

NCBA On-Package Nutrition Labeling Pilot Research Project

2003



Funded by the Cattlemen's Beef Board

Project Goal

To document, through market research, the response from consumers to nutrition information and/or labeling on packages of fresh meat in the meat case.

Research Partners

■ **Retailers:**

- Kroger/Fry's – Tucson, AZ
- Harris Teeter – Charlotte, NC

■ **Supplier:**

- Excel

■ **Identify, Test, and Control markets**

- Requirement: Isolated markets to be able to control public relations messages about the program.

■ **Projected Coordinated and Managed by Uetz Enterprises, Ltd and King Marketing Services, Inc.**

Nutrition Facts Panel

- Composite nutrition data for beef, veal, pork, lamb and chicken were developed using the USDA Nutrient Database.
- The Nutrition Facts panel was incorporated into the scale label.
- The addition of the Nutrition Facts panel required a larger label, which added time and cost.

Composite Label Development

- All proteins needed to be labeled, except pre-priced chicken items.
- Use composite nutrient data (USDA Nutrient Database) to cut down on number of labels.
- Twenty percent composite tolerance regarding fat content declaration.
- Both grade and trim level play a role in determining the nutritional makeup of a product.
- Approximately 300 individual SKUs per retailer.
- Resulted in 91 individual labels.

Scale Labels




 MATTHEWS, NC 28105

BEEF LOIN T-BONE STEAK

TARE WT 0.03 lb	SELL BY: 07/26/03	*TOTAL PRICE* \$4.50
NET WT 0.45 lb	UNIT PRICE \$9.99/lb	

SAFE HANDLING INSTRUCTIONS
 THIS PRODUCT WAS PREPARED FROM INSPECTED AND PASSED MEAT AND/OR POULTRY. SOME FOOD PRODUCTS MAY CONTAIN BACTERIA THAT COULD CAUSE ILLNESS IF THE PRODUCT IS MISHANDLED OR COOKED IMPROPERLY. FOR YOUR PROTECTION, FOLLOW THESE SAFE HANDLING INSTRUCTIONS.

KEEP REFRIGERATED OR FROZEN. THAW IN REFRIGERATOR OR MICROWAVE.

KEEP RAW MEAT AND POULTRY SEPARATE FROM OTHER FOODS. WASH WORKING SURFACES INCLUDING CUTTING BOARDS, UTENSILS, AND HANDS AFTER TOUCHING RAW MEAT OR POULTRY.

COOK THOROUGHLY.

KEEP HOT FOODS HOT. REFRIGERATE LEFTOVERS IMMEDIATELY OR DISCARD.

Nutrition Facts	Amount/Serving	%DV*	Amount/Serving	%DV*
Serv Size 4.0 oz (112g)	Total Fat 17.0g	26%	Total Carb .0g	0%
Serv Per Cont. varied	Sat. Fat 7.0g	54%	Fiber .0g	0%
Calories 250	Cholest. 65MG	21%	Sugars .0g	0%
Fat Cal 150	Sodium 60MG	3%	Protein 21.0g	
	Iron 15%	Thiamin 8%	Riboflavin 10%	
	Niacin 20%	Vit. B6 20%	Vit. B12 50%	Zinc 25%

* Percent Daily Values (DV) are based on a 2,000 calorie diet.
 Not a significant source of dietary fiber, sugars, vitamin A, vitamin C, calcium.

***TOTAL PRICE* \$4.50**

HARRIS TEETER # 114




 CRYSTAL LEASE

BONELESS SIRLOIN TIP STEAK

Nutrition Facts	Amount/Serving	%DV*	Amount/Serving	%DV*
Serv Size 21.54 oz (2154)	Total Fat 13g	20%	Total Carb 0g	0%
Serv Per Cont. varied	Sat. Fat 5g	25%	Fiber 0g	0%
Calories 210	Cholest. 75mg	25%	Sugars 0g	0%
Fat Cal 120	Sodium 65mg	3%	Protein 22g	
	Iron 10%	Thiamin 8%	Riboflavin 10%	
	Niacin 20%	Vit. B6 25%	Vit. B12 60%	Zinc 35%

* Percent Daily Values (DV) are based on a 2,000 calorie diet.
 Not a significant source of dietary fiber, sugars, vitamin A, vitamin C, calcium.

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NET WT 0.90 lb	UNIT PRICE \$4.69/lb	TOTAL PRICE \$4.22
TARE 0.05 lb	FRY'S #58	SELL BY: 08/18/03

THANKS FOR SHOPPING FRY'S

Point-of-Sale Materials

- POS was customized for each retailer to make consumers aware of and promote the nutritional benefits of beef.
- Four POS treatments were used:
 - Posters (both retailers)
 - Wobblers (different for each retailer)
 - On-pack stickers (both retailers)
 - Rail strips (Fry's only)
- Specific treatments were developed for zinc, iron, protein and B-vitamins.

POS Examples



In-Store Execution

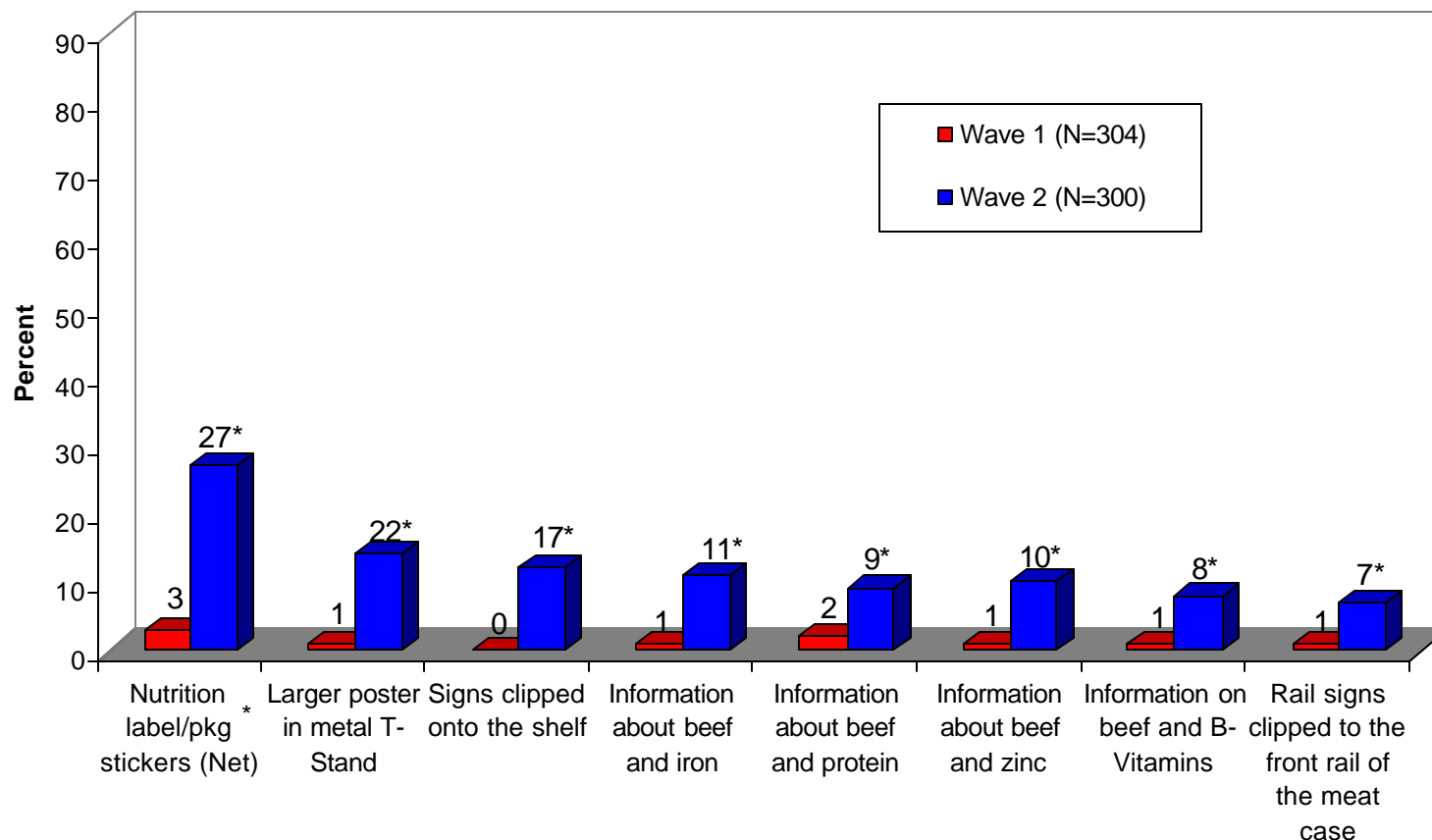
- Program ran from April 13 – September 7, 2003.
- In-store audits helped ensure accurate nutrition information on the labels and that POS was up and displayed properly.
- POS was changed at approximately 4-week intervals.

Beef Nutrition Labeling Consumer In-Store Intercept Research

Conducted by Shugoll Research

May and August 2003

Unaided Awareness of In-Store Signage and other Store Information in the Meat Department



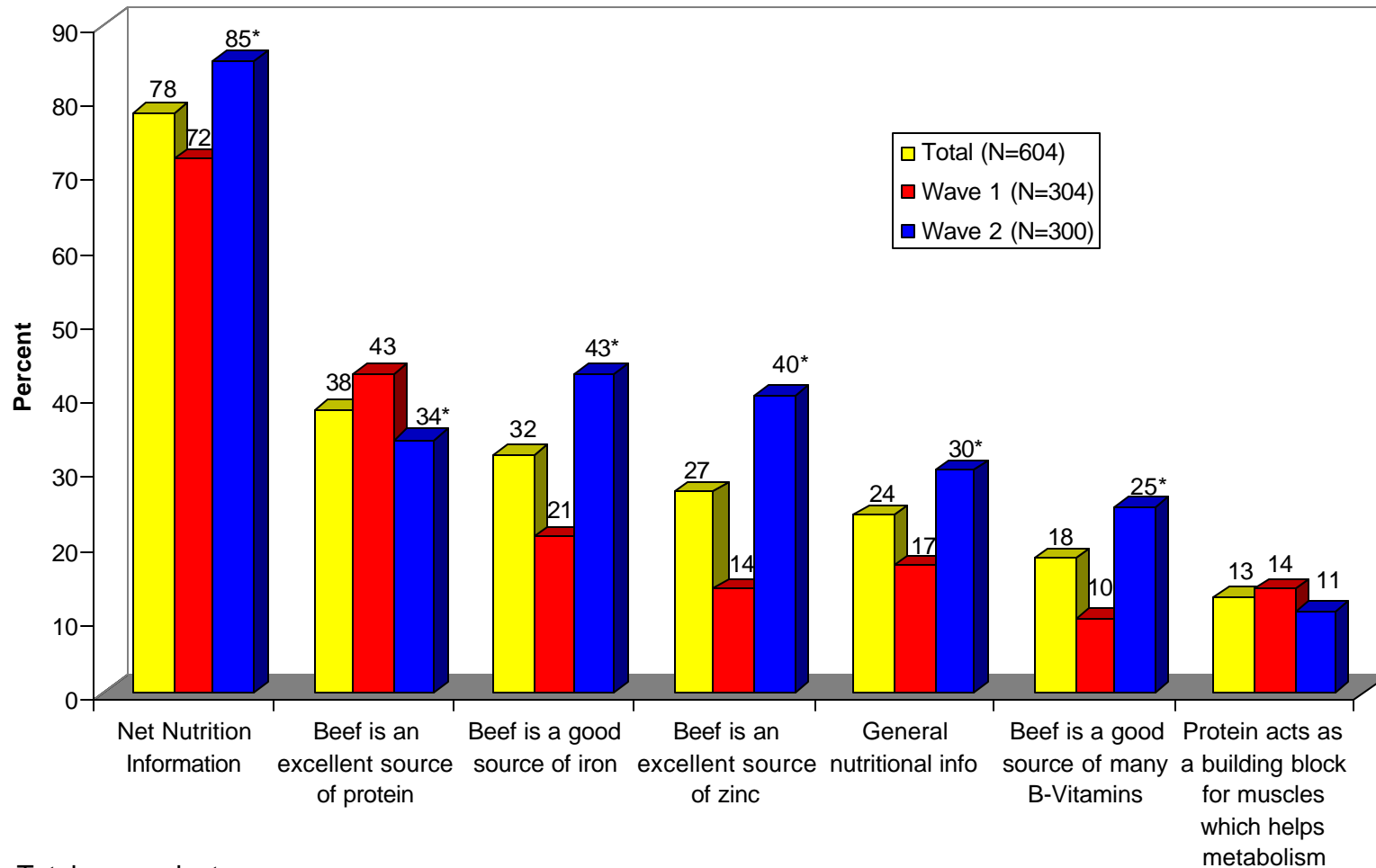
Base: Total respondents

Note: Percentages may add to more than 100 percent because multiple answers were accepted.

* Indicates a significant difference from Wave 1 at the 95 percent confidence level

Source: Nutrition Labeling Survey Research, Shugoll Research, 9/2003

Main Message Of On-pack Stickers And Point-of-Sale Materials (Unaided)



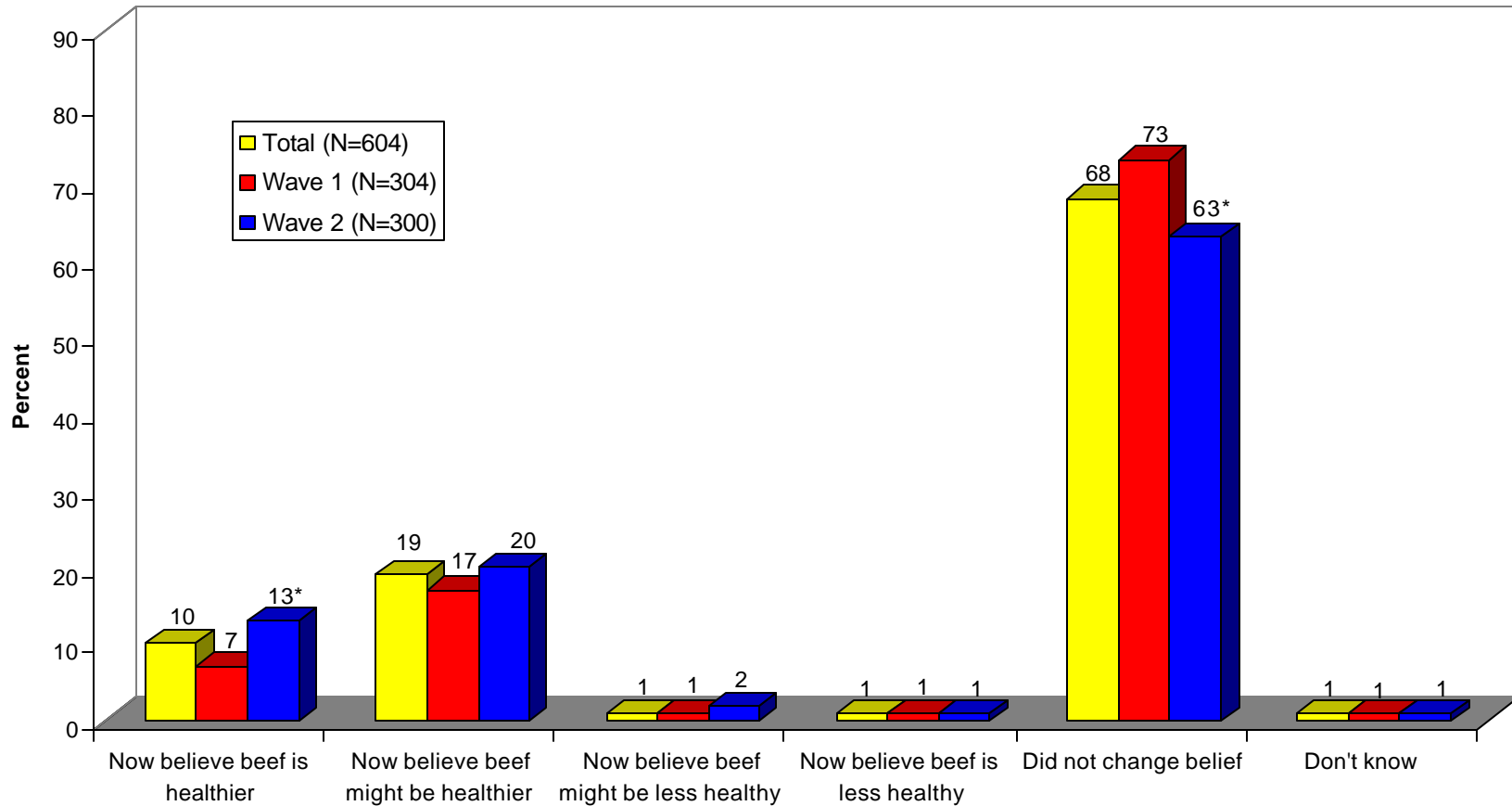
Base: Total respondents

Note: Percentages may add to more than 100 percent because multiple answers were accepted.

* Indicates a significant difference from Wave 1 at the 95 percent confidence level

Source: Nutrition Labeling Survey Research, Shugoll Research, 9/2003

Impact New Beef Nutritional Information Has On Belief Of How Healthy Beef Is



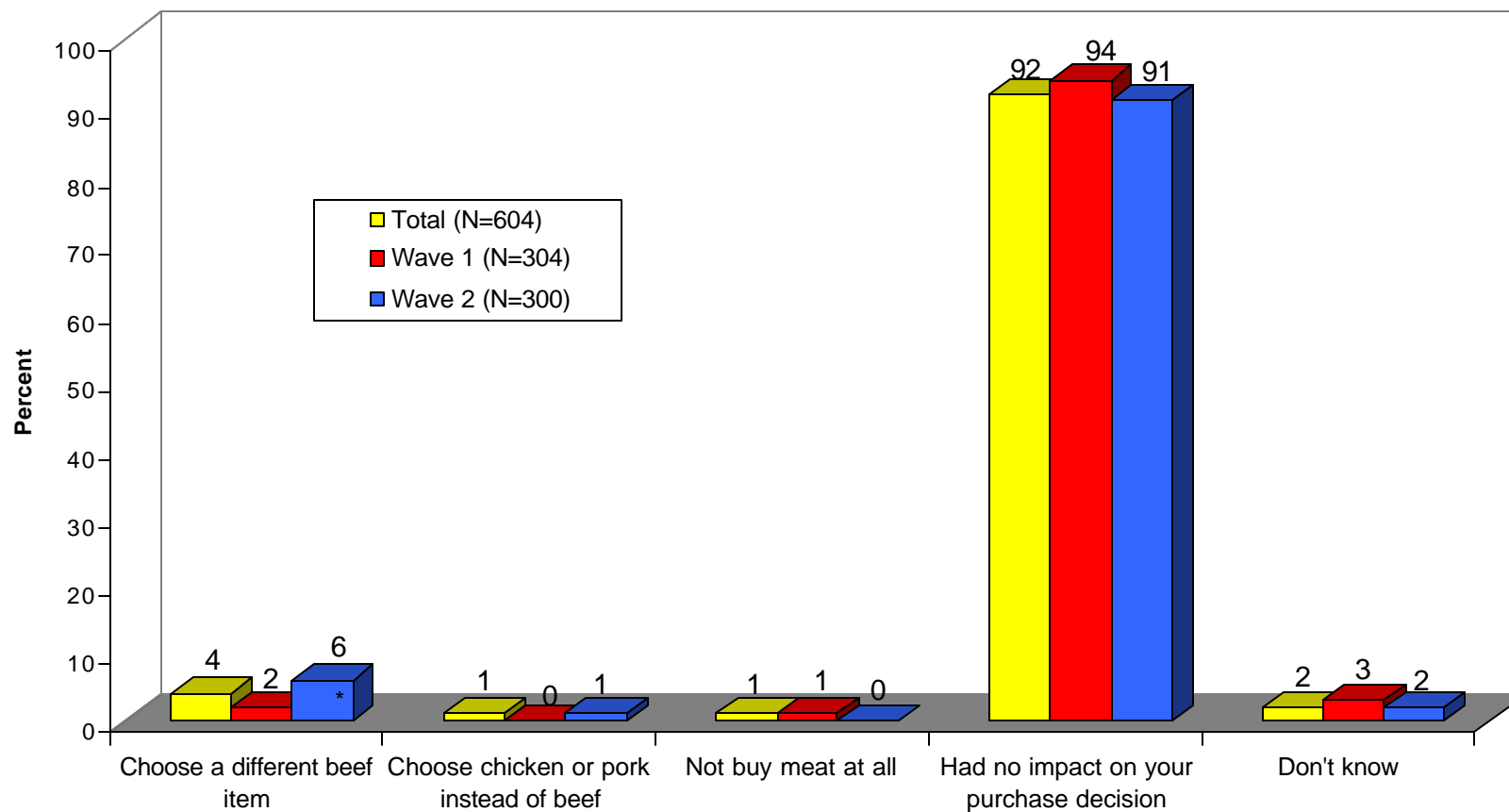
Base: Total respondents

Note: Percentages may add to more than 100 percent because multiple answers were accepted.

* Indicates a significant difference from Wave 1 at the 95 percent confidence level

Source: Nutrition Labeling Survey Research, Shugoll Research, 9/2003

Impact New Beef Nutritional Information Has On Purchase Decision



Base: Total respondents

* Indicates a significant difference from Wave 1 at the 95 percent confidence level

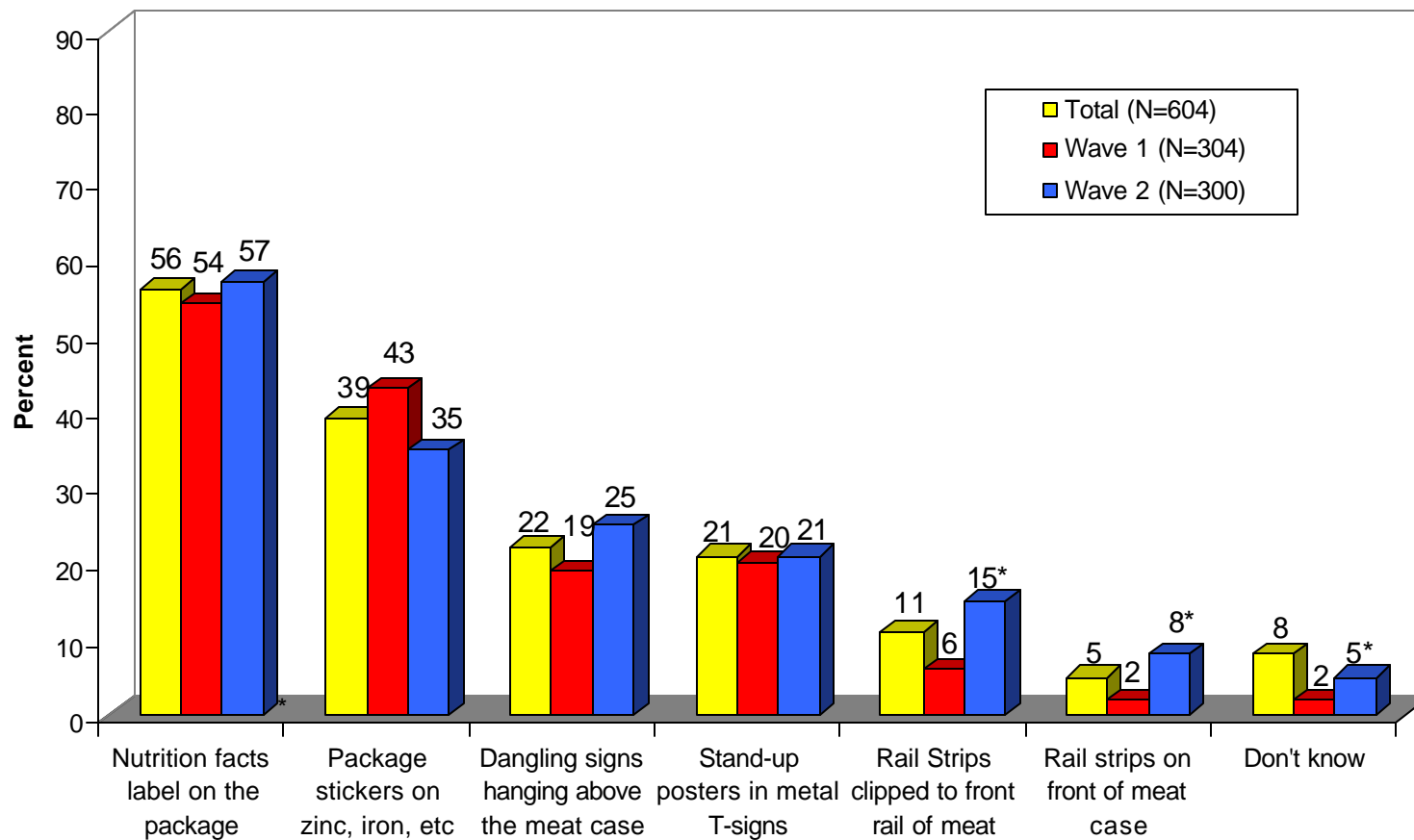
Source: Nutrition Labeling Survey Research, Shugoll Research, 9/2003

Nutrition Labeling Test Program

*Percent Increase Over Prior Year
Total Beef Category*

	<u>Dollars</u>	<u>Units</u>	<u>Weight</u>
<u>Test Time 1 (April 9 – July 22, '03)</u>			
Test vs. Control Stores (Pct Pt Chg)	+2	+3	+5
<u>Test Time 2 (July 23– Sept 2, '03)</u>			
Test vs. Control Stores (Pct Pt Chg)	+5	+4	+4

Type Of Information Materials Most Likely To Read (Unaided)



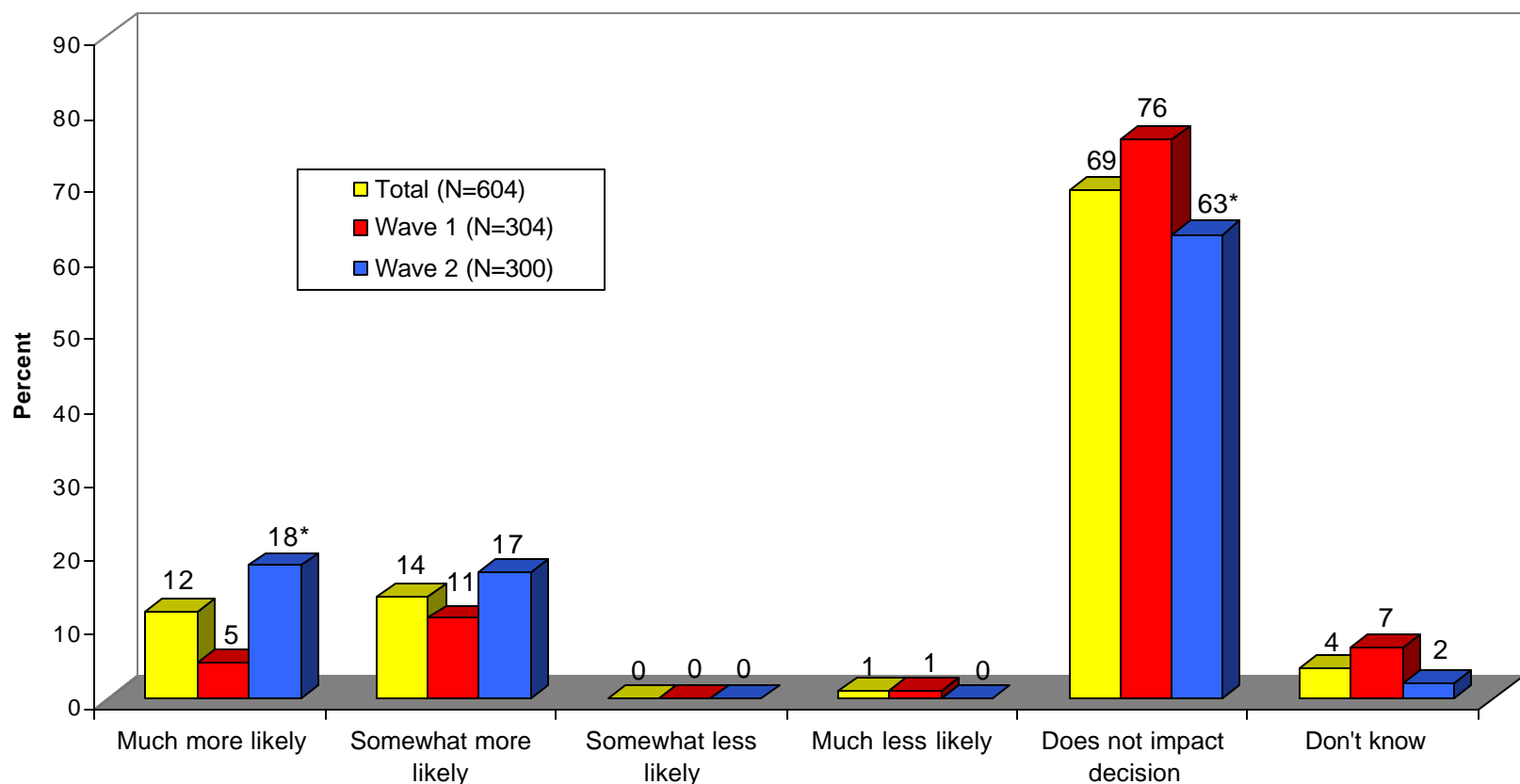
Base: Total respondents

Note: Percentages may add to more than 100 percent because multiple answers were accepted.

*Indicates a significant difference from Wave 1 at the 95 percent confidence level

Source: Nutrition Labeling Survey Research, Shugoll Research, 9/2003

Likelihood Of Shopping At A Store Based On Having This New Meat Nutritional Information Available



Base: Total respondents

* Indicates a significant difference from Wave 1 at the 95 percent confidence level

Source: Nutrition Labeling Survey Research, Shugoll Research, 9/2003

Identifying the Issues & Implications

The background is a solid dark blue. In the lower right quadrant, there is a faint, stylized graphic. It appears to be a profile of a person's head and shoulders, with a document or book-like shape integrated into the neck area. The graphic is rendered in a lighter shade of blue, creating a subtle watermark effect.

Printing Scale Labels with Nutritional Information

- Received assurance from scale company that printing nutritional information on labels was possible with the upgrade of each scale's hardware prior to study launch.
- The size of the actual scale label needed to increase.
- Had issues with getting the correct micronutrients (zinc and B-vitamins) to print on the labels.

Cost of Implementation

- Need to update or replace older scales.
- Need to have someone develop individual nutrition labels for each product.
- Need to have someone input all nutrition information into mainframe system.
- Need to develop POS to support the program and call attention to beef's nutritional benefits.

Industry Implications

- Significant planning is required for a successful launch of a nutrition labeling program.
- Proper care must be taken in determining what nutrient data to use for different SKUs.
- Grade and trim levels will need to be considered when determining nutrient content.
- Proper in-store execution is critical.

Industry Implications

- While the two largest scale companies now can print nutrition information on their scale's labels, execution must still be closely monitored to ensure all information is correct at all times.
- Continuing to educate consumers on the nutritional benefits of beef can help them better understand what beef has to offer.
- Consumers stated they would make shopping decisions based on on-pack nutrition information. Sales information seems to indicate that labeling has a positive impact on sales as well.

Conclusions

- Consumer reaction to the on-pack and point-of-sale nutrition information was very positive.
 - Additional meat product nutrition information on-pack and at the point-of-sale can impact store selection and sales.
- While the in-store research was geared toward beef, we believe a similar consumer response would be realized for other proteins.
- In an age where consumers want to be in the know, nutrition information can provide a competitive advantage.

Need more Information?

Please contact the National Cattlemen's
Beef Association Retail Marketing Team
(303) 694-0305