PLANT-BASED CHICKEN: KEY INSIGHTS AND PRODUCT ROLLOUT GUIDE

Picture credit: Imagine Meats

gfi / India

INTRODUCTION

Poultry is India's most popular type of meat. As a country, India is the world's sixth largest producer of poultry and the second largest producer of eggs. The Indian poultry market, consisting of broiler chickens and eggs, was estimated to be INR 1,988 billion in 2020.

> **India is also projected to be one of the world's largest growth markets for poultry consumption. With increasing disposable incomes, changing food habits, and increasing health awareness, the poultry market is projected to grow at a CAGR of 15.2% till 2026. Poultry being one of the cheapest sources of protein, along with year round availability and limited cultural and religious barriers are some of the other key reasons behind this projected growth.**

However, we're simultaneously witnessing a steady increase in concerns around the **product quality and safety** (hygiene, presence of hormones and antibiotics) of poultry, and an emergence and re-emergence of **food borne and zoonotic** diseases from meat, particularly from poultry. In 2020, speculation and rumors over a possible avian link to the deadly coronavirus dented poultry sales by almost 80% in the initial months. In early 2021, with confirmed cases of avian flu in about ten states, there was a further drop in poultry sales. Now, more than ever, consumers are becoming conscious about their daily diets, are looking to reduce their consumption of animal-derived meat, and are seeking out alternatives like plant-based meat, eggs, and dairy for health, ethical, or environmental reasons.

Plant-based meat is gaining acceptance all over the world and is projected to be a USD 100 billion market by 2030. While North America and Western Europe are the two largest markets, China and India have the largest percentage of people who say that they would eat plant-based substitutes. Plant-based meat - currently in the initial stages in India, targeting early adopters - is picking pace rapidly. 1 in 4 early adopters claim that they would not want to consume animal-based products like chicken, fish, mutton, and dairy or eggs in the future, and when asked about which form of protein they would accept, if produced using plant-based ingredients, chicken had the highest appeal (67%).

This guide provides key insights that will help manufacturers of plant-based meat in India successfully roll out plant-based chicken options for their consumers by laying out do's, don'ts, and specifics about the category. These insights are shaped by pairing consumer insights research conducted by GFI India, along with the learnings we've gathered from market rollouts in the plant-based chicken category, both in India and other countries.

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1. **A Deep dive into early adopters of plant-based meat in India**

YOUNG (25-44) **WELL EDUCATED (GRADUATES AND ABOVE)** **MHI INR 50K+** **LIVING IN URBAN AREAS** **OMNIVORES**
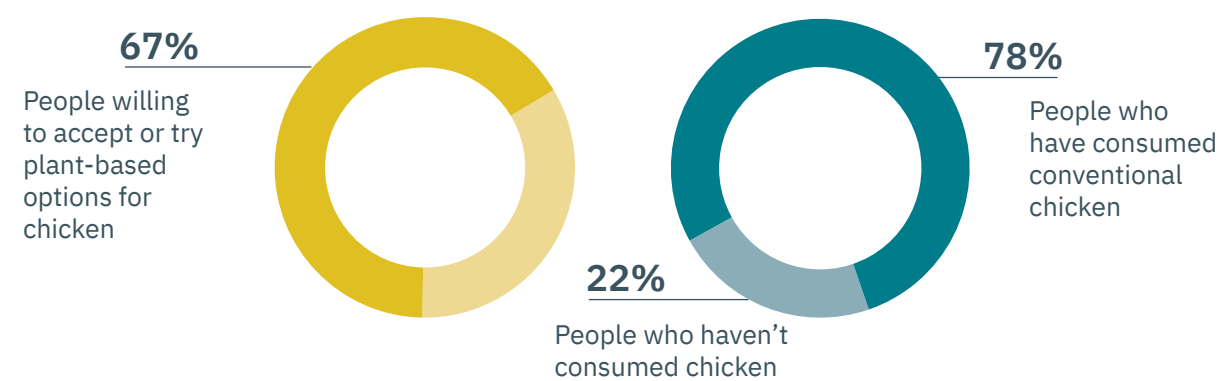
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Who is the target audience for plant-based meat in India?

- **Younger** (25-44), **higher income** (MHI[2] of INR 50,000+), **well educated** (graduates and above) people living in **urban areas** and **omnivores** are the early adopters for plant-based meat in India. This cohort has a higher intent to purchase plant-based meats regularly (73% of them) and are willing to pay a price premium for plant-based meat over conventional meat (53% of them).

73%
Purchase plant-based meats regularly

53%
willing to pay a price premium for plant-based meat over conventional meat

- **Early adopters are meat-eaters** with a high consumption frequency for conventional meat - almost 14 times a week spanning across breakfast, lunch, snacks, and dinner.

- Conventional meat consumption for these audiences has moved beyond special occasions and is now a part of their weekday menus. Their **meat eating occasions** range from normal **weekday meals**, to **get-togethers, celebrations, festivals, marriages, office meetings, and more.**

- 1 in 4 early adopters claim that they would not want to consume animal-based products like chicken, seafood, mutton, and dairy, or eggs in the future. **Product related barriers (hygiene of the meat procured, smell, ease of cooking, and heaviness on the stomach post consumption)** along with the increasing consciousness around animal cruelty, impact on the planet, and personal health are some of the reasons why early adopters are looking at reducing their conventional meat consumption.

[2] MHI : Monthly Household Income

67%

People willing to accept or try plant-based options for chicken

22%

People who haven't consumed chicken

78%

People who have consumed conventional chicken

- 78% of early adopters have consumed conventional chicken in the last 12 months and **67% are willing to accept or try plant-based options for chicken.**

Image: Plantaway Foods

- Chicken is an all-time favorite in India. It has the **highest penetration** out of all animal-derived meats among the early adopters. Close to 85% of this cohort has consumed conventional chicken in the last 3 months and **76% of them in the last week**. Penetration numbers go up further with the increase in affluence. Households with an MHI of INR 1,00,000+ have a weekly penetration of 80%.

Conventional meat is consumed 14 times in a week

3.4x Consumption of poultry
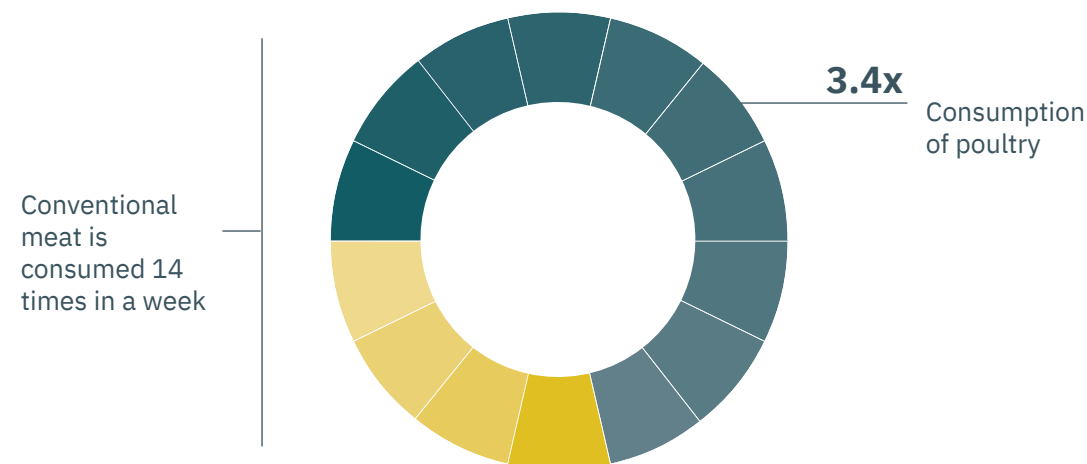
- Of the 14 times that early adopters consume conventional meat in a week, poultry takes the highest share with **it being consumed 3.4 times a week.**

- Lunch and dinner are the key parts of the day for consumption, accounting for 90% of the occasions. Just 9% of early adopters' recent occasions for consumption of conventional chicken were for breakfast and snacks, highlighting the opportunity to develop plant-based chicken products **targeting different parts of the day.**

- 70% of the early adopters consume chicken both at home and out of home, while 21% have it only at home and 9% of them have it only out of home.

- For 60% of the occasions, chicken is home cooked and for 36% of the occasions it is ordered from outside, showcasing the opportunity for plant-based chicken in both food service and household kitchens.[3]

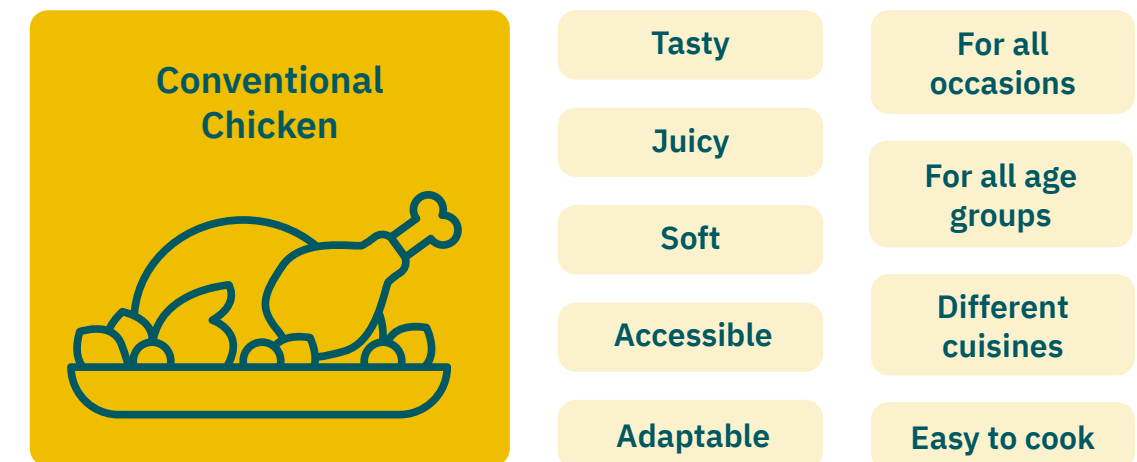[3]**Numbers for eating out are low since the field work was done during the COVID-19 times**

2

What is the consumption behavior for chicken among early-adopters in India?

3

What are the drivers for consumption of chicken?

- In general, eating meat in an Indian context is just not a food choice. It's a way of life - along with emotional and cultural associations, it signifies indulgence, and is also a form of social currency.

- Since the **primary target audience for plant-based meat are non-vegetarians,** plant-based chicken would be consumed for similar reasons as conventional chicken.

Conventional Chicken

Tasty

Juicy

Soft

Accessible

Adaptable

For all occasions

For all age groups

Different cuisines

Easy to cook

- At a spontaneous level, the top associations with conventional chicken for consumers are descriptors such as 'tasty, juicy, soft, accessible, adaptable, for all occasions, for all age groups, different cuisines, easy to cook' and so on.

- When we quantify all the key attributes associated with chicken, **taste is the primary driver for consumption**. However, eating meat is not only about taste, the complete gastronomic experience also matters. Plant-based chicken will have to recreate the multi-sensorial journey of conventional chicken in terms of the juiciness of the meat, the smell of the meat being cooked, the dark red color of the curries, the layer of oil floating on the top of gravies, the experience of eating with the bone, satiation, and so on.

- Chicken is generally considered a **low fat, good quality protein, that is relatively easy to digest** when compared to other meats like mutton.

- Apart from taste, **convenience** (the whole family likes it, it is easily available, easy to cook and clean), **price** (value for money, affordability) and **health** (protein requirement, nutrition) are also the key reasons for the consumption of traditional chicken.

- Chicken scores better on affordability and value for money as compared to other meats. It can be used for humble chicken curries to indulgent dishes like butter chicken or preparations with cashew paste, butter, cream, and other rich ingredients.

Image: Greenest

PRODUCT

PACKAGING
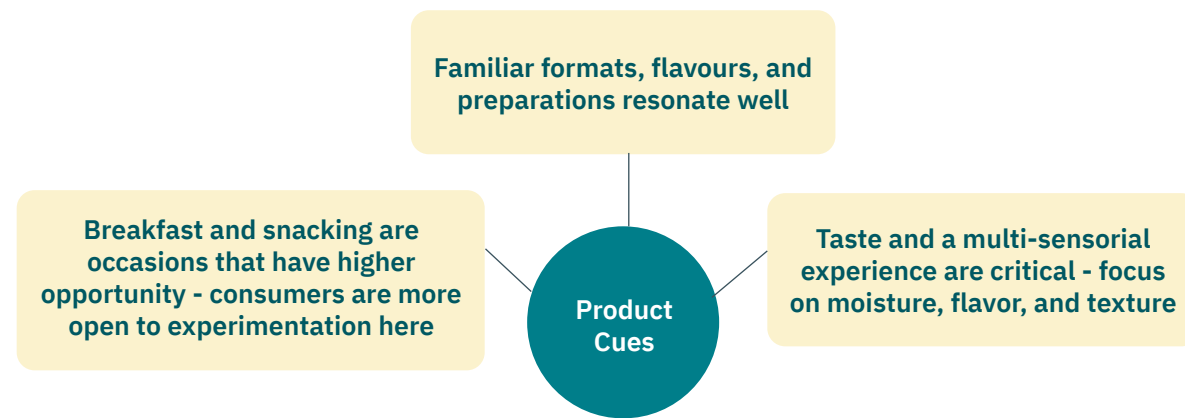
PRICING

POSITIONING

DISTRIBUTION

4

How do we go about developing a marketing mix for plant-based chicken?

4.1. PRODUCT

Familiar formats, flavours, and preparations resonate well

Breakfast and snacking are occasions that have higher opportunity - consumers are more open to experimentation here

Product Cues

**Taste and a multi-sensorial experience are critical - focus on moisture, flavor, and texture**

- Since the category is new, having consumers try plant-based meat products via variations in popular menu dishes is the best possible way to get a consumer to experiment. The same has been proven in the US, where **familiar context, formats, flavors, and preparations** resonated well when trying plant-based meat for the first time. Most manufacturers re-create formats that are popular with consumers in conventional meat form - burgers, meatballs, sausages, ground meat, and so on.

- When developing products, it is critical to understand the formats that work well in India - in the context of traditional chicken - that can be explored when creating plant-based counterparts.

- When it comes to chicken, **broilers** are preferred more than the country varieties for meat.

Leg pieces	Breast pieces	Wings	Thighs	Curry cuts
69%	43%	35%	33%	32%
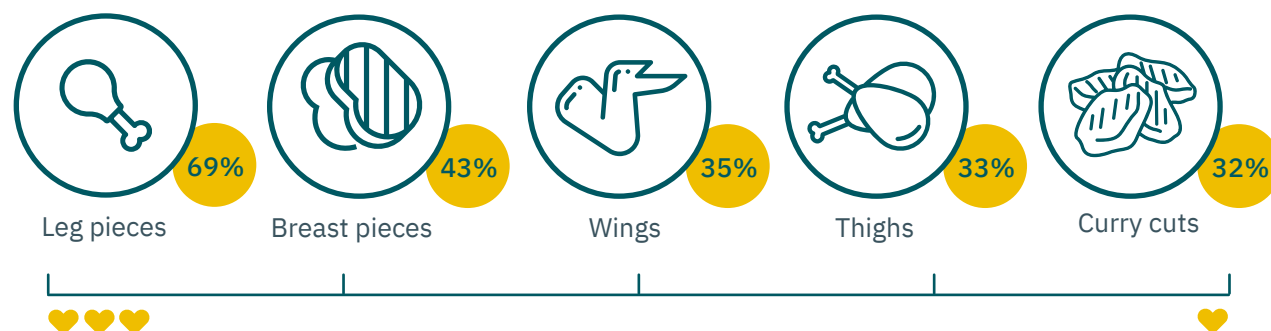
- **Leg pieces** are the most loved with 69% of all chicken eating occasions using them, followed by **breast pieces** (43%), **wings** (35%), **thighs** (33%), and **curry cuts** (32%).

- Fresh meat is preferred (70% of the time, chicken procured is fresh). However, **marinated** (24%), **chilled** (16%), and **frozen** (16%) are also making inroads. Building on the same trend, there is an opportunity for innovation across formats - from frozen to refrigerated to shelf stable - for plant-based chicken.

- When it comes to eating occasions, there is opportunity for innovation across all **parts of the day.** Of the various occasions where conventional meat is consumed, Indian consumers show a **higher inclination to experiment for breakfast and snacking**, with conventional meat options falling short on variety and convenience for these parts of the day.

- **Variety** is an important part of meat consumption in India. Consumers tend to experiment with different types of **cuisines and formats** with conventional chicken, both at home and out of the home, depending on the occasion and accompaniments - eating chicken with rice, eating it with roti, eating it as an appetizer, and so on.

- Chicken is a favorite for everyday consumption as well as special occasions. Key occasions for consumption for early adopters are regular **weekday menus** (55% of all chicken eating occasions) and **get-togethers** with family (38%) and friends (31%).

- **Chicken curry, chicken biryani, and butter chicken** are the most loved chicken dishes. Other popular dishes with chicken are chicken fry, achari chicken, chicken-65, chicken butter masala, chicken coconut curry, chicken chili, chicken lollipop, chicken kebabs, chicken tandoori, chicken stew, chicken lazeez, chicken shawarma, chicken tikka, chicken soup, chicken pakora, grilled chicken, roast chicken, and more.

- It is also important to focus on developing formats that are as close to conventional chicken as possible, including meat with bones, less or no preservatives/processing, and so on.

- During product introduction in qualitative studies, Indian early adopters pointed to taste as the one aspect they needed more assurance on. The top taste barriers reported for plant-based meat in the US are **moisture, flavor, and texture.** Manufacturers in India need to make sure that their plant-based products are as close to the conventional product as possible on these parameters.

👃	**Aroma**	✋	**Touch & Feel**
👂	**Sizzle**	🍴	**Taste**
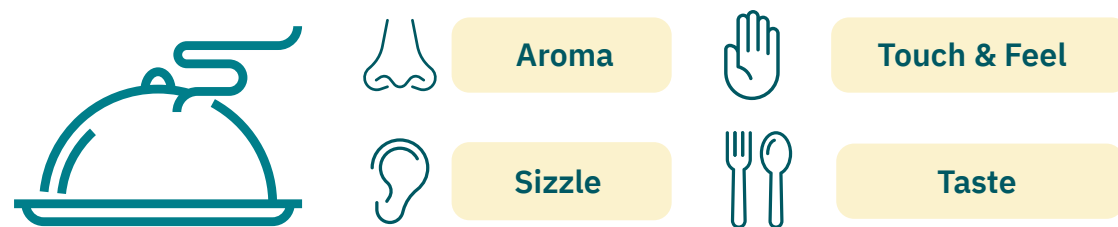
- When innovating within the smart protein segment, **prioritizing the multi-sensorial experience of the dish is key,** rather than just focusing on what the dish is. For example, while launching plant-based meat products one should ask "What is the experience I am creating? What role does conventional meat play in this experience?" rather than, "What part of animal meat do I need to replace?" **Think about fragrance, touch, and feel.**

- In India, we also need to think about products that offer plant-based meat in its final cooked form, and not just in its raw form. For example, you need to consider that there will be different chicken pieces in a curry versus a biryani.

- Some of the sensory cues that need to be recreated for plant-based chicken are:
  - It should be soft and tender to touch.
  - Color has to be light pink. If it's red, it's considered stale and if it's white, it's considered to have too much fat.
  - Should cook easily and immediately.
  - Smell of raw chicken should be replaced by the smell of cooked chicken.

  - Cooked chicken should be firm and juicy, and should not disintegrate in the mouth.
  - In curries or gravy-based dishes, there should be a layer of oil on top, and the curry should be of medium thickness.

- Consumers think that non-vegetarian food tastes good **across different flavor combinations** - plain roasted, with lemon, with spices, with masala, and so on. According to them, it is not the spices that add flavor to the meat, it is the meat that brings out the flavor of the spices. It is important for manufacturers to think about compatibility with different preparation methods and offer similar experiences to consumers.

- While developing products for restaurants (HORECA), it is important to ensure:
  - **Versatility:** SKUs that can be used for multiple dishes.
  - **Similar prep procedures**: SKUs that can be cooked and prepared similar to conventional chicken, with a faster turnaround time.
  - **Similar equipment**: SKUs that can be cooked with existing equipment used to cook conventional chicken.

4.2. PACKAGING

Packaging Standards

Preferred pack size	500gm / 1kg
Packaging material	Sustainable
Important information	Nutrition facts, Protein content, and Ingredient list.
Term of identification	Plant-based
Terms to avoid	Chicken-less

*Make sure to use good pictures and appetizing descriptions of products

- On average **1.2 kg** of conventional chicken is consumed for each occasion by the early adopters.
    - 500 gm to 1 kg accounts for 35% of the occasions.
    - 1 kg to 1.5 kg for 23% of the occasions.
    - 1.5 kg to 2 kg for 26% of the occasions.

- **Therefore, 500 gm and 1 kg** could be key pack sizes for plant-based chicken products, to start with.

- For consumers, along with the product barriers that conventional meat brings, the move to plant-based meats is also influenced by sustainable lifestyles and the desire for a better future for the planet. Hence, plant-based chicken manufacturers have to keep in mind that environmentally conscious consumers are also often concerned about the **sustainability of packaging.**
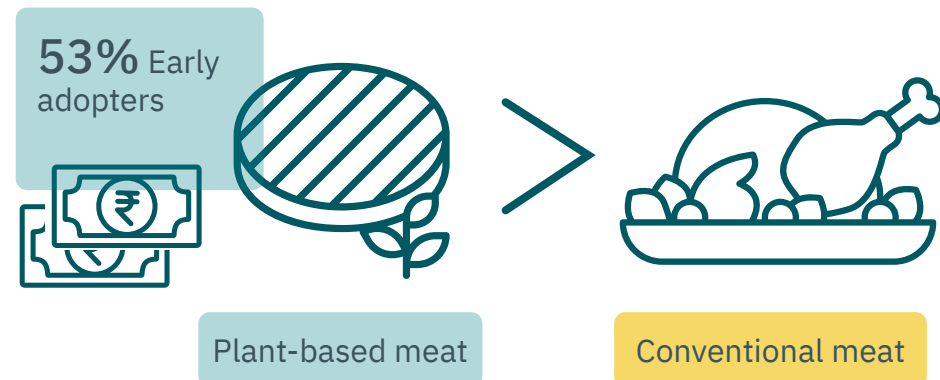
- In a study conducted by GFI India with plant-based dairy users in India, it was found that the majority (90%) of the consumers of the category tend to pay **attention to the labeling** on the products. They check both the front of the pack and back of the pack. Besides looking for the date of packaging/expiry - which is most commonly checked for both plant-based and animal-derived foods - consumers of plant-based dairy also paid attention to the **nutrition facts, protein content, and the ingredient list.** This could be stemming from the fact that plant-based protein as a category is relatively new compared to animal-derived protein, and we expect the same trend to play out for.

- Using the term **'plant-based' as the primary identifier** rather than vegan or mock meat is very important to access the largest target audience and not alienate any segment of the consumer base. The terminology of 'plant-based' is most universally accepted as 'warm', with a 'farm to table connotation' and is the 'least excluding' term according to the consumers. This nomenclature also taps into larger food trends playing out in the industry.

- Good pictures and appetizing descriptions of products work well. Focus on the positives while labeling and **avoid perceptions of deprivation like 'chicken-less', and so on.**

Image: Shaka Harry

4.3. PRICING

53% Early adopters

Plant-based meat > Conventional meat

- **53%** of early adopters of plant-based meat in India are willing to pay a price premium for plant-based meat over conventional meat.

- In a qualitative survey conducted by GFI India within the foodservice industry, around half (46%) of consumers are willing to pay a **price premium of 10-20%** above conventional meat.

- On average **INR 379 is spent for 1.2 kg** of chicken by early adopters in India. Though the manufacturers of plant-based chicken can start with price points which are at a premium as compared to conventional chicken, for a wider diffusion of the category, price points for plant-based chicken would have to reach parity with that of conventional chicken soon after.

- Indian companies have been running extensive promotions to make products more affordable and interesting strategies can be employed by plant-based chicken promoters to increase consumption. For example:
  - In 2021, the Amazon Retail team offered Blue Tribe Foods' plant-based chicken nuggets and plant-based chicken kheema at an unbelievable offer of INR 11 per SKU on Amazon Fresh, offering a price discount of 96% for the nuggets and 97% for the kheema.
  - Globally, when the cost of chicken increased in 2021 due to a supply shortage, Alpha Foods launched a new promotion that lowered the prices of its plant-based Chik'n Nuggets to match the increase in poultry costs.

4.4. POSITIONING

- Eating meat in the Indian context is not just a food choice. It's a way of life, deeply rooted in emotional and cultural associations. Consumption of meat is also associated with affluence and is considered to be a signifier of social status. Therefore, it is important for plant-based meats to **build on the aspirational angle** to be able to win against conventional meat.

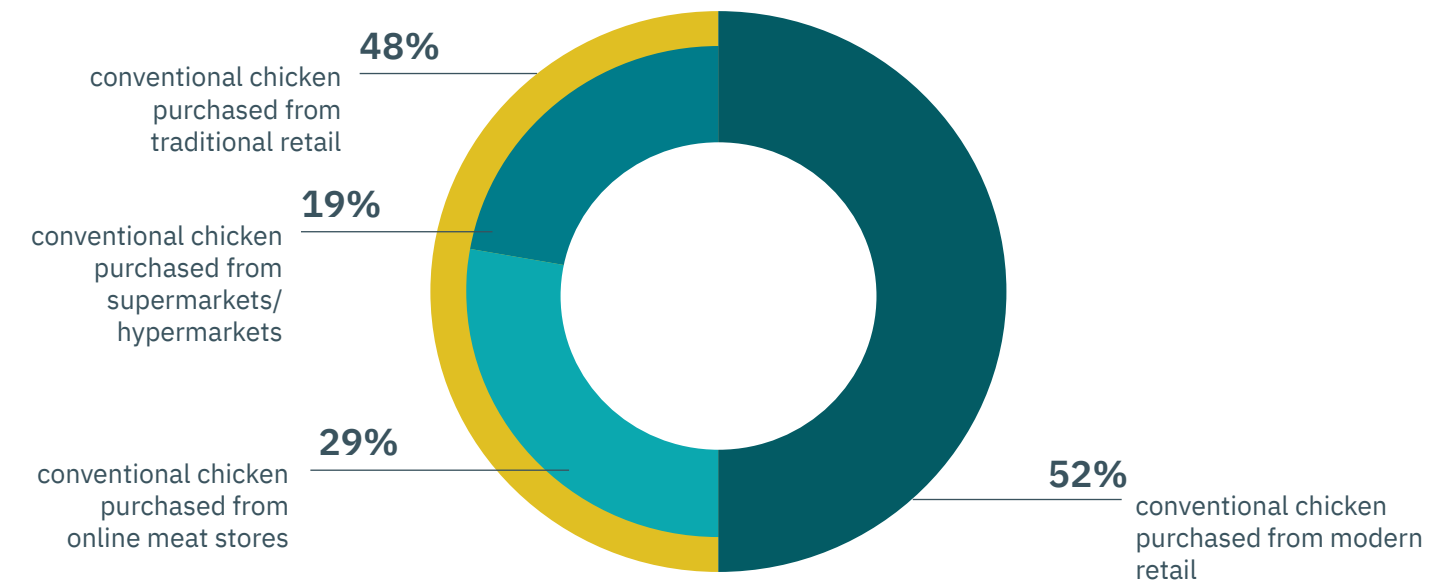**TASTY**   **Healthy**   **Indulgent**   **High in protein**   **Flavorful**

- Looking at case studies from across the globe, marketing is extremely important when it comes to driving plant-based meat consumption, and **taste has to be the primary message within marketing campaigns and product promotions.** Positioning plant-based chicken as flavourful and **indulgent,** emphasizing on its meaty flavor and protein content has worked well.

- Plant-based chicken **has to evoke similar feelings as conventional chicken when consumed**. 'Felt energetic', 'craving was satisfied', 'felt nourished' and 'felt healthy' are some of the top reactions to a meal with chicken.

- Around 16% of reactions were also about feeling lethargic and sleepy and around 11-12% spoke about feeling acidic and unable to digest, and even guilty.

- Plant-based chicken can try to balance both the advantages and health perils associated with conventional chicken by positioning itself as "**indulgent and rewarding without the heaviness or guilt** associated with conventional chicken."

- Positioning around the key occasions of consumption - day to day to meals, get-togethers with friends and family can be a good starting point for marketing as well.

4.5. DISTRIBUTION

Food service outlets

Modern Trade

Food tech (Online Delivery)

- Plant-based meat as a category has created awareness and buzz through **food service outlets** globally, and then made its way to the consumer's kitchen through retail outlets.

- While high awareness is seen among global QSRs, awareness among other players in the industry is also encouraging. As per a qualitative survey conducted by GFI India with the stakeholders in the food service industry, 28% of them are aware of plant-based meats currently and 72% of them are likely to try retailing plant-based meats if the price and sensorial experience matches up to conventional meat. Tie ups with existing meat distributors via **HORECA or online channels** can help in exploring distribution synergies with the food service industry.

- Plant-based meat manufacturers also have to be competitive on the **credit period** offered by the conventional meat suppliers. A credit period of **30-60 days** minimum is ideal in order to be competitive with conventional meat suppliers.

48% conventional chicken purchased from traditional retail

19% conventional chicken purchased from supermarkets/ hypermarkets

29% conventional chicken purchased from online meat stores

52% conventional chicken purchased from modern retail

- Early adopters buy conventional chicken from traditional retail for 52% of occasions and from modern retail for the remaining 48% of occasions - 29% of the time from online meat stores like Licious, Zappfresh, Fresh To Home, etc. and 19% of the time from the supermarket or hypermarkets. Plant-based chicken could follow the same trend and explore synergies for distribution with modern retail, especially online retail.

- **Food tech - online food delivery -** has now made its presence in more than 500 cities in India, with Swiggy alone offering services in 500+ cities and Zomato in 300+ cities. Tie ups with these aggregators could be a good opportunity to reach the right audience across India. It's also worth noting that Swiggy Instamart is already stocking different plant-based products, which can be found under their regular 'meat and eggs' segment, and is delivering plant-based meat in key metros within 15-30 minutes of consumers placing their orders.

References

1. [A Deep Dive Into the Early Adopters of Plant-Based Meat in India](): Understanding their profile, attitudes, and consumption occasions via quantitative data by GFI India
2. Plant-Based Meat in India: A Qualitative Study on Attitudes and Opportunities for Smart Protein by GFI India
3. Insights into Procurement, Operations, and NPD of the Food Service Industry by GFI India

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ABOUT GFI INDIA

Since our establishment in 2017, GFI India serves as the central thought leader and convening body in the space of plant-based, cultivated, and fermentation-based meat, eggs, and dairy that are collectively known as the "alternative protein" or "smart protein" sector.

With unique insight across the scientific, policy, industry, and investment landscapes, we are using the power of food innovation and markets to accelerate the transition of the world's food system toward smart proteins. In building the sector from the ground up in India, we're aiming to establish a model for its growth all across the developing world. The Good Food Institute India (GFI India) is part of an international network of nonprofits with partners in Brazil, Israel, U.S., Europe, and the Asia Pacific, on a mission to build a healthy, sustainable, and just global food system.

To learn more about our work and the smart protein ecosystem in India, visit us at [www.gfi-india.org]() or on social media.

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