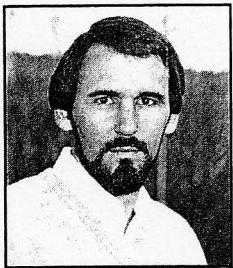


It's Too Early To Assess Beef Promotion Results



by Bob Kingsbery

ABOUT THE AUTHOR: Bob Kingsbery grew up in the cattle business on a Texas ranch. He was in agricultural advertising and public relations before joining Snell Systems, San Antonio, Texas, as executive vice president. The points he makes in this article are based on his background of experience and work in these industries.

The cattle industry is winding up two years of the most intensive, and expensive advertising campaign in its history. The results? Well—as I always used to tell my clients when I was in the advertising business—it's too early to tell.

You could argue that it was a smashing success. After all, consumers did consume every bit of beef we produced. Not many advertising campaigns can claim 100 percent effectiveness. On the other hand beef didn't become as popular as Cabbage Patch dolls.

I just hope no one expected an advertising campaign to make cattlemen rich. All the industry wanted was more people to eat more beef. Spot checks at supermarkets proved the media advertising coupled with point of purchase displays did increase sales somewhat. Poultry and pork prices leveled off during the second year of the campaign. Even hamburger consumption slowed during 1983, a positive step toward the increased demand for the higher priced cuts of beef.

Who's to say that beef prices wouldn't be lower today had we not spent all that money on advertising. Hell, it didn't even amount to a dime per beef animal. If it added just 25 cents to the value of every cow wouldn't you be glad to do it again? And that's the big question. Is the industry prepared to continue advertising? Now that we did what everyone said we ought to—promote beef to the consumer—are we going to drop that ball and start touting some other solution?

You read very little about the need to promote beef these days. It's as though everyone thinks spending seven million dollars, about what McDonald's takes in before lunch every day, is an adequate effort.

Our advertising agency ran as many ads on beef, the largest selling product in America, as Procter & Gamble does to promote a new product that has an 85 percent chance of failing!

Until we are willing to base the amount of money we spend on advertising on the amount of the product we sell, we haven't even started to "promote" beef to the consumer.

Another thing to consider is the quality of the advertising we did. The first year's campaign hit home, literally, with scenes depicting families gathered at the table to experience a meal that "satisfied like nothing else." The consensus among cattle people was favorable. Of course who would admit disliking commercials showing happy families?

Advertising executives learn from the crib that a campaign the client doesn't like won't ever see the light of day, no matter how effective it is. Perhaps those in charge of developing and approving the initial campaign chose to take the safe route and gain our confidence, saving the fireworks for later. Let's remember that they had a ridiculously small budget to conduct a national advertising campaign. There wasn't much room to take chances.

By the middle of 1983 we began to realize that an advertising campaign wasn't going to change our lives. Plus we had a lot of other things to worry about, like staying alive.

The latest campaign began with less than a bang, and went downhill from there. Although I haven't seen much of it, I occasionally hear radio ads purporting to sell beef. They start off with a frenzied tune leading into a message to "all those folks who keep an equipment bag by their desk" that beef is the food for them.

I take it those "folks" have jogging shoes and color-coordinated sweat suits in those equipment bags. I am also going to assume that those folks are "concerned" about their health and claim to eat less beef.

With as little money as we have to spend, it's doubtful that the most important thing we can accomplish is to change the minds of a few health-crazed joggers who can't even wait to get home before they put on their Nikes.

Apparently someone in charge of this campaign bought the story about consumers becoming more conscious about the food they eat, the one that claims Americans are concerned about too much fat in their diet and are cutting down on the amount of meat they eat. So rather than try

to enhance the image of beef, our advertising is attempting to overcome a problem that doesn't even exist.

There is no truth to the rumor that Americans are eating healthier foods these days. We are more conscious about what we eat. Who wouldn't be with all the headlines claiming everything we breathe, touch, smell, look at and eat will shorten our lives, which aren't worth living without most of the things that will certainly kill us anyway. Luckily the news media overdid all those stories so people don't get very excited about something causing cancer these days.

As far as people eating less meat, any honest pollster will tell you that surveys asking people what television shows they watched, how often they showered or what they ate last week are notoriously unreliable. Two factors must be taken into consideration when you ask someone about their personal habits: poor memory and their desire to impress the person asking the questions.

Americans eat all the beef we produce. They say they eat less in order to be identified with the "in" crowd. Eighty million people buy running shoes every year, only 10 million run. In fact, no one knows whether they eat less of anything from one year to the next because they never knew how much they ate to start with. The statistic that we need to concern ourselves with is what Americans eat more of these days.

We are becoming more sophisticated in our eating habits. New foods appear daily in our supermarkets, when was the last time you checked out the oriental section of the produce counter? It will amaze you.

Restaurants now offer dishes to accommodate every ethnic background and complement any lifestyle. During the 1980s it will be possible to get a bad meal of any kind, anywhere in the United States.

If people are eating less beef it's because they're eating more of something else. When we go out to eat we have more choices today than we did two years ago, when we began our first national promotional campaign. There is more competition for the consumer's food dollars and that means we'll have to work harder to promote our own product:

The cattle industry must adopt a long term approach to merchandising beef and cattle producers must be willing to contribute a reasonable amount to fund such a promotion. However, those in charge of the promotional campaign need to develop effective advertising aimed at enhancing the image of beef, not catchy tunes directed toward marginal consumers.

Speaking of marginal, what else can cattlemen do to get more money for their cattle? Move to Japan. Seriously though, beef prices are about as high as they are going to get. The American cattle industry is learning firsthand about something called a "global economy". This is something the American auto industry discovered several years ago. If a product can be produced in a foreign country and imported here cheaper it will be.

Argentina can produce and sell beef to us for 30 cents per pound. Why should American consumers pay us 65 cents per pound for it? Before you start waving the flag, look where that video recorder you got such a great deal on was made. And don't tell me you didn't consider a Datsun truck last year.

Global economy. It makes our lives better, improves the chance of world peace and keeps beef prices honest. If we're going to survive, we'll have to do it by producing better than anyone else. That means efficiency has to be the number one priority of beef producers who intend to make a living at it.

Cattle production has traditionally been a by-product of land ownership, which is the main reason the cattle industry is slow to change. Regardless of the economics of raising cattle, landowners are going to graze pastures with them every year. With so many people in it for fun just be glad cattle prices are as high as they are.

Everyone in the cattle business knows they can do a better job managing their operation. It's just a matter of need-to. The tools are available, the knowledge exists and the ability abounds. Perhaps the necessity is becoming apparent. We advertised, we promoted, we lobbied (we lost out to the dairy boys because they had more experience and more money) and we prayed. All that's left to do is work harder.

It doesn't matter what the price of cattle is, was or will be. You have to produce as efficiently as possible today as well as tomorrow. If you can honestly say that you are utilizing every bit of your land, labor and financial resources to the maximum then I can honestly say you are making money. If you haven't heard about or seen any of the new techniques and equipment that have been introduced in the past five years then you owe it to yourself to find out about them. If you are truly not interested in improving your ability to produce, then the cattle industry truly can't afford you or your cattle.

Some people say today is the most exciting time in history. That is true for the cattle industry. Never in its history have producers had so many opportunities to take advantage of knowledge and technology from around the world. Ideas that will help them improve their productivity. It's a time of decisions and changes for people who put off until tradition, ignorance and superstition no longer worked.

The cattle business, always in slow motion, seems to have speeded up a bit. It no longer has time for methods that don't make economic or common sense, scientists that keep on researching the same techniques, agribusiness companies that ignore the realities of raising cattle or livestock publications that can't provide pertinent information.

I can't think of a more exciting time to be a part of it. Aren't you glad you made it this far? **AJ**