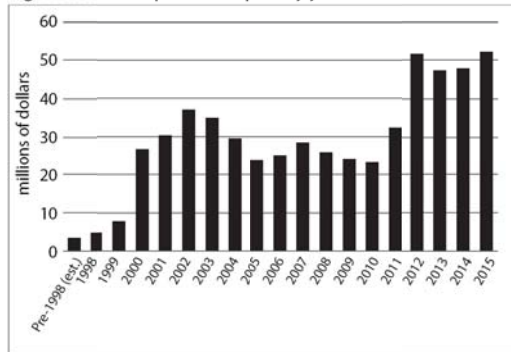




## Branded Beef

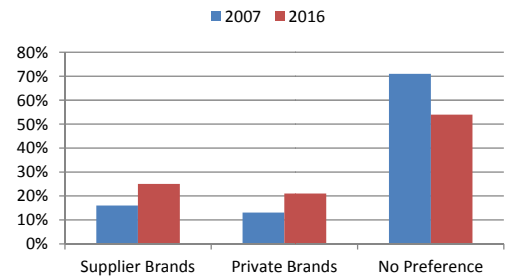
*Bridging the information gap between consumers, retailers and producers*

Fig. 1: CAB brand premiums paid by year



Source: Angus Media <http://www.angus.media/News/Article/183/1-Million-a-Week>

Preference to Brands  
Fresh Meat and Poultry



Source: The Power of Meat 2016

Source: [The Power of Meat 2016](#)

In April 2016, Canada Beef released an updated Canadian Beef Brand Mark (CBBM). The new consumer brand mark marries the iconic maple leaf and swoosh wave image, which has been the consumer logo for years, with the addition of the symbol of cattle. The corporate “Canada Beef” logo remains unchanged.

### What is branding?

A brand is a way to differentiate a product so that it stands out on the shelf, on the menu, in the market and, most importantly, in the consumer’s mind (Alberta Agriculture). Beef brand is often built around attributes on quality, safety and sustainability. It also has a wider cultural context associated with cattle farmers and ranchers to the land on which it is raised.

### Growing interest in branded beef

The power of meat study 2016 finds growing interest in branded meat and poultry, whether national brand or private label. It also shows that high income (>100k) consumers (39%), supercenter meat shoppers (39%) millennials (37% vs. 16% for those 65+) and men (34%) have above-average brand loyalty in fresh meat and poultry with preference for national brands. These results echo a Canadian study conducted in 2008 which shows more than 95% of Canadians surveyed would prefer to purchase beef that is produced on Canadian farms and ranches instead of beef imported from other countries (IPSOS Reid, 2008).

In the global market, although market growth is expected to slow down, emerging consumer segmentation and retail channels will create new demand for value-added and branded beef products (Rabobank 2015).

### Brand premium

While data on Canadian branded beef products is limited, data on U.S. Certified Angus Beef (CAB) products may provide some insights on how branding programs influenced price and sales volume. In 2015, the Choice/Select spread narrowed \$1/cwt (12%) from a year ago to US\$7.53/cwt in the face of 3.5% more Choice tonnage. The CAB brand premiums above the Choice cutout were resilient, posting an US\$8.61/cwt premium, only a penny decline from 2014. That’s alongside a 1% increase in sales volume for the brand’s fiscal year at 896 million pounds (Urner Barry, 2016).

### ❖ Beef opportunity

Growing interest in branded beef provides opportunities for communication with consumers on the attributes represented by the brand and enhance product profile in the market. In the face of strong competition from pork and poultry, and a volatile price environment, premiums on branded beef appeared to be more resilience as prices declined, which may help buffer market swings.

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