May 2022

Europe Meat Shopper Insight Tracker – Q1 2022

Bord Bia Thinking House

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Who Do We Survey?

We are interested in understanding real shopper behaviour at the point of purchase, in real bricks and mortar retail, as well as through online channels. We survey Grocery Shoppers but our analysis focusses on ‘Beef Considerers’, those who would consider purchasing beef for their main meals. We are tracking shopping behaviour in seven markets across Europe.

How Many Shoppers?

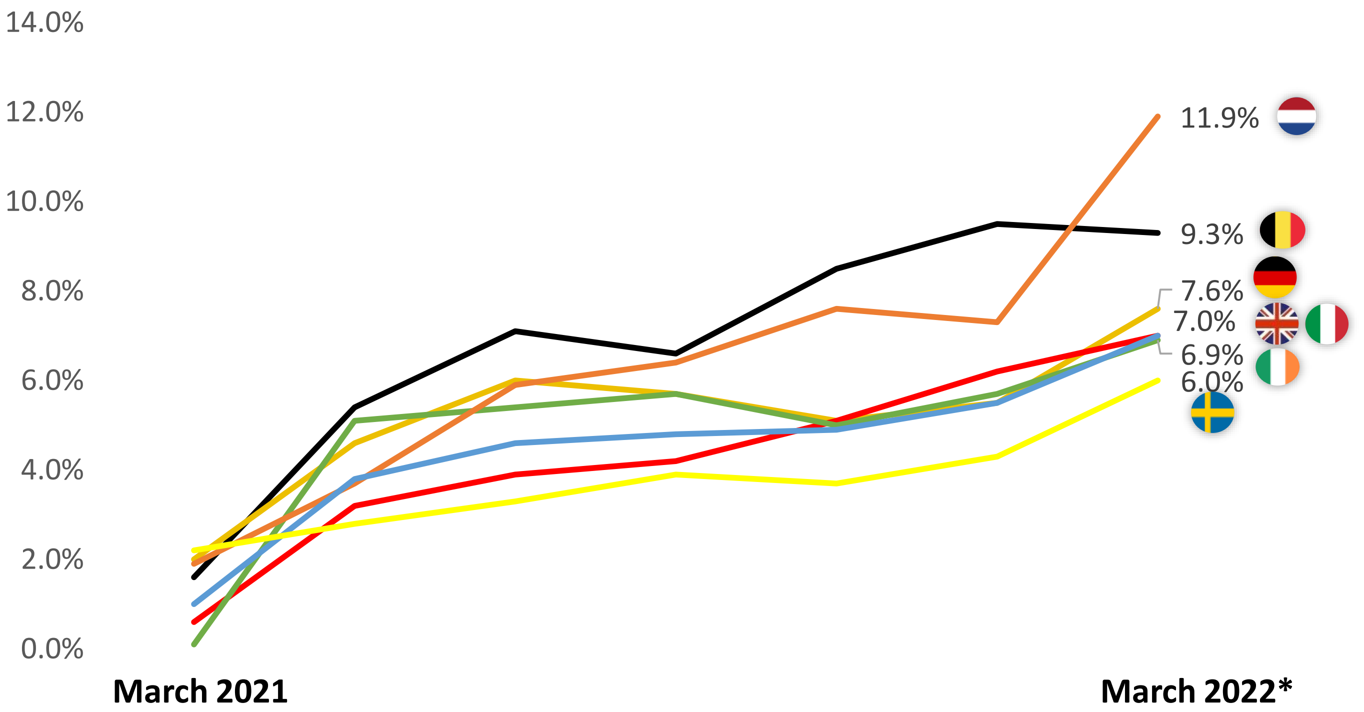
Over the course of every year we survey N=42,000+ shoppers across Europe. Our survey is ‘always on’, with interviews being conducted daily across these seven markets, which ensures the following sample sizes:

Monthly Interviews	N=500	N= 500	N= 500	N= 500	N= 500	N= 500	N= 500

The results of this report focus on the behaviour in Qtr.1 2022 compared to Qtr.1 2021 and Qtr.1 2020

For more information and market reports please get in touch with danny.bowles@bordbia.ie

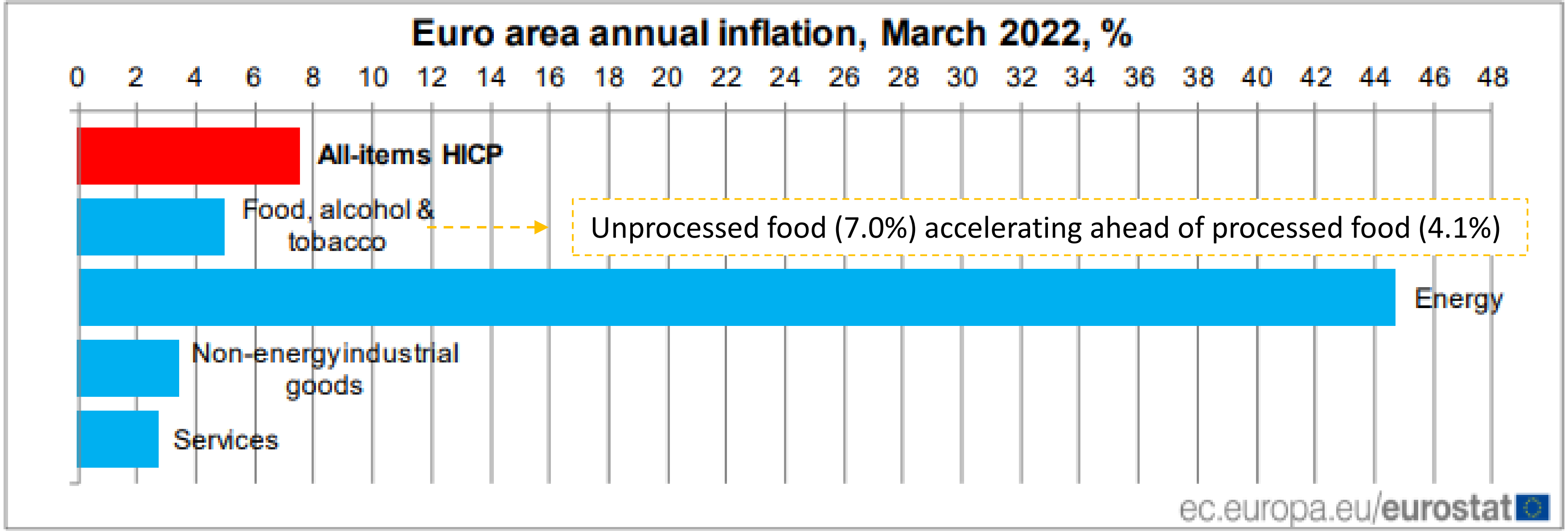
Context: Inflation is accelerating across Europe



*estimated figures for March

Sources:
Eurostat
ONS.gov.uk
Trading.economics.coms

While Food inflation is behind the overall level of inflation across Europe, the increase in Energy prices is impacting households decisions with grocery a clear area where shoppers can reduce expenditure



Sources:
Eurostat

Some key stats on the inflation challenge for beef

- Estimated increase in beef prices of 21% in Italy between 2020 and 2021 (Ismea, 2021)
- 23% of consumers in the UK have reported difficulty in paying bills (WARC, 2022)
- Almost 6% reduction of products on promotion in Ireland (ESM, 2022)

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1.

Consideration levels for beef are dropping off somewhat amongst grocery shoppers, with year-on-year consideration amongst beef considerers also dropping back, but they are more consistent when we compare to 2020

Consideration of beef overall amongst grocery shoppers is trending down in UK and Germany, with other markets more consistent

Overall Consideration

Overall consideration of beef amongst all grocery shoppers	Ireland	UK	Germany	Italy	Belgium	Sweden	Netherlands
Q1 2022	76%	73%	68%	64%	75%	73%	76%
Q1 2021	78%	77%	74%	71%	76%	73%	75%
Q1 2020	76%	78%	75%	64%	n/a	n/a	75%

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(Base: All Grocery shoppers)

Consideration for Chicken is quite consistent across most markets, with consideration for pork declining in Germany, UK and Italy – the impact of inflation has not yet been a replacement of beef with more affordable proteins

Overall Consideration

Chicken

	Q1 2022	YOY Change	Change Vs 2020
	88%	0%	-2%
	86%	3%	1%
	86%	-1%	
	86%	-2%	-2%
	81%	0%	
	80%	-5%	0%
	77%	-4%	-4%

Pork

	Q1 2022	YOY Change	Change Vs 2020
	65%	0%	
	63%	5%	3%
	61%	-4%	-7%
	61%	-8%	-7%
	60%	-1%	
	57%	0%	0%
	50%	-8%	-7%

(Base: All Grocery Shoppers)

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Consideration for Lamb has reduced in the UK but purchase levels remain steady in all markets - consideration for meat alternatives is not increasing in any market.

Overall Consideration

Lamb

	Q1 2022	YOY Change	Change Vs 2020
	57%	-5%	-6%
	47%	-1%	-1%
	44%	-2%	
	38%	0%	
	34%	-2%	1%
	34%	-6%	-6%
	27%	-6%	-8%

Meat Alternatives

	Q1 2022	YOY Change	Change Vs 2020
	39%	-4%	0%
	37%	-2%	0%
	37%	-3%	
	27%	-4%	-2%
	27%	-1%	
	26%	-4%	-6%
	22%	-1%	0%

(Base: All Grocery Shoppers)

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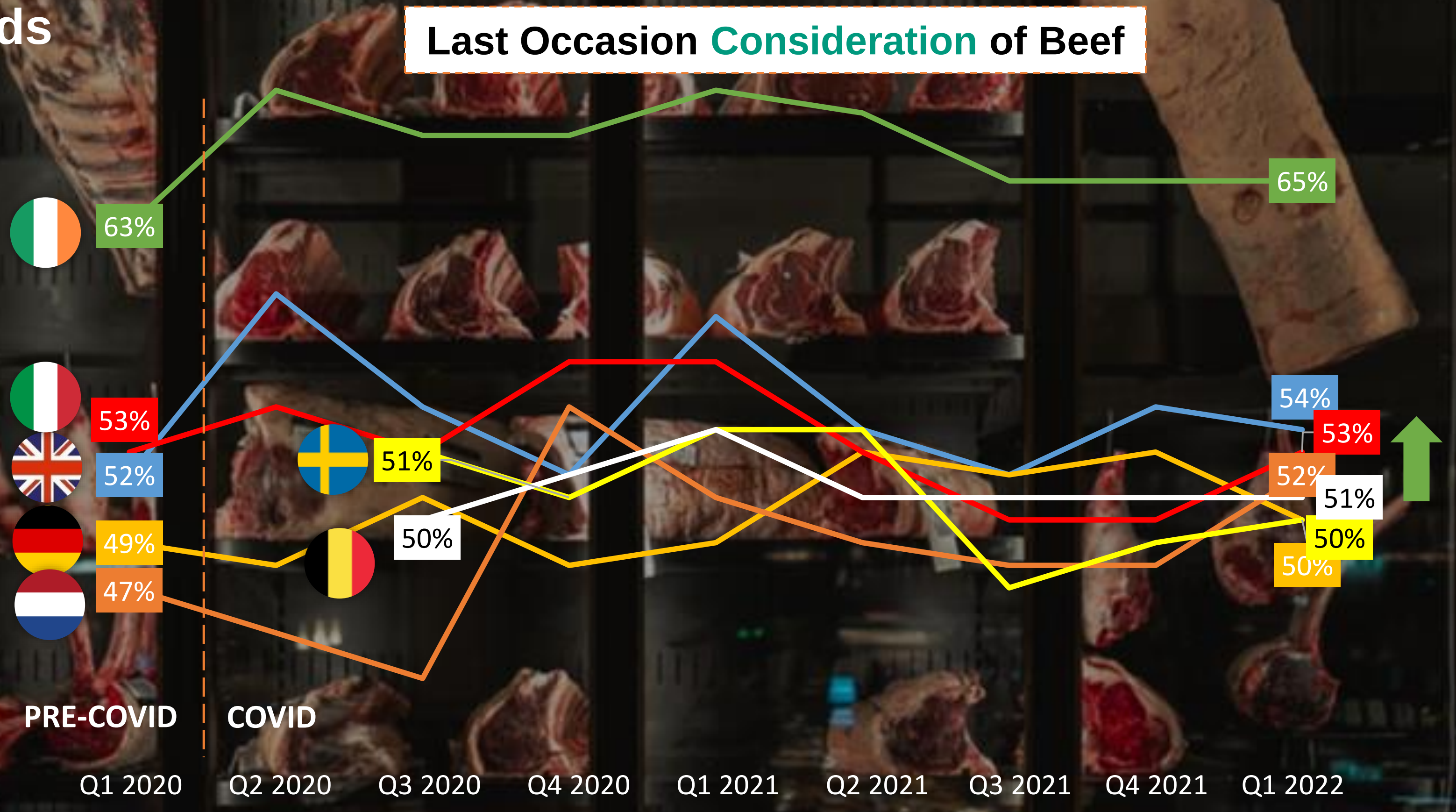
Last occasion consideration is consistent in most markets over the extended period, with a notable increase recorded in The Netherlands



(Base: All Beef Considerers)

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Engagement (actively reviewing what's on offer) has dropped off somewhat year-on-year, but not to a significant degree in most markets.

With fewer promotions and less impulse shopping, it becomes harder to catch shoppers' eyes.

Beef Engagement

	Q1 2022	YOY Change	Change Vs 2020
	39%	-4%	1%
	39%	-3%	
	32%	-5%	-3%
	32%	-3%	-4%
	32%	1%	2%
	29%	-4%	
	25%	-1%	-3%

(Base: All Beef Considerers)

Last Occasion Purchase of Beef

Generally purchase incidence is consistent, with growth in Germany year-on-year and in Ireland and The Netherlands over the two year period.

The data suggests we're not yet seeing a major impact on purchase levels of rising prices – but a consumer who is very concerned about rising prices.

	Q1 2022	YOY Change	Change Vs 2020
	49%	-1%	5%
	43%	4%	
	39%	1%	4%
	39%	0%	5%
	38%	-1%	1%
	38%	-2%	
	33%	5%	1%

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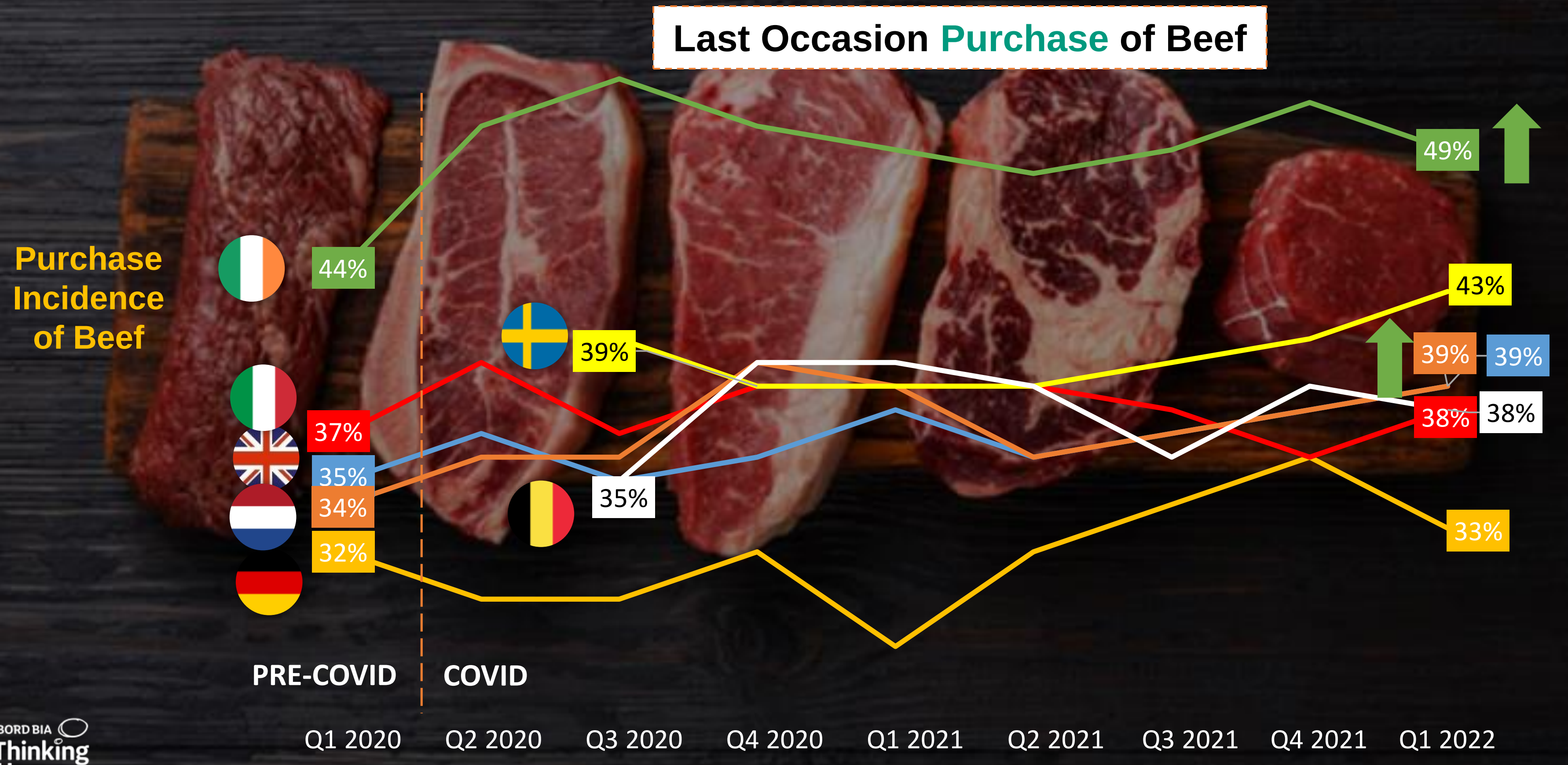
(Base: All Beef Considerers)

Purchase incidence is trending upwards in most markets, with gains in Ireland and The Netherlands over the two-year period



(Base: All Beef Considerers)

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The number of formats bought on the last occasion is quite consistent across most markets, with Italy a market to monitor as the number of formats has dropped back year-on-year; the Italian shopper spends the most on beef

Number of types of beef purchased on the last occasion							
Q1 2022	2.2	2.5	2.9	2.5	2.5	2.4	2.4
Q1 2021	1.8	2.9	3.5	2.6	2.9	2.5	2.9
Q1 2020	2.3	2.6	3.6	2.8	2.6		
Average spend on beef on the last occasion - Q1 2022	€12.60	€13.46	€17.90	€13.60	€11.84	€11.69	€15.40

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Consideration and purchase have not *yet* declined significantly. However, category engagement is dropping off to the greatest degree, therefore we need to ensure shoppers are prompted to engage with beef. New/Interesting formats and comms in-store will be needed to ensure shoppers review options available and stay engaged in the category. Keep in mind that with consumers looking to save money everywhere, their restaurant trips will cut back too, and like during lockdowns, they might look to retail to improve their at-home meal experience (Canvas 8, 2022).

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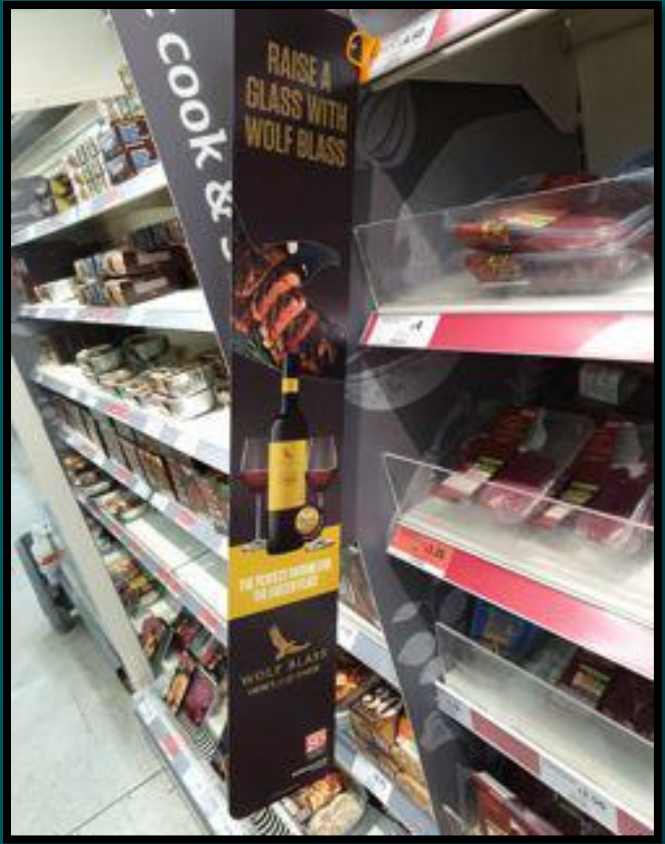
Messaging pre-store and at the fixture can grow engagement in the category



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Some examples of new formats/cuts of beef catching the eye of shoppers and driving engagement

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Expensiveness is the number one barrier to the purchase of beef and it is rising as a barrier to consideration. It is also impacting past 12 month and likely future consumption, but there is still a recognition that beef is a protein worth paying more for.

Slight move towards less and cheaper is something to monitor, with the purchase of steak under pressure in most markets.

Meal plans are a consistent barrier across markets

(Base: All Beef Considerers who did not consider beef on the last occasion)

Barrier to Consideration *Q1 2022*								Average
It simply wasn't in my meal plans	2	1	1	1	1	1	1	29%
I felt like a change	1	2	3	4	3	5	2	18%
It is too expensive	3	4	7	2	2	2	3	16%
I am trying to reduce my intake of beef	5	5	2	3	4	3	5	13%
I wanted something easier to cook	4	3	5	9	5	6	4	12%

With consumers looking to reduce grocery expenditure meal plans will become more important – meaning pre-store comms and meal inspiration will become more important

10 Ways To Reduce Your Food Shopping Bill

1. Buy the vegetables that are on special offer. ...
2. Meal plan. ...
3. Let your freezer be your best friend. ...
4. Bulk buy when things are on special offer. ...
5. Got some sad looking vegetables in the fridge? ...
6. Decide on a day you will get a take-away. ...
7. Make big portions. ...
8. Buy a slow-cooker.

More items...

https://www.familyfriendlyhq.ie › ... › Money & Career

10 Ways To Reduce Your Food Shopping Bill - Family ...

3. Plan your food for the week:

Like most of us, do you wander the supermarket aisles wondering what you might like to eat that week? It's a sure way to end up with too much or too little food. A great tip is to plan out your three meals a day for the week ahead.

4. Make a shopping list [and stick to it:

Following tip 3 should make building your shopping list much easier. Having a detailed shopping list is one thing, sticking to it is another. It is so easy to be tempted while you are in the shops.

This is particularly true if you are shopping in a supermarket with a 'middle aisle' containing all kinds of unexpected offers. During these moments try to remind yourself of your goal to save money. Tell yourself 'if it's not on the list, I don't need it'.

Pro tip: use a shopping app for your list that allows you to add the rough cost of each item so you can estimate how much your total bill will be. It's a bit of work to set up initially but once you add your favourites you can reuse them each week.

TIP 2: Plan meals and portions carefully

Buying only what you need may sound like an obvious way to save money, but it can be easier said than done.

Expensiveness is continuing to trend upwards as a barrier to beef consideration…with deals on alternatives are less of a factor, with fewer deals in general

Barrier to Consideration

It is too expensive

Q1 2022	YOY Change
24%	5%
19%	1%
19%	1%
15%	3%
15%	1%
12%	0%
10%	2%

Better deals and offers on other alternatives

Nov – Dec 21	YOY Change
15%	-4%
11%	0%
11%	0%
9%	-6%
8%	2%
6%	0%
6%	-3%

(Base: All Beef Considerers who did not consider beef on the last occasion)

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Expensiveness is the number one barrier to purchase

(Base: All Beef Considerers who considered beef on the last occasion but did not purchase)

Barrier to Purchase

Q1 2022

								Average
It is too expensive	2	1	5	1	2	1	1	22%
I felt like a change	1	3	1	3	1	5	2	20%
Better deals and offers on other alternatives	3	4	8	2	5	2	4	19%
I saw an alternative that looked really good	6	6	2	7	3	6	3	15%
It simply wasn't in my meal plans	5	2	7	4	6	3	5	15%

Barrier to purchasing Beef on the last occasion

Barrier to Purchase

Expensiveness is increasing as a barrier over the two year period, ranked as the 1st or 2nd barrier to purchase in all markets with the exception of Italy.

	Q1 2022	YOY Change	Change Vs 2020
	31%	4%	
	24%	-2%	-4%
	23%	3%	6%
	21%	-6%	3%
	20%	3%	
	20%	10%	6%
	17%	2%	6%

(Base: All Beef Considerers who did not consider beef on the last occasion)

Steak is under pressure in most markets with declines vs 2020 and 2021 evident as shoppers look to more affordable cuts

PURCHASE OF STEAK ON THE LAST OCCASION

	Q1 2022	YOY Change	Change Vs 2020	
	58%	-6%	-12%	Driven by a decline in striploin purchase, with ribeye dropping back also
	51%	-7%	2%	Year-on-year decline driven by a drop in striploin purchase Burgers on the rise
	41%	-8%		Driven by a decline in striploin purchase
	38%	-9%	-2%	Driven by an drop in fillet steak purchase
	37%	-3%	-13%	Driven by a decline in striploin purchase Beef Strips on the rise
	34%	-6%		Driven by an drop in fillet steak purchase Chuck/Diced/Stewing Beef on the rise
	28%	4%	3%	Driven by an increase in fillet & striploin steak, with ribeye also improving. Burgers also increasing in purchase incidence

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(Base: All Beef Considerers who purchased beef on the last occasion)

CLAIMED BEHAVIOURS IN RELATION TO BUYING BEEF

	I am buying less; but I am buying my usual beef		I am choosing cheaper beef nowadays	
	Q1 2022	YOY Change	Q1 2022	YOY Change
	15%	1%	4%	0%
	15%	2%	4%	0%
	13%	2%	5%	2%
	11%	3%	4%	1%
	11%	2%	4%	1%
	11%	1%	3%	1%
	10%	-1%	5%	1%

While not significant, the slight move towards less and cheaper beef is something to be mindful of and may be playing out in the reduction of steak purchased

(Base: All Beef Considerers)

PAST 12 MONTHS CONSUMPTION OF BEEF

The NET consumption of beef over the last 12 months (the proportion eating more beef minus the proportion eating less) is dropping back in most markets, with significant declines recorded in Ireland and Belgium

	Q1 2022 **NET CONSUMPTION** **(Proportion Consuming More Beef vs. Less Beef)**	YOY Change
	-6%	-7%
	-7%	0%
	-7%	4%
	-9%	-1%
	-11%	0%
	-13%	-8%
	-18%	-4%

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(Base: All Beef Considerers)

Declines in the net consumption figure are being driven by concerns over cost in Sweden, Ireland and Netherlands

It is too expensive; other options are better value for money

	Q1 2022	YOY Change
	41%	9%
	39%	1%
	31%	7%
	29%	-2%
	26%	6%
	26%	0%
	22%	-2%

Concern about animal welfare

	Q1 2022	YOY Change
	27%	7%
	24%	2%
	24%	-7%
	22%	3%
	20%	-4%
	20%	-3%
	19%	-4%

Trying to reduce meat consumption overall; not just beef

	Q1 2022	YOY Change
	38%	7%
	38%	-3%
	37%	-1%
	35%	-6%
	34%	5%
	33%	-9%
	31%	-2%

(Base: All Beef Considerers who reduced their consumption of beef over the past 12 months)

The more medium term view of expected behaviour, while still negative is more consistent over the 3 time periods

Expensiveness also impacting here as a likely future deterrent. Increasing year-on-year in key markets

				
+4%	+4%	+4%	+6%	+9%

Intended Consumption of Beef Over the Next 3 Years

	Q1 2022 NET CONSUMPTION (Proportion Claiming to Consume More vs. Less)	YOY Change
	-43%	0%
	-30%	-1%
	-29%	-2%
	-29%	-2%
	-28%	-3%
	-28%	-1%
	-26%	0%

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(Base: All Beef Considerers)

However, there is still recognition that beef is a protein worth paying more for and that beef is a healthy protein

Q1 2022

Beef is a protein that is worth paying more for

72%

71%

70%

70%

66%

62%

61%

I think Beef is a relatively healthy protein

86%

82%

80%

79%

78%

77%

73%

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(Base: All Beef Considerers)

Helping shoppers navigate their way through this burst of inflation with viable beef solutions/options in key formats will be crucial to maintaining category gains made over COVID.

Meal planning will become even more prevalent amongst shoppers as they seek to "control the control-ables" in their household expenditure. Ensuring we have easy/convenient meal solutions to prompt shoppers pre-store and in-store will be very important.

Meal solutions should suggest how shoppers can include beef in their meals over the week while also giving them tips on making a smaller amount stretch further with the inclusion of more vegetables or other ingredients.

Highlighting the value available through have higher end beef in home rather than going to a restaurant and provide shoppers with the motivation to stay engaged with key cuts of beef. Shoppers still recognise that beef is worth paying more for, so we need to ensure this realisation is at the forefront of their thinking when shopping and this connection is being made when meal planning.

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Reinforcing the motivations to buy beef will be crucial in the coming months and helping shoppers make the connection from grass-fed to great tasting to great value.

Grass-fed still has the ability to keep category shoppers engaged and can justify shoppers in their decision to trade-up…it can also help tell the story on taste

	Association with Better Quality beef: Q1 2022	Rank
	47%	1
	42%	3
	39%	2
	34%	5
	32%	5
	30%	4
	27%	5

	Impacting on enticing shoppers to trade-up: Q1 2022	Rank
	33%	1
	28%	4
	26%	4
	23%	3
	23%	4
	23%	3
	16%	5

Trending up in most markets

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(Base: All Beef Considerers)

Consistently strong interest in Irish versions of key cuts, with Irish Steak holding strong appeal in Mainland Europe

Interest in Irish Versions

Steaks	Q1 2022	43%	56%	47%	50%	31%	55%
Burgers	Q1 2022	31%	35%	24%	35%	22%	30%

Interest in Grass fed Versions

Steaks	Q1 2022	44%	62%	48%	51%	41%	60%
Burgers	Q1 2022	31%	39%	24%	34%	29%	31%

Interest in Irish and grass-fed steak trending upwards in most markets

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(Base: All Beef Considerers)

Taste is a key strength of Beef and something which can signify better quality

I think Beef tastes great; it's a real treat

	Q1 2022
	91%
	90%
	89%
	87%
	87%
	87%
	84%

Mostly unchanged year-on-year

And taste is a growing association with better quality beef

Association with Better Quality beef

	Q1 2022	YOY Change
	42%	3%
	42%	6%
	38%	1%
	35%	6%
	35%	3%
	34%	5%
	33%	2%

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(Base: All Beef Considerers)

Bord Bia have conducted blind beef taste tests which show consumer preference for the taste of Irish grass-fed against competitor origins – in Sweden, Netherlands and UK

38% in Netherlands said Irish grass-fed was their preferred choice over Uruguayan and Dutch origin beef

44% in Sweden preferred Irish grass-fed over German, Brazilian and Swedish

In the UK, Irish grass-fed beef scored evenly with Uruguayan and British beef and ahead of Australian – suggesting Irish beef is the clear replacement preference behind UK beef.

Retailers need to be tactical in their communications/offers in the coming months, with incentives needed to ensure category buy-in.

Grass fed will play a key role in reinforcing the taste of beef ahead of other proteins. Both elements combined can permit shoppers to continue to purchase higher-end cuts of beef when they do decide to splash out.

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Thank You

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