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HISPANIC POINT-OF-SALE MATERIALS CAUSE SIGNIFICANT INCREASES IN BEEF VOLUME SALES FOR ALL MAJOR SUBPRIMALS

Denver, Colo. (July 29, 2010) – A pilot test of beef checkoff-funded Hispanic point-of-sale (POS) elements revealed the Hispanic marketing materials increased sales of fresh beef by remarkable percentages. Volume sales of beef cuts increased across all major subprimals.

- Round, up 35.5 percent
- Chuck, up 60.1 percent
- Rib, up 26.9 percent
- Loin, up 41.7 percent

Volume sales of beef variety meats showed the biggest increase with 82.7 percent.

The test was conducted for 12 weeks in three Dillons stores in Kansas. Results also revealed that the Hispanic POS elements increased grocery shopping trips from 8.2 trips per month to 11.1 trips per month.

Nineteen percent of respondents said they will shop for meat at Dillons much more often and 51 percent say they will shop for meat at Dillons somewhat more often due to the new POS elements at the meat case.

Test store shoppers also reported consuming beef more often as part of their daily meals. The percentage of meals including beef grew from 62 percent to 77 percent.

“With a growing Hispanic population in the U.S., the need to reach out to this group is increasing,” said Jim Henger, executive director of marketing for the National Cattlemen’s Beef Association, which contracts to manage retail programs for the beef checkoff. “The beef checkoff-funded Hispanic point-of-sale materials were developed to meet the needs of this growing segment of the population.”

The beef checkoff-funded research was conducted, with assistance from the Iowa Beef Industry Council, in order to compare the performance of Dillons stores without the Hispanic point-of-sale materials to test stores with the materials. The point-of-sale materials in test stores included a shopper brochure with a dictionary of cuts, channel strips, counter posters, on-pack recipes, a theatre floor sign and a “Hablo Español” employee button.

Dillons stores in Wichita, KS, Garden City, KS, and Liberal, KS served as test stores. Researchers conducted the test prewave in July 2009 and a test and control postwave in November 2009. Sales data, consumer intercepts and a retailer survey evaluated the effectiveness of the materials.

For more information about the Dillons Hispanic Pilot Test, go to beefretail.org/dillonshispanictest.aspx. Hispanic point-of-sale materials and ordering information is also available at beefretail.org/hispanicpos.aspx.

The Beef Checkoff Program was established as part of the 1985 Farm Bill. The Checkoff assesses \$1 per head on the sale of live domestic and imported cattle, in addition to a comparable assessment on imported beef and beef products. States retain up to 50 cents on the dollar and forward the other 50 cents per head to the Cattlemen's Beef Promotion and Research Board, which administers the national Checkoff program, subject to USDA approval.

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