

# SHOPPING VALUES AMONG FOOD CONSUMERS FOR VALUE-ADDED DAIRY IN KENTUCKY

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Branding for local dairy products involves connecting to rapidly changing preferences for these products among food consumers. A survey of 827 Kentucky dairy product consumers was completed in early 2023, exploring dairy product consumption patterns, but also the importance of various label attributes. Dairy products particularly have unique credence characteristics connected to animal agriculture and local processing.

Local sourcing stands out as a leading brand value. Understanding what “local” means, however, presents a unique challenge to dairy products. Positioning the local production messaging with consumer preferences should play into merchandising strategies for both Kentucky farms and retailers.

Age and residence are two key demographic dimensions where attribute preferences are clearly different. Clear opportunities to segment and target products across various values. Local proximity means more to older consumers. Other values of animal welfare and various environmental impacts are more valued by younger consumers. Rural residents tend to value these attributes slightly more than those in urban counties.

**Table 3: Kentucky Shopper Definitions of Local by Age and Residence**

Local Definition	Age			Rural	Urban	Overall
	18-29	30-49	>50			
Produced in the same or neighboring states	14.7	13.4	9.0	10.7	12.7	11.9
Produced in the same state	44.8	46.3	33.1	42.1	37.5	40.8
Produced within 100 miles	19.6	22.7	34.0	25.7	28.6	26.7
Produced within 50 miles	9.8	9.9	15.4	12.5	12.4	12.1
Produced within 25 miles	11.2	7.7	8.4	9.1	8.8	8.6

**Table 4: Kentucky Dairy Product Consumption Frequency.**

Product	Never	Once per month	Once per week		
			Once per week	Almost everyday	
Milk	4.5	2.9	10.0	33.4	49.2
Cheese	1.0	1.1	8.1	38.2	51.6
Butter	1.9	1.1	9.2	34.6	53.2
Yogurt	19	9.9	24.5	28.2	18.4
Ice cream	3.8	6.5	38.1	38.3	13.3

**Table 1: Kentucky Shopper Attention to Dairy Value-Added Product Attributes Before Shopping.**

Label	Percent of KY Shoppers		
	Do not Care	Sometimes Pay Attention	Always Pay Attention
Local	19.1	49.7	31.2
Natural	19.5	51.3	29.3
Animal Welfare	22.5	49.0	28.5
Kentucky Proud	23.6	48.1	28.3
Carbon Footprint	27.9	49.2	22.9
Non-GMO	35.9	42.3	21.8
Organic	41.5	39.9	18.6



## Summary and Implications

Kentucky dairy products face an interesting future along with dairy products in the U.S. generally. The market is segmented, but there is an opportunity to emphasize attributes Kentucky consumers value through targeted merchandising. Being local is important. Ecological and animal welfare attributes are also important, especially among younger consumers as the industry looks to the future.

This survey signals important consumption patterns and product values but will also be exploring willingness-to-pay for various definitions of local as well as evidence of climate-smart practices. Kentucky retailers have signaled a strong interest in local dairy products and will benefit from working with local farms to craft the market messaging to meet the values signaled by these consumers.

More information regarding various summaries and reports from this survey, including this poster, will be available on the MarketReady website under the Dairy page and the Milking the Data series.



## RELATED RESOURCES AND REFERENCES

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