




CHICAGO RESTAURANTS: CONSUMER DEMAND FOR GRASS-FED BEEF



One out of five Chicago consumers prioritize purchasing grass-fed beef, yet only about **one percent of Chicago restaurants** offer grass-fed beef—a substantial marketplace mismatch.

Consumers view grass-fed beef as a healthier, higher quality, and more humane meat option, according to our user research.

What is Grass-fed Beef?

There's a lot of misconceptions about what "grass-fed beef" means — for both the kitchen table and the farm. Grass-fed beef usually is defined as cattle that is raised on grass and forage (as the primary food source) for the lifetime of the ruminant animal post-weaning.

Grass-fed cattle spend the majority of their lives outdoors, and usually are contained in paddocked enclosures that are rotated for optimum grazing. This differs from *grain-fed* or *conventional* beef, which requires highly concentrated feeding operations.

Because of their diet and living conditions, **grass-fed beef has less fat, produces less greenhouse gases and requires less**

hormone and antibiotic treatments.

Cattle eating grass improves soil health, water quality, pollinator and bird habitats, and requires less costly inputs in comparison to crops like corn or soybeans. This is called regenerative grazing. Beyond these many nutritional and environmental benefits, research suggests that the Chicago region has the greatest opportunity for expanding regenerative grazing and grass-fed beef markets in Illinois.

An unmet opportunity: Hospitality market pathways to serve up grass-fed regional beef.

Our research into restaurant purchasing habits found that:

46% of all nationwide grass-fed beef sales are to restaurants, creating an emerging "status quo" for the hospitality industry, which is also currently underrepresented in Chicago.



Pasture Project

AT THE WALLACE CENTER



Based on our research and outreach, 259 out of over 23,000 restaurants sell grass-fed beef in Chicago.

Most common menu items using grass-fed beef are **burgers (menu prices range from \$9-18, as of 2022) and steak (\$22-110, as of 2022).**

Case example: A Chicago restaurant pays \$4.50/lb. for grass-fed ground beef and \$7.50/lb. for grass-fed steak. They reported selling approx. 7,280 lbs. of ground beef and 5,200 lbs. of steak annually; **approximately reported 250k meals in 2021.**

For Consideration: Market Barriers

Only 2 out of more than 150 grass-fed beef producing farms in the Chicago Metropolitan Statistical Area (MSA) sell directly to restaurants and local businesses in the same geography. Farms in the Chicago MSA most commonly sell through farmers markets and onsite stores, rather than large distributors. As a result/compounding these market complexities, only 17% of the demand for locally produced meat products in Chicago is met.

In other words, **a gap exists for direct-to-restaurant sales from Chicago MSA grass-fed beef producers.**

Pathways to offer more interesting, nutritional, and local dishes to your customers.

Consumer spending habits in the U.S. are slowly shifting toward market channels that favor locally sourced food — as we know that 1 out of 5 consumers prioritize purchasing grass-fed beef.

Currently, only 15% of Chicago restaurant consumers have eaten grass-fed beef. This suggests an untapped market exists to excite customers with a new, higher quality product.

Our research also indicates that consumers respond positively to sourcing information about local producers on menus and marketing materials. In other words, restaurants that provide consumers with information about where their beef is sourced see increased price premiums and favorable consumer response.

Consumers see grass-fed beef as a healthier, higher quality, and a more humane meat option for people and the planet.

Have questions about selling grass-fed beef to your consumer base? Learn more here: delta-institute.org/project/grass-fed-beef-market/

Learn more here about selling grass-fed beef to your consumer base:
<https://bit.ly/3RMYpfU>

