Top Findings of the Power of Meat 2017

ANNUAL MEAT CONFERENCE 2017

1. **The paper circular is losing relevance to in-store and digital/social, but the concept of promotional activity remains crucial.**
While slightly fewer shoppers check meat promotions pre-trip and research frequencies are down somewhat compared with prior years, meat remains a well-planned purchase. Sixty percent of shoppers check primary store promotions and 46 percent research across banners. The paper ad remains the best way to drive the purchase among primary and secondary shoppers, and meat returned to front/back pages along with big picture features and hotter promotional pricing. However, trends show that increased attention should go to in-store execution of promotions and digital/mobile/social media outreach.

2. **Price per pound has the greatest purchase influence, and price relief is driving increased volume and premiumization.**
The importance of price is uncontested but the way shoppers assign value is changing. Older generations place great value on price per pound and appearance. Millennials emphasize total package price, having the preparation knowledge and preparation time/ease. They also favor fixed-weight pricing over varying pack prices on a per-pound basis.

3. **Brands are one of the strongest stories in both fresh and processed meat/poultry, particularly among Millennials.**
Shoppers are rewarding brands for their innovation and increasingly equate quality with brands, including national manufacturer, small/regional manufacturer and store brands. Importantly, shoppers express interest for all three types of brands when buying fresh and processed meat, allowing retailers to build a unique mix tailored to each audience for optimal differentiation.

4. **Consumers are looking for the story of meat, and special attributes are seeing growing shopper uptake and sales.**
Shoppers increasingly seek transparency into meat/poultry ingredients and production practices, fueling double-digit growth for organic, antibiotic/hormone-free, grass-fed and other special attributes. Shoppers report high interest in expanded assortment of all these items as well as claims relative to better treatment of the animal/environment. Price differentials are the main barrier to purchase, while core users are relatively unaffected by price premiums — natural buyers being the exception.

5. **Improved shopper outreach can help foster high levels of satisfaction and drive spending and loyalty.**
While the lowest-rated performance attribute, customer service and education are highly valued by shoppers — particularly personal assistance and on-pack information. Being seen as meat experts and a personal concierge who provides a curated selection of products will help secure future spending. Three-quarters of surveyed retailers are working on allocating more labor hours to the sales floor. However, 89 percent say finding good people looking to make a career in meat is an issue.

6. **Meat/poultry are slowly returning to the dinner plate, but the quest for variety is driving regular use of protein alternatives.**
The majority, and a growing number, of home-cooked meals include meat/poultry and protein choices shifted along with price changes. But three-quarters of shoppers prepare meat alternatives at least once a week, with growth for fish, eggs and plant-based proteins. Protein continues to be a popular claim, but is not leveraged exclusively nor optimally by the meat industry.

7. **Thoughtful curation of the meat case tailored to shopper needs, trends and innovation can drive incremental sales.**
Variety is one of the top reasons to switch stores, arguing for assortment optimization at the store level. Variety is also the main reason for serving protein alternatives. While the meat case offers an abundance of proteins and cuts, buying unfamiliar meat/poultry items has a much higher trial barrier than other new food experiences. Overcoming habitual purchases through education, customer service, sampling and/or recipes can pay off big through incremental dollars in meat and the total basket.

8. **Selling meat as part of a total meal solution prompts interest for everyday and seasonal meal occasions.**
Thinking like the shopper by positioning fresh meat as part of a total meal solution versus meal component piques shopper interest. Ready-to-prepare meal kits in the meat department draw interest among 53 percent of shoppers. Meat-inspired events and high-quality meal solutions for secondary holidays may be other ways to drive incremental dollars and volume.

9. **Trip trends and the growing popularity of alternative channels emphasize the importance of shopper relevance.**
Meat remains a supermarket stronghold through high conversion and secondary store trips. But trips are down for traditional channels as alternative formats pick up more of the occasional meat purchase. Millennials are drawn to alternative channels — a red flag for traditional retailers to better understand and serve their different purchasing and consumption habits.

10. **Convenience meat/poultry is poised for growth, but it's important to actively address quality and freshness perceptions.**
Identified as a future growth area by retailers, and valued by high-income, convenience-seeking shoppers, value-added meat and poultry saw robust volume increases. Uptake is growing among the core user group, but price, quality and freshness perceptions stand in the way of wider adoption. Better communication about grade, handling and prices commensurate with the level of convenience may help accelerate growth.

Resources

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