

DOMESTIC PORK DEMAND & PRICE SENSITIVITY UPDATE

RETAIL ADVISORY COMMITTEE (RAC) /
PACKER PROCESSOR INDUSTRY COUNCIL (PPIC) FALL MEETING
MILWAUKEE, WI
OCTOBER 16, 2025

DR. GLYNN T. TONSOR
EMAIL: GTONSOR@KSU.EDU



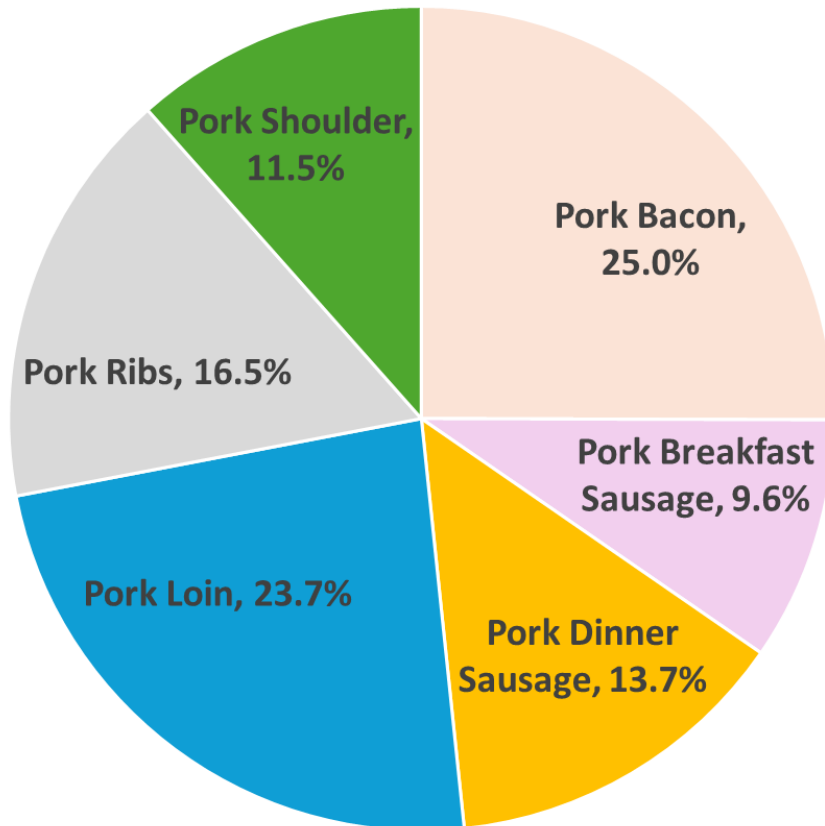


Past Retail Price Deep-Dives

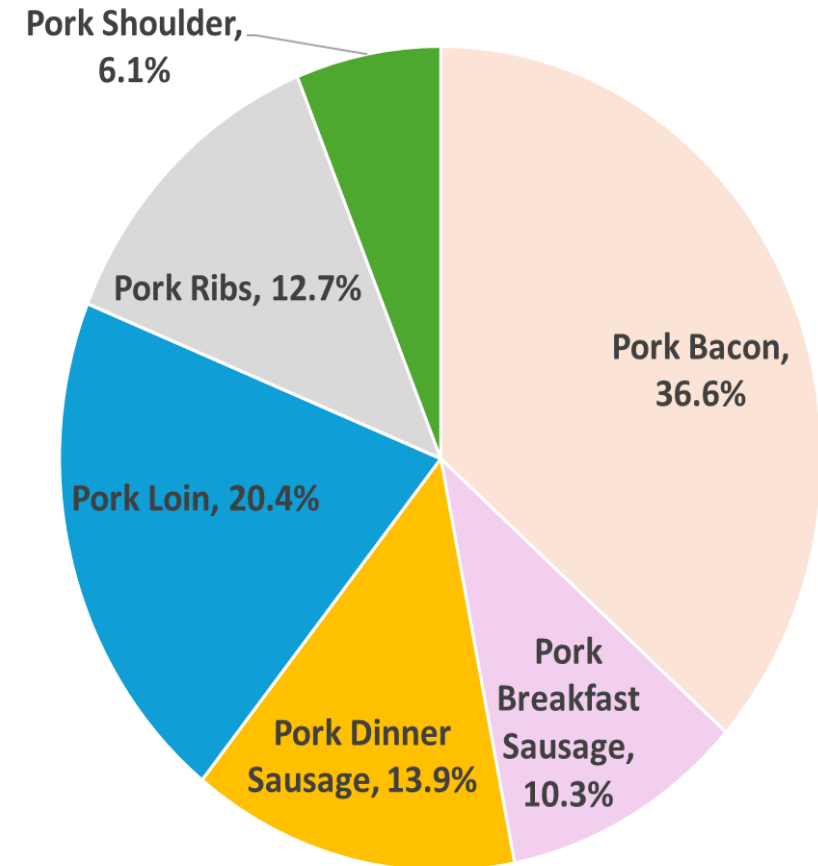
1. “Consumer Sensitivity to Pork Prices: A Comparison of 51 U.S. Retail Markets and 6 Pork Products”
 - March 2021 (Tonsor & Lusk)
2. “What Has Caused the Increase in Retail Pork Prices?”
 - August 2022 (Tonsor & Lusk)
3. “How Has Economy-Wide Inflation Impacted Consumer Sensitivity to Pork Prices?”
 - September 2022 (Tonsor & Lusk)
4. “Consumer Sensitivity to Pork Prices - A 2018-2023 Comparison of 50 U.S. Retail Markets and 6 Pork Products”
 - May 2024 (Tonsor & Lusk)
5. “Modeling Impacts of Location- and Product-Targeted Demand Enhancement on Pork Producer Profitability”
 - May 2024 (Tonsor & Lusk)

Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

2024 Volume Share (Nationally)



2024 Expenditure Share (Nationally)



Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

Table 2. Products Examined

<i>Pork Products</i>	<i>Beef Products</i>	<i>Chicken Products</i>
Bacon	Chuck	Breast
Breakfast Sausage	Loin	Legs
Dinner Sausage	Ribeye	Thighs
Loin	Round	Wings
Ribs	Sirloin	
Shoulder	Ground	

Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

First consider **PORK in aggregate**

Median, own-price elasticity: -1.16

- for each 1% increase (decrease) in retail PORK price, we expect a 1.16% decrease (increase) in purchase volume

Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

First consider PORK in aggregate

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- for each 1% increase in retail PORK price, we expect a 1.16% decrease in purchase volume

Minimum (most price sensitive): -2.16 (Orlando, FL)

Mean/Average: -1.20

Maximum (least price sensitive): -0.54 (Indianapolis, IN)

4x the
purchase LBS
response to
same 1%
offer-price
change

Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

Median Own-Price Elasticities, by Pork Product

❑ Bacon -1.31 (*a 1% increase in bacon offer price = 1.31% expected decline in purchase*)

❑ Breakfast Sausage -1.87

❑ Dinner Sausage -1.64

❑ Loin -1.16

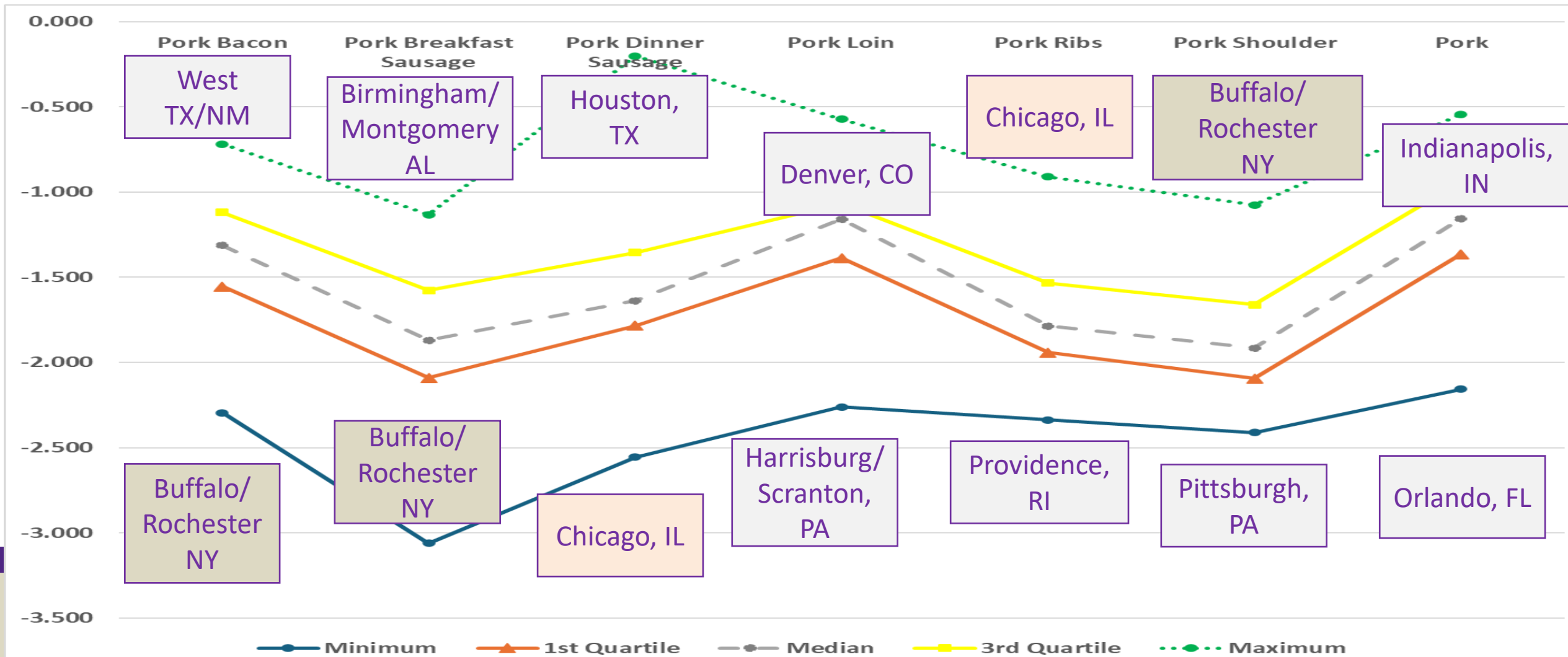
❑ Ribs -1.79

❑ Shoulder -1.92

Shoulder purchase volume LBS are ~65% more responsive to offer price changes than Loin...

❑ So volume purchased % change > price % change (based on median estimates)

Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)



Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

Pork Bacon, Demand Elasticities across 52 Markets

Buffalo/Roch. NY
bacon market is
~3x as price
sensitive
as West TX/NM
bacon market

	Pork Bacon	Pork Breakfast Sausage	Pork Dinner Sausage	Pork Loin	Pork Ribs	Pork Shoulder
Mean	-1.339	-0.086	0.473	0.025	0.196	-0.046
Minimum	-2.296	-0.597	-0.422	-0.708	-0.161	-0.381
1st Quartile	-1.554	-0.314	0.185	-0.037	0.086	-0.123
Median	-1.312	-0.069	0.469	0.085	0.179	-0.032
3rd Quartile	-1.120	0.096	0.705	0.199	0.297	0.030
Maximum	-0.717	0.652	2.034	0.398	0.577	0.300
Count	52	52	52	52	52	52
Number Positive	0	18	44	35	48	20
QR	0.434	0.410	0.520	0.236	0.211	0.153

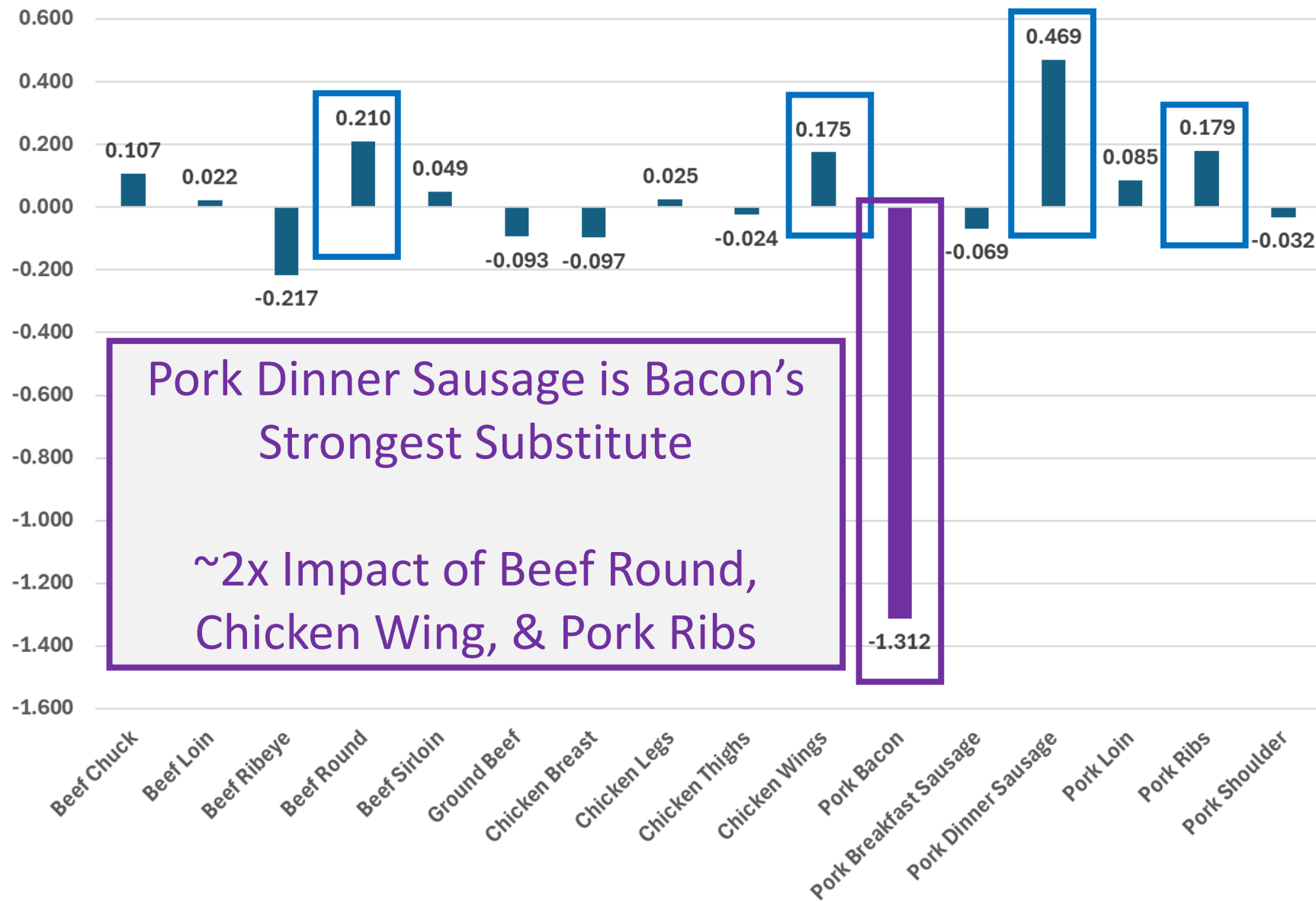
Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

Pork Bacon, Demand Elasticities across 52 Markets

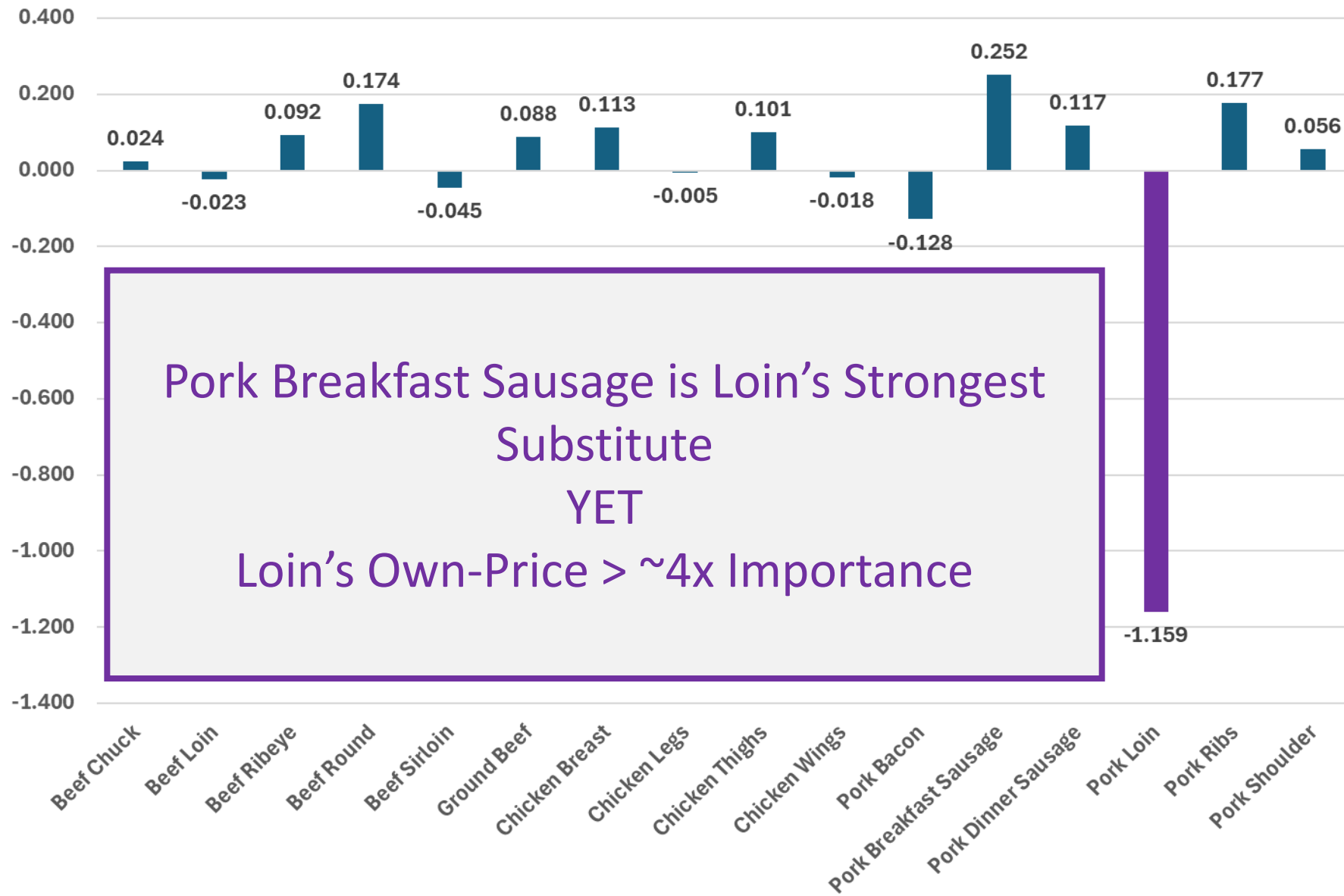
Pork Dinner Sausage
is Bacon's Strongest
Substitute
YET
Bacon's Own-Price is
~3x Important

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Pork Bacon, Median Demand Elasticities across 52 Markets



Pork Loin, Median Demand Elasticities across 52 Markets



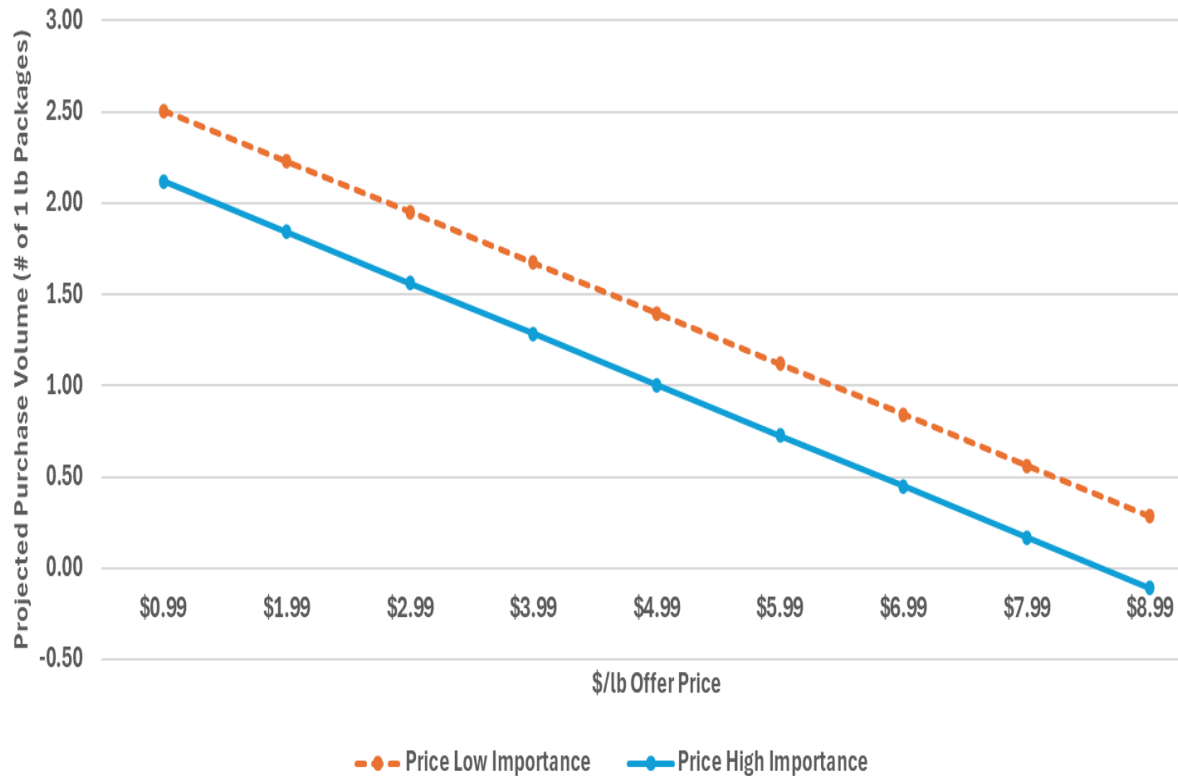
Consumer Pork Demand Retail Price Sensitivity (Jan. 2020 to July 2025 Comparison of 52 U.S. Retail Markets and 6 Pork Products)

❑ Beef, chicken, and other pork product retail prices have less impact than own-price in retail pork purchasing

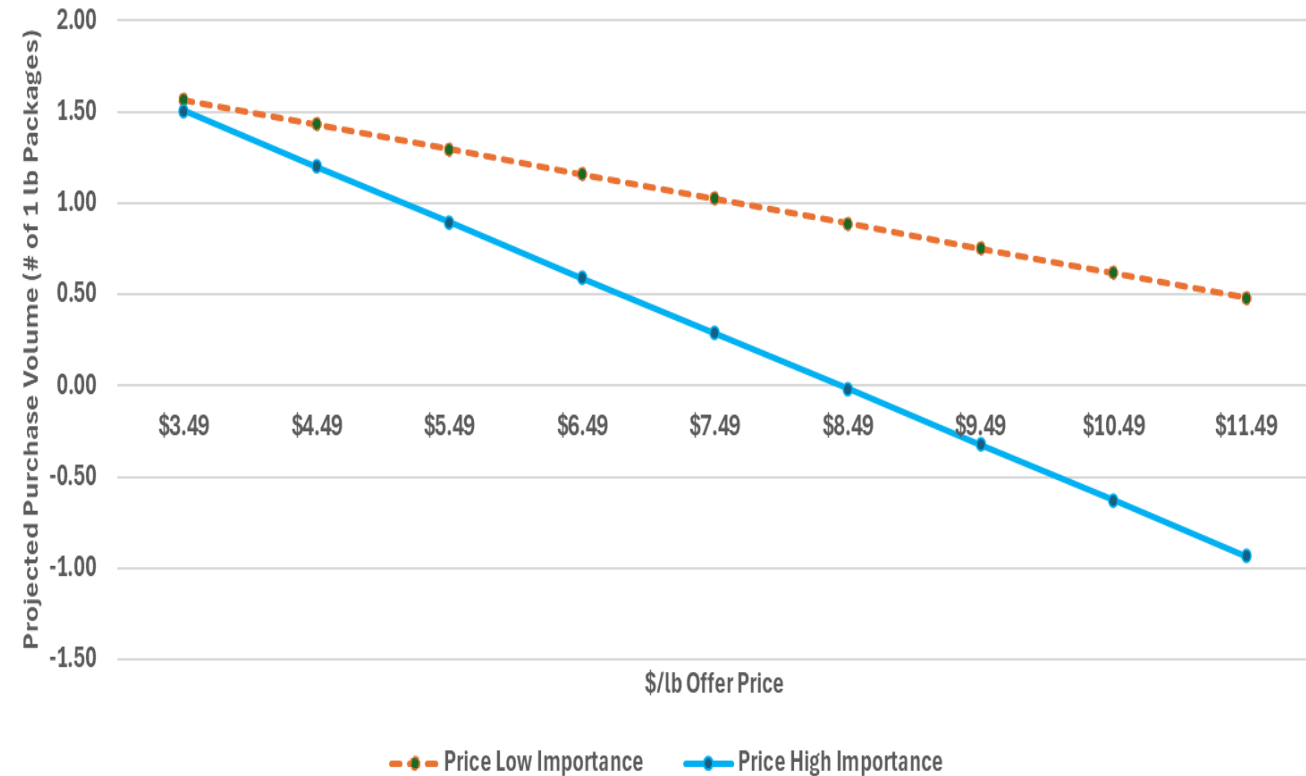
✓ *While cross-price effects matter, own-sector impacts remain MUCH more important*

Price matters – Sept. 2025 MDM

Projected Retail Pork Chop Demand Curves, September 2025 MDM



Projected Retail Bacon Demand Curves, September 2025 MDM



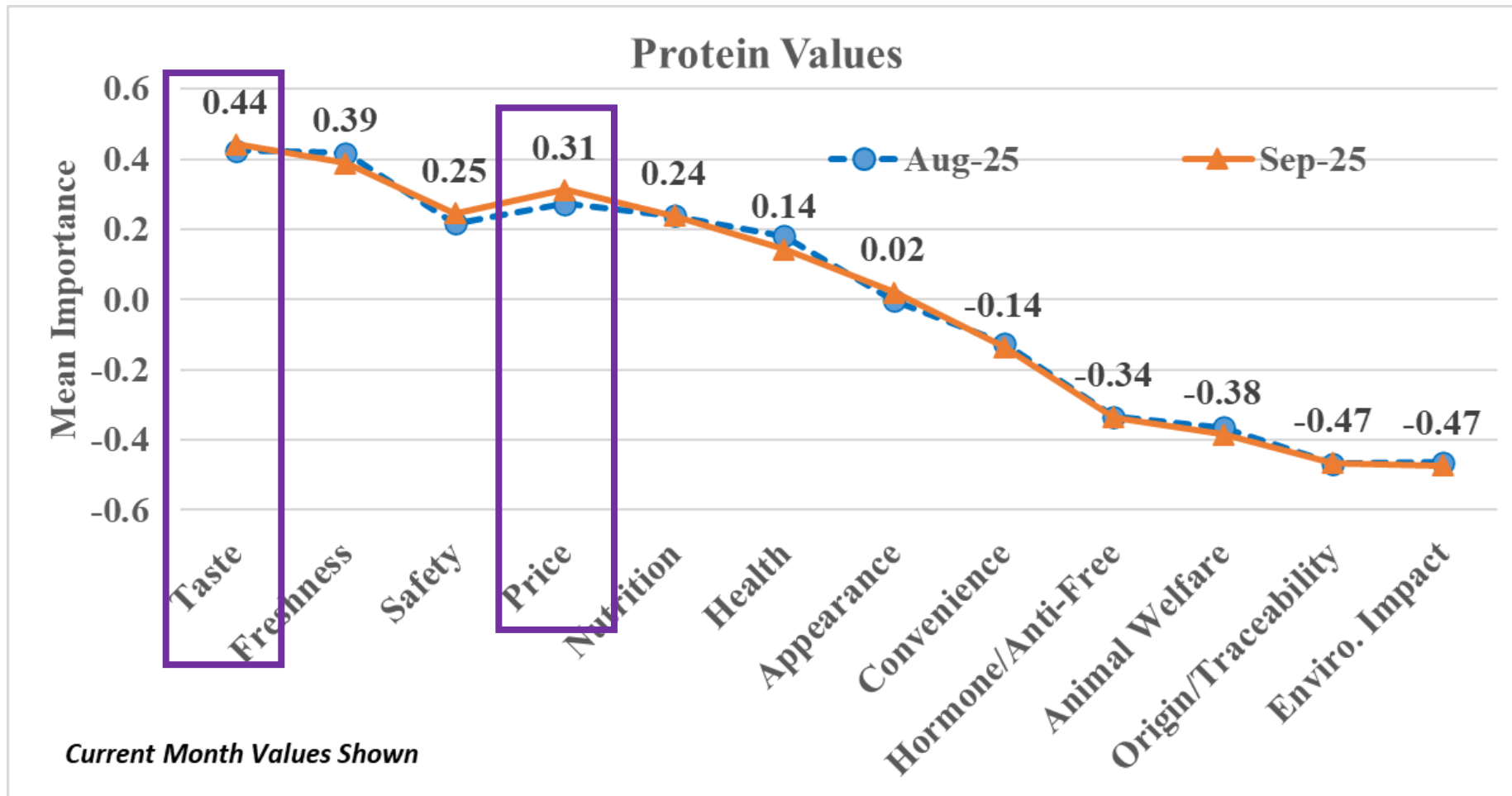
Price matters, but is not absolute / BLS \$ Comparison

BLS Price (U.S. City Average \$/lb Nominal)			
	Jan-25	Aug-25	% Change
Ground Beef	\$ 5.55	\$ 6.32	14%
All Uncooked Beef Steaks	\$ 10.91	\$ 12.22	12%
Pork Chops	\$ 4.25	\$ 4.30	1%
Bacon	\$ 7.04	\$ 7.21	2%
All Ham	\$ 4.67	\$ 4.79	3%
Chicken Breast	\$ 3.97	\$ 4.21	6%

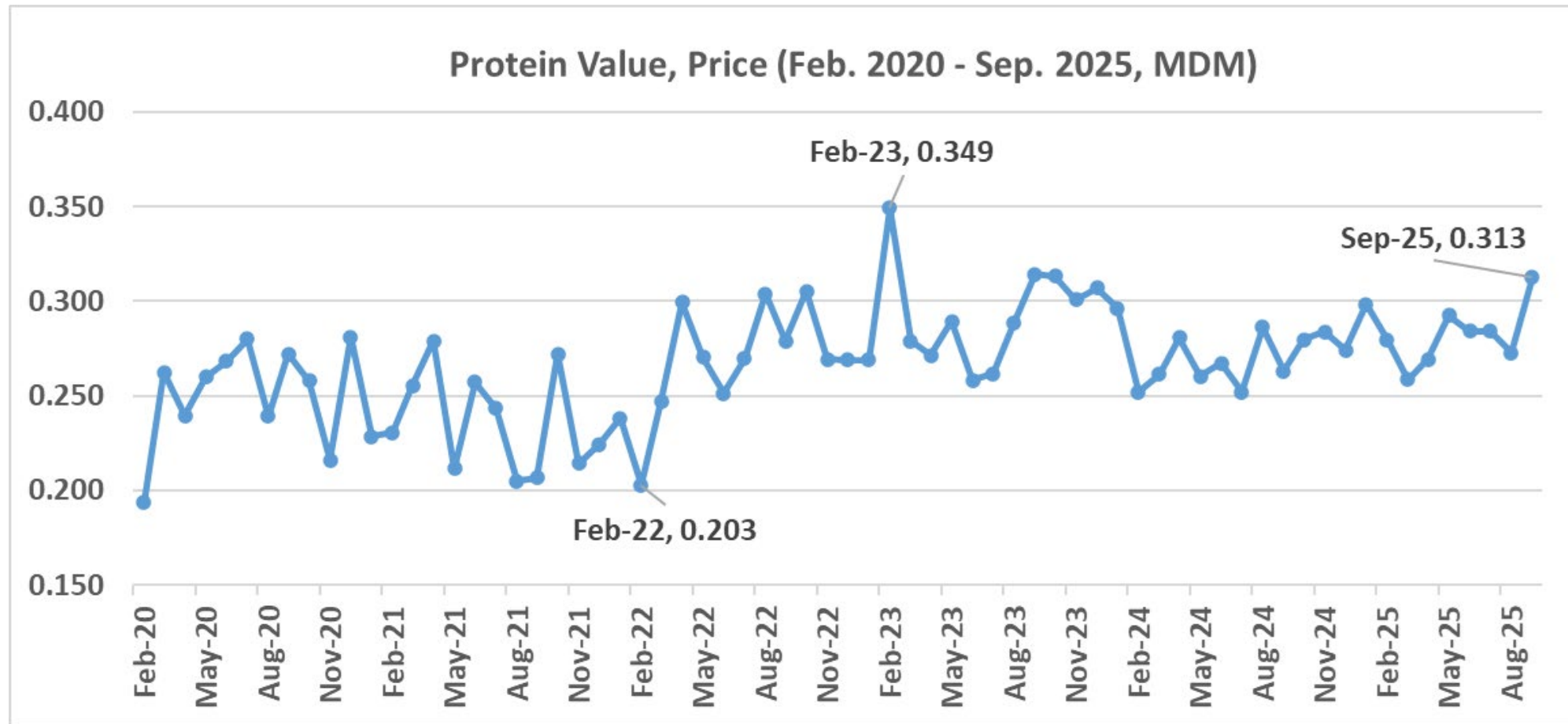
Price matters, but is not absolute / BLS \$ Comparison

BLS Price (U.S. City Average \$/lb Nominal)			
	Jan-20	Aug-25	% Change
Ground Beef	\$ 3.89	\$ 6.32	63%
All Uncooked Beef Steaks	\$ 7.65	\$ 12.22	60%
Pork Chops	\$ 3.37	\$ 4.30	28%
Bacon	\$ 5.51	\$ 7.21	31%
All Ham	\$ 3.06	\$ 4.79	56%
Chicken Breast	\$ 3.06	\$ 4.21	38%

Meat Demand Monitor



Meat Demand Monitor

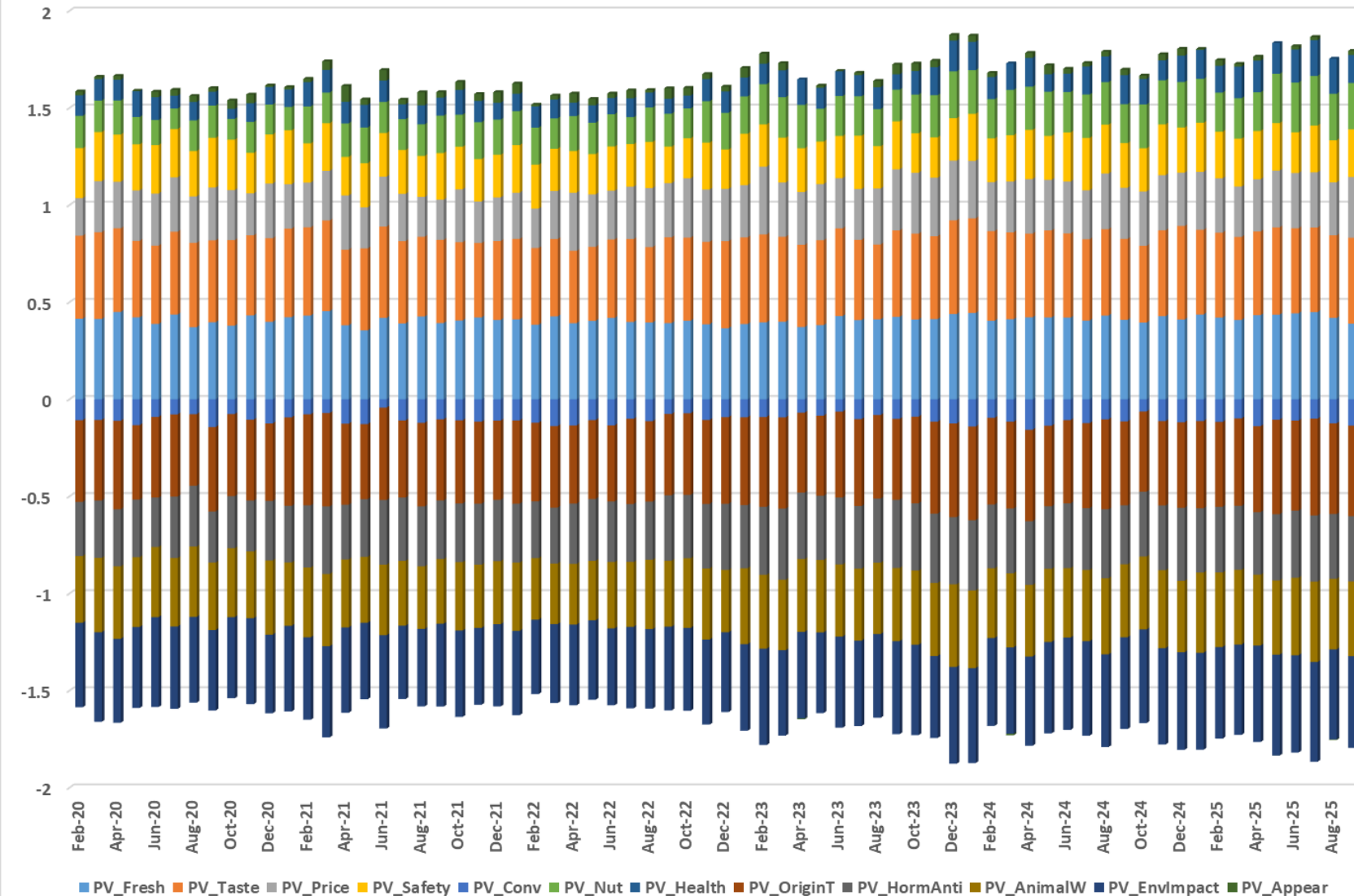


Meat Demand Monitor

- Protein Values, Linear Trend over Feb. 2020 to Sept. 2025
 - Increasing: Nutrition, Health, Price, Taste, & Freshness
 - Flat: Safety, Convenience
 - Decreasing: Env. Impact, Hormone/Antibiotic-Free, Animal Welfare, Origin/Traceability, & Appearance

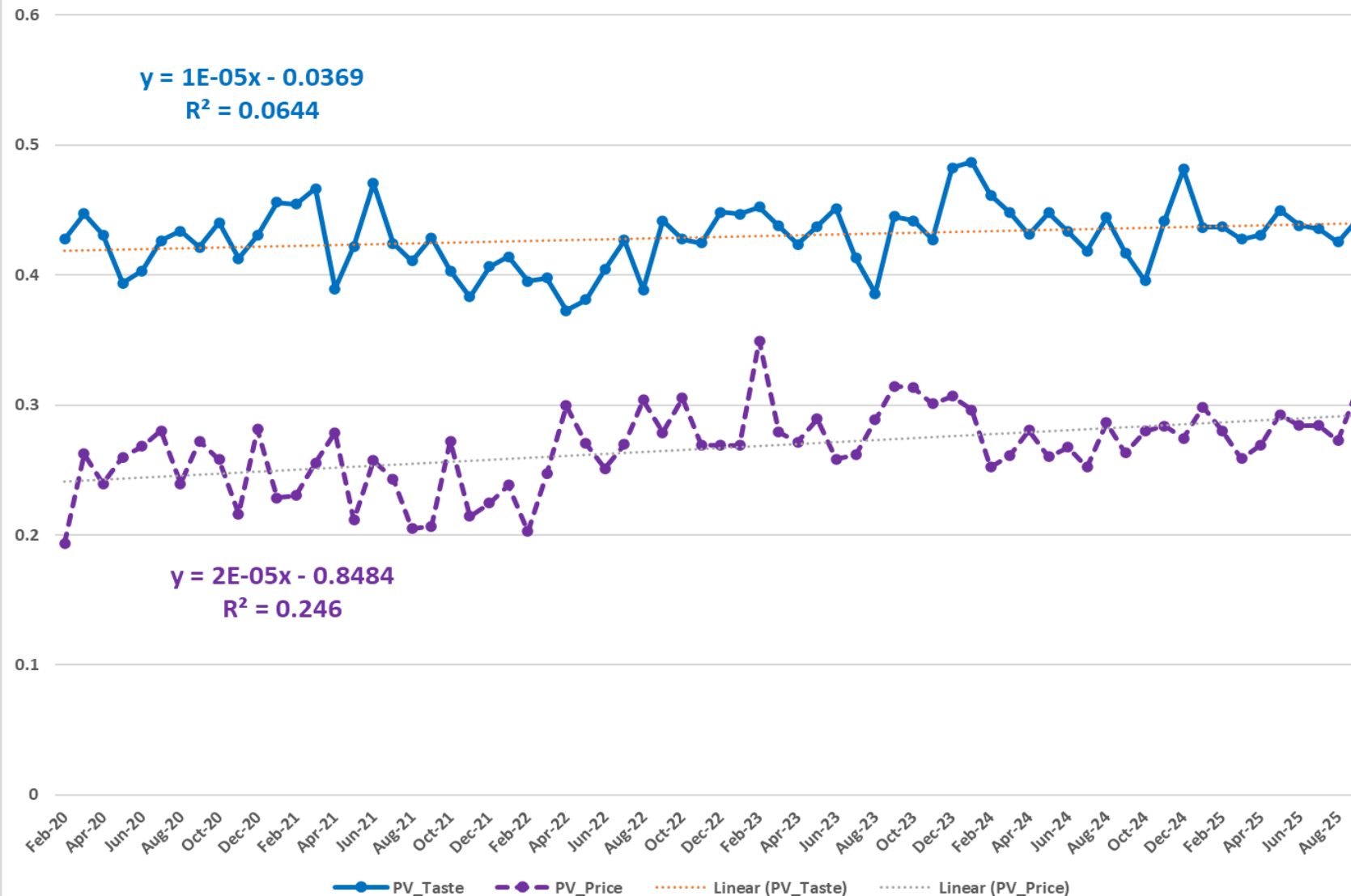
Meat Demand Monitor

MDM Protein Values, Feb. 2020 - Sep. 2025



Meat Demand Monitor

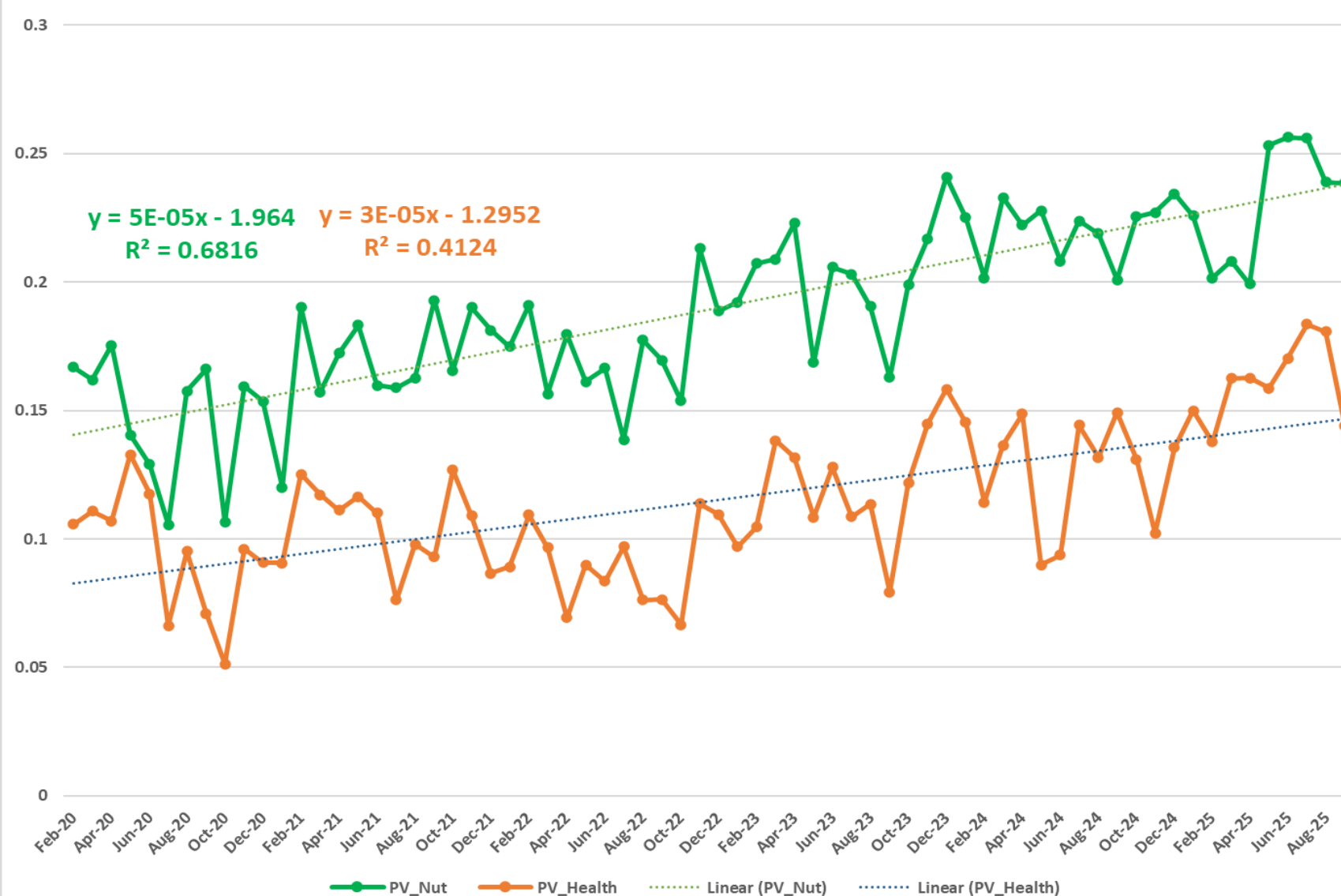
MDM Protein Values, Feb. 2020 - Sep. 2025



- Taste: “if product is appealing to the senses including flavor, smell, and texture”
- Price: “price you pay for the product”

Meat Demand Monitor

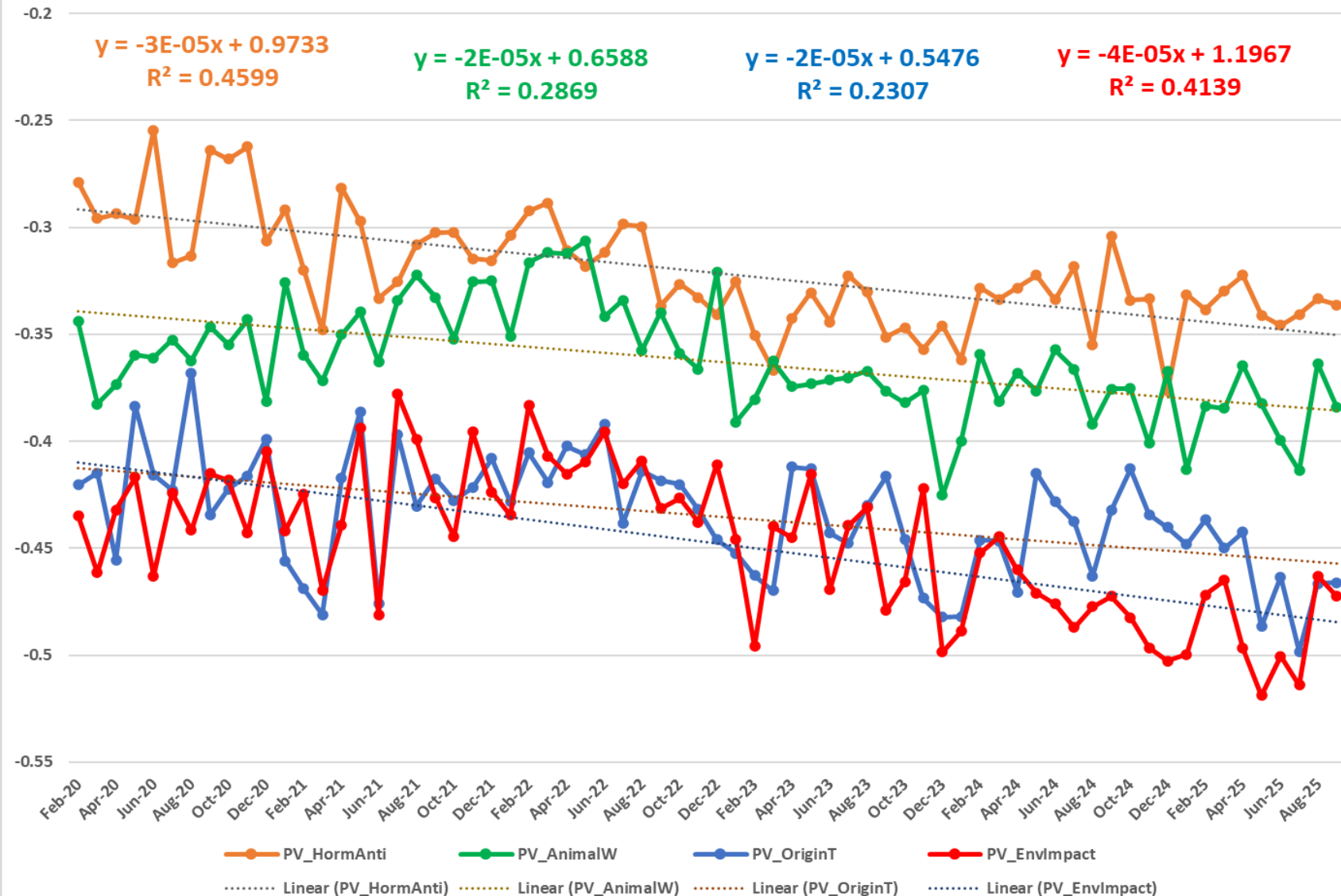
MDM Protein Values, Feb. 2020 - Sep. 2025



- Nutrition: “if product provides essential nutrients such as protein, carbohydrates, vitamins, and minerals”
- Health: “if product positively contributes to long term health; including amount and type of fat and cholesterol in the product”

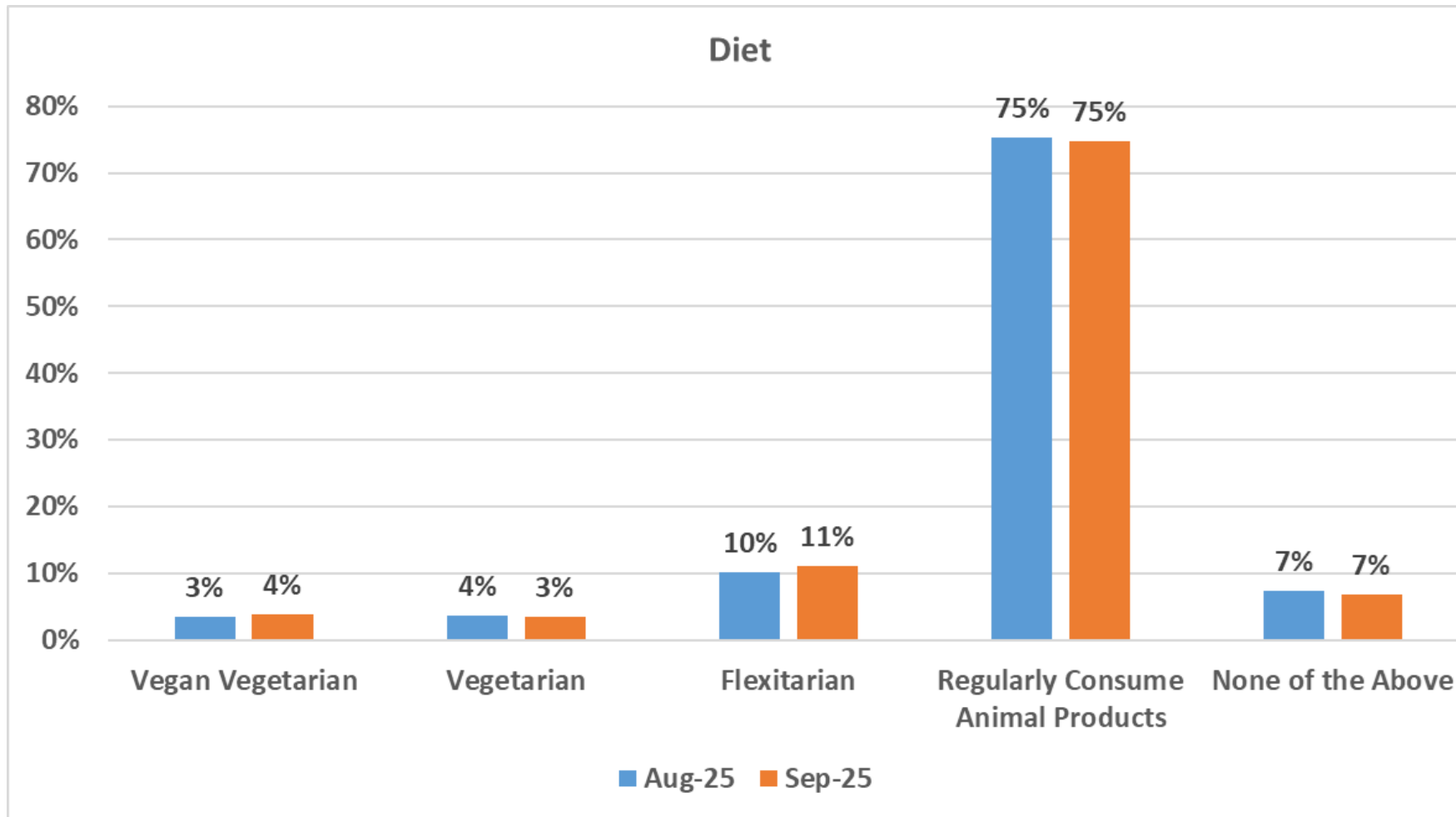
Meat Demand Monitor

MDM Protein Values, Feb. 2020 - Sep. 2025

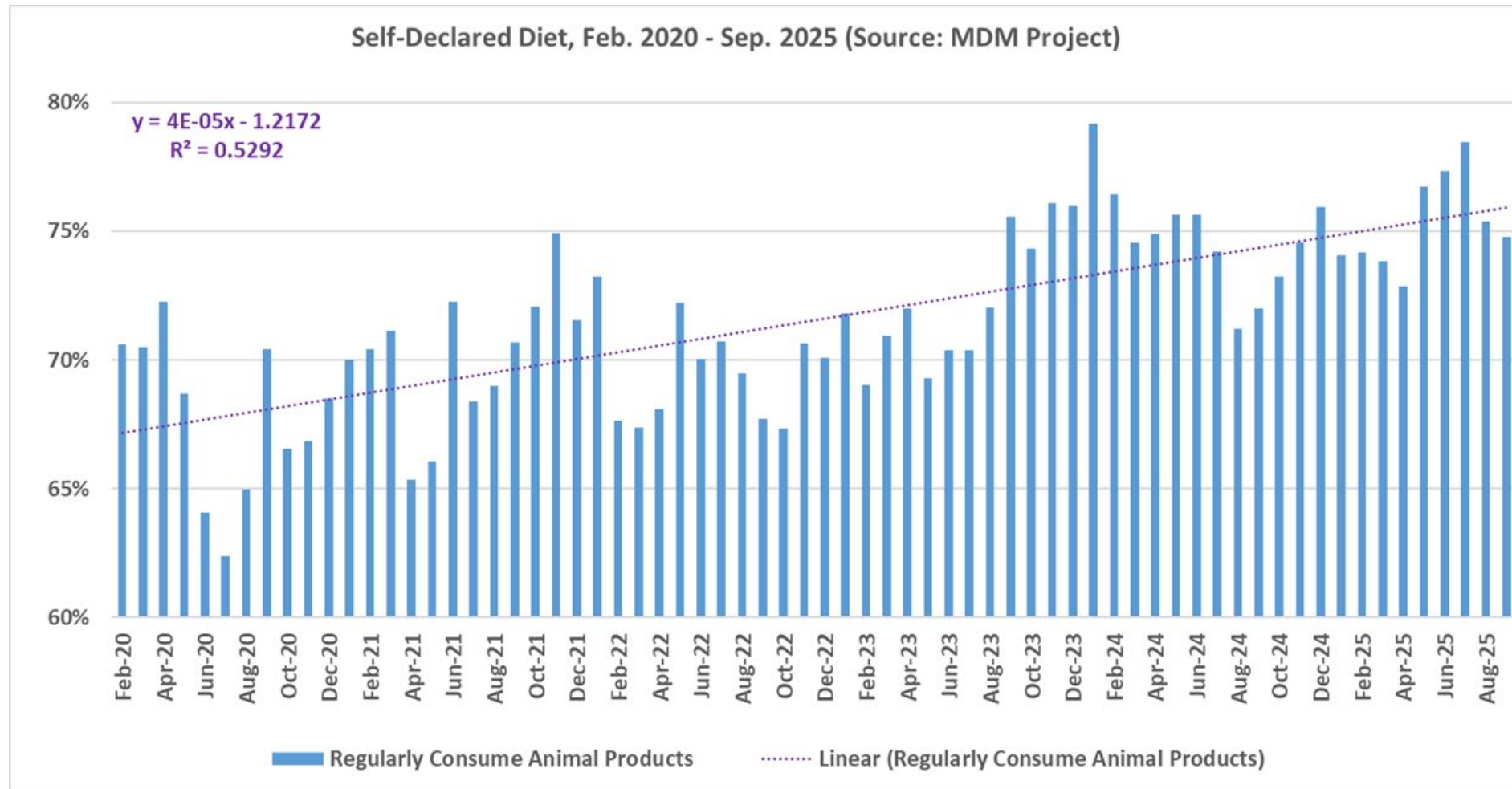


- **Hormone-Free/Antibiotic-Free:** “if animal source of the product was raised using added hormones or antibiotics”
- **Animal Welfare:** “if animal source of the product was raised using animal friendly means”
- **Origin/Traceability:** “if locations and identities of producers are known”
- **Environmental Impact:** “if production and marketing of the product impacts the environment”

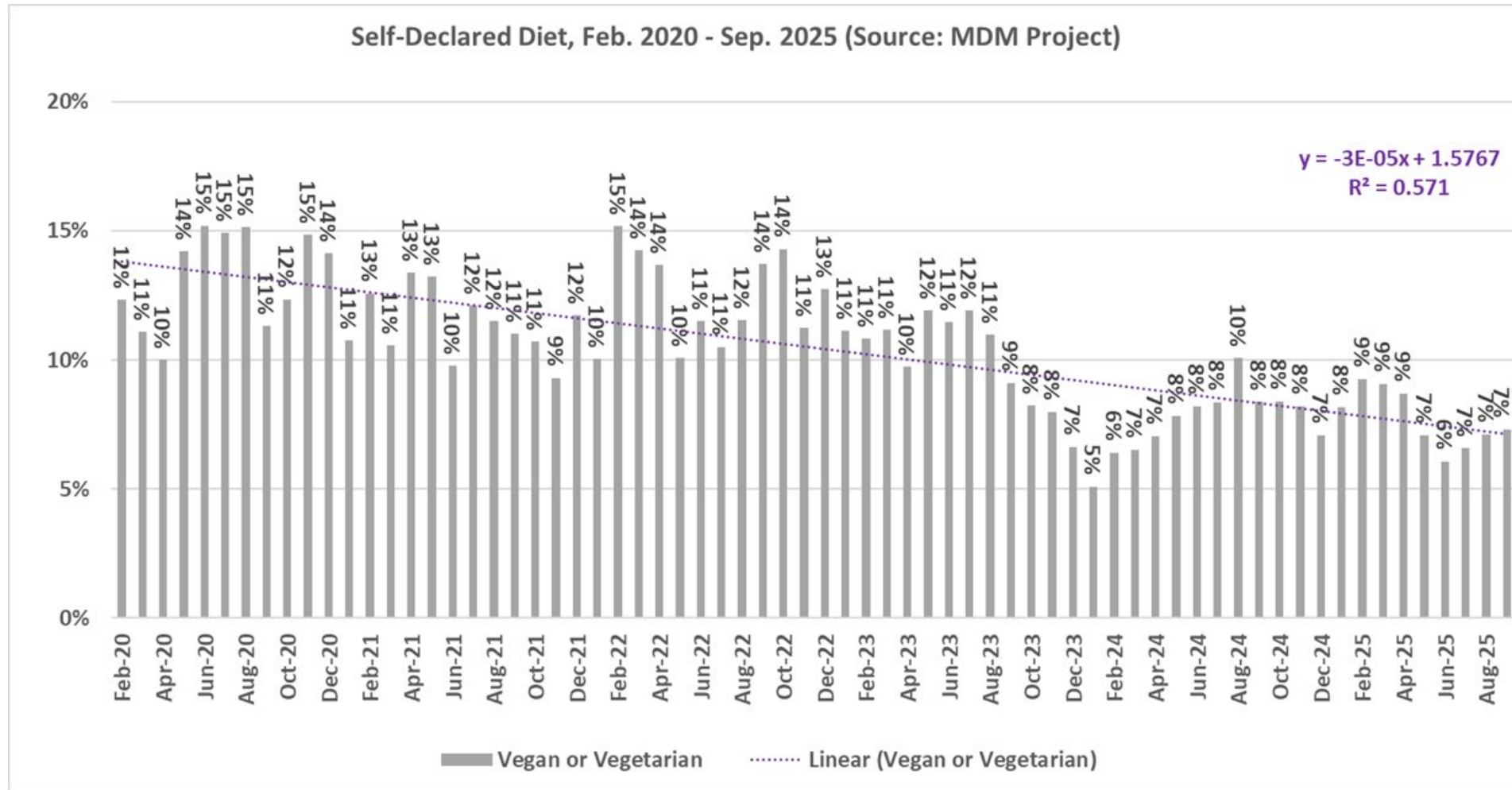
Meat Demand Monitor



Meat Demand Monitor



Meat Demand Monitor



USDA & MDM Info:

Meat Demand Outdoes Meat Avoidance

Meat Science 190 (2022) 108843



Contents lists available at [ScienceDirect](#)

Meat Science

journal homepage: www.elsevier.com/locate/meatsci



U.S. perspective: Meat demand outdoes meat avoidance

Glynn T. Tonsor^a, Jayson L. Lusk^{b,*}

^a Department of Agricultural Economics, Kansas State University, United States of America

^b Department of Agricultural Economics, Purdue University, United States of America



<https://www.sciencedirect.com/science/article/pii/S0309174022001115>

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HEALTH

America Is Done Pretending About Meat

Plant-based eating has lost its appeal.

By Yasmin Tayag



Illustration by Paul Spella / The Atlantic. Source: Getty.

MARCH 24, 2025

SHARE SAVE

Majority of self-declared Vegan & Vegetarian MDM respondents also declared prior day meat consumption...

“Data Details” are Important

USDA ERS Meat Price Spread Data Product Review

by Ted C. Schroeder, Glynn T. Tonsor, Lee L. Schulz, Bradley J. Johnson and Christopher Sommers

4/2/2021

CCR-71

What's the price of meat? Sources of variation in retail meat price data and impacts on market performance analysis

Jaime R. Luke , Ted C. Schroeder, Glynn T. Tonsor, LaPorchia A. Collins, Danielle J. Ufer

First published: 15 July 2025

<https://doi.org/10.1002/jaa2.70021>

- BLS (simple-average) prices exceed scanner-based prices
- Consumer expenditures higher when using BLS \$
- “Farmer’s share of retail \$” is higher when using scanner-based \$

Final Thoughts

- **Extreme heterogeneity in retail price sensitivity exists**
- **Offer price matters, but is not absolute in purchase decisions**
- ✓ **We CAN & SHOULD act strategically given latest price-sensitivity and non-price, demand determinant insights**

More information available at:



This presentation will be available in PDF format at:

<http://www.agmanager.info/about/contributors/individual/tonsor.asp>

Glynn T. Tonsor

Professor

Dept. of Agricultural Economics

Kansas State University

Email: gtonsor@ksu.edu

Twitter: @TonsorGlynn