New Retail Markets
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As an industry, an entire industry, from the grass we grow to the consumer we serve, there are many intricate systems and delicate nuances of the cattle industry that are both independent and interdependent. It’s almost overwhelming if you think about every link in the chain and the potential for success or failure in each sector of the beef industry and how our ability to effect this vast system is seemingly minute. We have about 40,000 cattle farms in Tennessee and around 730,000 across the nation, most of which are family owned and operated. So basically, that’s 730,000 independent and interdependent ways of producing beef. So, how do we do it? How do we remain an independent industry?

One common denominator is the CONSUMER. If you are selling anything, you must have a consumer. Our Beef Industry Long Range Plan helps keeps our consumer top of mind, with state and national coordinated research, education, and promotion efforts funded by the Beef Checkoff.

One of the ways cattle producers are able to understand their own consumer is through the Research provided by the Beef Checkoff Program. In general, consumers are just as diverse as our cattle operations, but because of your dollar per head Beef Checkoff Program we can understand them better and manage our operations in ways that meet their needs.

Regarding the consumer, over the last 10 years, almost everything about selling beef has changed. Pricing, featuring, ways to purchase, delivery systems, concerns about our product, appreciation for our product, and with your Checkoff dollars, the Beef Checkoff Program monitors those shifts, changes in purchase patterns, and consumer attitudes, so we, as an independent and interdependent industry, can understand our consumer.

Beef volume moves slightly more through the foodservice channel with just under half of the volume being sold at retail (roughly 53% at Foodservice and 47% at retail). And while 95% of the beef sold in the US are through traditional foodservice or retail channels, we are also very aware of emerging and growing trends that involve digital technology and social media. As consumers refine their purchasing, preparation and dining patterns, your beef checkoff is continually improving and innovating beef information to address their needs and concerns.

Meet the Millennials. This generational power-house consumer spends an average of 53 hours a week online and 30% of them shop for groceries on-line. They are 102 Million strong (Boomers were 67M and Gen-X 84M). They have limited time and less experience in the kitchen, but are eager for ‘how to’ videos and information about beef. They are concerned about antibiotics and hormones used in beef production and interested in sustainability. Millennials are health conscious and discerning about the food they purchase and prepare for their families. Nutrition is important, especially to older millennial parents.

So let’s take a look at how your Beef Checkoff is impacting the sale of your product in the retail channel. To make sure beef is top of mind and part of the technology explosion, we are engaging with delivery services like Amazon Fresh to make sure the beef information provided is accurate and useful for consumers shopping online. In addition, we are working with retail store locations large and small to make
sure they have factual beef resources as they bring online elements to their businesses. Examples include providing beautiful beef photography, trendy how-to videos, and factual nutritional information. We are also working with Food52, an online food community hub where consumers research trends, find ‘how to’ information and great recipes. Another online service providing food product discounts is IBOTTA. This online concept is revolutionizing couponing for the digital age. Beef recently utilized this service to offer a coupon on ground beef and was hugely successful – selling out of the coupon offer and a redemption rate 5x greater than their average rate and subsequently moving 600,000 pounds of ground beef. Additionally, our Beef Its What’s For Dinner website is undergoing a transformation and consolidation of 8 sites into a convenient one stop shop for consumers, retailers, foodservice operators, packers, health professionals, educators and producers. It will be a resource for ‘everything beef’ from telling our story of beef production, to cut information and nutrition facts and everything in between. If you haven’t already, please explore your BeefIts WhatsForDinner.com website.

Keeping the consumer top of mind helps producers, feeders, processors, and packers focus on why behind the how and helps us all work together to provide world’s most preferred protein.

Beef. It’s What’s for Dinner!