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Merchandising A New Beef Product

Walt Prevatt, Deacue Fields, Chris Kerth, and Ed Whatley¹

There are numerous challenges facing the introduction of any new consumer food product in today's market environment. Consumers today are more mobile, they span a wider distribution of age and health, they are more ethnically diverse, they are more educated, they have more disposable income, etc. Given these and other factors, the tastes and preferences of consumers are more diverse and difficult to measure.

Recently the Alabama Grocers Association held their annual Convention in Mobile, Alabama during August 19-21, 2005. Attendees included managers of Alabama Grocery stores, food manufacturers and distributors, allied industry representatives, and many others. The attendance at the 2005 Convention exceeded 500 people. The program included educational speakers, workshops, business meetings, socials, and a convention trade show.

Convention trade show vendors promoted their food and household products with advertisements and displays, demonstrations, taste sampling, and gifts. Each booth was manned with representatives to discuss the merits of their products.

In an effort to learn more about the consumers understanding of and preferences of new beef products, we joined with the Alabama Cattlemen's Association's booth at the Alabama Grocers Trade Show to participant in the trade show. A simple one-page questionnaire was developed to collect information on merchandising a new beef product. Five \$50 drawings were used to encourage attendees to complete the questionnaire. The questionnaire was divided into three sections.

The first section addressed the question "What attributes of a new beef product would be preferred by consumers?" The twelve meat attributes evaluated included: antibiotic free, domestically produced, enhanced conjugated linoleic acid, enhanced Omega 3 fatty acids, enhanced Vitamin E, humanely produced, living wage, locally grown, no added hormones,

¹ Walt Prevatt and Deacue Fields, Professor and Assistant Professor in the Department of Agricultural Economics and Rural Sociology at Auburn University, Chris Kerth is Associate Professor and Meat Scientist in the Department of Animal Science at Auburn University, and Ed Whatley is a Beef Merchandising Specialist with the Alabama Cattlemen's Association.

produced environmentally friendly, produced by independent farmers, taste, tenderness, and traceable back to the farm. The survey respondents were presented with this list of twelve meat attributes and asked to indicate their expected preference by consumers for each meat attribute (preferred, indifferent, or not preferred).

The results of the first question are presented in Table 1. Based on 35 respondents from the Alabama Grocers Trade Show, the following weighted average rankings of meat attributes was calculated (using 1= preferred; 2= indifferent; and 3=not preferred).

Table 1. A weighted ranking of twelve meat attributes, Alabama Grocers Convention, August 20, 2005

Meat Attribute	Weighted Average Ranking
Tenderness	1.00
Taste	1.03
Traceable back to the farm	1.17
Domestically produced	1.17
No added hormones	1.21
Locally grown	1.21
Humanely produced	1.29
Produced environmentally friendly	1.29
Produced by an independent farmer	1.29
Provides farmer with a living wage	1.33
Enhanced Omega 3 Fatty Acids	1.40
Antibiotic free	1.43
Enhanced Vitamin E	1.44
Enhanced Conjugated Linoleic Acid (CLA)	1.59

The weighted average rankings can be separated into four clusters. The first cluster is for meat attributes of tenderness (1.0) and taste (1.03) and was the most preferred. These meat attributes have traditionally been highly preferred by consumers. The second cluster includes traceable back to the farm (1.17), domestically produced (1.17), no added hormones (1.21), and locally grown (1.21). Each of these meat attributes may imply that consumers want a safe beef product. The third cluster includes humanely produced (1.29), produced environmentally friendly (1.29), produced by an independent farmer (1.29), and provides the farmer with a living wage (1.33). These meat attributes appear to be moderately preferred. The fourth cluster included enhanced Omega 3 fatty acids (1.40), antibiotic free (1.43), enhanced Vitamin E (1.44), and enhanced conjugated linoleic acid (1.59). These are the healthy meat attributes associated with beef produced primarily on grass. It is apparent that many of the respondents selected either indifferent or not preferred for the health attributes listed in fourth cluster. It is presumed that the majority of respondents were not knowledgeable of these health attributes.

The second section of the questionnaire was designed to determine the consumer's preference of beef production systems. The respondents were asked to rank the names of the beef production system that they would expect consumers to prefer. The results of the second question were a big surprise. The majority of the respondents were not knowledgeable about how beef was produced. About 5 out of 35 people ranked grain-fed beef as most

preferred. Only two people ranked grass-fed beef as most preferred. Almost no one knew the benefits associated with grass-fed beef. Thus, a major educational effort would be needed to promote the merits and advantages of a given beef production system.

Lastly, respondents were asked to describe the requirements for merchandising a new beef product in their store and any consumer/merchandiser concerns about new beef products. The responses describing the requirements for merchandising a new beef product in their store included; in store promotions and samples, store advertising, visibility of product, product packing, image of product, consistent quality (taste and tenderness), reliable supply, shelf life, .The responses describing any consumer/merchandiser concerns about new beef products included: freshness, color, popular cuts, recipes, flavor and palatability, fat content, additives or preservatives, appropriately priced, advertising new product, education of consumers, and food safety.

The results of this preliminary survey to evaluate expectations about consumer tastes and preferences provided much useful information about the knowledge of consumers and grocers concerning beef products. We are in the process of developing another interview instrument to further evaluate the ranking and willingness to pay for some of these meat attributes.