

Beef Demand: Determinants and Future Drivers

**2013 Cattle Industry Summer Conference
August 9, 2013**

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Beef Demand: Critically Important, Yet Often Confused

Demand strength

- Reflects consumer valuation of beef
- Underlies total \$ available for vertically-connected industry
- Drives prices and profitability for all

2013 Beef Demand Study

- Cattlemen's Beef Board, Checkoff funded
- Objectives
 - Assess major domestic beef demand determinants
 - Identify demand drivers the industry should target for investment

What Did We Do?

Importance & Feasibility of Influencing Future Beef Demand 10 Years Ahead



**Reviewed &
synthesized existing
demand literature**



Surveyed Demand Experts
-159 experts
Steak & Ground Beef



Surveyed Consumers
-975 respondents
Steak & Ground Beef

7 Broad Demand Determinants Evaluated

Food Safety

Nutrition

Health

Social Aspects

Sustainability

Product Quality

Price

Beef Demand Determinants

Determinants evaluated for

- ◆ Impact on demand
- ◆ Feasibility of beef industry influencing factor

What Did We Learn?

High impact & feasibility

- Food Safety
- Product Quality

High impact, but more difficult to influence

- Price

What Did We Learn?

Middle ranking in both impact & feasibility

- Nutrition
- Health

What Did We Learn?

3rd tier with respect to impact & feasibility

- Sustainability
- Social Aspects

2013 Beef Demand Study: Recommendations

1. Invest in Food Safety improvements and reassurances
2. Emphasize Product Quality development and consistency
3. Efficiency still important...keep beef prices competitive
4. Health and Nutritional aspects of beef warrant attention
5. Social and Sustainability issues should not be ignored

What To Do?

- ✓ Appreciate the role of beef demand in driving profitability for the industry and you
- ✓ Recognize that beef demand is dynamic...must stay current
- ✓ Utilize study findings in committee discussions