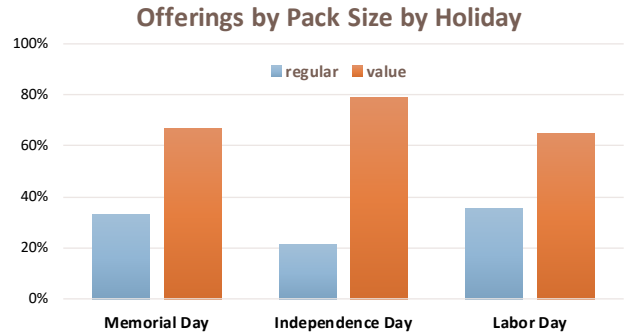




Ground Beef Marketing for the 2017 Summer Holidays

Summer is a key retail marketing event for ground beef as consumer demand increases with the temperature for outdoor grilling and entertaining, especially during the three big summer holidays – Memorial, Independence, and Labor Days. Each year, supermarkets across the country target this demand through increased featuring of popular ground beef in loose and patty forms. Beef is a perennial favorite and holds its grill space against stiff competition from other popular meats, including chicken cuts, turkey grinds, and pork chops and sausage.

In 2017, Memorial Day marked the most active holiday for supermarket featuring of ground beef. Of the summer holidays, Memorial Day is most often marked by home-based activities, primarily backyard grilling and gatherings. By July 4th, consumers are more likely to be engaged in activities away from home and, when not, tend to prefer beef steaks over grinds. Similarly, Labor Day, summer's swan song, often focuses on a last vacation for the season before school starts, with less home-based grilling.



Regardless of the holiday, 80-85% lean grinds are the most popular offering, accounting for a third of beef grind and patty offerings during the summer with 73-75% lean grinds a distant second. Leaner offerings enjoyed less feature activity in all cases. Not surprisingly, value packs, 3 pounds or more, were the most commonly promoted pack size, accounting for 70 percent of offerings through the summer. Regular packs attained their largest share of advertisements during Labor Day as the summer is ending. However, it is during the Fourth of July holiday that value packs reached their largest share in 2017 with 79 percent of all offerings of ground beef. Another convenience supermarkets are increasingly offering their customers are store-made beef patties. Here again, 80% lean content dominated offerings in the patty category with 58 percent of all summer features. However, 73% lean patties led the way during Memorial Day before fading through the summer even as the share of 80% lean offerings expanded. Featuring of 85% lean content patties were consistent through the summer, averaging 15 percent of ad share.

2017 Conventional Ground Beef Ad Share and Price						
Item	Advertising Share			Advertised Price/lb.		
	Memorial	July 4	Labor	Memorial	July 4	Labor
73-75% lean						
regular pack	3%	1%	6%	2.60	2.87	1.89
value pack	10%	15%	11%	2.10	2.12	2.10
80-85% lean						
regular pack	7%	5%	5%	3.02	3.93	3.60
value pack	32%	34%	28%	2.93	3.02	3.06
85-90% lean						
regular pack	8%	6%	6%	4.22	4.10	4.86
value pack	9%	7%	8%	3.42	3.37	3.79
93-95% lean						
regular pack	3%	2%	5%	4.98	5.07	4.88
value pack	3%	6%	4%	4.67	4.19	4.07
Sirloin						
regular pack	6%	1%	7%	3.98	4.10	4.25
Patties						
73% lean	8%	3%	1%	3.72	3.73	2.62
75% lean	1%	1%	1%	2.31	2.82	2.73
80% lean	7%	14%	15%	3.89	4.01	4.07
85% lean	4%	3%	3%	4.32	4.17	4.73
90% lean	0.2%	0.3%	1%	4.65	5.28	5.41
93% lean	0.1%	--	0.3%	4.85	--	4.99

Specialty type beef grinds are becoming more common in store shelves and in circulars. These include antibiotic-free, grass-fed, and organic offerings. In many cases, grass-fed beef is also antibiotic-free but some retailers opt to promote the grass-fed aspect of the beef over the antibiotic-free one in their ads. Organic ground beef dominated specialty types in store ads during the summer of 2017 with 55 percent of feature share, peaking at Independence Day with 49 percent of specialty types offered before tapering off sharply by Labor Day. Grass-fed offerings were consistently offered through the summer but also tapered off by the summer's end. Antibiotic-free, with only 18 percent of ad share for the summer, reached its peak during Labor Day.

The volume of cold storage stocks held in March 2018 as reported by USDA [NASS](#) indicates a 2 percent increase in boneless beef from February 2018 with a 12 percent decline in stocks of beef cuts. This may presage good availability of ground beef for the approaching holiday – quite possibly at attractive sale prices.

Information for this report was derived from data reported in the [Feature Advertising by U.S. Supermarkets Meat and Poultry](#) reports for each of the 2017 summer holidays.

