Top Findings of the Power of Meat 2018

1. **Meat is big, lucrative and growing, but "one size fits all" must make room for "one size fits one."**
   The food retail industry is being reshaped by competitive forces, demographic shifts and mega trends such as technology, convenience, health & wellness and transparency. The meat category, from trip planning to consumption, is changing along with it. Meat can remain a crucial area for driving customer loyalty and competitive advantages by addressing the various population groups' increasingly different approaches to meat through targeted advertising, marketing and merchandising.

2. **The industry can drive demand, and sales, by teaming up to enhance shoppers' meat knowledge.**
   It is a logical, yet powerful formula: extensive meat knowledge = a greater variety purchased = preparing meat more often = greater store loyalty, spending and trips. But in reality, meat knowledge is lacking for most and 83 percent of shoppers purchase a mere handful of different meat cuts and kinds. However, 42 percent say they would branch out, if advised.

3. **Delivering the kind of customer service the internet, or competitors, cannot match is an important competitive advantage.**
   Digital dominates as the top resource for meat preparation information. But 38 percent of shoppers would value a customer service associate in the meat case to offer tips/serving suggestions or to customize amounts. Shoppers are most interested in recipes with familiar cuts, which could be a starting point for building a trusted relationship. Additionally, 70 percent of shoppers value a full-service counter, even if the routine purchase happens at the meat case (71 percent of purchases).

4. **Shoppers continue to embrace manufacturer and private brands and they are making a statement.**
   Outright brand preferences in both fresh and processed meat reached their highest points in 12 years. Shoppers cite a general inclination for buying familiar brands, but other purchase drivers are perceived better quality, value and consistency. While brand preference is high, 62 percent of shoppers say promotions can drive trial of a brand they do not normally purchase.

5. **Nutrition-focused shoppers are valuable, with above-average interest in special attributes and high weekly spending.**
   Nearly 80 percent of shoppers feel sufficient health and nutrition information is available for making educated meat choices, which center on choosing leaner cuts and moderating consumption. In-store, seven in 10 shoppers are interested in a variety of package sizes for portion control as well as dietary callouts/information on pack, led by protein content, total fat and sodium.

6. **Shoppers increasingly integrate convenience-focused solutions in the meal lineup.**
   Increases in consumption frequency and household penetration drove gains in heat-and-eat, ready-to-eat and value-added meat. Further growth in value-added meat can be achieved by addressing the price differential, expanding assortment and providing more information on the preparation and quality. Frequent buyers also value all-items-for-dinner merchandising stations and having a wider selection of fully-cooked meat.

7. **Transparency is driving dollars: consumers want to know about sourcing, raising, animal welfare and environmental practices.**
   Special attributes saw dollar gains of 4.8 percent and volume growth of 5.1 percent over 2017 versus a flat year for conventional. Consumers are noticing all-natural, organic, grass-fed, hormone-free and antibiotic-free claims on meat/poultry packages. Claim awareness has the highest positive impact on purchase likelihood for humanely-raised, hormone-free and antibiotic-free.

8. **Meat promotional research remains routine. In-store and digital touch points make their mark, but print is (still) not dead.**
   Price per pound has the highest influence on the ultimate meat/poultry purchase for the 11^{th} year, followed by appearance — the consumer expression of quality. The paper circular is the most commonly used vehicle for promotional/price research but year-over-year growth is reported for in-store promotional signage, the electronic circular, digital promotions and social media. It is crucial to have the right promotions in terms of media platforms, products, attributes, messaging and discount types.

9. **Supermarkets continue their reign. Willingness to order meat online is growing — signaling omni-channel opportunity.**
   Supermarkets are the lead channel for the meat purchase through strong primary shopper conversion and being a destination for secondary shoppers. But while conventional supermarkets lost share, value and specialty supermarkets gained. The online meat purchase still lags grocery e-commerce, but 19 percent have ordered meat online at least once and others show a much greater willingness to try than seen before — particularly when fulfilled by their primary meat store.

10. **Shopper suggestions for improvement focus on quality, variety, pricing and operational excellence.**
    Four big areas for improving the meat department emerged from hundreds of shopper suggestions. These include transparency of product quality and freshness to accurately judge value; greater variety, including pack sizes, cuts/kinds and specialty items; better pricing and promotions; and operational excellence, with a focus on better customer service, more information and outreach, packaging innovation, better in-stock performance and cleanliness.

Links and resources

- Free report download for Meat Conference attendees: www.meatconference.com/2018POM
- For questions on the report or presentation, email Anne-Marie Roerink at aroerink@210analytics.com
- For inquiries about the conference, FMI or NAMI email Laurie Gethin (lgethin@fmi.org) or Ann Wells (awells@meatinstitute.org)

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