

Where Is the Meat?

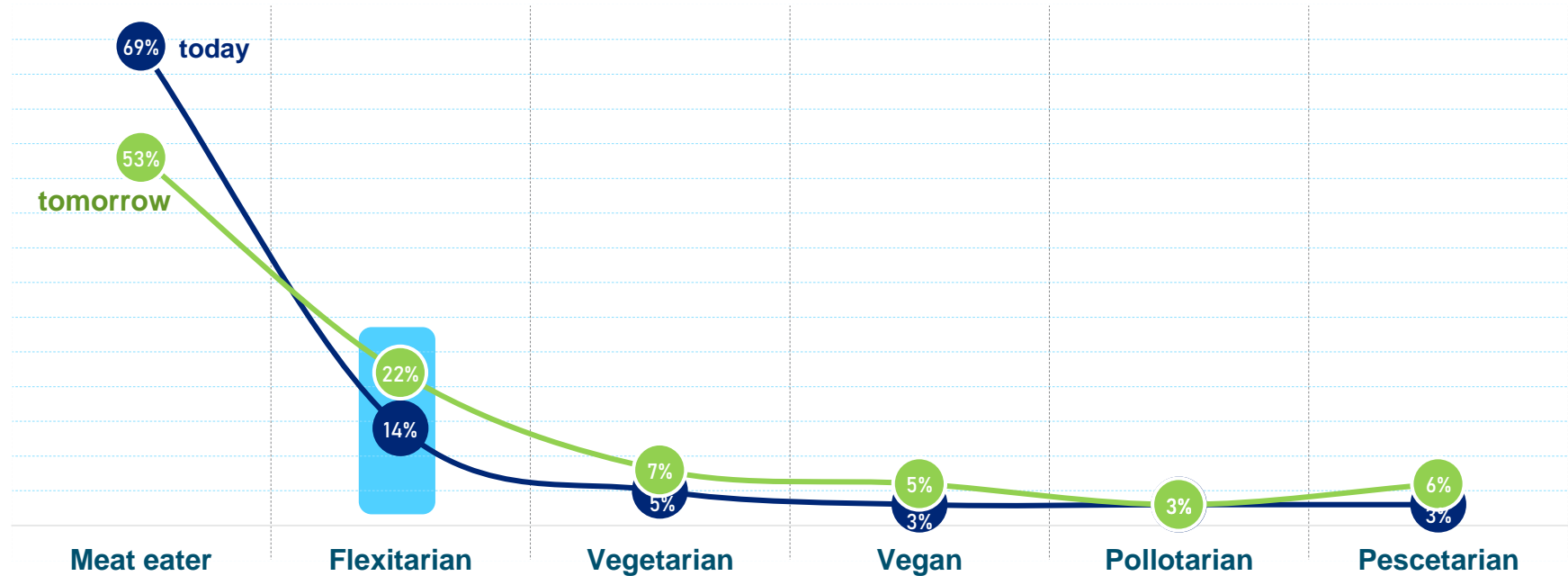
Fresh Conversations Plant-Based Meat Alternatives

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Consumers' Eating Approach Today Versus Tomorrow Shows **Desire** For Plant-forward Food Choices- But Not a Freefall from Meat

Eating today and eating tomorrow



Flexitarian Eating Is Not About Eliminating Meat

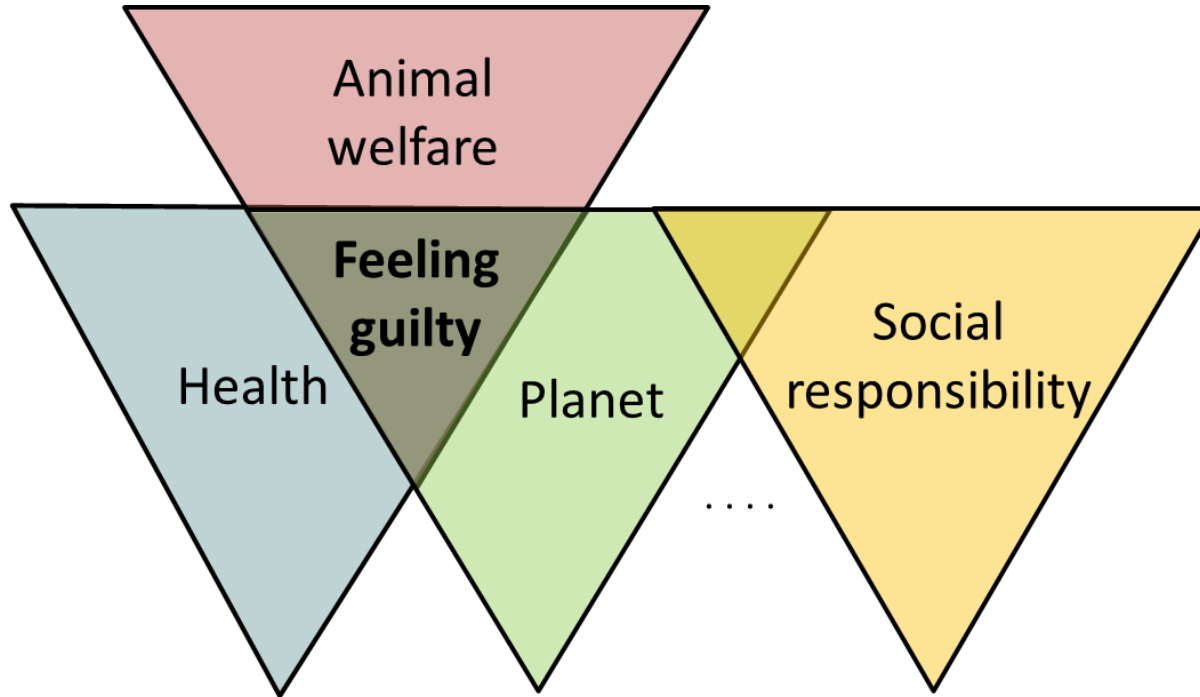
But about protein **variety** and **permissibility** that addresses the areas of guilt surrounding animal protein

	Want to Increase	Want to Decrease
Plant-based foods	58%	4%
Seafood	41%	9%
Plant-based meat alternatives	30%	16%
Poultry	30%	12%
Red meat	21%	31%



Hot Buttons Surround Four Areas

Creating some guilt among consumers over eating meat and playing into the **strong suit** of alternatives

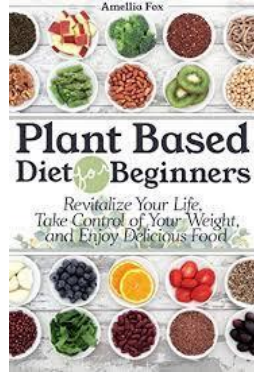


=34%

Of the population wanting to eat a little less meat

Consumer Video

This Led to a Tremendous Explosion in Plant-Based In and Out of the Store



Meat Alternatives MULO Total: \$1.4B (+14%) & 55 items/store/week (+7%)



**Legacy Space:
Frozen Meat**

Annual Sales:
\$730 M +7%
Items/Store/Week:
34 +3%



**New Area:
Refrigerated Meat**

Annual Sales:
\$490 M +25%
Items/Store/Week:
17 +14%



Emerging Halo:
Produce- Tofu,
Jackfruit
Frozen- Entrees,
Apps, Pizza

Growth, But on a Small Base

Size and growth patterns are similar to those of niche meat offerings

Midyear YTD 2021 sales

Drawn to scale

Refrigerated plant-based meat alts.



\$249M
+7.2% vs. '20
+134% vs. '19

Meat department (RFG)

\$40B
-5.0% vs. '20
+16.7% vs. '19

Importantly, It Is Not a Matter of “Or” But “And”

Huge overlap between meat and meat alternative purchases

Cross-Purchase (Same Buyer)

% of refrigerated meat alternative buyers also purchasing:

85.6% Processed meat

82.8% Fresh meat

70.3% Ground beef

65.4% Chicken breast

Co-Purchase (Same Basket)

Index of likelihood to be purchased at the same time as refrigerated meat alternatives:

387 Ground turkey

229 Chicken thighs

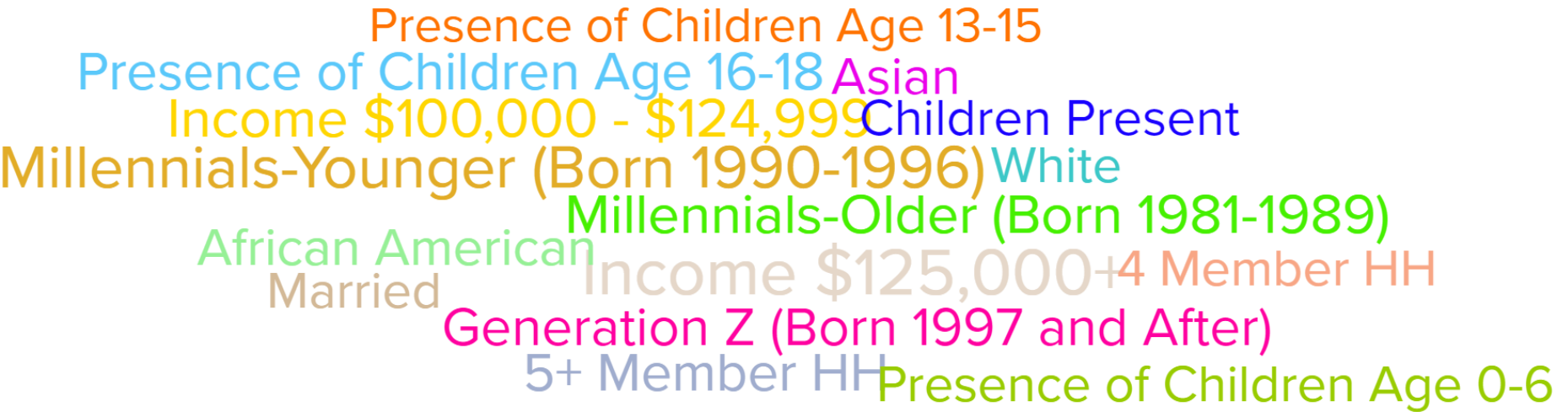
220 Chicken breast

156 Ground beef

RFG Meat Alternatives Engage a Young, Affluent Shopper within the Meat Dept

Demographic Dominance
For MEAT ALTERNATIVE/SUBSTITUTES

Size: Buyer Index



Source: IRI, Integrated Fresh Shopper Loyalty FSP Network, 26 weeks ending 6/27/2021, Indices at 101 or above shown

Plant-Based Meat Alternatives Are One of the Answers for Some

A lot of the growth has been coming from distribution and assortment

Plant-based meat alternatives (Refrigerated Only) – First Half of 2021



8.1%

HH penetration
Up vs YA from **6.9%**

47% 1x

53% 2x+



\$8.18

\$/Trip
-1.1%

\$25.83

\$/Buyer
-10.4%



3.2x

Trips/buyer
-9.4%



+7.5%

#/store selling
Avg. 17.5 items

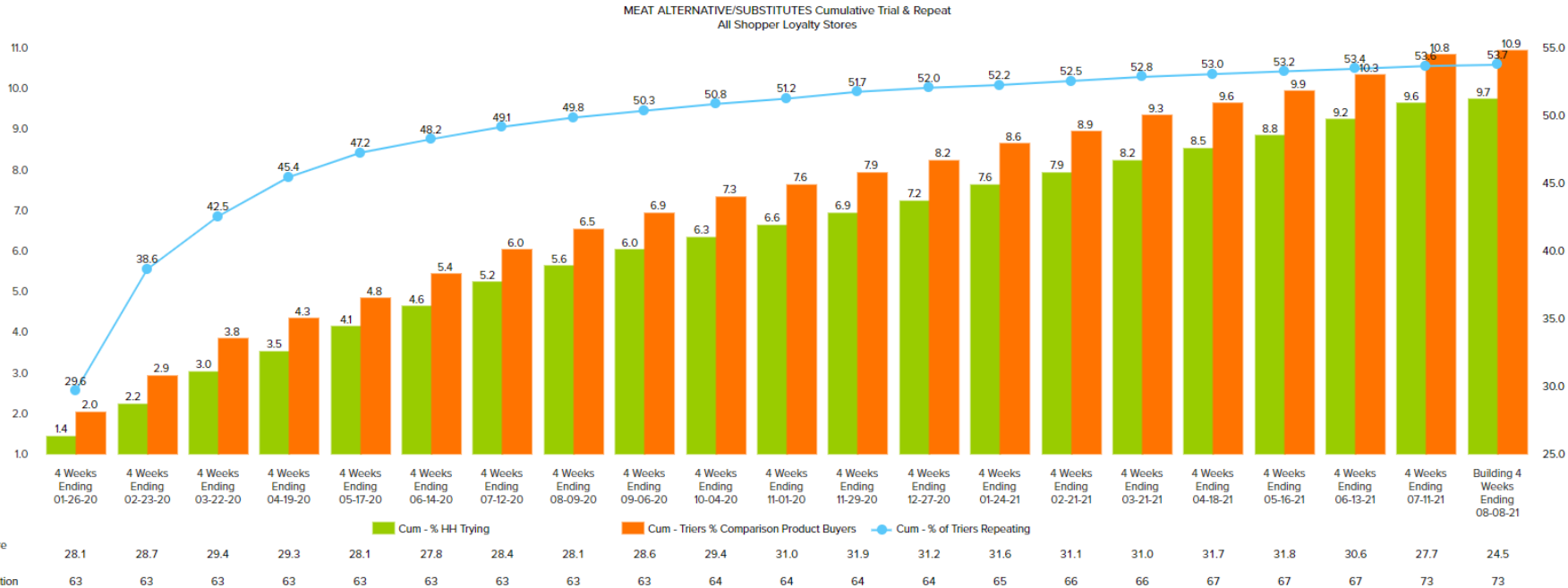


+4%

ACV weighted
distribution
80.6%

Further, Plant Based Trial & Repeat are Cooling and Items Carried Scaling Back

Variety is the Meat Dept's super-power, yet most alternatives set offer few choices, differentiated mainly by form and brand



what's next



questions & answers



Converse with us!
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