

# INDONESIA'S BEEF CONSUMPTION TRENDS AND PREFERENCE STUDY

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## PURPOSE & OBJECTIVES OF THE STUDY

To better understand Indonesian consumer and preference of beef products from different markets such as food stalls, restaurants, wet markets, vendors and supermarkets.

The research was conducted between November 2017 and February 2018, with a focus on consumers in Jakarta and Medan.

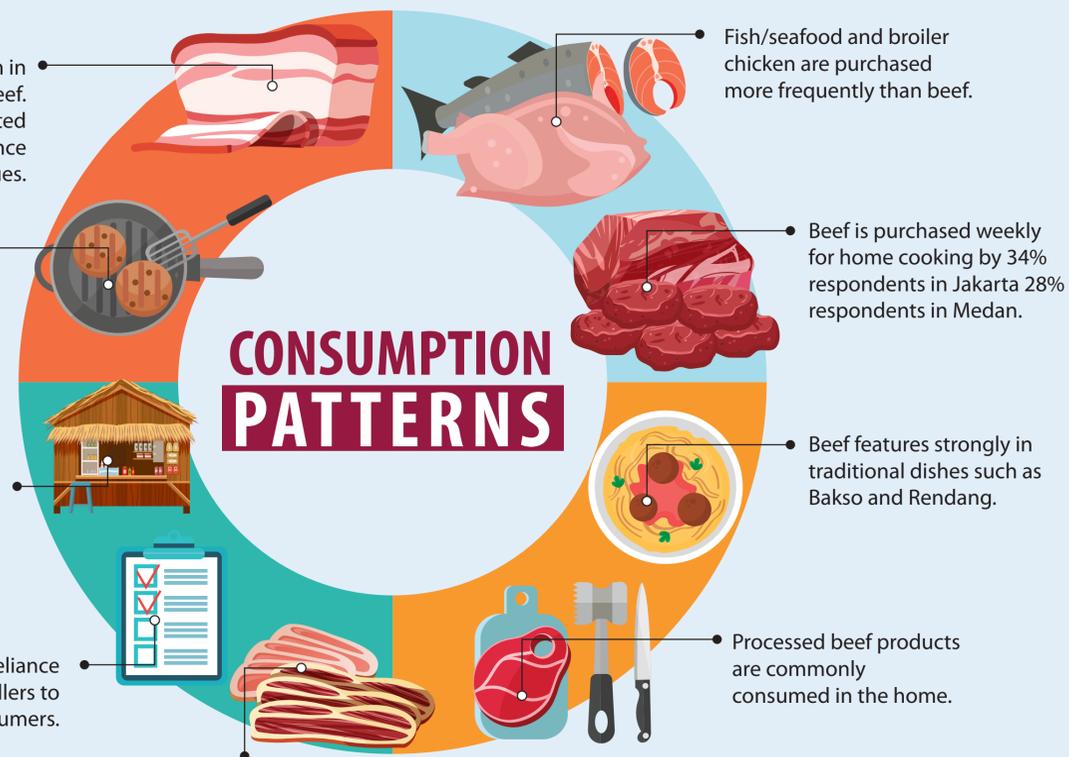
Only 15% of the total population in Indonesia consume non-processed beef. However, beef consumption is expected to grow as the level of affluence increases and urbanisation continues.

Previous studies on per capita report Indonesian beef consumption at around 2.5kg per year lagging behind Malaysia (5.4kg) and Vietnam (10.1kg).

65% of Jakartan and 45% of Medanese respondents eat out at least weekly.

There is a heavy reliance on wet market sellers to guide consumers.

There is limited awareness of the meat cuts available to consumers. Most only differentiate muscle meats or offal.



## CONSUMERS KNOWLEDGE



Consumers in both locations had poor knowledge of:

- Beef cuts.
- The origin of the beef.



Imported beef is considered less fresh except in restaurants where the opposite can apply.



Limited knowledge of live imports and a lack of knowledge about Indian buffalo meat.

## BEEF DEMAND

The report identifies six significant clusters of demand for beef in Indonesia:



### 1 High-end quality sector

1-2% by volume and 5-10% by value, with consumers being wealthier Indonesians, expats and tourists.



### 2 Bakso ball sector

The most significant user of beef consumption, accounting for 20-25% of all red meat consumed in Indonesia.



### 3 Traditional Indonesian dishes

Predominantly bone soups, Rendang, offal soups.



### 4 Meat sold at wet markets

Indonesians generally purchase beef from wet markets early in the morning for cooking the same day.



### 5 Food services such as grills and hamburger chains

They are most popular with young Indonesians 20 to 30 years of age.



### 6 Delivered cuts and meats

Private meat sellers are becoming smarter about differentiating their offerings.

## PURCHASING BEEF

Wet markets are the predominant source of beef for cooking, because:



- They are cheaper and more convenient.
- The meat is considered fresher and of better quality.
- Wet market sellers establish personal relationships with consumers.

Mobile vendors are playing an increasingly important role.



- One in four Jakarta people buy beef for home cooking from mobile vendor.
- One in eight for Medan.



Outside home, people consume beef in Warungs (road-side stores): 93% in Jakarta and 88% in Medan.



Take-away food delivery apps are used by 14% of Jakartan; 11% of Medanese.

Among Indonesians who reported purchasing beef, 90% of Jakartans and 84% of Medanese purchase beef at least weekly. The average weekly purchase by weight of these respondents is:



- Jakarta – 620g beef meat; 489g beef bones and 418g of other beef products.
- Medan – 419g beef meat; 480g beef bones and 390g of other beef products.

The preference to purchase locally slaughtered compared to imported beef is based around:



- Price.
- Perceptions of freshness.



A negligible 1% in either location report purchasing buffalo meat weekly.

(The research was conducted between November 2017 and February 2018, prior to the impact of Indian buffalo meat importations).

Beef Prices:



- Jakarta: Rp 113,100 / Kg during regular periods and Rp 146,300 during religious festivals (Ramadhan/Lebaran).
- Medan: Rp 116,700 and Rp 138,800. During religious festival (Ramadhan/Lebaran)