

Ground Beef Answers (Purchasing – Why Buy and Eat Ground Beef)



April 11, 2014

Blevins-O'Meara *Insights*
from insight to action



Funded by the Beef Checkoff.

Objectives and Report Organization

This study was designed to gain insights into consumers' attitudes, behaviors and interests regarding ground beef to provide guidance to industry stakeholders on how to add value to their ground beef product development and sales efforts.

This study investigates a wide variety of ground beef topics within the context of four consumption situations:

- Non-Hamburgers at home
- Hamburgers at home
- Hamburgers purchased at limited service restaurants
- Hamburgers purchased in full service restaurants

For all questions examined, consumers are looked at in total and by age cohorts: Millennials, Generation X and Baby Boomers.

In addition, throughout the report we comment on notable differences observed on other sub-groups, including level of beef consumption, beef attitudes, "food and health" involvement (FHI+), household income, gender and presence of children under 18 in the household. There certainly are many more valuable sub-group findings available in the set of cross-tabulations that accompany this report.

Methodology

Respondent Qualifications

- No one in household employed by a food manufacturer or processor, a food wholesaler or distributor, a market research company, or an advertising agency
- Either do about half or more of the ground beef shopping for the household or have a moderate or high level of influence in the purchase of ground beef for household
- In addition, to qualify for each specific ground beef segment, consumption frequency criteria were employed to achieve approximate balance in the number of respondents per situation.

| At Home Non-Hamburgers | At Home hamburgers | QSR/LSR | FSR |
|--|--|---|---|
| <ul style="list-style-type: none">• Use ground beef for dishes other than hamburgers 2-3 times per month or more often | <ul style="list-style-type: none">• Cook hamburgers at home about once a month or more often | <ul style="list-style-type: none">• Eat hamburgers in a fast food restaurant once a month or more often | <ul style="list-style-type: none">• Eat hamburgers in a sit-down restaurant about once every two months or more often |

Data Collection

- Online interviews
- Occurred between December 18, 2013 and January 19, 2014
- Standard incentives offered to Research Now panel members
- Non-Hamburgers n=875; Hamburgers n=865; QSR/LSR n=880; FSR n=880
- Note that due to questionnaire length, some questions and attributes within questions were asked only among a subset of respondents based on random assignment.

Segment definitions

- Millennials—born 1980-1999
- Gen X—born 1965-1979
- Boomers—born 1947-1964

Detailed Findings – At Home Ground Beef

Qualified At Home Ground Beef respondents were introduced to the survey they qualified for with one of these statements:

- This survey covers the use of ground beef meals, EXCLUDING hamburgers. This includes meals such as tacos, spaghetti, chili, casseroles, meatballs, meatloaf, pizza or any other meal that might have ground beef in it. So please remember that when we say ground beef meals we are only referring to non-hamburger meals.

- This survey asks you about your thoughts and experiences about hamburgers that you cook at home.

Demographic Profile — % of At Home Non-Hamburger Respondents

| Gender (n=2557) | |
|--|----|
| Female | 52 |
| Male | 48 |
| Age (n=2557) | |
| Millennials | 37 |
| Gen X | 30 |
| Boomers | 33 |
| Education (n=2538) | |
| Less than high school | 10 |
| Graduated high school | 38 |
| Some college (no degree) | 19 |
| Associate's degree or technical or vocational school | 9 |
| Bachelor's degree | 16 |
| Graduate/professional degree | 8 |
| Marital Status (n=2533) | |
| Single, never married | 33 |
| Married | 48 |
| Living with partner | 8 |
| Separated/Divorced | 9 |
| Widowed | 1 |
| Other | 1 |
| Number of People in Household (n=2526) | |
| One | 13 |
| Two | 33 |
| Three | 21 |
| Four or more | 33 |
| Children < 18 in Household (n=2229) | |
| Yes | 48 |

| Hispanic (n=2557) | |
|------------------------------------|----|
| Yes | 16 |
| Race (n=2519) | |
| White/Caucasian | 77 |
| Black/African American | 11 |
| American Indian and Alaska Native | 1 |
| Asian | 4 |
| Native Hawaiian & Pacific Islander | 0 |
| Mixed race | 4 |
| Other | 3 |
| Income (n=2374) | |
| Less than \$35,000 | 34 |
| \$35,000 to less than \$50,000 | 14 |
| \$50,000 to less than \$75,000 | 18 |
| \$75,000 to less than \$100,000 | 14 |
| \$100,000 to less than \$150,000 | 13 |
| \$150,000 and above | 8 |
| Region Live In (n=2556) | |
| South | 35 |
| West | 23 |
| Midwest | 23 |
| Northeast | 20 |

Demographic Profile — % of At Home Hamburger Respondents

| Gender (n=2392) | |
|--|----|
| Female | 49 |
| Male | 51 |
| Age (n=2392) | |
| Millennials | 36 |
| Gen X | 30 |
| Boomers | 34 |
| Education (n=2375) | |
| Less than high school | 9 |
| Graduated high school | 38 |
| Some college (no degree) | 20 |
| Associate's degree or technical or vocational school | 9 |
| Bachelor's degree | 16 |
| Graduate/professional degree | 7 |
| Marital Status (n=2372) | |
| Single, never married | 34 |
| Married | 48 |
| Living with partner | 8 |
| Separated/Divorced | 9 |
| Widowed | 1 |
| Other | 1 |
| Number of People in Household (n=2365) | |
| One | 14 |
| Two | 32 |
| Three | 21 |
| Four or more | 33 |
| Children < 18 in Household (n=2066) | |
| Yes | 47 |

| Hispanic (n=2392) | |
|------------------------------------|----|
| Yes | 15 |
| Race (n=2356) | |
| White/Caucasian | 76 |
| Black/African American | 12 |
| American Indian and Alaska Native | 1 |
| Asian | 4 |
| Native Hawaiian & Pacific Islander | 0 |
| Mixed race | 4 |
| Other | 3 |
| Income (n=2234) | |
| Less than \$35,000 | 34 |
| \$35,000 to less than \$50,000 | 15 |
| \$50,000 to less than \$75,000 | 18 |
| \$75,000 to less than \$100,000 | 13 |
| \$100,000 to less than \$150,000 | 13 |
| \$150,000 and above | 7 |
| Region Live In (n=2391) | |
| South | 34 |
| West | 23 |
| Midwest | 22 |
| Northeast | 20 |

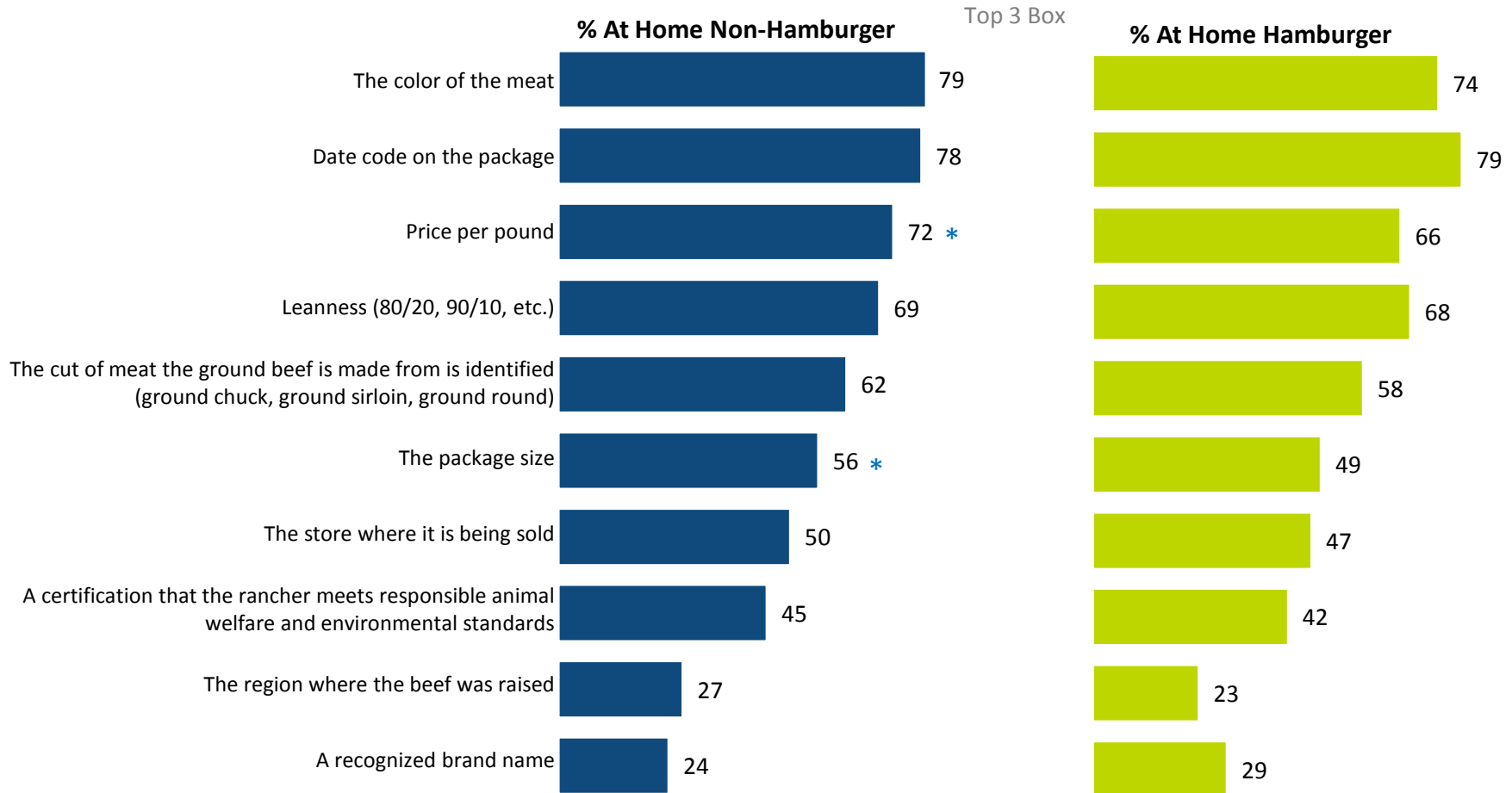
Two notable demographic differences:

- Compared to U.S. census data, ground beef users skew higher income
- At Home Non-Hamburgers skew more female, compared to At Home Hamburger

Importance of Factors in the Selection of Ground Beef/Hamburgers

Freshness is of key importance in the selection of ground beef for meals or hamburgers at home.

- Price and leanness are the next most important factors.
- Certification for responsible animal and environmental standards is important to large minority.



Q1. Please indicate how important the following factors are to you when selecting ground beef for meals such as tacos, spaghetti, meatballs, meatloaf, pizza, hot dishes, casseroles, chili or any other dishes that include ground beef/for preparing hamburgers at home. 1=Not at all important 10=Extremely important

Freshness, leanness, and distribution channel are of greater importance to Boomers than others

Millennials, on the other hand, rate several factors less important than the other cohort groups. The Non-Hamburger respondents value responsible animal welfare and environmental standards more than their counterparts.

Importance of Factors in the Selection of Ground Beef/Hamburgers

| Top 3 Box | At Home Non-Hamburger | | | | At Home Hamburger | | | |
|---|-----------------------|---------------|---------|-----------|-------------------|---------------|---------|-----------|
| | Total % | Millennials % | Gen X % | Boomers % | Total % | Millennials % | Gen X % | Boomers % |
| The color of the meat | 79 | 73 ↓ | 77 | 86 ↑ | 74 | 65 ↓ | 79 | 80 ↑ |
| Date code on the package | 78 | 69 ↓ | 77 | 86 ↑ | 79 | 74 | 75 | 86 ↑ |
| Price per pound | 72 | 74 | 71 | 70 | 66 | 65 | 68 | 66 |
| Leanness (80/20, 90/10, etc.) | 69 | 60 ↓ | 69 | 77 ↑ | 68 | 58 ↓ | 70 | 76 ↑ |
| The cut of meat the ground beef is made from is identified (ground chuck, ground sirloin, ground round) | 62 | 51 ↓ | 62 | 71 ↑ | 58 | 52 ↓ | 62 | 63 |
| The package size | 56 | 54 | 61 | 53 | 49 | 47 | 53 | 46 |
| The store where it is being sold | 50 | 45 | 50 | 55 | 47 | 41 ↓ | 45 | 53 ↑ |
| A certification that the rancher meets responsible animal welfare and environmental standards | 45 | 49 ↑ | 46 | 38 ↓ | 42 | 42 | 44 | 40 |
| The region where the beef was raised | 27 | 27 | 27 | 25 | 23 | 24 | 22 | 23 |
| A recognized brand name | 24 | 24 | 23 | 24 | 29 | 29 | 29 | 28 |
| Minimum n= | 411 | 141 | 127 | 129 | 407 | 132 | 116 | 137 |

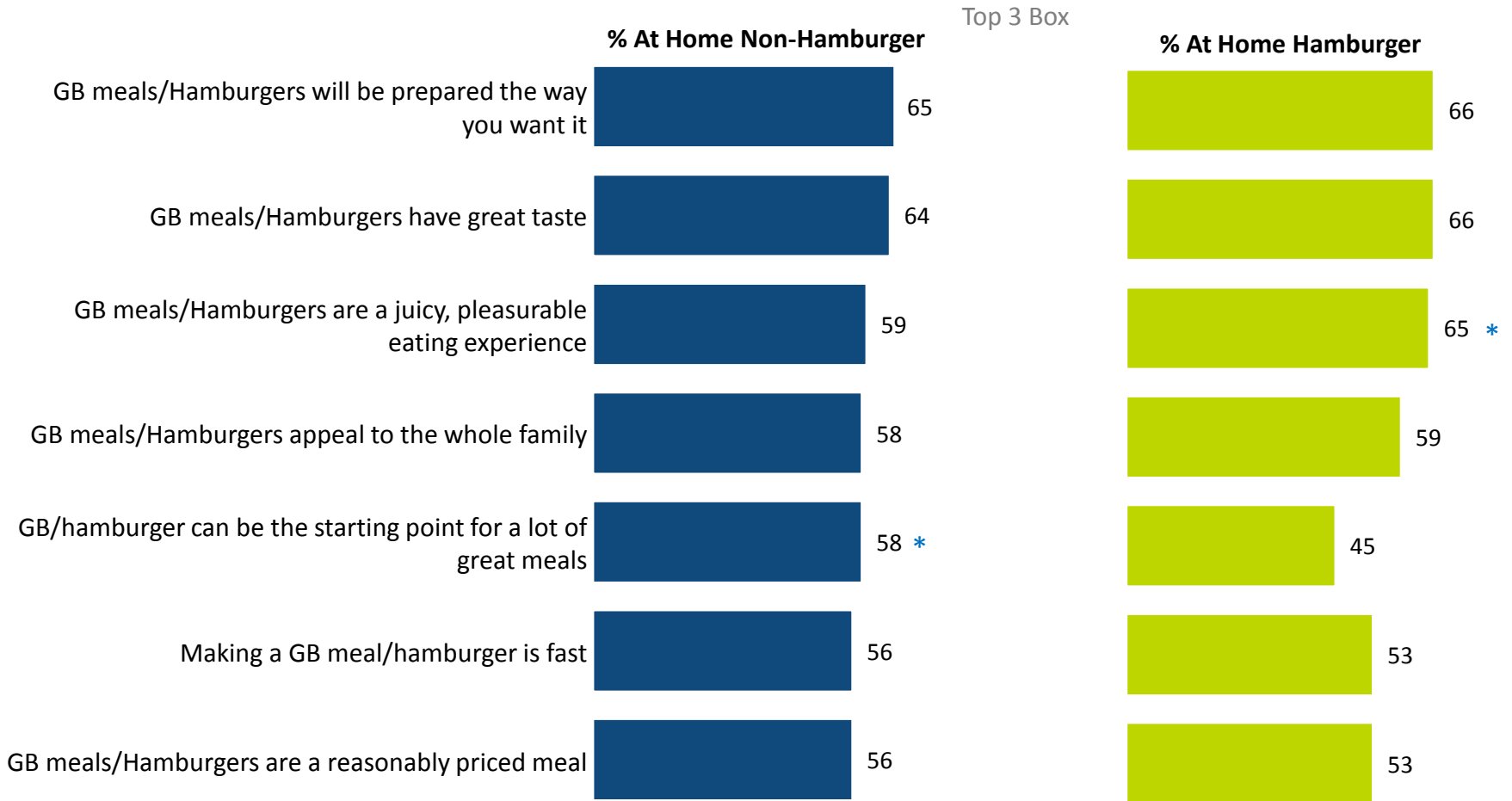
Other sub-group observations: males are less sensitive to the color of the meat in both contexts (Hamburger and Non-hamburger) while females find leanness more important than other groups in the non-hamburger context. FHI+ find multiple factors to be more important than the average across both contexts.

Q1. Please indicate how important the following factors are to you when selecting ground beef for meals such as tacos, spaghetti, meatballs, meatloaf, pizza, hot dishes, casseroles, chili or any other dishes that include ground beef/for preparing hamburgers at home. 1=Not at all important 10=Extremely important

Importance of Attribute in Decision to Prepare Ground Beef Meal/ Hamburger At Home

Preparing a meal the way desired by the individual and the taste of ground beef meals/hamburgers are highly important in the decision to prepare meals with ground beef at home.

- For a majority, convenience and the price of ground beef meals/hamburgers are important.



Q25. Please indicate how important each of the following is to you when deciding whether to prepare a ground beef meal/hamburgers at home?

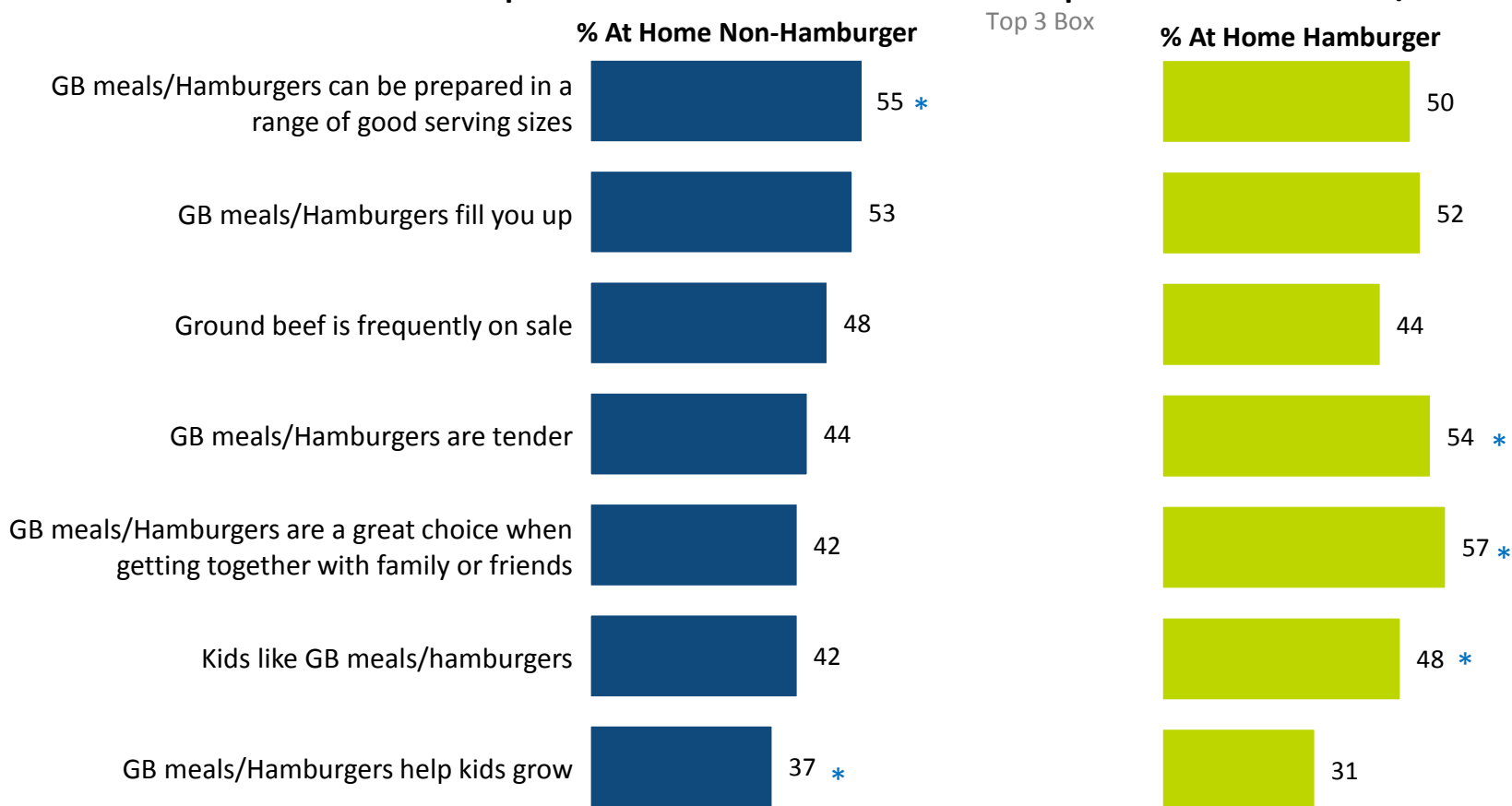
1=Not at all important 10=Extremely important

Consumers are more likely to say that hamburgers are a great choice when getting together with others, compared to GB meals

While the relationship between ground beef and kids looks less important, among those with children in the household, these numbers are significantly higher (like GB meals 50%, make kids grow 47%; like hamburgers 63%, help kids grow 39%).

continued

Importance of Attribute in Decision to Prepare Ground Beef Meal/Hamburger At Home



Q25. Please indicate how important each of the following is to you when deciding whether to prepare a ground beef meal/hamburgers at home?

1=Not at all important 10=Extremely important

Price of hamburgers is a greater driver among Boomers than others, while At Home Non-Hamburger Boomers like the flexibility of meal sizes

Importance of Attribute in Decision to Prepare Ground Beef Meal/Hamburger At Home

| Top 3 Box | At Home Non-Hamburger | | | | At Home Hamburger | | | |
|---|-----------------------|---------------|---------|-----------|-------------------|---------------|---------|-----------|
| | Total % | Millennials % | Gen X % | Boomers % | Total % | Millennials % | Gen X % | Boomers % |
| GB meals/Hamburgers will be prepared the way you want it | 65 | 60 ↓ | 66 | 73 ↑ | 66 | 61 ↓ | 68 | 70 |
| GB meals/Hamburgers have great taste | 64 | 58 ↓ | 72 | 64 | 66 | 59 ↓ | 70 | 73 ↑ |
| GB meals/Hamburgers are a juicy, pleasurable eating experience | 59 | 54 ↓ | 61 | 63 | 65 | 56 ↓ | 71 | 73 ↑ |
| GB meals/Hamburgers appeal to the whole family | 58 | 59 | 53 | 61 | 59 | 52 ↓ | 62 | 64 ↑ |
| GB/hamburger can be the starting point for a lot of great meals | 58 | 52 ↓ | 57 | 66 ↑ | 45 | 45 | 45 | 47 |
| Making a GB meal/hamburger is fast | 56 | 46 ↓ | 60 | 63 ↑ | 53 | 49 ↓ | 56 | 54 |
| GB meals/Hamburgers are a reasonably priced meal | 56 | 54 | 59 | 56 | 53 | 49 | 53 | 59 ↑ |
| GB meals/Hamburgers can be prepared in a range of good serving sizes | 55 | 51 | 55 | 62 ↑ | 50 | 50 | 52 | 48 |
| GB meals/Hamburgers fill you up | 53 | 51 | 57 | 50 | 52 | 51 | 56 | 49 |
| Ground beef is frequently on sale | 48 | 45 | 51 | 47 | 44 | 40 ↓ | 46 | 47 |
| GB meals/Hamburgers are tender | 44 | 39 | 41 | 54 | 54 | 50 | 58 | 55 |
| GB meals/Hamburgers are a great choice when getting together with family or friends | 42 | 45 | 39 | 41 | 57 | 55 | 60 | 56 |
| Kids like GB meals/hamburgers | 42 | 40 | 46 | 42 | 48 | 48 | 52 | 46 |
| GB meals/Hamburgers help kids grow | 37 | 43 | 37 | 30 | 31 | 38 | 30 | 25 |
| Minimum n= | 442 | 186 | 139 | 117 | 489 | 196 | 147 | 140 |

Other sub-group observations: FHI+ assign much higher importance to dimensions of customizing (made the way you want them) and to great taste across both contexts. On the lower end, Light and Super Light Beef Consumers assign markedly lower importance to the dimensions related to taste, enjoyment and convenience across both contexts.

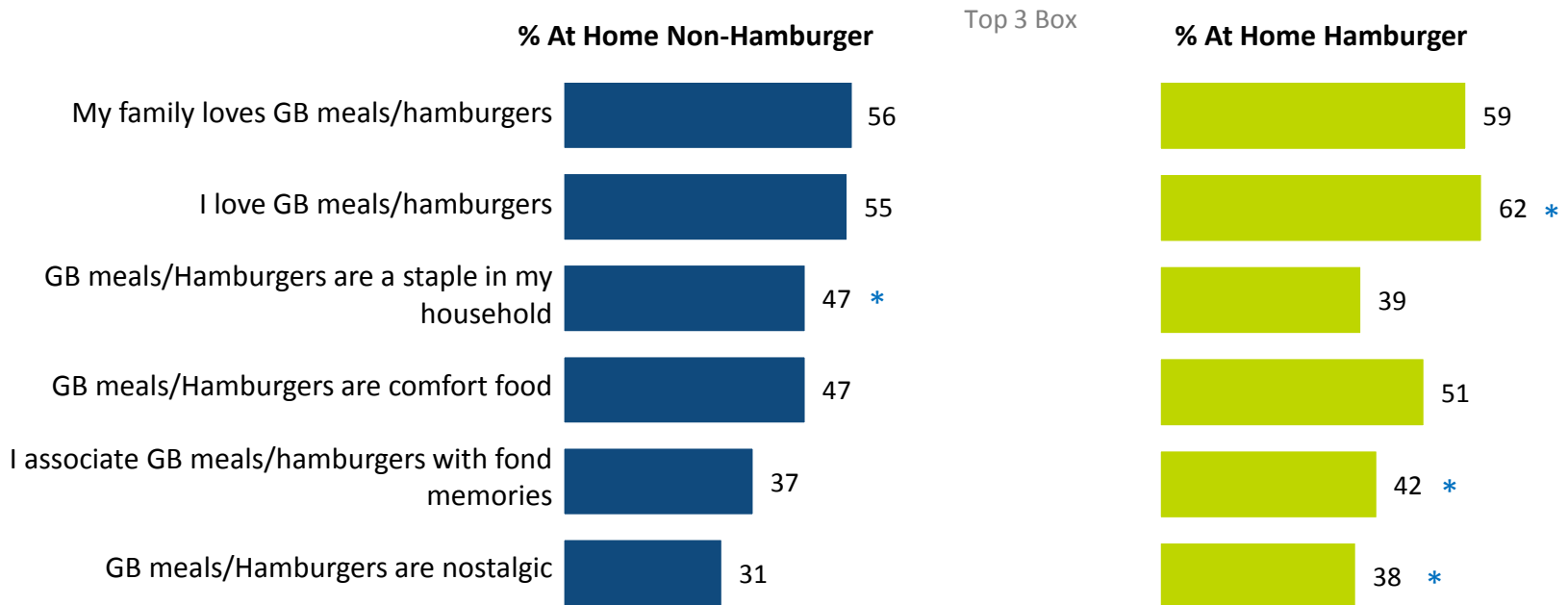
Q25. Please indicate how important each of the following is to you when deciding whether to prepare a ground beef meal/hamburgers at home? 1=Not at all important 10=Extremely important

Level of Agreement with Statements about Ground Beef

Ground beef meals and hamburgers are loved by about 6-in-10 families, ground beef meals are a staple in nearly half of households.

Hamburgers evoke fond memories and nostalgia to a greater degree than ground beef meals.

Consumers are mixed on whether they see ground beef as a comfort food.



Q26. Please indicate your level of agreement with each of the following statements. 10=Strongly agree 1=Strongly disagree

Ground beef burgers positively touch consumers' senses in many areas

continued

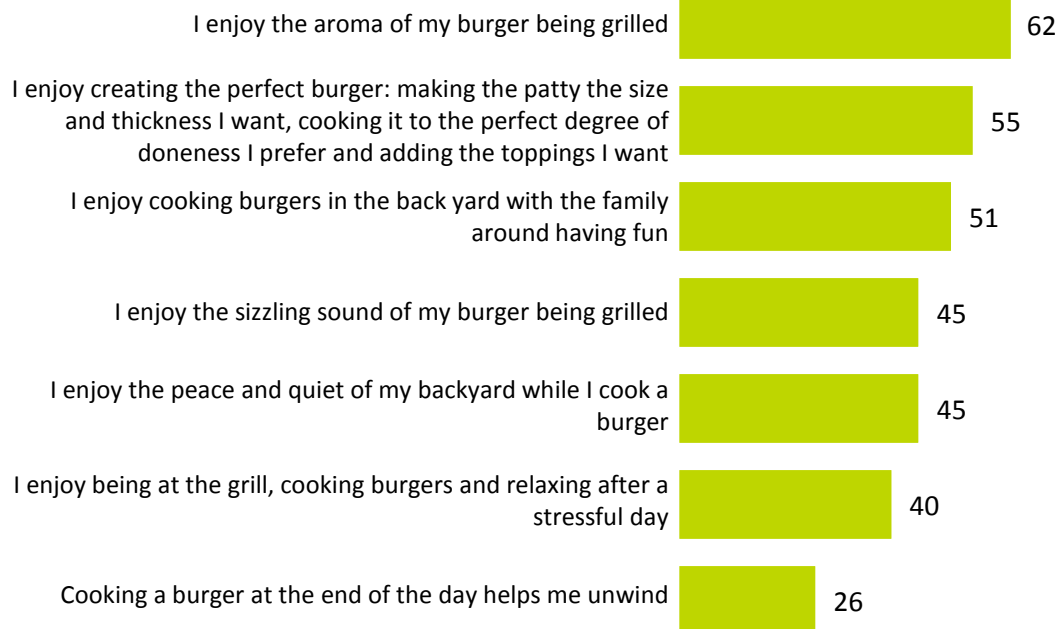
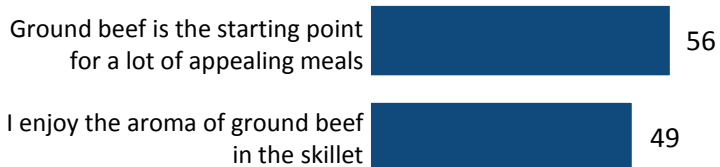
The aroma of ground beef burgers on the grill is enjoyed by a larger percentage of consumers than the aroma of ground beef in a skillet.

Level of Agreement with Statements about Ground Beef

Top 3 Box

% At Home Non-Hamburger

% At Home Hamburger



Q26. Please indicate your level of agreement with each of the following statements. 10=Strongly agree 1=Strongly disagree

Millennials are least likely to use ground beef as a starting point for meals or as a food staple. Gen X enjoy grilling benefits more than others (aroma and relaxing)

Level of Agreement with Statements about Ground Beef

| Top 3 Box | At Home Non-Hamburger | | | | At Home Hamburger | | | |
|---|-----------------------|---------------|---------|-----------|-------------------|---------------|---------|-----------|
| | Total % | Millennials % | Gen X % | Boomers % | Total % | Millennials % | Gen X % | Boomers % |
| My family loves ground beef meals | 56 | 56 | 50 | 64 ↑ | 59 | 57 | 59 | 64 |
| I love ground beef meals | 55 | 54 | 54 | 57 | 62 | 59 | 66 | 65 |
| Ground beef meals are a staple in my household | 47 | 42 ↓ | 50 | 52 | 39 | 39 | 42 | 35 |
| Ground beef meals are comfort food | 47 | 42 ↓ | 52 | 51 | 51 | 48 | 53 | 55 |
| I associate ground beef meals with fond memories | 37 | 35 | 33 | 43 ↑ | 42 | 40 | 43 | 44 |
| Ground beef meals are nostalgic | 31 | 29 | 30 | 37 | 38 | 35 | 40 | 41 |
| Ground beef is the starting point for a lot of appealing meals | 56 | 48 ↓ | 56 | 63 ↑ | na | na | na | na |
| I enjoy the aroma of ground beef in the skillet | 49 | 50 | 48 | 48 | | | | |
| I enjoy the aroma of my burger being grilled | na | na | na | na | 62 | 57 ↓ | 70 ↑ | 62 |
| I enjoy creating the perfect burger: making the patty the size and thickness I want, cooking it to the perfect degree of doneness I prefer and adding the toppings I want | na | na | na | na | 55 | 54 | 55 | 55 |
| I enjoy cooking burgers in the back yard with the family around having fun | na | na | na | na | 51 | 49 | 55 | 50 |
| I enjoy the sizzling sound of my burger being grilled | na | na | na | na | 45 | 45 | 50 | 39 ↓ |
| I enjoy the peace and quiet of my backyard while I cook a burger | na | na | na | na | 45 | 40 ↓ | 50 ↑ | 46 |
| I enjoy being at the grill, cooking burgers and relaxing after a stressful day | na | na | na | na | 40 | 40 | 43 | 38 |
| Cooking a burger at the end of the day helps me unwind | na | na | na | na | 26 | 30 ↑ | 28 | 20 ↓ |
| n= | 417 | 171 | 131 | 115 | 403 | 174 | 129 | 99 |

Other sub-group observations: Males express high levels of agreement to “I enjoy the aroma” of their hamburger or ground beef being grilled or cooked. The emotional and sensory dimensions are broadly acknowledged by Heavy Beef Consumers, Bucket 1 and FHI+ sub-groups, across both contexts.

Q26. Please indicate your level of agreement with each of the following statements. 10=Strongly agree 1=Strongly disagree

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