Consumer Preferences for Meat Attributes

Kynda R. Curtis, Agriculture Marketing Specialist, University of Nevada Cooperative Extension; and Assistant Professor, Department of Resource Economics, College of Agriculture, Biotechnology and Natural Resources, University of Nevada, Reno

Margaret W. Cowee, Research Analyst, Department of Resource Economics, College of Agriculture, Biotechnology and Natural Resources, University of Nevada, Reno

Steven R. Lewis, Douglas County Extension Educator, University of Nevada Cooperative Extension

Thomas R. Harris, Economic Development Specialist, University of Nevada Cooperative Extension; and Professor, Department of Resource Economics; and Director, University Center for Economic Development, College of Agriculture, Biotechnology and Natural Resources, University of Nevada, Reno

Introduction

Recent food industry trends have presented consumers with the opportunity to demand more from the products they purchase. In the market for food products, this means that consumers are able to purchase products that do more than serve their basic need for nutrition. Instead, they can seek differentiated products to meet various safety and quality standards.

Two types of differentiated meat products that have gained popularity are grass-fed meats and locally produced meats. Part of the motivation behind increased grass-fed meat purchases is the nutritional aspect, as grass-fed meats have been found to be leaner (lower in saturated fats and calorie content) than conventional meats (Duckett et al., 1993) and higher in Omega-3 fatty acids (Clancy, 2006).

Locally produced meat products have become more popular due in part to the increased separation between food producers and consumers in the United States. Many consumers prefer purchasing food products whose origin can be identified while others find value in supporting local producers.

A 2006 mail survey of 542 households in Nevada sought to gain information about residents’ preferences for meat products and their willingness to pay for differentiated meat products. This fact sheet presents an overview of the results of the survey.

Meat Attributes

To assess the attributes (qualities) respondent most value in meat products, survey respondents were presented with a list of attributes and were asked to rate each one on a scale of 1-5, where 1 indicated the attribute was not at all important and 5 indicated that it was extremely important. The average ratings were used to determine the attributes most highly valued over all respondents.

Six attributes were rated as “extremely important,” meaning they received an overall average rating of 4.0 or greater. These attributes were freshness, taste/flavor, guaranteed safety of meat, tenderness, leanness and price. While these attributes might seem straightforward, they provide valuable information for meat producers wishing to niche market their products. For example, consumers who emphasized the importance of fresh meat may not realize that locker beef is aged between two and four weeks to improve the flavor of the meat. This is the sort of information producers
can pass on to their customers when direct marketing their product.

Taste/flavor, tenderness and leanness are all meat attributes that can be directly influenced by livestock producers through breeding and diet. While price was given an extremely important rating, it is important to note that five attributes were rated higher than price and that this is an average rating. Some consumers will be more concerned with price than with physical attributes of meat, but other consumers will be willing to pay a premium for specialized meat attributes.

**Important Meat Attributes**

*Origin ("Nevada Grown")*  
*Brand name*

**Price Premiums & Demographics**

Survey respondents were presented with four meat products, New York steak, ground beef, pork chops and leg of lamb, and were asked to estimate how much they would typically pay for a pound of the meat in the grocery store. They were then asked to estimate how much they would be willing to pay for the same cut of meat if it was certified as being locally (Nevada) grown, if the meat was certified as being grass-fed (i.e. lean meat), and finally, how much they would pay for the meat if it was both locally grown and grass-fed.

In Figures 1-4, the first column lists the differentiated meat product while the second column gives the average estimated premium consumers were willing to pay. The third column lists the percentage of respondents who were willing to pay a premium for that product.

Following the description of respondent willingness to pay is a description of the demographic profiles of the respondents who were most likely to be willing to pay a premium for the differentiated products.

**New York Steak**

For New York steak, respondents were willing to pay an average premium of 41.6 percent for the locally grown product (over the average base price of $5.90/lb), 39.0% for the grass-fed product and 42.3 percent for the steak that was both local and lean. At least 80.1 percent of respondents were willing to pay a premium for these differentiated steak products.

**Figure 1: New York Steak**

<table>
<thead>
<tr>
<th>Product</th>
<th>Average Premium (%)</th>
<th>Respondents Willing to Pay (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locally Grown</td>
<td>41.6</td>
<td>83.6</td>
</tr>
<tr>
<td>Grass-Fed/Lean</td>
<td>39.0</td>
<td>80.1</td>
</tr>
<tr>
<td>Local &amp; Lean</td>
<td>42.3</td>
<td>86.1</td>
</tr>
</tbody>
</table>

Locally grown New York steak was most likely to be preferred by younger males who were employed full time and had children in the household. Education, income, ethnicity and location in Nevada (northern vs. southern) had

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**Extremely Important Meat Attributes**

- Freshness
- Taste/Flavor
- Safety
- Tenderness
- Leanness
- Price

Ten attributes were rated as “very important,” meaning they received an overall average rating between 3.0 and 4.0. These attributes were cut type, the humane treatment of livestock, environmentally friendly production processes, marbling, naturally raised livestock, feed type, packaging, organic production, muscle texture and the meat being offered under a sale or promotion.

**Very Important Meat Attributes**

- Cut type
- Humane treatment
- Environmentally friendly
- Marbling
- Naturally raised
- Feed type
- Packaging
- Organic
- Muscle texture
- Sale/Promotion

Only two attributes were given a rating of “important,” meaning that, on average, they were rated between 2.0 and 3.0. These attributes were the origin of the meat (specifically, that it had been raised/processed in Nevada) and the brand name of the meat.
no effect on respondent preferences for locally
grown New York steak. Grass-fed New York
steak was preferred by younger respondents who
have higher education levels, live in Northern
Nevada and who identify with a minority ethnic
group (i.e., not Caucasian). Gender, income,
children in the household and employment had
no effect on consumer preferences for grass-fed
New York steak.

Ground Beef

For ground beef, respondents were willing
to pay an average of 1.8 percent more for the
locally grown product (over the average base
price of $2.73/lb) and 11.9 percent for the
ground beef product that was both local and
lean. For the ground beef that was grass-fed, on
average, respondents were not willing to pay a
premium for this product but would be willing to
accept a discount of 4.6 percent. It is not
possible to determine why respondents felt this
way, but it could be a result of preferences
(some people do not like the taste of grass-fed
meats) or it could be because ground beef is a
less expensive product so consumers are less
willing to pay for differentiated ground beef.
Even taking the estimated discount into account,
at least 74.2 percent of respondents were willing
to pay a premium of some sort for the
differentiated ground beef products.

Figure 2: Ground Beef

<table>
<thead>
<tr>
<th>Ground Beef</th>
<th>Average Premium (%)</th>
<th>Respondents Willing to Pay (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locally Grown</td>
<td>1.8</td>
<td>75.9</td>
</tr>
<tr>
<td>Grass-Fed/Lean</td>
<td>-4.6</td>
<td>78.2</td>
</tr>
<tr>
<td>Local &amp; Lean</td>
<td>11.9</td>
<td>74.2</td>
</tr>
</tbody>
</table>

Respondents who showed a preference for
locally grown ground beef were more likely to
be younger males with higher education
and income levels who live in Northern Nevada.
Having children in the household, employment
and ethnicity did not have an effect on
preferences for locally grown ground beef.
Grass-fed ground beef was more likely to be
preferred by younger males who do not have
children in the household, are less than full-time
employed and live in Northern Nevada.
Ethnicity and education and income levels did
not have an effect on respondent preferences for
grass-fed beef.

Pork Chops

For pork chops, respondents were willing to
pay an average premium of 1.7 percent for
locally grown meat (over the average estimated
base price of $3.55/lb), 0.6 percent for grass-fed
pork chops and a 7.1 percent premium for pork
chops that were certified as both local and lean.
At least 72.3 percent of respondents were
willing to pay a premium for the differentiated
pork chop products.

Figure 3: Pork Chops

<table>
<thead>
<tr>
<th>Pork Chops</th>
<th>Average Premium (%)</th>
<th>Respondents Willing to Pay (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locally Grown</td>
<td>1.7</td>
<td>81.1</td>
</tr>
<tr>
<td>Grass-Fed/Lean</td>
<td>0.6</td>
<td>72.3</td>
</tr>
<tr>
<td>Local &amp; Lean</td>
<td>7.1</td>
<td>75.8</td>
</tr>
</tbody>
</table>

Respondents who showed a preference for
locally grown pork chops were more likely to be
younger people who have higher education
levels and are employed full time. Gender,
income, children in the household, ethnicity and
location in Nevada did not have an effect on
preferences for locally grown pork chops.
Grass-fed pork chops were more likely to be
preferred by male respondents who do not have
children in the household, identify themselves as
a minority group and live in Northern Nevada.
Age, employment and education and income
levels did not have a significant effect on
respondent preferences for grass-fed pork chops.

Leg of Lamb

Respondents were willing to pay an average
premium of 12.3 percent for locally grown leg of
lamb (over the average base price of $5.29/lb), a
14.0 percent premium for grass-fed leg of lamb
and a premium of 15.0 percent for leg of lamb
that was certified local and lean. At least 65.9
percent of respondents were willing to pay a
premium for each of the differentiated leg of
lamb products.
Figure 4: Leg of Lamb

<table>
<thead>
<tr>
<th>Leg of Lamb</th>
<th>Average Premium (%)</th>
<th>Respondents Willing to Pay (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locally Grown</td>
<td>12.3</td>
<td>74.4</td>
</tr>
<tr>
<td>Grass-Fed/Lean</td>
<td>14.0</td>
<td>66.9</td>
</tr>
<tr>
<td>Local &amp; Lean</td>
<td>15.0</td>
<td>75.0</td>
</tr>
</tbody>
</table>

Locally grown leg of lamb was more likely to be preferred by Caucasian respondents with higher education and income levels who are employed full time and do not have children in the household. Age, gender and location in Nevada did not have an effect on respondent preferences for locally grown leg of lamb.

Grass-fed leg of lamb was more likely to be preferred by younger females with lower education levels, employed less than full time, identify with a minority ethnic group and live outside Northern Nevada. Income levels and children in the household did not have a significant effect on preferences for grass-fed leg of lamb.

Conclusions

While survey respondents rated freshness and taste/flavor as the most important factors on their meat purchasing decisions, 55 percent of the respondents rated natural production as having an extremely or very important influence on their meat purchasing decisions and 36 percent of respondents rated local production as having an extremely or very important influence on their purchasing decisions. These individuals constitute a target market for a Nevada grown natural meat products.

The highest premiums consumers in this study were willing to pay pertained to high-grade beef products, but all meat products bearing both the grass-fed and locally grown labels received willingness to pay premiums over the standard meat products. This indicates that the use of these two labels together will bring a higher premium then the labels would individually. Additionally, at least 65 percent of the respondents were willing to pay a premium for the labeled products discussed.

Across all products, the results of this study indicate that the target market for specialty meat products is composed of younger adults (22 to 35), primarily men, with a higher education level (college degree or higher) living in Northern Nevada. Additionally, the existence of children in the household had an effect on willingness to pay for locally grown labeled products.

More Information


The American Grassfed Association (AGA) was established by producers, food industry professionals and consumers to provide information for producers and consumers on grass-fed meats. The AGA can be found online at www.americangrassfed.org.

The USDA’s Food Safety and Inspection Service (FSIS) provides information about food product labeling, certification and safety guidelines. FSIS is online at www.fsis.usda.gov.

The University of Nevada Cooperative Extension (UNCE) website provides published research and information on niche marketing, branding, labeling and certification programs. All UNCE publications can be searched online at www.unce.unr.edu.

References
