In the face of historic price levels, supply chain issues, and general consumer uncertainty about the future, consumers have continued to turn to beef for a reliable and valuable protein source. Demand for beef products has remained strong, and consumers have repeatedly claimed that they will continue purchasing beef, both in retail and foodservice settings.

Consumer Self-Perceived Demand Drivers

The Consumer Demand Drivers are based off self-reported consumer data collected through the Consumer Beef Tracker. The assessment was run to determine what components were driving consumption, preference of one protein over another and the value of a protein.

Source: Directions Research, Demand Drivers Modeling, Final Report, October 2021.
Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
Inflation Levels for Various Proteins: December Percent Change 2022 vs. Year Ago

Although beef demand remains strong, consumption is projected to dip slightly in 2023, potentially due to drought related supply issues.

2022 beef expenditures saw a 2.6% decrease from the 2021 record highs but are still at second highest level since 1988.
Willingness to pay has decreased for the previous two quarters in 2022 but remains strong overall.

Consumer sentiment (how secure consumers are feeling about the future economy) is still 16% lower than a year ago. However, sentiment scores have been increasing over the past few months.

Beef Steak: Willingness to Pay vs. Average Price Per Pound


Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.

Source: University of Michigan, Consumer Sentiment Index, 2012 – 2022.
Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
Consumption and inflation-adjusted retail prices have been trending up since 2018 indicating that demand is remaining healthy (despite the recent dip in prices from 2021-2022).

Placing various consumption and price data into an index also indicates that beef demand is still strong despite a slight decrease from 2021 - 2022.

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
Over two-thirds of consumers reportedly eat beef on at least a weekly basis.

Consumption

% of Consumers Eating Weekly or More

<table>
<thead>
<tr>
<th>Meat Alternatives</th>
<th>Beef</th>
<th>Chicken</th>
<th>Pork</th>
<th>Fish</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>27%</td>
<td>69%</td>
<td>81%</td>
<td>47%</td>
</tr>
<tr>
<td>Among Weekly+ Meat Alt Eaters:</td>
<td>72%</td>
<td>84%</td>
<td>60%</td>
<td>68%</td>
</tr>
</tbody>
</table>


Consumer Top Protein Sources (Percent Ranked #1)

Among a long list of proteins, consumers consistently rank beef as a top source of protein.

Fresh meat and beef substitutes represent a small percentage of the fresh meat and beef markets. This has changed very little over the past few years.

**Market Share of Fresh Meat/Beef Substitutes**

- **Animal Proteins vs. Substitutes**
  - All Animal Proteins: 99.7%
  - AP Substitutes: 0.3%

- **Beef vs. Beef Substitutes**
  - Beef: 99.5%
  - Beef Substitutes: 0.5%

**Note:** Beef substitute forms include chubs, ground, patties. Animal protein constitutes beef, bison, chicken, fowl, lamb, pork, turkey, and veal. Only fresh products were included in calculations.

**Source:** NielsenIQ, Discovery. Retail Protein Sales ending 12/31/2022

**Analysis:** National Cattlemen’s Beef Association, on behalf of The Beef Checkoff

**Items Consumers Eat Instead of Meat**

- Bean, rice, lentil or grain-based dishes: 59%
- Salads: 51%
- Vegetable or mushroom-based dishes: 44%
- Pizza without meat toppings: 43%
- Baked/other potatoes: 41%
- Egg-based dishes: 38%
- Favorite dishes, just without the meat: 32%
- Favorite dishes where you substituted: 32%
- Meat-less sandwiches or wraps: 31%
- Plant-based protein patties, or “meat-...”: 30%
- Nuts: 28%
- Smoothies, shakes or other protein: 26%

**Source:** Directions Research, Consumer Beef Tracker Jan – Dec 2022.

**Analysis:** National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
CONSUMER BEHAVIOR IN RESPONSE TO PERCEIVED PRICE INCREASES

Meals Cooked at Home

76% of meals cooked at home

94% of those cooking more at home say they will continue to do so

Change in At-Home Cooking Behavior

- Less: 6%
- About the Same: 56%
- More: 38%


Perceived Price Increases in Food

Food (i.e. restaurants, groceries)

- Increased: 3%
- Stayed the same: 16%
- Decreased: 78%
- Don't know: 2%

Largest Price Increase

- Groceries: 31%
- Restaurants: 4%
- Both: 65%

Many consumers continue to purchase groceries online, potentially due to the convenience offered.

A large majority of consumers are ordering meals online, with many choosing an app to complete their orders.

### Online Grocery Ordering Behavior

- **64%** are ordering groceries online.

#### Categories Purchased for Pick-Up/Delivery

<table>
<thead>
<tr>
<th>Category</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh chicken</td>
<td>45%</td>
<td>26%</td>
<td>42%</td>
</tr>
<tr>
<td>Beef burger</td>
<td>44%</td>
<td>23%</td>
<td>41%</td>
</tr>
<tr>
<td>Beef steak</td>
<td>36%</td>
<td>18%</td>
<td>35%</td>
</tr>
<tr>
<td>Roast beef</td>
<td>29%</td>
<td>15%</td>
<td>28%</td>
</tr>
<tr>
<td>Meat alternatives</td>
<td>32%</td>
<td>18%</td>
<td>34%</td>
</tr>
</tbody>
</table>

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.

### Online Meal Ordering Behavior

- **80%** are ordering meals online.

#### Categories Purchased for Pick-Up/Delivery

<table>
<thead>
<tr>
<th>Category</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef burger</td>
<td>70%</td>
</tr>
<tr>
<td>Beef, tacos, enchiladas,...</td>
<td>63%</td>
</tr>
<tr>
<td>Beef steak</td>
<td>45%</td>
</tr>
<tr>
<td>Roast beef</td>
<td>42%</td>
</tr>
</tbody>
</table>

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
## Purchasing More/Less

<table>
<thead>
<tr>
<th>Item</th>
<th>Less</th>
<th>The Same</th>
<th>More</th>
<th>N/A - Don’t Purchase This Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steak</td>
<td>35%</td>
<td>48%</td>
<td>14%</td>
<td>3%</td>
</tr>
<tr>
<td>Roast beef</td>
<td>27%</td>
<td>52%</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>Meat alternatives</td>
<td>23%</td>
<td>38%</td>
<td>15%</td>
<td>23%</td>
</tr>
<tr>
<td>Pork</td>
<td>22%</td>
<td>56%</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>Fish</td>
<td>21%</td>
<td>52%</td>
<td>19%</td>
<td>7%</td>
</tr>
<tr>
<td>Ground beef</td>
<td>17%</td>
<td>61%</td>
<td>20%</td>
<td>2%</td>
</tr>
<tr>
<td>Chicken</td>
<td>12%</td>
<td>60%</td>
<td>27%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.

## Future Beef Consumption

<table>
<thead>
<tr>
<th>Beef</th>
<th>Eat none</th>
<th>Eat less</th>
<th>Eat the same</th>
<th>Eat more</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7%</td>
<td>15%</td>
<td>64%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Directions Research, Consumer Beef Tracker Jan – Dec 2022.  
Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff

## Reasons to Eat Less

- Price is too expensive
- Other meats are healthier
- Concerned beef will negatively impact long-term health
- Beef has too much fat
- Trying to eat more plant-based protein

## Reasons to Eat More

- You enjoy the taste of beef
- Grilling more often
- A beef meal is quick and easy to prepare
- Adding proteins to your diet
- Beef has become more of a family favorite

Many consumers are planning on increasing purchases of lower priced items, such as ground beef and chicken.

Almost two-thirds of consumers plan on eating at least the same amount of beef they currently do.
Most consumers are unfamiliar with how cattle are raised but consider this aspect when choosing a protein source.

Over two-thirds of consumers are positive about beef overall and just under half have positive perceptions about beef production.

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.

43% of responses indicated no concerns. The top expressed concern was Animal Welfare (29%).

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
Fresh Meat Sales at Retail

Dollar sales at retail for beef, chicken, and pork saw year over year growth, while volume sales for beef and pork saw decreases.

Fresh Meat $56 Billion in 2022

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>Lbs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef</td>
<td>+3.1%</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Chicken</td>
<td>+16.5%</td>
<td>+1.3%</td>
</tr>
<tr>
<td>Pork</td>
<td>+5.2%</td>
<td>-2.5%</td>
</tr>
</tbody>
</table>

Source: NielsenIQ, Discover, Full-Year 2022 Fresh Meat Sales, Data Ending December 31, 2022.
Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.

Fresh ground beef tops sales in both value and volume

Beef Sales ($)

- Fresh Ground: 12%
- Steaks: 35%
- Roasts: 14%
- Other: 39%

Beef Sales (Lbs.)

- Fresh Ground: 13%
- Steaks: 23%
- Roasts: 14%
- Other: 50%

Source: NielsenIQ, Discover, Full-Year 2022 Fresh Meat Sales by Primal, Data Ending December 31, 2022.
Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.
Beef sales by volume and value at foodservice saw a decline from 2019 – 2020 but has since been rebounding to pre-COVID levels.

Throughout 2022, Food at Home (retail) inflation rates have surpassed the Food Away From Home (foodservice) rates.

Analysis: National Cattlemen’s Beef Association, on behalf of The Beef Checkoff.