MEAT CONSUMER SEGMENTATION 3.0

INSIGHTS REPORT
AUGUST 2023

midan

THE EVER-EVOLVING MEAT AND POULTRY CONSUMER

Consumers are constantly evolving, but in the last few years they have changed at an especially rapid pace. Between the pandemic and the economic uncertainty that followed, consumers' habits and behaviors have shifted across the board. Understanding the modern meat consumer is integral to offering products that meet their needs and reaching them with relevant messaging. Knowing your consumers is critical to keeping meat in the dinner equation and ensuring the right products are in the meat case when they are shopping.

In response to the changes that have transformed today's meat consumers, Midan Marketing conducted the third iteration of our Meat Consumer Segmentation research. In January and February 2023, we surveyed a national sample of 1,300 U.S. adult consumers who had eaten and purchased meat or poultry in the past three months. From this, we have five new meat consumer segments: Connected Trendsetters, Claim Seekers, Convenience Cravers, Committed Carnivores and Classic Palates.

MIDAN'S MEAT CONSUMER SEGMENTATION

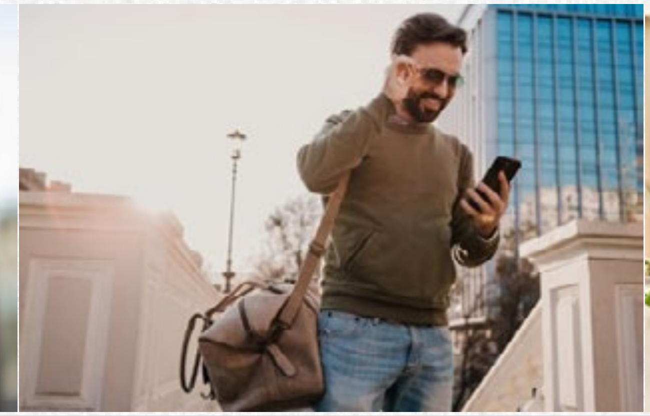
Midan released the first meat and poultry consumer segmentation study in 2016, then repeated it in 2019. The third iteration of the research, Meat Consumer Segmentation 3.0 offers the most up-to-date snapshot of today's shoppers. The timing of the 3.0 research is especially important since our world has changed dramatically since we released our last segmentation survey in 2019. These changes are due in part to the COVID-19 pandemic, rising food costs, the increased use of e-commerce, the shift to remote work, growing concern around sustainability and the expansion of meat alternatives.

This edition of our segmentation research also included a larger proportion of Gen Z consumers than last time as several more of this cohort have aged into adulthood.

Throughout the research and this report, "meat" was defined as whole muscle beef, ground beef, and/or pork; "poultry" was defined as chicken and/or turkey; and "plant-based proteins" was defined as anything that mimics traditional meat but is made using mainly plant ingredients.

MEAT CONSUMER SEGMENTATION 3.0

OVERVIEW OF THE SEGMENTS

				
CONNECTED TRENDSETTERS (14%)	CLAIM SEEKERS (24%)	CONVENIENCE CRAVERS (17%)	COMMITTED CARNIVORES (23%)	CLASSIC PALATES (22%)
• Love cooking and eating meat and poultry • Like to give and receive recommendations for meat products • Early adopters • Open to experimenting • Very active with social media and online shopping	• Average engagement with meat • High engagement with poultry • Very motivated by natural and environmental claims • Willing to pay more for meat with claims • Open to experimenting	• Not very engaged with meat or poultry • Don't have time for a sit-down meal with meat • Not a confident meat cook • Rely on convenience products for cooking meat • Skew younger and male	• Very engaged with meat – love to cook and eat it • Open to experimenting • Not motivated by health claims • Feel meat is too expensive • Lower income, but willing to try new products and brands with a coupon or discount	• Eat meat regularly but not very emotionally attached • Not that into cooking • Older, but not motivated by health claims • Feel meat is too expensive • Lower income and respond to sale prices
Insight: This segment is already heavily engaged but can be reached online with recommendations.	**Insight:** This segment is a prime target for increasing their consumption by enticing them with production claims.	**Insight:** This segment will need fast and easy solutions to overcome their lack of skills and time.	**Insight:** This segment is willing to try new things but has monetary constraints, so deals may be needed to motivate.	**Insight:** This segment is not into cooking nor highly proactive, so they may be a limited opportunity.

Stronger Opportunity ——— Weaker Opportunity

"OPPORTUNITY" CAN MEAN DIFFERENT THINGS TO DIFFERENT COMPANIES, BUT IT IS INTENDED TO ENCOMPASS OPENNESS TO RECEIVE MESSAGES, TRY NEW PRODUCTS AND EXPAND PURCHASING

CONNECTED TRENDSETTERS 14%

- Average Age: 37 (youngest segment)
- Average Household Income: $73,000 (highest of all segments)
- Kids in Household: 63% (highest of all segments)
- 38% eat plant-based protein at home at least once per week
- 62% shop at a supercenter
- 84% agree they are often the first person in their friend group to try new products
- 69% rely on convenient meat products like pre-marinated and pre-seasoned options

Connected Trendsetters are the youngest of the segments with an average age of 37 and the ones most engaged with their meat purchase decisions. This cohort is defined by their connection – to the internet, to each other and to the products they purchase. They are adventurous eaters and act as influencers within their social groups. These consumers are more likely to live in urban areas and be more educated. When it comes to meat, they love it and are interested in experimenting. More of them regularly consume lamb, veal, seafood and meat alternatives than other segments. These consumers are influenced by what they see online – 75% say they look to influencers for inspiration on what new products to try. Most of these consumers are also purchasing fresh meat online, at least some of the time.

CLAIM SEEKERS 24%

- **Average Age: 56**
- **Average Household Income: $68,000**
- **Kids in Household: 25%**
- **97% eat chicken at home at least once per week**
- **69% shop at a supermarket**
- **65% only buy meat that comes from humanely raised animals**
- **82% look for meat labeled all-natural**

Claim Seekers are looking for meat and poultry products that they believe are healthy for their bodies, healthy for the animals and healthy for the planet. This segment is 70% women, and they are seeking out meat that is organic, humanely raised, grass-fed or raised without antibiotics. And they're willing to pay more for products that meet their high expectations. They don't spend significant time on social media and only about a quarter of them have recently purchased fresh meat online. This group has about average consumption of all of the primary proteins, though a number of Claim Seekers say they are trying to eat less beef and pork this year. This group is really defined by their desire for claims – 82% say they look for all-natural meat and 77% say they want meat labeled as non-GMO. Certified Organic, Certified Humane® and grass-fed are all specific claims they gravitate to. These customers compare prices, packaging and labels, and are ultimately most likely to purchase products from national brands.

CONVENIENCE CRAVERS 17%

- **Average Age: 44**
- **Average Household Income: $58,000**
- **Kids in Household: 34%**
- **70% eat ground beef at home at least once per week**
- **52% shop at a supercenter**
- **27% agree pre-cooked meat is a shortcut to better meals**
- **31% think plant-based meat is healthier than traditional meat or poultry**

Convenience grew in importance with all consumers over the course of the pandemic, but Convenience Cravers are defined by it. This group doesn't have time for a sit-down meal with meat and they find it hard to cook meat perfectly. This group skews toward younger male consumers with Millennials representing the largest portion. Convenience Cravers are utilizing online shopping to save time, with 44% having purchased fresh meat online recently. Their lack of time also leads them to seek out value added meat products designed to save time in the kitchen. Their protein consumption habits are average across the board with chicken serving as their most popular animal protein and pork as the least popular. When shopping, this segment is heavily utilizing different apps to research recipes and promotions. However, they can change their mind in-store and be influenced by on-product recipes and in-store displays.

COMMITTED CARNIVORES 23%

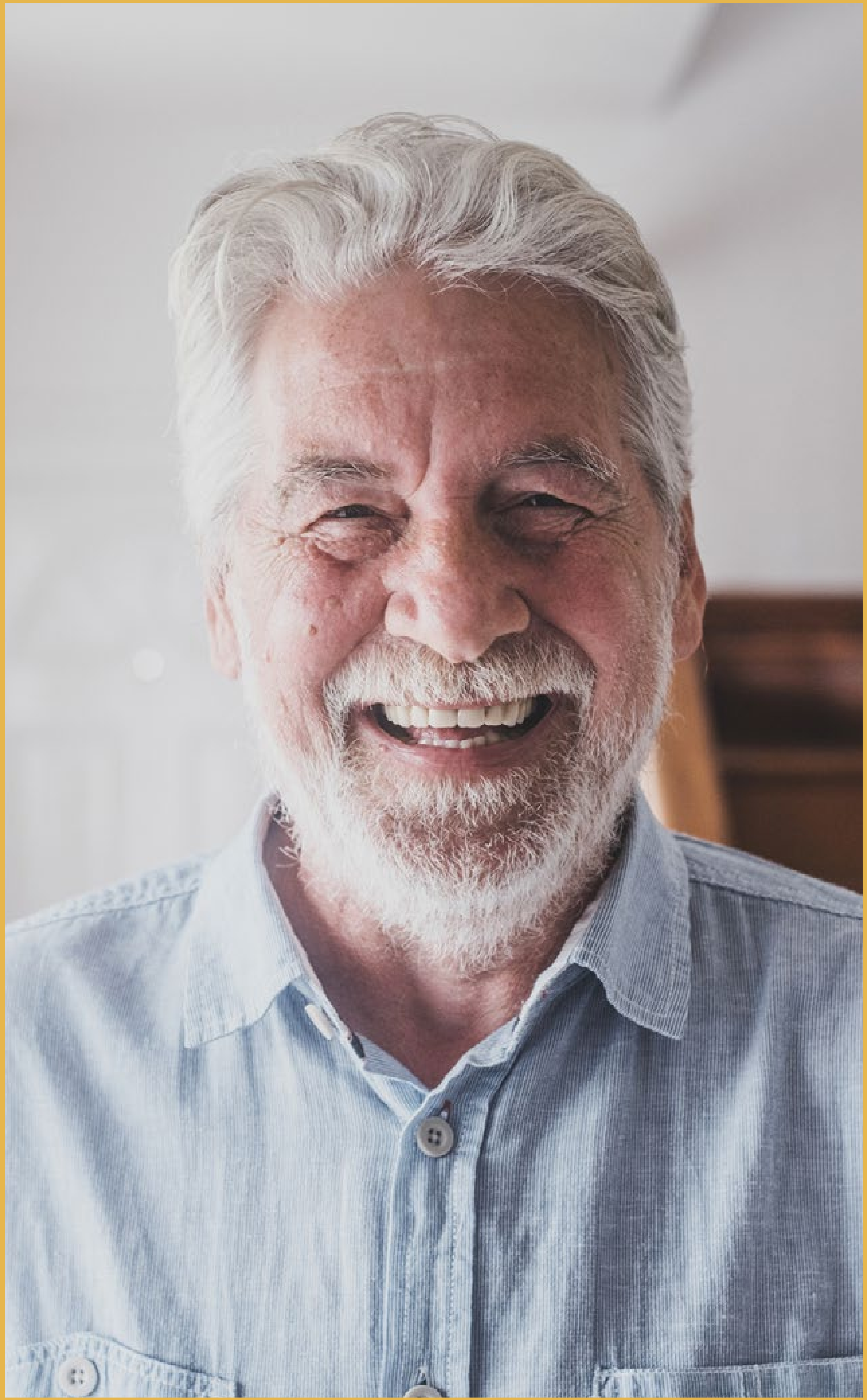
- **Average Age: 54**
- **Average Household Income: $57,000**
- **Kids in Household: 29%**
- **68% eat pork at home at least once per week**
- **67% shop at a supercenter**
- **96% say meat is something their entire family enjoys**
- **73% agree it's just not a meal without meat**

The Committed Carnivores segment is slightly older than average with a lower household income. But this doesn't keep them from enjoying meat – 96% say their entire family enjoys meat and 85% can't imagine giving up its taste. These consumers are more likely to live in the Midwest and in small or rural towns. Committed Carnivores enjoy sitting down for family meals and they love cooking from scratch so they can add a personal touch to those meals. They are driven by the taste of meat and aren't concerned about label claims or statements on the package. These consumers have a strong interest in beef, chicken and pork but are less interested in seafood or plant-based proteins. They look for products on sale in-store and check for deals or coupons on the store's website or app but aren't likely to buy fresh meat online. These consumers frequent traditional retailers and have a solid plan before going to the store; however, they are on the lookout for sales and will change that plan for the right price.

CLASSIC PALATES 22%

- Average Age: 63 (oldest of all segments)
- Average Household Income: $57,000
- Kids in Household: 14%
- 57% eat whole muscle beef at home at least once per week
- 69% shop at a supermarket
- 80% enjoy meat because it tastes good
- 57% feel that meat is too expensive

The oldest of all the segments, more than half of Classic Palates are retired. This segment is defined by habit – they're used to having meat in their meals and are traditionalists who like to stick to what they know. They are the least likely to experiment with plant-based proteins and are also uninterested in seafood. With many of these consumers on a fixed income, 57% feel like meat is too expensive right now. This leads some of them to only buy meat when it's on promotion or sale. Classic Palates aren't internet users – only 8% have purchased meat online in recent months and even fewer expect to do so in the future. Influencing these customers may be challenging. Only 1% say they would purchase a meat product because they saw it recommended online and 44% say nothing would influence them to change their mind once in-store. These consumers like their routines and plan to stick to them.



SEGMENTS THAT VALUE SUSTAINABILITY

Sustainability has become a topic of increasing importance over the last few years. But it's still not on the minds of all meat consumers – only about half (52%) of meat consumers say they think about sustainability issues when buying meat or poultry. However, 92% of Connected Trendsetters, 70% of Convenience Cravers and 66% of Claim Seekers are thinking about these issues.

Across the board, 24% of consumers are more concerned about sustainability now than they were a year ago while only 6% said their concern decreased during that time. Of the consumers concerned about sustainability, 74% said they would specifically seek out fresh meat or poultry with a sustainability commitment on pack. The segments of consumers who originally said they think about sustainability are the same ones who would seek out the product in high numbers as well. Only 1% of Connected Trendsetters familiar with sustainability said they wouldn't seek out this type of product. Similarly, 90% of Convenience Cravers and 86% of Claim Seekers who are aware of sustainability want meat with sustainability-specific label claims.

OF ALL CONSUMERS SURVEYED:

- 57% BELIEVE THAT CLIMATE CHANGE IS A SERIOUS THREAT
- 33% ARE WILLING TO PAY MORE FOR A PRODUCT THAT IS ENVIRONMENTALLY SAFE
- 50% SAY MEAT SHOULD ONLY COME FROM FARMERS THAT PRACTICE SUSTAINABLE AGRICULTURE
- 36% LOOK FOR MEAT FROM COMPANIES THAT PROTECT THE ENVIRONMENT
- 32% AGREE THAT CONCERNS ABOUT MEAT PRODUCTION HARMING THE ENVIRONMENT ARE OVERSTATED
- 20% LOOK FOR MEAT LABELED AS CLIMATE-FRIENDLY

THE RISE OF CONVENIENCE

Convenience became table stakes for consumers during the pandemic. There are multiple reasons why this happened. Convenience products often come with inspiration for the tired home cook; convenience services like grocery delivery were being utilized for health purposes (and stuck). Even the supply chain struggles that limited fresh meat availability may have had consumers turning to pre-seasoned or pre-marinated products if that's what was available. Whatever the reason, the reliance on convenience grew. Sixteen percent of meat consumers say meat takes too long to prepare for an everyday meal and nearly 30% say any meat product that saves them time is worth paying extra for. E-commerce has also become a convenience for many since adopting it in 2020. Thirty-seven percent of shoppers have purchased fresh meat online in the past three months, with the biggest portion of these coming from a local grocery store for pickup or delivery.

GENERATION OF TOMORROW

The consumers currently coming of age are Generation Z. This year, the oldest of this cohort is 25 and the youngest will turn 11. It will be another seven years before all of this age group are adults purchasing their own meat and poultry. For this research, we surveyed adults in this generation to start getting a feel for what will be unique about Gen Zs.

The largest chunk of Generation Z shoppers is Convenience Cravers. More of Gen Z fall into this segment than any other age group. The second largest group of these consumers is the Connected Trendsetters segment. Within this segment, Gen Z and Millennials make up nearly equal portions.

These two segments are logical places for this young cohort to fall. Like the Connected Trendsetters, half of Gen Z consumers say they spend most of their time on social media and 65% say a brand's social media presence influences their fresh meat and poultry purchase decisions. And like many Convenience Cravers, a quarter of Gen Z shoppers say they don't have time for a sit-down meal with meat.

OF ALL GEN Z CONSUMERS SURVEYED:

- 37% LOOK TO INFLUENCERS FOR INSPIRATION FOR NEW PRODUCTS TO TRY
- 65% AGREE A BRAND'S SOCIAL MEDIA PRESENCE INFLUENCES THEIR FRESH MEAT AND POULTRY PURCHASE DECISIONS
- 75% THINK ABOUT SUSTAINABILITY AT LEAST SOME WHEN PURCHASING FRESH MEAT
- 50% WOULD PAY FOR MEAT THAT SUPPORTS A CAUSE THEY ARE IN FAVOR OF

INCORPORATING MIDAN'S MEAT CONSUMER SEGMENTATION

One of the outcomes of this segmentation research is a list of 22 short questions that is used to sort individual meat consumers into the segment that most aligns with their shopping and eating habits. Of the 130 questions asked in this survey, these 22 are the ones determined to be the most discriminating. This short survey can be fielded on its own to sort consumers into segments – such as for a retailer trying to determine which segments their shoppers fall into, or a product developer trying to determine which segments are best to target for a new product – or added to other surveys. When added to other surveys, the segments can then be used as a filter. An example of this could be adding it to a logo testing survey to see if your brand's logo reads differently for members of different segments. All of Midan's proprietary research includes these questions so we can dig deeper into the segments' opinions on specific topics like sustainability or the economy.

CONNECTED TRENDSETTERS

CLAIM SEEKERS

CONVENIENCE CRAVERS

COMMITTED CARNIVORES

CLASSIC PALATES

THANK YOU FOR YOUR INTEREST IN MIDAN'S MEAT CONSUMER SEGMENTATION 3.0.

FOR MORE INFORMATION, CONTACT
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