

**RESPONSES TO
97 FOOD MARKETING
QUESTIONS RAISED BY
HOMEMAKERS!**



COOPERATIVE EXTENSION SERVICE
THE OHIO STATE UNIVERSITY

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RESPONSES TO 97 FOOD MARKETING QUESTIONS
RAISED BY HOMEMAKERS

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During 1967, a number of homemaker forums, sponsored by the Co-operative Extension Service of The Ohio State University, have been held in Ohio. Food Marketing has been one of the subjects included. From these forums, a list of questions raised by homemakers has been grouped to reflect areas of concern.

The questions or comments have been listed as the homemaker asked them, except for minor changes to clarify the subject when taken out of context of the meetings. These may very well be the kinds of questions of concern to those who meet with homemakers, who serve customers in retail situations, or who are concerned with consumer education. It is of some significance to note the large number of questions relating to pricing, to labeling and packaging, and to utilization of the consumer's food dollar.

Many of the comments following the questions are very brief and only begin to develop fully satisfactory answers. Those who work directly with homemakers or customers are encouraged to expand their basic knowledge of food marketing activities in order to develop more comprehensive answers.

1. Can you trace chicken from ready-to-slaughter to the customer and tell us why the great variance in price?

There are seasonal and cyclical swings in price because of variations in supply and differences in demand. During 1966, live broiler prices at the farm varied from 12¢ to 17¢ per pound. The wholesale price of dressed broilers ranged from 22¢ to 30¢. Most of the price variation is at retail. Chicken has been a favorite for a meat department special. When it is on special (lately in the 25¢ to 29¢ range) the store may sell chicken at close to cost or slightly below cost. This price will sell a lot of chicken. In order to try to recoup normal margins, some retailers then move the retail price to 45¢ or 49¢ until chicken is again special. They feel that even at 49¢ chicken is priced competitively with other meats and almost as much will sell at 49¢ as at 39¢. Many consumers have adopted the practice of buying a supply of chicken on special and then buying little more until it is again on special.

2. Why do some stores price in multiples, as 5 for 89¢?

Many consumers respond to this price strategy, especially on items which are regularly purchased. Pricing at 5 for 89¢ seems to be more impressive to many customers than 18¢ per item. Then, too, if you buy 5 cans, the store's competitors are out of the market for that item until the 5 cans are used.

3. Are advertised prices really specials?

Usually, yes. Studies have indicated that savings can range from 6 to 10% on specials when compared with regular prices over a period of time. A few retail organizations, however, use relatively few price specials and concentrate on advertising "regular everyday low prices."

4. Why are prices changed when they are purchased for a lower price and marked accordingly--then the price changed and raised when there has been no increase in price to the market? This seems an unfair tactic on the part of the stores.

5. Why is there so much difference in price of the same article in different stores in some areas?

6. Why, too, do areas differ on cost? Specifically, Detroit areas comparable discount stores are much cheaper on same items than in our Columbus area?

These three questions have been listed together, because some understanding of variable pricing, practiced in many retail food stores today, is essential. There are 5,000-7,000 individual items in a typical supermarket. Let's let three items represent all items. Here is the price structure of these items in three competing supermarkets.

	Supermarket <u>A</u>	Supermarket <u>B</u>	Supermarket <u>C</u>
Paisley Canned Peaches (303's)	\$.29	\$.33	\$.32
Riches' Peanut Butter (1 lb.)	.49	.43	.47
Yummy's Ice Cream (1/2 gal.)	<u>.75</u>	<u>.79</u>	<u>.69</u>
Total Price	\$1.53	\$1.55	\$1.48

If you were shopping for peaches, Store A would receive the nod price-wise; for peanut butter, Store B has an edge. Store C is the price leader for ice cream, as well as for all products. Remember also that these price relations may change over time as each store adjusts its prices to create a desired price image. Multiply this variable price policy on three items to include the 5,000-7,000 items in the store and you see why it is so difficult to make a valid price comparison for the total mix of products and prices.

It is possible for you to make price comparisons on the food which you regularly buy and allow you to come to some decision where you should shop. To this price mix, however, most shoppers also give consideration to store decor and atmosphere, quality of meats and produce, attitudes of employees, cleanliness, ease of shopping, adequate selection of items you want and other influences. Some of these other influences include services such as check cashing, carryout, and extended shopping hours. Thus price is one major factor, but only one. You may not shop Store C, even though they have a price advantage because they do not have the selection of grocery products or quality of meat you desire, or other factors that are important to you.

7. Why do prices of products of a chain store vary in stores at different locations in the same town?

Many organizations put emphasis on making each individual store profitable. If this is the case, each store's prices will directly reflect that store's costs. The costs of doing business in a new store in a new shopping center with much competition may be higher than in an older store in an area where competition is not so keen. If a store is located in an area of great price competition that store may have to adjust prices to compete in that particular area.

8. Why do some grocers sell 5 lbs. of sugar for less per pound than 25 lbs. of sugar?

You will want continuously to check unit prices on regularly used items. One major influence here is relative popularity of the package size. Many fewer people today buy 25 lbs. of sugar at one time than a few years ago. Thus amounts the manufacturer packages at one time are smaller for the 25 lb. size. This package sells more slowly in retail stores. The retailer can take a smaller margin on fast moving items. Thus, in some cases, the actual product and marketing cost per pound of the larger, slower selling package may be more than for the fast selling small package.

9. Why are some markets keeping their special sales to weekend shoppers only?

Many stores advertise specials for Thursday, Friday, and Saturday because slightly over 70% of weekly sales are made those days. A few stores have separate specials for the early week shopper, a few run specials for a week. Custom influences this pattern to some extent, as customers look for food advertisements in Wednesday's or Thursday's edition of the newspaper in preparation for shopping that weekend.

10. Why is the price higher on sale day than before?

It can happen. Reread the answer to Question 6. If this is an item that a particular store is selling at about cost in their variable pricing mix, the advertising group may set a higher price than usual in this store. It is a special for the group, but not this store.

11. Why do frozen foods such as mixed fruit not come in larger packages or cans which should make it less expensive by buying in larger quantities?

Read answer 8. This has worked well for some frozen products where part can be used and the remainder stored for later use--2 and 5 lb. bags of frozen french fries, and 1 1/2 or 2 lb. bags of peas and corn for example. For many families, the larger size is too much for use at one time. The sizes most frequently found are those for which the demand is greatest.

12. Why did lettuce stay so high even when farmers and backyard gardens were at the peak of production?

13. Why are peaches, plums, grapes, etc., including melons in season so high?

At least two major factors were at work this past year. One was a short fruit crop because of weather extremes. Ohio and the nation had a very limited peach crop. The second is a continuing trend toward concentrated areas of production. Most of our head lettuce comes from distant producing areas. The backyard garden production accounts for a smaller and smaller share of total needs. Because of uniformity requirements, this production finds it difficult to enter the commercial market. Thus we see smaller seasonal effects on price for many local in-season items. Adverse weather conditions in the major production areas contributed to this situation, also.

14. Why is lamb so high?

Long-term consumption and production trends on lamb are trending downward. In some situations, retailers find it difficult to locate a consistent supply of uniform quality. Lamb sales account for a very small fraction of meat department sales in most locations. For the net effect of all of these influences reread answer 8. And we might add, the lamb industry feels that lamb is not high priced. Actually, on a cost per serving basis, many lamb cuts are priced comparable to similar cuts of beef and pork. "A Guide To Cost Per Serving For Meat" is available at your County Extension Office.

15. Aren't some private labels packaged by different large firms and bought at a real good price because of the quantity and then private labels added?

Private label merchandise may be processed on contract, or by purchase from a large supplier, or may be processed by the private labeler's own plant. Private label items can often be sold at lower price than national brands because of lower advertising costs.

16. When buying food at a supermarket, you mentioned the consumer pays for food with the expense of services that the supermarket must include in its food prices. "Isn't there any way we, the consumer, can eliminate the high cost of the services charged along with the food?"

For you, the answer is trading at stores offering the fewest services; the no carryout, no music, no check cashing, less well lighted, less attention to housekeeping details, less personal attention, longer checkout time, etc. Indications are that most customers consider these things important and are willing to pay for a reasonable mix of services along with the products they purchase.

17. What is a 7-day open week going to do to food prices?

There is probably no one answer that will apply. In a few situations where stores are overcrowded Friday and Saturday, Sunday opening may relieve pressure and a more efficient operation will result. In other cases Sunday openings will add to costs because, in many metropolitan markets, Sunday labor is expensive. In the long run, if a sizeable segment of the population wants to shop Sunday, we'll have Sunday hours.

18. Why are prices so different in large stores in town and smaller stores in the country? Such as sugar is 61¢ in one and 67¢ in another?

Read answer No. 6. In addition, there are some cost advantages of medium size and large size stores over the very small stores. The country stores in some cases are not as subject to the competitive pressures of nearby stores. The smaller store also may offer delivery service and extend credit which add to the cost of doing business.

19. There is quite a price difference between meat in retail stores and by the side or quarter. A part of this is mark-up for processing and packaging, but why so much?

As with many other questions, it is difficult to do justice to this one in the limited space here. Two major factors are at work. One is the loss of weight in slaughter, processing and cutting. A 1000 lb. live steer will provide about 450 lbs. of retail cuts. Secondly, some cuts (steaks) are preferred by customers. These preferred cuts are only a small part of the total carcass weight. Other cuts are not preferred and sell at a lower price. The meat merchandiser will try to price each cut so that all of the animal sells. Thus some chuck cuts may retail for 39¢, some steaks for \$1.29 per lb. This sort of a price structure moves all cuts.

20. The grocer does not lose money on sale items because he raises prices on other items. If a woman buys sales items each week, she can't go wrong. Is this true?

The first part of the statement is open to question. The grocer will attempt to balance his pricing program to cover his costs including desired profits. If he concentrates too much on specials, his customers may buy specials at his store and shop elsewhere for the rest of their needs. Don't under-rate the effect of competition. The comment on the second statement is--generally this is true. See answer to question 3.

21. How are food packaging materials tested, developed, designed, etc.?

Another toughy to answer, but here goes. All packaging materials must be safe--they cannot contaminate food. The package and label must meet legal requirements. The package must safeguard and protect the contents. It should be attractive, because the package is the salesman for the product. The package also, for many items, is a part of the value of the product. All of these esthetic and legal requirements should be met by the package designer. The package is usually then put in selected test markets to measure consumer response. Even then many packages are not accepted by consumers, as indicated by lack of sales.

22. If processors want to know what customers think, why not put an address on products? (A detachable label asking for comments).

This may be a good idea, particularly for new products. Would you, however, bother to send many in? Address is required on all labels, so you do

have opportunity to let the manufacturer know what you think--address correspondence to the Public Relations Director of the firm.

23. When manufacturers enlarge the quantity inside a package, why don't they widen them rather than lengthen them? As in cereals, I can't get the new ones in my cupboard.

You have a lot of company on this question. Since the package must help sell a product by encouraging you to pick it up, a package which is tall and wide gets more attention, just because it looks large on the shelf. Have you noticed some of the new cereal packages? They are deeper, squattier, and fit better in many kitchen cupboards, as a result of customer complaints.

24. When a powder product is apt to draw moisture, such as water conditioners--why is it packaged in a box instead of a plastic container?

Custom and cost. A manufacturer of a very successful product is reluctant to make major changes in packaging for fear of losing customers. In general, plastic packages still tend to cost more than paper. This is an excellent question in reference to these particular products.

25. For those of us with allergies, it is important to know ingredients in a product. In the standardized product they may not be listed. Couldn't the American Medical Association insist on this labeling?

For clarity, standardized products are those for which minimum standards have been established. They are not required to have a list of ingredients on the packages. Examples are jelly, jam, fruit cocktail and many others. The question should be put to the Food and Drug Administration, not the American Medical Association, although AMA might have some interest in the area.

26. Why is bacon packaged so only the lean meat edge shows?

This has been the type of package that consumers have bought, while at the same time providing a fairly large degree of protection to the product. I'm sure there are packers who wish they could come up with something different that would do the job and that you would buy. You can have bacon sliced at the store so that you can see exactly what you are getting.

27. Why can't we have flour and/or especially sugar packaged in containers similar to boxes of salt or metal cans like Crisco, etc.?

There are a few examples of these types of packages (sugar is quite widely available in a pour-type box), but customers have not taken them to their heart. Also cost of the container in relation to cost of product is an important consideration.

28. Is it absolutely necessary to repackage meat for the home freezer?

If you are storing it in a freezer for more than two or three days, rewrap it. The store wrap is not a moisture-vapor proof kind of packaging recommended for maintaining quality in frozen foods.

29. What determines the amount of one serving? Many frozen packages say 4 servings, but are very skimpy.

The weight and size of a serving will vary with the product. We all know that some teenagers eat triple servings and some people, because of their occupation, need extra large servings. The Fair Packaging and Labeling Act of 1966 requires that if number of servings is stated, the size of the serving must be specified.

30. Why do some supermarkets not package all produce while others do?

Maintaining close control of quality, product and labor in the store may be somewhat easier for store management where all produce is packaged. Sales tend to be higher where the customer is given a choice. Management will balance these two factors and make a decision.

31. Why not use plastic instead of pulp trays with meats?

32. I would like to see both sides of meat in a package.

Clear plastic trays have been tried, but have not been widely adopted. The visibility after overwrapping and sealing is not too satisfactory. Meat trays serve at least two functions--provide rigidity to the package and absorb fluids from the meat. Pulp trays do this. Increasingly popular at this time is a foam plastic tray that seems to be well accepted by retailers and customers. The industry is looking for a package that will provide visibility, rigidity, and be adaptable to meats.

33. How can we get exact content on a can of food such as a can of apricots--say, 8 apricots in can and rest water, 1 lb. 4 oz.--maybe another can will contain 8 smaller apricots, 1 lb. 4 oz. Maybe one can has 10 oz of apricots, 10 oz. liquid--while the other can has 12 oz. of apricots and the rest 8 oz. water.

For most canned fruits, standards regulating the minimum amount of fruits have been adopted. There is nothing to prevent a processor from putting more than the minimum in a can. One procedure here is to find a brand that you like and stick with it.

34. I don't mind the prices so much, but I'd like to get what I pay for. From other lessons we have found potatoes and other packaged foods are not weighed correctly.

Regulations state that the net weight must be on the package. With an item like potatoes, dehydration can lower the packaged weight rather quickly. This may be in terms of a few ounces on a ten-pound bag. Check the weight and if the package is short, call this to the attention of the store manager. This will usually take care of the problem. If the trouble continues, go to the regulatory agencies concerned, i.e., county or city Division of Weights and Measures.

35. Can't we do something to persuade the manufacturers to make their food packages more uniform?

Again, a rough question to answer briefly. There are many kinds of customers and many kinds of products. When you combine the desires of many customers and products with many product characteristics, the market supports many, many different sizes and types of packages. Know in your own mind what you prefer and buy the ones that suit your needs. Someone else may have different requirements and desires. If there are enough people with similar desires, the package stays. If not, it disappears.

36. My gripe--cans that dent before I buy them off the shelves!

I'm not sure who to blame--the package, the handling procedure, the master carton, shifting loads in transportation. You and the trade agrees it's undesirable.

37. Would you recommend buying milk from the supermarket or have it delivered to the home for a family of six?

No flat recommendation can be made. If price is all important then compare unit price minus any possible volume discounts for home delivery. If convenience is a factor in addition to price, then this has to be an individual decision.

38. If I can raise a garden in the city, would I be better off or would it save money to buy the canned vegetables.

It is difficult to save money with a garden in the city unless you really have that green thumb. Don't sell short, however, additional benefits of a home garden such as a family activity, outdoor enjoyment, freshness of garden produce, etc. It may be a question of where and how you get your enjoyment.

39. Will the value of vitamins decrease with all the new products?

The value of vitamins will not decrease with changes in the form of food. In fact, some studies show that fresh produce harvested at the peak of maturity and quickly and properly processed has a higher vitamin content than produce from the same field stored, and shipped for fresh market. Potatoes are a good example.

40. What would you recommend to a low income family as an economical, but nutritious diet?

Sit down with your local county Extension home economist and work out a meal pattern that is adapted to your budget and your family desires. She also has bulletins available on the basic food groups. The public library, local utility company, city nutritionists, and others are also good sources of help.

41. What is the outlook on buying halves or whole for home freezers?

This is a question involving information and a sharp pencil and paper. Find out how much packaged (retail) weight you will get from a beef half or quarter. Compare this with what you could buy the same quantity and

quality for at the supermarket. The convenience of having a good selection of meat at home is as important to some as price. Some feel they eat better, not cheaper, with a freezer. You may have some cuts you don't particularly care for when you put a side of beef in a home freezer. For further information, get MM 220--Buying Meat For Locker Or Home Freezer from your County Extension Office.

42. What is the best buy--frozen or canned vegetables--considering price and nutrition?

Again, there is no black and white answer. Compare prices on the basis of servings from a package, not net weight. Nutritional differences in most instances are small. As a rule of thumb, if the 9 or 10 oz. package of frozen and the 303 can are the same price, they are equally good values.

43. Is it cheaper to buy meat in larger packages?--or are we just getting a cheaper grade?

There is, in most cases, no difference in price at retail nor is there a difference in grades between sizes of packages.

44. Does it really pay a small family to buy and run a deep freezer, if they do not have their own meat?

Refer to 41. Price-wise it may be difficult to justify, but there are other considerations. Do you have a satisfactory source of a quantity of food of the quality you like? Do you have a garden from which the excess can be frozen? Do you enjoy the variety and accessibility of frozen foods? Do you enjoy processing your own food? Add up the benefits as best you can. The answer is different for each family. See HG 48, Home Freezers, Their Selection and Use, at your County Extension Office.

45. When all variables mentioned have been considered, bargain shopping mainly pursued, convenience food items not purchased, why then is the rise so constant in other staples, i.e., beef(49¢ to 79¢), canned tomatoes, crackers, jelly, etc. This shopping done also at discount store where stamps have been discontinued, carryouts reduced and so on.

There is one small but powerful word that explains much of the concern expressed here--inflation. We don't have the space to examine causes and effects. What responsibility do consumers, businessmen, and government have in inflationary times? It's popular to blame the politicians and the government, but that's over simplified too.

46. If the homemaker was really interested in keeping food costs down shouldn't she learn to--for example--grow some tomatoes, beans, etc.?

Refer to 38. Perhaps.

47. Do you feel cooking meals all from scratch is less expensive than buying a few already-prepared foods?

There are many convenience foods that are actually less costly than the original product, frozen orange juice, canned or frozen peas, cake mixes, etc. However, an item like frozen TV dinners will likely cost you more than a dinner assembled at home. Again use the sharp pencil and paper.

48. Do you think it is cheaper to can or freeze your food?

How much do you value your time? What savings are actually possible? Is the cost of owning and running a freezer to be charged to the food budget? Whether it is or not, it's still a cost! Again, add up the costs and the benefits. See No. 41 and 44.

49. Is it better to buy a well-known brand?

Compare the prices involved and give consideration to the quality of product you like. If brand names are important to you for satisfaction, this is part of the value you are buying. If brand names mean little to you, shop, try, decide.

50. Are "one-a-day vitamins" generally beneficial?

If a doctor says you need vitamins, ask him this question. A wise choice in the selection of a wide variety of commonly used foods will provide the vitamins needed for most people. If in doubt consult **your** doctor, not the vitamin display.

51. If we have imitation foods, what is going to happen to dairy farmers, hog farmers, etc.?

We'll still have dairy farmers, hog farmers, etc. in the foreseeable future. People's eating habits change rather slowly. What we will more likely see is a further growth of new food products which will provide more variety, not replace existing foods.

52. How do food manufacturers decide where new products will be test marketed?

There are some favorite spots used for test markets. Usually these are medium-sized metropolitan areas. These market areas represent a good cross section of the population. They have all the radio, T.V., and newspaper facilities needed for promotion and advertising with few infringements in this mass media area from other markets. These test areas will tend to stand on their own as a complete market area. Examples are Syracuse, New York; Columbus, Ohio; and Indianapolis, Indiana.

53. Will changing times do away with the men working in our meat packing companies such as Eckerts of Archbold?

No. Packing companies who continue to adapt to changing market conditions will likely find increasing opportunities, not less.

54. Why import meat--milk products? economics? good-will?

Mostly economics. Most economists feel that the area which can produce at the lowest cost should be able to do so. Tariffs, quotas and other trade restrictions cut down on the comparative advantage an area may have. The U. S. currently sells the production from one out of every four acres in foreign trade. To be able to sell abroad we must also buy abroad. This concerns our balance of payments about which there has been great concern for some time. Trade theory runs into difficulties when it begins to affect markets and prices for established groups--currently this involves many groups such as steel, dairy, electronics, garments, beef.

55. Is there any difference between local and national chains? If so, what and what happens to livestock marketed locally?

Size(dollar sales) and geographical coverage are the differences. Actually we have no national grocery chain in the sense of being a major factor in all 50 states.

Livestock marketed locally may be sold through country auctions, marketing organizations, or directly to packers who in turn sell either locally or nationwide.

56. What are some of the new trends in lines of groceries?

More products and more variety. A veritable blizzard of convenience frozen food products, a greater variety of soft drinks, pet foods, luncheon meats, prepared foods and gourmet foods appear to be forthcoming.

57. My husband works for a company in which the company pays a "cost of living" every three months over and above the regular salary. Upon what is this payment based.

This is commonly based in some measure on the U. S. Commerce Department's Consumer Price Index. This measures price changes of about 400 items and services an average family would buy. The base period considered is 1957-59. This represents 100. Recent CPI figures were about 118. That is, prices of all products and services are 18% higher than during the period 1957-59. As soon as this price index increases the amount specified in the contract, wage adjustments are made. The Food Consumed At Home Prices Index in recent times, except for 1966, increased at a slower rate than total consumer price index, and now is about 113.

58. Too many brands of detergents and breakfast foods add to their cost. Can't something be done?

To whom are you willing to delegate this responsibility? A vigorous competitive market will weed out the ones homemakers do not accept. Let's aim at insuring competitive conditions rather than telling some company they can't put a product on the market.

59. Couldn't supermarkets lower their prices if they discarded contests and trading stamps?

60. Don't trading stamps have to be added to the cost of food in stores where they are given?

61. Trading Stamps--are we really paying for them in hidden costs on commodities? Even when two competitors sell certain items at such a difference in cost? and both stores give stamps!

62. Playing bingo, doesn't raise store prices? I think "yes."

63. I hope the day will soon arrive when we pay the actual price and not help pay for food stamps, etc. Do you think that day will ever arrive, or is competition too keen?

64. Why don't more stores do away with stamps, games, and gadgets and give the customers the benefit in lower prices?

65. Why can't we eliminate the games and stamps at food stores?

In some cases promotions raise prices, in some cases no. If you really don't want games and stamps then trade at those places that don't give them. The fact is that most people do respond to active, vigorous promotion. We like to be where the action is. A good promotion brings in enough more business so that it does not raise prices. Many retailers feel they must promote just to stay in business.

We get into a bind on this question when most businesses in the market area develop effective promotions and it becomes a cost of doing business, just like the light bill. Many retailers regard promotions in just that way, as a necessary cost of doing business in today's society.

66. False Advertising

False Advertising is illegal. This area is regulated nationally by Federal Trade Commission, commonly called FTC. Better Business Bureaus are concerned locally, but do not regulate. If you run into a problem start to "climb the ladder" of authority. First have the courtesy to bring it to the attention of management of the company involved. If you cannot get satisfaction, then explore possibilities with your local Better Business Bureau. Your "court of last resort" are the regulatory agencies such as FTC. Document your case by letters, dates, witnesses, product descriptions, and photographs that will stand the test of time.

67. Is all the meat that comes into the United States inspected?

All meat that comes into the U. S. must meet the standards established by USDA inspection. There has been criticism that the plants are not checked often enough by USDA inspectors.

68. How do we contact Food and Drug Administration officials to complain or to question products?

Either through a local agency such as a Board of Health or Better Business Bureau or directly to the nearest office of the Food and Drug Administration in Detroit or Cincinnati.

69. How can we tell what grade of meat is being sold in a supermarket?

This is very difficult for the customer. A few markets identify USDA Choice grade beef. Some will indicate this by a sign on the wall. Some do not buy USDA grades, but will draw up their own specifications which may or may not closely follow USDA grades. Others buy packer grades, the knowledge of which are largely limited to the packer and his customers. Essentially all these systems can work, but it's confusing to the ultimate consumer.

70. When animals are sold at the farm for meat, is this grade the same as it will be later in the supermarket?

If the animal is sold under USDA grades, as a general rule we could expect the grade to be the same when retailed, except--we still can't live grade an animal and know for certain the carcass will grade the same. Nor can we grade the carcass and know for sure wholesale cuts will grade the same. What we can say is that our batting average on grading a group of animals will be pretty good.

71. Are chemicals and preservatives that are found in more and more of our foods toxic or harmful?

We are safer now than at any time in our history from the possible effects of toxic or harmful additions to our foods. This comes under the authority of the Federal Food and Drug Administration.

72. Just what do the different grades of meat mean?

USDA grades of beef are usually considered the standard. They indicate quality in meat and are a guide to tenderness. The beef grades are USDA Prime, USDA Choice, USDA Good and USDA Standard. There are additional grades but those will be largely used in processed beef. There are also retail grades for lamb and veal. For more information on the characteristic of grades of meat, ask your County Extension Office for a copy of "How To Use USDA Grades in Buying Food," Bulletin PA 708.

73. Why doesn't the Government make farmers have beef that they sell Government inspected?

Farmers have traditionally been exempt. Part of the reason lies in home use of the meats concerned, part because of tradition, part because of difficulty of enforcement. We have a relatively new law in Ohio which in time will provide for the mandatory inspection of all meat sold.

74. If you would use potatoes already prepared, would the preservatives used in them do harm to you?

No, with the possible exception of an individual's allergy to the preservative.

75. Do supermarkets actually buy in quantities we imagine? Try asking for a case of canned goods!

A supermarket does move a tremendous total quantity of goods. However, 20% of the items account for 80% of the sales. Of the 5000-7000 items in a store, only about 150 of them sell more than one case a week. So unless you ask for one of these popular 150 items, the store may not have a full case. To further complicate the picture, more and more retail stores attempt to have all their merchandise displayed and priced on shelves or in mass displays in the sales area. Yes, it's getting difficult to walk in and buy a case. In many stores, however, you can order it.

76. Why are bakery items often located first in the shopping pattern because they crush so easily under other purchases?

The first department in the store has some advantage sales wise. Some stores give this edge to produce, some to bakery items, some to non-foods such as drugs, some to mass display of promotion items. It all depends on what products the management feels will produce the best results for that store. In many stores, bread is delivered by the local supplier rather than by the store's wholesaler or warehouse. In this case the delivery comes in the front door and so having bread first is the most convenient and least congested for shelf stocking. The customer would like bakery last, but she faces the same sort of dilemma the store owner does. She wants bakery last, also frozen food, also ice cream, also delicatessen.

77. Are store brand canned food products as good as highly advertised brands?

Standard advice seems to be--try a can and see if the quality is satisfactory for you. See No. 15.

78. Why do markets carry an item once or twice?--they fail to carry it again and when you inquire about it, they act as if they never carried it nor heard of it. This certainly is a great inconvenience when one plans on the item. Then you have to do without it or travel to another store or town to secure the items. These are regularly used items.

Some of this is due to the procedure for handling new products. The store may automatically be shipped a trial order, from then on the store must order it. And sometimes it just does not get reordered. Let the store manager know that you want this item. In most cases, it won't take many requests to get action. You'd probably be surprised on how sketchy real communication is between store personnel and customers in many stores. If it is an item you have been using for some time, perhaps not enough other customers use the item to make it a profitable one for the store to carry. Also, if it is a slow moving item, the warehouse may discontinue it.

79. Why is it necessary for food markets to remain open every evening of the week and when do customers shop and what is competition doing?

You will find a big variation in this from market area to market area. Seventy-two hour weeks (6 days - 12 hours per day) are common, in some areas it's 7 days a week. Keep in mind that more and more people are living in the suburbs or in what used to be suburbs. In a fairly large percentage of these homes, both husband and wife work. Therefore, shopping is done in the evening or on weekends. If the stores are not open Sundays or evenings, there 's not much choice except to rush to the store Saturdays and into bedlam. We have market areas in Ohio where there are no evening or Sunday openings.

80. In a supermarket I see some people ask the person at the meat counter to tell the butcher to give them a certain cut. Are these more expensive cuts? I usually buy from what is displayed on the counter.

Those are not more expensive cuts. If you can't find what you want, ask for it. That's what the call bell is for. Don't wait until you are ready to leave the store, however, to use it. It will take time for the meat cutter to get the wholesale cut from the cooler, cut and trim your order, package and weigh it. Allow him several minutes to do the job.

81. How can we help to foster the understanding of what services are involved in food marketing?

Actually, it's not too complicated. Think back to the jobs that great grandma used to do because she didn't have any choice. Churn the butter, buy only the staples such as flour, salt, coffee, tea, never expect out-of-local-season items, chicken only on Sunday, meat three times a week, when the cow went dry do without milk, have fresh pork only during cold weather, regard citrus and bananas as holiday curiosities, can meat to use when fresh meat was not available, preserve eggs in waterglass during the spring and summer for use during the winter months, bake bread regularly or go without, and on and on and on.

82. Small cans of vegetables often cost almost as much as the large cans. Why?

Reread answer to question 8. Small production runs at the manufacturer and limited turnover in retail stores require larger margins to cover costs.

83. How much increase in price has there been in a product because of the service, like packaging, etc.?

During the past 15 years, the percentage of the food bill which has gone to services such as packaging has not increased significantly. Advertising and promotion expense in some segments of the industry has increased. The marketing share of the food bill has increased from 53% in 1952 to 62% in 1967 largely because more food is processed or changed to a more table ready form and because most farm prices have not increased significantly.

84. How much do they (retailers) take in over and above their overhead expense, such as lights, and help?

What is meant by overhead? Not even businessmen agree. Typically your food dollar could be broken down at retail level about like this:

83¢ retailer cost for his merchandise
8¢ labor
1¢ management and administration
1¢ packages and bags
6¢ overhead (lights, rent, heat, taxes, insurance, repairs, etc.)
1¢ profit

\$1.00 total

85. Is it really cheaper for milk companies to dispense milk in plastic "throw away" containers than in glass returnables?

As indicated by prices in most retail stores, the "throw aways" are not cheaper. A large proportion of customers and most retailers do not seem to want the inconvenience of returning the glass bottle or jug. This same trend to non-returnables is developing in the soft drink industry, even though the cost is higher.

86. What is the profit of the processor and/or retailer compared to the farmer and retailer?

Food manufacturers' profits last year averaged about 9.9% of owners' equity. Retail food chains averaged 11.3%. Farmers in 1966 averaged about 7.7%, but this figure also includes family labor and management. Actually profit comparisons between industry groups is difficult. Some measures of profitability appear better for some groups than others. If we had used profits as a percentage of the sales dollar, the ranking of these groups would have been reversed.

87. During the Colorado picketing, women were told that farmers' prices were decreasing, while the "middle man's" were increasing. How is the price of food distributed?

The food dollar breaks about this way--

38% Farmer
40% Processor, Manufacturer, etc.
22% Wholesale-Retail

88. Do the milk companies use the day-old homogenized milk to make chocolate milk?

The dairy experts tell us it's not feasible cost-wise to try to reclaim small amounts of return milk from routes and add chocolate. Most chocolate dairy fluid products are chocolate drinks which are made with skim milk.

89. How are we going to grow beef cattle with just choice cuts of beef?

It's not necessary or even desirable. Perhaps we would prefer a beef animal which had twice as many steaks, but the critters aren't built this way. The proportion of slaughter animals grading choice is increasing, however, and now accounts for a majority of all beef slaughtered (about 2/3). Because of this manufacturers find it difficult to find enough low grade beef to meet increasing demands for processed meats.

90. What can I do about a product that I am not satisfied with?

Return it to the place you bought it if possible. If this is not possible because it's been consumed or destroyed, identify the package by saving the can or package, saving the label on meats or produce and returning that to the retailer with a full description of what was wrong.

91. Do some supermarkets pack fresh hamburger on the outside and not-so-fresh hamburger on the inside? Sometimes it looks like they do.

Not likely. What may have happened here is the product warmed up before grinding. The grinding or chopping process further tends to heat the meat. This warm product is packaged and placed in the display. The center of the package cools down very slowly in the display case. Warm meat tends to discolor rapidly.

92. Stores often package products under their own label. These often cost less, but how does the quality compare?

See answers number 49 and 77.

93. How is the meat tenderizing process done(Tenderay, etc.)?

The old-fashion way of tenderizing beef was by aging. Aging was a process of letting beef hang in the carcass form for two weeks or more. Tenderizing is a speeding up of this aging process--the breaking down of connective tissue. One method uses a high temperature for a relatively short time under special lights. Another method uses an extract of papaya called papain injected into the animal just before slaughter. Another method uses a similar product injected into the wholesale cuts after slaughter. You can buy meat tenderizers which may be forked into individual cuts or used as a marinade.

94. Import frozen meat "hamburg" 1)refreezing; 2)how long to keep in refrigerator?

Fresh appearing ground beef may be frozen at home even though it may contain frozen lean imported beef. Keeping the product from warming up before refreezing will help insure a satisfactory product. Cut the recommended storage life in half to insure quality(recommended storage on ground beef is 1 month).

95. What is the cost of substitute meat compared to fresh?

As yet most substitute meat products are not lower priced than fresh animal meat. If the products are fully accepted by consumers some time in the future, volume production could bring these vegetable protein meat substitutes below fresh animal meat in price.

96. Why can't a person get beet sugar in the markets?

Beet sugar, in fact, is quite widely available in most Ohio market areas.

97. How does the cost of potato flakes(plastic bags)compare with 5# or 10# bags purchased in the supermarket?

At the present time, the cost of potato flakes per serving ranges from about 2.9¢ to 4.4¢ per serving. Fresh potatoes are priced from about 1.3¢ to 3.3¢ per serving.

