THE UNIVERSITY of ADELAIDE

FOODIQ INSIGHTS QUESTIONNAIRE

Consumer insights for Australia's hemp food industry: Knowledge, attitudes, and usage of hemp foods

A growing range of low-THC hemp seed foods and beverages have entered the Australian market since sale of these products was legalised by Food Standards Australia New Zealand in 2017. **However**, consumers' usage of and attitudes towards hemp food/beverage products are **poorly understood**. These consumer insights are **vital for growing the hemp food market** in Australia.

Consumer research by the Centre for Global Food and Resources (GFAR) provides this insight.

Key messages

- Most consumers have a poor understanding of hemp food/beverage production practices in Australia.
- Most consumers are aware of hemp foods, but relatively few have purchased hemp food products.
- Health is the main purchase driver of hemp foods/beverages, followed by sensory appeal and variety seeking.
- Lack of familiarity and lack of interest are the leading reasons for not purchasing any hemp foods or beverages.
- Hemp products that consumers are most willing to purchase include hemp: oil, bread, seeds, burgers, protein bars and flour.
- 'Grown in Australia' and 'high in protein' are the most appealing benefits of hemp foods.

What's in this factsheet?

Using Food Insights Questionnaire (FoodIQ) data collected in December 2020, this factsheet provides an overview of the knowledge, attitudes, and usage of hemp foods/beverages among Australian consumers.

The following information on hemp food/beverage products was collected from a nationally representative sample of 1012 Australian consumers:

- Knowledge of production practices
- Previous awareness and purchase
- Main reasons for purchasing/not purchasing
- Willingness to purchase 13 different products
- Most appealing benefits of hemp foods

Knowledge of production practices

Over one-half of consumers surveyed have a poor understanding of hemp food/beverage production practices in Australia:

- **41%** of consumers **correctly believe** that all hemp food/beverage products for sale in Australia contain either no or low levels of THC (tetrahydrocannabinol; the psychoactive compound in marijuana). The remainder either incorrectly believe the products have high levels of THC (7%) or are unsure (52%).
- **35%** of consumers **correctly believe** the level of cannabidiol (the active component of cannabis extracts used for medicinal purposes) in hemp foods/beverage is too low to have therapeutic effects. The remainder either incorrectly believe the level is not too low to have therapeutic effects (10%) or are unsure (55%).
- **41%** of consumers **correctly believe** that hemp is currently being grown in Australia

for use in food/beverage production. The remainder either incorrectly believe it is not being grown (6%) or are unsure (53%).

Product awareness and purchase

Most consumers are **aware** of hemp foods, but **relatively few** have **purchased** hemp food products.

- 72% of consumers have previously seen or heard of at least one hemp food or beverage product.
- 26% of consumers report purchasing at least one hemp food or beverage product.

The **most commonly purchased hemp foods** were hemp seed (10%), hemp oil (8%), hemp burgers (7%) and hemp flour (6%).

Purchase drivers

Health was the **main purchase driver** of hemp foods/beverages (45%), followed by **sensory appeal** (21%), and **variety seeking** (21%).

Lack of familiarity (46%) and **lack of interest** in the products (44%) were the dominant **reasons for NOT purchasing** any hemp foods or beverages. Other common reasons related to price (19%), uncertainty regarding preparation (17%), and lack of availability (16%).

Willingness to purchase different types of food/beverage products

Over 30% of consumers indicated **some willingness** (were either 'somewhat willing' or 'very willing') **to purchase** the following hemp foods: **oil, bread, seed, burger, protein bar and flour.**

For all hemp food/beverage items assessed, there was a **considerable share** of consumers (20-27%) who said they would be **'neither willing nor unwilling'** to purchase these products. These are consumers who, with the right marketing strategies, **could be guided towards considering/purchasing these products**.

FoodIQ survey overview

- Recurring online survey of around 1000 Australian food shoppers. Conducted quarterly from September 2018-September 2019 and biannually from June 2020.
- Eligibility criteria: ≥ 18 years, and main or joint grocery buyer for household.
- Nationally representative sample in terms of gender, age, income and location.
- Recruited by online panel provider (Dynata™).

Topics covered:

- Household food expenditure
- Personal food consumption
- Changes to meat/protein consumption patterns and reasons for change
- Food choice values/priorities
- Concerns about various food issues including food safety and novel production methods
- Awareness and understanding of food labelling
- Trusted information sources
- Environmental views/actions
- Satisfaction with food related life
- Sociodemographic and health-related variables

Most appealing benefits of hemp foods

Of the six benefits of hemp foods presented to participants, which related to either Australian country-of-origin or various nutrition/health properties**, 'grown in Australia'** (43%) and **'high in protein'** (42%) are the **benefits of most interest to consumers.** High in fibre (37%) and high in antioxidants (37%) were next most appealing.

Overall, around one-third of consumers indicated they **would not be interested** in **any of the presented benefits** (8%) or in **any hemp foods in general** (24%).

Challenges and opportunities for the Australian hemp food industry

Multiple potential target markets likely exist in the overall group of consumers who are **either willing or undecided** about **purchasing hemp foods** (comprising around 50-60% of consumers, depending on the specific hemp food/beverage product). This presents both challenges and opportunities for the Australian hemp food industry.

One of the **challenges** will be to **identify** viable target markets and determine how best to **position** hemp food within these markets.

Opportunities exist to design marketing strategies for multiple target markets. Further analysis of existing FoodIQ survey data could help to inform these strategies. Specifically, additional analysis can help to:

- identify consumer segments with unique food choice drivers, attitudes, concerns, purchasing behaviour and willingness to purchase different types of hemp food/beverage products; and
- provide a better understanding of consumer segments in terms of characteristics that could be used for targeting information and products.

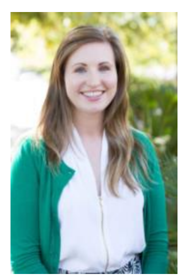
For more information

Lenka Malek & Wendy J. Umberger
The Centre for Global Food and Resources
The University of Adelaide, SA 5005
Australia

Click here for website

@UoAGFAR

Prof Wendy J. Umberger, PhD
Executive Director, Centre for Global Food and Resources
wendy.umberger@adelaide.edu.au
+61 8 8313 7263



Dr Lenka Malek, PhD
Research Fellow, Centre for Global Food and Resources
lenka.malek@adelaide.edu.au
+61 8 8313 9137