# PROCESSED POULTRY AND RED MEAT – GERMANY – 2023

Short-term, boost meat's value perception as a versatile, savvy protein choice; long-term, prioritise quality over quantity with localism and higher animal welfare.

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# Processed Poultry And Red Meat - Germany - 2023

**This report looks at the following areas:**

- Market drivers for processed poultry/red meat, including the impact of inflation and factors leading to long-term meat reduction
- Consumption of meat and types of processed poultry/red meat used, with nine in 10 eating processed meat but overall meat usage dropping
- Top choice factors for processed poultry/red meat, with conscious consumption high on buyers' agendas
- Behaviours related to processed poultry/red meat, including delivering value during the income squeeze
- Attitudes towards processed poultry/red meat, including convenient and hybrid formats
- Concepts of interest in processed poultry/red meat, including single-portion and air-fried formats
- Recent product launch activity and innovations; market share, size and forecast

> Short-term, boost meat's value perception as a versatile, savvy protein choice; long-term, prioritise quality over quantity with localism and higher animal welfare.

**Overview**

**Nine in 10 Germans eat processed meat**, with 68% eating three or more types. **Meat is indispensable** in the German diet and 80% of processed meat users/buyers claim they would never completely give up eating it. Yet, a complex web of societal, political and personal pressures (eg animal welfare, sustainability and health) are catalysing the **meat reduction trend**.

In 2022 high feed prices, energy costs and other factors (eg labour shortages) caused **stark price rises for processed meats.** Brands can appeal to price-sensitive Germans who are curbing usage with better value, versatile meat types/formats or plant-based options. In the long term, lower German meat supplies and rising animal welfare standards could increase **price pressures** further.

Average weekly meat usage for men (1.1kg) and women (590g) exceed the recommended 470g for a sustainable and healthy diet. **A growing focus on sustainable nutrition**, more plant-based competition and a rise in flexitarianism will be the biggest threats to meat's role at the centre of the plate.

In this context, brands can **appeal to conscious meat users** over the long term with a **value-over-volume** ethos, promoting **localism** and meats with high animal welfare, the highest-scoring purchase drivers. Equally, **'nose-to-tail'** and **hybrid formats** could appeal from cost, health and sustainability perspectives.

# Report Content

## EXECUTIVE SUMMARY

### Key issues covered in this Report

- Overview
- The five year outlook for processed poultry and red meat

### Market context

- Processed meat is ingrained in German culture
  - Graph 1: repertoire of types of processed poultry and red meat products eaten in the last three months, 2022
- Short- and long-term price pressures will dampen demand for processed meat
- An upward spiral in animal welfare standards will raise meat quality, yet could impact output/prices
- Expect strong headwinds for processed meats amidst a shift towards sustainable nutrition
  - Graph 2: where consumers think they can reduce emissions, ranked up to three choices, 2022

### Mintel predicts

- Volume sales will drop, yet price rises will soften the impact on value
- Expect a long-term downward trend in volume sales
- Price rises/premiumisation will help value sales offset a drop in volume
- Market size and forecast

### Opportunities

- Boost processed meat's value perception as a versatile, low-budget cooking solution
- Use emerging cuisines to appeal to home cooks and instill novelty into the processed meat category
- Hybrid meats deserve a second chance, but focus the message on taste
- Consumer priorities reflect a shift towards conscious consumption
  - Graph 3: top choice factors when purchasing processed poultry and red meat products, by age group, limited to three factors per respondent, 2022
- Prioritise localism and animal welfare for your brand to thrive in the long term
- Shift the future narrative from quantity to quality

### The competitive landscape

- Private label remains the dominant force in the processed meat market
  - Graph 4: company retail value and volume shares of processed meat, 2021
- Quick download resources

## MARKET DRIVERS

### The German economy

- The cost-of-living crisis is holding back the post-COVID-19 recovery
  - Graph 5: key economic data, in real terms, 2019-24
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  - Graph 6: benefits of eating less meat, 2022
  - Graph 7: frequency of limiting meat intake, 2022*
- High inflation in the meat sector will dampen usage, yet processed meat can benefit from trading down
- Declining German livestock supplies could increase price pressures
  - Graph 8: FAO meat price index, months averaged to annual, 2013-22
- The shift towards sustainable nutrition creates a long-term headwind for processed meat
- New dietary guidelines deprioritise red/processed meat due to its eco and health impact
- Eating less meat is seen as key measure to reduce personal emissions
  - Graph 9: where consumers think they can reduce emissions, ranked up to three choices, 2022
- Animal welfare is an ethical priority for Germans
  - Graph 10: important ethical and environmental factors when making food and drink choices, 2021*
- New animal welfare standards are likely to raise quality, yet reduce meat output and impact prices
- Health risks will impact processed/red meat usage negatively, whilst poultry could benefit
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  - Graph 11: meat, poultry and meat substitute product launches, 2018-22
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## WHAT CONSUMERS WANT AND WHY

### Consumption of meat and types of processed poultry/red meat used

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  - Graph 14: dietary preferences, 2022
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  - Graph 15: types of processed poultry and red meat products eaten in the last three months, by age group, 2022
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  - Graph 16: types of cooked/ready-to-eat processed poultry and red meat products eaten in the last three months, 2022
- Win over 16-34s with convenient and modernised raw meat formats

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  - Graph 20: top choice factors when purchasing processed poultry and red meat products, by age group, limited to three factors per respondent, 2022
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- Data-backed quality cues can help consumers trace the origin and quality of the meat
- Shift the long-term focus from quantity to quality
- Long-term, invest in higher animal welfare to avoid delisting at retailers
- Revamp your brand identity to reflect a change in standards
- Build mainstream appeal for 'nose to tail'
- Expand your brand into adjacent categories to promote 'nose to tail'

### Behaviours related to processed poultry and red meat

- Be the savvy choice and deliver value during the income squeeze
  - Graph 21: behaviours related to processed poultry and red meat products, 2022
- Boost processed meat's value perception with tangible features in times of financial hardship
- Encourage switching to new meat types and formats from unaffordable ones
- Position processed meat as a versatile and creative lower-budget cooking solution
- Premium sausages, a well-suited format for more for trading up, whilst trading down
- Build novelty into processed meats with home cooking concepts using emerging cuisines
- Introduce Germans to less-eaten world cuisines of interest
- Build a sense of escapism into processed meats with vibrant Caribbean flavours
- Ride the K-wave with flavour and format innovation

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- Deliver quick wins via time and 'stealth health' shortcuts in processed meat
  - Graph 22: attitudes towards processed poultry and red meat products, 2022
- Maximimise ease-of-use in home cooking, minimise stress levels
- 16-34s could respond well to heat-and-serve processed meat formats
  - Graph 23: type of meal prepared most often for lunch and/or dinner in households, by age group, 2021
- Give veggies in processed meat a second chance, but target flexitarians with taste cues
- Hybrid meats can outperform meat-only products on taste
- Normalise hybrid products with the right marketing

- Make parents of under-18s who look for 'stealth health' at speed your target audience

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- Capitalise on low-hanging fruit along with a long-term strategy to improve eco/ethical credentials
  - Graph 24: concepts/products of interest in processed poultry and red meat products, 2022
- Target a growing number of single households with packaging/formats for one
- Use air frying technology to modernise processed meat and make fat reduction trendy

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- Meat product launch activity is challenged by other animal/plant proteins
  - Graph 25: processed meat/poultry, fish, egg and meat substitute launches, by sub-category, 2018-22
- Processed meat launches at retailers are mostly limited to traditional German formats
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- International formats and flavours are limited in processed meats
- The BBQ occasion remains a key purchase booster for processed meats
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- Retailers encourage trading up whilst trading down with premium processed meats
- Discounters stay top-of-mind in a crowded market with out-of-the-box concepts
- Market leader Zur Mühlen Group capitalises on growing consumer trends
- Herta innovates in the sector with bold launches
- Rügenwalder Mühle paves the way for the future processed meat landscape in Germany
- The wider meat industry's focus increasingly lies on ethical, environmental and natural claims
  - Graph 28: meat and poultry product launches, by claim category, 2018-22
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  - Graph 29: meat and poultry product launches, by top claims, 2018-22
- Retailers are taking on a moral role in securing higher animal welfare and more regionality
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- Processed meat is lagging behind the food category on the Nutri-Score
  - Graph 30: % of food and poultry/meat products with Nutri-Score labelling, 2018-22
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  - Graph 32: snack launches, by sub-category, 2018-22

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