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# 21<sup>ST</sup> CENTURY GENETICS: RISING TO THE CHALLENGE SOUTHERN STYLE

## Identifying the 21st Century Consumer

by Troy Smith

CHOCTAW, MISS. (April 19, 2006) — Cattle producers should put themselves in the shoes of consumers. It really shouldn't be hard, said Kevin Murphy, since producers really are consumers, too.



"In the new demand chain, the consumer is king," said Kevin Murphy, Vance Publishing Corp. "Consumers say what they want, and it is the responsibility of everyone in the supply chain to deliver."

Murphy, representing Vance Publishing Corp. and its multiple agri-food industry publications, advised Wednesday's general session audience at the 2006 Beef Improvement Federation meeting to focus on the wants and needs of consumers.

"In the traditional supply chain, the consumer was a passive participant," Murphy said, noting how the beef industry offered whatever it thought it could produce and sell. "In the new demand chain, the consumer is king. Consumers say what they want, and it is the responsibility of everyone in the supply chain to deliver."

### Today's consumer

In the new "Age of the Consumer," Murphy said, more people have higher incomes. There are more single adults and more couples without children. There are more single-parent households and many are headed by females. Increasingly, two-parent households depend on the income-earning ability of both parents.

The average age of the population is increasing, too, Murphy added. And while the beef industry has targeted its marketing efforts toward the 18- to 54-year-old age group, a large share of consumers is moving out of that group. A large portion of consumer buying power

is in the hands of consumers aged 60 years and older. Maybe it's time, Murphy suggested, for the beef industry to adjust its focus.

### Steps in the right direction

The industry has taken steps in the right direction. Recognizing that modern consumers are starved for time, many of the nearly 2,200 new beef products developed between 1997 and 2003 offered greater convenience. Some products and marketing strategies also cater to increasing consumer health consciousness.

Murphy said 21st Century consumers are better educated, though not necessarily better informed. He recommends efforts to inform them about beef's nutritional benefits. And because consumers have a growing interest in how food is produced, beef producers have the opportunity to tell their story.

Murphy cited the growth of brand-name beef as evidence of increasing preferences for products generated by production systems that emphasize consistent quality, safety and concern for animal welfare and the environment.

"A brand is more than a name on a product. Winning brands are carefully designed business systems. It is the total system that the consumer purchases, not just the product," Murphy stated.

"Keep your eye on the consumer and make sure your product changes with consumer wants and needs," he advised. "If the consumer changes, everyone in the supply chain has to change." 