

# Food for life – Linking Learning with Lunch

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Quality Meat Scotland

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## **Agenda**

- Background: Gloom and Doom
- Consumers and shoppers expectation
- Ethical consumers
- Scotland consumers preoccupations snapshot
- 3 umbrella Scottish brands

## The Context – 2010/11



# FEELING THE SQUEEZE

Average Wages

+2.1%

RPI

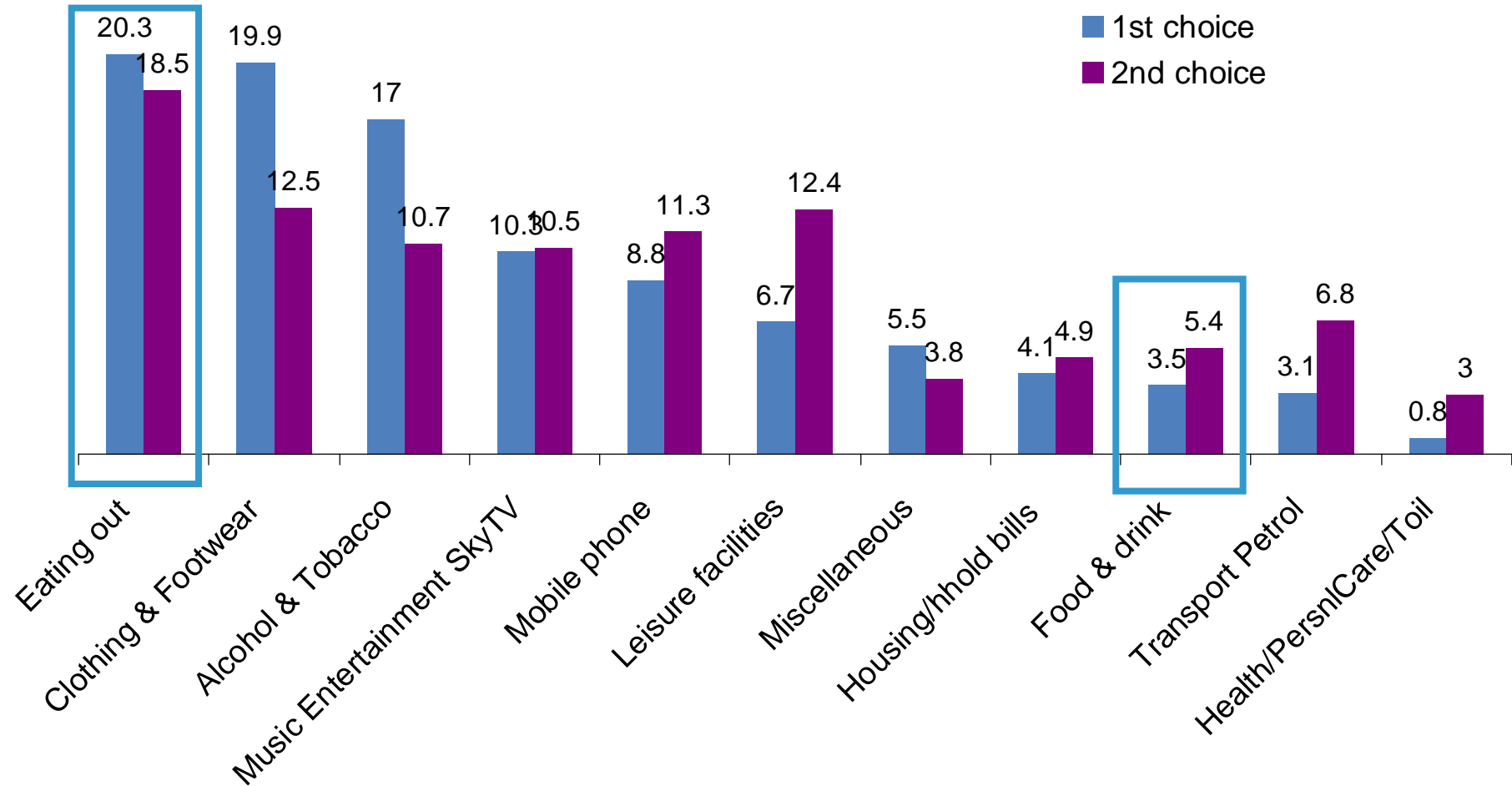
+5%

Source: ONS 3 months to June 2011

# Food and Drink as a Proportion of UK Household Expenditure %

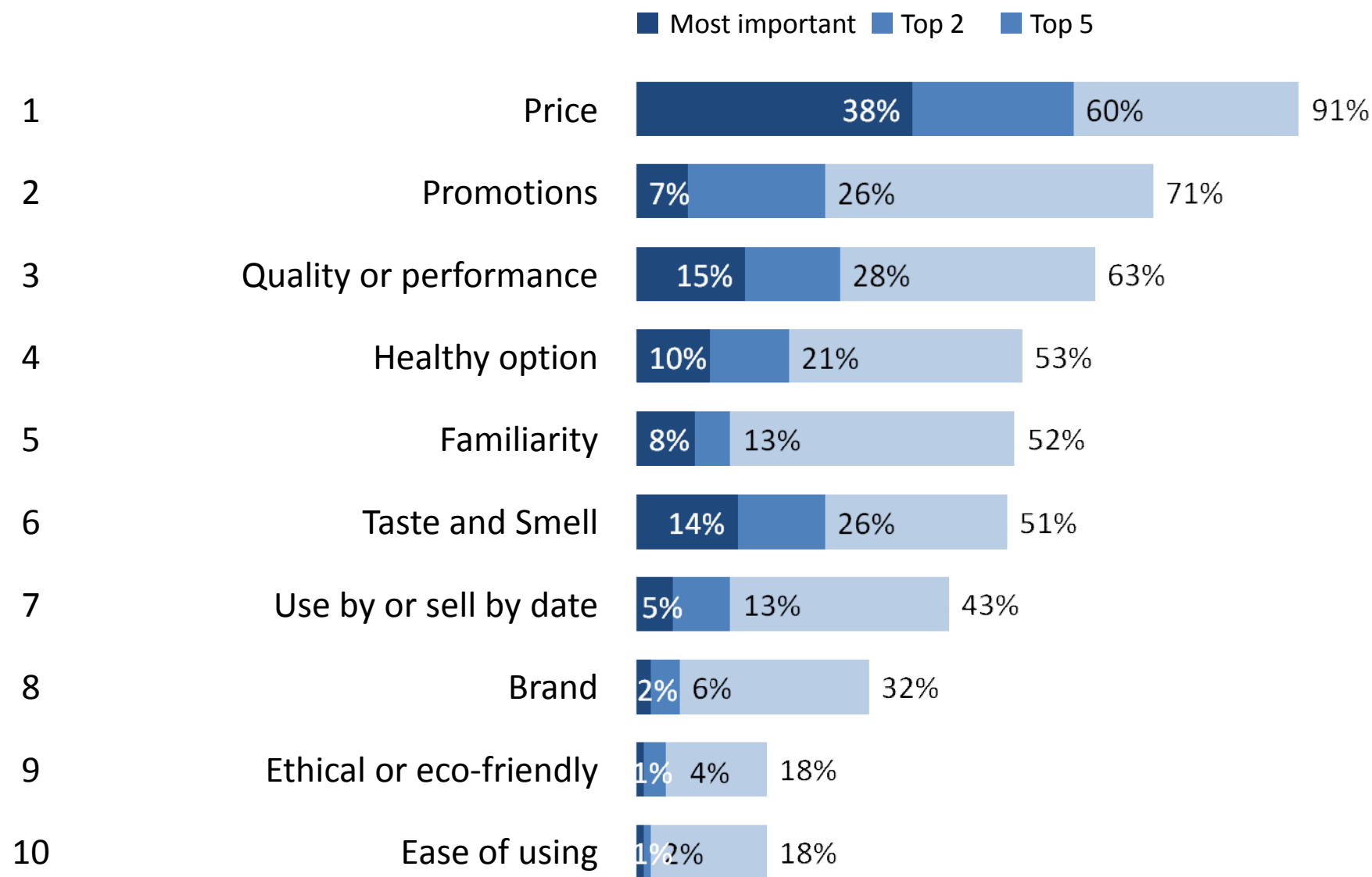


## Food & Drink is not the first area people cut back on



How consumers / shoppers feel?

## Drivers of product choice





# Shoppers are prepared to pay extra for quality ingredients

Aspects worth paying a bit extra for



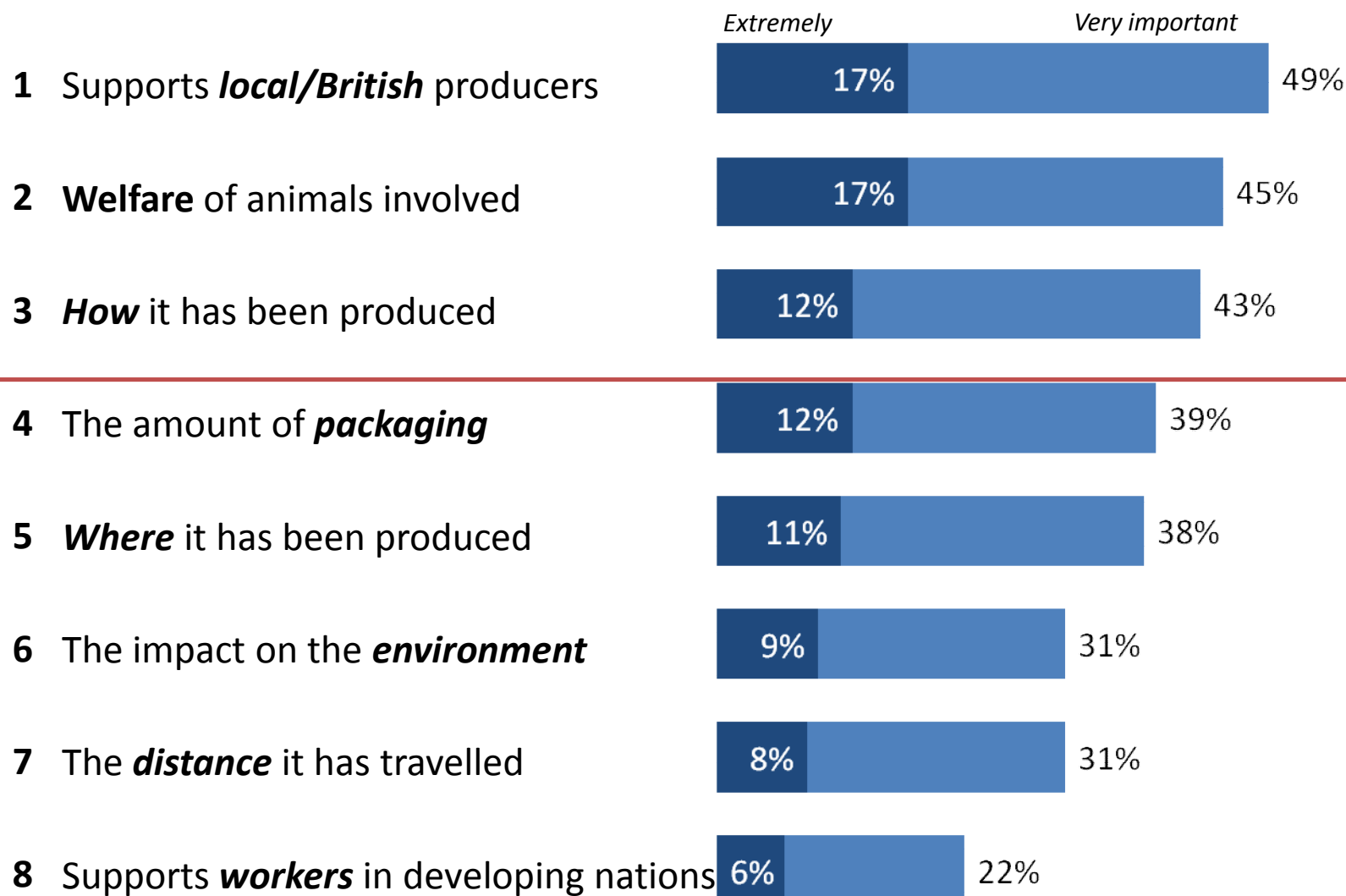
Source: IGD

## Ethical consumers

- Ethical consumers are consumers who chose their consumption in relation to ethical ways of production, transport or distribution.
- Ethical consumers tend to be affluent consumers, higher education, from all ages and both genders.
- Example of ethical attribute: local production, animal welfare, organic, fairtrade, environmentally friendly...
- Price is not the first key consumption driver in the selection of products

# Supporting local/British is a key ethical driver

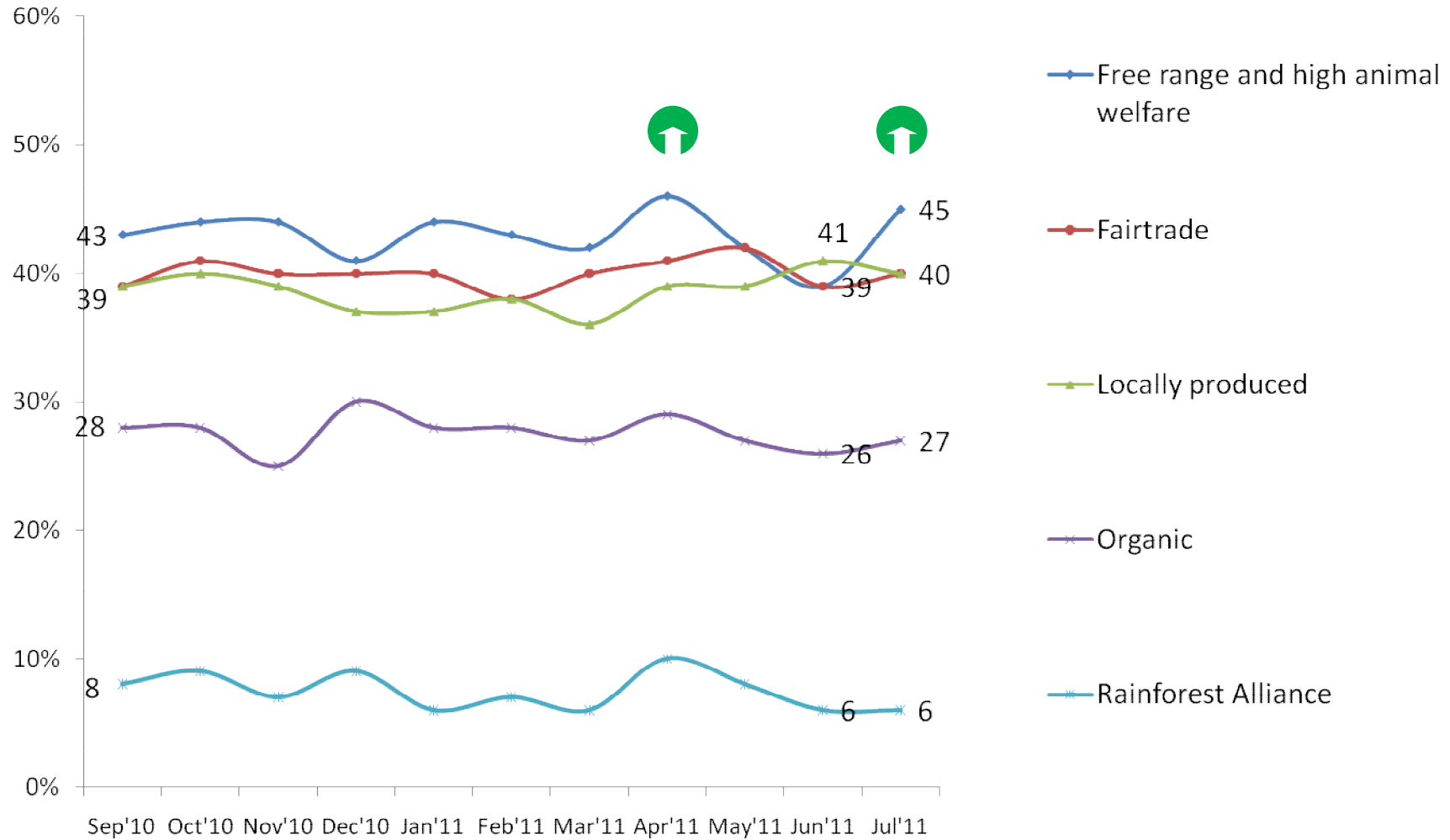
Importance of ethical attributes on product choice



Source: IGD

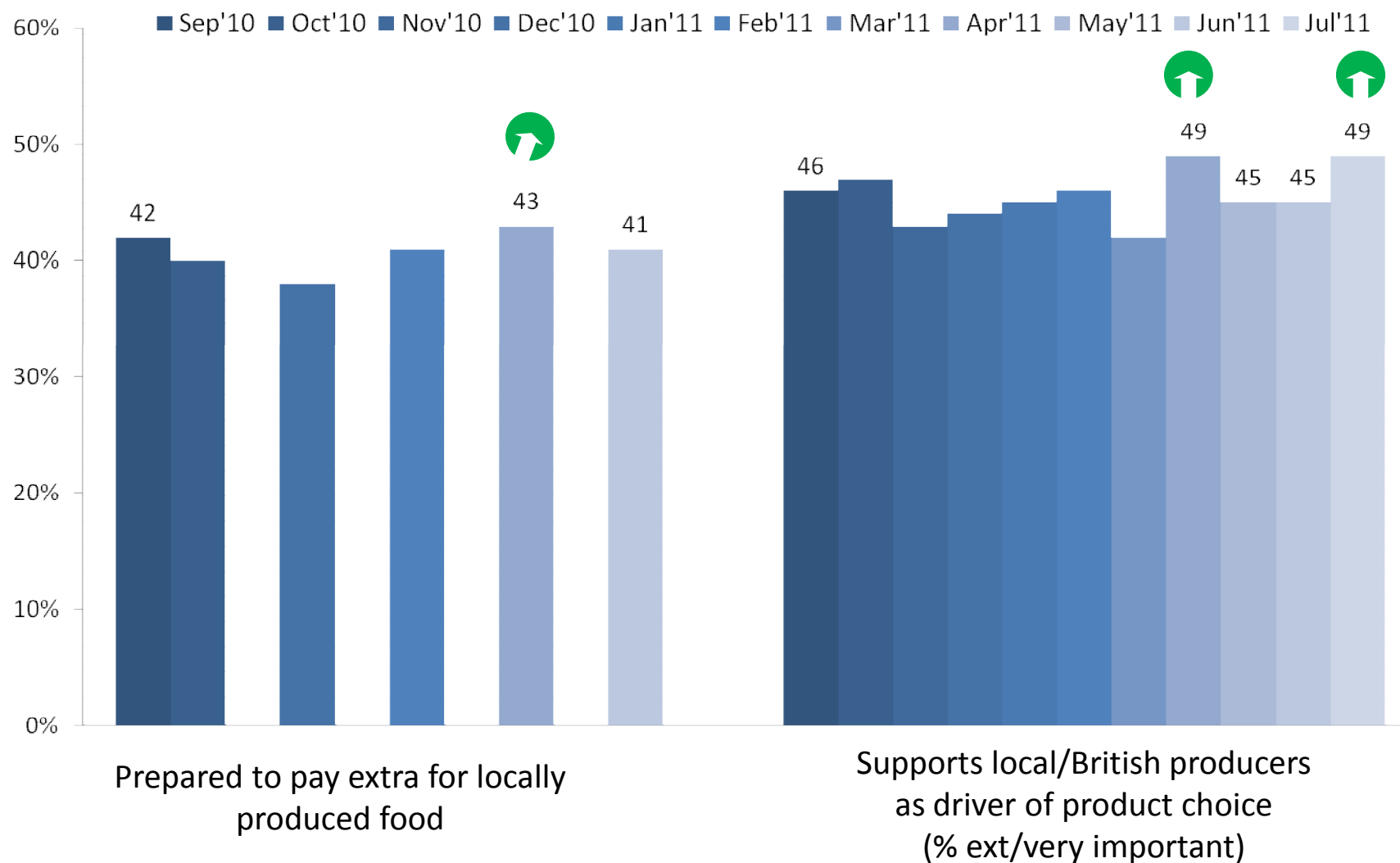
# Bounce back for free range/higher animal welfare

% who claim to have specifically bought in the last month



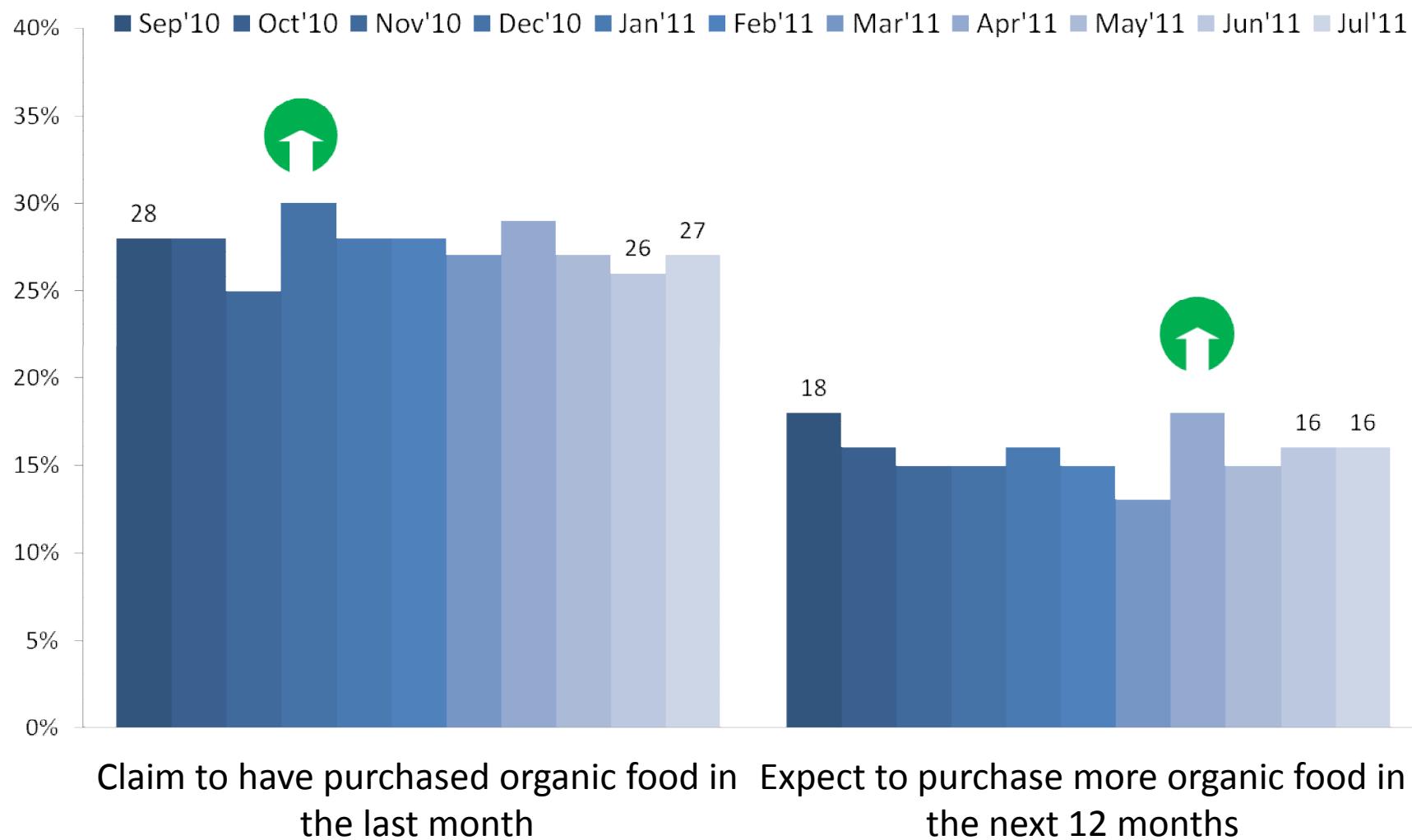
Source: IGD

## Increased focus on provenance



Source: IGD

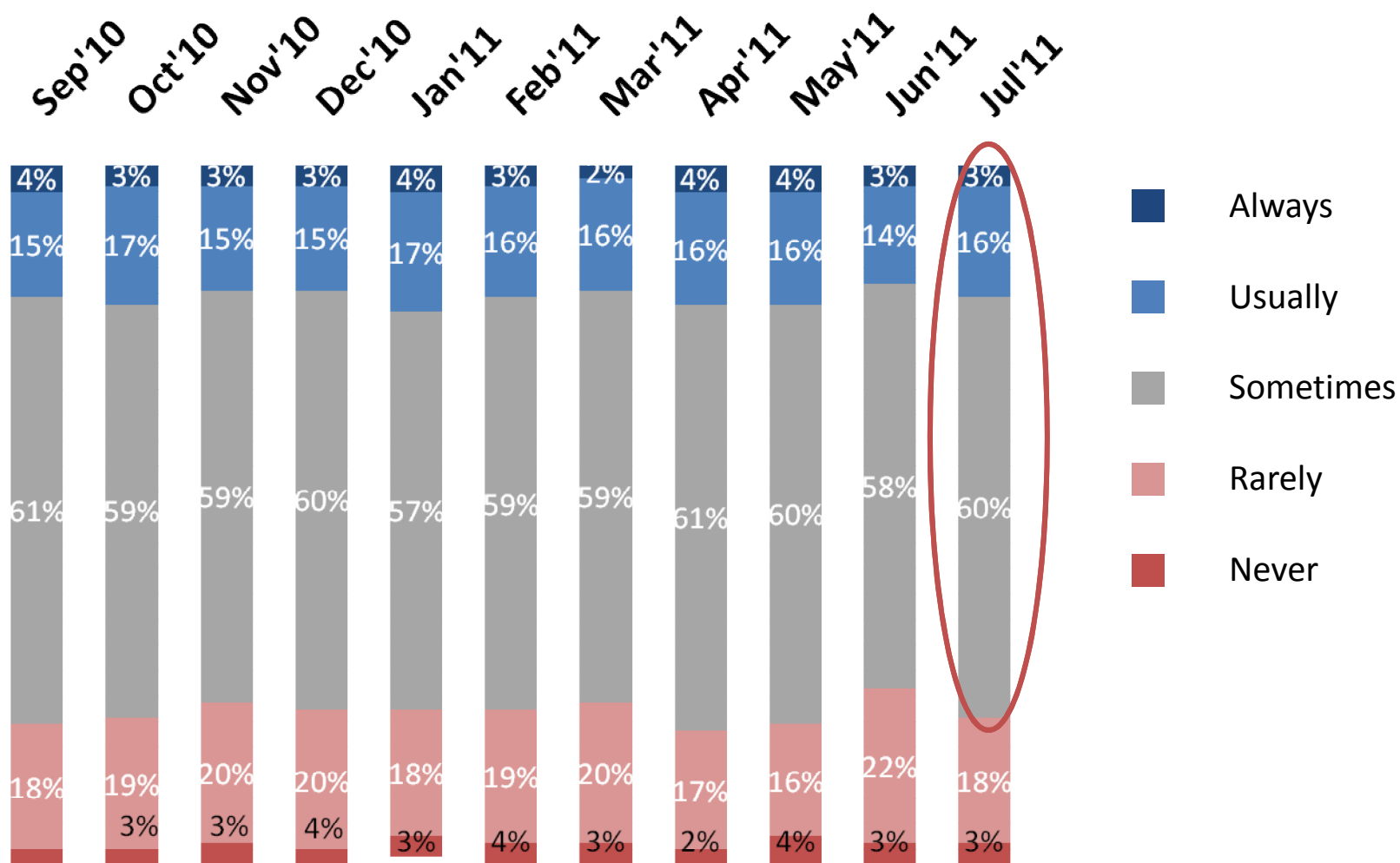
## Organic food purchasing remains stable



Source: IGD

## Eight in ten shoppers prepared to pay extra at least some of the time

Frequency of paying extra for premium groceries



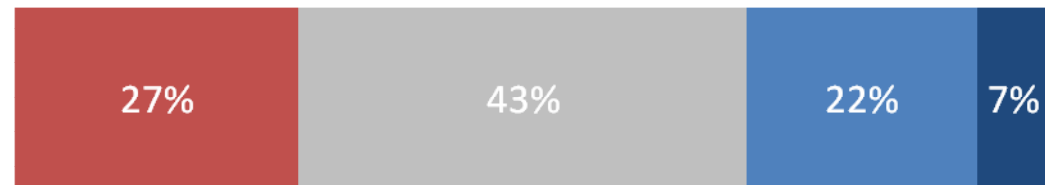
Source: IGD

# Brand heritage remains an important driver of product choice

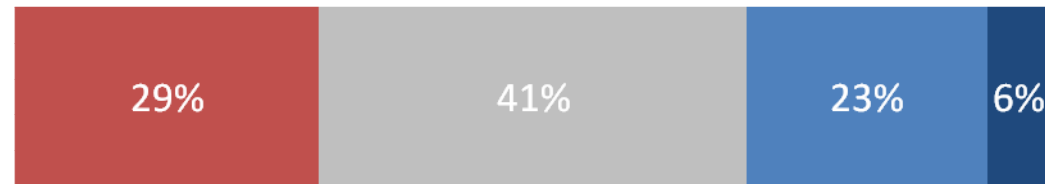
Importance of brand attributes on product choice

■ Not important ■ Fairly important ■ Very important ■ Extremely important

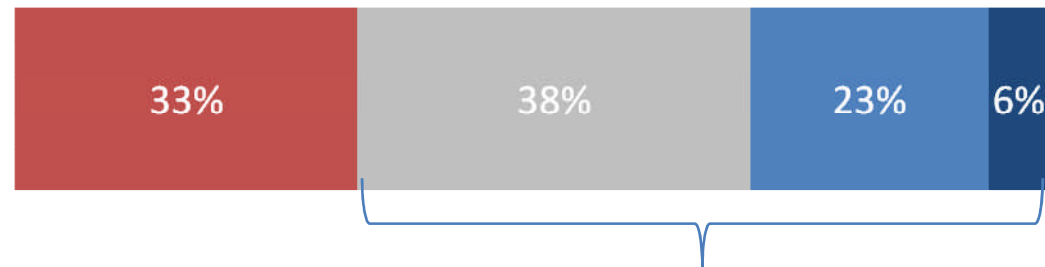
If the product is made by a company that specialises in that type of product



If the product is made by a well known company



If I have grown up buying or using this product



Important

Source: IGD





# Snapshot of Scottish shoppers

## Summary

**Cautious outlook:** Shoppers in Scotland are slightly more anxious about their personal economic circumstances and job security

**Sourcing:** Country of origin is an important credential which shoppers in Scotland are prepared to pay extra for



## Shopper sentiment

**Quality/Saving money indicator:**

20% expect **quality** to be more important vs 17% all shoppers

**Job security concerns:**

45% concerned about their or their partners' **job security** vs 36% all shoppers



## Store and Channel

**Drivers of store choice** (extremely important):

Range of **well known brands** (20% vs 16% of all shoppers)

**Channel usage: hypermarkets:**

23% use **hypermarkets** most often for their grocery shopping vs 15% all shoppers

42% have used **hypermarkets** in the last month vs 34% all shoppers



## Index against all shoppers

**Local products**  
(Product usage – net change)

113

**Country of origin**  
(Prepared to pay extra for)

155

**Calorie controlled**  
(Purchased in last month)

125

**Organic products**  
(Purchased in last month)

79

100

## Product choice

**Local products:** product usage: net change (more – less among past month purchasers (43% vs 38% all shoppers)



**Drivers of product choice:** price (top 5 mentions) 94% v 91% all shoppers

**Healthier products:** purchased in last month: **calorie controlled** (25% vs 20% all shoppers)

**Ethics/Environment:** purchased in last month: **free range / higher animal welfare** (36% vs 43% all shoppers); **organic** (22% vs 28% all shoppers); **worth paying extra for: country of origin** (31% vs 20%)



Source: IGD

## Three umbrella Scottish brands



# Reasons for buying Scotch Beef



■ First mention   ■ All mentions

I like to buy beef from **Scotland** /to support Scottish farmers



**Always bought** Scotch Beef



Scotland has a **long tradition** of producing beef



The meat is of a **higher quality**



It is **better for the environment**



The meat is **local**



The meat has a **better taste/texture**



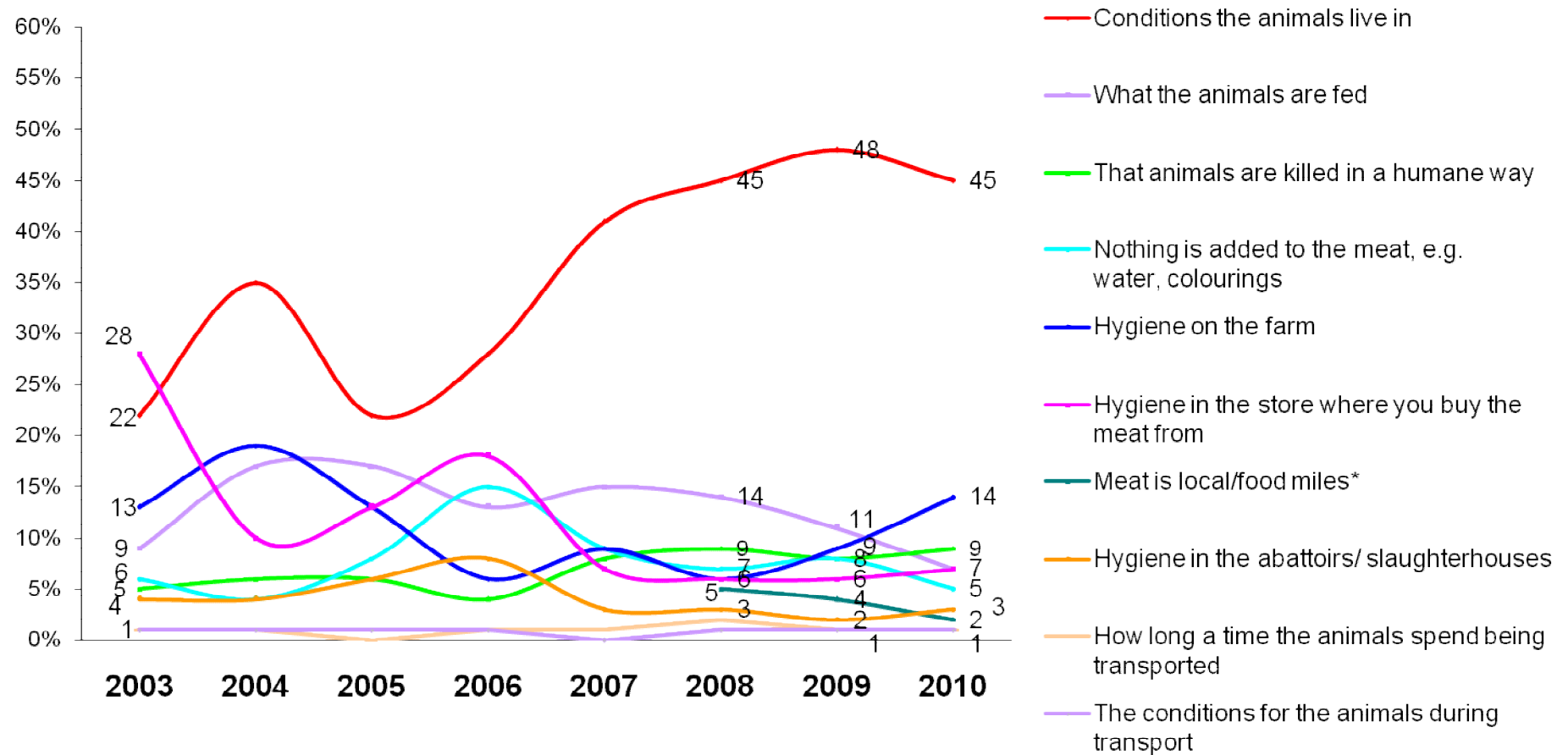
The meat is **fresher**



# Elements of the red meat supply chain most important to consumers – Scotland over time



- The importance of living conditions is still the most important issue to consumers



## Conclusions

- Consumers are careful about what they buy (price)
- But they are ready to pay extra if the product fits their expectation
- Which are local, welfare and quality
- Local often means more local community than local area
- Scotland is a real reservoir of incredible products fitting consumers expectations.



# THANK YOU

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