



Are environmental production values a marketing opportunity for butchers?

Record temperatures and extreme weather events, including drought and floods have sensitized the public to the environment and more consumers are asking questions about the ethics and sustainability of our food systems, particularly meat production.

Environmental posturing might make us all feel warm and fuzzy, but the real test of environmental values comes when a consumer has to put their money on the line to pay the real cost of meat produced in an environmentally sustainable system.

For butchers, the marketing challenge is to sell this fundamental but complex message and command a premium price that covers the real costs.

It has to happen. But can it be done and how do you do it? Or is it just pie in the sky marketing theory?

FOR decades, Australian consumers have taken cheap meat for granted. Shopping around for the cheapest is part of the Australian shopping culture, a consequence of assuming food is an infinite resource and the mistaken assumption its price reflects the cost of production. The growing disconnect between city consumers and country producers has not helped.

The importance of price is not lost on supermarkets, that spruik their loss leaders in the daily papers and junk mail. Quality, flavour or green-values never crack a mention.

Paying a premium for an indirect benefit, such as someone else's environment, challenges the shopper's fundamental personal and shopping paradigm.

Clearly changing the culture takes more than a label, brand or flier with a pretty pastoral scene.

Surveys show consumers rank price as the most important criteria when buying a food product. However, new consumer research suggests some consumers are starting to give green production values a higher ranking.

Research, by Saan Ecker and other from the Fenner School for the Environment at Australian National University, shows 61% of consumers identify themselves as buyers, but not exclusively, of ecologically labelled or green products. In this group of eco-label buyers, 49% ranked price as the most important consideration while 47% ranked environmentally friendly as the most important consideration. This is slightly different from the group of non eco-label buyers where 50% ranked price first and 31% ranked environmentally friendly as their most important consideration.

The data showed, about half the sample did not have price as the most important consideration. It also showed that price and eco-values combined are important considerations for both groups.

Paul Staines and Jake Neilsen, Glenferrie Gourmet Meats, Hawthorn Melbourne, with the Enviromeat banner displayed in their shop. Paul and Jake have a strong rapport with their customers that facilitates the sale of innovative value-added products, such as Biltong and Boerewors but also the global values and premium incorporated in the Enviromeat brand.



From a butcher's point of view, the data suggests not all consumers (but not necessarily your customers) are price fixated and that eco-issues have some impact on buying behaviour. Other research shows that shoppers care about the environment but that it is a latent issue.

The researchers suggested that if environmental issues were raised they would get sympathetic consideration and would be positively supported. Essentially, if retailers raise awareness of environmental values, consumers will generally be responsive.

Enviromeat is a pioneer in the development and marketing of an eco-labelled meat product. Its label claims are; environmentally certified, no artificial hormones, free range and guaranteed tender. Enviromeat is marketed as a niche eco-product targeting "green" consumers.

Enviromeat started as an idea in 1999 and has been built from the ground up by a group of Gippsland beef producers. Like any successful brand, the product must meet eating quality expectations every time and the environmental claims must be valid and verifiable.

All Enviromeat products are MSA graded. Enviromeat suppliers must comply with MSA stock handling procedures and carcasses must exceed the minimum standard to be accepted.

Establishing an environmental standard is more complex. Individual producers have different land care challenges and goals. Personal objectives need to be consistent with wider environmental issues in a catchment or district. Enviromeat members work closely with their local Catchment Management Authority to establish benchmarks that include control of weeds and erosion, chemical usage and storage, managing water ways and waste disposal as well as catchment objectives, such as bio-diversity and water quality.

The Enviromeat environmental management system (EMS) requires farmers to identify, assess and document their environmental risks and continually improve their management of those risks. The Enviromeat EMS is consistent with the ISO14000 standard and members are audited on a systematic basis for progress and compliance.

Enviromeat is not organic or biodynamic, but it has a powerful and verifiable claim that its meat is produced in an environmentally responsible way using the best available science and guided by community and commercial values.

Marketing the Environment

Can these embedded values be turned into dollars at the retail end of the chain?

Enviromeat need an 8-12% premium at wholesale to justify their higher costs. To succeed, the Enviromeat producer-retailer chain needs a niche of environmentally and quality orientated consumers.

Clearly, consumers get the direct benefit of tender quality meat through the MSA process. Many independent butchers using MSA branded product or other systems that deliver quality and consistency successfully charge a premium for their product.

To break into a new market, in this case a higher price bracket, quality and consistency is a necessary first step. Some customers are won-over on the MSA quality and consistency alone.

A strategy to capture additional value to cover the additional environmental costs is another issue.

Compared to Europeans, Australians have been slow adopting ethical and environmental values in their food shopping, but as the research cited above shows, the urge is there but needs cultivation. To expand these niches, consumers must be educated about agriculture, food production and sustainable practices.

The Enviromeat story addresses concerns about, production values, animal welfare, farm chemicals, hormones, food miles, and water and land degradation. Additionally, it provides a connection with rural Australia and individual producers.

Meat retailers and producers have the most to win and its up to them to turn consumers' eco feelings into financial action.

Butchers can use their strong rapport with their customers to explore and fulfil their needs not just for quality meat but also to connect them with the environment and the suppliers of their food.

Enviromeat provides its retailers with point of sale material that describes the producers, their values and the commitment to the system. Enviromeat beef is MSA graded and beef is supplied as carcasses. Butcher can complete an MSA course and then fully utilise the MSA grades and ageing system to enhance the eating quality of individual cuts.

Retailers are also supported by Enviromeat promotions into the food service sector, where there is a growing interest in the provenance of food, along with the absolute demand for quality and safety. Positive media coverage has increased awareness of the Enviromeat story.

A limited number of Enviromeat retail licences are currently available. Licensee numbers have to be matched to supply. ■