



BEYOND MEAT[®]

Marketing Plan

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Natalia Filvarova
Marcel Limberg
Matteo Todeschi
Hong Xu
Lea Rost



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Executive Summary

Launched in 2009, Beyond Meat is one of the world leading producers of plant-based meat substitutes, operating in a highly dynamic market of alternative meats that is projected to steadily grow over the coming years and is predicted to reach the value of \$31 billion by 2026. As such, Beyond Meat is one of the players in this market, competing directly with companies such as Impossible Foods and MorningStar Farms. Despite being one of the pioneers of the product and one of the major industry players, Beyond Meat has not been reaching the desired profit and market share. They are still largely relying on investment funds to grow, and have only had one profitable quarter in Q3 2019, after which the company reported negative profits again.

Additionally, despite being one of the most prominent alternative protein producers, Beyond Meat has been seeing a decline in consumer awareness, as Google searches have been persistently falling since its IPO in June 2019. Furthermore, brand awareness is quite low amongst consumers. Beyond Meat failed to reach even top 9 meat substitute brands most often used by consumers in 2019; they have a 39% cued, and only 13% uncued brand recall value; and just a 1.2% social media engagement rate, falling below the industry standard.

To increase market share as well as raise brand awareness and consumer loyalty, a marketing strategy has been developed that exploits Beyond Meat's strengths and opportunities. Beyond Meat is particularly recognized for their environmental friendliness and has a strong brand reputation as the industry pioneer. Additionally, they have strong partnerships and are operating in a highly dynamic promising market. To exploit these, Beyond Meat should engage in the following marketing activities, to ensure their thriving success on this market:

- Highlight their USP as a non-GMO plant-based and gluten free product, that is good for the environment and delivers great taste
- Introduce offers and promotions to increase market share. New packaging and promotion tactics (such as special Earth Day offers or different packaging bundles)
- Consumer loyalty and new customer inclusion should be promoted through the new proposed "Beyond Expectation" loyalty programme
- Enter Asia for market share growth and strengthen their position in the USA and Europe by exploiting existing partnerships and engaging in new ones
- Increase their YouTube presence and exceedingly collaborate with Instagram influencers to promote new recipe ideas and cooking experiences to increase consumer engagement and awareness
- Increase collaborations with tangent brands to expand consumer reach

By engaging the above strategies, within 5 years Beyond Meat will reach:

- 20% market share in the USA
- Reach 25% uncued recognition and social media engagement of 5%
- Increase customer loyalty and the perceived value of the brand

Situational Analysis

Beyond Meat is a meat alternatives producer founded by Ethan Brown in 2009 in California. With the food science development, Beyond Chicken was firstly sold in Whole Foods supermarket in April 2013. Followed by Beyond Beef successfully developed in 2014. The company established a good brand in the plant-based meat market within around 50 countries. In July 2019, as a benchmarking event, Beyond Meat reached a market value of US\$ 11.7 billion and the first time traded on the NASDAQ Exchange. An overview of company history can be seen in Figure 1.



Figure 1: Company history overview.

While Beyond Meat reported its first quarterly profit in Q3 2019, in Q4 2019 the company failed to report a second profitable quarter and reported a net loss of \$452,000 despite net sales rising [212% to \\$98.5 million](#).

Beyond Meat currently faces the challenges of many competitors entering the market. In addition to the pressure from the competition, Beyond Meat also has low profit margins in contrast to its competitors (see Figure 2). Beyond Meat's [low profit margin](#) also leaves little flexibility in terms of pricing, thus their marketing strategy needs to be effective to bring the expected revenue and profit growth.

Company Name	Ticker	Return on Invested Capital (ROIC)	Core Earnings Margin
Nestle ADR	NSRGY	11%	13%
The Kraft Heinz Co	KHC	3%	11%
Hormel Foods Corp	HRL	13%	9%
Kellogg Company	K	9%	8%
ConAgra Foods Inc	CAG	5%	7%
Tyson Foods, Inc.	TSN	7%	4%
SYSCO Corporation	SY	14%	3%
Beyond Meat Inc.	BYND	5%	2%
The Kroger Company	KR	5%	1%

Figure 2: Comparison of Beyond Meat's profitability compared to competitors. ([Source: Marketwatch](#))

According to the results on Google Trends Beyond Meat has reached [maximum popularity in June 2019](#) (see Figure 3). This almost corresponds to the maximum of the stock that has been reached in July of the same year (see Figure 4). Hence it is reasonable to assume that Beyond Meat's image has benefited from the initial public offering (IPO). However, from that moment on there has been a detachment between the stock price and the "popularity" of Beyond Meat. Despite variations in the price and the general growth of the meat substitute market, the number of Beyond Meat searches has never reached new highs and is in fact in a steady downward trend.

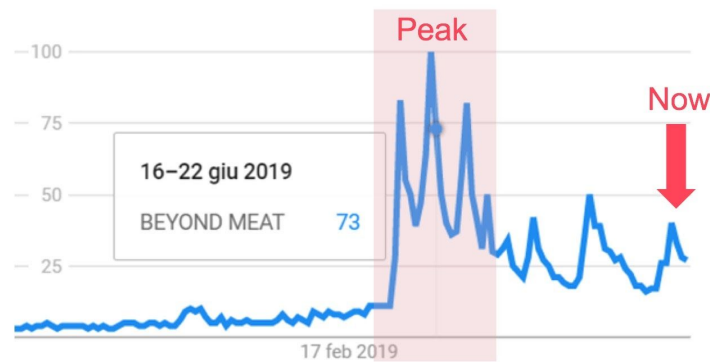


Figure 3: Google Trend results showing internet searches (normalized with respect to the maximum) for Beyond Meat. (Source: Google Trends)

This could indicate that despite high expectations from the stock market, the interest of the general public is declining.

Industry Background

Meatless diets have become one of the primary ways of encouraging sustainable behavioral changes in the population. However, to maintain a healthy and balanced diet, meat has to be substituted with alternative sources of protein. Reducing meat consumption is a goal for many governments who are investing in the development of plant-based products. For instance, the Chinese government announced in 2016 that it aims to decrease meat consumption by [50% by 2025](#).



Figure 4: Beyond Meat stock price from IPO. (Source: Google Finance)

Between 2014 and 2018 the world consumption of meat alternatives has been on a steady increase. With a world compound annual growth rate (CAGR) of 17.1% during this time, by 2018 the market value of alternative meats has reached over \$10 billion. It is also estimated that by 2026 the world meat substitute market value will triple, reaching almost \$31 billion (Statista Report, see Figure 5). Currently, North America occupies 42% of this market share, and it is the largest meat alternatives market in the world. This is also predicted to slightly increase by 2025 to 45%, closely followed by Europe with 39%. Asia Pacific makes 15% and ROW 5.22%.

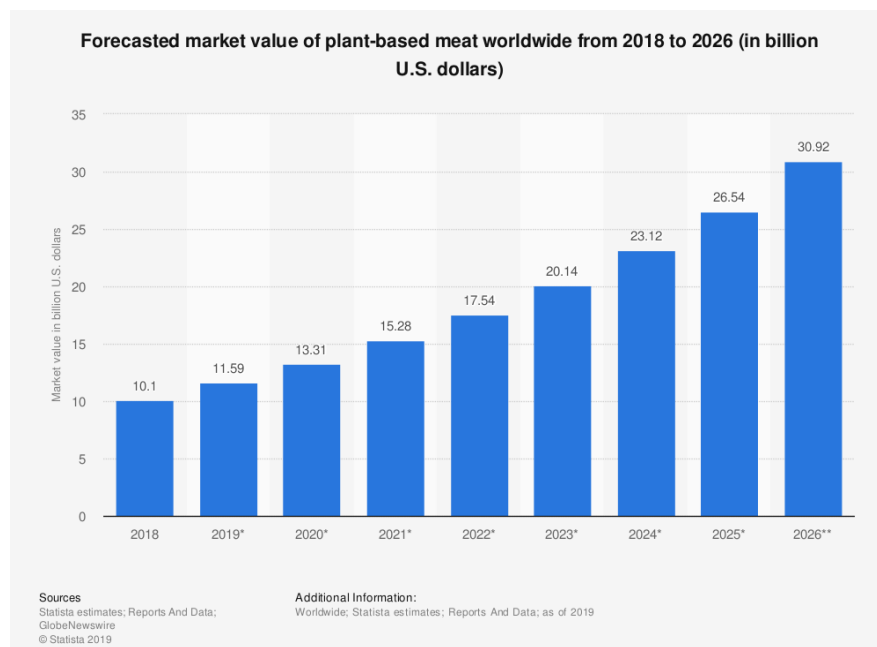


Figure 5: World market values for alternative meats in billion U.S. dollars. (Source: Statista)

USA in particular has reached almost \$996 million in sales in 2019 and is expected to have a CAGR of 14% by 2026. In fact, in 2019 the sales of plant-based foods increased by 11%, compared to a mere 2% increase for overall food sales increase.

Competitive Analysis

Competition overview

The alternative meat market can mainly be distinguished between plant-based meats and cellular-based meat substitutes such as lab-grown meats. However, due to the high costs of production, cellular-based cultured meat is currently not available commercially. As such, the [competitors](#) playing in the alternative meats market currently are plant-based (see Appendix A).

Beyond Meat is producing plant-based products including burger patties, sausages, ground meat, and crumbles. In addition to competing with fellow plant-based meat substitutes producers, Beyond Meat's products are also competing with traditional meat products, since they are imitating meat products and aim to taste like them (see Appendix B).

According to [MarketsandMarkets](#) report, the global leading companies in the plant-based meat market besides Beyond Meat (US) include *Impossible Foods* (US), *Garden of Eatin'* (US), *MorningStar Farms* (US), *Amy's Kitchen* (US), *Quorn Foods* (UK), *Maple Leaf Foods* (Canada), *Tofurky* (US), *the Vegetarian Butcher* (The Netherlands), *Sunfed* (New Zealand), *VBites* (UK), and *Gold&Green Foods* (US). Impossible Foods is Beyond Meat's closest competitor: the companies are the top two players in the market.

Leading brands of frozen meat substitutes in the United States, the biggest market for meat alternatives, by [sales revenue](#) in 2019 are summarized in Figure 6. MorningStar Farms is currently the leading market player in terms of sales value. Beyond Meat's Beyond Burger was ranked fourth in 2019 in the frozen meat substitute segment, bringing in almost 7 times less than MorningStar Farms in sales volume.

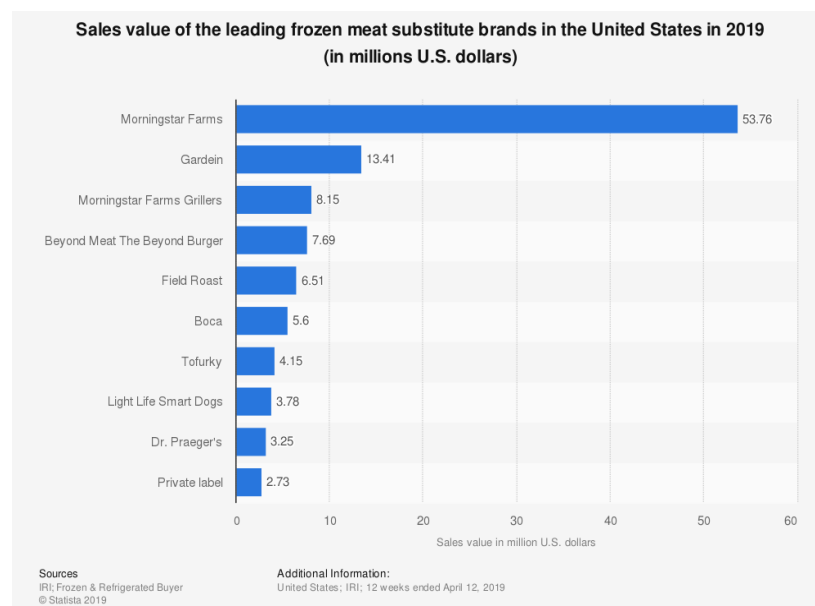


Figure 6: Sales value of the leading frozen meat substitute brands in the United States in 2019 (in million U.S. dollars). (Source: Statista)

By [sales value growth](#), however (as seen in Figure 7), Beyond Meat's Beyond Burger was the leading frozen meat substitute brand in the US in 2019, with almost 167% growth, followed by Field Roast (almost 17%) and private labels. MorningStar Farms experienced a 10% decline.

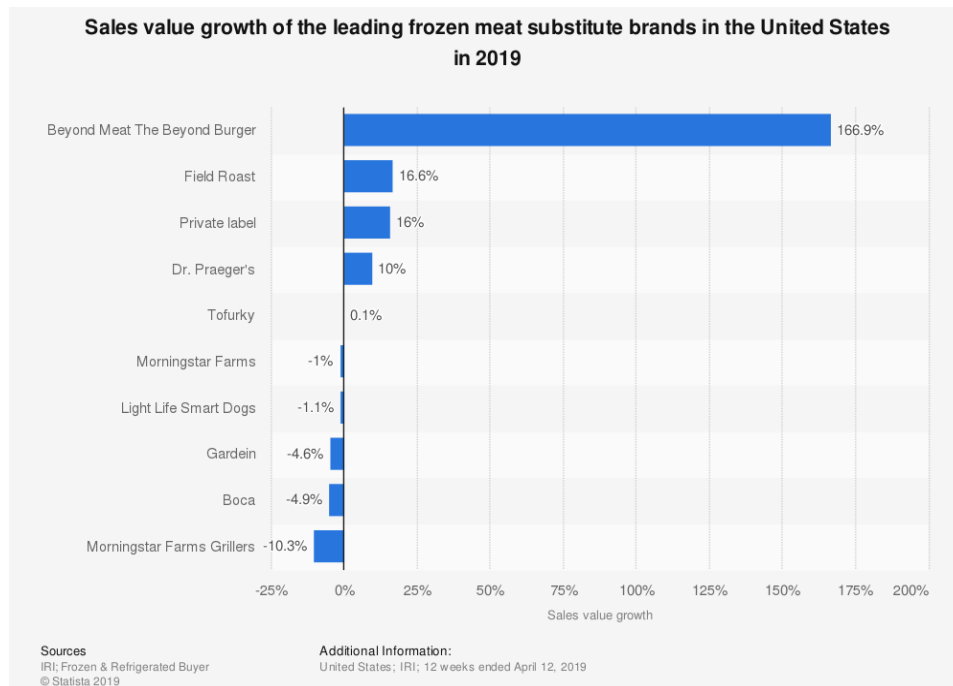


Figure 7: Sales value growth of the leading frozen meat substitute brands in the United States in 2019. (Source: Statista)

Regarding customer preference MorningStar Farms was the brand used most often in the US in 2019 followed by Boca and Gardenburger. Despite Beyond Meat's strong growth it was not yet among the top most used brands in 2019 (see Figure 8).

Overall, the current market trends towards health and convenience foods with natural ingredients - and particularly fresh & preserved fruit and vegetable products - as well as high protein meats and meat alternatives are [incentivizing](#) both innovative start-ups as well as established key players to enter the meat-alternatives market. Nestlè is greatly investing and launched Sweet Earth plant-based Deli Meats and is preparing to launch Awesome burger. Kellogg Company's MorningStar Farms launched the Incogmeato brand expanding its plant-based portfolio.

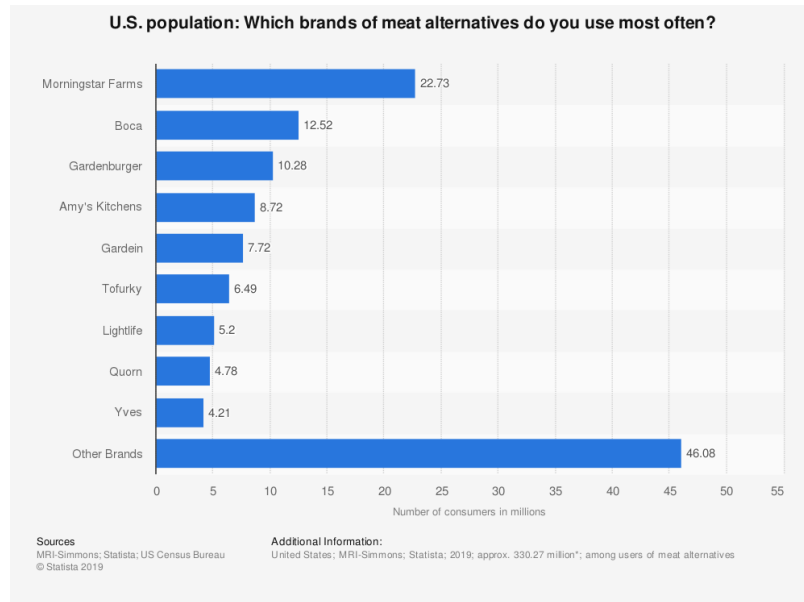


Figure 8: Most used brands of meat alternatives in the US. (Source: Statista)

Comparison of selected major competitors

MorningStar Farm having the biggest market share in sales value as well as customer preference and Impossible Burger being the closest and most similarly placed brand in the market, both were analyzed and compared to Beyond Meat in more detail in Table 1 below.

Table 1: A comparative overview and summary of Beyond Meat and their two major competitors: MorningStar Farms and Impossible Burger.



Impossible Foods

Kellogg Company's Morningstar Farms

Beyond Meat

History

Founded in 2011

Founded in 1975, start plant-based meat business in 2019

Founded in 2009

Mission	To save meat and earth by maintaining our magical moments and habits around eating meat in a good company offering a plant-based alternative so that we never have to use animals again and we can eat all the meat we want, for as long as we want.	As plant-based pioneers committed to more vegan possibilities, a better world, and a greener world	To feed the planet by creating The Future of Protein® and to address four growing global issues: human health, climate change, constraints on natural resources, and animal welfare by shifting from animal to plant-based meat.
Product type	Burger, Pork, Ground Beef	Biggest variety: Burgers, Hot Dogs, Chorizo Crumbles, Sausage and Chicken	Burger, Sausage, Ground Beef, Crumbles
Main ingredients	Soy and potato proteins	Big variety with different veggies, seeds, and grains	Pea, rice and bean protein
Special dietary considerations	Gluten-free, kosher, GMO and bioengineered food	No gluten-free product, Non-GMO products	Gluten-free, Non-GMO, kosher
Flavor	Tastes and looks like beef	Veggie products, not fully imitating meat flavor and looks but launched Incogmeato brand which does	Tastes and looks like real beef
Loyalty program	Taste Place with games to earn points for rewards	Kellogg's Family Reward offering rewards and fun-filled emails Easy log in with Social media account	None
Lead generation	Mailing list sign up	Through reward program	Newsletter sign up with coupon offers and news
Incentivizes word of mouth marketing and earned content	Yes by reward program by earning points referring to friends and uploading photos	Not on website	Not on website
Provides recipes online	Yes	Yes	Yes
Brand awareness among US customers (cued)*	27 %	65 %	39 %
Social Media (Instagram followers; engagement rate)	272K; 1.9%	44.6K; 5.5%	938K; 1.2%

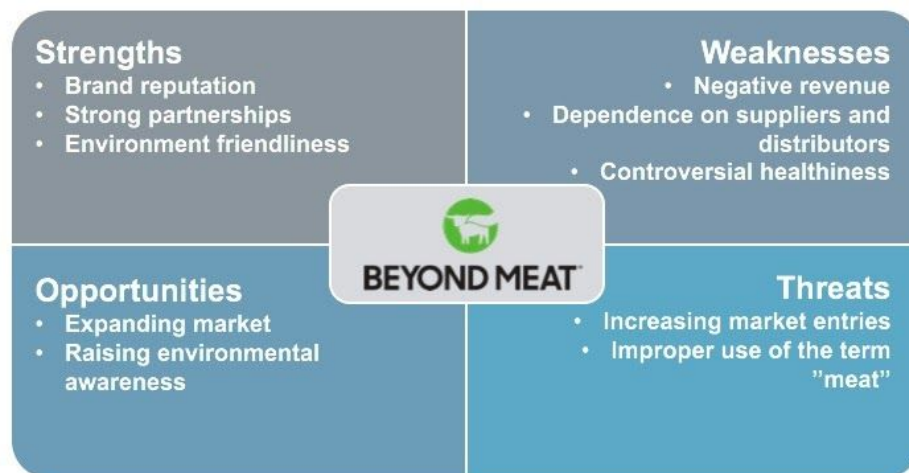
Corporate Social Responsibility	Diverse Impact programs, earned United Nations Environment Planetary Health Champion of the Earth Award, joined the UN Global Compact	Mainly investing in workforce e.g. employee diversity and talent development, as well as research and sustainability	Feed a million donating burgers to food banks, front line workers and organizations in need
Customer numbers	<4.21 million	22.73 million, most preferred brand by customers	<4.21 million

* (aged 18 - 69) among a sample of US consumers who purchase plant-based meats

SWOT Analysis

An overview of Beyond Meat's Strengths, Weaknesses, Opportunities, and Threats can be seen in Table 2 below.

Table 2: An overview of Beyond Meat's SWOT analysis.



Strengths

Reputation: Due to their pioneering position in the market, and as the only provider of popular meat alternatives for a long time, Beyond Meat's products are perceived as trustworthy, high quality, and innovative. When partners (such as restaurants) use Beyond Meat products, the brand logo is often displayed. As a result, the products are not only promoted directly but also co-promoted in advertisements of partners. This brand-building [approach](#) increases brand recognition and makes people buy retail products to try at home. Due to its IPO and strong partnerships with North American restaurants Beyond Meat has the [greatest range in social media](#) compared to its competitors.

Sustainability: The environmental impact of Beyond Meat products is significantly lower compared to common products based on meat. For instance, the [production](#) of Beyond Burger

generates 90% less greenhouse gas emissions, requires 46% less energy, has >99% less impact on water scarcity, and 93% less impact on land use.

Strong Partnerships, Distribution and Reach: Beyond Meat has strong partnerships with both of its distribution channels: Retail and Restaurant/Foodservice. Besides leading food retailers, which purchase Beyond Meat's products through food distributors, there are also numerous [deals](#) with top restaurant chains such as McDonald's, KFC, Subway or Dunkin' Brands. Beyond Meat is now available in more than [50,000 retailers](#) and restaurants in over [50 countries](#).

R&D: Beyond Meat spends 6.9 percent of its net revenue on R&D emphasizing that this exceeds the share spent by major food producers including Nestle, Kellogg, Kraft Heinz, and Tyson. Having more than 100 people employed at its 30,000-square-foot-innovation center the objective is not only the continuous improvement in taste and consistency but also developing new products like faux steak and achieving price parity with real meat on at least one product by [2024](#).

Celebrity Endorsement: Influencer marketing with celebrities such as Tia Blanco, Leonardo DiCaprio, Snoop Dogg, Kyrie Irving, DeAndre Hopkins, and DeAndre Jordan, have played a significant part in Beyond Meats [public perception](#).

Weaknesses

Uncertainties on health: Despite being plant-based, for Beyond Meat products there is [no experimental data](#) to show whether their product is healthier than traditional meat. Further, it has been speculated that due to the high degree of processing, their products might be less healthy than traditional meats. This exposes the company to the future competition of meat-like substitutes with higher nutritional values.

Finances: The company still relies on debt to cover its costs. Hence if the company fails to obtain the necessary funding, it may suffer or go bankrupt. According to the [financial data](#) reported on Yahoo Finance, the company has been cash positive only for the 3rd quarter of 2019 (4.3M) and subsequently turned negative again. Hence its survival is at risk in the long term.

Production: The company [relies](#) on third-party suppliers hence they are dependent on the efficiency and reliability of others. Increment of production costs or lack of delivery of products can harm the ability to deliver beyond meat products and its profitability. In addition, co-manufacturers are not bonded by written contracts so they cannot be sued for quitting relations or producing for serving competitors.

Distribution: Beyond meat exploits a [limited number](#) of third-party distributors for sales. Hence they depend on their reliability.

Opportunities

The demand of Corporate Social Responsibility: According to a [global report](#) published by Nielson, millennials prefer companies that practice business sustainably and ethically. They make conscious choices as critical consumers giving special consideration to supply chain, sustainable manufacturing methods, and ethical business standards. Companies like Beyond

Meat that are making an impact on the world around them and are engaging for the solution of social problems will be more successful in fighting for the future target group.

Movement Towards Flexitarianism: According to a [study by DUPONT](#) the proportion of consumers deciding for meat substitutes is growing steadily. This not only involves vegetarians. The trend is mostly driven by increased interest in health and sustainability, which can be found in developed countries as well as in developing areas. Beyond Meat can support this trend by providing meatless substitutes with a good taste, which will facilitate consumers' decisions against meat.

Global Fast Food Market is growing: With a [CAGR of around 4.5%](#), the global fast-food market is growing each year. A modern lifestyle, changing food habits, and increasing disposable income of people combined with increasing urbanization and significant growth of population are the main drivers for the rising demand. Beyond Meat benefits from this growth with its various fast food partnerships.

Strong brand: The company can exploit its strong brand to expand into new markets such as vegetarian and vegan or propose new products to create a completely new market.

Threats

Competitors: Beyond Meat is not only [competing](#) with providers of plant-based meat alternatives but also with companies that offer other solutions for meat replacements. Producing meat in a lab with animal stem cells might be an option for customers looking for environmentally friendly meat products. Although there are no commercial products on the market yet, companies like Memphis Meats are making progress in this area. Also, drinkable substitution meals, already offered by various producers, are competing for market share with Beyond Meat. Potential customers with no vegan preference might be addressed by dairy or egg alternatives.

Usage of the term “Meat”: Future regulation in the use of the term “Meat” may arm the brand and lead to legal issues. Similarly to the preceding case with the usage of word “Milk” for non-dairy products, where the FDA is [considering limiting](#) the usage of the word only for dairy milks, Beyond Meat might face issues with calling its products “meat” if similar FDA regulations follow. As such, it is paramount to establish brand awareness that is anchored to the *Beyond* part of Beyond Meat.

Marketing Objectives

Type your marketing objectives here.

- Increase US market share:
 - To 10% and reach 3rd place with 2 years
 - To 20% and reach 2nd place within 5 years
- Increase brand-awareness among Millennials and Gen Z generation
 - Increase uncued recall to 25%
 - Increase social media engagement to 5%
- Increase customer loyalty
- Increase perceived value of the brand to justify higher prices in the long-term

Target Customers

In 2019, Impossible Foods commissioned an independent, third-party survey of 1,000 US consumers regarding their attitudes toward plant-based meat. Based on the [survey results](#), young age groups such as millennials and Gen Z generations are considerably more likely to consume plant-based meats and more frequently than older generations as shown in Figure 9. As customer retention is typically less costly than the acquisition of new customers Beyond Meat will focus their marketing efforts on these groups.

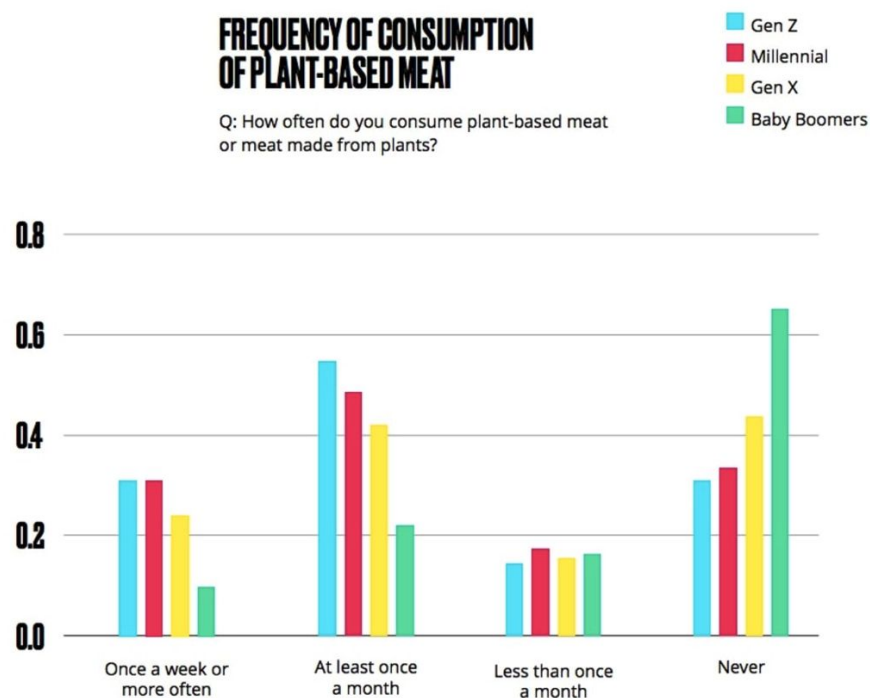


Figure 9: Survey for the frequency of consumption of plant-based meat. (Source: Impossible Foods)

[Research](#) also shows that taste remains the [primary reason](#) for consumers preferring plant-based proteins over animal proteins. Following this, consumers' purchasing desire is impacted heavily by concern for the environment, animal protection, and dietary concerns. Consumers from the Gen Z and Millennial demographics were more likely to name the benefit for the environment as a motivation for purchasing plant-based meat.

Unique Selling Proposition

“For foodies and environmentally conscious individuals who enjoy good taste and the benefits of non-GMO plant-based and gluten free products and are not afraid to go beyond traditional concepts to feed the world and make it a better place.”

Beyond meat products have been developed to recreate the taste and consistency of traditional meat beyond recognition using healthy plant-based protein instead. This USP aims to appeal to the desire of the Gen Z and millennial generation, who are already consuming meat alternatives more frequently, to be the hip trendsetters of tomorrow, to enjoy every bite of Beyond Meat with a free consciousness and knowing that they contribute positively to the world of today.

Pricing & Positioning Strategy

Positioning Statement

The production of Beyond Meat products has several [environmental advantages](#) over traditional meat production with 90% fewer greenhouse gas emissions, 99% less water, 93% less land, and 46% less energy use. In addition Beyond Meat has a non-GMO certification of their products, they are soy free and gluten-free. Considering also that the younger generations like Millennials and Gen Z care more about the environment when making purchase decisions Beyond Meat should be positioned as follows:

“For young people that care about the environment that surrounds them and their health but they do not want to miss the tasty sensation of eating meat, doing a barbeque, or just cooking at home with their carnivore friends. Beyond meat provides products that taste just like meat and are plant-based, non-GMO, soy and gluten-free as the ultimate solution for an eating experience together with meat-loving friends without neglecting your personal values.”

Pricing Strategy

[Costs of producing](#) regular meat products such as burger meat are \$4-8 per pound while Beyond Meat's plant-based products are \$10-12 per pound. The set price should be above the upper limit of marginal costs and since the company is already heavily indebted, it is not reasonable to further diminish the margins. Hence it is assumed that the minimum price of the product must at least cover the production costs. For these reasons, marketing strategies cannot rely only on lowering prices to increase loyalty and market share.

Lower prices could only be a short-term tactic using promotions and sales and could encourage more customers to choose their products over main competitors and therefore earn more new customers that try their brand. Nevertheless, this will lower Beyond Meat's profit margin and could hurt their brand perception in the long-term if Beyond Meat uses this tactic too frequently.

Furthermore, based on a survey commissioned by Impossible Foods in 2019, Gen Z and Millennials are [less price-sensitive](#) on food products that don't harm the environment in contrast to older generations and over 3 quarters of them consider environmental sustainability as one of their values (see Figure 10). Thus, a reduction in price will likely not increase the demand significantly, but it could, instead, lower the perceived value.

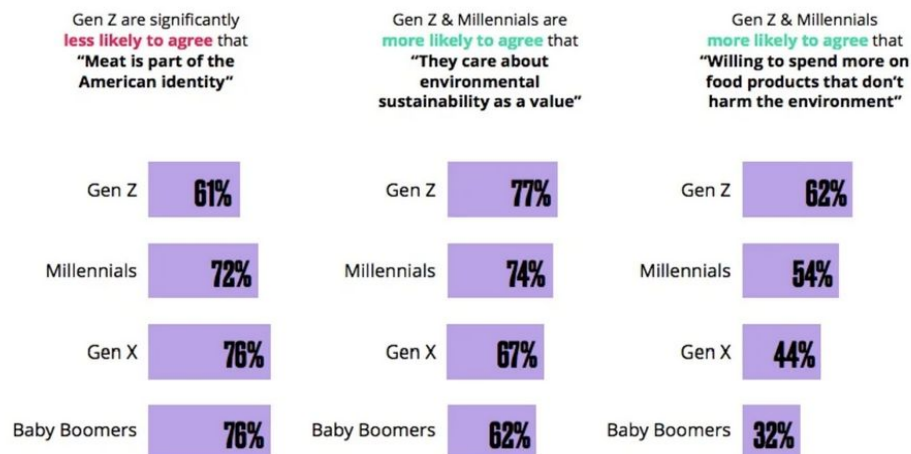


Figure 10: Price sensitivity (column 3) shown by the generation of alternative meat consumers.
(Source: ImpossibleFoods)

This, combined with the fact that there is still a limited number of products with similar characteristics, reinforces the hypothesis that Beyond meat products cannot be considered a commodity (yet). For this reason, marketing should not be focused on reducing the price but more on increasing the perceived value. Beyond Meat should strive to be perceived as an innovative, healthy, and better quality brand and thus should not lower prices to not be perceived as a low-quality brand especially in comparison with Impossible Burger.

Offers

Special offers can be run in correspondence with special events such as the Earth day, or when the company achieves special goals such as: "X thousands of tons of CO2 saved thanks to the consumption of Beyond meat" (see Appendix C). This would increase people's awareness of the impact of their choices on the environment but also associate the brand with the fight against these issues.

Additionally, to make products more affordable to people sensitive to prices or with lower purchasing power, without directly lowering the cost of the product, promotions involving point collections should be introduced. In these schemes, people have to cut coupons from the packaging and go to the Beyond Meat website to convert it into a discount. This not only allows lower-income people to purchase the product but also increases people's awareness of the brand. The effort required for the conversion of the coupon can be set so that the "average customers" (who have the purchasing power to pay a higher price), are not attracted by the points collection. An example of such a barrier could be the number of steps or time required for the conversion, the number of points required before having access to the discount, or setting time constraints for the following purchase.

Ensuring repeat purchase

Customer loyalty and retention should be increased and awarded through a customer loyalty program "Beyond Expectation". The customer loyalty program will generate leads and valuable information on consumer preferences and target groups to target for future marketing strategies. The loyalty program should be made easily available on smartphones via app to

appeal to the target population. Customers can upload their receipts and earn points, sign up for games to win prizes and earn points by referring friends to the loyalty program or by uploading photos and recipes and social media platforms, also increasing earned content and brand reach.

Strategy for Increasing Transaction Prices

In order to maximize revenue, the Beyond burger can be packed with other beyond meat products in order to create bundling and eventually generate cross-selling. For example, two barbeque editions can be created: a format in which there are all kinds of beyond meat (burgers, chicken, pork), and a similar one in which also spices and sauces are already provided.

Another way to maximize revenue is by creating different packaging formats, both in terms of frozen and refrigerated products and in terms of the quantity offered. This strategy should aim to present different options of products: a “good”, “better” and “best” option (see Figure 11 and Appendix D). Consumers are most likely to purchase the safe “better” option but more consumers can be reached providing an inferior option for more price-sensitive consumers and a premium option for those consumers who are less price-sensitive, but who are willing to spend more for a premium product. Such a strategy would increase revenue streams from a range of consumer groups, rather than relying on only one type of customer.

Furthermore, adding recipes on the packaging of the products could increase the perceived value of these products. The same effect can be achieved by internalizing the environmental benefits of Beyond meat products making people aware of the impact of choosing their products over those of the competitors. In addition a premium version could be offered with a package of matching sauce inside the package.



Figure 11: Proposal for packaging highlighting the benefits of Beyond Burger and a premium option including additional sauce

Distribution Plan

A mapped out distribution plan summary for North America, Europe, and Asia can be viewed in Figure 12.

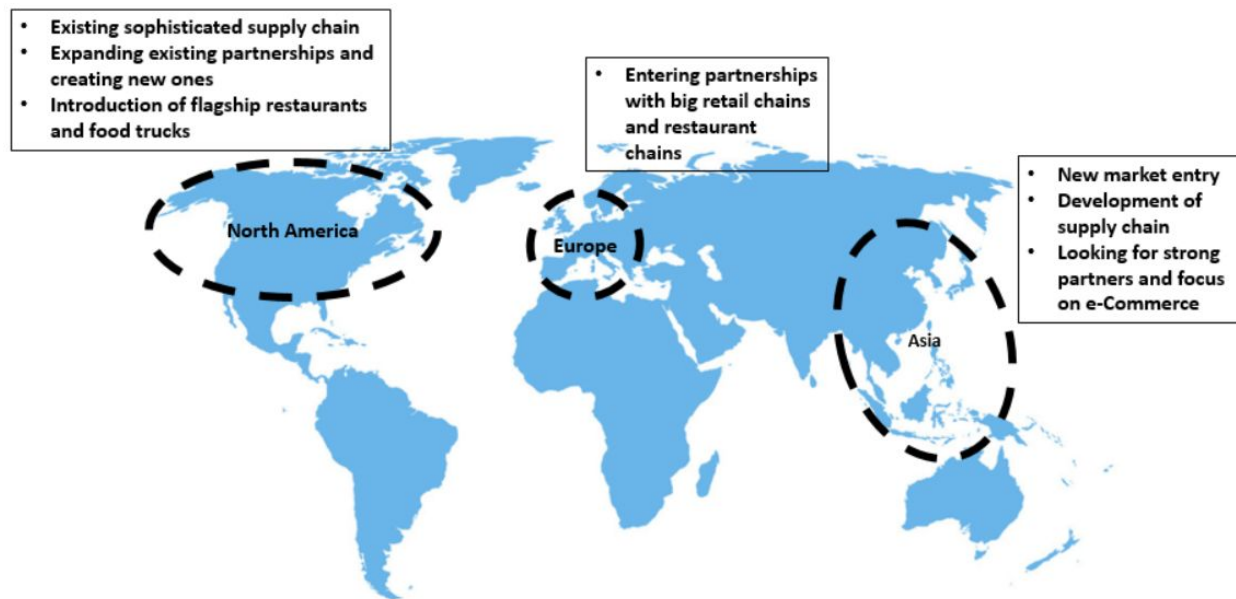


Figure 12: A distribution Plan for Beyond Meat respectively each market segment.

North America & Europe

In the USA, its local market, Beyond Meat can rely on sophisticated distribution channels with strong partners. This includes various fast food chains as well as big retail chains. Today Beyond Meats products are [available](#) at approximately 20.000 individual markets, supermarkets, retail stores, and (fast food) restaurant chains. With nearly 40.000 [stores](#) and around 600.000 [restaurants](#) in the USA, there certainly is growth potential. Expanding existing partnerships and creating new ones is a key step in accomplishing the goal of increasing market share.

Additionally, further distribution plans for current products as well as the BeyondBBQ line will be made available for purchase at retail stores for home cooking and in bundling packages as the barbeque edition.

Due to similarity of food culture, Beyond Meat will use the same strategy for Europe as in the USA. In the beginning selected retail partners and fast food chains offer Beyond Meats products. This lower distribution intensity will increasingly grow, as new partnerships are built. The aim here is to quickly enter partnerships with big retail chains like Carrefour, Schwarz-Gruppe and Tesco. The 3 biggest players in Europe.

Asia

While Beyond Meat is already selling its products in Taiwan, Singapore and Hong Kong distribution channels are not as sophisticated as in the USA. Additionally, major markets like China or India are still missing or just started. To enter these markets Beyond Meat can make use of its already established partners. But before doing so, it has to create a reliable and secure supply chain in order to be able to cover the growing local demand. Being the workbench of the world with various trade agreements, skilled labor force, and existing trade channels to all parts of Asia, China is promising to start [local production](#).

In the beginning, the introduction of Beyond Meat products will be done by fast-food chains like McDonald's or Subway, as they can quickly implement new products on its menu and at the same time enhance its reputation. Currently, the Asia Pacific fast food market is [worth 150 billion USD, at a CAGR of 5.8%](#). China alone offers approx. 2,4 million fast-food businesses. For Beyond Meat this means a wide range of cooperation [opportunities](#) in order to enlarge the customer base and increase sales on new markets.

After one year and with a greater level of recognition Beyond Meat can expand to grocery stores. New partnerships will be created with local supermarket chains for less developed countries like India. In contrast to that, in China, more and more food products are sold online. 18% of fast-moving consumer goods are already sold on e-commerce platforms. Online retailers like Alibaba or JD.com with the use of delivery services like Meituan or Ele.me will be suitable partners to enhance Beyond Meat's growth in China. The [direct distribution](#) will increase profits and will give a direct connection to customers, which is helpful for getting data and feedback.

Promotions Strategy

One of the weak points of Beyond Meat is weak brand recognition as a lot of consumers are not aware of the brand's existence and its proposition. Only about [13%](#) of Beyond Meat's potential customer base can recall (uncued) Beyond Meat as a brand producing alternative meats. Thus, to increase brand awareness of Beyond Meat, the following strategies should be employed.

YouTube

Partnership with YouTube content creators should be used as a strategy to show Beyond Meat products in their “natural environment” and inform possible consumers about the uses and reviews of their products. Currently, Beyond Meat does not have a strong presence amongst video creators. Partnering with world-leading food channels should be employed. For example, *TASTY* (who has 18.5M subscribers) produces several vegan cooking videos (such as *Delicious Vegan-Friendly Dinners* that have been viewed 2.4M times) but have never mentioned Beyond Meat. *Gordon Ramsay* channel has 14M subscribers and the *Gordon Ramsay vs Madelaine Petsch In VEGAN MASTERCHEF COOK OFF!* Has been viewed almost 15M times. *Binging with Babish* (6.9M subscribers) is a cooking channel that appeals to the male audience and *Bon Appetit Test Kitchen* (5.9M subscribers) are famous for their experimental cooking and are a good channel to promote new foods and flavor experimentation. As such, Beyond Meat will aim to partner with YouTube content creators in the realm of cooking to promote their products. In particular, partnerships to promote new Beyond Meat programmes including the Beyond BBQ will be encouraged to raise awareness of both the new product and the whole brand.

Influencer Marketing and Instagram

Influencer marketing is regarded to be one of the most effective marketing and awareness strategies. Further utilizing influencer marketing will allow Beyond Meat to build trust and expand reach to customers that are not currently aware of them and reach more engaged and better-qualified audiences. Currently, Beyond Meat utilizes primarily celebrity endorsements. However, they do not have strong partnerships with general food as well as vegan/vegetarian food content creators. As such, the primary priority for Beyond Meat would be to collaborate with food influencers.

The following channels (Table 3) will be some of the first target partners for Beyond Meat in their efforts to increase brand awareness. To expand the influencer database, websites such as [upfluence.com](#) or [AspireIQ.com](#) will be used to select the best influencer match for Beyond Meat's purposes as well as to maximize customer reach. As such, Beyond Meat will aim to partner with these creators to promote products to customers interested in meatless diets.

Follower Engagement

Currently, Beyond Meat Instagram has almost 1M followers, however, the engagement rate is only 1.2% of followers. This is lower than the average for an account with such a following

base (of 1.9%) and lower than for example MorningStarFarms Instagram account, whose engagement rate is over 5%. As such, efforts to increase follower base engagement should be implemented. This will be done through hashtag campaigns as well as online competitions, for example promoting followers sharing their cooking and recipes. In particular, with the introduction of the Beyond BBQ campaign, a #BeyondSummer campaign will be launched to encourage consumers to share their summer experiences and how they cook Beyond BBQ products.

Table 3: A list of Instagram channels promoting vegan/vegetarian diets, to be invited to influencer marketing campaigns

Name	Link	Followers base
Ree Drummond - Pioneer Woman	https://www.instagram.com/thepioneerwoman/	3.3M
Yolanda Gampp	https://www.instagram.com/yolanda_gampp/	2.8 M
Antonino Cannavacciuolo	https://www.instagram.com/antoninochef/	2.7 M
Cesar Gonzalez Cocinero	https://www.instagram.com/co_cinero/	2.1M
Deliciously Ella / Ella Mills	https://www.instagram.com/deliciouslyella/	1.7M
Angela Liddon / Oh She Glow	https://www.instagram.com/ohsheglows/	646K
Jeanine Donofrio / Love&Lemons	https://www.instagram.com/loveandlemons/	404K
David Frenkiel	https://www.instagram.com/gkstories/	393K
Laura Wright	https://www.instagram.com/thefirstmess/	287K
Sara Forte	https://www.instagram.com/sproutedkitchen/	236K

Additionally, to monitor social engagement service providers like brandwatch.com are used to organically measure awareness via social listening to collect unbiased and ecological measures of how much people talk about the brand.

Offline awareness

Complementary to the online campaigns, offline efforts will be put in place to increase brand awareness. For example, food trucks will be used to promote Beyond BBQ kits during the summer season and offer Beyond Meat products. These food trucks will be placed at food festivals to appeal to hip and food loving customers as well as near concentrations of trendy and innovative companies such as in Silicon Valley to target young professionals and increase brand popularity. In addition to that, Beyond Meat will open flagship restaurants at prominent locations. This is mostly done to strengthen the presence of the Beyond Meat brand.

Joint Ventures & Partnerships

A recent trend in ingredient-and-recipe meal kit services, which can be ordered online, is already endorsed by Beyond Meat by participating with partners like [Blue Apron](#) (USA) and [Hello Fresh](#) (Europe) (see Figure 13 for a summary of distribution partners). As this segment is growing, Beyond Meat will concentrate on entering partnerships with other providers like Freshly, Everly Plate and Sun Basket.



Figure 13: High-profile partners of Beyond Meat.

To increase profit margins and offer a premium version of their product including BeyondBBQ and other sauces featured in recipes, Beyond Meat should partner with popular sauce brands. One example of a popular BBQ sauce brand is *Stubb's*. Adding a small quantity of sauce to promoted BeyondBBQ packages could increase customer's desire to purchase Beyond Meat over other competitors. The benefits of partnering with Stubb's includes that they don't use artificial ingredients and high fructose corn syrup and thus fits with Beyond Meat's desired brand image.

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Appendix A: Meat-alternatives competitors overview

A table showing a [selection of global plant-based meat companies](#).

Country	Ticker	Company	Details
US	BYND US	Beyond Meat	Listed in 2019 with strong post IPO price performance
US	NA	Good Catch	Offers plant-based alternatives to shredded tuna, crab cakes, and fish patties that are made from lentils, chickpeas, and fava beans
US	NA	Impossible Foods	Impossible Foods, the company behind the Impossible Whopper, is a privately-held company Utilize a synthetic "heme" in their products Closed a US\$300m funding round in May 2019
UK	NA	Moving Mountains	Introducing its B12 burger (named after its vitamin B12-rich wheat, soy and pea protein patty) to 23 Hard Rock Café locations across Europe, including London, Rome, Paris and Prague
China	NA	Ningbo Sulian Foods	A local Chinese manufacturer with plant-based products ranging from beef ball, dried beef to steak, fish fillet and ham
Spain	NA	NovaMeat	3D printed plant-based steaks and chicken Syringes containing the food paste placed in a 3D printer print out the mixture in the shape of a small steak that can then be cooked
US	NA	Prime Roots (aka Terramino Foods)	Uses fungi, algae, other plant-based ingredients to create a "salmon" burger
China	NA	Qishan Foods (aka Whole Perfect Foods)	Signed a partnership agreement with Wal-Mart to develop and distribute plant-based meat products for the Chinese market
UK	NA	Quorn	Uses natural fungi for fermentation to create "mycoprotein" to substitute animal protein to make products from ham and sausage to burger and pizza.
China	NA	Right Treat	Launched Omnipork, a product made from soy pea and mushroom protein - aimed at the Asian market Production outsourced to Thailand with R&D team in North America
China	002481 CH	Shuangta Food	Shuangta is a glass noodle producer based in China. The company maintains to supply pea protein to Beyond Meat as raw material. In June 2018, Shuangta announced its plan to enter the space of alternative meats
China	NA	Suzhou Hongchang Foods	A Taiwan-headquartered company which began producing plant-based meat in 1995. They have over 300 SKUs selling across more than 30 countries now
China	NA	Starfield	Starfield plans to roll out its first plant-based burger in September in Shenzhen, a burger similar to Impossible Whopper

Source: Jefferies

Appendix B: Traditional meat producers competitors overview

A table showing a [selection of traditional meat companies entering the meat alternatives market](#).

Company	Ticker	Market Cap (US\$ bn)	Details
Nestle	NESN SW	330	Owns vegetarian brand Garden of Eatin', Launched the incredible burger and acquired Sweet Earth
Tyson Foods	TSN US	33	One of the biggest in the sector formed Tyson Ventures to back alt meat companies Taken a significant stake in Memphis Meats Launched its own plant-based products under brand raised and rooted
Conagra Brands	CAG US	14	Has a brand of vegan-meat products called Gardein that includes plant-based turkey cutlets, chicken strips, chicken wings, burgers, sausage and meatless meatballs currently available at most grocery stores in the US
Maple Leaf Foods	MFI CN	3	In 2018 acquired Lightlife Foods from PE firm Brynwood Partners
Marfrig	MRFG3 BZ	1	Plans to enter the plant-based category in an exclusive tie-up with Archer Daniels Midland
JBS	NA	NA	In early 2019 one of the largest beef processors globally unveiled a plant-based version of a burger
Cargill	NA	NA	Invested in Memphis Meats and Aleph Farms
Smithfield Foods	NA	NA	Aug 2019 launched its own meat free range under Pure Farmland brand
Bell Foods	NA	NA	Invested in Mosa Meats start-up
Hilton Foods	NA	NA	bought 50% of Daclo Food, a Dutch vegetarian food company
Nortura	NA	NA	Launched a line of vegetarian alternatives to meat, called MEATish
Perdue Foods	NA	NA	It is planning to sell frozen chicken nuggets mixed with cauliflower, plant protein, and chickpeas
COFCO	NA	NA	Partnered with China-based food tech venture capital fund Bits and Bites, which has to date funded Chinese and international companies advancing technology from gene editing to cellular agriculture to clean-protein pet food

Source: Jefferies

Appendix C: Special Events Packaging

Proposal for new packaging to be used during special events for special promotions.

(A) For Earth Day



(B) To celebrate CO2 savings milestone



Appendix D: Alternative packaging design

Proposal for new packaging design highlighting the benefits of Beyond Sausage.

