

OPINIONS AND ATTITUDES OF CHAIN
SUPERMARKET REPRESENTATIVES
TOWARD GOAT MEAT

By

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ABSTRACT

The objective of this research was to determine the current marketing environment for goat meat in Florida sold through conventional, commercial marketing channels for meat. Six of 17 retail food chains surveyed presently sell goat meat in at least one of their stores. However, goat meat was identified as being sold in only 28 of 168 stores run by the six chains. The 28 individual stores selling goat meat sold an average of 2,088 pounds per year.

Representatives of chain stores presently selling goat meat see little future in expanding sales because goat meat, in general, appeals only to a small ethnic segment of the population, predominantly Latins and Haitians. Seven of nine representatives of chains not presently selling goat meat indicated there was an insufficient ethnic trade to support selling goat meat.

Low volumes, negative attitudes, and insufficient knowledge of both retailers and consumers does not presently warrant intensified promotion through chain stores. In conclusion, the foodservice industry may provide the best potential for introducing goat meat to the most consumers at an acceptable cost level.

Key Words: marketing, goat meat

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SUMMARY

- * The objective of this research was to determine the current marketing environment for goat meat in Florida sold through conventional, commercial marketing channels for meat.
- * Data from the 1980 Census of the Population were used to identify three metropolitan areas where large concentrations of ethnic populations are located. The three areas were identified as Miami (Dade County), Fort Lauderdale (Broward County) and Tampa (Hillsborough County). Previous research indicated that these areas were likely candidates for relatively high goat meat consumption and were selected because of this characteristic. Chain stores operating in the study areas were identified through use of the 1986 Directory of Supermarkets, Grocery and Convenience Stores.
- * Meat buyers and executives of 17 retail food chains doing business in the study area were interviewed. These 17 chain stores consist of approximately 622 individual stores located throughout Florida.
- * Six of the 17 retail food chains surveyed presently sell goat meat in at least one of their stores. These six chains are made up of approximately 168 stores. However, goat meat was identified as being sold in only 28 of these 168 stores. The average number of stores per chain for goat meat sellers was six versus 53 for non-sellers. Chains selling goat meat tended to cater to specific groups of ethnic consumers.
- * Total annual volume, sold by the six chains, was approximately 58,450 pounds. The 28 individual stores selling goat meat sold an average of 2,088 pounds per year or 40 pounds per week. Two chains sold 84 percent of the total survey volume.
- * Ninety-nine percent of the survey volume was purchased in frozen product form. Five of the six chains purchase whole carcasses. The sixth chain store (largest of the six) purchased whole carcasses plus "anything they can get." Most of the meat was resold in primal-like chunks containing no specific body part. About 12 percent was diced and some whole carcasses were sold.
- * Wholesale purchase price (per pound, whole carcasses) ranged from \$1.10 to \$1.20 and averaged \$1.16. The retail price ranged from \$1.50 to \$1.69 and averaged \$1.58. Overall mark-up on purchase price averaged 26 percent.
- * No major marketing problems were identified by representatives of chain stores selling goat meat, although two chain store representatives mentioned lack of demand as a problem, and supply was mentioned once.

- * Representatives of chain stores presently selling goat meat see little future in expanding sales because goat meat, in general, appeals only to a small ethnic segment of the population, predominantly Latins and Haitians. Nearly half of the representatives of chains not selling goat meat were outwardly negative towards the idea of selling goat meat. Seven of nine representatives indicated there was an insufficient ethnic trade to support selling goat meat. Two of the negative responses were by executives representing chain stores with a combined Florida market share of 50 percent.
- * In general, non-sellers and sellers alike exhibited a lack of knowledge concerning goat meat. Most sellers did not know how customers reacted to the quality and product form of the meat they sold, nor how the product was prepared. Non-sellers did not know what product form was preferred by goat meat customers, how goat meat ranked in quality, how the product was prepared, or how it tasted. Most non-sellers stated there was a lack of public knowledge concerning goat meat, and indicated there was a need for consumer education. Nearly all non-sellers felt that finding a dependable supply of goat meat would be difficult, and over half felt that their customers would react negatively towards having goat meat in the displays.
- * Low volumes, discouraging attitudes, and insufficient knowledge of both retailers and consumers does not warrant intensified promotion through chain stores. In conclusion, the foodservice industry may provide the best potential for introducing goat meat to the most consumers at an acceptable cost level.

TABLE OF CONTENTS

	<u>Page</u>
ACKNOWLEDGEMENTS	ii
SUMMARY	iii
LIST OF TABLES	vi
INTRODUCTION	1
OBJECTIVES	1
PROCEDURES	2
FINDINGS	4
Chain Stores Selling Goat Meat	4
Incidence of Goat Meat Sales	4
Product Form	4
Retail Volume	5
Purchase and Selling Prices	5
Seasonality	6
Marketing Problems	6
Promotion and Customer Comments	7
Clientele and Future Sales	7
General Attitudes	7
Chain Stores Not Selling Goat Meat	9
Initial Attitude	9
Product Form	10
General Attitudes	10
CONCLUSIONS	11
LITERATURE CITED	14

LIST OF TABLES

<u>Table</u>		<u>Page</u>
1	Florida standard metropolitan areas with highest concentrations of selected ethnic populations	3
2	Retailers' selling and purchase prices	6
3	General attitudes of sellers towards goat meat related statements	8
4	General attitudes of non-sellers towards goat meat related statements	11

OPINIONS AND ATTITUDES OF CHAIN SUPERMARKET
REPRESENTATIVES TOWARD GOAT MEAT

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INTRODUCTION

American consumers are among the best fed in the world, and animal protein is a major constituent in their diets. Americans' diets are diverse, and many species of animals are consumed, although beef, pork and poultry are the most important. Goat meat is consumed widely in many countries of the world, particularly in developing countries; however, consumption of goat meat is limited in the United States. Recently, there has been an increased interest in goat production, particularly in north Florida, as an alternative agricultural enterprise for small farms. While milk production is important to Florida's emerging goat industry, increased goat meat consumption can improve the economic viability of goat production.

OBJECTIVES

For the last several years, faculty at the University of Florida have cooperated with Florida A & M University in assessing the marketing environment for goat meat in Florida. In 1986, livestock auction managers were interviewed to identify buyers of live goats and to determine typical marketing channels for these animals in Florida. As a result of this preliminary work, additional research was conducted in late 1986 and early 1987. The basic objective of the more recent research was to determine the current marketing environment for goat meat in Florida sold through conventional, commercial marketing channels for

meat. The results are published in two reports, one focusing on wholesale distribution channels and the other on supermarket distribution (Degner and Locascio).

Specific objectives of the retail study were to: (1) determine the present levels of goat meat being marketed through retail food chains, (2) determine chain store representatives' attitudes towards handling goat meat, (3) evaluate the potential for selling more goat meat through chain stores, and (4) identify marketing problems and constraints on market expansion.

PROCEDURES

Data from the 1980 Census of the Population were used to identify three metropolitan areas where large concentrations of ethnic populations are located. The three areas were identified as Miami (Dade County), Fort Lauderdale (Broward County) and Tampa (Hillsborough County) (Table 1). These three markets total over 3.2 million people, of which 1.3 million were comprised of ethnic groups hypothesized to be likely consumers of goat meat. These ethnic groups included Spanish, American blacks, Greeks, Italians and Portuguese, with fifty-three percent of the ethnic residents being of Spanish descent. Chain stores operating in the study areas were identified through use of the 1986 Directory of Supermarkets, Grocery and Convenience Stores. Due to the geographically dispersed nature of many chain stores, attitudes towards and knowledge concerning goat meat were revealed for several chain stores doing business throughout Florida, as well as for the immediate study area. Meat buyers and executives of 17 retail food chains doing business in the

Table 1.--Florida standard metropolitan areas with highest concentrations of selected ethnic populations.

Ethnic Group	Standard Metropolitan Areas					
	Miami	Tampa ^a	Ft. Lauderdale/ Hollywood	Jacksonville	Orlando	West Palm Beach/ Boca Raton
	(-----Persons-----)					
Spanish Origin	580,994	64,199	40,315	13,366	25,972	28,505
Black	269,670	84,834	111,258	156,575	90,595	76,264
Greek	4,685	1,248	3,960	1,201	910	1,603
Italian	34,742	18,849	73,092	8,327	14,919	23,405
Portuguese	<u>1,795</u>	<u>670</u>	<u>1,536</u>	<u>458</u>	<u>645</u>	<u>687</u>
Total	891,886	169,800	230,161	179,927	133,041	130,464

^aThe Tampa metropolitan area includes only Hillsborough County.

Source: 1980 Census of Population.

study area were interviewed. These 17 chain stores consist of approximately 622 individual stores located throughout Florida.

FINDINGS

Chain Stores Selling Goat Meat

Incidence of Goat Meat Sales

Of the 17 retail food chains surveyed, six presently sell goat meat in at least one of their stores. These six chains are made up of approximately 168 stores. However, goat meat was identified as being sold in only 28 or 17 percent of these 168 stores. Overall, goat meat was sold in approximately five percent of the 622 total stores represented in the survey.

The six chains identified as selling goat meat tended to be smaller chains catering to specific groups of ethnic consumers. The average number of stores per chain selling goat meat was six versus 53 for non-sellers. Although it is located outside the immediate study area, Belle Glade was mentioned by two chains with stores in this area. They cater to the large agricultural migrant labor force, which is at its peak from November through February.

Product Form

All goat meat was purchased from wholesale distributors located in Florida. Practically all of the survey volume was purchased in frozen product form. Five of the six chains purchase whole carcasses. The sixth chain store (largest of the six) purchased whole carcasses plus "anything they can get." When asked what characteristics would be

important to know before purchasing goat meat, two chain representatives said USDA inspection, and two offered no suggestions.

Most of the meat was resold in primal-like chunks containing no specific body part. About 12 percent was diced and some whole carcasses were sold. None of the chains handled goat heads. Two chain store representatives said their customers would take any product form they could get, another said customers preferred rear legs, and one did not know.

Retail Volume

Total annual volume sold by the six chains was approximately 58,450 pounds, an average of 9,741 pounds per year per chain for the six chains selling goat meat. The 28 individual stores selling goat meat sold an average of 2,088 pounds per year or about 40 pounds per week. However, weekly sales were extremely variable, ranging from three to 525 pounds. The two chain stores selling the most goat meat represented 21 (75 percent) of the 28 stores selling goat meat. These two chains sold 84 percent of the total survey volume. They averaged close to 25,000 pounds per chain, but only 2,360 pounds per store annually.

Purchase and Selling Prices

Wholesale purchase prices (per pound, whole carcass) ranged from \$1.10 to \$1.20 and averaged \$1.16 (Table 2). Retail prices ranged from \$1.50 to \$1.69 and averaged \$1.58. Average purchase and sale prices weighted by volume were \$1.19 and \$1.46, respectively. One chain offers specials from time to time for \$1.20 per pound. Mark-up averaged 26

percent (22.5 percent weighted by volume) of the wholesale price and ranged from 20 to 30 percent.

Table 2.--Retailers' purchase and selling prices.

	Purchase Price	Sale Price	Mark-up ^a
	(-----Dollars per Pound-----)		(Percent)
Simple Average	1.16	1.58	26
Weighted Average	1.19	1.46	22.5
Range	1.10-1.20	1.50-1.69	20-30

^aPercent mark-up is based on purchase price.

Seasonality

Three of the four low-volume chains indicated that there is seasonality of demand. Christmas was mentioned twice, Easter once and the crop/migrant season once as peak demand periods. Representatives of the smallest volume chain (156 pounds per year) and the two largest volume chains felt there was no seasonality of demand.

Marketing Problems

Half of the six chain store representatives selling goat meat said they encountered no marketing problems. Two mentioned lack of demand as a problem. Only one, the largest goat meat volume chain representative, mentioned supply as a problem. Indications are that one chain store purchased Australian mutton and sold it as goat meat at a relatively low price. This practice, coupled with the lack of obvious differences between mutton and goat carcasses, could be a problem to wholesale buyers and consumers alike.

Promotion and Customer Comments

Goat meat was promoted to a significant degree by only one chain store. This particular chain (second largest survey volume), ran specials at a reduced price and mailed fliers to its customers. Another chain periodically included goat meat advertisements in weekly fliers. Three of the chain stores relied totally on window and/or shelf signs, and one chain used no promotion at all.

Chain store representatives were asked about customers' comments towards the overall quality of their goat meat. Only one representative said customers' comments were favorable. Another felt customers were indifferent towards the chain's goat meat, and three did not know.

Clientele and Future Sales

Latins were mentioned four times as being a specific ethnic group which purchases goat meat. Two of these four felt that older Latins constituted a major market segment. Haitians were mentioned twice, and older Italians once.

When asked what potential they saw for selling increased quantities of goat meat in the future, five of the six chain store representatives were pessimistic. One responded positively but indicated it depended on the market area because he felt that goat meat was mainly consumed by Haitians. Three said there was minimal growth potential because appeal is limited to ethnic groups.

General Attitudes

Chain store representatives were read a series of statements and asked to agree or disagree with each one (Table 3). Of the four sellers

who cooperated, three felt that they did not carry goat meat for novelty sake, and one felt they did. Three felt goat meat was not more profitable than other meat items, and one did not know. Three representatives felt that finding a dependable supply was easy, while one did not. Two felt goat meat was delicious, one did not, and the fourth had no idea how goat meat tasted. Three felt the quality of goat meat was high, and one did not know. All four responding representatives felt that overall customer reaction to having goat meat in the displays was positive. Also, they all felt that goat meat went well with the other meat items they sold and that selling goat meat increased their total sales.

Table 3.--General attitudes of sellers towards goat meat related statements.

Statement	Response ^a		
	Positive	Negative	Do Not Know
It is a Novelty Item	1	3	0
More Profitable than Other Meats	0	3	1
Good Customer Reactions	4	0	0
Dependable Supply	3	1	0
High Quality Meat	3	0	1
Goes Well in Meat Department	4	0	0
Would Increase Total Sales	4	0	0
It's Delicious	2	1	1

^aAfter each statement, respondents were asked to strongly agree, slightly agree, slightly disagree or strongly disagree. Respondents strongly or slightly agreeing were reported as positive responses. Respondents strongly or slightly disagreeing were reported as negative responses.

Chain Stores Not Selling Goat Meat

The attitudes of representatives of chain stores not selling goat meat are important for understanding why goat meat is not sold more widely and for determining what barriers exist towards future market expansion. Nine of the eleven representatives of chain stores not selling goat meat answered questions and offered opinions concerning goat meat and discussed the possibility of selling it in the future.

Initial Attitude

Four of nine representatives had a negative first reaction towards the thought of selling goat meat in their stores. Three others were neutral, and two were positive. Two of the negative responses were by executives representing chain stores, with a combined Florida market share of approximately 50 percent. One of the neutral respondents represented a chain which sold goat meat in Texas. However, he felt that there was an insufficient market in south Florida to sell goat meat in his stores. Of the two with positive first reactions, one had previously suggested carrying goat meat but was overruled by the company's president. The other was willing to try goat meat only during the crop/migrant season. All seven representatives who were negative or neutral towards carrying goat meat indicated that there were insufficient ethnic populations in the areas where their stores were located to support selling goat meat, or that they did not cater to those particular ethnic groups purchasing goat meat. None of the nine chain store representatives had ever been presented with sales promotion or plans received any sales materials related to selling goat meat.

Product Form

Most chain store representatives hypothetically preferred to be able to purchase goat meat already cut up. Three requested that the meat be fresh, and two requested frozen. The most common pre-purchase condition was USDA inspection. When asked what forms they thought customers would like, six of the nine had no specific ideas.

General Attitudes

Chain store representatives were read a series of statements and asked to agree or disagree with each one (Table 4). Eight of the nine representatives agreed they would not carry goat meat for novelty's sake. Five felt that goat meat would not be more profitable than other meats, two thought it would, and two did not know. Five felt that their present customers would react negatively to having goat meat in the displays, three felt customer reactions would be positive, and one could not predict how customers would react. Eight felt that finding a dependable supply would be difficult. Only one felt it would not be a problem. Five of the representatives did not have any knowledge regarding the quality of goat meat, three felt it was low quality, and one felt it was good quality. Five felt goat would go well with other meat products, while four did not. Four felt goat meat would increase total store revenues, while five did not. Five non-sellers did not know how goat meat tasted, two said it was good, and two did not like it.

Table 4.--General attitudes of non-sellers towards goat meat related statements.

Statement	Response ^a		
	Positive	Negative	Do Not Know
It is a Novelty Item	1	8	0
More Profitable than Other Meats	2	5	2
Good Customer Reactions	3	5	1
Dependable Supply	1	8	0
High Quality Meat	1	3	5
Goes Well in Meat Department	5	4	0
Would Increase Total Sales	4	5	0
It's Delicious	2	2	5

^aAfter each statement, respondents were asked to strongly agree, slightly agree, slightly disagree or strongly disagree. Respondents strongly or slightly agreeing were reported as positive responses. Respondents strongly or slightly disagreeing were reported as negative responses.

CONCLUSIONS

Presently, the volume of goat meat being sold through Florida chain supermarkets is low. Of the 17 retail food chains represented in the survey, only six were selling goat meat. Of the 168 stores represented by these six chains, only 28 actually sold goat meat. These 28 stores sold an average of less than 2,100 pounds per store per year. Goat meat was promoted to a significant degree by only one chain store.

The chain stores selling goat meat were the smaller chains, averaging six stores per chain versus 53 for non-selling chain stores. These chains also catered to specific ethnic segments of the general population. Nearly all goat meat was purchased frozen and mostly in whole

carcass form. Most of the meat was resold in primal-like chunks containing no specific body parts. Wholesale purchase price averaged \$1.16 per pound, and retail sale price averaged \$1.58. The overall mark-up on purchase price averaged 26 percent. Weighted by volume, the wholesale purchase price averaged \$1.19, the retail sale price averaged \$1.46, and the mark-up averaged 22.5 percent. No major marketing problems were identified by representatives of chain stores selling goat meat, although two chain store representatives mentioned lack of demand as a problem, and supply was mentioned once.

Representatives of chain stores presently selling goat meat see little future in expanding sales because goat meat, in general, appeals only to a small ethnic segment of the population, predominantly Latins and Haitians. Nearly half of the representatives of chains not selling goat meat were outwardly negative towards the idea. Seven of nine representatives indicated there was an insufficient ethnic trade to support selling goat meat. Only one of nine non-selling chain store representatives was enthusiastic about selling goat meat, but only during the crop/migrant season.

In general, non-sellers and sellers alike exhibited a lack of knowledge concerning goat meat. Most sellers did not know how customers reacted to the quality and product form of the meat they sold, nor how the product was prepared. Non-sellers did not know what product form was preferred by goat meat customers, how goat meat ranked in quality, how the product was prepared, or how it tasted. Most non-sellers stated there was a lack of public knowledge concerning goat meat and indicated there was a need for consumer education. Nearly all non-sellers felt finding a dependable supply of goat meat would be difficult, and over

half felt their customers would react negatively towards having goat meat in the displays.

The present volume sold through retail food outlets is small, and chain store representatives' attitudes towards selling more goat meat, or selling goat meat at all, is not encouraging. Chain store representatives' marketing knowledge of goat meat, as well as the retail consumers' knowledge of taste and preparation, is insufficient to warrant intensified promotion through chain stores.

In conclusion, the foodservice industry may provide the best potential for introducing goat meat to the most consumers at an acceptable cost level. The foodservice trade will require education as to the merits of goat meat. Pre-cooked and properly packaged products must be developed for the foodservice trade and eventually for the retail consumer. Because the typical American consumer is unfamiliar with the product, foodservice outlets, particularly restaurants, have an opportunity to prepare the product correctly and offer a tasty alternative to conventional meat products to mainstream American consumers.

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