



Securing the future of our independent butchers' sector

March 2015

Introduction

There were 15,000 butchers in the UK in 1990 and there are approximately 6,000 now – a reduction of 60% over the last 25 years, according to the butchers database held by EBLEX. However, after a quarter of a century in decline, the past four years has seen the number of independent butchers stabilise as consumer preferences and shopping patterns change, and they find themselves able to attract a new type of customer with different needs. This trend exists despite a period of economic turbulence suggesting that when it comes to meat consumption, consumers are increasingly willing to shop based on factors other than price.

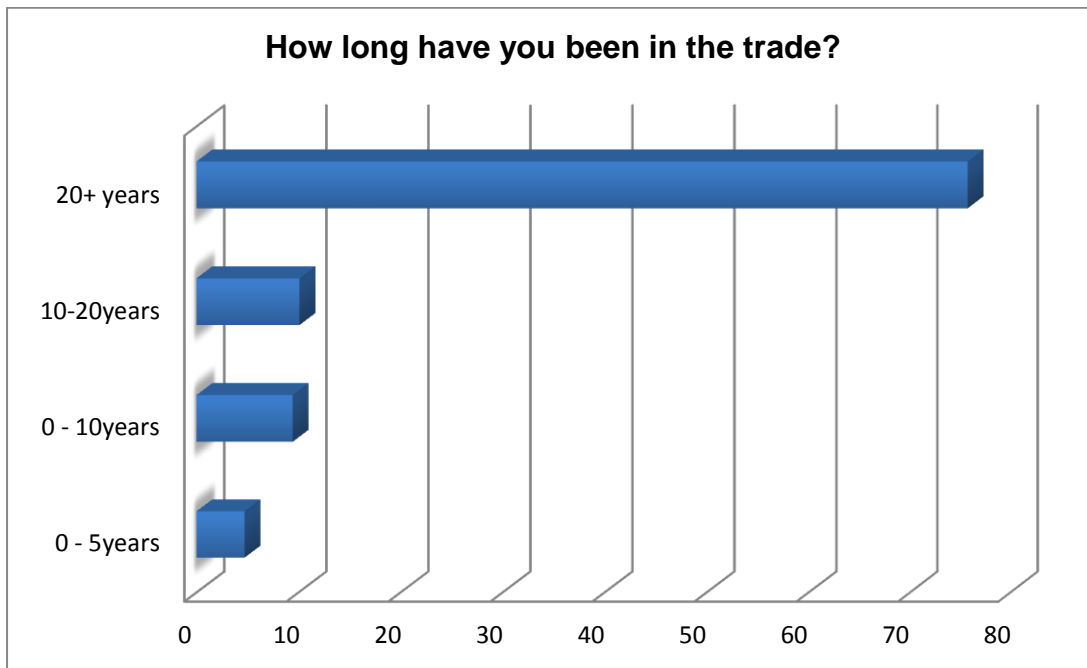
In 2014, EBLEX commissioned a survey of consumer attitudes in order to understand what might be driving these changes. It highlighted a number of opportunities that the sector can capitalise on, for example:

- Increased percentage of respondents saying they 'shop daily buying what I need'.
- Increased percentage of respondents who frequently shop in smaller local shops, indicating a growing desire for shoppers to connect with their community and local supply chain.
- Over half of respondents stated that they cook a hot evening meal most days of the week demonstrating that there is a desire to cook at home.
- The two main factors for those seeking out British beef or lamb is to support British farmers and because it is better quality. Over 50% highlight the importance of quality assurance schemes such as EBLEX's Quality Standard Mark (QSM) scheme demonstrating that customers place value on provenance, eating quality produce, environmental sustainability and animal welfare.
- Finally, over half of respondents look out for new recipe ideas, which allows butchers to show off their expertise.

However, as a result of the decline in the number of independent butchers over the last 20 years, a lot of the skills that would have been passed through generations are now missing. One butcher commented that the industry has lost a generation because of the lack of an attractive training programme. The lack of young butchers poses a threat to the industry. If it is to continue to thrive then we need a new flow of butchers with the necessary butchery and marketing skills to help them develop the independent butchery sector in the future.

A picture of the industry

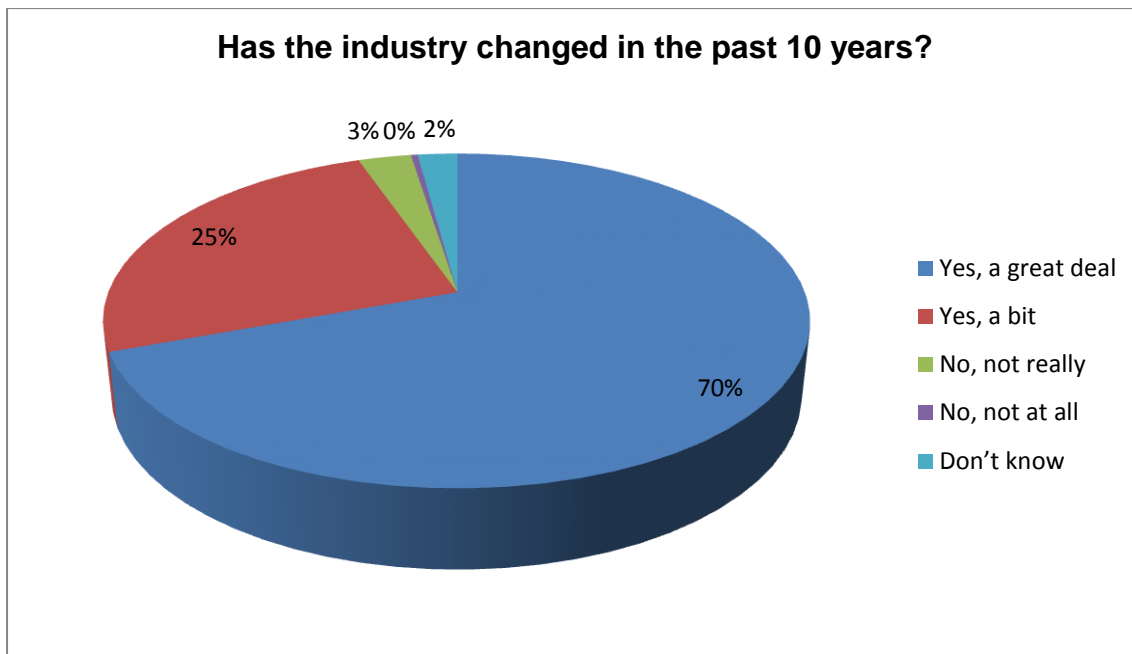
In order to compile this report, we conducted a survey of independent butchers and farm shops using EBLEX's database which was completed by almost 300 independent butchers. These were predominately (63%) self-determined 'high street butchers'. The remaining were farm shops or self-determined rural or village butchers. A small number identified themselves as market butchers and some were catering butchers.



Overwhelmingly our respondents had been in the trade for a long period of time: 75% had been butchers for 20+ years and a further 10% had been in the trade for 10-20 years. Only a small number (5%) had been in the industry for five years or less. In the main these were small businesses with 87% of all respondents employing less than 5 people. Only 17.5% of respondents worked with trainee butchers currently and the majority of those that did, only worked with one.

This survey was supported by a number of in-depth telephone interviews with independent butchers and associated organisations working in the industry. These were selected from the Q Guild of butchers, which represents "the highest quality butchers and independent meat retailers in the UK". The Q Guild has 106 members and is estimated to serve £3 million worth of meat and related products to over a quarter of a million UK consumers every week.

Industry perspective



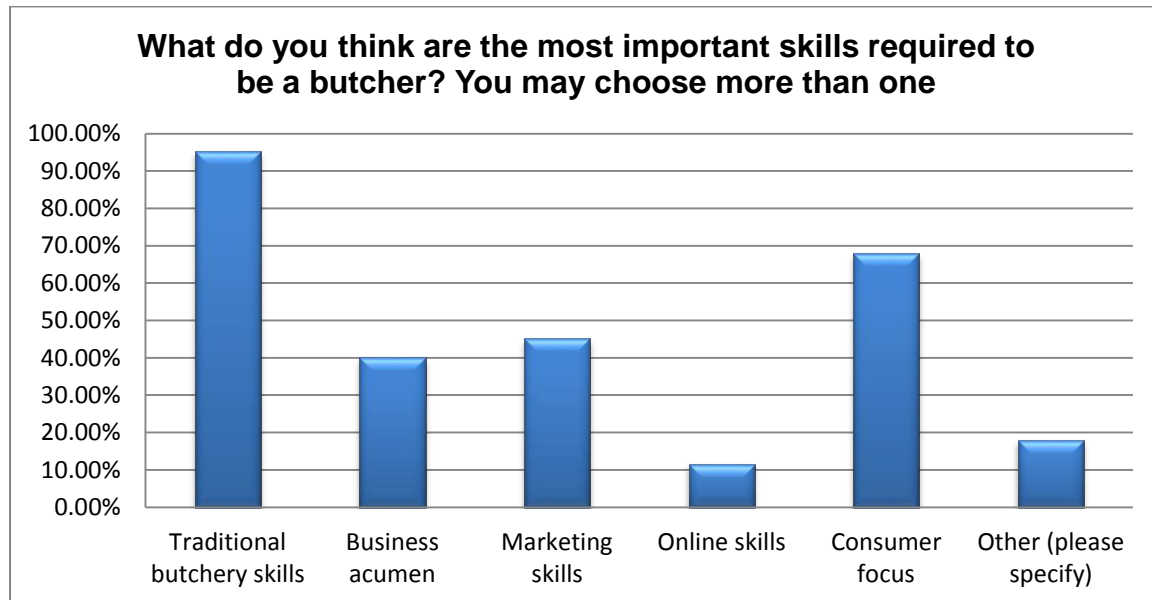
It is clear that the nature of the independent retail industry has changed, principally due to changes in consumer attitudes and lifestyle. Other factors such as development of multiple retail businesses have changed the grocery market. Only a tiny proportion of respondents said that the industry had not changed in the last 10 years (3%) in comparison to 96% who thought it had changed a bit (25%) or a lot (70%). There was almost an identical split (47.69% - Yes vs 52.31% - No) of people who thought that it had changed for the better. When asked to elaborate, respondents indicated that the change in shopping habits, increased paperwork, bureaucracy and labelling rules were the reasons for the negative change.

Those that said the industry had changed for the better pointed to the drive of consumers towards higher quality meat, more willingness to support communities by sourcing local produce, a greater emphasis on provenance and traceability, a demand from consumers for more information and knowledge about meat that a specialist butcher can provide.

One of the major points of differentiation between respondents was how they interpreted the value that consumers place on meat. Some felt that the provenance agenda had driven the value up and consumers were more aware of the need to be more responsible and, if necessary, pay a little more. Others felt that perhaps consumers had become used to paying less for the meat that they purchased in the supermarkets. This paints a picture of a fresh meat market that is very much divided in whether they can, and are willing, to seek out higher value products, even if it involves spending more money.

Current Skills

Examining the skills of the respondents to the survey, we found that 72% received no formal training from a technical college. The majority of those that did not receive formal training, self-identified as receiving training on the job, often from a family member – one respondent told us that he was a fifth generation butcher. Some stated that they were self-taught to equip themselves with the necessary skills.



We asked respondents to highlight the skills that they thought were important in the butchery trade. Traditional butchery skills featured as the highest. Second (68%) was a consumer focus which is integral to working in a heavily customer orientated role. Business (40%) and marketing skills (45%) also featured as important skills.

Building on a customer focus, a number of butchers also identified keeping a strong watch on consumer trends as important in order to be able to innovate and respond to shifts in demand. This is an area that EBLEX offers support for butchers shop owners and levy payers. For example, research compiled by the Future Foundation was [recently presented](#) at the industry AHDB Outlook Conference. It highlighted a number of key trends in pricing, health and technology.

“The ability to adapt to new methods and market trends within the meat trade. Some old methods, like hanging beef, still have their place but to ignore new ways without trying them first is like working in a blindfold.”

Respondent

A good attitude, strong interpersonal skills and a dedication to the job were also highlighted. Many also referenced the need to have some agricultural knowledge in order to understand where the meat came from and some culinary knowledge in

order to advise customers on cooking methods. Again, EBLEX provides advice to butchers on how to deliver this service through point of sale (POS) kits. In addition to this, it manages promotional activity direct to consumers on using different cuts of meat such as <http://www.simplybeefandlamb.co.uk/>. This, in turn, helps add value to the whole carcass and make the industry more efficient.

Finally, a willingness to do long hours and accept that the job is 'hard graft' were also highlighted. One respondent aptly summed it up by stating that entrants to the profession need to realise that there "were two 6 o'clocks in every day".

65% of butchers said that they had received no additional training beyond their traditional butchery skills; this left a sizable minority who had. Of those who said yes, almost half (43%) had received some form of business qualification; 35% had received marketing training; and 24% had received online training. A number of other respondents identified that they had received HACCP or other forms of food hygiene training.

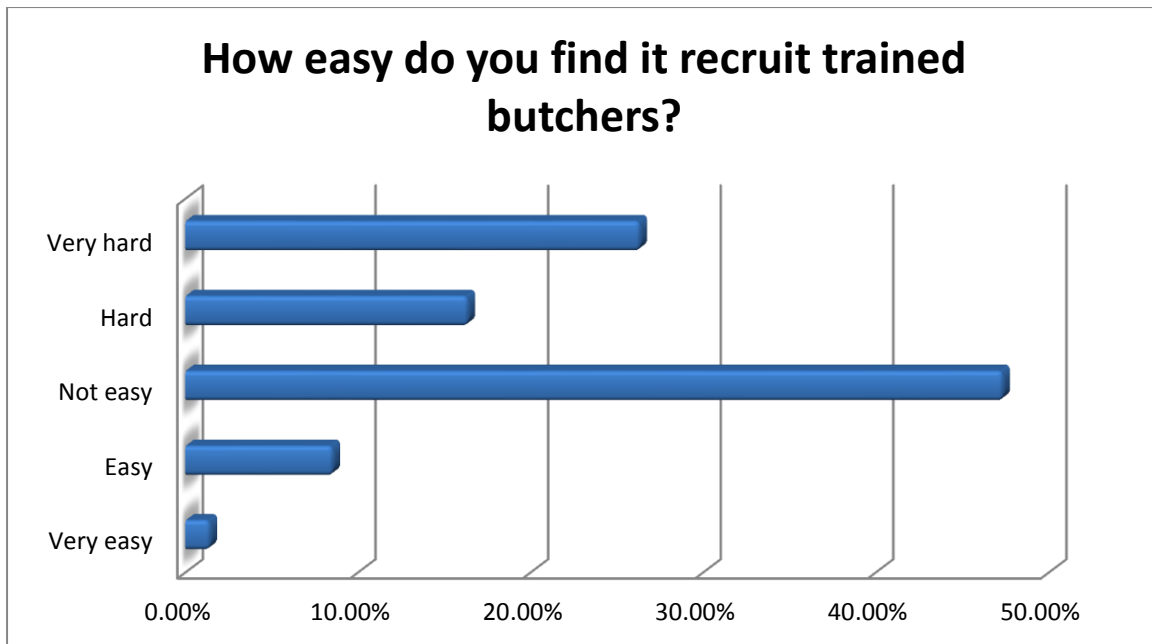
The in-depth interviews showed a real sense of pride from the sector about the nature of 'on-the-job' training. This is in respect of owners themselves having no or limited professional training and building up highly successful small businesses but also a sense of investing in the team and the individuals within it.

Of those that said they had no formal training, 85% identified that they did not need any additional training, reinforcing the idea that butchers see their on-the-job training as the most important form of knowledge. Those that would seek out training mostly focussed on online training (44%) and marketing (41%). Perhaps surprisingly given it was the most common form of additional training, only 23% said they would seek out business skills training.

When we spoke to those in the trade they highlighted a real spirit of camaraderie running through the industry. Especially within the Q Guild, butchers were happy to share skills, knowledge and business development ideas with potential competitors.

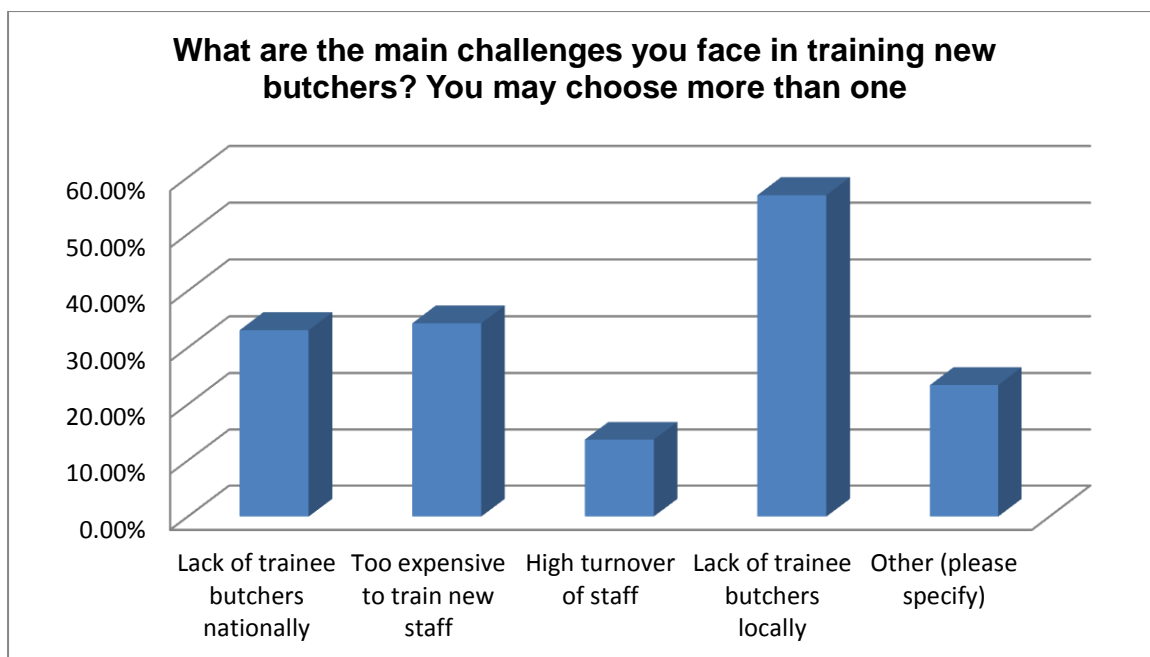
Succession planning

Succession planning is important for any small business. A significant amount of forward planning is required to do this successfully but, in order to plan effectively, a small business owner needs to think about who the most likely heirs to the business are. The diversification of the economy, emphasis the government has put on university and willingness of people to leave their home town for work, means that the tradition of passing businesses down through generations is not necessarily a reality anymore. However, 90% of respondents said that they found it difficult to recruit trained butchers making succession planning a major challenge if the industry is to continue to flourish.



The main reason given for this was a lack of young people entering the profession. Some possible explanations for this was the reduction of apprenticeships and emphasis placed on going to university versus vocational training, the perception (and in fact reality) that being a butcher is a physically tough job with long hours and the lack of training colleges.

57% of respondents said that a lack of trainees locally was their main barrier to recruitment, with 33% identifying a lack of trainees on a national scale. 34% also put this down to the perception that training staff was too expensive. However, given the problems with succession planning this is highly detrimental to the future of the industry. Only 14% said they were put off by high staff which should reassure the industry and reinforces the data we collected on the length of time our respondents had been in the industry.



Some stated that they didn't seek to recruit trained butchers but favoured hiring people that they can train on the job. Although some have observed that the change from being able to recruit people at 16 as a 'shop boy' has led to a significant change in the way people are trained on the job. However, it is not a totally negative story as 10% of the industry sample said that it was easy or very easy to recruit trained butchers. Some remarked that they had more people than ever seeking employment.

"There are not enough young people coming into the trade and it is therefore horrendously difficult to recruit trained butchers."

Respondent

However, 25% of respondents expressed optimism regarding the number of trainee butchers entering the industry, implying that the situation was slowly getting better. This could be down to the shifting of political priorities towards apprenticeships again and work being done by the colleges and National Federation of Meat & Food Traders.

Most butchers identified traditional butchery skills as the most important skill for the next generation of butcher. Marketing was identified next, slightly ahead of business acumen and a long way ahead of online skills.

“It is no longer a young person’s desire to become an all-round family butcher. There hasn’t been an attractive training programme for decades and consequently the industry has lost a generation.”

Respondent

In some cases people will leave an independent butcher to work for a larger company such as a processor. One respondent was pragmatic about this and respectful of others desires to work for larger companies. He said that as long as someone who he has trained works for his business for 3-4 years he is satisfied that they have shown sufficient commitment.

Marketing

Most butchers have developed their own marketing and PR skills although some also work with small, often local PR and marketing firms. Some of the larger businesses can have someone in-house who is responsible for this.

Many focus their activity around direct emails to customers with promotions and offers. Many also said they engaged with customers via social media including Twitter and Facebook. Advertising in the local media is also seen as a key way to build a local base. Butchers will focus this around key points in the calendar linked with food such as Christmas, Easter and Bank Holidays.



Another key piece of promotional activity centres around work done by other organisations such as EBLEX and BPEX, for example Quality Standard Mark excellence Awards and British Sausage Week.

Outlook for the industry

The outlook for the industry is a positive one and it should continue to grow over the coming years. Consumers are becoming more attuned to local sourcing, provenance and want to be assured of the standard of quality. To some extent this trend has been accelerated by the horse meat scandal of 2013 but the rise of quality assurance marks such as EBLEX's QSM demonstrates that, irrespective of this scandal, consumers are seeking out ways to be more responsible in the products they chose.

Additionally, celebrity chefs and food shows have played an important role in educating consumers about the importance of making responsible choices about the meat they buy by looking at things like traceability, provenance and animal welfare. Many celebrity chefs have sought to encourage consumers to cook with slightly unusual and less fashionable cuts of meat. The brave consumer will often purchase these from an independent butcher because the multiple retailers tend to only stock more popular cuts of meat and customers feel reassured speaking to an expert who can talk to them about a particular cut of meat. An expert knowledge of different cuts of meat and how to cook them is an essential part of the repertoire of a successful butcher. This is one of many areas where independents can seek to demonstrate the commercial value of their expertise and offer the consumer a unique experience.

There is a very clear sense of pride within the sector of the quality of the offer that is presented to customers. One component of this is the quality of the meat and other products that are sold. This is a legitimate extension of UK agriculture more widely which is a leading-edge sector in terms of quality, animal welfare and efficient production methods.

Another, similarly crucial element is the customer services skills of those who are able to develop successful businesses. Numerous butchers that we spoke to highlighted that the ability to engage with customers, understand them and ultimately provide a personalised service is a major part of successful business development. All of the butchers that we spoke to in-depth highlighted that when they are recruiting this is one of the most important traits.

Broad offer

There is a belief that independent butchers are more expensive places to shop than the multiple retailers and thus are the reserve of those with higher disposable income. Whilst it is true that some of the Q Guild cater for the top end of the market, independent butchers are by no means exclusive. Philip Cranston was quick to point out that the success of his business was predicated on his ability to attract a wide customer base.

Diversification

A number of butchers spoke about the diversification of their business in order to provide customers with the opportunity to buy a fuller basket. This includes baked goods, fruit and vegetables, and miscellaneous condiments, including in some cases alcohol. Some businesses have also started to sell prepared meals, both for immediate consumption or to be reheated when the customer has returned home. This is consistent with overall trends in the retail market that people are more commonly buying ready meals, rather than cooking from scratch.

Cooking from scratch

Notwithstanding the rise in butchers preparing and selling their own ready-meals, some observed that cooking skills are generally improving, especially in people in their 30s. Anecdotally, it was remarked that this generation is closer to their grandparents in their ability and desire to cook meals from scratch. This trend is even more pronounced in men where the 'Jamie Oliver effect' has made it very fashionable for men in their 30s and 40s to be able to cook, especially with meat.

e-Commerce

Many butchers are becoming increasingly sophisticated in their use of online tools. Beyond having a website to showcase produce and basic information some are now offering online ordering services. The viability of this seems to be uncertain, however, as a number cited the high overheads associated with chilled deliveries and website administration as a barrier to profitability, especially on small orders. What does seem to be far more profitable is 'click and collect' which reduces the need for any transport. It also aligns far closer to modern shopping trends of not planning meals ahead and doing smaller shops more frequently.

Conclusion

Cooking is once again firmly back in fashion and with this new-found love of all things culinary comes a heightened sense of pride and value in the things that we eat. Independent butchers are in a prime position to capitalise on this because, more often than not, they offer the customer locally sourced, highly traceable produce served with top-quality expertise and care.

Many butchers have been in the industry for a long time and demonstrate passion and dedication to the craft. Additionally, a high premium is put on customer service and understanding of modern culinary trends in order to innovate in the field of product development.

Not all have specialist butchery qualifications and fewer have qualifications in the other skills that are important to running a small business such as marketing, PR and business acumen. Over many years, EBLEX has helped butchers to hone these skills in order to grow their customer base and to encourage consumers to seek out higher quality meat. In addition to working directly with butchers, EBLEX invests resources into promoting the Quality Standard Mark to give customers assurances of the production quality of the meat they are purchasing.

A clear concern within the industry is that there are not enough young people wanting to become butchers to sustain its growth. There is no doubt that it is a tough industry to work in, and a number of butchers have said it is important that people realise they are entering into a career of long hours and physical work. However, it is also evident from the length of service of most butchers that it is a highly rewarding job.

More needs to be done to expand the geographical reach of training colleges as there are clear limitations to the number of butchers that are able to employ those with qualifications. These courses need to be integrated with business management, although this must also be complemented with on-the-job training, as this is what has got the industry where it is today.

The independent sector has a vital role to play in the vibrant culinary and retail landscape of Great Britain. It is also crucial to sustaining the agricultural industry, particularly those farms local to the outlet. Ensuring that we are creating a pipeline of new talent will mean we can enjoy an industry in which we can take great pride for generations to come.