

# Consumer Insights

Research findings on retail sales of fresh pork in Scottish and GB markets, including consumer purchasing trends.

SPECIALLY SELECTED

  
**PORK**

FARM ASSURED FROM SCOTLAND

## Key Findings

- 1/ The value of fresh pork sold in Britain and Scotland increased as a result of higher average retail prices in 2008.
- 2/ The volume of fresh pork sold in Britain and Scotland declined marginally mainly due to reducing purchase frequency and trip volume.
- 3/ Fresh pork products identified as Scottish Origin in Britain experienced notable value and volume growth via an increase in shoppers.
- 4/ The penetration (i.e. % of shoppers buying) and purchase frequency of fresh pork in Britain reduced marginally over the year.
- 5/ In 2008, the penetration of fresh pork in Scotland remained stable but frequency purchase declined marginally.

  
QMS  
QUALITY MEAT SCOTLAND

# An Overview of Retail Fresh Pork Sales within Great Britain

## Yr/Yr Change – Total Trade – Fresh

52 w/e 28th December 2008

Source: TNS

### % Changes

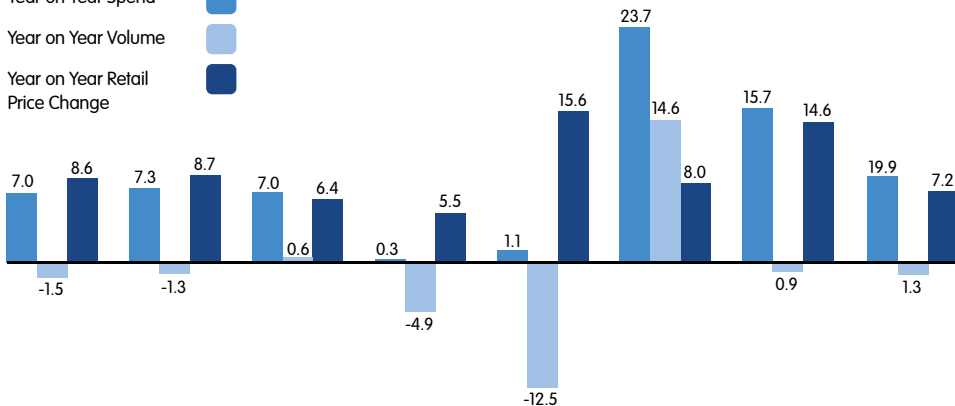
Year on Year Spend



Year on Year Volume



Year on Year Retail Price Change



Total Meat

Pork

Pork Chops/  
Steaks

Pork Leg  
Roasting Joint

Pork Shoulder  
Roasting Joint

Pork Loin  
Roasting

Pork Belly

Pork Other

Fresh pork retailed in Britain experienced similar value growth and volume decline as the total red meat retail sector. What's more, both red meat and pork sectors experienced the same increasing average retail price of almost 9% year on year.

In volume terms, pork chops/steaks account for 45% of the share of trade. Shoulder roasting joints, representing a 10% volume share, declined by over 12% year on year. Loin roasting joints, with a 7% share, experienced strong growth of 15% yr on yr.

**Roasting cuts are purchased by older shoppers on average**



# An Overview of Retail Pork Sales within Scotland

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Source: TNS

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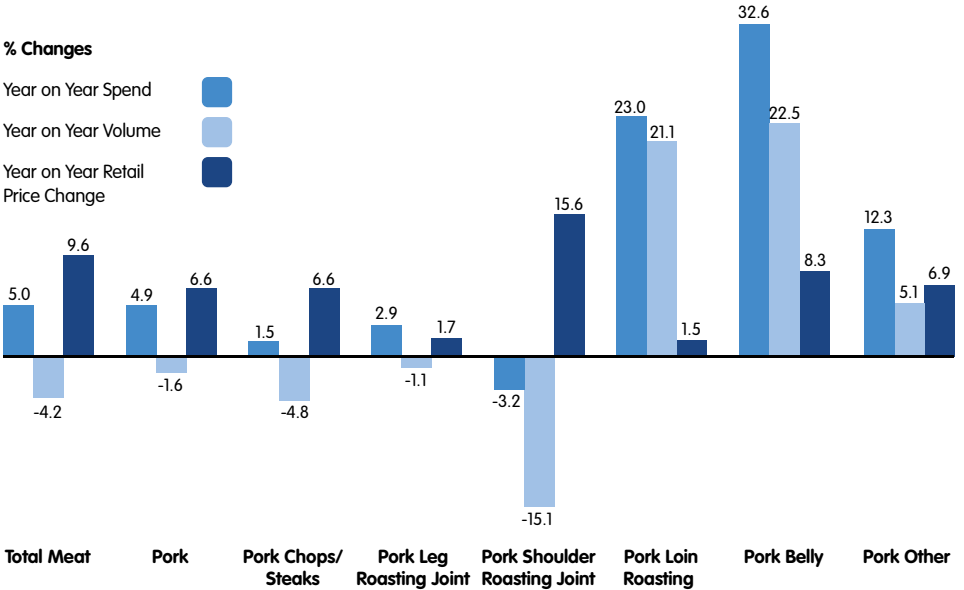
Year on Year Spend



Year on Year Volume



Year on Year Retail Price Change



Fresh pork retailed in Scotland experienced similar value growth with the total red meat category. However, compared with total red meat, pork's volume declined at a slower rate.

In volume terms, pork chops and steaks retailed in Scotland represent over 50% share of trade. Loin roasting joints and belly cuts have seen strong growth albeit from a low share of trade of 4% and 9% respectively.



# Fresh Pork Value Sales

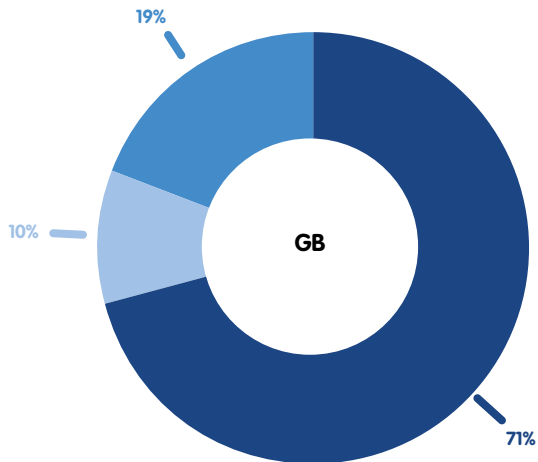
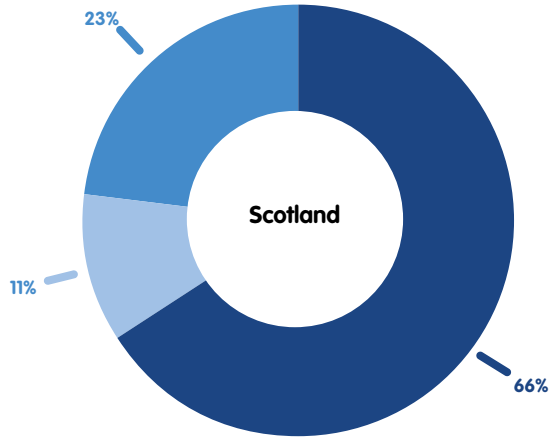
52 w/e 28th December 2008

Source: TNS

The Big 4 Supermarkets (Asda, Morrisons, Sainsbury's and Tesco) have a less dominant share of retailed fresh pork in Scotland than Britain as a whole.

In Scotland, the Big 4 have grown their share by 2% in value year on year. In Britain, the Big 4 have grown their share by 3% year on year.

In spite of the recent increase in butchers' overall share of trade in Scotland during 2007, butchers' overall share has declined marginally in 2008 and is now back to 2006 levels.



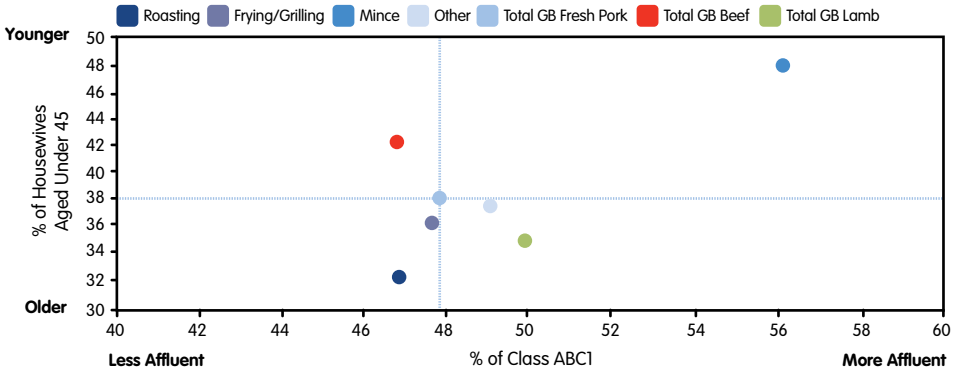
Big 4 Butchers Other

# Buyer Profile – Demographic Maps

## Buyer Profile % (Great Britain)

52 w/e 28th December 2008

Source: TNS



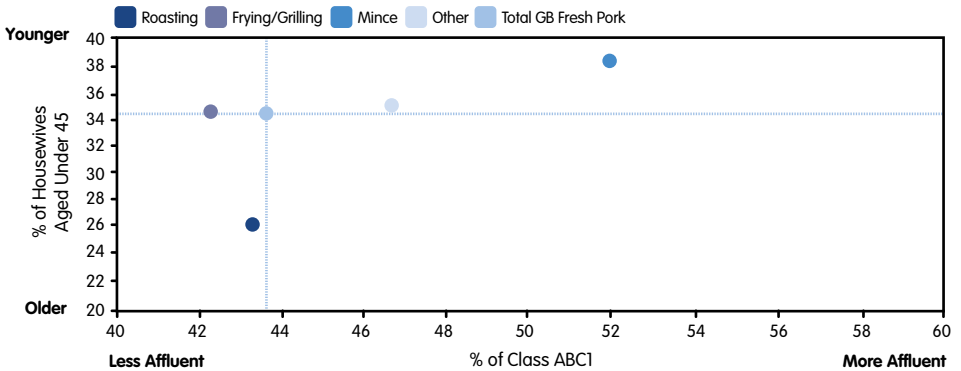
In both Britain and Scotland, pork mince is purchased on average by younger and more upmarket shoppers compared with other cuts. Pork mince is, however, a very small market.

Roasting cuts are on average purchased by older shoppers.

## Buyer Profile % (Scotland)

52 w/e 28th December 2008

Source: TNS



In Scotland, on average, the consumer of fresh pork is slightly older and less affluent than in the case in the rest of Britain.

# Total Fresh Pork in Scotland – Yr/Yr Performance

52 w/e 28th December 2008

	52 w/e 30 Dec 07	52 w/e 28 Dec 08	% Change
Expenditure (£000s)	51,552	54,080	4.9
Volume (000s Kgs)	11,025	10,847	-1.6
Penetration %*	71.1	71.1	N/C
Purchase Frequency	8.9	8.7	-2.3
AWP † (£ per buyer)	29.51	31.46	6.6
AWP (Kgs per buyer)	6.3	6.3	N/C
Trip Spend (£)	3.30	3.61	9.2
Trip Vol (Kg)	0.7	0.7	2.4
Retail Price Per Kg	4.68	4.99	6.6

Source: TNS. \* Penetration is given as a percentage of a country's households who have bought pork at least once within a defined period of time.  
† AWP: Average Weighted Purchase

In retail terms, Scotland has seen a marginal volume decline over the year as a result of reduced purchase frequency.

The increasing average price/kg has not yet affected penetration over the year which remains stable.



# Total Fresh Pork in Great Britain – Yr/Yr Performance

52 w/e 28th December 2008

	52 w/e 30 Dec 07	52 w/e 28 Dec 08	% Change
Expenditure (£000s)	698,419	749,189	7.3
Volume (000s Kgs)	158,926	256,791	-1.3
Penetration %*	75.2	74.6	-0.7
Purchase Frequency	10.2	9.9	-2.9
AWP <sup>†</sup> (£ per buyer)	37.54	40.13	6.9
AWP (Kgs per buyer)	8.5	8.4	-1/7
Trip Spend (£)	3.68	4.05	10.1
Trip Vol (Kg)	0.8	0.8	1.3
Retail Price Per Kg	4.39	4.78	8.7

Source: TNS. \* Penetration is given as a percentage of a country's households who have bought pork at least once within a defined period of time.  
† AWP: Average Weighted Purchase



Although declining marginally over the year, both purchase frequency and penetration in GB remain higher than levels seen in Scotland.

Despite the increasing average retail price/kg, fresh pork sold in Britain remains less expensive than Scotland by 21p/kg.

# Processed Pork National Summary

## Great Britain

52 w/e 25th January 2008

	Bacon	Sausages	Sliced Cooked Meats
Expenditure (£000s)	£1168 million YrYr +12	£603 million YrYr +10	£1838 million YrYr +7
Volume (tonnes)	196,294 YrYr -3	185,342 YrYr +3	223,326 YrYr -1
Average Price (£/kg)	£5.97 YrYr +11	£3.25 YrYr +7	£8.24 YrYr +8
Average 4 Weekly Penetration %	59.8 YrYr +1	48.4 YrYr +2	75.6 YrYr 0

Source: TNS. \* Penetration is given as a percentage of a country's households who have bought pork at least once within a defined period of time.

## Scotland

52 w/e 25th January 2008

	Bacon	Sausages	Sliced Cooked Meats
Expenditure (£000s)	£119 million YrYr +7	£53 million YrYr +7	£202 million YrYr +6
Volume (tonnes)	20,018 YrYr -3	15,723 YrYr +1	25,771 YrYr -2
Average Price (£/kg)	£5.99 YrYr +11	£3.37 YrYr +6	£7.84 YrYr +8
Average 4 Weekly Penetration %	62 YrYr 0	47.8 YrYr +4	81.1 YrYr +1

Source: TNS. \* Penetration is given as a percentage of a country's households who have bought pork at least once within a defined period of time.

**In the case of bacon and sausages, Scotland has a higher average retail price. However, on average, Sliced Cooked Meats are more expensive in the rest of Britain**



Further processed pork products have, like many categories over the last year, seen strong growth in expenditure – with slower or negative growth in volume as a result of reduced purchase frequencies.

In all three further processed meat categories, Britain's year on year growth in expenditure outperforms that of the Scottish market. Volume in Britain has also been performing strongly with marginal decline in the Sliced Cooked Meats market only.

In the case of bacon and sausages, Scotland has a higher average retail price. However, on average, Sliced Cooked Meats are more expensive in the rest of Britain.

Compared with the GB market, more Scots consume bacon and cooked meats.

In Scotland, both traditional pork sausages as well as square or lorne beef sausages

remain extremely popular. Key times of the year for the sausage category include summer months and the Christmas period.

Within the Sliced Cooked Meat category, ham remains the dominant player with a 53% share of volume followed by Chicken (11%), Turkey (8%) and Corned Beef (7%).

**Compared with the GB market, more Scots consume bacon and cooked meats**



# Credit Crunch Update



Whilst pork has not seen the same swift retail price increase as some other food groups, there has still been an overall retail price increase of 8.7% for fresh pork in Britain for the 52 weeks ending 28th December 2008. However, this increase is still well-ahead of the total Retail Price Index (RPI) which experience a 1% increase during the same period.

Price and volume have a close relationship for fresh pork and as the price increases, shoppers buy less volume, less frequently. Scottish origin fresh pork retailed in Britain has been successful in attracting more shoppers and has subsequently gained market share. However, more recently, shoppers have bought less frequently and also reduced their trip volume.

The increased market share of Scottish origin product in Britain highlights the requirement for clear identification of products at multiple and independent retail store level. Despite the slowing economy, shoppers are still looking for guarantees on product assurances and origin.

For Scottish shoppers, key concerns are animal living conditions and animal feed. For those in the South East of England, animal living conditions remain key – this time alongside farm hygiene.

**Scottish origin fresh pork retailed in Britain has been successful in attracting more shoppers**

# Campaign Update

## Specially Selected Pork Marketing Activities

52 w/e 28th December 2008

Source: TNS

QMS undertake a range of marketing activities on behalf of the Specially Selected Pork label to support industry by increasing demand for 'Specially Selected' branded products.

2008/09 witnessed the biggest marketing investment on behalf of the Specially Selected brand in recent years and we undertook a total of 4 targeted above the line campaigns.

In 2009, QMS has already undertaken a successful January campaign using radio and press advertisements.

A sustained marketing campaign takes place pan-Scotland in March 2009 including television and outdoor advertising. QMS will also undertake activities in the summer and winter to support industry during these important seasons.

Results have been positive with penetration, volume and value sales increasing during the time of our campaigns at a time when other regions have been in decline. Brand awareness has also been boosted and we maintain a presence outwith our campaigns at store level with 'Specially Selected' information talkers and brand ambassadors at the point of sale.



*Look for the Label.*

Quality assured from Scotland, healthy and low in fat, Specially Selected Pork is deliciously versatile and easy to cook. For roasts and other delicious pork recipes ideas, visit [speciallyselectedpork.com](http://speciallyselectedpork.com) and get some pork on that fork.

**QMS, in collaboration with the SAOS Cultivating Collaboration project, has produced this research to give the Scottish red meat industry supply chain an insight into future market trends. Members of the supply chain will then be better prepared to deal with any challenges and to take advantage of any market opportunities.**

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