Summary:

The rise of on-line food retailing is one greatest changes in the global food industry today. This innovation fundamentally changes consumers’ options to select and purchase their food. The objective of this project is to analyze consumer perceptions of their information needs for fresh beef on-line. Existing research on consumer preferences for fresh beef focuses on in-store purchases where the consumers have the opportunity to analyze the specific package of beef they will purchase in person. When shopping on-line, consumer information needs are likely to change as they can no longer analyze the beef in person. We investigate consumer preferences for origin, production, and processing information in an on-line shopping environment. We conducted interviews with 20 beef consumers living in Laramie, Wyoming (41% of Respondents); Los Angeles, California (25% of Respondents); and New York, New York (35% of Respondents). The interviews show that while consumers may shop for groceries on-line, they are less likely to buy beef on line compared to other products. Those consumers who consider or do buy beef on-line would like better means to inspect beef visually.
The everyday reality of grocery shopping is becoming a virtual one for an increasing percent of shoppers, especially in developed countries. Over the last few years, the entry of Amazon into the food retailing industry quickened food retailers’ deployment of grocery delivery and pick-up services. These changes reflect consumers’ increasing reliance on the internet for daily needs. It is not clear, however, how this will change their food demand or information needs. In this project, we focused on consumers’ on-line beef product information needs.

In 2018, Wyoming beef producers were pathing the way to integrate blockchain technology into product marketing. Blockchain not only offers the potential of clear traceability from the ranch gate and beyond; but also the capacity to inform consumers of a range of animal welfare, environmental, and social aspects of their meat products and the product’s origin. It is not clear, however, what range of attributes on-line shoppers find most important and at which point they may start to suffer from information overload. By and large, previous research on consumers’ demand for meat attributes assumes physical inspection in the store. This project moves such research into the modern era, examining consumer responses to interview questions about their interest in and use of information for on-line beef purchases.

In November 2018, Dr. Emilio Morales came from the University of New England in Armadale, Australia to the University of Wyoming. He set up residency to familiarize himself with the Wyoming Agriculture and develop a proposal for preliminary data collection with Dr. Mariah Ehmke in Agricultural and Applied Economics. He began with a visit to the Lone Tree Ranch in Uinta County. Marissa Taylor, a member of the ranch family and management team, hosted Drs. Ehmke and Morales. The Taylors
specialize in organic beef production, often direct-marketing their products on-line. Through our visit, we acquired insight into producers’ on-line marketing challenges and consumer marketing needs. The visit also contained many unexpected international connections as Ms. Taylor had lived and worked in Australia and frequents Chile, Dr. Morales’ home country.

Back at the University, Dr. Morales and Ehmke spent time surveying literature and developing an Internal Review Board (IRB) proposal to interview consumers about their on-line shopping experience and information needs. Upon receipt of IRB approval, Dr. Morales began interviewing local beef consumers. He continued interviewing consumers through his remaining travels in the United States, including stops in Los Angeles and New York City. In total, he interviewed 20 United States consumers, querying them about their knowledge of beef production, access to and use of on-line grocers, price sensitivity, and socioeconomic background.

Today, the collaborators have a working paper summarizing the interview results entitled “Buying fresh food in-store or online? How Product information affects purchase decisions among US beef consumers.” Over the next few months, they will seek additional funding to complement the current interview pool (balancing racial and ethnic minority representation across the locations) to finalize findings. They will then prepare the manuscript for publication in a consumer or agribusiness oriented journal.

Both researchers thank the Agricultural Experiment Station and Global Perspectives program for its support. This also complements efforts between their
departments to engage in undergraduate travel and education experiences.

Dr. Morales poses by an antique truck at the Lone Tree Ranch.