

Extended Abstract

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Paper	New product development during inflationary times: the case of ready meals
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Abstract prepared for presentation at the 98th Annual Conference of The Agricultural Economics Society will be held at The University of Edinburgh, UK, 18th - 20th March 2024.

Abstract	200 words max
<p>The launching of new products is one of the most important activities on the functioning of food supply chains and their constituting companies. Companies that hope to simply exist must now introduce new products at an increasing rate to enhance their competitive posture or even to survive. The purpose of this paper is to explore the companies in the ready meals category, one of the most dynamic categories, during the inflationary period of 2021 to 2023. This was done using Mintel's Global New Product Development (GNPD) data for the UK and considering three major categories: (1) Meals & meal centers; (2) Processed fish, meat & egg products; and (3) Soups. Three aspects were analysed: (1) the distribution of introduction prices; (2) the characteristics of brands; and (3) the attributes highlighted by the firms in their marketing claims. In order to gain deeper understanding the information was broken down by private label (i.e., retailers) and branded products. The results indicated that the distribution of prices per 100 grams was left skewed (i.e., towards lower prices) and the most popular attribute was convenience. They also indicate that the activity characteristics did not change much with respect to the pre-inflationary period.</p>	
Keywords	New food product development, food inflation, UK
JEL Code	Business economics M2
Introduction	100 – 250 words
<p>The introduction of new products (NPD) is one of the most important activities on the functioning of food supply chains. It is an expensive activity for companies due to the process of developing products and marketing them. This is an activity where both retailers and manufacturers participate; in fact, in the UK retailers have an important role on the launching of food products (this includes not only new products but also existing products with new characteristics such as new packaging or flavour variants). NPD is at the core of the market economy and the competition of firms or supply chains. It is well represented by the process of 'creative destruction' where many products are entering into the market, and at the same time other products are exiting. Moreover, firms that hope to simply exist must now introduce new products at an increasing rate to enhance their competitive posture or even to survive. The purpose of this paper is to explore the companies in the ready meals category, one of the most dynamic categories regarding NPD, during the inflationary period of 2021 to 2023.</p>	
Methodology	100 – 250 words
<p>The analysis was carried out using Mintel's Global New Product Development (GNPD), which is a database that records the launching of new products at the retail level. The</p>	

data include information about the firm launching the product, the sector and subsector, the type of launching (e.g., it was a new product, a re-launching, new packaging). The data used was for the UK, for the period 2001-23 and considered. considering three major categories: (1) Meals & meal centers; (2) Processed fish, meat & egg products; and (3) Soups. Three aspects were analysed: (1) the distribution of introducing prices; (2) the brands (e.g., whether it was premium or economy brand); and (3) the attributes highlighted by the firms in their marketing claims. In order to gain deeper understanding the information was broken down by private label (i.e., retailers) and branded products. In terms of methods, the sizable data (about 36 thousand products) was analysed by means of frequency distributions (of prices per 100 grams), descriptive statistics and XY graphs.

Results	100 – 250 words
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The results indicate that a total of 36,046 products were introduced since 2001, of which 62.4 per cent were launched by eleven retailers. Meals and meals centers and Processed fish, meat & egg products, accounted for most of the products, representing each about 46 per cent and the remaining being products within the Soup category. The price results indicated that the distribution of prices per 100 grams was left skewed (i.e., towards lower prices like a log-normal distribution) indicating that firms may consider discounted prices as way to facilitate the introduction of products. It is important to note that the price distribution was similar over time (the analysis was done per year) and also by private label and branded. In addition, the most popular attribute was convenience. The results also indicate that the activity characteristics did not change much with respect to the pre-inflationary period.

Discussion and Conclusion	100 – 250 words
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The results indicate that the new product launched during the inflationary period 2021-23 kept growing as firms were trying to capture the attention of consumers; this happened despite disruptions of food supply chains due to the remaining issues coming from pandemic, Brexit and the increase of costs brought by the Russia-Ukraine conflict. The results on the price of the launched products indicate that they may reduce the inflation faced by households if the products are uptaken (although not clear whether this would be captured by the CPI due to the rigidity on its structure). It is important to note, that the distribution of the prices is not something that started with the inflationary period but comes from the beginning of the dataset (2001). This is also seem to be true in terms of the brands and attributes.