

Ethnic Marketing of Pork

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Introduction

The United States population has always been diverse and ever-changing with immigrants from every corner of the world. However, today more than ever, the ethnic make-up of the U.S. population is rapidly becoming more diverse. In 1994 the U.S. Bureau of Census estimated that, then current minorities, Hispanics, African Americans, Asians, and Native Americans composed approximately 28 percent of the population with a purchasing power of almost \$750 billion. This same group is projected to reach majority status (about 50%) by the middle of the 21st century. Of this diverse group, by far the fastest growing is the Hispanic population with projections to exceed 14% by 2010 and approach 25% of the total population by the year 2050. While the current make-up of the U.S. population remains approximately 75% non-Hispanic white and 12% African American, the growth of Hispanic and Asian populations in the next half century will be tremendous. Also, the largest growing household segments in the U.S. with children will be Hispanic and Asian. Therefore, demand for more flavorful and unique foods will continue to increase with authentic cuisines and ingredients of various countries becoming more prominent. The fusion of these flavors will likely evolve into new products and tastes.

Ethnic Products

In addition to future implications for the food industry, today divergent ethnic groups have already played a major role in the development of numerous "Ethnic" products. Numerous further processing companies have jumped on the bandwagon early on and taken advantage of this diversity for further product line growth. New products, such as spicy marinated pork tenderloins, or re-invented traditional products, like spicy low-fat smoked sausages, exemplify how ethnic diversity has spiced up our lifestyle and eating habits.

However, not all ethnic groups are created equal or homogeneous. In fact, in many cases there are distinct differences within certain ethnic groups depending on their geographic or cultural origin. The fastest growing ethnic group, Hispanics, for instance differs widely in the types of products demanded due to their own diversity depending on the region from which they immigrated. The same is true, though to a lesser extent, of Asian ethnic groups. Therefore, no one product or no one marketing effort will fit the needs of all groups, even within ethnicity.

So, how do pork producers and processors take advantage of these marketing opportunities? The answer lies in knowing what your market demands. Market research is not something that most small producers and processors have paid much attention to in the past. The traditional markets, buying stations or stockyards for producers and local groceries and perhaps "mom and pop" food service outlets for small pro-

cessors have been the norm. To capture the opportunities made available by ethnic diversity, both small producers and processors must be willing to work together to maximize the various market advantages. As mentioned above, each ethnic market is different. Just as there are numerous niche markets in the traditional American market, so are there niches for the various ethnic markets. Producers and processors should aggressively investigate their market parameters. The following issues should be considered prior to development of products for an ethnic market.

Market Research

Know your clientele! You can not market until you know to whom you will be marketing. Oftentimes this is as easy as following local news stories on cultural diversification. In addition, local census data is also useful to determine if the ethnic population of your market area is changing. In small communities, just watching who walks up and down Main Street or shops at the local discount store may be a good indicator to let you know who to gear your market toward.

Once you have an idea about to whom you wish to direct your product toward, explore their cultural background. This could be accomplished through the local library or internet by searching for food preferences for Hispanics from various regions of the Americas. Another way is to approach selected individuals in the community and survey their interest in the types of food products you are interested in offering.

However you decide to proceed with your market research, make certain that you are comfortable that you have solid information before acting. This is the point in the process where it is most economical to change directions. The further down the chain of product development and rollout, especially with added value specialized products like these, the more expensive changes can be to the process.

When assessing ethnic demographics, as with traditional consumers, you must consider the following key issues:

- **Level of education** - Normally higher education levels reflect more health conscious purchasing decisions.
- **Level of income** - Higher incomes, whether single or dual income, tend to lead to purchase of convenience type items. A premium is paid for time-saving meals.
- **Level of affluence** - Although normally a factor related to income and education, affluent consumers tend to purchase higher priced items regardless of whether they are added-value products or just products which normally demand a higher price. In essence, the value to cost ratio of products is normally deemed less important to affluent consumers compared to others who might purchase larger portion sizes to decrease the cost per serving although total purchase price may be higher at the check-out counter.
- **Family Size** - Number of adults and children in the family plays a major role in the purchases of products regardless of ethnic group. However, Hispanic and Asian groups both tend to have larger families with a greater number of children. In addition, these ethnic groups tend to have larger "extended" families with larger numbers of relatives nearby or in one household.
- **Age** - Consumer age, specifically as it relates to recent immigrants, finds that particularly older consumers tend to continue their traditional cultural food choices. Younger ethnic consumers, especially those born in the U.S., tend to adopt commonly accepted local trends and product profiles.

What About Your Current Market and Products

Don't think that just because you are looking at new markets, your old market and products don't fit into the mix any more. Consider where your current product line may meet the demand of the new market. In some cases there may be considerable overlap of existing products or minor adjustments needed to satisfy a number of markets. Pork tenderloin is pork tenderloin, no matter who the customer! However, to build market demand, various flavor profiles created by a mixture of seasonings and spices may be necessary.

Also, development of new markets may require variations in cutting and processing techniques. Just because you have always done it this way does not mean there is not another way. Many of the cuts demanded by ethnic groups are basically the same wholesale cuts of today's meat industry with only minor variations in cutting specifications.

While a vast portion of the industry has now converted to almost completely boneless retail cuts, many

ethnic groups tend to prefer those cuts that still have the bones intact. Whether this be a factor of lower prices or enhanced flavor due to their methods of cookery or a combination of both, is not entirely clear. However, the processor who has the ability to modify his traditional fabrication methods can produce a more acceptable product for many ethnic groups. Often, just leaving longer tails on the pork chops can enhance their value to ethnic consumers while at the same time increasing weight on a more valuable cut of the carcass.

Another added benefit to exploring ethnic markets is the increased demand and therefore increased value of lesser valued cuts and variety meats. Both Hispanic and Asian culture groups tend to use cookery methods that improve the palatability of lower quality meat products.

Another aspect common among most ethnic groups is their desire for fresh meat. Their definition of fresh in many cases is while the carcass is still warm or shortly thereafter. Therefore, most attempts at marketing frozen products have had little success. In addition, it is often feasible to market whole carcasses, but only if producers are willing to feed to lower weights. It is not uncommon for finished weights to be less than 200 pounds and "roaster pigs" (often weighing from 75 to as little as 40 pounds live weight) to be in high demand. Furthermore, further processed products, especially those other than sausage products, have little demand by most ethnic populations. They tend to buy the raw materials themselves, regardless of the product, and produce the final product at home.

Test Market New Products

One major difference between Hispanic and non-Hispanic white consumers is how the product will be used. Most Hispanic consumers cook with the mindset that pork is an integral ingredient in the dish or meal being prepared while most white consumers view pork as a stand-alone entree, the main course with all other aspects of the meal as side dishes. Therefore, it is essential that a processor test markets their product to a focus group of the ethnic population being targeted prior to full-scale product launch. A favorable market test ensures a greater success rate and therefore a more favorable return on investment by limiting unnecessary product development as well as market roll out cost and investments.

Promotion of Products

Though often overlooked, product promotion is very important. Many good products have died a painful death on the shelf due to inadequate or inappropriate promotion. Although all products require adequate length of time and intensity of being promoted, various ethnic cultures dictate that promotion techniques vary. Consider the following guidelines when promoting products to Hispanic and Asian cultures in the United States.

- **Establish brand loyalty** - Both Hispanics and Asians tend to show a greater affinity for product loyalty than the average white U.S. consumer. Once a product is identified to meet their needs they seldom shop around for better prices. The same can be said for their loyalty to specific retail outlets.
- **Use creative communication** - Being creative, while direct, is essential to reaching the consumer, regardless of culture. In today's glitzy world, with numerous product pitches for over 30,000 food products, consumers look for information that directly describes the product while at the same time is catchy and upbeat.
- **Use the native language** - While often difficult and sometimes expensive to do, use of the target consumer's native language appeals in most cases. This is most easily accomplished in larger markets with printed Point of Purchase (POP) materials rather than large print or voice advertising promotionals. However, care must be taken to avoid any embarrassing misinterpretations.
- **Use appealing display** - In addition to POP information, the display itself should be colorful, vibrant, and appealing to the consumer. Bright colors normally are well accepted by all ethnic populations, but some colors are more typical than others for certain ethnic groups.
- **Consider seasonal demand** - As with white American consumers, ethnic populations also have seasonal desires and preferences which play heavily into food purchases. Attention to these variations will help increase product acceptance and inventory turnover. An awareness of religious or other special holiday celebrations may be helpful.

Conclusions

Marketing pork products directly to the ever growing ethnic markets is an opportunity for small producers and processors to capture an additional portion of value in order to remain competitive. The rewards may be great, but the input required to develop such a market is no small issue. Financial as well as time commitments, should be weighed carefully prior to entering any new venture. Prepare ahead! Evaluate the risk versus benefits of such a venture and decide if it fits into your overall business plan. Ethnic marketing is not for everyone, but those who address it in a careful and appropriate manner will find the potential benefits rewarding.

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