



FEATURE

A new direct-to-consumer opportunity?

Meat and seafood consumption trends during the COVID-19 pandemic

Barb Renner, Justin Cook, and Dillon Wiesner

THE DELOITTE CONSUMER INDUSTRY CENTER

Consumers are eating more meat and seafood at home during the COVID-19 pandemic, but they are avoiding the grocery store. Is now the time to offer more protein direct-to-consumer?

AS RESTAURANTS HAVE closed or faced capacity restrictions due to the COVID-19 pandemic, consumers have turned to at-home dining—and that often features protein. In fact, seven in 10 respondents in Deloitte’s recent *Future of Fresh* survey say they eat even more meat and seafood at home when they cannot dine out at a restaurant.¹ With half of consumers reporting they feel stressed when shopping for food in stores and two out of three concerned that their favorite meat or seafood will be out of stock when they do,

With half of consumers reporting they feel stressed when shopping for food in stores and two out of three concerned that their favorite meat or seafood will be out of stock when they do, there may be a new opening for more online, direct-to-consumer (DTC) protein sales.

there may be a new opening for more online, direct-to-consumer (DTC) protein sales.

So, who wants to buy meat online?

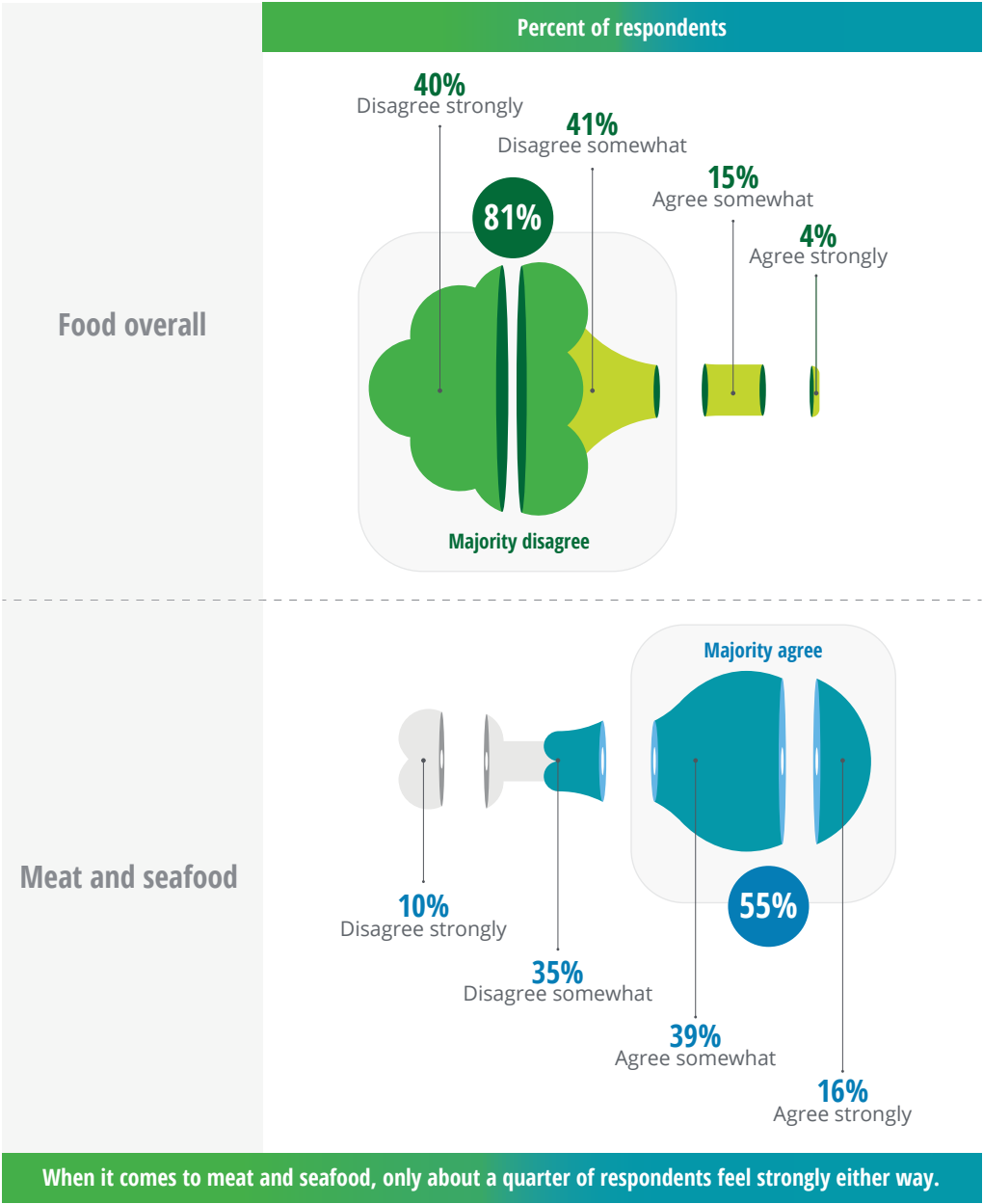
In *The Future of Fresh: Patterns from the pandemic*, we identified the “contemporary consumer” archetype that is more willing to shop for their food online than their conventional counterparts. These consumers tend to be young families, well-off financially, and living in an urban setting. When it comes to meat and seafood specifically, about two in three millennial and Generation Z consumers are interested in purchasing protein online, which is about twice the interest as with older consumers in our survey.

Good news for protein: Perceptions of frozen and safety packaging are relatively good

Meat is highly perishable, so to be shipped to a consumer it needs to be transported frozen and in protective packaging. With respect to these two factors, our data suggests a major difference in how consumers view meat and seafood versus food products generally, which may provide DTC an advantage. While a large majority of consumers surveyed believe fresh food is superior to frozen in terms of its health properties, when asked about meat and seafood specifically, most consumers say that *frozen is just as good as fresh* (figure 1).

FIGURE 1

“Meating expectations”: Percent of respondents who agree frozen is as healthy/good as fresh



Note: Respondents were presented with statements “I believe that fresh food is healthier than frozen food” and “Frozen meat/seafood is just as good as fresh.” The orientation of response data for the first was transformed for easier comparison.
Source: Deloitte Future of Fresh Consumer Survey.

Additionally, nine in 10 consumers surveyed said that packaging to prevent contamination was important to them in their food purchasing and two in three said they wished meat and seafood specifically had more protective packaging.

These findings suggest frozen meat and seafood products shipped in protective packaging may be perceived as equivalent to fresh alternatives, which is good news for the DTC model.

A surprising strategy to reach consumers

It turns out consumer acceptance of frozen meat is correlated with interest in plant-based meat alternatives. Adding plant-based options could be a winning formula to bring more customers over to a protein DTC offering. In fact, that may be why Perdue Farms—an established meat and poultry provider that entered the DTC market in 2020—is exploring more plant-based options in its own new DTC channel.²

The pandemic has accelerated trends across many industries, including food products. DTC enables companies to build a direct relationship with customers and collect important data about their interactions. It also creates opportunities for new strategies centered around the bundling or unbundling of products, pack sizes, pricing, and subscription-based models. Given consumer shifts and digital acceleration, now seems an opportune time to think strategically about new business models, even for something as fundamental as the protein at the center of the plate.



Endnotes

1. Barb Renner et al., *The future of fresh: Patterns from the pandemic*, Deloitte Insights, October 13, 2020.
2. Elaine Watson, "Perdue Farms ramps up DTC operation as COVID-19 lingers, plans further moves into plant-based," FoodNavigator-USA, September 10, 2020.

About the authors

Barb Renner | brenner@deloitte.com

Barb Renner is vice chairman and the US Consumer Products leader, Deloitte LLP. She has more than 25 years of professional experience serving large multinational clients through a variety of leadership roles. Renner works directly with consumer and industrial product clients focusing on their regulatory environment, supply chain, technology and processes, and other issues and opportunities. She has also served in key leadership roles with Deloitte's Women's Initiatives and Junior Achievement.

Justin Cook | juscook@deloitte.com

Justin Cook is the research leader for the consumer products sector within Deloitte's Consumer Industry Center, Deloitte LLP. He also heads cross-sector research for the center, examining issues such as how the COVID-19 pandemic affects consumer behavior. With 20 years of experience in market research, management consulting, and technology, Cook asks challenging questions and helps clients understand how the world is changing.

Dillon Wiesner | dwiesner@deloitte.com

Dillon Wiesner is a senior consultant in the consumer products sector, Deloitte Consulting LLP. His focus is the future of food products and technologies, including plant-based and cultivated meat and dairy products. He helps clients identify and size market opportunities and develop go-to-market strategies.

Contact us

Our insights can help you take advantage of change. If you're looking for fresh ideas to address your challenges, we should talk.

Industry leadership

Barb Renner

Vice-chairman and US Consumer Products leader | Deloitte Tax LLP
+1 612 397 4705 | brenner@deloitte.com

Barb Renner is vice chairman and the US Consumer Products leader, Deloitte LLP.

The Deloitte Consumer Industry Center

Stephen B. Rogers

Managing director | The Deloitte Consumer Industry Center
+1 203 563 2378 | stephenrogers@deloitte.com

Stephens Rogers is the managing director of Deloitte's Consumer Industry Center, Deloitte Services LP.

About the Deloitte Consumer Industry Center

The Deloitte Consumer Industry Center is the research division of Deloitte LLP's Consumer Industry practice. It provides a forum for industry insights, thought leadership, and groundbreaking research to help companies in the automotive, consumer products, retail, transportation, and hospitality and services sectors solve their most complex industry challenges. We identify consumer industry trends, analyze the issues, delve into the technologies, and identify the risks of this rapidly evolving business landscape. We also work with organizations and clients to turn insights into better strategic decision-making to help them navigate uncertainty.

Deloitte's Supply Chain and Manufacturing Operations practice is a leader in helping companies integrate business strategy with supply chain initiatives to drive operational excellence. Our deep industry experience encompasses new product development, inventory strategy and integrated demand planning, sourcing and commodity management, manufacturing footprint strategy and operations, distribution network and logistics optimization, and sustainability. We employ programmatic approaches, leverage analytics capabilities, and offer managed services that can help improve top-line growth, lower costs, reduce response times, and increase productivity. To learn more about our practice, please visit [Deloitte.com](https://www.deloitte.com).

Deloitte. Insights

Sign up for Deloitte Insights updates at www.deloitte.com/insights.



Follow @DeloitteInsight

Deloitte Insights contributors

Editorial: Kavita Saini, Preetha Devan, and Nairita Gangopadhyay

Creative: Anoushriya S Rao and Adamya Manshiva

Promotion: Alexandra Kawecki

Cover artwork: Traci Daberkó

About Deloitte Insights

Deloitte Insights publishes original articles, reports and periodicals that provide insights for businesses, the public sector and NGOs. Our goal is to draw upon research and experience from throughout our professional services organization, and that of coauthors in academia and business, to advance the conversation on a broad spectrum of topics of interest to executives and government leaders.

Deloitte Insights is an imprint of Deloitte Development LLC.

About this publication

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or its and their affiliates are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

None of Deloitte Touche Tohmatsu Limited, its member firms, or its and their respective affiliates shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see www.deloitte.com/about to learn more about our global network of member firms.