

MSU Product Center

For Agriculture and Natural Resources

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Processed Beef – Selective opportunities

Market drivers that provide selective opportunities

- Processed beef products that appeal to the demand drivers of **wellness** and **convenience** have selective opportunities.

Specific opportunities

- One way to appeal to the demand driver of convenience is to offer products that are packaged in resealable tubs. This form of packaging is very popular with consumers and is quickly becoming the industry standard.
- Lunchmeats have also become a common part of single packaged lunches (e.g. “Lunchables”).
- One way to appeal to wellness is through offering Kosher products. Many consumers, whether or not they are Jewish, equate Kosher foods with foods that have few, if any, additives. Beef is a Kosher food, pork is not.
- Another way to appeal to wellness is to offer organic and natural products.
- Other trend is the increased purchase of processed beef products in natural food stores. Sales of lunchmeat increased 50 percent, and hot dog sales increased 31 percent from 2003 through 2005 in natural food stores.
- One thing holding back the market is the fact that processed beef products have not been generally considered a healthy product. There is potential to develop products that are low in sodium and fat.
- One way to appeal to wellness is to offer products free of nitrates, preservatives and other additives.

New Product examples

- Oscar Meyer Deli Fresh Meats Shave Slow Roasted Roast Beef, 95 percent fat free. Sold in a resealable container.
- Steak-umm Express, sliced steak and cheese steak varieties, fully cooked and available in microwavable packaging.
- Ball Park, Singles, individually wrapped hot dogs.

Special issues

- There are several major firms in the industry. Convenience is quickly becoming an industry standard.
- Health food stores and gourmet stores present opportunities.

Key to success

- Consider the ability to offer products that appeal to more than one demand driver such as combining wellness with ethnicity or indulgence.
- Whether or not there the potential to enter into a strategic alliance with a retailer or wholesaler, especially a health oriented firm.

Sources

Mintel. Breakfast and Sandwich Meats.

_____. Global New Products Database.