

PROTEIN Labeling Study

Summary of focus group
and in-store test results

Overview

The Protein Labeling Study was conducted over two phases to better understand consumer's needs when purchasing fresh meat. To gain insight into the value of on-pack protein labeling for consumers, the Protein Labeling Study was conducted in two phases. In Phase 1, six consumer focus groups were conducted in three cities in April 2004, to determine which label attributes were important to consumers. In Phase 2, conducted first quarter 2005, two retailers with different formats tested the key findings from Phase 1. Product sales data (beef, pork and chicken) and two hundred in-store consumer intercepts were used to evaluate the success of the labels across the entire meat case.

What's keeping your customers from purchasing more meat and poultry?

- A lack of general cooking knowledge
- Familiarity with only a small set of cuts
- Boredom with their recipe repertoire
- Fear the family won't like the meal

Phase 1 Focus Group Key Findings

Consumers can often find themselves in a meal-planning rut, finding it difficult to free themselves from meal-time boredom. Fear of new cuts and uncertainty of preparation can prevent them from buying meat cuts they may never have prepared before.

Consumers said labels on meat packages can motivate them to try new cuts of meat and/or prepare the cuts they traditionally buy in new ways. When asked about the look and feel of on-pack labels, they were very specific about what information should appear on a label and how that information should be presented.



Consumer Quote:

"I never bought London broil – ever. I didn't know how to prepare it. It was a thick cut, and I get nervous around thick cuts. It had a label on it that had a recipe for a marinade. I bought it and used the marinade, and it was fantastic. It totally turned me on to the whole idea of (on-pack) recipe labels giving us ideas, and now I buy it all the time; it's a family favorite."



Funded in part by
The Beef Checkoff

Peel

Appearance

- Vibrant colors and appetizing photos of the cooked meat with side dishes will capture customers' attention.
- Text must be easy to read, in a font and size that is clearly legible. Dark writing on a light background is preferred.
- On-pack labels are preferred over film-printed labels. On-pack labels are seen as less messy and more convenient to use and save.
- Triangular-shaped labels placed in the corner of the meat package are the preferred shape, as they conceal the least amount of meat.
- A big "peel here" area is needed on the face of the label so customers instantly know there is more information inside.
- If a label is opened by a customer and then the package is not selected for purchase, the label needs to re-seal.



Steak for Grilling
 Charcoal: Grill, uncovered, over medium, ash-covered coals per chart for medium rare to medium, turning occasionally.
 Gas: Grill, covered.

Courtesy of The Beef Checkoff! IT'S WHAT'S FOR DINNER!

Cooking Times in Minutes	Grill - Charcoal Thickness	Grill - Gas Thickness
Steak	3-4"	3-4"
Tenderloin Steak	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
Filet Mignon	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
Filet Mignon (small end)	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
Chuck Eye Steak	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
T-Bone/Porterhouse Steak	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
Top Sirloin Steak (boned)	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
Shoulder Center Steak (chance)	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
Shoulder Top Blade Steak (flat iron)	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"
100-Top Steak	1 1/2 - 1 3/4"	1 1/2 - 1 3/4"

Sweet & Spicy Glazed Steaks

1/2 cup chunky salsa
 1/4 cup ketchup
 2 Tbsp packed brown sugar
 1 Tbsp Dijon-style mustard

Combine all ingredients in medium bowl. Reserve 1/2 cup; brush remaining on steaks during last 5 minutes of grilling. Serve with reserved sauce. Makes about 3/4 cup.

Peppery Dijon Parsley Rub

1/4 cup chopped fresh parsley
 2 Tbsp Dijon-style mustard
 1 Tbsp cracked mixed peppercorns or cracked black pepper
 2 large cloves garlic, minced
 1 tsp salt

Combine all ingredients in small bowl. Makes about 1/4 cup.

For more recipe ideas visit: www.beefitswhatsfordinner.com
 Courtesy of The Beef Checkoff

Information

- Cooking instructions, separate from a recipe, should be present and should include basic preparation information (time and temperature).
- Recipes should be quick.
- Recipes should be easy to prepare, with a limited number of ingredients (about 5).
- Recipe ingredients should be listed to serve as a shopping list.
- Themed labels should be used to create additional excitement.
- The integration of cross promotion products into the label with instant redeemable coupons provides savings and more meal ideas. (not pictured)
- Customers would like to see nutrition information where possible, because they want to create healthy meals for their families.

Phase 2 In-store test Key Findings

Once labels were developed based on the customer preferences discovered in Phase 1, a 10-week in-store test was conducted to uncover customer response to the labels.

Two waves of intercepts were conducted with 200 consumers. Wave 1 was conducted during week two of the study; Wave 2 was conducted during week 10. Sales data from test stores were evaluated against data from control stores for the same time period.

Labels were applied to packages throughout the meat case. Participating retailers used customized meat department signage to announce the arrival of the labels. The signs demonstrated how to peel back the labels.

Customer Response

Shoppers noticed the signs and took notice of the labels as well.

What consumers said about having the on-pack labels...

- 25% are more likely to shop a specific retailer
- 35% are likely to purchase more meat items for a variety of meals
- 46% are likely to purchase new or different cuts of meat

On-Pack Label Awareness

Awareness of the on-pack labels increased significantly from 38% in Wave 1 to 54% in Wave 2. Customers who noticed the labels could recall seeing them on all proteins. Twenty-five percent of consumers reported that they are more likely to shop at a retailer if on-pack labeling is available. Forty-six percent indicated that they are likely to purchase new or different cuts of meat, and thirty-five percent are likely to purchase more meat items for a variety of meals, due to the influence of the on-pack labels.

Consumer Quote:

"For people who haven't tried that particular (type) of meat, you can learn how to prepare it. You have the information on the pack to prepare it. You're more willing to try new things, and it may help the meat industry when people are going to buy different cuts of meat that they didn't buy before."

Customers thought the labels were easy to read and use. Nutrition information, photos of the prepared meal, cooking instructions and suggested meal ideas were the primary factors that influenced the shoppers' decisions to purchase meat with an on-pack label. Nearly 20 percent of respondents referred to the cooking instructions or recipe when preparing the meat at home.

Meat Manager Quote:

"During the testing I personally stood out in the meat case area and stopped shoppers who had picked up packages with the new labels. About 50 percent of them said they picked up the product because of the label."

Sales Performance

Strong dollar sales gains were also achieved across the entire meat case. Veal cuts showed the most significant growth, perhaps because these cuts are most likely to be unfamiliar to shoppers.



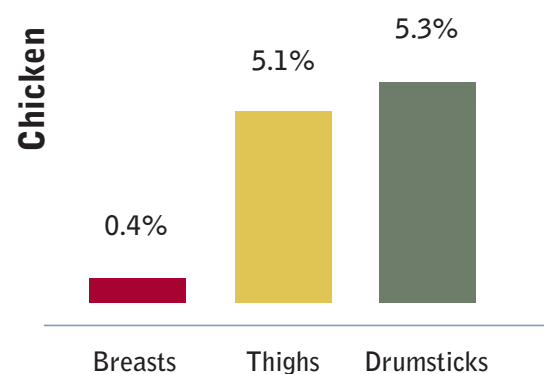
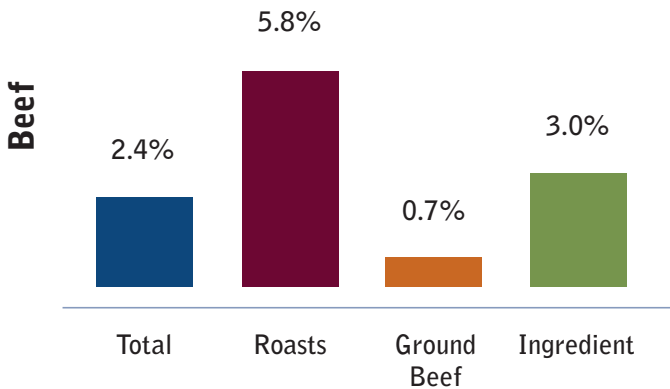
Results weighted by sales volume.



Protein Labeling Study continued

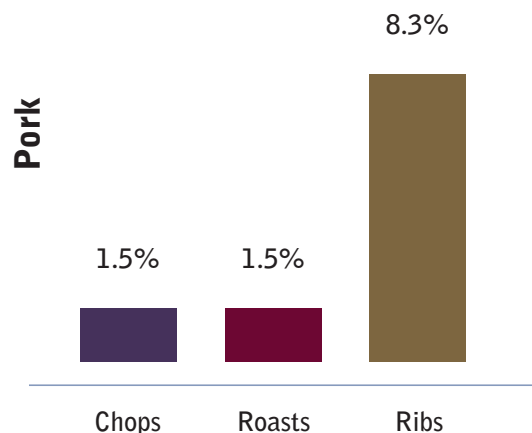
Sales growth was seen across all proteins. Within each protein, the biggest winners were the categories of cuts less familiar to consumers. This finding confirms the value of providing consumers with recipes, cooking instructions and meal ideas right on the package.

Note: All sales data is based on the average gain across the category. Gain is defined as the difference between test and control stores after percent change of the average test week vs. average pre-week is calculated.



Protein category growth seen across segments

Roasts showed the most significant dollar sales gain in the beef category. While Ground Beef's gains were just less than 1%, it highlights a significant sales increase because of the size of the category. The ingredient category, which included cuts such as Beef for Stir-Frying and Beef for Stewing, also posted an impressive 3% gain.



Pork experienced significant growth in rib dollar sales. This is attributed to the lack of knowledge most customers have on how to prepare ribs.

Chicken experienced significant growth in the less familiar and convenient cuts – thighs and drumsticks.

Summary

- Consumers are extremely receptive to on-pack labels that convey key consumer benefits such as taste, nutrition and ease of preparation.
- Simple, appetizing photos combined with easy to read recipes and cooking information provide consumers with the information they need to purchase cuts of meat they do not normally prepare.
- Consumers are more likely to shop at a store where on-pack labels are available, and they are likely to try new cuts and purchase more meat items overall.
- When combined with signage that alerts customers to the new labels, on-pack labeling increases sales of all proteins and may encourage the purchase of cuts they do not normally prepare.

For more information or to order labels contact:

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