Where Is the Meat?

Fresh Conversations

Plant-Based Meat Alternatives

Anne-Marie Roerink
President, 210 Analytics

Jonna Parker
Principal, IRI Fresh COE
Consumers’ Eating Approach Today Versus Tomorrow Shows Desire For Plant-forward Food Choices - But Not a Freefall from Meat

Eating today and eating tomorrow

Source: Datassential
Flexitarian Eating Is **Not** About Eliminating Meat
But about protein **variety** and **permissibility** that addresses the areas of guilt surrounding animal protein

<table>
<thead>
<tr>
<th></th>
<th>Want to Increase</th>
<th>Want to Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant-based foods</td>
<td>58%</td>
<td>4%</td>
</tr>
<tr>
<td>Seafood</td>
<td>41%</td>
<td>9%</td>
</tr>
<tr>
<td>Plant-based meat alternatives</td>
<td>30%</td>
<td>16%</td>
</tr>
<tr>
<td>Poultry</td>
<td>30%</td>
<td>12%</td>
</tr>
<tr>
<td>Red meat</td>
<td>21%</td>
<td>31%</td>
</tr>
</tbody>
</table>

*Source: Datassential*
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

Source: 210 Analytics
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

Source: IRI, MULO, 52-weeks ending 6/27/2021
© 2021 Information Resources Inc. (IRI). Confidential and Proprietary.
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

Source: IRI, Integrated Fresh, MULO, 26 weeks ending 6/27/2021
© 2021 Information Resources Inc. (IRI). Confidential and Proprietary.
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

Source: IRI, Integrated Fresh Shopper Loyalty FSP Network, 26 weeks ending 6/27/2021
RFG Meat Alternatives Engage a Young, Affluent Shopper within the Meat Dept

Presence of Children Age 13-15
Presence of Children Age 16-18
Asian
Income $100,000 - $124,999
Children Present
Millennials-Younger (Born 1990-1996)
White
African American
Married
Income $125,000+
4 Member HH
Generation Z (Born 1997 and After)
5+ Member HH
Presence of Children Age 0-6

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%

Source: IRI, Integrated Fresh HH Panel All Outlets Combined and Integrated Fresh POS, MULO 26-weeks ending 7/11/21
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

Source: IRI, Integrated Fresh Shopper Loyalty FSP Network, 2020-YTD 2021 by Month
what’s next
questions
& answers

Converse with us!
Anne-Marie Roerink
Aroerink@210analytics.com

Jonna Parker
Jonna.Parker@IRIworldwide.com