

## **Background Information on the American Lamb Board-funded study titled: Preferences and complaints associated with American Lamb Quality in Retail & Foodservice Markets**

**Provided by:** Megan Wortman, Executive Director of American Lamb Board with input from Emma Hopkins (with Purdue Ag. Communications & Farm World Newspaper)

The American Lamb Board did a study to gather information on U.S. perceptions surrounding lamb, which confirmed some things and also brought to light new insights. The Lamb Industry Roadmap was the impetus for this study (Link: <http://www.lambcheckoff.com/american-lamb-industry-roadmap-project/>). The Roadmap has four major goals:

1. Make American lamb a premier product every time.
2. Promote lamb as a premier meat.
3. Improve productivity to remain competitive.
4. Work together as a whole industry.

In order to achieve these goals, the American Lamb Board felt that (1) acquiring a more scientific understanding of the perceptions surrounding lamb, and (2) sharing that information industry-wide in order to ensure that (3) we are all working together from the same knowledge base was an important piece of hitting these Roadmap goals. The results reinforce many things we already knew and also provide some new insights.

The study's objective was to determine U.S. lamb retail and foodservice rank, definition and relative preference for the following seven qualities:

1. Origin
2. Sheep Raising Practices
3. Eating Satisfaction
4. Weight/Size
5. Product Appearance/Composition
6. Product Convenience/Form
7. Nutrition/Wholesomeness

### *Who Was Interviewed?*

Interviews were conducted from May 2014 to March 2015 with 120 protein purchaser representatives in the lamb supply chain:

- 60 retail
- 45 foodservice
- 15 purveyors (e.g. restaurants)

Their responses were ranked using a sophisticated quantification process that included a willingness-to-pay assessment as well as "must-have" quality attributes and their impact on the increased value of lamb.

First, the seven qualities ranked in this order:

1. Eating Satisfaction (most commonly defined as flavor/taste)
2. Origin (locally raised)
3. Sheep Raising Practices (grass fed)
4. Product Appearance/Composition (of greater importance to purveyors)
5. Weight/Size (again of greater importance to purveyors)
6. Nutrition/Wholesomeness
7. Product Convenience/Form

Of these qualities, Origin and Sheep Raising Practices had the greatest likelihood of being a non-negotiable requirement for lamb purchasers. Eating Satisfaction was most likely to return a premium, and product assurance of Eating Satisfaction generated the greatest average willingness-to-pay premium.

It's no surprise that quality ranks high — but defining “quality” is a slippery endeavor. While quality may be defined as customer satisfaction, several other factors play a role in achieving quality. Since consumers are the ultimate judges of what constitutes a quality lamb product that they are willing to pay a higher price for than other meat products, listening to what elements they most highly value is integral to developing industry standards that consistently delivers a premier, in-demand product.

When asked to define “quality,” over a third of the survey respondents identified lamb flavor and/or taste as part of their definition (although few chose to describe that flavor). American lamb ranked higher than imported lamb, both for its taste/texture and size. While the flavor of American lamb was mentioned by 34 respondents as a strength, 14 participants deemed it a weakness, 21 identified it as an opportunity and 11 believe it to be a threat to the industry. Clearly, there is room for improvement and, again, consistency is key.

Contrary to what many sheep producers believe, this study suggests that color, attractiveness and freshness were more important than product composition to those who display lamb in retail settings. Product safety is of far less concern in the lamb industry than in the beef industry. In addition, nearly one third of the respondents indicated that a Certified American Lamb program would not be a good idea for a variety of reasons — there was little agreement on what traits, if any, would be preferred or required.

Developing a strategy around an industry-wide commitment to production standards to ensure that eating satisfaction and lamb flavor are optimized for American lamb is key to increasing demand and creating lamb-loyal consumers. Those consumers are already willing to pay more for meat that is locally raised. Providing them with a consistently high quality product will do much to help them choose lamb over other lower-priced meat options.