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Scotland Food & Drink Partnership

Venison Deep Dive Report: GB Retail

Venison sales have been placed under pressure over the past year as consumers budgets are stretched due to the “Cost of Living” crisis.

1.
Category Performance
Venison remains a small, under-developed segment of the Fresh Meat & Poultry market. The category has been heavily impacted by the Cost-of-living crisis, as consumers manage spend.

2.
Route to Market
Grocery Multiples have been key in maintaining the value of Venison over the recent year, due to the steep decline in Discounter sales. Venison ranges can vary greatly by retailers along with which regions they will range these products.

3.
Brands Vs Private Label
Highland Game continues to dominate across both GB & Scottish level, with very little own label development in most of the major retailers outside of Waitrose.

4.
Consumer Attitudes and Behaviour
Value for money will be key for consumers as they manage spend on meat. There has been growth in cheaper Venison products but also producers will need to consider the long-term development of the market and ensure that they continue to develop their offering and meet changing consumer needs.

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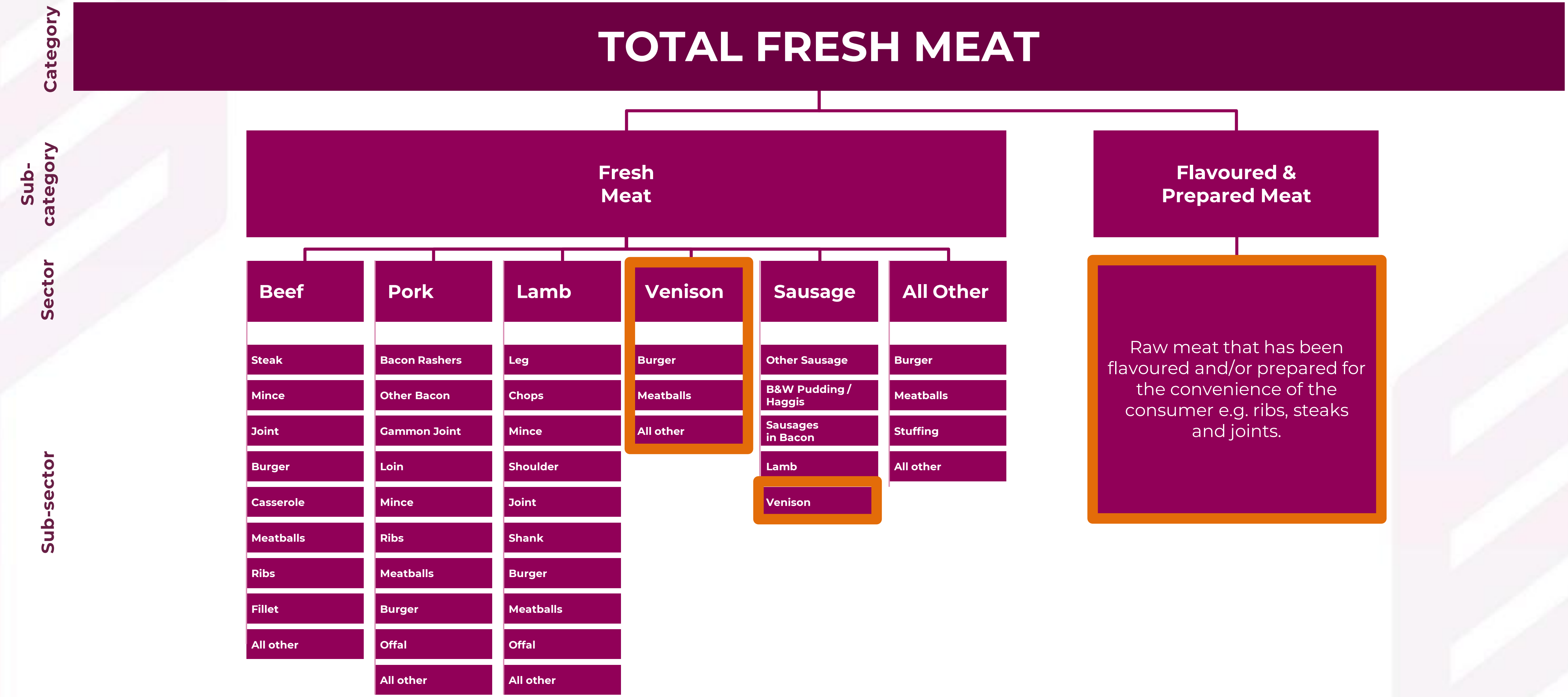
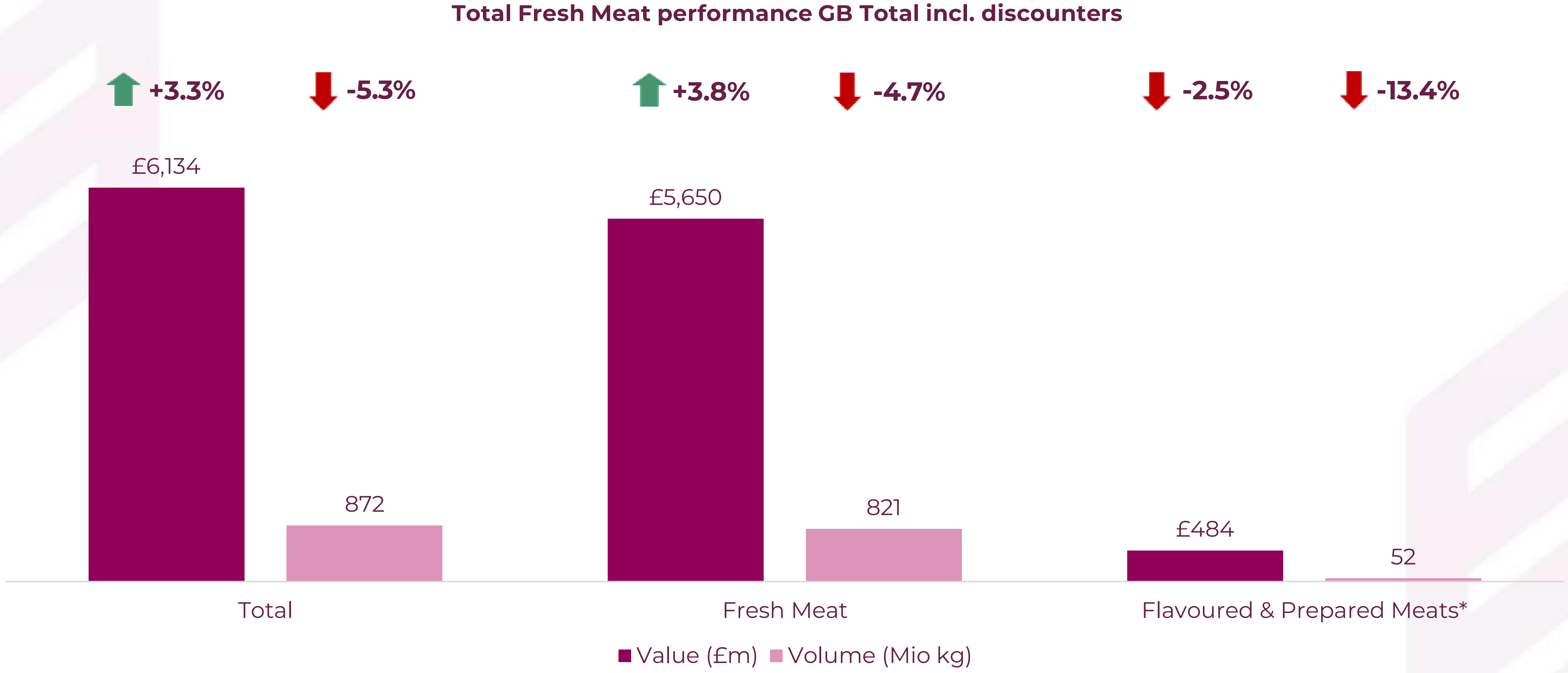
Venison Market in Context

Nielsen Meat Category Structure. 80% of Venison's sale value is found within the Fresh Meat sub-category. There are few products within flavoured & prepared, though only 1 Highland Game SKU with significant value.



Inflation within both Fresh Meat & Flavoured/Prepared Meats has had a significant impact, contributing to value growth despite volume sales continuing to decline.

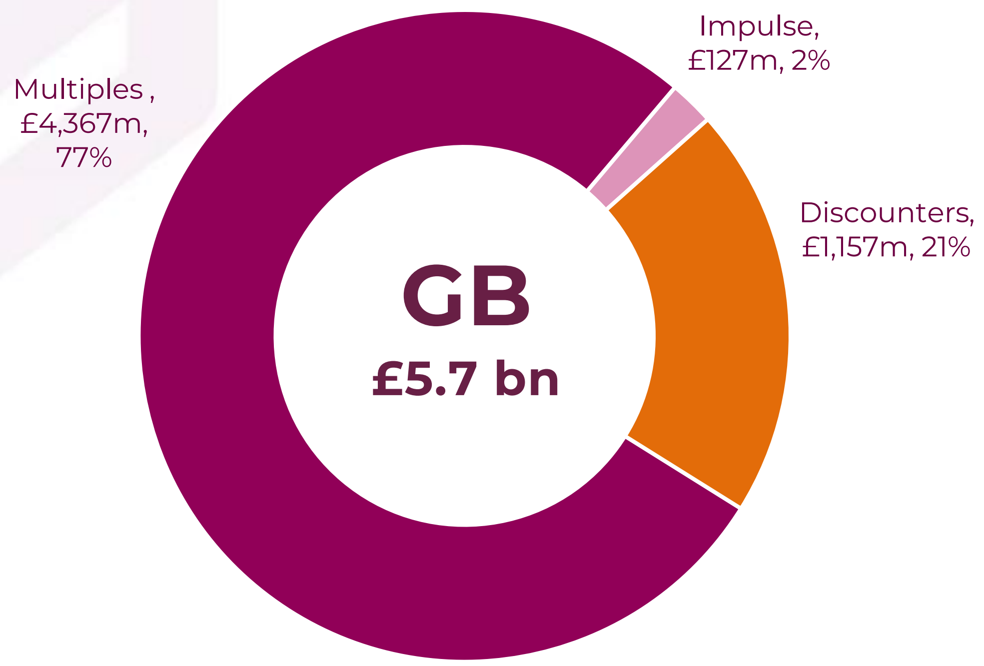


Source: Nielsen, Total GB Total Coverage incl. Discounters, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

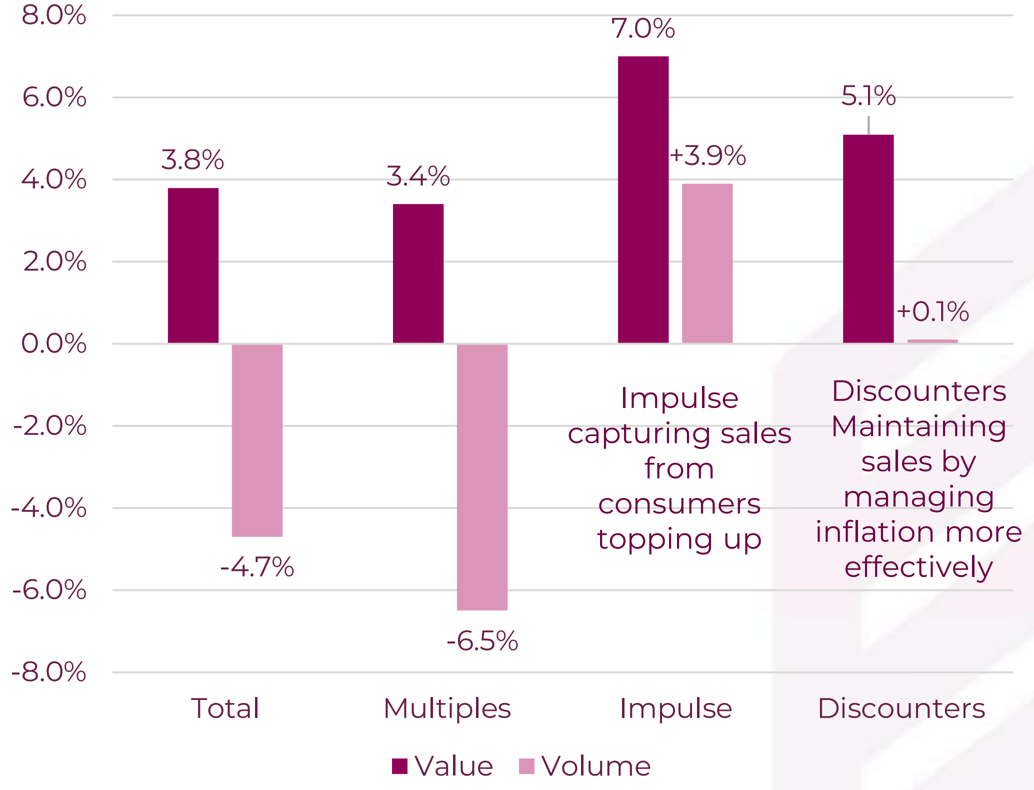
*Flavoured & Prepared Meats' figures taken from Sector View portal – this includes Northern Ireland data

Total Fresh Meat (excluding Poultry & Flavoured/Prepared Meats) is worth £5.7 bn in GB retail. There has been a sharp drop in Grocery Multiple sales as consumers manage their spend.

Retail Channel Breakdown (in £%)



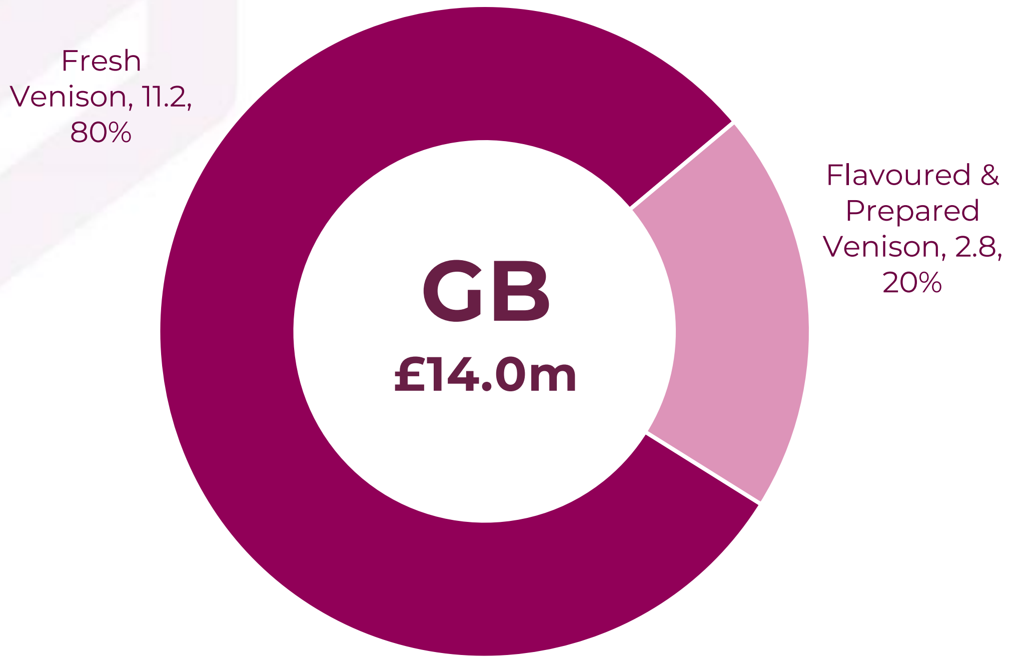
Retail Channel Year-on-Year Change (%)



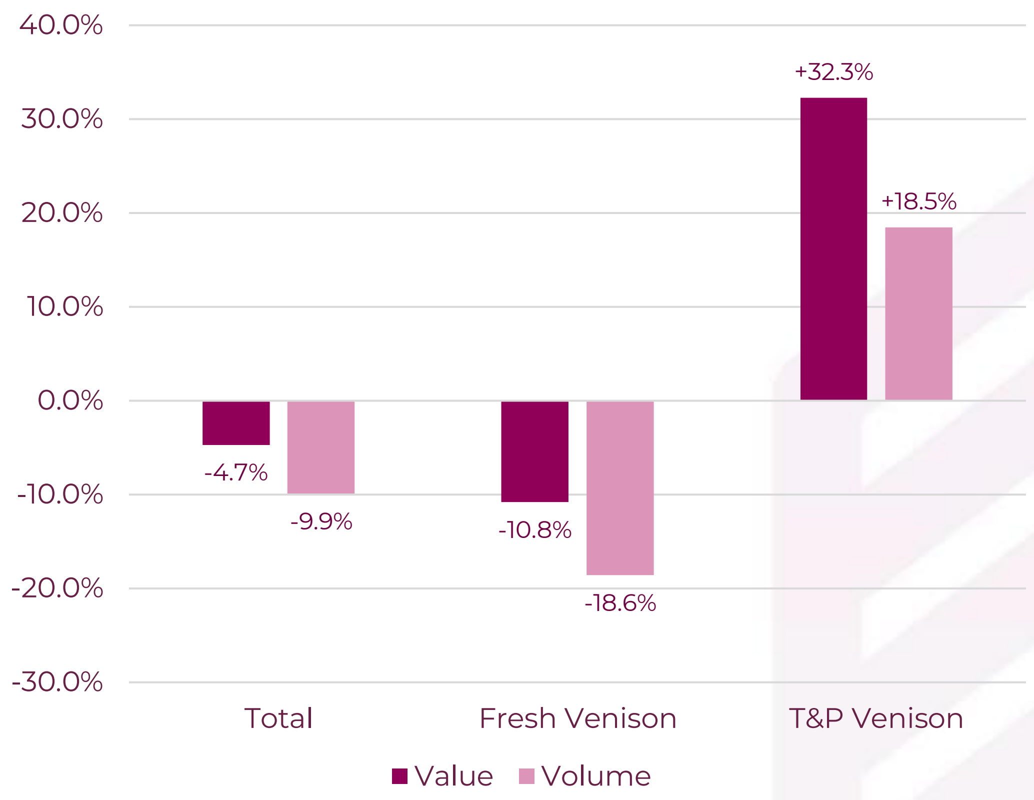
Source: Nielsen, Total GB Total Coverage incl. Discounters, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

Total Venison* sales are £14.0m in GB retail. Flavoured & Prepared Venison is experiencing high growth which has minimised overall category decline - driven by Grillsteaks

Retail Sub-segment Breakdown (in £%)



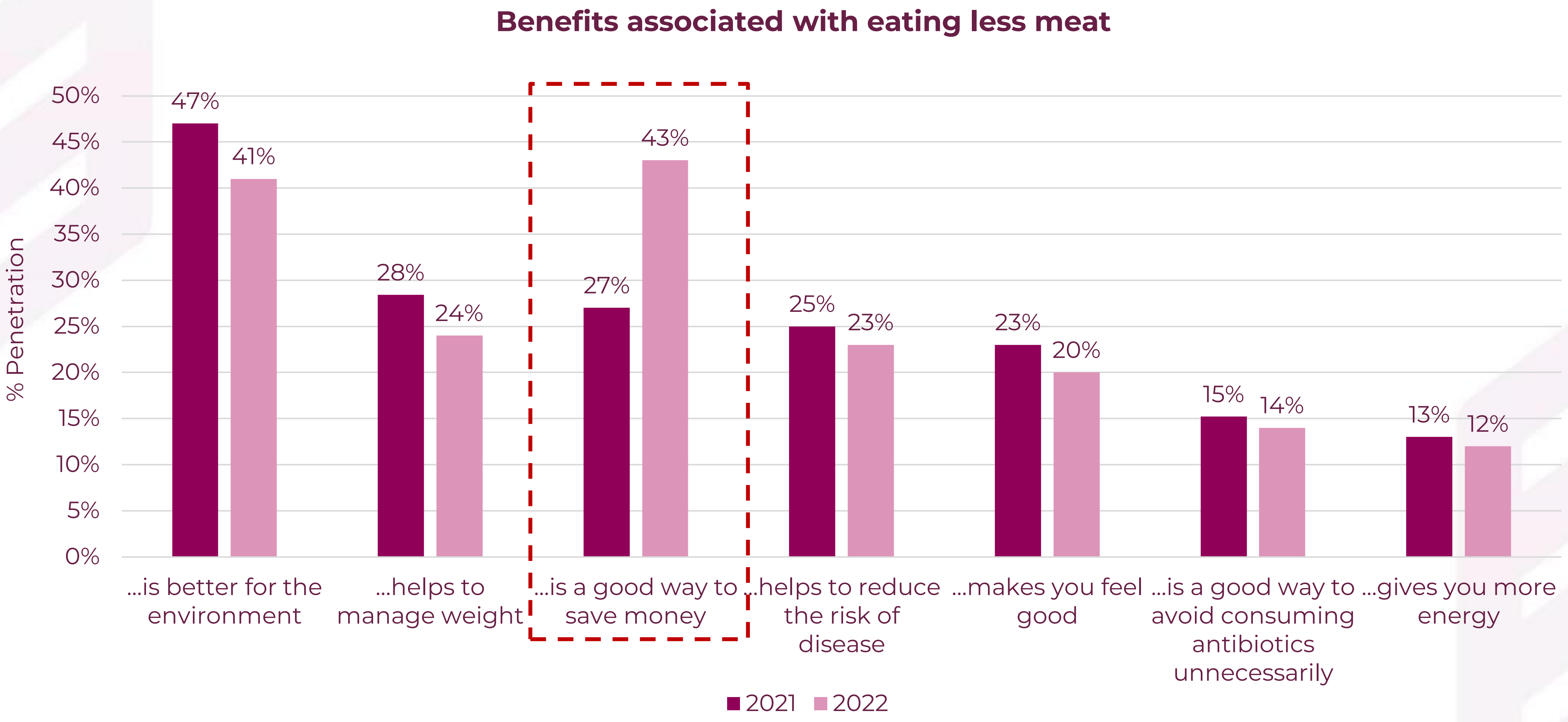
Retail Sub-segment Year-on-Year Change (%)



Source: Nielsen, Total GB Total Coverage incl. Discounters, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

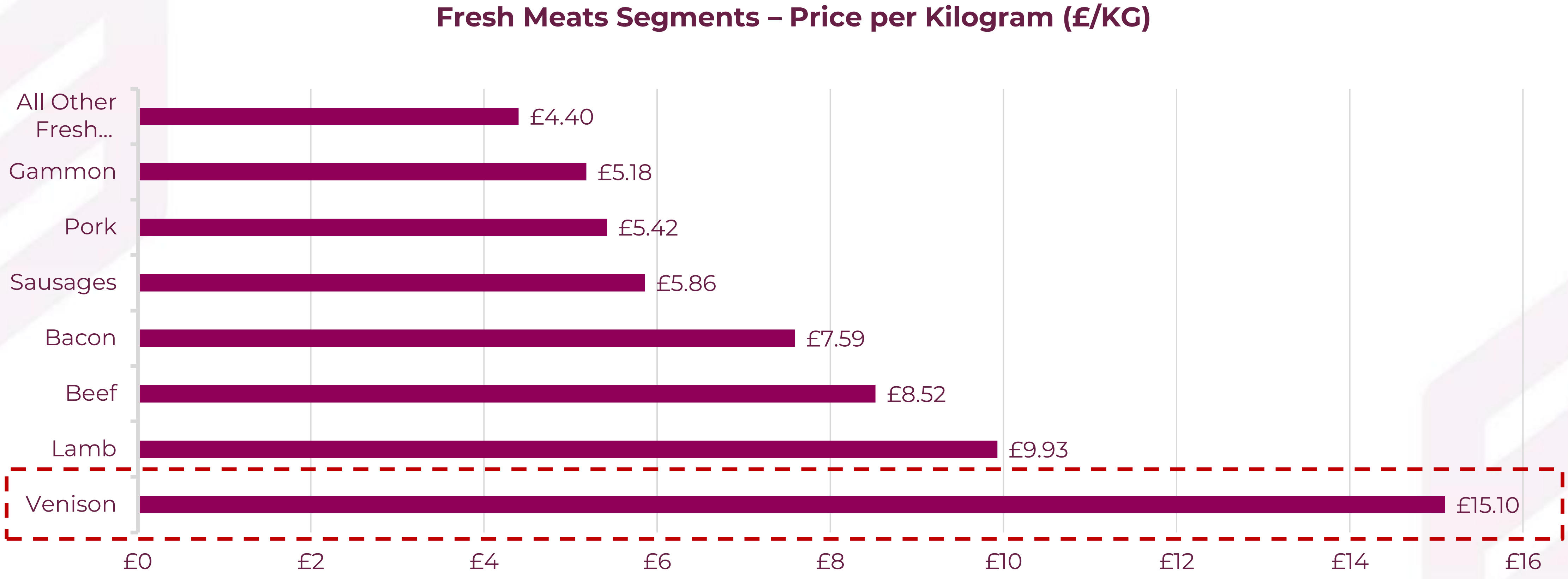
*Fresh Venison + Treated & Prepared Venison

The Cost-of-living crisis has seen more people consider how much they spend on meat.



Source: Mintel Processed Poultry and Red Meat Main Meal Components – UK - 2022. Note: Data reproduction or re-use is not permitted

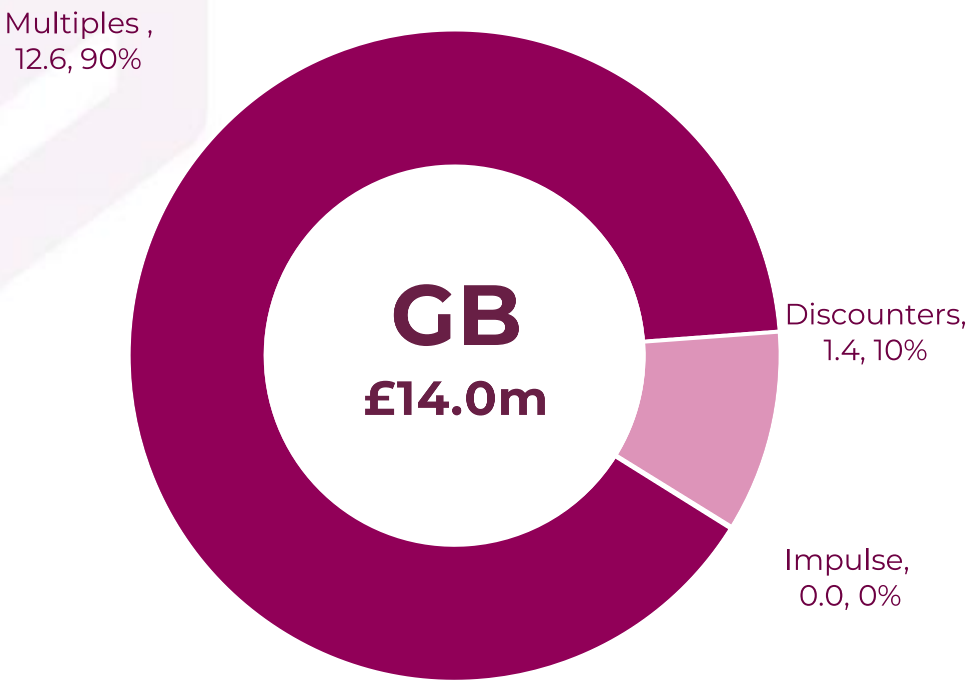
This is likely to have a significant impact on more expensive protein such as Venison which is priced significantly higher vs other alternatives.



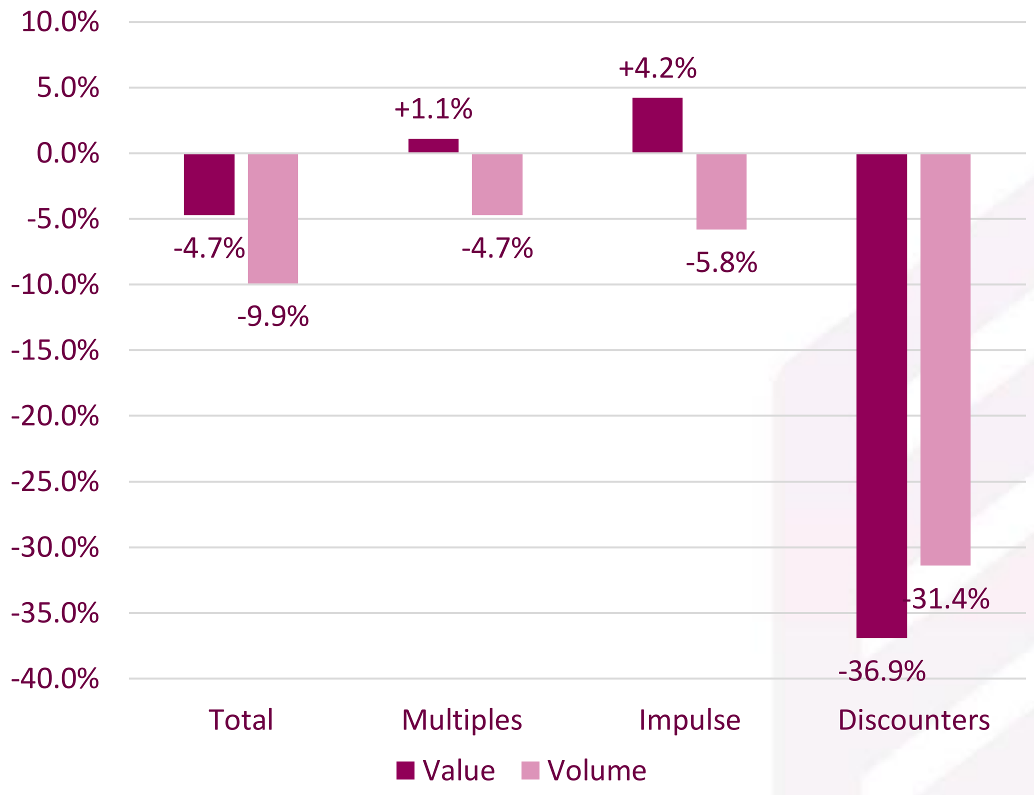
Source: Nielsen, GB Total Coverage excl. Discounters – 52 weeks - w/e 08 April 2023. Note: Data reproduction or re-use is not permitted

Multiples account for 90% of the category and are maintaining value growth. Discounter sales have declined sharply, which is will be due to less availability.

Retail Channel Breakdown (in £%)



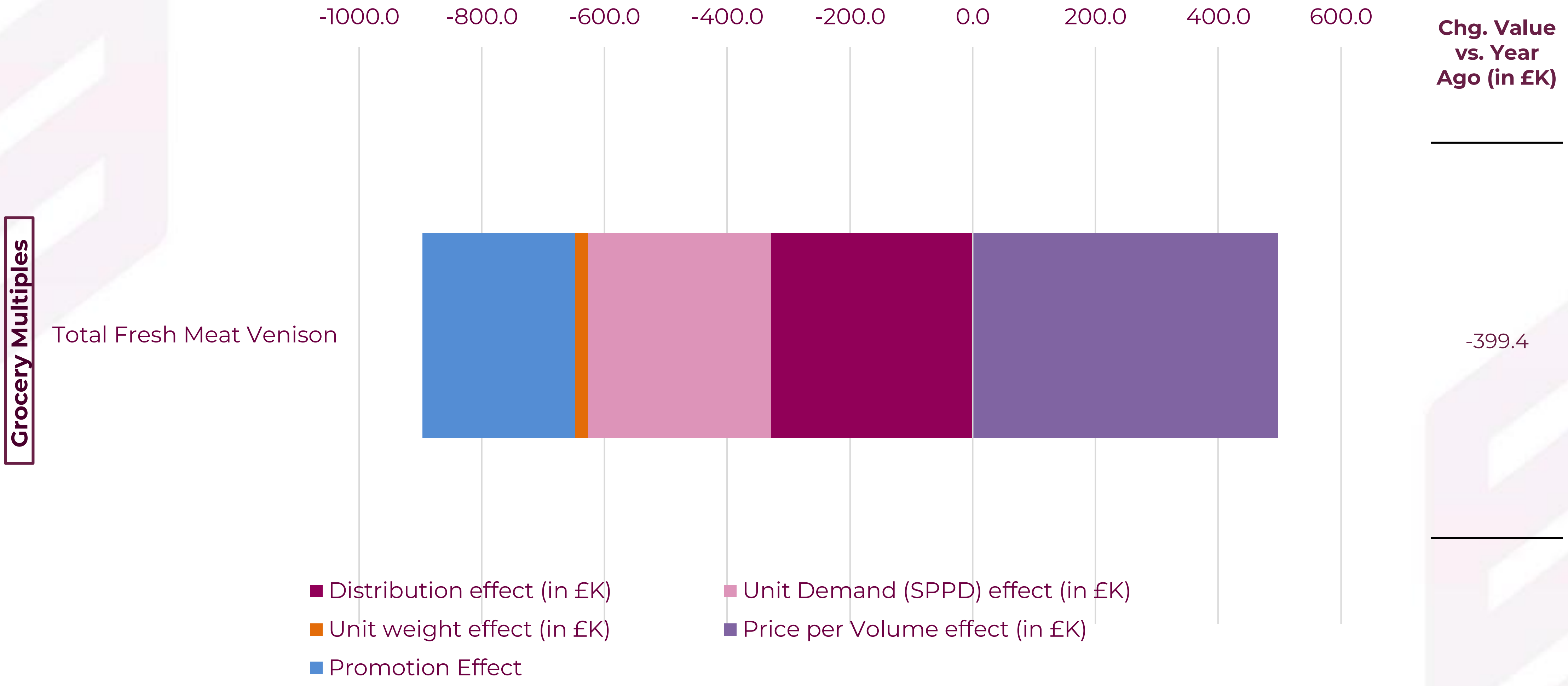
Retail Channel Year-on-Year Change (%)



Source: Nielsen, Total GB Total Coverage incl. Discounters, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

*Fresh Venison + Treated & Prepared Venison

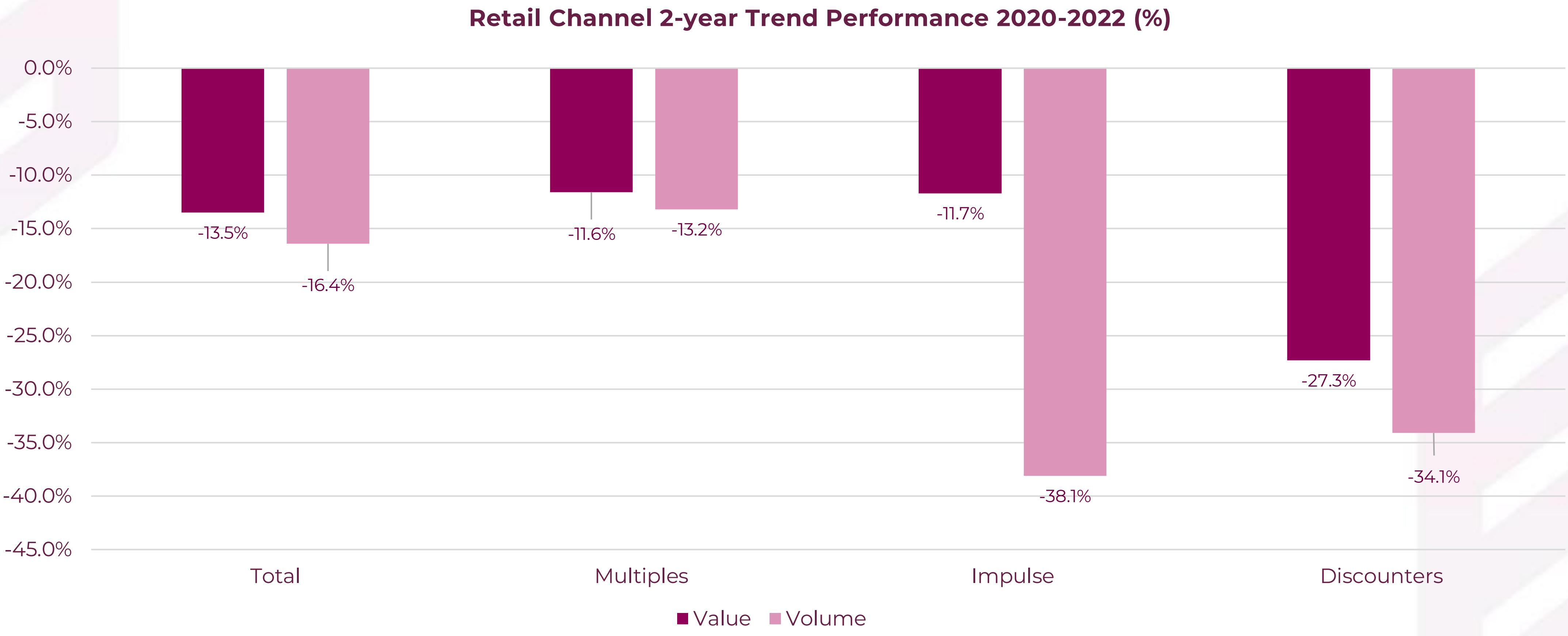
A combination of increasing Prices, less Promotions and less Availability has had an impact leading to a reduction in demand.



Source: Nielsen, GB Total Coverage – 52 weeks - w/e 08 April 2023. Note: Data reproduction or re-use is not permitted.

*Unable to chart due to data restriction

Venison is now in strong decline over the last 2 years across all channels.



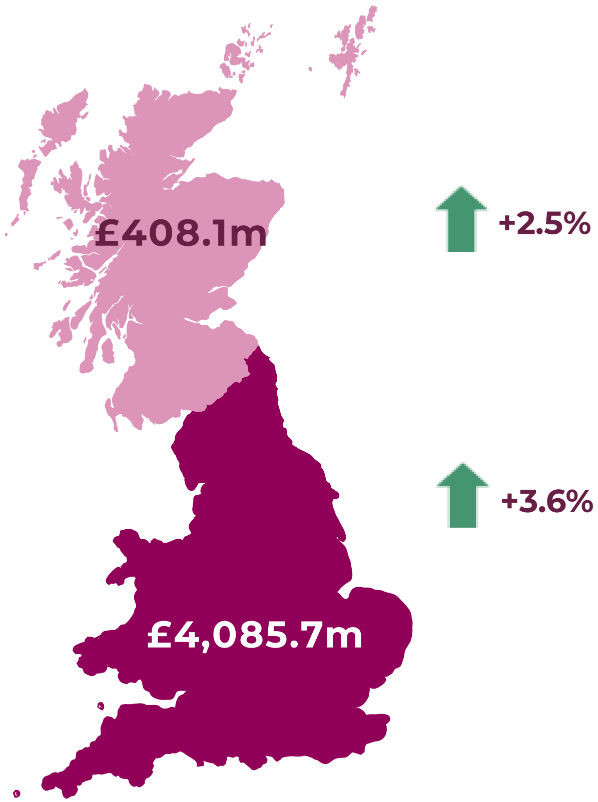
Source: Nielsen, Total GB Total Coverage incl. Discounters, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

Excluding discounters , value sales of Venison have grown across Scotland and England & Wales. Scotland is still disproportionately important to Venison sales.

Total GB Fresh Meat performance excl. Discounters (Value £)

Scotland accounts for 9.1% of total Fresh Meat sales

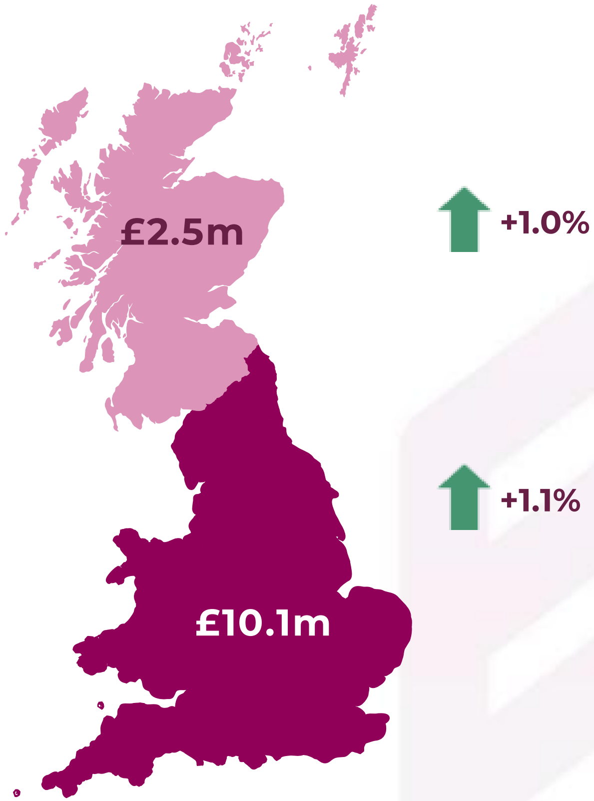
Total GB excl. Discounters
£4.5bn
+3.5%



Total GB Venison performance excl. Discounters (Value £)

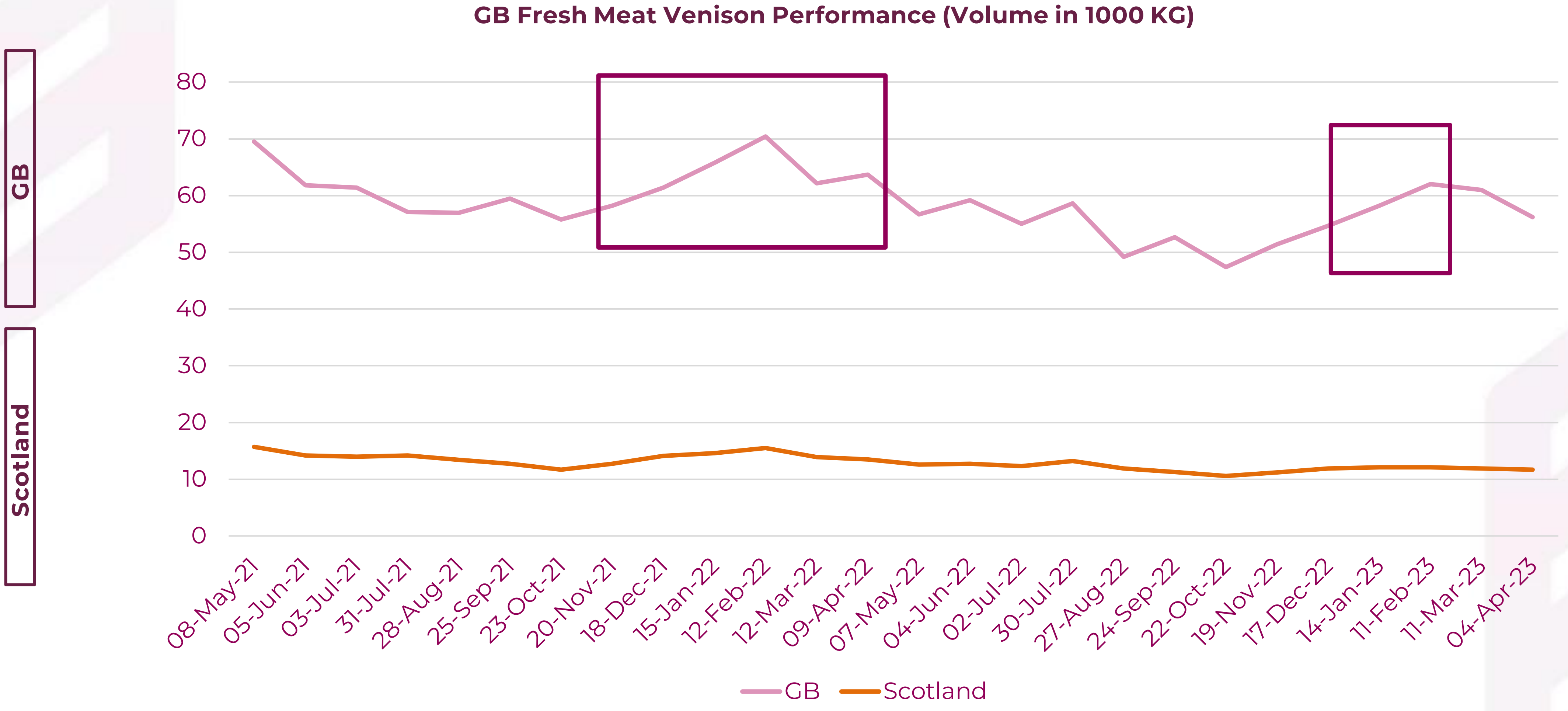
Scotland accounts for 19.8% of total Venison sales

Total GB excl. Discounters
£12.6m
+1.1%



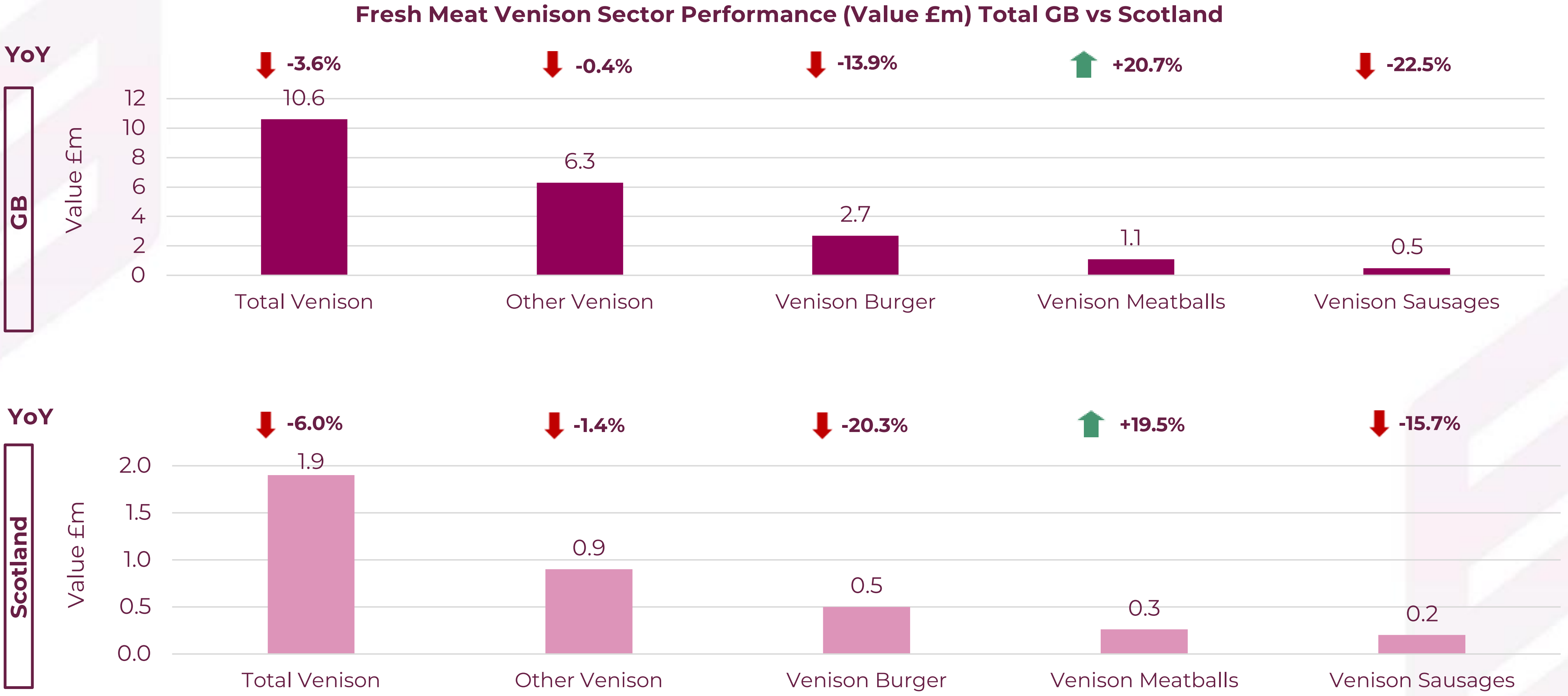
Source: Nielsen, GB Total Coverage excl. Discounters – 52 weeks - w/e 08 April 2023. Note: Data reproduction or re-use is not permitted.

Christmas is a key selling period for Venison but sales leading up to December 2022 were significantly lower than 2021 - a decline of roughly 19% - which is primarily due to significant price increases impacting on demand.



Source: Nielsen, GB Total Coverage excl. Discounters w/e 08 April 2023. Note: Data reproduction or re-use is not permitted.

Within Fresh Meat Venison, Meatballs are the only product to grow as it is one of the cheapest products outside of mince especially on promotion. Grillsteaks have also performed well which sit in Treated and Prepared Meat.

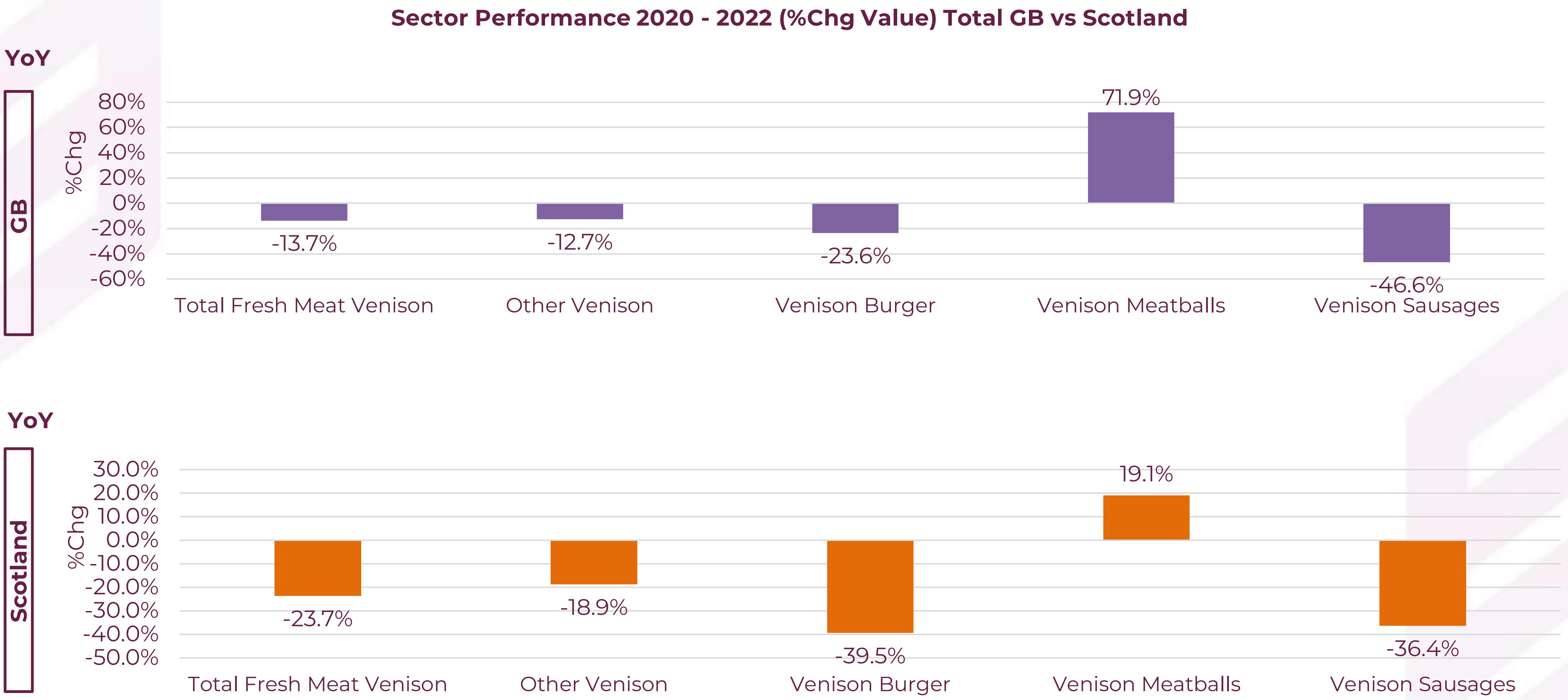


Source: Nielsen, GB/Scotland Total Coverage excl. Discounters – 52 weeks - w/e 08 April 2023. Note: Data reproduction or re-use is not permitted

A combination of increasing prices and less promotions has had a significant impact across both Scotland and the wider GB market. There has been a significant reduction in demand for burgers which has also experienced distribution losses.

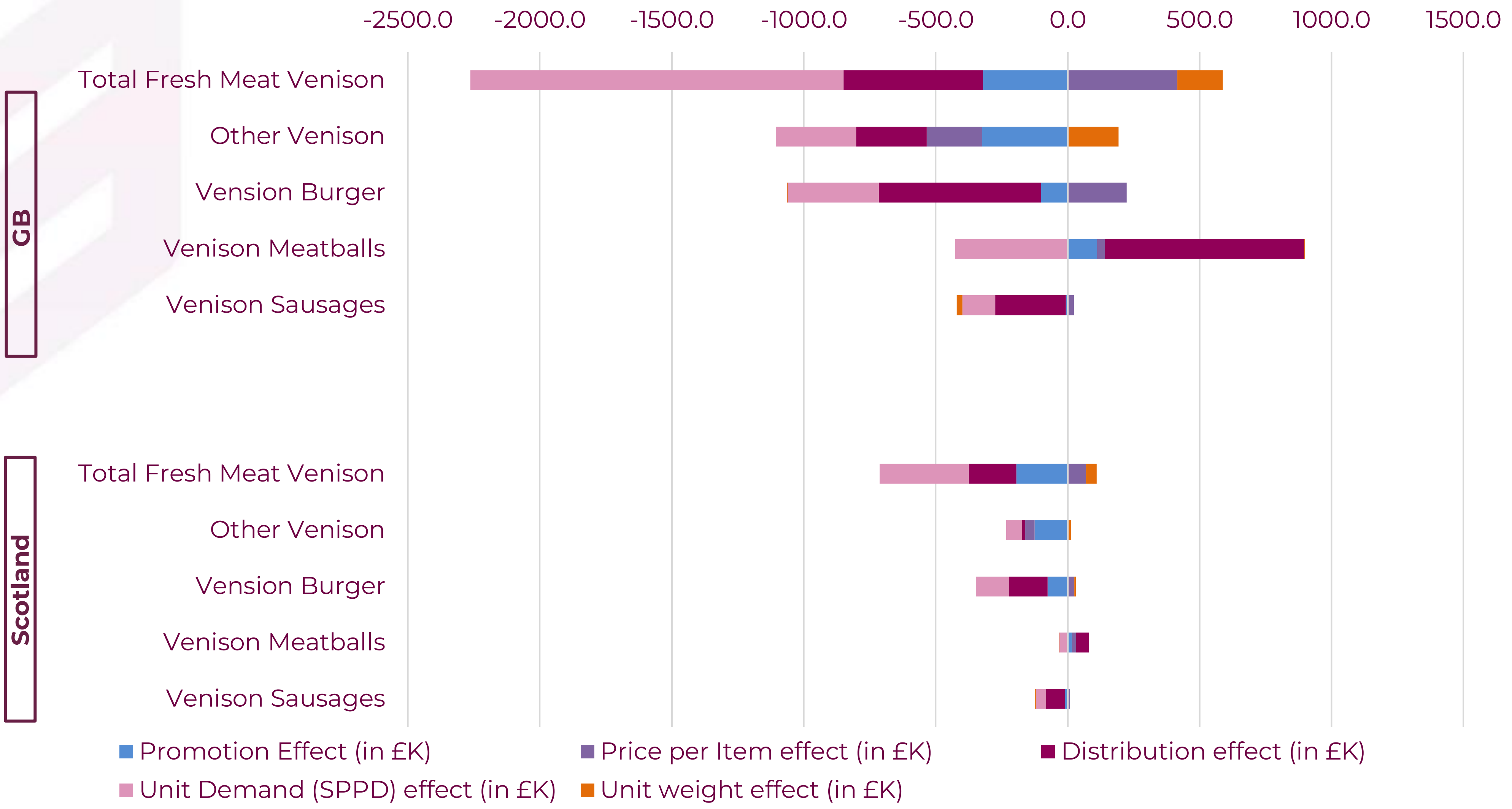
Source: Nielsen, Total GB/Scotland Grocery Multiples w/e 08 April 2023. Note: Data reproduction or re-use is not permitted.

Meatball products have performed well over the last 2 years while sausages and burgers have been in strong decline.



Source: Nielsen, GB/Scotland Total Coverage excl. Discounters – 52 weeks - w/e 08 April 2023. Note: Data reproduction or re-use is not permitted

Less demand has driven overall decline in Venison. Meatballs have benefited from increased distribution over the past 2 years whilst Burgers and Sausages have lost out.



Chg. Value vs. Year Ago (in £K)
-1675.3
-912.6
-838.8
+472.3
-396.1
-602.8
-219.8
-316.3
+49.4
-115.7

Source: Nielsen, GB/Scotland Total Grocery Multiple – 52 w/e 08 April 2023 compared to 52 w/e 10 April 2021. Note: Data reproduction or re-use is not permitted.

Venison Summary

It is a challenging environment for meat producers as prices rise significantly

Consumers are managing spend which will have a greater impact on more expensive proteins e.g. Venison

Venison sales are under pressure especially in more price focused retailers such as Discounters

Cheaper Venison products are performing better such as meatballs and grillsteaks

Rising prices are impacting producer margins impacting on promotional activity and consumer demand

Falling distribution has also impacted overall market sales

Poor seasonal sales during Christmas 2022 will also have undermined market performance

Producers will need to consider how they make Venison relevant in the changing economic climate

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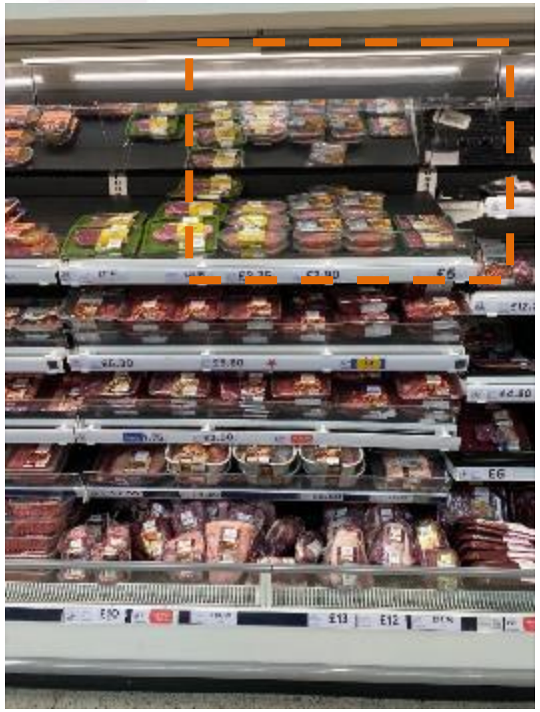
Key Consumer Considerations & Market Summary

Tesco Audits

- Venison lines listed in red meats section, though **sometimes difficult to spot**
- Online audits suggest Tesco has as many Venison lines for human consumption as they do in dog treats (4:4)
- Lean & Green's **Moroccan Meatballs line delisted** as of Q1, 2023
- **Highland Game** still account for all the products in Tesco's Venison range – **no own label lines**



Source: Levercliff Retail Audits April 2023

Tesco Audits

- The most extensive range was in Scottish stores
- There was limited range in English stores outside of London
- In London there was limited availability of one product: Diced Venison

Sainsburys Audits

- While Sainsbury's has a **Game section within its meat aisle**, the Own Label burger line was in the Beef section
- Game lines were comprised mostly of Duck lines, with a Pheasant & Ostrich line
- One of the only retailers to list **an own label line**

Source: Levercliff Retail Audits April 2023

Sainsbury's Audits

- The retailer has a relatively small range
- However it is consistent across Scottish and other English Stores

Asda Audits

- Asda hasn't modified its Venison lines from the previous audit
- Highland Game account for all products in the range
- There were **no own label lines**
- Asda still had limited presence of venison lines outside of Scottish stores

Source: Levercliff Retail Audits April 2023

Morrisons Audits

- Highland Game Venison also dominant in Morrisons – **no own label lines**
- Lines were similar across Manchester, London and Edinburgh stores
- Availability for the burger line was poor

Not Listed
Manchester

Out of Stock
Manchester
Edinburgh
London

Source: Levercliff Retail Audits April 2023

Waitrose Audits

- Waitrose have the largest range of Venison lines that are mostly own label
- Ranging from cuts of meat to processed lines
- There most expensive product is sold on the meat counter: Venison Rack £55.00 per kg
- There are also 2 Highland Game SKU's available
- All of the products are available across all stores

Source: Levercliff Retail Audits April 2023

Discounter Audits

- Aldi generates £622k in Venison sales leading up to 2023 but this was down by 60% on previous year and **no lines were found in-store locally**
- Lidl was the same, though its annual sales was significantly lower at £42k
- Discounters sales are primarily driven by seasonal listings and those products **found online were listed as 'Out of Stock'**

No Venison among 50+ Red Meat SKU's

Out of Stock Aldi SKU's

Source: Levercliff Retail Audits April 2023/ Nielsen, Total GB Total Discounters Aldi/Lidl, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

Venison continues to be relatively under-developed with Tesco and Waitrose having the most extensive ranges.

Presence of Brands and Own Label Venison Products by Retailer		
	Brands	Own Label
Tesco	X	
Sainsbury's	X	X
Asda	X	
Morrisons	X	
Waitrose	X	X

Presence of Venison products outside London and Manchester			
	Edinburgh	Manchester	London
Tesco	X	X	X
Sainsbury's	X	X	X
Asda	X		
Morrisons	X	X	X
Waitrose	X	X	X

Brands still account for most of the ranges except for Waitrose where they have a wide range of own label products. There doesn't appear to be much change into ranging of venison across the country except in the Discounters.

Source: Levercliff Online Audits April 2023/ Nielsen, Total GB Total Coverage incl. Discounters, 52 weeks – w/e 08 April 2023; Note: Data reproduction or re-use is not permitted

The cost-of-living crisis is sparking new challenges for consumers which Venison producers will need to address…..

Meat & Poultry Trends Update 2022

This can be linked to affordability and ethical consumption, in addition to food variation and cooking techniques. An area where Venison is currently lacking surrounds the idea of innovation – manufacturers need to make it more accessible, exciting and informative for consumers.

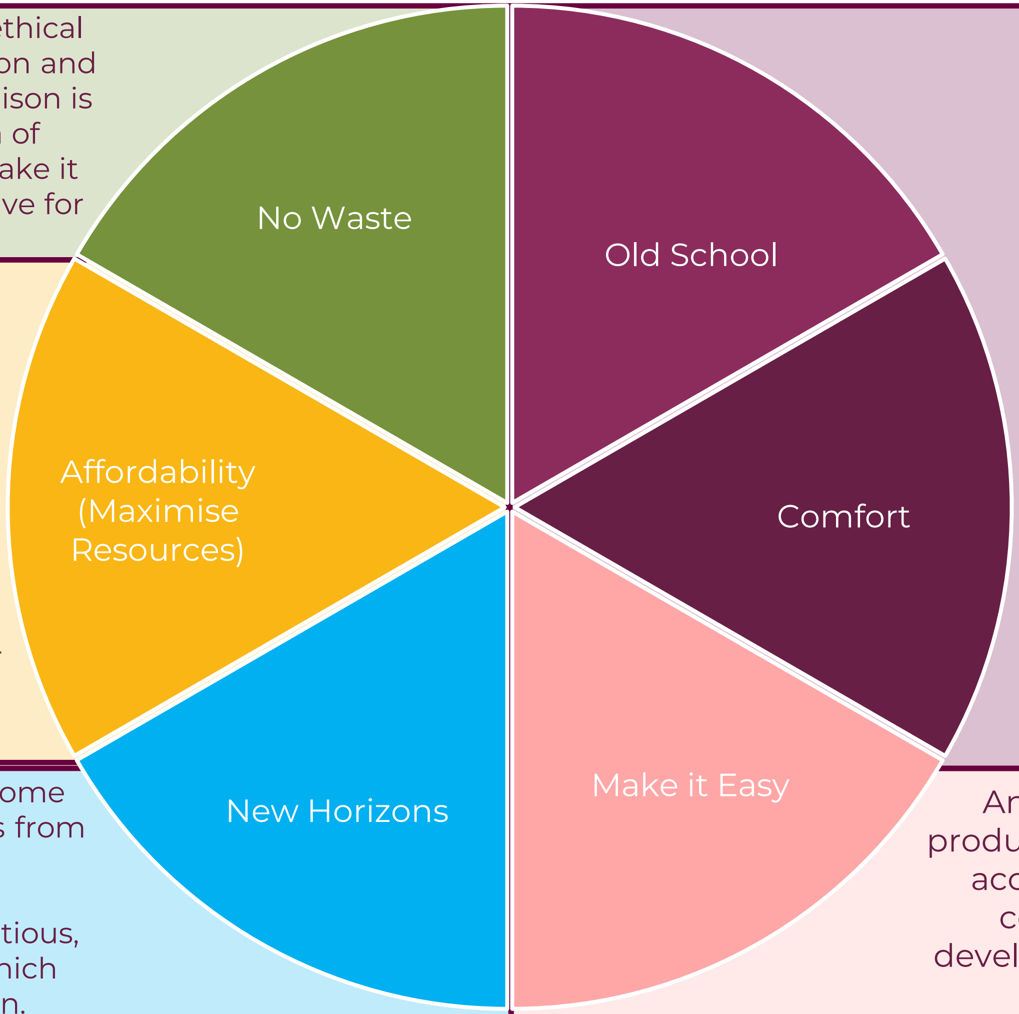
Venison is almost twice as high as beef.

Producers will have to consider products that can be developed that can offer a more affordable entry route into Venison.

Smaller snacking products with cheaper price points, include smaller amounts of venison in more Value-Added products or utilising cheaper cuts.

As meat has become more expensive some consumers will have higher expectations from the meat they consume.

They will want protein that is more nutritious, more sustainable and better quality which represents an opportunity for venison.



The Cost-of-Living crisis has forced many consumers to return to meals that they know.

Venison isn't a mainstream protein which places it at a disadvantage.

Producers have developed a range of venison products in familiar formats e.g. burgers, sausages and meatballs but because of their cost it does make them more prohibitive vs products from other proteins.

An area of opportunity for Venison producers is to develop more convenient, accessible and exciting products for consumers. Girl Gone Wild have developed a range of frozen ready meals which includes venison.

Source: The Food People: Meat & Poultry Category Update, 2022

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Thank you

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