Marketing Strategies In Red Meat Sector In Turkey

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Abstract: Marketing strategies of red meat firms in 8 different regions of Turkey are presented in this study through a survey carried out with 22 carcass meat, 21 delicatessen and 11 carcass firms. Brand image was determined to be very significant for 70% of the firms in Eastern and South eastern Anatolia regions. 90% of the firms reached to target market efficiently and only one firm had access problems. In Central Anatolia 61% were determined to make regular marketing researches. Marketing researches were not made in 22% of the firms nonetheless were periodical in 17%. Brand image was determined to be very significant for all of the firms in Marmara region. All of the firms in Mediterranean region made national and international distributions and regular marketing plans.

Key words: Red meat, sectoral analysis, marketing, strategic management, Turkey.

1.Introduction

Today, the rapidly increasing population and decreasing natural resources are increasing the importance of adequate and well-balanced nutrition. Meat and meat products are an important component in the daily diet of a large proportion of society, especially in industrialized countries (Cordts et al, 2014).

Red meat contains high biological value protein and important micronutrients that are needed for good health throughout life. It also contains a range of fats, including essential omega-3 polyunsaturated fats (Williams, 2007). Red meat also provides many important nutrients, particularly protein, long-chain n-3 fatty acids, iron, zinc, selenium, vitamin D and vitamin B12. Red meat is a well-recognized source of bioavailable iron, contributing around 20% of iron intake, on average, in developed countries (Williamson et al, 2005). Meat as a component of a mixed and healthy diet contains important and essential micronutrients. The adequate intake ensures a normal function of the immune system, the mucous membranes and the general metabolism of substrates. At least a sufficient intake ensures that during time periods of higher need e.g., diseases, pregnancy, this need is adequately covered. Especially in risk groups (elderly, pregnant women, growing children) meat should be consequently recommended (Biesalski, 2005).

Regrettably, consumers often associate meat with a negative image that meat contains high fat and red meat is regarded as a cancer-promoting food. Also, intake of sodium chloride, which is added in most meat products during processing, has been linked to hypertension. For these reasons, ingestion of meat and meat products is often avoided to reduce the risk of cancer, obesity and other diseases. However, such view disregards the fact that meat plays a critical role in maintenance of human health. Although the importance of meat and meat products in consumer health has been discussed extensively in scientific articles (Arihara, 2006).

Meat and meat products are an important source of protein in human diets, and their consumption depends on socio-economic factors, ethics or religious beliefs, and tradition. Globally, pork is consumed the most (15.8 kg/capita/year), followed by poultry (13.6 kg/capita/year), beef (9.6 kg/capita/year) and finally sheep and goat meat (1.9 kg/capita/year). The consumption varies among and within countries. For instance, in Muslim countries pork consumption is extremely low or absent, whereas it can exceed 50 kg/capita/year in countries such as Austria, Poland, Germany and Lithuania (Furnols and Guerrero, 2014).

Consumption of red meat and meat products is of great importance in order to ensure healthy and well-balanced nutrition in Turkey where the population has increased rapidly. According to 2012 statistics, average meat consume on earth is 38.7 kg but this number in Turkey is 12 kg per person. These numbers are in USA 37.2 kg and 16.9 kg in EU. If 90 gr of meat consuming is sufficient for enough animal protein, it is found that the number should be 33 kg yearly per person. On earth, average cattle meat consumption is 9 kg, this number is 41 kg in USA and 19 kg in EU. Despite this, the number is very low in Turkey as 4 kg. According to studies, in Turkey animal protein consumption is 19 gr/Daily average per person. This value suggests that there is a protein shortage in Turkey (Arisoy and Bayramoglu, 2015).

Meat and meat products in Turkey have an important place in the food industry. The ratio of red meat and meat products industry in Turkish food industry is 10.4% between the years of 2006 and 2008 (Tosun and Demirbas, 2012). Red meat and meat products industry covers the whole process starting from slaughtering the animals in slaughterhouses to packing of the meat. Slaughterhouse and combines which belong to municipality and private sector, the Meat and Fish Organization combines and private sector facilities that produce meat products are the main enterprises in the industry (Tosun and Demirbas, 2012).

The relevant consumer protection regulatory agencies should inspect the abattoirs before, during and after operations for good sanitary conditions. The 5.55% prevalence of E. coli O157 in red meats poses a significant risk for consumers and indicates insufficient hygiene management both at the farm and during the slaughtering and meat handling processes in Turkey (Temelli et al, 2012).

The aim of this research is to determine the marketing strategies that red meat companies in Turkey are applying in the marketing of meat products.

2. Materials and Methods

The original material of the study is the data from a survey conducted with the firms that processed red meat in Turkey. Secondary data are obtained by scanning domestic publications and foreign literature directly and indirectly related to the subject.

The numbers of the firms surveyed and their numbers and the production explanations are given in Table 1.

Table 1. Surveyed Firms According to Provinces and Regions and Production Plans

Regions and Proviences	Carcass Meat	Delicatessen Products	Carcass and Delicatessen	Total
Eastern and Southeastern Anatolia Region				
Erzurum	1	-	1	2
Diyarbakir	2	-	-	2
Gaziantep	1	-	-	1
Malatya	1	-	-	1
Van	-	-	1	1
The Central Anatolia Region				
Ankara	4	2		6
Cankiri	-	-	1	1
Eskisehir	1	1	1	3
Kayseri	1	2	1	4
Kirşehir	1	-	-	1
Konya	1	-	-	1
Sivas	-	1	1	2
The Black Sea Region				
Amasya	-	-	1	1
Corum	1	-	-	1
Aegean Region				
Afyon	1	8		9
Izmir	-	-	2	2
Kutahya	-	1	-	1
Usak	-	-	1	1
The Mediterranean Region				
Adana	1	-	-	1
Icel	1	-	-	1

Antalya	-	1	1	2
Marmara Region				
Balikesir	1	1		2
Bilecik	1	-	-	1
Bursa	1	-	-	1
Istanbul	1	5	-	6
TOTAL	21	22	11	54

Information about the firms where the surveys are conducted are obtained from the Chambers of the Turkish Chambers and Commodity Exchanges of Turkey.

These firms are the ones registered with the Chambers of Industry and Commerce and prepared the capacity report. Sampling method is not used with the firms that processed red meat in Turkey and survey studies are conducted with 54 firms. Marketing strategies followed by red meat processing firms are analyzed both on a province basis and on a regional basis.

3. Results Obtained from Red Meat Companies

The results of the survey conducted with firms which are in the red meat sector were evaluated on a regional basis. Particularly in the Eastern regions, it has been determined that some firms, which are shown as red meat establishment according to Istanbul Chamber of Commerce records, were actually slaughterhouses. Additionally, it was found out that some of the registered businesses did not produce red meat in the current situation. These types of firms were excluded from the survey.

3.1. Eastern and Southeastern Anatolia Region

Three firms are completely customer focused companies in the region. Two of these firms pointed out that they are production focused and one of them is both a production and a customer focused firm. Brand image is very important for 70% of the firms, and 30% of firms attach an intermediate level of importance to brand image. While 90% of firms achieve the target market effectively, it is determined that only one firm has the problem of reaching the target market. The products four firms produce are quality products as well as being affordable. While one firm produces completely high quality products, the other produces completely affordable products. While almost all of the firms are sales-driven, only one firm focuses on marketing management. Except one, none of these firms conduct marketing researches. Only one firm conducts marketing research when it is needed but not on a regular basis. While one of the firms attaches importance to developing new products, the other firms do not develop new products. This is because firms in the region are usually carcass meat firms. While only one firm carries out intensive promotion activities, the other ones have too little promotion activities. Three firms in the region prefer local distribution while marketing their products; however, the other three firms prefer local and nation-wide distribution. Four firms pointed out that they do not have specific marketing plans, one firm makes a regular marketing plan and one firm pointed out that it makes a marketing plan periodically when it is needed.

3.2. The Central Anatolia Region

Approximately 77% of the firms are production and customer focused companies in the region. 83% of firms attach importance to brand image, and brand image is not important for only three firms. While 61% of the firms achieve the target market effectively but 39% of them have periodic problems. While a great majority of firms in the region are not only affordable but also produce quality products, three firms produce completely high-quality products. Two firms produce only affordable products. 67% of the firms are sales-oriented. While two firms are mainly in marketing management, the four firms are mainly sales-driven and marketing driven. 61% of firms regularly conduct marketing research. Marketing research is not performed in 22% of the firms and marketing researches are made in 17% of the firms in certain periods of the year. New product development activities are at a low level in about 50% of firms. While two firms are involved in new product development activities, the other firms are at a moderate level in new product development activities. While 33% of the firms carry out low promotion activities, 44% of them have medium level and the other ones (23%) of them have intensive promotion activities. While approximately 50% of the firms prefer local distribution, 25% of the firms prefer national and international and the other 25% of the firms prefer not only local but also national distribution in the region. Two firms pointed out that they do not have specific marketing plans, 50% of the firms make a regular marketing plan and 50% of the firms pointed out that they make a marketing plan periodically when it is needed.

3.3. Aegean Region

The five firms are completely production focused companies and a great majority of the others are customer focused companies in the region. Only three firms attach low level of importance to brand image, one firm attach an intermediate level of importance and all of the other firms attach high level importance to brand image. While all of the firms achieve the target market effectively, it is determined that only two firms have problems of reaching the target market. While three firms produce completely high quality products, the other firms produce both quality and affordable products. While the two firms focus on marketing management, two firms focus both sales-driven and marketing driven and all of the other firms are completely sales-driven in the region. Only three firms conduct marketing researches regularly and the other ones' conduct marketing researches periodically. While three firms have high new product development activities, three firms have a moderate level and the other seven firms do not attach importance to developing new products. While only two firms carry out intensive promotion activities, almost all of the other ones have too little promotion activities. The four firms in the region prefer local distribution while marketing their products; however, all of the other firms prefer local and national distribution. The eight firms pointed out that they do not have specific marketing plans, two firms make a regular marketing plan and the three firms pointed out that they make a marketing plan periodically when it is needed.

3.4. Marmara Region

A great majority of the firms are both production and customer focused companies in Marmara Region. Only one firm completely production focused and two firms are completely customer focused companies in the region. Brand image is very important for all the firms in the region. While all of the firms achieve the target market effectively, only three firms have problems about reaching the target market. Many of the firms in the region produce affordable and quality products. While three firms produce high quality products, one firm produces only affordable products. While three firms are completely sales-driven, four firms focus on marketing management and the other four firms are both sales and marketing driven in the region. The five firms conduct marketing researches regularly, the two firms conduct marketing researches periodically and no marketing research is conducted on only three of the firms. While new product development activities are high level in the vast majority of firms in the region, the two firms do not attach importance to developing new products and new product development activities are moderate level in the other two firms. While the promotion activities in the four firms are low level, they are moderate in five. Only one firm has not any promotion activities. Apart from the two, all of the firms prefer national and international distribution as well as local distribution. Only two firms prefer local distribution. While there are regular marketing plans in the three firms, no marketing plans are preferred in the three businesses. The other five enterprises have medium-level marketing plans.

3.5. The Mediterranean Region

All of the firms in the Mediterranean region are both production and customer focused firms and they attach importance to brand image. While those located in the province of Antalya achieve the target market effectively, the firm in Adana province is experiencing moderate level problems in some periods. The products produced by the firms in the region are affordable as well as quality products at the same time. The firms located in the province of Antalya are completely marketing management driven producers whereas the business located in Adana province produces both sales and marketing management driven production. Regular marketing research is carried out for all the firms in the province of Antalya; at the same time, new product development activities are at a high level. While there are no promotion activities in the firm of Adana, the firms in the province of Antalya have promotion activities intermediate level. All the firms located in the province of Antalya prefer national and international distribution and these firms have regular marketing plans. The firm in the province of Adana is mostly distribute locally and there is no regular marketing plans in this firm.

3.6. The Black Sea Region

While the firm in the province of Corum is completely customer focused, the firm in Amasya is both production and customer focused firms in the Black Sea Region. The firm in Corum attaches importance to the brand image, while the brand image for the other firm is of moderate level importance. While the firm in Corum achieve the target market effectively, the firm in Amasya sometimes has problems periodically. The firm in Amasya province produce completely affordable products while producing high quality and affordable products in other firm. The firms in the region are mostly sales-driven firms but they also focus on marketing management. While marketing research is conducted regularly by the firm in Corum province, marketing research is being conducted in some periods even though it is not regular in other firm. While new product development and promotion activities are high level in the firm in Corum province, it is moderate level in the other firm. The firm in Corum provience prefers national and international distribution while the other firm prefers local distrubition in the region. While marketing research is regularly conducted in the firm in Corum province, there is no regular marketing plan in the firm in Amasya province.

4. Conclusions

In Turkey, it can be said that in the process of accession to the European Union, a large part of the red meat industry in the process of accession into the European Union is largely owned by European Union standards in terms of the production technologies they use and the physical conditions they have.

The vast majority of firms are entering into tenders opened by these institutions to meet the meat needs of government agencies. They have quality certificates such as ISO and HACCP which are necessary for entering these tenders. This has transformed the businesses into businesses that are tailored to the modern marketing approach and tailored to consumer needs and needs.

When the businesses are examined from the perspective of the regions; while enterprises in Marmara and Central Anatolia and Aegean Region generally produce high quality products, the enterprises located in other regions produce more affordable products. Most of the firms in the Marmara, Central Anatolia and Aegean regions have no problem of reaching the target market. The firms in this region are generally those that focus on marketing management, engage in marketing research, and are committed to new product development. The firms distribute both at national and international level, as well as intensive promotion activities. The firms in other regions are mostly local distributors, which concentrate mostly on carcass meat production, do not include delicatessen products in the product range, and do not intensively apply new product development and intensive promotion activities.

To boost demand for red meat products, firms need to improve their promotional activities. Promotion activities should be intensively applied especially in this period in terms of both developing brand image and increasing consumer confidence in red meat products. For the meat industry, knowledge about consumer reactions to negative information about meat consumption, which may be presented in the media, is relevant from a strategic marketing perspective in order to be able to develop appropriate strategies regarding e.g. product policy or public relations (Cordts et al, 2014). Consumer requirements for food which is safe, healthier, of consistent eating quality, diverse and convenient is increasing. In response, the food industry, supported by the research community, continues to drive new opportunities to address the needs of the consumer (Scollan et al, 2006). Therefore, further studies are required to demonstrate the clear benefits of meat and meat components for human health. Along with accumulation of scientific data, there is an urgent need to inform consumers of the exact physiological value of meat and meat products including novel functional meat products. Since food safety is another critical aspect of food quality, efforts should also be directed to ensure that new functional meat products are safe. Without proof of product safety, most consumers would hesitate to adopt new foods in their diet (Arihara, 2006).

Factors that affect meat industry from engaging in innovative activities should be recognized and acknowledge. This will help the meat industry to know where to put its resources in order to get more customers and thereby improving quality. Investment should be made on the right innovative idea that will improve and enhance quality, on-time, reliable and effective service in the meat industry (Iyiola, 2013). The primary producer in particular, has been most affected with considerable reductions in profit margins. Competitiveness in developed food markets is linked to the ability to develop new differentiated products which increasingly seek to move away from the cost and price-based competition associated with commodity-driven markets. This is commonly accepted for food products which require a higher degree of processing but it is increasingly apparent in fresh foods, including meat (Scollan et al, 2006).

Many respondents did not mention red meat classification when defining red meat quality and safety, but many aspects potentially related to classification were mentioned such as freshness, meat color, appearance, smell, tenderness, taste and leanness. Given the potential loss of product identity which occurs at the point in the supply chain where carcasses are processed into individual meat cuts, it is critical that fresh red meat product labels should have trustworthy and clear indications of the class of the meat being sold (Vermeluen et al, 2015).

The red meat industry has to try to create more conditions for taking place in the chain from production to consumption, and the sector should be made a structure that produces sufficient, high quality, efficient and cheap products.

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