

Report in Brief

If you are a vegetarian food manufacturer, distributor, retailer or marketer, the new *Vegetarian Consumer Trends* reports from Cultivate Research will give you new insights on your key consumer segments.

As one of the most comprehensive research studies ever conducted about the attitudes and behavior of U.S. adult consumers toward meat reduction and the consumption of meat and dairy alternative products, this analysis covers how many people are reducing their meat consumption, and for what reasons, and then assesses what these trends mean for you and your company. This Series Overview describes Cultivate Research's comprehensive multi-phase research study on meat reduction and avoidance behavior that provided the results for this series. It also includes high-level findings on overall meat consumption and reduction among U.S adults.

Following is a brief description of each report in the series. You can purchase each one or the whole set at www.CultivateResearch.com.



This Report

1. ***Series Overview*** – free: General dietary trends, definition of major meat consumer groups, and a detailed description of our research methodology.
2. ***Meat Reducer Consumers***: Profile and analysis of consumers who have reduced their overall meat consumption in the past year.
3. ***Semi-Vegetarian Consumers***: Profile and analysis of consumers who say they consume meat with less than one-half of their meals.
4. ***Vegetarians and Vegan Consumers***: Profile and analysis of consumers who currently abstain from consuming meat (vegetarian) or all animal products entirely (vegan).

About Cultivate Research

Cultivate Research is the leading consumer and market research company serving the needs of the vegetarian foods industry and related businesses. Our professionals provide high-quality research consulting services, presentations, and written reports to support the strategy and marketing needs of vegetarian food manufacturers, distributors, retailers, and marketers.

To learn more about Cultivate Research, visit us online at www.CultivateResearch.com, where you can also sign up for *The Grapevine*, our free e-mail newsletter.

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Volume I: Series Overview and Introduction

The U.S. dietary landscape is in a constant state of change, as a variety of trends influence consumers' decisions through a diverse mix of old and new media. Consumers are constantly adjusting their dietary preferences and food purchases to address the influx of information regarding health, sustainability, ethics, convenience, cost, and other issues. One overarching trend among U.S. adults resulting at least in part from these influences is the continued reduction and elimination of animal products from the diet. These “meat reducers,” “semi-vegetarians,” vegetarians, and vegans are growing segments of consumers that Cultivate Research has identified as the primary audience for the vegetarian food market.

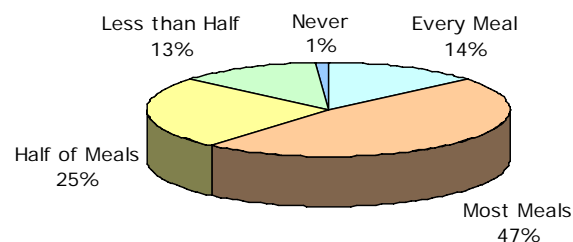
Each of these meat-limiting groups is the subject of a separate report in this series. Each report provides **specific information and an in-depth analysis of the behaviors, motivations, intentions**, and other factors that are most influential for the specific consumer segment. Together, the individual reports form a series that provides anyone involved in the vegetarian products industry with the comprehensive information needed to create **effective marketing strategies and optimize sales by reaching the broadest potential audience**. In this Series Overview, Cultivate Research offers a general discussion of meat-related dietary trends and a complete description of the research methodology we employed to obtain the unique quantitative and qualitative data provided in these reports.

Cultivate Research undertook a large, multi-phase research study including nine focus groups and a survey with 3,200 U.S. adults to investigate these segments and the motivations that affect their decisions to mitigate or halt their meat consumption. The primary objective of this research study was to understand the role of meat in the U.S. adult diet and to identify recent and important trends in the consumption of vegetarian foods. The research supports segmenting consumers into groups based on their past and future (intended) meat consumption habits. In this series of reports, Cultivate Research focuses on consumers who are limiting and/or eliminating meat and other animal-based products from their diets.

Meat Consumption and the U.S. Adult Diet

In 2005 the U.S. Department of Agriculture (USDA) estimated per capita meat consumption to be 200 pounds per person, which was 22 pounds higher than in 1970.¹ The USDA estimates show declines in red meat consumption and increases in both chicken and fish consumption. Cultivate Research confirmed that U.S. adults are frequent meat consumers. Specifically, 61% of survey respondents currently consume meat with “every” meal (14%) or with “most” meals (47%); the reports term these groups “avid” and “regular” meat consumers, respectively. By comparison, one in four U.S. adults (25%) is a “moderate” consumer who currently consumes meat with “about half” of his or her meals. Roughly one in eight adults (13%) is a “semi-vegetarian” who currently eats meat with fewer than half of his or her meals. About one adult in 100 (1%) is currently a self-reported vegetarian or vegan who “never” consumes meat.

Chart 1. Frequency of Meat Consumption, by Number of Meals



¹ For U.S. Department of Agriculture data, see <http://www.ers.usda.gov/data/foodconsumption/>

Cultivate Research also examined the U.S. adult population with respect to recent changes in meat consumption behavior. The reports classify consumers into three other segments, including:

- 1) “Meat reducers,” defined as those who have reduced meat consumption in the last year, comprising 26% of the population;
- 2) “Static meat consumers,” whose meat consumption level has not changed over the past year, comprise a strong majority (62%) of the population and;
- 3) “Meat increasers,” who have increased meat consumption over the last year, measuring 9% of the population.

The reports also segment consumers according to their intended behavior and self-reported likeliness of becoming semi-vegetarian or vegetarian.

The Dietary Backdrop: Overall Food Trends

In Cultivate Research’s focus group discussions, consumers frequently mentioned three main trends in the food sector, all of which seem to have significant influence on consumer preferences, food purchases, and ultimately over which foods end up on the dining table. Based on this original research, the most prevalent trends identified among the dietary practices of the U.S. adult population appear to be a shift toward healthier eating, more scrutiny of food safety and sources, and continued interest in foods that are more convenient. Each of these trends is discussed further below.

A significant shift toward greater health consciousness and healthier eating

The discussions from Cultivate Research focus groups showed that the U.S. adult population has become keenly aware of health issues across all aspects of daily life. Food-related research and information is more accessible and readily available than it was previously, and consumers know more about the latest health issues and research studies than ever before. Today’s consumers are more sophisticated about what they eat and how their dietary choices can affect their personal health. This sophistication relates to a number of more specific food trends addressed in this series of reports, including declining meat consumption and greater fruit, vegetable, and whole grain consumption, as well as increased demand for unprocessed, organic, and “free-range” food items.

The research conducted during the course of this study clearly shows that increased health consciousness is one of the single most influential factors affecting the dietary choices and habits of the U.S. adult in today’s society. Cultivate Research has identified that a key reason for the growing importance of health is the aging of the U.S. population; and older consumers are more likely to be reducing meat as a component of moving toward a healthier diet. As the “baby boomer” population continues to age and these consumers become increasingly concerned about their personal health, we expect the population dynamics to shift even further in favor of meat reduction for the perceived health benefits.

More interest in food safety and sources, and more scrutiny of production practices

Partly due to technological advancement, new food production methods have been introduced to increase both productivity and food quality. These new techniques, in addition to the use of new feed additives for animals and the use of specific chemicals for crops, have enabled the food industry to produce greater quantities of food, at purportedly higher qualities. However, these new processes and feed additives are the subject of a great deal of public debate, even controversy, and consumers are becoming increasingly

conscious of ethical issues and skeptical of food safety. This means that consumers are more closely scrutinizing the chemicals and additives that are being introduced at different points into the food system. This scrutiny is also resulting in a conscious return to food basics and the emergence of several interesting consumer groups that define themselves based on their shared food-scrutiny interests. For example:

- ❖ “Locavores” -- Those who consume only foods produced within a specific physical proximity of their home. This behavior would appear to be driven by goals of sustainability (including organic foods) and supporting local farmers.²
- ❖ “Flexitarians” -- Those who consume primarily vegetarian foods, but sometimes make exceptions for social, pragmatic, nutritional, or other reasons. This term is often interchangeable with “semi-vegetarians.”
- ❖ “Raw Foodists” -- Those who consume uncooked, unprocessed, and also largely organic foods as the majority of their diet, based primarily on the perception that raw foods are the healthiest form of eating, but also driven by their interest in sustainability.
- ❖ “Slow Foodists” – Those who choose locally grown foods, prepare them in traditional ways, and embrace the experience of dining with friends and family.³ This diet includes a strong psychological component and emphasis on community.

A push for more convenience regarding food access, selection, and preparation

Finally, the notions of convenience and accessibility were frequently mentioned as primary considerations in food purchase decisions. In today’s rapid-paced society, people are generally not willing to spend much time shopping or cooking their food. When shopping, the preference is to purchase items from one location. People are less likely to travel to different stores for specialized food items, unless the benefit of the item outweighs the inconvenience in obtaining it. Moreover, some consumers resist trying a new item if it is located within the same store, but in an unfamiliar section (e.g. the “organics” section). Consumers prefer to maximize the efficiency of their grocery shopping trips, and inconvenience can be a potential deterrent to sampling new products.

Furthermore, with respect to meal preparation, our research shows that people prefer to cook simple, basic meals. They tend to dine out or bring prepared foods home from restaurants or grocery stores in an effort to save time or money, and/or enjoy a more convenient lifestyle. More specifically, single men and others who live alone are the least likely to engage in complex food preparation projects and tend to cook more simply or to use prepared, convenience food items. Although this push for convenience seems counter to the strong consumer interest in health and food safety/security, most people today demand all of these. For manufacturers, marketers, and retailers of vegetarian food products, it can be a significant challenge to identify the best target audiences and appease their complex interests.

² <http://www.locavores.com>

³ <http://www.slowfoodusa.org/>

Study Background and Methodology

Cultivate Research conducted in-depth quantitative (the first phase phone survey) and qualitative (second phase focus groups) research to obtain a well-rounded understanding of the trends and motivations of consumers who limit their meat consumption. This project represents one of the most comprehensive research studies ever conducted about the attitudes and behaviors of U.S. adult consumers toward meat reduction and the consumption of meat and dairy alternative products.

Objectives

An important objective of this foundational research study was to segment current meat consumers according to their recent and intended behaviors. Using detailed quantitative data, Cultivate Research categorized meat consumption behavior into several key consumer segments based on respondents' self-reported changes from the previous year and their intended changes over the upcoming year. This segmented research was then used to accomplish the specific study objectives:

- ❖ Understand the geographic, demographic, and psychographic differences among meat consumers segmented by past, current, and intended future levels of meat consumption.
- ❖ *Qualitatively* increase the general understanding of semi-vegetarians and actual meat reducers, including current and intended eating behaviors, primary motivations and barriers to further meat reduction, and sources of influence.
- ❖ *Quantitatively* validate and expand the market's understanding of semi-vegetarians, actual meat reducers, vegetarians, vegans, and other meat consumption groups, including their current and future eating behaviors, motivations, barriers, and sources of influence.
- ❖ Identify messages and approaches that effectively persuade various meat-reducing inclined consumers to initially sample, and ultimately increase consumption of vegetarian food products.

Methodology

The initial phase of this study involved the design, execution, and analysis of a quantitative survey of a large sample of U.S. adults age 18 and over. Cultivate Research worked with Survey Sampling, Inc. and its online research panel of more than 2.5 million U.S. adults. We employed "census balanced" sampling techniques to ensure, as much as possible, representation of the adult U.S. population. In total, more than 3,200 adults completed the survey. Assuming results are truly representative of U.S. adults, then the maximum margin of error for the entire sample is +/- 1.7% (higher for subgroups).

However, online sampling based on a panel of participants (who have opted in) cannot be considered truly "random," although Cultivate Research's sample came from one of the largest and most respected consumer panels available. Using online research methods also has potential limitations given that some groups are not fully represented online; this typically results in under-representation of non-white, lower-income, and elderly individuals.

Following the quantitative research phase, Cultivate Research conducted a qualitative second phase, including nine in-person focus groups to further explore the survey findings. Focus groups were held in various cities around the United States, including Washington, D.C.; Minneapolis, MN; Houston, TX; Louisville, KY; and Portland, OR. Each focus group included 6 to 10 paid participants and lasted about 90 to 120 minutes per session. For all groups combined, there were 73 focus group participants. All groups included participants who were screened according to their past, current, and future (intended) meat

consumption, with focus on meat reducers and semi-vegetarians. Four previous focus groups in Seattle, including two groups of actual vegetarians and vegans, also supplemented the findings.

Note that the survey defined the term “meat” comprehensively by asking respondents to provide answers regarding “any type of meat, including chicken, turkey, fish/shellfish, beef, pork, veal, or lamb.” The resulting consumer segments serve as the underlying basis for the observations, conclusions, and recommendations provided in this series of reports on the three primary meat-limiting consumer segments: meat reducers, semi-vegetarians, and vegetarians/vegans.

Limitations

It is important to note that the findings presented in these reports are subject to several caveats and limitations, most notably the reliance on self-reported data. Respondents’ answers may differ from their actual opinions or behavior for a variety of reasons, particularly for questions involving predictions of the respondents’ own changes in the future. Some participants may intentionally misrepresent their own behavior and opinions about an issue in an effort to please the researcher and/or avoid social stigma; others may do so inadvertently. For instance, a participant may actually intend to decrease meat consumption for personal health reasons, but then say something else in a focus group to avoid the perception that he or she is currently unhealthy. This may also occur when asking research participants to describe their own motivations and barriers to change, including cases in which participants may not be aware of their own motivations.

Despite these limitations, however, self-reported intentions and predictions of change can provide a very useful starting point for those interested in these meat-limiting consumer segments. Several of the key consumer segments identified in these reports are based on respondents’ intentions and/or willingness to reduce their meat consumption. These responses may not align perfectly with participants’ true feelings or intentions, but these segments of consumers are nonetheless different from the rest of the adult population in ways that are meaningful to companies interested in producing, selling, or distributing vegetarian products to meat-limiting consumer groups. The segmentation approach used throughout this study is helpful to identify groups of consumers who are relatively open to meat reduction and vegetarian food products. Consumers who state that they intend to (or are willing to) reduce their meat consumption, for instance, arguably represent the most viable target markets for vegetarian food products.

Additional Reports in the Series

This report is Volume 1 in Cultivate Research's four-part *Vegetarian Consumers Trends* series. In this volume, Cultivate Research describes the dietary landscape and general trends, defines major meat consumer groups, and explains the research methodology employed for this report series. The remaining reports are described briefly below.

Detailed Segment Reports

Each of our *Vegetarian Consumer Trends* reports provides detailed and unique data on these important consumer segments, as well as recommendations for how to reach them most effectively. Each report offers more than 25 pages of essential information, including estimates of segment population size and growth forecasts, detailed data on motivations, personal and social dynamics, and other valuable knowledge to help vegetarian businesses reach these critical consumers.

1. Volume 2: Meat Reducers: Profile and analysis of consumers who have reduced their overall meat consumption in the past year.
2. Volume 3: Semi-Vegetarians: Profile and analysis of consumers who say they consume meat with less than one half of their meals.
3. Volume 4: Vegetarians and Vegans: Profile and analysis of consumers who abstain from consuming meat (vegetarian) or all animal products (vegan).

Each Cultivate Research report is designed to help vegetarian food companies calculate market potential and determine the most effective marketing tactics to reach their target audiences.

Ordering Information

To order other reports from the *Vegetarian Consumer Trends* series, please visit us online and download an order form at http://www.cultivateresearch.com/new_reports.htm. If you have any questions about Cultivate Research's reports, or if you prefer to place an order directly, please contact us.

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