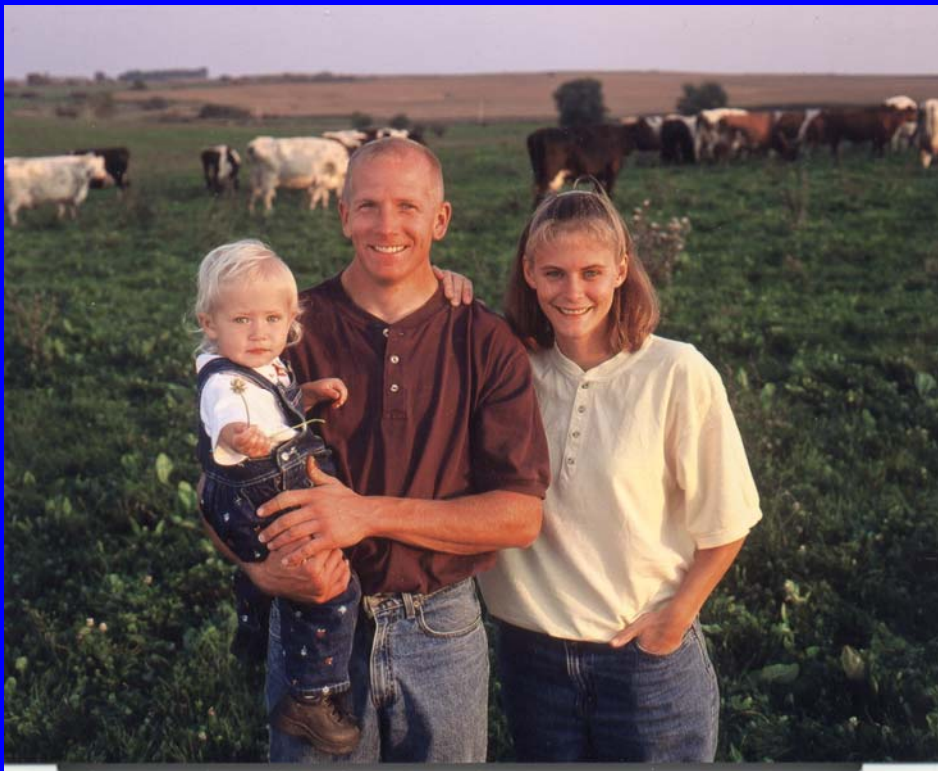


Consumer Messages for Grass-Based Foods: Exploring What Works



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Overview

- Background and Methodology
- Reaction to Terms and Messages
- Opportunities/Barriers to Mktg.
- Key Findings
- Implications
- Discussion

Background and Methodology

- Context of the Focus Group Research
- Scope of Work for Research
 - Phase 1 – Planning and Development
 - Phase 2 – Recruitment of Participants
 - Phase 3 – Focus Groups in MN, WI, IA
 - Phase 4 – Report of Key Findings
- The Role of Qualitative Research

Reaction to Terms

Analyzed: free range, pasture raised, grass fed, natural

Free Range

+Many clear ideas about the meaning.

- Most, however, said it adds little or no value.

+*"The way nature intended."*

+*"You can tell the difference."*

- *"Chickens run around picking stones off the ground."*

- *"I see tough, stringy little chickens."*

Reaction to Terms

Analyzed: free range, pasture raised, grass fed, natural

Pasture Raised

+Nearly all think of cows – dairy and beef.

+Some think of rolling green hills/ “traditional” family farm.

+ *“More care is given to the animals.”*

+ *“Less stress, changes the way it tastes.”*

+ *“Much more positive image.”*

Reaction to Terms

Analyzed: free range, pasture raised, grass fed, natural

Grass Fed

+Brings cows to mind, elicits many comments.

- Some were confused.

- Some expressed concern about taste.

+ *"It's a positive for me because grass is natural."*

- *"Meat a little tougher. Grain makes meat more tender."*

- *"Definitely going to taste different."*

Reaction to Terms

Analyzed: free range, pasture raised, grass fed, natural

Natural

- + Many say they know what it should mean, but..
 - Has become little more than a marketing term they don't always trust.
- + *"chemicals."*
- + *"Without growth hormones, maybe organic."*
 - *"Not much value. It's overused these days."*
 - *"Natural according to what?"*

Reaction to Description of Type of Production

Refers to techniques used to produce meat, poultry and dairy products with a focus on feeding and raising the animals on pasture (grass-fed diets) as opposed to raising animals in highly confined and concentrated facilities.

Reaction to Description of Type of Production

Benefits

- +Healthier
- +Less toxins, taste better
- +Lower fat content
- +Fewer antibiotics, hormones
- +Lower contamination/reduced e-coli risk)
- +More wholesome food

Reaction to Description of Type of Production



Benefits

- +More humane
- +Healthier for animal
- +Less disease
- +More natural production method

Reaction to Description of Type of Production

Concerns

- Affect of on taste
- Affect of on texture of product
- Quality of pasture
- Ingestion of manure before it is fully decomposed
- Uncertainty about supplemental feed

Reaction to Description of Type of Production

Concerns

- Increased cost due to lower volume
- Uncertainty about how product is regulated
- What about pork – it isn't a “pasture” animal, is it?

Reaction to Messages

Meat Products

We pasture animals to produce a superior quality meat product- superior in taste, environmental stewardship and animal well-being.

32	<i>Very likely</i>
34	<i>Somewhat likely</i>
1	<i>Somewhat unlikely</i>
0	<i>Not that likely</i>

Reaction to Messages

Meat Products

Our pasture-raised meat tastes better, is healthier and protects our environment.

19	<i>Very likely</i>
36	<i>Somewhat likely</i>
8	<i>Somewhat unlikely</i>
4	<i>Not that likely</i>

Reaction to Messages

Dairy Products

All natural grass-fed milk is an excellent source of nutrition, good for you, good for the environment and good for the cows.

16	<i>Very likely</i>
27	<i>Somewhat likely</i>
21	<i>Somewhat unlikely</i>
3	<i>Not that likely</i>

Reaction to Messages

Dairy Products

Giving our cows access to high quality pasture assures them a constant supply of fresh grasses and clover throughout the growing season. This low stress environment, with fresh air and sunshine, results in better herd health and superior quality milk for our dairy products

28	<i>Very likely</i>
23	<i>Somewhat likely</i>
12	<i>Somewhat unlikely</i>
3	<i>Not that likely</i>

Reaction to Messages

Poultry Products

Our chickens are raised naturally in the fresh air and sunshine. They are pastured and moved daily so they have fresh greenery under their feet. What this means to our customers is that our tender poultry cooks quickly, has much less fat, and they taste wonderful.

16	<i>Very likely</i>
22	<i>Somewhat likely</i>
21	<i>Somewhat unlikely</i>
7	<i>Not that likely</i>

Reaction to Messages

Poultry Products

Our chickens are free range birds and their feed is free of antibiotics. They get to walk around during their lives as compared to factory birds which don't get to go outside or leave their pens.

20	<i>Very likely</i>
28	<i>Somewhat likely</i>
10	<i>Somewhat unlikely</i>
7	<i>Not that likely</i>

Essential Elements

- Brief and to the point
 - example: *We pasture animals to produce a superior quality meat product.*
- Easy to understand
 - example: *Our chickens are free range birds and their feed is free of antibiotics.*
- Direct benefits to the customer
 - example: *Our poultry has much less fat and tastes wonderful.*

Words, Phrases That Work

- Tastes great, fresh
- High quality, superior quality
- Good for you, healthy
- Free of antibiotics, hormones
- Chemical free
- Low in fat
- Excellent source of nutrition

Words, Phrases That Work



- Not confined
- Fresh air
- Sunshine
- Fresh grass
- High quality pasture

Opportunities to Marketing Pasture Raised Products

- Openness to trying these products
- People care most about quality food & healthy options for their families
- People can identify many benefits of pasture-raised products
- Strong support for local producers
- People care about animal well-being

Barriers to Marketing Pasture Raised Products

- Lack of trust in unknown sources – particularly those seen as unregulated or lacking standards
- Expect pasture-raised products will cost more, which means they expect more
- Concerns about affect on taste
- Need for convenience—access and prep
- Resistance to buying in larger volumes

Key Findings

1. Key benefits must be for the consumer
2. Healthy is the goal – not at expense of taste
3. Disease and bacteria cause most concern
4. Locally-produced rates high
5. Animal welfare important
6. Some see the benefit to family farmers

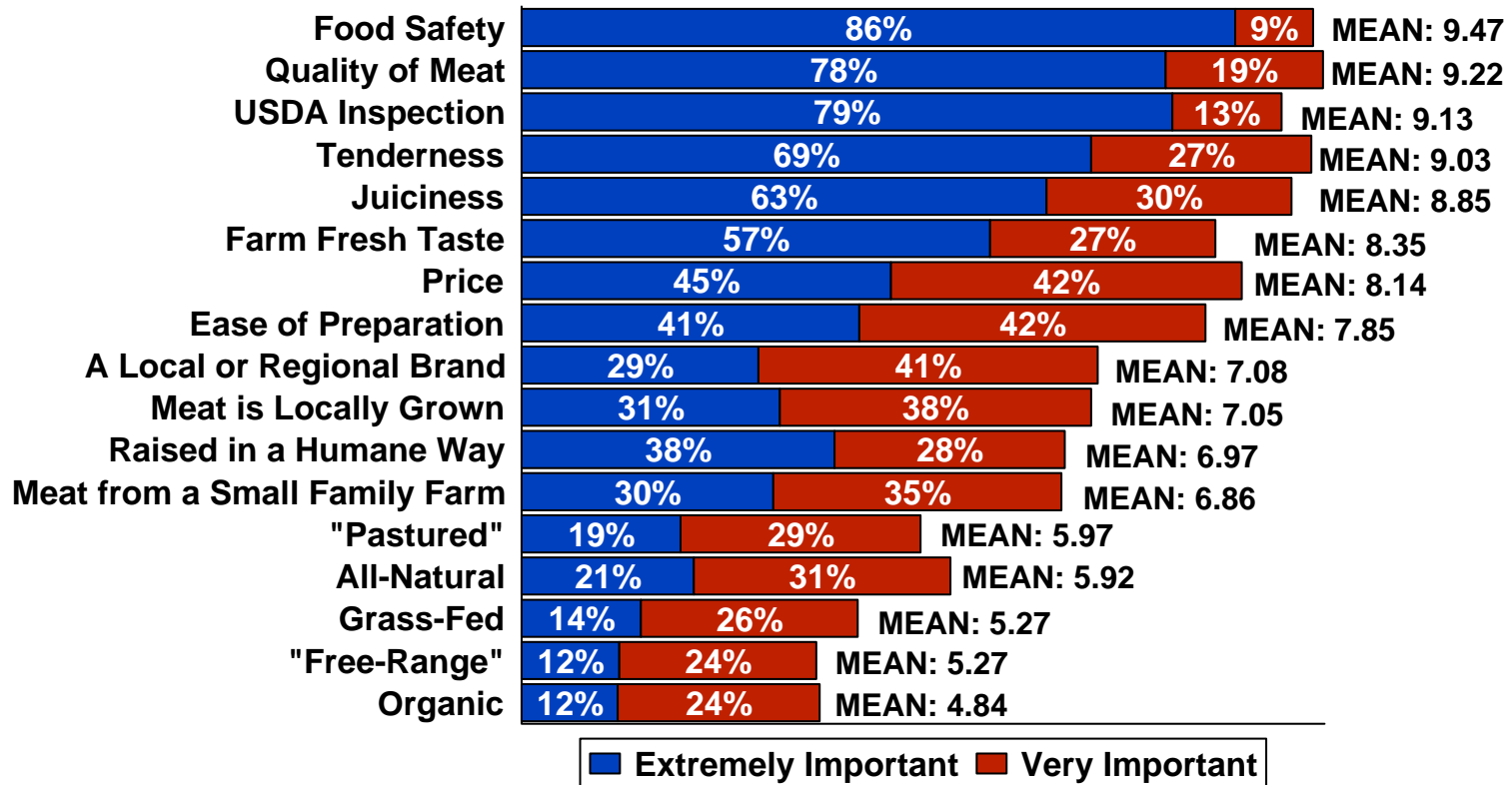
Key Findings (continued)

7. Respondents aren't quick to see environmental benefits
8. Convenience and price matter
9. Corporate or local farmer, trust is lacking
10. Respondents shop variety places, but convenience is key

Key Findings (continued)

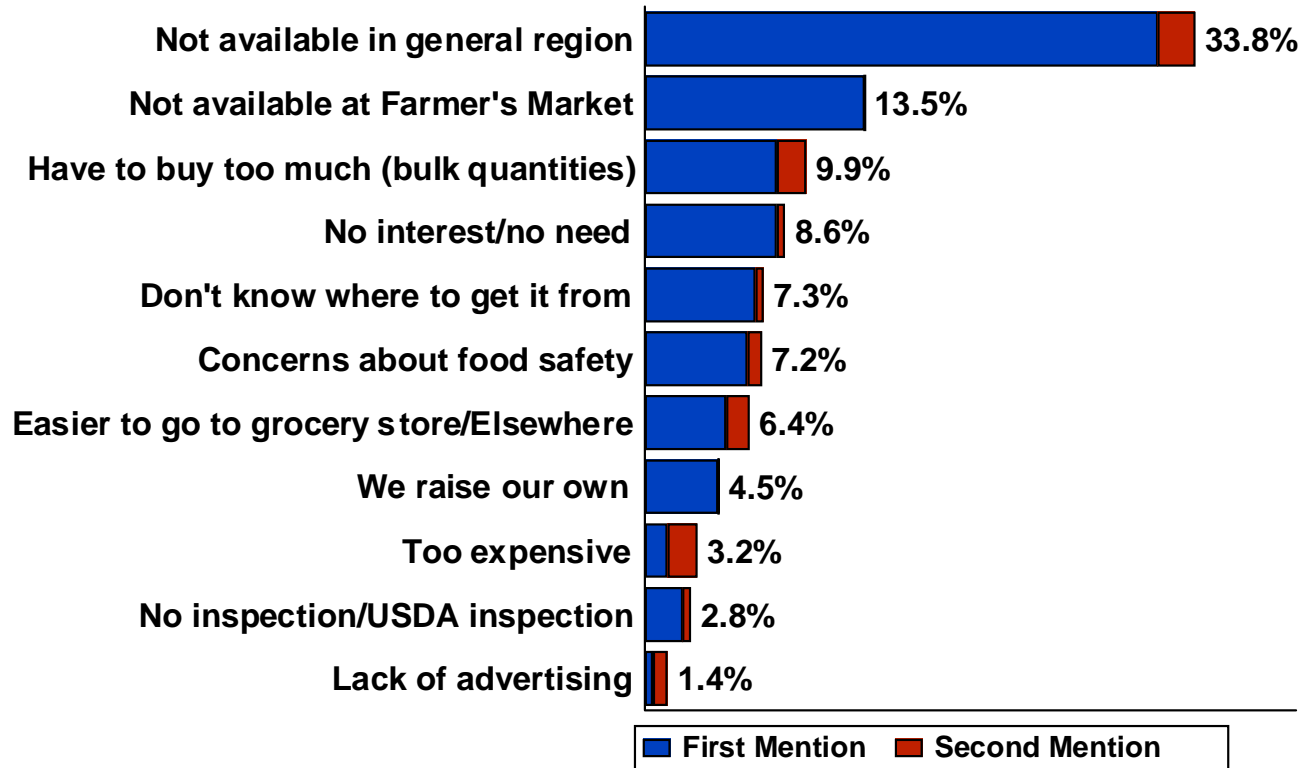
11. Definitions, standards and certification important
12. Incentives get respondents to try a new product.
13. Consumers suffer from information overload

How important are the following in selecting the meat you purchase? (on a scale of 1 to 10 with 1 = Not Important and 10 = Extremely Important)



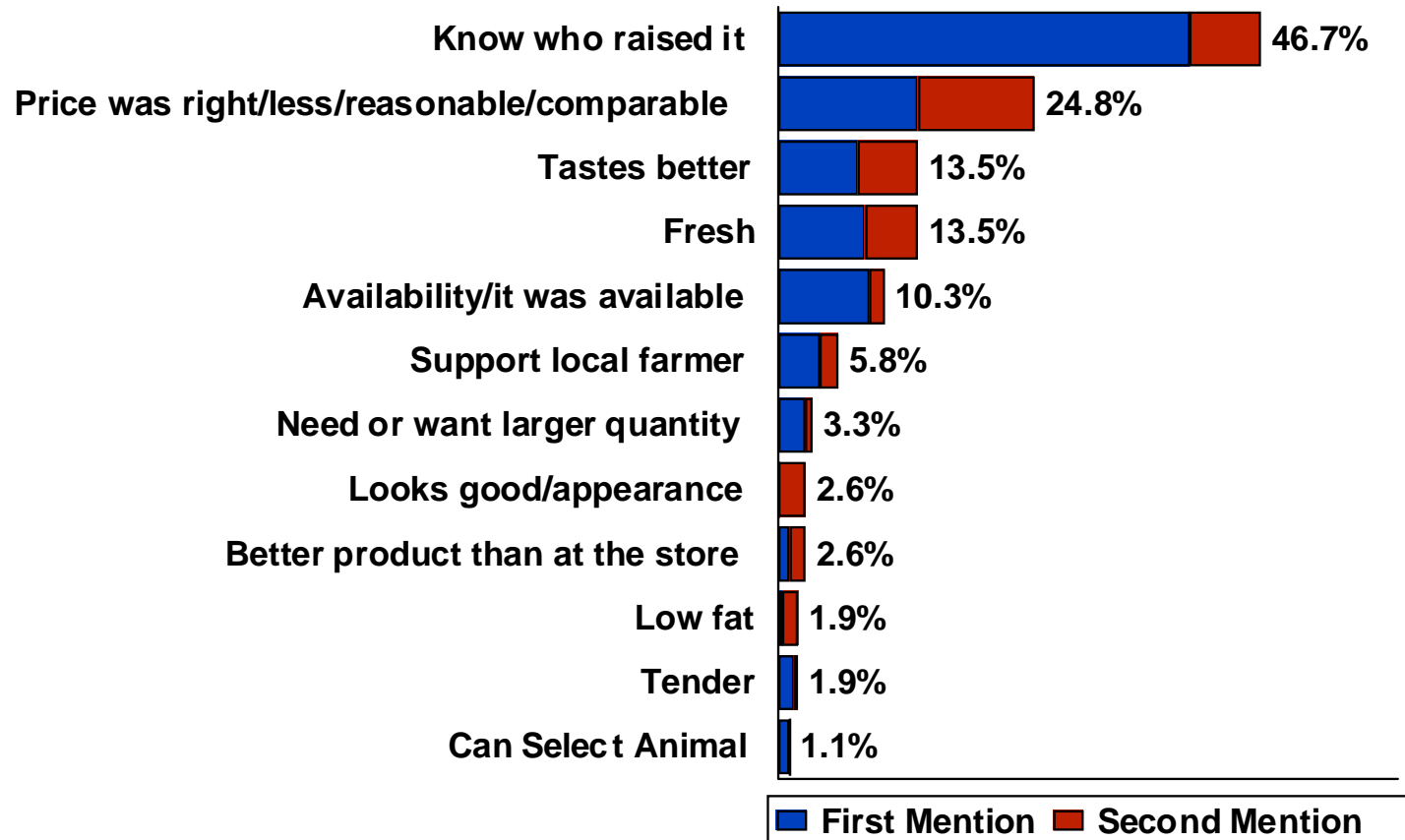
Base: All Respondents (n=500)

Why haven't you purchased meat direct from a farmer or farmer's market?



Those who have not purchased meat direct from farmer or farmer's market (n=222)

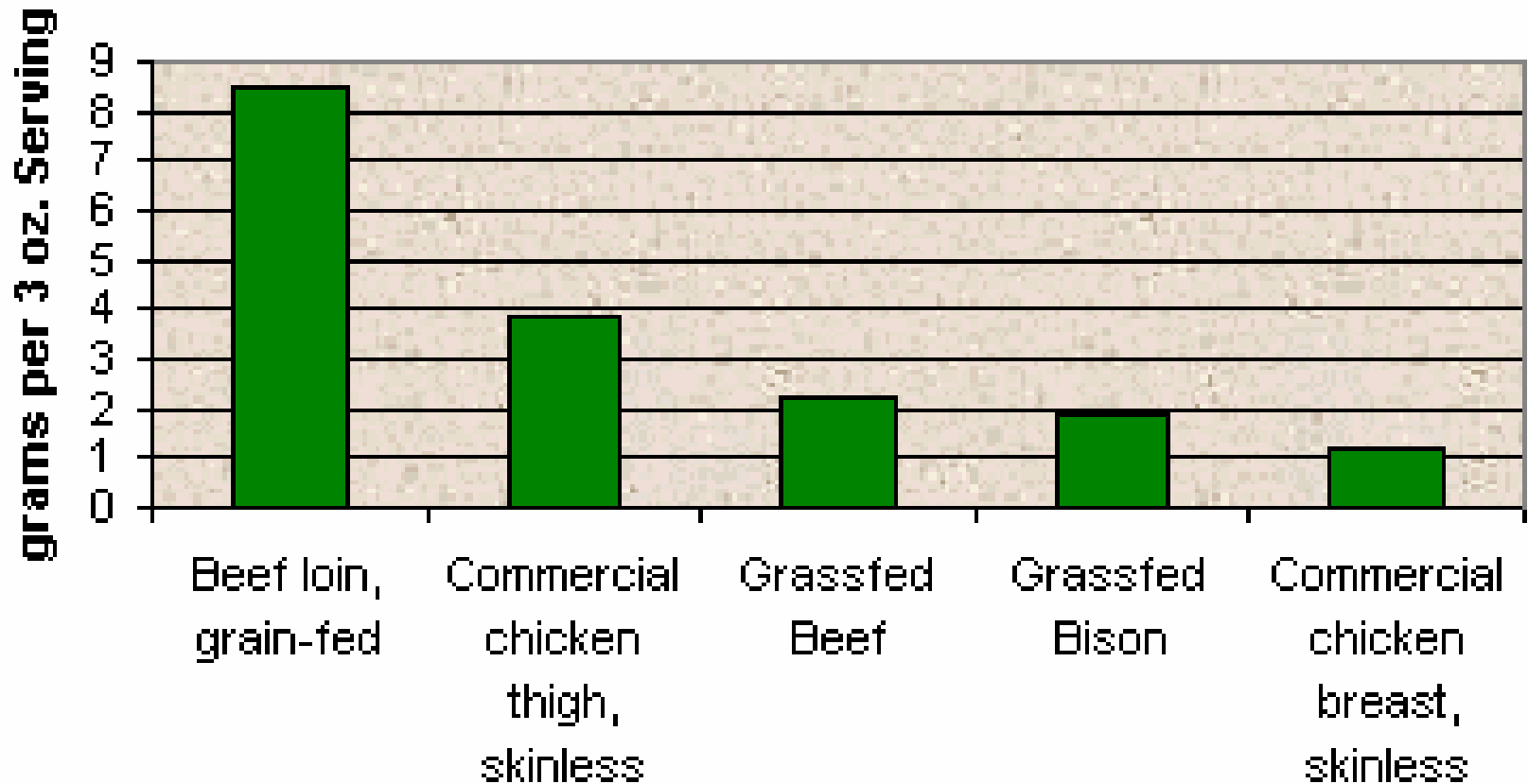
Why have you purchased meat direct from a farmer or farmer's market?



Those who purchase meat direct from farmer or farmer's market (n=274)

Example of health related information from eatwild.com web site:

Total Fat



Implications

1) Focus on **direct** benefits, like “better tasting” and especially “healthy” attributes such as:

- Less total fat - **“When meat is this lean, it actually lowers your LDL cholesterol levels.”**
- Meats with 2-6 times more omega-3 fatty acids - **“People who have ample amounts of omega-3s in their diet are less likely to have high blood pressure or an irregular heartbeat.”**
- Meats higher in vitamin E - **“Vitamin E is linked with a lower risk of heart disease and cancer.”**
- More conjugated linoleic acid (CLA)

Implications (continued)

2. Promote these and other key benefits (antibiotic & hormone free, environmentally friendly, animal well-being, etc.) and using simple terms and phrases
 - “natural dry-aged pasture-raised beef for health connoisseurs”
 - “our pasture-raised meats are tastier, more nutritious, healthier, more humane, and environmentally responsible”
 - “healthy foods from healthy animals”
 - “better for you and better for the environment”
 - “old fashioned natural beef grown with sunshine grass”

ALL NATURAL GRASS FED BEEF

- Growth Hormone Free
- Anti-biotic Free
- Healthy Fats and Cholesterol
- Humanely Raised
- Sustainable Practices
- Tender, Juicy and Delicious



Implications (continued)

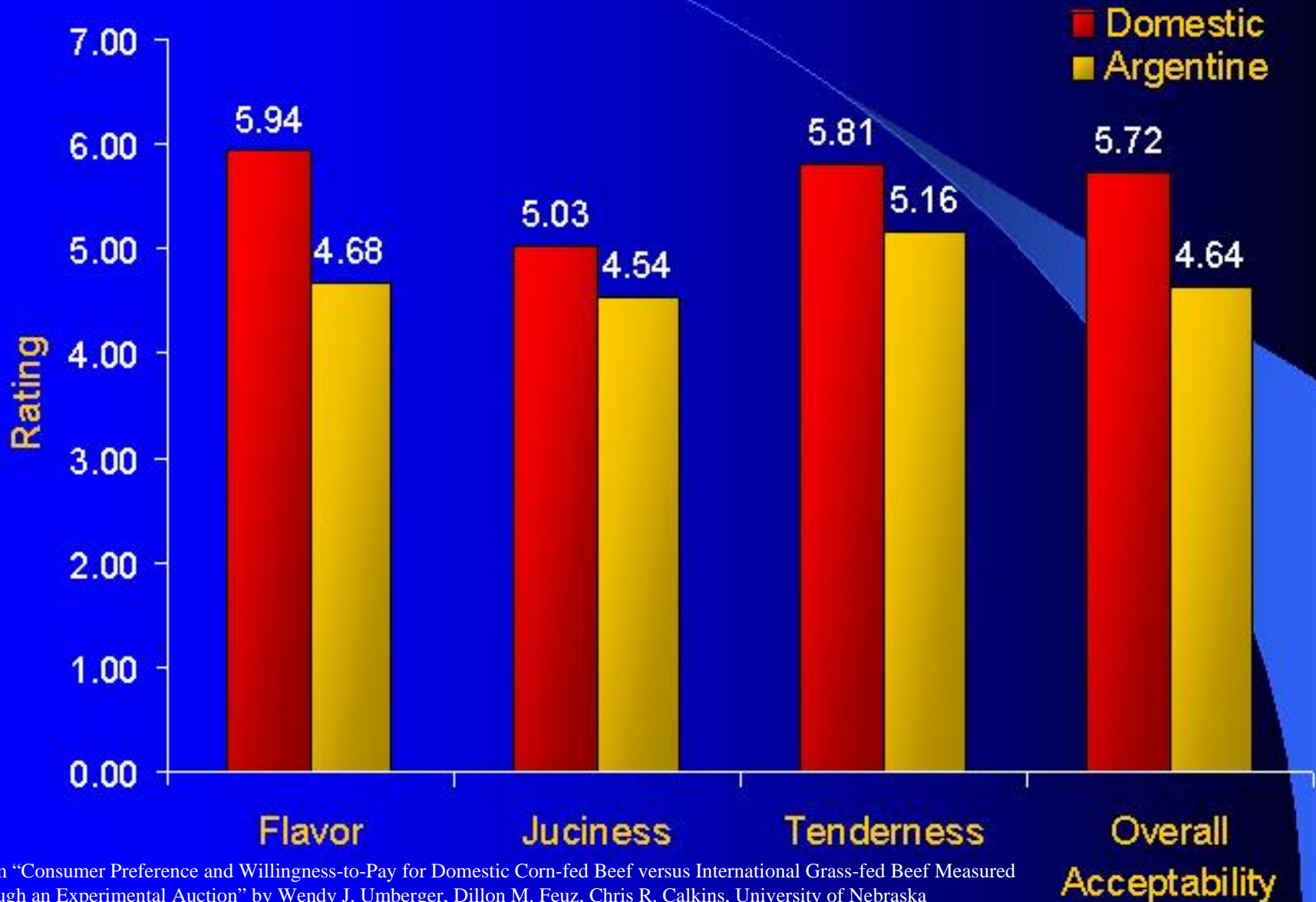
3. Taste and tenderness are important, and grass-fed meats tend to rate lower – find ways to address this

Options:

- Promote it as tender and delicious – *“The diverse, natural diet and stress-free environment gives our meats their delicious flavor.”*
- Aged meats – *“aging steaks 3 weeks resulted in pasture-based finished steaks having equal tenderness to steaks from feedlot finished steers”*
- Suggest cooking instructions

Taste Rating

Domestic Corn-fed Vs Argentine Grass-fed Beef Steaks



From "Consumer Preference and Willingness-to-Pay for Domestic Corn-fed Beef versus International Grass-fed Beef Measured through an Experimental Auction" by Wendy J. Umberger, Dillon M. Feuz, Chris R. Calkins, University of Nebraska

Implications (continued)

4. Price is an issue to be addressed – main options
 - Promotion can help overcome higher prices – “it’s a better product for these reasons”
 - Target customers with more disposable income
 - Explain costs, i.e.
 - **(1) more land required for animals**
 - **(2) more time needed to bring product to market**
 - **(3) more labor required for animal care in non-confinement**
 - Local processing (and dry-aging) costs more than large packing plants, but money stays in the community

Implications (continued)

5. Food safety is a huge concern - address it head on

"Our processing is done by a family-owned, state-inspected meat processor that has been in business for over forty years. After processing our meats are packaged and frozen so that you can be assured our products are safe and wholesome."

Implications (continued)

6. Consider certifying claims to address lack of trust and desire for definitions
 - Needed more when seeking new, unfamiliar customers
 - Not as important for customers secured through existing customers
 - Various options available:
 - Certified Organic
 - Midwest Food Alliance
 - USDA AMS Process Verified Program

Implications (continued)

7. Convenience – easy ordering and accessing of product – must be addressed

Final Note:

- Message development is only one part of a marketing plan;
- Marketing plan is only one part of a business plan;
- Find the help and do the work it takes to create both.