Milk Pricing

What factors can affect the price of milk at the grocery store?

The price of milk at the grocery store can fluctuate due to changes in supply and demand, just like other foods. Dairy foods are still one of the most cost-effective investments you can make for your family’s health. Enjoying three servings of milk, cheese or yogurt every day is a way for people to spend their food dollar wisely and obtain important nutrients. For more information, go to dairymakessense.com

Who sets the price of milk at the grocery store and how much does the farmer receive?

Farmers do not set the milk price. Wholesale and retail prices are determined by a complex formula of supply and demand, along with other factors. There is often a variance in the retail price of milk from store to store, and from city to city. This is because grocery retailers, mass merchandisers, convenience stores and drug stores determine their retail prices differently, taking into account processing, transportation and marketing costs. According to recent USDA data, on average, dairy farmers receive about 30 cents of every dollar consumers spend on food.