Australia's food and beverage market

Opportunities from cultural proximity; but SPS restrictions

Strengths
- Cultural proximity and European ancestry.
- Urbanised and geographically concentrated population.
- Shares food standards with New Zealand = possible gateway.
- Reverse seasonality.

Weaknesses
- Large domestic agricultural production.
- No FTA in place at present.
- Some challenges for GIs.
- Geographically distant market.

Opportunities
- Imports many processed foods, and EU products appreciated.
- High level of agricultural complementarity.
- Similar trends to the EU e.g. sustainability.
- Growing organic market.

Threats
- Strong SPS restrictions.
- High level of controls on all imports.
- New Zealand a geographically close competitor with good access.
- Recent trade agreements with other countries.

Broad opportunities, particularly for alcoholic drinks and olive oil

Rosé and sparkling **wines** do well in the face of strong domestic production of red and white wine.

Large structural deficit in **spirits**, which are also becoming more widely consumed. Increased demand for premium products.

Consumers seek alternatives to mass market domestic **beer;** EU products well placed alongside local craft production.

Consumption patterns of **dairy** similar to those in the EU. Cheddar dominant but interest in different cheeses increasing.
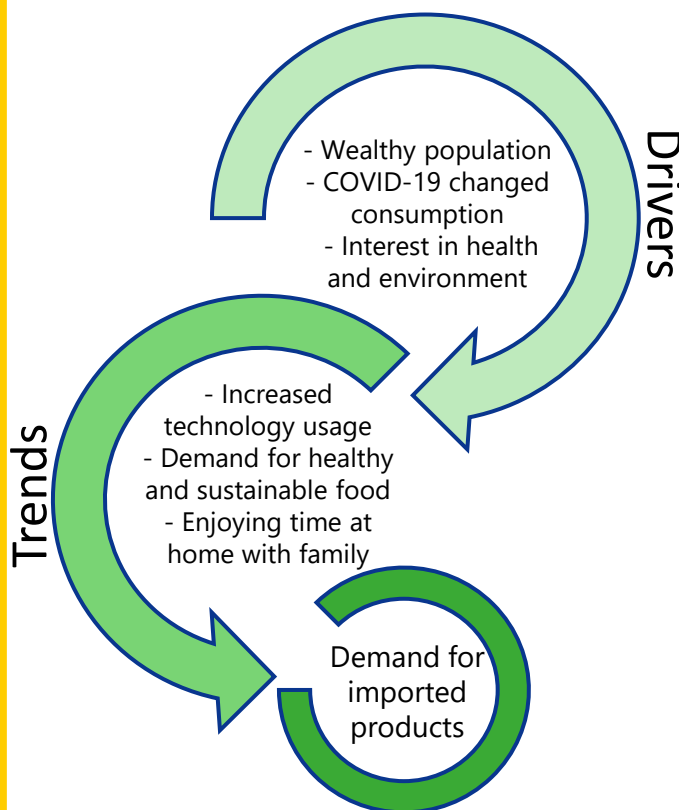
With 40% share of the oil market, **olive oil** is a mainstream product with further tailwinds from its healthiness.

Key markets mainly on south-eastern coast

Perth — Adelaide — Melbourne — Brisbane — Sydney — Canberra

Wealthy population increasingly aware of health and the environment

Drivers
- Wealthy population
- COVID-19 changed consumption
- Interest in health and environment

Trends
- Increased technology usage
- Demand for healthy and sustainable food
- Enjoying time at home with family

Demand for imported products

Multicultural, tech savvy and increasingly conscientious consumers

Population with roots in many countries. Almost 3 in 10 Australians were born abroad.

Health and sustainability increasingly important to consumers; the former partly due to the population aging.

Economy is highly developed and consumers tech aware; but some price awareness despite wealth.