October 2001

Attracting Consumers With Locally Grown Products

Food Processing Center

Attracting Consumers With Locally Grown Products

PREPARED FOR:

THE NORTH CENTRAL INITIATIVE FOR SMALL FARM PROFITABILITY

A USDA—FUNDED PROJECT

PREPARED BY:

FOOD PROCESSING CENTER

INSTITUTE OF AGRICULTURE AND NATURAL RESOURCES

UNIVERSITY OF NEBRASKA – LINCOLN

143 FILLEY HALL, EAST CAMPUS

LINCOLN, NE 68583-0928

PHONE: 402/472-2832

FAX: 402/472-8831

OCTOBER 2001

Table of Contents

Executive Summary 3
Introduction 5
1.0 Food Purchasing Behavior/Inclination to Purchase Local 6
1.1 Locally Grown or Produced Food: Preferred Source of Purchase 14
1.2 Locally Grown or Produced Food: Pricing 16
1.3 Locally Grown or Produced Food: Products Purchased 18
1.4 Locally Grown or Produced Food: Source of Purchase 20
1.5 Locally Grown or Produced Food: Purchase Influences 21
1.6 Locally Grown or Produced Food: Increasing Purchases 22
2.0 Organic and All-Natural Purchasing 23
2.1 Organic and All-Natural Food: Product Availability 23
2.2 Organic and All-Natural Food: Pricing 24
2.3 Organic and All-Natural Food: Purchases 26
2.4 Locally Grown Organic & All-Natural Food: Products Purchased/Potential Purchases 27
2.5 Organic and All-Natural Foods: Purchase Influences 29
2.6 Organic and All-Natural Foods: Source of Purchase 30
2.7 Locally Grown Organic and All-Natural Food: Potential Purchases (Non-Buyers) 31
2.8 Reasons Why Consumers Haven't Purchased Organic and All-Natural Food (Non-Buyers) 32
2.9 Locally Grown Organic and All-Natural Food: Increasing Purchases (Non-Buyers) 33
2.10 Demographical Profile of Organic and All-Natural Buyers 34
3.0 Locally Grown and Produced Meat 35
3.1 Meat Consumption 35
3.2 Attributes Important to Meat Purchasing 36
3.3 Direct Purchase of Meat 44
3.4 Demographical Profile of Consumers Who Purchase Meat Direct 45
3.5 Direct Purchase of Meat: Purchased Influences 46
3.6 Reasons Why Consumers Haven't Purchased Meat Direct 47
3.7 Locally Grown or Produced Meat: Pricing 48
3.8 Types of Meat Purchased 49
3.9 Chicken: Reasons for Purchase 50
3.10 Chicken: Frozen vs. Non-Frozen Preference 51
3.11 Chicken: Preferences on Form Purchased 52
3.12 Pastured Poultry & Free Range Chicken: Awareness & Consumption 54
3.13 Pastured Poultry & Free-Range Chicken: Source of Purchase 56
3.14 Pastured Poultry & Free-Range Chicken: Pricing 57
3.15 Demographical Profile of Pastured Poultry & Free-Range Chicken Buyers 58
3.16 Pastured Poultry & Free-Range Chicken: Potential Purchases 59
3.17 Demographical Profile of Pastured Poultry & Free-Range Chicken Potential Buyers 60
3.18 Pastured Poultry & Free-Range Chicken: Purchasing Influences (Non-Buyers) 61
3.19 Pastured Poultry & Free-Range Chicken: Preferred Source of Purchase (Non-Buyers) 62
3.20 Pastured Poultry & Free-Range Chicken: Pricing (Non-Buyers) 64
4.0 Demographical Profile of Sample 65
5.0 Conclusions 66
6.0 Survey Instrument 69

Executive Summary

This report summarizes the initial findings of a survey of 500 households in the states of Nebraska, Iowa, Missouri and Wisconsin. The primary grocery shopper in the household was surveyed for their attitudes and opinions on locally grown and produced food[1], organic and all-natural food and meat purchasing behaviors.

To access a respondent's purchasing behavior, each respondent was asked to rank the importance of twelve attributes in determining the product or brand they purchase. The attributes most important to consumers in the region[*] include taste, quality, nutrition/healthfulness, and price. Seven in ten respondents said that it was very or extremely important that their purchase supported a local family farm and was locally grown or produced. The respondents also showed a great deal of interest in purchasing locally grown or produced products from several different sources including the grocery store, farmer's market, local farmer (direct), and restaurant and/or cafeteria.

Nearly all (99%) of the respondents have purchased locally grown or produced food at one time or another. Over half of the households have purchased locally grown or produced beef, pork, chicken and cheese, and that proportion could increase significantly if locally grown or produced products were more widely available. However, when determining the price that respondents were willing to pay locally grown or produced products, 48% would prefer to pay an amount equal to the "typical retail price" for the item. Consequently, a consumer needs to be convinced that a price premium for locally grown or produced products is justified because of the attributes (analyzed in this report) that are most important to consumers. Among those who have purchased locally grown or produced food, 81% have purchased these items from a farmer's market, while approximately 75% have purchased from a grocery store and/or direct from a local farmer. The top three reasons for purchasing locally grown or produced products were freshness, better taste, and the opportunity to support local farmers.

The terms organic and all-natural were not defined for the respondents. Therefore, the results are based upon the consumer's perception of what constitutes organic and/or all-natural food. Seventy-one percent of the households said that organic and/or all-natural products were available in their local area. The organic and all-natural market is substantial with 35% of the households in the region reporting they have purchased organic foods, 36% saying they have purchased all-natural foods, and 27% indicating they have purchased both. However, when determining the price respondents were willing to pay for these items, about half preferred to pay a price equal to the typical retail price for a "conventional" item. Among households who have purchased organic and all-natural foods, 34% to 48% have purchased *locally grown* organic or all-natural beef, pork, chicken, and cheese, and these percentages could increase significantly if there was more product availability.

Among those who have not purchased organic or all-natural foods, at least 58% would purchase *locally grown* organic and/or all-natural products if available. Among this group of respondents, the top reasons for *not* purchasing were that they had no interest or need; the products were too expensive; products were not available; and that they needed more information (knowledge) about the products. Those who have not purchased organic and all-natural products stated they would be influenced to purchase *locally grown* organic and/or all-natural foods if the product's price was more

[1] Food that was grown on a local family farm or made by a small local company
[*] Nebraska, Iowa, Wisconsin, and Missouri

reasonable, competitive, or comparable to mainstream food products and if the products were more widely available.

More than 70% of those who have purchased organic and all-natural food purchased their products from a farmer's market and/or a conventional grocery store, while 46% have purchased the products from an organic or natural foods store. The top ranked reasons why these consumers purchase organic and all-natural foods are that the foods have no chemicals, pesticides, herbicides, or antibiotics; are healthy and/or nutritious; and simply because they taste better.

Over half of all respondents (53%) consume meat six to seven days a week with 42% eating meat every day. The respondents were asked to rank the importance of seventeen attributes in selecting the meat that they purchase. Food safety was the top ranked attribute followed by quality, USDA. inspection, tenderness, juiciness, and farm fresh taste. Price was ranked sixth among these attributes.

Over half of the households in the region have purchased meat direct from a farmer or farmer's market. Nearly half of the respondents (47%) would prefer to pay a price equal to the typical price for meat. However, if locally produced meat met the consumer's needs such as food safety, (high) quality, USDA inspection, tenderness, juiciness, and farm fresh taste, then a premium price may be asked for the products.

Among those who have purchased meat direct from a farmer, 47% were influenced to do so because they knew who raised the animals. Among respondents who have not purchased meat direct, 61% stated that product was not available or convenient for them to buy.

Consumers purchase chicken primarily because they like the taste and they believe the product is nutritious and healthy. However, if local chicken producers want to reach the greatest proportion of the population they should offer boneless and/or skinless chicken that is not frozen and is packaged in certain parts such as all breasts.

Among those who purchase chicken, nearly 11% have heard of pastured poultry, while 4.6% have purchased this product. Thirty-five percent of the households have heard of free-range chicken, while 11% have purchased it. Among those who have purchased pastured poultry or free-range chicken, 61% have purchased the product direct from a local farmer.

Among those who have purchased pastured poultry or free-range chicken, 37% prefer to purchase this product at a price equal to the typical retail price for chicken. However, if this product met the consumer's needs such as food safety, (high) quality, USDA inspection, tenderness, juiciness, and farm fresh taste, then a premium price may be asked for the products.

The annual income among those who have purchased pastured poultry or free-range chicken is significantly higher than the sample as a whole. However, the potential pastured poultry and/or free-range chicken buyers have similar demographics to the entire sample of respondents. Among those who have not purchased pastured poultry or free-range chicken, 24% would try the product if it had a reasonable, competitive, or comparable price. In addition, the vast majority of households who have not purchased pastured poultry or free-range chicken would prefer to purchase this product from a conventional grocery store.

Introduction

A representative sample of 500 head of households who are the primary or joint household grocery buyer was interviewed by telephone during the period of August 20 to September 6, 2001. The systematic random sample included 100 households in Nebraska, 100 households in Iowa, 150 households in Wisconsin, and 150 households in Missouri. Each of the four independent samples is projectable to all households located in each of the respective four-state segments of the region. Age quotas were set so that the age demographics of the sample were within ±10% of the actual population for heads of households who are the primary or joint household grocery buyer age 18 to 34, 35 to 54, and 55 and over.

The consumer survey had three central purposes:

(1) To estimate the size of the current and potential market for locally grown, produced, and labeled food. A secondary purpose was to determine the characteristics that surround this market. These market characteristics will help a producer determine why a buyer would purchase or not purchase locally grown food, which locally grown products they presently or will potentially buy, the price they are willing pay in relation to food that is not grown locally, and where these buyers currently purchase or would like to purchase locally grown or produced food.

(2) To estimate the size of the current and potential market for locally grown pastured poultry and free-range chicken. A secondary purpose was to determine the characteristics that surround this market. These market characteristics will help a producer determine in what form consumers presently buy their chicken, their awareness of pastured poultry and free range chicken, their desired price in relation to conventional chicken, and where they currently purchase or would like to purchase pastured poultry and free-range chicken.

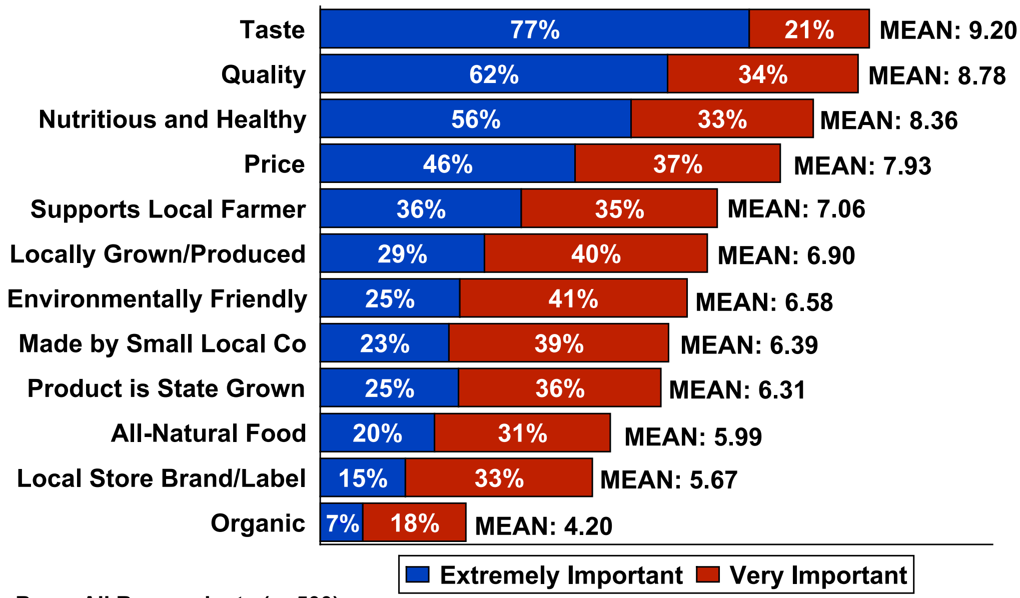
(3) To estimate the size and determine the market characteristics of the current and potential organic and all-natural food market.

This report summarizes the initial findings of the study. The sample of 500 households has a *maximum* standard error range of ±4.4% at a 95% level of confidence, although some individual questions may have a lower error range. This means that the percentages reported for the entire sample of 500 households will not vary by *more* than 4.4% in 95 out of 100 cases.

The report begins with the results of an assessment of twelve attributes and how the respondents rank these attributes according to their importance in selecting the brands or products they purchase (section 1.0). Section one then turns its focus to locally grown and produced foods. The purpose of this section is to determine why a buyer would purchase or not purchase locally grown or produced food, which products they presently or will potentially buy, the price they are willing pay in relation to food that is not locally grown or produced, and where they currently purchase or would like to purchase their locally grown food. In section two, the organic and all-natural foods market is analyzed in a similar fashion. In section three, the focus shifts to meat with an emphasis on free-range chicken and pastured poultry current and potential purchases.

1.0 Food Purchasing Behavior/Inclination to Purchase Local

Q. How important are the following in selecting the brands or products that you purchase? Rate on a scale of 1 to 10 with 1 being Not Important and 10 as Extremely Important.



Base: All Respondents (n=500)

All respondents were asked to rank the importance (on a scale of 1 to 10 with 1 as not at all important and 10 as extremely important) of twelve attributes in determining the products or brands they purchase. Taste was the top ranked attribute. Nearly all (98%) of the respondents said that taste was very or extremely important[2] in brand or product selection. The average (mean) rating of this attribute was a 9.2 (on a scale of 1 to 10). Product quality and nutrition/healthfulness were also top ranked attributes with mean (average) scores of 8.8 and 8.4 respectively. Price was ranked fourth with 46% saying that the price of an item was extremely important to their purchase.

Seven in ten respondents said that it was very or extremely important that their purchase supported a local family farm (average score of 7.06) and was locally grown or produced (average score 6.9). Only 7.6% of the population depicted locally grown or produced products as "not important[3]" in product or brand selection, this finding is very important to the promotion of locally grown products. More than 60% of the households said that it was very or extremely important that a small local company makes the products they are purchasing and that the products are grown in their state[4].

[2] Throughout this report "Very or Extremely Important" will designate that a respondent answered the question with a rating of six or above with "Very Important" designating a response of 6, 7, or 8 and "Extremely Important" designating a response of 9 or 10.

[3] "Not Important" designates that a respondent answered the question with a rating of one or two.

[4] This part of the question was phrased "how important is it that the product is (Iowa, Nebraska, Missouri, or Wisconsin) grown?

A smaller percentage of respondents said that the attributes of "all-natural"(5.99 mean), a local store brand (5.67 mean), and organic (4.20 mean) were important in brand or product selection. All-Natural products had a greater appeal than organic products where only 25% ranked "organic" as very or extremely important.

Each of the attributes can be broken down into different sub-groups[5] by place of residence or income level to further analyze their impact on a consumer's purchase. This analysis begins with a focus on the attribute of "price" because of its importance to producers. The attributes will then be analyzed in the order of their importance to consumers.

The Importance of Price

	Extremely Important								**Not Important**		**Mean**
	10	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**	**Score**
Urban & Suburban Areas	29.7%	9.1%	21.1%	13.1%	9.7%	14.3%	0.6%	1.1%	0.0%	1.1%	7.77
Small Town & Rural Areas	38.1%	11.2%	18.6%	8.3%	5.4%	14.4%	1.3%	0.3%	0.6%	1.6%	8.03
Entire Sample	35.2%	10.3%	19.5%	10.1%	7.0%	14.1%	1.4%	0.6%	0.4%	1.4%	7.93

As the table above demonstrates, the price of an item is highly important to consumers, regardless of residence. However, price is significantly more important in small town and rural areas. Thirty-eight percent of the small town and rural households gave price a 10 or the highest ranking of importance, while less than 30% of those in urban and suburban areas responded with a 10 on this question. Among those in small towns and rural areas, 68% responded with an 8, 9, or 10, compared to just 60% of the urban and suburban dwellers. Consequently, a producer may want to use a different pricing strategy in small towns or rural areas than in urban or suburban areas.

[5] The use of the word sub-group throughout this report refers to a group of respondents that is separated from the sample of 500 households for analytical purposes. The various sub-groups will have a higher standard error range than the population as a whole (see the Introduction section for more information on standard error ranges).

Food Purchasing Behavior/Inclination to Purchase Local by Place of Residence

The table below shows the results of the top four ranked attributes (taste, quality, nutrition/healthfulness and price) by place of residence. Overall, there was little variation among the different sub-groups. However, households in Missouri had a higher proportion of the population stating that price was extremely important compared to the other states.

Product's Taste	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	77	79	76	75	79	79	76	75	78
Very Important	21	20	23	22	19	19	22	23	21
Somewhat Important	1	1	1	2	1	0	2	1	1
Not Important	1	0	0	1	1	2	0	1	0
Mean (Average Response)	**9.20**	**9.33**	**9.16**	**9.12**	**9.32**	**9.12**	**9.19**	**9.15**	**9.30**

Product's Quality	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	62	69	61	59	61	59	59	66	62
Very Important	34	28	33	36	36	36	37	31	34
Somewhat Important	4	4	4	4	3	4	4	3	4
Not Important	0.4	0	1	1	0	1	0	1	0
Mean (Average Response)	**8.78**	**8.98**	**8.67**	**8.65**	**8.88**	**8.59**	**8.69**	**8.89**	**8.86**

Product is Nutritious and Healthy	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	55	55	52	53	61	55	60	54	54
Very Important	33	33	35	32	30	32	33	34	31
Somewhat Important	11	10	13	14	6	9	7	11	14
Not Important	1	2	0	1	3	4	0	1	1
Mean (Average Response)	**8.36**	**8.28**	**8.29**	**8.25**	**8.58**	**8.15**	**8.65**	**8.34**	**8.34**

Product's Price	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	45	39	39	50	48	46	45	40	51
Very Important	37	43	45	32	33	37	35	41	33
Somewhat Important	16	17	15	16	16	15	18	18	14
Not Important	2	1	1	2	3	2	1	1	3
Mean (Average Response)	**7.93**	**7.78**	**7.76**	**8.07**	**7.99**	**7.90**	**7.89**	**7.80**	**8.12**
Approximate Base (n=)	500	83	93	169	145	100	100	150	150

Food Purchasing Behavior/Inclination to Purchase Local by Place of Residence (Continued)

Product's Purchase Supports a Local Family Farm	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	36	30	30	34	46	35	39	36	34
Very Important	35	31	34	41	33	39	30	36	35
Somewhat Important	20	31	29	16	11	21	23	17	21
Not Important	9	9	7	10	10	4	8	12	10
Mean (Average Response)	**7.06**	**6.60**	**6.83**	**7.05**	**7.55**	**7.21**	**7.06**	**6.99**	**7.04**

Product is Locally Grown & Produced	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	29	21	25	29	37	26	31	28	32
Very Important	40	40	41	40	41	47	34	44	34
Somewhat Important	23	30	28	25	12	22	28	19	25
Not Important	8	9	6	6	10	5	6	9	9
Mean (Average Response)	**6.90**	**6.41**	**6.72**	**6.91**	**7.33**	**7.02**	**6.90**	**6.96**	**6.77**

Environmental Friendly	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	25	22	21	24	30	18	24	28	27
Very Important	41	46	43	37	40	47	40	39	38
Somewhat Important	24	23	24	31	17	20	29	24	25
Not Important	10	10	12	7	13	15	6	10	10
Mean (Average Response)	**6.58**	**6.60**	**6.37**	**6.52**	**6.80**	**6.29**	**6.55**	**6.67**	**6.71**

Product is Made by a Small Local Company	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	23	16	21	25	26	17	27	21	26
Very Important	39	38	36	37	47	44	32	44	36
Somewhat Important	26	33	29	28	18	27	33	20	28
Not Important	11	13	14	10	10	12	7	14	11
Mean (Average Response)	**6.39**	**5.85**	**6.09**	**6.45**	**6.84**	**6.18**	**6.51**	**6.44**	**6.41**

Product is STATE* Grown	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	25	17	18	27	30	24	32	23	22
Very Important	36	36	38	35	38	34	30	45	33
Somewhat Important	26	33	31	26	19	32	27	17	31
Not Important	13	14	13	12	13	10	10	15	14
Mean (Average Response)	**6.31**	**5.87**	**5.97**	**6.41**	**6.64**	**6.28**	**6.62**	**6.34**	**6.08**
*State interviewer was calling was inserted									
Approximate Base (n=)	500	83	93	169	145	100	100	150	150

About one-third (32%) of the Iowa households said that it was extremely important to purchase products that were “Iowa” grown (see table above) compared to 22-24% in the other states surveyed. Overall, rural households were significantly more supportive of purchasing "locally grown or produced food" and products that "support a local family farm" than urban dwellers.

Food Purchasing Behavior/Inclination to Purchase Local by Place of Residence (Continued)

Product is an All-Natural Food	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	20	23	19	17	23	19	18	17	26
Very Important	31	29	39	26	34	30	28	28	37
Somewhat Important	36	34	28	45	30	35	41	40	27
Not Important	13	14	14	12	13	15	12	14	10
Mean (Average Response)	**5.99**	**6.02**	**6.00**	**5.65**	**6.27**	**5.76**	**5.73**	**5.79**	**6.51**

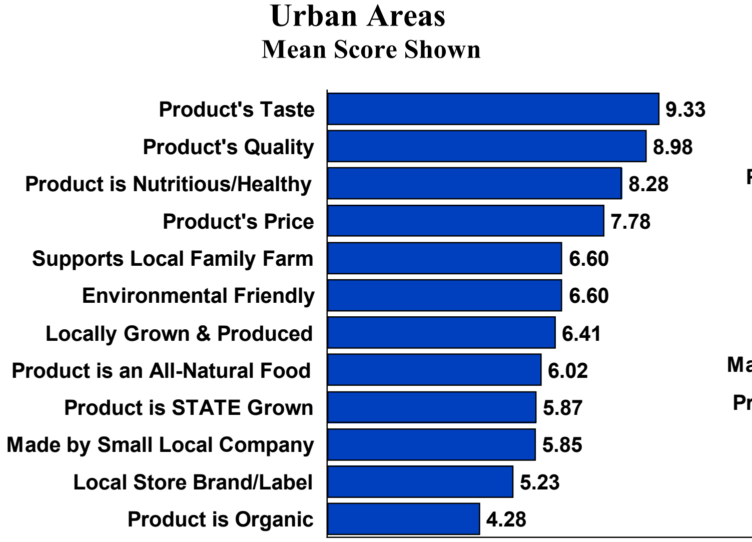
Product is a Local Store Brand/Label	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	15	10	9	17	20	7	18	18	16
Very Important	34	31	39	29	35	37	32	33	33
Somewhat Important	35	39	39	37	31	44	36	29	35
Not Important	16	20	14	17	14	12	14	20	16
Mean (Average Response)	**5.67**	**5.23**	**5.58**	**5.54**	**6.07**	**5.45**	**5.82**	**5.62**	**5.76**

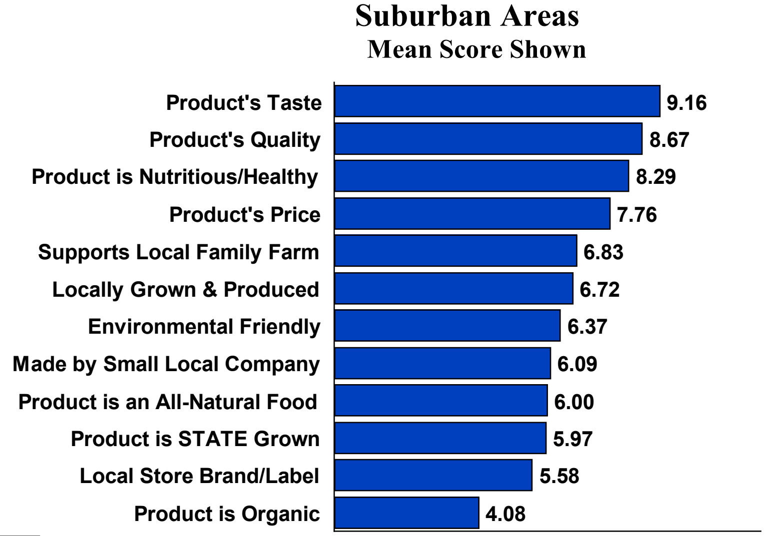
Product is Organic	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	8	6	6	8	9	7	4	8	10
Very Important	18	28	17	13	21	22	17	18	17
Somewhat Important	40	30	43	48	32	31	45	41	41
Not Important	34	36	33	31	38	40	33	34	32
Mean (Average Response)	**4.20**	**4.28**	**4.08**	**4.14**	**4.29**	**4.08**	**3.87**	**4.26**	**4.46**
Approximate Base (n=)	500	83	93	169	145	100	100	150	150

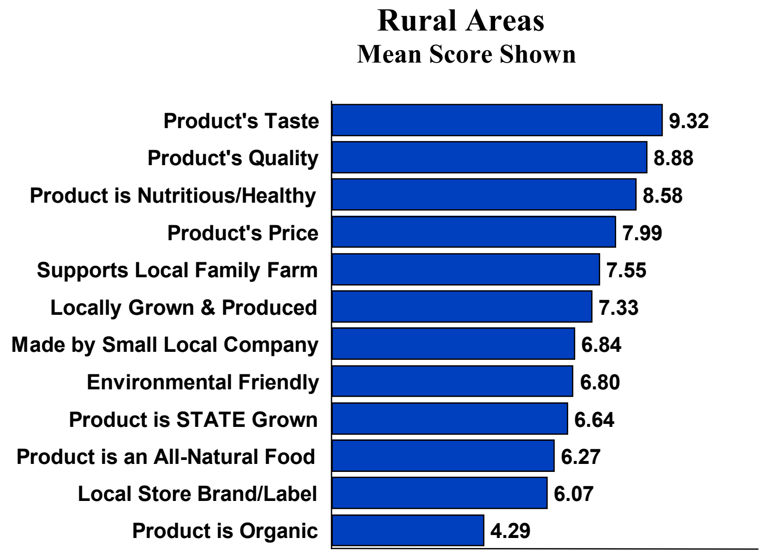
Those residing in rural areas, as well as those in Missouri had the greatest degree of interest (highest mean scores) in all-natural foods (see above). Rural households were significantly more interested in purchasing products that carried a local store brand or label (20% extremely interested) compared to urban and suburban dwellers (9-10% extremely interested). Only 4% of the Iowa households said that organic products were extremely important to them.

The Importance of Attributes Ranked by Mean Score

The graphs below show the mean or average score for the various attributes assessed in the question according to residence (urban, suburban, small town, and rural). The attributes are ranked by their order of importance to the households in the sub-group.



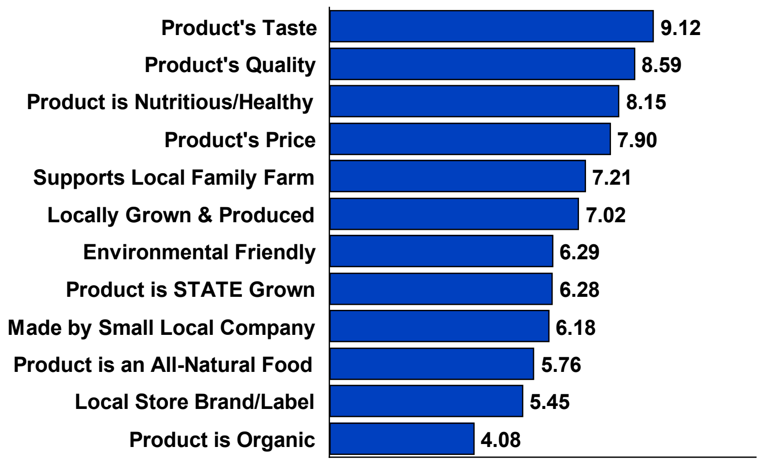




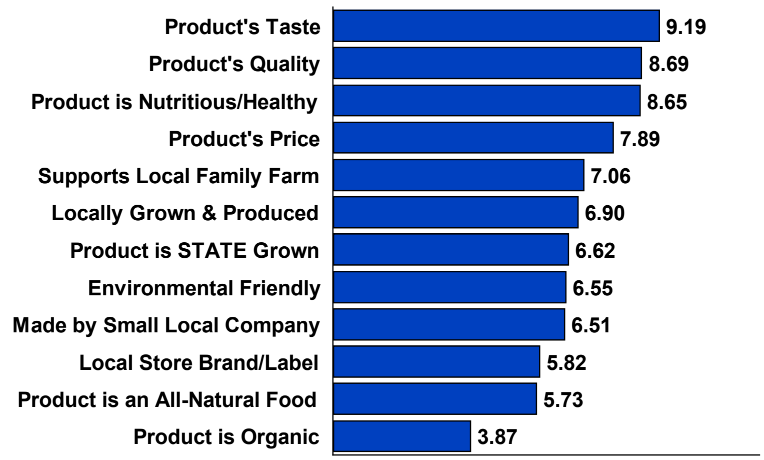
<u>The Importance of Attributes Ranked by Mean Score</u>

The graphs below show the mean or average score for the various attributes assessed in the question according to state. The attributes are ranked by their order of importance to the respondents in the sub-group.

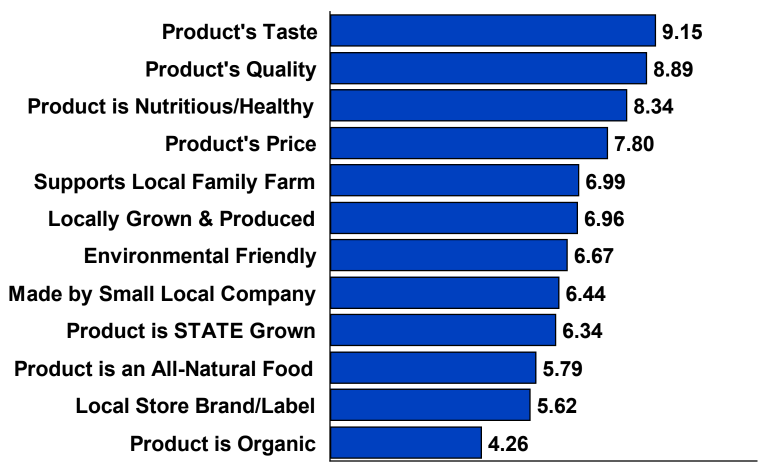
Nebraska
Mean Score Shown



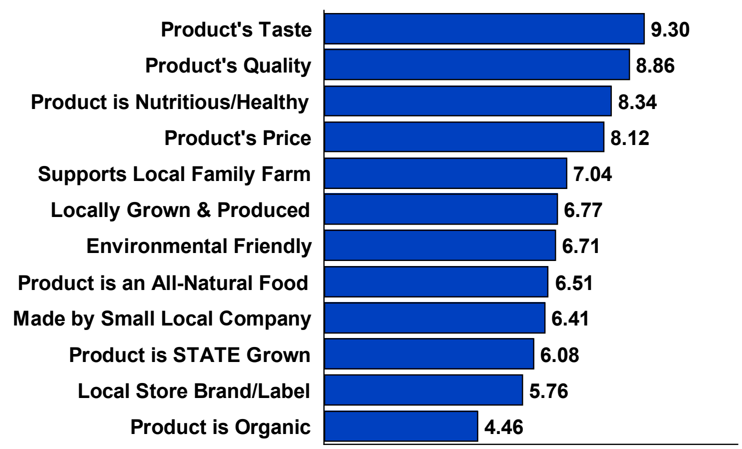
Iowa
Mean Score Shown



Wisconsin
Mean Score Shown



Missouri
Mean Score Shown



Importance of Selected Attributes by Household Income

The table below illustrates that the price of the item becomes *less* important as household income increases. Eighty-two percent of *all* respondents said that the price of an item was very or extremely important compared to 64% of those with a household income of $100,000 or more. The importance of products grown within a respondent's state also tends to *decrease* as income level increases. Sixty-one percent of *all* respondents said that STATE[6] grown was very or extremely important compared to 42% of those with a household income of $100,000 or more. The importance of purchasing products that "support a local family farmer" *decreased* as income increased. Seventy-one percent of *all* respondents said that this aspect was very or extremely important compared to 60% of those with an annual income of $100,000 or more. However, a respondent's income had little effect on the attribute of "product is locally grown or produced".

		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Up**
Price	**%**	**%**	**%**	**%**	**%**	**%**
Extremely Important	45	47	53	43	41	24
Very Important	37	35	37	40	37	40
Somewhat Important	16	15	11	17	17	31
Not Important	2	4	0	0	4	4

		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Up**
Product is STATE Grown	**%**	**%**	**%**	**%**	**%**	**%**
Extremely Important	25	35	25	18	19	20
Very Important	36	32	39	40	38	22
Somewhat Important	26	18	24	27	26	47
Not Important	13	15	12	14	17	11

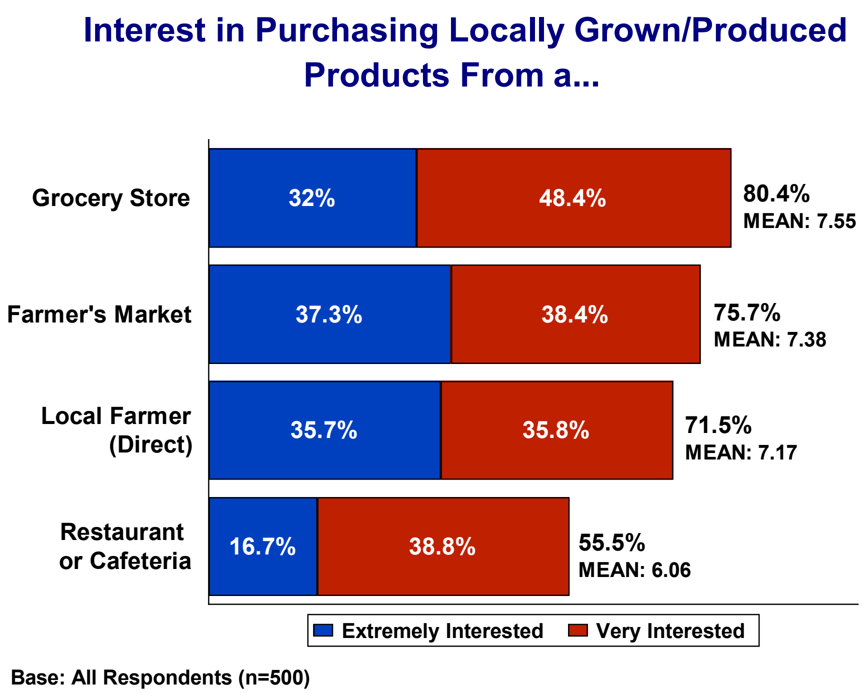
		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Up**
Prod Supports a Local Family Farmer	**%**	**%**	**%**	**%**	**%**	**%**
Extremely Important	36	32	37	37	28	24
Very Important	35	38	38	33	33	36
Somewhat Important	20	18	15	23	28	29
Not Important	9	12	9	7	11	9

		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Up**
Locally Grown or Produced	**%**	**%**	**%**	**%**	**%**	**%**
Extremely Important	29	34	29	26	23	27
Very Important	40	38	42	39	36	40
Somewhat Important	23	19	20	28	30	29
Not Important	8	9	9	7	11	4
Approximate Base	497	75	149	118	47	45

[6] The state in which a respondent lives

1.1 Locally Grown or Produced Food: Preferred Source of Purchase

Q. If available, how interested would you be in purchasing locally grown or produced food from the following sources? Please rate your interest level on a scale of 1 to 10 with 1 being Not at All Interested and 10 being Extremely Interested.



When asked to rate their level of interest in purchasing locally grown or produced food from four different sources, 80% were very or extremely interested in purchasing locally grown or produced products from a grocery store (average or mean score of 7.55). The respondents were also very supportive of purchasing locally grown or produced food from a farmer's market (76 %) and direct from a local farmer (72%). This data illustrates a unique opportunity for producers or groups of producers to direct market their products--if the consumer's product needs are met (see attributes under section 1.0). It is interesting to note that the farmer's market and the local farmer direct categories each had more than 35% of the respondents saying that they were extremely interested in purchasing locally grown or produced food from these sources. Over half (55.5%) were very or extremely interested in purchasing locally grown or produced food from a restaurant or cafeteria, presenting another potential market for these products.

Locally Grown or Produced Food: Preferred Source of Purchase by Place of Residence

From a Grocery Store	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	32	34	30	31	34	30	37	27	35
Very Interested	48	51	52	49	45	55	46	55	39
Somewhat Interested	18	13	16	18	20	13	16	17	23
Not Interested	2	2	2	2	1	2	1	1	3
Mean (Average Response)	**7.55**	**7.64**	**7.58**	**7.47**	**7.60**	**7.61**	**7.70**	**7.54**	**7.42**

From a Farmer's Market	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	37	34	29	39	42	34	36	38	40
Very Interested	38	40	44	35	41	37	41	40	36
Somewhat Interested	18	20	23	20	10	22	15	19	16
Not Interested	6	6	4	7	8	7	8	3	8
Mean (Average Response)	**7.38**	**7.23**	**7.08**	**7.32**	**7.73**	**7.11**	**7.32**	**7.54**	**7.45**

Direct from a Local Farmer	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	36	25	30	36	44	37	33	34	38
Very Interested	36	43	35	39	30	27	39	41	35
Somewhat Interested	21	24	24	18	21	27	22	17	20
Not Interested	7	7	11	7	6	9	6	8	7
Mean (Average Response)	**7.17**	**6.77**	**6.77**	**7.28**	**7.52**	**6.88**	**7.09**	**7.23**	**7.35**

From a Restaurant	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	17	18	11	15	21	16	18	14	20
Very Interested	39	39	41	44	32	43	37	37	39
Somewhat Interested	33	32	35	33	32	29	35	36	30
Not Interested	12	11	13	8	15	12	11	13	12
Mean (Average Response)	**6.06**	**6.23**	**5.70**	**6.21**	**6.01**	**6.18**	**6.06**	**5.78**	**6.24**
Approximate Base (n=)	500	83	93	169	145	100	100	150	150

The above table breaks down the importance of the various sources of distribution by residence. Respondents living in rural areas were more likely to have an interest in purchasing direct from a local farmer or a farmer's market (average of 7.52 and 7.73 respectively on a scale of 1 to 10) compared to those living in urban or suburban areas (average of 6.77 and 7.23,7.08 respectively). However, this lower (but still positive) degree of interest among urban buyers could be the lack of availability/convenience of farmer's markets and farmer direct purchase rather than that they (urban dwellers) have less interest in purchasing from farmers or farmer's markets. In other words, the grocery store is more convenient for urban and suburban dwellers, and if available, they are more likely to purchase locally grown or produced products from their local grocery store.

1.2 Locally Grown or Produced Food: Pricing

Q. If available, what is the **most** *you are willing to pay for locally grown or produced food?*

Base: All Respondents (n=500)

When asked what was the *most* they were willing to pay for locally grown or produced food, nearly half (48%) of the respondents stated they were willing to pay a price that was equal to the typical retail price for the item, while approximately 36% were willing to pay a 10% premium for these products. Hence, it is not advisable to market locally grown or produced food merely as "locally grown", a consumer needs to be convinced that it is worth a premium of 15, 20 or even 25% to buy these products because of the attributes listed in section 1.0, especially those that rank above price (taste, quality, and nutrition/healthfulness).

Locally Grown or Produced Food: Pricing by Residence and Income

Price	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Less than the typical retail price	7	10	9	6	6	5	8	6	9
Equal to the typical retail price	48	49	45	54	40	53	55	45	43
10% above	36	36	38	27	45	34	31	37	39
25% above	5	4	5	7	5	6	5	4	7
More than 25% above	2	0	2	2	3	1	0	5	0
Don't Know	2	1	1	4	1	1	1	3	2
Base (n=)	500	83	93	169	145	100	100	150	150

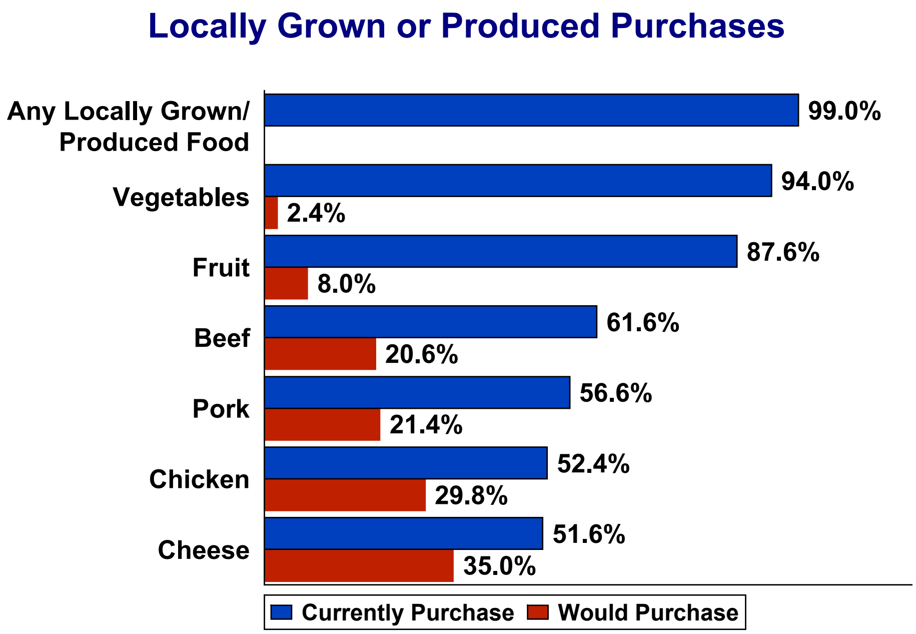
As seen in the table above, rural areas have a higher percentage of respondents willing to pay a 10% premium for locally grown or produced foods. There was little variation among the subgroups in a respondent's willingness to pay a price premium of 25% or more. Again, few consumers will pay a premium of 25% or more unless they are influenced by the attributes such as taste, quality, and nutrition/healthfulness.

As seen below, the likelihood of a respondent paying a premium of 10% on locally grown or produced food did increase with income. However, a higher income level had little effect on a respondent's willingness to pay a premium of 25% or more.

		HOUSEHOLD INCOME				
Price	Total %	< 25K %	25 - 50K %	50 - 75K %	75 - 100K %	100K & Over %
Less than the typical retail price	7	13	10	4	2	4
Equal to the typical retail price	48	48	55	47	43	36
10% above	36	31	27	39	45	51
25% above	5	7	3	7	6	9
More than 25% above	2	0	2	2	4	0
Base (n=)	500	75	151	119	47	45

1.3 Locally Grown or Produced Food: Products Purchased

Q. Which of the following locally grown or produced foods has someone in your household purchased? If an item was not purchased: if, available, would you purchase this item?



Base: All Respondents (n=500)

Nearly all (99%) of the respondents have purchased a locally grown or produced food at one time or another. Sixty-two percent have purchased locally grown or produced beef with an additional 21 percent saying that they would purchase the product if it were available in their area. Fifty-seven percent have purchased local pork with another 21% saying that would purchase if it were available. Although just over half of the respondents have purchased locally grown or produced chicken and cheese, another 30% would purchase local chicken and an additional 35% would purchase locally produced cheese if it were available in their area.

There are two important concepts to remember when analyzing this data. First, the survey respondents where asked if someone in their household had *ever* purchased these locally grown or produced products. Some of these respondents may have only purchased once, while some may have purchased on a weekly basis. It is impossible to distinguish between these groups. The important detail is that the shopper *did* purchase the product during at least one of their shopping trips and they can now be classified not just as buyers but future potential buyers if the product was more convenient to purchase and met their other product needs (see section 1.0).

Secondly, some of these consumers may *think* they have purchased a locally grown product or assumed it was locally grown when it really wasn't. The important point is that the consumer perceived that they purchased a locally grown or produced product. So, if locally grown products were available and advertised as such, these shoppers may be more inclined to purchase the products.

Locally Grown or Produced Food: Products Purchased by Residence

	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Vegetables									
Have Purchased	94	94	92	95	94	96	94	92	95
Would Purchase	2	1	4	3	1	2	0	5	2
Fruit									
Have Purchased	88	89	89	87	87	83	82	89	93
Would Purchase	8	4	6	11	8	12	11	8	3
Beef									
Have Purchased	62	59	42	67	71	71	66	57	57
Would Purchase	21	19	26	21	17	17	25	21	20
Pork									
Have Purchased	57	51	40	59	68	66	64	47	55
Would Purchase	21	22	23	26	17	18	21	25	21
Chicken									
Have Purchased	52	59	41	53	56	65	55	48	47
Would Purchase	30	24	33	34	28	21	33	33	31
Cheese									
Have Purchased	52	58	49	48	55	26	36	85	46
Would Purchase	35	28	33	40	34	56	48	11	37
Base (n=)	500	83	93	169	145	100	100	150	150

The table above breaks out the locally grown or produced products that consumers have purchased and the percent that would purchase (if product was available) by a respondent's residence. There appears to be a potential opportunity for the locally grown beef, pork, and chicken market to grow if more products were available. The percent indicating that they would purchase locally grown or produced cheese (if product was available) was 40% in small towns, 48% in Iowa and 56% in Nebraska.

Overall, 99% of the households have purchased locally grown or produced food at one time or another. To the 1% that didn't we posed two questions:

Q. Why haven't you purchased locally grown or produced foods?

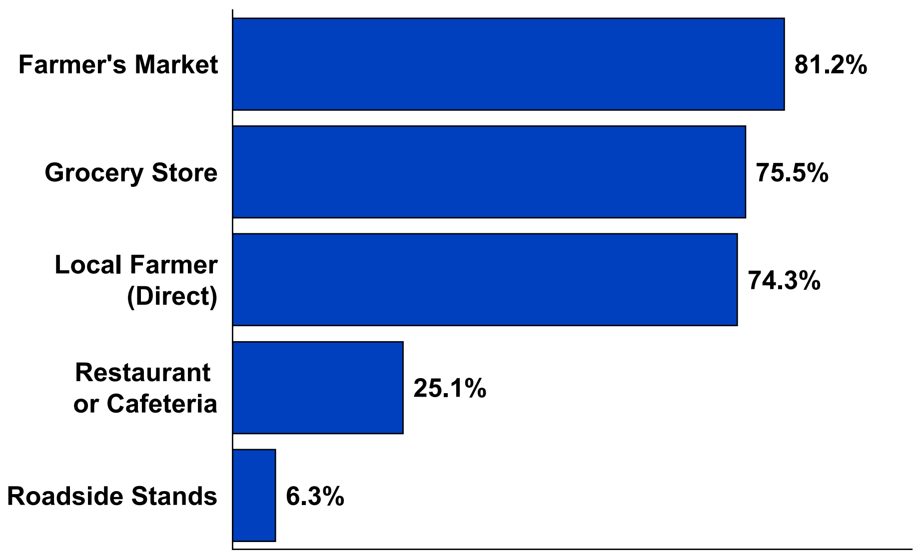
This question was asked to six households. Their responses included that they had no interest or need and that they grow their own food.

Q. What would influence you to buy locally grown or produced foods?

Among the same six respondents, the responses included that they would purchase locally grown or produced foods if the prices were reasonable, competitive or comparable.

1.4 Locally Grown or Produced Food: Source of Purchase

Q. *Where have you purchased locally grown or produced food?*
Multiple Responses Accepted



Base: Those who purchase local (n=494)

Among those who have purchased locally grown or produced food, more that eight in 10 (81.2%) have purchased from a farmer's market, while approximately 75% have purchased from a grocery store and/or direct from a local farmer making all three of the sources an excellent way to distribute locally grown products. One fourth (25.1%) of these buyers have purchased locally grown or produced products from a restaurant or cafeteria, while 6.3% have purchased from a roadside stand.

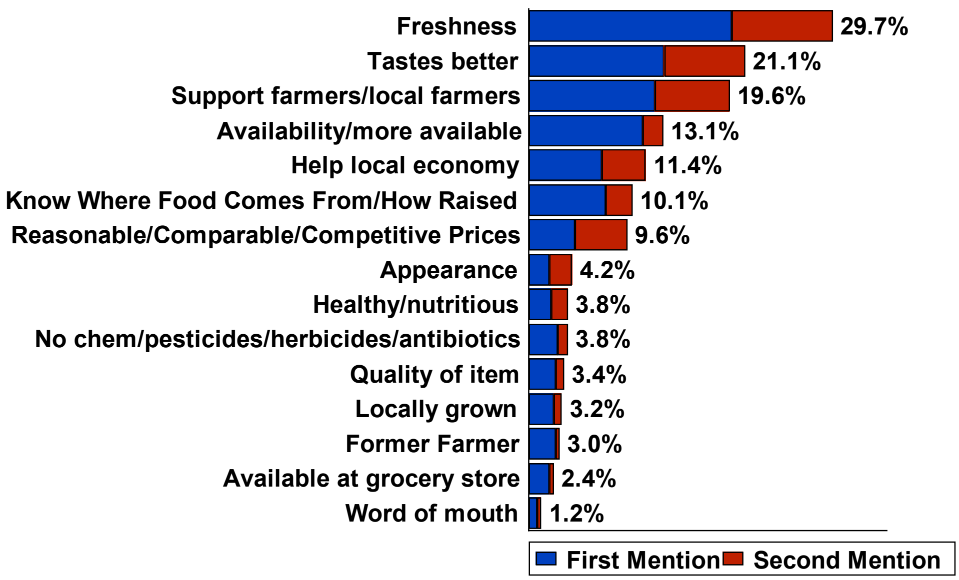
<u>Locally Grown or Produced Products: Source of Purchase by Residence</u>

Source	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Farmer's Market	81	89	80	82	77	75	82	86	80
Grocery Store	76	78	68	78	74	85	76	78	66
Local Farmer	74	67	67	73	86	81	72	71	74
Restaurant/Cafeteria	25	27	22	28	24	23	27	25	26
Base (n=)	500	83	93	169	145	100	100	150	150

Urban households were more likely to have purchased locally grown or produced products from a farmer's market (see above), while rural households were more likely to have purchased these products direct from a local farmer. Nebraska appears to have a greater percentage of households purchasing locally grown or produced products from a grocery store, especially compared to Missouri households.

1.5 Locally Grown or Produced Food: Purchase Influences

Q. What influenced you to purchase locally grown or produced food?

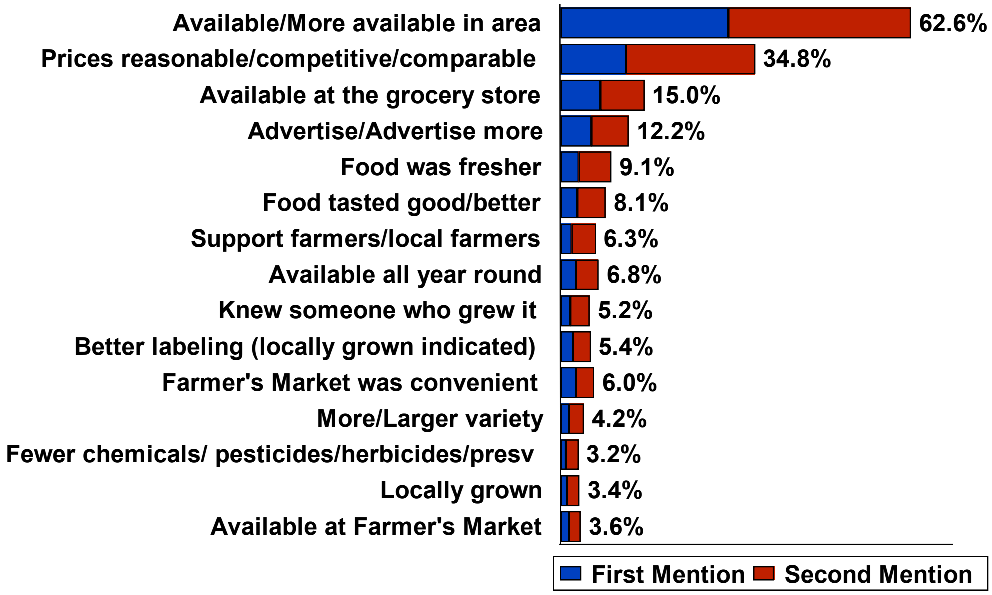


Base: Those who purchase local (n=494) Mentions of 1% or more shown

Those who have purchased locally grown or produced food were asked what influenced them to make this purchase. The top three reasons for purchasing locally grown or produced products were freshness (29.7% mention), better taste (21.1% mention), and the opportunity to support local farmers (19.6%). The fact that locally grown or produced products have become more available influenced 13.1% of the respondents. Eleven percent have purchased locally grown food to help the local economy, while 10% have purchased because they knew how the food was raised and where it came from. As previously mentioned, many of these respondents may not purchase locally grown or produced food on a regular basis. The graph on the next page illustrates what would influence these consumers to *increase* their locally grown or produced purchases.

1.6 Locally Grown or Produced Food: Increasing Purchases

Q. What would influence you to buy more locally grown or produced food?



Base: Those who purchase local (n=494) Mentions of 2% or more shown

The survey respondents were asked to state what would influence them to buy more locally grown or produced food. More than six in ten (62.6%) would increase their locally grown purchases if more products were available in their area. More than one third (34.8%) would increase their locally grown purchases if the prices of these goods were more reasonable, competitive, or comparable to non-local foods. It is also important to note that 15% would increase their locally grown purchases if the products were available at the grocery store.

2.0 Organic and All-Natural Purchasing

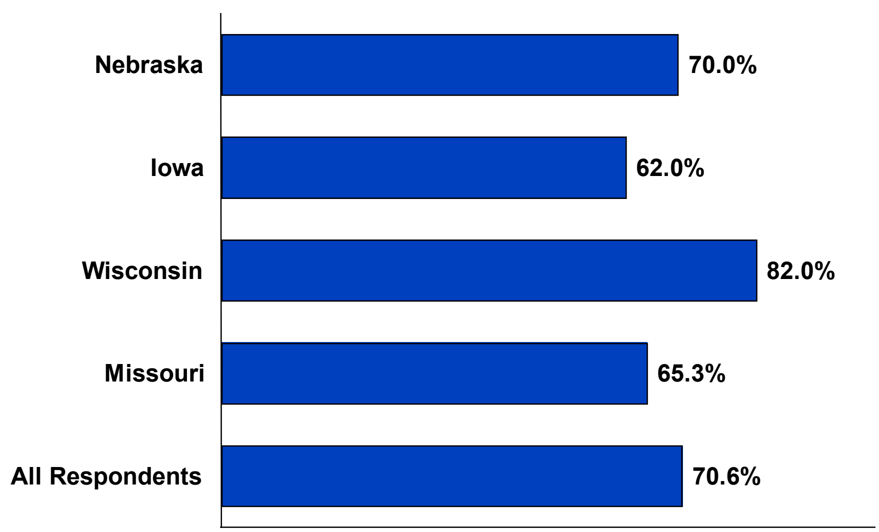
The organic and all-natural market is expected to be valued at $32.7 billion for the year 2000. In 2000, the organic share alone reached $7.8 billion, an increase of 20% over the 1999 sales of 6.5 billion. Mainstream supermarkets and other mass-market outlets are responsible for more than half of all organic product sales. Some of the factors fueling the growth of all-natural organic products include an aging population that is looking for more nutritious food alternatives, increased nutritional awareness of the general population, concern for the environment, food safety issues, more convenient locations to purchase the products, and great tasting, high quality products[7].

Consumer interest in organics was fueled in part by Consumer Reports' findings of pesticide contamination in conventionally grown produce, a growing concern about the use of rBGH (growth hormone) in milk production and an increasing awareness of genetically modified crops (GMO's)[8].

This section of the report will gauge the current and potential size of the organic and all-natural foods market, and the price points in which current and future organic and all-natural food buyers prefer to purchase the products. The source of current organic and all-natural food purchases will be determined, as well as the reasons why consumers have purchased or have not purchased these products.

2.1 Organic and All-Natural Food: Product Availability

Q. Are products labeled as organic and/or all-natural foods available in your local area?



The graph above illustrates the availability of organic and all-natural foods in the region[*].

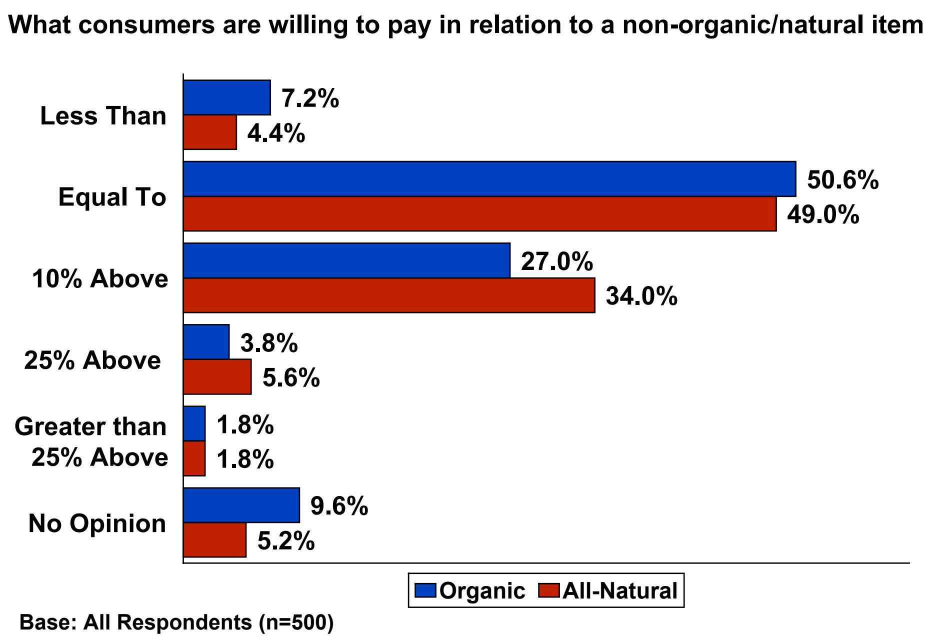
[7] "Natural Product Category Review," Presented by the Tree of Life at the 2001 FMI industry show
[8] "Natural Products Market Tops $28 Billion," Natural Foods Merchandiser, June 2000
[*] Nebraska, Iowa, Wisconsin, and Missouri

As seen on the previous page, 71% of the households said that organic and/or all-natural products were available in their local area. This indicates the widespread availability of organic and all-natural products. The state with the greatest availability was Wisconsin where 82% of the respondents said that organic and/or all-natural products were available in their local area. As seen in the table below, the availability of organic and all-natural foods tended to increase with income.

		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Over**
	%	**%**	**%**	**%**	**%**	**%**
Organic/All-Natural Foods Available in Area	70.6	58.7	66.2	78.2	85.1	71.0
Base (n=)	500	75	151	119	47	45

2.2 Organic and All-Natural Food: Pricing

Q. If available, what is the most that you are willing to pay for locally grown products labeled as organic foods? As All-Natural foods?



When asked to denote the *most* they were willing to pay for an organic or all-natural food, about half of the respondents wanted to pay a price that was equal to the typical retail price for the item. Twenty-seven percent were willing to pay a 10% premium for organic foods and 34% a 10% premium for all-natural products. Less than 6% of the households were willing to pay premium of 25% or more than the typical price a “conventional” food item. This data is similar to the price premiums for locally grown or produced items (see section 1.2). Again, a consumer would need to be convinced that it is worth a premium of 15, 20 or even 25% to buy organic and/or all-natural food because of the attributes that rank *above* price: taste, quality, and nutrition/healthfulness (see section 1.0).

Organic Food: Pricing by Residence

Price	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Less than the non-organic price	7	8	4	9	6	6	7	7	8
Equal to the non-organic price	51	51	45	55	48	49	57	48	50
10% above the non-organic price	27	25	31	25	29	25	23	29	29
25% above the non-organic price	4	2	4	3	6	3	5	3	4
More than 25% above the non-organic price	2	2	0	1	4	2	1	3	1
Don't know	10	11	15	7	8	15	7	9	8
Base (n=)	500	83	93	169	145	100	100	150	150

As seen in the table above, there was little variation in the price consumers were willing to pay for organic foods between the different sub-groups of the sample, which gives an indication of the consistency of the sample-wide responses.

All-Natural Food: Pricing by Residence

Price	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Less than the non-natural price	4	4	4	4	5	6	6	5	2
Equal to the non-natural price	49	51	42	56	44	50	52	46	49
10% above the non-natural price	34	29	39	31	39	30	28	37	37
25% above the non-natural price	6	7	5	4	7	3	7	6	6
More than 25% above the non-natural price	2	4	2	0	3	2	1	2	2
Don't know	5	6	8	5	3	9	6	4	3
Base (n=)	500	83	93	169	145	100	100	150	150

There was little variation in the price consumers were willing to pay for all-natural foods between the different sub-groups of the sample (see table above). However, a slightly higher percentage of respondents in Wisconsin and Missouri were willing to pay a premium of 10% when compared to households in Nebraska and Iowa.

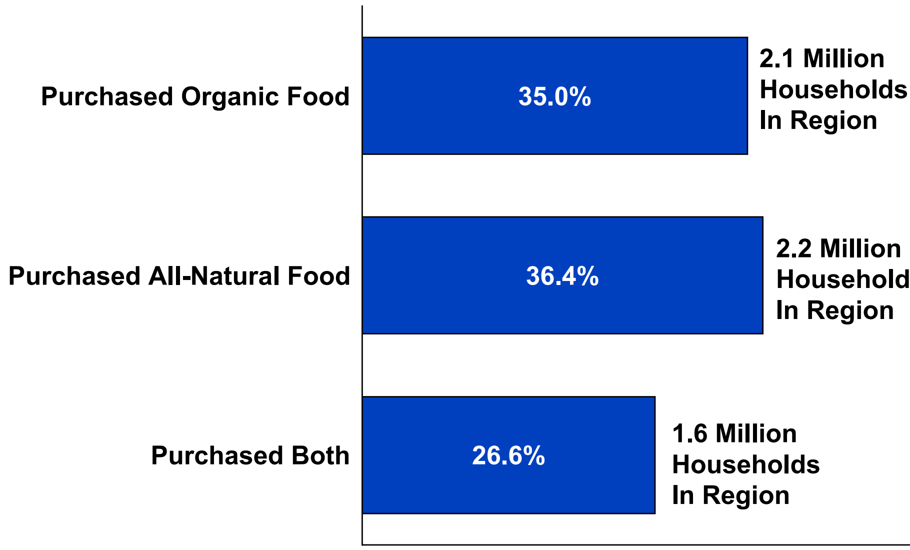
The price consumers were willing to pay for organic and all-natural foods did not necessarily increase as household income increased (see table below). Although a larger percentage of those earning $100,000 or more were willing to pay a premium of 10%, few were willing to pay 25% or more for organic or all-natural products.

Organic and All-Natural Food: Pricing by Income Level

	ORGANIC						ALL-NATURAL					
		HOUSEHOLD INCOME						HOUSEHOLD INCOME				
Price	Tot %	< 25K %	25 - 50K %	50 - 75K %	75 - 100K %	100K+ %	Tot %	< 25K %	25 - 50K %	50 - 75K %	75 - 100K %	100K+ %
< the typical retail price	7	7	7	8	6	7	4	5	4	3	2	9
Equal to typical retail price	51	52	57	46	51	40	49	52	52	44	60	38
10% above	27	23	21	36	26	38	34	32	31	43	26	42
25% above	4	3	6	3	9	2	6	3	7	5	9	7
More than 25% above	2	0	1	2	0	4	2	0	1	2	2	2
Base: (n=)	500	75	151	119	47	45	500	75	151	119	47	45

2.3 Organic and All-Natural Food: Purchases

Q. *Have you ever intentionally purchased products labeled as organic and/or all-natural foods?*



Base: All Respondents (n=500)

Thirty-five percent of the households (2.1 million households in the region*) have purchased organic food at one time or another, while 36% (2.2 million households) have purchased all-natural foods. Twenty-seven percent (1.6 million households) have purchased both.

Organic and All-Natural Food by Residence

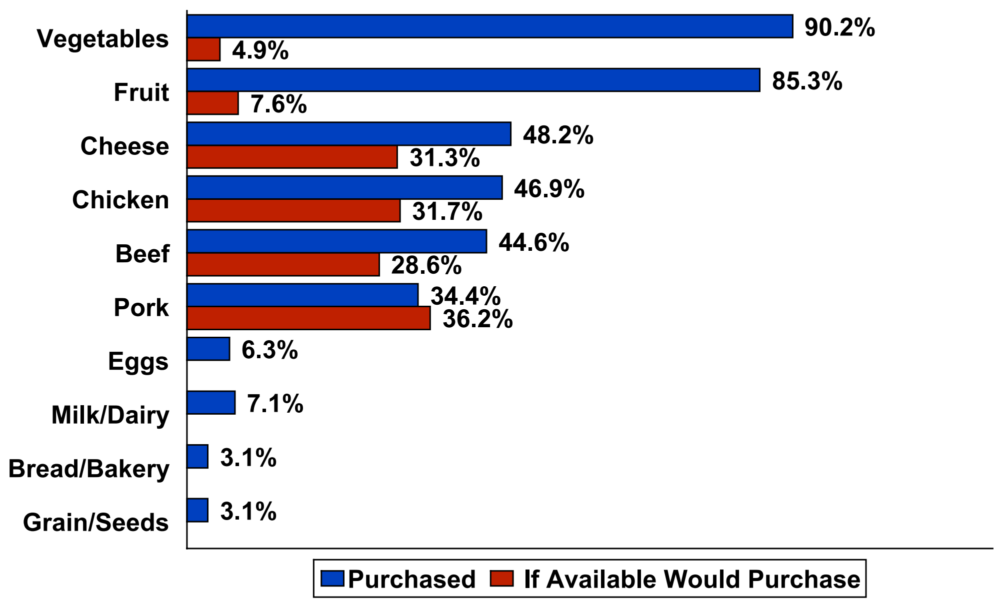
	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Purchased Organic	35	40	46	25	37	34	28	41	34
Purchased All natural	36	42	35	30	41	34	32	43	35
Purchased Both	27	31	29	21	29	26	18	33	26
Base (n=)	500	83	93	169	145	100	100	150	150

Only 25% of the small town households have purchased organic and/or all-natural products compared with 46% of suburban and 40% of urban households. Wisconsin households had the highest percentage of respondents saying that they have purchased organic products (41%), all-natural products (43%), and both organic and natural products (33%).

* Nebraska, Iowa, Wisconsin, and Missouri

2.4 Locally Grown Organic & All-Natural Food: Products Purchased/Potential Purchases

Q. Which of the following locally grown organic and/or all-natural foods has someone in your household purchased. If no to item: if available, would you purchase the item?



Base: Those Who Purchase Organic/All-Natural Foods (n=224) Mentions of 3% or more

Households who have purchased organic and/or all-natural products (45% of all respondents) were asked which locally grown organic and/or all-natural products they have purchased. The vast majority of these buyers have purchased locally grown organic or all-natural vegetables (90%) and fruits (85%). Nearly half have purchased locally grown organic or all-natural cheese (48%), chicken (47%), or beef (45%), while 34% have purchased locally grown organic or all-natural pork. The data indicates that a substantial percentage of the households would purchase *locally grown* organic and/or all-natural cheese, chicken, beef and pork if this product was available in their area.

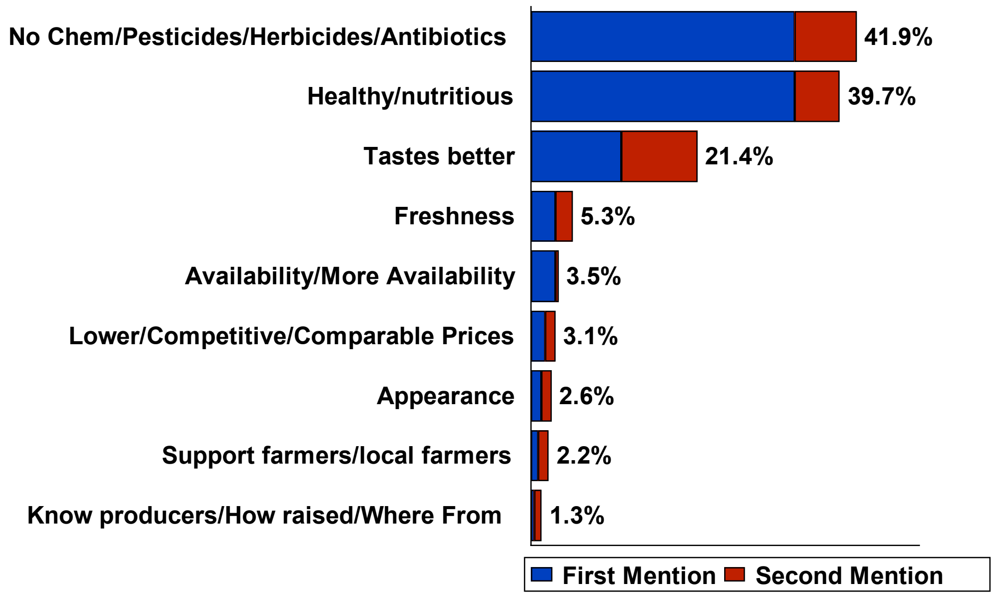
Locally Grown Organic and All-Natural Food: Purchases/Potential Purchases By Residence

	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Vegetables									
Have Purchased	90	95	90	93	84	90	98	96	78
Would Purchase	5	2	4	3	9	2	0	1	14
Fruit									
Have Purchased	85	95	76	85	86	81	90	86	84
Would Purchase	8	2	4	8	13	7	5	9	8
Cheese									
Have Purchased	48	57	39	53	46	29	36	76	36
Would Purchase	31	31	33	29	33	52	40	9	38
Chicken									
Have Purchased	47	55	31	49	51	55	43	53	38
Would Purchase	32	31	37	32	29	29	38	29	33
Beef									
Have Purchased	45	50	29	49	51	50	43	49	38
Would Purchase	29	26	35	27	27	31	31	24	31
Pork									
Have Purchased	34	40	16	47	31	29	40	42	25
Would Purchase	36	36	39	34	39	57	31	29	34
Base:	224	42	49	59	70	42	42	76	64

As the table above shows, each state has great potential to increase its locally grown organic and all-natural market share. In Nebraska, while only 29% of the organic and all-natural buyers have purchased locally grown organic and all-natural cheese, another 52% would purchase these products if available. Nebraska could also greatly increase its share of locally grown organic and/or all-natural pork purchases with 57% of the organic and all-natural buyers saying that they would purchase this type of product *if* available. Approximately 40% of the organic and all-natural buyers in Iowa would purchase locally grown organic and/or all-natural cheese and chicken if product was available.

2.5 Organic and All-Natural Foods: Purchase Influences

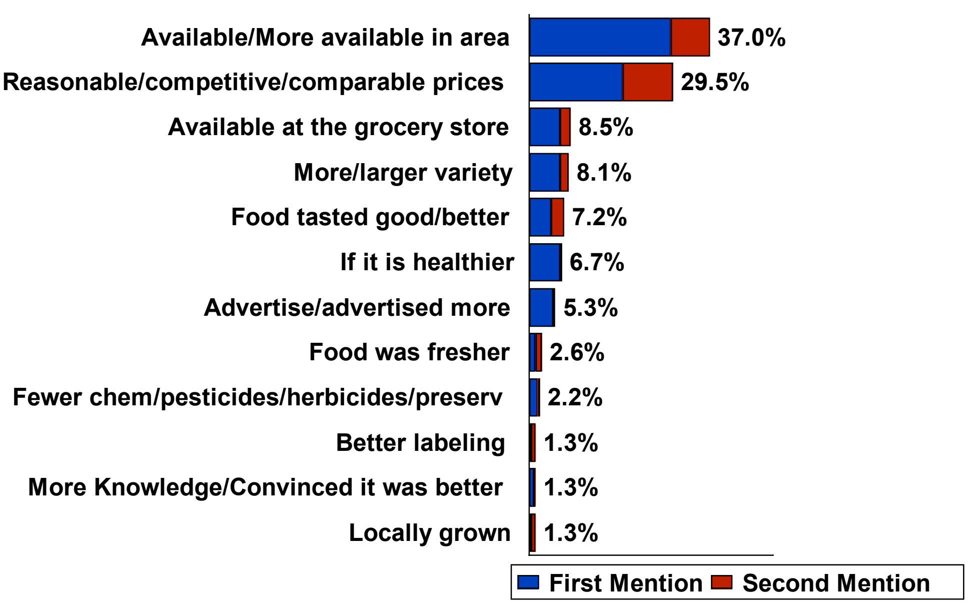
Q. Why do you purchase organic or all-natural foods?



Base: Those Who Purchase Organic/All-Natural Foods (n=224) Mentions of 1% or more shown

The top ranked reasons why consumers purchase organic and all-natural foods are that the foods have no chemicals, pesticides, herbicides, and antibiotics (42% mention); are healthy and/or nutritious (40% mention); and taste better (21% mention).

Q. What would influence you to purchase more organic or natural foods?

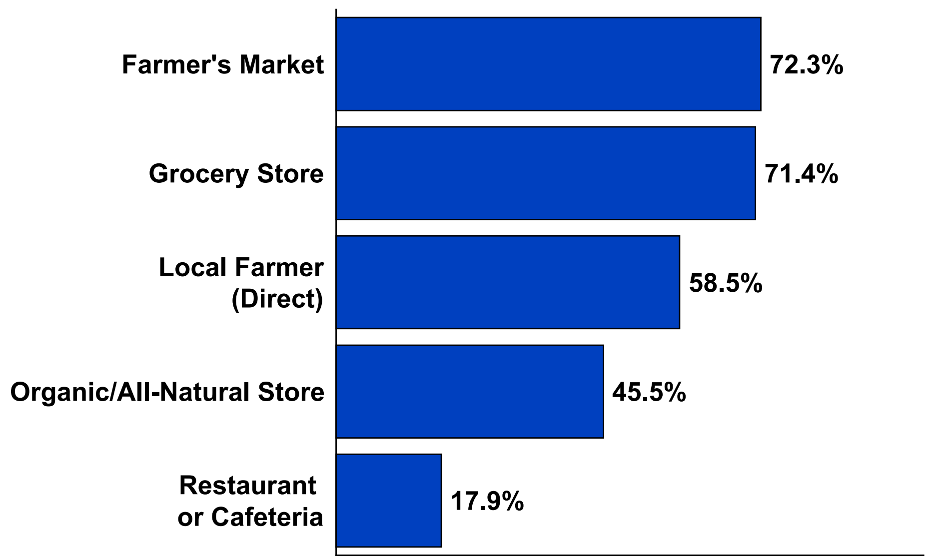


Base: Those Who Purchase Organic/All-Natural Foods (n=224) Mentions of 1% or more shown

As the graph on the previous page illustrates, people who have purchased organic and all natural foods would increase their purchases if these foods were more widely available (37% mention) and if prices were more reasonable, competitive, or comparable (30% mention). Another 8.5% would increase their purchases if organic and all-natural foods were available at the grocery store.

2.6 Organic and All-Natural Foods: Source of Purchase

Q. *Where have you purchased your organic and/or all-natural foods?*
Multiple Responses Accepted



Base: Those Who Purchase Organic/All-Natural Foods (n=224)

Among those who have purchased organic and all-natural food, more than 70% have purchased these products from a farmer's market and/or a conventional grocery store. Well over half (59%) of these buyers have purchased their organic and all-natural products direct from local farmers, while 46% have purchased the products from an organic or natural foods store.

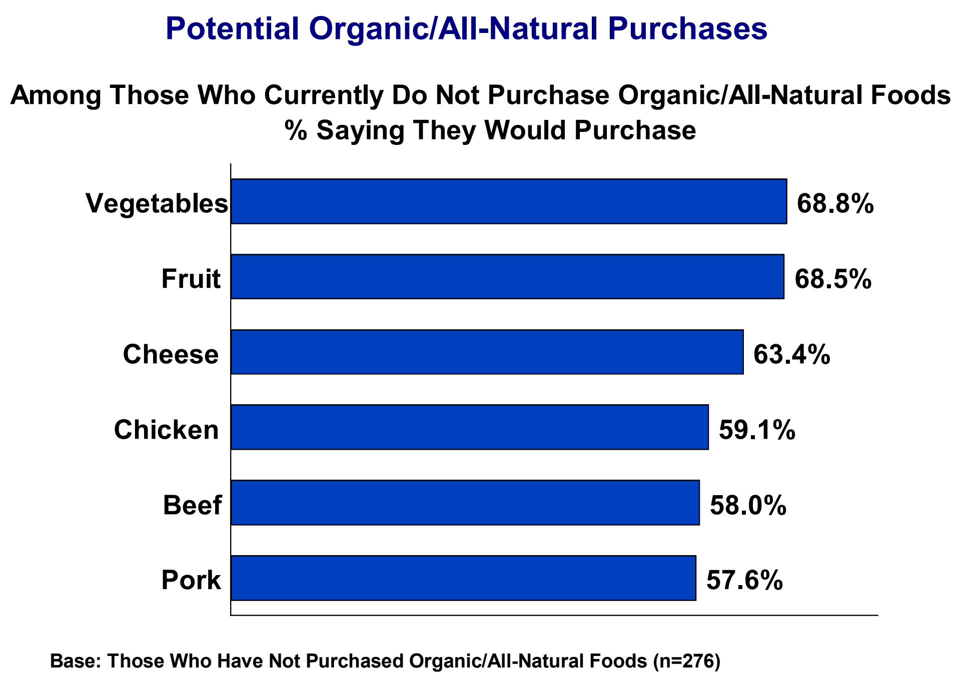
<u>Organic and All-Natural Foods: Source of Purchase by Residence</u>

Source	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Farmers Market	72	83	63	71	73	67	67	82	69
Grocery Store	71	69	69	75	70	76	88	71	58
Local Farmer	58	57	51	61	64	57	48	64	59
Organic/Natural Foods Store	46	57	41	42	46	45	38	53	42
Restaurant or Cafeteria	18	24	12	19	19	19	10	22	17
Base	224	42	49	59	70	42	42	76	64

As seen on the previous page, organic and all-natural food buyers in Wisconsin are more likely to have purchased these products from a farmer's market (82% mention) than those in the other states (67-69% mention). Organic and all-natural food buyers in Iowa are more likely to have purchased these products in a grocery store (88% mention), especially when compared to Missouri buyers (only 58% mention).

2.7 Locally Grown Organic and All-Natural Food: Potential Purchases (Non-Buyers)

Q. If available, would you purchase?



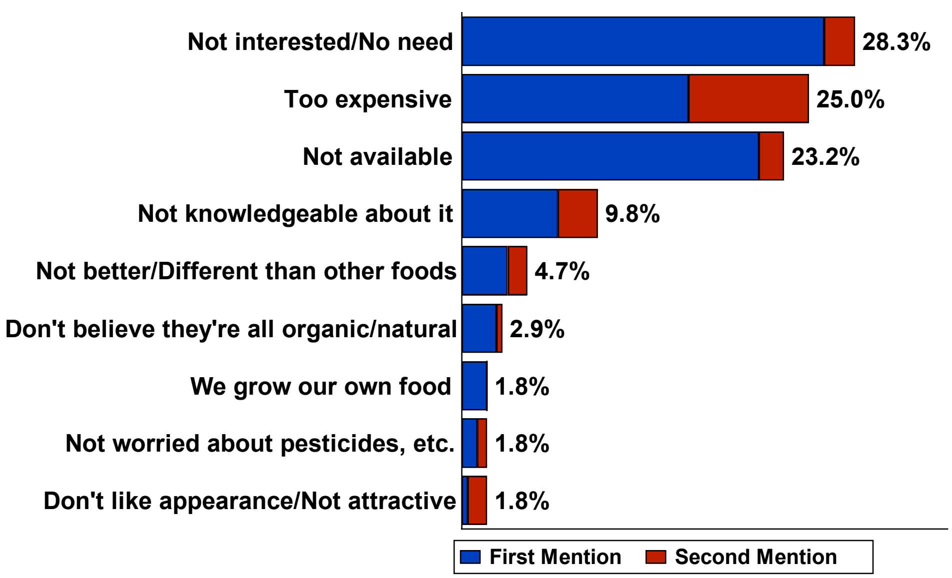
Among those who have not purchased organic or all-natural foods, at least 58% would purchase all of the above *locally grown* organic and/or all-natural products if available. As seen in the table on the following page, this data was very consistent among all of the sub-groups with 48% as the lowest percentage with a positive response on this question.

Locally Grown Organic and All-Natural Food: Potential Purchases (Non-Buyers) By Residence

Product	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Vegetables	69	66	64	73	69	66	60	70	76
Fruit	68	68	61	72	69	64	62	70	74
Cheese	63	66	61	66	61	57	55	70	67
Chicken	59	63	57	60	59	53	55	57	67
Beef	58	54	50	61	63	55	57	53	65
Pork	58	56	48	63	59	52	55	55	65
Base	276	41	44	110	75	58	58	74	86

2.8 Reasons Why Consumers Haven't Purchased Organic and All-Natural Food (Non-Buyers)

Q. *Why haven't you purchased organic and/or all-natural foods?*

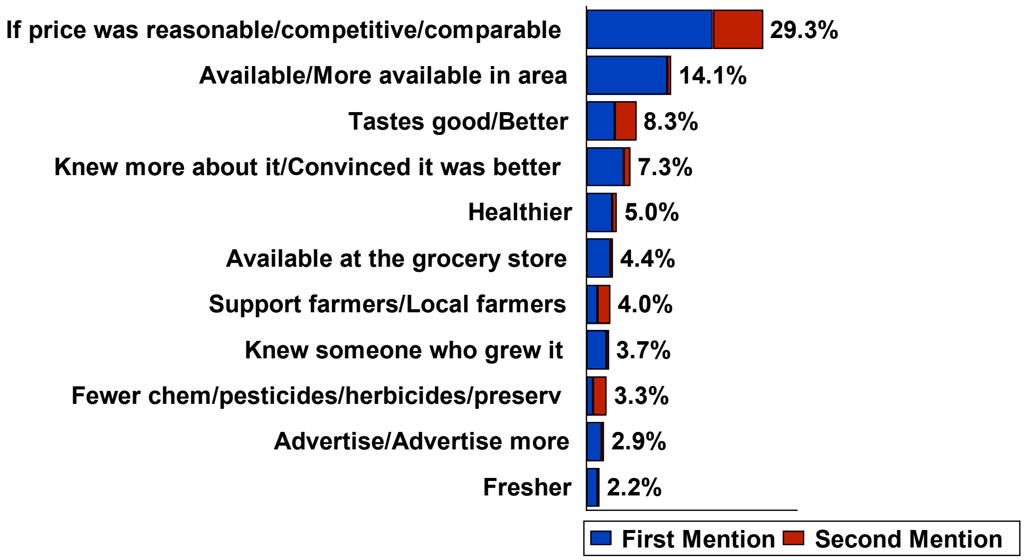


Base: Those Who Have Not Purchased Organic/All-Natural Foods (n=276)

Among those who have not purchased organic or all-natural foods, the top reasons were no interest or need to purchase (28% mention); the product was too expensive (25% mention); the products were not available (23% mention); and the need for more information (knowledge) on the products (9.8% mention).

2.9 Locally Grown Organic and All-Natural Food: Increasing Purchases (Non-Buyers)

Q. What would influence you to buy locally grown organic and/or all-natural foods?



Base: Those Who Have Not Purchased Organic/All-Natural Foods (n=276)
Mentions of 2% or more shown

Consumers who have not purchased organic or all-natural foods would consider purchasing these products if their price were more reasonable, competitive, or comparable to the mainstream food products (29% mention) and if products were available or more available in their area (14% mention).

2.10 Demographical Profile of Organic and All-Natural Buyers

Age	Total Sample %	Organic All-Natural Buyers %
18-24 Years	5.8	3.6
25-34 Years	20.4	24.1
35-44 Years	20.0	18.8
45-54 Years	21.8	27.2
55-64 Years	12.6	14.3
65 Years and Older	19.0	12.1
Average (Median) Age	**46 Years**	**48 Years**

Household Income	Total Sample %	Organic All-Natural Buyers %
Under $25,000	17.2	8.9
$25,000 - $49,999	34.6	25.9
$50,000 - $74,999	27.2	29.9
$75,000 - $99,999	10.8	11.2
$100,000 - $149,999	7.3	6.3
$150,000 and Over	3.0	3.1
Average (Median) Income	**$48,000**	**$56,000**

Ethnicity/Race	Total Sample %	Organic All-Natural Buyers %
White/Caucasian	94.2	93.3
Black/African American	1.6	1.8
Hispanic/Latino	0.6	0.5
Asian	0.4	0.9
Native American	0.8	1.3
Other	0.6	0.5

Educational Attainment	Total Sample %	Organic All-Natural Buyers %
Less than a high school diploma	5.8	3.1
Completed high school	27.4	20.1
Some college	26.4	29.9
College graduate	27.0	29.5
Post graduate degreee	12.6	16.1

State	Total Sample %	Organic All-Natural Buyers %
Nebraska	20.0	18.8
Iowa	20.0	18.8
Wisconsin	30.0	33.9
Missouri	30.0	28.6
Gender	**%**	**%**
Male	23.4	22.3
Female	76.6	77.7

Urban/Rural	Total Sample %	Organic All-Natural Buyers %
Urban/Suburban/Small Town	69	67
Rural area	29	31

Shown in the table above are the demographics for consumers who have intentionally purchased products labeled as organic and/or all-natural foods (n= 224). Organic and/or all-natural food buyers have a higher average household income and educational attainment when compared to the sample as a whole.

3.0 Locally Grown and Produced Meat

This section focuses on meat purchasing behavior and begins with the results of an assessment of seventeen attributes. The respondents ranked these attributes according to their importance in selecting the meat they purchase. The number of households that have purchased meat direct from a farmer or a farmer's market and the reasons behind their purchase are determined. The section then shifts its focus to locally grown and produced chicken with an emphasis on the pastured poultry and free-range chicken market. The size of the pastured poultry and free-range chicken market is determined along with where consumers prefer to purchase the product and the price they are willing to pay for this type of product. The current and potential pastured poultry and free-range chicken market is analyzed, as is the demographics of those who have purchased and future potential buyers.

3.1 Meat Consumption

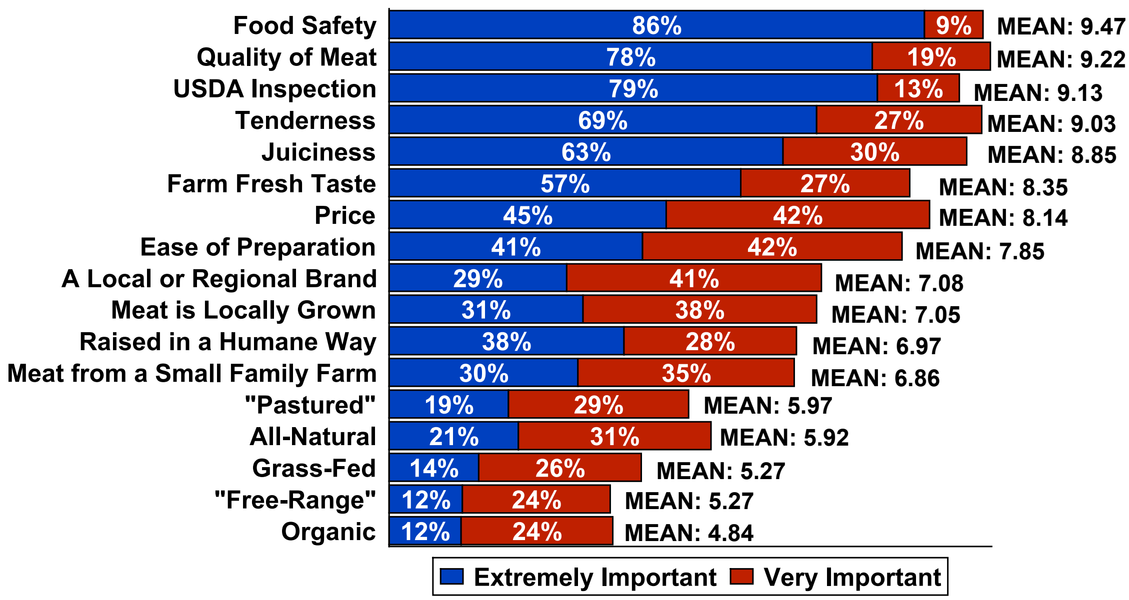
Q. On average, how many days per week do you consume meat?

Meat Consumption # of Days/Week	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
None	0.8	3.6	0.0	0.6	0.0	0.0	0.0	2.0	0.7
1	2	5	1	2	3	3	2	2	3
2	6	5	9	5	4	5	11	6	3
3	9	10	15	10	5	8	11	11	7
4	13	17	16	9	14	8	8	20	14
5	15	16	20	14	11	11	9	19	17
6	11	5	13	11	12	16	11	11	7
7	42	39	26	47	51	49	48	27	49
% 6-7 days/wk	53	43	39	57	63	65	59	38	55
Base	500	83	93	169	145	100	100	150	150

Over half of the respondents (53%) consume meat six to seven days a week with 42% eating meat every day. Respondents residing in rural areas reported the highest consumption of meat with 63% saying they consume meat six to seven days a week and 51% consuming meat every day. Among Nebraska households, 65% consume meat six to seven days a week, while only 38% of Wisconsin households consume meat six to seven days a week.

3.2 Attributes Important to Meat Purchasing

Q. How important are the following in selecting the meat you purchase? Rate on a scale of 1 to 10 with 1 being Not Important and 10 as Extremely Important.



Base: All Respondents (n=500)

The respondents were asked to rank the importance (on a scale of 1 to 10 with 10 as extremely important) of seventeen attributes in selecting the meat that they purchase. Food safety was the top ranked attribute. Ninety-five percent of the respondents said that food safety was very or extremely important in their meat selection with 86% saying that this was *extremely* important to them. The average (mean) rating was a 9.5. Quality was the second ranked attribute with an average score of 9.2 and 97% saying that this attribute was very or extremely important. The importance of USDA inspection was ranked third with an average score of 9.1 and 79% saying that the attribute was *extremely* important to them. This finding, coupled with the importance of food safety, indicates that it is critically important for producers to find plants that are federally inspected for their meat processing. Tenderness was also a top ranked meat attribute with 69% saying that the tenderness of their meat was *extremely* important.

There were six attributes that had an average (mean) score of seven or eight. These attributes are juiciness (mean of 8.85), farm fresh taste (mean of 8.35), price (mean of 8.14), ease of preparation (mean of 7.85), local or regional branding (mean of 7.08), and the importance of locally grown meat (mean of 7.05). It is important to note that well over half (57%) of the households felt that it was *extremely* important that their meat had a farm fresh taste, for this may be a strong selling point for locally raised meat. The rating given to the importance of price in meat selection (8.14) was slightly more than that given to the overall price of food (7.93—see section 1.0). In addition, *locally grown* meat (mean of 7.05) was deemed slightly more important than the overall rating of locally grown or produced food (mean = 6.90—see section 1.0).

Two-thirds (66%) of the respondents said that it was very or extremely important that meat was raised in a humane way. In addition, the fact that the meat they purchased was from a small family farm was very or extremely important to 65% of the households. The attribute of "all-natural" had a mean of 5.92 and was extremely important to 21% of the households, while organic (mean of 4.84) was extremely important to only 12%. The average score for the attribute of all-natural *meat* (5.92) was consistent with the respondent's feelings towards *all*-natural food (5.99—see section 1.0), while the average score for the importance of organic *meat* (4.84) was actually higher than that given to *all* organic food (mean of 4.20—see section 1.0).

Finally, the importance of the terms "pastured" and "free range" were first assessed in this question—regardless of whether the respondents were familiar with the definitions of the words. Although (as seen in section 3.12) only 11% of the population has heard of the term pastured poultry, 48% said that the attribute of "pastured" was very or extremely important giving an idea of the importance of the word "pastured" in marketing the product.

Meat Attributes by Residence

Food Safety	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	87	85	86	83	94	84	89	89	87
Very Important	10	13	10	14	2	11	10	9	9
Somewhat Important	3	3	4	3	1	4	1	2	3
Not Important	1	0	0	0	2	1	0	0	1
Mean (Average Response)	**9.47**	**9.46**	**9.47**	**9.40**	**9.57**	**9.27**	**9.55**	**9.62**	**9.42**
Base: Those who answered the question---n =	494	79	92	168	145	99	99	147	149

Quality of Meat	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	79	74	77	74	88	73	76	81	82
Very Important	19	26	22	22	10	24	21	17	17
Somewhat Important	2	0	0	3	2	2	2	1	1
Not Important	1	0	1	1	0	1	1	1	0
Mean (Average Response)	**9.22**	**9.20**	**9.20**	**9.00**	**9.50**	**9.00**	**9.09**	**9.26**	**9.41**
Base: Those who answered the question---n =	495	80	93	167	145	100	100	147	148

USDA Inspected	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	80	80	83	80	79	76	83	82	78
Very Important	13	16	12	13	12	18	12	14	10
Somewhat Important	5	3	5	5	8	3	4	3	10
Not Important	1	1	0	2	1	3	1	1	1
Mean (Average Response)	**9.13**	**9.16**	**9.32**	**9.10**	**9.06**	**8.90**	**9.24**	**9.34**	**8.99**
Base: Those who answered the question---n =	493	80	93	166	144	99	99	147	148

Tenderness	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	70	67	65	68	77	72	68	63	77
Very Important	27	29	32	28	21	26	27	34	20
Somewhat Important	3	3	3	4	2	2	5	3	3
Not Important	0.2	1	0	0	0	0	0	1	0
Mean (Average Response)	**9.03**	**8.92**	**8.98**	**8.91**	**9.26**	**9.10**	**8.89**	**8.82**	**9.27**
Base: Those who answered the question---n =	493	79	92	167	145	99	99	147	148

There was little variation in the breakdown by residence to the attribute of food safety, 83 to 94% of the sub-groups gave a nine or ten to this attribute. The responses to the attributes of meat quality, USDA inspection, and meat tenderness were also fairly consistent across the sub-groups. However, the attributes of quality and tenderness were slightly more important in rural areas.

Meat Attributes by Residence (Continued)

Juiciness	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	64	63	60	62	71	65	62	57	73
Very Important	30	28	35	32	26	31	33	35	22
Somewhat Important	4	6	5	5	3	3	4	7	3
Not Important	1	3	0	1	1	1	1	1	1
Mean (Average Response)	**8.85**	**8.70**	**8.76**	**8.79**	**9.06**	**8.84**	**8.80**	**8.63**	**9.12**
Base: Those who answered the question---n =	491	79	92	165	145	99	98	147	147

Farm Fresh Taste	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	58	53	45	58	70	58	61	50	64
Very Important	28	29	38	30	20	27	23	33	27
Somewhat Important	11	12	13	10	8	11	11	14	7
Not Important	3	6	4	2	2	4	4	3	2
Mean (Average Response)	**8.35**	**8.01**	**7.90**	**8.42**	**8.78**	**8.28**	**8.31**	**8.08**	**8.69**
Base: Those who answered the question---n =	486	77	93	163	143	98	98	143	147

Price	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	45	44	41	46	46	44	42	38	54
Very Important	43	45	46	42	42	43	43	50	36
Somewhat Important	10	11	13	9	10	12	12	10	8
Not Important	1	0	0	2	2	0	2	1	2
Mean (Average Response)	**8.14**	**8.06**	**7.98**	**8.15**	**8.21**	**8.10**	**8.07**	**7.95**	**8.38**
Base: Those who answered the question---n =	494	79	93	168	144	100	100	146	148

Ease of Preparation	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Important	41	54	38	39	38	41	37	34	51
Very Important	42	35	54	42	40	45	49	46	32
Somewhat Important	14	6	6	17	19	10	11	18	14
Not Important	3	4	2	2	3	4	3	1	3
Mean (Average Response)	**7.85**	**8.37**	**7.94**	**7.73**	**7.60**	**7.82**	**7.87**	**7.61**	**8.10**
Base: Those who answered the question---n =	494	79	93	168	144	100	100	146	148

As with quality and tenderness, juiciness was also slightly more important in rural areas. Farm fresh taste was significantly more important in rural areas where 70% ranked this attribute as *extremely* important compared to 53% of those in urban areas and 45% of those in suburban areas. Price had little variation among the sub-groups with 85-90% reporting that this attribute was very or extremely important to them. Ease of preparation is significantly more important to those in urban areas (mean of 8.37 and 54% saying *extremely* important) than those in rural areas (mean of 7.60 and 38% saying *extremely* important). This attribute also has greater importance in Missouri (mean of 8.10 and 51% saying *extremely* important) than in Wisconsin (mean of 7.61 and 34% saying *extremely* important).

Meat Attributes by Residence (Continued)

Product is a Local or Regional Brand	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	29	25	22	27	38	30	22	33	29
Very Important	42	41	48	38	43	42	44	41	41
Somewhat Important	23	23	25	30	12	19	29	21	22
Not Important	6	11	5	4	6	9	5	5	7
Mean (Average Response)	**7.08**	**6.70**	**6.82**	**6.93**	**7.66**	**7.02**	**6.81**	**7.32**	**7.04**
Base: Those who answered the question---n =	490	80	92	165	143	100	96	147	147

Product is Locally Grown	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	32	21	25	28	45	30	28	35	31
Very Important	38	45	41	37	35	39	42	35	37
Somewhat Important	24	21	27	30	15	25	23	22	24
Not Important	6	13	7	5	5	6	6	7	7
Mean (Average Response)	**7.05**	**6.60**	**6.67**	**6.92**	**7.74**	**6.92**	**7.07**	**7.15**	**7.04**
Base: Those who answered the question---n =	493	80	92	167	144	100	99	147	147

Raised in a Humane Way	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	39	35	33	35	50	24	38	40	49
Very Important	29	28	30	31	27	34	31	30	24
Somewhat Important	18	22	20	18	15	21	18	19	15
Not Important	14	15	17	16	8	20	14	12	12
Mean (Average Response)	**6.97**	**6.68**	**6.57**	**6.73**	**7.70**	**6.16**	**6.95**	**7.08**	**7.43**
Base: Those who answered the question---n =	482	79	88	162	144	98	95	145	144

Product is from a Small Family Farm	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	31	19	18	29	49	29	32	33	31
Very Important	36	44	37	33	34	34	38	33	38
Somewhat Important	25	23	36	29	13	27	23	27	22
Not Important	9	15	9	9	4	11	7	8	9
Mean (Average Response)	**6.86**	**6.15**	**6.22**	**6.69**	**7.92**	**6.61**	**6.94**	**6.87**	**6.98**
Base: Those who answered the question---n =	488	80	91	166	141	98	98	146	146

Local and regional branding of meat and "locally grown meat" was significantly more important in rural areas. Eighty percent of those living in rural areas felt that it was very or extremely important that meat was locally grown compared with 66% if the urban and suburban dwellers.

Seventy-seven percent of the rural households thought that it was very or extremely important that the meat they purchase was from an animal that was raised in humane way compared to 63% of urban and suburban households. Humane treatment of animals was important to a greater percentage of Missouri households than it was to Nebraska households. Eighty-three percent of rural households felt that it was very or extremely important that the meat they purchase was from a small family farm, compared to 63% of those in urban areas and only 55% of those in suburban areas.

Meat Attributes by Residence (Continued)

Pastured	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	21	17	19	18	27	16	17	20	27
Very Important	31	32	31	28	35	37	31	27	31
Somewhat Important	31	33	30	35	26	27	37	33	28
Not Important	17	17	20	19	12	19	15	20	14
Mean (Average Response)	**5.97**	**5.92**	**5.78**	**5.59**	**6.54**	**5.85**	**5.79**	**5.75**	**6.37**
Base: Those who answered the question---n =	464	75	86	159	136	91	89	142	142

All-Natural	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	22	21	16	20	27	15	19	24	25
Very Important	32	35	33	29	33	34	31	32	32
Somewhat Important	28	27	27	29	27	25	32	27	28
Not Important	18	17	23	22	13	26	18	17	15
Mean (Average Response)	**5.92**	**6.04**	**5.47**	**5.66**	**6.39**	**5.47**	**5.60**	**6.10**	**6.24**
Base: Those who answered the question---n =	481	77	91	161	143	97	96	145	143

Grassfed	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	15	10	12	13	21	12	9	15	21
Very Important	27	27	28	24	32	35	27	28	22
Somewhat Important	34	34	40	35	29	28	41	30	36
Not Important	24	29	21	27	18	25	23	27	21
Mean (Average Response)	**5.27**	**4.90**	**5.15**	**4.98**	**5.87**	**5.15**	**5.01**	**5.18**	**5.59**
Base: Those who answered the question---n =	477	77	86	164	141	97	96	141	143

Free Range	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	14	11	11	13	20	10	10	16	18
Very Important	29	29	31	26	30	30	35	24	28
Somewhat Important	34	37	36	35	30	38	34	34	32
Not Important	23	23	23	26	21	22	22	26	22
Mean (Average Response)	**5.27**	**5.08**	**5.03**	**5.11**	**5.70**	**5.24**	**5.24**	**5.22**	**5.37**
Base: Those who answered the question---n =	416	65	75	141	128	79	83	125	129

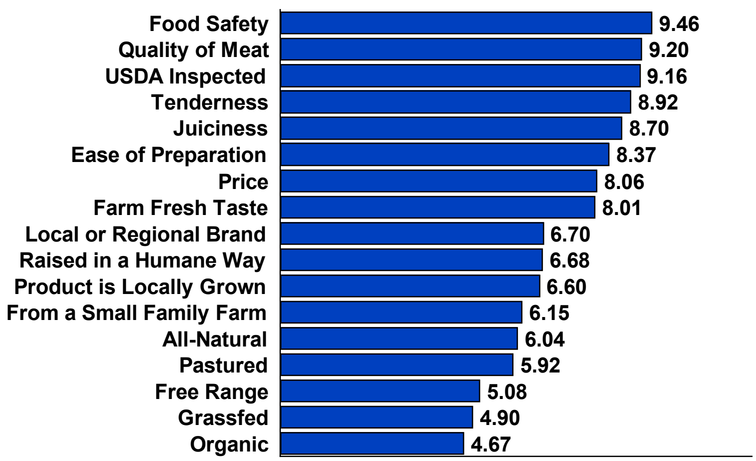
Organic	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Important	12	8	8	11	20	8	12	14	13
Very Important	26	36	23	22	26	30	20	24	28
Somewhat Important	33	25	33	37	33	29	37	32	36
Not Important	29	32	37	30	21	34	32	30	22
Mean (Average Response)	**4.84**	**4.67**	**4.35**	**4.65**	**5.49**	**4.56**	**4.53**	**4.79**	**5.29**
Base: Those who answered the question---n =	475	76	92	157	141	98	95	141	141

The table above shows that the attributes of pastured, all-natural, grass fed, free-range and organic are all more important in rural areas than they are in urban or suburban areas. These same five attributes were also more important to the households of Missouri than they were in the other three states.

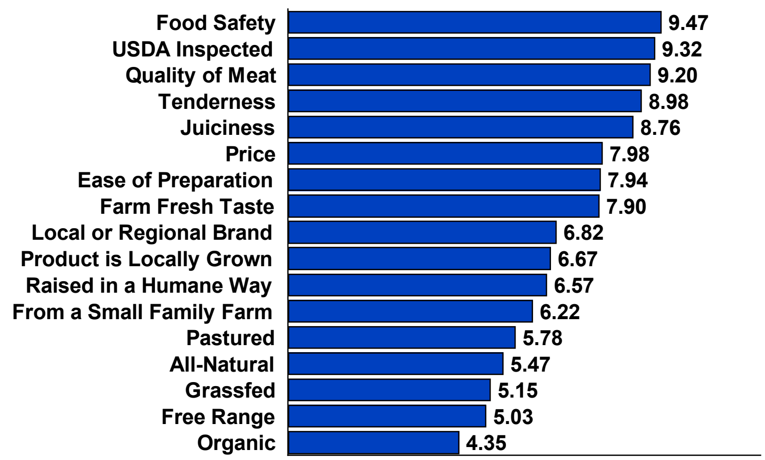
The Importance of Meat Attributes Ranked by Mean Score

The graphs below show the mean or average score on the various attributes by residence (urban, suburban, small town, and rural). The attributes are ranked by their order of importance to the respondents in the sub-group.

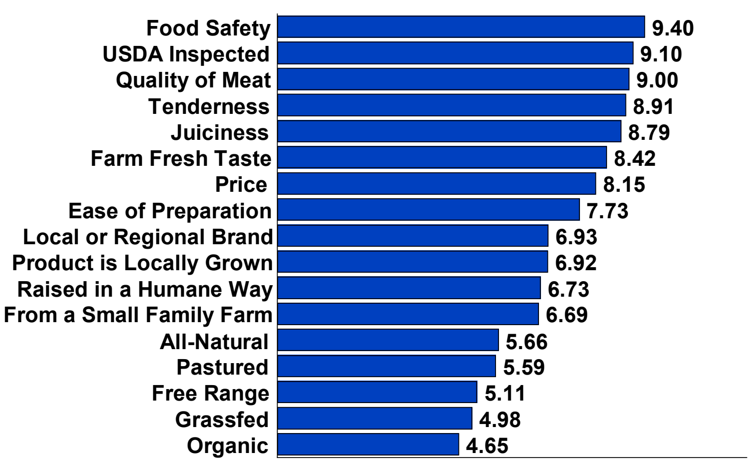
Urban Areas
Mean Scores Shown



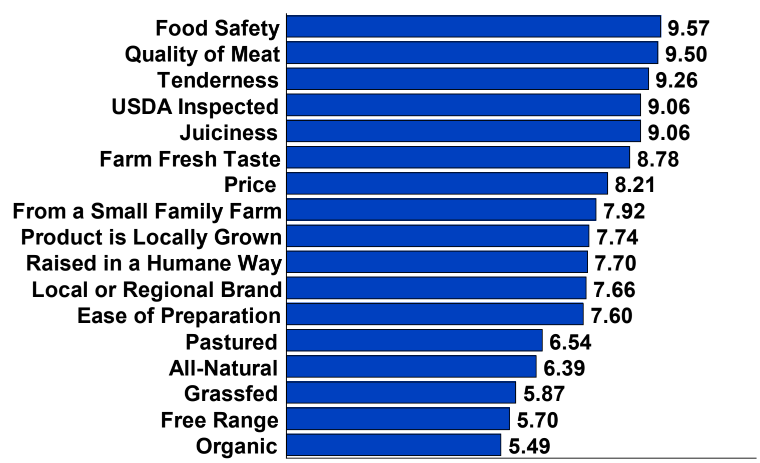
Suburban Areas
Mean Scores Shown



Small Towns
Mean Scores Shown

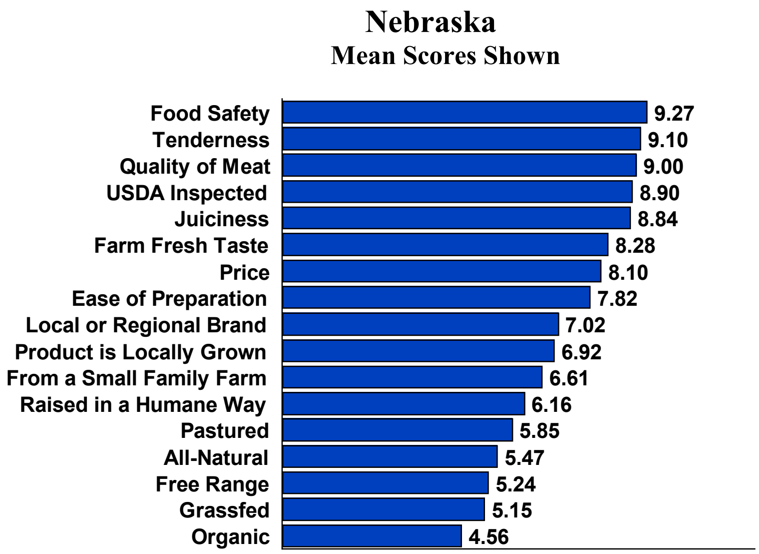


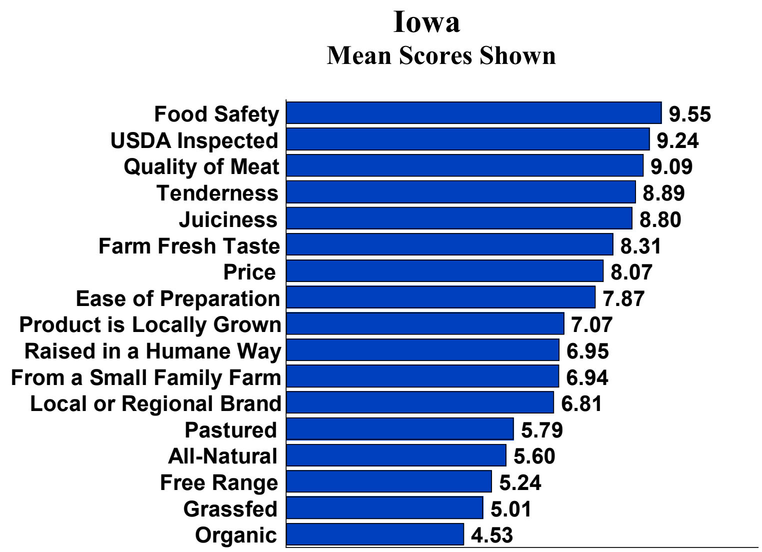
Rural Areas
Mean Scores Shown

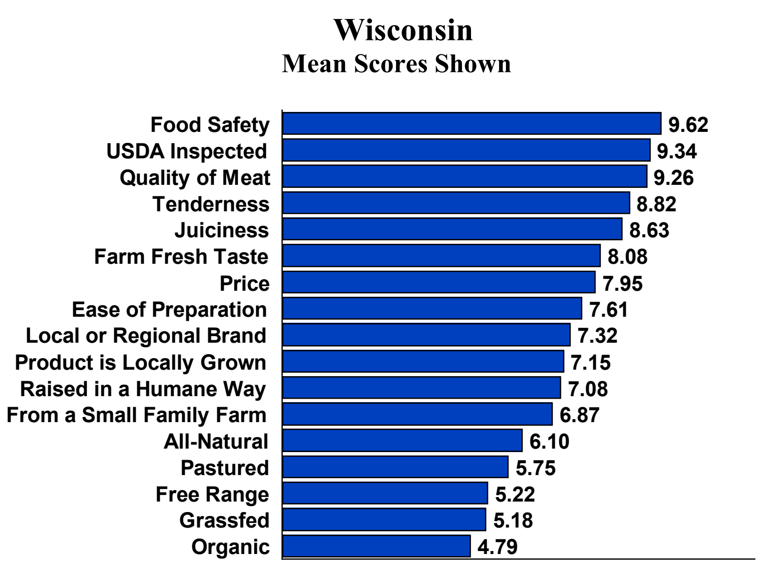


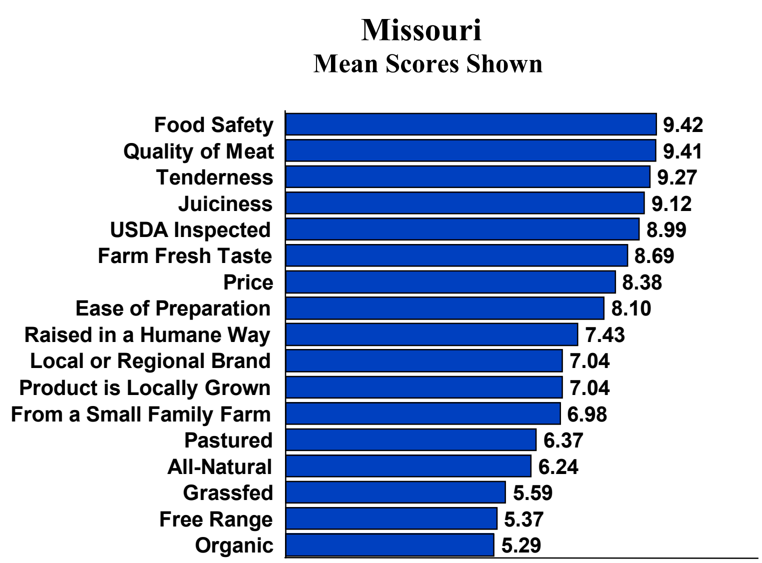
The Importance of Meat Attributes Ranked by Mean Score

The graphs below show the mean or average score for various attributes for each of the states surveyed. The attributes are ranked by their order of importance to the respondents in the sub-group.







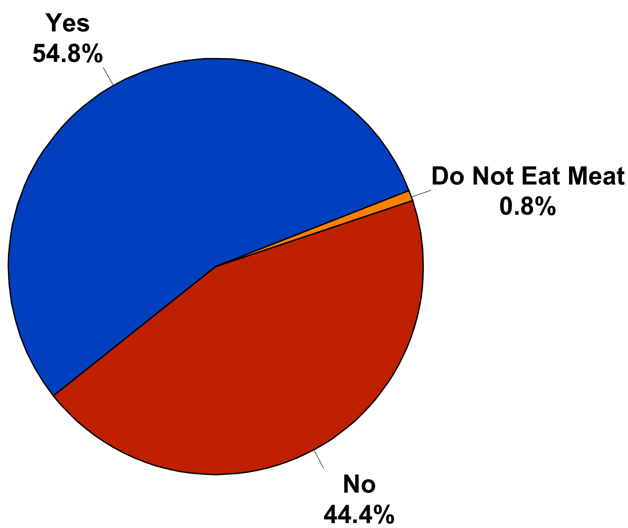


Importance of Price by Income
As seen in the table below, the attribute of price becomes less important as income increases.

		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Up**
Importance of Price	**%**	**%**	**%**	**%**	**%**	**%**
Extremely Important	45	62	54	36	26	20
Very Important	43	30	39	47	53	56
Somewhat Important	10	6	6	14	21	18
Not Important	1	3	1	2	0	4
Base	493	71	151	118	47	45

3.3 Direct Purchase of Meat

Q. Have you ever purchased meat direct from a farmer or a farmer's market?



Base: All Respondents (n=500)

Over half (54.8%) of the households have purchased meat direct from a farmer or farmer's market. Seventy percent of the rural households have purchased meat direct, while only 33% of those in suburban areas had made direct purchases (see below).

Direct Meat Purchases by Residence

	Total Sample	**Urban**	**Suburban**	**Small Town**	**Rural**	**Nebraska**	**Iowa**	**Wisconsin**	**Missouri**
	%	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**%**
Purchase Meat Direct From Farmer/Farmer's Market	55	55	33	57	70	63	65	48	50
Base	496	80	93	168	145	100	100	147	149

3.4 Demographical Profile of Consumers Who Have Purchased Meat Direct

Age	Total Sample %	Farmer Direct Buyers %
18-24 Years	5.8	4.0
25-34 Years	20.4	16.8
35-44 Years	20.0	20.8
45-54 Years	21.8	25.9
55-64 Years	12.6	14.2
65 Years and Older	19.0	18.2
Average (Median) Age	**46 Years**	**48 Years**

Household Income	Total Sample %	Farmer Direct Buyers %
Under $25,000	17.2	12
$25,000 - $49,999	34.6	29.9
$50,000 - $74,999	27.2	28.1
$75,000 - $99,999	10.8	10.6
$100,000 - $149,999	7.3	5.8
$150,000 and Over	3.0	2.2
Average (Median) Income	**$48,000**	**$54,000**

Ethnicity/Race	Total Sample %	Farmer Direct Buyers %
White/Caucasian	94.2	94.9
Black/African American	1.6	2.2
Hispanic/Latino	0.6	1.1
Asian	0.4	0.0
Native American	0.8	1.1
Other	0.6	0.0

Educational Attainment	Total Sample %	Farmer Direct Buyers %
Less than a high school diploma	5.8	3.6
Completed high school	27.4	27.7
Some college	26.4	29.2
College graduate	27.0	25.2
Post graduate degree	12.6	13.5

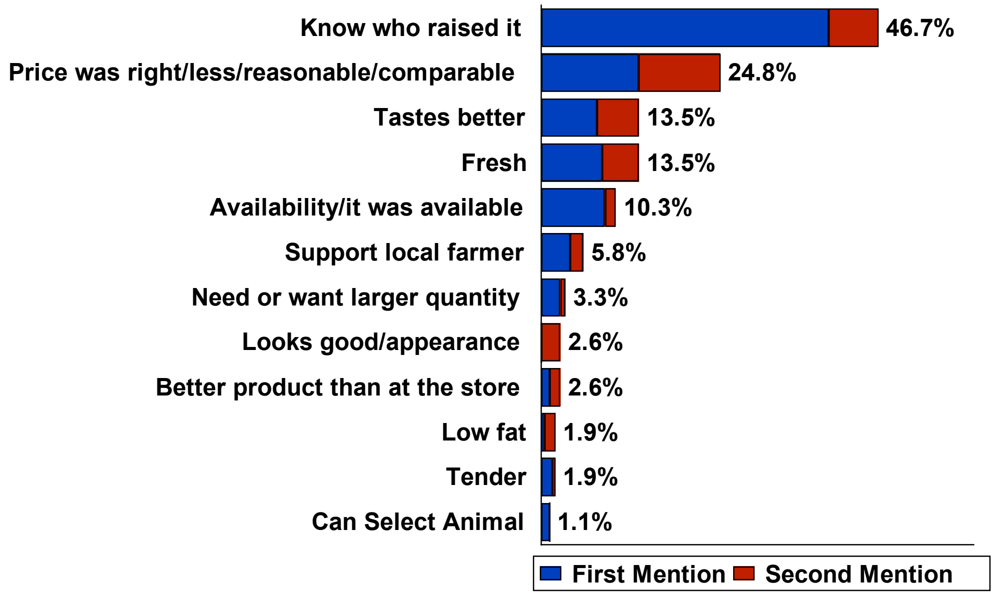
State	Total Sample %	Farmer Direct Buyers %
Nebraska	20.0	22.3
Iowa	20.0	23.8
Wisconsin	30.0	25.9
Missouri	30.0	27.4
Gender	**%**	**%**
Male	23.4	23.3
Female	76.6	76.6

Urban/Rural	Total Sample %	Farmer Direct Buyers %
Urban/Suburban/Small Town	69	62
Rural area	29	37

Shown in the table above are the demographics for consumers who have purchased meat direct from a farmer or a farmer's market (n=274). These consumers have a higher average household income than the sample as a whole and are more likely to reside in rural areas.

3.5 Direct Purchase of Meat: Purchased Influences

Q. *Why have you purchased meat direct from a farmer or farmer's market?*

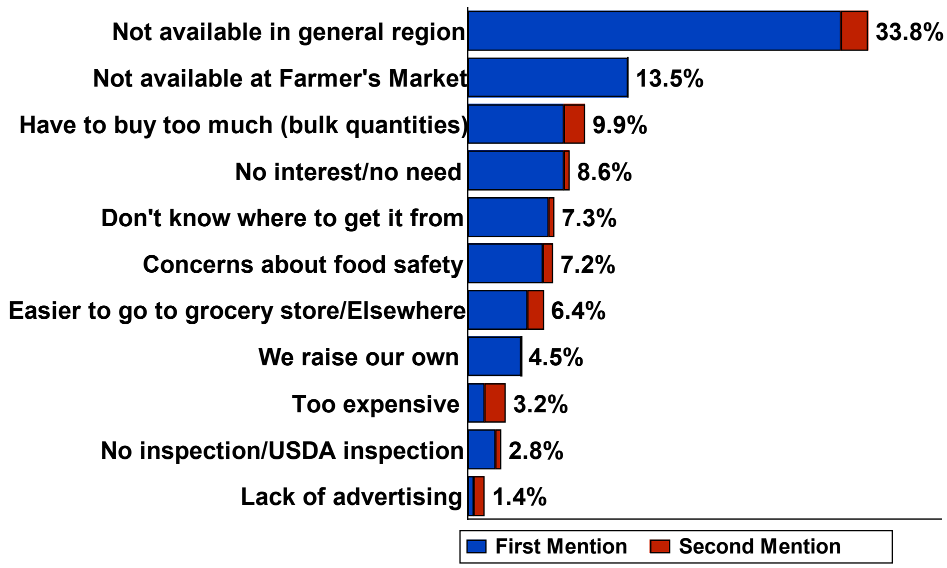


Those who purchase meat direct from farmer or farmer's market (n=274)

Among those who have purchased meat direct from a farmer, 47% were influenced to do so because they knew who raised the animals, while 25% have purchased because the price was right, less, reasonable, or comparable to meat from other sources. Nearly 14% have purchased because it tasted better and/or was fresher than meat from other sources.

3.6 Reasons Why Consumers Haven't Purchased Meat Direct

Q. Why haven't you purchased meat direct from a farmer or farmer's market?

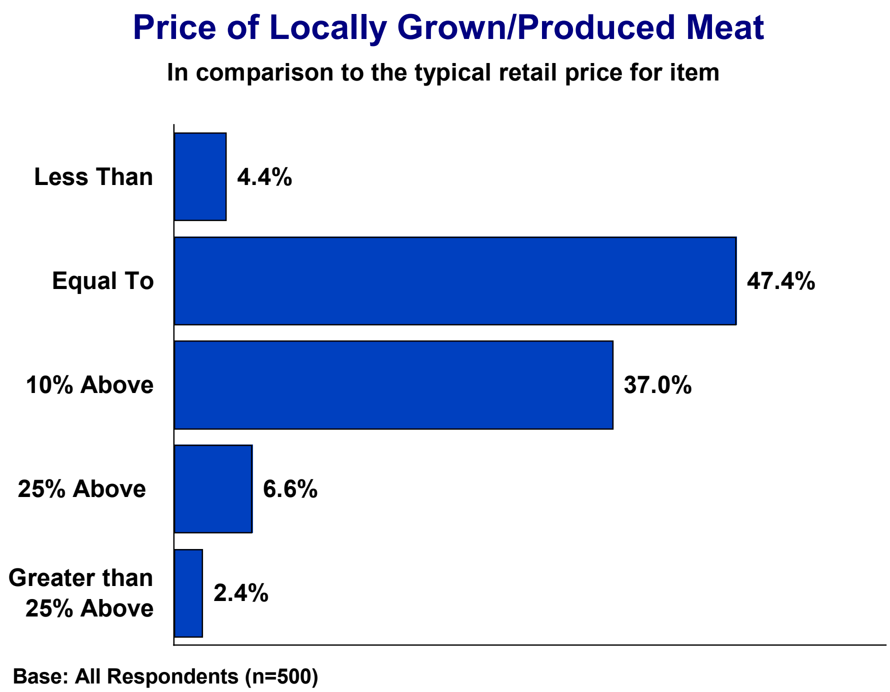


Those who have not purchased meat direct from farmer or farmer's market (n=222)

Those who have not purchased meat direct from a farmer or farmer's market were asked why they haven't purchased from this source. Among these respondents, 61% have not because the product was not available or convenient for them to purchase. This figure includes 33.8% saying that direct meats were not available in their general region, 13.5% saying that meat was not available at their farmers market, 7.3% saying that they did not know where to get the product, and 6.4% saying that it was easier to go to the grocery store. Seven percent had concerns about food safety and 3 percent did not purchase their meat direct because of the lack of federal inspection.

3.7 Locally Grown or Produced Meat: Pricing

Q. If available, what is the most that you are willing to pay for locally grown or produced meat?



When asked what was the most they are willing to pay for locally grown or produced meat, 47% would prefer to pay a price equal to the typical price for meat, while 37% are willing to pay 10% above the typical meat price. Only 9% are willing to pay a 25% or more price premium. There was little variance between the data gathered from all respondents and that of various sub-groups (see below). However, if the locally produced meat met the consumer's needs such as food safety, (high) quality, USDA inspection, tenderness, juiciness, and farm fresh taste (the attributes in section 3.2 that had a mean score above price) then a premium price may be asked for the products. The locally grown or produced meats should be marketed with these attributes so that the consumer is convinced that the attributes will be found in the meat they are purchasing.

Locally Grown or Produced Meat: Pricing by Residence

Price	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Less than the typical retail price for meat	4	9	4	4	3	5	6	5	3
Equal to the typical retail price for meat	48	43	47	55	41	50	47	48	47
10% above	37	38	41	32	42	34	38	35	42
25% above	7	9	5	5	8	6	7	7	6
More than 25% above	2	1	2	2	4	2	2	4	1
Don't know	1	1	0	2	1	3	0	1	1
Base:	496	80	93	168	145	100	100	147	149

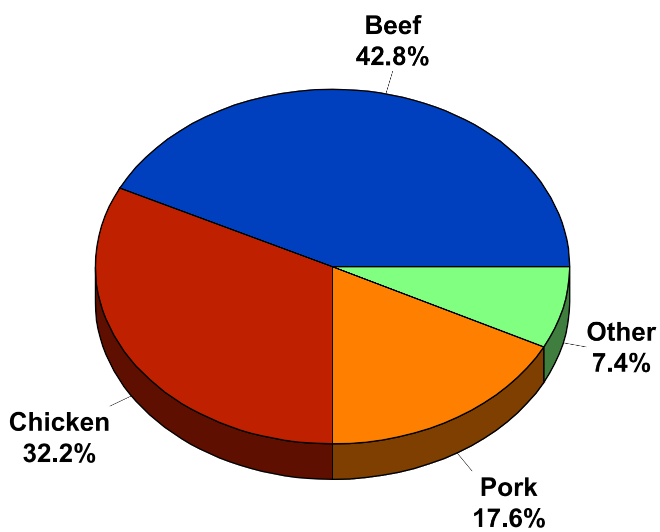
Locally Grown or Produced Meat: Pricing by Income
As seen below, 49% of those earning between $75,000 and $100,000 were willing to pay a price premium of 10% for locally grown or produced meat compared to 32% of those with a household income of $50,000 or less.

		HOUSEHOLD INCOME				
	Total	**< 25K**	**25 - 50K**	**50 - 75K**	**75 - 100K**	**100K & Up**
Price	**%**	**%**	**%**	**%**	**%**	**%**
Less than the typical retail price	4	8	5	3	2	4
Equal to the typical retail price	48	57	52	42	34	47
10% above	37	31	32	43	49	36
25% above	7	3	7	10	11	7
More than 25% above	2	0	2	1	2	7
Base (n=)	496	72	151	118	47	45

3.8 Types of Meat Purchased

Q. Approximately, what percent of your meat purchases are…

Average (Mean) % of meat purchase that is...



Base: Those who purchase meat (n=492)
Mean Percent Shown

The average consumer's (among meat consumers) meat purchases are 42.8% beef, 32.2% chicken, 17.6% pork, and 7.4% other (such as turkey, seafood, lamb, etc.).

The table on the next page shows the types (beef, chicken or pork) of meat purchased by residence, as well as the percent purchasing the product. Small town and rural households have a higher percentage of their meat purchases as beef, while urban and suburban households are more likely to purchase nearly equal percentages of beef and chicken.

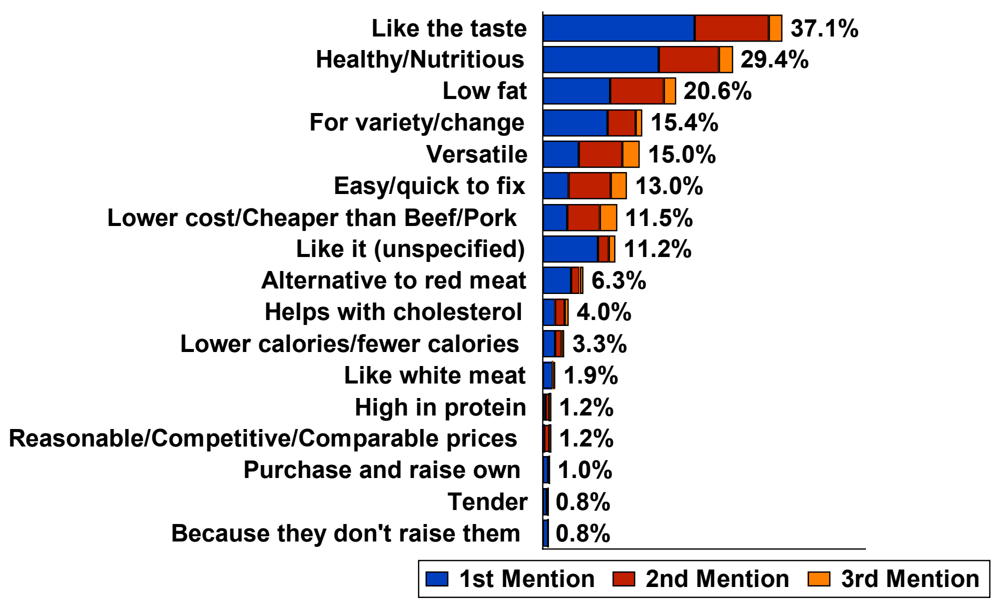
Types of Meat Purchased & Percent Purchasing Type by Residence

	Total Sample Avg % of Meat Purch	% Purch	Urban Avg % of Meat Purch	% Purch	Suburban Avg % of Meat Purch	% Purch	Small Town Avg % of Meat Purch	% Purch	Rural Avg % of Meat Purch	% Purch
Beef	42.8	97	36.5	98	37.0	97	45.7	98	47.0	98
Chicken	32.2	97	38.5	100	36.6	99	29.7	96	28.8	94
Pork	17.6	89	18.4	89	16.7	87	17.9	91	17.4	88
Other	7.4	44	6.6	43	9.7	45	6.7	40	6.9	46
Base	492		80		93		166		144	

	Total Sample Avg % of Meat Purch	% Purch	Nebraska Avg % of Meat Purch	% Purch	Iowa Avg % of Meat Purch	% Purch	Wisconsin Avg % of Meat Purch	% Purch	Missouri Avg % of Meat Purch	% Purch
Beef	42.8	97	46.5	99	46.3	98	40.6	97	40.1	96
Chicken	32.2	97	28.3	94	28.8	98	35.6	98	33.8	97
Pork	17.6	89	18.1	92	19.4	88	15.3	89	18.4	87
Other	7.4	44	7.0	42	5.5	34	8.5	50	7.8	44
Base	492		99		98		146		149	

3.9 Chicken: Reasons for Purchase

Q. Why do you purchase chicken?



Base: Those who purchase chicken (n=480)

Thirty-seven percent of those who purchase chicken purchase it because they like the taste, while 29% purchase chicken because they believe it is healthy and nutritious. Other reasons for purchasing chicken include that it is low in fat (21% mention), for meal variety or change (15%

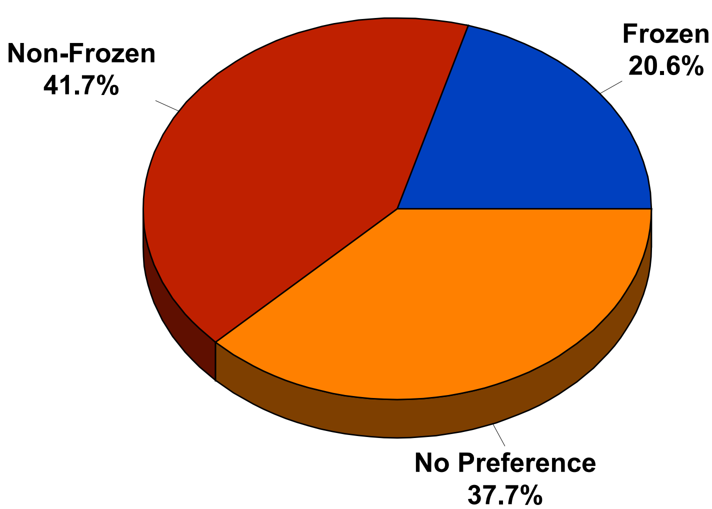
mention), versatility (15% mention), and because it is easy or quick to prepare (13% mention). The table below breaks out these responses by state.

Chicken: Reasons for Purchase by Residence

	Total Sample %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Like the taste	37	36	33	40	38
Healthier/Nutritious	29	21	31	38	26
Low fat	21	19	18	20	24
For variety/change	15	22	18	13	11
Versatile	15	16	11	19	13
Easy/quick to fix	13	9	15	14	13
Like it (unspecified)	11	15	14	13	5
Lower cost/cheaper than beef/pork	11	13	10	10	13
Alternative to red meat	6	11	2	7	6
Base	480	94	98	144	144

3.10 Chicken: Frozen vs. Non-Frozen Preference

Q. Do you prefer to purchase…?



Base: Those who purchase chicken (n=480)

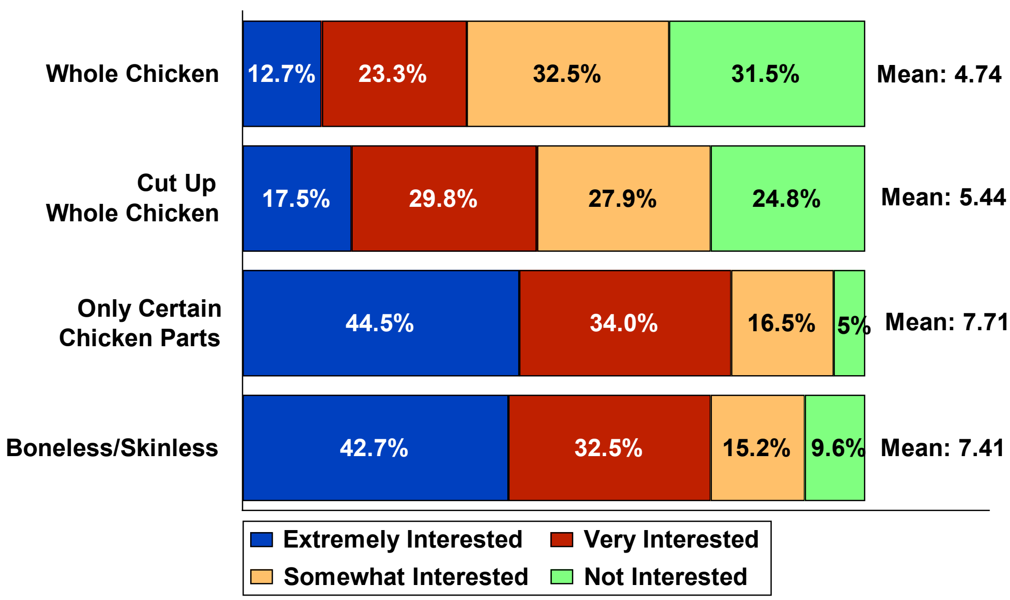
Among those who purchase chicken, 42% prefer to purchase non-frozen, 21% prefer to purchase frozen, and 38% have no preference. The table on the next page breaks out these responses by residence. Iowa had the highest percent (54%) preferring non-frozen chicken.

Chicken: Frozen vs. Non-Frozen Preference by Residence

	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Frozen chicken	21	19	27	16	23	20	13	18	28
Non-frozen chicken	42	36	40	43	45	35	54	40	39
No Preference	38	45	33	41	33	45	33	42	33
Base	480	80	92	162	137	94	98	144	144

3.11 Chicken: Preferences on Form Purchased

Q. How interested are you in purchasing chicken in the following forms on a scale of 1 to 10 with 1 as Not at all Interested and 10 as Extremely Interested?



Base: Those who purchase chicken (n=480)

The vast majority of households in the region* are very or extremely interested in only certain chicken parts (78.5%) with 44.5% *extremely* interested in purchasing parts. In addition, 75% of the chicken buyers are very or extremely interested in purchasing boneless and/or skinless chicken with 43% *extremely* interested in purchasing chicken in this manner. Only 13% are extremely interested in whole chicken with a slightly higher percentage (17.5%) *extremely* interested in whole chicken that is pre-cut.

* Nebraska, Iowa, Wisconsin, and Missouri

As seen below, rural residents, as well as those living in Wisconsin have a greater interest in purchasing whole chicken than people living in other areas. People living in suburban areas have a much greater preference for boneless and/or skinless chicken than people living in other areas.

Chicken: Preferences on Form Purchased by Residence

Whole Chicken	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Interested	13	11	9	10	19	5	9	15	17
Very Interested	23	24	15	24	28	27	27	24	18
Somewhat Interested	33	33	27	39	28	40	33	32	28
Not Interested	31	33	49	27	24	28	32	28	37
Mean (Average Response)	**4.74**	**4.64**	**3.75**	**4.70**	**5.53**	**4.50**	**4.72**	**5.03**	**4.63**
Base: Those who answered the question---n =	480	80	92	162	137	94	98	144	144

Cut-Up Whole Chicken	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Interested	18	21	11	17	22	16	22	19	14
Very Interested	30	34	32	30	26	32	30	28	30
Somewhat Interested	28	24	22	33	28	29	26	31	26
Not Interested	25	21	36	20	25	23	22	22	31
Mean (Average Response)	**5.44**	**5.78**	**4.85**	**5.56**	**5.60**	**5.47**	**5.80**	**5.56**	**5.07**
Base: Those who answered the question---n =	480	80	92	162	137	94	98	144	144

Certain Chicken Parts	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Interested	45	38	46	43	50	41	41	44	49
Very Interested	34	43	37	35	27	33	35	35	33
Somewhat Interested	16	18	12	19	15	22	20	16	10
Not Interested	5	3	5	4	7	3	4	5	7
Mean (Average Response)	**7.71**	**7.69**	**7.92**	**7.60**	**7.75**	**7.54**	**7.57**	**7.76**	**7.87**
Base: Those who answered the question---n =	480	80	92	162	137	94	98	144	144

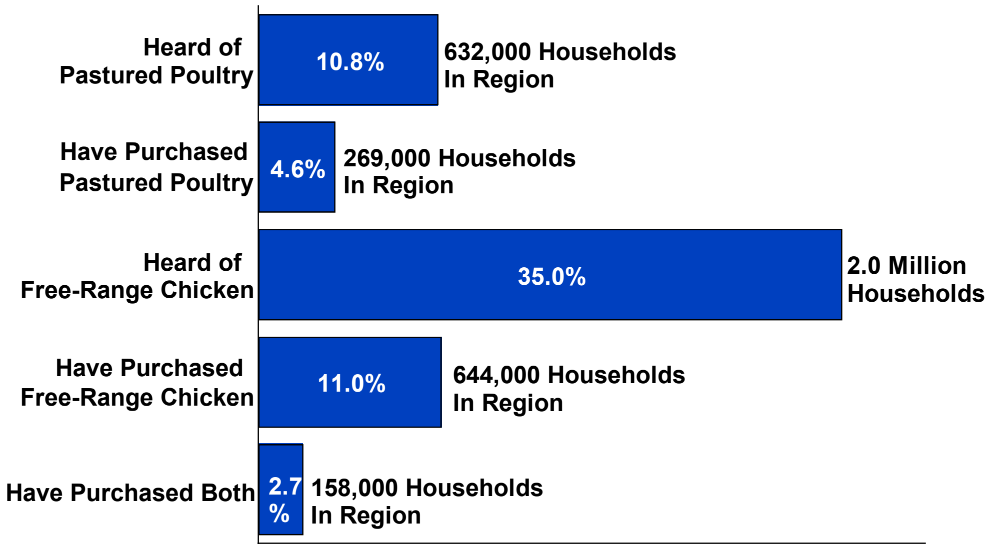
Boneless/Skinless	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Extremely Interested	43	43	54	40	39	36	37	44	50
Very Interested	33	33	32	32	32	38	34	31	29
Somewhat Interested	15	16	10	18	15	18	18	15	11
Not Interested	10	9	4	10	13	7	11	10	10
Mean (Average Response)	**7.41**	**7.48**	**8.30**	**7.12**	**7.17**	**7.27**	**7.07**	**7.36**	**7.78**
Base: Those who answered the question---n =	480	80	92	162	137	94	98	144	144

In Summary, if chicken producers want to reach the greatest proportion of the population they should offer non-frozen boneless and/or skinless chicken that is packaged in certain parts such as all breasts.

3.12 Pastured Poultry & Free Range Chicken: Awareness & Consumption

Q. Have you ever heard of chicken being promoted as pastured poultry? As Free-Range Chicken?

Q. Have you ever knowingly purchased pastured poultry or free-range chicken?



Base: Those who purchase chicken (n=480)

Among those who purchase chicken, nearly 11% (an estimated 632,000 households in the four state region*) have heard of pastured poultry, while 4.6% (an estimated 269,000 households) have purchased the product. Thirty-five percent (an estimated 2 million households) of the households who purchase chicken have heard of free-range chicken, while 11% (644,000 households) have purchased it. Few households in the region (2.7%) have purchased both products.

<u>Confidence Intervals for Question</u>

The table below shows the confidence intervals for this population. As mentioned above, 10.8 percent have heard of pastured poultry. The actual size of this population could vary from 8% to 13.6% of the households in the region. In fact, the actual size of this population will fall between those percentages 95 out of 100 times (95% confidence interval). The percent of households who have purchased pastured poultry products ranges from 2.7% to 6.5% of the population. The percent

			Interval Estimate for Population	
	Percent	Standard Error	Lower	Upper
Heard of Pastured Poultry	10.8%	0.014	8.0%	13.6%
Purchased Pastured Poultry	4.6%	0.010	2.7%	6.5%
Heard of Free-Range Chicken	35.0%	0.022	30.7%	39.3%
Purchased Free-Range Chicken	11.0%	0.014	8.2%	13.8%

* Nebraska, Iowa, Wisconsin, and Missouri

of households who have heard of free range chicken may range between 30.7% and 39.3%, while the percentage that have purchased the product ranges from 8.2% to 13.8% of those in the region at the 95% confidence interval.

Pastured Poultry/Free-Range Chicken: Awareness & Consumption by Residence

The table below breaks out pastured poultry/free-range chicken awareness and purchases by residence. Pastured poultry awareness is much greater in Wisconsin and Missouri than the other states with twice as many Wisconsin households having purchased pastured poultry than Nebraska or Iowa households. Small town households were less likely to be aware of pastured poultry when compared to people living in other areas.

Free-Range chicken awareness was slightly higher in urban and rural areas than it was in suburban or small town areas with rural households having the highest percentage that have actually purchased the product (16.1%). Nebraska has the lowest percentage of free-range chicken awareness (22.3%), while Iowa had the highest percentage aware of the product (41.8%) and the highest percentage that have purchased the product (15.3%).

When one looks at the percentage of those aware of free-range chicken and pastured poultry and compares this number to the percent that have actually purchased the product, there is potential for ample market growth. In urban areas, 40% have heard of free-range chicken but only 13% have purchased the product. If the needs of the 27% who have at least heard of the product but haven't purchased could be met (see section 3.18), they could be a potential target market for the product.

	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Heard of Pastured Poultry	10.8	11.3	13.0	6.8	14.6	7.4	6.1	14.6	12.5
Purchased Pastured Poultry	4.6	7.5	5.4	2.5	5.1	3.2	3.1	6.9	4.2
Heard of Free-Range Chicken	35.0	40.0	33.7	30.9	38.7	22.3	41.8	39.6	34.0
Purchased Free-Range Chicken	11.0	12.5	8.7	7.4	16.1	9.6	15.3	11.8	8.3
Purchased Both	2.7	5.0	2.2	1.2	3.6	3.2	1.0	2.1	4.2
Base	480	80	92	162	137	94	98	144	144

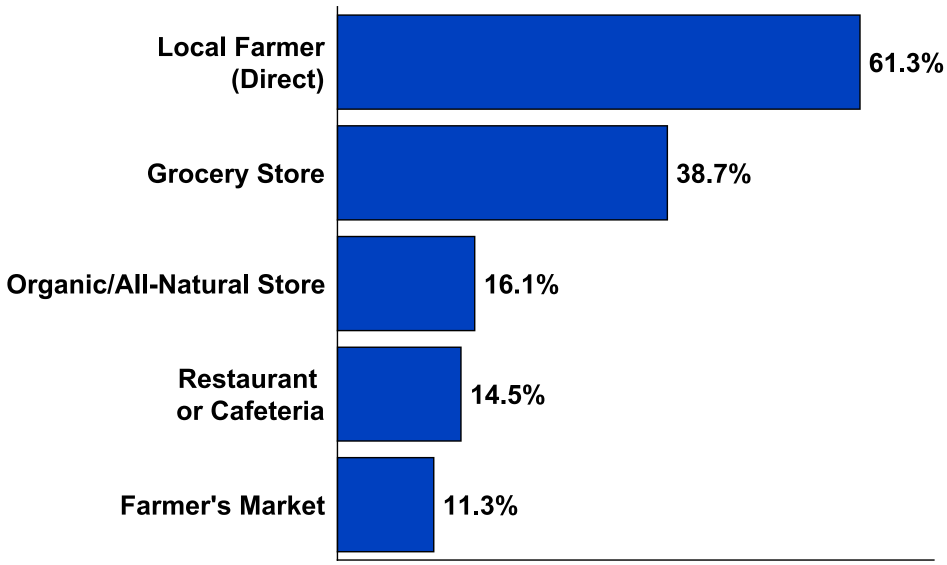
Pastured Poultry & Free-Range Chicken: Awareness & Consumption by Income

Although the awareness and consumer purchase of pastured poultry was not dependent on income, household income *was* a factor in the awareness and purchase of free-range chicken. As seen in the table below, as household income increased so did the awareness and tendency to purchase free-range chicken. Among respondents earning $100,000 and over, 61% had heard of free-range chicken and 32% have purchased the product. In other words, household incomes of $75,000 or more and certainly those earning $100,000 or more are an excellent target market for this product.

		HOUSEHOLD INCOME				
	Total %	< 25K %	25 - 50K %	50 - 75K %	75 - 100K %	100K & Up %
Heard of Pastured Poultry	11	4	14	11	13	9
Purchased Pastured Poutry	5	1	5	6	6	0
Heard of Free-Range Chicken	35	29	27	36	45	61
Purchased Free-Range Chicken	11	7	7	9	15	32
Purchased Both	3	1	2	4	4	0
Base	480	70	147	113	47	44

3.13 Pastured Poultry & Free-Range Chicken: Source of Purchase

Q. Where did you purchase pastured poultry or free-range chicken?
Multiple Responses Accepted



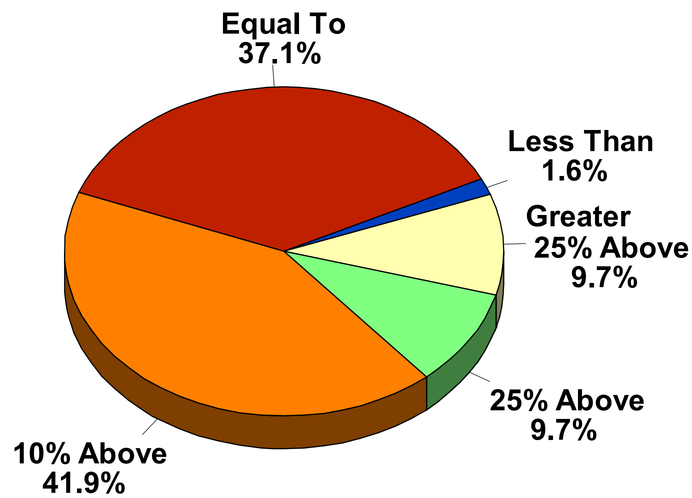
Base: Those Who Have Purchased Pastured Poultry and/or Free Range Chicken (n=62)

Among those who have purchased pastured poultry or free-range chicken, 61% have purchased the product direct from a local farmer, 39% from a conventional grocery store, 16% from an organic or all-natural store, and 11% from a farmer's market. In addition 14.5% have purchased pastured poultry or free-range chicken from a restaurant or cafeteria.

3.14 Pastured Poultry & Free-Range Chicken: Pricing

Q. What is the most that you are willing to pay for pastured poultry and/or free-range chicken?

What consumers are willing to pay in relation to the typical retail price chicken



Base: Those Who Have Purchased Pastured Poultry and/or Free Range Chicken (n=62)

Among those who have purchased pastured poultry or free range chicken, 37% prefer to purchase the product at a price equal to the typical retail price for chicken, while 42% are willing to pay a premium of 10 percent above the typical retail price. Twenty percent of those who have purchased the product are willing to pay a premium of 25% or more. However, if pastured poultry and free-range chicken met the consumer's needs such as food safety, (high) quality, federal inspection, tenderness, juiciness, and farm fresh taste (the attributes in section 3.2 that had a mean score above price) then a premium price may be asked for the product. These attributes are very important when marketing these products to consumers.

3.15 Demographical Profile of Pastured Poultry & Free-Range Chicken Buyers

Age	Total Sample %	Past Poultry Free-Range Buyers %
18-24 Years	5.8	1.6
25-34 Years	20.4	17.7
35-44 Years	20.0	24.2
45-54 Years	21.8	29.0
55-64 Years	12.6	9.7
65 Years and Older	19.0	17.7
Average (Median) Age	**46 Years**	**46 Years**

Household Income	Total Sample %	Past Poultry Free-Range Buyers %
Under $25,000	17.2	8.1
$25,000 - $49,999	34.6	24.2
$50,000 - $74,999	27.2	21.0
$75,000 - $99,999	10.8	12.9
$100,000 - $149,999	7.3	12.9
$150,000 and Over	3.0	9.7
Average (Median) Income	**$48,000**	**$73,000**

Ethnicity/Race	Total Sample %	Past Poultry Free-Range Buyers %
White/Caucasian	94.2	90.3
Black/African American	1.6	3.3
Hispanic/Latino	0.6	1.6
Asian	0.4	0.0
Native American	0.8	1.6
Other	0.6	0.0

Educational Attainment	Total Sample %	Past Poultry Free-Range Buyers %
Less than a high school diploma	5.8	4.8
Completed high school	27.4	12.9
Some college	26.4	29.0
College graduate	27.0	25.8
Post graduate degree	12.6	27.4

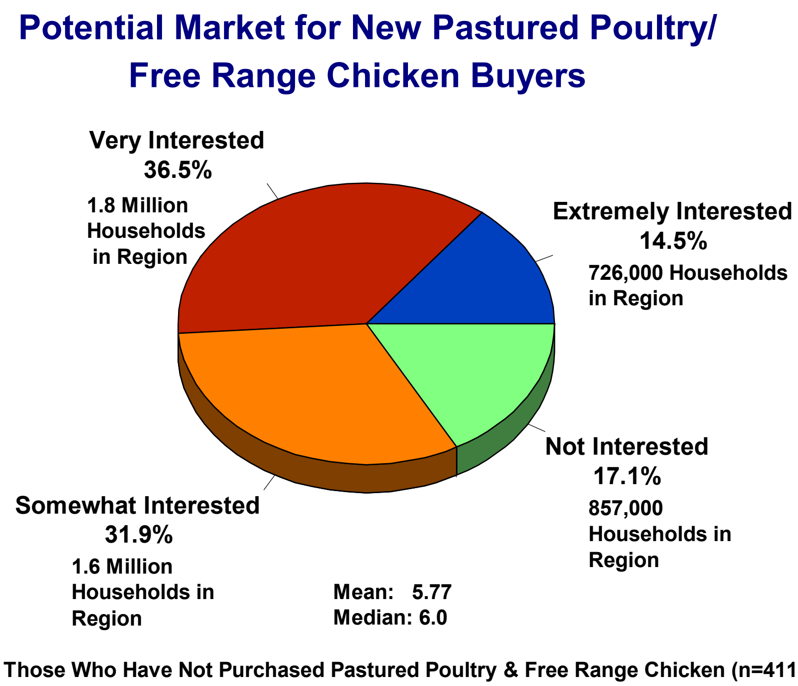
State	Total Sample %	Past Poultry Free-Range Buyers %
Nebraska	20.0	14.5
Iowa	20.0	27.4
Wisconsin	30.0	38.7
Missouri	30.0	19.4
Gender	**%**	**%**
Male	23.4	32.3
Female	76.6	67.7

Urban/Rural	Total Sample %	Past Poultry Free-Range Buyers %
Urban/Suburban/Small Town	69	60
Rural area	29	39

Shown in the table above are the demographics for households who have purchased pastured poultry and/or free-range chicken (n=62). Note that the median household income of this population is significantly higher than the sample as a whole. Overall, the educational attainment is also higher among those who have purchased free-range chicken and pastured poultry. Wisconsin had the highest proportion of free-range chicken and pastured poultry buyers, while Nebraska had the lowest.

3.16 Pastured Poultry & Free-Range Chicken: Potential Purchases

Q. If you could buy locally grown chicken that was raised grazing on pastureland in a non-confined natural and humane environment, how interested would you be on a scale of 1 to 10 with 1 being Not Interested and 10 being Extremely Interested.



Respondents who <u>have not</u> purchased pastured poultry or free-range chicken were given a description of a *locally grown* free-range type chicken product (see question above) and asked to rate their interest level in purchasing the product. Overall, 51% of these households in the region* were very or extremely interested (gave a score of 6 or higher) in purchasing the product. This percentage equates to an estimated 2.5 million households. The average (mean) level of interest was 5.77 on a scale of 1 to 10.

As seen in the table below, those in rural areas had highest percentage of respondents interested in a free-range type chicken product (57% very or extremely interested). Nineteen percent the Iowa households were *extremely* interested in this type of product compared to only 9% of the Nebraska households.

	Total Sample	Urban	Suburban	Small Town	Rural	Nebraska	Iowa	Wisconsin	Missouri
	%	%	%	%	%	%	%	%	%
Extremely Interested	15	11	13	11	23	9	19	14	16
Very Interested	36	41	39	37	34	32	35	36	40
Somewhat Interested	32	30	28	34	30	42	34	33	23
Not Interested	17	18	20	18	14	16	11	17	21
Mean (Average Response)	**5.77**	**5.70**	**5.52**	**5.56**	**6.28**	**5.49**	**6.10**	**5.73**	**5.78**
Base: Those who have not purchased pastured poultry or free-range chicken	411	66	79	148	110	85	79	116	131

* Nebraska, Iowa, Wisconsin, and Missouri

3.17 Demographical Profile of Pastured Poultry & Free-Range Chicken Potential Buyers

Age	Total Sample %	Past Poultry Free-Range Potential Buyers %
18-24 Years	5.8	6.2
25-34 Years	20.4	23.8
35-44 Years	20.0	23.3
45-54 Years	21.8	19.0
55-64 Years	12.6	12.9
65 Years and Older	19.0	14.8
Average (Median) Age	**46 Years**	**43 Years**

Household Income	Total Sample %	Past Poultry Free-Range Potential Buyers %
Under $25,000	17.2	13.3
$25,000 - $49,999	34.6	37.6
$50,000 - $74,999	27.2	27.1
$75,000 - $99,999	10.8	7.1
$100,000 - $149,999	7.3	3.8
$150,000 and Over	3.0	1.4
Average (Median) Income	**$48,000**	**$50,000**

Ethnicity/Race	Total Sample %	Past Poultry Free-Range Potential Buyers %
White/Caucasian	94.2	96.2
Black/African American	1.6	0.5
Hispanic/Latino	0.6	1.0
Asian	0.4	1.0
Native American	0.8	1.0
Other	0.6	0.0

Educational Attainment	Total Sample %	Past Poultry Free-Range Potential Buyers %
Less than a high school diploma	5.8	7.1
Completed high school	27.4	28.1
Some college	26.4	29.0
College graduate	27.0	27.1
Post graduate degree	12.6	8.1

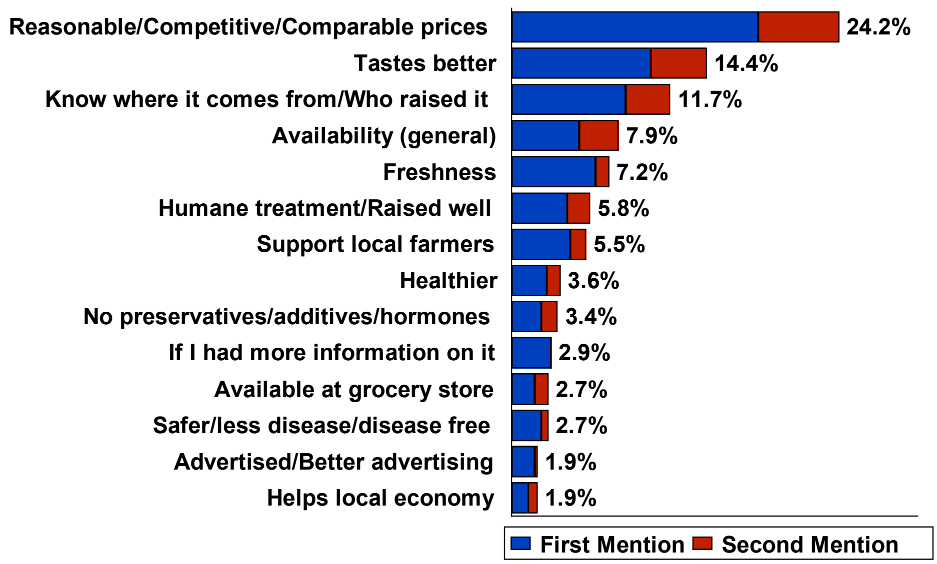
State	Total Sample %	Past Poultry Free-Range Potential Buyers %
Nebraska	20.0	16.7
Iowa	20.0	20.5
Wisconsin	30.0	27.6
Missouri	30.0	35.2
Gender	**%**	**%**
Male	23.4	19
Female	76.6	81

Urban/Rural	Total Sample %	Past Poultry Free-Range Potential Buyers %
Urban/Suburban/Small Town	69	70
Rural area	29	30

Shown in the table above are the demographics for potential buyers of pastured poultry and/or free-range chicken (n=210). These are households who responded with a six or higher in the previous question (see section 3.16). There are a slightly higher percentage of female respondents in this sample, but by and large, the potential pastured poultry and/or free-range chicken buyers have similar demographics to the entire sample of respondents. Missouri had the highest proportion of potential buyers of pastured poultry and free-range chicken, while Nebraska had the lowest.

3.18 Pastured Poultry & Free-Range Chicken: Purchasing Influences (Non-Buyers)

Q. What would influence you to buy chicken that was raised in the manner stated in the previous question?



Base: Those Who Have Not Purchased Pastured Poultry & Free Range Chicken (n=411)
Mentions of 1.9% or more shown

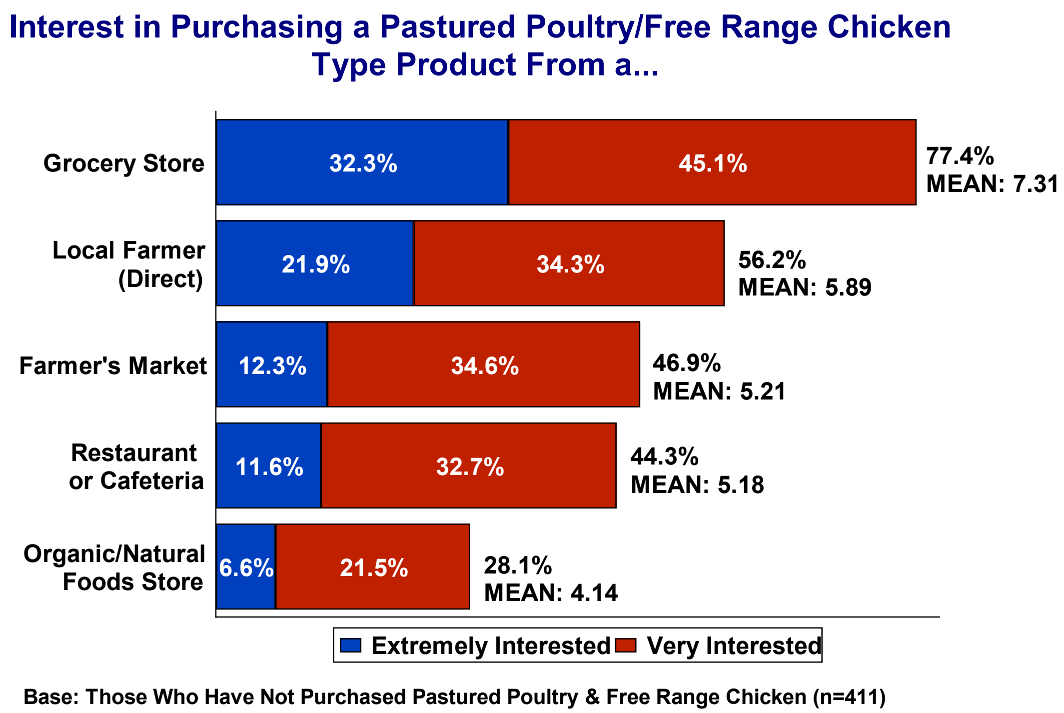
Among those who have not purchased pastured poultry or free-range chicken, 24% would try the product if it had a reasonable, competitive, or comparable price. Another 14% would purchase a locally grown free-range type chicken product if they were convinced it tasted better, while 12% would purchase the product if they knew where the chicken was raised.

One third of those in suburban areas and 29% of those in urban areas had concerns about the price of a locally grown free-range type chicken product (see below). Twenty-three percent of the Iowa households who have not purchased pastured poultry or free-range chicken could be lured to try it if it tasted better.

	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Reasonable/Competitive/Comparatively priced	24	29	33	23	17	22	24	26	25
Tastes better	14	11	16	15	14	13	23	14	11
Know where it comes from/Who raised it	12	8	8	16	14	12	15	12	10
Availability (general)	8	9	13	5	8	5	9	8	10
Freshness	7	5	3	9	9	5	11	3	11
Support local farmers	6	6	8	3	7	9	3	7	4
Humane treatment/Raised well	6	6	5	4	9	4	5	9	5
Base	411	66	79	148	110	85	79	116	131

3.19 Pastured Poultry & Free-Range Chicken: Preferred Source of Purchase (Non-Buyers)

Q. If available, how interested would you be in purchasing the chicken described in the previous question from the following sources? Please rate your interest level on a scale of 1 to 10 with 1 being Not at All Interested and 10 being Extremely Interested.



The vast majority of households who have not purchased pastured poultry or free-range chicken would prefer to purchase this product from a conventional grocery store. Seventy-seven percent of these respondents (mean score of 7.31) were very or extremely interested in purchasing from this source. It is interesting to note that the percent very or extremely interested in purchasing a *locally grown* free-range type chicken product from a grocery store (77%) is higher than those who are very or extremely interested in the product at all (51%--see section 3.16). This finding signals that the availability of this product may be a bigger factor in its purchase than was revealed in the previous question (section 3.18).

Well over half (56.2%) would be very or extremely interested in purchasing this product direct from a local farmer, while 47% would be very or extremely interested in purchasing it from a farmer's market. Surprisingly, 44% would be very or extremely interested in purchasing from a restaurant or cafeteria. Only 28% were very or extremely interested in purchasing from an organic or natural foods store.

The table on the next page breaks down these responses by residence. Those in urban and suburban areas were significantly more likely to prefer purchasing a locally grown free-range type chicken product from a conventional grocery store (88% very or extremely interested) than the sample as a whole (77%). Respondents living in rural areas were significantly more interested in purchasing this type of product direct from a farmer than any of the other sub-groups (mean of 6.99 for rural areas verses 5.89 for the entire sample). Those living in Iowa were more likely to want to purchase this product direct from a farmer (65% very or extremely interested) than those living in the other states (53-56%).

Pastured Poultry & Free-Range Chicken: Preferred Source of Purchase (Non-Buyers) By Residence

From a Grocery Store	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	32	31	40	35	26	28	38	28	35
Very Interested	45	57	48	38	45	44	39	53	42
Somewhat Interested	16	9	8	17	25	19	15	14	16
Not Interested	7	3	5	10	4	9	8	4	7
Mean (Average Response)	**7.31**	**7.72**	**7.85**	**7.08**	**7.10**	**7.05**	**7.43**	**7.42**	**7.32**

Direct from a Farmer	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	22	15	13	19	37	18	25	23	22
Very Interested	34	34	30	39	34	38	40	30	33
Somewhat Interested	22	28	28	20	15	22	20	25	21
Not Interested	22	22	30	22	14	22	15	23	24
Mean (Average Response)	**5.89**	**5.40**	**4.98**	**5.84**	**6.99**	**5.73**	**6.41**	**5.80**	**5.77**

From a Farmer's Market	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	12	8	10	11	19	6	11	16	14
Very Interested	35	39	30	33	38	40	30	28	39
Somewhat Interested	27	30	30	25	24	31	30	27	22
Not Interested	27	23	31	31	20	24	28	29	25
Mean (Average Response)	**5.21**	**5.14**	**4.84**	**4.95**	**5.88**	**5.12**	**5.01**	**5.13**	**5.46**

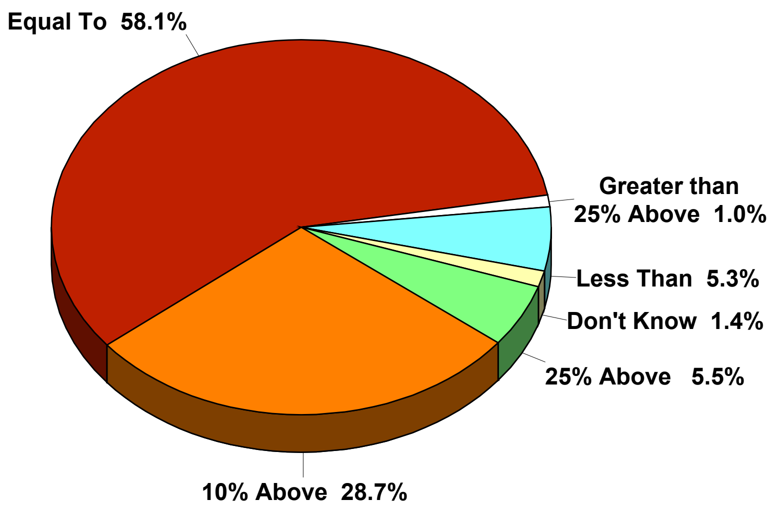
At a Restaurant/Cafeteria	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	12	14	9	10	14	6	10	13	15
Very Interested	33	34	38	34	28	35	35	30	33
Somewhat Interested	30	33	24	29	31	31	29	31	28
Not Interested	26	19	28	27	27	29	26	26	24
Mean (Average Response)	**5.18**	**5.63**	**5.05**	**5.14**	**5.16**	**4.92**	**5.19**	**5.16**	**5.38**

From a Organic/Natural Foods Store	Total Sample %	Urban %	Suburban %	Small Town %	Rural %	Nebraska %	Iowa %	Wisconsin %	Missouri %
Extremely Interested	7	5	5	7	8	4	9	9	6
Very Interested	21	21	17	20	27	19	15	25	24
Somewhat Interested	34	39	36	34	32	45	37	30	30
Not Interested	37	35	42	39	32	32	38	37	41
Mean (Average Response)	**4.14**	**4.03**	**3.80**	**4.06**	**4.60**	**3.96**	**4.08**	**4.43**	**4.03**
Base: n =	406	64	78	146	111	84	77	118	127

3.20 Pastured Poultry & Free-Range Chicken: Pricing (Non-Buyers)

Q. *What is the most you are willing to pay for the chicken described in the previous question?*

What consumers are willing to pay in relation to the typical retail price chicken



Base: Those Who Have Not Purchased Pastured Poultry & Free Range Chicken (n=411)

As with the locally grown, organic and all-natural products assessed in this survey, the majority of respondents (58%) are only willing to pay a price equal to that of a conventional chicken product, while 29% are willing to pay a premium of 10% above the typical price for chicken. Only 6.5% are willing to pay 25% or more. Overall, there was little variation in this data across the various sub-groups (see below).

It is important to note that this question was only asked to those who have not purchased a pastured poultry or free-range chicken product. These people may have little or no idea on the farm fresh taste, texture, or tenderness of the product. This is where advertising, marketing, and product sampling are critical to the product's success. Again, the customer needs to be convinced that the important attributes found in sections 1.0 and 3.2 (especially top attributes like food safety and quality) are part of the product they are purchasing.

Price	**Total Sample %**	**Urban %**	**Suburban %**	**Small Town %**	**Rural %**	**Nebraska %**	**Iowa %**	**Wisconsin %**	**Missouri %**
Less than the typical retail price for chicken	5.3	5.9	1.2	7.4	4.4	5.9	4.9	5.0	5.3
Equal to the typical retail price	58.1	58.8	60.5	61.5	51.3	55.3	61.7	61.7	54.5
10% above the typical retail price	28.7	26.5	32.1	24.3	33.6	30.6	24.7	25.0	33.3
25% above the typical retail price	5.5	8.8	4.9	3.4	7.1	2.4	7.4	6.7	5.3
More than 25% above the typical retail price	1.0	0.0	0.0	0.7	2.7	2.4	1.2	0.8	0.0
Base: n=	418	68	81	148	113	85	81	120	132

4.0 Demographical Profile of Sample

Age	%	Household Income	%
18-24 Years	5.8	Under $25,000	17.2
25-34 Years	20.4	$25,000 - $49,999	34.6
35-44 Years	20.0	$50,000 - $74,999	27.2
45-54 Years	21.8	$75,000 - $99,999	10.8
55-64 Years	12.6	$100,000 - $149,999	7.3
65 Years and Older	19.0	$150,000 and Over	3.0
Average (Median) Age	**46 Years**	**Average (Median) Income**	**$48,000**

Number of People in Household	%	Educational Attainment	%
One	15.6	Less than a high school diploma	5.8
Two	39.5	Completed high school	27.4
Three	14.8	Some college	26.4
Four	18.8	College graduate	27.0
Five	7.4	Post graduate degree	12.6
Six or more	3.8		
Average (Median)	**2 Persons**		

Ethnicity/Race	%	Urban/Rural	%
White/Caucasian	94.2	Urban/Suburban/Small Town	69
Black/African American	1.6	Rural area	29
Hispanic/Latino	0.6		
Asian	0.4	**Gender**	**%**
Native American	0.8	Male	23.4
Other	0.6	Female	76.6

State	%
Nebraska	20
Iowa	20
Wisconsin	30
Missouri	30

Shown above are the demographics of the sample of 500 households. The average (median) age was 46 and the average (median) income was $48,000. An average of 2 people lived in the sample households. The survey was screened for the primary grocery shopper; hence 76.6% of the respondents were female. Sixty-nine percent of the respondents lived in urban, suburban, or small town areas, while 29% lived in rural areas.

5.0 Conclusions

The following conclusions were drawn from this consumer survey of a representative sample of 500 households in the states of Nebraska, Iowa, Missouri and Wisconsin:

If locally grown or produced products aspire to compete with non-locally grown or produced products in the market place, they must differentiate their product from the non-local competition. Product differentiation includes identifying the features, benefits, and attributes that differentiate your product from your competitors. This product differentiation needs to go beyond marketing a product as "locally grown". The product needs to address as many of the attributes outlined in sections 1.0 and 3.2 as possible. For all food products the attributes that should be used to differentiate and promote your products include:

1. Superior Taste
2. Superior Quality
3. Higher Level of Nutrition and Healthfulness
4. Support of Local Family Farms
5. Food Safety
6. Freshness (Farm Fresh Taste)

Overall, the majority of the households surveyed in this study were very supportive of purchasing locally grown or produced food from grocery stores, farmer's markets, restaurants, and direct from the local farmer. This finding presents several potential opportunities for local producers who meet the consumer's needs (in the form of the above attributes). The greatest level of interest in purchasing locally grown or produced food lies in small towns and rural areas. However, these households are also the least willing segment of the population to pay a premium price for locally grown or produced food. The urban and suburban households are somewhat to very interested in purchasing locally grown or produced food and may have a greater willingness to pay a premium price for these products. The greatest opportunities for selling locally grown products are in small town and rural markets for competitively priced items and in urban and suburban areas for premium priced products. Whichever geographic market is targeted, all the attributes above must be addressed.

Currently, 80% of the households have purchased locally grown or produced food from a farmer's market, while approximately 75% have purchased from a grocery store and/or direct from a local farmer making all three of the sources an excellent way to distribute locally grown or produced products. Because purchasing convenience and availability are so important to urban households, the ability to have your product in grocery stores is very important to these consumers.

Nearly all of the respondents have purchased a locally grown or produced food at one time or another. However, there appears to be ample room in the marketplace for more locally grown beef, pork, chicken and cheese. The top three reasons why consumers have purchased locally grown or produced products are freshness, (better) taste, and the opportunity to support local farmers. Sixty-three percent of the households that have purchased locally grown or produced products would increase their purchases if more products were available in their area. This is directly related to the need for purchasing convenience where the products are available at the locations where the consumers shop on a regular basis.

Seventy-one percent of the households said that organic and/or all-natural products were available in their local area. This indicates the widespread availability of organic and all-natural products. Thirty-five percent of the households have purchased organic food at one time or another, while 36% have purchased all-natural foods. Among those who have purchased organic and all-natural food, more than 70% have purchased these products from farmer's markets and/or conventional grocery stores making these sources excellent ways to distribute organic and all-natural products.

The data indicates that the organic and all-natural market will continue to grow, as these products become more available. The top reasons why some consumers <u>have not</u> purchased organic and all-natural products are that they had no interest or need to purchase the products; the products are too expensive; the products are not widely available; and that they needed more product information (knowledge). These "negatives" present opportunities for the local producer to demonstrate the need for these products, justify their price (especially through education on how the products are grown), and make the products more convenient for the consumer to purchase. Producers wishing to sell organic and all-natural foods need to stress the attributes that influence organic and all-natural purchases (outlined in this report), as well as the attributes previously discussed if they are to compete with the "conventional" foods that are lower in price.

The respondents were asked to rank the importance of seventeen attributes in selecting the meat that they have purchased. Food safety was the top ranked attribute and had an average score of 9.5 on a 10-point scale. This finding, coupled with the third ranked attribute of USDA inspection, indicates that it is critically important for a producer to find plants that are federally inspected for meat processing. Other top ranked attributes include meat quality, tenderness, juiciness, farm fresh taste, and ease of preparation. The fact that a product is locally grown is very important but so is the price of the item. Local producers who cannot compete with non-local products on price should stress the importance of the above attributes. Well over half (57%) of the households felt that it was *extremely* important to purchase meat that had a farm fresh taste. This may be a strong selling point for locally raised meat.

Over half (54.8%) of the households have purchased meat direct from a farmer or farmer's market. Among those who <u>have</u> purchased meat direct from a farmer, 47% were influenced to do so because they knew who raised the animals. Among those who <u>have not</u> purchased meat direct from a farmer, 61% have not because the product was not available or convenient to purchase. Hence, having locally grown meat available for purchase in a grocery store would make the product more convenient and could increase consumer purchases.

Thirty-seven percent of those who purchase chicken buy it because they like the taste, while 29% purchase chicken because they believe it is healthy and nutritious. These are two excellent attributes to use in the marketing of locally grown chicken. If chicken producers want to reach the greatest proportion of the population they should offer non-frozen boneless and/or skinless chicken that is packaged in certain parts such as all breasts.

Among those who have purchased chicken, nearly 11% have heard of pastured poultry, while 4.6% have purchased the product. Thirty-five percent of the households who have purchased chicken have heard of free-range chicken, while 11% have purchased it. Although the awareness and purchase of pastured poultry was not dependent on income, household income *was* a factor in the awareness and purchase of free-range chicken. Household incomes of $75,000 or more and certainly those earning $100,000 or more provide an excellent target market for free-range chicken producers.

When purchasing locally grown meat, a large cross-section of the respondents would prefer to pay a price that is equal to the "typical" price for meat; this finding is also true in free-range type chicken purchases. However, if the locally produced meat and free-range chicken products met the consumer's needs such as food safety, (high) quality, USDA inspection, tenderness, juiciness, and farm fresh taste then a premium price may be asked for the products. This is where advertising, marketing, and product sampling are critical to the product's success. Again, the customer needs to be convinced that the important attributes found in sections 1.0 and 3.2 (especially top attributes like food safety and quality) are part of the product they are purchasing.

6.0 Survey Instrument

Food Purchasing Behavior/Purchasing Local

1. How important are the following in selecting the brands or products that you purchase. Rate on a scale of 1 to 10 with 1 being Not Important and 10 as Extremely Important that the…**(Rotate a-g)**

	Not Important		Somewhat Important			Very Important			Extremely Important	
a. Product is an All-Natural Food	1	2	3	4	5	6	7	8	9	10
b. Product is Organic	1	2	3	4	5	6	7	8	9	10
c. Product's Quality	1	2	3	4	5	6	7	8	9	10
d. Product's Taste	1	2	3	4	5	6	7	8	9	10
e. Product's Price	1	2	3	4	5	6	7	8	9	10
f. Product is Nutritious and Healthy	1	2	3	4	5	6	7	8	9	10
g. Product is identified as environmentally friendly	1	2	3	4	5	6	7	8	9	10

1a. When purchasing food how important are the following. Rate on a scale of 1 to 10 with 1 being Not Important and 10 as Extremely Important that the…**(Rotate a-e)**

	Not Important		Somewhat Important			Very Important			Extremely Important	
a. Product is a local store brand or label	1	2	3	4	5	6	7	8	9	10
b. Product is **(Insert State You Are Calling)** Grown	1	2	3	4	5	6	7	8	9	10
c. Product's purchase supports a local family farm	1	2	3	4	5	6	7	8	9	10
d. Product is locally Grown or Produced	1	2	3	4	5	6	7	8	9	10
e. Product is made by a small local company	1	2	3	4	5	6	7	8	9	10

For the purpose of the following questions, locally grown or produced means that the food was grown on a local family farm or made by a small local company

2. If available, how interested would you be in purchasing locally grown or produced food from the following sources? Please rate your interest level (on a scale of 1 to 10 with 1 being Not at all Interested and 10 being Extremely Interested) in buying:

	Not Interested		Somewhat Interested			Very Interested			Extremely Interested	
a. Direct from a local farmer	1	2	3	4	5	6	7	8	9	10
b. From a Farmers Market	1	2	3	4	5	6	7	8	9	10
c. From a Grocery Store	1	2	3	4	5	6	7	8	9	10
d. At a restaurant or cafeteria	1	2	3	4	5	6	7	8	9	10
e. Other (Please Specify ________________________	1	2	3	4	5	6	7	8	9	10

3. If available, what is the **most** you are willing to pay for locally grown or produced food?
    a. Less than the typical retail price for similar items
    b. Equal to the typical retail price for similar items
    c. 10% above the typical retail price for similar items
    d. 25% above the typical retail price for similar items
    e. Greater than 25% above the typical retail price for similar items

4. Which of the following locally grown or produced foods has someone in your household purchased **(After Each No Response in COLUMN A, <u>Immediately</u> Ask Column B)**?

COLUMN A **<u>Y/N</u>**	**COLUMN B** **<u>If Available Would you Purchase it?</u>**
_______ Fruit	_______ Fruit
_______ Vegetables	_______ Vegetables
_______ Beef	_______ Beef
_______ Pork	_______ Pork
_______ Chicken	_______ Chicken
_______ Cheese	_______ Cheese
_______ Other (be as specific as necessary)	_______ Other (be as specific as necessary)

If NO to ALL in COLUMN A, skip to Question 8

5. What influenced you to purchase locally grown or produced food? **(Probe for 2 responses)**

    1) ____

    2) ____

6. Where have you purchased locally grown or produced food? **(<u>Read Each Response multiple answer is OK</u>)**
    a. Direct from a local farmer
    b. From a Farmers Market
    c. From a Grocery Store
    d. At a restaurant or cafeteria
    e. Other ________________________________

7. What would influence you to buy **more** locally grown or produced food? **(Probe for 2 responses)**

    1) ____

    2) ____

(Now Skip to Q. 10)

8. Why haven't you purchased locally grown or produced foods? **(Probe for 2 responses)**
   1) ____

   2) ____

9. What would influence you to buy locally grown or produced foods? **(Probe for 2 responses)**

   1) ____

   2) ____

I would now like to ask you a few questions about organic and all-natural products.

Organic and Natural Products

10. Are products labeled as organic and/or all-natural foods available in your local area? a. Yes b. No

11. If available, what is the most that you are willing to pay for locally grown products labeled as **organic** foods?
    a. Less than the non-organic price
    b. Equal to the non-organic price
    c. 10% above the non-organic price
    d. 25% above the non-organic price
    e. Greater than 25% above the non-organic price

11b. If available, what is the most that you are willing to pay for locally grown products labeled as **all-natural** foods?
    a. Less than the non-natural price
    b. Equal to the non-natural price
    c. 10% above the non-natural price
    d. 25% above the non-natural price
    e. Greater than 25% above the non-natural price

12. Have you ever intentionally purchased products labeled as organic and/or all-natural foods (specify which or both)? a. Yes Organic b. Yes All-Natural c. No
    (If NO ASK 13 COLUMN B and THEN skip to Q 17)

13. Which of the following locally grown **organic and/or all-natural** foods has someone in your household purchased **(After Each No Response in COLUMN A, Immediately Ask COLUMN B)**?

COLUMN A **Y/N**	**COLUMN B** **If Available would you Purchase it**
_______ Fruit	_______ Fruit
_______ Vegetables	_______ Vegetables
_______ Beef	_______ Beef
_______ Pork	_______ Pork
_______ Chicken	_______ Chicken
_______ Cheese	_______ Cheese
_______ Other (be as specific as necessary)	_______ Other (be as specific as necessary)

If NO to ALL in COLUMN A, skip to Question 17

14. Why do you purchase organic or all-natural foods **(Probe for 2 reasons)**?

1) ____

2) ____

15. Where have you purchased your organic and/or all-natural foods: **(Read Each Response multiple answer is OK)**

a. Direct from a local farmer
b. From a Farmers Market
c. From an Organic/Natural Foods Store
d. From a Grocery Store
e. At a restaurant or cafeteria
f. Other _________________________

16. What would influence you to purchase more organic or natural foods? **(Probe for 2 responses)**

1) ____

2) ____

SKIP TO QUESTION 19

---

17. Why haven't you purchased organic and/or all-natural foods? **(Probe for 2 Responses)**

1) ____

2) ____

18. What would influence you to buy locally grown organic and/or all-natural foods **(Probe for 2 Responses)**?

1) ____

2) ____

Finally, I would like to ask you a few questions on your meat purchasing habits.

Pastured Poultry/Free Range Chicken

19. On average, how many days per week do you consume meat? ____________ Days. **(If 0 or never skip to Q 37)**

20. How important are the following in selecting the meat you purchase? Rate on a scale of 1 to 10 with 1 being Not Important and 10 as Extremely Important **(Rotate a-q)**.

	Not Important		Somewhat Important			Very Important			Extremely Important	
a. Free-Range	1	2	3	4	5	6	7	8	9	10
b. Pastured	1	2	3	4	5	6	7	8	9	10
c. Organic	1	2	3	4	5	6	7	8	9	10
d. All-Natural	1	2	3	4	5	6	7	8	9	10
e. Grass-fed	1	2	3	4	5	6	7	8	9	10
f. Raised in a Humane Way	1	2	3	4	5	6	7	8	9	10
g. Quality of Meat	1	2	3	4	5	6	7	8	9	10
h. Tenderness	1	2	3	4	5	6	7	8	9	10
i. Juiciness	1	2	3	4	5	6	7	8	9	10
j. Food Safety	1	2	3	4	5	6	7	8	9	10
k. Ease of preparation	1	2	3	4	5	6	7	8	9	10
l. Price	1	2	3	4	5	6	7	8	9	10
m. USDA Inspected	1	2	3	4	5	6	7	8	9	10
n. Farm Fresh Taste	1	2	3	4	5	6	7	8	9	10
o. Product is a Local or Regional Brand	1	2	3	4	5	6	7	8	9	10
p. Product is Locally Grown	1	2	3	4	5	6	7	8	9	10
q. Product is from a small family farm	1	2	3	4	5	6	7	8	9	10

21. Have you ever purchased meat direct from a farmer or a farmers market? a. Yes b. No

22. Why or Why not **(Probe for 2 Responses)**?

1) ____

2) ____

23. If available, what is the most that you are willing to pay for locally grown or produced meat?
    a. Less than the typical retail price for meat
    b. Equal to the typical price for meat
    c. 10% above the typical retail price for meat
    d. 25% above the typical retail price for meat
    e. More than 25% above the typical retail price for meat

24. Approximately, what percent of your meat purchases are

Beef ______________

Chicken ___________ **(If 0 or None, skip to Q 37)**

Pork ______________

Other _____________

25. Why do you purchase chicken? **(Probe for 3 Responses)**

1) ____

2) ____

3) ____

26. Do you prefer to purchase? a. Frozen Chicken b. Non-Frozen Chicken c. No Preference

27. How interested are you in purchasing chicken in the following forms on a scale of 1 to 10 with 1 as Not at all Interested and 10 as Extremely Interested?

	Not Interested		**Somewhat Interested**			**Very Interested**			**Extremely Interested**	
a. Whole Chicken	1	2	3	4	5	6	7	8	9	10
b. Cut Up Whole Chicken	1	2	3	4	5	6	7	8	9	10
c. Only certain chicken parts**	1	2	3	4	5	6	7	8	9	10
d. Boneless/Skinless	1	2	3	4	5	6	7	8	9	10

**Prompt if necessary with all breasts, all legs, etc.

28. Have you ever heard of chicken being **promoted** as pastured poultry? a. Yes b. No

29. Have you ever heard of chicken being **promoted** as free-range chicken? a. Yes b. No

30. Have you ever knowingly purchased pastured poultry or free-range chicken (specify which)?
a. Yes Pastured b. Yes Free Range c. No (**If No Skip to Q 33)**

31. Where did you purchase pastured poultry or free-range chicken **(<u>Read Each Response multiple answer is OK</u>)**
    a. Direct from a local farmer
    b. From a Farmers Market
    c. From an Organic/Natural Foods Store
    d. From a Grocery Store
    e. At a restaurant or cafeteria
    f. Other __________________________

32. What is the most that you are willing to pay for pastured poultry and/or free-range chicken?
    a. Less than the typical retail price for chicken
    b. Equal to the typical price for chicken
    c. 10% above the typical retail price for chicken
    d. 25% above the typical retail price for chicken
    e. More than 25% above the typical retail price for chicken

Now Skip to Question 37

----

33. If you could buy locally grown chicken that was raised grazing on pasture-land in a non-confined natural and humane environment, how interested would you be on a scale of 1 to 10 with 1 being Not Interested and 10 being Extremely Interested in such a product?

Not Interested	**Somewhat Interested**	**Very Interested**	**Extremely Interested**
1 2	3 4 5	6 7 8	9 10

34. What would influence you to buy chicken that was raised in the manner stated in the previous question? **(Probe for 2 responses)**

    1) ____

    2) ____

35. If available, how interested would you be in purchasing the chicken described in the previous question from the following sources? Please rate your interest level (on a scale of 1 to 10 with 1 being Not at all Interested and 10 being Extremely Interested) in buying:

	Not Interested	**Somewhat Interested**	**Very Interested**	**Extremely Interested**
a. Direct from a local farmer	1 2	3 4 5	6 7 8	9 10
b. From a Farmers Market	1 2	3 4 5	6 7 8	9 10
c. From a Grocery Store	1 2	3 4 5	6 7 8	9 10
d. From an Organic or Natural Foods Store	1 2	3 4 5	6 7 8	9 10
e. At a restaurant or cafeteria	1 2	3 4 5	6 7 8	9 10
f. Other (Please Specify ______________________	1 2	3 4 5	6 7 8	9 10

36. What is the **most** you are willing to pay for the chicken described in the previous question?
    a. Less than the typical retail price for chicken
    b. Equal to the typical retail price for chicken
    c. 10% above the typical retail price for chicken
    d. 25% above the typical retail price for chicken
    e. More than 25% above the typical retail price for chicken

For classification purposes only….

Demographic Questions

37. In which range would your age fall?
    a. 18-24
    b. 25-34
    c. 35-44
    d. 45-54
    e. 55-64
    f. 65 years and over

38. How many people live in your household? _______

39. What is the highest level of education that you have completed?
    a. Less than a High School Diploma
    b. Completed High School
    c. Some College
    d. College Graduate
    e. Post Graduate Degree

40. In which range would your household's annual income before taxes fall?
    a. Under 25,000
    b. 25,000 to 49,999
    c. 50,000 to 74,999
    d. 75,000 to 99,999
    e. 100,000 to 149,999
    f. 150,000 and over

41. Which category best describes your race?
    a. White/Caucasian
    b. Black/African American
    c. Hispanic/Latino
    d. Asian
    e. Native American
    f. Other _________________________

42. Do you live in a/an…a. Urban Area b. Suburban Area c. Small Town d. Rural Area

43. Gender **(RECORD)** a. Male b. Female

44. State **(RECORD)**

    a. Nebraska b. Iowa c. Wisconsin d. Missouri