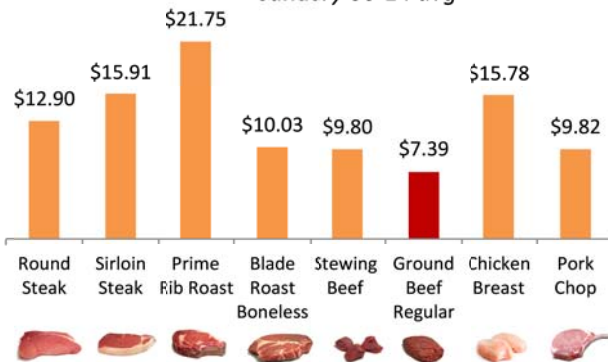




Budget-friendly beef options – Ground Beef

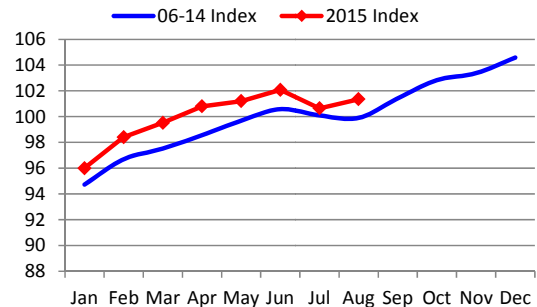
Bridging the information gap between consumers, retailers and producers

Beef Retail Prices (\$/kg)
January 06-14 avg



Source: Statistics Canada, Alberta Agriculture

Retail Price Seasonality
Ground Beef Regular



Source: Statistics Canada, Canfax Research Services

Information for the meat counter team to assist consumers with purchasing decisions

January and February are usually slow months for beef sales as consumers tighten up their budgets and eat less meat following the Christmas and New Year holidays. Some consumers may switch away from beef to cheaper meat options such as chicken and pork, but in fact, consumers can save money without sacrificing beef consumption by selecting cheaper beef cuts.

Ground beef is cheaper compared to chicken breast and pork chops

In January 2006-2014, the average price of regular ground beef (maximum fat content ~30%) was about \$7.39 per kg. This is about 54% cheaper than a kilogram of sirloin steak and 66% cheaper than prime rib roast. It is also 53% cheaper than boneless, skinless chicken breast and 25% cheaper than pork chop. Even with ground beef prices increasing sharply in the last couple of years, it remained 25% lower cheaper than chicken breast and 8% cheaper than pork chop in January 2015.

Ground beef prices lowest in January and February

The cost of ground beef varies seasonally, usually being at a bottom at the beginning of the year and gradually increases to an annual peak in December. The price difference between the low and the high is about 10% based on the 10-year average. Despite sharply higher beef prices in the last couple of years, the seasonal trend still holds true.

Consumers open their wallets for faster, fresher and better foods

According to an AC Nielsen consumer report "Assembling but not fully preparing meals is a popular trend among a growing number of shoppers who want to be involved with food preparation but also have much of the work done for them." In addition, "39% of consumers say they're willing to pay a premium for innovative products".

❖ Beef opportunity

Emphasizing the budget-friendly beef options may attract consumers back to the meat counter when they are looking to save money. To stimulate demand in January and February, retailer can look at value-added and innovative products such as partially flavored or portioned package.

More information about Ground Beef <http://www.beefinfo.org/?ID=11&ArticleID=19>

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