Assessing the market potential for goat meat among recent immigrants to Siouxland

Abstract: The niche market for goat meat is expanding with Iowa’s immigrant population. Researchers consider how farmers can tap into that market.

Question & Answer
Q: Is there a market for chevon (goat meat) in the Siouxland, and, if so, what does it look like?

A: Researchers found a small, but growing local market, fueled by immigration. The market also is segmented by specific preferences as to goat age, seasonal use, cut, and slaughter practices.

Background

Why study the goat meat market? U.S demand for goat meat outstrips supply, recent immigrants to the midwestern United States favor this product, and goats can thrive in Iowa. Goats produce high-quality meat, and account for more than half of the red meat consumed worldwide.

The project goal was to characterize the demand for goat in the three-state urban area of Siouxland, including the counties of Woodbury and Plymouth in Iowa, Dakota County in Nebraska, and Union County in South Dakota. Investigators also interviewed processors and producers in Sioux and Lyon Counties.

This seemed to be a worthwhile area to study because of the influx of a sizable immigrant population (primarily Latino, hailing from Mexico). Iowa’s total Latino population grew 153 percent from 1990 to 2000. Woodbury County, home of Sioux City, has the second largest percentage of Latino residents after Polk County, as well as about 2,000 Asian immigrants and a few dozen Muslim families. In addition, the area boasts growing support for local food systems.

Objectives of this project were to:
1. Assess and characterize potential demand for goat meat among recent immigrant communities in the Sioux City area,
2. Identify barriers and specify strategies for increasing the processing and marketing of goat meat in the Sioux City area, and
3. Participate in the rapid expansion of Iowa’s niche market for goat meat.

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Co-investigator:
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Budget:
$7,547 for year one
$1,095 for year two

A Spanish/Boer cross goat
3. Make Iowa’s farmers aware of the market opportunities for goat meat.

Approach and methods

Multiple data-gathering methods were used, and were supplemented with literature review and informal conversations over the course of the project. The preferences of three key consumer groups (Latino, Muslim, and Asian) were studied and analyzed.

Surveys. Eighty-one questionnaires were gathered at three public venues: a Cinco de Mayo celebration, an international food festival, and the Floyd Boulevard Market.

Focus groups. Interviews were conducted with Southeast Asians, Latinos, and Indian and Pakistani Muslims. Each focus group gathering featured a meal typical of the regional cuisine and included goat meat.

Personal interviews. Co-investigator Lewis conducted personal interviews of meat processors, grocer/retailers, wholesalers/distributors, and restaurant and café managers. Detailed case studies were done with the cooperation of two Iowa goat farmers, one in Siouxland and one in central Iowa.

Results and discussion

Consumer preferences were assessed using the surveys and focus groups. Supply chain needs were gauged through personal interviews with meat industry observers and sellers.

Consumer preference findings demonstrated little interest in goat meat for the majority population of Siouxland. Muslims in the study ate goat meat most frequently and it was an important component of some religious celebrations. Latinos consumed goat meat at religious holidays, too, but also served it at gatherings and parties.

Freshness was the most important meat attribute for most groups. Well over half the Muslims, about half the Latinos and over a third of the Asians surveyed said they were willing to pay more for locally raised goat meat. Latinos expressed preferences for purchasing directly from farms and many preferred to process the live goats themselves. The Asian and Muslim customers preferred the convenience of purchasing fresh processed meat at supermarkets.

A handful of ethnic grocery stores in south Sioux City carry frozen imported goat meat, but none carry fresh goat meat because it doesn’t sell quickly enough. Several Latino grocery stores and restaurants in the survey bought goat meat from a family-owned meat wholesaler in Sioux City. The wholesaler sources his supply from a USDA Halal lamb processing plant north of Sioux City. (Halal is the proper Islamic method of slaughtering by a religiously trained Muslim who invokes the name of Allah immediately before slaughter.)

An official state-inspected locker 100 miles from Sioux City slaughters the largest number of state-inspected goats in Iowa, and also has a retail meat shop where customers can purchase goat meat.

The absence of fresh goat meat in many retail outlets is a “catch 22” situation. More people say they would like to eat goat meat if it were readily available. But grocers who have stocked it report slow turnover with resulting product spoilage or freshness expiration in the freezer. Consumers and producers alike face an undeveloped middle of the market—the lack of a consistent local buyer/processor chain to provide a supply of fresh chevon at local stores and restaurants.

Conclusions

The ability of Siouxland producers to capitalize on the positive market implications for goat meat was hampered by a small, segmented consumer market, demand/supply
mismatches, inadequate processing capacity, and a culture in which goat meat is unfamiliar to most consumers and producers.

Researchers suggest four possible strategies for further developing the Siouxland goat meat market:
1. Market the meat through local farmers’ markets.
2. Combine meat retailing with restaurant sales.
3. Form buying clubs (especially valuable for consumers with specific requirements in meat processing).
4. Increase consumption by the majority population.

Recommendations for future projects:
• Carry out similar studies in other urban markets. Possible locations would be cities where large numbers of immigrants are employed in area packing plants.
• Conduct further research on the undeveloped meat processing infrastructure.
• Work more closely with producers, emphasizing the added value of grazing goats or using them as part of a rotational grazing system.
• Strengthen cross-cultural communications with ethnic groups that represent the existing consumer base.

Impact of results

The researchers found a small, highly segmented local market in goat meat for which most producers direct market from their farms. A few producers sell wholesale products to urban markets beyond Iowa. Case studies of two Iowa meat goat farmers showed that both direct and wholesale marketing can succeed, but these producers and the further invigoration of the Siouxland market are hampered by the missing middle—an undeveloped processing capacity revealed in the lack of consistent small local buyers and inadequate availability and geographic distribution of processing plants. Developing the market in the majority population is a long-term strategy that may have the greatest impact, but in the shorter term, there is value in building the market through farmers’ markets, buying clubs, and combination meat retailing/restaurant outlets.

Education and outreach

“The Market for Goat Meat in Siouxland” appeared in the 2006 ISU Animal Industry Report. Wells and Lewis are preparing a manuscript for submission to a professional journal, and Wells is preparing an ISU extension publication. The Sioux City newspaper and a local television station covered the survey work at the Cinco de Mayo and international food festivals. Other articles about the project appeared in magazines and newspapers.

A presentation on the project can be viewed at http://www.leopold.iastate.edu/research/marketing_files/workshop06/index.htm

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