



Consumer Trends and Agri-Food Marketing and Policy

Current Situation

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Producer Relationship with Consumers



Producer Relationship with Consumers

- Not very close or clear – few direct relationships
- Ranchers, Farmers and Feeders Produce **Cattle**
- Consumers Eat **Beef**
- Between Producers and Consumers are:
Processors, Retailers, Food Service Industry,
Government (people, policies, regulations)



Producer-Consumer Relationship

- Communication is a challenge – between producers and consumers, among sectors
- Market Signals Hidden, Blurred, Distorted
- Delayed Response to Trends – awareness, true signals, production systems



Impact of Consumer Trends



Consumer Trends

- BSE
- Global Recession
- H1N1
- More Knowledge? or More Information?
- More Demands
- Changing Requirements
- Closer Relationship



Consumer Trends

- Safe Food
- Healthy Food
- Affordable Food
- Tasty Food
- Convenient Food
- Local Food
- Socially and Environmentally Responsible Food



Impact of Consumer Trends

- Increased Costs – safety, nutrition, quality, convenience, local, social, environment
- Reduced Revenue – affordable
- Limits on Producer Influence
- Must Increase Product Value – consumers pay more, branding and differentiation, more markets



Contradictory Impacts

Economic factors encouraging large, efficient operations selling products to a wide base of customers around the world

while

More consumers wanting to purchase food from small, local producers who follow strict production protocols and with whom they can have a close relationship



Impact of Government Policy



Impact of Government Policy

POSITIVE: Framework of sound policies, regulations, trade rules where producer-consumer relationship can flourish (market)

NEGATIVE: Policies, regulations and actions based on inaccurate anticipation, identification, and reaction to perceived consumer trends

Government Role

Vs

Market Role



Impact of Government Policy

- Government action on trade and government investment in research and education provide significant benefits
- Appropriate government standards can be a marketing advantage for an industry

BUT

- All regulations add costs, while not all regulations create benefits
- “Lead the market”



Consumer Trends Solutions



Consumer Trends Solutions

- Better Communication
 - industry and consumers
 - within industry
 - industry and government
- Faster Response to Consumer Trends
- Better Understanding of Roles
- Increase Product Value
 - market access
 - branding and differentiation
 - marketing ventures



A herd of cows of various colors (brown, black, white) is grazing in a lush green field. In the background, there are rolling hills and a range of mountains under a clear blue sky with a few wispy clouds. A dark red rounded rectangle is overlaid in the center of the image, containing the text "Thank You" in white.

Thank You