Common Ground

Is taste enough anymore?



Mark McCully, CEO MMcCully@angus.org

Beef is the undisputed "protein of celebration" for consumers, but that title wasn't simply handed over by the pork and chicken guys. That title was earned by cattlemen making their product exceptional for flavor, juiciness and tenderness. Those three factors typically get writering their product was and tenderness.

Those three factors typically get wrapped up into one simple word — taste. The taste of beef is what is craved for that anniversary date, graduate celebration, or special dinner with family and friends.

Taste is largely influenced by marbling or quality grade. The improvement in overall

beef quality is well-documented. Twenty years ago, nearly half of all U.S. beef was grading USDA Select. It's no wonder we were disappointing consumers and losing demand.

That's not the case today. I've predicted that in five years we could see more of our fed cattle grading USDA Prime than grading USDA Select. What a win that will be for cattlemen, the beef industry and the Angus business.

Is it enough?

But, can simply winning on taste keep us at the top of the protein mountain in the future? I believe that's a critical question to be asked as we plan our genetic programs and think about the goals of our farm or ranch over the long term. Will consumer preferences change over time? What about price? Will other product features become more important than taste is today?

While consumers can be finicky, I don't believe the preference for a highly marbled steak is going out of fashion anytime soon. I think we learned our lesson through the 1970s and 1980s when we targeted lean and low fat. Dry, tasteless and tough beef was the result, and consumers weren't too thrilled with it. Today, consumers have been enjoying more access than ever to premium-quality beef at restaurants and grocery stores, and the premiums they are paying suggest they want more.

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No doubt, price will always have an influence on consumer purchasing. Relative to pork and chicken, trying to make beef the "low-price protein option" would probably be a futile effort. Data through the 2008-09 recession gives us strong indication shoppers won't stop choosing beef so long as there is value in relation to price. When consumers have a great eating experience, they aren't highly sensitive to the cost. If that steak is disappointing, then those cheaper options begin to look more attractive.

Additional demand

The wild card to me is how demanding our retailers and foodservice customers will be with transparency and documentation around cattle production practices. We have all heard about the growing interest in assurances related to animal care and environmental stewardship. I believe these factors will definitely grow in influence, but I don't see them taking the place of taste. To me this isn't an "either/or," but rather an "and" situation.

Beef owns the center of the plate today because cattlemen have focused on improving eating satisfaction, specifically taste. Moving forward, I believe we need to stay diligent on that focus as taste will stay a primary driver of consumer spending, and premiums will continue to grow for the *Certified Angus Beef®* brand (CAB®) and USDA Prime-quality cattle.

To go with that, I predict additional assurances around animal care and environmental stewardship are going to grow in their influence on price and market access. The winners will be those who can combine all these demand drivers. The Angus breed and CAB are very well-positioned to do just that. ABB

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