CONSUMER INSIGHTS

November 2020

UNCONSCIOUS REDUCERS ARE THE BIGGEST THREAT TO MEAT

Latest research shows 20% of all households in Great Britain (GB) have at least one conscious meat reducer, which includes anyone who describes themselves as a flexitarian, pescatarian, vegetarian or vegan. However, these households only accounted for 1% of meat, fish and poultry (MFP) losses in the 52 weeks ending January 2020.

The remaining 99% of MFP losses came from 35% of GB households who do not claim to have a meat reducer. Prior to COVID-19, these households were reducing MFP volumes unconsciously, making them a vital demographic for industry to re-engage with.

This leaves 45% of GB households who are actually maintaining or increasing their meat consumption (52 w/e Jan 20).

Unconscious reducers tend to be older households who are not turning away from meat because they have strong reasons to – but simply reducing meat unconsciously when grocery shopping, due to a lack of inspiration in the MFP category, and increased competition and investment from plant-based brands.

In any survey, these shoppers would not report reducing their meat consumption, let alone why they do it. Therefore, the scale of the impact of this unconscious reduction has not been quantified until now.

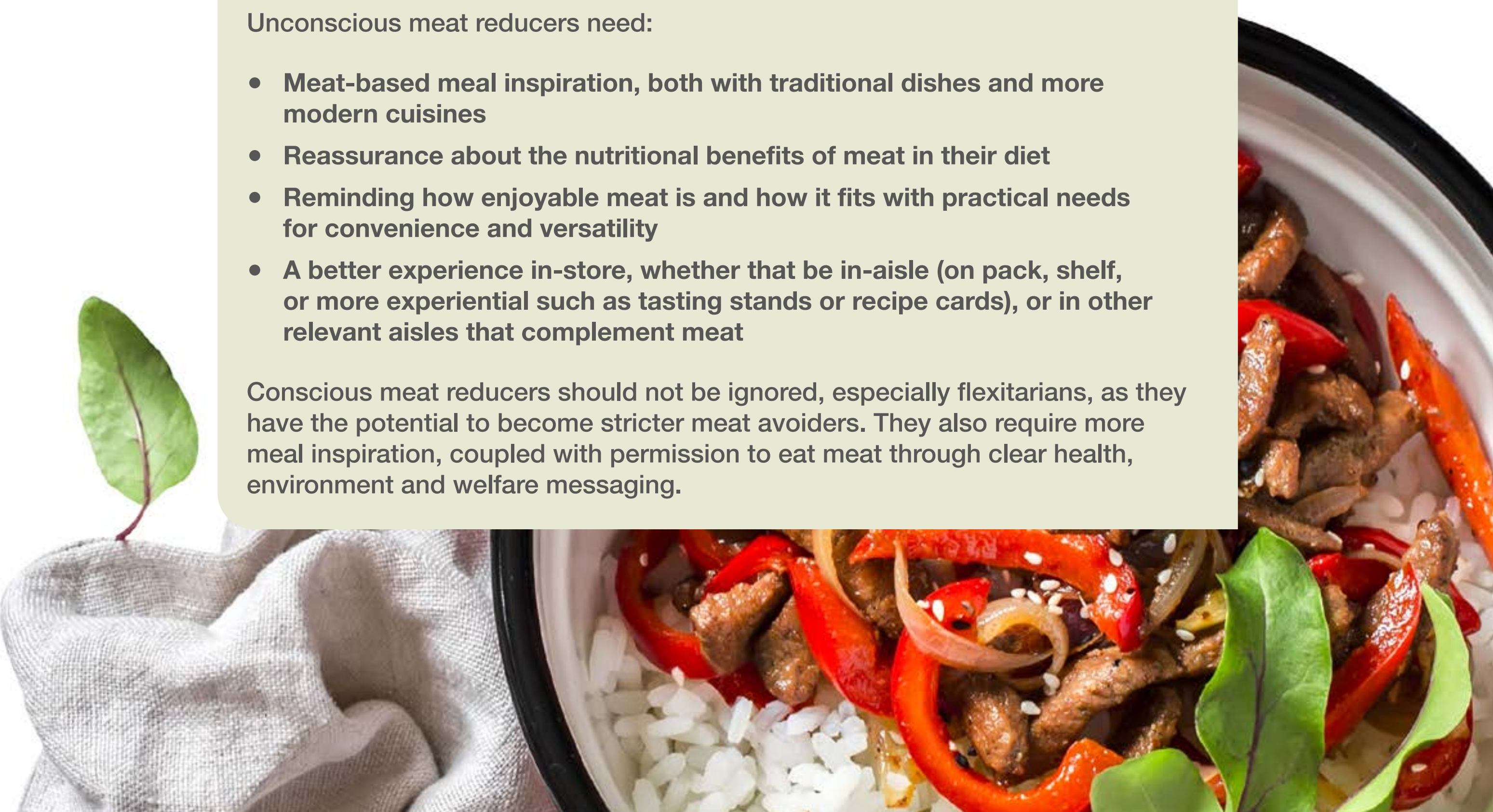
In this report, we aim to highlight key findings from research undertaken with Kantar, looking at actual shopping behaviours, rather than claimed. It will also include ways for industry to re-engage with meat reducers, both conscious and unconscious, with a focus on addressing the steady loss from unconscious meat reducers.

KEY FACTS AND RECOMMENDATIONS

Unconscious meat reducers need:

- **Meat-based meal inspiration, both with traditional dishes and more modern cuisines**
- **Reassurance about the nutritional benefits of meat in their diet**
- **Reminding how enjoyable meat is and how it fits with practical needs for convenience and versatility**
- **A better experience in-store, whether that be in-aisle (on pack, shelf, or more experiential such as tasting stands or recipe cards), or in other relevant aisles that complement meat**

Conscious meat reducers should not be ignored, especially flexitarians, as they have the potential to become stricter meat avoiders. They also require more meal inspiration, coupled with permission to eat meat through clear health, environment and welfare messaging.



METHODOLOGY

This report is based on research conducted by AHDB with Kantar, which took place to identify how much meat reduction is conscious and, therefore, driven by lifestyle choices, versus unconscious. The analysis, which is based on the actual purchasing habits of GB households, from their panel of 30,000 household shoppers, took place just before the coronavirus pandemic when MFP was seeing declines. This part of the analysis is, therefore, key to understanding behaviour in more normal times, and is the main focus of this report. However, the analysis was extended to understand who drove the more positive MFP purchasing behaviour during the pandemic, and you will see this referenced.

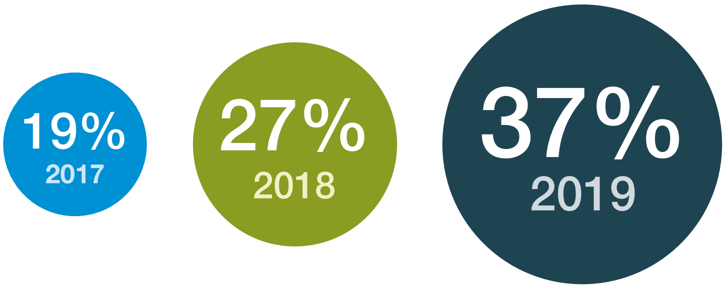
BACKGROUND

The MFP industry reached a turning point at the end of 2018, with volume sales beginning to decline in retail, shedding 1.3% of volumes by February 2020 from its peak in November 2018, according to Kantar. The picture for red meat was even starker, with declines starting earlier, and volumes down -2.5% year-on-year. In fact, prior to COVID-19, the last time the category saw annual growth was 2017.

At the same time, negative media pressure on meat was growing. During 2017, when the category was flourishing, only 19% of consumers could recall seeing or hearing something about red meat in the media (AHDB/YouGov). However, by the end of 2018 it rose to 27%, and fast forward to August 2019, levels were at 37%, with most reporting hearing a negative stance. The rise of plant-based diets has accompanied this trend, with vegan options now being widely available and prominent in most retailers and foodservice establishments. These plant-based brands are growing presence at a significant pace through innovative and convenient offerings that are competition for the meat aisle, which has seen lower investment in this area. However, it is important to note that the meat-free market is still niche, with its size being the equivalent of 2% of meat volumes sold in the last year (Kantar, 52 w/e 6 Sep 20). It's clear that dietary habits in Britain have become more diverse, but are these lifestyle changes the biggest challenge for the red meat industry?

Figure 1. Awareness of red meat in the media (%)

Source: AHDB/YouGov Consumer Tracker

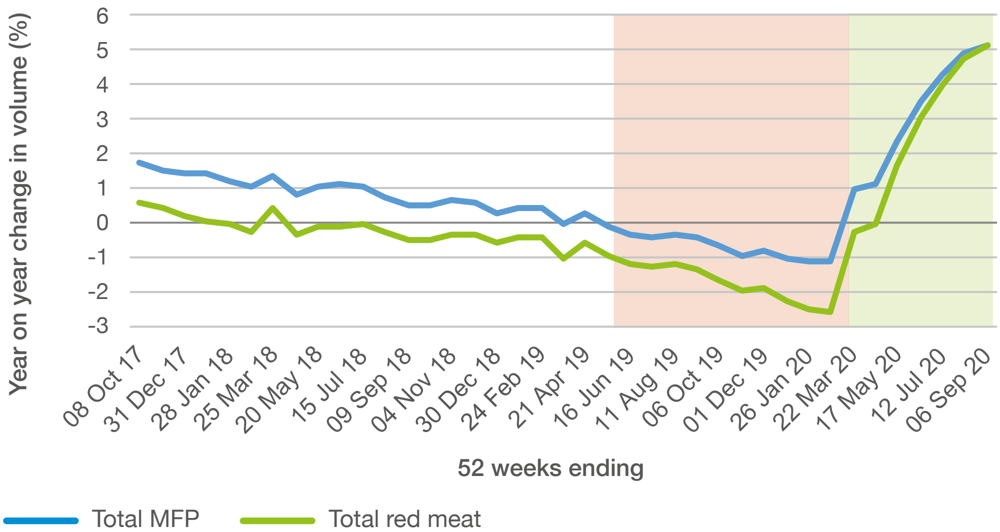


WHO IS DRIVING MEAT REDUCTION?

Before COVID-19, declining MFP volumes were apparent in retail, with red meat being hardest hit.

Figure 2. Total MFP and red meat volumes (year-on-year % change) in GB retail, 52 w/e rolling 06 Sep 2020

Source: Kantar



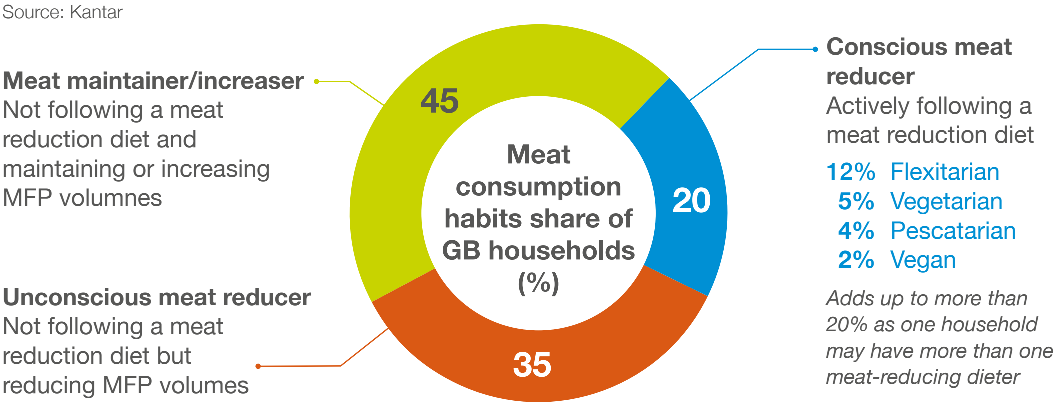
Despite this, 99% of households still purchased MFP at least once a quarter pre-COVID (12 w/e 23 Feb 20). Therefore, declines were not coming from shoppers leaving the category, but from shoppers buying less.

In GB, dietary habits are evolving, with 20% of households (5.6 million) having at least one conscious meat reducer. While they purchase less MFP than households where nobody is actively trying to reduce their meat consumption, they still buy proteins. In fact, more than one in ten meat-reducing households are in the top 20% of households for MFP purchases by volume. This will be due to larger households having some members who are cutting down their animal protein consumption, while others maintain their normal diet.

That leaves 80% of households (22.3 million) who do not claim to follow any meat-reducing diet. Splitting that 80% further, 45% of GB households are true to their word and are maintaining or increasing their meat consumption. However, 35% of GB households who are not claimed meat reducers are reducing MFP volumes without realising or thinking about it and so we classify these as ‘unconscious meat reducers’ (52 w/e 23 Feb 20, Kantar).

Figure 3. Meat consumption habits share of GB households (%), 52 w/e 23 Feb 20

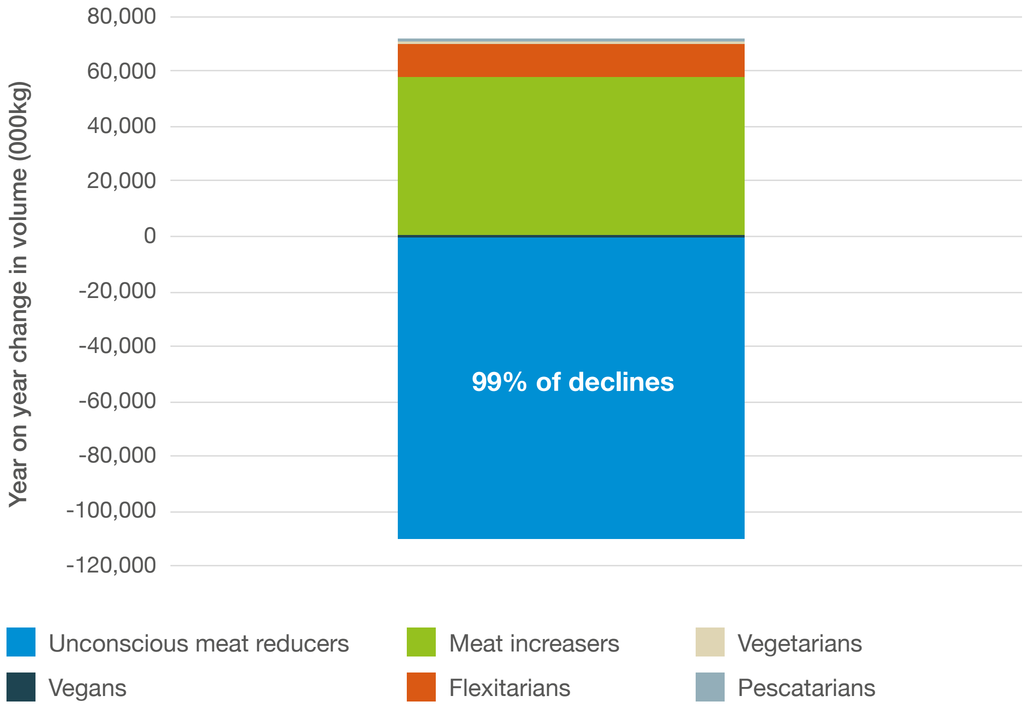
Source: Kantar



We would assume that the biggest driver of MFP declines would be those consumers who are actively trying to reduce their meat consumption. However, due to the sheer number of unconscious reducers, nearly all losses come from those who do not describe themselves or anyone in their household as reducing or avoiding meat. With losses not actually being seen by households with a flexitarian or vegetarian present, due to these typically being larger households, with some members maintaining or increasing meat consumption.

Figure 4. Total MFP volume change actual (000kg) in GB retail, 52 w/e 26 Jan 20 vs. previous year

Source: Kantar

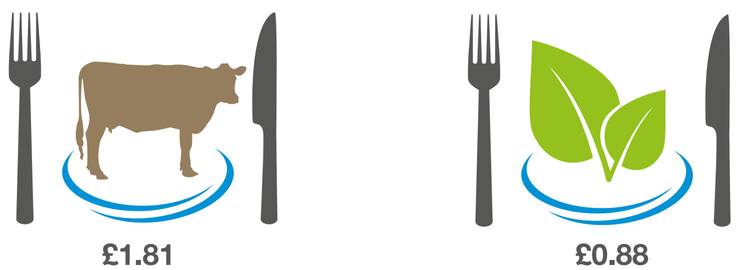


Unconscious reduction can be seen across all proteins, with the fastest declines in pig meat, poultry and beef. And with declines across a range of cuts, it is clear there is not one particular problem area and the issue is not limited to red meat. Shoppers with a conscious meat reducer tend to vary their choice of meat but with larger roasting joints no longer suitable to feed the whole family, they have seen the sharpest drop off in sales, followed by cuts that are typical of a meat-centred meal such as steaks. Ready meals, on the other hand, have grown in popularity among conscious reducing households, perhaps helping to satisfy multiple dietary requirements around the dinner table, but also because of significant investment by plant-based brands in this area.

With unconscious meat reducers impacting the category so significantly, it is key to understand who they are and try to unpick their unconscious reasoning for doing so. The MFP industry is in a good position to target unconscious reducers and encourage them back into the category more regularly, which is key to pushing up plate value.

Figure 5. MFP vs Non-MFP plate value, 52 w/e Feb 2020

Source: Kantar Usage



CONSCIOUS VERSUS UNCONSCIOUS MEAT REDUCERS

Conscious

Conscious meat-reducing households tend to be wealthier, and a disproportionately large share live in London. While they vary in age, they are more likely to be in larger households, where children and/or teenagers influence shopping habits. Cooking is extremely important to them, with over half saying they love experimenting with food and world cuisines, getting inspiration online, abroad and from restaurants – with 34% going as far as to call themselves a 'foodie'.

Compared with other households, they are more health and ethically conscious – with the largest driver of meat reducing being health, cited by 57%, followed by environment at 45%. Saving money is not a prominent motivator, which is consistent with their higher levels of affluence.

However, not all meat reducers have the same dominant motivations and they differ with varying lifestyles. For flexitarians, the largest group, health is by far the biggest driver of diet choice, cited by 65%, followed by ethics and the environment, which account for about a third of this group. Vegetarians, on the other hand, place more weight on the environment, with ethics and health ranking below. Vegans follow the same pattern though tend to tick more reasons than any other group, with 74% saying the environment drives their choice of diet, followed by ethics by 64% and health by 60%. This suggests most vegans have more than one reason for choosing their diet and may have more unshakeable conviction than flexitarians.

Table 1. Reasons for choice of diet, 52 w/e 22 Mar 20

Reasons for choice of diet	Meat reduction diet (%)			
	Flexitarian	Pescatarian	Vegan	Vegetarian
Money	21	6	1	3
Health	65	51	60	29
Environment	31	51	74	61
Ethical	34	31	64	32

Source: Kantar

With higher ethical concerns, conscious meat-reducing households tend to spend more on their MFP, paying £6.22/kg, a premium of 19p compared with the rest of the population. For primary MFP, the average price they pay is £6.47/kg, 30 pence higher than that paid by the total population. This is because they buy less but higher quality, tending to choose higher tiers, free-range and organic products.

Unconscious

Unconscious meat-reducing households are more likely to be smaller households. While they are less likely to have children, a third of all unconscious reducers belong to a three-member plus household. While the age group varies, with one in ten aged 28–34, older, retired households are much more likely to fall into this category, accounting for just over half of unconscious reducers. Wealth does not appear to be a driving factor as they are more likely to be at either end of the affluence scale.

Attitudes to cooking differ dramatically from conscious meat reducers, possibly linked to their differing stage of life. Unconscious meat reducers are significantly less likely to experiment with cooking or call themselves a 'foodie', instead opting for meals they grew up eating (43% versus 33%). This highlights that while world cuisines are a growing trend in the UK, there is still demand for more traditional dishes. Therefore, an opportunity exists to re-engage with these reducers through traditional dish inspiration 'with a modern twist'.

How they differ

Health

Health is not as high a priority for unconscious meat reducers, with 2 in 5 citing it as important – compared with 1 in 2 conscious meat reducers. And while unconscious meat reducers are more likely to agree that meat is essential as part of a balanced diet (69% vs. 34% for conscious meat reducers), 31% still require guidance in this area, highlighting a need for more reassurance about the nutritional benefits of meat in the diet.

Environment and welfare

Those who look for the environmental or welfare impact of food, jumps from less than a quarter among unconscious meat reducers, to 42% among conscious meat reducers. While it is not a primary driver of purchase behaviour for the unconscious meat reducers, it is extremely important to communicate on these topics with those who have adopted a meat reduction diet, such as flexitarians.

Cooking and consumption of meat

Unsurprisingly, attitudes towards meat differ significantly between the two groups. Half of unconscious meat reducers agree that meat is the best part of a meal, compared with only 1 in 5 among conscious reducers. A higher number of unconscious meat reducers say meat is convenient (58%) and versatile (45%) – but more can be done to grow these figures. Those maintaining or increasing their meat consumption do not score meat any higher, showing that unconscious reducers are more easily swayed away from meat in store. Therefore, all groups need reminding at point of purchase how enjoyable meat is and how it fits with the practical needs of convenience and versatility. This is completely in line with the findings in The Meat Shopper Journey report but highlights that communication in this area would help encourage shoppers back into the meat category.

Shopping for meat

Another opportunity lies in improving the meat shopping experience. For all groups, meat reducers and increasers, this is the area where meat scores particularly poorly. Only 29% of unconscious meat reducers say they enjoy browsing the meat aisle, with 34% who don't and the rest indifferent. For conscious meat reducers, those who do not enjoy the experience rises to 51%. In-store innovation could improve the experience as 18% of unconscious meat reducers say meat aisles are not inspiring, followed by 51% who are unsure – leaving only a small percentage of people who find it inspiring. Examples in this area include inspiration on-pack, shelf, tasting stands or recipe cards to inspire meat-based dishes.

How to target

AHDB segments consumers based on their attitudes, shopping behaviour and lifestyles. With the meat category, there are six consumer segments, each with different behaviours. Based on the differing attitudes gone through AHDB segments ‘Foodie Explorers’ and ‘Solution Seekers’ are more likely to be conscious meat reducers, whereas ‘Meat the Traditionalists’ and ‘Healthier Home Cooks’ are more likely to be unconscious meat reducers. Understanding this allows us to identify how to target these groups, as well what messages would resonate with them.

Conscious meat reducer

FOODIE EXPLORERS

- **TV** – Great British Bake Off, ITV News, The Durrells, Billions
- **Internet** – email, social (Facebook, LinkedIn), news/weather, travel
- **Radio** – BBC Radio 2, 3, 4 and 6 music
- **Newspapers** – Daily Mail, Metro, The Daily Telegraph, The Times

SOLUTION SEEKERS

- **TV** – ITV News, Broadchurch, The Affair, The Jump
- **Internet** – email, social (Facebook, LinkedIn), news/weather, non-grocery shopping
- **Radio** – BBC Radio 2 and 5 Live, local station, talkSport
- **Newspapers** – Daily Mail, Metro, Financial Times, The Daily Telegraph

Unconscious meat reducer

MEAT THE TRADITIONALISTS

- **TV** – ITV News, Doc Martin, The Yorkshire Vet, Vera
- **Internet** – email, social (Facebook)
- **Radio** – BBC Radio 2, local station, Classic FM
- **Newspapers** – Daily Mail, The Sun, Daily Star, The Mirror

HEALTHIER HOME COOKS

- **TV** – Great British Bake Off, ITV News, Modern Family, Game of Thrones
- **Internet** – email, social (Facebook, Pinterest, Instagram, Twitter), grocery shopping, watching/downloading TV
- **Radio** – BBC Radio1 and 2, Heart FM, Kiss FM
- **Newspapers** – Daily Mail, Metro, The Guardian, The Times

For each media channel we are showing the top 2 consumed and the top 2 that over-index with that segment

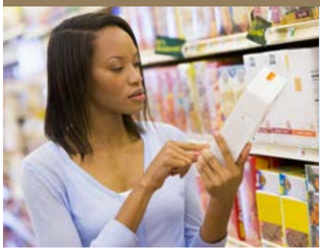
To find out more about these segments, please contact the Retail and Consumer Insight team at strategic.insight@ahdb.org.uk

Attitudes to consider

Attitudes to cooking – strongly agree/agree

	Conscious meat reducer	Unconscious meat reducer
Love experimenting	55%	42%
Experiment with world cuisines	51%	36%
Consider myself a ‘foodie’	34%	23%

Attitudes to food – strongly agree/agree



	Conscious meat reducer	Unconscious meat reducer
Look for information about the environmental or welfare impact of the food I buy and eat	42%	23%
Look for information on how healthy the meals I cook are	52%	41%

Attitudes to meat* – strongly agree/agree

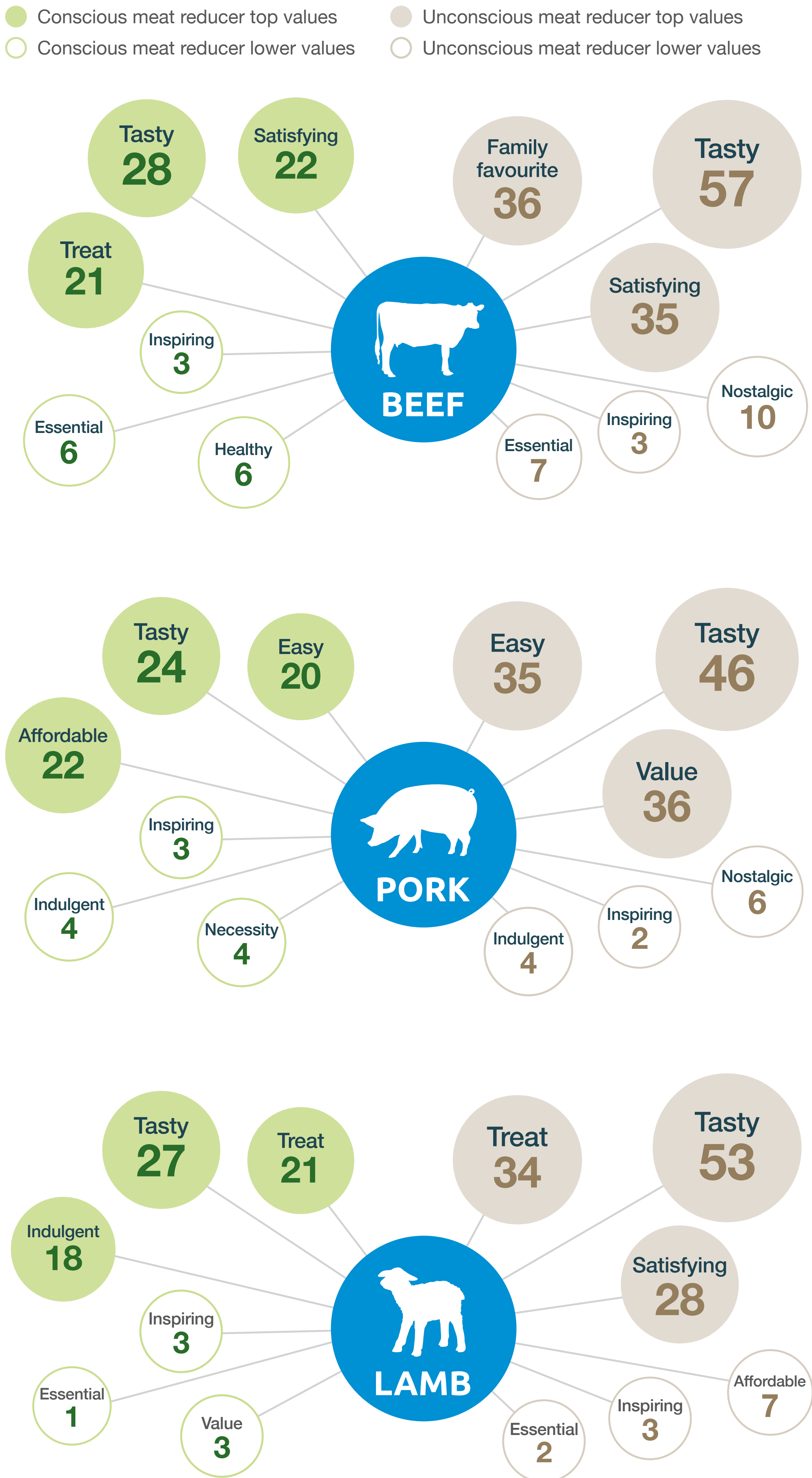
	Conscious meat reducer	Unconscious meat reducer
Meat is the most enjoyable part of meal	22%	48%
Meat is a convenient part of a meal	33%	58%
Meat is one of the most versatile items in my fridge	23%	45%

Attitudes to meat shopping – strongly agree/agree and not sure for inspiration statement

	Conscious meat reducer	Unconscious meat reducer
Enjoy spending time browsing the meat aisle	18%	29%
The meat aisle lacks inspiration compared with other areas of the store	75%	69%

* This is compared to meat alternatives scoring significantly higher among meat reducers in reputational elements as well as practical elements such as convenience, versatility and more inspiring

Meat reducers – attitudes towards beef, pork and lamb (%)



INDUSTRY OPPORTUNITIES

Unconscious

This report highlights the need for the whole industry, but particularly processors and retailers, to engage with the 35% of GB households who are unconscious meat reducers. This group represents the biggest opportunity to increase meat consumption and can be achieved by nudging these shoppers back into the category through targeted communication at home and improving the in-store experience.

Figure 6. Opportunities to engage unconscious meat reducers with the MFP category

Inspire exciting meat-based meals

Communicate the versatility and excitement of meat through traditional recipes with a twist, as well as new and exciting world cuisines.

Reassure about health benefits of meat

See AHDB's red meat and health website.

Remind about convenience of meat

Communicate the ease and speed of certain red meat cuts, and an opportunity lies in the added value market.

See the AHDB report on added value market.

A reversal in their behaviour has been proven during the COVID-19 pandemic. MFP sales, in line with the rest of the grocery market, rose significantly, with volumes year to date to 6 September being 8% higher than the previous year. Shopper data shows that those who had been unconsciously reducing their meat consumption pre-COVID were actually responsible for 35% of this uplift in sales. This growth came through evening meals and, in particular, more in-home lunch occasions, which is another opportunity area for meat-based meal inspiration.

Conscious

However, we should not ignore conscious meat-reducing households as opportunities exist specifically among those with flexitarians, who make up 12% of households. Prior to COVID and during lockdown, these households actually increased meat sales. Therefore, remaining engaged with flexitarians could prevent them from further reducing their meat consumption and adopting either a vegetarian or vegan diet further down the line. Coupled with this, the pressure to reduce meat is likely to increase, and retailers are pledging more commitment to the meat-free category so they must not be ignored as they could become a driver of category losses.

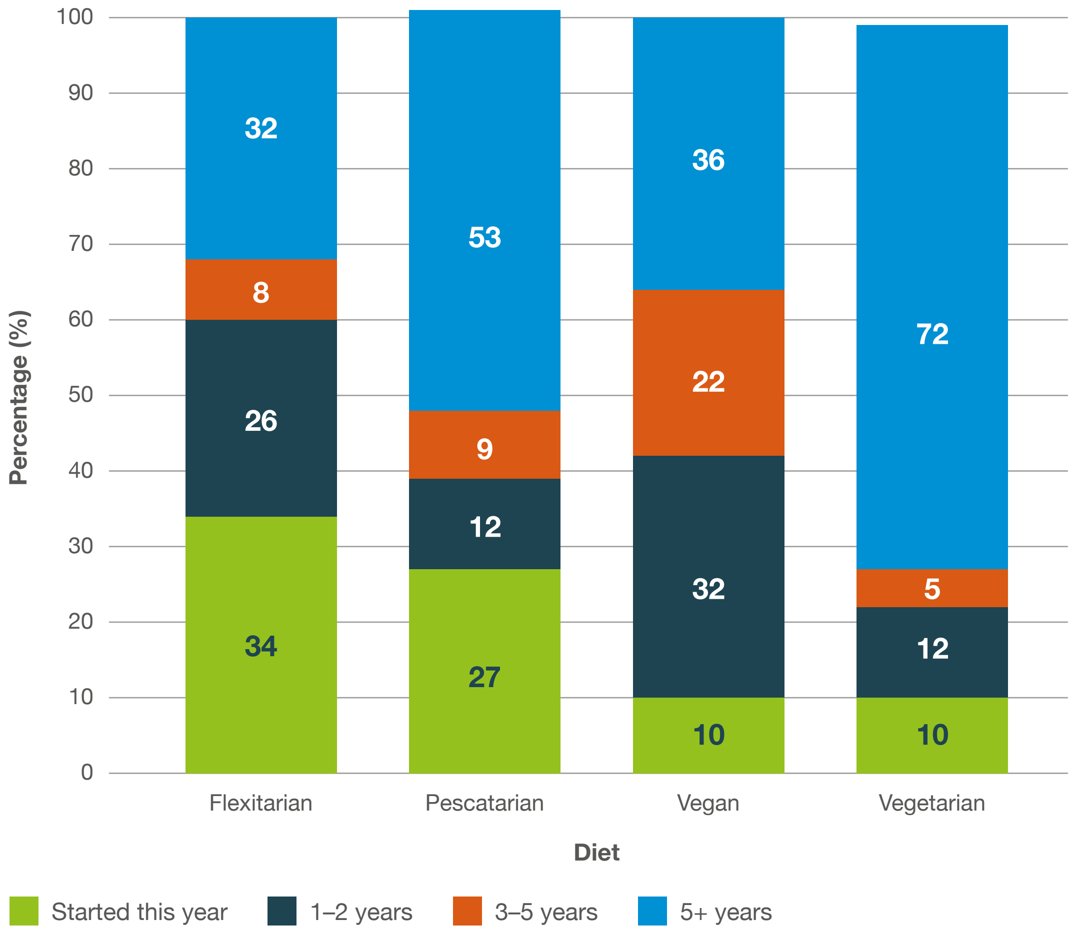


Figure 7. Meat reduction/avoidance diets of Britain by length of time, 52 w/e Feb 2020

Source: Kantar Usage

Columns may not sum to 100 due to rounding

This group requires similar communication to that of unconscious meat reducers in terms of inspiration, health and convenience. However, their inspiration needs to be tailored to the higher importance they place on scratch cooking, being more experiential with their meals and the need to be a ‘foodie’. Health should also be dialled up among this group due to its higher importance, coupled with reassurance about the environmental impact of meat and animal welfare.

AHDB is undertaking more consumer research in the areas of environment and animal welfare to pick out exactly how to communicate to consumers in these areas. Please keep an eye out on the retail and consumer insight area of the AHDB website for more information.

Report Author: Kim Malley
Senior Retail Insight Manager, AHDB
E: kim.malley@ahdb.org.uk T: 07741 628602

Kim works within the Retail Insight team at AHDB and has a number of years of experience analysing retail data as well as tracking consumer shopping habits and market trends. Her current role at AHDB focuses on understanding the performance and trends in retail and foodservice to inform and inspire in a rapidly changing market. To complement this, the Retail Insight team works closely with the Consumer Insight team which tracks, monitors and evaluates consumer attitudes and consumption patterns.

Report Author: Rebecca Gladman
Retail Insight Manager, AHDB
E: rebecca.gladman@ahdb.org.uk T: 07469 164664

Rebecca Gladman has a number of years' experience delivering insight from retail data. She has worked in Insights at a major pork processor, as well as the world's largest market research agencies. Her role in the Retail Insight team at AHDB involves tracking demand across retail and foodservice in Britain, in order to help levy payers understand their end market. Rebecca also has experience in managing bespoke research projects and supports the development and evaluation of AHDB's marketing campaigns.

AHDB's Retail Insight Team actively analyses retail trends, reporting on the latest sales trends and what they mean for the agricultural industry.

Read more on retail and consumer trends on our website **ahdb.org.uk/consumerinsight** Follow @TheAHDB on Twitter and Facebook, to be alerted to articles as soon as they're published. Or sign up by dropping us an email: **strategic.insight@ahdb.org.uk**

Ask the analyst

If you'd like any more information on the areas covered or have suggestions for future content, then please email us at **strategic.insight@ahdb.org.uk**

Produced for you by:
AHDB
Stoneleigh Park
Kenilworth
Warwickshire
CV8 2TL

T 024 7669 2051
E comms@ahdb.org.uk
W ahdb.org.uk
@TheAHDB

AHDB is a statutory levy board, funded by farmers, growers and others in the supply chain. Our purpose is to inspire our farmers, growers and industry to succeed in a rapidly changing world. We equip the industry with easy to use, practical know-how which they can apply straight away to make better decisions and improve their performance. Established in 2008 and classified as a Non-Departmental Public Body, it supports the following industries: meat and livestock (cattle, sheep and pigs) in England; horticulture, milk and potatoes in Great Britain; and cereals and oilseeds in the UK. AHDB's remit covers 72 per cent of total UK agricultural output. Further information on AHDB can be found at **ahdb.org.uk**

AHDB

70037 1121