Report for

Chilean Cherry Campaign Evaluation in the South Korean Market

Prepared for:

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- EXECUTION REVIEW -

Research Background & Objectives

Background

ASOEX launched a new promotional campaign for cherry in South Korea this year, it was crucial to evaluate the effectiveness of the campaign and understand the performance of Chilean cherry in South Korean market.

01 Consumer behavior

- To figure out the demand of cherry in South Korean market
- To understand and the consumer's consumption habits for cherry.

02 Market Overview

- To understand consumers' perception on different origins of cherry in South Korean market.
- To figure out Chilean Cherry's opportunities.

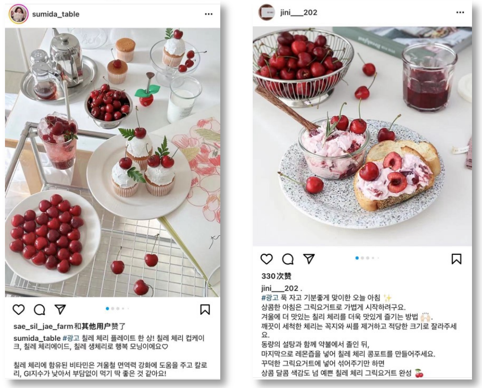
03 Campaign Evaluation

- To understand the overall performance of the campaign, such as the awareness of the campaign and visibility of each touch point.
- To understand the impact on Chilean Cherry's purchase intention and image perception.

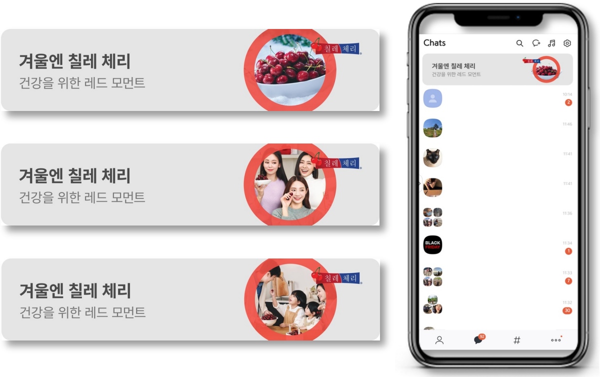
Campaign Execution Review

Cherries from Chile

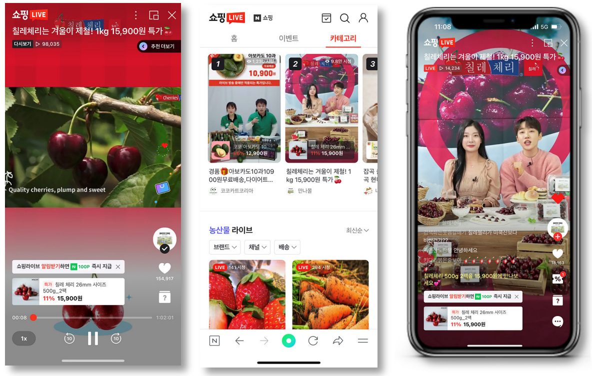
Influencer Collaboration



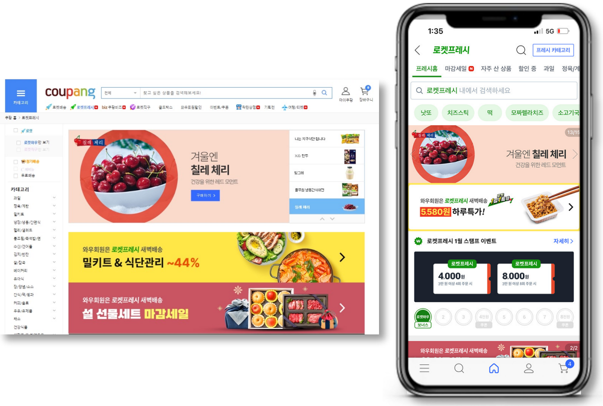
Kakao Bizboard Ad



Live Shopping Promotion



E-commerce Promotion



In-store POSM Branding

In-store Tasting

GAME CHANGERS Ipsos

Research Execution Review

- **Methodology:** Online questionnaire via Ipsos online panel
- **City coverage:** Seoul, Seoul Metropolitan area and other cities
- **Target group:**
  - ✓ 18-50 y.o.
  - ✓ Purchasers and decision makers for family grocery consumption
  - ✓ Purchasers of cherry in the past one year
- **Sample size:** 700
- **Execution date:** Feb 20 – Mar 2, 2023

Total	700		
Quota		collected	Soft quota
City	Seoul	387 (55%)	≥340
	Seoul Metropolitan area	205 (29%)	≥160
	Other cities	108 (15%)	≥60
Monthly Household Income	Mid tier	316 (42%)	≥250
	High tier	384 (55%)	≥250
Quota		collected	Percentage
Gender	Male	141 (20%)	20%
	Female	559 (80%)	80%
Age	18-35 y.o.	349 (50%)	50%
	36-50 y.o.	351 (50%)	50%

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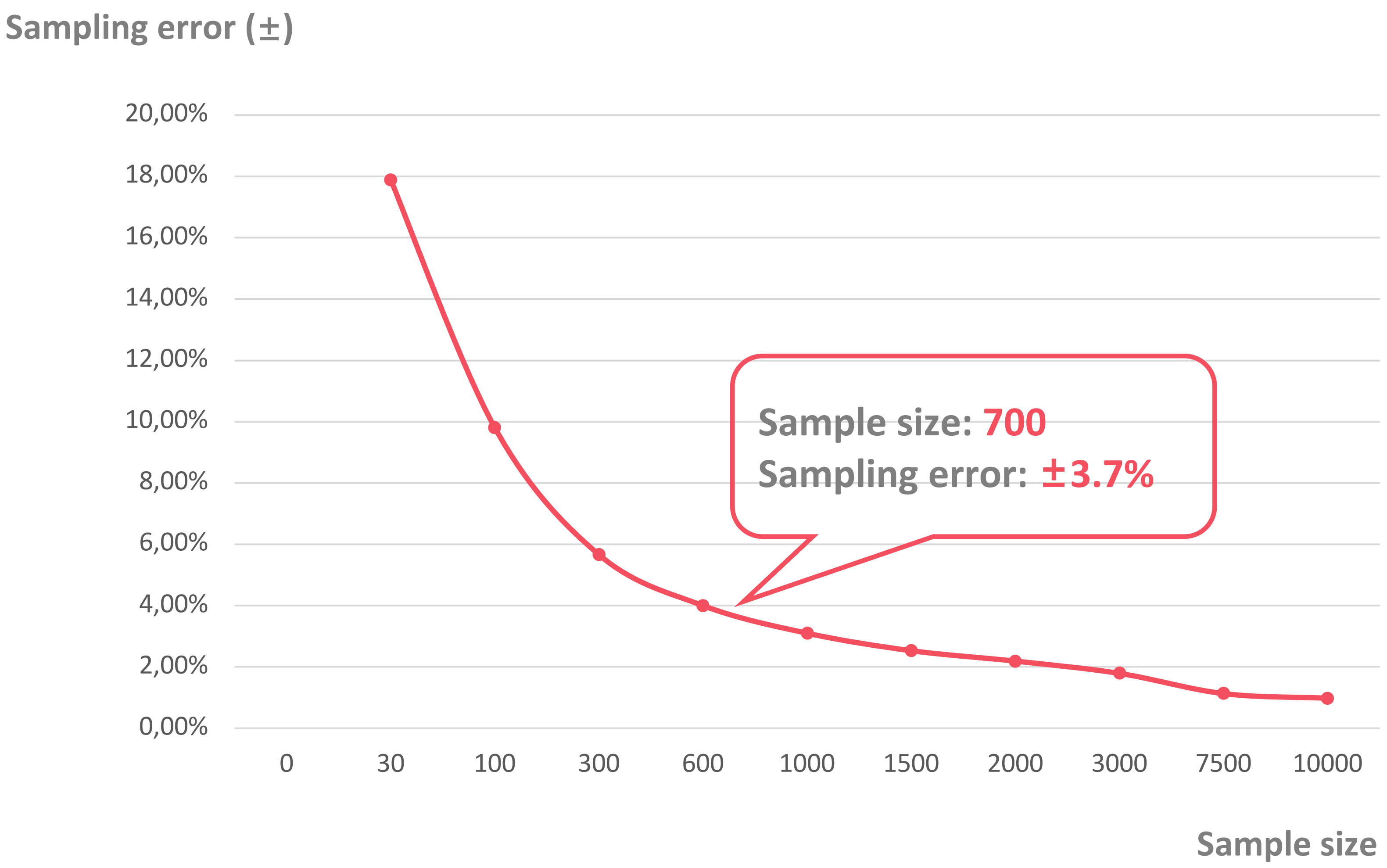
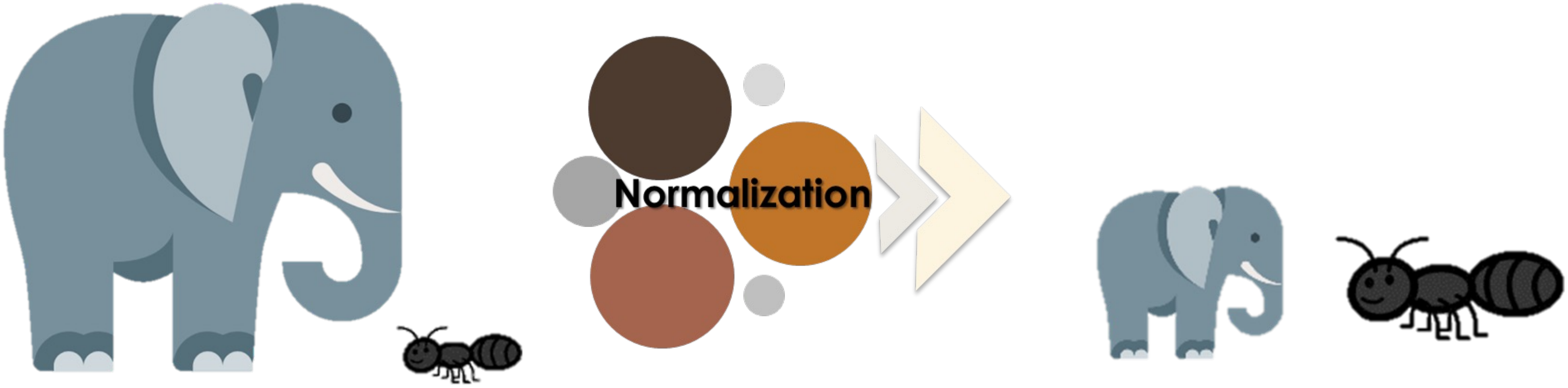
Reading instruction: Significance level and sampling error

At 95% of confidence level:



Sample Size	Sampling Error
30	±17.89%
50	±13.86%
100	±9.80%
150	±8.00%
200	±6.93%
300	±5.66%
400	±4.90%
600	±4.00%
800	±3.46%
1000	±3.10%
2000	±2.19%

Reading instruction: Index



- Bigger brands tend to get endorsed more for any brand image statement
- And some image statements are more likely to be endorsed than others
- By leveling out this effect by indexing both brand size and statement size, we can look at the RELATIVE weaknesses and the RELATIVE strengths of a brand

	Brand A	Brand B
Healthy	+5	-3
Delicious	-8	+1
Spicy	+10	0
Fun	+15	-10
Easy to share	-11	-2

- Brand B performs averagely on all statements given its brand size
- Brand A has relative strengths in being perceived as Healthy, spicy and fun but is not seen as delicious or easy to share

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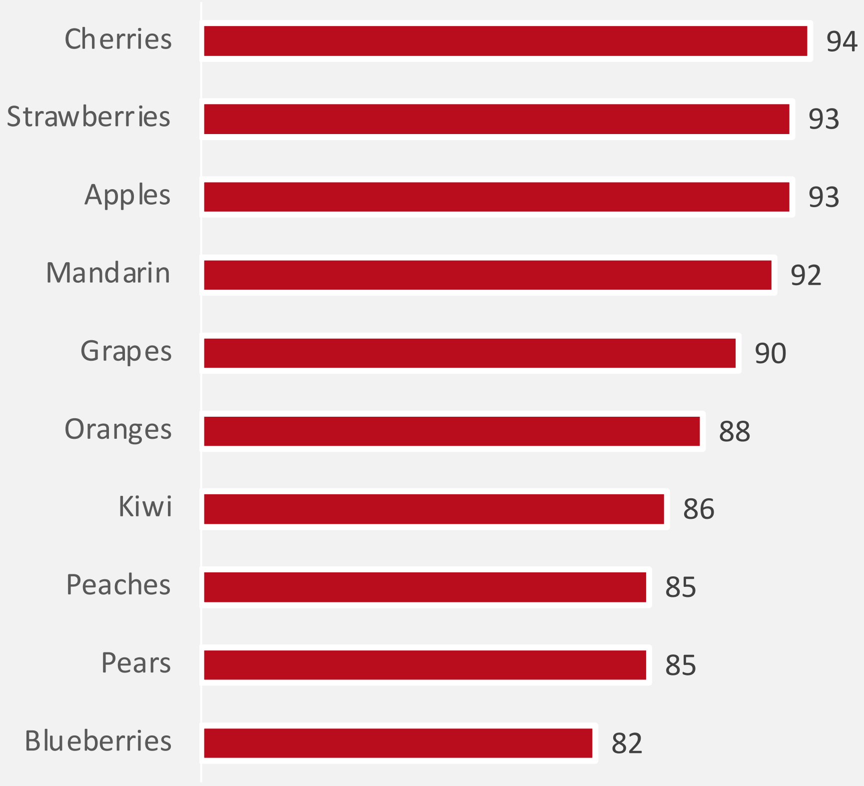
- KEY FINDINGS -

2.1 Purchase & Consumption Behavior

Chile as one of the famous fruit origins was known for imported cherries and grapes, catering to Korean cherry consumers who tended to eat a wide variety of fruits.

FRUITS EATEN IN THE PAST YEAR – TOP10 (%)



AVG. MENTION OF NO. 11.95

COUNTRIES THAT IMPORT FRUIT IN KR – TOP5 (%)

CHILE	USA	NZ	AUS	THAI
81%	78%	68%	56%	52%

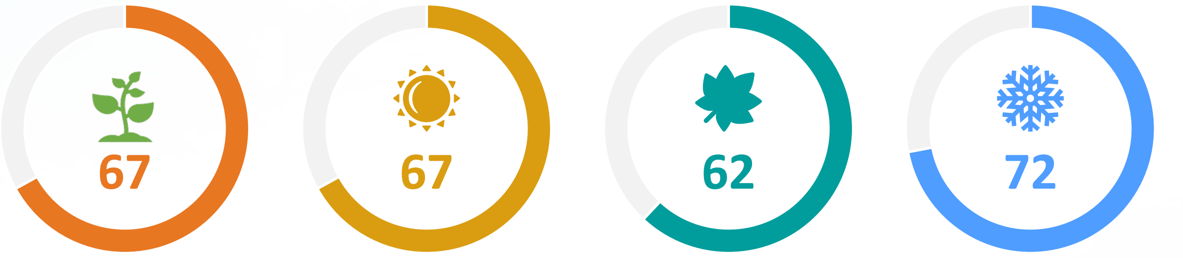
AWARENESS OF IMPORTED FRUITS FROM CHILE – TOP5 (%)

CHERRIES	GRAPES	BLUEBERRIES	KIWIS	BANANAS
53%	45%	16%	6%	5%

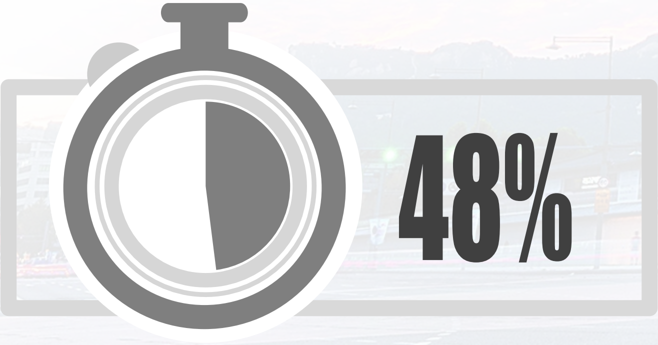
A11. Which of the following fruits have you eaten in the past one year? A13. Which countries from the following list import fruit in South Korea? Base: All respondents n=700
A14.What fruit does [insert A13 selected options one by one] import to South Korea? Base: n=567

Winter was the peak season for Korean consumers to buy cherries, which met the launch period of Chilean cherries and avoided competition with U.S. cherries, making it a competitive origin in the South Korean market.

SEASONS OF BUYING CHERRIES (%)



Spring (Mar.-May.)	Summer (Jun.-Aug.)	Autumn (Sep.-Nov.)	Winter (Dec.-Feb.)
67	67	62	72



48% ALL YEAR ROUND

TIME PERIOD LAUNCH IN MARKET

	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
United States			🍒	🍒	🍒	🍒	🍒	🍒				
Australia	🍒	🍒										
Chile	🍒	🍒	🍒								🍒	🍒
New Zealand	🍒	🍒										🍒
Uzbekistan				🍒	🍒							

Time period launch in market of Chilean cherries:

January 14th - March 11th, 2023

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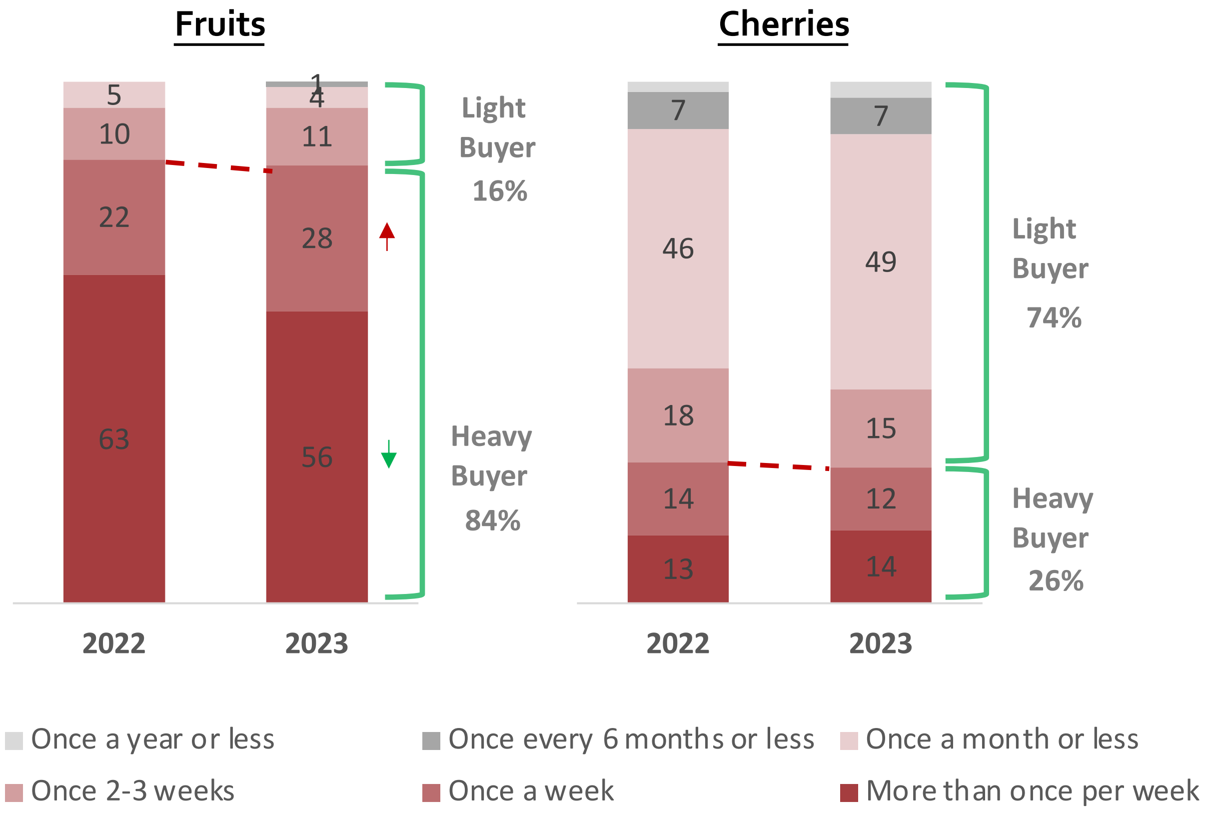
B2.At what season of the year would you normally buy? Base: All respondents, n=700

Compared to last year, consumers were buying cherries more frequently but slightly decreased in amount per purchase and spending.

FREQUENCY OF BUYING FRUITS/CHERRIES (%)



*Light Buyer: Buy fruits/cherries less than once a week
*Heavy Buyer: Buy fruits/cherries once a week or more
↑ Significantly higher than 2022 ↓ Significantly lower than 2022

AVERAGE PURCHASE FREQUENCY

(times/week)

	Fruits		Cherries	
	2022	2023	2022	2023
	1.93	1.99	0.62	0.68

AVERAGE PURCHASE AMOUNT OF CHERRY & SPENDING PER PURCHASE OF CHERRY

	Amount (grams)	Spending (₩)
2022	636.1	16,414
2023	620.36	15,739
Gap vs. 2022	-15.74 grams	-675 ₩

A12. How often do you normally buy fresh fruits? B1. How often do you normally buy cherries? B6. Which of the following best describes the amount of cherries you normally buy every time? B7. How much do you normally spend in cherries every time? Base: All respondents, 2022/2023, n=844/700

GAME CHANGERS

Deep diving into segments, campaign awarers were more likely to spend more on purchasing cherries.

Cherries from Chile

WEEKLY PURCHASE AMOUNT OF CHERRIES (%)

	Weekly Avg. purchase frequency (times)		Avg. amount per purchase (grams)		Weekly Avg. purchase amount (grams)	Gap vs. 2022
2023	0.68	×	620.36	=	421.84	+27.44
2022	0.62	x	636.1	=	394.4	

Campaign Awarers

2023	1.39	×	655.96	=	911.78	+27.98
2022	1.18	x	749.0	=	883.8	

Campaign Non-awarers

2023	0.37	×	604.68	=	223.62	+6.72
2022	0.37	x	586.1	=	216.9	

WEEKLY PURCHASE SPENDING OF CHERRIES (%)

Total			Gap vs. 2022
Average spend per purchase between 0-249 g. (₩)	Average spend per purchase between 250-500 g. (₩)	Estimated spending per week = 421.84 g. (₩)	394.4 g. (₩)
-	12150.8	**12,150.8**	-325
Campaign Awarers			
Average spend per purchase between 501-750 g. (₩)	Average spend per purchase between 751-1,000 g. (₩)	Estimated spending per week = 911.78 g. (₩)	883.8 g. (₩)
16693.0	19292.5	**18375.2**	+1988.8
Campaign Non-awarers			
Average spend per purchase between 0-249 g. (₩)		Estimated spending per week = 223.62 g. (₩)	216.9 g. (₩)
8916.7		**8916.7**	-2723.3

Note:
- "-" means that sample size is too small to read/calculate (<30).

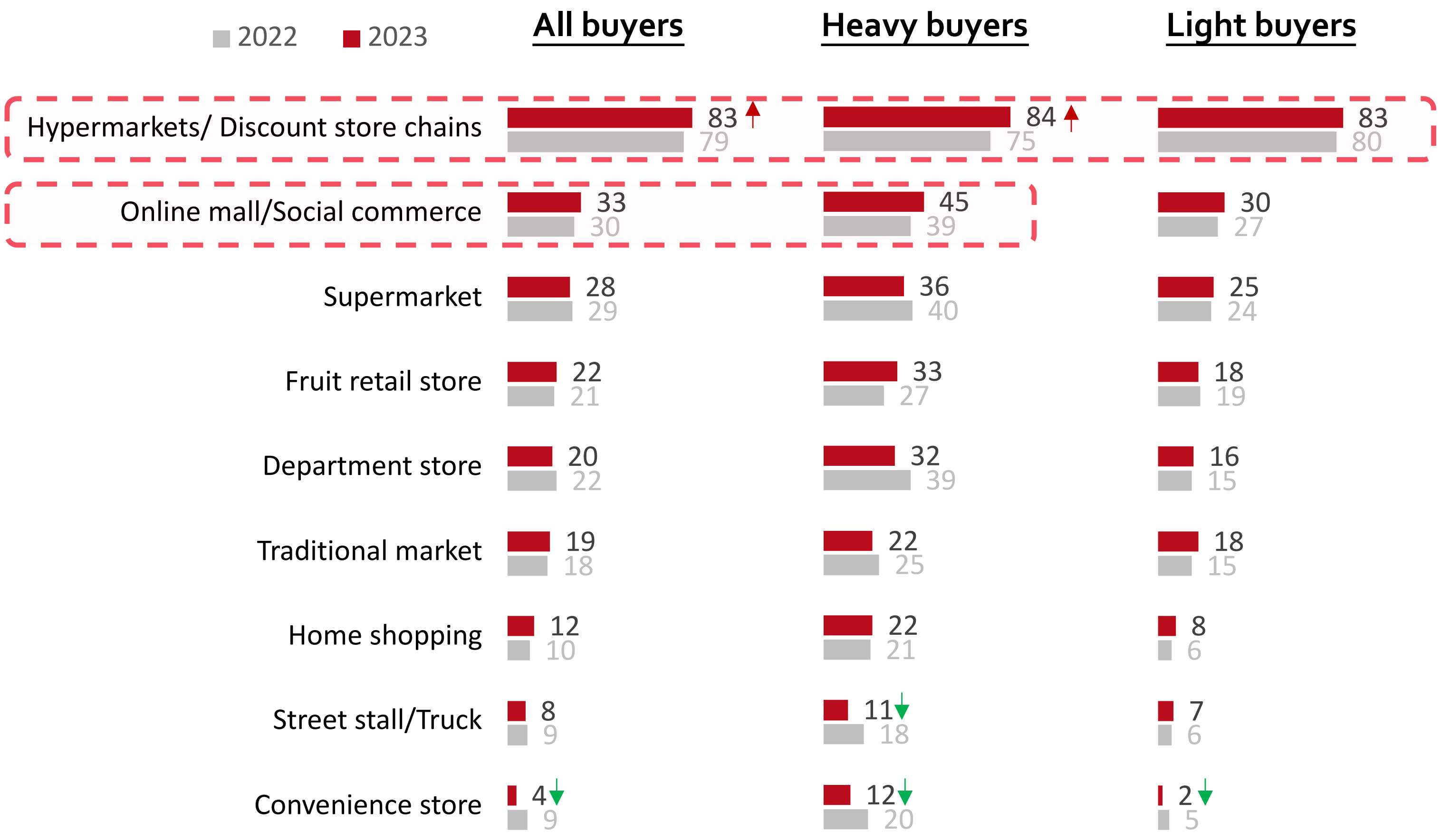
GAME CHANGERS Ipsos

Base: All respondents/Campaign awarers/Campaign non-awarers: n= 700/214/486

Hypermarkets/discount store chains had increasingly become important channels for cherry sales, especially for heavy buyers. Besides, online store/social commerce were also working for heavy buyers.

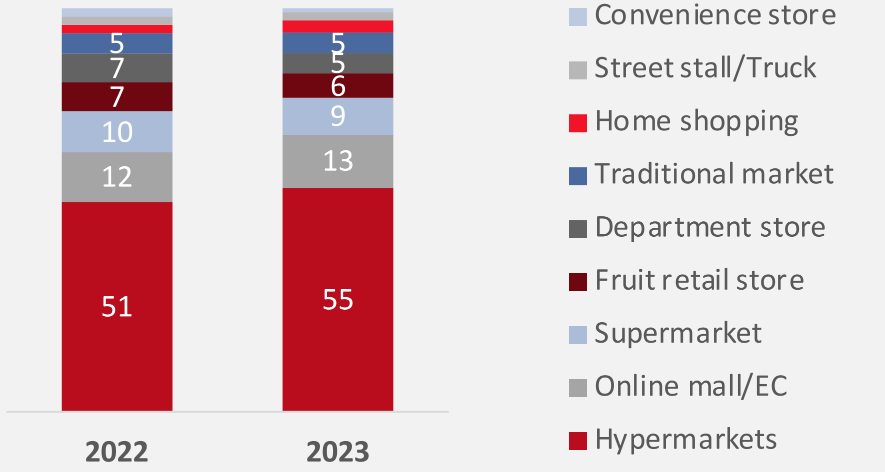
Cherries from Chile

CHERRY PURCHASE CHANNEL (%)



AVG. NUM. MENTIONED CHANNELS

SHARE OF SPENDING AMONG FRUIT CHANNELS (%)



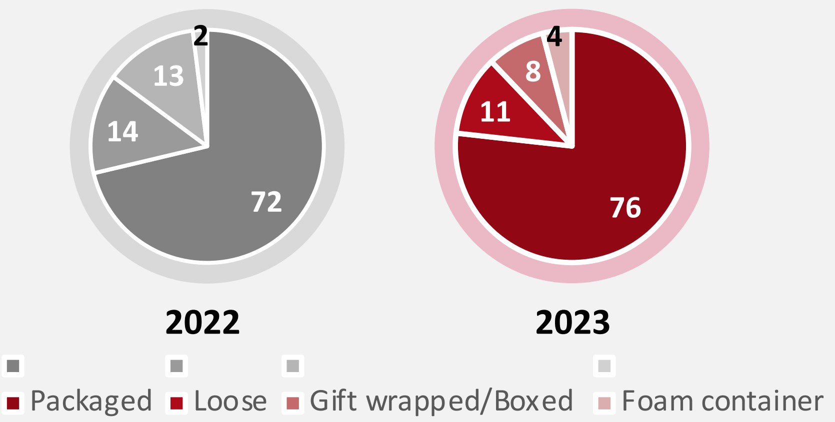
Note: Light Buyer: Buy cherries less than once a week; Heavy Buyer: Buy cherries once a week or more

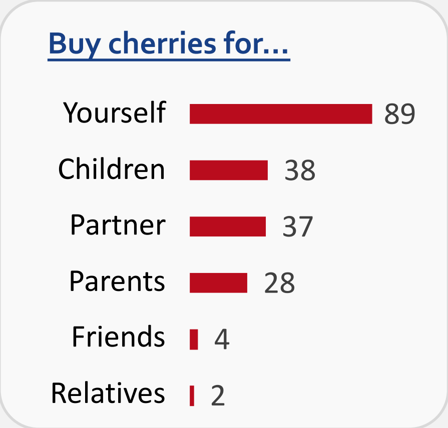
↑ Significantly higher than 2022 ↓ Significantly lower than 2022

B3. Where do you normally buy cherry? B4. And, how much of your monthly spending on cherry correspond to each kind of store.
Base 2022: Total/Heavy buyers/light buyers, n=844/234/610; 2023: Total/Heavy buyers/light buyers, n=700/177/523

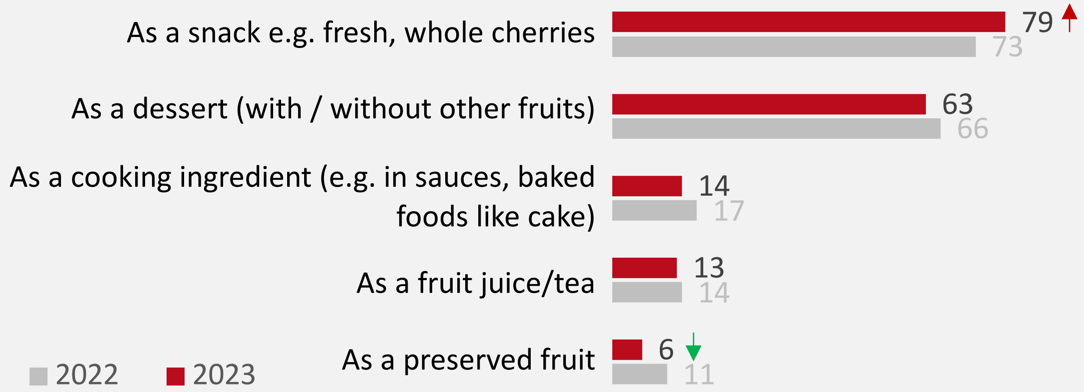
Most consumers preferred to enjoy cherries on their own or share them with families, and dinner had become the most popular consumption occasion while lunchtime also had potential, which should be noticed when promoting.

PREFERENCE FOR CHERRY PACKAGING (%)

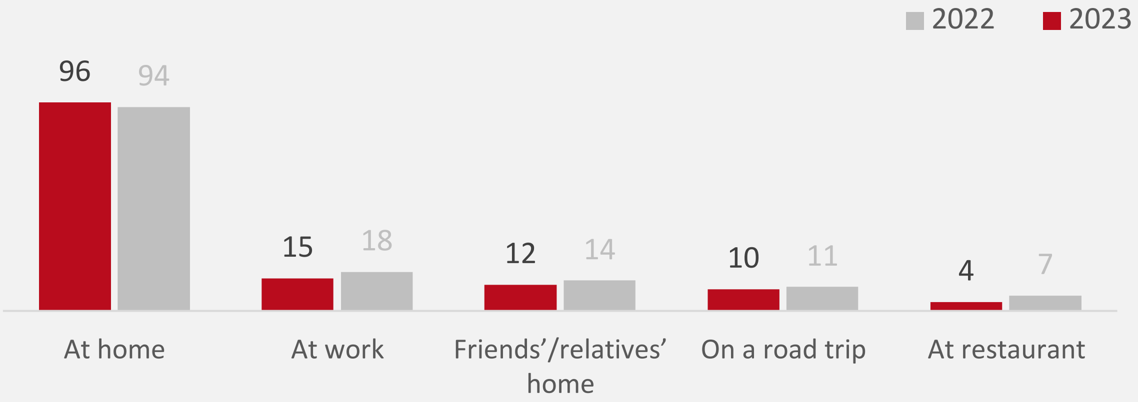




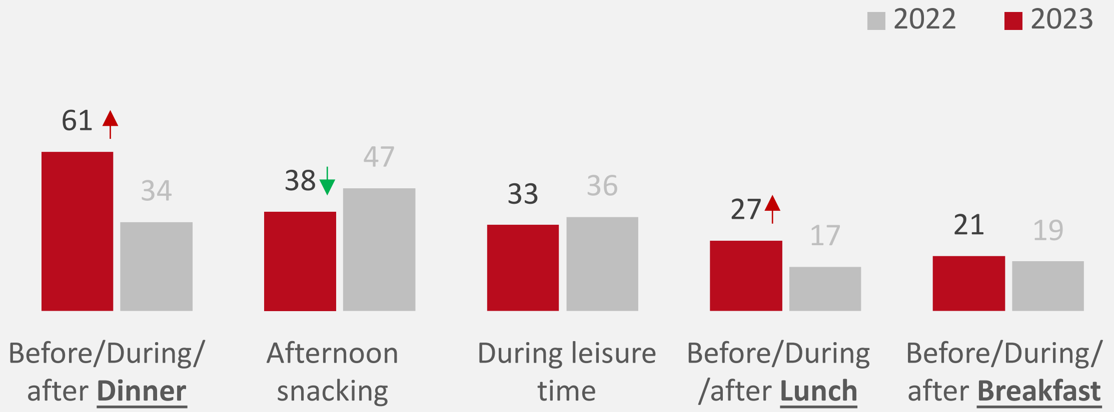
FAVORITE WAYS TO EAT CHERRY (%)



CONSUMPTION OCCASIONS FOR CHERRY – TOP5 (%)



CONSUMPTION TIME FOR CHERRY – TOP5 (%)



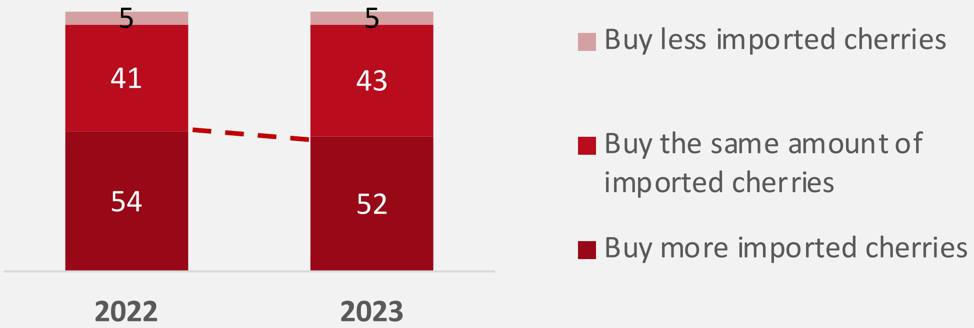
Significantly higher than 2022 Significantly lower than 2022

B5. Which types of packaging you prefer? C1. How would you normally consume cherry? C2. Where would you eat cherries normally? C3. When would you eat cherries normally? Base: All respondents, 2022/2023, n=844/700

GAME CHANGERS

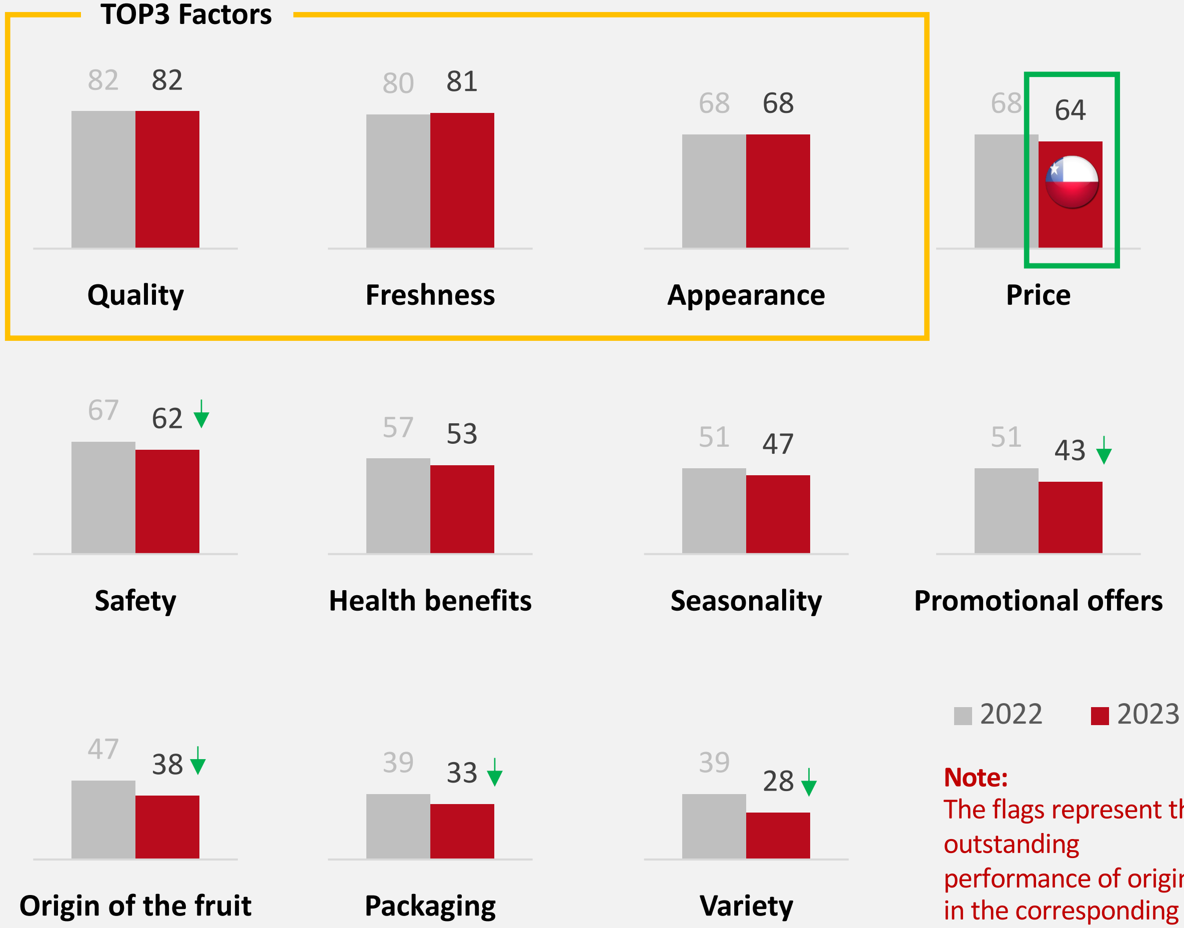
Ensuring quality and freshness was still essential to stimulating the consumption of imported cherries. Notably Chilean cherries maintained the edge in price factors compared with other origins.

INTENTION TOWARDS IMPORTED CHERRIES (%)



HINDERS FOR IMPORTED CHERRIES (%)

KEY FACTORS DRIVING CONSIDERATION (%)



Note:
The flags represent the outstanding performance of origins in the corresponding image perception

D2. Which of the following statements best reflects your current intention towards buying imported cherry? Base: All respondents, n=700 D3. Which of the following statements best describes the reason why you don't buy imported cherry in a more regular basis? Base: Respondents who not intend to purchase more imported cherry2023/2022, n=334/391 D1. To what extent are the following factors important to you when buying cherry? E7. Which statement do you associate with each country? You can select one, all or none of the countries for each attribute. Base: All respondents, 2022/2023, n=844/700

↑ Significantly higher than 2022 ↓ Significantly lower than 2022

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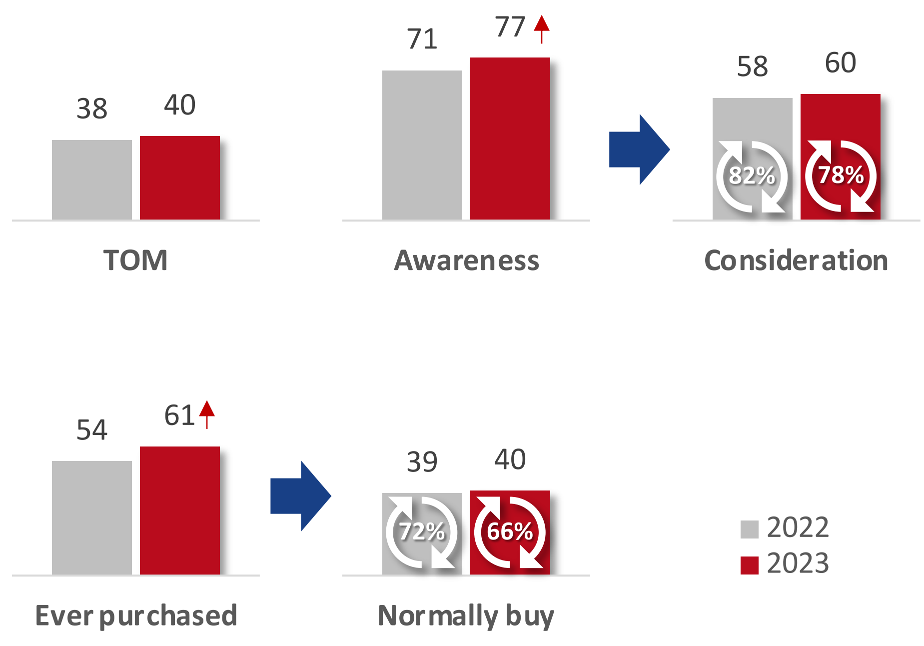
- KEY FINDINGS -

2.2 Brand Consumption & Perception

Chilean cherries enjoyed decent increase in awareness and ever-purchased metrics yet need more efforts to convert the growth of re-purchase, which probably be due to the decrease of several perceptions, especially “freshness”.

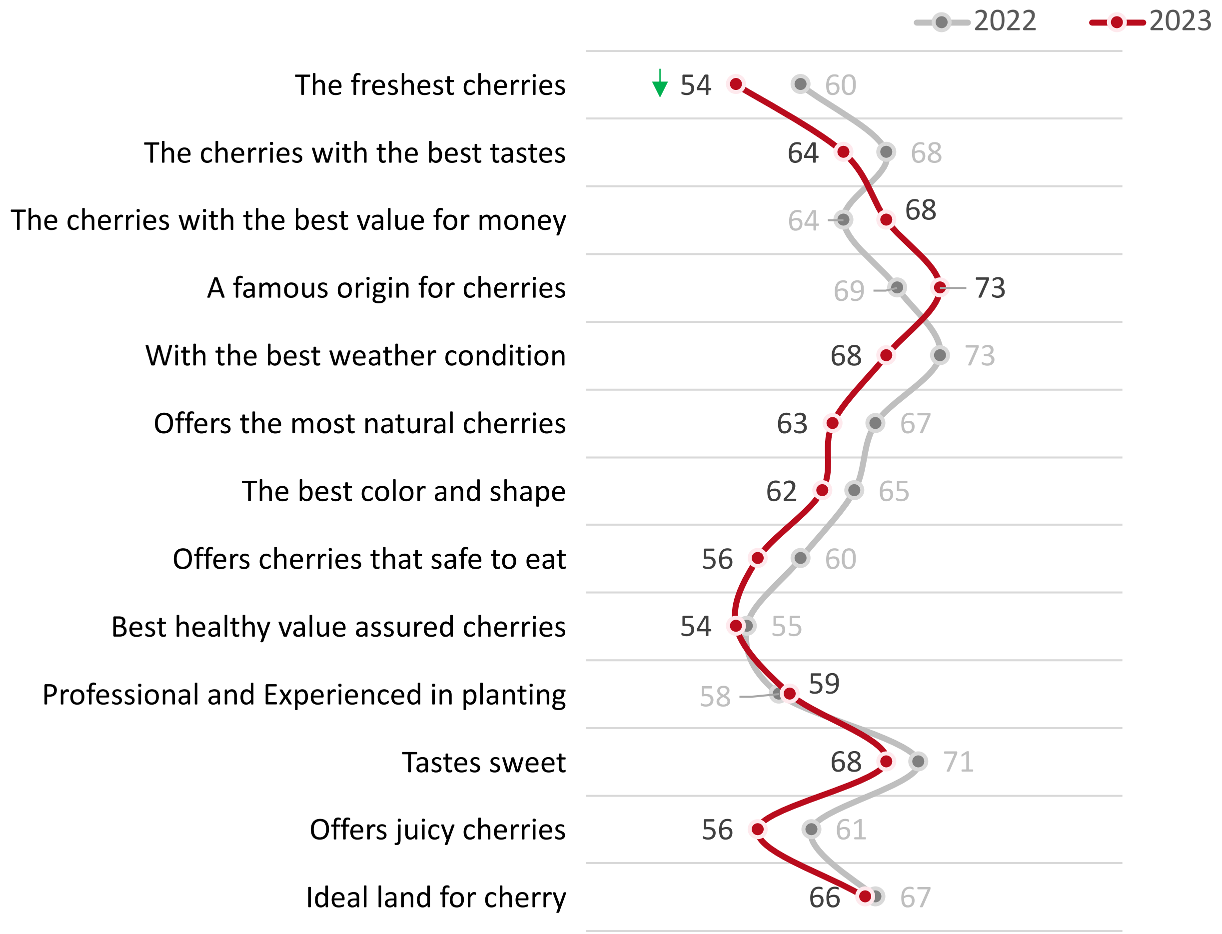
BRAND FUNNEL OF CHILEAN CHERRIES (%)



Note: “ ”represents the conversion rate

Significantly higher than 2022 Significantly lower than 2022

IMAGE PERCEPTION OF CHILEAN CHERRIES (%)

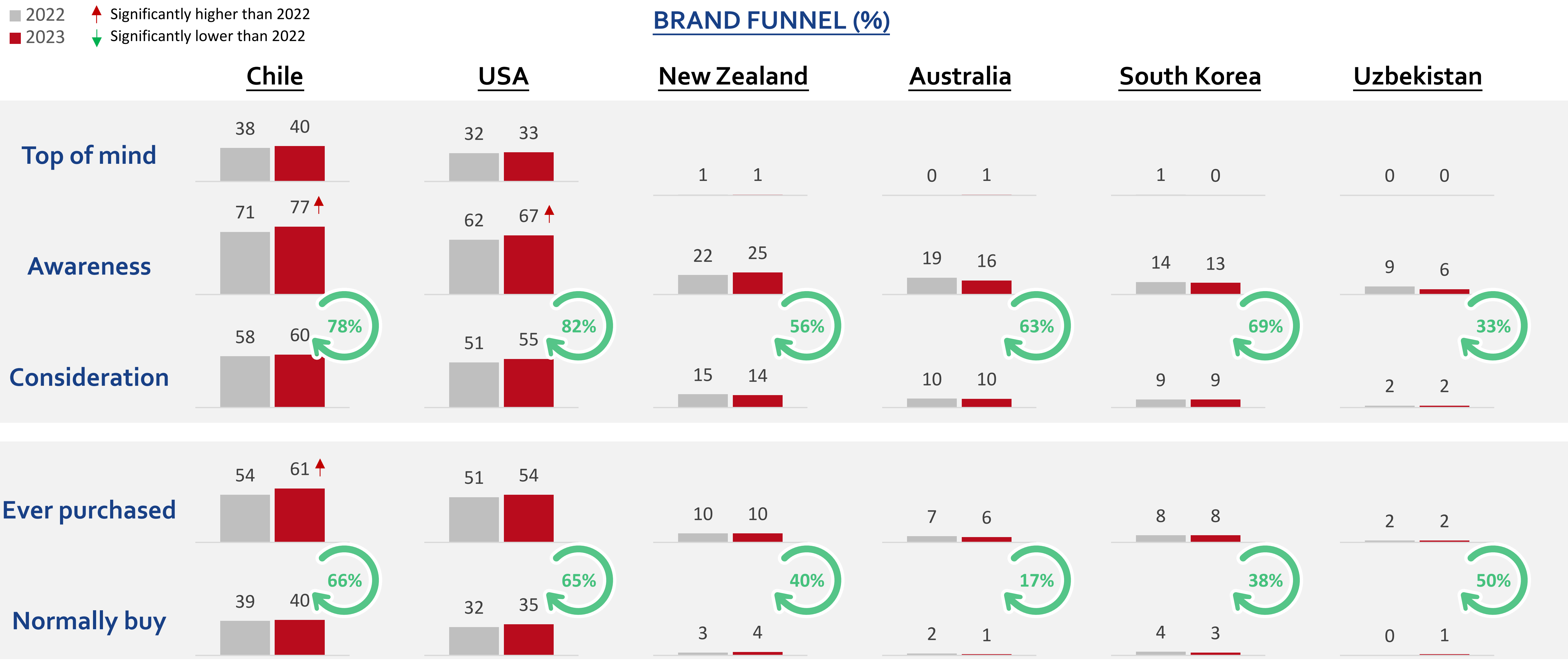


E1. What is the country of origin of cherry that firstly comes to your mind? E2. Which countries from the following list offer cherry in South Korea? E4. And from which countries would you consider buying cherry? E5. Which countries of cherry have you ever bought? E6. Which country do you normally buy cherry from?
Note: TOM=Top of mind Base: All respondents 2022/2023, n=844/700
E7. Some statements that could be used to describe cherry producers will appear on the screen and we would like to know which of them do you associate with each country. You can select one, all or none of the countries for each attribute Base: Chilean cherry awarers, 2022/2023, n=602/539

In general, Chilean and U.S. cherries dominate the South Korean market and were still expanding their advantages, while further enhancing sales metrics, Chilean cherries should be wary of the catch-up of U.S. cherries in conversion rate of consideration.

Cherries from Chile

BRAND FUNNEL (%)

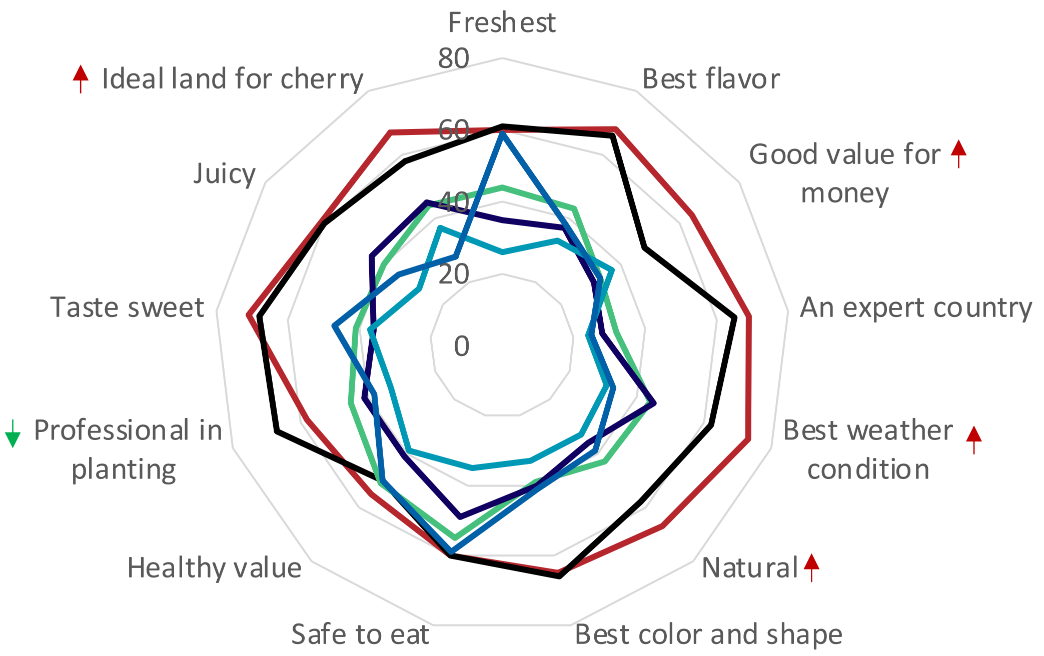


E1. What is the country of origin of cherry that firstly comes to your mind? E2. Which countries from the following list offer cherry in South Korea? E4. And from which countries would you consider buying cherry? E5. Which countries of cherry have you ever bought? E6. Which country do you normally buy cherry from?
Note: TOM=Top of mind Base: All respondents 2022/2023, n=844/700

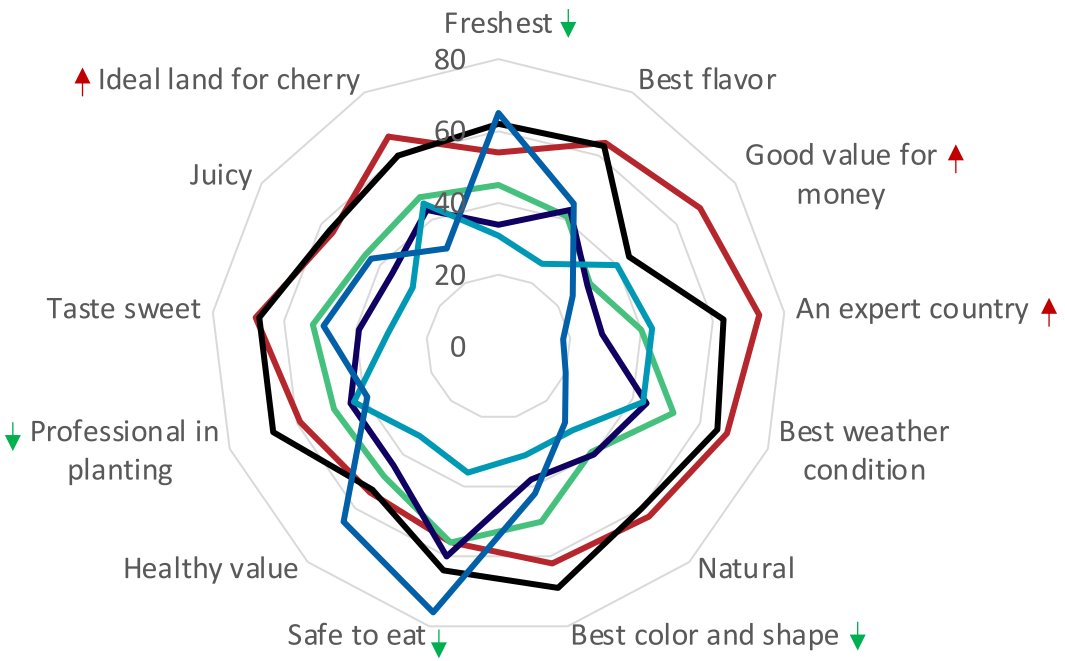
GAME CHANGERS Ipsos

Image-wise, Chilean and U.S. cherries remained dominant in overall performance, among which Chilean cherries were known for being cost-effective, expertise, and ideal land for cherry while quality-related images such as "freshest", "safety", and "color & shape" were less competitive.

2022 - IMAGE PERCEPTION (%)



2023 - IMAGE PERCEPTION (%)



Chile | USA | New Zealand | Australia | Uzbekistan | South Korea

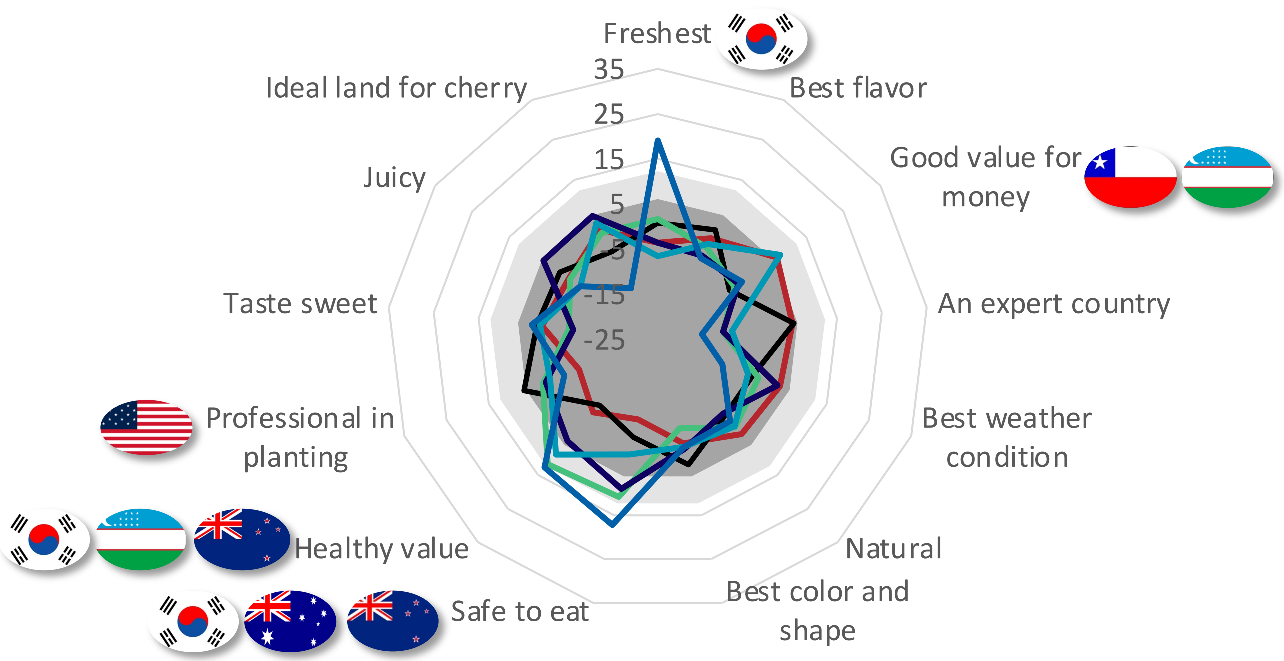
E7. Which statement do you associate with each country? You can select one, all or none of the countries for each attribute? Base: Brand awarers, Chile/USA/New Zealand/Australia/Uzbekistan/South Korea (2022,2023), n=(602, 539)/(526,466)/(189,173)/(160,115)/(54,42)/(117,89)

▲ Significantly higher than USA
▼ Significantly lower than USA

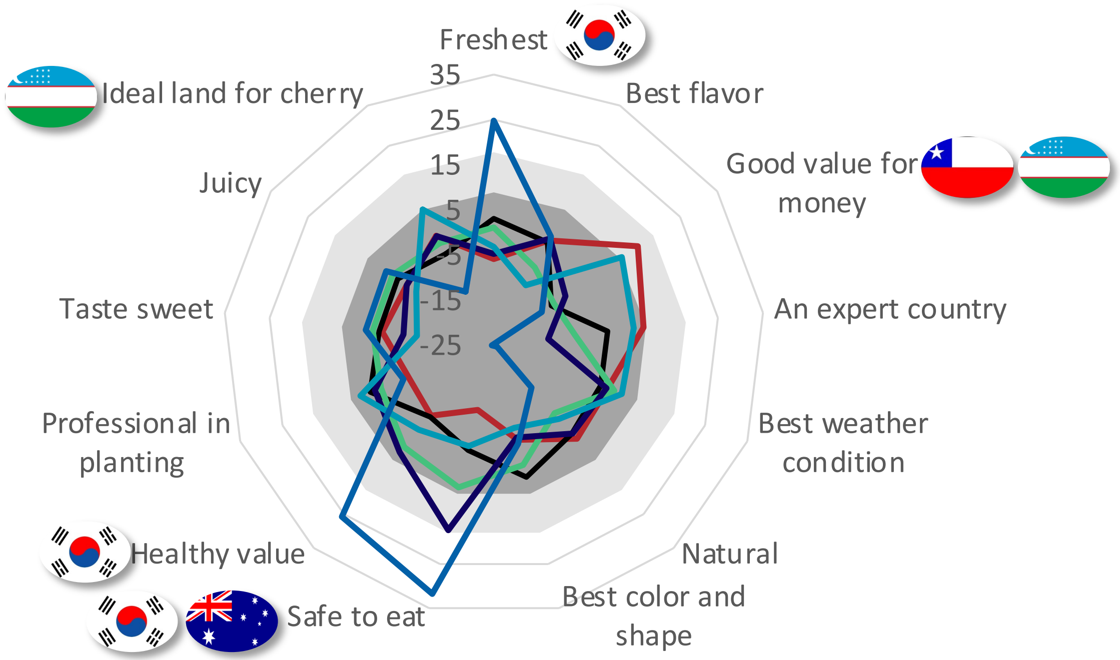
GAME CHANGERS Ipsos

Limited by production, local cherries were relatively weaker perceived in most images despite outstanding performance in "freshness", "safety", and "healthy value". Regarding "good value-for-money", Chilean cherries might face competition from Uzbekistan cherries.

2022 - IMAGE PERCEPTION INDEX (%)



2023 - IMAGE PERCEPTION INDEX (%)



Chile USA New Zealand Australia Uzbekistan South Korea

Perception higher than standard deviation, attributes moderately associated with the brand.

Perceptions two or more times above the standard deviation, attributes strongly associated with the brand.

	2022	2023
Standard Deviation	6.16	8.89

Note：Country flag besides image description: attributes moderately/strongly associated with the brand.

E7. Which statement do you associate with each country? You can select one, all or none of the countries for each attribute? Base: Brand awarers, Chile/USA/New Zealand/Australia/Uzbekistan/South Korea (2022,2023), n=(602, 539)/(526,466)/(189,173)/(160,115)/(54,42)/(117,89)

GAME CHANGERS

/ 02

- KEY FINDINGS -

2.3 Campaign Performance

The 2023 Cherry campaign achieved similar visibility compared to last year, among which online events obtained lower awareness possibly due to less channels exposed.

Cherries from Chile

2022

Campaign Period:

December 13th, 2021-February 6th, 2022

30.7%

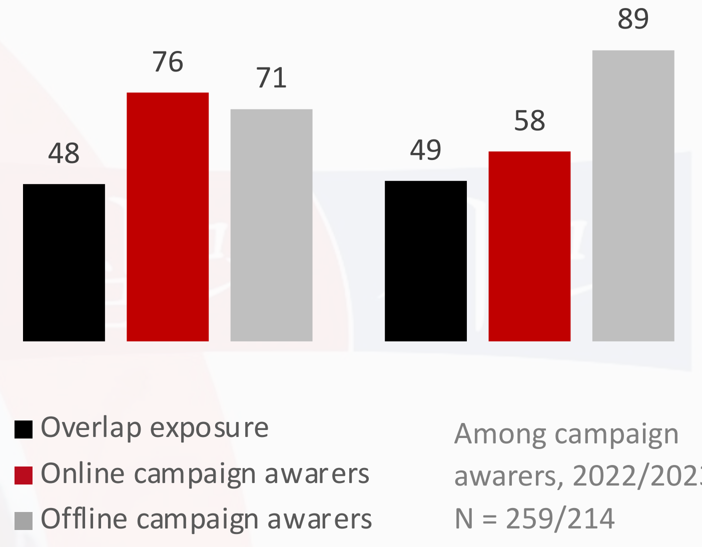
30.6%

VISIBILITY OF CHILEAN CHERRIES CAMPAIGN (%)

2023

Campaign Period:

January 14th - March 11th, 2023



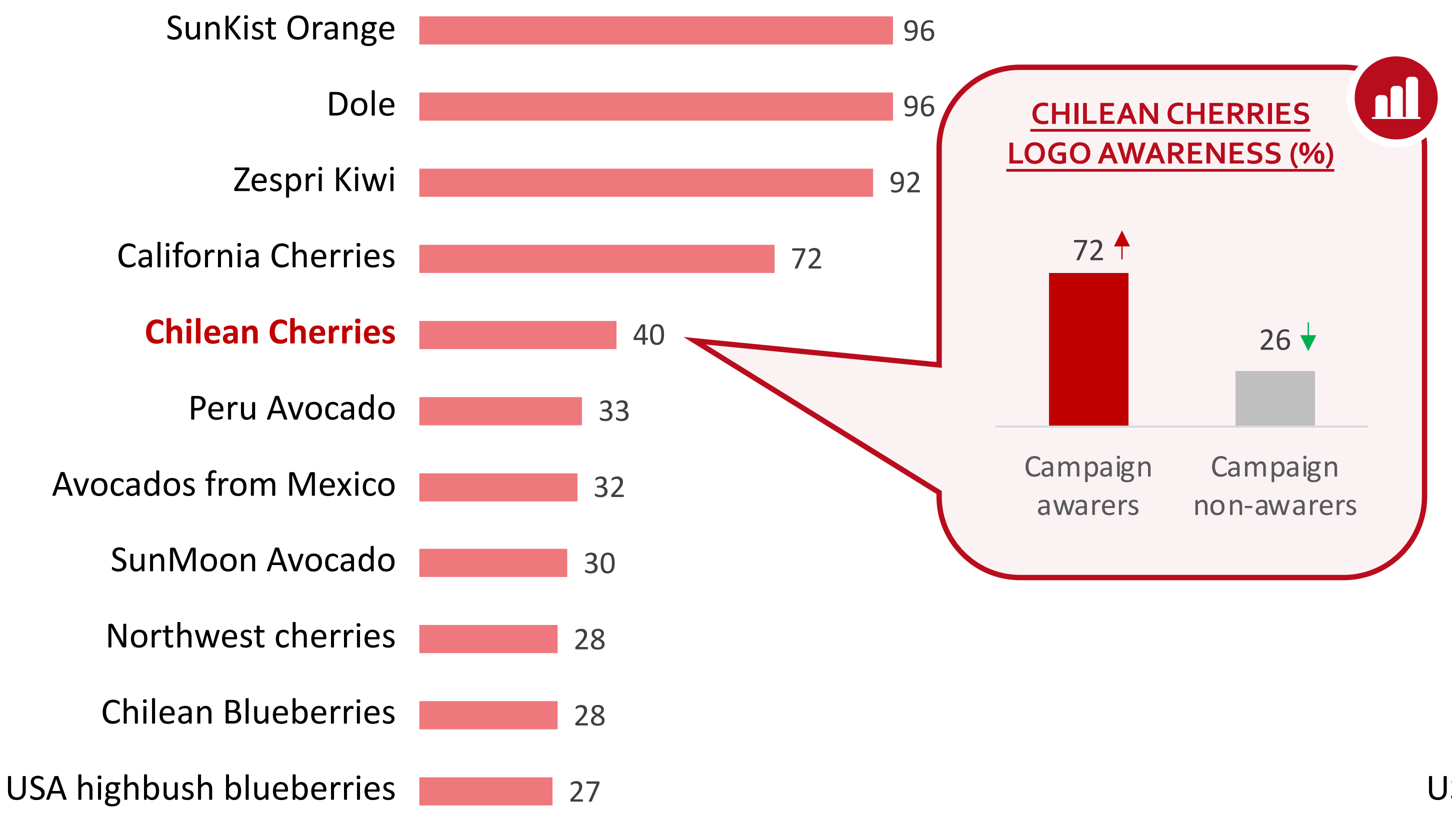
Among campaign awarers, 2022/2023, N = 259/214

	2022	2023
No. Online channels	9	4

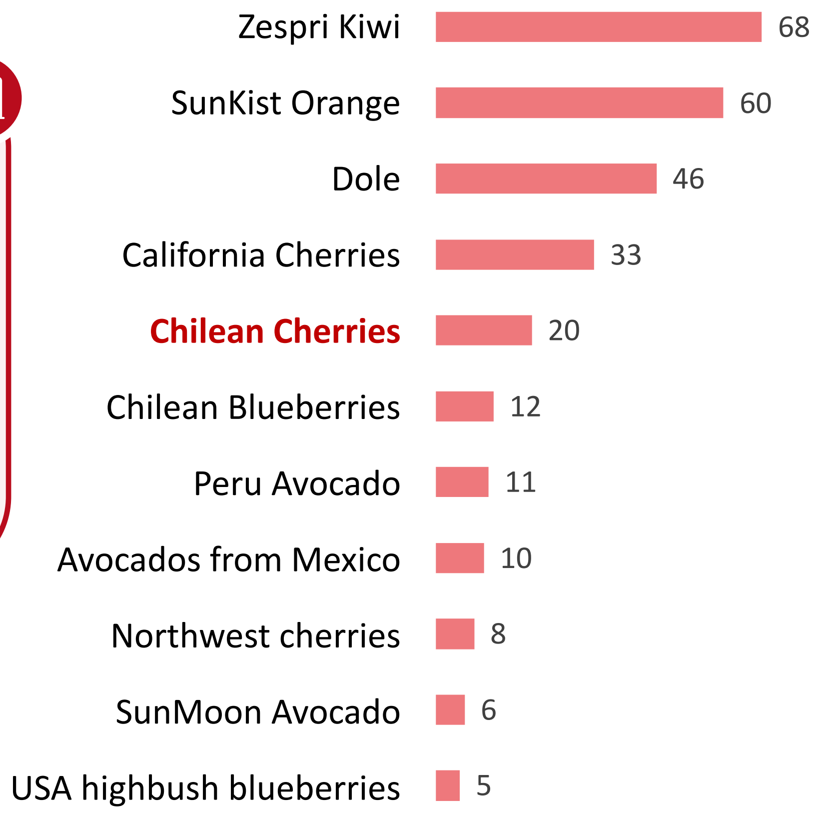
F3. Have you ever seen any ads, articles or promotions about Cherries from Chile recently? Base: All respondents, 2022/2023, n=844/700

Sunkist, Dole, and Zespri were more prominent in terms of logo recognition and campaign visibility, while Chilean cherries still had a large room for improvement. Nevertheless, the recognition of Chilean cherries logo significantly improved through the campaign.

AWARENESS OF FRUIT LOGO (%)



CAMPAIGN VISIBILITY AMONG LOGO AWARERS



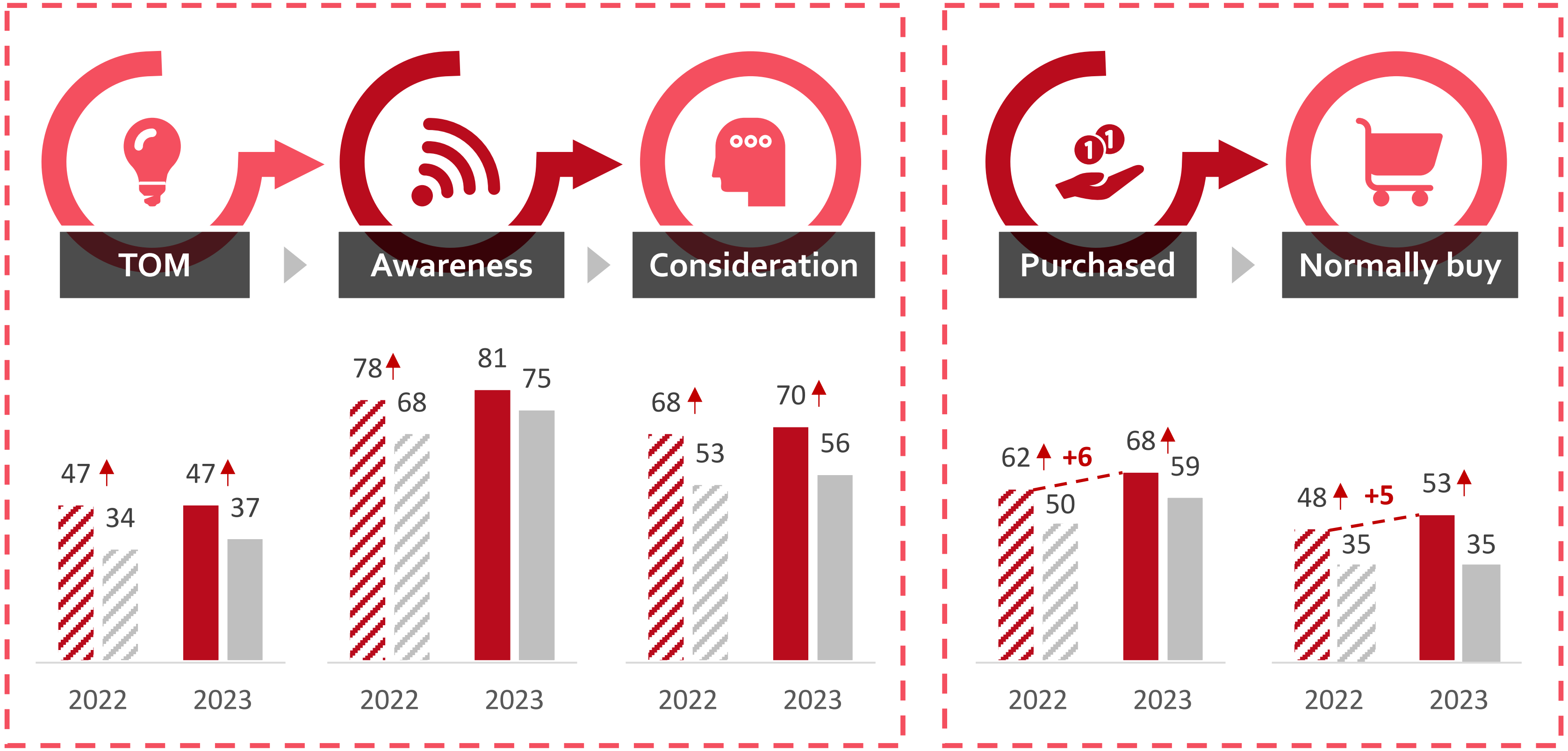
↑ Significantly higher than Total ↓ Significantly lower than Total

F1. Did you see the following logos before? Base: All respondents/Campaign awarers/Campaign non-awarers (2022,2023): n=(844,700)/(259,214)/(585,486) F2. Have you seen any ads or promotions of the following brands of fruits recently? Base: All respondents (2023):n=700

GAME CHANGERS

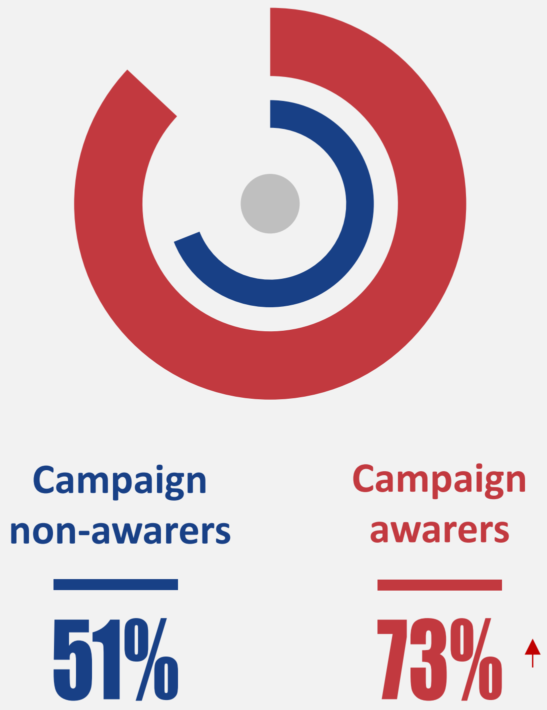
The campaign further enhanced the leading position of Chilean cherries in awareness and contributed significantly to the sales of products.

IMPACT ON ATTITUDE & BEHAVIOR TOWARDS CHILEAN CHERRIES (%)



■ Campaign awarers ■ Campaign non-awarers ▲ Significantly higher than campaign non-awarers

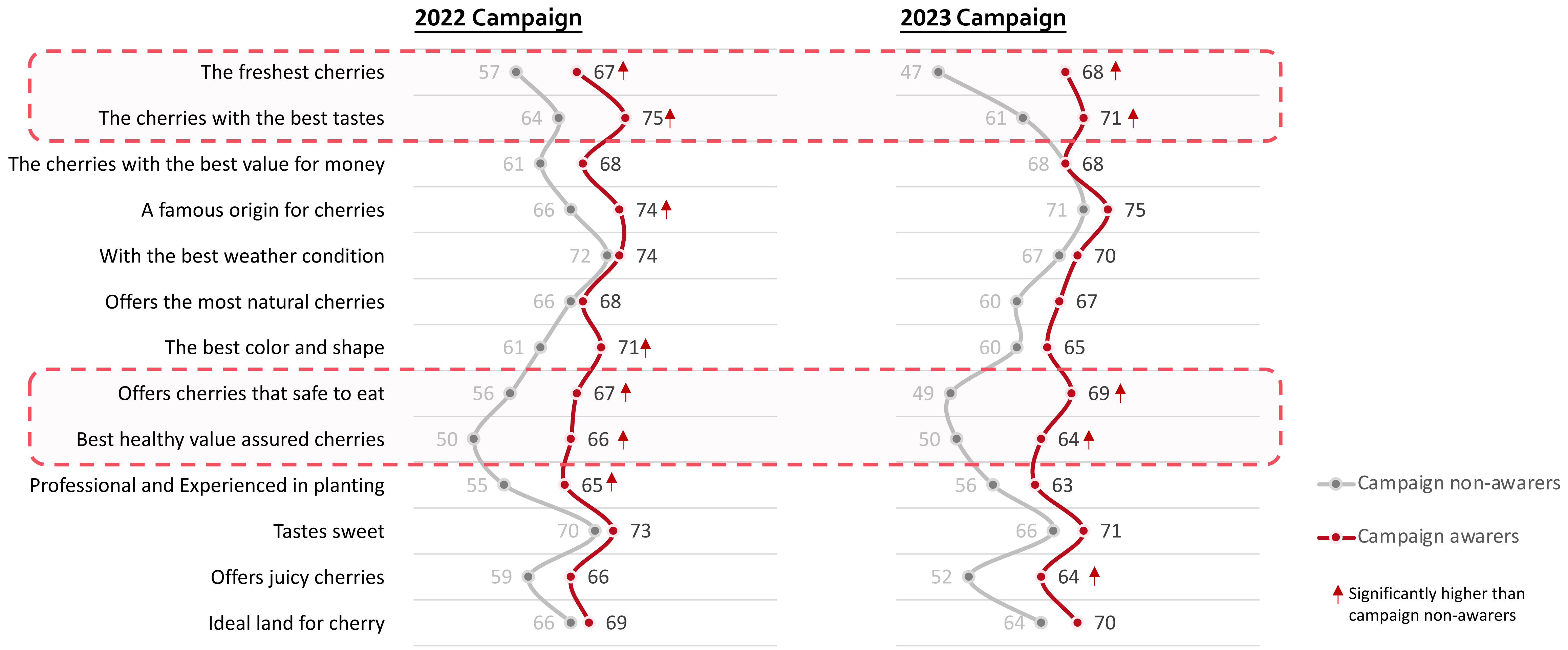
PURCHASE OF CHILEAN CHERRIES - PAST 3 MONTHS (%)



E1. What is the country of origin of the cherry that firstly comes to your mind? E2. Which countries from the following list offer cherry in South Korea? E4. And from which countries would you consider buying cherry? E5. Which countries of cherry have you ever bought? E6. Which country do you normally buy cherry from? F12. In the past three months, have you bought any of the following origins of cherry? Base 2022: All respondents/Campaign awarers/Campaign non-awarers: n= 844/259/585, 2023: All respondents/Campaign awarers/Campaign non-awarers: n= 700/214/486

Successive campaigns strengthened the perception of “freshness”, “tasty”, “safe to eat”, and “healthy value” of Chilean cherries, while the 2023 campaign also played a positive role in delivering “juicy”.

IMAGE PERCEPTION OF CHILEAN CHERRIES (%)

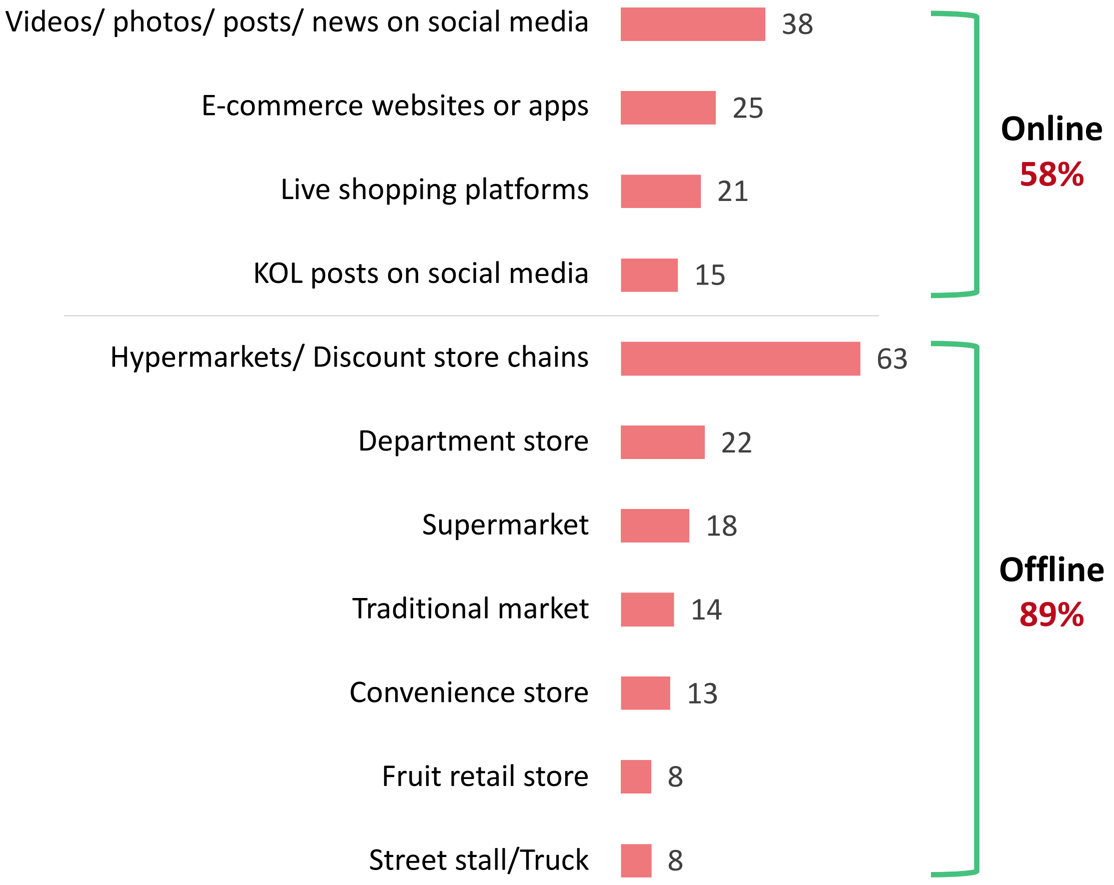


E7. Some statements that could be used to describe cherry producers will appear on the screen and we would like to know which of them do you associate with each country. You can select one, all or none of the countries for each attribute. Base 2022: All respondents/Campaign awarers/Campaign non-awarers: n= 844/259/585, 2023: All respondents/Campaign awarers/Campaign non-awarers: n= 700/214/486

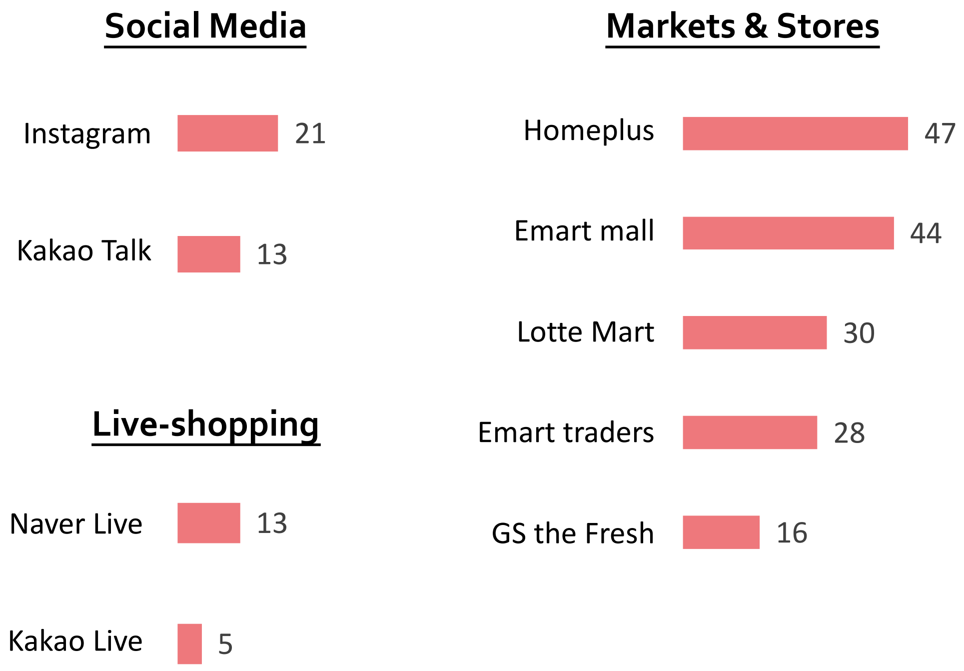
Offline channels contributed more to the visibility of campaign.

- Hypermarkets/ Discount store chains as the most common occasions for purchasing cherries outperformed other channels. Among offline campaign channels, Homeplus was the most influential one, followed by Emart mall.
- Social media also played a positive role in reaching target consumers among online channels, with Instagram ranked 1st.

CAMPAIGN CHANNELS (%)



SPECIFIC CHANNELS OF SEEING CAMPAIGN

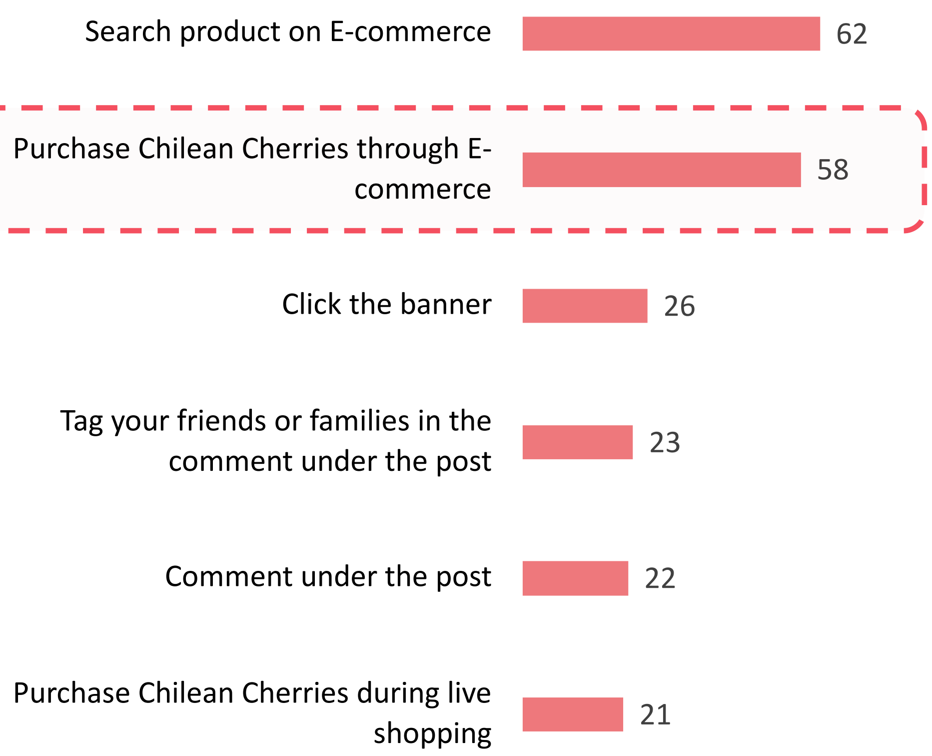


F4.Where did you see these ads, articles or promotions of Cherries from Chile? F5.From which specific channel(s) did you see these ads, articles, or promotions of Cherries from Chile?   Base: Campaign awarers, n=214

Offline campaigns were more likely to drive consumers' willingness to purchase Chilean cherries, among which display bins were exposed to more consumers, while free tasting was more appealing to them.

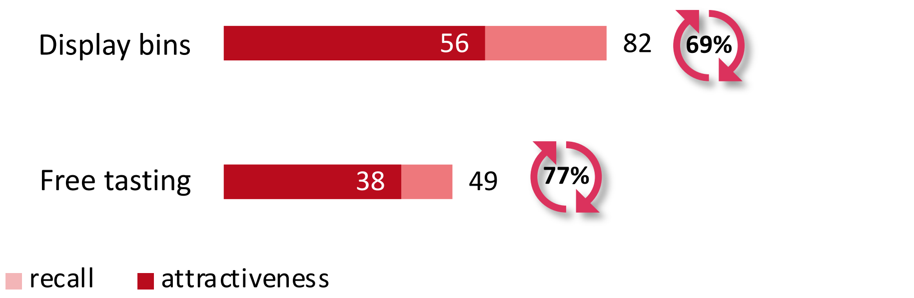
Online

FOLLOWING ACTIONS AFTER SEEING ONLINE POSTS (%)



Offline

RECALL & ATTRACTIVENESS OF OFFLINE EVENTS (%)



Note: "↻"represents the attractiveness rate = TOP3BOX attractiveness/recall

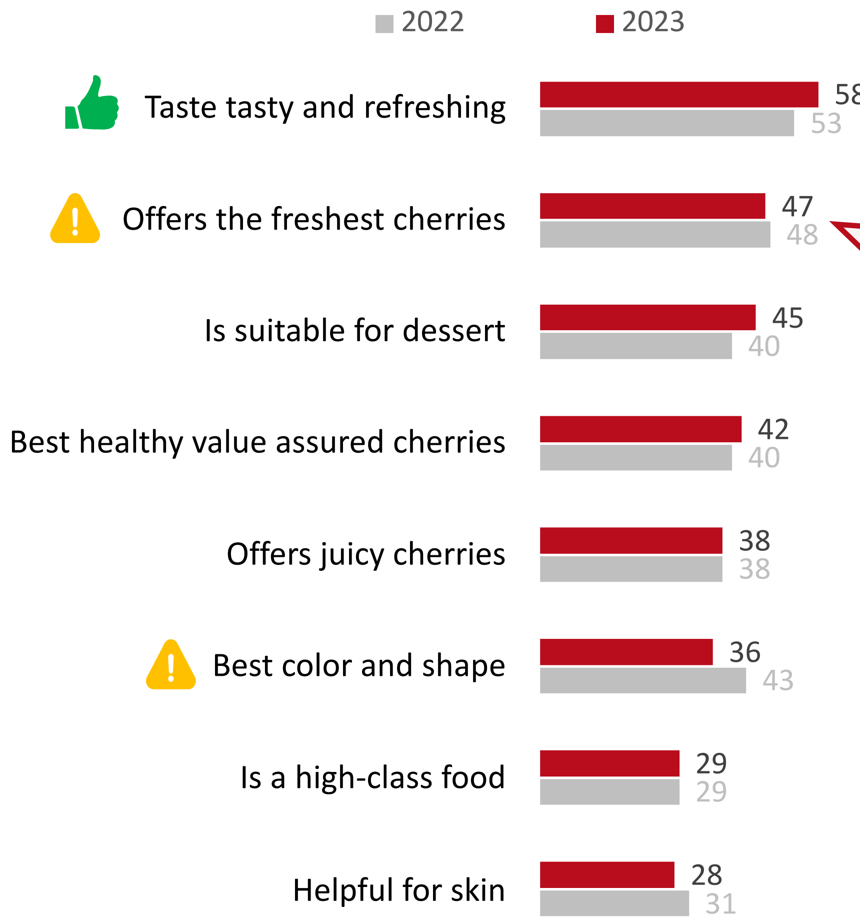
87% **Offline campaign awarers**

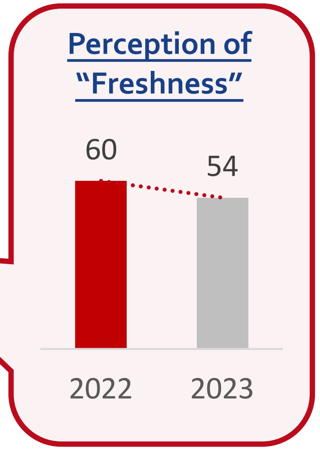
Purchased after Seeing Offline promotion

F5a. After you saw the posts or activities, did you take any of the following actions? Base: Online campaign awarers, n=81
F5c. Which kind of offline promotion activities have you ever seen in local markets for Cherry from Chile? F6. Please rate the attractiveness of the following promotions. Base: Offline Campaign awarers in specific channels, n=179

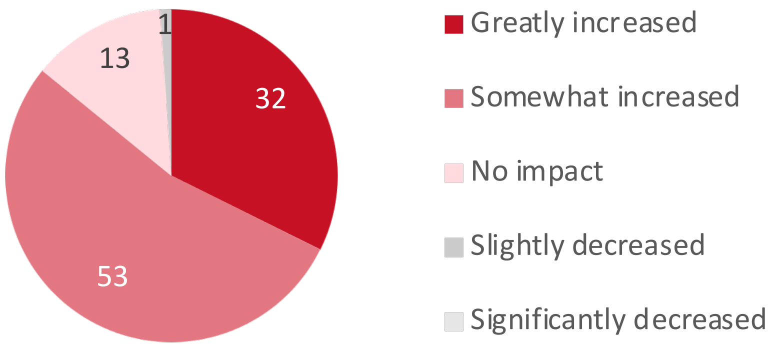
The campaign greatly improved consumers' purchase intention towards Chilean cherries and further enhanced the perception of "tasty and refreshing" yet needs efforts to strengthen "freshness" in follow-up promotions to make up for the bottleneck in image perception.

IMPRESSION OF CHILEAN CHERRIES AFTER SEEING THE CAMPAIGN (%)





PURCHASE INTENTION AFTER SEEING THE CAMPAIGN (%)



Why didn't improve?

- **Price** *"It's too expensive."; "Decreased in cost performance."*
- **Competitiveness** *"I prefer Korean cherries."*
- **Advertising** *"This is not a compelling promotion."; "I am not infatuated with this advertising." ; "Not familiar with the origin."*
- **Quality** *"It seems to be promoting stale cherries."*

F9. After watching the ads, articles and promotions for Cherry from Chile, what's your impressions about Cherry from Chile? F10. How much did the ads, articles or promotions impact your willingness to purchase Cherries from Chile after seeing it? Base: 2022/2023 Campaign awarers, n=259/214

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- CONSLUSION & SUGGESTION -

Conclusions and Suggestions

Cherry Market in South Korea

Cherries from Chile

Chilean cherries showed strong competitiveness in South Korean market

Consumers' habit of buying cherries in winter and avoiding competition with U.S. cherries at the same time period made Chilean cherries a competitive origin in the South Korean market.

Maintained dominance, Chilean cherries should enhance quality-related images to compete with U.S. cherries

- With absolute advantage in awareness and consideration, Chilean cherries dominated the South Korean market along with U.S. cherries. While further enhancing sales metrics, Chilean cherries need to pay attention to the competition with U.S. cherries in converting consideration.
- In line with brand performance, Chilean cherries outperformed in most perceptions, especially "good value-for-money", "an expert county" and "ideal land for cherry", enhancing "freshness", "safe to eat" and "professional in planting" in follow-up promotions might help when competing with U.S. cherries.

Achieved a similar performance to that of last year, the campaign greatly improved brand indexes and purchase intention

- The 2023 Cherry campaign achieved similar visibility compared to last year, with higher exposure in offline channels.
- The campaign further enhanced the leading position of Chilean cherries in brand indexes and left a good impression of "tasty and refreshing" and "juicy", also strongly boosted purchase intention.
- Offline channels contributed more to the visibility of the campaign, among which hypermarkets/ Discount store chains played a vital role in reaching target audiences, with Homeplus and Emart mall performing the best.

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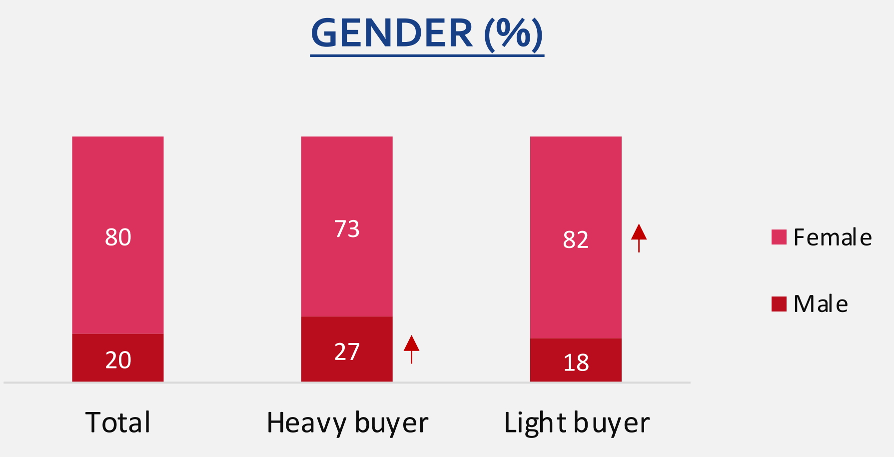
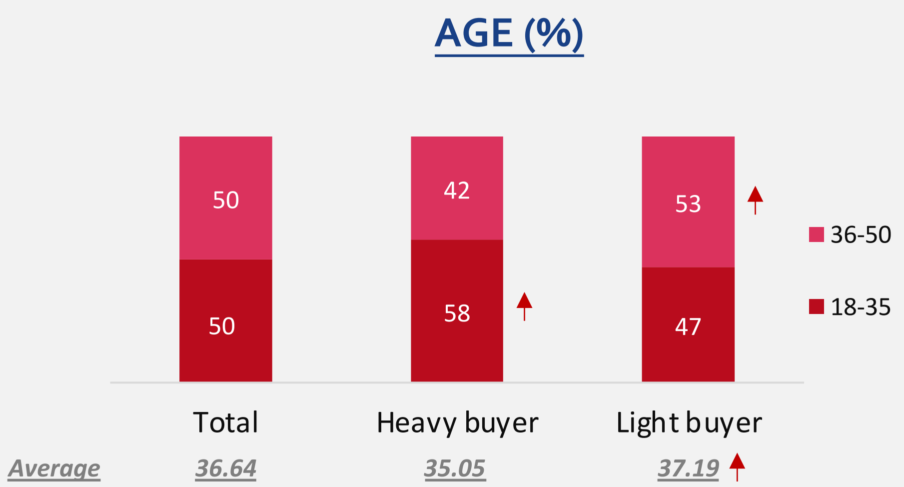
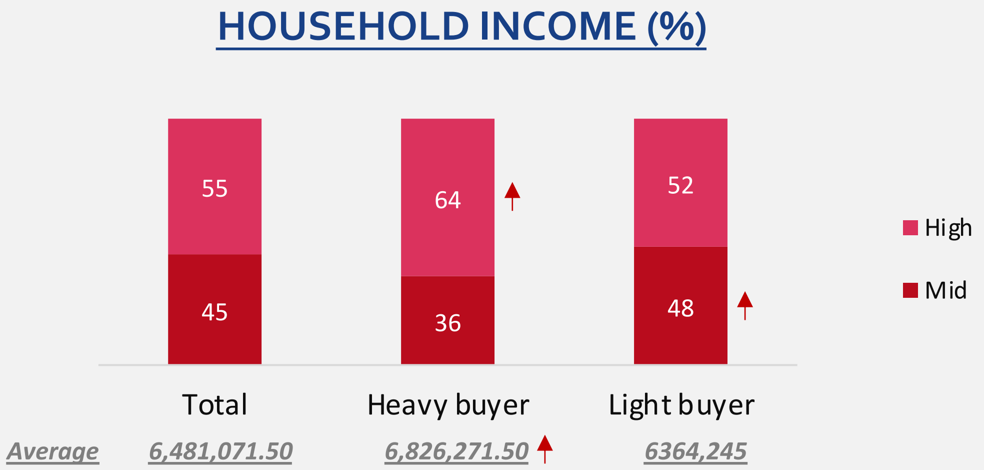
- APPENDIX -

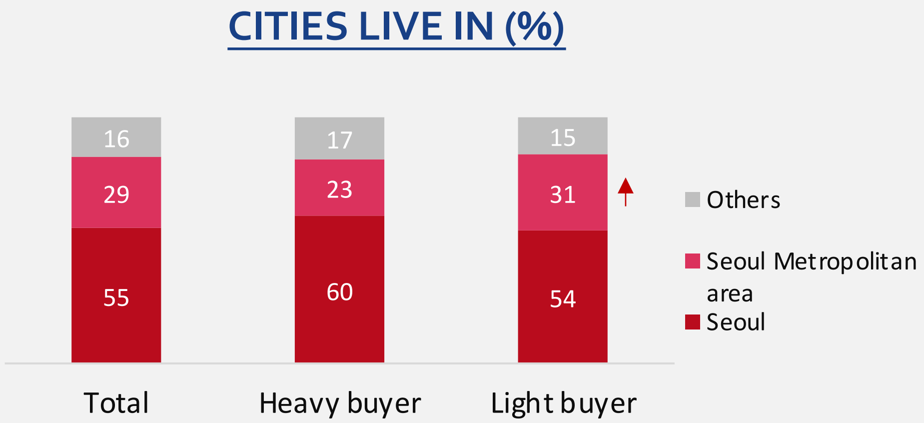
Profile of cherry consumers

It's worth mentioning that there were more heavy cherry buyers in male and younger groups with higher HHI.







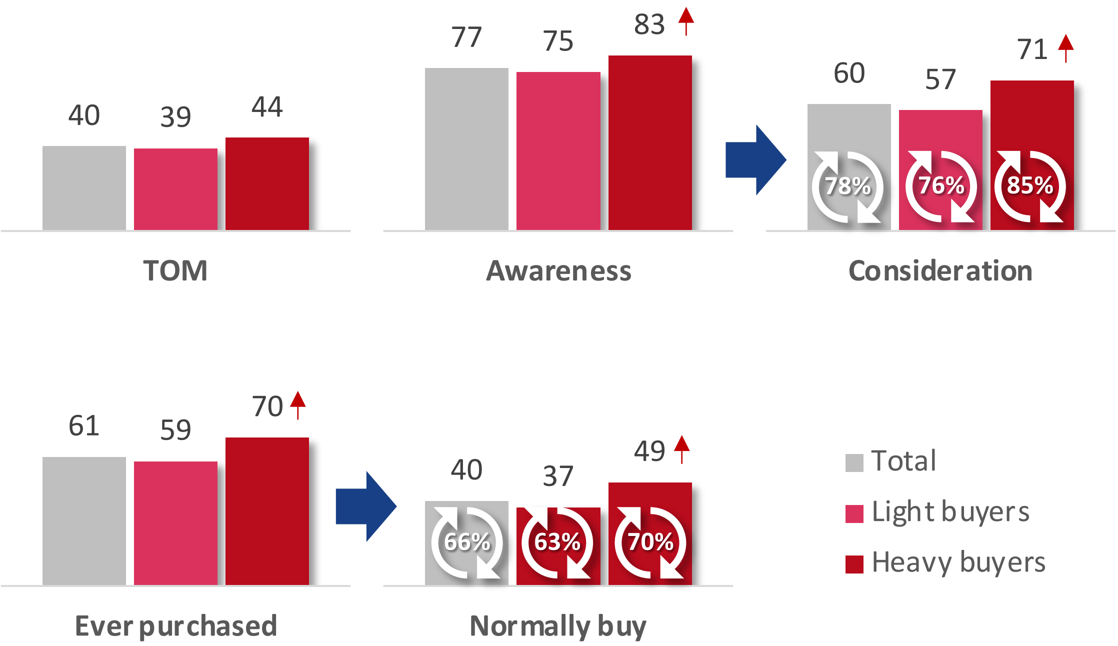


Significantly higher than total

A1. Please select your city of residence. A2. Please select your gender. A3. How old are you? A7. What is your monthly HOUSEHOLD income before taxes? Please choose from the ranges below. Include all income, from all people in the household, whether it is from employment, benefits, investments or any other source. Base: All respondents Total/Light buyers/Heavy buyers, n=700/177/523

While light cherry buyers had a higher population, heavy cherry buyers were more valuable for conversion into Chilean cherry users. Keep strengthening the image of “freshness” could help attract them.

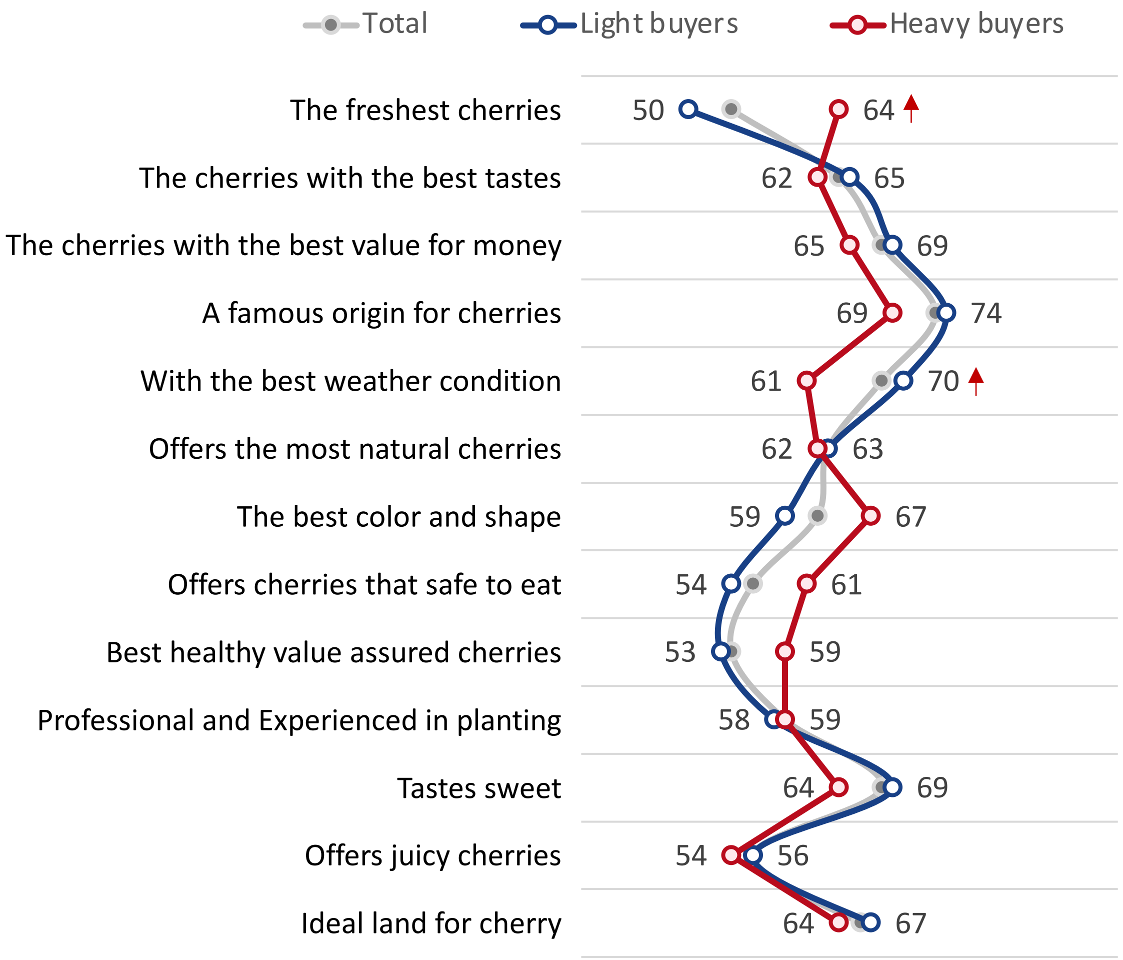
BRAND FUNNEL OF CHILEAN CHERRIES (%)



Note: “ ”represents the conversion rate

Significantly higher than Total

IMAGE PERCEPTION OF CHILEAN CHERRIES (%)



E1. What is the country of origin of cherry that firstly comes to your mind? E2. Which countries from the following list offer cherry in South Korea? E4. And from which countries would you consider buying cherry? E5. Which countries of cherry have you ever bought? E6. Which country do you normally buy cherry from?
Note: TOM=Top of mind Base: All respondents Total/Light buyers/Heavy buyers, n=700/177/523
E7. Some statements that could be used to describe cherry producers will appear on the screen and we would like to know which of them do you associate with each country. You can select one, all or none of the countries for each attribute Base: Chilean cherry awarers, Total/Light buyers/Heavy buyers, n=539/147/392


Cherries from Chile
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