Innovation and Trends in Consumer Marketing in Europe

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Introduction

Marketing is about driving sales, and good marketing should lead to improved sales and growing market shares. These proceedings will outline marketing strategies applied in Europe to meet consumer demands and concerns about pork.

About Marketing Pork

In theory, marketing activities should lead to growing sales. If this is to succeed, then the company, farmer or organization wanting to sell must have an understanding of the market, its competition, and the customer. Hence, an understanding of consumers’ preferences for pork products, the possible and appropriate marketing channels and the companies’ market position are crucial elements in outlining a marketing strategy.

The basis for a marketing strategy is for a company to know the product. This means, that there are vast differences in marketing a fresh meat cut and a processed product, and there are strong deviations between consumer preferences across Europe. The pork company must identify the consumer segment that should be targeted with the product in question, as well as have an understanding of the distribution channel. The latter refers to e.g. retail stores, farmers markets or food service operations.
Pork Consumption in the EU

Pork is consumed in all EU countries. In 1999, pork consumption in EU-15 was in average 43.7 kg per capita, and in 2009 average consumption had dropped to 39.8 kg per capita. Consumption of beef dropped slightly to 18.7 kg per capita in 2009, and consumption of poultry increased to an average of 22.7 kg per capita in 2009. Average per capita consumption of meat is slightly higher in East Europe than in West Europe (Danish Agricultural Council, 2010). A European research project (www.q-porkchains.org) has proven that consumers favor cuts like the ham roast and tenderloin (Figure 1).

Figure 1. Penetration among European consumers of selected pork cuts

The biggest concerns for European consumers when purchasing pork and pork products are listed below. There may be some variations between countries and regions, but overall, price is still the most important parameter. There is a trend for a higher priority of meat quality in countries like France and Spain, whereas consumers in the Netherlands and Denmark are more concerned about animal welfare. In East European countries price is still the most important purchasing parameter.

- Price and taste
- Healthy food
- Production system (and attributes like free-range, organic etc.)
- Environmental impact
- Food safety
- Country of origin
In the light of the global warming-debate and discussions about carbon footprint there seems to be growing consumer awareness about these issues. So far this trend has only had a minor impact on pork consumption.

### Consumer Segmentation

European consumers of pork may be segmented according to consumption patterns. The segment “Low variety – low frequency” is characterized by a low consumption of pork and when pork is consumed, the consumers prefer a narrow range of products. This segment accounts for 18% of consumers (Verbeke et al, 2009). An important parameter for this group of consumers is sufficient product information available in the purchasing situation. The segment “High variety – medium frequency” mainly consists of families and is characterized by a rather frequent consumption of many different pork cuts and processed products. The segment accounts for 51% of pork consumers. The segment “High variety – high frequency” consists predominantly of less educated, overweight males in Northern Europe. These consumers have a positive attitude towards new products, they eat much pork, and they may have more than 1 serving of pork per day. The segment accounts for 19% of consumers.

### Pork with Attributes

#### Schemes Targeting Pork

There is a growing trend for implementing schemes in the European food sector. The schemes target specific production requirements, products’ origin, product qualities, food safety or defined parts of the value chain. The latter particularly refers to schemes for agricultural production. Examples of schemes targeting pork in Northern Europe are summarized in **Table 1**.
Table 1. Selected schemes targeting pork in Northern Europe.

<table>
<thead>
<tr>
<th>Country</th>
<th>Name of scheme</th>
<th>Main concepts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>Certus</td>
<td>High quality pork</td>
</tr>
<tr>
<td>Netherlands</td>
<td>IKB Pork</td>
<td>Quality assurance scheme targeting primary production and processing</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Grasskeurmerk</td>
<td>Free-range pork</td>
</tr>
<tr>
<td>Denmark</td>
<td>Friland</td>
<td>Free-range pigs, focus on animal welfare</td>
</tr>
<tr>
<td>Denmark</td>
<td>Antonius</td>
<td>High quality pork from selected producers</td>
</tr>
</tbody>
</table>

Organic Pork

Organic food accounts for 8% of food consumption in Denmark, but only 2% of pork consumption. Despite the low market share for organic pork, there are vast differences between the consumer segments purchasing organic pork. Market research has revealed 5 major consumer segments within organic food in Denmark (Figure 2).

Figure 2. Consumer segments for organic food in Denmark, 2010 (as a percent of consumers buying organic food)
The largest consumer group for organic products in Denmark is the segment “The Idealists”. This segment’s consumption of organic food is twice the average level of Danish consumers. Consumption of organic pork among Idealists accounted for 3.4% of the fresh pork and 4.4% of sliced pork (Association for Danish Organic Farming, 2010). The differences in consumer attitudes to organic pork and their purchasing reasons strongly impact industry’s communication and marketing. To market organic pork to consumers in the Idealist-segment communication must target issues such as animal welfare, environmental impact, locally produced pork and better quality. To target consumers in the Discount segment issues in communication should be: “fresh unprocessed food for you to prepare”, healthy food, and price.

- Promoting Pork as Healthy Food

In Northern Europe there is a strong preference for choosing food with a healthy profile. Several labeling schemes have been implemented to increase consumer awareness of the healthy food choice. In 2000 Finland introduced the Heart Label. The label can be used for food products (processed and unprocessed) that meet the requirements for low fat, low sodium, and in some products, also rich in fiber. Today, more than 85% of the Finnish consumers know this label from the retail stores. The largest catering company in Finland (Fazer) has developed meals that can be certified according to the requirements of the Heart Label.

A label promoting healthy food was introduced in Denmark in 2009: The Key Hole labeling. It was already used in Sweden and Norway. The Key Hole promotes food that is low in sodium, sugar and fat, and when relevant rich in fiber. The Key Hole may be used for fresh as well as processed food. Today there are several examples of the Key Hole label being used for pork products: ready meals, liver pates and sausages. This way the Key Hole can promote pork products as healthy food.

- Summary

Pork is consumed in all European countries as fresh pork and processed products. There are some regional preferences particularly for processed meat, whereas European consumers generally eat the same types of meat cuts. Consumers can be segmented according to preferences and purchasing patterns. Pork companies, organizations and other bodies use consumer segmentation and market trends to develop schemes targeting specific market segments. Other schemes aim to promote consumers’ choices of healthy foods. Therefore, marketing of pork and pork products to the European
consumers is about building a universe around the product, and not the product on its own.

**References**

Association for Danish Organic Farming. 2010. Segmenting and profiling Danish consumers of organic food. Presentation prepared in cooperation with GfK Consumer Scan. Denmark, July 2010. 55 pages


