FooDS

Food Demand Survey

Issue 10: March 17, 2014

About the Survey
FooDS tracks consumer preferences and sentiments on the safety, quality, and price of food at home and away from home with particular focus on meat demand. FooDS is a monthly on-line survey with a sample size of at least 1,000 individuals, weighted to match the US population in terms of age, gender, education and region of residence. See the online technical document for more details.

MEAT DEMAND

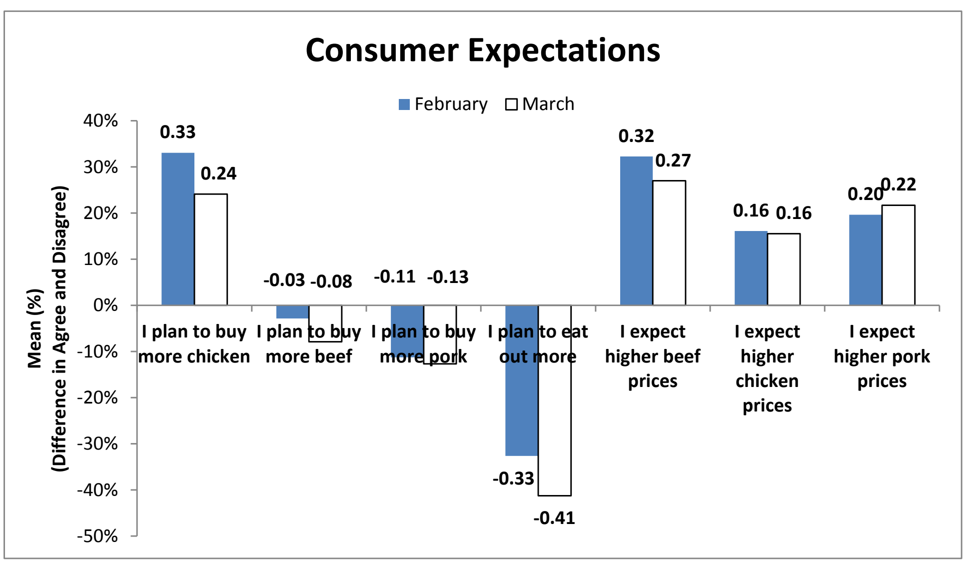
Willingness-to-Pay	Steak	Chicken Breast	Hamburger	Pork Chop	Deli Ham	Chicken Wing	Beans and Rice	Pasta
January 2014	$6.91	$4.68	$4.21	$3.54	$2.23	$2.26	$2.15	$2.58
February 2014	$6.87	$5.04	$4.06	$3.47	$1.97	$2.51	$2.04	$2.65
March 2014	$6.59	$4.86	$4.28	$3.55	$2.20	$2.02	$1.57	$2.75
% change (Feb. - March)	-4.07%	-3.57%	5.42%	2.31%	11.68%	-19.52%	-23.04%	3.77%

In the past month, willingness-to-pay (WTP) fell for chicken products (chicken breast and particularly chicken wing) and for steak. WTP increased for the two pork products (pork chop and deli ham) and for hamburger. WTP for beans and rice fell to the lowest level since FooDS started.

FOOD EXPENDITURES

	Current weekly at home	Current weekly away from home	Anticipated change in at home in next 2 weeks	Anticipated change away from home in next 2 weeks
February 2014	$94.37	$48.81	-0.13%	-1.32%
March 2014	$95.32	$48.66	-0.35%	-1.34%
% change (Feb. - March)	1.01%	-0.31%		

In March, food-grocery expenditures were $95.32, up 1.01% from February, while $48.66 was spent on food consumed away from home, down 0.31% from February. Consumers anticipate eating out less often and spending slightly less money doing so. Consumers expect higher beef prices in the coming weeks (although less so than in February) and anticipate higher chicken and pork prices at about the same rate as in February. Planned purchases of chicken, beef, and pork were lower than in February.



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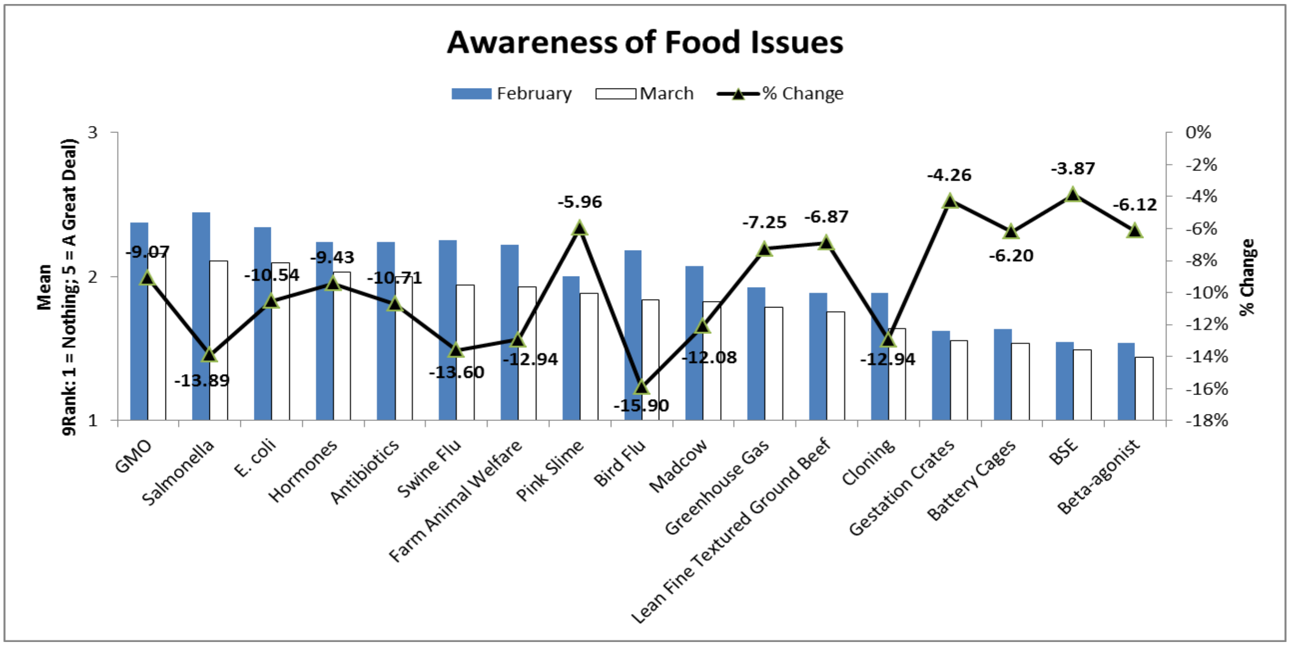
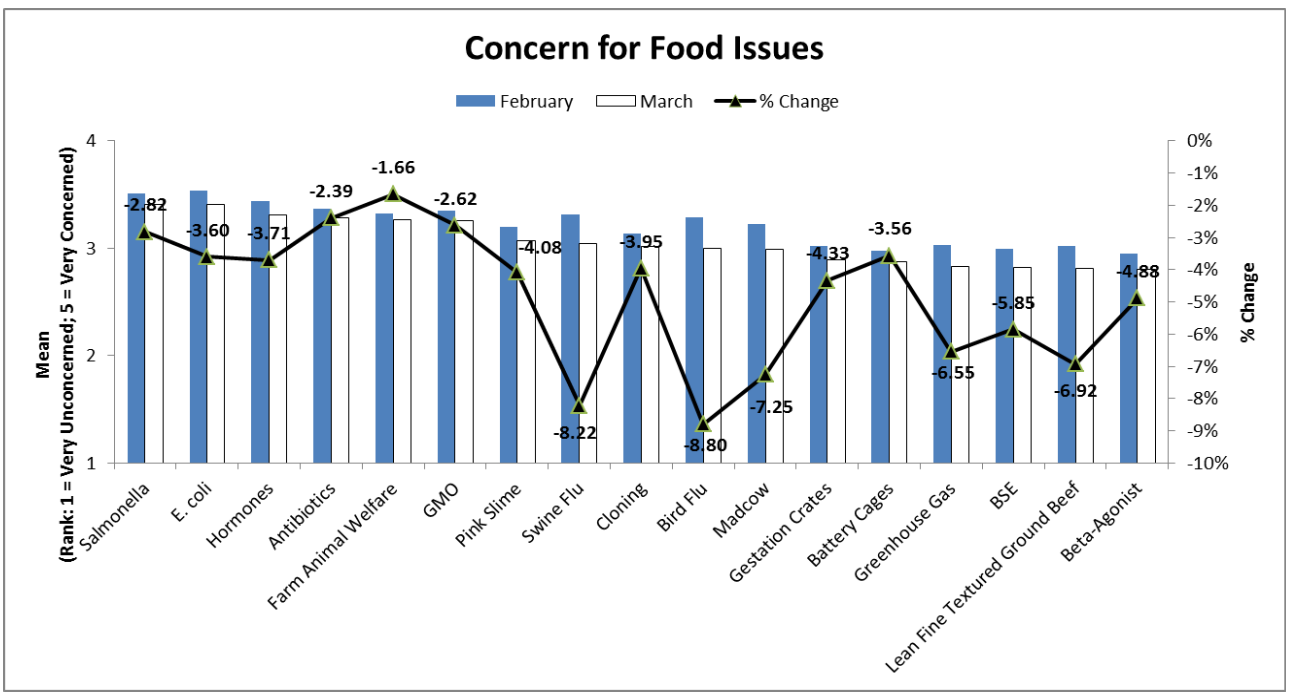
AWARENESS & CONCERN TRACKING

This month, consumers reported hearing less about all food issues. The largest percent decreases were for bird flu, Salmonella, and swine flu. GMOs moved to the top of the list in terms of issues most often heard discussed in the news. Concern for all issues also decreased in March. Salmonella, *E. coli*, and hormones were consumers' top three concerns. Concern for bird flu and swine flu had the greatest percent decreases from last month.





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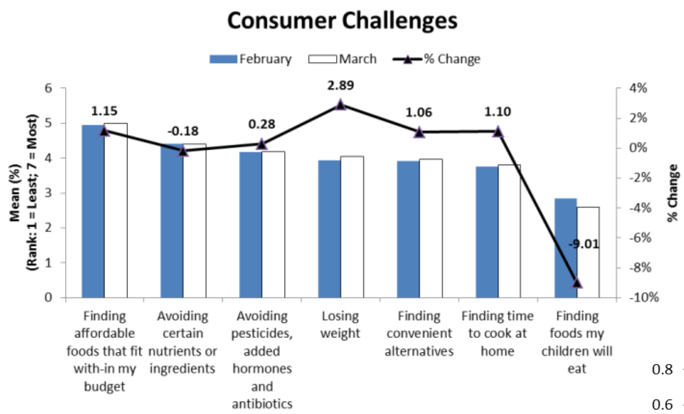
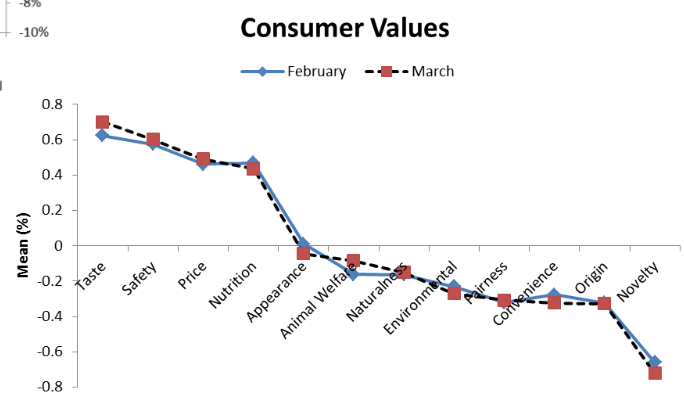
GENERAL FOOD VALUES

Taste, safety and price were consumer's most important values when purchasing foods. Consumer values remained similar to those in past months, with a slight decrease in perceived value of nutrition, appearance, and environment and an increase in perceived value of taste, safety and price. Again, consumers reported that their main challenge faced this month was finding affordable foods. Similar to previous months, finding time to cook at home and finding food their children will eat were ranked last. The challenge of losing weight experienced the largest increase, up 2.89% from February. In March, 4.18% of participants reported having food poisoning, a 16.76% increase from February.



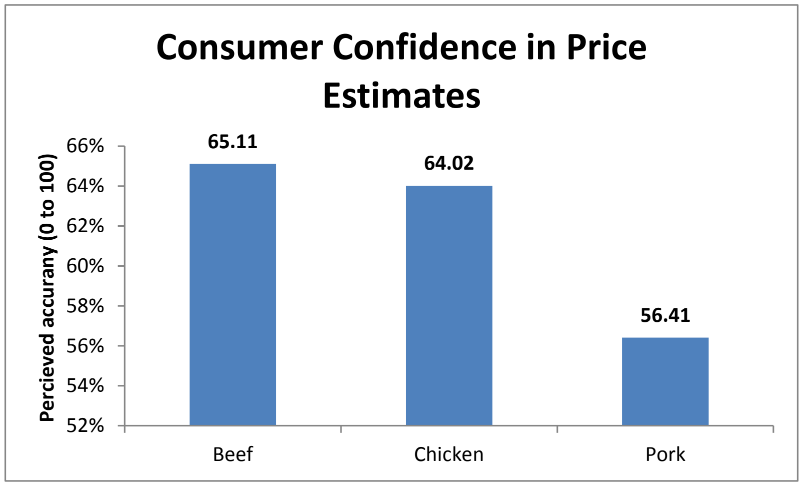


AD HOC QUESTIONS

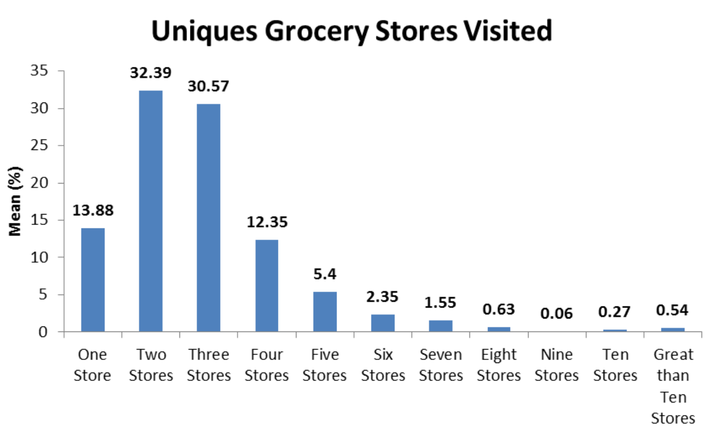
Four new ad hoc questions were added to the survey in March.

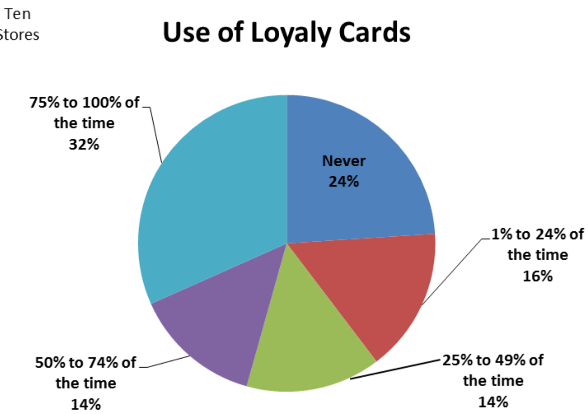
First, participants were asked : "What is your best estimate of the average price that grocery stores, supermarkets and wholesale stores charge for the following products in your area?" The median estimates were $3.25/lb, $3.00/lb, and $3.49/lb for ground beef, chicken breast, and pork chops, respectively. There was significant variability in price estimates across respondents. For the three meat products 75% of the estimates fell in the respective ranges: [$2.99 and $4], [$2 and $4], and [$2 and $4.75]. Actual retail prices were $3.47/lb, $3.43/lb, and $3.72/lb in Jan 2014 according to BLS/ERS, the most recent data available.

Next, participants were asked: “On a scale from 0 to 100, where 0 indicates absolute uncertainty and 100 indicates absolute certainty, how confident are you in your previous price estimates for the following products?” Consumers were less confident in their price estimates for pork than for those of beef and chicken.



Participants were then asked to indicate the number of unique grocery stores, supermarkets or wholesale stores they visited in the last month. The majority of consumers visited two to three unique stores within the last month. Two stores were visited by 32.39% of participants and three stores were visited by 30.57% of participants. When checking out, 32% of participants said they use a loyalty card 75 to 100% of the time versus 24% of participants who stated the never use a loyalty card when grocery shopping.





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