

# USMEF

## COVID-19 Marketing Update, July 15: Beef Checkoff at Work in Global Markets

The U.S. Meat Export Federation (USMEF), a subcontractor to the Beef Checkoff, reports sustained demand for U.S. beef amid economic slowdowns.

Economic and sales statistics are now documenting COVID-19's impact in the Asia-Pacific region, where the pandemic began. From January through May of this year, most Asian economies experienced significant economic slowdowns. China's economic growth rate declined by 7.7%, South Korea's by 11.2% and Singapore's by 6.9%. Taiwan, which has been heralded as a success story in managing the pandemic, maintained an average growth rate of 1.5% in the first five months of 2020.

Japan's economic growth decreased by 8.4% in the first four months of the year. Household spending was dramatically affected, dropping 16.2% in May from a year earlier. The data showed big drops in spending on hotels, transport and eating out. On the other hand, goods that saw an increase in spending in Japan, included meat, alcohol and face masks.

Similarly, in South Korea, consumers are still buying red meat. Record-low store sales were reported during the second quarter of 2020 for discount chain stores in Korea such as E-Mart, Homeplus, and Lotte Mart. Meat sales, however; showed 10% sales growth at discount retail stores in Korea from January through May. U.S. beef sales recorded an 18% sales increase during the period, on average.

With foodservice hampered in markets around the world, sales of fresh food and meat sales continue to flourish through new and evolving means and applications in retail, e-commerce and delivery. E-commerce is emerging as a lifeline for traditional offline models, providing much-needed help during the pandemic. Having "omni-channel" capability is becoming critical for success in a world that is structurally, and rapidly, shifting from offline to online shopping and purchasing.

Below are a few of the ways that the Beef Checkoff is at work in markets impacted by COVID-19:

### Japan:

- **U.S. Red Meat Industry Support for Children.** USMEF is partnering with a target account processor and a non-profit organization to prepare and deliver meals containing U.S. beef to Japanese children in need from June through August. More than 5,000 children will be served meals in 60 cafeterias in 19 cities throughout Japan.
- **American Beef Fair Promotions.** Retail promotions for U.S. beef picked up steam in June as six retail chains promoted various U.S. beef cuts. More than 400 outlets participated in the regional promotion which included newspaper advertising, and in many outlets, tasting demonstrations.
- **Honoring Home-Bound Seniors and Medical Professionals.** In May, the #alonetogether Instagram campaign was implemented to call attention to isolated loved ones and to honor healthcare professionals. Funded by the Beef Checkoff, the campaign encouraged the sharing of influencers' favorite methods for cooking nutritious U.S. beef steak with home-bound seniors and hardworking healthcare professionals.

#### China:

- **Staff Training for Two Restaurant Chains.** USMEF conducted training on culinary applications, cutting techniques and presentation for U.S. beef to two restaurant chains in Shanghai in June. One of the chains includes steak houses, Japanese-style restaurants and cafes, while the other chain specializes in hot pot dishes.
- **Retailer Promotes Dry-Aged U.S. Beef.** City Super, a boutique retail chain in Shanghai, held a U.S. beef-tasting activity in mid-June for its loyal members on a special “Membership Day.” The event featured their new dry-aged U.S. beef products with *tenjusake*. The weekend promotion resulted in a significant sales increase for U.S. beef and positive media coverage for U.S. beef.
- **E-commerce Companies the Focus of U.S. Beef Training.** To raise the profile of U.S. beef and increase how often it is shared and recommended online, USMEF conducted on-site staff training for two popular e-commerce companies in Shanghai in June. USMEF highlighted a variety of U.S. beef and cuts, offering a host of cooking applications, storage tips and defrosting techniques. The training also illustrated the difference between grass-fed beef and grain-fed beef and emphasized the advantages of U.S. beef over competitor products.

#### South Korea:

- **Product Samplings for U.S. Beef Are Back.** Retail promotions for U.S. beef gained traction in June in and around Seoul. Seven retail chains with 76 outlets conducted in-store promotions, with product samplings, for U.S. beef on Thursdays through Sundays during June.

#### Mexico:

- **Chefs Prepare Special Sandwiches for Hospital Staff.** Six USMEF chef ambassadors prepared more than 250 unique recipe sandwiches with U.S. beef in May. The sandwiches were delivered to medical staff in two Mexico City hospitals that were heavily impacted by COVID-19. Social media influencers wrote personal thank-you notes to hospital staff on each of the meal boxes. USMEF also donated meals with U.S. beef to kitchen and waitstaff from the chef ambassadors' restaurants that had been temporarily closed.

#### Peru:

- **U.S. Beef Promoted on Father's Day.** Two steakhouses with 12 outlets featured U.S. beef for Father's Day in and around Lima. USMEF provided take-out and delivery program support as both steakhouse chains were attempting to restart their restaurant operations after being shut down by the pandemic.

#### Philippines:

- **Delivery Fee Support for U.S. Beef.** USMEF wrapped up a month-long promotion for U.S. red meat in June with a target account importer/distributor in Manila. In the Delivery Fee promotion, USMEF contributed toward the delivery fee for consumers who purchased any combination of U.S. red meat products.

#### Middle East:

- **U.S. Beef Brisket for Those in Need.** USMEF teamed up with a popular Executive Chef on a goodwill initiative in a village in Lebanon. Chef Youssef prepared special meals of a signature U.S. beef brisket and rice dish. The lunch meals were distributed to families in need in collaboration with a non-governmental organization that serves people in need.

- **Popular Chef Promotes U.S. Beef to Instagrammers.** USMEF recruited one of the region's top social media culinary personalities to perform live U.S. beef cooking demonstrations on Instagram in June. The live broadcasts highlighted the attributes of U.S. beef to a large online audience built by Chef Chedid, who starred on *Top Chef Middle East* and owns the Maroun Chedid Cooking Academy in Lebanon. Chef Chedid explained the quality and advantages of U.S. beef cuts such as tenderloin, chuck and brisket. He also shared his experiences cooking with alternative cuts of U.S. beef, emphasizing their quality, versatility potential for enhancing profits in the region's growing foodservice sector.