

# **Factors Influencing Restaurant Managers' Willingness to Feature Locally Produced Meat**

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# Factors Influencing Restaurant Managers' Willingness to Feature Locally Produced Meat

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## Abstract

The United States Department of Agriculture reports that currently one half of the food expenditures by American consumers are made on food consumed away from home. Approximately forty percent of the away from home expenditures are made at full service types of restaurants as opposed to fast food restaurants. The National Restaurant Association estimates that Americans will spend nearly \$150 billion on food at full service restaurants in 2009. As many small livestock producers struggle with low prices for their hogs, cattle and lambs, they view local farmer's markets, specialty grocery stores, meat shops, and restaurants as a potential market for their products. A growing public interest in buying local and reducing one's "carbon footprint" has spurred considerable coverage in the popular and farm press. Many livestock producers are interested in exploiting the eating local movement but find little available information on what their potential customer needs in terms of price, quality, diversity and quantity. Little research has been directed towards determining the factors that may limit restaurant management from purchasing and featuring meat and other livestock product produced by local farmers.

## Introduction

Meat is a major source of protein in American diets. Beginning from the early 1950's, the pattern of U.S. total meat consumption has been trending upwards. During the period from 1950 - 2008, the total meat (i.e. red meat and poultry) consumption per capita has increased approximately 58% (USDA, ERS 2010). Much of this increase is related to the growth in poultry consumption.

Even as total meat consumption has increased, consumers have become increasingly concerned about the wholesomeness and safety of their food. Recent food scares has raised concerns of the origin of food (Skuras & Vakrou, 2002). Examples of such food panics include salmonella, Escherichia-coli, BSE, dioxins, foot and mouth disease, bird flu and most recently H1N1 flu (Mazzocchi et al., 2008).

The health safety issue has also impacted the demand for organically produced food in recent years (Willer & Youssefi, 2007). The motive behind this demand for organic products is that a growing number of consumers are perceiving organic food as environmentally friendly and healthier than conventionally grown food products. This is reflected by a four-fold an organic produce sales between 2000 and 2008 (Organic Trade Association, 2009).

## Objectives

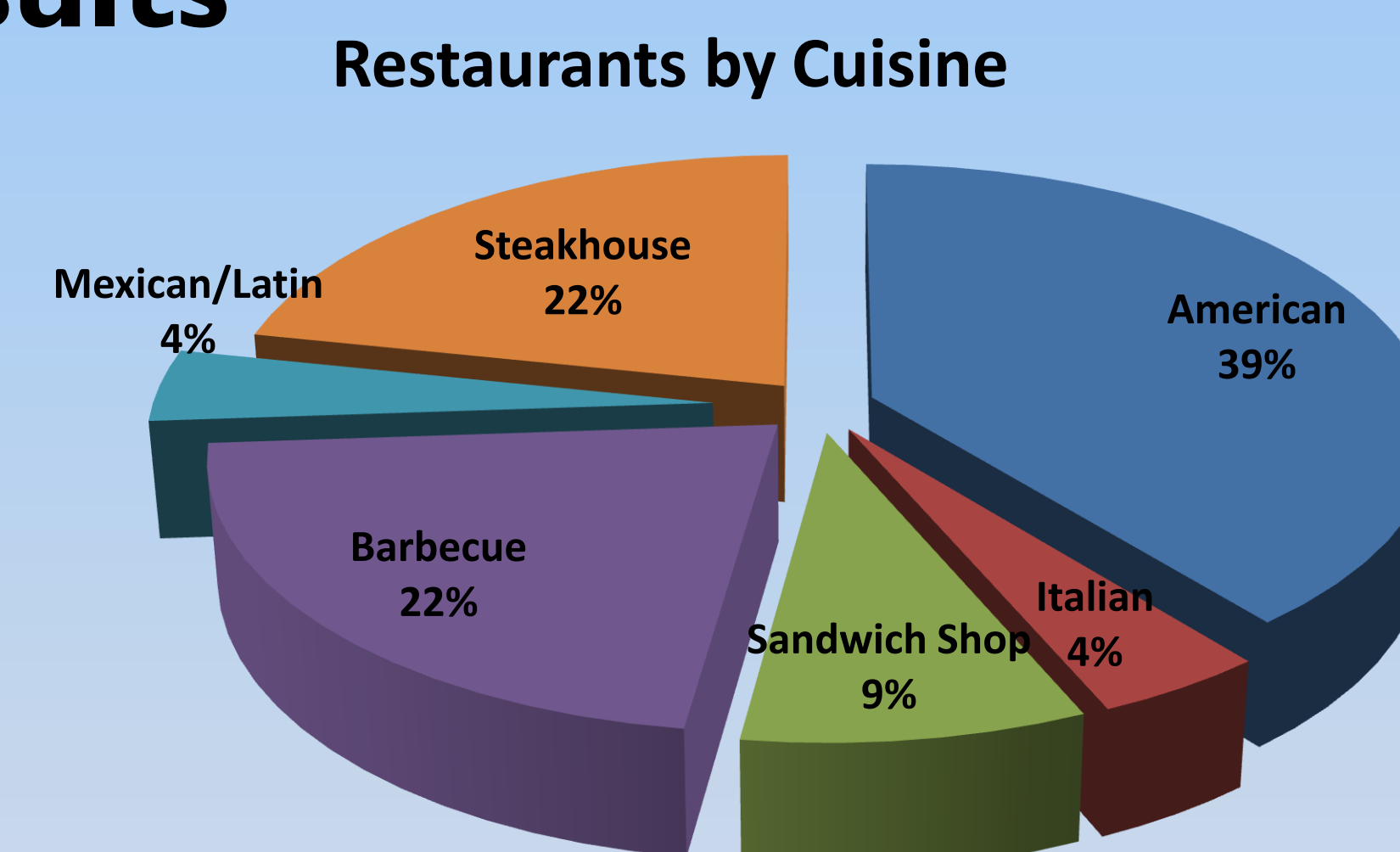
The objective of this research is to examine the opportunities for local livestock producers to have their products featured by local restaurants. The specific objectives of the study are:

- 1) To determine restaurant operators, managers, and chefs' awareness of the eating local (Localvore Movement) and its impact on food purchasing decisions;
- 2) To identify the interest of restaurant operators, managers, and chefs in featuring locally produced livestock products; and
- 3) Discover the qualities and characteristics that restaurant operators, managers, and chefs value in the selection of meat for their restaurants.

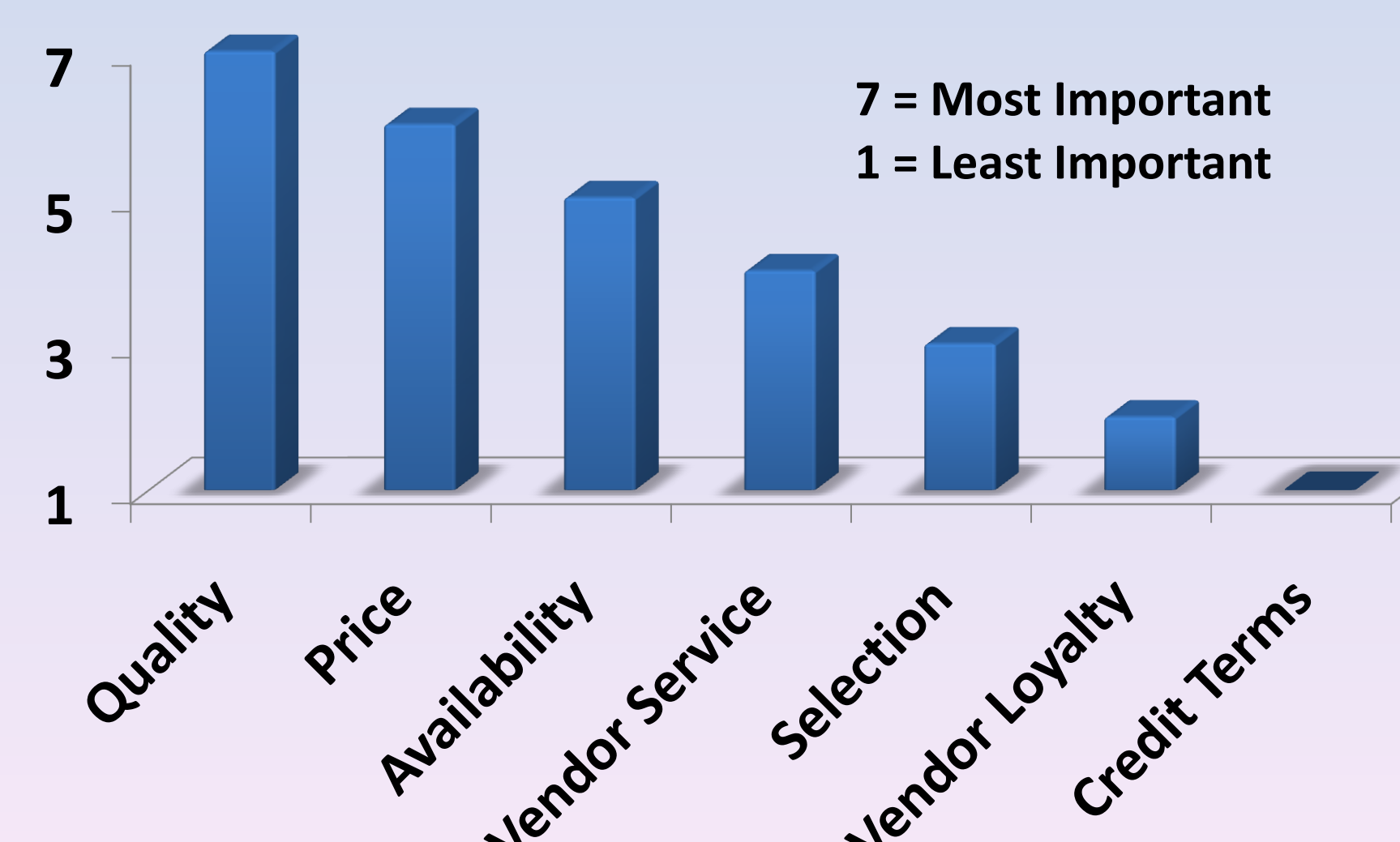
## Methodology

The restaurants surveyed were identified from the County Chamber of Commerce membership list and the Yellow pages. The criteria for selection was that the restaurant be independently owned (not be affiliated with a national chain) and be located in central Illinois. Data was collected by mailed questionnaire. The questionnaire was designed, structured, and worded based on the personal interviews with restaurant managers. The survey was completed by the person who makes the food purchasing decisions (i.e. general manager/owner/head chef). Surveys were sent to sixty-nine restaurants and twenty useable questionnaires were returned for a response rate of 29%.

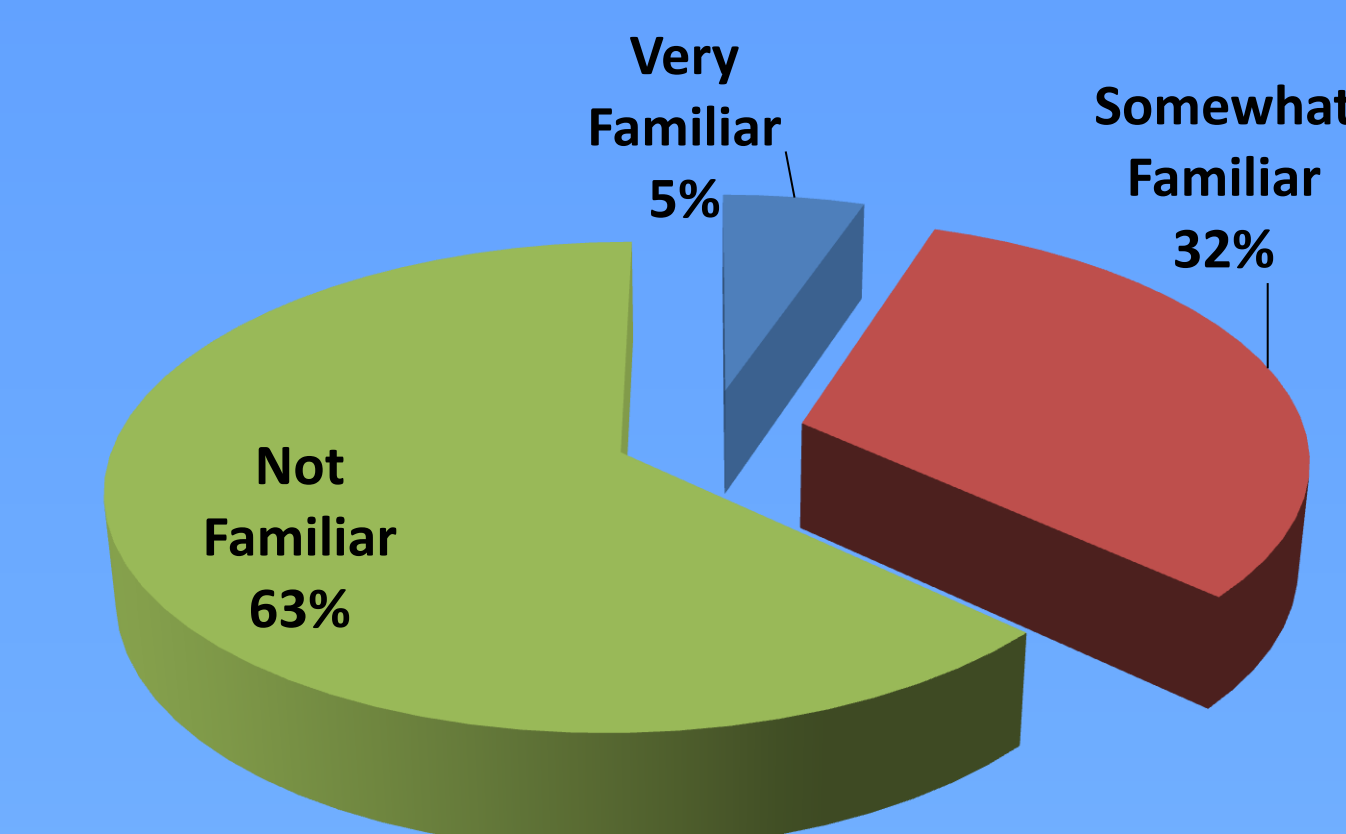
## Results



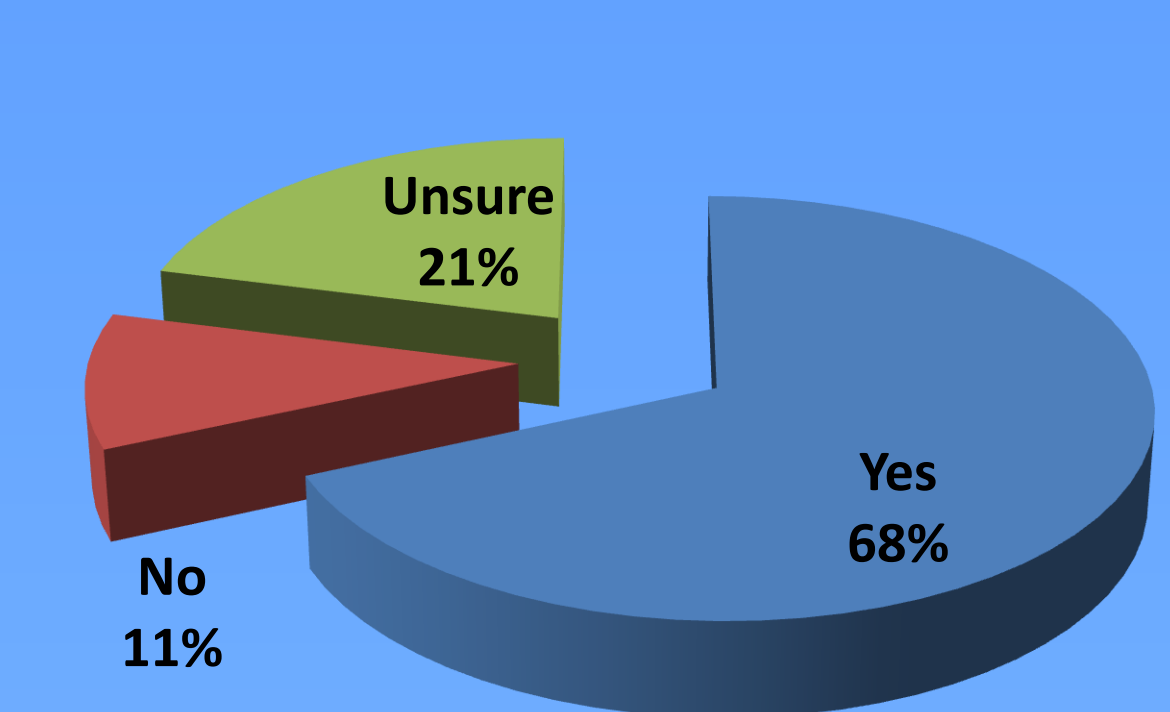
### Factors Determining Meat Purchases



### Familiarity with Localvore Movement

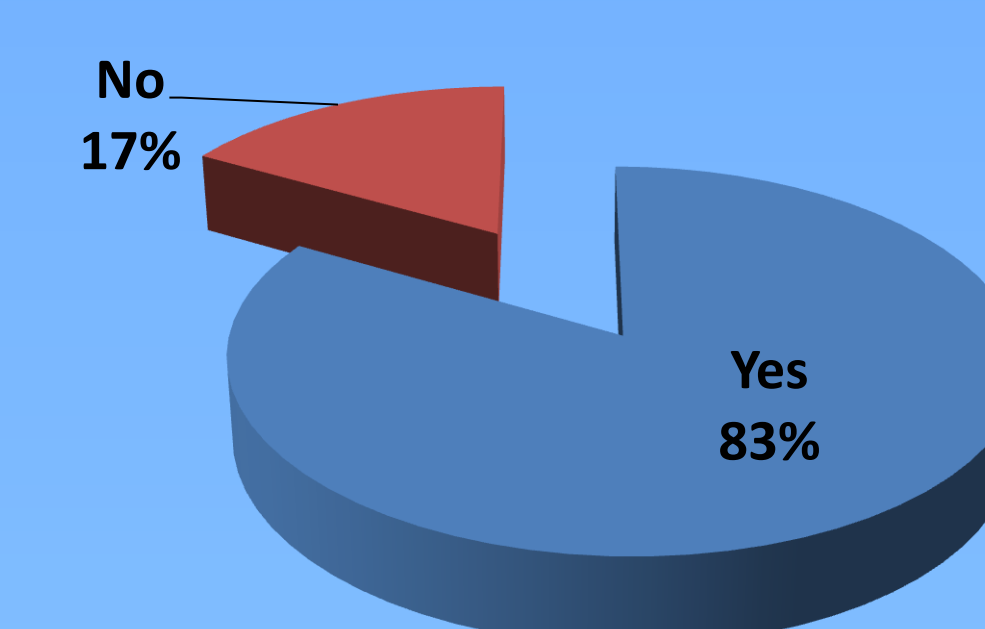


### Willing to Work with Local Producers

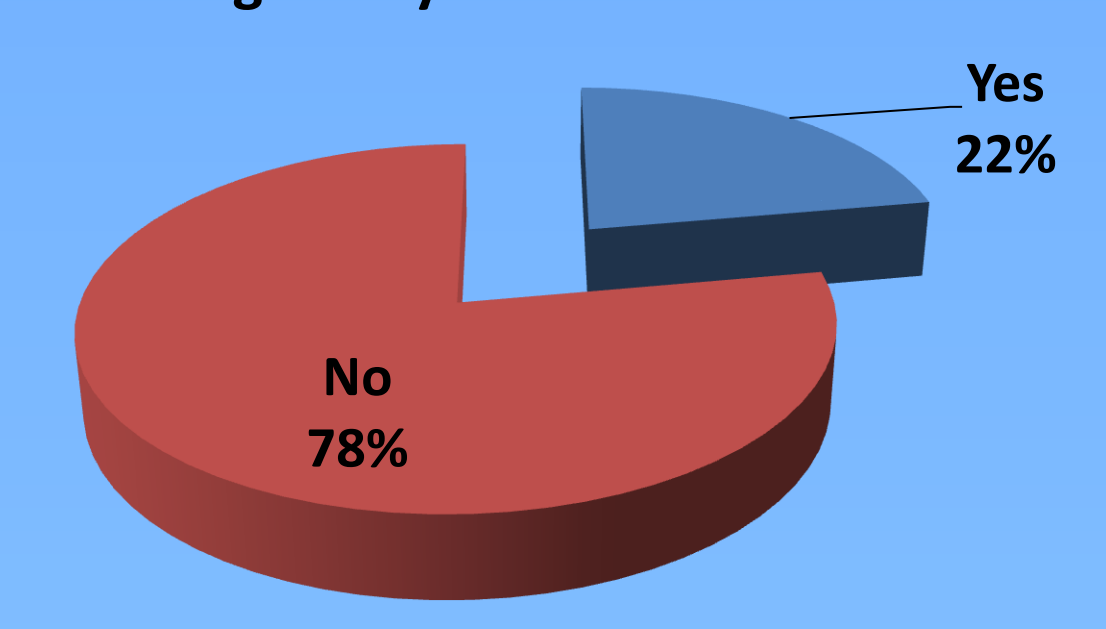


### Willingness to Pay a Premium for Local Meat

#### Willing to Pay Up to 10% More



#### Willing to Pay More Than 10%



### Restaurant Owners and Managers Perception of Locally Produced Meat

	Disagree / Strongly Disagree	Neutral	Agree / Strongly Agree	Do Not Know
Tastes Better	0%	24%	35%	41%
Safe to Eat	0%	12%	53%	35%
Reduces Carbon Foot Print	5%	17%	39%	39%
Sustains the Environment	5%	17%	50%	80%
Promotes Local Farmers	0%	0%	39%	61%
Promotes Local Economy	0%	6%	88%	6%

## Conclusions

Even though heavily featured in the popular press, the results of the survey indicate that only 37% of respondents were aware of the localvore (eat local) movement. Managers indicated that price and quality were the most important attributes when making meat purchasing decisions; however, most indicated that they would be willing to pay a modest premium for local meat. Sixty-eight percent indicated that they would be interested in working with individual meat producers to feature their products. While somewhat uncertain about the impact on local farmers most respondents indicated that featuring local produce by restaurant had a positive impact on the local economy.

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