



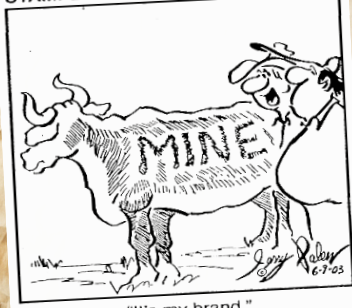
Beef as a consumer driven food business: Changing perspectives from cattle to food production.





Beef Improvement Federation
Research Symposium & Convention
Manhattan, Ks
June 14-17, 2016





STAMPEDE By Jerry Palen



"It's my brand."




IT'S NOT DENIAL
I'M JUST VERY SELECTIVE ABOUT THE REALITY I ACCEPT



2011 NBQA
NATIONAL BEEF QUALITY AUDIT
Pillars of Beef Chain Success
Executive Summary: The 2011 National Beef Quality Audit

The only sustainable flow of dollars from which to continue to build the beef business comes from the consumer.



Pull-Through Strategy

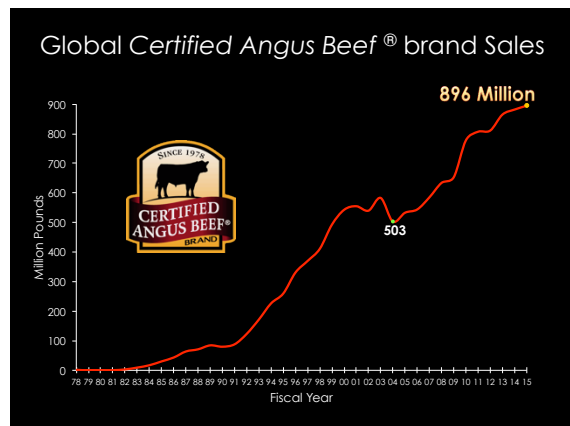
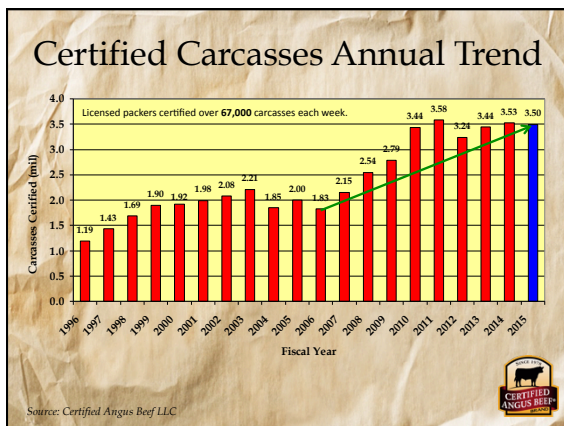
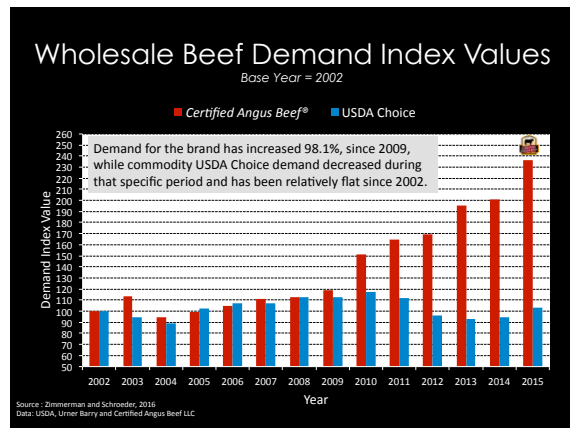
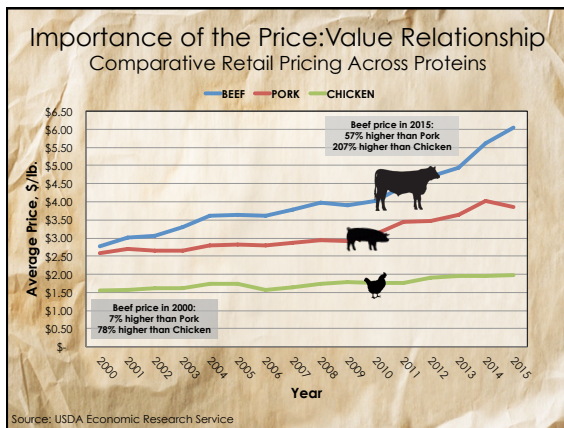
EXCEED CONSUMER EXPECTATIONS	BUILD REPEAT BUSINESS	CREATE BENEFIT ACROSS THE ENTIRE CHAIN	STRENGTHEN DEMAND FOR BEEF
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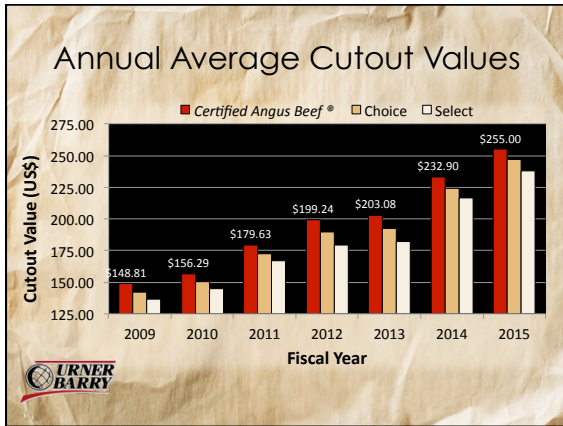


When Making Purchase Choices
Taste Is Still King



Consumer spending
decisions are based on a
Price:Value
relationship.



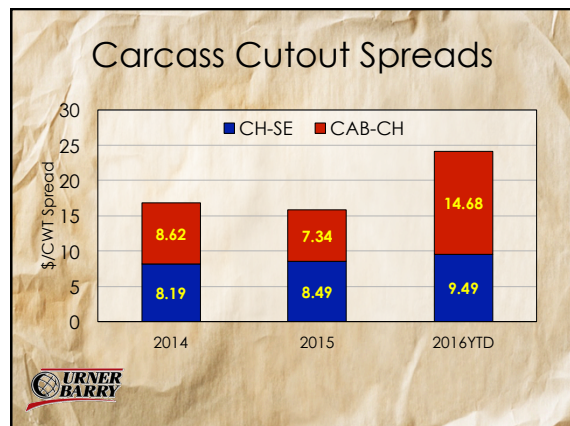
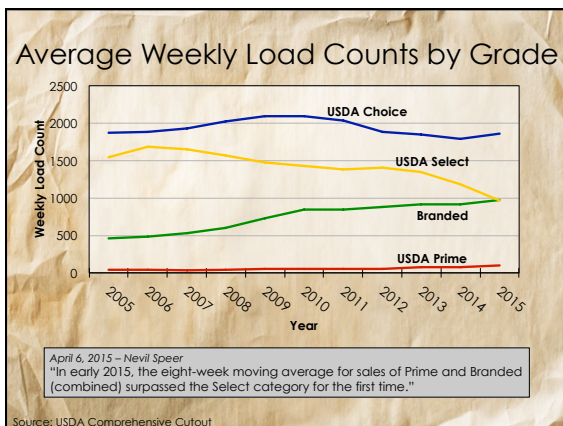
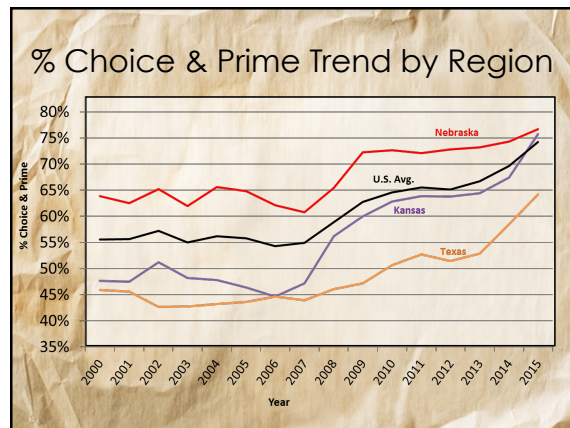
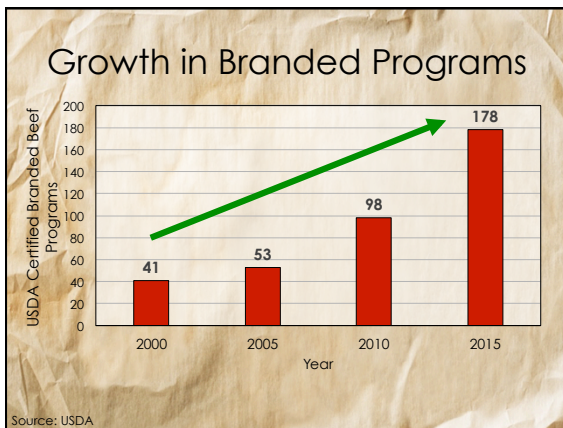


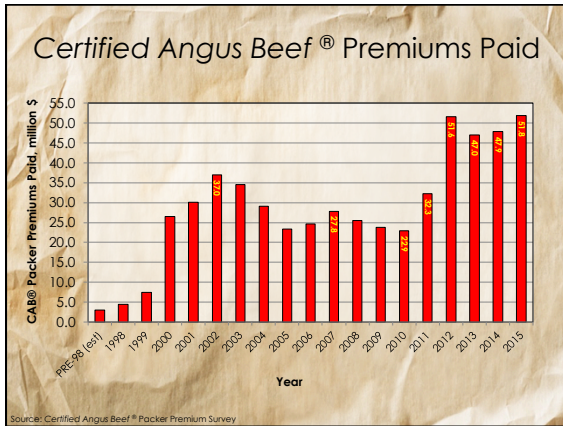
Specification-based Programs

"We can't necessarily establish brands on the things that are important to us as producers; we have to establish them on the things that are important to the consumer."

"When you find out what's important to the customer, and you're able to put a set of specifications and brand support together that drive that point home, then you truly establish pull-through demand which, over time, creates value at the ranch level."

- John Stika, CAB President





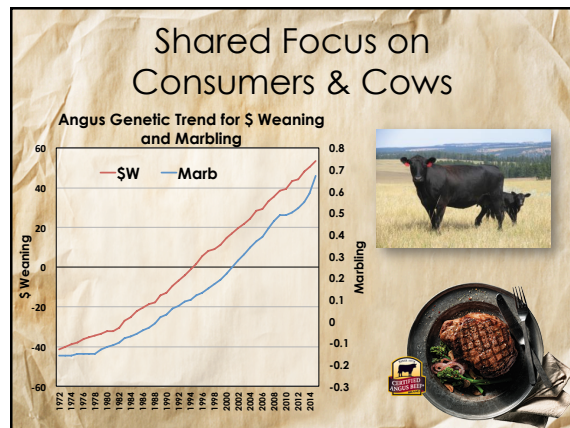
"In the end, a high quality carcass is the most valuable thing we produce, but it is the last thing we get paid for."

— Gene Harris, Killdeer, ND

Correlations Between Marbling and Maternal EPDs

EPD	Statistics	
	r	P-value
Birth Weight	-0.08	0.0001
Calving Ease Direct	0.17	<0.0001
Calving Ease Maternal	0.28	<0.0001
Weaning Weight	0.15	<0.0001
Scrotal Circumference	0.06	0.0039
Heifer Pregnancy	0.06	0.0408
Milk	0.22	<0.0001
Mature Wt	0.13	<0.0001
\$Weaning	0.15	<0.0001

Source: Selection for Marbling and the Impact on Maternal Traits, Smith and Greiner, 2013



While consumer understanding of beef production isn't very high, interest in the process is.

- ### 2016 National Restaurant Association Show Top 5 Takeaways
- 1. Trust & Transparency are Tops.**
 - Consumer trust is elusive.
 - 2. Local is Trendy, but Fuzzy.**
 - Driven by trust.
 - 3. The Story Matters.**
 - Consumers want to know and understand.
 - 4. Premium is In.**
 - Quality, Quality, Quality.
 - 5. Fat is Back.**
 - Marbling reigns supreme.
-
- midan** MARKETING

