Top Findings of the Power of Meat 2016

1. **Promotions are key to solidifying sales among primary shoppers and attracting patrons of other channels.**
   47 percent of shoppers decide on meat/poultry items pre-trip, with 78 percent checking promotions at their primary protein store and 59 percent comparing multiple stores. Shoppers continue to check the paper circular most, but its use declined in favor of digital and mobile research. Segmented/targeted promotions, versus one-size-fits-all, are increasingly important.

2. **Connecting with Millennials is crucial for traditional formats to retain the meat dollar.**
   Supermarkets strengthened their position as shoppers' primary destination for meat/poultry through high shopper conversion combined with being the top choice for channel switchers. Conversion reached an 11-year low for supercenters, while alternative formats (including farmers' markets, dollar stores, farm-direct and online stores) picked up more of the occasional meat purchase. Millennials' higher propensity to shop alternative channels may indicate further loss of trips for traditional formats — driving the need to better understand and serve their different purchasing and consumption habits.

3. **Price per pound, along with total package price, dominates the purchase decision tree.**
   Product appearance fell back to third place. Total package price is the top choice among Millennials, which may result in growing importance of package size variety, fixed weight packages and price ceilings in the coming years. Additionally, preparation knowledge and, particularly, preparation time and ease are also much more important to Millennials.

4. **A growing consumer desire for transparency in the product and the production process is driving sales gains.**
   Segments such as antibiotic-free, grass-fed, hormone-free, natural and organic meat/poultry recorded high growth percentages, but most remain niche segments to date. For many shoppers, interest does not translate into actual purchases once confronted with price premiums. Targeted merchandising while educating non-buyers will support continued growth.

5. **Satisfaction with the meat trip steadily declines as the day progresses.**
   While all highly rated, shoppers who shop after 7 p.m. tend to be more satisfied with meat/poultry prices than service, variety, in-stock and cleanliness. This has significant consequences for both the immediate term (smaller basket size) and longer-term (eroded loyalty) — underscoring the importance of focusing on ways to keep store conditions favorable throughout the day.

6. **Six in 10 shoppers changed their meat/poultry purchases over 2015 by spending more, less or differently.**
   This resulted in more variety in their dinner lineups, with upticks in pork, lamb, value-added and meat alternatives. Tactics for spending less focused on smaller quantities, buying cheaper kinds/cuts and buying more items on sale. Cents-off the price per pound is the most popular promotional type, ahead of BOGOs, and is an even greater favorite among several growing segments of the population, including singles, organic shoppers and shoppers focusing on freshness.

7. **Convenience meat/poultry sees growth but needs careful consideration of program investments at the store level.**
   Forty percent of shoppers only "occasionally" or "hardly ever" know what is for dinner two hours from mealtime. Food retailers struggle to capitalize on this planning void, even if it could be a strong opportunity for heat-and-eat, ready-to-eat and value-added meat/poultry solutions. These did see growth in household penetration and consumption frequency; however, core customers continue to skew to urban areas, higher incomes and smaller households.

8. **Available, friendly and knowledgeable meat associates can be a big differentiator.**
   Shoppers' self-rated knowledge of various aspects of meat/poultry preparation is moderate at best. However, when needing help, few ask meat department associates and instead use digital resources or ask family/friends. Yet, associate help or advice tends to pay off in greater baskets and higher loyalty. Nurturing shopper loyalty through available, friendly and knowledgeable associates can be a big win for retailers, with many shoppers seeking more information and education, particularly Millennials.

9. **The meat case provides everyday convenience for the majority of purchases.**
   Shoppers select 70 percent of purchases from the meat case, with 97 percent using the case for at least some purchases. Shoppers' trust in the quality of case-ready meat is ever-rising, with 83 percent believing the quality is as good or better than meat cut and packaged in the store. When selecting meat, the use by/sell by date is the primary way in which shoppers discern freshness, followed by the item's color.

10. **Suggestions for improving the meat department can be key to optimizing sales.**
    Shoppers recommend better prices and promotions for affordability; better variety, including species, package sizes, brands, provenance and product attributes such as organic and antibiotic-free; improved shopper outreach/customer service; and optimal freshness and quality, along with good in-stock performance.

Links and resources

- Free report download for Meat Conference attendees: www.meatconference.com/2016POM
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Report made possible by Sealed Air's Food Care Division