



# Numerator

NEW FRONTIERS

## The Real Deal with Fake Meat

# Why do I keep hearing about 'Plant-based Meat'?



**Plant-based meat alternatives (foods meant to imitate the taste and/or appearance of meat but that are made from plant-based ingredients) are on the rise among conscious consumers**



Beyond Meat went public in May 2019 and has been expanding both distribution and product offerings over the last year



Impossible Foods' plant-based burger has been offered on select menus since 2016, most recently partnering with White Castle & Burger King

Consumers are shifting dollars to plant-based alternatives for health, environmental, and ethical benefits – creating opportunity for both brands & retailers

**Fast Food Companies Are Getting Into Fake Meat, And The Results Are Actually Pretty Good**

**Burger King to sell vegan Whopper nationwide by end of the year**

**Plant Based Food Products Started With Milk, Now Taking On Meat, What's Next?**

Meatless meat is now so convincing you'll think it's almost real

**Beyond Meat Just Had the Best IPO of 2019 as Value Soars to \$3.8 Billion**

**Impossible Foods' CCO on making meatless meat burgers mainstream**

**Meat-Free Fast Food Options Continue To Grow**

**The global non-dairy milk market is projected to reach revenues of more than \$38 billion by 2024**

**Fake meat may be the sustainable solution to the food industry**

# Shoppers are hungry for plant-based options – and it shows!



**+46.3%**

**Beyond Meat purchasing  
Households**

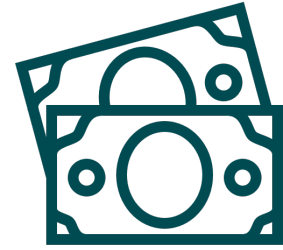
L52W vs. Year Ago



**+47.9%**

**Beyond Meat Trips**

L52W vs. Year Ago



**+71.3%**

**Beyond Meat Sales**

L52W vs. Year Ago

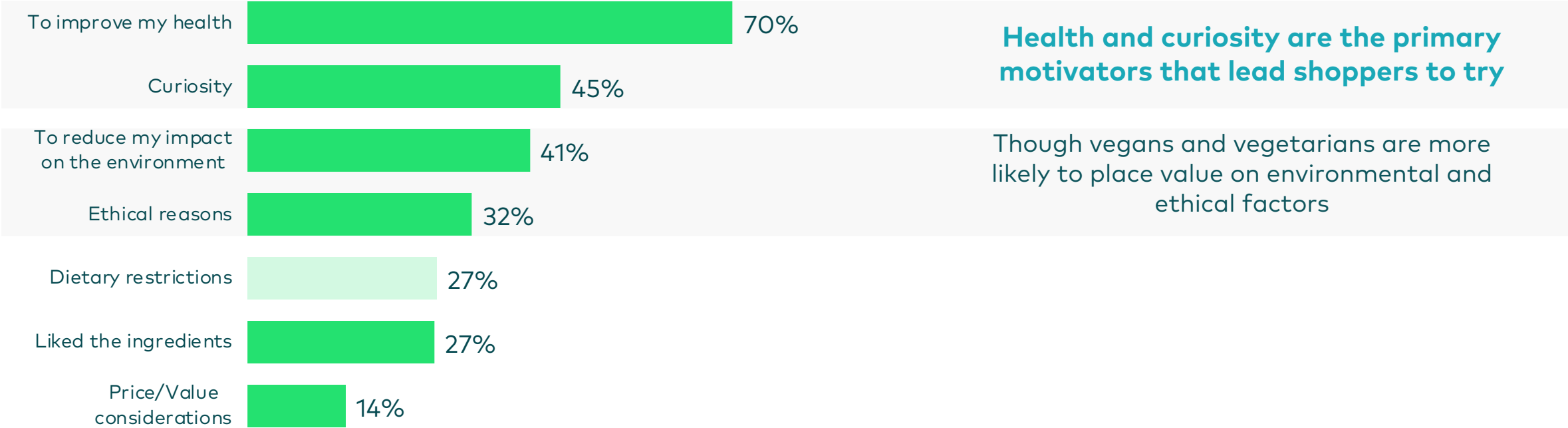
## Mythbusting Time!

"Plant-based meat alternatives are for vegans and vegetarians, right?"

**WRONG.**

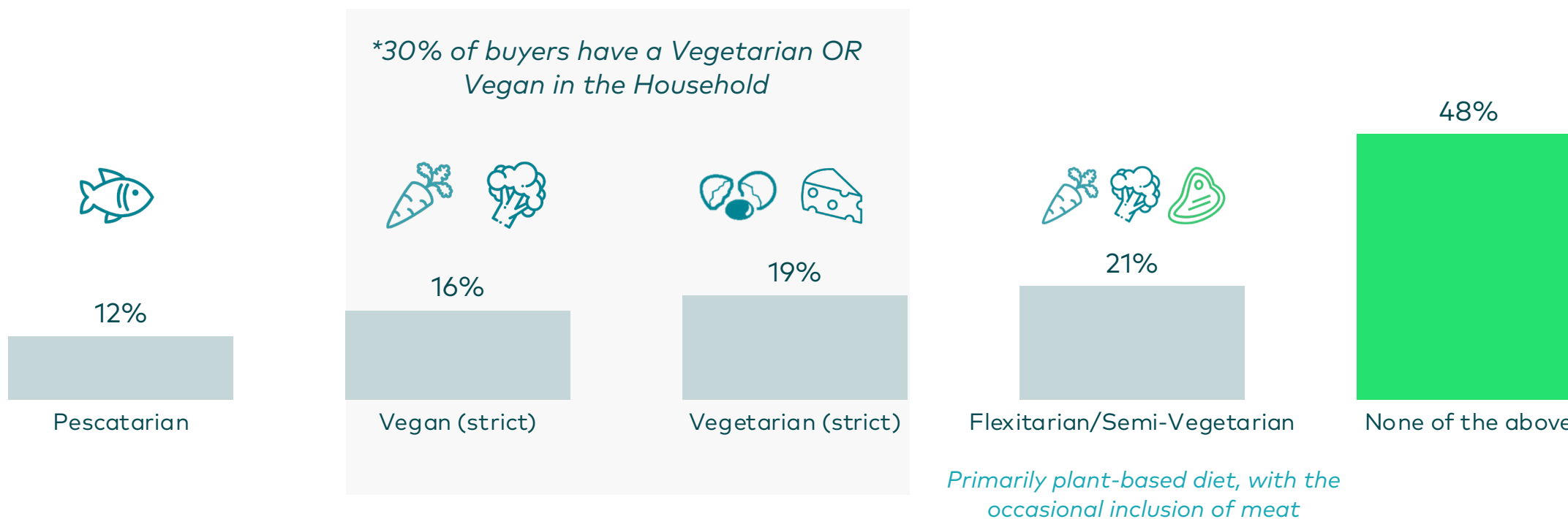
# Dietary restrictions are **NOT** a top reason why shoppers are trying plant-based meat alternatives

## Three most important factors that lead you to try meat alternative products:



# In fact, nearly half of meat alternative buyers do NOT have any meat-avoidant members in their household

Meat alternative buyers who identify as the following OR has someone in the household that does:



# Plant-based meat alternatives reach broad audiences

Over 1 in 4 buyers have purchased for children

93%

Purchase for themselves

45%

Purchase for their spouse/significant  
other

28%

Purchase for child(ren)

26%

Purchase for another adult/friend



# Buyers are typically millennials living in urban areas with high incomes, advanced education, and varying ethnicities

## Shopper Demographics

Beyond Meat In-Store + QSR/Restaurant Beyond Meat & Impossible Foods



### AGE

**21-34**

HHs: 28%, Index: 135



### INCOME

**\$125k+**

HHs: 28%, Index: 126



### ETHNICITY

**Asian & AA**

HHs: 27%, Index: 146



### GENDER

**Male**

HHs: 26%, Index: 131



### MARITAL STATUS

**Never Married/Living with Partner**

HHs: 36%, Index: 138



### CENSUS DIVISION

**Pacific + Mountain**

HHs: 38%, Index: 171



### CHILDREN UNDER 17

**No**

HHs: 84%, Index: 102



### EDUCATION

**4 Year College +**

HHs: 51%, Index: 125



### URBANICITY

**Urban**

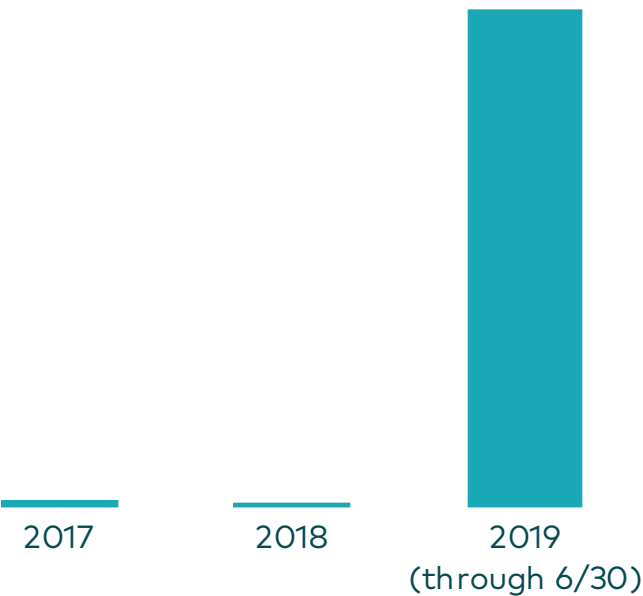
HHs: 52%, Index: 150

**Advertising for plant-based meat alternatives  
wasn't really a thing until this year**

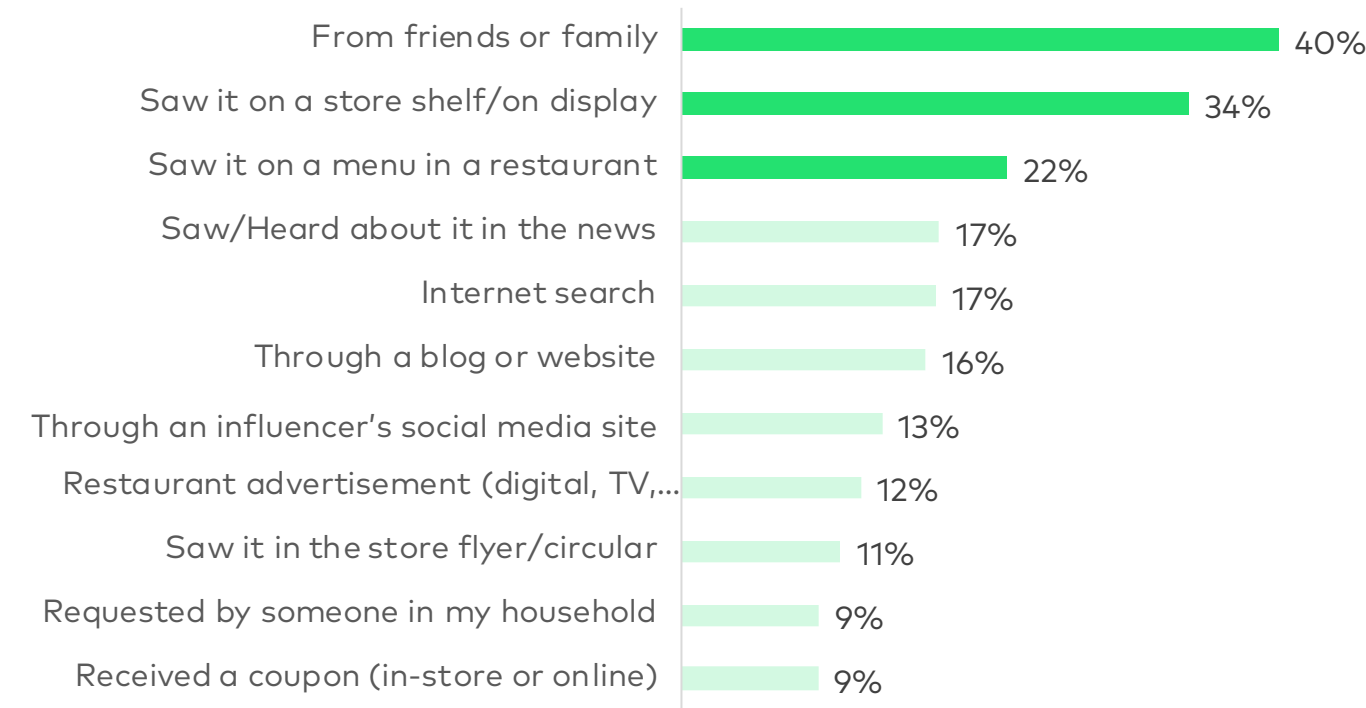
# Triers learned about meat alternatives from family, friends or seeing it in-stores / on menus

## Plant Based Burger Ad Spend

Chart represents estimated dollars



## How did you become aware of plant-based meat alternatives?



Numerator Custom Survey N=1,217 Plant Based Meat Alternative Triers; Numerator Ad Intel 1/1/2017-6/30/2019  
Ads included are all Beyond Meat ads and any ads from the advertiser set which explicitly advertised an Impossible Burger product.

# Most ads target those who love the taste of meat, rather than those with dietary restrictions



*"Carnivores Welcome"*

- Beyond Meat Mobile Ad 2017



*What the what? "Amazing taste. Plant based"*

- White Castle Online Video 2018

*"Plant Based. New. Juicier. Beefier. Tastier."*

- White Castle Online Display 2019



*"You're not going to believe this, but this is not beef. Not a tiny bit. Made from plants **for people who love meat**. Full of flame grilled flavor. 100% flavor, 0% beef."*

*"I've never had plant **taste like beef** before"*

*"Tastes like a Whopper. **Tastes like a beef** burger"*

*"I can't believe **that was not beef**"*

- Burger King TV ads 2019

**Well done on the audience targeting.**



PLANT  
BASED.  
NEW.  
JUICIER.  
BEEFIER.  
TASTIER.




**So, what do consumers think about plant-based  
meat alternatives?**

# They love the taste & perceived healthiness

## What do you like about plant-based meat alternatives?



Tastes good / Tastes like meat

# Healthier for you than real meat

Not made with animals / no animals harmed

## Better for the environment



In fact, **3 out of 4** triers believe plant-based meat alternatives are **healthier than real meat**

# People like plant-based meat alternatives...

...and don't think they'll be going away anytime soon

62%

Are very/extremely  
satisfied

83%

Would recommend to  
someone else

81%

Would try other types of  
plant-based meat  
alternative products

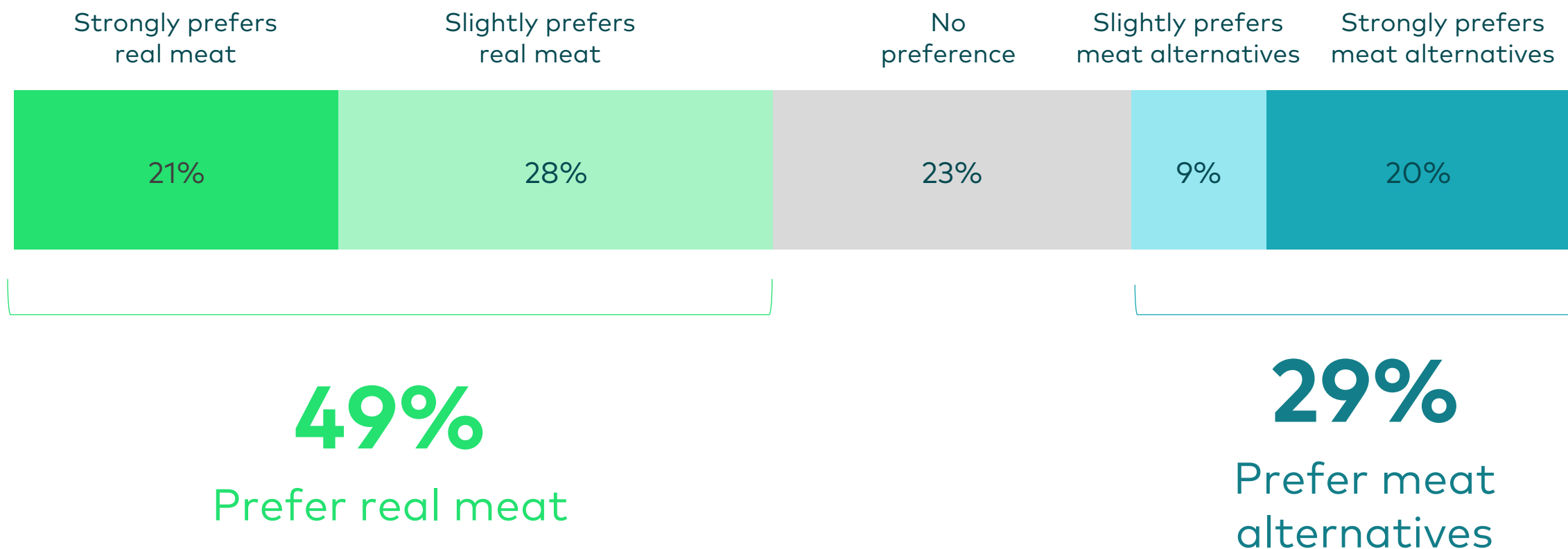
15%

Believe they are a  
temporary fad

OK, they like it but...

How does it compare to *real*/meat?

# Real meat is still preferred by half of triers



And some aren't crazy about the price and texture

## What do you dislike about plant-based meat alternatives?



Prefer the taste of real meat /does not  
taste like real meat

High price / cost

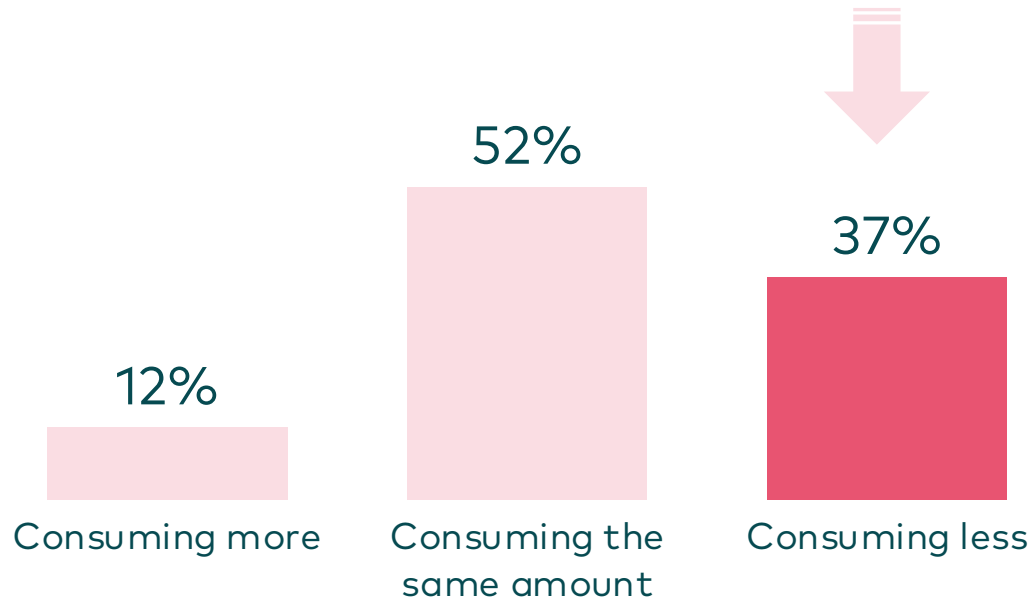
# The texture

*\*22% do not have any dislikes*

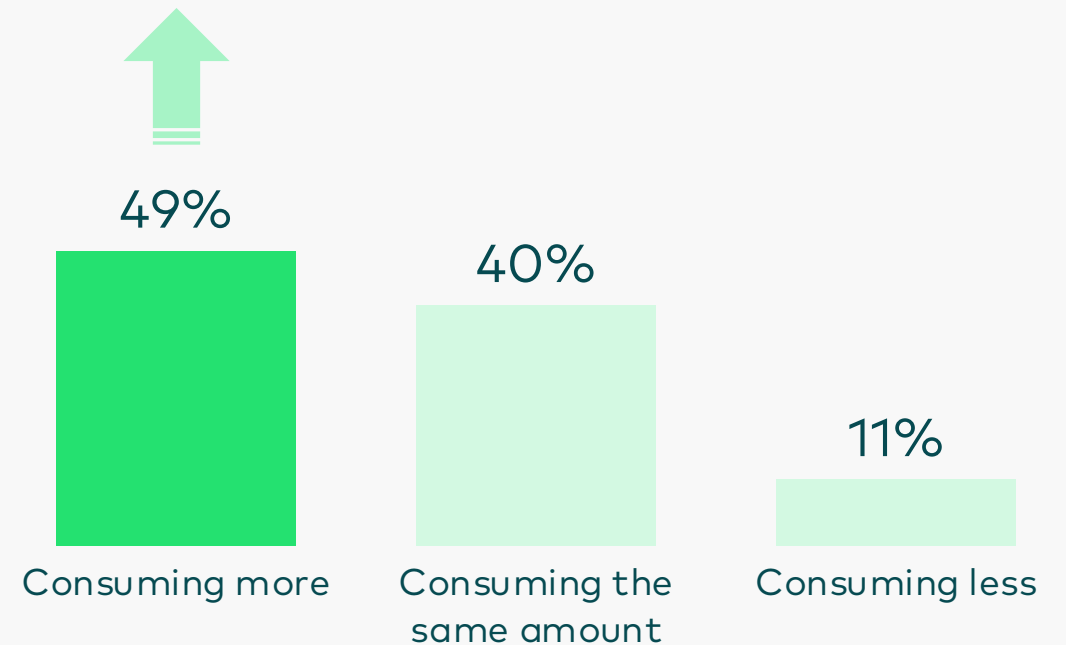
**What does this mean for plant-based meat alternatives?**

# Half of meat alternative buyers ate MORE alternatives and nearly 40% ate LESS real meat in the past year

How has your consumption of **MEAT (chicken, pork, beef, etc.)** changed compared to last year?

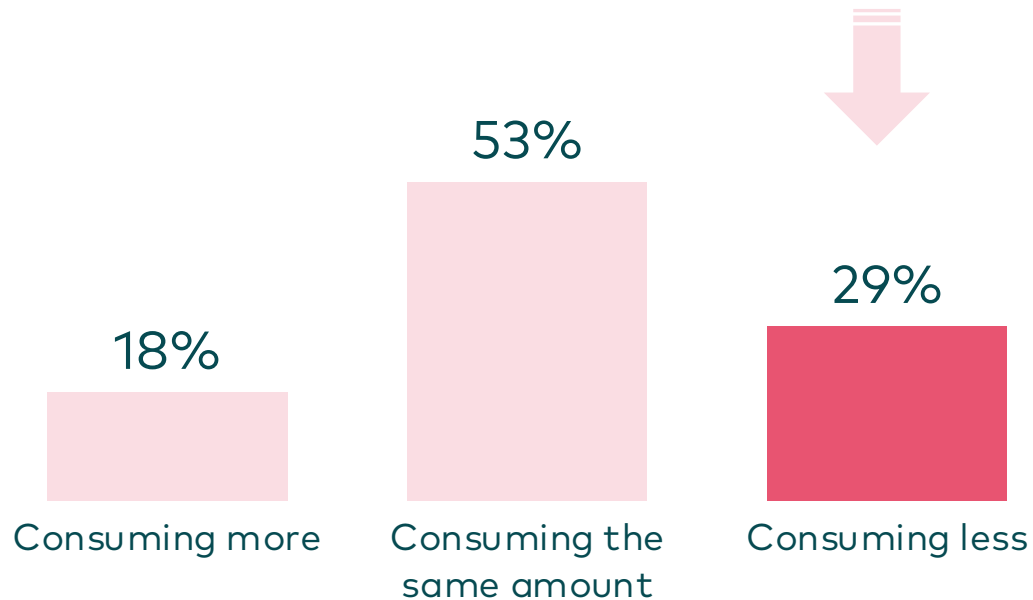


How has your consumption of **PLANT-BASED MEAT ALTERNATIVES** changed compared to last year?

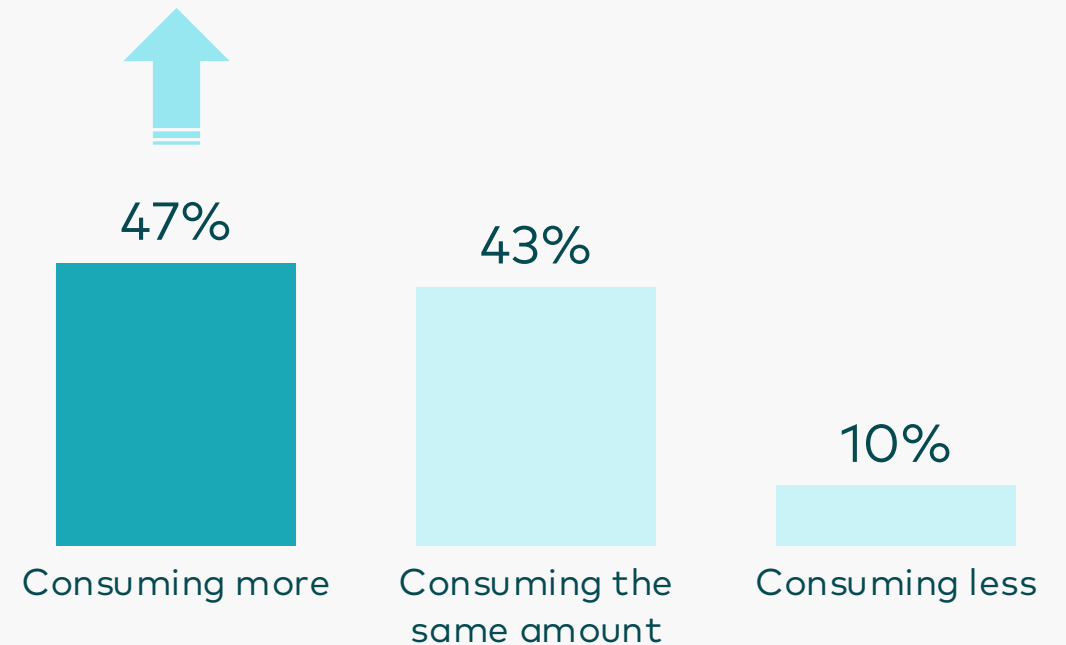


# Dairy alternative buyers are shifting their dollars away from the real deal just as quickly

How has your consumption of **DAIRY PRODUCTS** (milk, cheese, yogurt, etc.) changed compared to last year?



How has your consumption of **PLANT-BASED DAIRY ALTERNATIVES** changed compared to last year?





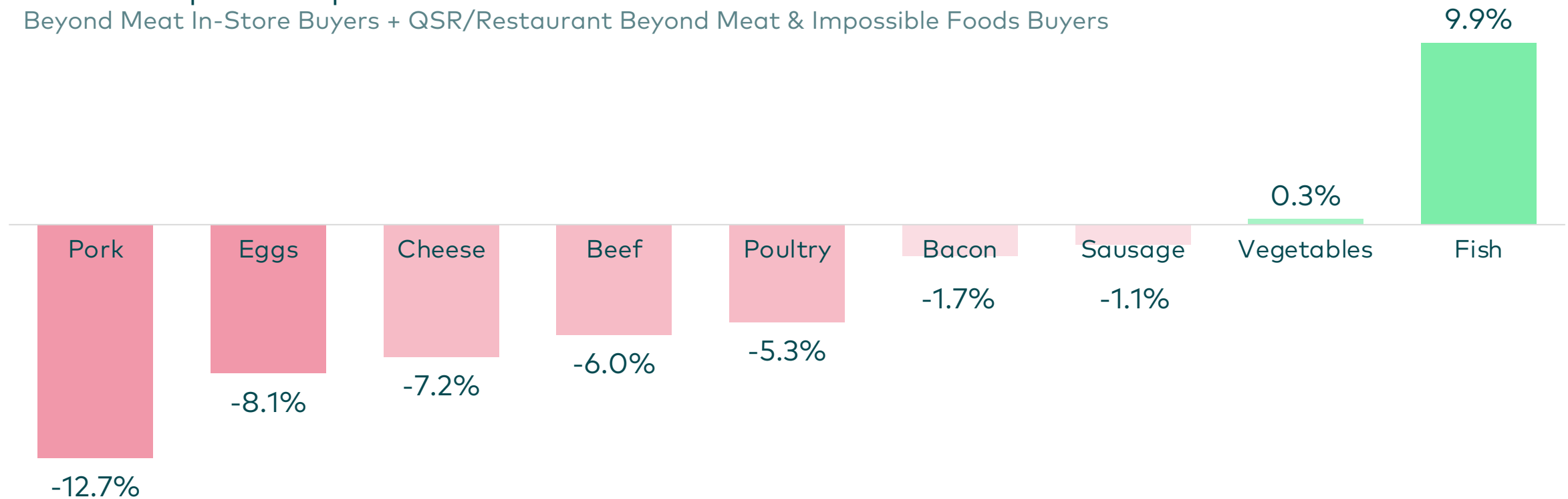
**If more alternatives are being consumed, what is being replaced?**

# Plant-based meat buyers are shifting their Grocery dollars away from Pork, Eggs, & Cheese

## Plant-based Meat Buyers' Total Category Spend

L26W compared to previous 26W

Beyond Meat In-Store Buyers + QSR/Restaurant Beyond Meat & Impossible Foods Buyers



Numerator Insights OmniPanel. L26W ending 6/23/19

Beyond Meat In-Store + QSR/Restaurant Beyond Meat and Impossible Foods Shoppers n=3,166 (n=2,379 Prev. 26W)

# In-store purchases are likely accompanied by produce staples and non-dairy alternatives

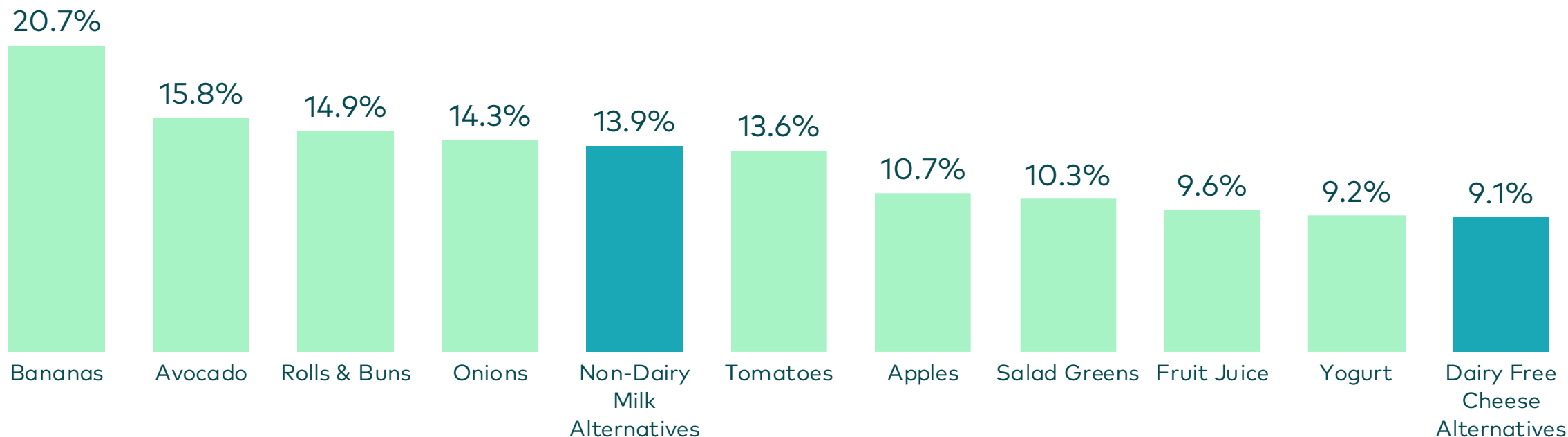
## Beyond Meat In-Store Grocery Basket Affinity

% of Trips

Grocery categories likely to be in Beyond Meat buyers' In-Store Baskets



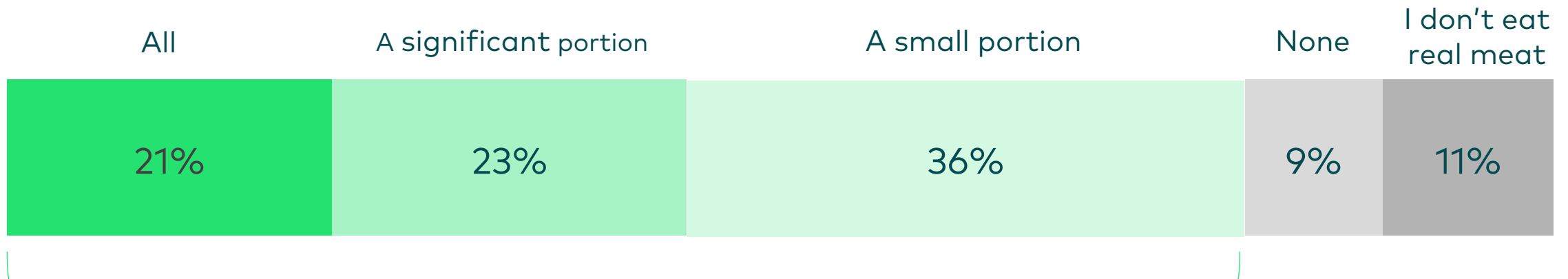
Alternative meat buyers spend **13% MORE** on Groceries annually



**There are no signs that plant-based meat alternatives will be slowing down...**

# In fact, 80% intend to replace some/all real meat with plant-based meat alternatives in the next year

"Over the next year, I will replace \_\_\_\_\_ of my real meat consumption with plant-based alternatives"



80%

Will replace at least some of their real meat!

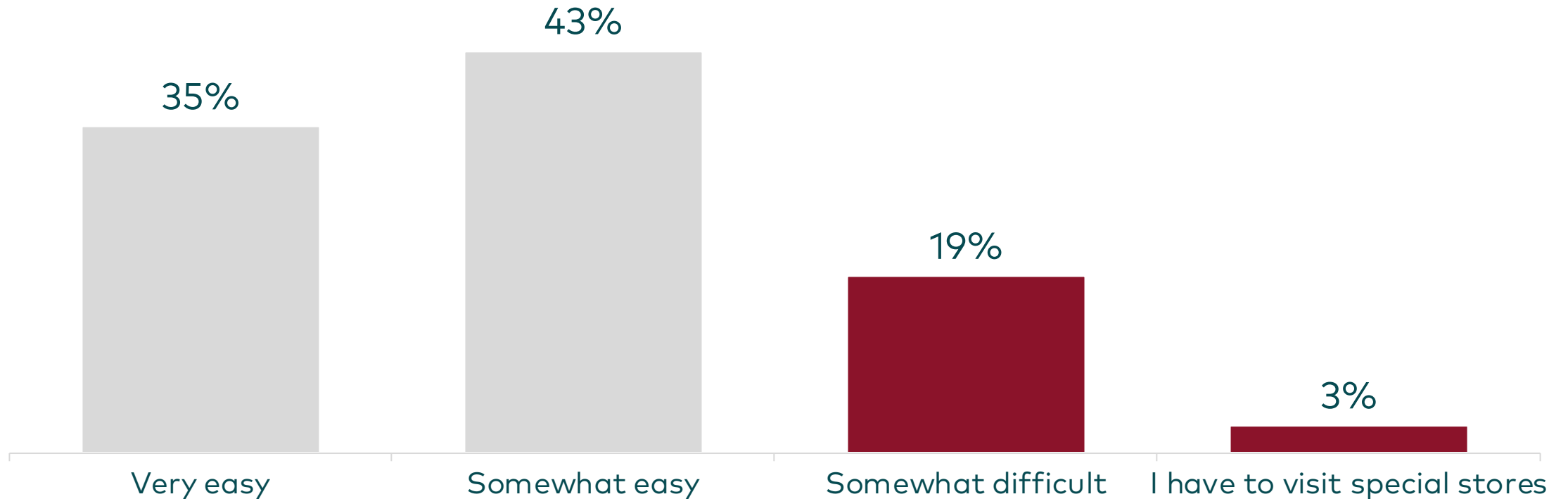
**It's not all about taste.**

**Shoppers are willing to trade off the taste and texture of real meat for health, environmental and ethical reasons.**

# But plant-based alternatives are still a little rare...

A quarter of buyers have trouble finding plant-based meat options at their typical grocery store

**How easy or difficult is it for you to find plant-based meat alternatives in stores where you buy groceries?**



# What next for **brands**?

- **Develop products that prioritize benefits of plant-based eating:** While taste is important, the health and environmental benefits of plant-based alternatives are key purchase drivers
- **Invest in product innovation:** Consumers have communicated an openness to branching out to other plant-based meat alternatives like fish and chicken
- **Opportunity for value brands (& Private Label):** With few dominant plant-based brands available in grocery stores and many triers being concerned about the cost of these products, there is opportunity to provide more affordable options
- **Continue promoting the 'likeness' to real meat:** Half of triers still prefer the taste of real meat but it's apparent people are willing to make a trade-off for other benefits

# What next for **retailers**?

- **If you're not already carrying plant-based alternatives, consider it!** Nearly a quarter of shoppers still have difficulty finding these items at their regular store
  - These consumers also spend significantly more on all Grocery items than the average shopper – driving store-wide performance across other categories!
- **If you already carry these products:** Consider in-store displays/expanding shelf-space to help valuable shoppers find these products and support the anticipated growth, which will bring higher spend trips to your store



*PLANTS*

~~Beef.~~ It's What's for Dinner.



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Learn how your shopper's behavior is shifting  
[hello@numerator.com](mailto:hello@numerator.com)