# Segmenting the market for organic goat kid meat

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## Abstract

*Organic dairy goat farming is gaining importance in Germany and organic goat milk products become increasingly popular among consumers. At the same time, marketing of the goat kids, which are a by-product of dairy goat farming, is difficult. Consumer awareness and acceptance of kid meat is relatively low as it is not a traditional meat product consumed in Germany. Additionally, a lack in marketing structures besides direct marketing and high production costs contribute to a difficult market situation for dairy goat farms. This segmentation study shows that there are different promising consumer groups for organic kid meat. Certain attributes of the product, like the meat quality or its "Mediterranean flair", appeal to each of these segments and should be emphasised in communication measures. Providing recipes and information on quality and cooking at the point of sale is an important aspect of the communication strategy.*

## Introduction

While organic goat milk products become increasingly popular among German consumers, marketing of the goat kids is difficult. Consumer awareness of kid meat is relatively low as it is not a traditional meat product in Germany. A lack in marketing structures and high production costs contribute to a difficult market situation for organic dairy goat farms. In the Netherlands, another country with an increasing market for organic goat milk products, the situation is comparable to Germany. In other countries, like Greece, France, Portugal or Italy, there is a tradition of consuming goat kid meat. Yet, even in these countries, marketing structures and strategies for organic kid meat need to be improved.

One approach to explore marketing opportunities is to increase consumers' awareness and acceptance of organic kid meat. Therefore, the objective of this contribution is to identify promising consumer segments for organic goat kid meat and give recommendations for communication measures.

## Material and methods

A consumer survey using face-to-face interviews was conducted parallel to tastings of organic goat kid meat in six retail stores in Germany in October 2011. Customers could sample goat kid meat prepared as roast. They were provided with information on quality and cooking and recipes were supplied. After tasting customers were approached by interviewers and asked to answer some questions. Consumers' attitudes towards goat kid meat and food in general as well as buying intentions regarding kid meat were surveyed. Additionally, socio-demographic variables were collected.

251 customers participated in the study. Based on their self-reported buying intentions regarding kid meat the sample was divided into potential buyers and non-buyers. Participants stating that they would likely or very likely buy goat kid meat in the future were considered to be potential buyers. The reduced sample consisting of potential buyers included 165 participants. 39% of these participants were male and 61% female. On average they were 54 years old with 30% being between 55 and 64 years old. Most of the potential buyers lived in two-person households (46%).

In order to identify specific target groups for marketing of organic kid meat a cluster analysis was conducted among the potential buyers. The cluster analysis was based on a factor analysis of 16 statements measuring consumers' attitudes towards food, nutrition and eating. Five factors were identified (Table 1). These five factors were used for clustering potential buyers of kid meat. First, outliers were identified and eliminated using single linkage clustering. Nine cases were eliminated as outliers. The remaining cases were then analysed using Ward's method. A three cluster solution was chosen due to changes in heterogeneity (following Hair et al. 2010).

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## Results

Table 2 shows the mean factor values for each cluster and factor. Cluster 1 had the highest value for Factor 1: 'Sophisticated cooking and enjoyment of food'. Hence, consumers in this cluster preferred premium food and beverages and took their time for cooking. Their 'affinity for organic food and awareness of animal welfare' (Factor 2) was only moderate. The mean values for Factors 3 and 4 were close to zero. Therefore, food quality and experimenting with new food products played a minor role. In contrast, the high mean value for Factor 5 indicated a preference for tried and trusted recipes for cooking. Consumers in Cluster 1 could be described as **'pleasure-oriented meat lovers'** who indulge in gourmet food while being very traditional in their cooking habits.

**Table 1:**       Results of the factor analysis

| Factors and statements | Factor loadings | Explained variance 61.5% |
|---|---|---|
| **Factor 1: Sophisticated cooking and enjoyment of food** | | 16.1% |
| Premium food and beverages belong to my lifestyle | 0.832 | |
| I have sophisticated taste regarding food and beverages | 0.745 | |
| I take my time for cooking | 0.670 | |
| I often treat myself to delicacies | 0.654 | |
| **Factor 2: Affinity for organic food and animal welfare** | | 13.9% |
| Organic meat tastes better than non-organic meat | 0.787 | |
| I prefer organic products when I go grocery shopping | 0.715 | |
| By buying organic products I support animal welfare | 0.682 | |
| Debates on animal welfare issues reduce my pleasure in eating meat | 0.552 | |
| **Factor 3: Preference for high quality food** | | 11.6% |
| Products from animal friendly production are of higher quality | 0.754 | |
| I principally prefer high-quality products when grocery shopping even if they are considerably more expensive | 0.647 | |
| I pay attention to prices of food rather than to brands | -0.583 | |
| **Factor 4: Openness for new eating experiences** | | 11.0% |
| I like to cook fancy food and dishes | 0.802 | |
| I like to try out new products | 0.659 | |
| I am really enthusiastic about specialties from foreign countries | 0.602 | |
| **Factor 5: Conservative cooking preferences** | | 8.8% |
| I prefer tried and trusted recipes when cooking | 0.804 | |
| The simpler the cooking, the more I like it | 0.753 | |

**Table 2:** **Mean factor values for each cluster**

| Factors | Mean factor values | | |
| --- | --- | --- | --- |
| | Cluster 1 (n=42) | Cluster 2 (n=52) | Cluster 3 (n=32) |
| **Factor 1: Sophisticated cooking and enjoyment of food** | 0.700 | 0.101 | -1.079 |
| **Factor 2: Affinity for organic food and animal welfare** | 0.105 | -0.094 | 0.163 |
| **Factor 3: Preference for high quality food** | -0.068 | 0.317 | -0.189 |
| **Factor 4: Openness for new eating experiences** | -0.070 | 0.334 | -0.383 |
| **Factor 5: Conservative cooking preferences** | 0.726 | -0.692 | 0.257 |

Cluster 1 was the oldest of the three clusters with an average of 54 years (Table 3). In comparison to the sample of potential buyers, Cluster 1 had a high share of men (44%). Meat consumption was relatively high with 45% of the consumers eating meat three to six times a week. 55% of Cluster 1 had eaten goat kid meat before they participated in the tasting which equals the share among all potential buyers of kid meat.

**Table 3:** **Description of the three clusters**

| | Cluster 1 | Cluster 2 | Cluster 3 |
| --- | --- | --- | --- |
| **Sex** (%) | (n=41) | (n=51) | (n=31) |
| Men | 43.9 | 41.2 | 35.5 |
| Women | 56.1 | 58.8 | 64.5 |
| **Age** (%) | (n=42) | (n=50) | (n=32) |
| < 25 | 0.0 | 8.0 | 3.1 |
| 25 to 34 | 9.5 | 6.0 | 15.6 |
| 35 to 44 | 21.4 | 20.0 | 9.4 |
| 45 to 54 | 19.0 | 26.0 | 21.9 |
| 55 to 64 | 26.2 | 24.0 | 31.3 |
| 65 to 74 | 16.7 | 16.0 | 9.4 |
| > 74 | 7.1 | 0.0 | 9.4 |
| Mean (years) | 53.6 | 49.1 | 52.6 |
| **Household size** (%) | (n=42) | (n=51) | (n=30) |
| 1 person | 21.4 | 17.6 | 26.7 |
| 2 persons | 47.6 | 37.3 | 46.7 |
| 3 persons | 28.6 | 15.7 | 20.0 |
| 4 persons | 2.4 | 25.5 | 3.3 |
| 4 to 9 persons | 0.0 | 3.9 | 3.3 |
| **Meat consumption** (%) | (n=42) | (n=52) | (n=32) |
| Daily | 0.0 | 5.8 | 0.0 |
| Three to six times a week | 45.2 | 38.5 | 34.4 |
| Once or twice a week | 45.2 | 42.3 | 50.0 |
| Less than once a week | 9.5 | 13.5 | 15.6 |

The mean values for Factors 3 and 4 were highest in Cluster 2. Accordingly, these consumers preferred high quality food products and were willing to pay a premium for higher quality. They were happy to try new food products and food from foreign countries. When cooking they liked to experiment with fancy recipes. Consequently, the mean value for Factor 5 (conservative cooking preferences) was clearly negative. Factors 1 and 2 were of minor importance due to low mean values. Yet, it is notable that the affinity for organic products and awareness of animal welfare issues was lowest in this cluster and even slightly negative. Members of Cluster 2 could be described as **'adventurous gourmets'**.

Cluster 2 was on average the youngest consumer segment (49 years) with the highest share of persons younger than 25 years (Table 3). The share of single households was lower than in the other segments. The majority of the 'adventurous gourmets' ate meat once or twice a week. However, all potential buyers of kid meat who stated to eat meat on a daily basis could be found in Cluster 2. With 64% this segment had the highest share of people who had eaten goat kid meat before the tasting. This corresponds well with the 'adventurous' eating habits expressed by this cluster.

Cluster 3 had the lowest mean value for Factor 1. Hence, people in this segment had less sophisticated eating and drinking habits. Also, food quality (Factor 3) was not of great importance and a high willingness-to-pay could not be expected. At the same time, Factor 2 ('affinity to organic products and animal welfare') was most distinct in comparison to the other clusters, yet at a low level. Openness for new eating experiences (Factor 4) was even lower in Cluster 3 than in Cluster 1, while the conservative cooking preferences (Factor 5) were present but less pronounced than in Cluster 1. Due to their attitudes members of Cluster 3 could be described as **'organic ascetics'**.

The share of women was highest (65%) among the 'organic ascetics'. Household size tended to be smaller than in the other clusters and the share of single households was highest. Meat consumption was comparatively low in this segment. Almost two thirds of the 'organic ascetics' eat meat once or twice a week or less often. Accordingly, the share of people who had eaten goat kid meat before was the lowest among all clusters (38%).

Among the three identified segments the 'organic ascetics' are probably the most difficult to address with communication measures for organic goat kid meat. They have no distinct cooking preference and are very reluctant to try new foods. In addition their willingness-to-pay for high quality products and their meat consumption are quite low. Highlighting animal welfare and organic production could be useful for communication towards this consumer group. Considering the high share of single households, offering smaller cuts rather than half carcasses or complete haunches could also be considered.

## Discussion

Overall, the 'pleasure-oriented meat lovers' and the 'adventurous gourmets' seem to be promising target groups for marketing of goat kid meat. Certain attributes of goat kid meat appeal to each of these segments and should be emphasised in communication measures. For pleasure-oriented meat lovers it should be accentuated that kid meat is a traditional delicacy (albeit not in Germany). Accompanying recipes should be easy to cook and not too exotic. Even though consumers in this segment may not easily be convinced to try something new, their relatively high meat consumption makes them an interesting target group.

In contrast, 'adventurous gourmets' are likely easier to win as they like to try new products. Communication should concentrate on the "Mediterranean flair" of goat kid meat and on quality aspects. Provided recipes could be more unconventional and fancy. The slightly lower meat consumption in comparison to the pleasure-oriented meat lovers may be counterbalanced by a higher willingness-to-pay for high quality products.

## References

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