Meat industry & trade

THE COMPETITIVE ADVANTAGES OF ALTERNATIVE METHODS OF MEAT RETAILING

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Contents

		Page
INTRODUCTION		7
CHAPTER I.	CONSUMER SATISFACTION	9
CHAPTER II.	PREFERENCES FOR DIFFERENT TYPES OF SHOP	15
CHAPTER III.	LOCATION	23
CHAPTER IV.	PREFERENCES FOR ALTERNATIVE SALES METHODS	27
SUMMARY AND CONCLUSIONS		35
APPENDIX		38

COMPETITIVE ADVANTAGES IN MEAT RETAILING

INTRODUCTION

This report is one of several interim publications dealing with the five year programme of research into meat marketing being undertaken by the Agricultural Marketing Department in the University of Newcastle upon Tyne. This research is sponsored by F.M.C. (Meat) Limited and the Agricultural Market Development Executive Committee.

The overall objective of the programme is to indicate what types of beef are most acceptable to the mass market and how these can best be produced and distributed to the consumer. The research is regarded as national in scope, but an investigation that would produce results truly representative of all consumers in the United Kingdom could not be undertaken. Instead, in order to obtain results applicable to a large section of the population, and to areas of rapid change in both consumers' tastes and retail practices, it was decided to centre as much of the enquiry as possible upon four or five large cities; in this case Glasgow, Liverpool, London and Newcastle upon Tyne.

This particular report presents the results of part of a survey of consumers' preferences and buying habits. It examines views on where, in what type of shop and by what methods of retailing customers like to obtain their meat. The analysis gives certain indications about the probable growth of different types of meat retailing. The questionnaire is reproduced in the appendix.

Approximately 2,800 questionnaires were completed by interviewing housewives in Glasgow, Liverpool, London and Newcastle upon Tyne during the second half of 1965. Sampling was by the random walk method. Interviewers were instructed to call at every fifth house, to take the first left and the first right turn alternately, and change from odd to even numbers or vice versa in each successive street. If no answer was obtained two recalls were made, the third visit being in the evening when housewives with some other employment might be contacted. Only in the very few cases of refusal to co-operate or failure to make contact were substitutes introduced. Interviewers were then allowed to call at the next house. Five interviewers worked in each of the four cities, three starting their walk at randomly selected addresses in low income areas and two in medium, mixed or high income areas. In practice this proved to be unnecessary as each interviewer travelled a considerable distance, and entered several types of area before completing her quota. Of the total of 2,829 usable questionnaires thirty-six per cent were from households with A, B or C socio-economic classifications and sixty-four per cent D or E. Throughout the report A. B or C are included in the high income groups whilst D and E constitute the low income groups. On this basis the numbers and percentages in each city of high and low income co-operators were as follows:

	Low Income		High Income	
	Number	%	Number	%
Glasgow	553	59	386	41
Liverpool	496	70	213	30
London	474	67	233	33
Newcastle upon Tyne	281	59	193	41

Numbers do not reflect the proportionate importance of each city in total population, This was not considered to be necessary, and the results for different cities do not indicate any marked regional differences.

CHAPTER I

CONSUMER SATISFACTION

Table I shows that more than three-quarters of those interviewed bought all their meat from the same shop. There could be a number of explanations such as habit, dislike of making a change or imperfect knowledge of qualities obtainable elsewhere. Nevertheless it could be argued that it shows a reasonable degree of satisfaction with the meat that is bought. Housewives in the lower income group were only slightly more inclined to buy from different shops than those in the higher income group. Table 2 suggests that though more of those with less money to spend tended to shop around for better value, a greater proportion of those with more patronised different shops for convenience. Apart from these two reasons the possibility of obtaining better quality or wider selection was important. Other considerations were only

TABLE 1. **Percentages of Customers buying Meat from the Same and from Different Shops**

	LOW INCOME			HIGH INCOME		
	From the same shop	From different shops	No.	From the same shop	From different shops	No.
Glasgow	79	21	521	78	22	376
Liverpool	74	26	473	83	17	209
London	72	28	433	73	27	225
Newcastle upon Tyne	80	20	255	83	17	231
TOTAL	76	24	1,682	79	21	1,041

TABLE 2. **Percentages of those Customers buying from Different Shops giving the following reasons**

	Better Value	Better Quality	Convenience	Wider Selection	Any Other	Number
Glasgow:						
Low Income	21	14	26	42	0	107
High Income	17	21	37	28	0	82
Liverpool:						
Low Income	30	30	23	24	1	125
High Income	26	43	30	20	0	35
London:						
Low Income	55	18	9	24	1	118
High Income	52	13	23	17	2	60
Newcastle:						
Low Income	27	12	43	25	0	51
High Income	8	8	33	57	0	39
TOTALS:						
Low Income	35	20	22	29	0	401
High Income	26	20	30	29	0	216

TABLE 3. **Percentages of Customers expressing different degrees of satisfaction with Roasting Beef**

	Buying from the same shop					Buying from different shops				
	Always satisfied	Usually satisfied	Occasionally satisfied	Rarely or never satisfied	Number	Always satisfied	Usually satisfied	Occasionally satisfied	Rarely or never satisfied	Number
Glasgow:										
Low Income	74	25	1	0	310	47	49	2	2	104
High Income	56	43	1	0	253	36	58	6	0	69
Liverpool:										
Low Income	50	40	8	2	273	40	42	13	5	106
High Income	47	47	4	2	140	28	61	8	3	36
London:										
Low Income	76	22	2	0	271	31	55	12	2	126
High Income	71	24	4	1	144	38	38	23	1	61
Newcastle:										
Low Income	62	37	1	0	139	34	56	6	4	47
High Income	49	49	1	1	178	35	62	3	0	34
TOTALS:										
Low Income	66	30	3	1	993	38	50	9	3	383
High Income	55	42	2	1	715	35	53	11	1	200

TABLE 4. **Percentage of Customers expressing different degrees of satisfaction with Frying or Grilling Beef**

	Buying from the same shop					Buying from different shops				
	Always satisfied	Usually satisfied	Occasionally satisfied	Rarely or never satisfied	Number	Always satisfied	Usually satisfied	Occasionally satisfied	Rarely or never satisfied	Number
Glasgow:										
Low Income	73	24	2	1	334	63	34	2	1	107
High Income	67	30	3	0	244	49	39	10	2	69
Liverpool:										
Low Income	43	41	13	3	284	35	40	21	4	121
High Income	37	51	10	2	146	25	53	17	5	36
London:										
Low Income	70	25	4	1	197	33	58	8	1	97
High Income	67	28	5	0	106	41	37	17	5	54
Newcastle:										
Low Income	58	39	3	0	106	47	45	3	5	38
High Income	36	56	4	4	142	27	68	5	0	37
TOTALS:										
Low Income	62	31	6	1	921	44	44	10	2	363
High Income	53	40	6	1	638	38	46	12	4	196

TABLE 5. **Percentages of Customers buying from the Same and from Different Shops in Different Age Groups**

Age Groups	30 and Under			31 to 40			41 to 50			51 to 60			60+		
	Same Shop	Different Shops	Number	Same Shop	Different Shops	Number	Same Shop	Different Shops	Number	Same Shop	Different Shops	Number	Same Shop	Different Shops	Number
Glasgow:															
Low Income	74	26	100	73	27	107	81	19	80	75	25	77	83	17	168
High Income	79	21	112	85	15	95	69	31	88	75	25	51	73	27	37
Liverpool:															
Low Income	64	36	85	69	31	107	73	27	120	74	26	80	79	21	94
High Income	87	13	30	80	20	51	78	22	51	85	15	47	82	18	33
London:															
Low Income	62	38	63	56	44	61	72	28	81	69	31	81	81	19	149
High Income	55	45	49	70	30	54	73	27	59	84	16	43	76	24	21
Newcastle:															
Low Income	68	32	34	86	14	38	62	38	45	73	27	44	90	10	99
High Income	87	13	47	67	33	66	87	13	60	88	12	40	90	10	20
TOTALS:															
Low Income	67	33	282	70	30	313	73	27	326	73	27	282	83	17	510
High Income	76	24	238	77	23	266	76	24	258	82	18	181	79	21	111
TOTAL SAMPLE	72	28	520	73	27	579	74	26	584	76	24	463	82	18	621

TABLE 6. **Percentages of Customers expressing different degrees of ability to judge quality when buying Beef**

	Buying from the same shop					Buying from different shops				
	Always Able	Usually Able	Occasionally Able	Rarely or Never Able	Number	Always Able	Usually Able	Occasionally Able	Rarely or Never Able	Number
Glasgow:										
Low Income	15	52	15	18	373	15	50	13	22	117
High Income	13	54	14	19	282	6	48	19	27	78
Liverpool:										
Low Income	24	48	20	8	334	20	44	26	10	135
High Income	25	50	18	7	170	24	60	11	5	38
London:										
Low Income	25	46	21	8	278	27	57	13	3	129
High Income	33	38	20	9	151	19	47	27	7	68
Newcastle:										
Low Income	20	41	27	12	158	11	38	41	10	53
High Income	17	52	19	12	180	12	86	0	2	43
TOTALS:										
Low Income	21	48	19	12	1,143	19	49	20	12	434
High Income	21	50	17	12	783	14	57	17	12	227

mentioned by less than half of one per cent of the total buying from different shops. Those who shop around may be either more critical or more discriminating than those who patronise the same butcher. Whichever the reason, however, Tables 3 and 4 show that regular customers more frequently expressed satisfaction with their purchases than those who bought from different shops. The figures may also suggest that housewives with lower incomes tend to be less critical, even though in some cases they will buy cheaper, lower quality cuts. These figures also show that the great majority of consumers are satisfied with the quality of the meat they buy and therefore may suggest that those who buy regularly from the same shop do so for this reason.

Table 5 shows the proportions of customers in different age groups buying meat from the same and from different shops. Although not very marked there appears to be some tendency for a larger proportion to become regular customers as they get older, particularly in the lower income group.

In an earlier report* it was suggested that a high proportion of customers leave the choice of beef to their butcher. It is interesting in relation to this to examine consumers' estimates of their own ability to judge quality when buying meat. These are tabulated in Table 6. Approximately half claimed that they were usually able to judge quality and rather less than a fifth said they could always judge correctly. There would obviously be reluctance to admit inability to judge. Even so, approximately 30 per cent said that they were only occasionally, rarely or never able to judge quality.

Despite this it will be remembered that a very high proportion of customers stated that they were always or usually satisfied with their meat (Tables 3 and 4). This may well suggest that in general the retail trade maintains an acceptable standard of quality. Therefore the argument in favour of introducing any comprehensive system of grading should perhaps be based more on the increased efficiency in marketing and pricing which it should encourage, rather than on any great increase in consumer satisfaction as a result of improved quality standards.

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* BUTCHERS AND THEIR CUSTOMERS. G. H. Brayshaw, E. M. Carpenter, R. A. Phillips. University of Newcastle upon Tyne, Department of Agricultural Marketing. Report No. 1, April 1965. 15s.

CHAPTER II

PREFERENCES FOR DIFFERENT TYPES OF SHOP

The first chapter has dealt with the extent to which consumers buy regularly from the same shop and with the degree of satisfaction they obtain. In any attempt to estimate the future pattern of meat retailing, however, it is necessary to know something about the relative importance of different types of retailer, and reasons why one or another is favoured by particular types of customer. Thus such considerations as accessibility, resistance or otherwise to pre-packing, and nearness of other food shops are relevant. This and the following chapters present analyses of consumers' replies to such questions.

The proportions of regular customers buying meat from different types of shop are shown in Table 7. These differ from the shares of each type of outlet in total national meat sales. This can be explained by the fact that the sample was drawn from four large cities rather than from towns of all sizes. In addition some customers would not be able to identify branches of small multiples as such and might describe them as independent. In this sample Co-operative Society butchers' shops are more heavily patronised by customers with low incomes.

TABLE 7. **Percentages of Regular Customers buying Meat from Different Types of Shop**

	Independent Butcher	Branch of Multiple	Co-operative Society	Supermarket or Self-service	Other	Number
Glasgow:						
Low Income	64	20	14	0	2	405
High Income	66	21	8	1	4	288
Liverpool:						
Low Income	68	13	13	4	2	351
High Income	73	10	10	4	3	173
London:						
Low Income	57	23	15	4	1	308
High Income	61	30	5	3	1	158
Newcastle:						
Low Income	53	12	30	3	2	201
High Income	56	14	20	5	5	194
TOTALS:						
Low Income	62	17	17	3	1	1,265
High Income	64	19	11	3	3	813

Consequently independent retailers, branches of private multiples and other types of outlet obtained a slightly higher proportion of their trade from customers with higher incomes. There is an apparent discrepancy in so far as only three per cent of the sample bought their meat at supermarkets or self-service stores, while the market share for meat of these types of outlet is held to be approximately nine per cent. This may be because the table only applies to customers purchasing all their meat from one shop whereas recently opened self-service meat departments probably tend to have a somewhat greater proportion of casual customers.

Table 8 gives the proportions of customers who attributed different advantages to buying in each type of shop. These are derived from unprompted answers to the question "Why do you go to this particular shop?" Independent retailers and branches of multiples seem to be associated in the minds of many customers with particularly high quality meat, whereas supermarkets are regarded as being more convenient. In addition, supermarkets and self-service stores were more frequently mentioned as being cheaper and offering a better choice. From this it may perhaps be concluded that supermarket chains wishing to accelerate the rate of increase in their sales of meat should place particular emphasis on building up a reputation for quality, whilst independent retailers and branches of multiples should endeavour to improve the variety and attractiveness of their displays.

In order to obtain fuller knowledge of the importance of different factors in attracting trade the same regular customers were asked to indicate which of a list of reasons encouraged them to frequent the shop. Their answers are analysed in Table 9. It will be noted that the importance of particular reasons given for patronising any type of shop differ between Tables 8 and 9. For example, a much higher number of respondents indicated quality to be of importance in Table 9. Whether the unprompted answers in Table 8 represent more nearly the actual reasons for patronising particular shops than those in Table 9, which should be more exhaustive, must be a matter of opinion. Although high quality and good service are shown to be generally required, the figures in Table 9 confirm the earlier suggestion that quality is of particular importance to customers purchasing their meat from independent retailers and branches of multiple chains. Next in importance, for counter service shops, are that the butcher knows the requirements of his regular customers and reasonable nearness to home or work. It is also apparent that location in a shopping centre is of considerable advantage. At the present time this appears to be so even for supermarkets. Again it may be concluded, from the importance attached to the personal attention associated with counter service, that supermarkets with sufficiently large meat departments will be better able to compete if they provide counter in addition to self-service. In fact this has been the experience of some supermarket firms who have reverted from self-service to a combination of self and counter service. Finally the figures in Table 9 confirm and reinforce the conclusion drawn from Table 8 that supermarkets and self-service stores have a reputation for low priced meat. Nevertheless, to judge from the next table, this may give far less trading advantage than the establishment of a reputation for high quality meat, the importance of which has already been emphasised.

Table 10 lists the proportion of customers of each type of shop who indicated particular factors among those listed in Table 9 as being the most important for purchasing their meat from a certain shop. Once again this confirms that high quality meat is far and away the most important consideration which customers take into account when deciding where to make their purchases. Only if quality is right, do convenient location and good service become factors likely to offer high competitive advantage.

TABLE 8. **Percentages of Customers of each Type of Shop attributing the following advantages to the particular shop they purchase meat from**

	Better Quality	Good Service	Fresh Meat	Cleanliness	Better Choice	Convenient	Cheaper	Other Reasons	Number
Low Income:									
Independent	46	27	3	9	1	27	6	3	647
Branch of Multiple	44	19	4	16	2	27	11	1	183
Co-op.	28	19	2	4	1	51	4	3	149
Supermarket (Self-service)	23	20	3	17	7	37	20	3	30
High Income:									
Independent	48	29	2	8	1	27	6	4	449
Branch of Multiple	46	16	2	10	2	27	13	5	135
Co-op.	22	41	3	1	4	47	3	5	74
Supermarket (Self-service)	11	26	11	0	21	47	21	0	19
TOTALS:									
Independent	47	28	3	8	1	26	6	3	1,096
Branch of Multiple	45	18	3	13	2	27	12	3	318
Co-op.	26	26	2	3	2	50	4	4	223
Supermarket (Self-service)	18	22	6	10	12	41	20	2	49

TABLE 9. **Percentages of Customers of each Type of Shop attributing the following advantages to them when specifically asked if each of the advantages listed applied**

	Shop is near	Prices are low	Quality High	Service Good	Butcher knows Requirements	Can Order by Telephone	Butcher Delivers	Have an Account	Other Food Shops Nearby	Number
Low Income:										
Independent	63	20	93	87	63	11	20	5	32	796
Branch of Multiple	63	24	88	89	58	7	14	4	45	219
Co-op.	70	14	86	86	74	10	21	7	38	208
Supermarket (Self-service)	39	53	75	75	14	3	6	0	45	36
High Income:										
Independent	62	27	95	89	74	34	39	9	37	533
Branch of Multiple	73	23	94	85	47	19	22	4	44	156
Co-op.	66	9	86	89	72	19	31	8	37	89
Supermarket (Self-service)	50	50	91	41	9	9	9	0	32	22
TOTALS:										
Independent	63	20	94	88	67	20	27	6	34	1,329
Branch of Multiple	67	24	91	87	53	12	17	4	46	375
Co-op.	69	13	86	87	73	13	24	7	38	297
Supermarket (Self-service)	43	52	81	62	12	5	7	0	40	58

TABLE 10. **Percentages of Customers of each Type of Shop attributing the following advantages as the most important reason for purchasing from a particular shop**

	Shop is near	Prices are low	Quality High	Service Good	Butcher knows Requirements	Can Order by Telephone	Butcher Delivers	Have an Account	Other Food Shops near	Number
Low Income:										
Independent	12	6	64	8	8	0	1	0	1	787
Branch of Multiple	12	10	60	11	7	0	0	0	0	217
Co-op.	21	3	51	10	13	0	1	0	1	205
Supermarket (Self-service)	15	29	38	12	3	0	0	0	3	34
High Income:										
Independent	7	4	74	5	8	1	1	0	0	530
Branch of Multiple	9	5	73	5	5	1	2	0	0	150
Co-op.	17	5	59	11	6	1	0	0	1	87
Supermarket (Self-service)	10	10	75	5	0	0	0	0	0	20
TOTALS:										
Independent	10	5	68	6	8	1	1	0	1	1,317
Branch of Multiple	10	8	65	8	6	1	1	0	1	367
Co-op.	20	4	53	10	11	0	1	0	1	292
Supermarket (Self-service)	13	22	52	9	2	0	0	0	2	54

TABLE 11. **Percentages of Customers of each Type of Shop attributing the following advantages as the second most important reason for purchasing from a particular shop**

	Shop is near	Prices are low	Quality High	Service Good	Butcher knows Requirements	Can Order by Telephone	Butcher Delivers	Have an Account	Other Food Shops near	Number
Low Income:										
Independent	12	6	18	43	16	0	2	0	3	774
Branch of Multiple	16	6	21	41	6	1	1	0	8	213
Co-op.	15	6	23	32	17	0	2	1	4	198
Supermarket (Self-service)	7	23	35	32	0	0	0	0	3	31
High Income:										
Independent	10	6	15	47	16	1	4	0	1	520
Branch of Multiple	17	6	16	49	7	1	1	0	3	146
Co-op.	11	2	19	41	20	0	5	0	2	85
Supermarket (Self-service)	16	37	10	16	0	0	0	0	21	19
TOTALS:										
Independent	12	6	17	44	16	0	3	0	2	1,294
Branch of Multiple	16	6	19	45	6	1	1	0	6	359
Co-op.	14	4	22	35	18	0	3	1	3	283
Supermarket (Self-service)	10	28	26	26	0	0	0	0	10	50

TABLE 12. **Percentages of Customers in different Age Groups buying Meat from particular Types of Shops**

	30 and Under	31 to 40	41 to 50	51 to 60	60+	Number
Low Income:						
Independent Butchers	17	16	18	14	35	787
Branch of Multiple	14	21	22	20	23	220
Co-operative	10	16	16	19	39	209
Supermarket or Self-service	8	23	20	23	26	35
High Income:						
Independent Butchers	21	26	23	18	12	533
Branch of Multiple	28	28	21	15	8	154
Co-operative	21	11	30	25	13	88
Supermarket or Self-service	14	29	38	14	5	21
TOTALS:						
Independent Butchers	18	20	21	16	25	1,320
Branch of Multiple	20	24	21	18	17	374
Co-operative	14	14	20	21	31	297
Supermarket or Self-service	11	25	27	19	18	56

Table 11 gives the proportions of customers of each type of shop who said particular factors were of second importance for patronising a certain shop. There is, therefore, no reason why the factor chosen by the highest proportion of customers as of second importance in this Table should be the same as that selected by the second highest proportion of consumers in Table 10. In fact, in Table 10 convenient location is the factor which appears to be of second importance for purchasing from a particular type of shop, except for supermarkets and self-service stores when low price was the second consideration. Table 11, however, gives good service as the second most important reason for purchasing from all types of shop, again except for supermarkets and self-service stores. This appears to indicate that a minority of customers regard convenience as of primary importance, but that the great majority consider sale of high quality meat and good service as the two most important attributes of shops from which they buy their meat.

An analysis of the proportions of customers in different age groups buying meat from particular types of shop is given in Table 12. This shows that a relatively large proportion of the customers with low incomes, who patronise independent butchers, are 60 years and over. This is not the case in the high income group. Possibly this is a result of more old established independent retailers than other types of shop being located in older and poorer housing estates. There is also a clear indication that a higher proportion of the older customers in the low income group patronise a co-operative society.

Supermarkets and self-service shops do not seem to attract a larger proportion of younger than older customers for meat. While it is known that younger housewives are less resistant than older shoppers[1] to self-service retailing in general this need not be the case with meat. Indeed other studies[2] have shown general suspicion of pre-packed meat. Therefore it may well be argued from these results that supermarkets can not expect to obtain an increased share of the market for meat as new generations of shoppers replace the old. Like other types of outlet they must compete for the patronage of customers of all ages.

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1 SHOPPING IN SUBURBIA. J. Walter Thompson Company Limited, 1963.

2 op. cit.

CHAPTER III

LOCATION

From the figures in Table 13 it is clear that supermarkets attract a considerable proportion of customers from distances of a quarter of a mile or more. In contrast some 60 to 70 per cent of customers of other types of shop live or work within a quarter of a mile from that in which they buy their meat.

TABLE 13. **Percentages of Customers purchasing Meat from Shops at different distances from home or work, classified by different Types of Shop**

	Up to 220 yards	220 to 440 yards	440 to 880 yards	Over ½ a mile	Number
Low Income:					
Independent	25	45	17	13	781
Branch of Multiple	22	40	17	21	215
Co-operative......	28	40	23	9	201
Supermarket or Self-service	23	29	17	31	35
High Income:					
Independent	33	37	16	14	523
Branch of Multiple	23	45	17	15	152
Co-operative......	26	47	15	12	85
Supermarket or Self-service	0	24	43	33	21

As Table 14 shows, the great majority walk to the shop although a larger proportion of those going to supermarkets travel by bus or car. Nevertheless only 7 per cent of supermarket customers travelled by car, thus emphasising the importance of locating these stores in convenient central or neighbourhood shopping centres at the present time.

TABLE 14. **Percentages of Customers using different methods of transport to shop, classified by Types of Shop**

	Walk	Bus	Car	Any other way	Number
Low Income:					
Independent	89	9	2	0	779
Branch of Multiple	84	13	3	0	214
Co-operative......	96	4	0	0	201
Supermarket or Self-service	74	20	3	3	35
High Income:					
Independent	86	8	6	0	519
Branch of Multiple	84	10	6	0	153
Co-operative......	93	4	2	1	84
Supermarket or Self-service	57	29	14	0	21
TOTALS:					
Independent	87	9	4	0	1,298
Branch of Multiple	84	11	4	1	367
Co-operative......	95	4	1	0	285
Supermarket or Self-service	68	23	7	2	56

Table 15 indicates that approximately half the customers of independent retailers and of co-operative butchers buy from the nearest shop. Again close proximity to home or work is shown to be considerably more important for these than for branches of multiple butchers or supermarkets. Nevertheless 50 per cent of the low and 53 per cent of the high income customers did not buy their meat from the

TABLE 15. **Percentages of Customers with different numbers of Butchers' Shops nearer than where they buy their Meat, classified by Types of Shop**

	Numbers of Nearer Butchers' Shops							
	0	1	2	3	4	5	6 and above	Number
Low Income:								
Independent	49	19	11	5	4	1	11	770
Branch of Multiple	39	18	12	4	3	1	23	207
Co-operative	57	20	11	3	2	2	5	202
Supermarket or Self-service	31	14	15	3	6	0	31	35
High Income:								
Independent	46	20	12	5	3	1	13	499
Branch of Multiple	35	20	13	11	1	2	18	143
Co-operative	53	19	17	5	1	1	4	81
Supermarket or Self-service	31	13	31	0	0	6	19	16
TOTALS:								
Independent	48	19	11	5	4	1	12	1,269
Branch of Multiple	38	19	12	7	2	1	21	350
Co-operative	56	20	13	4	2	1	4	283
Supermarket or Self-service	31	14	20	2	4	2	27	51

nearest shop. Different reasons for shopping further away are presented in Table 16. In the light of the proportions in Table 15 who did not buy from the nearest shop,

TABLE 16. **Percentages of Customers not purchasing Meat from the nearest Butchers Shop and the percentage giving the stated reasons for not doing so**

	Percentage not purchasing from nearest Butchers Shop	Higher Prices	Poorer Quality	Poorer Service	Poorer Selection	Not as Clean	Other Reasons	Number
Glasgow:								
Low Income	54	24	69	4	1	5	1	135
High Income	52	19	70	4	1	10	3	104
Liverpool:								
Low Income	52	23	54	11	6	6	6	81
High Income	55	20	60	10	6	12	0	50
London:								
Low Income	43	17	64	12	3	13	3	59
High Income	49	10	56	10	17	12	10	41
Newcastle:								
Low Income	53	32	49	17	0	8	8	53
High Income	58	23	47	28	2	13	4	53
TOTALS:								
Low Income	50	24	61	9	2	7	4	328
High Income	53	18	61	11	5	11	4	248

TABLE 17. **Percentages of Customers buying Groceries at different distances from their Butchers, classified by their reasons for patronising the particular Grocers**

Distance from Butchers Customers buy most Groceries	Percentage of Sample Customers buying Groceries from these distances from Butcher	Convenience	Better Value	Good Quality	Good Service	Clean	Good Selection	Trading Stamps	Will Deliver	Self-service	Go to Different Grocers	Other Reasons	Number
LOW INCOME:													
Up to 220 yds.	64	44	28	10	10	3	6	1	3	3	5	2	649
220 to 440 yds.	7	20	28	8	13	3	4	1	4	7	28	0	71
440 to 880 yds.	6	17	33	6	17	4	11	3	8	6	11	6	66
Over ½ mile	9	31	33	5	6	1	8	7	8	8	5	4	84
From the same shop	14	27	53	14	11	9	8	1	1	1	1	1	139
HIGH INCOME:													
Up to 220 yds.	61	43	22	10	11	2	10	0	4	4	11	2	388
220 to 440 yds.	8	41	16	4	16	0	8	0	6	4	20	0	49
440 to 880 yds.	7	11	34	17	17	4	11	2	6	4	19	2	47
Over ½ mile	13	31	38	7	9	0	14	0	9	16	4	2	85
From the same shop	11	35	48	26	11	9	6	2	2	6	0	2	66

and the reasons given in Table 16 it is safe to conclude that though a conveniently situated shop is important, street corner butchers in these cities can rarely enjoy any monopolistic position by reason of their location. They are likely to have one or more competitor in close proximity. Table 16 also confirms the conclusion in Chapter II that high quality meat is of first importance to many customers but suggests that a greater proportion of customers may be more price conscious than the figures in the latter chapter suggested.

Clearly one aspect of convenience is the nearness to each other of butchers and grocery shops from which the consumers buy. Table 17 shows that a high proportion of respondents bought their groceries from shops in close proximity to their butcher. For those who bought from more than one grocers shop the distance given in the table is that of the furthest from their butchers. While in Table 7 it was shown that only 3 per cent of customers in the sample regularly purchased their meat from supermarkets or self-service stores, in Table 17, 14 per cent of customers with a lower income and 11 per cent with a higher income are shown to have purchased both meat and groceries in the same shop. Apart from that resulting from the small number of independent grocers and butchers who have diversified, the difference must be partly explained by the number of co-operative society grocery and butchery branches occupying the same or adjacent sites, and therefore regarded by their customers as the same shop. In addition a few multiple chains with a large number of branches, particularly in the south of the country, sell both groceries and meat by traditional counter service. The reasons given for patronising particularly situated grocers' shops in Table 17 confirm the importance of butchers and grocers being located in a convenient shopping centre. Furthermore the high proportion of those customers buying meat and groceries from the same shop, who patronised them to obtain better value, may reflect the image which some supermarket and traditional chains have obtained for low prices in relation to the quality of their products.

CHAPTER IV

PREFERENCES FOR ALTERNATIVE SALES METHODS

Counter versus Self Service:

It was concluded from the importance attached to the personal attention associated with counter service, shown in Table 9, that supermarkets with sufficiently large meat departments would be able to compete better with other types of retail outlet if they provided counter in addition to self-service. This is confirmed by the figures in Table 18 which show that from 88 to 97 per cent of the samples in the four cities expressed a preference for buying meat from a butcher rather than selection from a self-service display. That rather more people are prepared to buy meat by

Table 18. **Percentages of Customers preferring Counter Service or Self-service**

	Preferring Counter Service	Preferring Self-service	No Preference	Number
Glasgow:				
Low Income	98	1	1	413
High Income	95	2	3	294
Total	97	1	2	707
Liverpool:				
Low Income	91	7	2	351
High Income	92	6	2	171
Total	92	7	1	522
London:				
Low Income	89	4	7	313
High Income	86	4	10	163
Total	88	4	8	476
Newcastle:				
Low Income	91	4	5	203
High Income	87	9	4	191
Total	89	6	5	394

self-service in London, where there are more older established supermarkets, should indicate that a greater proportion of customers will ultimately come to accept this method of sale. Nevertheless, even in London, the proportion preferring counter service is still very high, suggesting that it may be a long time before the majority of housewives will accept self-service. Apart from Liverpool where there was little difference, the figures in Table 18 also indicate that a slightly larger proportion of customers with a lower income prefer counter service. One reason may be that the majority of supermarkets have been sited in more prosperous areas.

Table 19 gives a further breakdown of the proportions of customers preferring counter or self-service according to the type of shop they patronised. Not surprisingly the great majority of customers of independent butchers and co-operative and multiple butchery branches prefer the familiar counter service. Nevertheless, 21 per cent of supermarket and self-service customers preferred counter service. This may have been provided or other advantages may have outweighted the disadvantages of self-service. The figures therefore support a conclusion that the sale of meat by self-service is a factor tending to retard the growth in meat sales by this type of outlet. Counter service was stated to be preferred by the great majority of customers for three

TABLE 19. **Percentages of Customers of different Types of Shop preferring Counter Service or Self-service**

	Preferring Counter Service	Preferring Self-service	No Preference	Number
Low Income:				
Independent	97	1	2	794
Branch of Multiple	92	3	5	220
Co-operative	93	4	3	207
Supermarket or Self-service	26	63	11	35
High Income:				
Independent	94	2	4	530
Branch of Multiple	89	5	6	152
Co-operative	91	6	3	89
Supermarket or Self-service	14	77	9	22
TOTALS:				
Independent	96	1	3	1,324
Branch of Multiple	91	4	5	372
Co-operative	93	4	3	296
Supermarket or Self-service	21	68	11	57

main reasons, as shown in Table 20. Firstly it is considered to be "a better type of service", an answer which may cover a number of possible advantages, particularly personal attention. Secondly 13 per cent of customers with a low income and 16 per cent with a high income indicated that they preferred counter service in order to obtain their butcher's advice regarding the kind and quality of their purchases. Finally 31 per cent of all customers stressed that they could decide what they were going to buy before having it freshly cut from a larger piece to suit their individual requirements.

CUTTING TO ORDER VERSUS PRE-PACKING:

A second major difference between traditional butchers and meat departments in self-service stores and supermarkets is that of wrapping after purchase as opposed to pre-packing. Customer attitudes to these alternative methods of presentation are analysed in Tables 21, 22 and 23.

From 88 to 96 per cent of the sample in the four cities stated that they preferred to choose their meat before it was wrapped, almost exactly the same proportions as expressed a preference for buying their meat from a butcher rather than selecting it from a self-service display.

Less people objected to pre-packaged meat in London and, except in Liverpool, a slightly larger proportion with lower as opposed to higher incomes preferred to choose meat before it was wrapped. Clearly the great majority of those who prefer counter service attach considerable importance to being able to choose meat before

TABLE 20. **Percentages of those Customers preferring Counter Service or Self-service for the reasons listed**

	Low Income		High Income	
	Preferring Counter Service	Preferring Self-service	Preferring Counter Service	Preferring Self-service
Better Type of Service	28	22	25	19
Better Selection of Meat	9	29	11	32
Freshly Cut after Prior Inspection	31	2	31	0
Butcher will advise	13	1	16	0
Can Inspect Meat Better	12	35	10	34
Other Reasons	14	24	16	26
Number	1,356	96	840	62

TABLE 21. **Percentages of Customers preferring to choose from unwrapped or pre-packaged meat**

	Preferring to see meat wrapped	Preferring pre-packaged meat	No Preference	Number
Glasgow:				
Low Income	97	3	0	411
High Income	94	3	3	294
Total	96	2	2	705
Liverpool:				
Low Income	95	4	1	350
High Income	95	4	1	172
Total	95	4	1	522
London:				
Low Income	89	4	7	311
High Income	84	4	12	164
Total	88	4	8	475
Newcastle:				
Low Income	91	4	5	201
High Income	87	8	5	191
Total	89	6	5	392

it is wrapped. This is already indicated in Table 20 where 31 per cent of these customers gave it as a reason for preferring counter service.

Table 22 gives a further breakdown according to type of shop of the proportions of customers preferring to choose their meat before wrapping or pre-packaging. Not surprisingly the great majority of customers of traditional butchers prefer to choose their meat, as they are accustomed, before it is wrapped. Nevertheless, a third of the supermarket and self-service customers stated that they would prefer to choose their meat and see it wrapped rather than buy pre-packaged meat. There was rather a wide difference in the attitudes of customers with high and low incomes

TABLE 22. **Percentages of Customers of different Types of Shop preferring to choose from unwrapped or pre-packaged meat**

	Preferring to see meat wrapped	Preferring pre-packaged meat	No Preference	Number
Low Income:				
Independent	97	2	1	791
Branch of Multiple	90	4	6	217
Co-operative	94	3	3	207
Supermarket or Self-service	40	43	17	35
High Income:				
Independent	94	2	4	533
Branch of Multiple	89	4	7	151
Co-operative	90	7	3	89
Supermarket or Self-service	23	68	9	22
TOTALS:				
Independent	96	2	2	1,324
Branch of Multiple	89	4	7	368
Co-operative	92	4	4	296
Supermarket or Self-service	33	53	14	57

TABLE 23. **Percentages of Customers stating the listed reasons for preferring to see Meat wrapped and for preferring pre-packaged meat**

	Fresher Meat	Sweats in Pre-pack	Can inspect meat better	Can see it weighed	Cleaner Meat	Can pick up to inspect	Quicker Service	Personal Service	Other Reasons	Number
Low Income:										
Preferring to see meat wrapped	47	6	40	4	3	0	0	2	0	1,447
Preferring pre-packaged meat	10	3	3	1	59	21	6	0	0	76
High Income:										
Preferring to see meat wrapped	53	4	39	4	2	0	0	3	0	876
Preferring pre-packaged meat	13	0	9	2	67	20	4	0	0	54
TOTALS:										
Preferring to see meat wrapped	49	5	39	4	3	0	0	3	0	2,323
Preferring pre-packaged meat	12	2	5	2	62	21	5	0	0	130

patronising supermarkets and self-service stores. Whereas 40 per cent of customers with low incomes said that they preferred to see meat wrapped, this was considered desirable by only 23 per cent of those with higher incomes. Indeed 68 per cent of the latter group actually preferred pre-packed meat.

For the sample as a whole 98 per cent of customers preferring counter service also said that they preferred to see their meat wrapped compared with only 26 per cent of the much fewer customers who preferred self-service.

From the figures in Table 23 it will be noted that the most important reason for the great majority of housewives preferring to choose their meat prior to it being wrapped is that they consider it is then fresher than if pre-packaged. Forty-nine per cent believed this, and 39 per cent thought that they could inspect meat better when unwrapped. Of the much smaller number who favoured pre-packaged meat 62 per cent thought it to be cleaner and 21 per cent liked to be able to pick up pre-packs to examine differences in quality more closely. From this it is concluded that in order to promote the sale of pre-packaged meat its freshness as well as high quality must be emphasised. Further, a method of pre-packaging enabling customers to inspect both sides of the cut would appear to offer a considerable advantage as compared with opaque trays.

The proportion of customers in different age groups who stated that they preferred to choose their meat and see it wrapped or who preferred pre-packaged meat was also calculated. No relationship was found between age and preference for one or other of the two methods of presentation. Thus, it is also concluded that supermarkets can not expect to obtain an increased share of the market simply because a new generation of shoppers with less resistance to pre-packaging replaces the older.

TABLE 24. **Percentages of Customers preferring to choose Meat from an ordinary counter or a cold cabinet**

	Preferring an ordinary Counter	Preferring a cold Cabinet	No Preference	Number
Glasgow:				
Low Income	7	75	18	398
High Income	8	77	15	288
Total	7	76	17	686
Liverpool:				
Low Income	7	72	21	352
High Income	5	75	20	174
Total	6	73	21	526
London:				
Low Income	16	51	33	313
High Income	10	62	28	160
Total	14	55	31	473
Newcastle:				
Low Income	8	71	21	201
High Income	12	64	24	190
Total	10	68	22	391

Cold Cabinet Displays:

The third major difference between traditional butchers and butchery departments in self-service stores and supermarkets is that the latter display their pre-packaged meats in a cold cabinet whereas many traditional butchers do not. Customer attitudes to these alternative methods of display are reflected by the figures contained in Tables 24 to 26.

Only 55 per cent of customers in the London sample stated that they preferred to choose meat from a cold cabinet compared with 76 per cent in Glasgow. Nevertheless a substantial majority in all cities either preferred their meat from a cold cabinet or had no particular preference for either method of display. Understandably a greater proportion of customers of self-service shops and supermarkets compared with

TABLE 25. **Percentages of Customers of different Types of Shop preferring to choose meat from an ordinary counter or a cold cabinet**

	Preferring an ordinary Counter	Preferring a cold Cabinet	No Preference	Number
Low Income:				
Independent	9	67	24	788
Branch of Multiple	10	66	24	211
Co-operative	11	67	22	205
Supermarket or Self-service	3	83	14	36
High Income				
Independent	10	69	21	526
Branch of Multiple	6	74	20	150
Co-operative	9	69	22	88
Supermarket or Self-service	0	91	9	22
Totals:				
Independent	9	68	23	1,314
Branch of Multiple	8	69	23	361
Co-operative	10	68	22	293
Supermarket or Self-service	2	86	12	58

customers of other types of shop, preferred a cold cabinet. Despite a considerable number who had no particular preference, 60 to 70 per cent or more of customers of all types of shops stated that they preferred meat to be displayed in a cold cabinet.

The reasons for one or other method being preferred are summarised in Table 26. Of over 2,000 housewives answering the question only 205 said they preferred meat to be displayed on an ordinary counter. Of these 52 per cent thought they could see the meat better when displayed in this way and 27 per cent associated this method with fresher meat. This may be either because it was appreciated that meat could be kept longer in a cold cabinet or because it was then thought to be frozen. One thousand eight hundred and eighty-nine preferred a chilled display. Of these 89 per cent stated that this method was more hygienic. From this it must be concluded that quite apart from the advantages to be obtained from reduced perishability, the many traditional butchers who have not done so would be well advised to follow the lead of supermarkets and self-service stores in this respect. Furthermore whilst there was

TABLE 26. **Proportions of Customers stating the listed reasons for preferring to choose meat from an ordinary counter or a cold cabinet**

	Can see Meat better	Fresher Meat	More Hygienic	Other Reasons	Number
Low Income:					
Preferring Counter	52	24	9	15	132
Preferring Cold Cabinet	1	15	90	3	1,154
High Income:					
Preferring Counter	52	31	9	10	73
Preferring Cold Cabinet	1	14	90	0	735
TOTALS:					
Preferring Counter	52	27	9	13	205
Preferring Cold Cabinet	1	14	89	1	1,889

no very clear relationship between age and preference for one or other method, it did appear that there was some tendency for a greater proportion of younger customers to favour cold cabinet display.

SUMMARY AND CONCLUSIONS

SUMMARY:

1. This report is based on one section of an interview survey in which the views of approximately 2,800 housewives in Glasgow, Liverpool, London and Newcastle upon Tyne were obtained.
2. The main objective of the part of the investigation reported here was to obtain information regarding where and how the majority of customers prefer to buy their meat.
3. More than three-quarters of customers regularly bought their meat from the same shop.
4. Although 30 per cent of the housewives interviewed said they were only occasionally, rarely, or never able to judge quality, the great majority were satisfied with the beef they obtained.
5. Independent retailers and branches of multiples are associated in the minds of many customers with high quality meat. Supermarkets and self-service stores were more frequently mentioned as being cheaper and offering a better choice.
6. In shops where there is a counter service personal attention is regarded as being next in importance to quality by a large proportion of customers.
7. Supermarkets and self-service shops do not apparently attract a larger proportion of younger customers for meat than other types of retail outlet.
8. Only 7 per cent of supermarket customers used a motor car to do their shopping for meat.
9. Rather less than half the sample bought their meat from the nearest butcher's shop, poorer quality followed by higher prices being the most important reasons for going further.
10. Over 60 per cent of customers purchased groceries within 220 yards of their meat, a further 11 to 14 per cent buying both meat and groceries from the same shop.
11. From 88 to 97 per cent of the sample in the four cities included in the investigation expressed a preference for buying their meat from a butcher rather than selecting it from a self-service display.
12. From 88 to 96 per cent of housewives in the four cities stated that they preferred to choose their meat before it was wrapped. Over half considered that it was fresher whilst 39 per cent thought that they could inspect meat better when unwrapped.
13. A substantial majority of customers preferred meat to be displayed in a cold cabinet, mainly because they thought it was more hygienic. It appeared that there was some tendency for a greater proportion of younger customers to favour the display of meat in a cold cabinet.

CONCLUSIONS:

1. That more than three-quarters of customers regularly bought their meat from the same shop and the high proportions who were always or usually satisfied with their purchases of beef suggest that in general the retail trade maintains an acceptable standard of quality. Furthermore it may be concluded that the argument in favour of introducing any comprehensive system of grading should be based more on increased efficiency in marketing and pricing which it should encourage, rather than on any great increase in consumer satisfaction as a result of improved quality standards.

2. Supermarket chains wishing to accelerate the rate of increase in their sales of meat should place particular emphasis on the need to build up a reputation for the sale of high quality. Independent retailers and branches of multiples should endeavour to improve the variety and attractiveness of their displays.

3. From the importance attached to the personal service and attention by the large proportion of the sample preferring counter service it is suggested that supermarkets with sufficiently large meat departments will be better able to compete with other types of retail outlet if they provide counter service in addition to self-service.

4. It is of considerable advantage to be located in a shopping centre. At the present time this appears to be the case even for supermarkets.

5. Only if the quality of the meat is adequate do convenient location and good service become factors appearing to offer high competitive advantages.

6. As supermarkets and self-service shops do not attract a larger proportion of younger customers for meat, they can not expect to obtain an increased share of the market simply because a new generation of shoppers replaces the old. Like other types of outlet they must compete for the patronage of customers of all ages.

7. Despite the importance of convenient location the majority of butchers in these cities have one or more competitor sufficiently near to prevent any monopolistic exploitation of their market areas based solely on location.

8. Closely associated with the great majority of customers' preference for counter service is their desire to be able to choose their meat prior to having it freshly cut to suit their individual requirements. The fact that some supermarkets do not give this service is considered to be an important factor retarding growth in their meat sales.

9. In order to promote the sale of pre-packaged meat its freshness as well as high quality must be emphasised. Furthermore a method of pre-packaging enabling customers to inspect both sides of the meat might offer a considerable advantage as compared with selling pre-packed meat in opaque trays.

10. Quite apart from the advantages to be obtained from reduced perishability, the many traditional butchers who have not done so would be well advised to follow the lead of supermarkets and self-service stores, and display their meat in cold cabinets.

11. Very considerable consumer resistance to self-service sale of pre-packaged meat is indicated by this investigation. It suggests that supermarkets and self-service shops will not increase their share of the market for meat as rapidly as is sometimes suggested. To do so they may have to incur heavy sales promotion expenses, and, at least in the foreseeable future, some supermarket chains may find it more advantageous to rent their meat departments to traditional butchers providing personal service and using more familiar sales methods.

APPENDIX

THE QUESTIONNAIRE

Code No.. Date..

Do you usually buy beef from:

(*a*) the same shop.. (*b*) different shops....................................

If different shops. Why do you buy beef from different shops.

What sort of shop do you usually buy your beef from. Is it:

- an independent butchers...
- a branch of a multiple butchers ....
- a co-operative society shop ....
- a supermarket or self-service grocery shop ....
- a department store ....
- a mobile shop ....

Why do you go to this particular shop:

Do you go there because:

- the shop is near to your house or work ....
- prices are low ....
- quality is high ....
- service is good ....
- the butcher knows what you like ....
- you can order by telephone ....
- the butcher will deliver ....
- you have an account there ....
- other food shops are nearby ....

Which of these do you consider to be:

- (i) of most importance
- (ii) second in importance

Do you usually go to the shop from your home or from work:

- From home
- From work

How far away is the shop

How long does it take you to get there

How do you get there. Do you: walk
go on the bus
travel by car
any other way (state)

How many butchers' shops are nearer than this one

If any. Why don't you go to the nearest one

How far from your butchers do you buy most of your groceries

Why do you go to this particular grocery shop

Do you prefer to buy beef in a shop where the butcher serves you..................................or to select it in a shop where there is a self-service display of meat..

Why do you prefer this type of service

Do you prefer to buy beef and see it wrapped..................................or beef which has been pre-packaged in cellophane..................................

Why do you prefer this method of wrapping

Do you mind whether meat is displayed on an ordinary counter or under cover in a cold cabinet

If yes. Which method do you prefer

Why

How often are you satisfied with the beef you are sold for roasting. Are you:
always satisfied ....
usually satisfied ....
occasionally satisfied ....
rarely satisfied ....
never satisfied ....

How often are you satisfied with the beef you are sold for frying or grilling. Are you:
always satisfied ....
usually satisfied ....
occasionally satisfied ....
rarely satisfied ....
never satisfied ....

To what extent are you able to judge quality and to what extent must you rely on your butcher when you buy beef. Are you:

always able to judge quality ....

usually able to judge quality ....

occasionally able to judge quality ....

rarely able to judge quality ....

never able to judge quality ....

We want the opinions of people in a variety of occupations. Do you mind telling me your husband's occupation

And also your name and address

Finally, do you mind telling me your age

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