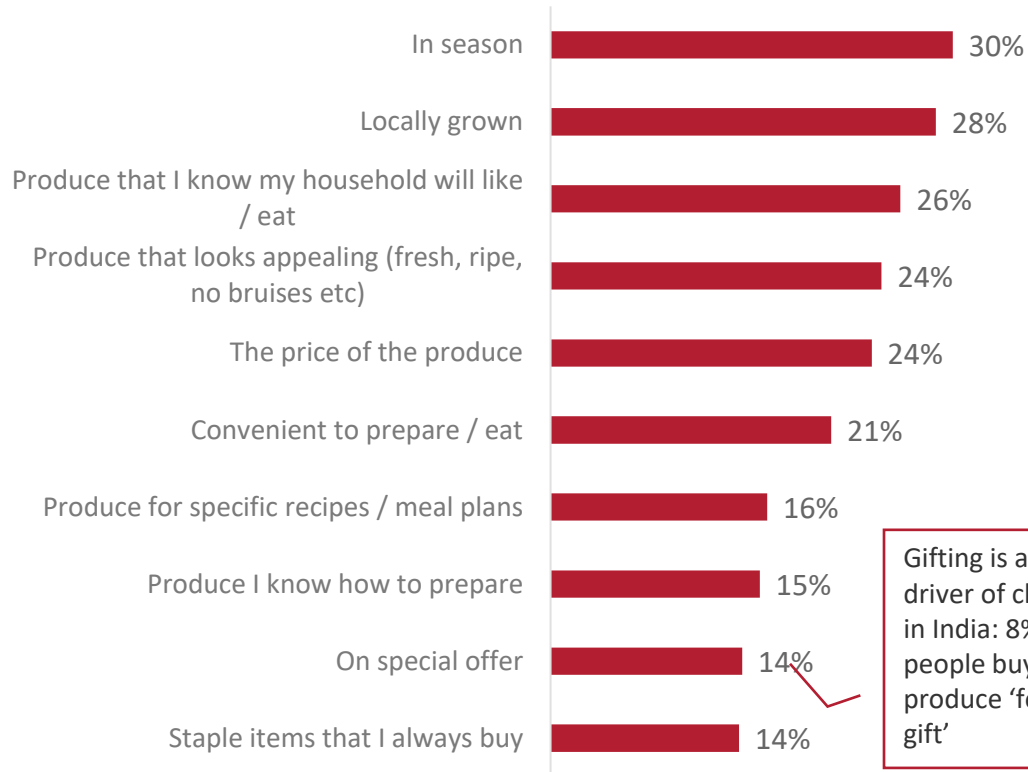
When shopping for fresh produce do you...





Seasonality is the strongest driver of fresh produce purchase. But consumers are also buying to both satisfy the household and experiment with recipes.

When shopping for fresh produce what determines your choice?



Gifts is also a driver of choice in India: 8% of people buy fresh produce 'for a gift'

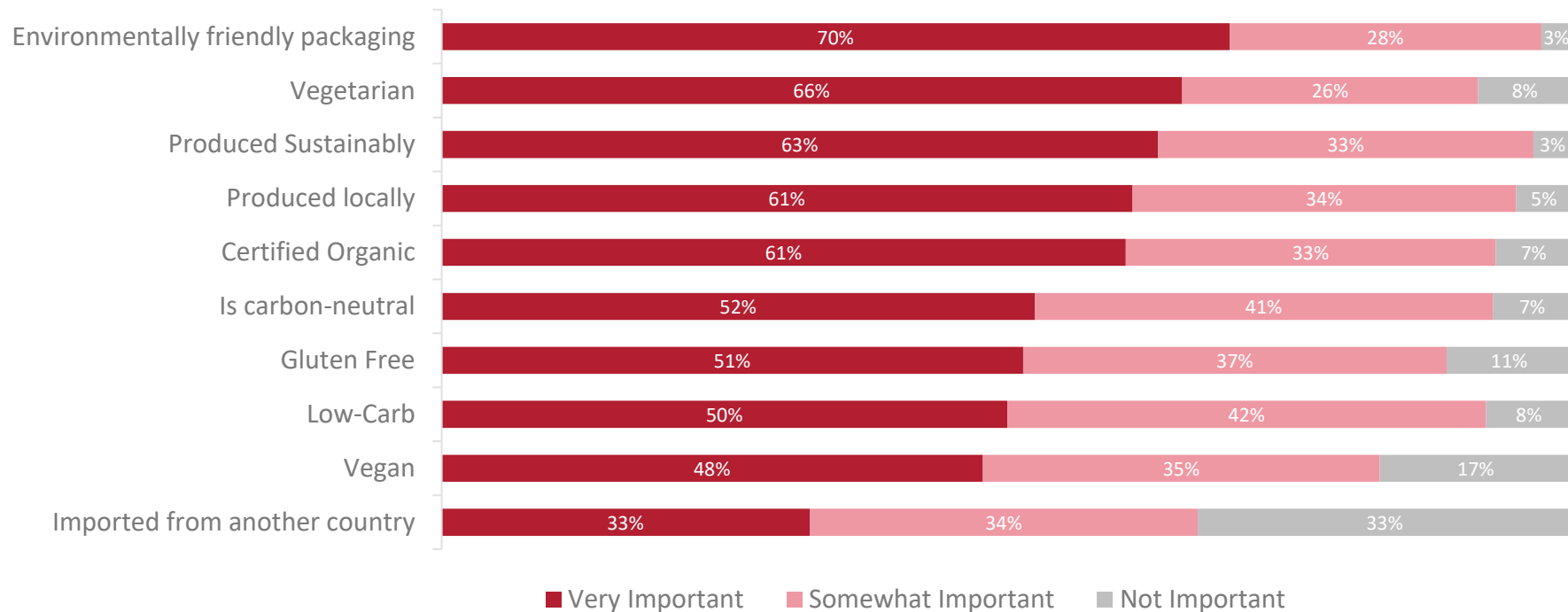
What would encourage you to purchase fresh produce you wouldn't normally buy?





‘Eco’ factors are important for people when purchasing groceries. Environmentally friendly packaging, vegetarian and local production are the top ranked factors

How important are the following when purchasing groceries?



Source: Kantar HIA International Demand Study 2022
N=4053

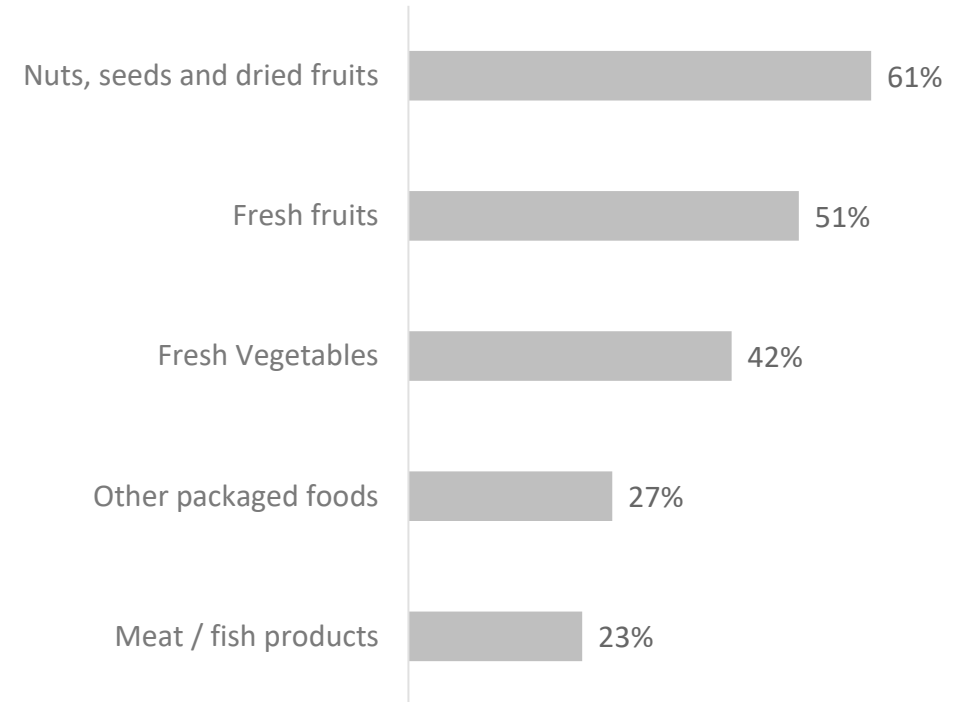


Nearly half of Indian consumers claim to have a preference for local goods, whilst only a third always prefer to buy local. Nuts seeds & dried fruits are the most popular choice of imported produce

Preferences for Import vs Local



What food products are you most likely to choose an imported option?



Key consumer take-aways



Indian consumers love to cook, and food is a passion despite a high proportion worrying about poor quality or contaminated food

Indian people claim to know the importance of eating fresh fruits, vegetables and nuts, but also manage their health with natural remedies



Although open air stalls are popular, supermarkets dominate grocery purchases

Online purchases (via a supermarket or specialist retailer) are also very popular



Compared to the rest of the world, gifting is a stronger driver of purchase in India. People claim they'd buy something they wouldn't usually if they were looking for a gift (16%)

Seasonality and locally grown are the leading purchase drivers – people only get certain produce at some times of the year & they want local



Less than half of consumers 'generally' prefer local goods, but actually only a quarter 'always' prefer to buy local.

Although there's a preference for local, there's a significant say-do gap.



Nuts and seeds are a popular snack in India and these are the commodity group most likely to be purchased imported.






Fresh fruits & vegetables are still more likely to be bought imported than meats & fish.

4. Commodity Consumption

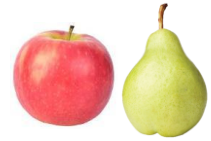
Deep dive into data profiling the priority fruits, vegetables and nuts consumption moments to illuminate how the fresh produce is typically consumed in market



Key Findings Commodity Consumption

		FRUITS	NUTS & SEEDS	VEGETABLES
	How often	96% penetration	93% penetration	96% penetration
	When	At breakfast , a snack or lunch	At breakfast or as a snack	At lunch or dinner
	How	Fresh on its own	Fresh on its own or as part of a snack	An ingredient in cooking , cooked on its own, fresh as part of meal in a salad
	Where	At home	At home	At home
	Who with	With my spouse/partner , parents , family group or children	With my spouse/partner , parents or family group or children	With my spouse/partner , parents or family group , children

The 13 fruits of interest



Apple & Pear



Blueberries



Cherry



Citrus



Lychees



Mango



Melons



Raspberries
& Blackberries



Strawberries



Summer fruit

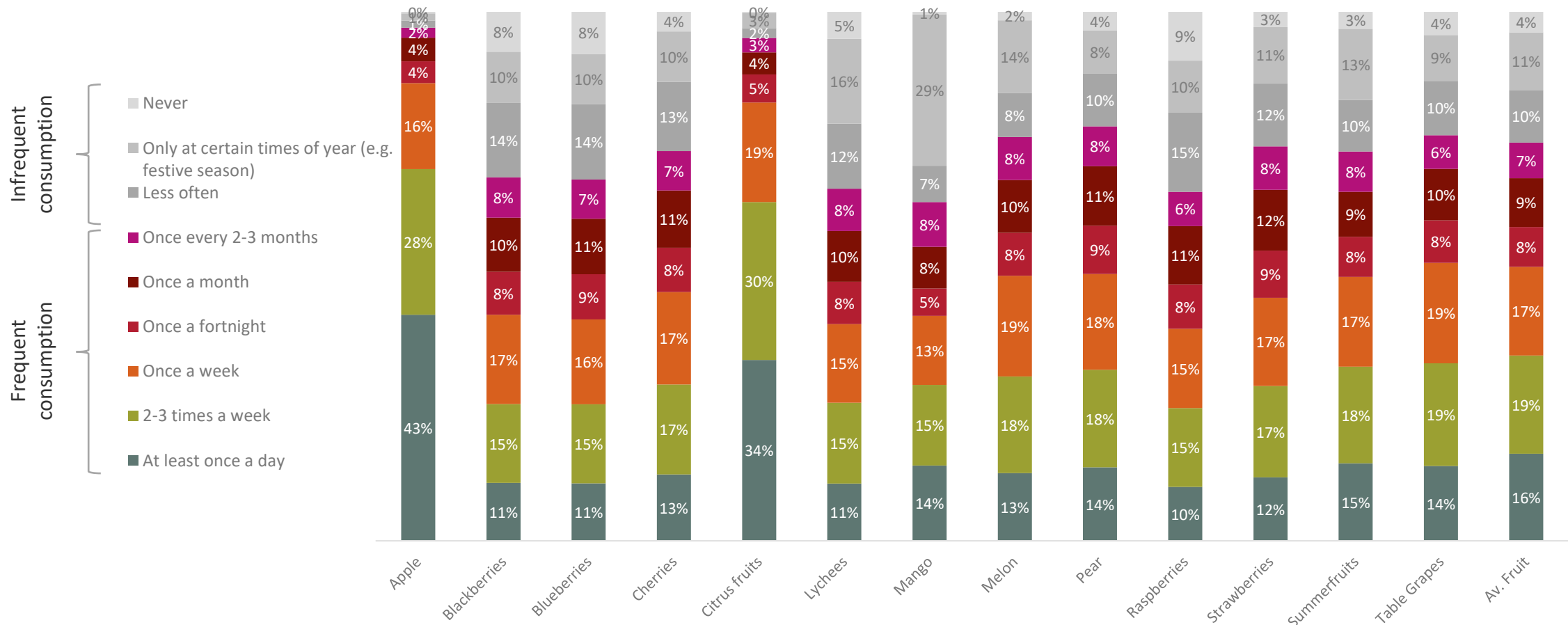


Table Grapes



Most fruit commodities are commonly eaten in India with apples and citrus fruits most likely to be eaten data

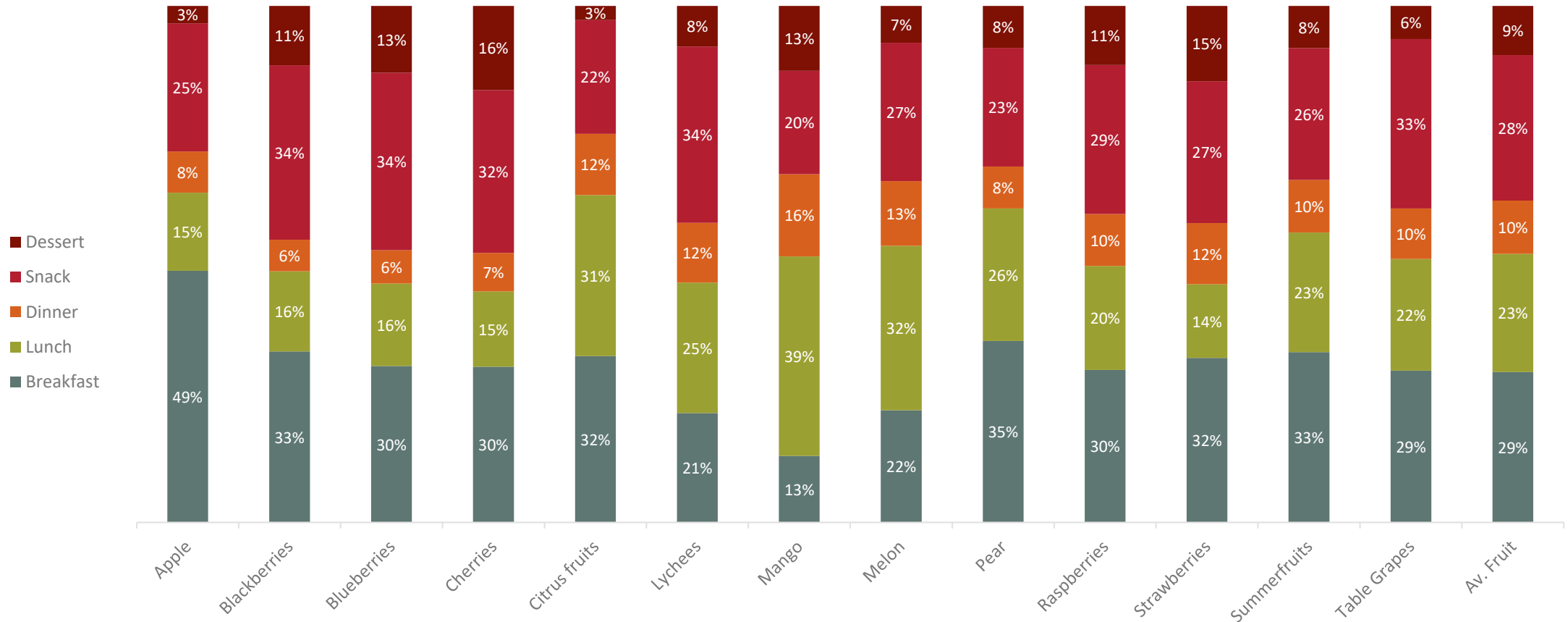
How often do you consume each commodity?





Fruit consumption is relatively consistent with breakfast and snacks the most common times

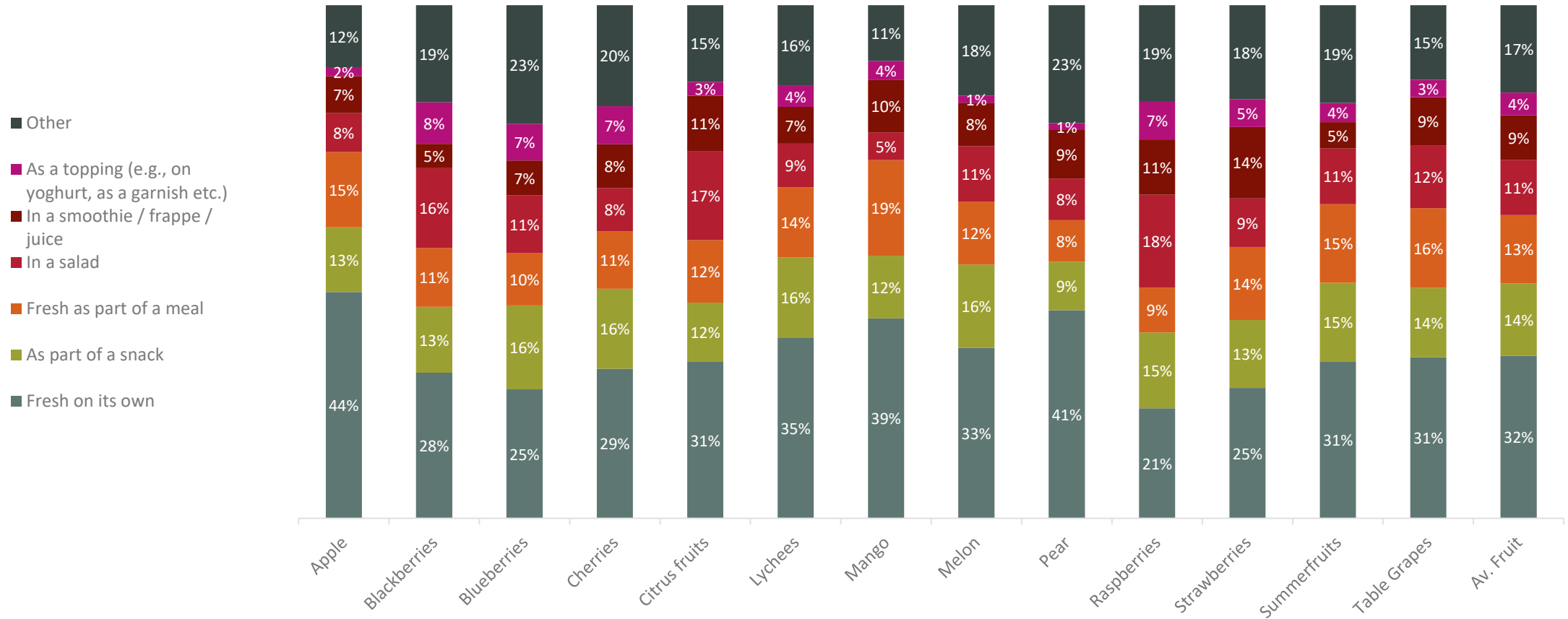
When did you consume?





Fruits are generally consumed fresh on their own, this is especially true of apples & pears

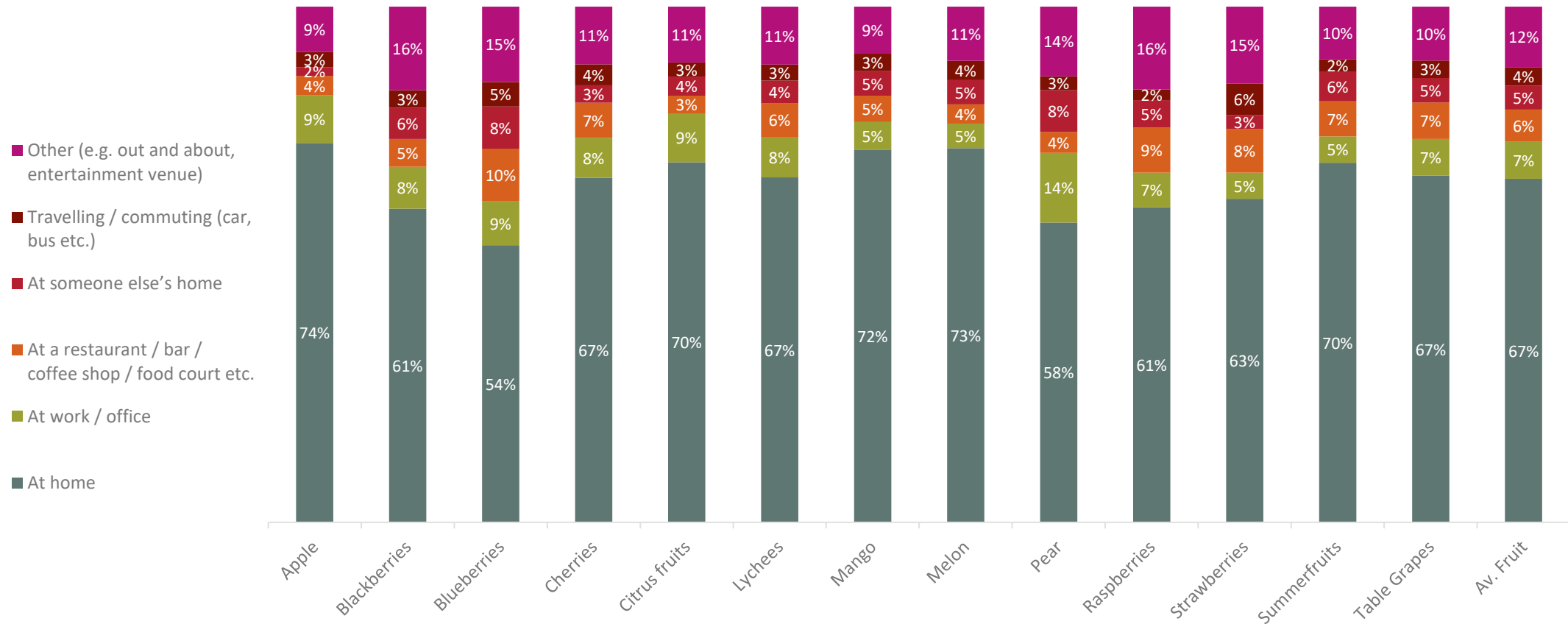
How did you consume?





Fruit in India is mostly consumed in the home. The second ranking location is restaurant / bar / coffee shop / food court and work / office

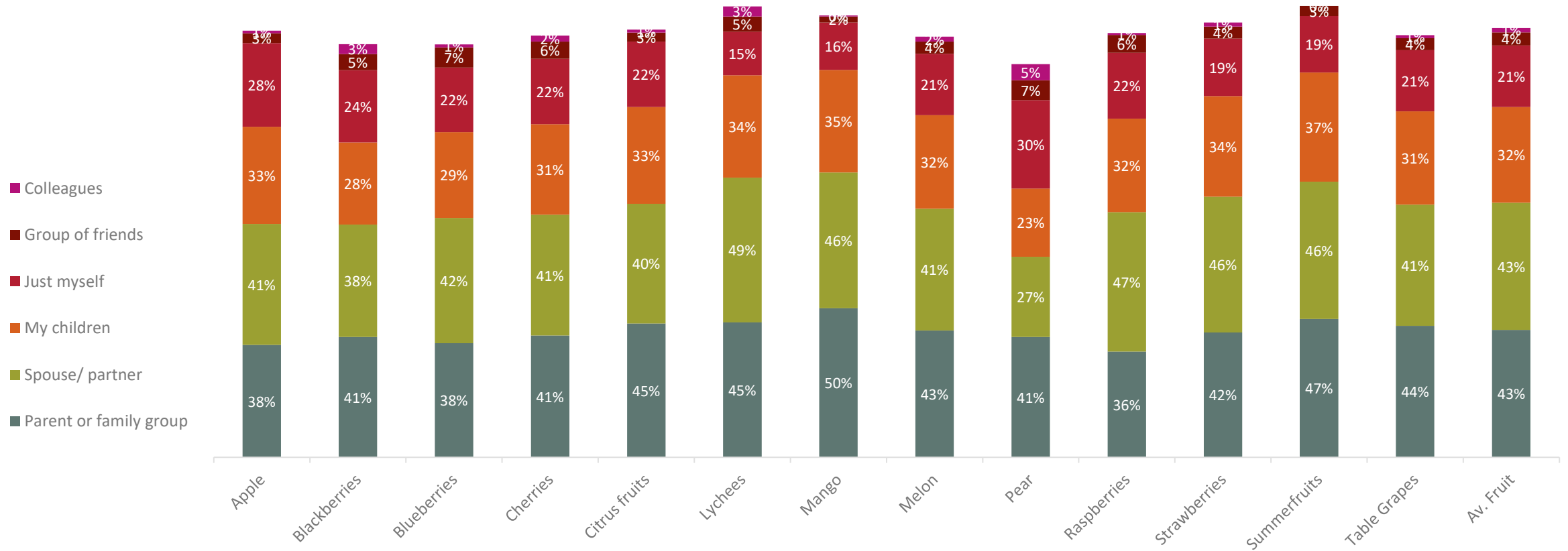
Where did you consume?





Fruit is generally consumed with family either spouse / partner, my children or parents or family group

Who were you with?



The 3 nuts & dried fruits of interest



Almond



Macadamia

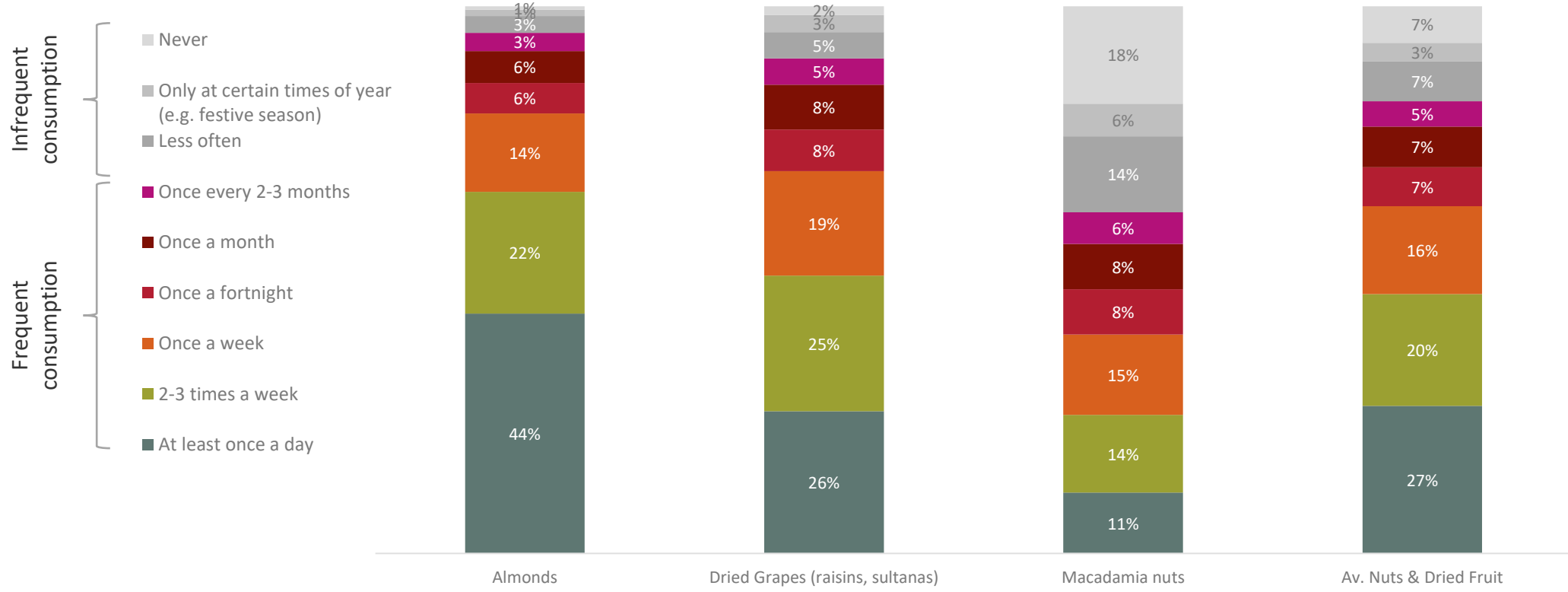


Dried Grapes



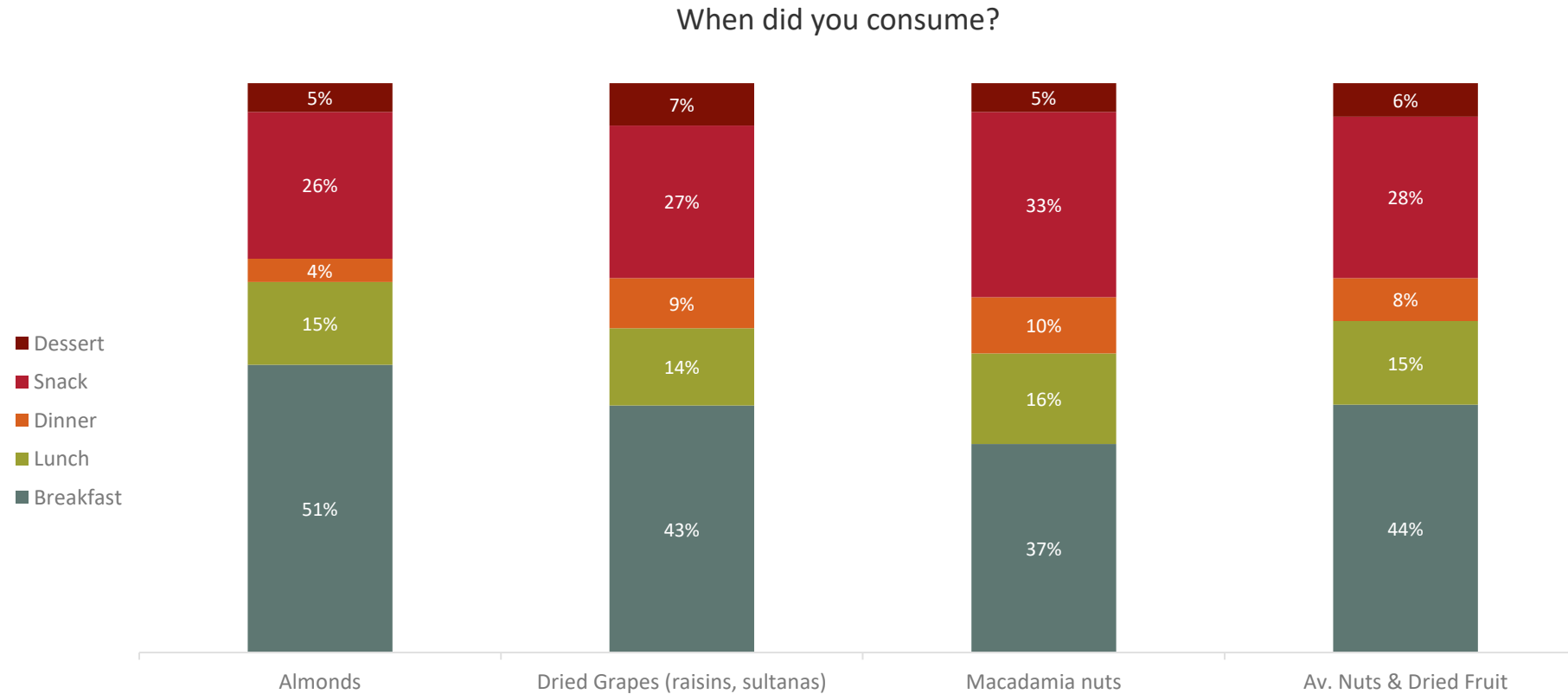
Nuts and dried grapes are highly penetrated in India with macadamia nuts consumed slightly less frequently

How often do you consume each commodity?



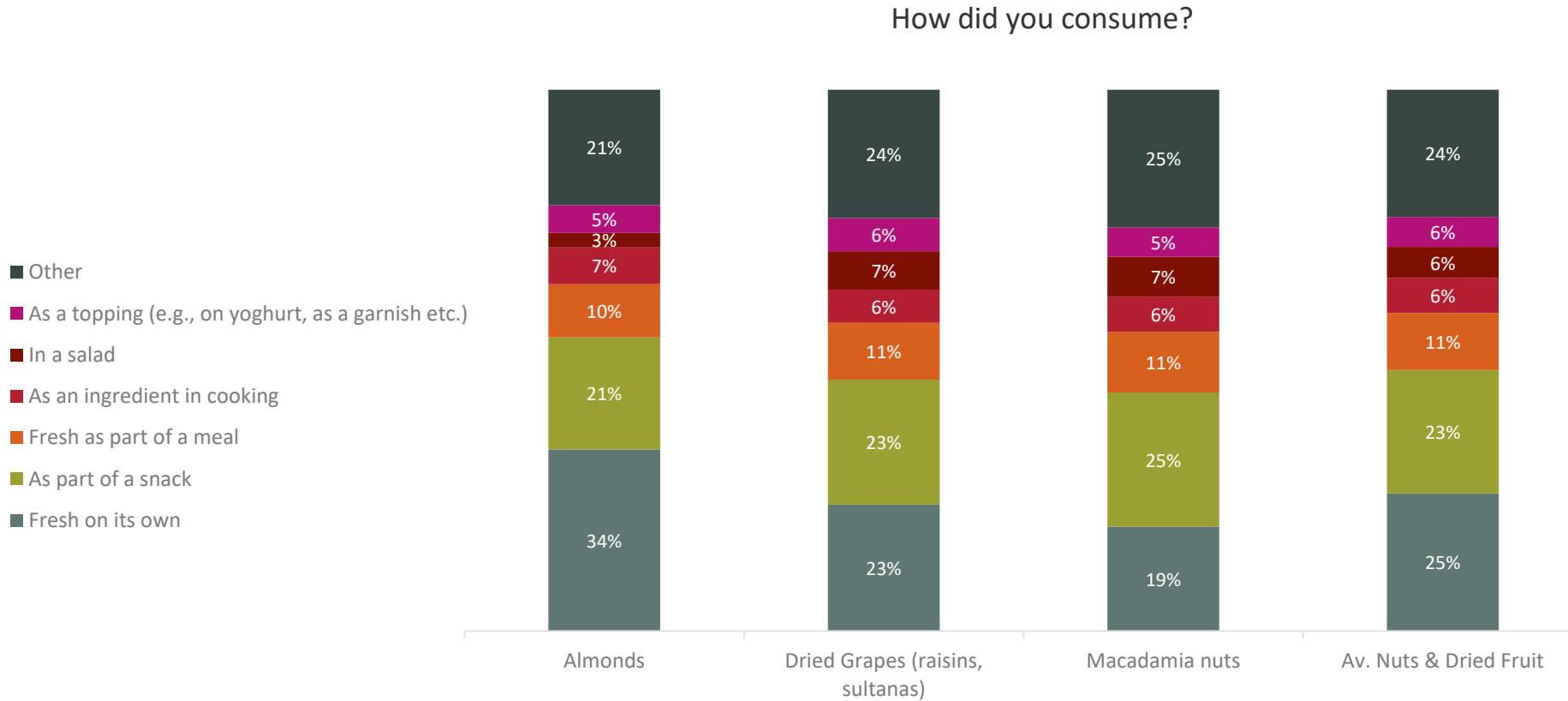


Nuts and dried grapes are predominantly breakfast or snack foods in India





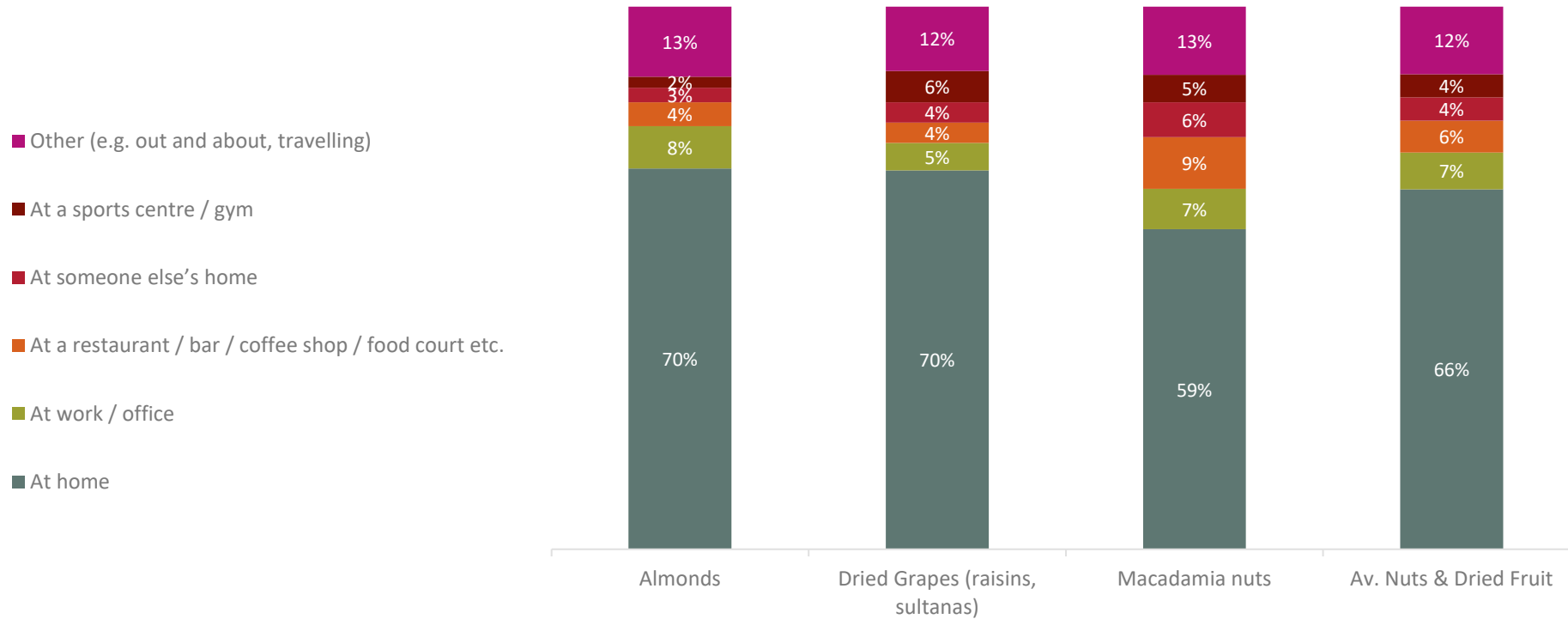
Nuts and dried grapes are consumed in a variety of formats and are more likely to be 'fresh on their own' or 'as part of a snack'





The majority of consumption of nuts and dried fruits is in the home

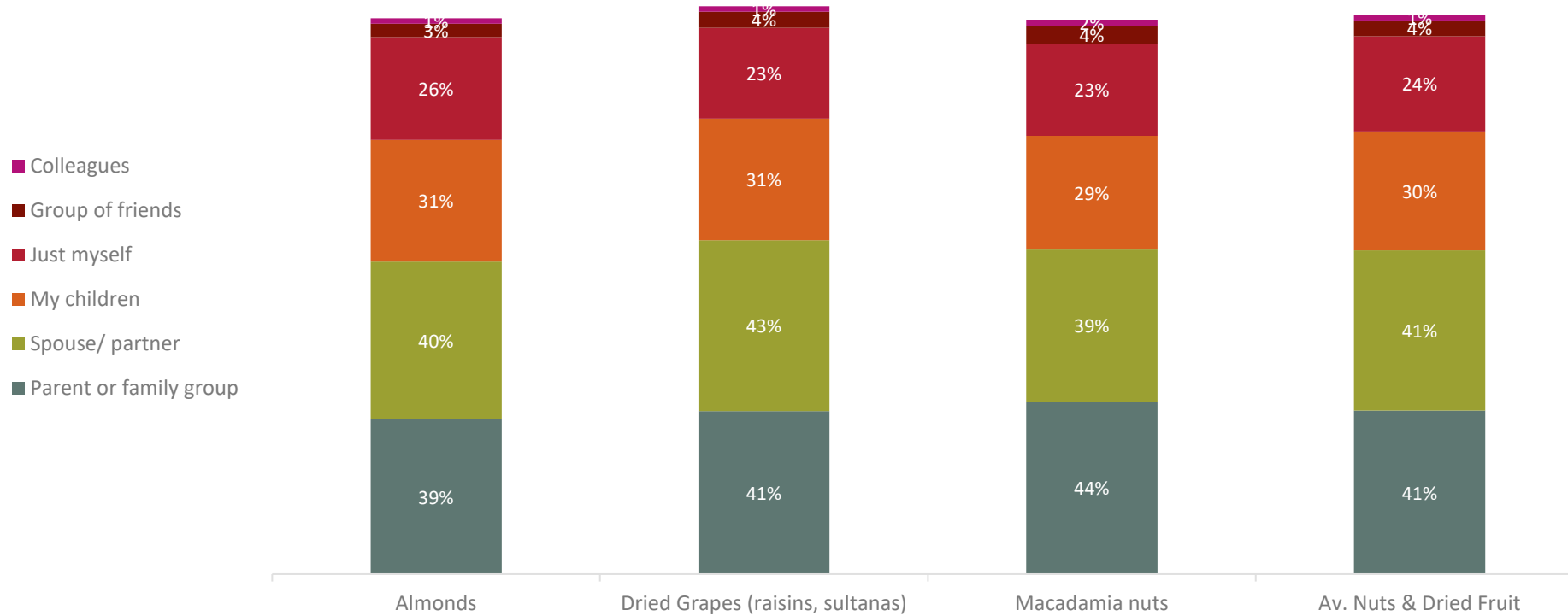
Where did you consume?





In India nuts and dried grapes are consumer with parents or family group, spouse / partner or children

Who were you with?



The 6 vegetable groups of interest

While avocados and olives are technically fruits, this report aims to provide a consumer lens and in the minds of consumers, these commodities are considered vegetables.

They are widely consumed with savoury foods and the substitute set is vegetables, hence they are included here.



Avocado



Olives/Olive Oil



Onion



Potatoes



Sweet Potato

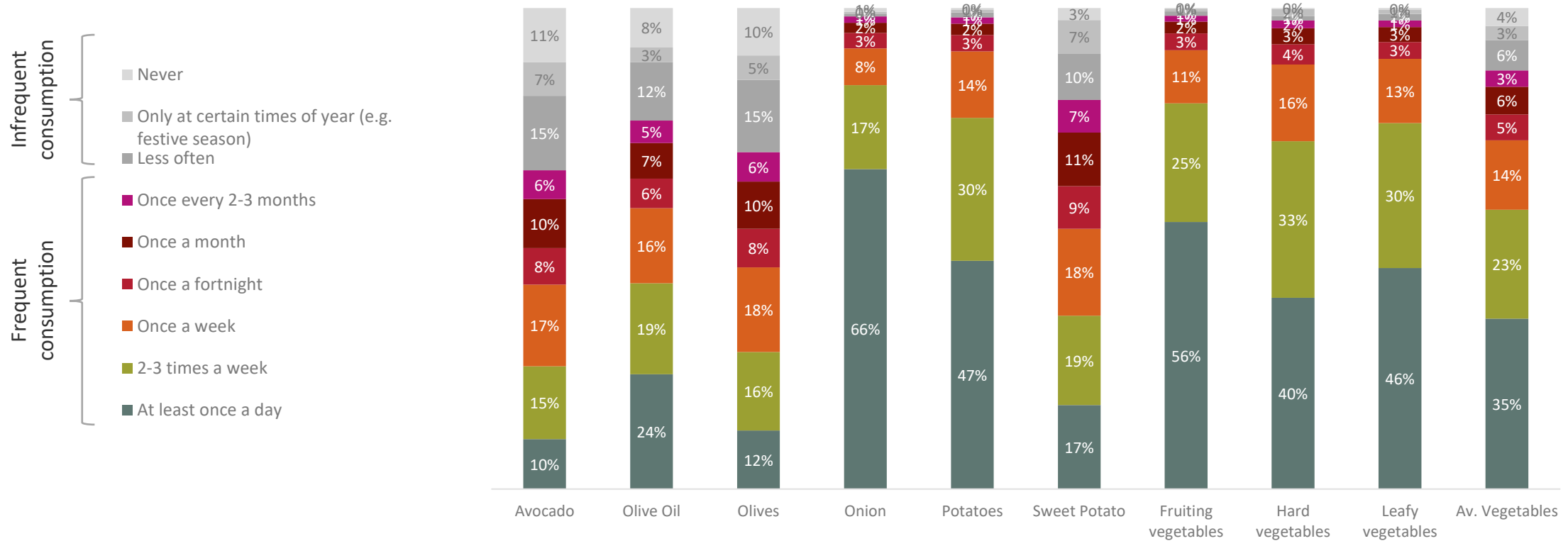


Hard Veg,
Fruiting Veg & Leafy Veg



All vegetables are highly penetrated with onion, potatoes, fruiting, hard and leafy vegetables consumed daily

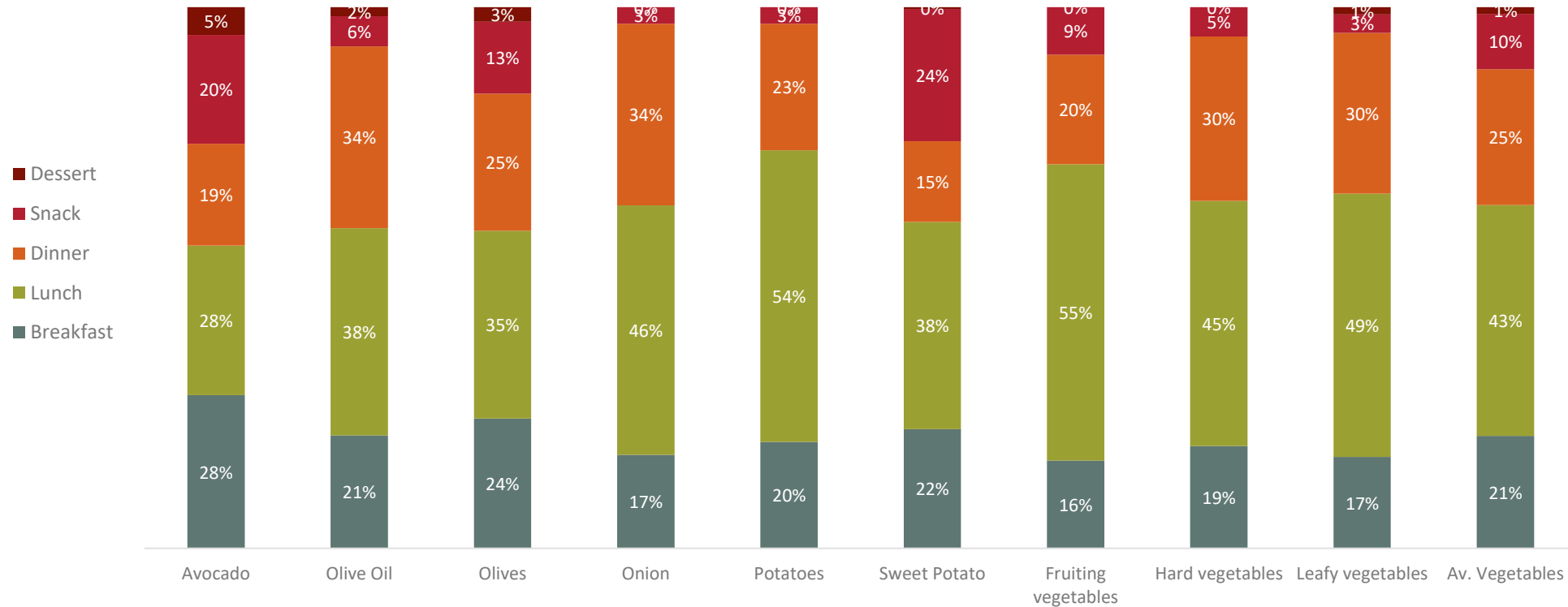
How often do you consume each commodity?





Most vegetables are consumed at meals, mainly at lunch, followed by dinner. Sweet potatoes and avocados are also consumed as a snack

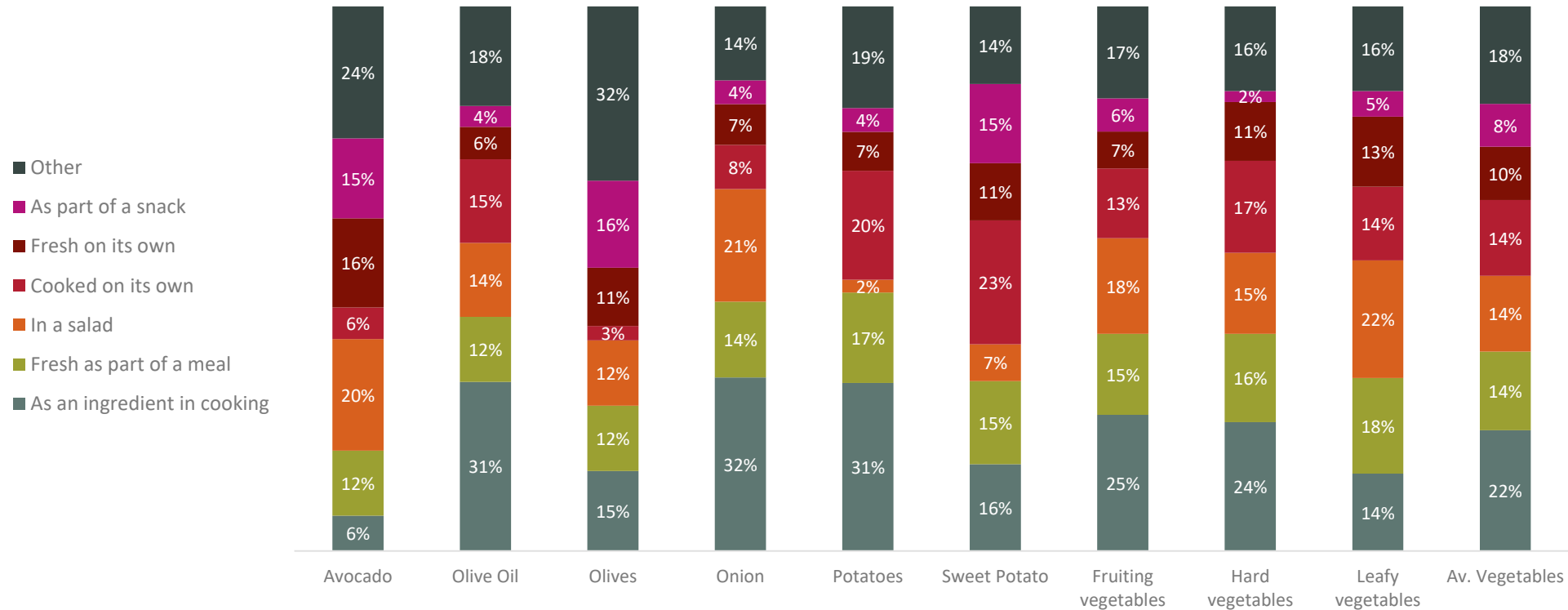
When did you consume?





In India, vegetables are consumed in variety of ways, either as an ingredient in cooking or on their own

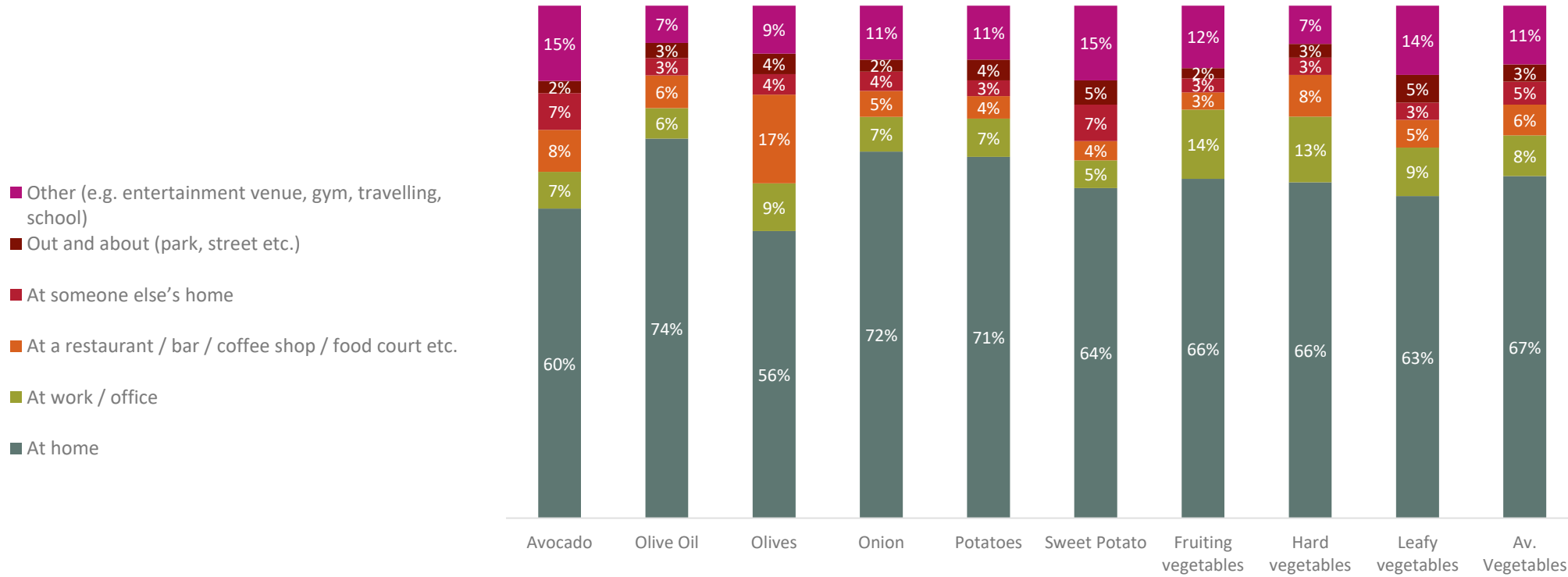
How did you consume?





Vegetables are typically consumed at home

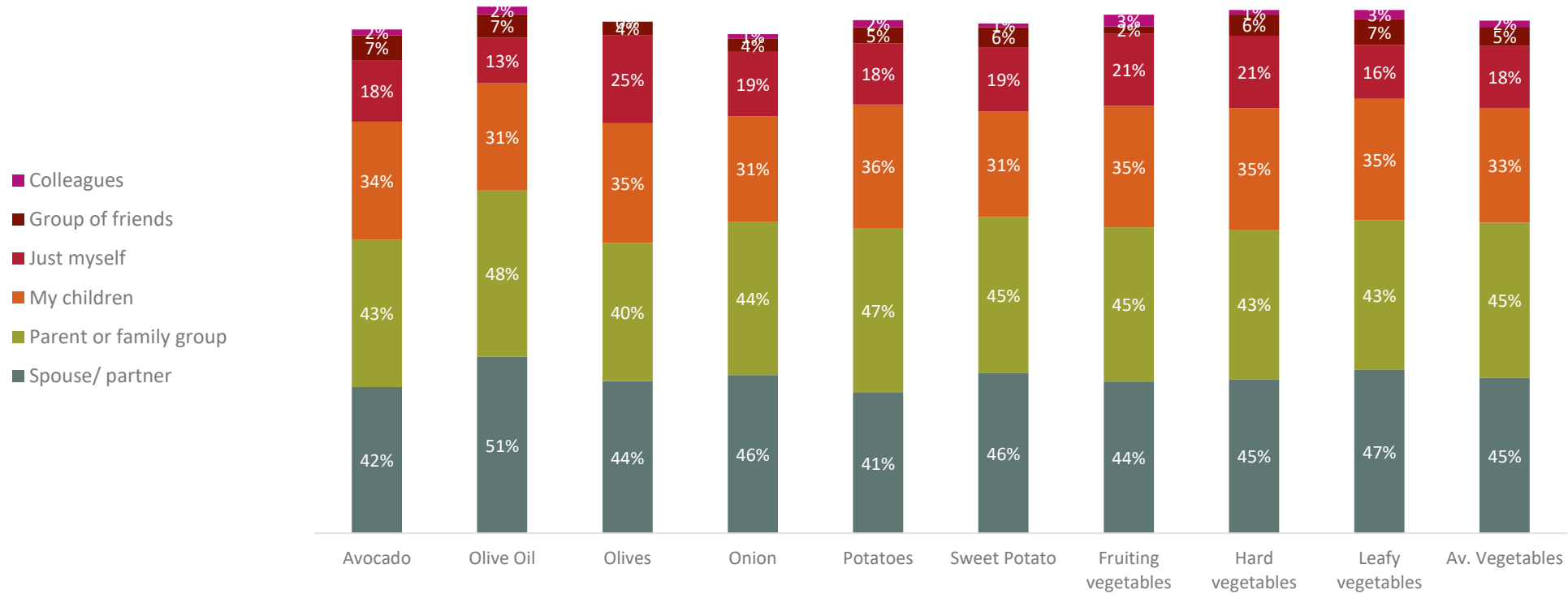
Where did you consume?





Vegetable consumption is primarily with family, whether that be spouse / partner, parents or family group or children

Who were you with?



5. Commodity prioritisation

Leverage the strategic framework to prioritize commodities based on consumer behaviour and perception.



The strategic objective:

To determine – from a consumer perspective only – which commodities represent the strongest growth opportunities for Australian exports based on commodity usage, Australian appeal & the ability to command a premium

This analysis provides the consumer lens and is not intended to cover the totality of factors that influence the attractiveness and addressability of a market (e.g., supply chain, regulatory environment etc.).



The aim is to identify the most attractive Australian export commodities for Indian consumers and **there are two key axis on which we will evaluate each commodity to determine the priorities.**



+



How attractive is the consumer opportunity for a commodity?

How appealing is Australian or premium produce?

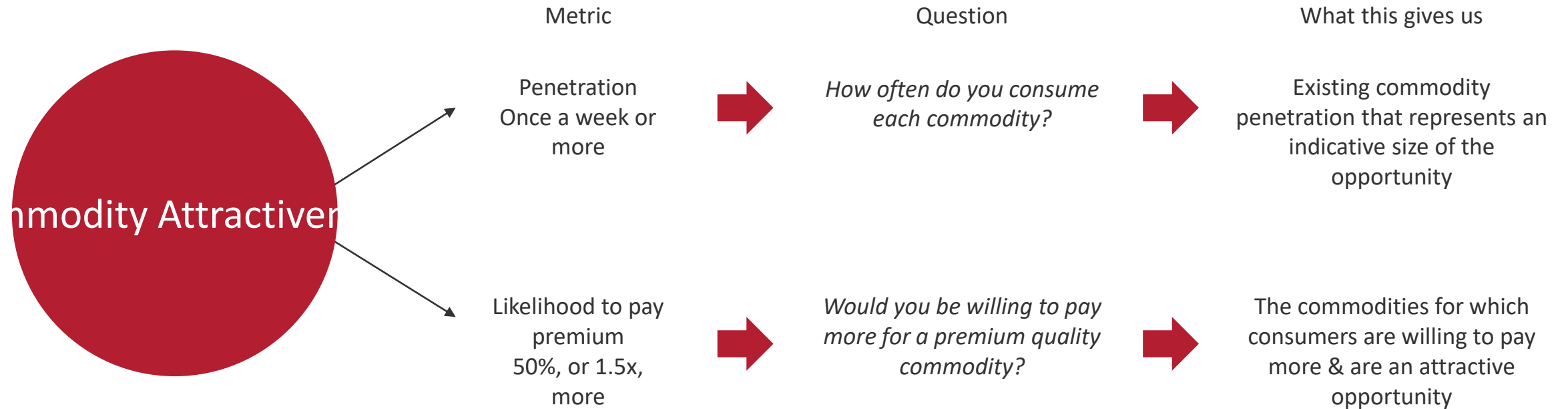


Commodity Attractiveness and Australian Appeal are each determined by two factors. Each factor carries a different weight reflecting their relative importance



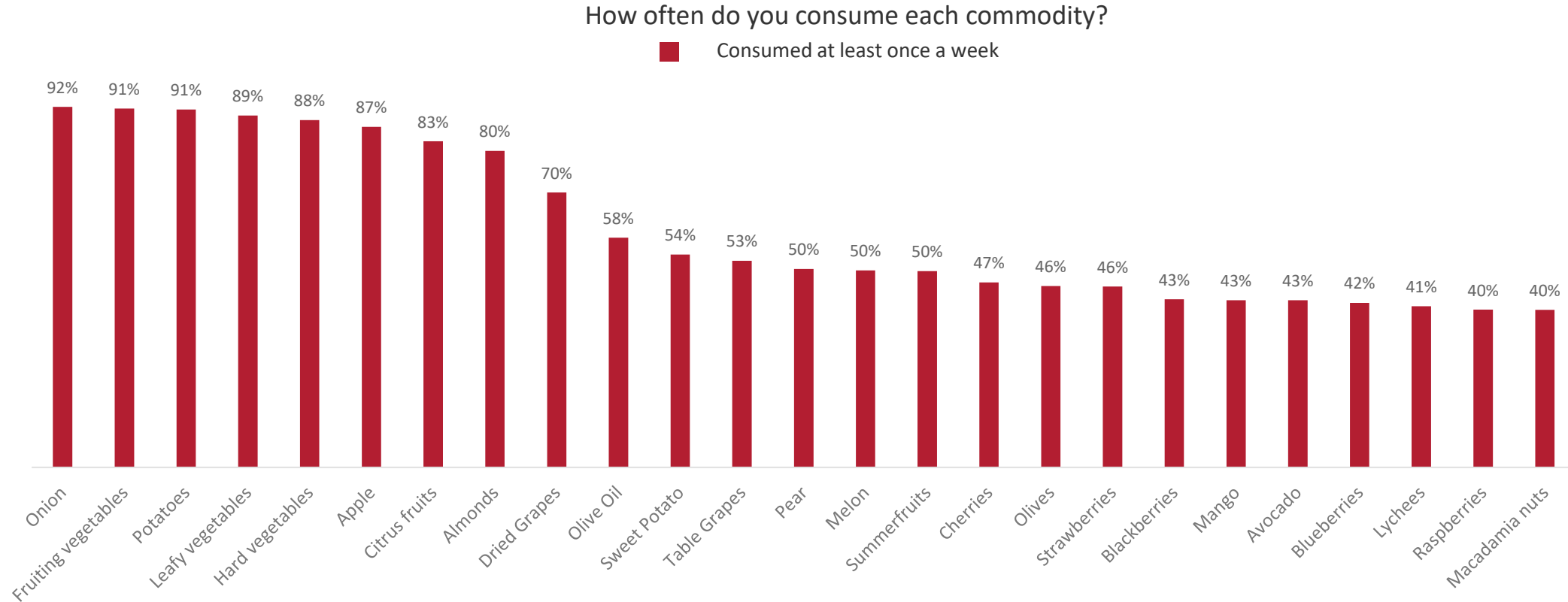


Commodity Attractiveness determines the size of the potential opportunity for a particular commodity



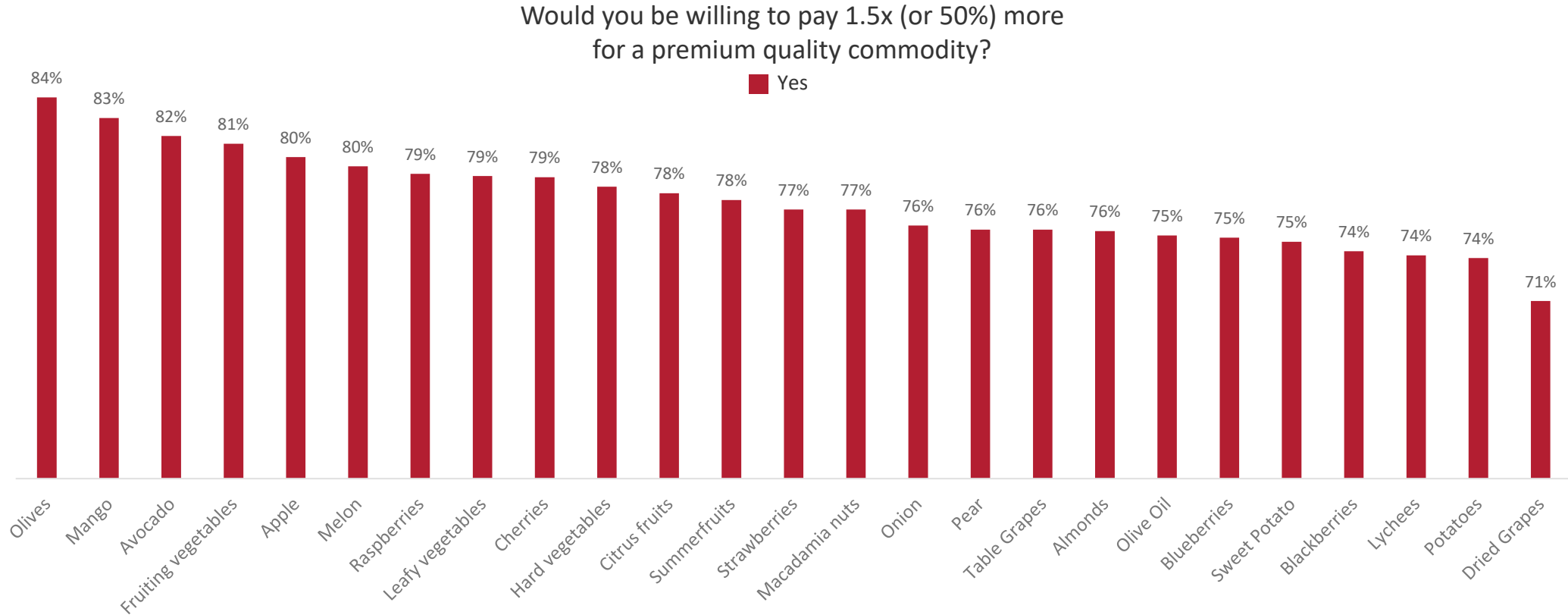


Vegetables, onion and potatoes are consumed at least weekly by the majority of consumers in India, followed by apples, citrus fruits and almonds



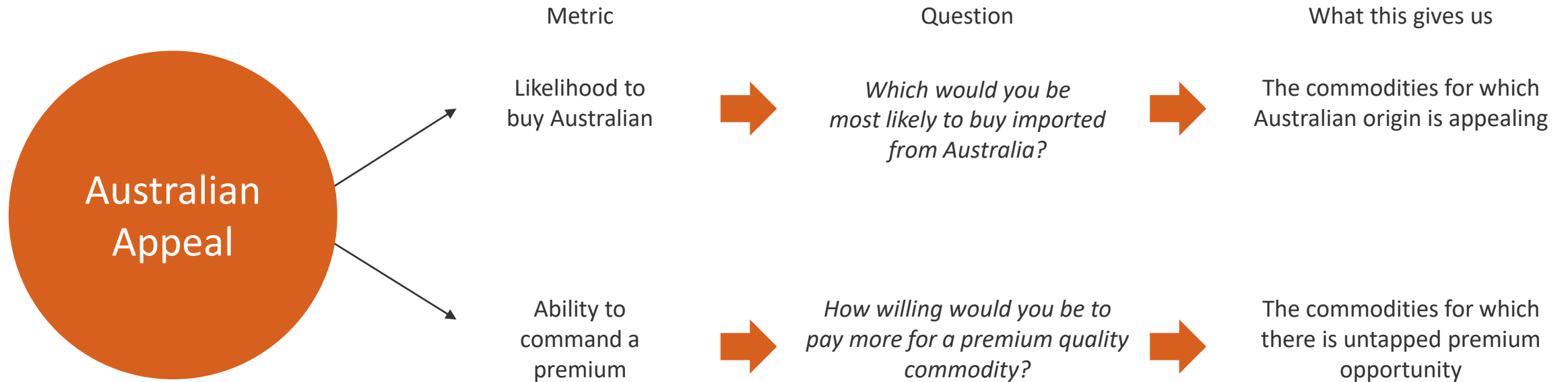


All commodities can command a premium price in India, especially olives, mangos and avocado





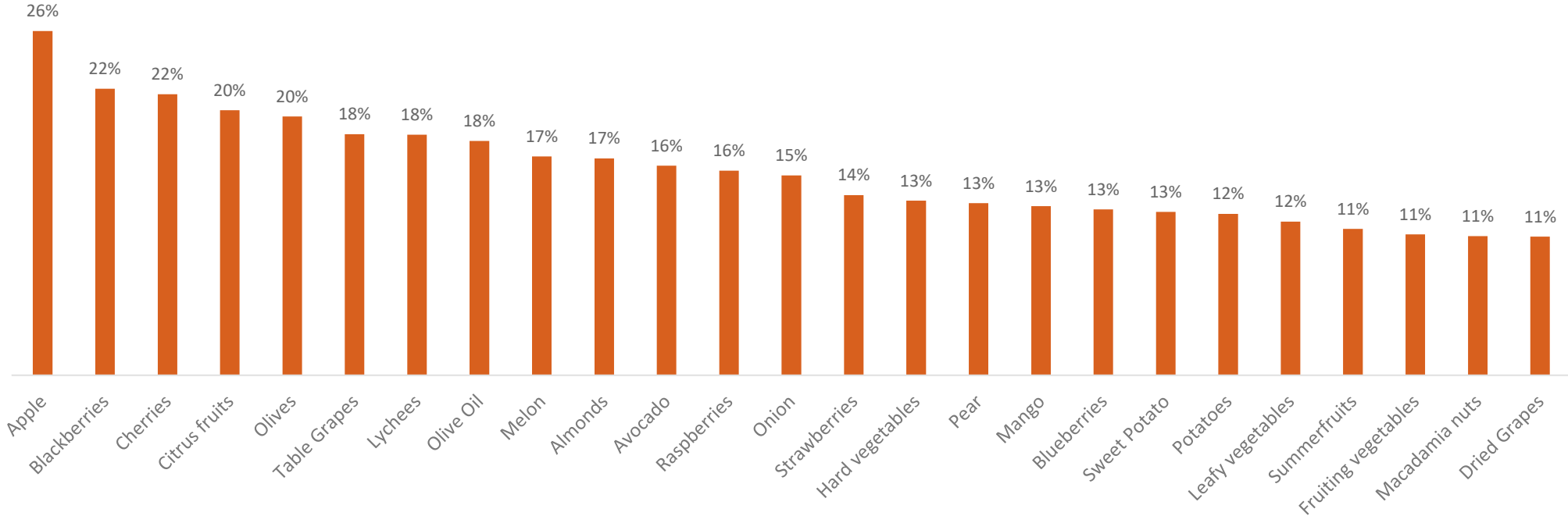
Australian Appeal provides an indication of the potential to realise the export opportunity based on how likely consumers are to purchase Australian or pay a premium for quality





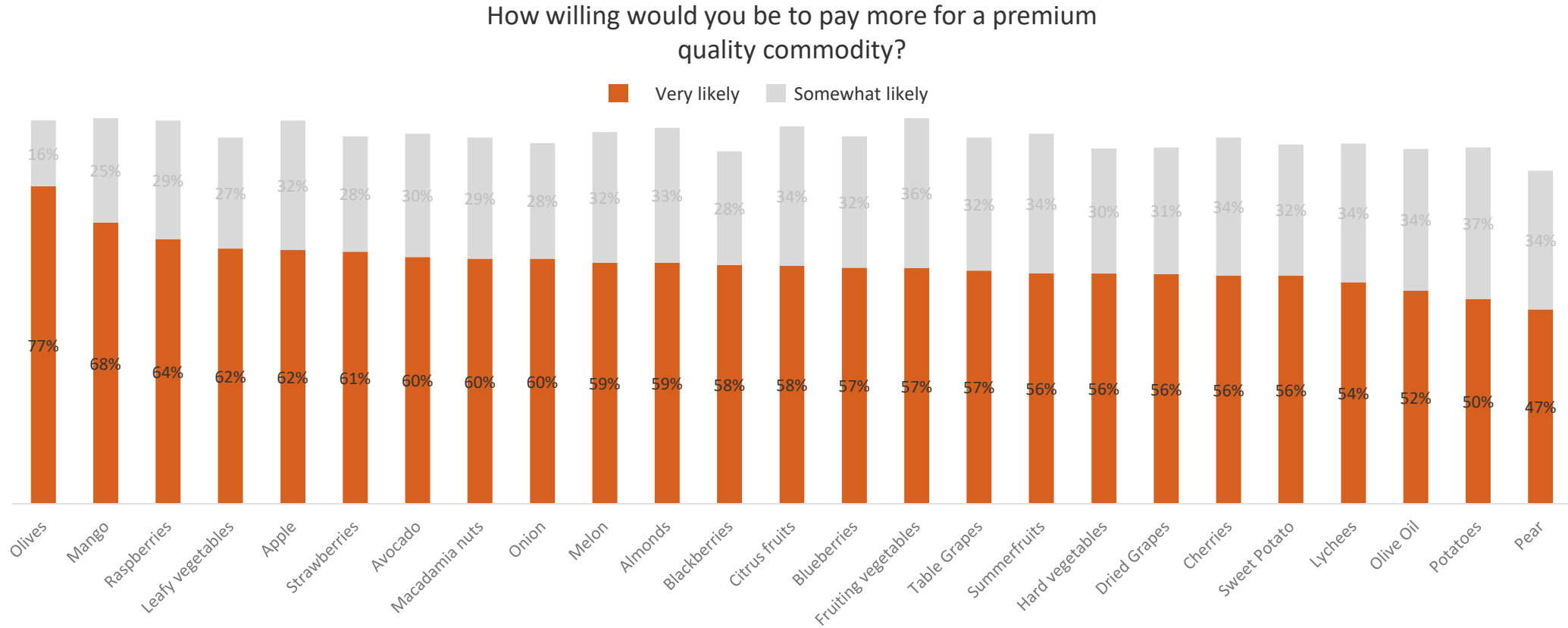
Apples, blackberries, cherries, citrus and olives are the most appealing commodities from Australia

Which of the following would you be most likely to buy imported from Australia?





Indian consumers are willing to pay more for a premium quality commodity across all types of fruits and vegetables, especially olives and mangos



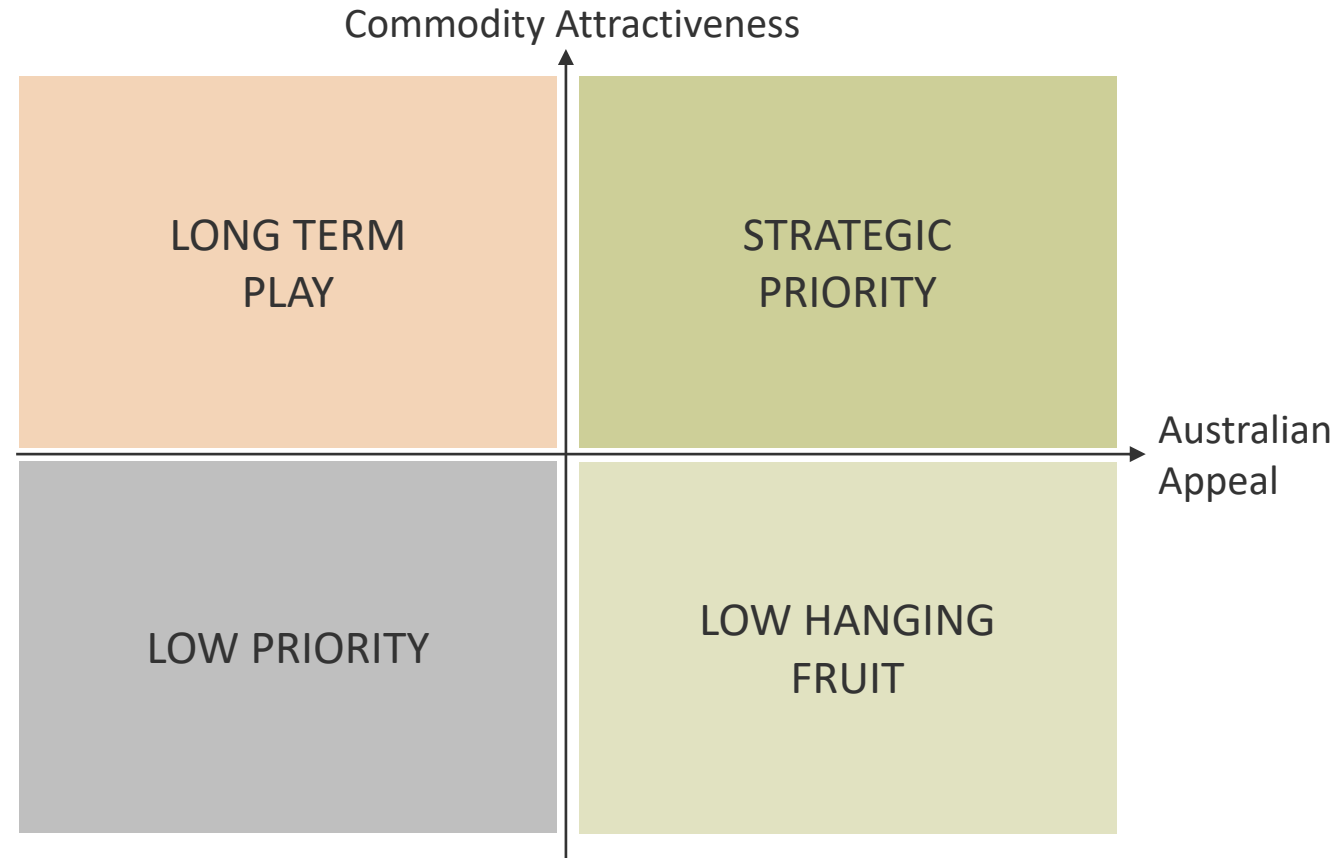


We bring this data together into a
prioritisation matrix

The matrix will enable us to
determine which commodities
represent a strong consumer
opportunity for Australian export

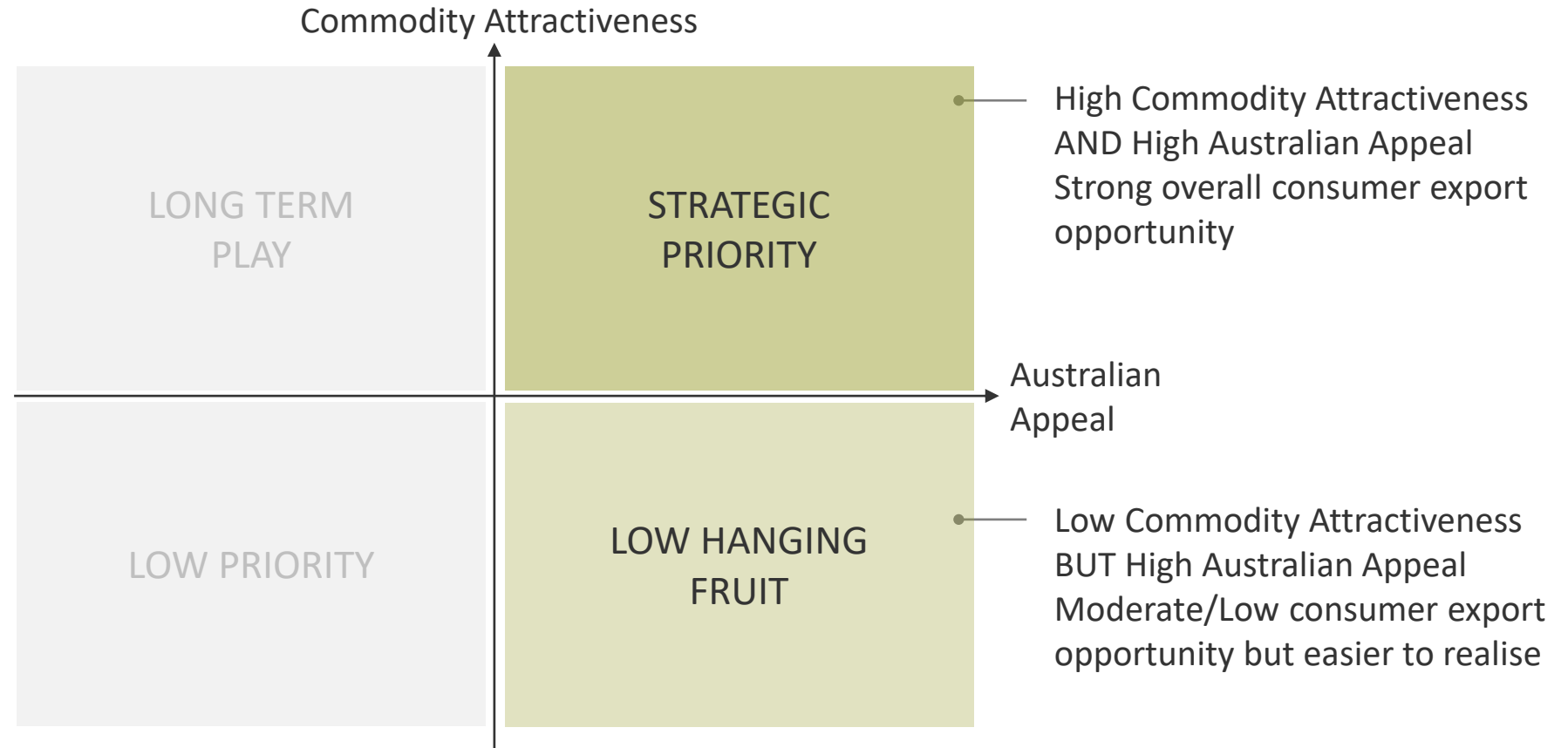


We plot each commodity's metrics on a strategic matrix to identify priority opportunities based on consumer preference and behaviour





Commodities on the right-hand side of the matrix represent more attractive consumer opportunities for export and investment is more likely to generate a return





By contrast, commodities on the left-hand side of the matrix may require more investment with a longer term pay-off or minimal to no returns

Commodity Attractiveness

High Commodity Attractiveness
BUT Low Australian Appeal
Moderate consumer export opportunity and potentially more investment to realise

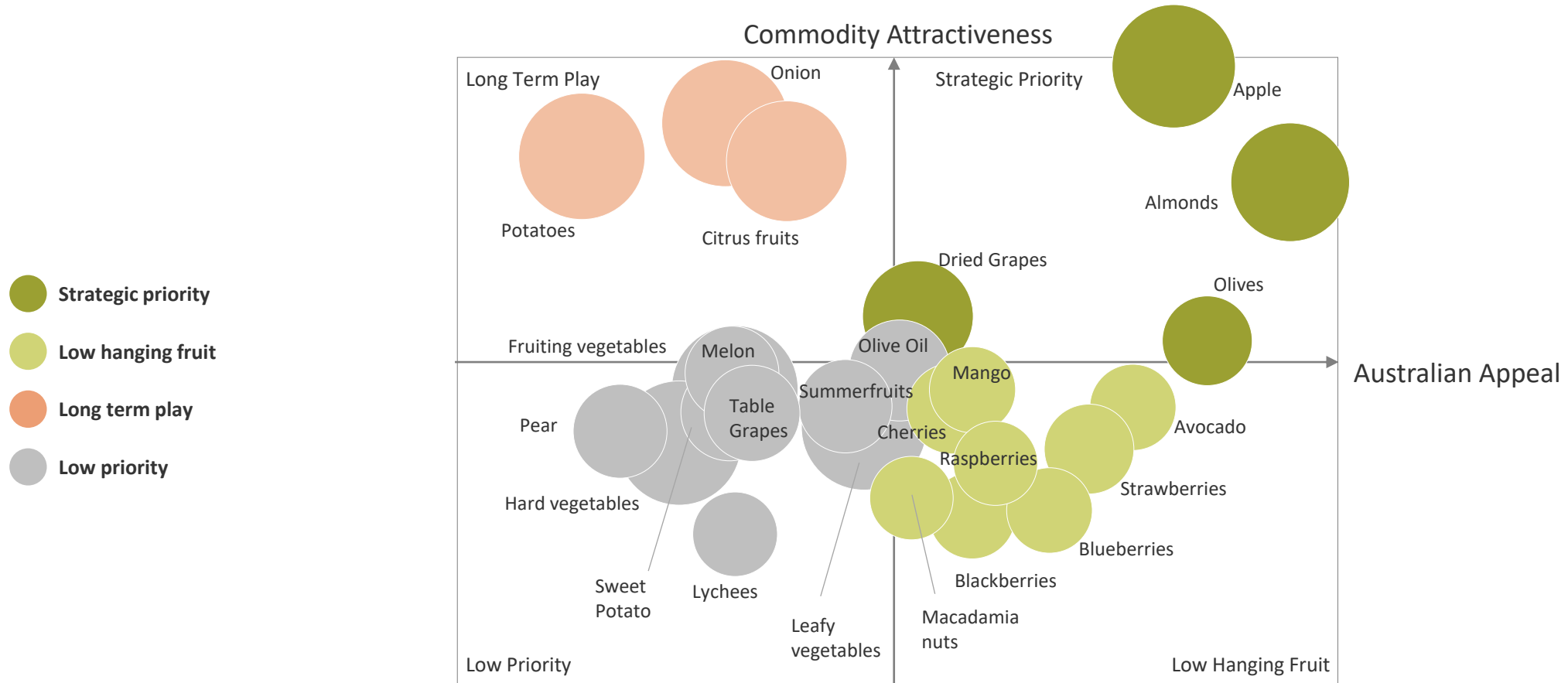


Australian Appeal

Low Commodity Attractiveness
AND Low Australian Appeal
Low consumer export opportunity and any investment may not generate a return



We have identified 4 strategic priority commodities that represent the most attractive and appealing export opportunity, based on consumer preference and behaviour



India: Summary of Strategic Priorities



Apples



Almonds



Olives



Dried Grapes

STRATEGIC IMPLICATIONS

Apples are an opportunity because of their significant market size (given high penetration) and high premium quality appeal. Indian consumers also claim that they're most likely to buy apples imported from Australia vs. all other commodities

Almonds have high penetration in India where they're widely consumed. There's moderate Australian appeal and a decent premium opportunity making them a strategic priority for export

Olives have moderate penetration in India, they're less widely consumed. However, they have very high premium appeal and people are most likely to spend more on this commodity vs. all others

Like other nuts, dried grapes have high penetration in India. Although Australian appeal is low, there's indicators that people would be willing to spend more on premium

ATTRACTIVENESS

- High penetration (#1 rank fruit)
- High willingness to pay 1.5x for premium

- High penetration
- Moderate willingness to pay 1.5x for premium

- Moderate penetration
- The highest-ranking commodity for willingness to pay 1.5x more

- High penetration
- Low willingness to pay more (lowest ranking commodity)

ADDRESSABILITY

- Highest likelihood to purchase this commodity imported from Australian
- High premium quality appeal

- Moderate Australian appeal
- Moderate premium quality appeal

- High Australian appeal
- Very high (#1 ranking commodity) premium quality appeal

- Very low Australian appeal
- Moderate premium quality appeal



6. Appendix A

The following groups of fruits, vegetables and nuts are included in the study

Fruits



Apple & Pear



Blueberries



Cherry



Citrus
(e.g. orange, lemon,
lime, grapefruit)



Lychees



Mango



Melons



Raspberries
& Blackberries



Strawberries



Summer fruit
(e.g. apricots, nectarines,
peaches, plums)



Table Grapes

Nuts & dried fruits



Almond



Macadamia



Dried Grapes
(e.g. raisins, sultanas)

Vegetables



Potatoes



Sweet Potato



Avocado



Olives/Olive Oil



Onion



Hard Veg
(e.g. carrots, sweet
corn, pumpkin,
cauliflower, cabbage,
beetroot)



Fruiting Veg
(e.g. tomatoes,
capsicum,
cucumbers, zucchini,
eggplant)



Leafy Veg
(e.g. salad greens,
broccoli/broccolini,
fresh herbs, lettuce,
leafy Asian greens,
spinach, silverbeet,
kale)

While avocados and olives are technically fruits, this report aims to provide a consumer lens and in the minds of consumers, these commodities are considered vegetables. The substitute set is vegetables, hence they are included here.