

A Survey of Meat Merchandisers and Managers in Missouri

Turkey Products in the Retail Store



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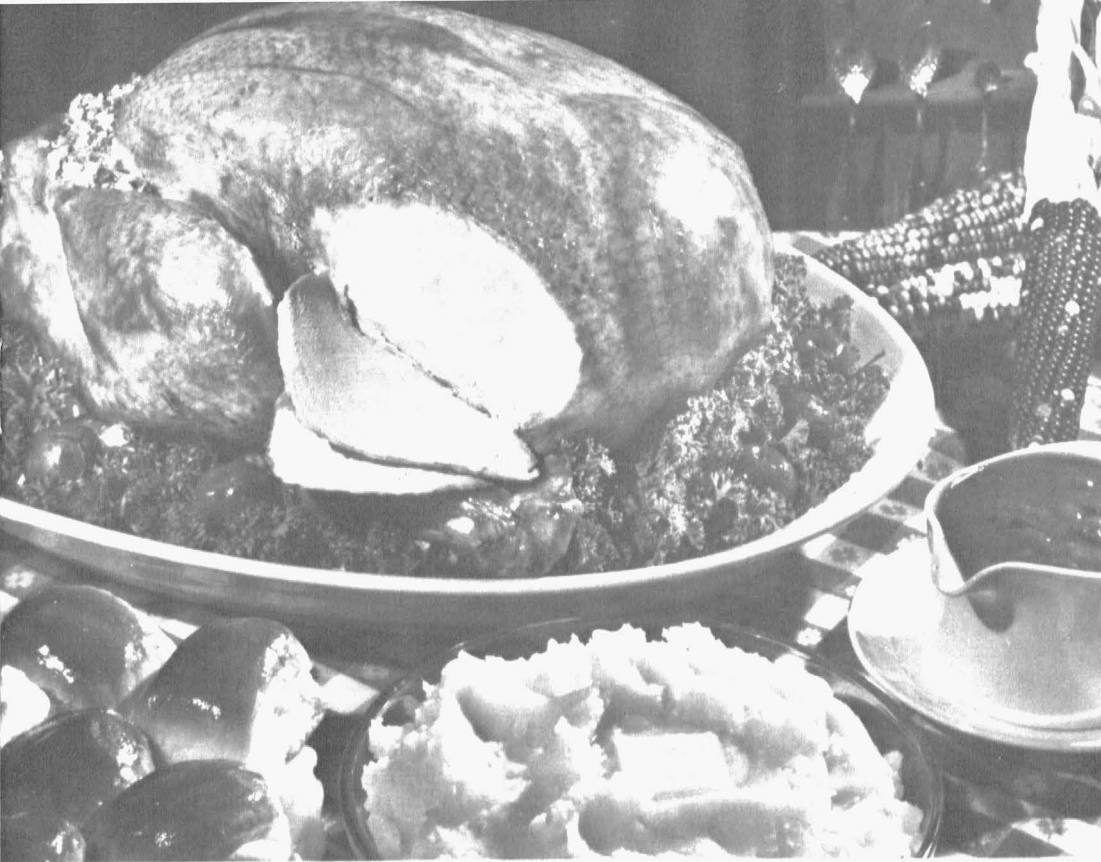
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It is our hope the information presented here will aid the turkey industry in finding new and better ways of serving the retail trade and, in doing so, will result in more consumer satisfaction and greater consumption of turkey products.



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Introduction

The turkey industry is always in need of more information that will result in better markets and greater consumer satisfaction from its products. Through the years it has been the philosophy of the industry to support a strong consumer information program. The feeling is that if the consumer has a better knowledge of the turkey products being offered she will make wiser buying decisions and will increase consumption.

In this continuing effort to reveal new facts about marketing turkey products, the Extension Division, University of Missouri-Columbia, conducted a study of

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institutions within the state in 1971. This study was published as Special Report 137, *An Institutional Survey of the Use of Turkey Products in Missouri*, by L. A. Voss and W. D. Russell, University of Missouri-Columbia.

In 1972, our attention has been directed toward investigating the situation and trends in regard to turkey products at the retail store. Since the marketing channel for turkey is extremely short, our interviews were limited primarily to those individuals who make buying decisions or handle turkey at the wholesale level and at the retail store. These individuals at the wholesale level are referred to in this report as *meat merchandisers* and at the retail level as *meat managers*.

The purpose of the study was: (1) to give the turkey industry a better understanding of the situation, trends, problems and needs of retail grocers regarding the movement of turkey meat through their stores. In addition, we wanted to get their opinions and attitudes in regard to the many turkey products and how they viewed the future for such products in terms of changing consumer demands. Hopefully such a study would reveal new ways and means of getting more turkey meat to move through these markets. And, (2) to let food retailers know the turkey industry is interested in their business and willing to cooperate in alleviating problems that prevent more turkey products from moving through their stores.

Procedure

It is important to understand the organizational structure of the retail food industry. Based on the wholesale supply source, stores can be classified into four groups: (1) national corporate chains; (2) independent chains; (3) cooperatives; and (4) affiliated independents. Each of these groups has their own unique operational procedures, warehousing facilities, and methods of servicing the individual stores within their organization. Each wholesaler or warehouse usually has one or more persons (normally carrying the title of meat merchandiser) who is responsible for buying the meat and assisting the retail outlets. These individuals usually merchandise the red meat, poultry, and fish. The frozen prepared foods such as dinners, pot pies, and other items are in the grocery department and are not directly their responsibility.

Interviews were conducted with 20 meat merchandisers representing each of four groups from a total of 3452 stores. These stores are located in Missouri and neighboring states. The Missouri stores served by these meat merchandisers are about 80 percent of the retail food stores in the state.

Interviews were also conducted with managers of meat departments in 17 retail stores in the state. The latter interviews were made primarily to find out if there were any major differences between the responses received from the people who make the buying decisions as compared to those who are in charge of the day to day servicing of the display cases. The national corporate chains were not represented in this latter group because the meat managers generally follow the policies established at the warehouse level. Most of the meat managers were from stores representing co-ops and other affiliated independents.

The questionnaire used in the survey was first reviewed by selected members of the turkey industry and pretested with three meat merchandisers before being put into its final form. The completed questionnaire contained 32 items. The cooperation received from the food industry was excellent and those being interviewed were most willing to share their information. All interviews were conducted during the months of September and October, 1972.

A special effort was made to secure information for both the holiday and the off-season sale of turkey. Since about 45 percent of the annual consumption of turkey occurs during the Thanksgiving-Christmas holiday season, this has an important bearing on the approaches used to solve problems facing the turkey industry. With the current turkey consumption of 8.6 pounds per capita it means that approximately 3.9 pounds of it is consumed during the holidays. Consumption for the remainder of the year is rather uniformly distributed, amounting to less than one-half pound per capita per month.

Characteristic of the Meat Merchandisers

Meat merchandisers are basically *red meat* men. Their background, training and interest is primarily in merchandising beef and pork. This is evident by their readiness to discuss red meats in preference to any form of poultry.

In general, their attitude toward turkey is one of expressing tolerance, not over-enthusiasm. To them, turkey is not a big moneymaker. Except for turkey roasts and a few other items, turkey is viewed as being a highly seasonal product compared to other meats which are handled in quantity throughout the year. Pork, for example, shows some seasonality by peaking in October and November and hitting a low point during summer. But, the total variation between high and low points is probably less than 10 percent of the average. The variation in beef consumption is much less, although there is variation in regard to different cuts. Steaks, for example, have the highest per capita consumption in the summer, while more beef roasts are consumed during winter months.

As with other meats, the meat merchandisers possess unusual power over the price, quantity, and kind of turkey products sold in the retail store. New products must meet their approval before they can be offered to the consumer. If they are not favorably impressed with a new product being offered, they can prevent its entry into the market. If a new product is test-marketed under a limited set of conditions and it doesn't move favorably, it too can be eliminated by management decision. With all the new products coming on the market today they cannot show much patience in dealing with questionable products.

When meat merchandisers or managers form an opinion or attitude about a given product, it is very difficult to change that attitude. Part of the reason for this is that meat merchandisers do not have adequate records to analyze the profitability of individual products or commodities. Present records only give a breakdown by broad categories such as meat, produce, and grocery departments.

Processors have a big job laid out for them in changing the attitudes some meat merchandisers hold in regard to turkey products. We point this out, because this hurdle must be overcome before the consumer can get a chance to determine whether she likes the product or not.

How Turkeys Are Displayed

The display of turkeys at the retail store has concerned the turkey industry for many years. Industry leaders have expressed their displeasure on many occasions of seeing their birds displayed in the bin or coffin type display case where they are mixed with a scrambled lot of various sizes, brands, and other species of poultry. This is the usual situation throughout most of the year.

Unfortunately, the researchers did not find an easy solution to the problem. They found almost all the stores had bin type displays for displaying turkey and the meat merchandisers thought this was probably the best type of case that could be

used at present. If the product is kept below the frost line, it does a good job in preserving the product. Another advantage is that it holds a larger volume of products than other cases. It was pointed out that it is easier for a housewife to view and pick up a turkey from a bin than to get one at an odd height from a shelf. Subsequently, it is easier for her to place the turkey in the shopping cart.

A few of the newer stores are using tiered cases for displaying turkey. They do a better job of displaying the birds but have the disadvantage of not holding enough volume. Thus, they require more frequent restocking. The best type of tiered case is one without doors that has a short half bin at the bottom. The housewife, they report, has difficulty in removing large birds from a case with doors. The half bin at the bottom provides some additional storage space and can be used for restocking various size birds and products on the shelf display.

Since there are many new frozen food items being introduced in the retail store, space is always at a premium. It was pointed out, however, that more turkey products could probably be moved in the frozen food compartments if more space were devoted to them. A number of studies have shown there is a direct relationship between the amount of display space and volume of sales with frozen food products. Those interviewed thought a better job could be done in servicing the display cases, keeping the space orderly, and keeping a good selection of sizes and grades of birds available. If the housewife cannot find the size of bird she needs she will probably buy some other type of meat.

One suggestion was that cases be equipped so turkeys could be separated according to size. Another merchandiser suggested the space problem could be partially solved by displaying only the hens or small turkey during the off-season, when movement of large toms is extremely slow.

According to one merchandiser, manufacturers of frozen food equipment had not given enough consideration to the marketing aspects of design in development of display cases. "They have been more concerned," he said, "with engineering features which may do an excellent job in preserving the product but do a poor job in enticing the housewife to buy." The tiered cases which bring the product up to near eye level is a good example of improvement in marketing aspects of design. Some studies have shown raising the product up to eye level has increased sales as much as 20 percent.

Point-of-Sale Materials

Point-of-sale materials are frequently used in the retail store to call attention to turkey and to stimulate impulse buying. Various methods are used to get attention, such as an attractive picture of the product, words that point to the nutritional value of turkey, or turkey as a good buy. In any case, the objective is to register a sale on that particular visit to the store or serve as a reminder so there will be future purchases of turkey.

Point-of-sale materials appear to have more value in promoting meats that have a low per capita consumption. Beef and pork, for example, tend to sell themselves and do not require as much on-the-spot promotion. However, meat merchandisers appear to be more willing to invest funds in point-of-sale materials for beef and pork because this is where they get their greatest volume.

There are two primary sources for turkey point-of-sale materials. One is the general materials prepared by the National Turkey Federation and the other is the material furnished by industry which promotes a specific brand of turkey. The

latter has become more prominent in recent years as the premium turkeys have been marketed under a brand name.

One of the differences between the two sources of materials is that the material from NTF is sold to the retail organizations at cost. Mailings are made periodically describing materials available, prices and order forms. The other materials, however, are free of cost and company representatives usually make direct contact with the merchandisers and personally take their orders.

The responses of 20 meat merchandisers and 17 meat managers regarding the use of point-of-sale material is given below in Table I.

| Table I Use of Point-of-Sale Material | Meat Merchandisers* | Meat Managers* |
|--|----------------------------|-----------------------|
| Familiar with National Turkey Federation Point-of-Sale material | 15 | 6 |
| Secured material through NTF last year | 2 | 0 |
| Have used NTF material at any time | 10 | 2 |
| Willing to pay for NTF material | 4 | 1 |
| Willing to share cost of NTF material | 0 | 2 |
| Could use more kinds NTF point-of-sale material than now available | 9 | 6 |
| Used material related to a specific brand | 17 | 17 |

* 20 meat merchandisers and 17 meat managers interviewed.

The data shows the point-of-sale materials are not as widely used as the turkey industry would like and it gives some reasons for the situation. Although the National Turkey Federation materials have been available for several years, only 75 percent of the merchandisers and 35 percent of the meat managers were familiar with them. Only two of the merchandisers and none of the meat managers reported getting materials through NTF last year. Fifty percent of the merchandisers and 12 percent of the meat managers had not used the materials at any time.

It appears that one of the reasons the NTF materials are not widely used is the cost. The general comments were they thought all commodity groups should supply the materials free of cost. They also expressed dissatisfaction with details of making out vouchers and ordering of supplies. Only four merchandisers (20 percent) and one meat manager (6 percent) said they were willing to pay for the materials. Few showed any interest in sharing the cost. One might interpolate that retailers were not particularly interested in point-of-sale materials for turkey. This is not the case, however, since 45 percent of the merchandisers and 35 percent of the meat managers said they would like to see more kinds of point-of-sale materials made available to them. All of the meat managers and 85 percent of the merchandisers reported using the materials relating to a specific brand.

Furnishing promotional material free of cost is not the entire answer either, for as several people pointed out, "posters have to be displayed to be effective." Unless the local managers are convinced of their value, chances are that the expensive and colorful posters will be thrown away.

One of the meat merchandisers said he sent materials out by the routeman only to those retailers he thought would be interested and willing to take the time to display them properly. Several people suggested if commodity groups had the funds it would be helpful if someone could be hired to go from store to store putting up display materials for the retailers. This might be done in the major cities during the holiday season. The dairy industry, they say, does this rather frequently and supplies the point-of-sale materials free of cost.

Two merchandisers mentioned the need for posters featuring the live turkey. Retailers had requested these but as far as they knew none had been available recently. Several indicated a need for better designed materials. One merchandiser questioned the value of point-of-sale materials. Such materials, he said, do not sell the commodity and do not create sales. Apparently, few people support his viewpoint.

Recipe and Cooking Instructions

Since most homemakers are not accustomed to preparing turkey, merchandisers thought some attention should be given to cooking instructions on the package covering the turkey. These instructions should be kept simple so the homemakers can interpret them easily. The instructions should show the cooking time in minutes for different weights. The internal temperature to which turkey is cooked should be plainly stated. The use of a meat thermometer should be encouraged. They felt homemakers tend to over-cook turkey causing the breast meat to be dry and crumbly. The old recommendation of 190° F internal temperature is too high; a better temperature is 180° F.

It was suggested that instructions reveal where the package of giblets is located so the homemaker does not forget and finds it later. A better suggestion might be to try developing a separate market for the giblets and leave them out of the whole carcass bird altogether.

Several merchandisers thought the self-basting bird should be given more publicity as this feature had good sales potential. They also thought cooking instructions on this product should be changed as it had been their experience that the self-basting bird cooks more quickly.

Instructions for preparing the dressing should be changed. Instead of stuffing the bird with dressing it should be prepared in a separate pan with the drippings from the bird used to season the dressing. The newer method is not only easier but it also speeds up the cooking time and results in a better, more uniform product.

Most firms, they said, could improve their cooking instructions on the package, making them simpler and easier to understand. More handout materials featuring recipes and cooking instructions should be made available. They particularly need more information on cooking turkey parts.

Promotion of Turkey

Since turkey is extensively promoted during Thanksgiving and Christmas holidays, an effort was made to determine what other time of year turkey was promoted and through what media. The meat merchandisers promoted turkey on an average of nine times per year other than during the holiday season. Most frequently reported, however, was five to six times per year. Meat managers did not promote turkey as often, averaging only two to three times per year. This indicates the promotional effort was offered more times than accepted by

the local retailers. The most common method of promotion was through newspaper ads, with 80 percent of the merchandisers using this method. Radio and TV ads were used very little. Price discounting was associated with 55 percent of the ads used. In general, the response to the promotion of turkey during the off-season gave results that could only be described as fair. The response rating for fryer-roasters is given in Table II.

| <u>Rating</u> | <u>Meat Merchandisers</u> | <u>Meat Managers</u> |
|---------------|---------------------------|----------------------|
| Good | 8 | 11 |
| Fair | 10 | 3 |
| Poor | 2 | 3 |

The question was asked, "what turkey products do you think have the best chance of increasing per capita consumption during the off-season?" Turkey parts was mentioned most frequently, followed by whole birds (8-10 pound sizes), raw rolls, fryer-roasters and turkey steak.

A number of those interviewed said they felt the turkey industry was still too oriented toward promoting their product only during the holiday season. Industry members are not aggressive enough in getting their products marketed during the remainder of the year. More aggressive promotion should focus on the products that will move well during the off-season. This means some form of turkey products or small turkeys. The housewife will not buy many whole turkeys, just as she will not buy many 10 pound pieces of beef or pork.

Respondents were asked, "Since turkey is known to be high in protein, and low in calories, do you feel this fact has potential value in promoting turkey?" Response to the question is shown in Table III.

| <u>Response</u> | <u>Merchandisers</u> | <u>Managers</u> |
|-----------------|----------------------|-----------------|
| Yes | 16 | 11 |
| No | 3 | 6 |
| No opinion | 1 | - |

Opinions were divided on the question with strong feelings both ways. The response seemed to depend on whether they thought people were weight conscious. A few respondents thought it had some value but it was not a strong selling point. One merchandiser thought it would help to get turkey into the weight watchers diet. Diet foods, they said, are definitely on the increase.

Seventy percent of the respondents reported increases in the sale of turkey meat this year due to the relatively high red meat prices. If red meat prices should drop they thought turkey consumption would also decline. However, they could not see any reason for red meat prices going down soon. "It is a good time," they said, "to promote turkey and to introduce new turkey products."

Problems in Buying and Handling Turkeys

Storage. Seventy-five percent of those interviewed said storage at the retail stores was a major problem. They said it was not economically possible to provide adequate storage space for the large volume of turkey that normally moved through the store during the holidays. Storage facilities are not adequate in most stores to handle normal volume or week-end sales. Whole turkeys, because of their body cavities and shape, require more storage space than other meats; thus their storage cost per pound of meat is higher. Since freezer storage space is at a premium both at the store and at the central warehouse this creates a problem in handling the whole bird. Only a few of the newer stores were reported as having storage space for normal holiday sales.

Packaging. One-third of the meat merchandisers reported packaging problems. In most cases, complaints were of poor quality boxes being used in shipping and storage of turkeys. Shipping boxes should be made of heavy materials in order to hold up during storage. Labeling on them could also be improved by providing legible identification of brand, size, sex, and grade on each end of the cartons.

Apparently, retailers are receiving fewer complaints now of weak or torn packaging of individual birds than they did a few years ago. Several people, however, mentioned they thought netting should be used on more of the whole birds. It protects the packaging around the bird and makes the package more attractive. Most important, however, is that the tied netting end provides a handle which aids the housewife in removing the bird from the display case. One person even suggested that some type "brief case" handle could be attached to the netting on large birds to make it easier for the customer to lift or carry the bird.

Quality. Few complaints were received in regard to the quality of turkey products. In fact, the majority of those interviewed were complimentary of the quality of turkey being sold by processors today. A few of the older meat merchandisers, who recalled their past experiences in the business, commented on the marked improvement in quality in recent years.

"Our quality problems," said one merchandiser, "are primarily due to improper handling." Another complained of too much gravy in the roast turkey product. He thought U.S.D.A. should have standards for products of this type.

Availability of Products. Most turkey products are readily available and offer no problem to retailers. Only two complaints were received and both of these involved substitutions being made on certain sizes and brands during the holidays. Apparently, it was not a problem during the remainder of the year. Merchandisers did not appear to be particularly curious about trying new turkey products or too concerned about their availability. For example, although all merchandisers had heard of the ground turkey meat only one mentioned that he would like to try some of it, but it was not readily available or convenient for him to order.

Delivery. One-fourth of the meat merchandisers reported delivery problems but these apparently were not consistent. More problems were experienced in 1971 due to government price freeze. Few problems are encountered with truck lines. Rail cars appear to cause more problems as to availability and erratic, uncertain schedules.

The major delivery problem encountered involved an order for turkey breasts which had been placed for August and September delivery. The merchandiser had not received it by October 5 (the date of the interview).

Size of orders. The size of orders does not present a problem. Most processing plants have sufficient volume of product to supply the increasing size of orders being received. Large chains, representing several hundred stores, may have minor problems in getting the volume needed for holiday sales, but this is not a serious handicap as most of them are purchasing turkeys from two or more processors anyway.

Pricing. The greatest problem in pricing turkey at the retail level occurs during the holidays when the battle of competition for the customer's business forces turkey prices to extremely low levels. At this time of year large toms and grade B's and C's are often sold as loss leaders. The pricing decision made by retailers is based primarily on the premise they will not be undersold by competitors.

There is some indication the gross discounting of turkeys during the holidays may some day be a thing of the past. Several meat merchandisers said they have already discontinued handling the undergrade turkeys and are making a special effort to emphasize quality rather than price. Other merchandisers have expressed an interest in moving in this direction. If the trend continues the price spread between Grade A and undergrade birds will become narrower as most of the undergrades will be moved into further processed items. Further processing provides an active market for undergrades so the price spread between Grade A and undergrade is declining. Therefore, the retailer loses interest in using these birds as leaders. The general attitude among most merchandisers now is that turkeys are not a profitable item, but they are interested in changing the situation. This is why they are so keenly interested in the *premium* turkey and the self-basting turkey as a means of promoting their quality image and improving price. Many of them are no longer interested in losing money on their turkeys as a means of drawing customers into their stores.

Another hopeful sign is many meat merchandisers are placing orders for their holiday turkeys early in the season — some as early as June. The orders may specify a firm price or one based upon a specified market at the time of delivery. If more of this type of pre-selling could be accomplished, it would have a stabilizing effect on the dressed bird market and would tend to eliminate some of the price discounting of turkeys during the holidays. The seller usually will not pre-sell unless the price is satisfactory to him.

Customer complaints. Retailers have few complaints from customers. Merchandisers quoted such figures as two complaints out of 20 cars of turkeys. Complaints usually had more to do with faulty handling than with processing error or quality of meat. One meat manager said he had a guarantee on his turkeys — money refunded unless fully satisfied. This always resulted in a few "free loaders" taking advantage of the situation.

Whole turkeys, Grade A young hens, toms and *premium* turkeys were reportedly sold by all those interviewed (Table IV). In connection with the ratings many of the respondents said they looked upon Grade B & C turkeys as being price items only. They are sold primarily during the holiday season. Over 60 percent of the respondents thought more whole turkeys would be sold in the future.

EVALUATION OF TURKEY PRODUCTS

Table IV Evaluation of Turkey Products Sold Through Retail Stores in 1972

| | Meat Merchandisers | | | | Meat Managers | | | |
|--------------------------------|--------------------|---------|------|------|---------------|---------|------|------|
| | No. Reporting | Rating* | | | No. Reporting | Rating* | | |
| | Sales** | Good | Fair | Poor | Sales** | Good | Fair | Poor |
| Grade A. Young Hens (8-16#) | 20 | 18 | 1 | 1 | 17 | 15 | 2 | 0 |
| Grade A. Young Toms (14-32#) | 20 | 16 | 2 | 2 | 17 | 14 | 3 | 0 |
| Premium Grade A Turkeys | 20 | 19 | 1 | 0 | 17 | 13 | 3 | 1 |
| Grade "B" or lower | 17 | 10 | 6 | 1 | 12 | 9 | 3 | ... |
| Fryer/Roasters | 18 | 3 | 12 | 3 | 11 | 5 | 3 | 3 |
| Breasts with ribs (4-6#) | 10 | 1 | 3 | 6 | 8 | 2 | 4 | 2 |
| Breasts with ribs (6# or more) | 9 | 1 | 2 | 5 | 6 | 2 | 3 | 1 |
| Turkey Steaks | 11 | 4 | 4 | 3 | 5 | 2 | 3 | - |
| Hindquarters | 11 | 8 | 3 | 0 | 9 | 3 | 3 | 3 |
| Front Quarters | 2 | 0 | 2 | 0 | 1 | 1 | 0 | 0 |
| Thighs | 7 | 1 | 5 | 1 | 5 | 0 | 4 | 1 |
| Wings | 8 | 2 | 5 | 1 | 6 | 0 | 5 | 1 |
| Drumsticks | 6 | 2 | 3 | 1 | 8 | 0 | 7 | 1 |
| Raw Rolls or Roasts | 19 | 4 | 15 | 0 | 15 | 8 | 6 | 1 |
| Fresh Dressed Turkeys | 7 | 3 | 3 | 1 | 4 | 0 | 3 | 1 |
| Fresh Ground Meat | 2 | 0 | 0 | 2 | 2 | 1 | 1 | 0 |

*Rating as to consumer demands or movement of the product.
 **20 Meat merchandisers and 17 meat managers interviewed.

Merchandisers were very complimentary to the turkey industry for the innovative development of the premium and self-basting turkey. Most of them reported increasing sales of this product during the holiday season, but were somewhat disappointed sales did not materially improve during the off-season. In general, they thought it had a bright future.

Ninety percent of the meat merchandisers and 65 percent of the meat managers reported sales of fryer-roasters. The consumer demand rating on these birds was not as high as the other whole birds — rated only *fair* by two-thirds of the meat merchandisers who had experience with them. There were several reasons for the relatively low rating: (1) some thought fryer-roasters may be too high in price; (2) fryer-roasters had not been adequately promoted in this area of the country; (3) fryer-roasters had to compete with the 10-12 pound hen and couldn't make the grade because of the relatively higher price and lack of versatility which the larger bird offered. One merchandiser reported excellent consumer response to a sale on fryer-roasters in 1971 but when he tried it again at about the same time this year the results were very disappointing. He was not able to explain the difference.

Several merchandisers mentioned that fryer-roasters were not generally available through local processors. They would probably feature them more often as a summer cook-out item if they were available locally. Seventy-five percent of the merchandisers thought fryer-roasters or the smaller 10-12 pound hen would continue to sell well in the future.

Turkey parts. Merchandisers seemed to have an uncertain feeling about turkey parts in general — they should be selling better than they do. Except for the breasts, most parts are priced low enough to be attractive to even the lowest income families. Why such parts as thighs, wings and drumsticks have only fair to poor consumer demand is difficult to understand. In spite of the relatively poor acceptance of parts now, 60 percent of the merchandisers thought their future looked considerably better.

Only about half of the merchandisers reported sales of breasts in 1972. Their movement was rated poor, due primarily to the relatively high price of the item. The larger breasts with ribs in (6 lbs or larger) moved even slower according to some of those interviewed.

The turkey steak is a new product or one that has been revived after a brief period of success following World War II. The steak featured in Missouri stores is the cube steak made from dark meat, frozen and delivered to retail stores in 40 pound cartons. Most of the steaks are displayed in the fresh meat case and if not moved in 2 to 3 days they are refrozen and placed in the bin type freezer. Eleven of the 20 meat merchandisers reported sales of turkey steaks in 1972. Only four rated their movement as *good*, others reported fair to poor. Reasons for the relatively poor showing appeared to be related to the problem of red color fading, housewives not being acquainted with the product, and lack of adequate promotion. Even some of those who had poor experiences with the first steaks they had tried said they thought they had good possibilities if certain problems could be overcome.

Turkey steaks lack eye appeal and do not move well if displayed in the bin type freezer. Color can be restored in steaks displayed in the fresh meat counters by rerunning them through the cubing machine and repackaging. Since color fading appears to be a major problem one merchandiser suggested breading steaks or using a translucent packaging to hide the color.

Over half of the respondents reported sales of hindquarters in 1972. Their experience varied, but in general the movement was rated *good* if adequately promoted. They conceded, however, that the product was strictly a price item and did not move well at prices high enough to be a profitable item for the turkey industry. Two merchandisers thought the half turkey might be a better product for year-round sales. Reasons given included: (1) adaptable to smaller families; (2) product contained both white and dark meat to suit individual tastes; and (3) should be able to command higher price and thus more profit to the processor and retailer.

As mentioned before, the story on thighs, wings, and drumsticks is difficult to understand. Less than half of the respondents reported sales of these products in 1972, undoubtedly due to poor experiences in previous years. The consumer demand rating was mostly "fair." Apparently there are some stores, mainly in the lower income areas, where these products move very well but always at a low price. The manager of the meat department in one store related how he had tried every scheme possible to sell turkey parts without success. His store was located in a medium income area. The general opinion was that the only way to improve the movement and price of turkey parts is to do a great deal more consumer education work to inform the public on their value and how to use them. It will require a much greater demand for these products to overcome the low price image of merchandisers and processors and to stimulate merchandisers to stock them on a regular basis.

Almost all respondents reported sales of turkey roasts or rolls in 1972. Although the movement of roasts was rated only *fair* by the majority of respondents, this doesn't mean they were necessarily dissatisfied with the product. Roasts were considered by many to be a relatively stable item, moving at a fair rate throughout the year and being purchased primarily by families in the medium to upper income level. They looked upon roasts as having a bright future, although some would like to see the price moved down slightly.

Fresh Dressed Turkeys. Fresh dressed turkeys make up less than 2 percent of the total sales during the holidays. It is not a big volume item in any of the stores and the majority of meat merchandisers do not look favorably upon it as having many future sales.

| | Meat Merchandisers | Meat Managers |
|-----|--------------------|---------------|
| Yes | 9 | 4 |
| No | 11 | 13 |

| | Meat Merchandiser | Meat Manager |
|--|-------------------|--------------|
| Type of Meat | | |
| Dark | 1 | 1 |
| Mixed | 1 | 1 |
| Size and type of container in which received | | |
| 1# and 3# tray packs | 1 | 2 |
| 40# bulk | 1 | — |
| How handled and presented for sale | | |
| 1# pack-fresh meat case | 1 | — |
| as received-frozen | 1 | 2 |
| Average price/pound | | |
| 49¢ | — | 1 |
| 69¢ | 1 | 1 |
| 79¢ | 1 | — |
| Price in relation to hamburger | | |
| Lower | 1 | 2 |
| Same | 1 | — |
| Were special recipes provided? | | |
| Yes | — | — |
| No | 1 | 2 |
| General public acceptance | | |
| Good | — | 1 |
| Fair | — | 1 |
| Poor | 2 | — |

The problem of maintaining quality is the big drawback with fresh dressed turkeys. Several respondents said they did not promote fresh dressed turkeys because they wanted to encourage the customers to use the good quality frozen turkeys.

Recognizing there may always be a limited market for fresh dressed birds, one meat merchandiser thought using the new vinyl packaging with the birds packed in carbon dioxide might overcome some of the quality problems. This process is now being used in some areas with tray packed broilers. Unless such a development occurs with turkeys, the fresh dressed market stands a good chance of passing out of the picture.

Ground Turkey Meat. Too few of the respondents had experience with the fresh ground turkey meat to get a reliable reading on the acceptance of this product. The majority of them had either heard of the product being sold on the west coast or had small pilot tests underway to see whether it would move in this area. The general attitude toward the product could be described as cautious. A summary of the data on the two meat merchandisers and two meat managers regarding the ground turkey meat is given in Table VI.

The problems which concerned merchandisers most about ground turkey meat was color fading, possibilities of bacterial contamination, and apparent lack of general consumer acceptance. They all agreed the price had to be near or below the cost of hamburger to compete favorably. The product also had to be merchandised as a fresh product rather than frozen.

Service Desired of Seller

The smallest chain desiring private brand labeling consisted of 35 stores. This service did not appear to be related to the number of stores represented or to the size of the business.

Table VII Services Desired of the Seller by Meat Merchandisers

| | Number Desiring Services | Number Not Desiring Services |
|--------------------------|-----------------------------|---------------------------------|
| Private Brand Labeling | 9 | 11 |
| Store Door Delivery | 7 | 13 |
| Warehouse Delivery | 14 | 6 |
| Processor Storage | 12 | 8 |
| Financing Purchases | 6 | 14 |
| Packer Brand Advertising | 11 | 9 |
| Point-of-Sales Materials | 14 | 6 |

Store door delivery was desired by firms that did not have central warehousing or firms that purchase most of the birds within the state where it was convenient for the processor to deliver to individual stores. Although 14 of the firms had their own warehouse, 12 of them reported using processor or outside storage for some purchases. Where turkeys were booked well in advance, many of these were stored at the processing plant and moved to the warehouse or individual stores just prior to the holidays.

Less than one-third of the merchandisers reported using outside financing for turkeys and usually this was on a short time basis. No difficulty with financing purchases was reported.

Packer brand advertising was not necessarily required but it was usually a part of the sales agreement on newspaper ads featuring turkey roasts and premium turkeys. Merchandisers felt more packer brand advertising should be done on TV and other mass media to stimulate sales. They also thought that TV advertising helped improve the sales of all turkeys regardless of the brand.

Over two-thirds of those interviewed thought the seller should furnish the point-of-sale materials. Whether the seller got it from NTF or made their own was immaterial. Two of the merchandisers said they preferred the commodity sponsored materials because they wished to promote more than one brand.

Buying and Selling Practices. How are sales contacts made? Who initiates them? How important is it for buyer and seller to be personally acquainted? These were a few of the facts we tried to uncover in the interviews.

Judging from the response to our questions it is extremely important for the seller of turkey products to make the initial contact with the potential buyer on a personal (face to face) basis. This establishes a relationship which cannot be obtained through telephone, letter writing, or other means of communication.

After the initial contact, how frequently and what other means of communication takes place between the two parties depends on the situation. In most cases it is desirable that the seller make only one personal (face to face) contact with his buyer during the year and that should most logically be done well in advance of the holiday season. Merchandisers mentioned June or early July as the most ideal time, especially if some type of pre-selling arrangement was being proposed. For other contact during the remainder of the year, the telephone could be used.

Several merchandisers said they did not want to be bothered with sellers calling on them personally throughout the year. Too frequent contacts were viewed as a waste of time. In practice the actual sales agreement could be worked both ways. In some instances the merchandiser, needing specific turkey products, initiates the call to the seller and makes the agreement. In others the seller initiates the call. In either case, conducting the call on a personal, first name basis is more likely to result in some sales agreement being reached. Follow-up letters listing the products available, prices and terms are also helpful in keeping in contact with the merchandisers.

Convenience Foods. Eighty percent of the merchandisers saw significant trends toward convenience foods such as heat and serve dinner, pot pies, food dishes, etc. It was this type of product which several respondents thought offered the best opportunity of increasing turkey consumption in the future. More turkey could also be incorporated into wieners, sausages, and products of this type.

It was pointed out turkey dinners and pot pies now rank second only to chicken as the leader in sales from the frozen food case. New products in this area of frozen foods are in good demand. The reason for it is a new kind of housewife is in the making—she is working away from home, she wants something quick and easy to cook, and she has a smaller family. The response of meat merchandisers and managers is given in Table VIII.

Table VIII **Trend Toward Heat and Serve Type Products**

| | Meat Merchandisers | Meat Managers |
|------------|-----------------------|------------------|
| Yes | 16 | 14 |
| No | 3 | 2 |
| No opinion | 1 | 1 |

We raised the question of whether or not they thought there was a significant trend toward the use of meat substitutes. The response was overwhelming negative. (Table IX)

Table IX **Trend Toward The Use of Meat Substitutes**

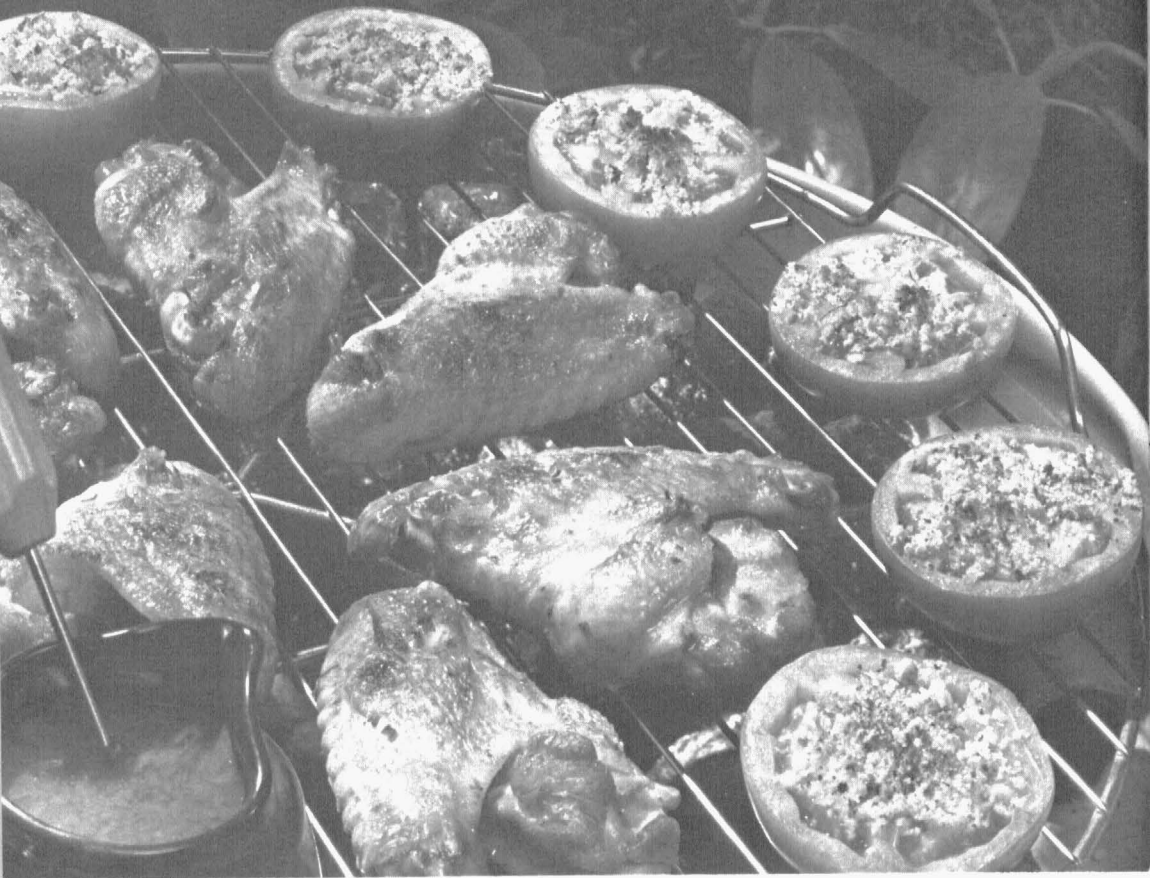
| | Meat Merchandisers | Meat Manager |
|------------|-----------------------|-----------------|
| Yes | 4 | 1 |
| No | 15 | 15 |
| No opinion | 1 | 1 |

Merchandisers taking the positive side were quick to point out that new products keep coming on the market every year and are being tested by the public. Some fail and some succeed. As long as meat prices remain high, this will encourage more substitutes to be developed. They also point out that many of the successful new products are not total substitutes but are blends with the natural product.

Those commenting on the majority opinion seemed to hold unshakable faith in the housewife's desire to stick to the real meat. They believe consumption of the substitute products will remain low because housewives do not like the products. "The label of soy products turn off the housewife," they say.

Guides Used in Buying Decisions. Urner Barry price reports were used by 10 of the 20 meat merchandisers interviewed. Four used U.S.D.A. Market News price reports. Several used a combination of reports plus their own company information in making price decisions. Surprisingly, a few merchandisers said they did not use any printed reports but depended entirely upon telephone checks with competitors and other sources as to the going price. The price which the merchandiser had to pay for turkey products appeared to be of less importance to some than others. Quality, dependability and service were mentioned as factors in determining whether the product was worth the price being quoted.

Merchandisers representing the larger number of stores appeared to be well informed on the current supply-demand situation of turkeys. Although they tended to minimize the importance of price reports and other data in making buying decisions one could tell they were in close contact with all available information.



Summary

Including Market Implications for the Turkey Industry

1. The meat merchandiser holds an important position in the retail food organization. He possesses unusual power over the price, volume, and kind of turkey products sold in the retail store. The seller of turkey products should get to know this man better and to cultivate his friendship.
2. Most all of the turkeys sold are displayed in the coffin or bin type display case. This type of case is not ideal but it will probably continue to be used in established stores. The newer tiered display without doors and with a half-bin at the floor level does a better job of displaying turkey products as it raises the products nearer to eye level. An orderly display is difficult with whole turkeys.
3. Most of the point-of-sale materials being used in the retail store are being furnished free of cost by the processors of branded turkey products. They are not using as much of the materials available through the National Turkey Federation as they would if it too was furnished without cost. Retailers would also appreciate help in putting up the display materials. The turkey industry was accused of being geared to holiday only turkey movement.
4. Cooking instructions on turkey packages should be kept simple and easy to understand. Better instructions could be provided on cooking time, temperatures, and on handling of dressing. More information is needed on cooking turkey and turkey parts.

5. Newspaper ads are used extensively in promoting turkey during the off-season. Price discounting is often associated with the promotion. The response of off-season promotion is considered only fair but it might possibly be improved with more industry support. The best time to promote turkey and introduce new turkey products is when the price of red meats is relatively high.
6. The major problem in handling whole turkeys at the warehouse and at the retail store is lack of storage space. Poor quality and poorly labeled shipping boxes were cited as a problem. Netting should be used on more of the whole birds. Quality problems are primarily due to improper handling. Availability and delivery of products did not appear to cause any serious problems; nor did size of orders or pricing.
7. There is some indications that merchandisers are starting to get away from the traditional price discounting of turkeys during the holidays. There is more pre-selling of turkeys.
8. Grade A young hens, Grade A young toms and *premium* turkeys make up the bulk of turkeys sold. The consumer demand rating given by those interviewed was mostly *good*. Fryer-roasters were rated only *fair* due to relatively high price, lack of area promotion, and competition provided by small hen turkeys. Turkey parts move well in some stores but always at a low price. Turkey steaks are viewed with mixed emotions. Color fading and lack of promotion are the major reasons for the relatively low ratings given. The movement of hindquarter roasts was rated *good* when adequately promoted and priced low. Turkey roasts or rolls are viewed as a stable item and movement is fair throughout the year to families in the medium to upper income level.
Fresh dressed turkeys make up less than 2 percent of the total sales and are declining.
Experience with ground turkey meat was too limited to draw many conclusions. The majority of those interviewed had heard of the product. Their attitude toward the product at this point could be described as cautious.
9. Many services are expected of the seller of turkey products. These may include private brand labeling, store door or warehouse delivery, storage, financing, packer brand advertising, and point-of-sale materials.
10. In making sales contacts, it is extremely important that the seller of turkey products make the initial contact with the potential buyer on a personal (face to face) basis. After that, personal contacts are probably not needed nor desirable.
11. Eighty percent of the merchandisers saw significant trends toward convenience type foods. Convenience foods probably offer the best opportunity for increasing year around turkey consumption in the future.
12. Meat merchandisers do not think meat substitutes offer any real threat to the turkey industry at present. As long as red meat prices remain high, however, there will be a tendency for more meat substitutes to be developed. Most of the substitutes will be blended with the natural product.



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