Beef must target the millennial generation

By ALAN NEWPORT

As a product, beef is entering a time of sea change. The baby boomers, formerly the largest generation in U.S. history, were the driver for most marketing efforts, including beef. Now, that tide is slowly waning as baby boomers begin to retire, and even die.

The millennial generation, a potentially bigger demographic group than the boomers, is the rising tide for product marketers. Understand them and capture their loyalties early in life, the marketers believe, and you could have a reasonably long period of success.

For a very mature product like beef, there will be some carryover in attitudes from parental generations, but John Lundeen says the millennials present some unique marketing challenges the beef industry must meet. Lundeen is executive director of market research for the National Cattlemen’s Beef Association.

Lundeen says millennials’ knowledge is not strong when it comes to meat cuts or cooking. Steak is intimidating to them. They do everything online, including finding recipes, and their source of credibility is not experts or TV chefs; instead, it is typically based in social media and could be called “people like me.”

Lundeen quotes research done by Conversion Marketing-Communication that shows millennials are slightly lower than baby boomers or Generation X members on beef awareness and purchases for nearly every single cut of beef (see graph).

However, Lundeen says, they make it clear that simplicity in preparation and affordability are, so far, important to them. They favor ground beef, beef cut up for stew and stir-fry beef.

Money matters

“They’ve been hit hard by the recession,” Lundeen says. “They are aged 10 to 30; many of them are entering the workforce, and some are having families. Imagine what it would be like to be graduating from college and looking for a job right now.”

He adds, “That’s much of what’s behind some of them moving back home. It also means steak is more complicated for them, because it’s expensive, and they say, ‘What if I ruin it?’”

Millennials also are very social and very connected to their friends, Lundeen says. Many are from multicultural families or have friends from other cultures. They like and expect to eat foods that are considered “ethnic.”

Grilling is becoming more popular because it’s easy, convenient and quick to clean up. The good news is beef goes well on the grill, he adds.

“We’ve got to think about beef in all those contexts,” Lundeen says.

Yet millennials typically know little of cooking methods, and they need much more preparatory work done on their foodstuffs before they buy them. Walk through any grocery store and look at the rice section, the baking section and the salad fixings in the produce case to see this move to fewer ingredients and easier cooking already under way.

You’ll find multiple quick rice pilafs and instant rice products, more prepared baking mixes than ever, and a variety of prepared salads in bags.

“Our future,” Lundeen says. “Millennials are going to be beef-eaters for a long time. We need to be sure our products meet their needs.”

New channels

Millennials also buy their groceries from a much wider variety of stores than did their parents and grandparents, which means beef needs to be in those places. Natural-foods stores, farmers markets, farm-direct sales and even online grocery purchases are more important for this younger generation.

Just as important, millennials are said to be the most socially conscious generation. They are much more likely to scrutinize production methods and make purchases based on their personal interpretation of what is “right.”

This is noticeable on the menus of trendy restaurants, which increasingly offer a brief description of where beef and animal products originate and how they were raised.

“This is our future,” Lundeen says. "Millennials are going to be beef-eaters for a long time. We need to be sure our products meet their needs.”