Horticulture Innovation Australia

# Final Report

## Developing Export Markets for Australian Almonds

Ross Skinner
Almond Board of Australia

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**AL12016**

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Level 8, 1 Chifley Square
Sydney NSW 2000
Tel: (02) 8295 2300
Fax: (02) 8295 2399

# Contents

# Summary

This project was aimed at ensuring that the industry had the capacity to visit, study and learn first-hand from interaction with the importers, trade officials and market analysts / researchers to facilitate export market development for Australian almonds.

It aimed to ensure that the most favourable market access conditions are in place, and that Australian almond products are tailored to market opportunities in key export countries. To enhance Australia's ability to further develop exports into both existing and emerging markets, a suite of market development activities was undertaken by the Almond Board of Australia (ABA) with direct involvement from Australia's major almond exporters: Select Harvests Limited, Olam Orchards Australia, Almondco Australia Limited, Nut Producers Australia and Bright Light Almonds.

Almond exports have been required to grow from 30,674 tonnes in 2012/13 to over 60,000 tonnes in 2015/16, the period of this project. The investment in market development and market access has been a key to implementing the strategies developed by the ABA's Market Development Committee and approved by Horticulture Innovation Australia Ltd.

The almond industry achieved record export sales of 60,677 tonnes in the 2015 calendar year. For every tonne sold on the domestic market three tonnes were sold overseas. Australian Bureau of Statistics data shows that export sales of almonds was worth $745.263 million. This represented 36% of total Australian horticultural exports during the year. The growth in export revenue was 71.85% due to an increase of 9,393 tonnes in volume traded (17.73%) and increased global prices for almonds that saw the monthly average export price per kilogram rise from $9.01 to $12.31 during the year. At the commencement of the project the monthly average export price per kilogram was $7.26 and at its conclusion this had risen to $8.22.

The strategy focussed investment in the FTA markets whilst maintaining a strong presence in established markets in Europe, India and the Middle East. This strategy delivered strong growth in Japan and Korea where volume increases were 416% and 1,103% respectively. Although the FTA with China did not take effect until late in 2015, sales volume increased 76% as this market was targeted by the Australian industry in preparation for tariff reductions that have fallen already from 10% to 6% for shelled almonds during the phasing out period. The Chinese market is also the ultimate destination for much of the product exported to Vietnam and sales there increased from 38 tonnes to 898 tonnes.

Indonesia was the other market targeted by the industry for development after market and consumer research was undertaken. A 275% increase in tonnage exported to Indonesia was achieved in 2015.

Attendance at trade fairs and engagement with the nut trade by the Australian industry occurred during the project in Japan, Korea, China and Indonesia in an effort to increase sales into East Asia which in 2013 accounted for 6% of total export sales. This has lifted to 10% during a period when total export tonnage of Australian almonds has doubled.

India remains the jewel in the crown with strong gains continuing to be made throughout the period of the project. In 2015, Indian volume increased 35% and it remained by far the largest country of destination for Australian almonds which were sold mainly as in-shell product. The tonnage growth over the period of this project was 6,191 tonnes, from 9,464 tonnes to 15,655 tonnes, an increase of 65% in the three years. The sales value increased from $52 million to $196 million.

Trade agreement talks between Australia and India remain of key importance as this would confer a significant advantage in this market. The Indian and Middle Eastern markets are covered by the Gulfoods trade show which has been a key event in building contacts with the nut trade in this region and presenting the Australian almond industry as a viable alternative supplier to California.

Market development also continued in Europe with double digit growth in Denmark (78%), Britain (75%), Spain (62%), Germany (52%), France (15%), Greece (24%), and Belgium (10%). Europe remains the most valuable sales region for Australian almonds with 41% of exports shipped to European ports. The Anuga trade fair remains the key trade event servicing Western Europe.

After a promising start, efforts to open the Eastern European market were dashed by the Russian embargo on Australian agricultural products in 2014.

Market access issues relating to Aflatoxin breaches in the EU were successfully addressed by the ABA and Australian Government working with the European Commission. Aflatoxin breaches above the permissible level were found in shipments totalling 180 tonnes into the EU during late 2014. The ABA worked with the Minister-Counsellor, Australian Department of Agriculture, at the Australian Embassy in Brussels to overcome the inconvenience and expense involved in the 400% increase in testing of almond exports to the EU. The preventative measures put in place by industry from the orchard through to QA were effective, with Australian almonds removed from the emerging risk category in June 2016. The assistance from the Almond Board of California (ABC) in dealing with this issue has been very valuable as the Australian industry drew on their previous experience in this area.

The ABA worked collaboratively with the ABC in staving off a reduction in the European MRL for Fosetyl-Al from 75ppm to a default position of 2ppm which would have been impossible for the nut industries worldwide to meet. The nut industries now have until 2019 to put in place a scientifically based MRL which, given the harmless nature of the residue, should be set at 75ppm which will facilitate compliance.

The ABA continued to produce industry statistics in relation to crop estimates, actual supply, demand and sales from confidential information supplied from the industry marketers. These statistics provided valuable information used in the development of the industry's market development program.

The industry marketers agreed to use one trademark logo for building recognition of the brand *'Australian Almonds'* and agreed on its design which is also being taken up by overseas retailers.

Total funding for the project of $492,160 was provided by the Almond Board of Australia ($288,612) and Commonwealth government via Horticulture Innovation Australia Ltd ($203,547). For every one dollar of taxpayer funding provided, $5,252 of additional export revenue was generated in the three-year period of the project. The benefit of the market development achieved will continue to deliver value well into the future. This analysis ignores the considerable efforts of the industry's marketers and the promotional funds invested by both the Australian and US peak industry bodies as well as exporters in building demand for almonds in international markets.

## Keywords

Almonds, Market Development, Trade Events, Market Access

## Introduction

The Australian almond industry expanded rapidly during the mid 2000's. With orchards taking eight years to reach full maturity the industry was faced with rapid, large production growth during the period of this project that saw exports almost double from 30,674 tonnes in 2012/13 to over 60,677 tonnes in 2015/16.

The need for export market development was clear. The industry needed to gain an understanding of emerging markets, build on the foundations laid in established markets and show the world the Australian almond industry was a viable alternative supplier to California.

The industry supported this project through co-investment with Horticulture Innovation Australia of the ABA voluntary marketing levy that is raised on 99% of production.

The investment has proven worthwhile. During the period of the project the Australian almond industry was the first have to export sales of more than $300 million in a year and by the conclusion of the project export sales reached $745 million, representing 36% of total Australian horticultural export sales.

# Methodology

The premise of the project was to show the world that the Australian almond industry can reliably supply high quality product in substantial volumes so that the industry is viewed as a bona fide alternative supplier to the US almond industry who produces 80% of the global crop.

The primary action to achieve this goal is for the Australian industry to have a highly visible presence at major trade events in Europe, the Middle East and Asia. This visibility is aided by all the major industry export marketers attending on the same exhibition space.

In addition to the exhibiting at these trade events, a number of trade forums were conducted in emerging Asian markets, providing the opportunity to educate nut traders about almonds and the Australian industry.

The annual program of activities was developed by the Almond Market Development Committee on which all major Australian marketers are represented. These annual programs were submitted to, and approved by Horticulture Innovation Australia Ltd. This annual planning process provided flexibility and enabled a focus on the FTA markets to be developed.

The project also resourced the investigation of the Indonesian market.

To support the development of the export marketing strategies and investment plan, industry statistics were produced on a forecast and actual basis for production, sales, market share and consumption. The cooperation of the industry marketers in providing confidential information was crucial to this activity.

During the period of the project two major challenges emerged in the European market which were addressed on a whole of industry basis to gain a satisfactory outcome. Again, the Almond Market Development Committee played a leading role in guiding the response of the Australian almond industry to being placed on the emerging risk list in Europe following a series of breaches of the Aflatoxin level. It also oversaw the response by the ABA to gain a deferral of the introduction of a default MRL for Fosetyl-Al that would have precluded exports to Europe that represented 41% of total almond exports in 2015/16.

The guidance of the Almond Board of California in these issues is gratefully acknowledged, as is their strong advocacy to the EC on the Fosetyl-Al issue.

# Outputs

The primary outputs of this project are:

1. Exhibited at the following trade events:
    - **Anuga, Cologne**: October 5 to 9 2013
    - **Prodexpo, Moscow**: February 10-14 2014
    - **Gulfoods, Dubai**: February 20-27 2014
    - **Foodex, Tokyo**: March 4-7 2014
        - Seminar March 2014
    - **International Nut Congress, Melbourne**: May 20-22 2014
    - **Asia Fruit Logistica, Hong Kong**: September 3-5 2014
    - **Sial, Paris**: October 19-23 2014
    - **Food Week Korea, Seoul**: November 12-15 2014
        - Seminar November 12 2014
    - **Gulfoods, Dubai**: February 8-12 2015
    - **Foodex, Tokyo**: March 3-6, 2015
        - Seminar March 3 2015
    - **Food & Hotel Indonesia, Jakarta**: April 15-18 2015
    - **Sial China, Shanghai**: May 6-8 2015
    - **Asia Fruit Logistica, Hong Kong:** September 2-4 2015
    - **China FVF (Fruit & Veg) Fair, Beijing**: Sept 9-11 2015
    - **Anuga, Cologne**: October 10-14 2015
    - **Food Week Korea, Seoul**: November 18-21 2015
        - Seminar November 18 2015
    - **Gulfoods, Dubai**: February 21-25 2016
        - Networking Event February 23 2016
    - **Foodex, Tokyo**: March 8-11 2016.
        - Seminar March 8 2016
    - **Sial China, Shanghai**: May 5-7 2016

2. Indonesian nut sector study trip and Indonesian market research.

3. Market access issue representation on Aflatoxin breaches in the European Union.

4. Market access issue representation on Fosetyl-Al MRL reduction in the European Union.

5. Industry crop estimate, actual supply, demand and sales statistics and reports.

6. Brand *'Australian Almonds'* Trademark Logo.

## Detailed Report on Trade Fairs and Markets they Influence

### Anuga Fine Foods Fair, Cologne: October 5-19 2013

The Australian almond industry exhibited at the Anuga Fine Food Fair in Cologne from October 5th to 9th, 2013. The stand was located in Hall 10.2 - Fine Foods - adjacent to the USA pavilion.

The Almond Market Development Committee undertook the planning for the event and its implementation was primarily undertaken by Joseph Ebbage.

All four Australian almond marketing companies were present with Joseph Ebbage at the exhibition stand: Damien Houlahan and Toby Smith from Olam Orchards Australia; Brenton Woolston and Tim Jackson from Almondco Australia Limited; Nigel Carey from Nut Producers Australia; and Laurence Van Driel from Select Harvests Ltd.


The organiser's key metrics for Anuga 2013 state there were 155,000 trade visitors from 187 countries and 6,777 exhibitors. It remains one of the largest food fairs in the world.

The stand design and creative communicated a modern, professional image for the Australian almond industry. It was designed to welcome existing and new trade inquiries to the industry.

While total traffic through the stand over the five days of the fair seemed lighter than previous Anuga experiences, there has been positive feedback about the contacts established. The stand gave an opportunity for traders who have never purchased Australian almonds to meet with representatives of the Australian industry 'face-to-face'. The response from visitors to the stand has changed from "I didn't know that Australia grew almonds" to "I've heard about Australian almonds, but did not know the industry is as significant as it seems".

The combined Australian industry presence facilitated by the ABA stand provides a powerful image of brand *'Australian Almonds'*.

The organisers of Anuga reported that the following trends were observed at the fair. Convenience products are becoming more widespread. With these products, the food supply chain is consistently meeting the needs of an increasing number of people who are adapting their eating habits to the changed nature of daily life.

More and more manufacturers and brand name products are now focusing on the freshness, taste, nutrition and sustainability of their food products as well as on the products' high quality.

The debate held under the motto "Food Values" addressed not only changes in consumer behaviour but also the sector's efforts to engage in a broader dialogue and promote transparency. The trade fair also featured the trend toward providing offers for specific target groups e.g. vegetarians, vegans and people with intolerances regarding certain types of food. Organic food, fair trade products and regional specialities all continued to attract lots of interest.

Western Europe re-emerged from its flat sales results for the period 2010 to 2012 to again become a major growth driver of almond consumption. With the higher commodity price for almonds during the past 12 months it would appear that the Western European market is quite price resilient.

## Prodexpo, Moscow: February 10-14 2014

The trade exhibition Prodexpo was held in Moscow from February 10th to 14th. The Australian Almond exhibition booth was 25 A55 in Hall 5, one of the two halls devoted to a major theme of Prodexpo: "Confectionary snacks, Nuts, Dried Fruit, & Bakery ingredients for confectionary products".

The members of the Australian almond industry delegation who attended Prodexpo were: Damien Houlahan of Olam Orchards Australia; Peter Petropolous of Select Harvests Ltd; Stefan Kaercher of Almondco Australia Limited and Joseph Ebbage of the Almond Board of Australia.

The timetable for the Prodexpo exhibition was:

- February 8th: Review of the Moscow food market for almond products and the nut category with a focus on retail packaging and pricing.
- February 9th: Set-up the Exhibition booth.
- February 10th-14th: Attend Prodexpo - including major presentations and manning of the Australian almond booth.

Prodexpo is the largest annual food show covering Russia and Eastern Europe. Their published results for the 2014 event were: 2,300 exhibitors from 63 countries with 35 national pavilions. There were over 50,000 visitors from 100 countries including all Russian federal districts.

The Australian stand had a qualified interpreter for the duration of the exhibition who assisted not only with inquiries at the stand, but worked with our marketers in making introductions to other nut packers and distributors that were also exhibitors. Most of these nut packers were Russian based.

When many of these nut distributors visited our booth in return during the show the quality of our presentation communicated that the Australian almond industry is credible and a serious alternative to the Californian industry with whom they currently deal.

The large space allocated to nut packers and distributors at Prodexpo highlights the market size of the nut category in general, and almonds in particular.

Marketers noted the pricing sensitivity of the Russian market. The almond commodity price had increased significantly, and the 2014 year-to-date export sales (August 2013 to February 2014) from California to Russia had declined 21% indicating it is less price resilient than Western Europe.

It was the view of the Australian delegation that the potential existed to build new business in Russia but to be developed slowly as trust and risk management are key issues when dealing with new customers.

The embargo on Australian agricultural products in mid 2014 closed the Russian market to Australian almonds.

## Gulfoods, Dubai: February 23-27 2014

All four Australian almond marketers as well as the ABA attended this exhibition which is the most important annual show, given Anuga in Cologne and SIAL in Paris are biennial.

The members of the Australian almond industry delegation who attended Gulfoods in 2014 were: Brenton Woolston of Almondco Australia Limited; Toby Smith of Olam Orchards Australia; Laurence Van Driel of Select Harvests Ltd; Nigel Carey of Nut Producers Australia; Ross Skinner, Brendan Sidhu and Joseph Ebbage of the Almond Board of Australia.


The timetable for the Gulfoods exhibition was:

- February 21$^{st}$: Review of the UAE food market for almond products and the nut category with a focus on retail packaging and pricing.
- February 22$^{nd}$: Set-up the Exhibition booth at Gulfoods 2014.
- February 23$^{rd}$-27$^{th}$: Attend Gulfoods which included major presentations and manning the Australian almond booth.
- February 24$^{th}$: Australian Almond Breakfast Seminar.
- February 24$^{th}$: Meeting of Brendan Sidhu, Ross Skinner and Joseph Ebbage with the Hon Peter Walsh, MP, Minister for Agriculture and Water and senior staff of the Department of Environment and Primary Industries (DEPI) including Adam Fennessy the Secretary of DEPI who leads the Department in boosting productivity in Victoria's food sector and protecting Victoria's environment and James Flintoff.
- February 24$^{th}$: Australian industry delegation attended the "Put Victoria on the Plate" gala function for Victorian businesses and the UAE business community.

Gulfoods 2014 had over 4,200 exhibitors and more than 77,000 visitors. Although they have increased the space, almost 3,000 companies remained on the waiting list unable to be accommodated.

The ABA conducted an Australian Almond Seminar held on day two of Gulfoods. This event was very well attended by over 60 of the industry's trade contacts, particularly from India and the Middle East countries. A number of representatives of the Californian almond industry also attended, further helping to develop the relationship between our two industries.

The ABA CEO, Ross Skinner provided an update on the Australian industry and the review of 2013/14 growing season was presented by Brendan Sidhu, Chair of the Market Development Committee.

The presentation featured a video of Brendan Sidhu in the Jubilee Almond's orchard showing the crop on the trees and quality of the nuts taken straight from the tree. This aspect of the presentation was very well received.

The Gulfoods Forum was held as a breakfast function to allow those involved in their own trade stands to attend.

This was the third time the ABA has conducted a seminar during Gulfoods and it has continued to grow each year and is recognised as an important element in building the relationship with the Indian and Arab markets.

## Trade Visit to Delhi

Brendan Sidhu, Chair of the Market Development Committee and Ross Skinner, ABA CEO, visited Delhi prior to Gulfoods and visited the major traders at the Old Delhi Market. Major matters discussed during the meetings held in New Delhi included food safety standards, tariffs, fumigants, quality issues, new season harvest progress, development of retail trade and initiatives to build the relationship between the Australian industry and Indian importers.

A meeting was held with Almond Board of California's senior executives Richard Waycott, Julie Adams, John Talbot (Vice President, Global Market Development), Sudarshan Mazumdar (ABC Indian Market Manager) and the Agriculture Counsel from the US Embassy. Discussions covered bulk packaging, use by and best by labelling for India, port clearance issues in India, mandatory pasteurisation of almonds sold internationally, statistical collection systems, regular joint preparation of global supply, sales and projected demand data, the impact of the change of name for almonds to Bian Tao Ren and Ba Dan Mu in the Chinese market, alternative fumigants for exports, and Aflatoxin trade incidents in Europe.

## Foodex, Tokyo: March 4-7 2014

Foodex 2014 was the 39th year of this exhibition in Tokyo. It attracted 2,808 exhibitors from 78 countries. More than 73,000 buyers, including food service companies, distributors and wholesalers visited Foodex in 2014, taking place from March 4th to 7th.

The purpose of the Australian almond industry's participation in Foodex 2014 was to explore market opportunity, and to understand issues that relate to an Australian almond expansion into the Japanese market.


The members of the Australian almond industry who attended Foodex were: Tim Jackson of Almondco Australia Limited; Damien Houlahan and Toby Smith of Olam Orchards Australia; Nigel Carey of Nut Producers Australia and Joseph Ebbage of the Almond Board of Australia.

The timetable for the Foodex exhibition was:

- February 28th -March 2nd: Review of the Tokyo food market for almond products and the nut category with a focus on retail packaging and pricing
- March 3rd: Set-up the Exhibition booth at Foodex 2014
- March 4th -7th: Attend the Foodex Expo which included major presentations and meetings at the Australian almond booth.

Trade relationships between Japan and California are strong, and their trade is growing. Breaking into this market will take some time and consistent effort over the medium term. However, Japan is an attractive market as it has continued to grow during a time of rising almond prices and has established consumer demand.

There are several impediments to the Australian almond industry increasing market share in Japan:

- The country of origin statements on-pack would require packaging alterations before Australian almonds could be used.
- Some manufacturers currently specify Californian almonds in their internal specifications. These would also need to be changed before they could buy Australian almonds.

The FTA announcement saw the tariff on Australian almonds reduced from 2.4% to zero.

## International Nut Congress, Melbourne: May 20-22 2014

The Australian almond industry worked to further the recognition of the *'Australian Almonds'* Brand during the International Nut Council Congress held in Melbourne in May 20-22, 2014 with the following activities:

- Pre-congress tours and visits to almond orchards and processing facilities in Sunraysia were conducted.
- Exhibition booth at the Congress.
- Australian almond networking event at the MCG on Wednesday May 21st.

Wet weather at the tail end of the 2014 almond harvest was a concern to Indian traders who were interested in the impact of this on Australian quality. The Australian industry, as a result of the R&D investment in dehydration, was in a position to show the Indian trade visitors that the risk to quality posed by rain events during our harvest was being addressed.

## Asia Fruit Logistica, Hong Kong: September 3-5 2014

Joseph Ebbage attended the event and believed the 2014 event held September 3-5 was valuable.

A recommendation from the review of the event was that in 2015, a speaking slot in the seminar should be sought to get people thinking nuts as well as fruit and vegetables, as there was a big opportunity to have nuts in the fresh fruit and vegetable section of retailers, and not just in the salty nut category.

## Sial, Paris: October 19-23 2014

The ABA exhibition at Sial was part of the International Nut Council space. Sial and Anuga are the trade fairs that cover the Western European nut trade.

All four Australian almond marketing companies were present with Joseph Ebbage at the exhibition stand: Damien Houlahan from Olam Orchards Australia; Tim Jackson from Almondco Australia Limited; Nigel Carey from Nut Producers Australia; and Laurence Van Driel from Select Harvests Ltd attended the event held October 19-23, 2014.

The marketers' assessment of the trade fair was that it was relatively quiet, but there was value in being part of the INC space that attracted the major European nut traders to the area.

In 2014, sales into Europe increased 10%.

## Food Week Korea, Seoul: November 12-15 2014

The exhibition held November 12-15, 2014 was well organized and projected a very positive image of brand *'Australian Almonds'* that communicated Australia is a credible and serious alternative to the Californian industry, this continues to be an important message in new markets.

The review of the event determined Korea had potential as a market, but new business needed to be developed slowly as trust and risk management issues with new customers had to be addressed.

Three of the Australian almond marketing companies were present with Joseph Ebbage at the exhibition stand: Damien Houlahan from Olam Orchards Australia; Tim Jackson from Almondco Australia Limited; and Laurence Van Driel from Select Harvests Ltd.

The Australian Almond Seminar organized by Austrade on the afternoon of the first day of the Trade Show was attended by 45 people and the presentations were well received. The international component of 'Food Week Korea' was quite small but the fact that Australian almonds were the only major nut company at Food Week Korea was advantageous in that visitors to the stand were not attracted away by competitors.

A full list of attendees at the Food Week Korea Seminar was distributed to all Australian marketers.

The ABA Market Development Committee noted that another trade show, 'Seoul Food', was to be held in May that has a much larger international food section, and attracts other major nut distributors and businesses, but the review of Food Week Korea determined its November timing worked very well in promoting Australia's new season product available in February.

## Gulfoods, Dubai: February 8-12 2015


The Gulfoods trade fair remains the key trade event in the Middle East / India which represented 35% of export sales in 2015. The total sales to the Middle East were up 16% influenced by a 42% increase to the UAE. The industry trade event held on the evening of 10th February was attended by 50 traders and was considered a success.

The Australian almond stand was 9m x 3m with strong visual impact. Industry background brochures were prepared and distributed.

Gulfoods was attended by Laurence Van Driel (Select Harvests); Toby Smith (Olam); Tim Jackson and Brenton Woolston (Almondco); Nigel Carey (NPA) and Joseph Ebbage (ABA).

## Foodex, Tokyo: March 3-6, 2015


The Australian almond stand at Foodex was situated in Hall 2 - 2B12 within a small Australian pavilion which contained four exhibitors.

Three Australian almond marketing companies were present at the event, held March 3-6, 2015, with Joseph Ebbage at the exhibition stand: Damien Houlahan and Toby Smith from Olam Orchards Australia; Tim Jackson from Almondco Australia Limited; and Nigel Carey from Nut Producers Australia.

Austrade in Tokyo assisted in organising an Australian Almond Seminar on the first afternoon of Foodex in a room close to the Australian Almond exhibition stand. The tariff reductions as part of the FTA with Japan created interest in the Seminar which attracted a good attendance. The Australian marketers are committed to further developing the Japanese market which can be lucrative if the base quality of the Australian crop is sufficiently good to limit the amount of additional processing required.

Three Australian almond marketers: Almondco; Olam; and Select Harvests Ltd participated at Foodex.

## Food and Hotel Indonesia, Jakarta

The Australian almond stand was part of an Austrade-organised pavilion opposite the Victorian Government sponsored exhibition. Toby Smith from Olam Orchards Australia and Laurence Van Driel from Select Harvests attended with Joseph Ebbage.

A seminar event for key Indonesian nut customers was held during the first day of Food and Hotel Indonesia organised in conjunction Brett Stevens, the Victorian Commissioner in Jakarta.

## Indonesian Nut Sector Study Trip

Joseph Ebbage visited Jakarta to meet with the Victorian Government's Commissioner for Indonesia, the Australian Government's Agriculture Counsellor, the team from Austrade and the Board of the Indonesian Dietetics Association.

The purpose of the meeting with Indonesian Dietetics Association was to initiate a conversation about the opportunity to collaborate in a similar fashion to the ABA's relationships with the Dietitians Association of Australia, to educate health professionals on the health benefits of almonds.

The Indonesian Dietetics Association members did not know any of the nutritional details of almonds but were prepared to discuss the opportunity to work together to educate consumers on the health benefits of nuts.

The meeting with the Victorian Commissioner for Indonesia, Brett Stevens, was positive and he committed to assisting the Australian almond industry break into the Indonesian nut marke,t and further discussions on how this may be achieved were held. Dean Merrilees, the Minister Counsellor for the Australian Department of Agriculture, offered assistance with issues of product access, particularly as it relates to changes in Indonesian government rules and interpretations.

Key points from the meeting with the food team from the Australian Trade Commission at the Australian Embassy in Jakarta were:

- They were very supportive of the industry's patient approach to market entry based on research.
- They agreed with the approach to the Indonesian Dietitics Association.
- Discussed a proposal to run a seminar at Food and Hotel Indonesia in April 2015.
- Discussed potential for Australian almonds to participate in a Food Tasting Festival to be held after Food & Hotel Indonesia.
- They reported that they have received numerous requests for information about Australian almonds which they will forward for distribution to the Australian almond marketers.

The Committee received a report prepared by Deakin University students for the Victorian Government Business Office on "The Potential Integration of Almonds into the Indonesian Market".

### Indonesian Market Research

Consumer research was conducted in Indonesia in 2014 by Roy Morgan Research. A small Australian delegation visited Jakarta to observe the work that focused on almonds and snacking.

It involved people who were cashew and/or mixed nut consumers and who were in the 'A/B' demographic segment to obtain an understanding of the tastes and opinions of people who eat nuts and have the income to buy almonds.

## Outcomes

The outcome of this project has been the building of export markets for almonds from 30,674 tonnes in 2012/13 to over 60,677 tonnes in 2015/16, and the value of exports from $151 million to $745 million. The awareness of the world nut trade to the capacity of the Australian almond industry has been significantly raised during the period of the project and this will continue to deliver benefit going forward.

For every one dollar of taxpayer funding provided to the project, $5,252 of additional export revenue was generated in the three year period of the project, and the benefit of market development activities achieved will continue to deliver value well into the future. This simple analysis ignores the considerable efforts of the industry's marketers and the promotional funds invested by both the Australian and US peak industry bodies in building demand for almonds in international markets.

The successful management of the market access issues of Aflatoxin breaches and proposed lowering of the MRL for Fosetyl-Al overcame the threatened curtailing of trade to the European market, that in 2015 received 25,802 tonnes or 41% of total Australian exports.

With further substantial industry expansion occurring this project has laid a basis for growing future demand in overseas markets. It has provided a successful template for ongoing market development, enabling the Australian almond industry to compete globally against a true heavy weight of horticulture in the Californian almond industry.

# Evaluation and Discussion

The figures speak for themselves. The project assisted in increasing export sales by 394% in three years.

The project benefitted by being guided by the ABA's Market Development Committee that both developed, guided, monitored and evaluated the activities undertaken. Because of the VC funding component of the project the marketers had skin in the game, and applied their considerable professional skills and experience to ensuring there was a significant return on investment.

The flexibility to provide annual programs of activities enabled the direction of the project to refocus on the FTA markets once a significant tariff incentive between the Australian and US industry was put in place. Whilst this has laid a foundation for the future in Asia, Europe, the Middle East, Subcontinent and the Americas are still the power houses of nut consumption. Future market development cannot ignore these markets by having a singular focus on Asia.

The Australian almond industry currently has 30,000 hectares of orchards producing 80,000 tonnes of almonds and is capable of producing 90,000 tonnes when the trees are fully mature. The expansion of orchards in the next few years will increase the planted area by 50% and take production to more than 130,000 tonnes by 2025.

The need for ongoing market development investment is clear, and the industry stands ready to co-invest if the funding mechanism/s to allow this to occur globally are in place.

# Recommendations

With significant new plantings underway in Australia there is a need to continue to develop emerging and established markets.

The Pool 2 Exports to Asia provides a funding mechanism for co-investment. A mechanism to allow co-investment to develop markets outside of Asia is required.

The flexibility offered by having annual programs developed and approved worked very well.

The ABA's Market Development Committee contributed significantly to the project's success and the high level skills and experience of the marketer members should continue to be utilised to develop, guide, monitor and evaluate activities undertaken in similar projects.

# Scientific Refereed Publications

None to report.

## Intellectual Property/Commercialisation

No commercial IP generated

## Acknowledgements

The Almond Board of Australia wishes to acknowledge to ongoing contributions to the project from the Market Development Committee members: Damien Houlahan; Laurence Van Driel, Tim Jackson, Grant Birrell and Adrian Lees.

The assistance provided by the Californian Almond Board in addressing market access issues is greatly appreciated.

## Appendices

Roy Morgan Research – Exploring the Potential of Australian Almonds in the Indonesian Market

Roy Morgan

Research

*Discover your edge*

# Exploring The Potential Of Australian Almonds In the Indonesian Market

Prepared for

The Almond Board Of Australia

By

Roy Morgan Indonesia

# Background

- Snacking on almonds is under-developed in Indonesia compared to the world market. Yet, snacking is the highest-volume source of consumption.
- Almonds are used as a bakery ingredient in Indonesia, but the volume consumed in this segment around the world is significantly smaller than the snacking category.
- Therefore Almond Board of Australia invited Roy Morgan to do a preliminary exploration to understand the general habit of snacking in Indonesia , and at the same time to see the possibility of Indonesian people to switch from cashew, mixed nut to almond. What are the key drivers for the behavioural change.

# Objectives

1. To test the taste profile of Indonesian cashew and mixed nut consumers with a range of almond products: natural, dry roasted, roasted and salted, smokehouse flavoured almonds
2. To understand packaging options: currently snack nuts are commonly sold in small tins. We would like to understand the consumers' perceptions of other packaging formats: re-sealable doy packs, cello packs
3. To understand the consumers' perceptions of the health attributes of almonds
4. To test the pricing options for packets of snacking almonds
5. To understand the consumers' perception and value of 'Australian' almonds
6. To see which promotion activities will be the most effective in influencing people to change their habits from snacking nuts/cashew to almonds.

# Methodology

Since this study will be just an exploration study, Focus group Discussion is the right methodology to be used for this study.

There will be 4 FGDs from different spec of respondents, each group will consist of 8 participants;

| | | | |
|---|---|---|---|
| Group 1 | : | Female aged between | 18 - 30 |
| Group 2 | : | Female aged between | 31 -45 |
| Group 3 | : | Male aged between | 18 - 30 |
| Group 4 | : | Male aged between | 31 - 45 |

All participants are from SES A&B, who are heavy snackers of cashew or mix nuts, some of whom may already be snacking on almonds.

These FGDs will be conducted in Jakarta city only.

# FINDINGS

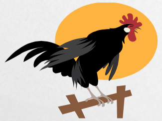
# SNACKING HABITS

# Most snacking occurs in the evening and afternoon

Many Indonesians would not consider something they eat a meal unless it includes rice. Thus bread is considered as a snack.

- Before breakfast or breakfast substitute

**Morning 7-8 a.m.**



- To fill stomach/ For energy

- Office (working adults)
- Taking a break from housework (housewives)
- At campus (students)

**Morning 9-10 a.m.**

- To get rid of boredom/sleepiness
- To reenergize

**LUNCH**


- Hanging out e.g. cafe, 7-11 , campus canteen, eatery
- On the road in car, bus, train
- At home (housewives) with kids

- To get rid of boredom
- Wait out rush hour traffic
- Complements social occasions

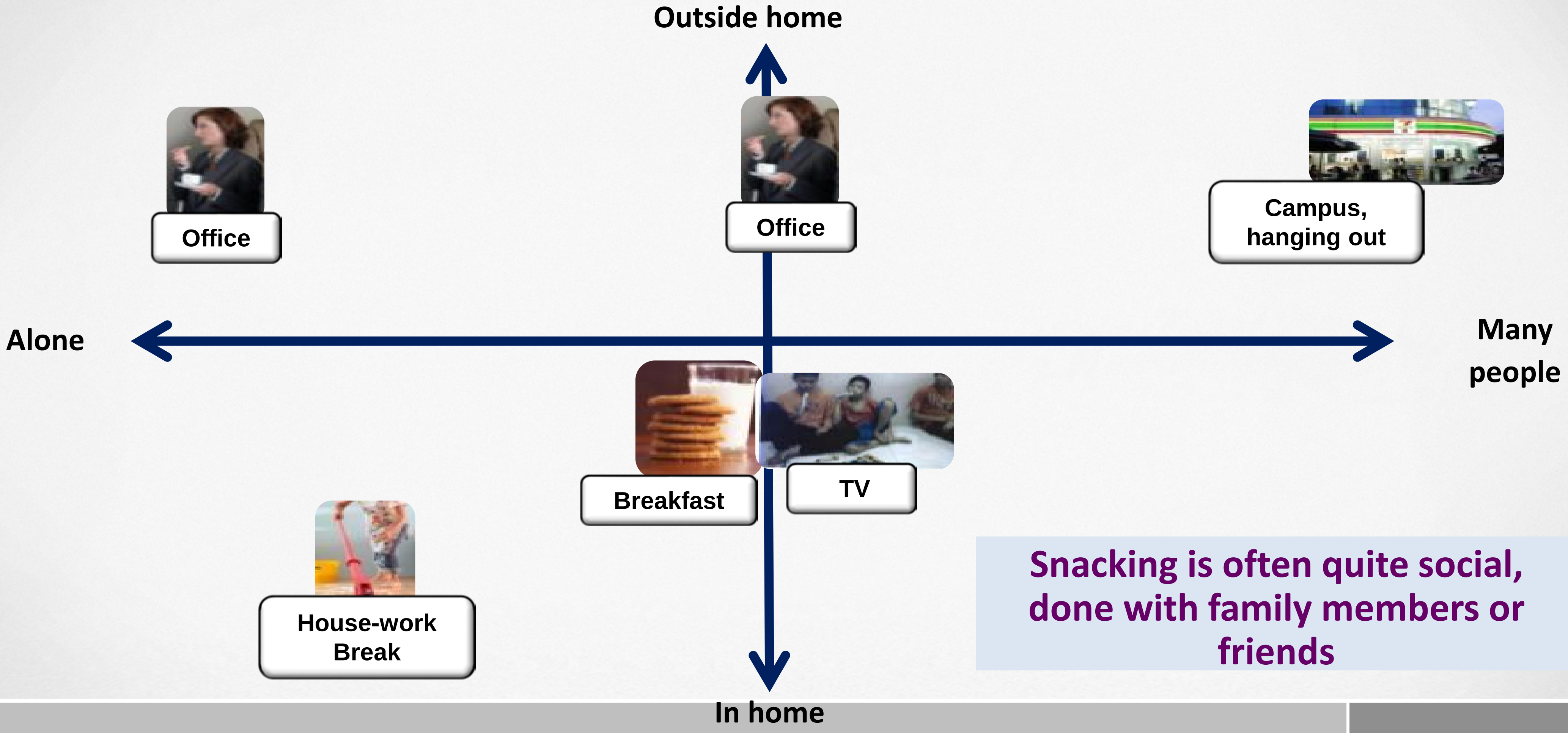
**DINNER**

- Watching TV / sports (with family or friends)

**Bed time**

Enhance watching moment and togetherness

# Mapping of key snacking occasions




**Snacking is often quite social, done with family members or friends**

# Before Breakfast or Breakfast Substitute

**The majority of Indonesians do not consider anything they eat a meal if it does not include rice. Thus, bread and oatmeal are considered as “snacks”.**

*“I don’t feel like eating rice  early in the morning so I eat bread at home then I eat my breakfast when I get to the office”*

*“I eat something easily prepared in the early morning then I have a full breakfast at 9 or 10 a.m.”*

| | |
|---|---|
| **WHAT?** | • Bread with spread, cheese or chocolate sprinkles<br>• Cake<br>• Biscuits<br>• Traditional cakes/snacks |
| **WHEN?** | • 7-8 a.m. before or as a substitute for breakfast with rice |
| **WITH WHOM?** | • Family, friend or alone |
| **WHERE?** | • At home or office |
| **WHY?** | • Rushed, need energy |
| **WHO BOUGHT?** | • Self/Mother,/Wife |

# Mid- Morning Snack

*"To keep us going in front of the computer at work"*

*"After I am done with the housework, I like to take a break, watch TV and have some snacks"*

| | |
|---|---|
| **WHAT?** | • Bread, Wafers, Biscuits, Nuts, Traditional Chips/Crackers, Candy |
| **WHEN?** | • 10-11 a.m. |
| **WITH WHOM?** | • Office colleagues, campus friends or alone |
| **WHERE?** | • At work, on campus, at home |
| **WHY?** | • Relieve stress or boredom |
| **WHO BOUGHT?** | • Self |

# Afternoon Snack

| | |
|---|---|
| **WHAT?** | • Traditional chips, nuts, chocolate, biscuits, wafers |
| **WHEN?** | • 2-5 p.m. |
| **WITH WHOM?** | • Friends or  family or alone |
| **WHERE?** | • Campus cafeteria,  office, café, convenience store hang-out, at home |
| **WHY?** | • Get rid of boredom/sleepiness, enhance TV watching moment, enhance social situation |
| **WHO BOUGHT?** | • Self |

*“In the campus cafeteria, I buy a small packet of nuts and a drink then I sit and chat with friends”*

*“At this time of day, after lunch, I feel sleepy so I drink coffee and have some snacks to keep me alert and able to concentrate”*

# Watching TV Snacking Occasion

*"When there is a football match on TV, then peanuts are the snack. You're lost in the match and your hands keep grabbing for the nuts and suddenly they are all gone… "*

*"After dinner, when all family members gather, we usually share chips or crackers while watching TV"*

| | |
|---|---|
| **WHAT?** | • Nuts, chips, crackers, biscuits |
| **WHEN?** | • After dinner |
| **WITH WHOM?** | • Family or friends |
| **WHERE?** | • Lounge room |
| **WHY?** | • Enhancing the moment, making it more fun/exciting/enjoyable |
| **WHO BOUGHT?** | • Self,  wife/mother |

# ON ALMONDS

# Knowledge and Perception of Almonds

**General**
- Expensive
- Not easily available
- As ingredient or topping in cakes, chocolate, cookies, ice cream

**Benefits (only a few are aware)**
- Good for you
- Good for skin
- Good for hair
- Good for heart
- Can be consumed when dieting

**Origin**
- Europe (known for good food, where culinary arts is based)
- Middle East ( friends having visited there bring almonds back home with them)

**Origin**
- Do not think it is from the U.S., not known for good food
- If from Australia, also good
- Australia known for good farming and agriculture (major beef exporter to Indonesia)

# Triggers for eating almonds

Given or Offered by friend

- Available at home, bought by parents or wife

Like taste on chocolate, cake or ice cream so interested to try whole almonds

# Barriers to eating almonds as snacks

- Lack of awareness that it can be eaten as snack
- Do not see almonds sold in supermarket where usually buy snacks
- Expensive Price
- Don’t like taste as topping or ingredient in other food
- Didn’t like taste when tried

# Likes of Almonds

| | |
|---|---|
| Taste | • Rich<br>• Unique |
| Texture | • Grooves give special sensation in mouth<br>• Hard outer part on first bite but soft, smooth inner |
| Health benefits | • Good for you (not aware of specific health benefit) |
| Beauty benefits | • Good for skin and hair |

# Dislikes of Almonds

**Taste**

- Plain
- Strange

**Price**

- Expensive

# Almond User Imagery

- Upper Class
- Socializes widely
- Has "taste" = not for the common people = has prestige
- Has exposure to foreign lands : friends who have travelled abroad or have travelled abroad themselves

# REACTIONS TO HEALTH INFORMATION ON ALMONDS

# Reactions information on almond benefits

- Although some say they know almonds have health benefits, they could not elaborate the exact benefits and the contents that give the benefits.
- In fact a couple of respondents were more familiar with almonds' beauty benefits, such as good for skin and hair.
- However, when they see the health information, they recall having read or heard of (some of) them before, particularly the one on reducing risk of heart attack.
- More surprising to respondents are it cholesterol-lowering and weight loss aid benefits

# Reactions to information on almond benefits

- Five pieces of information regarding almonds’ benefits were presented to respondents.
- All of the information shown received positive reactions.
- The information provided  occasionally created the need for more information among some.

# Reactions to information on almond benefits

- How the information are worded influences the level of conviction they create among respondents.
- Referring to a particular or several studies specifically mentioning when it was conducted among whom , the number of sample and perhaps where the study/studies was/were conducted increase credibility and conviction.
- Recommending frequency of consumption and portion size is more credible than saying the more the better due to strong belief of the adage "too much of anything is not good for you".

# Number of respondents preferring information

| | Younger Female | Older Female | Younger Male | Older Male | Older Female | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |
| Lowers cholesterol | 1 | 4 | 2 | 1 | 1 | 9 |
| Prevents heart attack | 3 | 2 | 3 | 3 | 2 | 13 |
| Fitness snack | 3 | | | 1 | | 4 |
| Helps lose weight | 1 | 1 | 2 | 1 | | 5 |
| Prevents diabetes | | 1 | 1 | 2 | 1 | 5 |

The benefit considered the most influential driver is usually the most relevant due to

- Risk factor due to
  - Parent/sibling suffering from the condition
  - Eating habits
  - Smoking
- Experiencing someone close (friend/acquaintance) suffering from the condition

## Almonds and Health: Reducing the risk of heart attack

Eating almonds several times a week reduces the risk of heart attack by up to 50%

A study conducted from 1974 to 1988 involving 34,000 people over 25 years of age

- This is made more credible due to mention of the source of information : a long-term study among a large sample of respondents.
- Furthermore, the heart is believed to be the most vital organ. Anything wrong with it would cause problems with other organs or systemic problems.
- Males deem almonds would be good to balance their current lifestyle choices of eating a lot of fried foods and smoking which they know to be bad for their health.

## Almonds and Health: Reducing cholesterol

The more almonds you eat, the more you reduce your cholesterol

Ie for every serving of almonds, there is an 8% decrease in the risk of heart disease


- The words "the more you eat almonds the more you reduce cholesterol" caused doubts among a few critical respondents. There is a wide belief that "too much of anything is not good for you."
- A qualifier such as the size of a portion and recommended portions a week would be more credible.
- High cholesterol also leads to heart problems so the one directly focusing on heart wins out against the one on reducing cholesterol.

## Almonds and Health: Almonds help in weight loss

Almonds help people lose weight by making you feel ‘fuller for longer’:

A handful of almonds (30gm) provides **4 grams of filling fiber, “good” monounsaturated fats and 6 grams of protein** that provide both energy and lasting satisfaction.

- The “helps to lose weight” benefit is appealing and relevant only to those who feel the need to lose weight.
- Coincidentally , this is only one or two person(s) in most groups, totalling 5 overall.

# Almonds and Health: Almonds for fitness

Almonds are a natural, high protein sports snack for fitness conscious people

A handful of almonds (30gm) **delivers 6 grams** of satiating protein that can help you clients power through your work-out

Almonds have the highest level of protein of any other tree nut

- Its benefits in providing energy for your work is appealing to younger females who regularly go to the gym.
- However, less so to younger males regularly doing sports. Males generally eat snacks less often than females.
- Also, there is currently no snacking before exercising habit. The general habit is that people would eat after they finish exercising.

## **Almonds and Health: Almonds – helping to prevent diabetes**

Almonds help prevent the on-set of diabetes

Research has revealed that [adding almonds to a diabetes-friendly diet] may actually help improve certain risk factors while providing safe, substantial nutrition


- Diabetes appears to be a health condition people are generally less worried about compared to high cholesterol and heat attacks.
- Only those with diabetes in their family are worried about getting this disease.

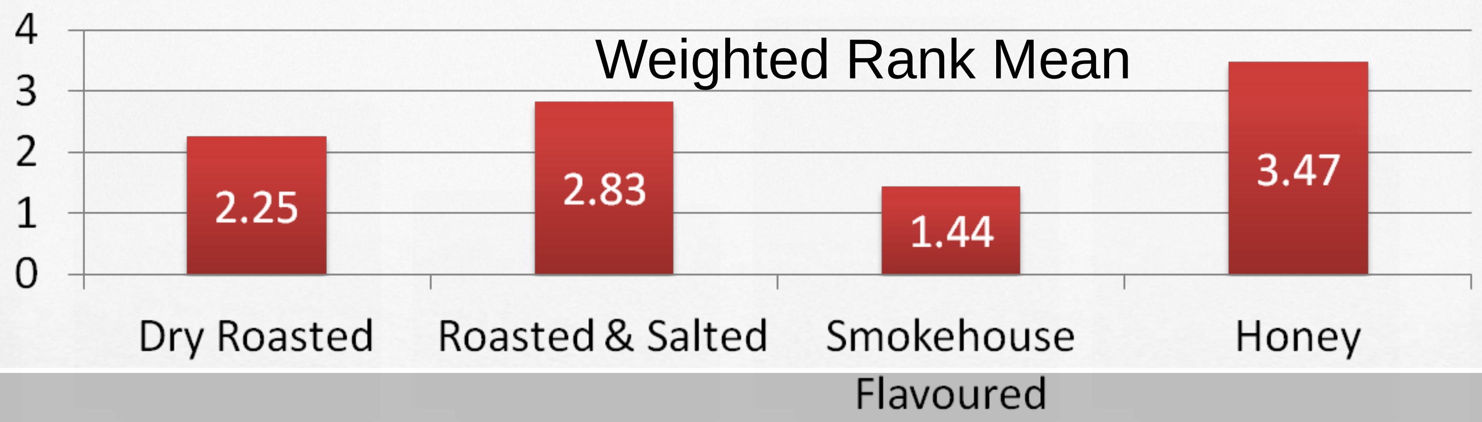
# TASTE TEST

# Product Testing Background

- Four different almond products/flavours were presented to respondents , namely:
  - Cole’s Australian Dry Roasted Almonds
  - Blue Diamond Roasted and Salted Almonds
  - Select Smokehouse Flavoured Almonds
  - Blue Honey Roasted Almonds
- They were requested to taste the products and then complete a questionnaire in order to obtain individual inputs.
- The respondents were recruited based on a nut snacking habit. It is worth noting that the majority of nuts consumed in Indonesia are peanuts.
- The most widely consumed peanuts are
  - Plain or garlic-flavoured roasted peanuts in shells
  - coated and/or ( garlic, chilli, honey) flavoured peanuts.

# Overall Preference

- Honey is the most preferred  flavour for most of the respondents.
- Roasted & Salted is the most preferred for most of those who do not rank honey as their first choice and the second ranked among most of those whose favourite is honey.
- Overall, Dry Roasted is ranked third but closer in weighted rank mean to the second rank Roasted & Salted than the last ranked Smokehouse Flavour.
- Those who rank Dry Roasted first are those who currently snack on Dry Roasted Almonds and older males used to snacking on plain roasted peanuts.



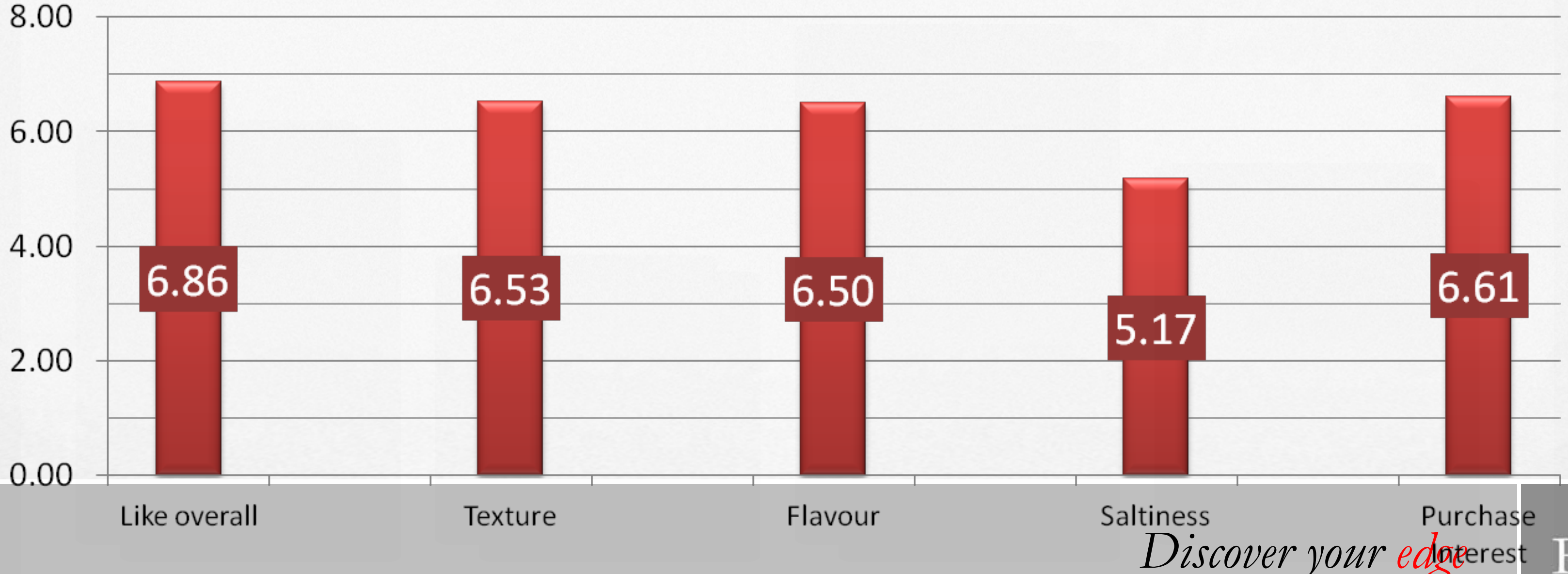
# Dry Roasted

- In terms of taste, the Dry Roasted variant is considered too plain to be truly enjoyable by most.
- Texture is generally well-accepted but its lack of taste (neither salty nor sweet) makes it less favourable than the Roasted & Salted and Honey variants.

  "Crunchy at first bite, soft, thick inner, I like the taste"

  *"I like the how the ridges feel in my mouth..."*

  *"Even plain like this, it has a rich taste (gurih)."*

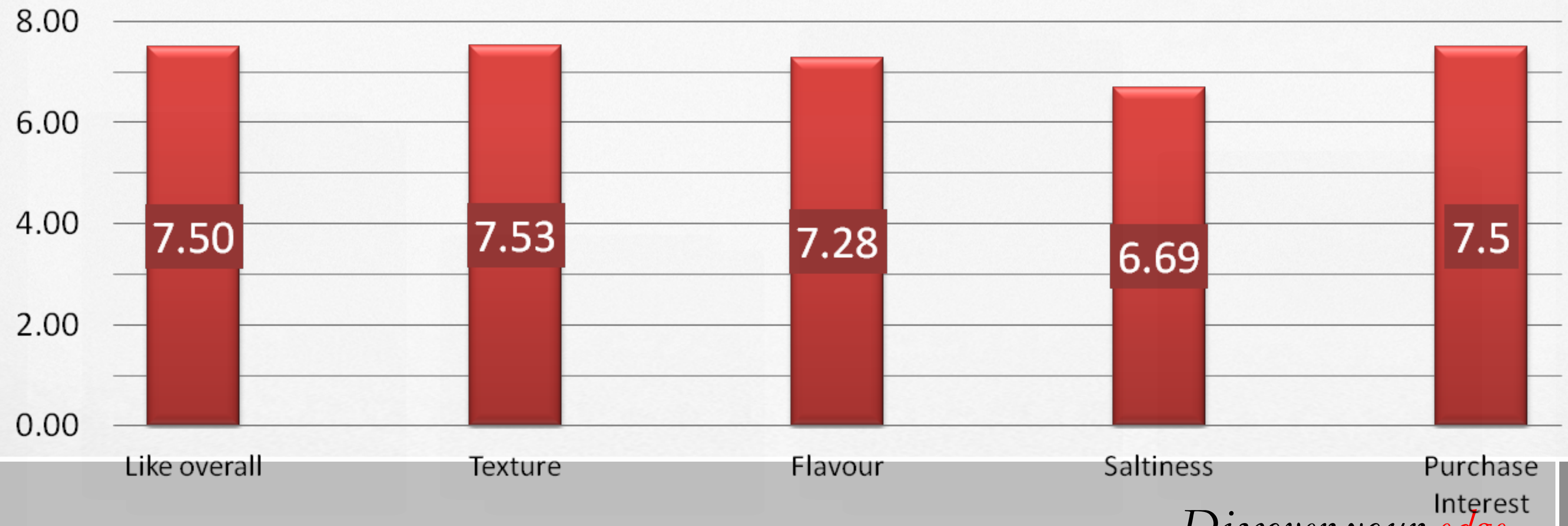


# Roasted & Salted

- For current nut consumption, salted peanuts and cashews are among the most commonly consumed.
- However, the Roasted & Salted product tested  is considered to be too salty by many.

  *“Ugh, this is too salty...seasoning it with some salt would make it taste better but this is too much.”*

  *“I like salty so this is good for me”*



# Smokehouse

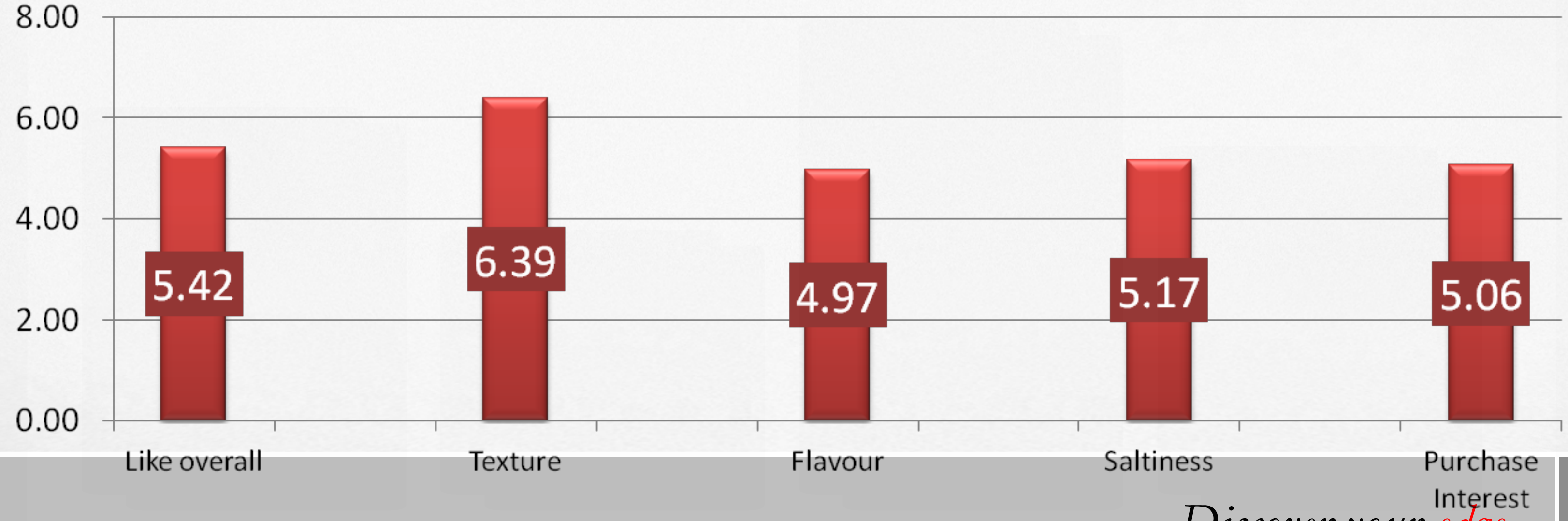
- Smoked dishes are not part of the indigenous cuisine.
- Awareness and trial of smoked foods are limited, thus most Indonesians are not familiar with the taste and aroma.
- Not surprisingly, this is the least liked flavour of the four tested overall but a few respondents liked it, although only one ranked it first.

*"This tastes like it's burnt..."*

*"Smells of burnt wood."*

*"It taste strange but I like it..."*

*"Not only does it taste strange, it is also too salty"*

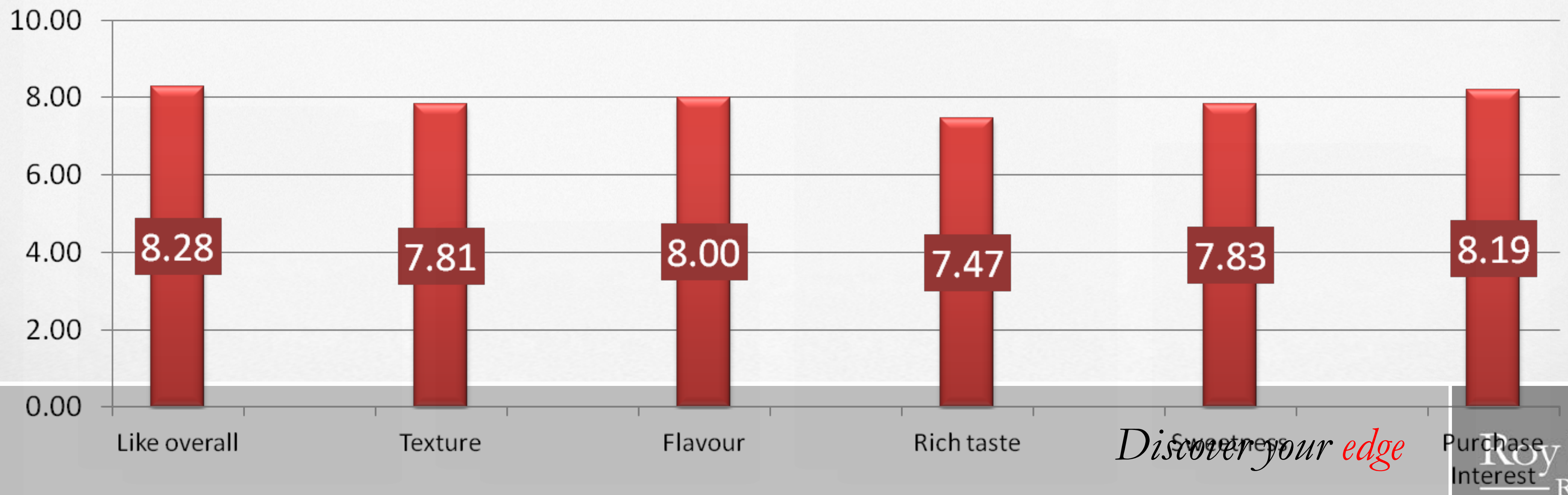


# Honey

- Honey is a traditional ingredient used on many foods and beverages in Indonesia
- Honey flavoured peanuts are among the most widely available, together with chilli and garlic.
- The product tested has right amount of sweetness for most respondents thus it is well-received, ranked as first by most.

*“Hmm...this tastes good.”*

*“Just the right amount of sweetness and crunchy almonds...makes a good combination.”*



# The Dilemma

TASTE

X

HEALTH

*"Of course, taste comes first...I wouldn't snack on something that did not taste good."*
*"We can achieve health through other things : food we at eat during meals, milk, supplements and exercise."*
*"At our age, it is still okay to enjoy what we eat, we don't have to watch what we eat that  much yet."*

Virtually all of the respondents would opt for enjoyable taste over something with health benefits but lacking in taste.

# FIT OF TASTE AND CONCEPTS

# Perceived fit between health benefit and product tested

- Although most perceive that the dry roasted almonds is the type that can deliver all the health benefits, those who do not like it would not eat it just for health's sake.
- Taste is the priority consideration, main decision factor for snack choice
- People believe health can be achieved through other foods (consumed during meals), beverages or supplements
- Generally, snacks are perceived to be eaten for enjoyment NOT health.
- Some believe the honey roasted is suitable for
  - diabetes control (sweet but honey not as harmful as sugar) ,
  - fitness (honey can add energy),
  - preventing heart attack (honey has relaxing benefit) or
  - lowering cholesterol (honey contains no fat).
- Salted and roasted is considered by a few to be suitable for helping in weight loss or as a fitness snack.

# REACTIONS TO VARIOUS PACK TYPES

# Packs Presented

› There were seven different types of packs presented to respondents for their evaluation:

Partially transparent cello


Foil medium size


Foil single size 40 g


Large transparent cello


6 pack cello


6 pack carton


Plastic tub

# Packaging Type Preferred

| | Younger Female | Older Female | Younger Male | Older Male |
|---|---|---|---|---|
| Foil  medium size | VVV | VVV | VVV | VVV |
| Foil single size 40 g | VVV | VV | VV | VVV |
| Partially transparent cello | VV | | | |
| Plastic tub | | | | |
| Large transparent cello | | VV | | |
| 6 pack carton | | | | |
| 6 pack cello | VV | VV | | |

Note : Peanuts (all imported brands and many local brands' SKUs) in the market, are available in foil-like packaging. Therefore consumers are used to peanuts in foil/aluminium packaging.

# Perceived Strengths and Weaknesses of Pack Types

## Plastic tub

**Strengths**
- No need to pour into canister
- Suitable to serve to family/friends
- Suitable for in-home consumption

**Weaknesses**
- Inconvenient to take along
- Spills easily
- Does not keep nuts in good condition
- Not for snacking on one's own

*"Oh, that's convenient..don't have to place the contents in a canister, you can eat it straight out of the tub"*

*"That would be good for serving during Lebaran (holiday at end of fasting month)"*

*"No, that is not convenient…it would spill if you took in the car with you"*

*"It's not handy to carry around in your bag"*

## Large Cello pack

**Strengths**
- Good for stocking
- Less expensive than other pack types

**Weaknesses**
- Looks cheap, does not look like premium product
- Too large for self or family
- Inconvenient, needs to be poured into other container

*"Oh, that's to buy and store at home. You would have to store them in an air-tight canister."*

*" You could bring some with you in a small container to snack on in the car or at work"*

*"Hah? That's too much…"*

*"That kind of packaging makes it look cheap whereas almonds are expensive"*

*"Doesn't look appealing…"*

*"Doesn't look prestigious"*

# Perceived Strengths and Weaknesses of Pack Types

## Partially transparent cello

**Strengths**

- Resealable so convenient for snacking anywhere
- Suitable size  to snack on one’s own or sharing
- Can see whether nuts are whole or crushed

**Weaknesses**

- Does not keep nuts as fresh as cello

*“It’s the right size  and re-sealable too”*

*“It’s good to have that transparent part where you can see the nuts and make sure they are in good condition”*

*“Plastic does not keep the contents as fresh as aluminium would…”*

*”It’s a thick plastic material, though, it may keep the contents well-protected”*

## Medium size foil

**Strengths**

- Resealable so convenient for snacking anywhere
- Suitable to snack on one’s own or sharing
- Foil keep nuts fresh, crunchy longer, well-protected

**Weaknesses**

- None

*“Now that would be really good . You could eat as much as you like and the rest would stay fresh because it’s  re-sealable.”*

*“ It wouldn’t easily spill, even if  you were to snack on them in the car”*

*“The size is not too large to bring with you to the office…”*

*“It’s okay to eat on your own or to share”*

*”That kind of material allows you to have an*

# Perceived Strengths and Weaknesses of Pack Types

## 6 pack single serve cello

**Strengths**
- Suitable for stokcing and taking along one/two packs for snacking

**Weaknesses**
- Looks too small to be a satisfying snack for some
- Does not keep nuts fresh /well-protected
- Not suitable for impulsive buy, have to stock

*“Yeah, I would buy that…buy many packs at one go and just bring  a pack with me to work”*

*“You could pack that that for the kids to snack on at school.”*

*“No, that ‘s not a suitable pack for almonds. It makes it look cheap….”*

*”The pack look rather small…”*

## 6 pack carton boxes

**Strengths**
- Convenient size

**Weaknesses**
- Carton not suitable for nut pack
- Does not keep nuts fresh, not well-protected
- Too childish-looking

*“That doesn’t look like the right pack for. almonds; can it keep it crunchy?”*

*“It looks like a pack for candy.”*

*“ It looks okay for children but not for us adults”*

*“It doesn’t make it look prestigious like almonds should. ”*

# Perceived Strengths and Weaknesses of Pack Types

**40 gram foil**

**Strengths**
- Convenient to take along
- Right size for personal snacking
- Keeps nuts fresh  until it is opened

**Weaknesses**
- Some worry contents may contain too much for one snacking occasion
- Others think it would not be satisfying/enough for sharing for others

*“That is just the right size to be consumed at one go”*

*“It’s the right type of packaging for nuts: it keeps them crunchy, it looks appealing…”*

# Conclusions (1)

- Snacking is done all day between meals and among a few even before breakfast .
- Nuts are consumed to get rid of boredom and sleepiness as well as enhance social and TV watching moments.
- In general, nuts are enjoyed for their crunchiness,  mouth feel and rich taste (***"gurih"*** can be translated as rich **or** savoury taste). Sweet foods can also be "gurih".
- Almonds are perceived as expensive, luxurious and "good for you".
- However,  many do not know precisely what the health benefits of almonds are.
- A few of the women are more familiar with the beauty benefits of almonds rather than the health benefits.
- It is not known what the country of origin is for almonds and appears to not be important for consumers.
- Importantly for us, there are no negatives  associated with Australian food products.

# Conclusions (2)

- Barriers to consuming almonds at all or more often is their rarity : not widely available nor commonly consumed and their perceived expensive price.
- All of the almond health information points were well-received.
- Preventing heart attacks and lowering cholesterol are the two most relevant health benefits.
- Among the almond variants tested, flavoured (honey and salted) variants are preferred over plain dry roasted.
- In fact, the majority of respondents displayed great enthusiasm for the Honey Roasted product.
- Despite  not being their favourite, respondents claim they would consume the dry-roasted once in a while.
- Only the smokehouse flavoured is rejected by many.
- Thus proving that taste is not a barrier.

# Conclusions (3)

- Snacking is still done mainly for enjoyment thus the importance of flavour.
- All admit they would not sacrifice taste for health benefits.
- It is generally believed that health can be pursued through other ways than what one snacks on, like the food you consume at meals, milk and supplements.
- Also, it is commonly practiced to eat what you like until there is a reason not to, for example having a certain condition and being ordered by doctors not to.
- The favourite packaging across all groups are the 40 gram foil pack and the medium sized foil pack.
- Foil is preferred over cello because it is perceived to keep the almonds fresh and crunchy longer.
- It also generally perceived that foil allows itself to be nicely designed and makes the pack look premium.
- The fact that this is currently  the most widely available pack may also cause a bias.

# Recommendations

- Based on this research, it would appear that the taste of almonds is acceptable for Indonesian consumers.
- The barriers to almond consumption are availability, perceived high price and lack of awareness of the benefits .
- Therefore, the pre -requisites when launching Australian almonds into the  market are intensive, targeted sampling and education of the benefits, such as free sampling at fitness centre, work together with dietaries.
- The Dry Roasted variant may have a limited demand but there are strong indications that Honey-Roasted and Salted and Roasted would have  great potential.
- A quantitative product taste test is  strongly recommended to confirm the results of this qualitative study.

# THANK YOU