

**Marketing Issues for Natural Beef Products:
Opinions of Supermarket Meat Managers and Consumers**

Department of Agricultural Economics
Research Report #28

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Summary

Natural beef sold by All Natural Beef Cooperative is being marketed currently in Kansas City supermarkets. A survey of meat managers in those supermarkets was conducted to learn more about how managers view Nature's Premium All Natural beef products. LOIN products received the highest rankings for overall eating quality. Consumers were also surveyed using a computerized kiosk to test a new natural beef frankfurter. The product received good ratings for eating qualities.

Part 1: Meat Manager Survey

Introduction

A survey was conducted of meat managers regarding their opinions about Nature's Premium All Natural Beef products in their stores. The managers were asked to complete one questionnaire per week for 15 consecutive weeks after preparing and eating the All Natural Beef. Five store managers in the Kansas City metropolitan area contributed 38 questionnaires. The questions included ranking product attributes such as price, flavor, shrinkage, appearance before and after cooking, juiciness, tenderness, attractiveness, willingness to recommend, moisture, freshness, and overall eating experience. The ranking ranged from 1 = more favorable than other meat products in the case to 7 = less favorable than other meat products in the case.

Analysis

The origin of the cut was the factor chosen to average the responses to the 16 questions. The categories were ROUND, RIB, LOIN, GROUND BEEF, and CHUCK. Table 1.1 describes the individual cuts.

Table 1.1 Contents of Cut Categories

Category	Cuts
CHUCK	Chuck roast, arm clod, brisket, flank steak, London broil, tri-tip
GROUND BEEF	Ground beef
LOIN	KC strip, sirloin, strip, T-bone, tenderloin, top sirloin
RIB	Rib eye, rib
ROUND	Eye of round, inside round, rump roast, top round

Question 1: Price per Pound

The comparisons showed that price was more favorable for cuts from RIB and GROUND BEEF and less favorable from ROUND, LOIN, and CHUCK. The average rankings for price were 2.3 for GROUND BEEF and 2.5 for the RIB versus 4 for ROUND cuts.

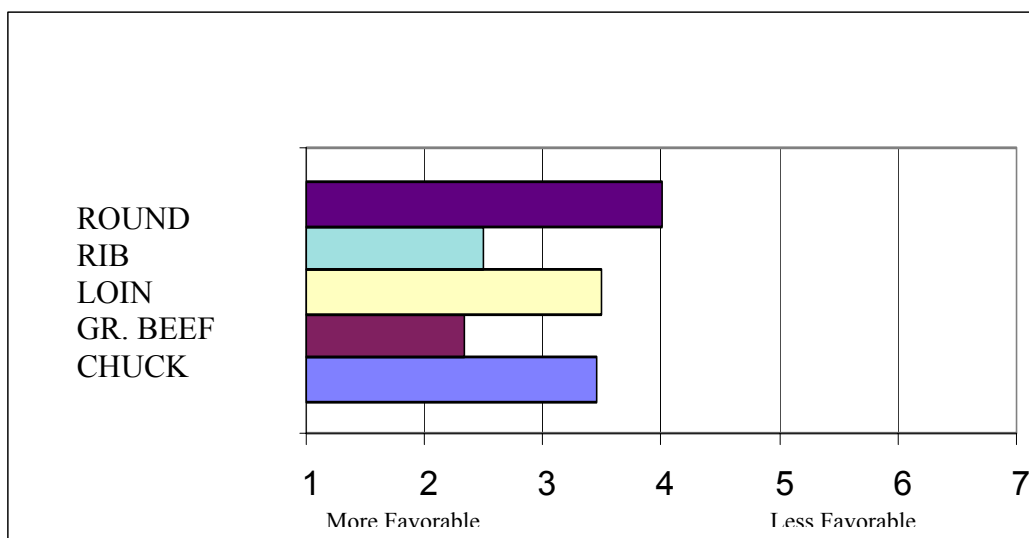


Figure 1.1 Price per Pound

Question 2: Flavor of Meat when Cooked

LOIN received most favorable ranking (1.5), and cuts from the ROUND received the lowest ranking of (3.2). The managers thought meat from both the LOIN and RIB had more flavor than ROUND and CHUCK cuts as well as GROUND BEEF.

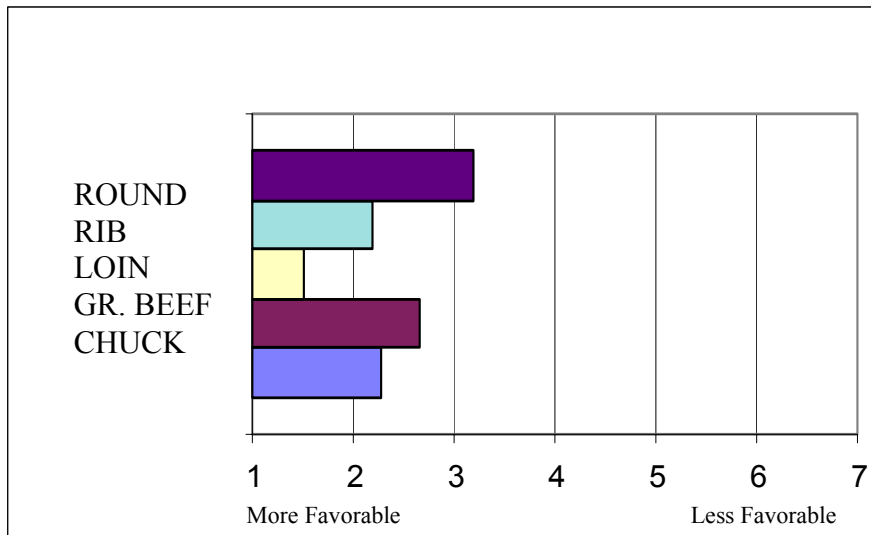


Figure 1.2 Flavor of Meat when Cooked

Question 3: Amount of Fat in the Meat

The amount of fat in GROUND BEEF was ranked least favorable (4.7), and cuts from the RIB also showed a low ranking of 3.4. Cuts from the LOIN ranked the highest with a score of 2.2.

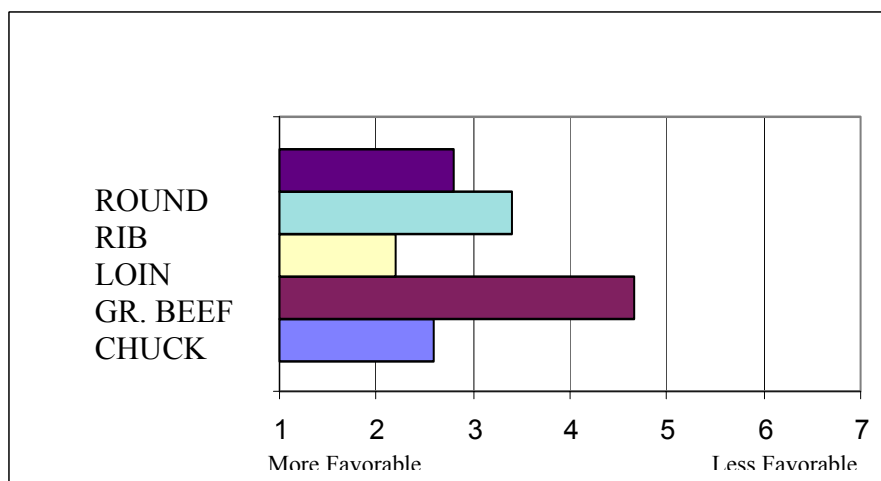


Figure 1.3 Amount of Fat in the Meat

Question 4: Meat Shrinkage during Cooking

Shrinkage during cooking was least favorable for GROUND BEEF (average ranking of 5).

Again, cuts from the LOIN ranked highest, with a score of 2.

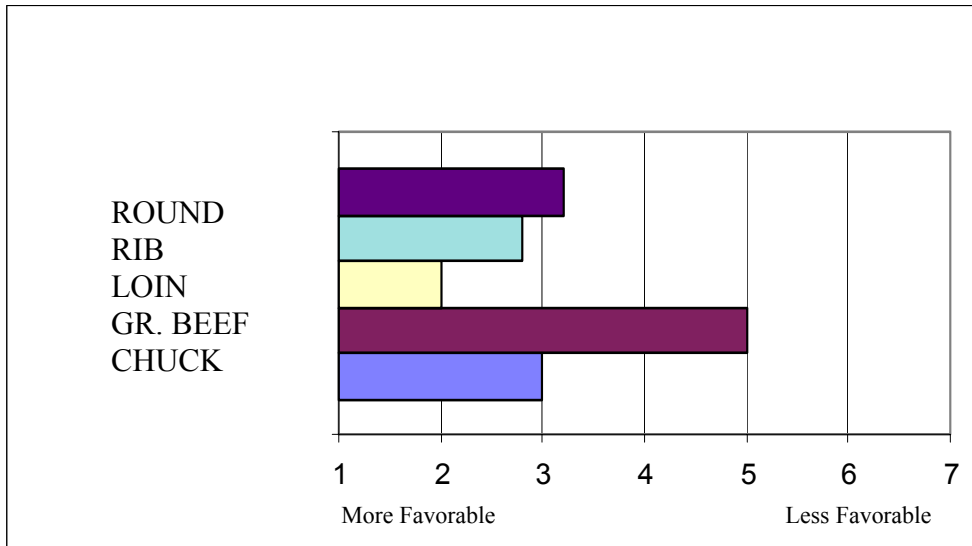


Figure 1.4. Meat Shrinkage during Cooking

Question 5: Appearance of Meat in the Store

In regard to appearance of meat in the case, managers gave cuts from the LOIN the most favorable ranking (1.7) and the least favorable to GROUND BEEF (3.7).

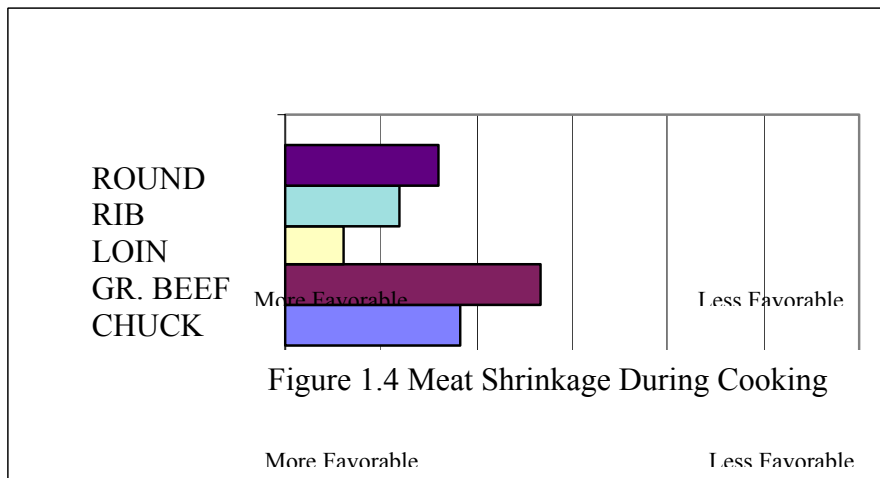


Figure 1.4 Meat Shrinkage During Cooking

Figure 1.5 Appearance of Meat in the Store

Question 6: Juiciness of the Meat Product

This question is related closely to question 7. Cuts from the ROUND and GROUND BEEF were ranked the least juicy. Managers ranked cuts from the CHUCK, LOIN, and RIB, similarly.

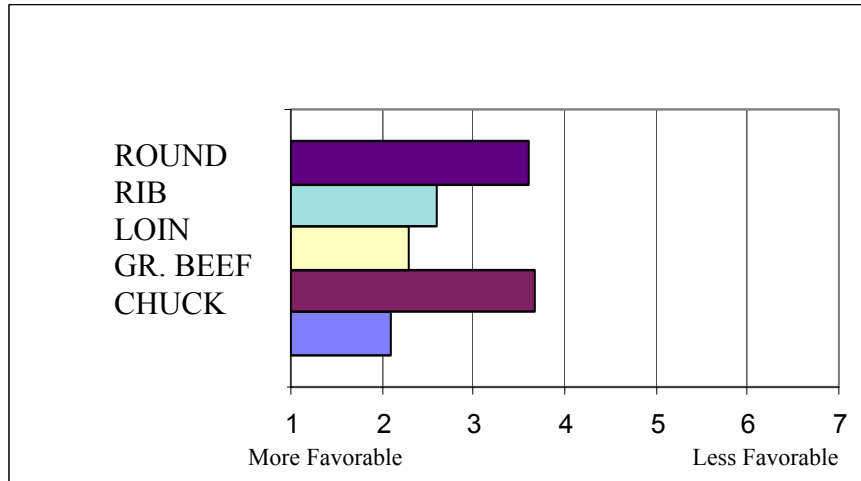


Figure 1.6 Juiciness of the Meat Product

Question 7: Juice Lost during Cooking

Cuts from the LOIN received the highest ranking (1.8). The other cuts were ranked less favorably at approximately 3.

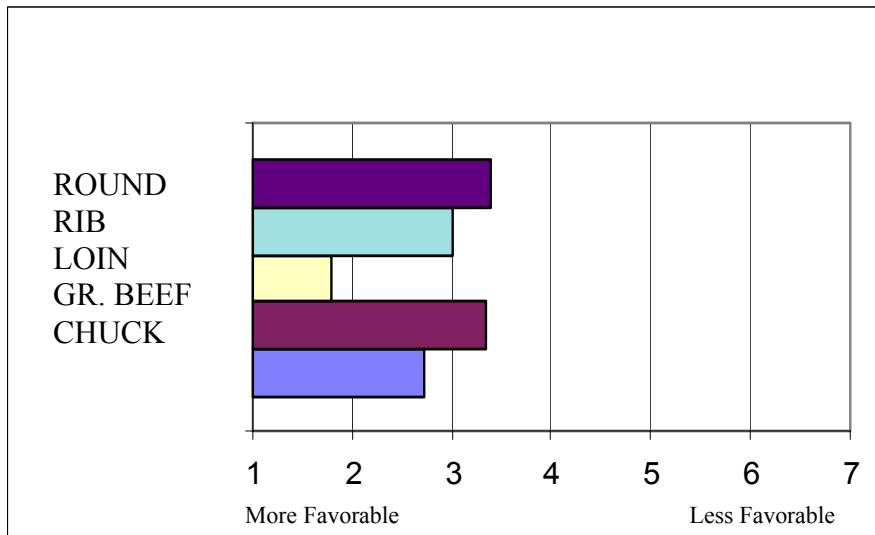


Figure 1.7 Juice Lost During Cooking

Question 8: Tenderness While Eating: The most favorable ranking of tenderness was for cuts from the LOIN, and the least favorable for the ROUND cuts. Cuts from the front half of the carcass had average rankings of 2.4.

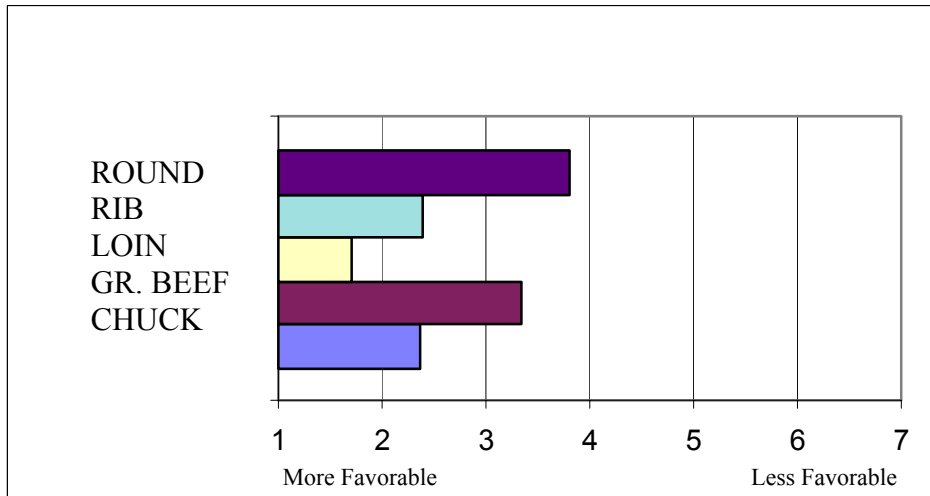


Figure 1.8 Tenderness While Eating

Question 9: Ease of Judging Meat Quality

The managers could judge meat quality most easily from cuts from the RIB and LOIN.

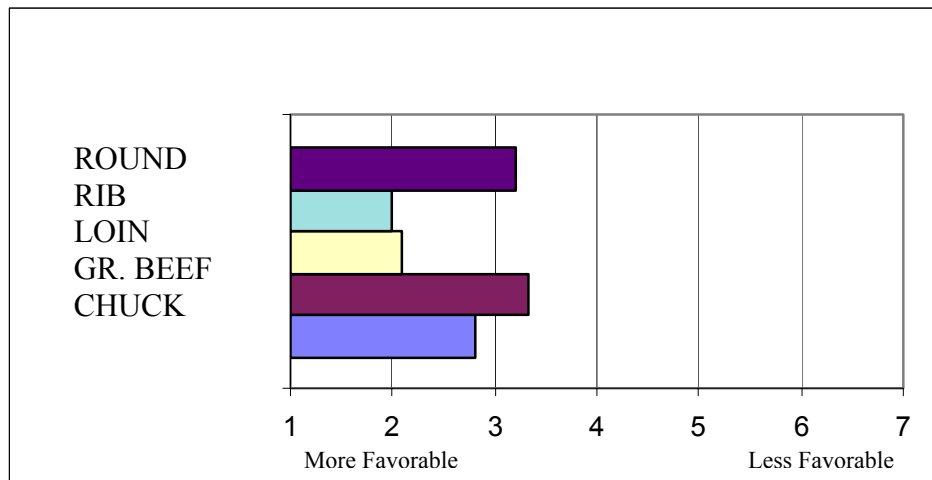


Figure 1.9 Ease of Judging Meat Quality

Question 10: Appearance of Meat after Cooking

Post-cooking appearance of CHUCK, RIB, and LOIN cuts was ranked more favorably than that of cuts from the ROUND and GROUND BEEF, which had scores of 3 and above.

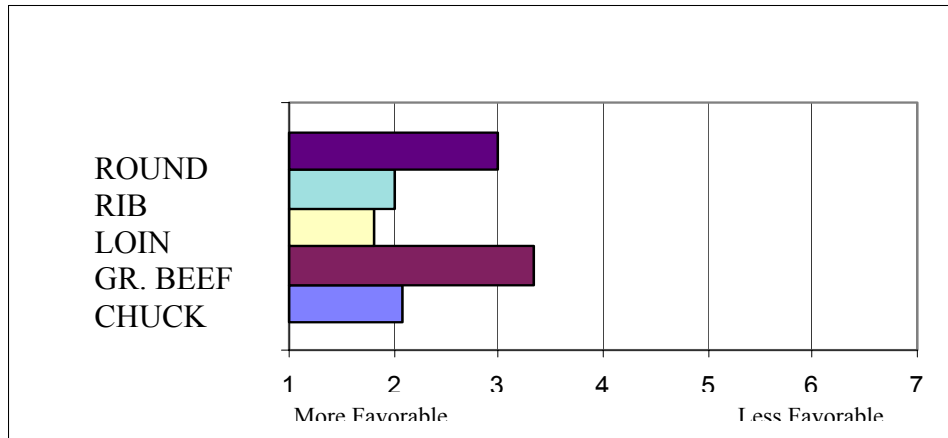


Figure 1.10 Appearance of Meat after Cooking

Question 11: Attractiveness of Meat Color

GROUND BEEF was the least favored cut in terms of attractiveness of meat color. The LOIN cuts had the most favorable ranking of 1.7.

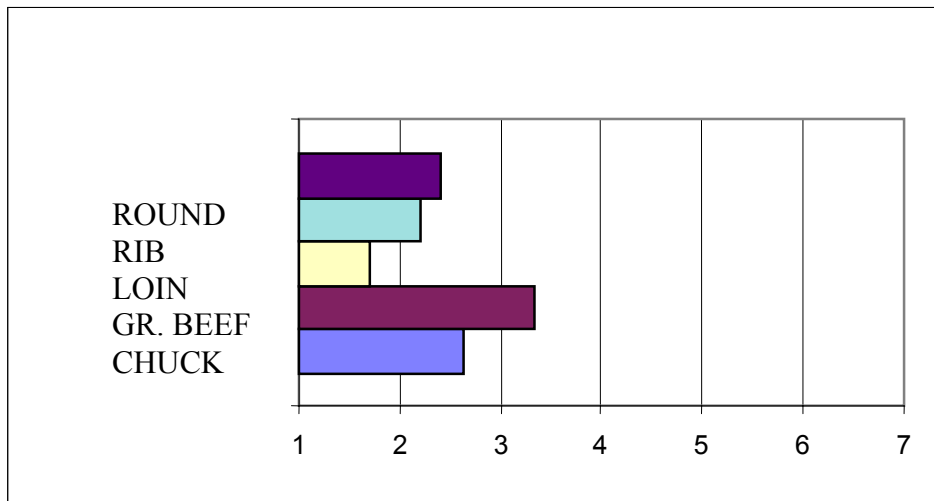


Figure 1.11 Attractiveness of Meat Color

Question 12: Willingness to Recommend the Meat

Meat managers were most willing to recommend the LOIN, which received the highest rankings in several categories. CHUCK cuts ranked second with a moderate score of 2.

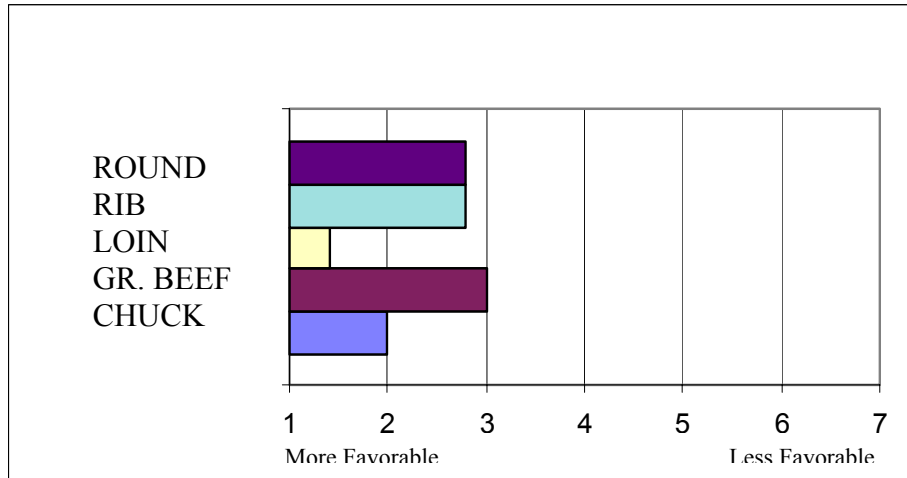


Figure 1.12 Your Willingness to Recommend the Meat

Question 13: Freedom from Moisture in the Package

The average ranking of all cuts for freedom from moisture in the package was very favorable. Rankings ranged from 1.3 for LOIN to 2.66 for GROUND BEEF.

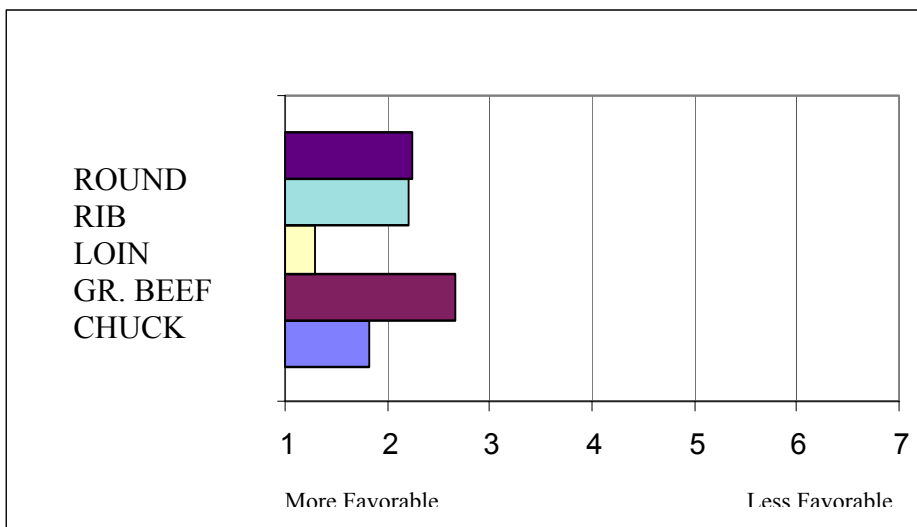


Figure 1.13 Freedom from Moisture in the Package

Question 14: Ease in Determining Freshness at Time of Purchase

Freshness determination of all cuts at time of purchase was favorable, with rankings ranging from 2.1 to 3.3.

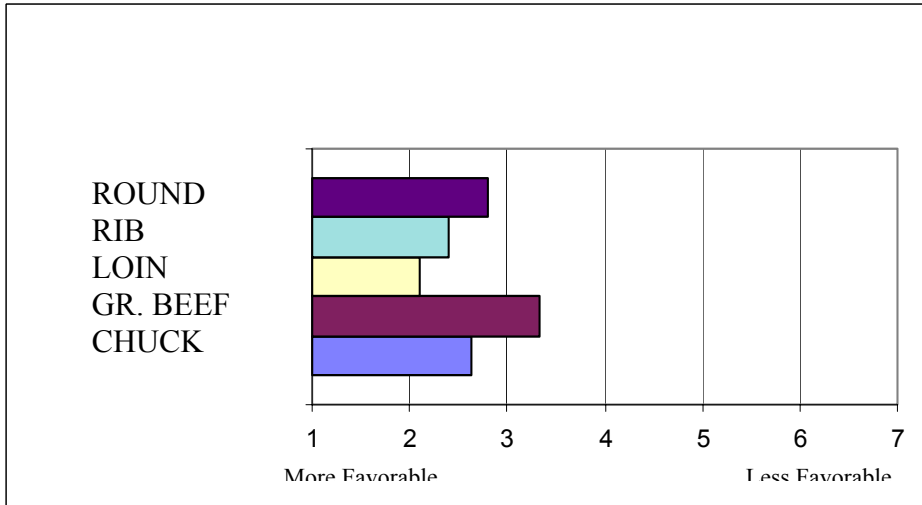


Figure 1.14 Ease in Determining Freshness at Time of Purchase

Question 15: Amount of Time Necessary to Cook Meat

Preparation time is becoming more important to consumers' eating choices. The managers gave cuts from the LOIN the best ranking of 1.7. Rankings for other four cuts ranged from 2.4 to 3.

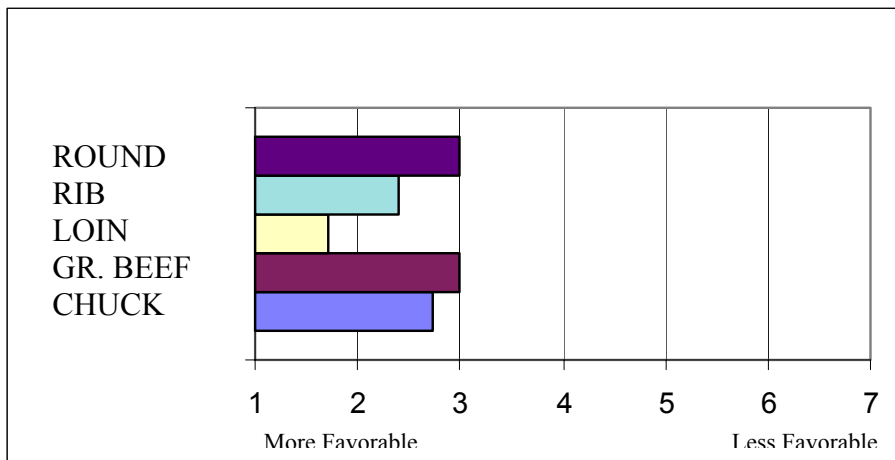


Figure 1.15 Amount of Time Necessary to Cook Meat

Question 16: Satisfaction with Overall Eating Quality

Managers' satisfaction with eating quality was highest for cuts from the LOIN and RIB.

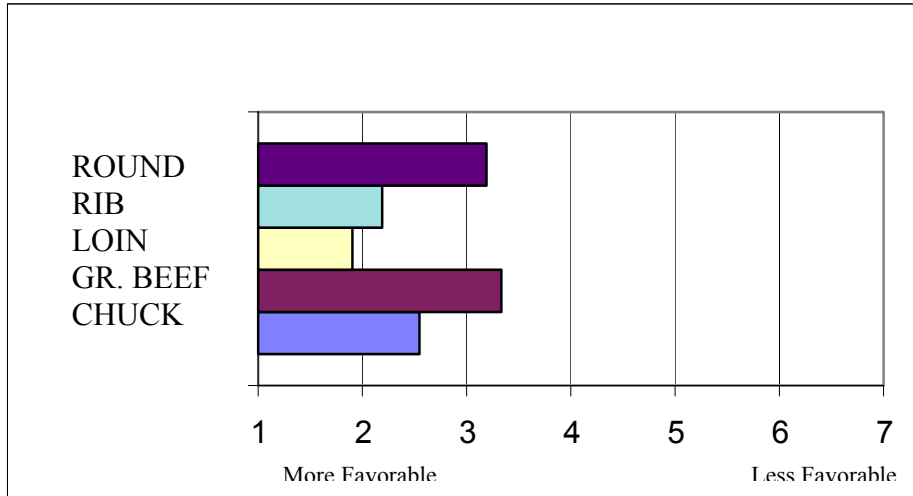


Figure 1.16 Satisfaction with Overall Eating Quality

Conclusions

Consistently throughout all 16 questions, managers gave the most favorable rankings for All Natural Beef in comparison to other meat products to cuts from the LOIN, with an average 1.9. Flavor, freedom from moisture in package, and willingness to recommend were characteristics the managers associated most strongly with LOIN cuts. However, the managers did not find the price of LOIN cuts especially favorable. The average rankings of the responses to all questions were 2.45 for RIB, 2.5 for CHUCK cuts, 3.07 for ROUND cuts, and 3.4 for GROUND BEEF. The most favorably ranked characteristic for both CHUCK cuts and ROUND cuts was freedom from moisture in the package. The least favorably ranked characteristic for these two categories was price. The most favorably ranked attribute of GROUND BEEF was the price, and the least was shrinkage during cooking. Procedures directed toward keeping these favorable qualities of All Natural Beef consistent will help deliver a consistent, reliable product to the meat case.

Part 2: In-Store Demonstrations of Natural Beef Franks

Introduction

Consumers were asked to taste All Natural Beef franks during in-store product promotions in the summer of 1998. Information on the product and All Natural Beef Cooperative also was provided to consumers. To learn more about consumers' perception of All Natural Beef, and more particularly of All Natural Beef franks after tasting them, consumers on 3 days were asked to answer 10 questions using a kiosk computer with a touch-screen. As an incentive to respond to the survey, consumers were offered a coupon for a Natural Beef product (ground beef) available in store. Rankings of characteristics addressed in the questions were converted to percentages of responses.

Question 1: Information on how meat (beef, chicken, or pork) is processed

Most consumers are informed on how is meat produced and processed. The average answer was 2.68, with 2 being somewhat informed and 3 being informed.

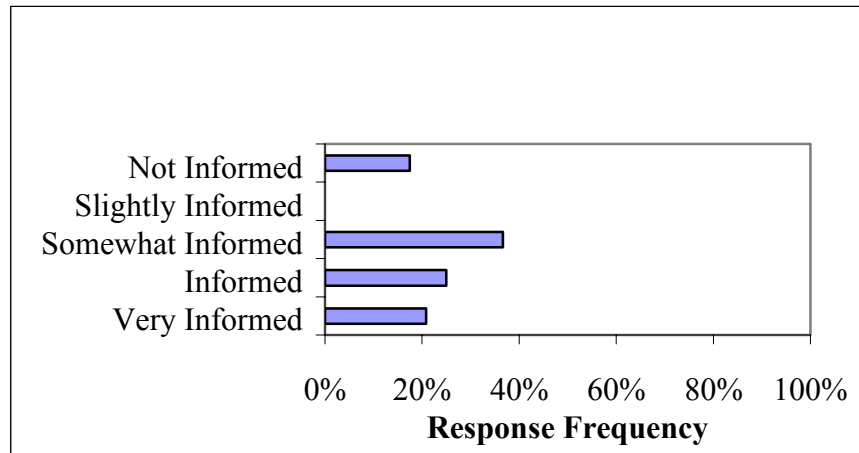


Figure 2.1 Information on how meat (beef, chicken, or pork) is processed

Question 2: Importance of Traceability

As seen below, traceability appears to be an important purchasing factor for consumers. The average response is 2.27, with 2 = important and 3 = somewhat important. This result indicates that consumers would be interested in having this information on All Natural Beef products.

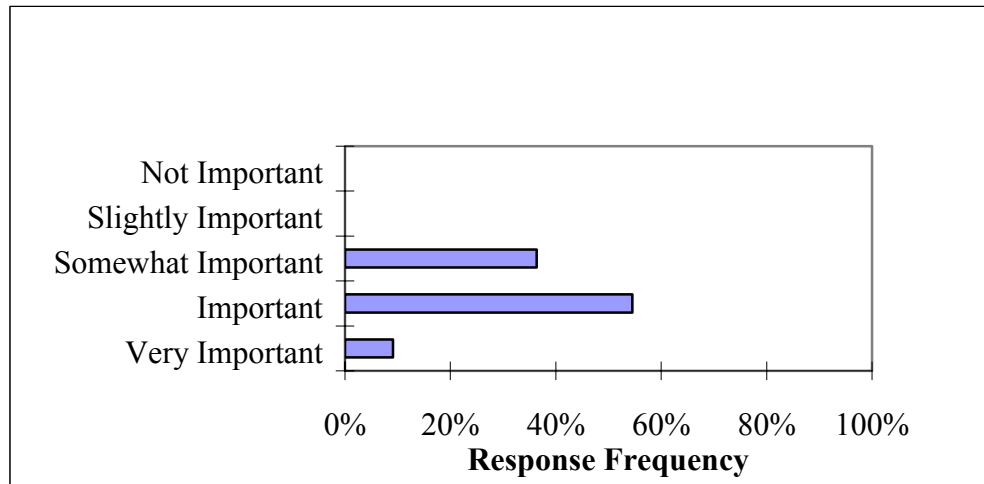


Figure 2.2 Importance of Traceability

Question 3: Reading Ingredient Labels

The responses indicate that consumers check food ingredients labels for artificial additives or preservatives occasionally to frequently. Consumers' responses to this question were the same on the first and second days of the survey. These results indicate that the label is an important product characteristic for consumers and can be an advantage for All Natural Beef products, which have no or few artificial additives or preservatives, compared to other similar products. Although consumers have the impression of being informed about how meat is processed (first question), they may not be well informed about natural beef products. This suggests that providing consumer information for All Natural Beef would be a positive step to improve its image.

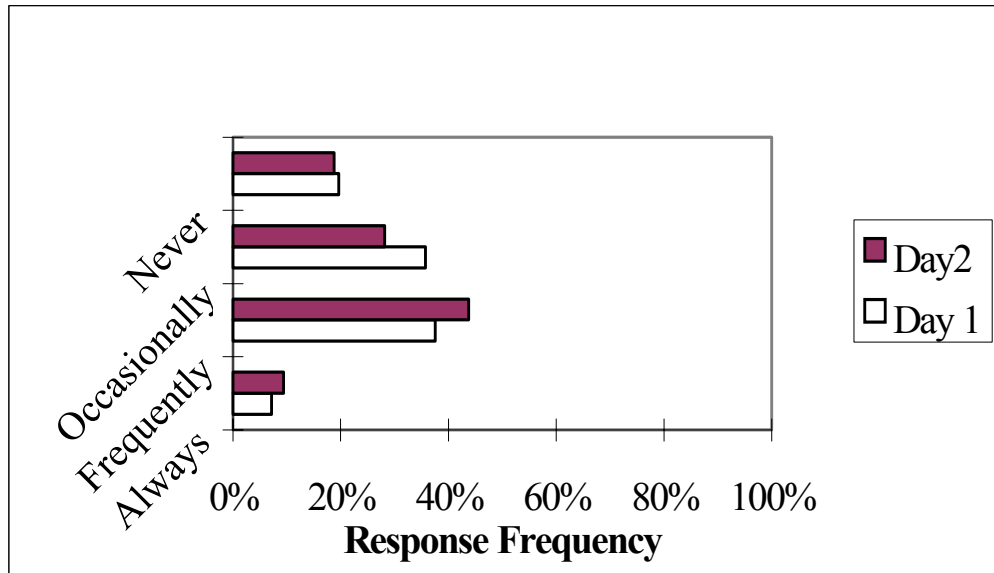


Figure 2.3 Reading Ingredient Labels

Question 4. Frequency of Purchase

The responses indicated that consumers, on average, purchased natural or organic food products occasionally. The average response was 2.67, where 2 = occasionally and 3 = frequently.

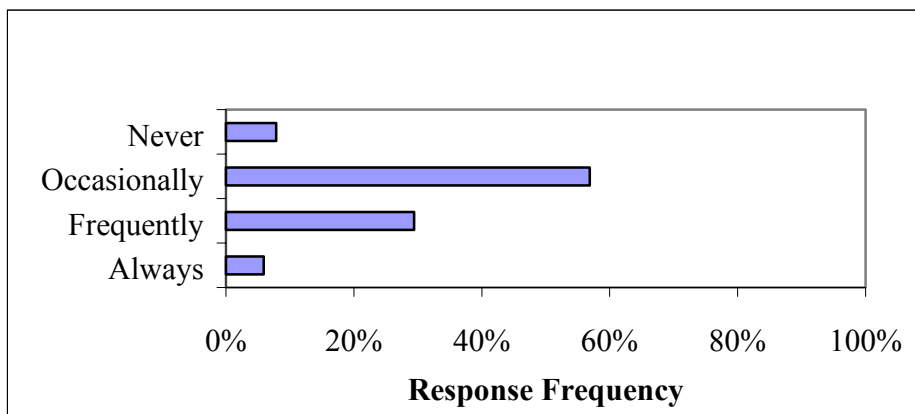


Figure 2.4 Frequency of Purchase

Question 5. Important Beef-Purchasing Factors

The figure shows that consumers are concerned mainly about taste and tenderness and much less about price and ingredients.

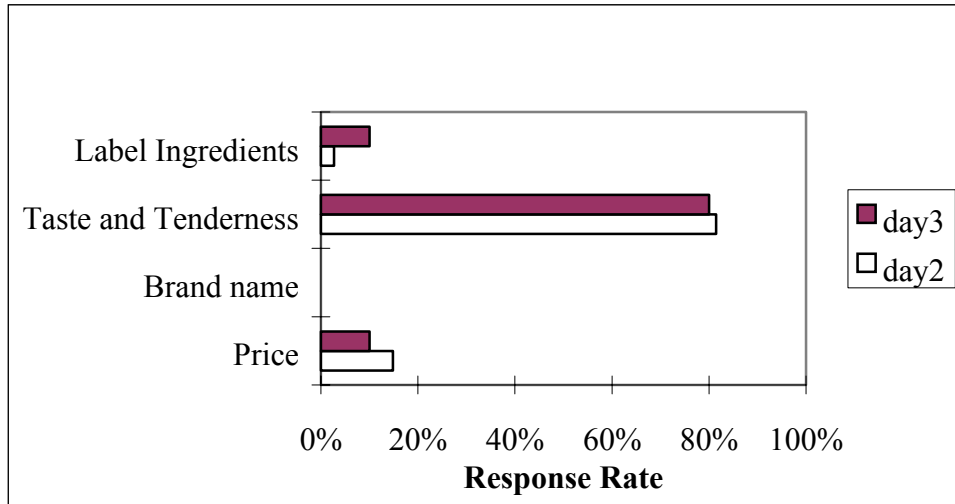


Figure 2.5 Important Beef Purchasing Factor

Question 6. Flavor of Beef Franks

Consumers generally had a good opinion about the flavor of All Natural Beef franks. The average response was 2.06, where 2 = good and 3 = fair.

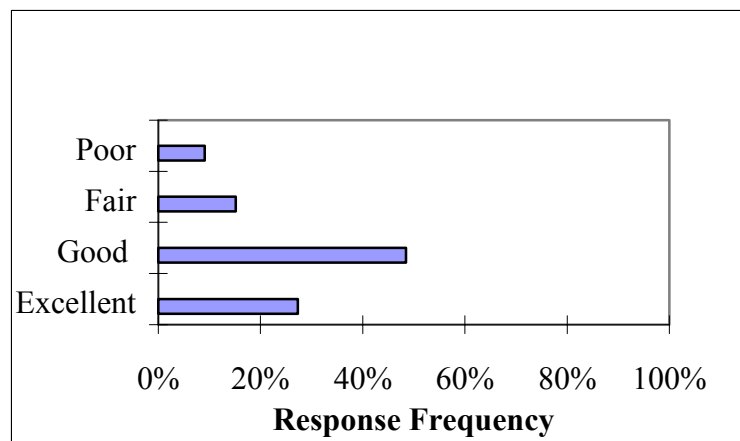


Figure 2.6 Flavors of Beef Franks

Question 7. Texture of Beef Franks

Consumers also had a good opinion about the texture of All Natural Beef franks. The average response was 1.88, where 1 = excellent and 2 = good. Results from this question and the previous one indicate that consumers had a positive response to All Natural Beef franks. These results suggest that consumers who purchase these franks are most likely to have a good experience when consuming them. Meeting or exceeding consumer's expectation helps provide a good image for the products and increases the chances of repurchase.

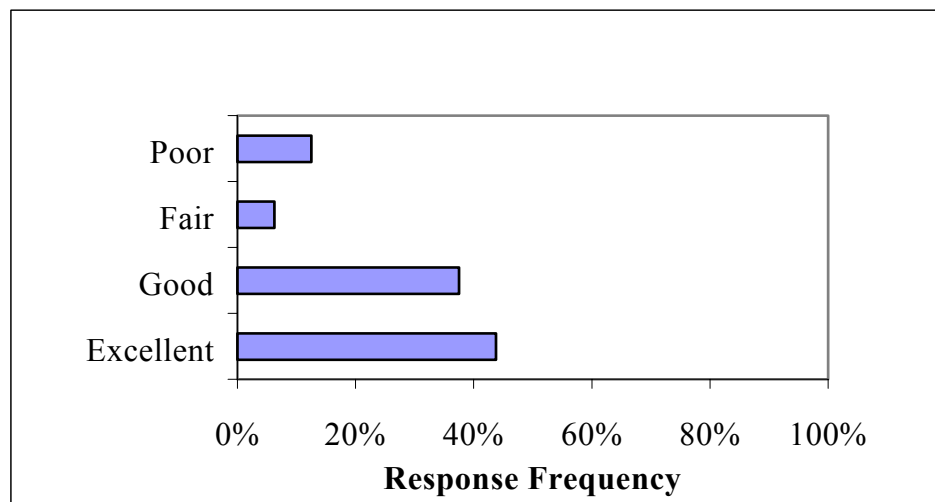


Figure 2.7 Texture of Beef Franks

Question 8 Familiarity with Natural Beef

This question had two parts: Most consumers were familiar with All Natural Beef (67 to 83 percent positive responses). A possible explanation might be that consumers might have the impression of being familiar with All Natural Beef either because they were just informed about it when they tasted it or because they already had seen All Natural Beef products in the supermarket.

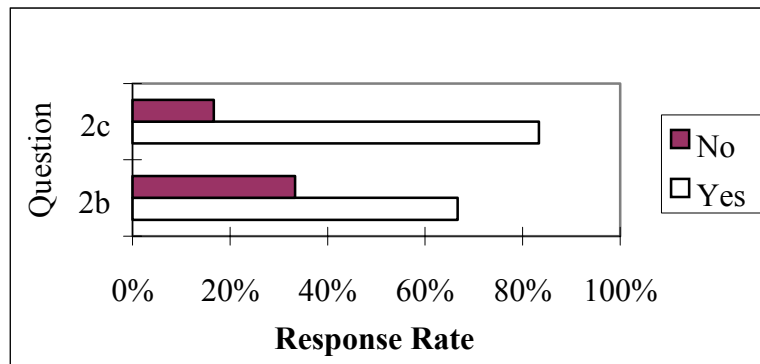


Figure 2.8 Familiarity with Natural Beef

Question 9. Image of All Natural Beef

On average, consumers associated All Natural Beef products with taste and tenderness and antibiotics and hormones. However, Figure 2.9 shows that responses varied among different consumers on the 3 days. These results indicate that All Natural Beef does not have a consistent image among consumers and suggests that promotional efforts should focus on achieving a unique image for All Natural Beef products.

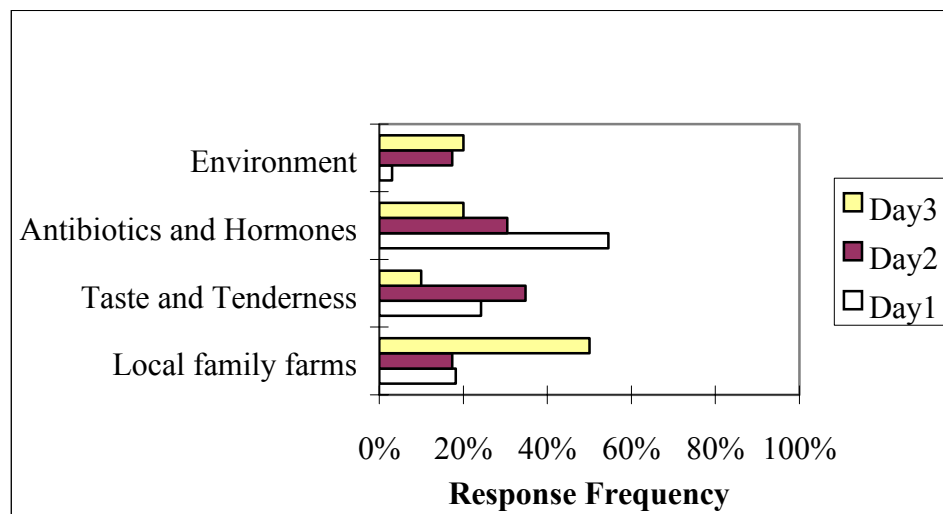


Figure 2.9 Image of All Natural Beef

Question 10. Interest in Ingredient Information

The average responses were 1.78 for food products and 2.52 for beef products, where 1= very interested and 2= interested (Figure 2.10). These results indicate that consumers are more interested in having more information available about the ingredients used in processed food or beef products. This suggests that consumers would use informational materials such as brochures and newsletters.

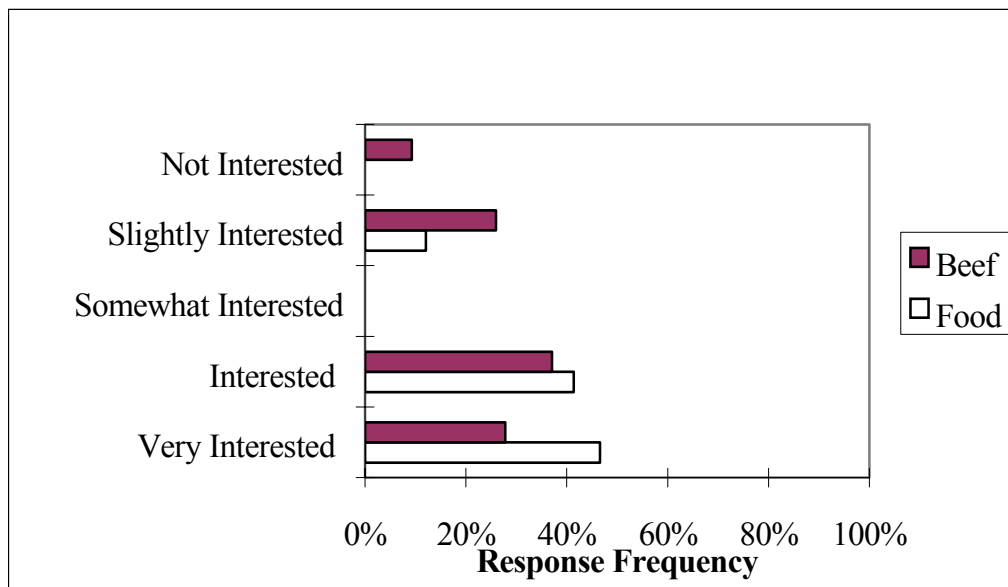


Figure 2.10 Interest in Ingredient Information

Conclusions

The results indicated that consumers are somewhat informed about how meat is raised and processed and that traceability of the meat they purchase is important. Thus, promotion of All Natural Beef could emphasize product features such as meat traceability, a statement such as “beef produced without any hormones or antibiotics”, and also information about the ingredients used in processed beef products. The results of this survey were encouraging, because consumers’ overall impression of All Natural Beef franks was positive (taste and texture). Finally, consumers responded that they purchased organic or natural beef products occasionally to frequently, and most were familiar with All Natural Beef.