



# **Extra Virgin Olive Oil Category**

**Australian Olive Association Expo**

**Wagga Wagga**

**OCTOBER 2018**

**Andrew Burgess  
Boundary Bend Olives**

# What we will cover

- Australian Production & Extra Virgin Olive Oil
- Category evolution over last 5 years
- Consumer misconceptions of EVOO
- What are our consumers saying?
- Perception of Australian EVOO vs European EVOO
- Opportunity to convert
- Next.....?



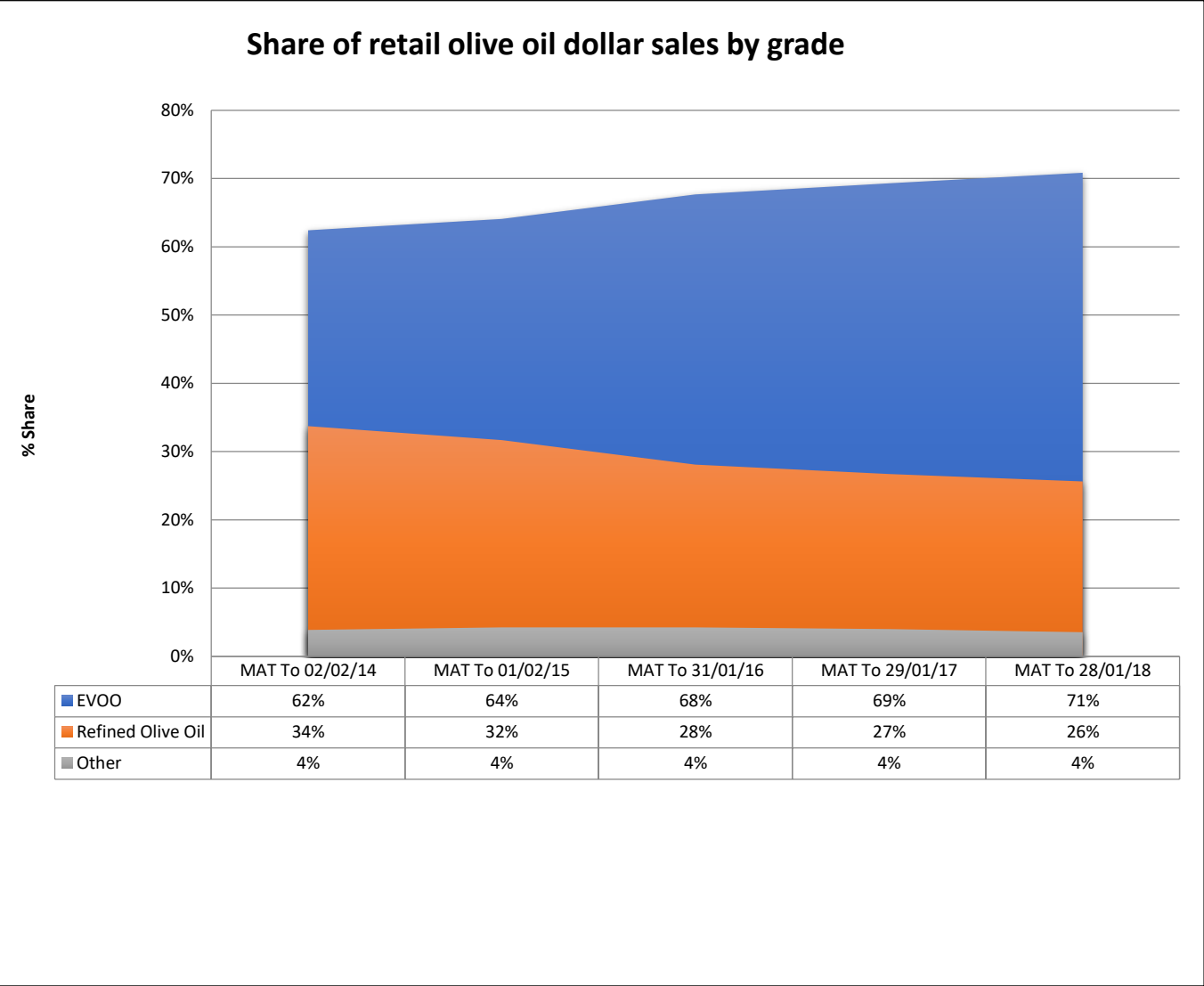
- Production 2017 @ 21 million litres
- Production 2018 @ 10 million litres?
- Australian production depending on the year is around 85%-90% Extra Virgin Olive Oil
- In the rest of the world it is a very different story
  - 25% is Extra Virgin Olive Oil
  - 25% is Virgin Olive Oil
  - 50% is Lampante (requires further processing)
- Australia consumes @ 45 million litres of olive oil per annum.
- Just under 2 litres per person

# Gravitating to premium quality and healthy alternatives

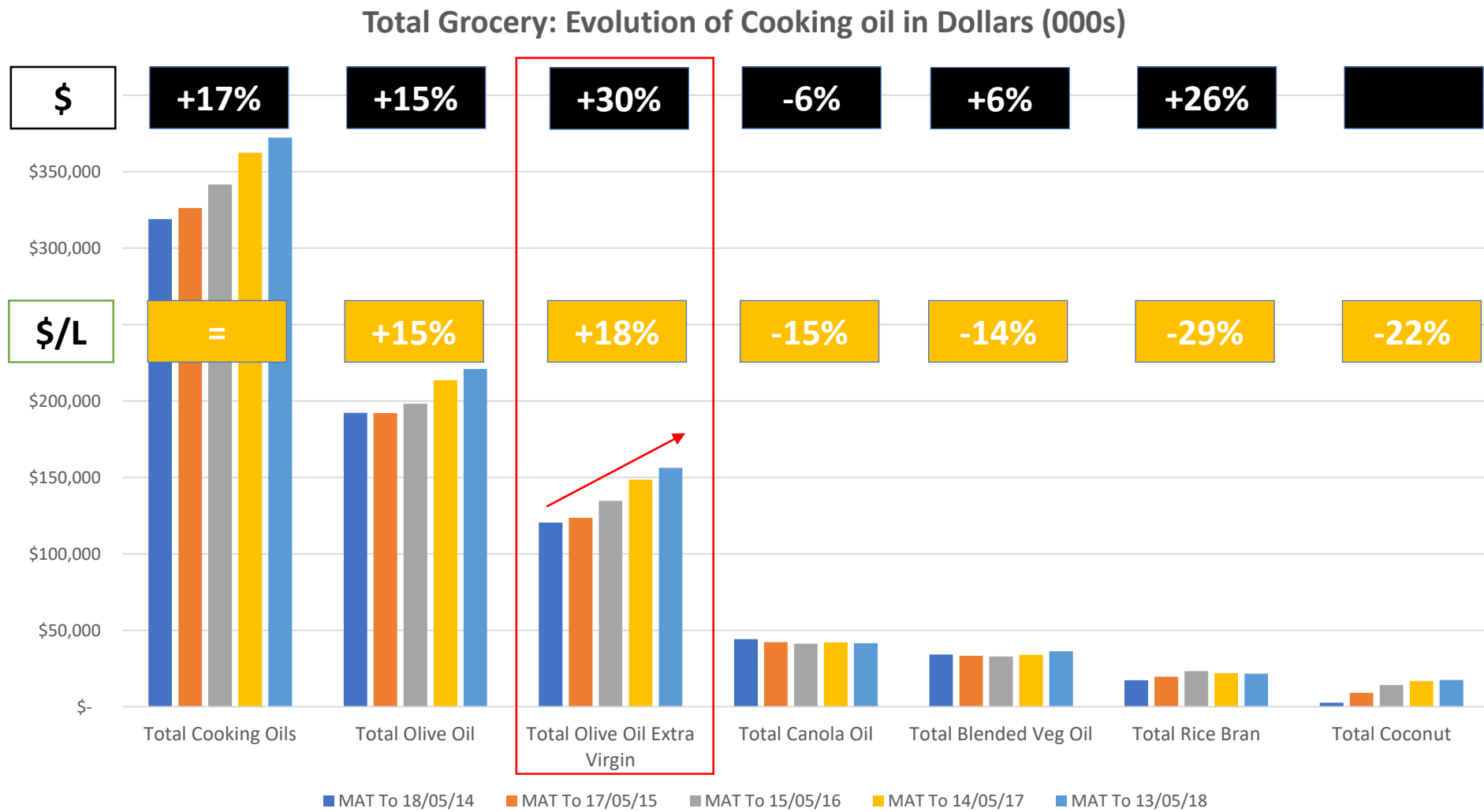
EVOO has grown from 62% of Olive oil Sales in 2014 to 72% in 2018

Refined Olive oil has gone from 34% of olive oil sales to 26%

Consumers are hearing the message and trading up to a healthy quality product

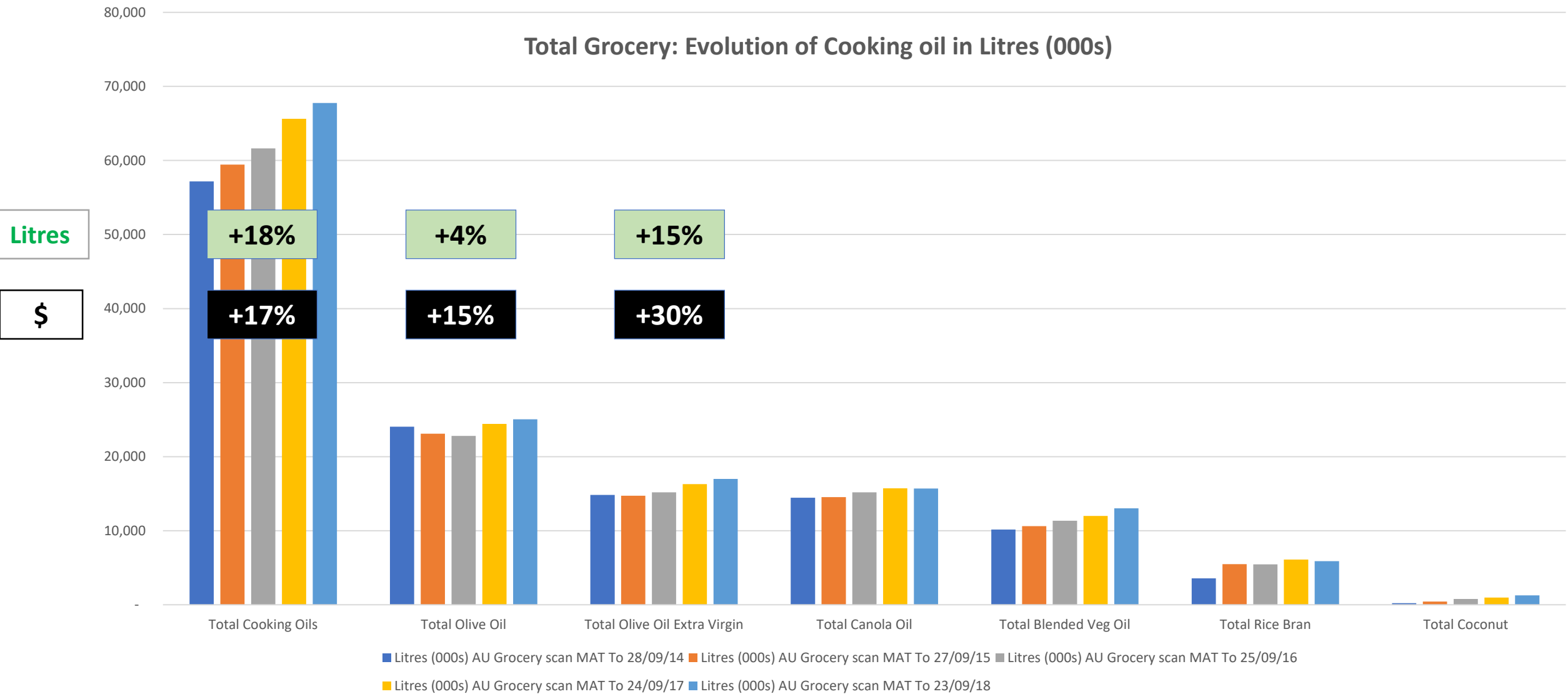


# EVOO is driving the growth of Cooking Oil in the last 5 years



Source: Aztec Scan Data, 2018

# Olive Oil and Extra Virgin Olive Oil Growth in Litres

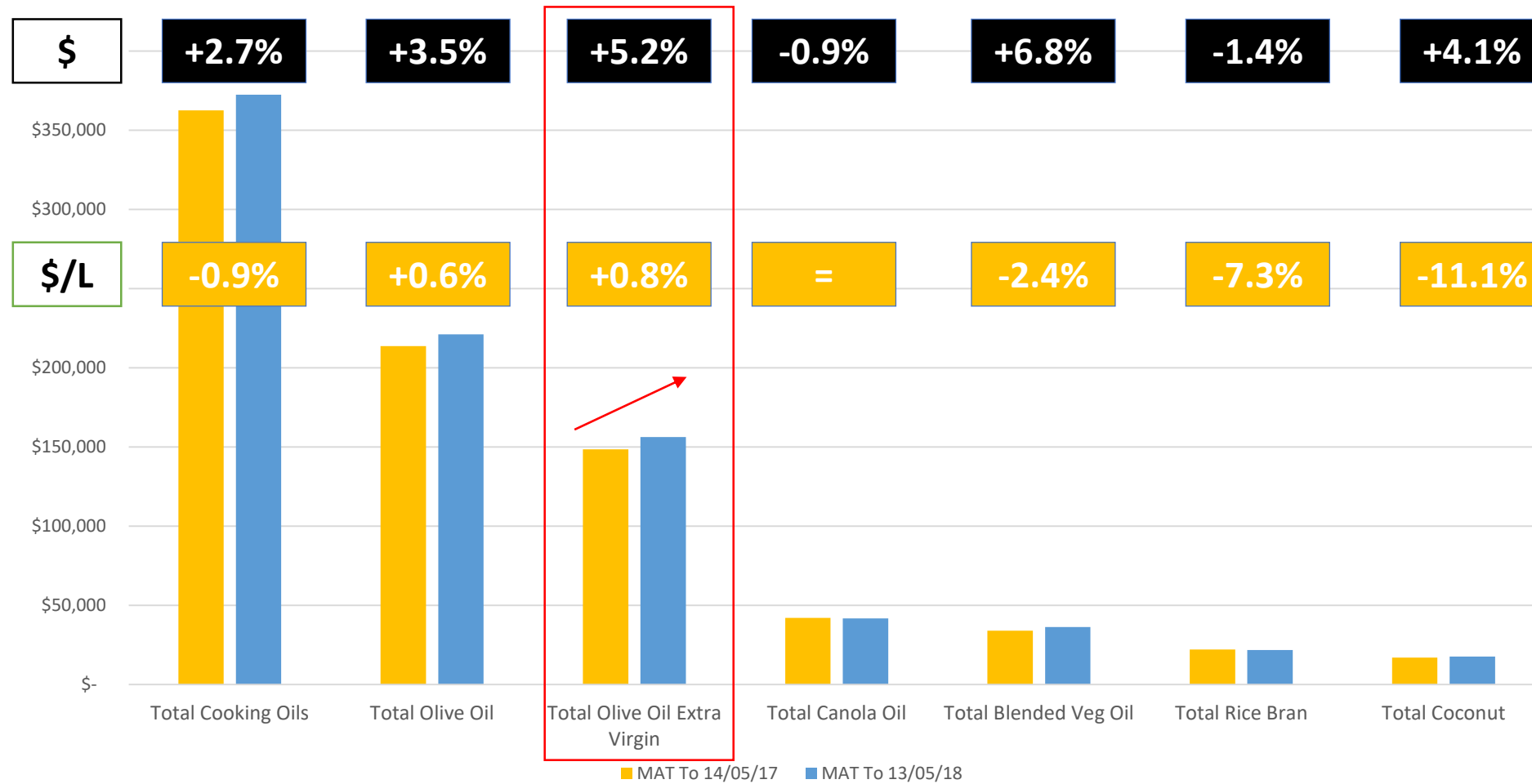


Source: Aztec Scan Data, 2018

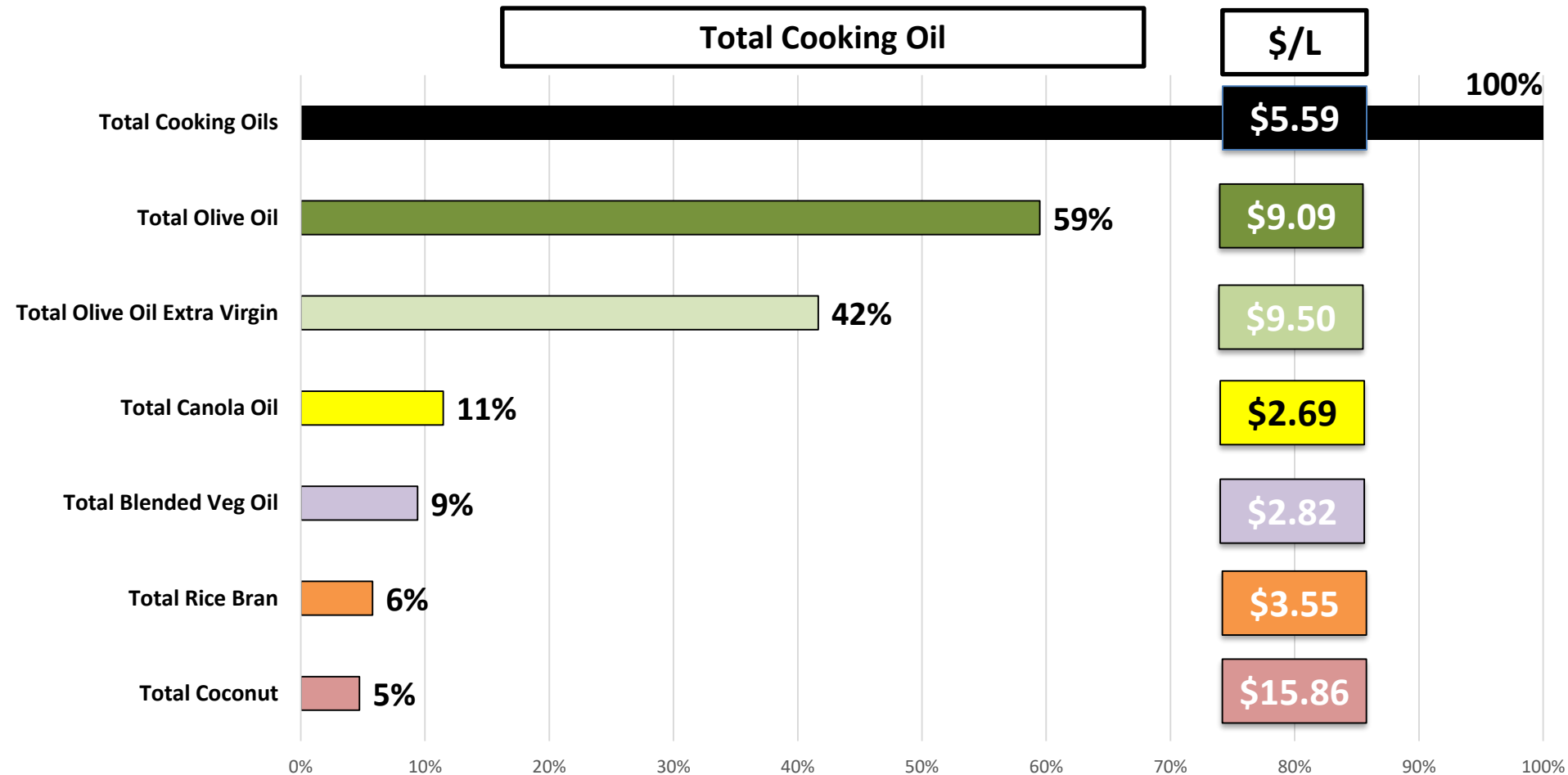


# EVOO driving the growth of Cooking Oil **this year**

Total Grocery: Evolution of Cooking oil in Dollars (000s)



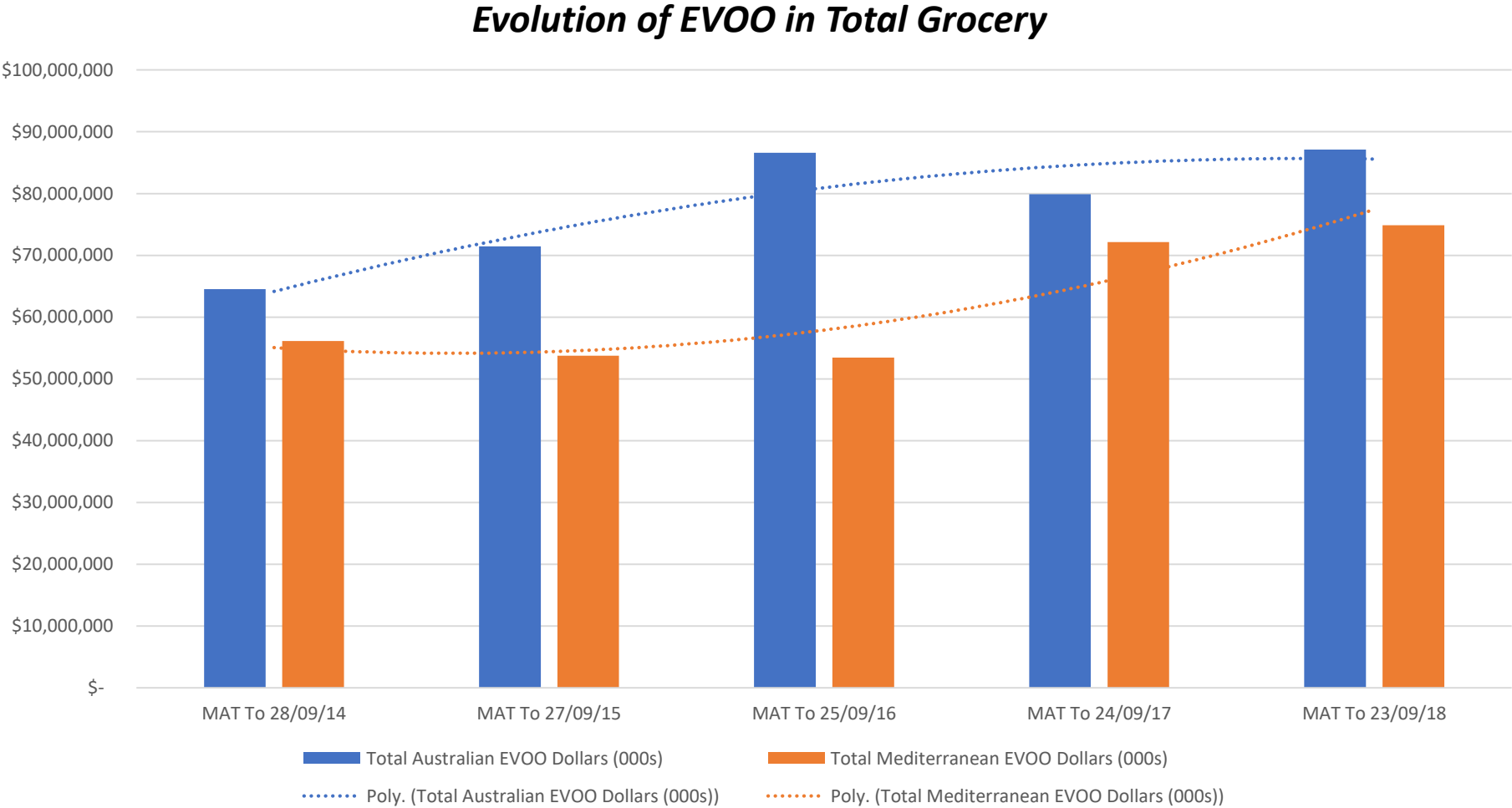
**EVOO is 42% of the total value of Cooking Oil with second best \$/L of category**



Source: Aztec Scan Data, 2018



# Demand for both AUS and EUROPEAN EVOO is increasing



# Purchase habits of EVOO buyers – EVOO is in every 52% of AUS households

Purchasing Habits  
Olive Oil Extra Virgin shoppers, Habits Across An MAT, Units



# However within EVOO, there is still a lot of misconceptions in the industry



**17%**

Only 17% of people are confident they understand the difference between EVOO and OO

**33%**

1/3<sup>rd</sup> of people still do not think you can cook with EVOO due to its smoke point

**4 to 5**

Most people have an average of 4 to 5 different oils in their cupboard

Only **17%** of people are  
confident they understand  
the difference between  
EVOO and OO

*Some believe they have the  
same health benefits*

*“Isn’t Light and Pure Olive Oil  
better for me?”*

*“Is Olive Oil purer than EVOO?”*

# Misconception of **cooking with EVOO** continues to prevent usage



**33%**

**1/3<sup>rd</sup> of people still do not  
think you can cook with  
EVOO due to its smoke point**

*“EVOO has low smoke point  
and therefore unsuitable for  
all types of cooking”*

*“It’s not suitable for high heat  
cooking”*

*“It never even occurred to me  
that you could cook with it”*

*“The health benefits reduce”*

EVOO is **not the go to oil** and consumers have multiple oils in pantry

**4 to 5**

**People have an average of 4  
to 5 different oils in their  
cupboard**



Source: Aztec 2018 Shopper, T Garage 2018

# Quality perceptions of AUS EVOO is **significantly higher** vs EURO

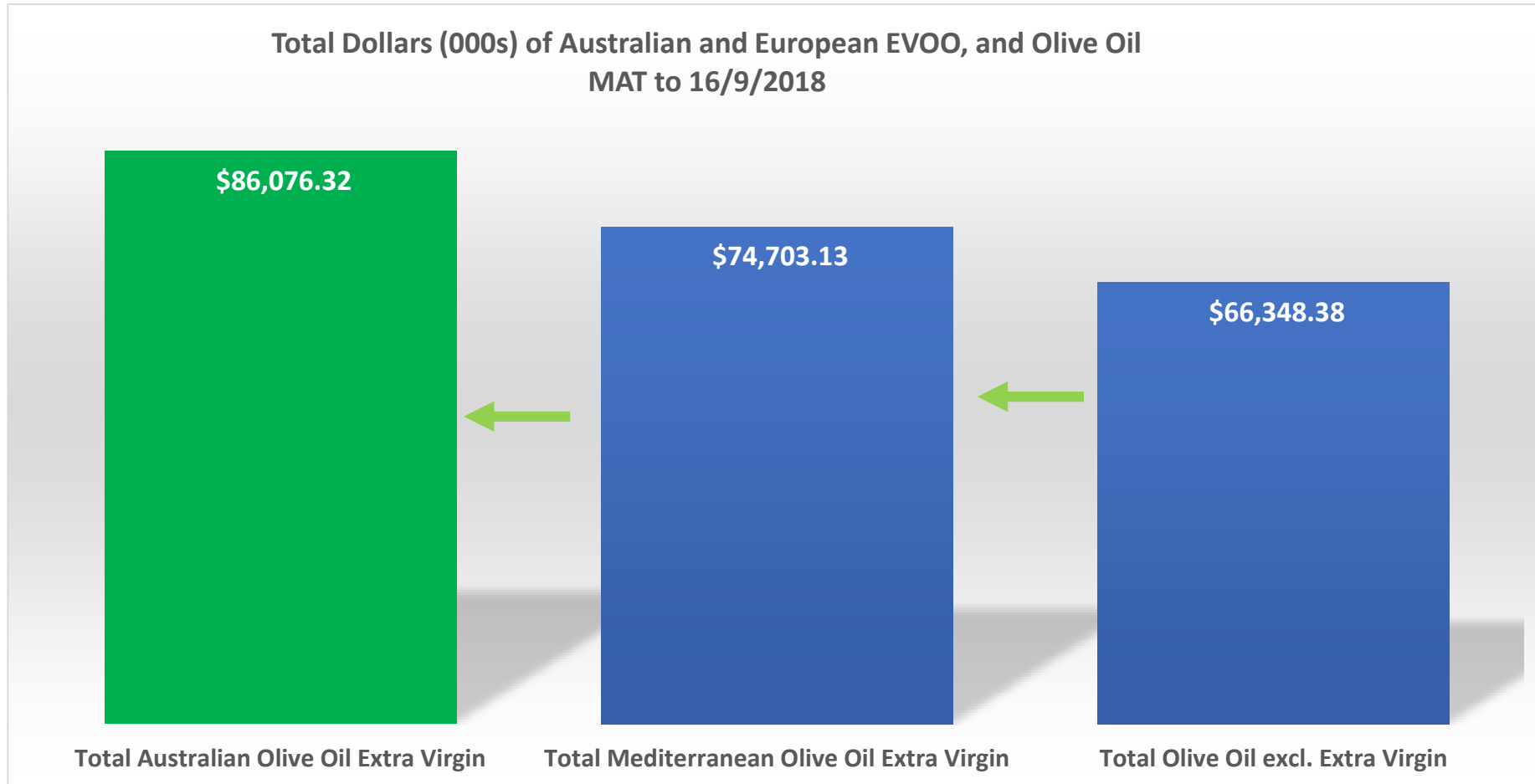
Consumers believe that **Australian** extra virgin olive oil is **significantly** higher in quality compared with European extra virgin olive oil.



Source: Colmar Brunton 2017, T Garage 2017

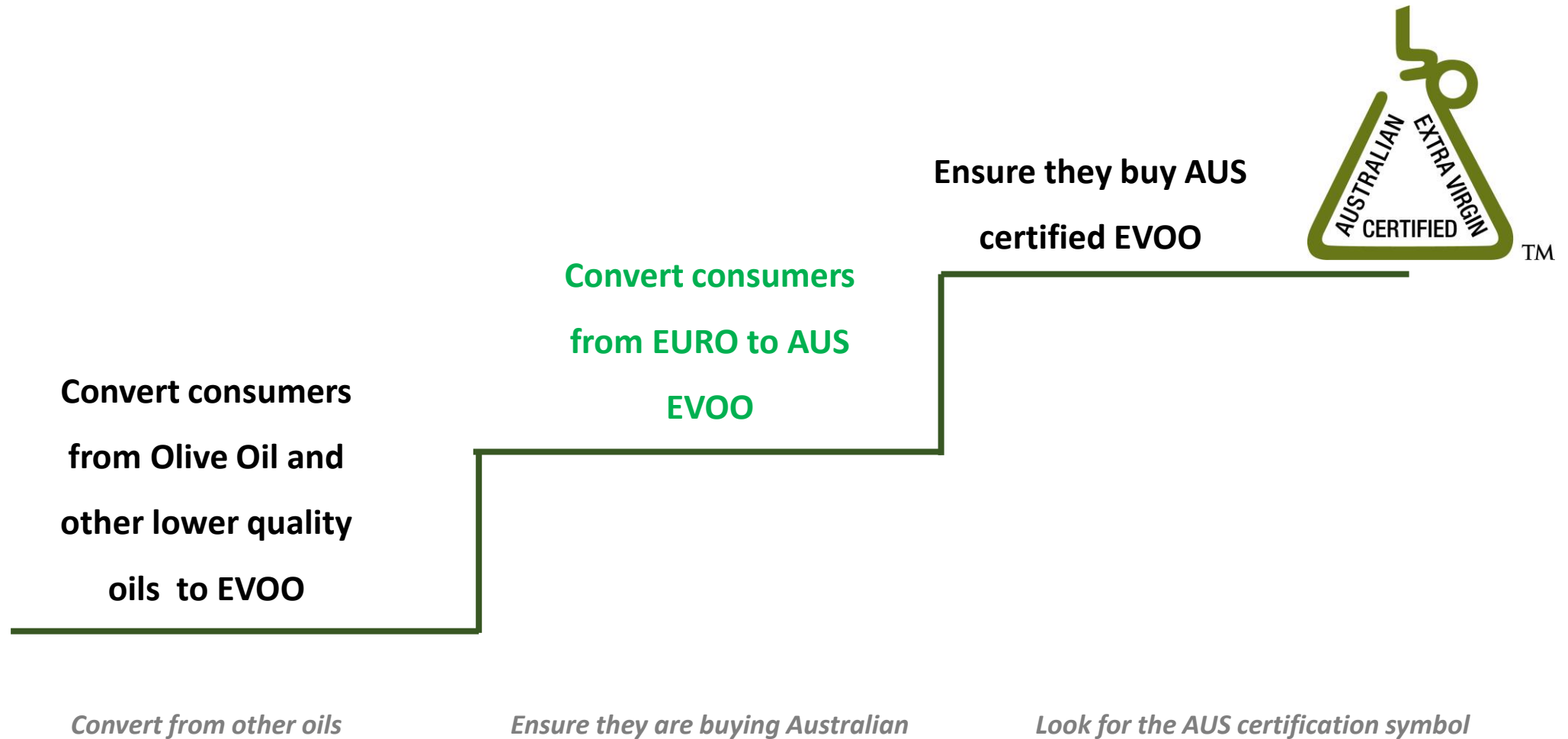


# The opportunity of converting EURO buyers and OO buyers to AUS EVOO is **significant in \$\$**



Source: Aztec Scan Data MAT 16/9

# It is clear what our job to do is.....



- Our (us growers) future success and prosperity is totally depended on consumers having a great experience when they use Australian Extra Virgin Olive Oil
- Quality and standards (Code of Practice) are key drivers to achieving this
- Imperative that we deliver freshness
- We as growers must walk the talk
- Any one who is putting a product labelled Australian Extra Virgin in to the market that has quality issues is hurting our industry and undermining the hard work and investment of the past 20 years

<https://vimeo.com/293854228>

