

MEAT BUYERS' CHOICE PROCESSES

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CHAPTER I

INTRODUCTION

Fresh, frozen, and processed consumer meat product innovation is occurring. Food manufacturers are attempting to get their products past the introductory stage and into the growth stage of the product lifecycle. In 1990, 13,000 new grocery product introductions were competing for shelf space, and between 1989 and 1990, the number of new product introductions increased by nearly 10 percent (Gallo, 1991). However, the failure rate is as high as 80 percent for new product introductions in the packaged goods industry (Montgomery, 1975). Between 1982 and 1990, 75,000 new items were taken off store shelves within one year (Gallo, 1991).

Due to competition and high product development costs, information that would help manufacturers increase the probability of product success would have great value. In particular, the choice processes that import, export, retail, wholesale, hospital, restaurant, and institutional meat buyers use when evaluating the characteristics of new meat products would be of great interest to new product manufacturers. Meat buyers' primary responsibilities are to listen to supplier presentations, store managers, and customers, and to manage the meat product line, which encompasses accepting and rejecting new meat items. Special attention has to be paid to wholesalers and retailers who serve as the "gatekeepers to the supermarket shelves" because they match the products supplied by manufacturers with the demands of consumers (McLaughlin & Rao, 1990). Meat manufacturers, who are interested in selling their meat items in

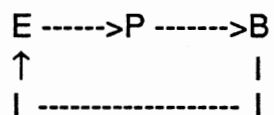
foreign countries, may find it helpful to know the buying behavior of importers and exporters. Attention also needs to be directed toward understanding the decision processes of meat purchasers for restaurants, hospitals, and institutions because these buyers purchase meat for establishments which cater to specific clientele. Manufacturers would benefit if they could predict which choice strategies correspond to specific purchasing situations because marketing plans for a product introduction could be developed that would concentrate specifically on a given choice strategy and buying situation. Since this research area has not been extensively studied, a detailed description of the meat buyer's choice process is needed. The understanding will be enhanced if psychological concepts are incorporated in the analysis.

Economic Psychology

When analyzing choice behavior, agricultural economists need to not only analyze economic variables but also "human variables." As Shaffer (1968) states, "I assume that agricultural economics is an applied field of social science and is concerned with problem-solving rather than the application of the abstract principles of economics." Shaffer (1968) realizes the importance of studying the behavior of decision makers in conjunction with analyzing the "behavior of commodities" (van Raaij, 1981). The merger between economics and psychology is called economic psychology. Economic psychology is the study of human behavior "within the conditions and constraints of the perceived economic environment" (van Raaij, 1981). When studying reasons for behavior, an economist can achieve a better understanding of the economic phenomena by referring to economics and psychology (van Raaij, 1981). According to Clark (1918),

The economist may attempt to ignore psychology, but it is sheer impossibility for him to ignore human nature. . . . If the economist borrows his conception of man from the psychologist, his constructive work may have some chance of remaining economic in character. But if he does not, he will not thereby avoid psychology. Rather, he will force himself to make his own, and it will be bad psychology.

Katona (1951) feels the behavioral studies conducted by researchers who ignore human "disturbances" are incomplete (van Raaij, 1981). Katona (1951) depicts his belief in the following model:



where personal attributes, P, intervene between economic conditions, E, and economic behavior, B. P includes such personal characteristics as expectations and aspirations. E includes the following economic conditions: recession, tax rates, and rates of inflation and interest. Economic behavior, B, is a function of "economic decisions, and the determinants and consequences" of those choices, and the economic decisions are characterized by the sacrifices made by the decision maker, present and future benefit evaluations, benefit evaluation of alternatives, and the behavior of the decision maker (van Raaij, 1981). The feedback loop, from B to E, is how behavior affects the efficiency and success of the economic system. Katona's (1951) model is indicative of how important the field of economic psychology is to making research studies reflect reality. By examining the psychological processes of decision makers in addition to the economic variables, researchers will be better able to improve the accuracy of their behavior predictions. Several authors in marketing have incorporated psychological concepts in decision making models.

The Choice Stage

The stages of the consumer decision-making process are: problem recognition, search, alternative evaluation, choice, and postacquisition processes (Mowen, 1987). Robinson, Faris and Wind (1967) noted that the industrial buyer's decision process consisted of eight phases: problem recognition, general need description, product specification, suppliers' search, proposal solicitation, supplier selection, order-routine specification, and performance review (Kotler, 1991). For new items, retailers use roughly the same buying process described for the industrial buyer (Kotler, 1991).

This thesis is concerned with the choice stage, which includes supplier selection. Several approaches to choice exist: high-involvement models, low-involvement models, experiential choice methods, noncomparable alternative choice processes, and the store choice process (Mowen, 1987). Specifically, high- and low-involvement choice models will be dealt with because they are most relevant to the thesis topic.

According to Johnson, Meyer, and Ghose (1989), knowledge of consumer choice strategies can be used to predict consumer reactions to product attribute changes before a pretest which will save a manufacturer money and time. Regarding industrial buying, Cardozo and Cagley (1971) believe that the awareness of an industrial purchaser's choice rules may help an industrial marketer accurately predict the product offerings the buyer will accept. Bettman (1970) comments that accept-reject decisions can be predicted quite well by marketers. This is relevant to the introduction of new meat products. Overall, the study of choice strategies used by consumers, industrial buyers, and meat merchandisers is significant to marketers who are concerned about their products being accepted and purchased by the appropriate buyer segment.

Protocol analysis is an alternative way of studying the choice processes involved in accepting or rejecting a new meat product. Protocol analysis research has dealt with the choice models used for selecting an apartment, electrical component, or typewriter (Payne, 1976, Lussier & Olshavsky, 1979, and Crow, Olshavsky, & Summers, 1980). This type of analysis involves having research subjects voice their thought processes. The recorded process is recorded and diagnosed. This allows a researcher to determine what types of choice strategies the subjects are using.

Target Marketing

Meat manufacturers would consider it financially beneficial if they could understand the criteria that targeted meat buyers use to decide if a new meat product will be used in a menu or allocated shelf or meat counter space. Knowledge of which characteristics a buyer group desires in new meat product introductions will allow meat manufacturers to reduce wasteful research and development spending. Meat researchers and developers would be able to concentrate their efforts and the company's resources on developing specific meat items that will appeal to targeted meat buyers and consumers. In turn, manufacturers will experience an increase in profits and see the acceptance rate for their new meat products rise. The end result will be a reduction in the cost of product introductions for the 380,000 processing, wholesale, and retail firms comprising the food marketing system (Gallo, 1991).

When deciding to accept or reject new meat products, all meat buyers do not evaluate attributes similarly or use the same choice strategy. A manufacturer must note the kind of establishment for which the buyers purchase, the various types of customers those establishments serve, and

available storage space. Profit potential also needs to be considered by processors. Holdren's theory of the multiproduct firm will be utilized as the theoretical model of profit maximizing behavior of retail meat buyers. Overall, an increase in new meat product acceptance will occur when meat manufacturers achieve a better understanding of what attributes a targeted buyer segment wants new meat product introductions to possess.

Systemwide Efficiency

The final accept/reject decision of all meat buyers will impact the degree of systemwide efficiency in the meat marketing system. This is the feedback loop of Katona's (1951) model. Systemwide efficiency is measured by how well a wholesaler's accept/reject decision matches a retail meat buyer's accept/reject decision. A wholesaler's decision will be efficient when the wholesaler and retailer accept or reject the product. An inefficient decision is made when the wholesaler accepts the product and the retail meat buyer rejects it or vice versa. The goal of the wholesaler should be to increase the probability of a match between wholesalers' and retail meat purchasers' accept/reject decisions and decrease the probability of a mismatch (McLaughlin & Rao, 1990). The same can be said for the processor/wholesaler and meat buyer/consumer relationships. Figure 1 depicts the decision matching relationships.

The primary focus of efficiency is economic efficiency. Economic efficiency concerns the product mix and is derived by multiplying technical efficiency and pricing efficiency. Technical efficiency refers to the maximum amount of output that can be attained from a given allocation of physical resources. Pricing efficiency measures how quickly and accurately resource supply and consumer demand respond to changes in either or both (Hildreth, 1973).

		WHOLESALER/RETAILER/CONSUMER	
		ACCEPT	REJECT
PROCESSOR/ WHOLESALER/ RETAILER	ACCEPT	EFFICIENT	INEFFICIENT
	REJECT	INEFFICIENT	EFFICIENT

Figure 1. Systemwide Efficiency in the Meat Marketing System

Objectives

The objectives of this thesis are:

1. To determine the attributes new meat product introductions need to possess in order to be accepted by specific meat buying segments.
2. To evaluate choice models as possible models of meat buyer behavior.
3. To identify the choice strategy used by types of meat buyers when accepting or rejecting new meat product introductions.

Organization of Thesis

In Chapter II, high- and low-involvement choice theories and Holdren's theory of the multiproduct firm are discussed. Literature relevant to the research study will also be reviewed. Chapter III provides a description of the data gathered and procedures involved in collecting and analyzing the data, and it also includes an analysis of the research results. Conclusions are presented in Chapter IV.

CHAPTER II

THEORY AND RELEVANT LITERATURE

A discussion of high- and low-involvement choice strategies and Holdren's theory of the multiproduct firm will be conducted in this chapter. Since meat buyer choice behavior has not been extensively studied, past research on consumer and industrial buyer decision processes will be reviewed. Holdren's theory is depicted in equations which consist of variables that affect a meat buyer's short- and long-run product line variation decisions. In all, the psychological and economic theories to be discussed will depict the important contribution that economic psychology makes to choice process research.

Involvement

Involvement and levels of involvement have been defined by several different authors. Gensch and Javalgi (1987) defined highly involved individuals as those who actively look for information on many attributes for few alternatives, physically or personally participate with choice situation elements, and seek advanced training. Laurent and Kapferer (1985) described high-involvement individuals as those who seek information, are influenced by reference groups, express their lifestyle and personality characteristics in their brand choice, and use an extensive choice process to maximize expected satisfaction from their brand choice.

Attention needs to be directed toward which choice models are most appropriate to use in a high- or low-involvement purchase situation. The influence of involvement on a person's choice model selection was studied by Gensch and Javalgi (1987). They wanted to disprove the assumption that all members of a sample population use the same choice strategy (Johnson & Meyer, 1984). In turn, they segmented the sample with respect to the involvement levels of the research subjects. The researchers concluded that a noncompensatory, hierarchical choice strategy, by which characteristics of an alternative are compared one at a time, is better suited for low-involvement consumers. Examples of low-involvement choice models include: the conjunctive rule, the disjunctive rule, elimination-by-aspects, the lexicographic rule, and phased models. For high-involvement consumers, a compensatory, simultaneous choice strategy would be more appropriate where all attribute information is combined to form an overall judgement value. Examples of high-involvement models are: compensatory models, like the Fishbein model, and phased models (Gensch & Javalgi, 1987 and Mowen, 1987).

High-Involvement Choice Models

Compensatory Models

The complex, compensatory approach is a tradeoff strategy where low values on one attribute can be compensated by high values on another attribute when all attributes are considered (Heeler, Kearney, & Mehaffey, 1973). The use of compensatory models means an individual is processing by brands. When using compensatory models, individuals assign a prior weight to each attribute (Dawes, 1964). For instance, a linear additive compensatory choice model can be represented by the following formula:

$$y = \sum_{i=1}^N a_i X_i$$

where y = product acceptance, X_i = predictor variable i , a_i = parameter i , and N = number of predictor variables (Einhorn, 1970 and Heeler, Kearney, & Mehaffey, 1973). This formula is representative of an operationalization of the Fishbein model,

$$A_b = \sum_{i=1}^N W_i B_{ib}$$

where A_b = the attitude towards a particular brand b , W_i = the weight or importance of attribute i , B_{ib} = the evaluative aspect or belief toward attribute i for brand b , and N = the number of attributes important in the selection of a given brand in the given product category (Bass & Talarzyk, 1972 and Heeler, Kearney, & Mehaffey, 1973). The Fishbein model is a compensatory strategy because the attitude towards a brand is based upon the relative importance of a product's attributes (Bass & Talarzyk, 1972). One must note that the compensatory choice concept is similar to the theory of utility maximization in economics. Utility theory also involves a decision maker making tradeoffs or substitutions among goods and attributes in an effort to derive a sense of satisfaction with his final choice (Henderson & Quandt, 1980). For instance, while evaluating a lower priced new meat item that is being demanded by consumers, a retail meat purchaser may be willing to sacrifice some profit in order to achieve customer acceptance and improve goodwill.

Phased Models

Phased models concern using a noncompensatory strategy and then a compensatory strategy or using a noncompensatory strategy and then another noncompensatory strategy (Mowen, 1987). According to Dawes (1964), it is not

significant which choice strategy is used first. Phased models are most likely to be used when a consumer is highly involved in the decision process (Mowen, 1987).

Low-Involvement Choice Models

In the past, researchers have primarily been concerned with compensatory models as a way to determine an object's utility with respect to its attributes. Einhorn (1970) notes that Yntema and Torgerson (1961) found compensatory models to have been used to approximate linear and nonlinear relationships in data. Anderson (1968) believed linear, compensatory models to possibly fit nonlinear data well, but he realized small, significant discrepancies did exist (Einhorn, 1970). Johnson and Meyer (1984) found evidence supporting the claim that compensatory models of choice can mimic noncompensatory processes, but the researchers did realize the limitations of their finding, generalizability and experimental constructs not being controlled appropriately.

However, studies have been conducted which have led to increased attention being focused upon simple, noncompensatory models being better able to fit nonlinear data. Einhorn (1970) found nonlinear, noncompensatory models, like the conjunctive and disjunctive models, to fit certain decision data better than linear models. In 1989, Johnson, Meyer, and Ghose refuted the 1984 conclusion when they discovered that noncompensatory rules are poorly fit by linear models, even in non-correlated environments, and that the fit diminishes further in negatively correlated environments.

Low-involvement, noncompensatory choice strategies are satisficing processes. "Satisficing" is apparent when a consumer, who is not fully informed, will be more satisfied with a more "bumbling rationality" and will make

estimations in an effort to avoid further processing of information (Simon, 1955). This "bumbling rationality" is consistent with Dawes' (1964) claim that an individual does not have to be rational when making a choice.

The Conjunctive Rule

Einhorn's (1970) mathematical formulation of the conjunctive model is

$$\log y = \sum_{i=1}^N a_i \log X_i$$

(Heeler, Kearney, & Mehaffey, 1973). However, this formula has been referred to as a "crude first approximation" in an effort to design a proper conjunctive choice model (Goldberg, 1971). Goldberg (1971) refers to Stevens' (1968) argument that "without some natural zero point, the logarithms will change with any linear change of scale." This in turn, will hinder the accuracy of the model.

Grether and Wilde's (1984) nonoptimizing conjunctive model represents a satisficing model in which simultaneity and sequentiality are ignored in order to simplify the task. Dawes (1964) refers to the conjunctive model as evaluating a college applicant, for instance, on his least relevant attribute. Because all of the individual's attributes must exceed a minimum cutoff level, a multiple cutoff procedure is implied (Einhorn, 1970). The conjunctive model guarantees rejection of all college applicants with an extremely small amount of talent (Dawes, 1964 and Park, 1976). Einhorn (1971) also found the conjunctive model to be superior with respect to false positives where the cost can be high, like when a chosen career turns out poorly. In Einhorn's study, it appeared that compensation for lack of a characteristic by having an over-abundance of another is not perceived as having as much utility as having at least a minimum level on each of the attributes (Einhorn, 1971). Park (1976) commented that the

conjunctive model is relative to the psychology of simplification because this model reduces the number of acceptable brands in a consumer's evoked set. Thus, the conjunctive model can serve as a screening device to be used as the first step of a phased choice strategy.

The Disjunctive Model

The following model formulation is representative of the disjunctive strategy (Einhorn, 1970 and Heeler, Kearney, & Mehaffey (1973):

$$\log y = \sum_{i=1}^N - a_i \log (K - X_i)$$

where K = constant exceeding all X_i . However, an "upper bound" needs to be imposed upon K so that the accuracy of the model does not alter with a scale change (Goldberg, 1971).

The disjunctive strategy involves a person being evaluated upon his greatest attribute only (Dawes, 1964 and Einhorn, 1970). Therefore, the disjunctive model guarantees selection of individuals with any extreme talent (Dawes, 1964 and Park, 1976). The psychology of complication is relevant to the disjunctive strategy because as the consumer becomes bored, he will engage in exploratory search which in turn, complicates the choice process. The exploratory needs can be satisfied when the consumer accepts an alternative possessing an exceptional attribute (Park, 1976).

Elimination-By-Aspects

The elimination-by-aspects model is a covert sequential elimination choice process that is easy to apply and explain (Tversky, 1972). The ordering of aspects is based upon importance. Alternatives, not possessing the first

selected aspect, are eliminated, and the process continues until a single alternative remains. A major disadvantage of the elimination-by-aspects strategy lies in its failure to ensure that retained alternatives are superior to those which were eliminated. This uncertainty is dependent upon the ordering of the aspects. The strategy of elimination by aspects is not a rational choice procedure, but instead a satisficing process which can serve as the first stage of a phased strategy preceding more complex, compensatory models (Tversky, 1972 and Grether & Wilde, 1984).

The Lexicographic Model

The lexicographic model cannot be represented by a mathematical formula (Einhorn, 1970). The lexicographic model concerns an alternative being selected because it has the highest rating on the most important attribute (Einhorn, 1970). If a few alternatives are similar with respect to the first attribute, they are compared to the second most important attribute to determine which has the highest value on that specific attribute. This process continues until one alternative remains (Tversky, 1972). Slovic's (1975) "more important dimension" was supported when he found that people resolve choices between equally valued, multiattribute alternatives by selecting the alternative that is superior on the most important attribute or dimension. This is indicative of a lexicographic strategy. Slovic's (1975) discovery supports Tversky's (1972) argument that people utilize choice models that are easy to explain and justify in terms of ordering attributes with respect to their importance.

Phased Models

As stated before, phased choice models are most frequently used when the consumer is highly involved in the choice situation. A low-involvement consumer is one who behaves in a passive manner and does not seek or critically evaluate information (Robertson, 1976). The utilization of a phased choice strategy by a low-involvement consumer may also be related to the consumer not being particularly committed in his brand selection.

Prior Research on Choice Processes

Task Complexity

Studies have been conducted to analyze the relation between task complexity and choice model selection. Task complexity is manipulated by having research subjects choose an alternative from among sets containing two or more alternatives. As the number of alternatives in each set increases, task complexity also increases. Researchers have employed protocol analysis, a process-tracing methodology to directly observe the verbalized choice processes of the sample population in a hypothetical setting. Lussier and Olshavsky (1979) and Payne (1976) found that when individuals have to choose between two or three brands they will use a one-step, compensatory, choice strategy. When a consumer has to choose between four or more alternatives, the consumer will use a two-step, phased choice strategy. Step one involves using a noncompensatory strategy, like the conjunctive or elimination-by-aspects model, to screen the alternatives into acceptable and unacceptable categories in an effort to reduce the amount of information processing involved in the choice task. In step two, a compensatory model is

used to make the final choice. These findings are consistent with Newell and Simon's (1972) hypothesis that as task complexity increases, decision makers will utilize choice models that reduce cognitive strain (Lussier & Olshavsky, 1979). Yntema and Torgerson (1961) commented, "that when there are many variables to process, the human information processor may have to simplify the situation in order to deal with it (Einhorn, 1970)." Cognitive strain results when few alternatives elicit nearly equal competing response tendencies in the consumer which causes uncertainty and the level of the decision maker's conflict to be high, and in turn, the choice decision will be deliberated upon longer (Tyebjee, 1979).

Simplifying vs. Optimizing

Do consumers behave in a discriminative manner when selecting choice strategies to be used in a particular situation? The answer is yes. Wright (1975) found that consumers do view choice strategies differently on the basis of their appeal as simplifying (satisficing) or optimizing processes. An optimizing strategy is used when all attributes are considered. A simplifying strategy is used to minimize cognitive strain and information processing effort (Wright, 1975). In different decision situations, consumers may use different choice models. Regarding optimizers, the strain of using compensatory strategies increased as the number of alternatives increased and was seen as a least likely optimizer. Another optimizing strategy, the conjunctive model was, as previously mentioned, seen as an attractive initial screening device due to its multiple-cutoff procedure (Grether & Wilde, 1984). Pras and Summers (1975) found the conjunctive and linear additive models to be more sensitive to the number of attributes utilized, which is characteristic of optimizing strategies.

The lexicographic model, a simplifying strategy, was viewed as the easiest to execute for up to six alternatives. For ten alternatives, this model had no simplifying advantage and was found to be unlikely to be used when a large number of options were being deliberated upon (Park, 1975). This result supports Pras and Summers' (1975) conclusion that the lexicographic semi-order model is less sensitive to the number of attributes, which is indicative of a simplifying process.

Amount of Information

Research studies have also examined whether the number of attributes, offered about a product, influences the selection of the choice model. Lussier and Olshavsky (1979) discovered that as the number of alternatives increased, less information was used. The researchers found that compensatory comparison involved at most five attributes, and when more attributes were available, the subjects did not refer to them while comparing alternatives. However, Lussier and Olshavsky (1979) noted that the number of attributes did not influence the choice strategy selected since most subjects used a differential weighting process to compare alternatives which in turn, let them drop some characteristics from being considered. The findings of Lussier and Olshavsky (1979) are supported by Payne (1976), who discovered that as the number of alternatives increased, subjects referred to only a small part of the total available information even though there was an increase in the total amount sought.

Familiarity

Past research has been concerned with how familiarity affects choice strategy. Consumers who are familiar with a product class exhibit brand organization for new information (Johnson & Russo, 1984). As product familiarity increases, the amount of information recalled rises which means that experts do not learn as much since they are already knowledgeable about the product class. The "inverted u" hypothesis suggests that higher levels of familiarity result in reduced search and less learning (Johnson & Russo, 1984). Experienced consumers are better able to select attributes that are predictive of product performance. The consumers next eliminate those alternatives not possessing the attributes. Additionally, they come to expect remaining product attributes are related which is indicative of a compensatory choice model. The use of the compensatory approach to form a relation among the reduced set of attributes is indicative of the psychology of simplification (Park, 1976). Overall, these two steps compose a phased strategy which is most likely to be used by a high-involvement consumer. Johnson and Russo (1984) found that more familiarity results in more brand organization which is relative to high-involvement purchases.

The "inverted u" hypothesis has been met with criticism. Brucks (1985) found that knowledgeable individuals seek information about a larger number of attributes. Thus, knowledge increases the efficiency of search and the ability to ask questions. His conclusion depicts the "enrichment hypothesis" (Johnson & Russo, 1984). Brucks' (1985) finding is supported by Wilkie and Dickson (1985) who discovered that even though 69 percent of the study's sample relied primarily on past experience with and knowledge of the product when making

their final choice decision, 69 percent of the sample replied that they were interested in learning more about the product.

Prior Research on Industrial Buying Choice Processes

Industrial buying is "big" business because "there are thirteen million organizations buying goods and services worth over three trillion dollars every year" (Kotler, 1991). According to Nicosia and Wind (1977), the task of an organizational buyer is to "acquire the right good, at the right price, of the right quality, in the right quantity, delivered at the right time and place to the right users." Banville and Dornoff (1973) defined an industrial buyer as one who "has his private aims, yet he attempts to execute his corporate function within the defined goals and policies of the industrial organization" and these researchers also found no support of a pure economic-rational orientation of industrial purchasers, thus supportive of Simon's (1955) "satisficing" contention.

Several differences exist between consumer and industrial purchase decisions. For instance, industrial buyers purchase products and services to meet cost reduction and profit goals established by the company, and these purchased goods and services will be used to produce other goods and services. Additionally, there are more people involved in the industrial choice process. These individuals comprise the buying center which handles the risk and responsibility associated with industrial purchases. Industrial buyers must adhere to formal purchasing policies, constraints, and requirements established by their organizations, and the buying instruments such as requests for quotations, proposals, and purchase contracts are additional aspects not related to the decision-making process of consumers (Kotler, 1991).

The choice strategies utilized by industrial buyers in choosing suppliers have not been extensively researched. Crow, Olshavsky, and Summers (1980) conducted a protocol research study that focused upon the choice strategies that industrial buyers engaged in when selecting vendors. Their study dealt with "modified rebuy" purchases which require information on and high consideration of alternatives before making the buying choice. Concerning individual final supplier choice models, 12 of the 14 sample buyers utilized a three-stage model. The other two buyers chose the quotation with the lowest price. The first stage involved the use of the conjunctive model to eliminate suppliers with high prices and later delivery dates. In stage two, if more than one supplier remained after the elimination process, the vendors would be rejected on unfavorable price alone, and then on delivery date alone. Third, if the difference between price and delivery is not significant, the purchaser may examine the vendor history file. Stages two and three involved using the lexicographic model. This three-stage model is representative of a phased choice strategy since a noncompensatory strategy and then another noncompensatory strategy, with respect to stages two and three involving the same model, were used.

Evaluation and choice are distinct stages in the decision making process, but some researchers will combine the two phases into one step. One researcher who does this is Webster (1965) in his identification of the three steps of the choice process: vendor qualification, comparing offerings with specifications, and comparing offerings with each other in order to make the final selection which will provide the greatest value to the buyer. However, the combination of the evaluation and choice steps can significantly affect the interpretation of some industrial purchasing research studies. For instance, Cardozo and Cagley (1971) conducted a buying game as a method to simulate

industrial buyer behavior, and in their study, they analyzed evaluation and choice separately. They discovered that more than 90 percent of the purchasers utilized a compensatory choice model. Regarding evaluation, they found industrial buyers to refer to a sequential evaluation strategy. Therefore, by combining the evaluation and choice stages of the Cardozo and Cagley (1971) analysis, a phased choice strategy results whereas by examining them separately, a compensatory choice model results. The above discussion is evidence of the overlap that exists between the decision-making stages.

Some researchers have focused upon which attributes are important to industrial buyers. Cunningham and White (1973/74) examined the evaluation stage with respect to which criteria purchasers considered most important when making their quotation selection. The researchers found that in order for a supplier's quote to be selected, aspects of the quote had to pass an elimination-by-aspects, screening, procedure. For instance, reputational and technical characteristics were used as hurdles over which suppliers had to pass to in order to be asked to quote (Cunningham & White, 1973/74). Dempsey (1978) claims that moderately important attributes can prove to be critical in the industrial decision making process if the products rank very similar among the most important attributes. Dempsey (1978) additionally feels that the importance of some supplier aspects can be affected by the type of buying task being performed. Banville and Dornoff (1973) also examined those attributes, like price and quality, which industrial buyers consider as most important when selecting suppliers. Price and quality are representative of choice object attribute cues (Bettman, 1970).

Research studies have also been concerned with the effect of internal, psychological, or cognitive cues on the choice processes of industrial purchasers (Bettman, 1970). An example of an internal cue is perceived risk.

Cardozo and Cagley (1971) suggested that supplier choice may be an internal function of supplier characteristics, amount and type of risk in the purchase situation, and individual buyer characteristics. Sheth (1973) proposes that there are product-specific factors related to the purchasing behavior of industrial buyers. Those factors are: perceived risk, type of purchase, and time pressure. In their analysis of industrial purchases, Hakansson and Wootz (1975) manipulated perceived risk with respect to need uncertainty. The researchers used the following formula for their research study:

$$\text{Purchasing behavior} = f_1(\text{perceived risk}) = f_2(S_i, D_j, E_k)$$

where S_i = the characteristics of the buying situation i , D_j = the characteristics of the decision-maker j , and E_k = the characteristics of the decision-environment in firm k . Hakansson and Wootz (1975) also used the following representation of the S_i construct:

$$S_i = f_3(U_i, V_i)$$

where U_i = the uncertainty in situation i , and V_i = the value of the consequences of the decision in situation i . Tversky (1972) noted that individuals experience uncertainty when making a selection among several alternatives.

An understanding of the relationship between employees and organizational activities could lead to a better understanding of industrial choice processes. This could be achieved if researchers would "better examine the literally millions of activities that make up the intraorganizational process" (Nicosia & Wind, 1977). Some of the company-specific factors which affect industrial decision making are: company orientation, company size, and degree of centralization (Sheth, 1973). However, this research area has not received the attention it deserves. Most studies have dealt with different

organizations regarding different attributes as most important. The influence of the organizational environment is an external cue which acts upon the industrial purchaser (Bettman, 1970). Grønhaug (1976) examined environmental influences in industrial buying and found that attribute importance may differ with respect to the differing environments of different companies. Grønhaug's (1976) finding is relative to Dempsey's (1978) claim, that the type of organization in which the buyers were employed affects attribute importance.

Holdren's Theory of the Multiproduct Firm

Holdren's theory of the retail supermarket serves as the theoretical foundation for studying how product line extension decisions are affected by factors controlled by new product manufacturers (Holdren, 1968). His theory serves as the building block for understanding how retail buyers make their accept/reject decisions. The theory of the multiproduct firm offers insight on the seller's demand and cost functions and to how retailers are likely to respond to product interrelationships.

The seller's demand function is

$$q_n = f_n (p_1, p_2, p_3, \dots, p_n, a_1, a_2, a_3, \dots, a_m)$$

where q_n is the sales level of the n th commodity, p_n is the price of the n th commodity, and a_m are the non-price attributes of the seller's offer. It must be noted that different supermarkets will face different demand functions.

The seller's cost function is

$$C = C(q_1, q_2, q_3, \dots, q_n, a_1, a_2, a_3, \dots, a_m)$$

Examples of a 's include advertising and sales promotion. When increased sales are sought, increases in advertising and promotion will be used to shift

the seller's demand function. On the other hand, the cost of offer variations, like stamp plans, changes directly with sales.

In equation form, the seller's cost function can be represented as:

$$C = X_1 + X_2 + \sum_{i=1}^n (l_i + b_i) q_i$$

where C is the total cost, X_1 is the fixed cost, X_2 is the discretionary fixed cost which includes short-run decision variables that are not affected by variations in output, l_i is the invoice cost of the i th commodity, b_i is the variable cost associated with an increase in sales of the i th commodity, and q_i is the sales level of the i th commodity (Holdren, 1968).

The seller's profit function is

$$P = \sum_{i=1}^n p_i q_i - C$$

In the short run, food retail units face the following selling space constraint when diversifying their product line:

$$Y - (y_1 + y_2 + y_3 + \dots + y_n) = 0$$

Y is the total available selling space, and y_i represents the minimum selling space assignable to the i th commodity. On an average, $\partial y_i / \partial q_i = 0$ given the reachable output level of the retail store.

The addition of a new product to the product line results in the reduction of display space designated to products currently occupying shelf space. This, in turn, will cause a decrease in the sales level of those items unless the added product possesses a high transfer effect. Overall, there is a "battle for shelf space" among product manufacturers because they do not want their companies to experience a decline in product revenues (Holdren, 1968).

For P to be a maximum,

$$dP_i / y_i > dP^* / y^* \quad i = 1, 2, 3, \dots, n$$

To decide which new product introductions to accept and reject, the products can be ordered according to their dP_i/y_i . Going from top to bottom, the items are added to the product line until all of the space is used ($Y = 0$).

Attention needs to be focused upon the following profit change equation

$$dP = (\bar{p}^* - \partial C / \partial q^*) \pi dg^* B^* \sum_{j=1}^m S_j (a_j - a_{0j}) \left[\sum_{i=1}^K \alpha_i B_i g_i w_i (p_{0i} - p_i) + \sum_{j=1}^m V_j (a_j - a_{0j}) + \sum_{i=1}^n t_i g_i \right]$$

because it explains how a seller's profit is affected by a short run variation in his store's product line (Holdren, 1968). The following equation variables are defined:

- P = profit
- C = total cost
- B = average number of units sold to household per unit of time
- S = a demand response parameter for non-price variation, and it affects the percentage of household purchases obtained by a given store within its trading radius
- a_j = j th non-price way of varying the seller's offer
- a_0 = same as p_0 but refers to non-price offer variation aspects which would reduce sales to zero
- π = 3.1416
- d = density of households per unit area
- g = percentage of households that consume the commodities sold
- w = how informed consumers are with respect to price
- p_0 = price component of a vector of prices and non-price offer variation aspects which would reduce sales to zero
- p_i = price of the i th commodity
- V = demand response parameter for aggregated non-price offer variation, and it affects the percentage of household purchases obtained by a given store within its trading radius and its competitors outside the trading radius
- t = demand response parameter which represents the demand enhancing effect of the inclusion of a commodity in the product line even though the transfer effect may be zero
- i = refers to commodities and ranges from 1 to n
- j = refers to non-price offer variation aspects and ranges from 1 to m
- K = a subset of n
- \bar{p} = equilibrium price of a product
- q_i = sales level of the i th commodity

- * = represents any product not included in the product line
- m = the number of different non-price variations
- n = the number of different commodities sold by a firm
- α = demand response parameter for price level, and it is negative

Qualitatively, the equation is useful for deciding the maximum number of brands to stock. Quantitatively, the equation is important with respect to the addition or subtraction of regularly purchased consumer goods.

The term, $(\bar{p}^* - \partial C/\partial q^*)$, represents a product's equilibrium price minus its marginal cost and is indicative of a product's potential contribution to the gross profit margin.

Next, πdg^*B^* is a geographical and demographical term that reflects the geographical makeup and purchasing behavior of consumers who reside in a store's trading region. The larger a store's trading region is with respect to size of area and number of households, the wider will be the product line and the lower will be the store's prices. When B and g are large and prices are low, a retail store has a higher optimal level of a_j at its disposal. With a large trading area, a store manager will make more and varied non-price offers to reach and attract members of the numerous and diverse households that comprise his store's trading region.

When analyzing and comparing trading regions, income and density of households per unit area, d, are important considerations, for one's income level affects how many products are purchased by a household member. This is called the budget effect. Further, when the number of households increases in a given trading area, a store manager will see more consumers shopping in his store.

When evaluating new products, the profit margin, B and g are important variables to consider. With respect to fresh meat items, for instance, they are high margin products because they have a highly elastic demand function and

a large B. In turn, low margin items have a small B, thereby prices are lower in order to attract and get more consumers to purchase the particular items.

Regarding the g variable, meat buyers want an increasing percentage of household members to consume their store's commodities. This is reflective of the transfer effect by which consumers transfer their patronage from one store to another.

The term $\sum_{j=1}^m S_j (a_j - a_{0j})$ concerns the association between consumer demand for and seller supply of non-price offers. An inverse relationship between S_j and a_j exists ($\partial S_j / \partial a_j < 0$). With prices fixed, a_j will increase (decrease) and S_j will decrease (increase), and in turn, a particular product's sales may increase (decrease) because an increase (decrease) in a_j calls for a decrease (increase) in p_i . Examples of non-price offers are advertising, hours open, sales promotion, home delivery, and grocery sacking. This term pertains to only the seller's trading area.

The term $\sum_{i=1}^K \alpha_i B_i g_i w_i (p_{0i} - p_i)$ regards how price dictates who purchases the product and how much they buy. It incorporates an information variable that concerns how the degree of price information held by consumers can affect their buying behavior. When a customer is uninformed, non-price competition is replaced by price competition, and as competition increases between stores, prices begin to fall. When the price of a good is high, B and g are low, w_i will be close to one, and p_0 will be close to the optimum price level where the customer would not purchase the item. This is representative of a low profit margin. When a product has a low price, B and g are high, w_i will be close to zero, and p_0 will not exactly be known because the buyer has not been exposed to price information about competing products. A high profit margin is evident here.

The movement of p_i from p_{0i} to p_i is how the sales of other products is affected by the addition or subtraction of another product. When a new product is added, the sales of the other commodities may fall, especially if the new product is priced cheaper. This is relative to $\partial u/\partial p < 0$ and α , the price demand parameter. As a good's price rises, quantity demanded will fall, and as the price declines, demand will rise.

On an aggregate level, the term, $\sum_{j=1}^m V_j (a_j - a_{0j})$, incorporates the inverse relationship between V_j and a_j ($\partial V_j/\partial a_j < 0$) into the short run product line variation equation. As a_j increases (decreases), V_j falls (rises). One must note as a_j increases and S_j nears zero, V_j will become dominating since the demands of consumers, outside a given trading area, for non-price offers may not have been met. Thus, the V_j variable will be larger than S_j .

As before stated for a single store within its trading radius, due to a product addition or deletion to the product line, the sales of other items will be affected by the movement of a_j from a_j to a_{0j} . However, this time it is applicable on an aggregate level with respect to the trading area of a single store and its competitors.

The budget effect is considered in the term, $\sum_{i=1}^n t_i g_i$. This term is "independent of price" (Holdren, 1968). A wider product line allows the consumer the opportunity to purchase all of the products on his shopping list at one location versus the hassle of shopping at a number of stores. Due to consumer demand for the addition of a new product to the product line, a store's sales level will rise because those consumers, who demanded an item, will be able to complete their shopping lists at only one store. In addition, those items added to a store's product line do not need to have a transfer effect.

Before deriving the long run profit equation, consideration has to be given to the value of $\partial C/\partial q^*$ regarding product-line width variations. The interest cost of carrying an inventory needs to be included in the marginal cost equation ($C = l_j + b_j$). When this is done, the marginal cost equation becomes

$$C^* = l^* + b^* + (l^*rz^*)$$

where r is the rate of interest, and z refers to the minimum number of units which must be carried in inventory. Combined, the term rz^*l^* represents an addition to total fixed cost and thus, will not change with output. According to Holdren (1968), the profit change equation now becomes

$$dP^* = (\bar{p}^* - l^* - b^*) \pi dg^* B^* \sum_{j=1}^m S_j (a_j - a_{0j}) \left[\sum_{i=1}^K \alpha_i B_i g_i w_i (p_{0i} - p_i) + \sum_{j=1}^m V_j (a_j - a_{0j}) + \sum_{i=1}^n t_i g_i \right] - rz^* l^*$$

The term $(\bar{p}^* - l^* - b^*)$ is another way to refer to equilibrium price minus marginal cost ($C = l_j + b_j$). As stated earlier, this term represents the potential gross profit margin contribution of a product that could possibly be accepted by a retail buyer.

As stated earlier, for P to be a maximum,

$$dP_i/y_i > dP^*/y^* \quad i = 1, 2, 3, \dots, n$$

In order for a new product to be added to a product line, its marginal profit per square foot of selling space (dP^*/y^*) needs to be larger than the marginal profit per square foot of selling space of a product currently taking up shelf space (dP_i/y_i). Again, note that products with a larger marginal profit per square foot of selling space are added to the product line until there is no more available selling space.

In the long run, store size, distributive organization, and management skills change. The long run profit change equation is identical to the short run

equation except $\partial C/\partial q^*$ is altered by the long-run cost increase related to the widening of the product line which will be referred to as ΔC^* .

$$\Delta C^* = l^*q^* + b^*q^* + rz^*l^* + \Delta X2 + \Delta X1$$

When y^* is measured in square feet ΔC^* becomes

$$\Delta C^* = l^*q^* + b^*q^* + rz^*l^* + \epsilon y^*$$

with ϵ being the cost per week of an additional square foot of display space and the demand response parameter for commodities with no transfer effect. The ϵy^* term pertains to the total cost of display space (Holdren, 1968). Thus, the long run profit change equation becomes

$$dP^* = (\bar{p}^* - l^* - b^*) \left[\sum_{i=1}^K B_i g_i \alpha_i w_i (p_{oi} - p_i) + \sum_{j=1}^n V_j (a_j - a_{oj}) + \sum_{j=1}^n t_j g_j \right] \pi d g^* B^* \sum_{j=1}^m S_j (a_j - a_{oj}) - l^* r z^* - \epsilon y^*$$

As in the short run, the expansion of the product line is restricted mainly by income and population density. Another restriction to consider is mobility. When consumers are mobile, a store's retailing territory expands, for consumers outside a store's trading region may be passing by and happen to need a product from the store. However, those mobile individuals who normally shop at a given store are just as likely to do some of their shopping at other regional retail establishments they happen to pass by.

It should be noted that high B's, d's, and g's will be offset by a high ϵ , especially in medium to low income retail areas. In high income areas, B's, d's, and g's will not be offset by a high ϵ , for the retail stores in these areas are more capital intensive than small to medium stores. With managers of small to medium stores being concerned about overseeing store budgets, the barriers to entry for small stores will become relaxed, a reduction in store size will occur,

and the cost of retailing will rise. As a result, ϵ will counteract B, d, and g (Holdren, 1968).

CHAPTER III

DATA/PROCEDURES AND RESULTS/

ANALYTICAL PROCESS

Research results were obtained from questionnaires and the collection of protocols. The questionnaires gathered information about meat product trends and characteristics. Product characteristics that influence respondents' decisions to accept or reject new meat products were evaluated. Explanations are provided for why the various types of meat buyers scored attributes the way they did. The choice processes utilized by the buyers participating in the protocols are also listed in this chapter. In addition, a description of marketing strategies that could be implemented by food companies to get meat buyers to accept or repurchase their products is provided. Overall, the research results will assist meat manufacturing sales representatives determine how to present new meat products to buyers.

Questionnaire

Primary data was gathered by providing a questionnaire to restaurant and institutional meat buyers, international importers and exporters, and retailers and wholesalers. The questionnaire gathered confidential quantitative and qualitative information about characteristics survey participants felt were important in new meat products. Answers were compared to determine the relative importance of product characteristics.

There are advantages and disadvantages to using questionnaires. The advantages are that a fairly large population can be sampled easily and quickly, and it is an inexpensive research tool. One disadvantage of using a questionnaire is that questions could turn vague thoughts into definite beliefs and opinions. Also, some members of the targeted population may not want to take the time to fill out the questionnaires.

Restaurant and Institutional Buyers

Data was first collected at the Midsouthwest Foodservice Convention and Exposition held April 23-25, 1991 in Oklahoma City, Oklahoma. A display booth was prepared to draw attention to and interest in the survey. This booth was sponsored by the Oklahoma Department of Agriculture. As meat purchasers for restaurants, hospitals, nursing homes, and schools walked by the booth, they were asked to respond to a 1 page survey which took 5-7 minutes to complete. Interviewers asked the questions and filled out the questionnaires for the respondents.

A total of 120 surveys were collected, but 3 were not usable because the respondents were either not meat purchasers or did not answer 50 percent of the survey questions. There were questions that went unanswered among the remaining 117 surveys; however, those 117 respondents gave informative responses to over 50 percent of the questionnaire.

Meat buyers answered demographic information and scored 10 factors possibly involved in their decision to add a product to their menu. Scores were based upon a 1-5 scale with 1 being very unimportant and 5 being very important. Then, the respondents were asked to rank the three most important factors. The ten factors measured were: marketing and advertising support,

product quality, quality of packaging, handling, distribution, and storage, customer acceptance, pricing competitiveness of like items, delivering frequency, payment terms, preparation method and time, and vendor reputation/past experience with vendor. Mean scores were tabulated for the 10 attributes.

Other survey questions gathered information about successful meat product menu changes, additions, and trends. Survey participants were also asked if they were looking for a particular type of meat product at the show. If they were, they were asked to specify the product and reason for interest. A sample of the foodservice convention questionnaire is in Appendix A.

Importers and Exporters

Due to low buyer turnout, the National Association of State Departments of Agriculture (NASDA) National Food and Agriculture Exposition held April 30-May 2, 1991 At Las Vegas, Nevada provided limited insight to how international meat importers and exporters evaluate new meat products. The survey was again conducted at a booth sponsored by the Oklahoma Department of Agriculture. A total of 25 surveys were collected, but 1 was deleted because the respondent was not a meat buyer. The 24 meat importers and exporters provided useful information for the research study. The questionnaire for this show was similar to the foodservice show survey except, the respondents were asked to score 2 additional factors: warranty and food safety. The warranty attribute was added to the questionnaire because importers and exporters buy larger quantities of meat items and may not sell all of the purchased products. The food safety attribute was added because the length of time required to

transport products to foreign countries will affect the freshness of the meat items. A sample of the NASDA survey is in Appendix B.

Retailers and Wholesalers

In August 1991, 779 questionnaires were mailed to Oklahoma and Texas retail and wholesale meat merchandisers. Addresses were obtained at the Oklahoma-Texas Meat Processors Convention and Suppliers Show that was held June 14-16, 1991 in Stillwater, Oklahoma. This survey contained the 10 previously mentioned factors as well as warranty, food safety, product newness, company/brand image, national vs. private label, competitive stores carrying new product, test market results, location of supplier, and profit potential. Additional attributes were added to the questionnaire in order to conduct a more indepth study of attribute importance. Retailers and wholesalers could fill out the questionnaire at their own leisure whereas meat buyers at the conventions did not have sufficient time to score many attributes. In September, 317 follow-up surveys were mailed to retailers and wholesalers who did not respond to the first questionnaire. An example of the retailer/wholesaler survey is in Appendix C. Answers from the returned surveys were compared, and mean scores were tabulated in order to determine the ten most important characteristics which would be utilized for the protocol analysis.

The response rate for the first survey was 13.3 percent, and the response rate for the follow-up questionnaire was 12.6 percent. The overall response rate was 18.5 percent with 144 surveys returned.

The retailer/wholesaler survey also gathered information about payment, ordering, and delivery terms with suppliers. In addition, the retailers and wholesalers responded to how often they had experienced supplier problems.

They also described the problems and told how they handled the problem situations. Further, the respondents noted if a buying committee was involved in their decision to accept/reject a new product.

Protocol Analysis

While the results from the questionnaire will suggest the relative importance of various product characteristics, they reveal little about the actual decision process. However, protocol analysis, a thought tracing process, allows a researcher to explore the cognitive activity occurring in his research subjects while they are making decisions. Protocol participants are asked to verbalize their thoughts while they are making a decision. Their tape recorded thoughts are then transcribed, numbered, and analyzed by two coders. Results obtained after analyzing protocols lend support to various theories.

The research subjects for the protocol analysis were 10 randomly selected retail and wholesale meat buyers from those who responded to the survey. It was felt that the 10 protocols collected were representative of the population segment. Researchers who in the past utilized protocol analysis just used 6 (Payne, 1976), 2 (Bettman, 1970), and 27 (Lussier & Olshavsky, 1980) research subjects. In addition, past choice model research has primarily used college students as research subjects. College students do not constitute a sample that is representative of the potential consumer, industrial, or retail buyer (Payne, 1976 and Lussier & Olshavsky, 1979).

After the survey data was tabulated, appointments were set with the buyers to conduct a tape recorded protocol analysis of how they decide to accept or reject a new meat product. Eye fixation analysis has been used to trace choice

processes, but there is insufficient empirical support for this type of analysis to be used for this study (Russo & Rosen, 1975).

Before the protocol analysis began, the buyer was provided full information about what was to take place. At this time, he was asked to determine if he would add the meat products, that were about to be shown to him, to his store's meat product line. The meat buyers were told to pretend the products that they were about to evaluate were new meat product introductions even though the one pound stick of Longmont Lite Supreme Ground Turkey and 6-8 ounce Excel top sirloin steak had already been introduced to the market. Next, the buyer was provided pictures of the two meat products, and index cards, containing product-specific information with respect to the 10 most important attributes determined by the survey. The 10 attributes used for the protocol analysis were: preparation method and time, pricing competitiveness of like items, handling, distribution, and storage, profit potential, marketing and advertising support, past experience with vendor/company and brand image, quality of packaging, food safety, customer acceptance, and product quality and warranty. The two lists of attributes are available in Appendix D and E. The meat buyer was then instructed to voice his thought process while examining the pictures of and information on the two meat items. The decisions were made on a per product basis. After all the protocols were collected and deciphered, two coders independently traced and identified the choice processes.

There are advantages and disadvantages to using protocol analysis. The advantages are that it is "less susceptible to problems of rationalization and retention" (Crow, Olshavsky, & Summers, 1980). The researcher can obtain more complete data. The observation allows for a detailed description of the choice process (Nicosia & Wind, 1977). The major disadvantage of protocol

analysis is the amount of time needed to collect and analyze the data sufficiently for each research subject. Large samples are not ideal to use with protocol analysis, for it takes more time to collect a large number of protocols. In addition, protocol analysis has not been used extensively.

For this study, an assumption was made that the same choice model would not be used by all of the sample meat buyers (Johnson, Meyer, and Ghose, 1979). This assumption is relevant to the purpose of this study which is to identify enough choice model uniformities, among the research sample, which will lead to improvements in marketing strategy planning.

A field, instead of a laboratory, study was conducted in order to establish external validity (Crow, Olshavsky, & Summers, 1980). When a study is performed in a laboratory setting, the studies are mainly exploratory, and the manipulation of constructs is not always reflective of reality (Slovic, 1975, Johnson & Meyer, 1984, and Johnson, Meyer, & Ghose, 1989). For instance, in the 1984 Johnson and Meyer study, the researchers failed to appropriately control the information search cost variable by allowing it to be less than it usually is in a nonlaboratory setting. This mistake affected the result of one hypothesis test. Therefore, the present study took place at the offices of the meat purchasers.

Questionnaire Results

Restaurant and Institutional Buyers

The meat buyers for restaurants, hospitals, institutions, and other establishments had completed an average of 14.32 years of schooling, and the establishments that employed the meat buyers had an average work force of 34.81 employees.

Among the 117 respondents, 15 (12.82 percent) were meat purchasers for chain restaurants while 102 (87.18 percent) worked for privately-owned restaurants and institutions. Each meat buyer for a chain outlet bought meat for an average of 3 establishments. Meat buyers for privately-owned restaurants and institutions purchased meat for an average of 1 restaurant, hospital, nursing home, school, vending company, or recreation center.

Orders were taken by waitresses and waiters at the tables of customers at 49 (41.88 percent) of the establishments, whereas 68 (58.12 percent) did not. Hospitals, nursing homes, and schools were not considered to provide full service since food orders are not taken from patients and students, but the patients and students are allowed sometimes to make a meal selection.

Of the 117 respondents, 78 (66.7 percent) were meat buyers for restaurants, 19 (16.2 percent) for hospitals and nursing homes, 11 (9.4 percent) for schools/vocational technical institutes, 1 (0.9 percent) for a wholesale company, and 8 (6.8 percent) represented purchasers for vending companies, recreation centers, camps, and a church.

Respondents were asked how much the average consumer spends for a meal in their restaurant or institution. Results are summarized in Table I.

Table II lists the decision-making factors in order of importance based on mean scores by respondents. The percent of respondents who regarded them most important is also shown. Below the table, the number of respondents who did not score or rank some or all of the attributes is noted. In all, this table illustrates an association between the mean scores and rankings. Analysis of the mean scores and importance rankings reveals which attributes need to be included in a meat company representative's new product sales presentation to a restaurant or institutional meat buyer. By including the attributes regarded as important by a specific buyer segment, a sales representative will be more

TABLE I
MEAL PRICES

Dollar Amount	Number of Restaurants & Institutions	% of Restaurants & Institutions
<\$5	65	56.03
\$5-\$10	34	29.31
\$10-\$15	13	11.21
\$15-\$25	3	2.59
\$25-\$50	1	0.86
\$50+	0	0.00

Note: One survey response to this question was unusable.

effective in communicating the benefits his company's product has to offer to the meat buyer's business.

Meat Information

In the past 3 years, chicken has been the most successful meat product menu change for 53 (37.86 percent) restaurant and institutional meat purchasers. Beef items were selling well for 36 (25.71 percent) respondents, while 29 (20.71 percent) commented that pork was a popular menu item. According to 14 (10.00 percent) survey participants, turkey and game meats, which comprise the other meat category, were gaining the acceptance of customers.

TABLE II
ATTRIBUTES CONSIDERED IMPORTANT BY RESTAURANT AND
INSTITUTIONAL MEAT BUYERS

	Mean Score	% Ranking Factor Most Important	% Ranking Factor 2nd Most Important	% Ranking Factor 3rd Most Important
Customer Acceptance	4.78	26.3	28.9	14.7
Product Quality	4.77	58.8	17.5	5.3
Pricing Competitiveness of Like Items	4.17	4.4	19.3	18.9
Preparation Method and Time	4.15	0.9	8.8	22.1
Handling, Distribution, and Storage	4.10	1.8	7.9	8.4
Vendor Reputation/Past Experience with Vendor	3.90	2.6	1.8	5.3
Delivering Frequency	3.71	0.0	1.8	10.5
Quality of Packaging	3.47	2.6	9.6	9.5
Payment Terms	2.59	0.0	0.0	0.0
Marketing and Advertising Support	2.47	2.6	4.4	5.3

Note: 24 survey responses were not usable in the mean score calculations.
 3 survey responses were not usable in the % ranking of the most important factor.
 3 survey responses were not usable in the % ranking of the 2nd most important factor.
 22 survey responses were not usable in the % ranking of the 3rd most important factor.

Chicken has been the newest meat product added to the menu of 44 (39.29 percent) restaurants, hospitals, institutions, and other establishments. Pork, beef, other meats, and fish have been added to 27 (24.11 percent), 23 (20.54 percent), 10 (8.93 percent), and 7 (6.25 percent) menus, respectively.

Of the 28 (24.14 percent) meat buyers for hospitals, restaurants, institutions, and other establishments who were looking for a meat product at the show, 8 (28.57 percent) were looking primarily for beef, 7 (25.00 percent) for

pork, 6 (21.43 percent) for chicken, 4 (14.29 percent) for other types of meat, and 3 (10.71 percent) for fish.

In the next 5 years, 39 (43.82 percent) respondents anticipated chicken products to be the popular trend in meat products. Fish was identified by 19 (21.25 percent), beef by 16 (17.98 percent), other meats by 11 (12.36 percent), and pork by 3 (3.37 percent) survey participants to be on an upward consumption trend.

Importers and Exporters

The respondents had an average of 11 years of experience with their respective companies. The businesses for which the survey participants work for employed an average of 542 workers. The average total value of U.S. meat purchased in 1990 by these buyers was \$1,187,500.

Of the 24 survey participants, 17 (70.83 percent) were importers/exporters, 4 were (16.67 percent) brokers/agents, and 2 were (8.33 percent) wholesalers.

Table III lists the decision-making factors in order of importance with respect to their mean importance scoring. The percent of respondents who regarded them most important is also provided. The number of respondents who did not score or rank some or all of the characteristics is mentioned below the table. In addition, Table II depicts the relation between the mean scores and the importance rankings. Meat company sales representatives will find this information useful because they will be able to determine which attributes need to be included in their sales presentations to importers and exporters. By talking about product characteristics that may persuade the meat buyer to accept the new meat item, a sales representative will be making efficient use of his and the importer's or exporter's time.

TABLE III
ATTRIBUTES CONSIDERED IMPORTANT BY
IMPORTERS AND EXPORTERS

	Mean Score	% Ranking Factor Most Important	% Ranking Factor 2nd Most Important	% Ranking Factor 3rd Most Important
Product Quality	4.75	45.5	38.1	0.0
Pricing Competitiveness of Like Items	4.54	7.3	19.0	15.8
Customer Acceptance	4.39	9.1	14.3	21.1
Food Safety	4.38	9.1	0.0	10.5
Quality of Packaging	4.33	9.1	28.6	10.5
Vendor Reputation/Past Experience with Vendor	4.22	0.0	0.0	0.0
Handling, Distribution, and Storage	4.04	0.0	0.0	10.5
Warranty	4.00	0.0	0.0	0.0
Delivering Frequency	3.75	0.0	0.0	15.8
Preparation Method and Time	3.52	0.0	0.0	0.0
Payment Terms	3.50	0.0	0.0	5.8
Marketing and Advertising Support	3.09	0.0	0.0	10.5

Note: 4 survey responses were not usable in the mean score calculations.
 2 survey responses were not usable in the % ranking of the most important factor.
 2 survey responses were not usable in the % ranking of the 2nd most important factor.
 3 survey responses were not usable in the % ranking of the 3rd most important factor.

Meat Information

According to 10 (34.48 percent) of the NASDA respondents, beef has been the most successful meat product change in the past 3 years. Other meats, like turkey, salami, pastrami, liver, tripe, and alligator, were successful for 7 (24.14 percent) of the respondents' businesses. Chicken has been popular in past

years according to 6 (20.69 percent) of the surveyed individuals, and 4 (13.79 percent) respondents believed pork to also be a popular meat product change.

Beef has been the newest meat product to be added to the product line of 5 (33.33 percent) import/export businesses. Pork has been accepted by 4 (26.67 percent) survey participants.

Of the 14 (58.33 percent) importers and exporters who were looking for meat products at the NASDA show, 8 (47.06 percent) were searching for beef products, 4 (23.53 percent) for chicken, and 3 (17.65 percent) for other meats.

According to 6 (26.09 percent) surveyed individuals, in the next 5 years, the meat import and export business will be impacted by the increase in the purchase and consumption of beef. Fish and chicken each had 5 (21.74 percent) respondents believe these meats would be following an upward consumption trend. In the opinion of 3 (13.04 percent) respondents, other meats will become competitive in the future.

Retailers and Wholesalers

The 144 retailer and wholesaler survey participants have worked an average of 14 years for their companies. An average of 219 people are employed by the retail and wholesale businesses that employed the surveyed meat buyers. Additionally, a buying committee was involved in the decision to accept/reject new meat products among 43 (29.9 percent) of the stores for which respondents worked.

Table IV lists the decision-making factors in order of importance with respect to their mean importance scoring. The percent of respondents who regarded them most important is also shown. Below the table, the number of respondents who did not score or rank some or all of the characteristics is

noted. As mentioned earlier, meat company sales representatives will find this information helpful while they are deciding upon the content of their sales messages. They will be able to incorporate attribute information that may convince the retail or wholesale meat buyer to accept the new meat product introduction.

Meat Information

In the past 3 years, turkey has been the most successful meat product change for 28 (28 percent) retailers and wholesalers. The next most successful meat item was beef according to 24 (24 percent) survey participants. Deli meats have sold well for 21 (21 percent) of the respondents. Chicken has been successful for 15 (15 percent), pork for 9 (9 percent), and fish for 3 (3 percent) of the surveyed individuals.

Among the surveyed retailers and wholesalers, 30 (23.4 percent) mentioned a beef item as the newest meat product to have been added to their product lines. The second newest meat addition was pork according to 29 (22.7 percent) respondents. Then, chicken, deli meats, and turkey each had 18 (14.1 percent) retailers and wholesalers mention they had added these meats to their product lines. Next, fish had 11 (8.6 percent), and other meats, like tripe, had 5 (3.9 percent) respondents mention that these meat types were occupying shelf or meat counter space.

From the 32 (22.2 percent) retailers and wholesalers who replied that they were interested in adding a new meat product to their product lines, new beef products had the interest of 7 (36.8 percent) respondents. Pork and fish products were each being considered for acceptance by 3 (15.8 percent) survey

TABLE IV
ATTRIBUTES CONSIDERED IMPORTANT BY
RETAILERS AND WHOLESALERS

	Mean Score	% Ranking Factor Most Important	% Ranking Factor 2nd Most Important	% Ranking Factor 3rd Most Important
Customer Acceptance	4.85	22.1	29.0	16.1
Product Quality	4.73	47.1	17.7	11.3
Profit Potential	4.50	10.3	8.1	4.8
Food Safety	4.49	1.5	3.2	11.3
Quality of Packaging	4.39	1.5	9.7	6.5
Vendor Reputation/Past Experience with Vendor	4.22	0.0	6.5	3.2
Handling, Distribution, and Storage	4.19	2.9	1.6	11.3
Pricing Competitiveness of Like Items	4.11	2.9	9.7	4.8
Marketing and Advertising Support	4.02	11.8	8.1	11.3
Warranty	3.96	0.0	0.0	1.6
Preparation Method and Time	3.86	0.0	1.6	8.1
Company/Brand Image	3.84	0.0	1.6	0.0
Delivering Frequency	3.63	0.0	3.2	0.0
Competitive Stores Carrying New Product	3.46	0.0	0.0	1.6
Newness	3.45	0.0	0.0	4.8
National vs. Private Label	3.25	0.0	0.0	3.2
Test Market Results	3.06	0.0	0.0	0.0
Payment Terms	2.91	0.0	0.0	0.0
Location of Supplier	2.81	0.0	0.0	0.0

Note: 95 survey responses were not usable in the mean score calculations.
82 survey responses were not usable in the % ranking of the most important factor.
82 survey responses were not usable in the % ranking of the 2nd most important factor.
82 survey responses were not usable in the % ranking of the 3rd most important factor.

participants. Chicken and other meats, like frozen pizzas, buffalo, and venison had the interest of 2 (10.5 percent) respondents.

In the next 5 years, beef will make a resurgence according to 15 (28.3 percent) retailers and wholesalers. According to 11 (20.8 percent) respondents, chicken will continue to sell well. In the opinion of 9 (17.0 percent) survey participants, fish and turkey items will increase in sales. Also, 5 (9.4 percent) retailers and wholesalers believed deli items would become more popular, and 4 (7.5 percent) respondents believed pork products would make a significant impact on the meat sales of retail and wholesale businesses.

Attribute and Chi-Square Discussion

Different types of meat buyers purchase meat products for different reasons. Meat manufacturers cannot assume that all meat purchasers place the same importance on attributes. If they make that assumption, their new meat items are more likely to be rejected by targeted meat buyers. Therefore, manufacturers need to offer new meat items that will satisfy the specific meat needs and wants of a particular purchasing segment if they expect to sell to that segment. Analysis of the attributes' mean scores, chi-square statistics, and probability values will reveal which decision-making criteria the different types of meat purchasers consider most important when they are evaluating new meat items.

Chi-squares were calculated for the following 10 attributes: marketing and advertising support, product quality, quality of packaging, handling, distribution, and storage, customer acceptance, pricing competitiveness of like items, delivery frequency, payment terms, preparation method and time, and vendor reputation/past experience with vendor. The reason why chi-squares were only calculated for the 10 previously mentioned characteristics is because all respondents were asked to score these attributes whereas in some cases,

respondents were asked to score more than 10. Chi-square tables, computed for each attribute, are available in Appendix F through O.

The following hypotheses are tested:

Ho: The attribute rating is unrelated to the type of firm.

Ha: The attribute rating is related to the type of firm.

A 5 percent (.05) significance level will be utilized to determine if the null hypothesis will be accepted or rejected (Snedecor & Cochran, 1967). Rejection of the null hypothesis is indicative of a small probability that a larger chi-square could be found. Acceptance of the null will occur when the significance level is less than the probability value. When the null hypothesis is accepted, there exists a greater probability of a bigger chi-square being discovered.

Rejection of the null hypothesis could be a Type I error because there is the possibility that the null hypothesis is true. By accepting the null hypothesis, a Type II error may be committed, for there is a chance that the null is false.

The degrees of freedom, chi-square statistic, and probability value for each attribute are listed in Table V. All except for the last three are significant at the 5 percent level. This means that the attribute rating is related to type of firm except for the last three listed in Table V.

Table VI illustrates how the chi-square statistic was computed for the preparation method and time attribute. This attribute's computed chi-square table is in Appendix N.

Marketing and Advertising Support

The largest advertisers in the United States are food companies. In 1990, almost \$12 billion was spent on advertising as compared to \$11.4 billion in 1989 and \$4 billion in 1980 (Gallo, 1991). The advertising expenses for eating

TABLE V
STATISTICAL DATA

Attribute	Degrees of Freedom	Chi-Square Statistic	Probability Value
Marketing and Advertising Support	12	88.780	0.000
Quality of Packaging	12	54.022	0.000
Vendor Reputation/Past Experience with Vendor	12	25.463	0.013
Preparation Method and Time	12	24.137	0.019
Payment Terms	12	24.038	0.020
Pricing Competitiveness of Like Items	12	21.161	0.048
Customer Acceptance	9	19.178	0.024
Handling, Distribution, and Storage	12	18.790	0.094
Delivering Frequency	12	12.589	0.400
Product Quality	9	5.695	0.770

and drinking establishments and grocery stores amounted to \$1.7 billion in 1990 (Gallo, 1991). Also, \$6.3 billion was spent on mass media by food manufacturers (Gallo, 1991).

Based on the chi-square, the null hypothesis is rejected. This indicates that the attribute rating is related to the type of firm.

The mean scores indicate marketing and advertising support was regarded as moderately unimportant to average by meat buyers for restaurants, hospitals, institutions, and other establishments. This factor was considered average by importers and exporters and moderately important by retailers and wholesalers.

TABLE VI
CHI-SQUARE TABLE FOR PREPARATION METHOD AND TIME

Observed Frequency (O _i)	Expected Frequency (E _i)	(O _i - E _i) ²	$\frac{(O_i - E_i)^2}{E_i}$
0	30*13/278 = 1.4029	1.9681	1.4029
0	30*6/278 = .6475	.4193	.6476
1	30*68/278 = 7.3381	40.1715	5.4744
13	30*84/278 = 9.0647	15.4866	1.7085
16	30*107/278 = 11.5468	19.8310	1.7174
4	33*13/278 = 1.5432	6.0359	3.9113
1	33*6/278 = .7122	.0828	.1163
8	33*68/278 = 8.0719	.0052	.0006
6	33*84/278 = 9.9712	15.7704	1.5816
14	33*107/278 = 12.7014	1.6864	.1328
5	77*13/278 = 3.6007	1.9580	.5438
1	77*6/278 = 1.6619	.4381	.2636
15	77*68/278 = 18.8345	14.7034	.7807
24	77*84/278 = 23.2662	.5385	.0231
32	77*107/278 = 29.6367	5.5852	.1885
4	138*13/278 = 6.4532	6.0182	.9326
4	138*6/278 = 2.9784	1.0437	.3504
44	138*68/278 = 33.7554	104.9518	3.1092
41	138*84/278 = 41.6978	.4869	.0117
45	138*107/278 = 53.1151	65.8548	<u>1.2399</u>
CHI-SQUARE-->			24.1369

Food manufacturers are realizing the importance of directing their advertising and marketing efforts not only towards consumers, but also at retailers and wholesalers. Retailers and wholesalers place more emphasis on this factor because they spend more on marketing and advertising of specific products than the other respondents. So, if marketing and advertising support is offered by a meat manufacturer to a retailer, an opportunity exists for that

retailer to decrease his advertising expenditures. The marketing and advertising support offered by food manufacturers throughout the 1990's is expected to be double of what is spent on consumer related advertising (Gallo, 1991).

Marketing and advertising support is of average importance to importers and exporters because, for instance, the Market Promotion Program (MPP) provides importers and exporters promotional incentives to purchase U.S. products. The meat buyers for restaurants, hospitals, institutions, and other establishments did not regard this attribute as highly as importers, exporters, retailers, and wholesalers did because they do not advertise as extensively as retailers and wholesalers do, and also, export enhancement programs are not applicable to them.

Quality of Packaging

The retailers, wholesalers, importers, and exporters indicated the quality of packaging factor to be a moderately to very important consideration whereas the meat buyers for restaurants, hospitals, institutions, and other establishments felt it was an average to moderately important attribute.

Based on the large chi-square, the null hypothesis is rejected. This means that the rating of quality of packaging is related to the type of firm.

Packaging played a role in the decision of 17 (15.0 percent) retailers and wholesalers to accept new meat items, and it was a concern to 1 (2.8 percent) retailer with respect to new meat items he was considering adding to his product line. Presently, a demand exists for convenient packages. According to Elitzak (1991), "The desire for convenience implies increased sales of sanitary food containers that are lightweight and microwaveable. The demand for

convenient, microwaveable food products was strong enough that, despite a sluggish economy, the amount spent on food packaging rose in 1990." In the next 5 years, 18 (11.3 percent) respondents felt that cry-o-vac and environmentally safe packagings would be seen more often in grocery stores. Retailers and wholesalers expressed primary packaging concerns about damaged, leaking containers and eye catching and appealing packages that would gain the attention of consumers. According to one retail buyer, "Customers buy with their eyes first and then their pocketbook."

For importers and exporters, packaging is a concern because well packaged meat items that will sustain overseas shipping and handling are wanted. For buyers at restaurants, hospitals, institutions, and other establishments, packaging was not as highly regarded as it was by the retailers, wholesalers, exporters, and importers. At these establishments, consumers only view the meat after it has been removed from its package, prepared by the cooks, and served.

Vendor Reputation/Past Experience with Vendor

The meat purchasers for restaurants, hospitals, institutions, and other establishments felt this attribute was average to moderately important. The importers, exporters, retailers, and wholesalers felt vendor reputation was a moderately to very important factor.

Based on the chi-square of 25.463, the null hypothesis is rejected. Thus, the attribute rating for vendor reputation/past experience with vendor is related to the type of firm.

Meat buyers for hospitals, restaurants, institutions, and other establishments do not feel vendor reputation is as important as retailers,

wholesalers, importers, and exporters believe it to be because consumers in these eating establishments are not aware of damaged containers. Also, consumers may not be informed about the brand name of a product they are about to order. Further, consumers are not aware of a product being unavailable as a result of untimely deliveries which, at times, results in empty shelf space. On the other hand, domestic and foreign customers of retailers, wholesalers, importers, and exporters do become aware of these possible problems. Therefore, vendor selection is an important decision.

Meat buyers wish to maintain favorable relations with their suppliers. Based upon prior experience with a vendor, a buyer may form expectations about how the supplier should perform. The buyer will evaluate the supplier's performance and evaluate the difference between the actual and expected performance level. Next, dissatisfaction, expectancy confirmation, or satisfaction with the supplier may result (Mowen, 1987).

Buyer-supplier relations are developed by such tasks as placing orders. For instance, 113 (49.3 percent) of the surveyed retailers and wholesalers phoned orders in to suppliers, 70 (30.6 percent) went through a sales representative, 22 (9.6 percent) placed orders by fax, electronic order entry, or by contacting the warehouse, 17 (7.4 percent) negotiated a contract, and 7 (3.1 percent) went to the supplier in person. The past experience with vendors also affects how buyer-supplier problems are resolved. Among the retailers and wholesalers surveyed, 50 (35.5 percent) contacted the supplier, 28 (19.8 percent) returned/refused the product, 25 (17.7 percent) changed suppliers, 16 (11.3 percent) went to the sales representative, 8 (5.7 percent) reordered or exercised tighter inventory controls, ordered short, cancelled orders, or bought extra, and 6 (4.3 percent) replaced the product.

Preparation Method and Time

The meat purchasers for restaurants, hospitals, institutions, and other establishments felt preparation method and time was a moderately important attribute. The retailers, wholesalers, importers, and exporters believed this characteristic was an average to moderately important consideration.

Since the chi-square is 24.137, the null hypothesis is rejected. Therefore, an association exists between the rating of preparation method and time and the type of firm.

The buyers for restaurants, hospitals, institutions, and other types of establishments, scored this attribute higher because they are involved in the preparation of the meat dishes. They considered this factor as the third "most important" evaluation attribute. On the other hand, retailers, wholesalers, importers, and exporters are involved in the supply, not the preparation, of the product. They wish to offer their customers meat items that are easy to fix. Quick to prepare meat products complement the busy lifestyles of today's consumers.

Recently, 26 (23.0 percent) retailers and wholesalers in the sample have added meat products to their product lines that were easy to prepare, and 11 (30.6 percent) were interested in new meat products that are again easy and convenient to prepare. In the next 5 years, 52 (32.7 percent) retailers and wholesalers believed more meat products would be developed with reduced preparation time.

The ease of preparation issue is closely related to more value-added meat products being seen in grocery stores. Value-added meat items are faster and easier for consumers and restaurant, hospital, institutional, and school cooks to prepare. The belief that more value-added meat items would be used in the

next 5 years was held by 18 (19.57 percent) meat purchasers for restaurants, hospitals, institutions, and other establishments, 10 (40.00 percent) importers and exporters, and 16 (10.1 percent) retailers and wholesalers. Among the retailers and wholesalers, 4 (11.1 percent) were interested in new meat items that were value-added. Recently, 25 (22.1 percent) retailers and wholesalers added value-added meat items to their product lines. However, 1 (0.6 percent) respondent felt fresh primal cuts would continue to be preferred by consumers, and 4 (3.5 percent) retailers and wholesalers had added fresh, new primal cuts to their meat counters. For the most part, meat buyers are realizing the growth of the convenient food market.

Relative to more meat products being value-added, 2 (1.3 percent) retailers felt shelf-stable meats would be seen more often in grocery stores. Shelf-stable meats would allow meat buyers and consumers the opportunity to reduce overcrowding in meat counters and freezers.

Payment Terms

The meat buyers for hospitals, restaurants, institutions, and other establishments and the retailers and wholesalers felt payment terms were a moderately unimportant to average consideration whereas importers and exporters believed this attribute was average to moderately important.

Based on the chi-square, the null hypothesis is rejected. This means that the rating of payment terms is related to the type of firm.

Payment terms are not a primary concern of retailers and wholesalers and meat buyers for restaurants, hospitals, institutions, and other establishments because it takes a shorter period of time to convert inventory into cash, that will be used for payments. Retailers and wholesalers were asked how often they

paid for their meat inventory. Suppliers were paid weekly by 108 (74.5 percent), monthly by 22 (15.2 percent), and on delivery, bi-monthly, or every 12 weeks by 15 (10.3 percent) meat purchasers.

Importers and exporters scored payment terms the highest at 3.50. The higher score can be attributed to the larger amounts of meat products purchased by import and export buyers and the time and cost involved in the overseas transportation of the meat items. Payment terms are moderately important to these purchasers because the time frame between purchase, delivery, and resale is lengthy. The lengthy time span between purchase and resale is a disadvantage of importing and exporting. As a result, importers and exporters seek larger payment terms to reduce inventory holding costs during the exporting process.

Pricing Competitiveness of Like Items

The pricing competitiveness of like items was considered moderately important by retailers, wholesalers, and meat buyers for restaurants, hospitals, institutions, and other establishments. Importers and exporters rated this factor as moderately to very important. This attribute had the second highest mean score among importers and exporters and the third highest among meat buyers for restaurants, hospitals, institutions, and other establishments.

Based on the chi-square of 21.161, the null hypothesis is rejected. So, the attribute rating for pricing competitiveness of like items is related to the type of firm.

Some domestic and international meat purchasers believed the price of meat to be too high. At the Las Vegas NASDA Show, 3 (12 percent) of the surveyed importers and exporters felt the price of meat would decline in the next

5 years, and in turn, this price decrease would be associated with higher profits. If importers and exporters purchase meats at too high a price, the meat products sell slower. This is of critical importance to importers and exporters who need a moderate to quick inventory turnover in order to make full and timely payments. Further, importers and exporters have to keep in mind markup margins with respect to how affordable meat items will be in foreign retail stores, especially in those countries where the per capita income is low. At the Midsouthwest Foodservice Convention and Exposition at Oklahoma City, 9 (9.78 percent) of the respondents also replied that, in the next few years, new meat products need to and will become cheaper in price. Of the retailer and wholesaler respondents, 2 (1.8 percent) had added meat items to their product lines that were lower in price, and 8 (22.2 percent) were interested in new items that were cheaper and had profit potential. Further, 6 (3.8 percent) retailers and wholesalers felt that over the next few years, meat products would become more affordable.

Customer Acceptance

At least 84.85 percent of all buyers regarded customer acceptance as a moderately to very important consideration when making their accept/reject decisions. Customer acceptance had the highest mean score among retailers, wholesalers, and meat buyers for restaurants, hospitals, institutions, and other establishments. These buyers also ranked it as the second "most important" factor to regard when evaluating new meat items. Among importers and exporters, the customer acceptance attribute received the third highest mean score behind product quality and pricing competitiveness and was ranked as the third "most important" attribute.

Based on the chi-square, the null hypothesis is rejected. Thus, the attribute rating for customer acceptance is associated to the type of firm.

Determining if customers will be accepting of new products is critical to the financial welfare of the businesses and organizations for whom surveyed individuals purchase meat. Additionally, if customers are accepting of the new meat products, satisfaction results, and complaint behavior declines.

Meat buyers will accept those new meat product introductions that are consistent with current trends in consumer meat consumption. According to 9 (5.7 percent) retailers and wholesalers and 4 (4.35 percent) meat buyers for hospitals, restaurants, institutions, and other establishments, over the next 5 years, consumers will be wanting meat products that are flavorful and tasty. Consumers will also continue to desire a variety of meat items that will appeal to their differing tastes and preferences. Among the retailers and wholesalers surveyed, 5 (13.9 percent) were interested in new meat products which were innovative and provided consumers value for their dollar.

Today, the predominant consumption trend is that consumers want meats which are healthy and convenient to prepare. At the Midsouthwest Foodservice Convention and Exposition, 61 (66.3 percent) survey participants felt that in the next 5 years, meat manufacturers will be making their products healthier for consumers. Among the importers and exporters, 9 (36 percent) respondents believed that more meat products will be supplied that are lower in fat and cholesterol. Like the importers and exporters, 48 (30.2 percent) retailers and wholesalers replied that the meat manufacturing industry will be producing healthier meat products, and 32 (28.1 percent) had made successful product line changes by switching to leaner meat items. In addition, 7 (19.4 percent) retailers and wholesalers were considering the addition of low fat and cholesterol meat items to their product lines.

Handling, Distribution, and Storage

The survey respondents reported, similarly, that the handling, distribution, and storage attribute was a moderately important evaluation factor. Based on the chi-square (18.790) the null hypothesis is not rejected at the 5 percent (.05) significance level. Thus, the attribute rating is unrelated to the type of firm. This factor is rated similarly by nearly all types of purchasing agents who have to contend with product handling, distribution, and storage restrictions and limitations.

Retailers and wholesalers were asked if they had experienced handling and distribution problems with their meat suppliers, and if so, they were to describe the problems and how they were resolved. Problems had been experienced sometimes by 64 (44.1 percent), seldom by 62 (42.8 percent), often by 14 (9.7 percent), always by 4 (2.8 percent) and never by 1 (0.7 percent) of the buyers. Product shortages were mentioned by 56 (28.1 percent), short-dated products by 40 (20.1 percent), poor quality and wrong date by 26 (13.1 percent), mislabelings, delayed advertising dollars, minimum order requirements, cost, pricing, service, and credit problems by 24 (12.1 percent), damaged goods by 17 (8.5 percent), wrong product delivered by 8 (4.0 percent), and poor communications by 2 (1.0 percent) respondents.

Delivering Frequency

According to the mean scores, delivering frequency was regarded as an average to moderately important characteristic by at least 48.27 percent of the respondents. Based on the chi-square of 12.598, the null hypothesis is not rejected. Acceptance of the null hypothesis indicates that most product buyers are concerned with delivery frequency and the importance rating is not

associated with type of buyer. According to those retailers and wholesalers who replied to the survey, 85 (55.6 percent) had products delivered 2-3 times weekly, 38 (24.8 percent) daily, 21 (13.7 percent) once a week, 7 (4.6 percent) 4 or 5 times weekly, and 2 (1.3 percent) less than weekly.

Product Quality

In each meat buyer category, at least 93.3 percent of the buyers surveyed regarded quality to be a moderately to very important consideration when evaluating new meat product introductions. The null hypothesis is not rejected which indicates that different types of buyers have similar opinions about the quality attribute.

Among retailers, wholesalers, and meat buyers for restaurants, hospitals, institutions, and other establishments, the product quality attribute received the second highest mean score just behind customer acceptance. Of the retailer and wholesaler respondents, 7 (6.2 percent) had added new meat items that were of consistent quality. Customer acceptance was scored slightly above quality by two-hundredths of a point, for the businesses, these meat purchasers are associated with, receive immediate feedback about the food they serve and sell. However, these survey respondents ranked product quality as the first "most important" factor and customer acceptance as the second "most important." The ranking of product quality may appear to be contradicting since this attribute received the highest mean score, but the ranking is indicative of what causes customer acceptance, that being quality products.

Product quality received the highest mean score by importers and exporters and was ranked as the most important characteristic. Quality products

which will stay good and fresh during transportation are what importers and exporters want.

The high status which quality possesses as an evaluative factor sends the message to food manufacturers that meat buyers want value for their money. Since most types of product purchasers, not just meat buyers, want to stock new, quality products in their stores, food manufacturers should make certain their products are of the highest quality.

Protocol Results

Eight Oklahoma retailers and two wholesalers participated in the protocol analysis; however, the protocol of one wholesaler was discarded due to insufficient information. The protocols obtained from the remaining 9 protocol participants were analyzed. Since the wholesaler and retailers evaluated 2 meat items, 18 protocols will be presented and discussed. The protocols for each of the 9 research participants are available for reference in Appendix P through X. Also, a description of marketing strategies, that could possibly be used to persuade meat buyers to accept or reorder a product, will be provided.

Table VII lists the choice strategies utilized by the wholesaler and retailers while they were evaluating the Longmont Lite Supreme Ground Turkey product.

High-involvement choice models were used predominantly by 7 of the protocol participants. Of the 7 meat buyers who were highly involved in their decision to accept or reject the Longmont turkey product, 5 utilized the compensatory strategy, and 2 buyers referred to a phased model. The low-involvement elimination-by-aspects model was used by only 2 protocol participants.

TABLE VII
LONGMONT LITE SUPREME GROUND TURKEY

Retailer/ Wholesaler	Accept/ Reject	Choice Strategy
A	Accept	High-involvement phased strategy. He switched from a low-involvement noncompensatory strategy, elimination-by-aspects, to a high-involvement compensatory choice process.
B	Accept	High-involvement compensatory strategy.
C	Reject	High-involvement phased strategy. He first referred to a low-involvement noncompensatory strategy, elimination-by-aspects and then switched to a high-involvement compensatory strategy.
D	Accept	Low-involvement elimination-by-aspects strategy.
E	Accept	High-involvement compensatory strategy.
F	Accept	High-involvement compensatory strategy.
G	Reject	Low-involvement elimination-by-aspects strategy.
H	Accept	High-involvement compensatory strategy.
I	Reject	High-involvement compensatory strategy.

Marketing Strategies Targeted at Those Who

Accepted the Longmont Product

In an effort to get the retailers, who accepted the Longmont turkey product, to repurchase the item in the future, Longmont will need to initiate a consumer

demand pull marketing strategy. A pull strategy is called for because all of the retailers mentioned the importance of the customer acceptance attribute while making their accept decisions (Thoughts A36, B9-B11, B14, D22-D24, E3, E5, F21, F22, F33, F34, H3, and H22, Appendix P, Q, S, T, U, and W). This is reflective of the customer acceptance attribute receiving the highest mean score, 4.85, among the 144 surveyed retailers and wholesalers (Chapter III, Table IV). Advertising will be needed to achieve brand awareness. According to retailer H, consumers begin accepting turkey items due in part to advertisements which catch and hold their attention and convince them to purchase and try the item (Thoughts E9, E10, F32, H4, H27-H30, and H45, Appendix T, U, W). An advertising and marketing campaign could cause an increase in consumer demand for the Longmont item which would result in product sales rising. Regarding sales promotions, free samples, for instance, could also pull customers into food stores. Retailer F mentioned that he would like an in-store demo lady to hand out free samples and provide cooking tips to consumers because some people want to see a product out of its packaging and taste it before they buy it (Thoughts F12 and F13, Appendix U). Also, Longmont may need to offer display and buying allowances to its meat buyers in order to get the purchaser to allocate a sufficient amount of meat counter space to the turkey product. Displays will aid in catching the consumer's attention as she is grocery shopping and possibly induce her to buy the new meat item (Thoughts A17-A31, Appendix P). Overall, retailers will reorder Longmont Lite Supreme Ground Turkey if it is evident that consumers are buying the item on a repetitive basis.

Marketing Strategies Targeted at Those Who Rejected the Longmont Product

Among those who rejected the Longmont product, specifically wholesaler G and retailers C and I, the pricing attribute received the most attention. Retailer C believed the retail price was too low and in turn, would result in a lower profit margin (Thought C12, Appendix R). On the other hand, retailer I and wholesaler G felt the retail price was too high. Wholesaler G believed the high price would cause customers to not purchase the item since lower priced like items were currently being stocked in the wholesale company's warehouse (Thoughts G5, G12, G16, and G17, Appendix V). Retailer I, in addition, knew he could buy a lower-priced, like product, he was more familiar with, that would gross the same profit as the Longmont item (Thoughts I7-I9, Appendix X).

Retailer C also mentioned that, in the past, consumers have not accepted Longmont products well. Therefore, since no warranty was offered, retailer C rejected the product because he did not want to be left with a large quantity of an unsaleable meat item (Thoughts C15-C17, C20-C21, and C24-C26, Appendix R). Retailer I also felt that without a warranty offer, he would have to reject the good, for there were Longmont competitors who would make warranty offers to him (Thoughts I12 and I13, Appendix X).

Because the reason retailer C rejected the Longmont turkey item was primarily related to the price/quality relationship between it, Louis Rich, and Mr. Turkey, Longmont may need to consider increasing its prices because this retailer perceived significant brand-to-brand quality differences. When a retailer feels this way, he will stock higher-priced items, for he believes a higher price is reflective of better quality. In order to get the Longmont turkey item accepted by wholesaler G and retailer I, the company should consider offering these meat

buyers a price reduction given they purchase a certain amount of the product, and in turn, the product could be priced cheaper for the retailer's and wholesaler's customers. Since the company and store, wholesaler G and retailer I work for, have like turkey items stocked, a Longmont sales representative needs to convey to these buyers the differential advantage of the Longmont item, being it is a high quality, lower-priced product. With respect to the warranty offer attribute, Longmont will need to provide warranty offers to their targeted buying segments, for while meat buyers are making their accept/reject decisions, they do consider whether warranties are offered.

Table VIII shows which retailers/wholesalers accepted or rejected the Excel top sirloin steak and what type of choice model they referred to while making their decision.

Again, the high-involvement compensatory choice strategy was referred to most often by 6 of the meat purchasers. The low-involvement elimination-by-aspects model was utilized by just 3 protocol participants.

In comparing the choice models used while evaluating the Longmont turkey and Excel steak items, 5 meat buyers consistently referred to a high-involvement strategy. A low-involvement model was used consistently by 1 protocol participant.

Marketing Strategies Targeted at Those Who Accepted the Excel Product

While making their decision to accept Excel's meat product, all 6 retailers, mentioned the following attributes: customer acceptance, pricing competitiveness of like items, marketing and advertising support, past experience with vendor/company and brand image, quality of packaging, and

TABLE VIII
EXCEL TOP SIRLOIN STEAK

Retailer/ Wholesaler	Accept/ Reject	Choice Strategy
A	Reject	Low-involvement elimination-by-aspects strategy.
B	Reject	Low-involvement elimination-by-aspects strategy .
C	Accept	High-involvement compensatory strategy.
D	Accept	High-involvement compensatory strategy.
E	Accept	High-involvement compensatory strategy.
F	Accept	High-involvement compensatory strategy.
G	Reject	Low-involvement elimination-by-aspects strategy.
H	Accept	High-involvement compensatory strategy.
I	Accept	High-involvement compensatory strategy.

product quality and warranty. However, in order to get the retailers to reorder the item, Excel must devise and implement a consumer demand pull strategy, for the customer acceptance attribute played a significant role in the retailers' decisions to accept the steak product (Thoughts C46, D53, D62, E37, F73, H79, and I34, Appendix R, S, T, U, W, and X). Retailer F felt that word-of-mouth communication among customers would result in more consumers purchasing the steak product (Thoughts F51 and F52, Appendix U). Retailer I mentioned that customers needed to be educated about the product's packaging (Thought

I32, Appendix X). Consumer education could possibly be achieved through informative print and television advertisements in addition to pamphlets being circulated at the purchase location. In-store demonstrations would allow consumers to view how the meat's color changes once the seal of the package is broken. Free taste samples, additionally, may assure consumers that Excel's vacuum-packaged steak is a quality product. In all, if the product does not sell, the meat buyers will not repurchase it.

Marketing Strategies Targeted at Those Who

Rejected the Excel Product

Retailers A and B and wholesaler G rejected the Excel top sirloin steak due to it being a pre-packaged meat product (Thoughts A43, A44, B21, G21, and G31, Appendix P, Q, and V). All three buyers admitted the steak was a quality product (Thoughts A41, B22, and G27, Appendix P, Q, and V). Retailer B and wholesaler G felt the product's price was competitive (Thoughts B18 and G29, Appendix Q and V). However, the determining factor was the packaging. The food store retailer A works for believes in cutting up all their beef, and the food stores that wholesaler G supplies also cut their own meat (Thoughts A43, A50-A52, and G21, Appendix P and V). Regarding retailer B, his customers are demanding butcher cut and trimmed meat (B20 and B21, Appendix Q).

In an effort to get the retailers and wholesaler to accept the Excel top sirloin steak product, an Excel sales representative will need to point out to these meat buyers the increasing consumer demand for the item in competing grocery stores. Retailer B makes the comment that if another store in his trading area were to stock the product and he had customers requesting the product, he would stock the steak item (Thought B25, Appendix Q). Retailer B's statement is

also applicable to retailer A and wholesaler G because if their customers began demanding the product, they would also begin stocking the good. Thus, the Excel company needs to implement a consumer demand pull advertising and marketing strategy. Since no marketing and advertising support is currently offered, the company needs to consider initiating cooperative advertising/vendor support programs in order to get the Excel steak item noticed and demanded by consumers. Additional demand pull activities include offering free samples and point-of-purchase coupons which could potentially induce consumers to try and buy the meat item.

CHAPTER IV

CONCLUSIONS

As stated in Chapter I, the objectives of this thesis were:

1. To determine the attributes new meat product introductions need to possess in order to be accepted by specific meat buying segments.
2. To evaluate choice models as possible models of meat buyer behavior.
3. To identify the choice strategy used by types of meat buyers when accepting or rejecting new meat product introductions.

With respect to the first objective, a survey was developed with the intent to collect quantitative and qualitative information about the attributes meat buyers considered important while they were deciding to accept or reject new meat product introductions. Retailers and wholesalers, by mail, importers and exporters, at the NASDA National Food and Agriculture Exposition in Las Vegas, in addition to meat buyers for hospitals, restaurants, institutions, and "other" establishments, at the Midsouthwest Foodservice Convention and Exposition in Oklahoma City, were asked to respond to some open-ended survey questions and score various attributes from 1 to 5 with 1 being very unimportant and 5 being very important. Chi-squares were also calculated to determine if the different types of meat buyers rated the attributes differently. The chi-squares indicated the meat buyers for different types of firms did rate the following attributes differently: marketing and advertising support, quality of

packaging, vendor reputation/past experience with vendor, preparation method and time, payment terms, pricing competitiveness of like items, and customer acceptance. With respect to the following attributes, the meat purchasers rated them about the same: handling, distribution, and storage, delivering frequency, and product quality. The reason these attributes were rated similarly by the various buying groups is because most types of meat purchasers are concerned about the handling, distribution, storage, and delivery of their ordered items, and they also want to stock quality meat products.

The chi-square results can be of use to meat company sales representatives when they are preparing their product presentations. The representatives definitely need to mention the handling, distribution, storage, delivery frequency, and quality attributes in their presentations, for as before mentioned, most buyers want to be provided this type of information. Regarding the attributes, whose ratings differed among the buying segments, a sales representative needs to tailor his presentation with respect to delegating more time to those attributes that are considered important by the targeted buyer group. This will make the sales representative's product presentation more effective and improve his chances of getting the meat buyer to accept the presented item.

The second objective pertains to how merging economics with psychology can provide a more accurate and realistic description of a buyer's meat purchasing behavior. In Chapter II, high- and low-involvement choice models were discussed. The high-involvement choice strategies mentioned were (1) the compensatory and (2) phased models. The low-involvement choice models discussed were (1) the conjunctive rule, (2) the disjunctive model, (3) elimination-by-aspects, (4) the lexicographic model, and (5) the phased model. The economic aspects that affect a meat buyer's behavior were depicted in

equations that illustrated Holdren's Theory of the Multiproduct Firm. A description of his theory is also provided in Chapter II. Marketers for food manufacturing companies need to be made aware of the important contribution economic psychology makes to the marketing field. With respect to devising marketing and advertising campaigns for new meat product introductions, food companies could reduce wasteful spending if they knew how and why their targeted buyer segments made certain buying choices.

Regarding the third objective, analysis of the protocols indicated that a majority of the protocol participants, 13 (72.22 percent), referred to a high-involvement choice model. Among the 13 participants who referred to a high-involvement choice strategy, 11 utilized the compensatory strategy, and 2 referred to the phased model. It must be noted that the compensatory strategy was used as the second phase in both of the phased models. When the wholesaler and retailers rejected or accepted the new meat product introductions, they tended to weight attributes with respect to how important they regarded certain attributes to be. A high-involvement choice process resulted because a store's meat sales and in turn, profit are dependent upon the stocking decisions these buyers make. Since meat buyers have the responsibility of meeting the financial expectations of their supervisors and the product and quality demands of their customers, they are most likely to utilize a high-involvement choice process.

Limitations

The generalizability of the findings across product classes will be limited. Some supermarket buyers may be responsible for buying products for multiple product classes. Thus, they may use a different choice strategy when

purchasing meat than they would use if they were purchasing produce. Additionally, more attention needs to be directed toward studying buying centers. Nicosia and Wind (1977) noted that past research literature has focused too narrowly on the purchase decisions made by an individual buyer. Further, the generalizability of the protocol results is limited because only retailers and wholesalers participated in this research component. Regarding the protocol analysis, more wholesaler protocols need to be collected so that a better understanding of their decision processes could be achieved.

Future Research

The future for choice model research holds substantial promise. More field studies using a large representative sample and dealing with a wide array of product classes could lead to an increase in the generalizability of the research conclusions (Pras & Summers, 1975). Increased use of the protocol analysis as a research methodology can result in the choice processes of specific buyer segments being more thoroughly examined and better understood. Food marketing researchers could capitalize upon protocol analysis, for it shows promise especially in developing and adapting marketing strategies. A future research study could also involve reversing the order in which the questionnaire and protocol analysis were conducted for this thesis research study. By performing the protocol analysis first, a researcher could list on the questionnaire those attributes most often mentioned by retailers and wholesalers as they were making their accept/reject decisions about new meat items. This would permit survey respondents to score more specific and well-defined attributes, which would increase the richness of the researcher's data and allow him to make a more indepth analysis. The future of simulation,

buying games looks bright because this research tool would allow researchers to test various hypotheses with individuals and groups (Cardozo & Cagley, 1971). The development of computer simulation models to predict consumer, industrial, and retailer choice model selections for different product offerings could be an interesting research path to explore (Grashof, 1970). A long-term study of the choice processes used by a particular buying segment could be conducted to trace how consistently those buyers utilize a given choice strategy in their product purchases. This long-term study would enhance a marketer's ability to predict what product offerings a buyer will accept or reject. Concerning the acceptance of meat products, the choice strategies used by different buying segments, like meat purchasers for convenience stores, could be analyzed.

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APPENDIXES

APPENDIX A
RESTAURANT AND INSTITUTIONAL MEAT
BUYERS SURVEY

Name _____ City, State _____
 Position _____ / Zip Code _____
 Business Address _____ Phone Number (____) _____

How many years of school have you completed _____

Restaurant Name _____

Chain _____ Private _____

Does your restaurant have waitresses/waiters who take orders at the customer's table? Yes ___ No ___

Restaurant Buyer _____ Wholesaler _____ Broker/Agent _____ Other (specify) _____

Number in work force _____ Number of restaurants buy for: Chain _____ Private _____

How much does an average consumer spend for a meal in your restaurant?

<\$5 _____ \$5-\$10 _____ \$10-\$15 _____ \$15-\$25 _____ \$25-\$50 _____ \$50+ _____

In the past 3 years, what meat product menu changes have been most successful? _____

Name the newest meat product you decided to add to the restaurant's menu _____

On the card, I just handed to you, there is a list of factors that may have influenced your decision to add the new meat product to your menu. Using the 1-5 scale identified on the card, please tell me which factors were very important or very unimportant in your decision to add the product to your menu.

	Very Unimportant	Moderately Unimportant	Average	Moderately Important	Very Important
Marketing and Advertising Support	1	2	3	4	5
Product Quality	1	2	3	4	5
Quality of Packaging	1	2	3	4	5
Handling, Distribution, and Storage	1	2	3	4	5
Customer Acceptance	1	2	3	4	5
Pricing Competitiveness of Like Items	1	2	3	4	5
Delivering Frequency	1	2	3	4	5
Payment Terms	1	2	3	4	5
Preparation Method and Time	1	2	3	4	5
Vendor Reputation/Past Experience with Vendor	1	2	3	4	5

Rank the 3 highest factors in order of importance.

Is there a particular type of meat product you are looking for at the show? Yes ___ No ___

If yes, what type of meat product are you interested in? _____

Why are you interested in this item? _____

What trends in meat products do you anticipate to impact your business in the next 5 years? _____

APPENDIX B

IMPORTER/EXPORTER SURVEY

Name _____ City, State _____

Position _____ Country _____

Business Address _____ Zip Code _____

Years of experience with company _____ Phone Number () _____

Company Name _____

Importer _____ Wholesaler _____ Broker/Agent _____ Other (specify) _____

Number in work force _____ What was the total value of U.S. meats you purchased last year? _____

In the past 3 years, what meat product changes have been most successful? _____

Name the newest meat product you decided to add to the product line _____

On the card, I just handed to you, there is a list of factors that may have influenced your decision to add a new meat product to your product line. Using the 1-5 scale identified on the card, please tell me which factors were very important or very unimportant in your decision to add the product.

	Very Unimportant	Moderately Unimportant	Average	Moderately Important	Very Important
Marketing and Advertising Support	1	2	3	4	5
Product Quality	1	2	3	4	5
Quality of Packaging	1	2	3	4	5
Handling, Distribution, and Storage	1	2	3	4	5
Customer Acceptance	1	2	3	4	5
Pricing Competitiveness of Like Items	1	2	3	4	5
Delivering Frequency	1	2	3	4	5
Payment Terms	1	2	3	4	5
Preparation Method and Time	1	2	3	4	5
Vendor Reputation/Past Experience with Vendor	1	2	3	4	5
Warranty	1	2	3	4	5
Food Safety	1	2	3	4	5

Rank the 3 highest factors in order of importance.

Is there a particular type of meat product you are looking for at the show? Yes _____ No _____

If yes, what type of meat product are you interested in? _____

Why are you interested in this item? _____

What trends in meat products do you anticipate to impact your business in the next 5 years? _____

APPENDIX C

RETAILER/WHOLESALER SURVEY

Name _____ City, State _____

Position _____ Zip Code _____

Business Address _____ Phone Number () _____

Years of experience with company _____ Number in work force _____

Company Name _____

In the past 3 years, what meat product changes have been most successful? _____

Name the newest meat product you decided to add to the product line _____

The following factors may have influenced your decision to add a new meat product to your product line. Using the 1-5 scale identified below, please circle a number to represent which factors were very important or very unimportant in your decision to add the product.

	Very Unimportant	Moderately Unimportant	Average	Moderately Important	Very Important	Rank
Marketing and Advertising Support	1	2	3	4	5	
Product Quality	1	2	3	4	5	
Quality of Packaging	1	2	3	4	5	
Handling, Distribution, and Storage	1	2	3	4	5	
Customer Acceptance	1	2	3	4	5	
Pricing Competitiveness of Like Items	1	2	3	4	5	
Delivering Frequency	1	2	3	4	5	
Payment Terms	1	2	3	4	5	
Preparation Method and Time	1	2	3	4	5	
Vendor Reputation/Past Experience with Vendor	1	2	3	4	5	
Warranty	1	2	3	4	5	
Food Safety	1	2	3	4	5	
Newness	1	2	3	4	5	
Company/Brand Image	1	2	3	4	5	
National vs. Private Label	1	2	3	4	5	
Competitive Stores Carrying New Product	1	2	3	4	5	
Test Market Results	1	2	3	4	5	
Location of Supplier	1	2	3	4	5	
Profit Potential	1	2	3	4	5	

Of the factors listed above, rank the three most important with 1 being the most important. Please place numbers in the column labeled "RANK" on the far right.

Is there a particular type of meat product you are interested in adding to your product line? Yes ____ No ____

If yes, what type of meat product are you interested in? _____

Why are you interested in this item? _____

What trends in meat products do you anticipate to impact your business in the next 5 years? _____

Is there a buying committee involved in the decision to accept/reject a new product? Yes ____ No ____

About how often do you pay for your meat inventory?

____ Weekly

____ Monthly

____ Other _____

How do you place your order for meat products? Do you order

____ Through a sales representative

____ Phone call to supplier

____ Go to supplier in person

____ Scheduled delivery by contract

____ Other _____

About how often do you place orders for meat products?

____ Daily

____ Once a week

____ 2 to 3 times weekly

____ Less than weekly

____ Other _____

How often have you experienced problems with meat suppliers?

____ Never

____ Seldom

____ Sometimes

____ Often

____ Always

Please describe problems encountered? _____

How did you handle the problem situation? _____

About how often are meat products delivered?

____ Daily

____ Once a week

____ 2 to 3 times weekly

____ Less than weekly

____ Other _____

Thank you for your cooperation.

APPENDIX D

**LONGMONT CONSUMER PACKAGED FROZEN
CHUNKS LITE SUPREME GROUND TURKEY**

**Longmont
Consumer Packaged Frozen Chunks
Lite Supreme Ground Turkey**

1. Preparation Method and Time →
Skillet: sliced 12-14 min.
 crumbled 8-10 min.
Microwave: 6 min.
2. Pricing Competitiveness of Like Items →
Wholesale → \$1.13
Retail → \$1.56
3. Handling, Distribution, and Storage → Longmont, Colorado warehouse, 3 deliveries/week
4. Profit Potential
5. Marketing and Advertising Support → .15¢/lb.
6. Past Experience with Vendor/Company and Brand Image
7. Quality of Packaging
8. Food Safety
9. Customer Acceptance
10. Product Quality and Warranty → 1 lb., frozen, guaranteed good when shipped, no warranty

APPENDIX E

EXCEL TOP SIRLOIN STEAK

**Excel
Top Sirloin Steak**

1. Preparation Method and Time →
Break "Buy, Freeze, Thaw" routine,
10 minute preparation time,
cooking time → 17-22 minutes.
2. Pricing Competitiveness of Like Items →
Wholesale → \$2.68/lb.
Retail → \$3.39/lb.
3. Handling, Distribution, and Storage → Oklahoma City, Oklahoma
warehouse, 3 deliveries/week
4. Profit Potential
5. Marketing and Advertising Support → None
6. Past Experience with Vendor/Company and Brand Image
7. Quality of Packaging → vacuum wrapped
8. Food Safety
9. Customer Acceptance
10. Product Quality and Warranty → 6-8 oz., 1" thickness, shelf life is 21 days
from day when packed, stays fresh in refrigerator for at least 7 days, no
warranty

APPENDIX F

TABLE OF MARKET BY MTGSUP

TABLE OF MARKET BY MTGSUP

MARKET	MTGSUP					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	14	1	5	2	8	30
	10.201	0.7814	0.3175	3.245	0.0255	
	5.00	0.36	1.79	0.71	2.86	10.71
	46.67	3.33	16.67	6.67	26.67	
	24.56	4.55	8.33	3.23	10.13	
OTHER	8	6	7	4	8	33
	0.2447	4.4772	0.0007	1.4968	0.1845	
	2.86	2.14	2.50	1.43	2.86	11.79
	24.24	18.18	21.21	12.12	24.24	
	14.04	27.27	11.67	6.45	10.13	
RESTAURANT	32	10	15	12	8	77
	17.002	2.5789	0.1364	1.4957	8.6709	
	11.43	3.57	5.36	4.29	2.86	27.50
	41.56	12.99	19.48	15.58	10.39	
	56.14	45.45	25.00	19.35	10.13	
RETAILERS	3	5	33	44	55	140
	22.816	3.2727	0.3	5.4516	6.0823	
	1.07	1.79	11.79	15.71	19.64	50.00
	2.14	3.57	23.57	31.43	39.29	
	5.26	22.73	55.00	70.97	69.62	
Total	57	22	60	62	79	280
	20.36	7.86	21.43	22.14	28.21	100.00

Frequency Missing = 8

STATISTICS FOR TABLE OF MARKET BY MTGSUP

Statistic	DF	Value	Prob
Chi-Square	12	88.780	0.000
Likelihood Ratio Chi-Square	12	99.350	0.000
Mantel-Haenszel Chi-Square	1	37.952	0.000
Phi Coefficient		0.563	
Contingency Coefficient		0.491	
Cramer's V		0.325	

Effective Sample Size = 280

Frequency Missing = 8

APPENDIX G

TABLE OF MARKET BY PRODQUAL

TABLE OF MARKET BY PRODQUAL

MARKET	PRODQUAL				Total
	2	3	4	5	
Frequency					
Cell Chi-Square					
Percent					
Row Pct					
Col Pct					
HOSPITALS & INST	0	2	4	24	30
	0.1071	0.1667	0.0076	0.0019	
	0.00	0.71	1.43	8.57	10.71
	0.00	6.67	13.33	80.00	
	0.00	14.29	10.26	10.62	
OTHER	0	2	5	27	34
	0.1214	0.0529	0.0147	0.0071	
	0.00	0.71	1.79	9.64	12.14
	0.00	5.88	14.71	79.41	
	0.00	14.29	12.82	11.95	
RESTAURANT	1	1	10	63	75
	2.0012	2.0167	0.0191	0.1003	
	0.36	0.36	3.57	22.50	26.79
	1.33	1.33	13.33	84.00	
	100.00	7.14	25.64	27.88	
RETAILERS	0	9	20	112	141
	0.5036	0.5394	0.0066	0.0287	
	0.00	3.21	7.14	40.00	50.36
	0.00	6.38	14.18	79.43	
	0.00	64.29	51.28	49.56	
Total	1	14	39	226	280
	0.36	5.00	13.93	80.71	100.00

Frequency Missing = 8

STATISTICS FOR TABLE OF MARKET BY PRODQUAL

Statistic	DF	Value	Prob
Chi-Square	9	5.695	0.770
Likelihood Ratio Chi-Square	9	6.373	0.702
Mantel-Haenszel Chi-Square	1	0.018	0.895
Phi Coefficient		0.143	
Contingency Coefficient		0.141	
Cramer's V		0.082	

Effective Sample Size = 280

Frequency Missing = 8

WARNING: 56% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX H

TABLE OF MARKET BY QUALPACK

TABLE OF MARKET BY QUALPACK

MARKET	QUALPACK					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	0	2	4	12	11	29
	1.9679	0.2086	0.0681	2.6065	0.451	
	0.00	0.71	1.43	4.29	3.93	10.36
	0.00	6.90	13.79	41.38	37.93	
	0.00	14.29	9.09	16.44	8.46	
OTHER	4	1	5	6	18	34
	1.2421	0.2882	0.022	0.9255	0.3106	
	1.43	0.36	1.79	2.14	6.43	12.14
	11.76	2.94	14.71	17.65	52.94	
	21.05	7.14	11.36	8.22	13.85	
RESTAURANT	15	6	18	19	19	77
	18.287	1.2006	2.8769	0.0576	7.8479	
	5.36	2.14	6.43	6.79	6.79	27.50
	19.48	7.79	23.38	24.68	24.68	
	78.95	42.86	40.91	26.03	14.62	
RETAILERS	0	5	17	36	82	140
	9.5	0.5714	1.1364	0.0068	4.4462	
	0.00	1.79	6.07	12.86	29.29	50.00
	0.00	3.57	12.14	25.71	58.57	
	0.00	35.71	38.64	49.32	63.08	
Total	19	14	44	73	130	280
	6.79	5.00	15.71	26.07	46.43	100.00

Frequency Missing = 8

STATISTICS FOR TABLE OF MARKET BY QUALPACK

Statistic	DF	Value	Prob
Chi-Square	12	54.022	0.000
Likelihood Ratio Chi-Square	12	59.730	0.000
Mantel-Haenszel Chi-Square	1	6.131	0.013
Phi Coefficient		0.439	
Contingency Coefficient		0.402	
Cramer's V		0.254	

Effective Sample Size = 280

Frequency Missing = 8

WARNING: 30% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX I

TABLE OF MARKET BY HANDDIST

TABLE OF MARKET BY HANDDIST

MARKET	HANDDIST					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	0	0	4	15	11	30
	0.8727	0.7636	0.607	5.1857	0.6709	
	0.00	0.00	1.45	5.45	4.00	10.91
	0.00	0.00	13.33	50.00	36.67	
	0.00	0.00	7.41	19.48	8.53	
OTHER	3	0	6	9	16	34
	4.0884	0.8655	0.0685	0.0284	0.0002	
	1.09	0.00	2.18	3.27	5.82	12.36
	8.82	0.00	17.65	26.47	47.06	
	37.50	0.00	11.11	11.69	12.40	
RESTAURANT	3	4	16	15	36	74
	0.3335	2.3778	0.1485	1.5791	0.0477	
	1.09	1.45	5.82	5.45	13.09	26.91
	4.05	5.41	21.62	20.27	48.65	
	37.50	57.14	29.63	19.48	27.91	
RETAILERS	2	3	28	38	66	137
	0.9891	0.0681	0.0448	0.0034	0.0468	
	0.73	1.09	10.18	13.82	24.00	49.82
	1.46	2.19	20.44	27.74	48.18	
	25.00	42.86	51.85	49.35	51.16	
Total	8	7	54	77	129	275
	2.91	2.55	19.64	28.00	46.91	100.00

Frequency Missing = 13

STATISTICS FOR TABLE OF MARKET BY HANDDIST

Statistic	DF	Value	Prob
Chi-Square	12	18.790	0.094
Likelihood Ratio Chi-Square	12	18.751	0.095
Mantel-Haenszel Chi-Square	1	0.094	0.759
Phi Coefficient		0.261	
Contingency Coefficient		0.253	
Cramer's V		0.151	

Effective Sample Size = 275

Frequency Missing = 13

WARNING: 40% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX J

TABLE OF MARKET BY CUSTACCT

TABLE OF MARKET BY CUSTACCT

MARKET	CUSTACCT				Total
	1	3	4	5	
Frequency					
Cell Chi-Square					
Percent					
Row Pct					
Col Pct					
HOSPITALS & INST	0	3	3	23	29
	0.1043	2.4415	0.0169	0.0815	
	0.00	1.08	1.08	8.27	10.43
	0.00	10.34	10.34	79.31	
	0.00	25.00	9.68	9.83	
OTHER	0	5	6	22	33
	0.1187	8.975	1.4628	1.2015	
	0.00	1.80	2.16	7.91	11.87
	0.00	15.15	18.18	66.67	
	0.00	41.67	19.35	9.40	
RESTAURANT	0	2	9	65	76
	0.2734	0.4999	0.0325	0.0165	
	0.00	0.72	3.24	23.38	27.34
	0.00	2.63	11.84	85.53	
	0.00	16.67	29.03	27.78	
RETAILERS	1	2	13	124	140
	0.4893	2.7051	0.4369	0.3218	
	0.36	0.72	4.68	44.60	50.36
	0.71	1.43	9.29	88.57	
	100.00	16.67	41.94	52.99	
Total	1	12	31	234	278
	0.36	4.32	11.15	84.17	100.00

Frequency Missing = 10

STATISTICS FOR TABLE OF MARKET BY CUSTACCT

Statistic	DF	Value	Prob
Chi-Square	9	19.178	0.024
Likelihood Ratio Chi-Square	9	16.220	0.062
Mantel-Haenszel Chi-Square	1	6.559	0.010
Phi Coefficient		0.263	
Contingency Coefficient		0.254	
Cramer's V		0.152	

Effective Sample Size = 278

Frequency Missing = 10

WARNING: 56% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX K

TABLE OF MARKET BY PRICCOMP

TABLE OF MARKET BY PRICCOMP

MARKET	PRICCOMP					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	0	1	7	5	17	30
	0.5338	0.0016	0.5174	1.9798	0.7018	10.68
	0.00	0.36	2.49	1.78	6.05	
	0.00	3.33	23.33	16.67	56.67	
	0.00	11.11	14.00	5.75	13.08	
OTHER	1	0	5	7	21	34
	0.2579	1.089	0.1822	1.1815	1.766	12.10
	0.36	0.00	1.78	2.49	7.47	
	2.94	0.00	14.71	20.59	61.76	
	20.00	0.00	10.00	8.05	16.15	
RESTAURANT	2	4	15	16	40	77
	0.2896	0.9539	0.1231	2.5782	0.5379	27.40
	0.71	1.42	5.34	5.69	11.23	
	2.60	5.19	19.48	20.78	51.95	
	40.00	44.44	30.00	18.39	30.77	
RETAILERS	2	4	23	59	52	140
	0.0968	0.0522	0.1166	5.654	2.5173	49.82
	0.71	1.42	8.19	21.00	18.51	
	1.43	2.86	16.43	42.14	37.14	
	40.00	44.44	46.00	67.82	40.00	
Total	5	9	50	87	130	281
	1.78	3.20	17.79	30.96	46.26	100.00

Frequency Missing = 7

STATISTICS FOR TABLE OF MARKET BY PRICCOMP

Statistic	DF	Value	Prob
Chi-Square	12	21.161	0.048
Likelihood Ratio Chi-Square	12	22.797	0.030
Mantel-Haenszel Chi-Square	1	1.817	0.178
Phi Coefficient		0.274	
Contingency Coefficient		0.265	
Cramer's V		0.158	

Effective Sample Size = 281
 Frequency Missing = 7
 WARNING: 40% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX L

TABLE OF MARKET BY DELFREQ

TABLE OF MARKET BY DELFREQ

MARKET	DELFREQ					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	2	3	4	10	10	29
	0.4472	0.0984	2.9228	0.6054	0.3754	
	0.72	1.08	1.44	3.60	3.60	10.43
	6.90	10.34	13.79	34.48	34.48	
	16.67	12.50	4.55	13.33	12.66	
OTHER	2	4	11	9	8	34
	0.1931	0.3862	0.0052	0.0033	0.2858	
	0.72	1.44	3.96	3.24	2.88	12.23
	5.88	11.76	32.35	26.47	23.53	
	16.67	16.67	12.50	12.00	10.13	
RESTAURANT	5	3	23	18	26	75
	0.9596	1.8648	0.0731	0.2466	1.0308	
	1.80	1.08	8.27	6.47	9.35	26.98
	6.67	4.00	30.67	24.00	34.67	
	41.67	12.50	26.14	24.00	32.91	
RETAILERS	3	14	50	38	35	140
	1.5325	0.303	0.7289		0.5753	
	1.08	5.04	17.99	13.67	12.59	50.36
	2.14	10.00	35.71	27.14	25.00	
	25.00	58.33	56.82	50.67	44.30	
Total	12	24	88	75	79	278
	4.32	8.63	31.65	26.98	28.42	100.00

Frequency Missing = 10

STATISTICS FOR TABLE OF MARKET BY DELFREQ

Statistic	DF	Value	Prob
Chi-Square	12	12.589	0.400
Likelihood Ratio Chi-Square	12	13.794	0.314
Mantel-Haenszel Chi-Square	1	0.139	0.709
Phi Coefficient		0.213	
Contingency Coefficient		0.208	
Cramer's V		0.123	

Effective Sample Size = 278

Frequency Missing = 10

WARNING: 25% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX M

TABLE OF MARKET BY PAYTERMS

TABLE OF MARKET BY PAYTERMS

MARKET	PAYTERMS					Total
	1	2	3	4	5	
Frequency	9	5	4	8	3	29
Cell Chi-Square	0.1929	0.2541	1.9108	3.4305	0.8966	10.51
Percent	3.26	1.81	1.45	2.90	1.09	
Row Pct	31.03	17.24	13.79	27.59	10.34	
Col Pct	12.16	13.16	5.33	20.00	6.12	
HOSPITALS & INST						
OTHER	9	0	12	4	9	34
Cell Chi-Square	0.0015	4.6812	0.825	0.1746	1.4552	12.32
Percent	3.26	0.00	4.35	1.45	3.26	
Row Pct	26.47	0.00	35.29	11.76	26.47	
Col Pct	12.16	0.00	16.00	10.00	18.37	
OTHER						
RESTAURANT	28	8	20	6	14	76
Cell Chi-Square	2.8519	0.5801	0.0206	2.2829	0.0191	27.54
Percent	10.14	2.90	7.25	2.17	5.07	
Row Pct	36.84	10.53	26.32	7.89	18.42	
Col Pct	37.84	21.05	26.67	15.00	28.57	
RESTAURANT						
RETAILERS	28	25	39	22	23	137
Cell Chi-Square	2.0757	1.9972	0.0843	0.2317	0.0719	49.64
Percent	10.14	9.06	14.13	7.97	8.33	
Row Pct	20.44	18.25	28.47	16.06	16.79	
Col Pct	37.84	65.79	52.00	55.00	46.94	
RETAILERS						
Total	74	38	75	40	49	276
Cell Chi-Square	26.81	13.77	27.17	14.49	17.75	100.00

Frequency Missing = 12

STATISTICS FOR TABLE OF MARKET BY PAYTERMS

Statistic	DF	Value	Prob
Chi-Square	12	24.038	0.020
Likelihood Ratio Chi-Square	12	28.497	0.005
Mantel-Haenszel Chi-Square	1	0.136	0.712
Phi Coefficient		0.295	
Contingency Coefficient		0.283	
Cramer's V		0.170	

Effective Sample Size = 276
Frequency Missing = 12

APPENDIX N

TABLE OF MARKET BY PREPMETH

TABLE OF MARKET BY PREPMETH

MARKET	PREPMETH					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	0	0	1	13	16	30
	1.4029	0.6475	5.4744	1.7084	1.7175	
	0.00	0.00	0.36	4.68	5.76	10.79
	0.00	0.00	3.33	43.33	53.33	
	0.00	0.00	1.47	15.48	14.95	
OTHER	4	1	8	6	14	33
	3.9115	0.1163	0.0006	1.5816	0.1328	
	1.44	0.36	2.88	2.16	5.04	11.87
	12.12	3.03	24.24	18.18	42.42	
	30.77	16.67	11.76	7.14	13.08	
RESTAURANT	5	1	15	24	32	77
	0.5438	0.2636	0.7807	0.0231	0.1885	
	1.80	0.36	5.40	8.63	11.51	27.70
	6.49	1.30	19.48	31.17	41.56	
	38.46	16.67	22.06	28.57	29.91	
RETAILERS	4	4	44	41	45	138
	0.9326	0.3504	3.1092	0.0117	1.2399	
	1.44	1.44	15.83	14.75	16.19	49.64
	2.90	2.90	31.88	29.71	32.61	
	30.77	66.67	64.71	48.81	42.06	
Total	13	6	68	84	107	278
	4.68	2.16	24.46	30.22	38.49	100.00

Frequency Missing = 10

STATISTICS FOR TABLE OF MARKET BY PREPMETH

Statistic	DF	Value	Prob
Chi-Square	12	24.137	0.019
Likelihood Ratio Chi-Square	12	28.002	0.006
Mantel-Haenszel Chi-Square	1	4.721	0.030
Phi Coefficient		0.295	
Contingency Coefficient		0.283	
Cramer's V		0.170	

Effective Sample Size = 278

Frequency Missing = 10

WARNING: 35% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX O

TABLE OF MARKET BY VENDREP

TABLE OF MARKET BY VENDREP

MARKET	VENDREP					Total
	1	2	3	4	5	
Frequency						
Cell Chi-Square						
Percent						
Row Pct						
Col Pct						
HOSPITALS & INST	1	1	3	9	16	30
	0.1157	0.0058	0.6437	0.0005	0.3843	
	0.36	0.36	1.08	3.24	5.76	10.79
	3.33	3.33	10.00	30.00	53.33	
	7.69	10.00	6.82	10.71	12.60	
OTHER	2	3	7	6	15	33
	0.1352	2.7689	0.6046	1.5816	0.0004	
	0.72	1.08	2.52	2.16	5.40	11.87
	6.06	9.09	21.21	18.18	45.45	
	15.38	30.00	15.91	7.14	11.81	
RESTAURANT	9	1	15	17	34	76
	8.3455	1.0996	0.7339	1.5489	0.0149	
	3.24	0.36	5.40	6.12	12.23	27.34
	11.84	1.32	19.74	22.37	44.74	
	69.23	10.00	34.09	20.24	26.77	
RETAILERS	1	5	19	52	62	139
	4.6538	0	0.4091	2.381	0.0354	
	0.36	1.80	6.83	18.71	22.30	50.00
	0.72	3.60	13.67	37.41	44.60	
	7.69	50.00	43.18	61.90	48.82	
Total	13	10	44	84	127	278
	4.68	3.60	15.83	30.22	45.68	100.00

Frequency Missing = 10

STATISTICS FOR TABLE OF MARKET BY VENDREP

Statistic	DF	Value	Prob
Chi-Square	12	25.463	0.013
Likelihood Ratio Chi-Square	12	25.316	0.013
Mantel-Haenszel Chi-Square	1	0.588	0.443
Phi Coefficient		0.303	
Contingency Coefficient		0.290	
Cramer's V		0.175	

Effective Sample Size = 278

Frequency Missing = 10

WARNING: 35% of the cells have expected counts less than 5. Chi-Square may not be a valid test.

APPENDIX P

RETAILER A

- A1: Longmont's consumer package frozen chunks sliced supreme ground turkey.
- A2: Three deliveries a week, profit potential,
- A3: (so you want me to mention the numbers that would make me decide to, OK,)
- A4: Ok the profit potential is important,
- A5: because if you don't, you know, almost every piece of meat that you sell you got to have a profitable potential in it
- A6: because that's what you know meat market is set on making your most of the profit in the store. (Huh)
- A7: the Longford (huh) ground turkey, I've got it on right now I think.
- A8: And it's, (huh) as far as customers acceptance, they have they have bought it, (huh) pretty good.
- A9: The, (huh) it's kept frozen so when its guaranteed, the length of of (huh) the length of the product staying good is longer,
- A10: we keep it in our frozen food.
- A11: It's always kept frozen, it comes in frozen.
- A12: I say number, number 10 cause the quality is good
- A13: and of course the profit potential is good in it. Number 4, ...
- A14: and of course number 1 is important because yea they have the customer accept it
- A15: because it's a, everybody's is in this health conscious type thing.
- A16: That's about all I got to say about that one.
- A17: What they usually do on something like that, for us is
- A18: if when they do buy something like that, they will buy so many,
- A19: they want a good buy on it
- A20: so they'll make a quite a few you know cases of buying it
- A21: and they will put it and make us put it on like a massive display type type thing.
- A22: Especially if it's a new item cause they they'll try to get a cost the actual cost as cheap as they can so they can if its a complete new item,
- A23: like I know when we first got one pound ground turkey
- A24: I don't know if it was this brand I can't remember,
- A25: but what they did is they got a good buy on it
- A26: and they put a mass they wanted a massive display
- A27: so they sent it down from headquarters that they wanted 3 foot

- A28: and they had a one pound package yea they did had a 1 pound package and three pound package of it
- A29: and they put a massive display, we had to put a massive display in the freezer
- A30: and that's it was about the time when ground pork first kicked off and (huh) and it sort of got started to selling of course now it had gone too,
- A31: we keep out fresh ground turkey now I mean turkey not pork.
- A32: I would accept it
- A33: because it's, and of course of course we've handled it before,
- A34: but it's, it's a good quality turkey
- A35: because I've had it in the one pound roll and I've had it it in the bulk too, in the three pound roll
- A36: because there is a demand for ground turkey almost every day of the week.
- A37: Ok, (huh) Excel Top Sirloin Steak, cry-o-vac, cry-o-vac packaging, already cut.
- A38: OK.
- A39: Freight by freezing, all routine.
- A40: (Huh) ... well, ... as far as Winn Dixie is concerned, ...
- A41: it looks like it it looks like a real good quality of meat, its U.S.D.A. choice,
- A42: but (huh) the company on this, (huh) they wouldn't accept it
- A43: because they're on on cutting all their beef up.
- A44: They're not in to the cry-o-vac packaging
- A45: so I would have to,
- A46: it looks like a good you know good looking package and stuff
- A47: and and and choice beef would make it good
- A48: but they wouldn't accept it as a pre-cut beef item
- A49: because as far as Winn Dixie is concerned it's because of ...
- A50: if you look on the front of the store they got the beef people on it
- A51: and they they're into cutting all their beef
- A52: and (huh) they wouldn't they wouldn't, they wouldn't accept that.

APPENDIX Q

RETAILER B

- B1: Ok Longmont Consumer Package frozen chunks light supreme ground turkey
- B2: preparation methods and time, skillet slice, 12 to 14 minutes crumble 8 to 10 minutes, microwave 6 minutes.
- B3: Wholesale price \$1.13, retail \$1.56,
- B4: ok we got 3 deliveries a week, profit profit potential, marketing and advertising support 15 cents a pound, quality of packaging, food safety.
- B5: Looks like a good product,
- B6: prices are competitive, (huh)
- B7: and on the quality of the product,
- B8: what we would do, would be to open it, (huh) probably we would, (huh) back here we would cut the product, cook some of it, see what (huh) how much fat content, how much grease there would be in there,
- B9: display it in the counter for usually 2 to 3 weeks, to see how the movement is on the product,
- B10: and as far as reordering goes would just depend on whether the consumers accepted it, (huh) if they bought it,
- B11: then we would put more in the counter and put it back on the shelf to see if we would get any repeat sales on it.
- B12: Looks like a pretty good product.
- B13: It's got excellent color of package,
- B14: and turkey is what everybody's wanting right now
- B15: so that would be a good item to put in.
- B16: Excel Top Sirloin Steak, ...
- B17: Ok cry-o-vac package, ...
- B18: it's got a good wholesale and good retail price,
- B19: would depend on the quality of the product whether it was a choice, housegrade, or a no roll product. (Huh)
- B20: in our particular store I do not think it would sell just from past experience with other like items
- B21: cause consumer, most of the consumers they want that personal (huh) touch that the butcher has cut it and trimmed it
- B22: although it you know looks good, looks like it has very little fat on it.
- B23: I just don't think it would sell in this store
- B24: so I would probably pass on it for a later date

B25: and if someone other store in the in our area was to put it in then I've got some customers asking for it then I would probably try one case from there.

B26: Other than that, this this one item I would probably pass on.

APPENDIX R

RETAILER C

- C1: Ok, Longmont Light Supreme Ground Turkey, (huh)
- C2: preparation method and time, would probably not be important to us
- C3: because (huh) like items should have a similar preparation time, (huh)
- C4: pricing competitiveness of like items is very important to us
- C5: because (huh) we have several ground turkeys on the market and we see a lot of that
- C6: if (huh) Mr. Turkey is considerably higher than the other brands that we have available and we have a hard time selling Mr. Turkey
- C7: so Longmont at a wholesale cost of a \$1.13 would (huh) look pretty good.
- C8: Longmont has three deliveries per week, probably wouldn't (huh) affect our decision on whether to buy it or not
- C9: because (huh) our warehouse out of Oklahoma City has three deliveries a week at least and more if needed
- C10: and if our warehouse was handling the product then we wouldn't have any problem with (huh) handling or distribution or storage.
- C11: Profit potential at wholesale cost of \$1.13
- C12: if it was priced (huh) higher than (huh) the suggested \$1.56 it would have a good profit potential and could probably be priced at a higher profit to compete with the Louis Rich and Mr. Turkey.
- C13: Marketing and advertising support 15 cents per pound is (huh) good to introduce a product
- C14: it gives us a chance to price it cheaper and on an introductory in-store ad.
- C15: Past experience with this vendor company or this brand image is not really good. (Huh)
- C16: we've had some Longmont products before that don't really sell very well.
- C17: They don't compete as well with the (huh) Louis Rich or the Mr. Turkey brands either one.
- C18: The quality of the packaging is good (huh)
- C19: food safety, there's no problem there.
- C20: Customer acceptance is the biggest thing.
- C21: That's probably (huh) would affect our decision on whether not to buy this product
- C22: because if the customer won't buy it we can't sell it.
- C23: Product quality and warranty, 1 pound frozen guaranteed good when shipped, no warranty.

- C24: Ok, on a product that is relatively new, or at least new to our customers especially competing against two very well known brands we would really like to have a warranty on that
- C25: because if we can't sell it we're just stuck with it
- C26: and especially if we put it on an in-store ad to try to introduce it and we order quite a bit then we are in trouble if we don't have a warranty.
- C27: Probably would not accept it.
- C28: Ok Excel Top Sirloin Steak, ...
- C29: ten minute preparation time, cooking time 17 to 22 minutes, \$2.68 per pound wholesale cost
- C30: and I am assuming this is already trimmed and vacuumed packaged
- C31: so that would be a good competitive price.
- C32: Ok handling distribution and storage Oklahoma City warehouse 3 deliveries per week which is good at a \$2.68 cost
- C33: it has a good profit potential.
- C34: No marketing or advertising support
- C35: however it does have a a well recognized name.
- C36: Our past experience with this company and the brand image is really good with the exception of products coming from one particular packing house
- C37: but (huh) that probably wouldn't be a problem. (Huh),
- C38: quality of the packaging is vacuum wrapped provided that we didn't have a problem with leakers, (huh)
- C39: a likely idea of these vacuum wrapped pre-cut steaks. (Huh)
- C40: food safety wouldn't have any problems with that.
- C41: Customer acceptance we've had some good luck with some (huh) cry-o-vac or vacuum packaged pre-cut steaks in the past.
- C42: I don't think we would have a problem getting the customers to buy it.
- C43: Product quality and warranty 6 to 8 ounce one inch thick steaks 21 day shelf life and stays fresh in the refrigerator for at least 7 days no warranty.
- C44: Still don't think that will be a problem,
- C45: I think we would accept this product
- C46: because I think we wouldn't have any problem selling it
- C47: and it looks like we could make some money on it.

APPENDIX S

RETAILER D

- D1: Ok, ...
- D2: beings I, beings I have this product already (huh) I'm I'm familiar with with (huh) Longmont brand and (huh).
- D3: Ok, (huh) see I want to think about,
- D4: well I think about the the brand name, (huh), Longmont which (huh) being from Colorado, ...
- D5: I want to think about (huh), you know,
- D6: does that region really know anything about possibly that product. (Huh)
- D7: Longmont being in Colorado, you'd think that Colorado as turkey country, you know, type thing. (Huh) ...
- D8: for the operation I run I got to think about (huh) whether somebody would want to repeat sales on it.
- D9: Is that a good enough product for me to bring in and (huh) keep as an everyday item? (Huh)
- D10: is it a value? (Huh)
- D11: is it ... cost effective, brand effective, portion effective, for the type of operation that we run? (Huh),
- D12: the type of store this is, (huh)
- D13: retail price is everything. (Huh), ...
- D14: you want to look at at (huh) you know your your profitability on it, (huh) merchandising (huh), ...
- D15: the market potential its got (huh).
- D16: What do you have in in like items?
- D17: What will it what will it basically be competing against? (Huh),
- D18: to (huh), rather rather or not I would I would buy this product,
- D19: yes I I would buy this product. (Huh),
- D20: I am familiar with Longmont. (Huh)
- D21: I am familiar with their products. (Huh),
- D22: also, knowing what the turkey market or the the potential turkey market is,
- D23: is the way the consumer thinks about it (huh) as far as (huh) nutritional value and (huh) as as as fat conscious as the consumer is.
- D24: The consumer will accept this product. ...
- D25: One thing here you need to look at on on (huh) the product quality and warranty beings it's a, it's a frozen product (huh) most time it displays better,
- D26: I mean it it comes in frozen it's it's better to display that item frozen. (Huh)

- D27: the consumer doesn't doesn't matter doesn't care (huh) fresh or frozen either one. (Huh)
- D28: now there there would be no problem with trying to merchandise the item
- D29: and (huh) you know what we consider in the business of slacking out or or (huh) the product come in frozen you display in a fresh counter. (Huh)
- D30: the consumer has no problem with that either
- D31: so I consider this a good product
- D32: and yes I would buy it.
- D33: Now first impression when I looked at the package,
- D34: it's good, looks good, it's fresh, has eye appeal,
- D35: but is there a market for this item? ...
- D36: The good thing about this, or I I that I like about it (huh), besides the the freshness and the a (huh) it looks like it's cry-o-vac so the (huh) the packaging,
- D37: I I always like cry-o-vac (huh) items (huh).
- D38: They always stand out really nice and and (huh) look good (huh).
- D39: How, how, well is the consumer going to think about this item to compare to fresh meat cut? (Huh)
- D40: and it's always been my experience that they don't accept it as well. (Huh),
- D41: price per pound, cost wise, (huh) it's competitive (huh)
- D42: retail price also competitive. (Huh),
- D43: you always want to think about in in in fresh meat sales how long is that product going to last? (Huh),
- D44: 21 days is good, but that's also from the day that it was packed. (Huh),
- D45: you never know what how long the warehouse has it. (Huh),
- D46: you know how much longer it has of that 21 days life. (Huh),
- D47: Excel, (huh) there is no problem with the brand name there
- D48: they're they're one of the the bigger conglomerates in the in the nation. (Huh),
- D49: you know if they put their (huh) stamp of approval on it you take for granted its gonna be good. (Huh),
- D50: Ad potential, you know what you you try to run fresh meat on ad occasionally, so (huh), it can be pushed upon the public to (huh) to try it. (Huh), in that in that sense, (huh),
- D51: 6 to a case,

- D52: I'd have to say yes I would buy this product. (Huh),
- D53: I I feel like there is a market for it. (Huh),
- D54: it seems like, it seems like the the meat industry is leaning more towards this type item. (Huh),
- D55: the the ready to prepare, quick and easy, (huh), type product (huh).
- D56: The the packaging, (huh) with with the cry-o-vac (huh), vacuum vacuum wrapped product allows the consumer to see both sides,
- D57: they're, they're, they're very curious, the consumer is very curious, and and that (huh) doesn't leave anything to hide, (huh),
- D58: that's probably one of the stronger aspects of this product that I like. (Huh),
- D59: you consider a a risk type item though, beings you are only given a 21 day shelf life and after that 21 days you you know you're at a at a zero spot there so. (Huh)
- D60: it is something that you kinda need to (huh) to (huh) maintain inventory on
- D61: and (huh) kind of not just get (huh) hung out with it cause you you you can probably get yourself in a bind on it.
- D62: But (huh), looking at the product, there is a market for it in this area.
- D63: And yes, I would buy it.

APPENDIX T

RETAILER E

- E1: Ok, Longmont brand, frozen chicken chunks, light supreme ground turkey, (huh) in a one pound roll,
- E2: very nice packaging,
- E3: ground turkey (huh) is a very popular item with the consumer, especially the health conscious consumer, at this time.
- E4: Priced (huh) fairly competitive, at \$1.13 (huh) which probably would retail the product in the neighborhood of \$1.59 to \$1.69, (huh) which would not be a bad retail price (huh).
- E5: Probably would be accepted by the consumer in that respect (huh).
- E6: Three deliveries per week, from Colorado I think that probably (huh), would not need that many deliveries,
- E7: probably something, an item like this, (huh), once every two weeks on a delivery would be adequate.
- E8: And I see you have 15 cents a pound (huh) marketing money for advertising the product which is good
- E9: would give us an opportunity to feature the item in our ads, (huh)
- E10: since it is a new item that's very important.
- E11: Quality of the packaging is (huh) is good,
- E12: (huh) very attractive package which would catch the customer's eye which is important on a new item. ...
- E13: Yea I think that item would work in our stores.
- E14: When would your first shipping date be?
- E15: Oh, I see, it's (huh) it's ready to be shipped anytime probably.
- E16: Yea we could use that item.
- E17: Ok Top Sirloin Steak, Excel brand,
- E18: very (huh) very popular brand for beef in (huh) in this marketing area, in the vacuum packaging (huh).
- E19: Competitive price, \$3.39 a pound at retail, would be (huh) would be a good price,
- E20: it would be comparable to (huh) pricing on a fresh cut top sirloin steak, that our customers are used to (huh) looking at.
- E21: Packaging is very attractive, (huh).
- E22: Oh it's got (huh) suggestion on (huh) cooking time, preparation time
- E23: that's good our consumers are always looking for that kind of information especially on a new item (huh) which this is not exactly a a new item to the consumer but packaged this way it would be a new item. ...

- E24: (Huh) marketing support, (huh) on beef items, (huh) we are really not used to having a strong marketing support program so that wouldn't be a whole lot different than what (huh) what we would be used to (huh).
- E25: We've had (huh) we've had good experience with (huh) Excel products in the past
- E26: in fact we buy a quite a bit of product from Excel right now. ...
- E27: Has a 21 day shelf life when packed (huh)
- E28: stays fresh in the refrigerator for seven days, (huh),
- E29: that should be acceptable (huh)
- E30: would work through the system very well especially with the (huh) capability of receiving product at (huh) warehouse three times per week.
- E31: (Huh), we have had experience with (huh) this type of product in the past, (huh)
- E32: it has been probably 3 to 4 years since Excel first came out with this type of a product
- E33: and it's my understanding that they got out of the business on that
- E34: and apparently are getting back into a vacuum packaged beef program (huh),
- E35: it wasn't accepted that well in the past (huh)
- E36: but things do change,
- E37: consumers (huh) are getting used to different ideas and different (huh) methods of packaging in the meat cases (huh) as compared to what they were used to four, five, six years ago.
- E38: Yea I think it might (huh) might be an item that (huh) is (huh) worthwhile of giving another (huh) giving another shot.
- E39: Think we could probably try that.

APPENDIX U

RETAILER F

- F1: Well, I'm looking at a Longmont picture here of a supreme ground turkey it says frozen chunks.
- F2: That's something different.
- F3: (Huh) Skillet sliced 12 to 14 minutes, cook it, that's fast, most people are looking for a fast products today, (huh)
- F4: everybody works and always late,
- F5: microwave that will fit right in, everybody has a microwave.
- F6: It looks like it could be priced a little high compared to some products
- F7: but today's advertising your prices go up and down, and up and down so they could be right in the middle there. (Huh)
- F8: if we going to handle this product it will be handled in a in a frozen state (huh) because of (huh) keeping freshness
- F9: and and I think in the future coming all meat will be frozen probably in the next few years.
- F10: And a profit potential, well by the profit potential, you don't have any profit until somebody buys it so your pricing would have to be priced to where people would purchase it in your local area.
- F11: We're looking here at marketing and advertising support 15 cents a pound that's about right
- F12: but but I'd start this off with an in-store (huh) demo with a lady and let her give samples out and cooking methods to the people let them see what it is like.
- F13: A lot of people like to see and taste before they buy any new items you know.
- F14: I don't go for this dark labeling.
- F15: This this package has a a light and dark label
- F16: I would rather have a lighter and probably brights, and reds and yellows myself. (Huh) that's my own personal.
- F17: I'd want this (huh)
- F18: the quality of the packaging (huh) looks good here by the picture,
- F19: you want it where there is no leakage or anything seeping out of the corners or any juice that might get frozen on the package if it's kept frozen
- F20: because (huh) customers buy with their eyes first and then their pocketbook.

- F21: As far as customers' acceptance you will have to (huh) see how a product moves in your store.
- F22: If you sell a lot of it then you can figure that they accepted it.
- F23: If they don't accept it, it will just be (huh) left on your shelf taking up space
- F24: and everything must turn or there is no profit in it at all.
- F25: It says (huh) product quality and warranty here on this number 10 question
- F26: OK, (huh) one pound is great,
- F27: frozen is great,
- F28: guaranteed good on shipped
- F29: and no warranty, well I don't know, there is a lot of customers that will take this home and they will try it and maybe they don't like it then they expect the (huh) retailer to refund their money so there should be a guarantee, that's my opinion.
- F30: This here Longmont consumer packaged frozen chunks of ground turkey.
- F31: I would accept this
- F32: and I give everything a trial, you know, right off the bat, we'd we'd give it a trial and advertising signs, intercom, we have an intercom system in the store we use frequently, even newspapers supporting an ad
- F33: and I would accept it for a trial
- F34: but then I would let the customers decide.
- F35: That's about all I have on this product.
- F36: Ok, what am I looking at, a picture of Excel U.S.D.A. choice beef and a apparently a prepackage steak.
- F37: Well, like I said in the other item while ago that we was talking about this is the kind of thing, prepackaging or (huh) even frozen state of all fresh meats, beef, pork and chicken.
- F38: This is a frozen product and in ten minutes to prepare,
- F39: From is this from the freezer?
- F40: Cooking time 17 to 22 minutes, that would be great for the evening meal, (huh) Sunday dinners and (huh) likes like that. (huh)
- F41: Ok if we have a, I don't know if this is a roast beef or steak or ground beef, by the picture,
- F42: but (huh) that is a good pricing there wholesale \$2.68 and retail \$3.39 that's a good medium area there.

- F43: It depends on your location and (huh) what your profit retail in each store.
(Huh)
- F44: distribution and storage - great Oklahoma City that's near my location,
- F45: 3 deliveries a week, that's that's very good.
- F46: Profit potential, again, there is no profit in the product until it goes through
our check stand, you know what I mean, (huh)
- F47: if it lays out here on the shelf, (huh) (huh) we are wasting valuable time,
space,
- F48: so if the customers accept it and they move it quickly, well of course that
depends that also relates to the, how am I saying this, your pricing, you
know,
- F49: if products if moves fast, well you can take less mark up on it because
you don't have to worry about the space that it takes up and taking away
from something else on sales. (Huh)
- F50: marketing and advertising support, (huh)
- F51: this is a good looking item it would be a be the housewives or
homemakers network situation where there is no advertising support
(huh)
- F52: so this would be a bridge club topic item that might (huh) take a little
while to get it moving,
- F53: but it looks good.
- F54: Excel is a is a good company,
- F55: I (huh) use lots of their products in a (huh) in the boneless beef that I
have received you know, tons of it
- F56: I guess I should say, every about 3 or 4 times a week I will get 25 to 50
cases of Excel products of variety kinds from T-bones to ground beef
(huh).
- F57: Prepackaged items for food safety is great, (huh)
- F58: today's (huh) customer is very conscious of sanitation and (huh) safety of
product, for something that hadn't been tampered with and all this.
- F59: In the customer's acceptance again if (huh) that be an individual basis
you can talk to two people and one will love it and the other will really
reject it,
- F60: but (huh) it looks lean, the package I am looking at looks lean
- F61: and that is what everybody wants today, no fat,
- F62: and that is a that is a 100% a plus in the (huh) acceptance.

- F63: Ok we have a deal here that says product quality and warranty, (huh)
- F64: one inch thickness, shelf life 21 days from the day when packed, stays fresh in the refrigerator 7 days,
- F65: that's that's very good.
- F66: The one inch thickness is great for maybe summer time and cook out programs
- F67: but (huh) everybody doesn't like thick product.
- F68: We slice a lot of meats today super thin.
- F69: So thin you can read a Dallas morning news through it in some cases.
- F70: Now this here is an Excel Top Sirloin steak (huh) picture I am looking at.
(Huh)
- F71: it's very very acceptable in my point of view.
- F72: I would give this an A+ and give it a big shove
- F73: see if the market wouldn't respond positively to this.
- F74: That's about all I got to say on this.
- F75: Hope you like it.

APPENDIX V

WHOLESALE G

- G1: Ok this a one pound Longmont ground turkey?
- G2: Time,
- G3: I am not used to speaking it out loud.
- G4: I think it all.
- G5: Price competitiveness right now it's a little bit higher but I think it's a little bit higher quality than some of them that are out there but it price is a just little bit higher on that. (Huh),
- G6: it's from Colorado, I have had familiar with it I did spend some time in Colorado so I am familiar with this product. (Huh)
- G7: currently we don't carry any Longmont products down here I am not sure how it would work for our warehouse beings we don't have Longmont products in here. (Huh),
- G8: like I said it is an excellent item,
- G9: if people did try it I am sure it would be go over well for them.
- G10: I see they do have a marketing and advertising support 15 cents a pound evidently for ad support.
- G11: Quality of packaging I know is excellent yes.
- G12: Like I say with customer acceptance, people I deal with I am not sure how much it would be because there are so much of this is price oriented and it is a high high quality, a little higher priced item than what we currently carry. (Huh),
- G13: that is three deliveries a week, that's a lot of deliveries for this type of an item.
- G14: Ok, and you want me to say whether I will accept it or not accept it.
- G15: Probably dealing with the selection of this and the price quality of what we currently have in here, probably would not bring this item in.
- G16: Ok, being it is a higher priced item
- G17: and (huh) we have like items in here currently, Ok?
- G18: Top Sirloin Steak, from Excel, Ok?
- G19: Evidently this is a precut sirloin, (huh),
- G20: this is an excellent item for a store that does not do a lot of business.
- G21: Larger stores I'm I'm not sure how well it would go because most of our stores that we deal with cut their own, do not do, deal with prepackaging,
- G22: I can see a time down the line when this could be a big big deal with the labor savings,

- G23: but for our current situation at this present time why I couldn't (huh) we probably wouldn't bring this one in either for that reason because there's the high cost and (huh) all our stores the way they are set up currently.
- G24: But like I say, probably down in the future this will be an excellent item and this is a good one for some smaller stores that just want to (huh) you know if they have the mixed product,
- G25: and they need to know how many is in a case, I don't see that here. ...
- G26: Shelf life 21 days from when packed, that would be good, that wouldn't be bad, that's not bad on a fresh meat item that's cut like that 21 days.
- G27: Looks good, looks like it would be good to eat, (huh)
- G28: we have had experience with Excel.
- G29: Excel is an excellent company, usually very price competitive, (huh),
- G30: but there again, this item at this time is not something that we'd want,
- G31: beings that it is prepackaged fresh meat, that's a little ahead of its time for this area.
- G32: That's about it.

APPENDIX W

RETAILER H

- H1: (Huh) the Longmont frozen turkey product is (huh) for our store is
- H2: we have some we have some folks that like it and we have some that don't.
- H3: It is because it is (huh) (huh) for one thing a lot more people are interested in it now because of the lack of cholesterol the lack of fat its a lean item it's a healthy item. (Huh)
- H4: there is another reason people are going with turkey and so many products (huh) in the turkey line is because of the (huh) national advertisement.
- H5: You know there is a lot of (huh) media exposure to this thing people like it,
- H6: it's a (huh) (huh) some do and some don't you know.
- H7: I've had people tell me hey they had some they made some hamburgers out of ground turkey and they were delicious and they were really super.
- H8: And (huh) as far as preparation method and time if if if you are speaking of our preparation time there is not much to it except marking it and putting it in the case.
- H9: You know what I mean because most prepackaged items are nice (huh) for us in our situation because we're (huh) there is only 2 of us working here
- H10: and it's anything that's already packaged and ready to put out it is simpler and easier and quicker for us so we can get it done and get on to something else (huh).
- H11: The pricing competitiveness (huh) I really don't know how the Longmont compares in price with others because I don't know what it sells for
- H12: but it's probably the ones I've used, I've used several (huh) items in this line and they are all pretty much (huh) the same price you know you they'll probably it would probably be just like any of the other (huh).
- H13: Handling and distribution and storage of course it's a frozen item you need to keep it frozen you need to (huh)
- H14: when you get it in, you need to put it in your freezer if your not going to put it in your freezer counter or you need to get it out into the freezer counter within a short time.
- H15: I don't I don't know if, if (huh), I'm sure it's not good to thaw a frozen product and then refreeze it
- H16: but sometimes you know it's done.

- H17: It's done a lot of times through neglect or people get behind and don't take care of but all products need to be handled to the best you can. You know if it is a frozen item you need to get it refrozen or in the freezer as quick as possible.
- H18: Profit potential is probably (huh) about like anything else you might, you know 25, 30 percent mark up,
- H19: gross profit markup would be a good price.
- H20: (Huh) sometimes (huh) you might make a little more if you can get a special deal (huh).
- H21: Sometimes you might not make as much depending on your area.
- H22: It may be a product that you need to handle because you have a few people that ask for it
- H23: but yet in order to move (huh) the amount that you would buy you might have to price it a little cheaper in order to get rid of all of it to move all of the case. (Huh)
- H24: like I said while ago the marketing and advertising support is pretty good on a ground turkey product
- H25: because it's (huh) turkey items
- H26: and because of (huh) (can I mention another company's name?) because of people like Oscar Meyer Louis Rich which is a division of Oscar Meyer.
- H27: Louis Rich is nothing but a turkey item.
- H28: They have nothing but turkey products.
- H29: And they do they spend a tremendous amount of money yearly to promote this item.
- H30: And because of that people have begin to accept (huh) turkey a whole lot you know a lot more than they used to.
- H31: In fact it's (huh) probably its probably one of the better meats as far as lack of cholesterol health wise than most other items you can buy.
- H32: And the price, coming back to the price, (huh) the price competitive is probably is just as reasonably priced or maybe cheaper than even beef or pork in a lot of areas.
- H33: The quality of packaging on most of the products that I have handled, has been excellent.

- H34: They they have, (huh) for one thing I think, the appearance of a product or the package that they wrap a product in a lot of times has a whole lot to do with how well it sells.
- H35: If it's attractive, you know you've seen some packages that just not a really that maybe they have the wrong colors,
- H36: you know the the packaging itself is quality,
- H37: but maybe they used the wrong colors. (Huh)
- H38: from what I see of this Longmont ground turkey it looks like it would probably sell,
- H39: it's it's kind of an attractive package,
- H40: it is it has (huh) two contrasting colors a light and dark,
- H41: it's eye catching because of that (huh)
- H42: but but the quality is probably, (huh) having not tried it, I don't really know what it's like, but I am sure it's as good as anybody else's. (Huh)
- H43: the customer acceptance I think I've already covered that, it's some people like it and some don't
- H44: and (huh) certain products regardless there's items that we could sell in Oklahoma or in this part of the country that you couldn't, they don't even know what it is in in New York and vice versa (huh).
- H45: Turkey like I said because of the national advertisement and the the media exposure to it is probably a nationwide accepted thing
- H46: but you are going to have people who say ooo I don't like that and you are going to have people come looking for it.
- H47: They come into the store looking for it.
- H48: And (huh) like some other items I have it's it's you know you have a demand for them and some you don't.
- H49: And some you'll have there will be a few people who want it and the rest of the people pass it up.
- H50: But (huh) I would accept the product yes. (Huh)
- H51: like I said we sell ground turkey not this brand but we sell some some different a couple, 3 different brands of it depending on what the what our grocery warehouse handles at the time
- H52: and it's it's not a real fast moving item but it's pretty regular.
- H53: We buy you know we buy at a it on kind of on a regular basis a certain amount at the time and its (huh),
- H54: yes I would take the product in this store.

- H55: Now on the Excel Choice Beef
- H56: if is it whatever Excel has has a good beef program.
- H57: I've used Excel Beef here (huh) sometimes because we we buy our our our beef comes from our grocery warehouse wholesale
- H58: sometimes they handle they handle different brands, (huh)
- H59: a lot of the times the reason they handle different brands because mostly to do with the price.
- H60: If they get a bargain they will buy something and they will ship it in
- H61: so because of that (huh) we get special prices on certain things
- H62: and because of that I have tried Excel
- H63: that's not Hale's number 1 (huh) beef item, they don't handle it on a regular basis but they do have it at times
- H64: and from what I've seen of it it's quality
- H65: and I have some people or know of some butchers who (huh) that's what that's all they want.
- H66: They want Excel Beef.
- H67: (Huh) the product is (huh) (huh) ...
- H68: preparation method and time is as good as any other kind of beef you can fix it just as easy and just as well
- H69: and you have (huh) the trim's nice.
- H70: It's a (huh) (huh)
- H71: the competitiveness of the of the price is like everybody else's, you know it's all pretty much the same.
- H72: And as I was talking about the storage on the on the other product, if you have to take care of whatever product you buy, (huh) has to be taken care of in the right manner
- H73: and especially with a perishable item like such as meat or anything that needs to be kept in cold storage you have to handle it right you need to work it quickly. (Huh)
- H74: the marketing advertising sales on another big name that (huh) it's probably it's probably (huh) it's probably a nationwide product especially in this part of the country there's a lot you see a lot of Excel beef around.
- H75: They, (huh) my past experience with this company has been good,
- H76: I would buy it again and use it, anytime I can get it I would use it OK?
- H77: It's (huh) the quality packaging is good
- H78: the (huh) customer acceptance is good.

H79: They have (huh) like I say there is some people I know some some butchers and customers alike who ask you if you do have Excel brisket or do you have Excel whatever it might be that they might want.

H80: (Huh) it's a good product

H81: and I would take it.

APPENDIX X

RETAILER I

- I1: Ok this product is (huh) Longmont Light Supreme Ground Turkey.
- I2: (Huh) I suppose its in one pound packaging, yes.
- I3: (Huh)...(huh)... ok what I need to know about this product it would be is it available in our warehouse, (huh,) ...
- I4: the I suppose this is 3 deliveries per week to our warehouse which would be plenty of lead time for the product. (Huh)
- I5: Profit margins look questionable.
- I6: I would say (huh) based on this this product, (huh) pricing would be my reason to turn it down (huh).
- I7: The a competition in this area would allow me to buy a cheaper product,
- I8: and a product that I know a little more about
- I9: and I could retail it at (huh) around \$1.28 at compared to \$1.56 and probably gross the same profit.
- I10: So I would probably, based upon this information I wouldn't accept this product.
- I11: Packaging looks good (huh) as far as colors and and (huh) general appearance.
- I12: (Huh) another problem with the product is the no warranty on the product (huh).
- I13: Companies I've worked with in the past have worked well with me on (huh) leakers and and (huh) dated products so that would be another reason.
- I14: Ok this next one is (huh) Excel Top Sirloin Steak.
- I15: (Huh) I've had experience with this product before. (Huh) ...
- I16: I (huh) ... I wouldn't be against handling this product again, (huh) in a in a limited sort of way
- I17: of oh you don't need to hear all this
- I18: but the last time we tried this brand of product like this was a couple of years ago when we were going to try to introduce it into our market
- I19: and more or less it just wasn't accepted by the public.
- I20: The (huh) the price wasn't a reason because we made the price attractive on the retail level (huh),
- I21: we just more or less got from the customers that that they weren't ready for a prepackaged steak that they wanted it cut on premise
- I22: and and (huh) thought they had more quality control that way.
- I23: (Huh) but like I say, I wouldn't be against putting this product in again,

- I24: and with this criteria, the the (huh) wholesale price looks attractive,
I25: retails in line, (huh)
I26: warehouse deliveries look pretty good,
I27: profit potential is there, (huh)
I28: Excel is excellent with their (huh) support systems, their P.O.P. material,
(huh)
I29: their packaging is (huh) cry-o-vac packaging its high quality,
I30: the appearance of the product is, I think, very attractive (huh)
I31: and overall I think they got they got a good product here
I32: I think they may be (huh) lacking in (huh) customer education on it
I33: and (huh) maybe a few years ahead of our time still.
I34: But I think this product here is (huh) headed for some success and
probably is (huh) experiencing success somewhere and you know in in
the states or they wouldn't held on to it as long as they have.
I35: But, no, I would I I would try this (huh) product again.

VITA 3

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