QUALITY MEAT PACKERS’ BRAND STORIES

Jim Gracie
Vice President Marketing and Business Development
Quality Meat Packers Limited
2 Tecumseth Street, Toronto, ONM5V 2R5

ABSTRACT

Success in marketing any product including pork relies on the ability of a product to uniquely and competitively fill an unmet consumer need in the market, and to create a relationship or brand experience with target consumers.

Quality Meat Packers has been a family run meat and pork processor since 1931. From its current location in Toronto, the Company processes 30,000 hogs per week, making it the third largest pork processor in Canada. Hogs are sourced from over 600 farms in Ontario. This presentation highlights four brands of pork that are supplied from Quality Meat Packers that have been successful in the pork category.

BRAND STORY 1 – WALKING TREE PORK

‘Walking Tree’ is the brand name for the fresh chilled pork sold in the Japanese market by Quality Meat Packers. Selling fresh pork in the Japanese market requires a meaningful consumer benefit with high appeal in that market. The Japanese consumer values purity, and the assurance of high standards for food safety. Meeting these needs is captured in the ‘Walking Tree’ brand through the use of images of Canada (pristine and pure) and the producer families (trusting and caring) that grow the hogs.

Support for the brand promise of purity and food safety is done through the sourcing of livestock from six farms in Ontario that make up our “Quality Producer Alliance”. These farms follow strict protocols for husbandry, cleanliness, and batch segregation processes. They are regularly audited by a third party and visited by Japanese customers. Further support for the food safety benefit is that the Quality Meat Packers plant is certified under the SQF standards (Safe Quality Foods). This is a standard that is recognized in the Global Food Safety Initiative (GFSI) as the highest level of food safety. Quality Meat Packers was the first meat plant in Canada to obtain SQF certification.

BRAND STORY 2 AND 3 – LOBLAW FREE FROM PORK AND NATURE’S OWN PORK

There is a segment of consumers in the Canadian market that are looking for purity in the food they eat. They seek to avoid the feeding and medication practices that are often associated with modern farming. A major Canadian retailer, Loblaw Stores is targeting this segment of
consumers with their ‘Free From’ brand of products. Quality Meat Packers is the supplier of pork for the FREE FROM program in Ontario and East.

The pork program is a true value chain program. Nutrition and diet requirements were developed by Grand Valley Fortifiers to raise hogs without antibiotics, that are vegetable grain fed, and are never fed animal by-products. Started in 2007, now over 35 farms in Ontario raise hogs specifically for the ‘Free From’ program. Quality Meat Packers provides the segregated processing of the hogs and compliance to regulatory labeling standards as defined by the Canadian Food Inspection Agency. Loblaw Stores merchandises the counter ready packages of fresh pork to be purchased by consumers.

Market potential for so-called niche pork products like pork raised without antibiotics is estimated as 15-20% share at a price premium of 40% over conventional pork. This estimate is based on a 2005 study by R. Parker and Associates.

The ‘Nature’s Own’ brand was developed by Quality Meat Packers to market the processed meats that use raw material from this program. This includes a ‘Nature’s Own’ smoked sausage, black forest ham, and potential for a bacon product.

**BRAND STORY 4 – LEGACY FRESH PORK**

The generation of consumers that are entering into their 20’s may be the first generation that has never seen Mom or Dad cook a meal in the kitchen. Combined with growing time pressures and the need for convenience, this is the target position for the ‘Legacy’ brand. Several fresh convenience products have been launched by Quality Meat Packers in the past two years. These are fresh pork products that:

- Are ready to cook, and will be moist and tender even when grilled.
- They are pre-spiced with comfortably upscale spice blends that compliment the meat, not hide the meat.
- Use quality cuts of pork, avoiding the “mystery meat” texture and bite of many competitive products on the market.

‘Legacy’ products are the fastest growing products in the fresh pork category for Quality Meat Packers and target the younger consumer that traditional pork cuts are missing.

**REFERENCES**

BRANDING CANADIAN PORK – DEFINING CONSUMER WANTS

Anita Ivanauskas
Ontario Pork/Pork Marketing Canada
655 Southgate Drive, Guelph, Ontario, N1G 5G6
Email: saffron@sympatico.ca

ABSTRACT

Marketing and business leaders know that a strong brand identity will increase the value of your organization. It may seem peculiar to evaluate branding within the context of marketing fresh pork, but perhaps that is exactly what this industry needs. Canadian Pork is world renowned for its quality and is a highly regarded global brand. Foodland Ontario is also well established and highly regarded for the quality and flavour that ‘local fare’ brings. At the fresh/unprocessed meat counter we see category segmentation of chicken and beef that provides consumers with products that fulfill a need – premium products that offer superior flavour and texture and commodity products that appeal to the price conscious consumer. The pork category however is generally lacking in this kind of differentiation. The introduction of an overarching brand along with on-line sorting at the plant level could bring the pork category to sales and pricing levels that are typically reserved for other proteins.

BRANDING

There are so many definitions to choose from. According to Wikipedia, ‘a brand is a product, service or concept’. According to the American Marketing Institute, ‘a brand is a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers’. My personal favourite definition (unidentified source) however is ‘A brand is a promise.’ And, a good brand delivers on that promise consistently.

Brand equity is the value of the brand; it is essentially a score of how well a brand delivers on its promise. According to Interbrand, a leading global brand consulting organization, the top 10 brands in 2010 – globally and in Canada were:

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<thead>
<tr>
<th>Top 10 Global Brands</th>
<th>Top 10 Brands in Canada</th>
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<tr>
<td>1. Coca Cola, $70.5 billion</td>
<td>1. Thomson Reuters, $9.4 billion</td>
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<tr>
<td>2. IBM, $64.7 billion</td>
<td>2. TD, $6.7 billion</td>
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<tr>
<td>3. Microsoft, $60.9 billion</td>
<td>3. RBC, $6.2 billion</td>
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<tr>
<td>4. Google, $43.6 billion</td>
<td>4. BlackBerry, $6 billion</td>
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<tr>
<td>5. GE, $42.8 billion</td>
<td>5. Shoppers Drug Mart, $3.4 billion</td>
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<tr>
<td>6. McDonald’s $33.6 billion</td>
<td>6. Tim Hortons $2.6 billion</td>
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<tr>
<td>7. Intel, $32 billion</td>
<td>7. Bell, $2.4 billion</td>
</tr>
<tr>
<td>8. Nokia, $29.5 billion</td>
<td>8. Rogers, $2.3 billion</td>
</tr>
<tr>
<td>9. Disney, $28.7 billion</td>
<td>9. Scotiabank, $2.2 billion</td>
</tr>
<tr>
<td>10. HP, $26.9 billion</td>
<td>10. BMO, $2 billion</td>
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So, what does this have to do with pork? We know that pork is not a brand, but the top three benefits to an organization that develops a brand are: increased revenues and market share; decreased price sensitivity; and increased customer loyalty.

This is exactly what we have been hoping to accomplish in the pork industry, but just not sure how to get there. It is certainly more difficult in the meat industry because unlike Coke or Tim Horton’s, we do not manufacture a product with precision. Our product is, to a certain extent, left to nature and so we must manage what we produce and, like Coke, create an image. One thing that we do know is that consumers are willing to pay for a product that delivers what they expect – every time they buy it.

**Coca Cola**

Who would have thought that a can of sugar and water could be the number one brand in the world, particularly when consumers are becoming more and more health conscious? According to Interbrand, Coca Cola has been successful in their marketing efforts because their “brand promise of fun, freedom, spirit and refreshment resonates the world over and it excels at keeping the brand fresh and always evolving – all this, while also maintaining the nostalgia that reinforces customers’ deep connection to the brand”. Clearly Coke conjures an image in the minds of consumers all around the world and they have thus established a successful brand, partly as a result of this. It seems hard to believe, but perhaps the Canadian pork industry could learn from this global giant.

**Canadian Pork**

Although producer associations are unable to ensure consistency at the counter, we certainly can work together to drive the industry in a particular direction. It is up to the brand owners (retailers and processors) to determine what the individual brands promise and ensure that they deliver on that promise.

The Canadian Pork industry, however, does in fact have a brand that is marketed around the world. According to Canada Pork International, Canadian Pork is world renowned for its quality, and consumers and customers in our export markets see it as ‘premium’ and one of the most highly sought after pork brands in the world. Interestingly, the specifications required to ship to foreign markets have traditionally been more rigid than they have been in Canada. Could the industry work together in an attempt to provide a level of consistency to Canadian consumers, therein establishing an overarching brand of Pork? How about Canadian Pork for Canadians! The imagery that has been successful in the export market lies within a story that was developed by Canada Pork International – *The Canadian Pork Story*. The imagery employed in part includes beautiful clean vast amounts of land and water, which all contribute to produce some of the best quality product in the world.

**Foodland Ontario**

Similarly, Foodland Ontario has developed a successful brand that resonates locally with Ontario consumers. The imagery that is depicted in Foodland marketing efforts is one of comfort and home and clearly provides consumers with a perceived brand of quality and comfort.
SEGMENTATION WITHIN THE MEAT COUNTER

The development of the Canadian Pork brand or the Foodland Ontario brand (in the pork category) alone will not turn this industry around. If we look at other proteins in the meat counter, we see two segments within the fresh/unprocessed chicken and beef categories. Both have what we could call a ‘Premium segment’ and a ‘Commodity segment’ and each segment provides consumers with a level of differentiation that fulfills a need. The two industries, however, attain these in different ways. The chicken industry has two systems by which the product is cooled (water versus air chilled). By all accounts, air chilled produces a superior product. The beef industry grades on-line to pull out the superior product and sell it at a premium. Although the attributes are not limited to the following, these tend to be the core attributes of some of the brands that are in the market today.

Chicken

Premium fresh chicken tends to be air chilled and has superior flavour, texture and presentation. Brand examples include Maple Leaf Prime, President’s Choice, and Kirkland, and they all command a higher price. Commodity chicken tends to be water chilled, is unbranded, is said to be less tender, and typically has inferior presentation, but delivers a decent product to the price conscious consumer.

Beef

Premium fresh beef is graded at the plant level, is typically ‘AAA’ or ‘Prime’, is quite often aged and has superior flavour, texture and presentation. It too commands a higher price and a brand example is Sterling Silver Beef. Commodity beef, like chicken, targets the price conscious consumer and tends to be ungraded or graded ‘A’ and does not always provide the level of consistent superior flavour and texture that comes with the premium brands.

Pork

When we think of fresh pork, it is more difficult to identify differentiation or segmentation within the category. Although there are organic and antibiotic free brands available, there is a definite lack of brands that offer, for example, superior flavour or a lean offering. Through a multitude of sensory evaluation testing, we have determined that colour and marbling or fat are important factors in delivering superior flavour and texture. Interestingly, Japan and Korea, who are the most lucrative export markets for Canada, have colour standards and minimal marbling levels that they demand and yet in Canada, retailers have rarely made those demands. An on-line grading system to provide customers with the specification that they are looking for would create consistency for any given brand, thus ensuring that the brand delivers on its promise.

CONSUMER RESEARCH

For the last 4 years, Ontario Pork has successfully worked on introducing the concept of more heavily marbled pork. The challenge is in the marketing of it. How do you sell a product that
has more fat in it, when consumers have made it very clear that they are interested in lowering their fat intake? In February, 2011, Ontario Pork conducted qualitative consumer research to determine how to communicate marbling attributes as a positive to consumers. The results were exciting. Three levels of marbled loin chops were presented to the consumer – marbling levels of 1, 3 and 5, with 1 having the lowest level and 5 having the highest level of marbling. Although 86% indicated that they would choose the leanest cuts when raw, every participant – 100% – chose the higher marbling level of 5, when cooked. Upon further examination, they suggested that the use of the term ‘marbling’ was something that required education, but that it was ‘natural’, and through education they suggested that consumers would understand that this is a valuable attribute. Through one branding exercise, it was interesting to note that the consumers branded the marbling level of #1 as the ‘lean choice’ and deemed it to be premium. The marbling level of #5 was branded as the ‘full flavoured’ choice and also deemed to be premium. Both of these product segments were filling a need for almost every consumer in the study. These two categories provided very real and tangible attributes that could be easily replicated in the meat counter and command a premium price. In the real world, it would provide differentiation from ungraded commodity pork that would still be available for the price conscious consumer.

According to Inspire Group Inc, who led the qualitative sessions and provided strategic recommendations, the pork category needs an industry grading system, which could be a two tiered system such as A, AAA and a consumer classification system which would classify pork according to the benefits that it provides consumers. The classification system would be determined by the brand owners.

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<tr>
<th>Industry/Processor “Grading” System</th>
<th>Consumer Premium Pork Identification &amp; “Classification” System</th>
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<tr>
<td>Industry standard for fresh pork (not communicated to consumers)</td>
<td>1. Identifies all premium fresh pork (lean &amp; marbled)</td>
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<td></td>
<td>2. Classifies pork within the premium category (at all marbling levels)</td>
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With producers, processors and customers working together, we can re-create the category by establishing a system that would provide consistent differentiated pork segments in the counter. The continued development of a national or regional brand of pork (Canadian Pork or Foodland Ontario) in concert with the differentiated product in the counter would undoubtedly bring greater value to all sectors of the Canadian pork industry. The assurance of a consistent delivery of a premium pork offering will create value in the minds of consumers, thus establishing brand equity for the Canadian Pork Brand.