

## AUTHORIZATION REQUEST FOR FY 2019

CBB Budget Category: **Promotion**

Name of Contractor: **National Cattlemen's Beef Association**

Name of Organization Subcontracting:

Start Date: **10/1/2018**

End Date: **9/30/2020**

### AR OVERVIEW

#### **AR Description:**

Consumers' expectations are changing. They no longer want just safe, healthy, affordable food – they want food that tastes great, helps fuel their day and that they can feel good about. At the same time, consumers have access to more protein options than ever before. From traditional proteins to alternative proteins that are hitting the market, consumers are bombarded by a variety of food choices each day. Now, more than ever before, the checkoff needs to proactively position beef as the number one protein or risk losing share of stomach to another protein. To accomplish this, we will continue building on the successful strategy established in FY2018.

All of the tactics in this authorization request work towards two common goals:

1. Positioning beef as the number one protein. Benchmarked at 51% of consumers in September 2017.
2. Track brand awareness of the checkoff's iconic brand, *Beef. It's What's For Dinner*. Aided awareness benchmarked at 54% of consumers in September 2017.

NCBA believes that the way we do this is by focusing all programming and messaging around beef's unique and core attributes:

- People – capitalizing on the amazing Americana and stories of people who raise beef today
- Protein – showcase the powerhouse of nutrients, including protein, that beef provides
- Pleasure – remind people of the unbeatable pleasure that beef brings to meals

In FY2019, all of NCBA's programming efforts will focus on creating a surround-sound communications approach to reaching consumers – targeting the older millennial parent as the bullseye – through a series of campaigns focused on people, protein and

pleasure. These campaigns will run throughout the fiscal year and allow the *Beef. It's What's For Dinner.* brand to focus on beef's core strengths, while also being nimble enough to talk about different aspects of beef during various moments in time.

As a result, all tactics in this AR contribute expertise to other checkoff programs, state partners and/or global industry influencers/stakeholders in order to position beef as the top protein. In particular, these tactics provide ongoing counsel and support for the state national beef council partnership to ensure synergy across programs at the national and state level. Given this expertise, attending and traveling to/from key influencer/stakeholder/partner meetings may be required to provide or gain more strategic guidance, training, briefings and/or education in addition to disseminating knowledge and funds in this AR may be used to implement current and previously funded ARs. To accomplish this, it may be necessary for the checkoff to fund international travel to or from the U.S. Also note that legal counsel may be sought for routine, day-to-day content development to ensure compliance with federal rules or regulations.

Source of Funding	Direct Costs	Implementation	Total
<b>CBB/BPOC Funding Request:</b>	\$7,777,600	\$1,829,400	\$9,600,000
Federation of SBCs Funding Request: <i>(Informational Only)</i>	\$0	\$0	\$0
Other Funding Source(s): <i>(Informational Only)</i>	\$0	\$0	\$0
Total Cost	\$7,770,600	\$1,829,400	\$9,600,000

**Long Range Plan Core Strategies Addressed by this AR** *(Check all that apply)*

Grow Beef Exports	Consumer Trust	Protect & Enhance	Beef's Value Proposition
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**Digital properties and target audience(s) addressed by this AR:**

The following digital platforms and targets are addressed through this authorization request:

**All Audiences – Consumer, Influencer, Supply Chain, Producer, State Partner Staff:**

- BeefItsWhatsForDinner.com
- @Beef Twitter handle
- BeefItsWhatsForDinner Instagram account
- *Beef. It's What's For Dinner.* YouTube channel

- *Beef. It's What's For Dinner.* Pinterest page
- Beef So Simple

**Nutrition Influencers:**

- BeefNutrition.org
- BeefResearch.org
- BeefFacts YouTube channel
- BeefFacts Instagram account

**Supply Chain Influencers:**

- BeefFoodservice.com
- BeefRetail.org
- *Beef. It's What's For Dinner.* LinkedIn page
- Beef News Now
- Beef.widencollective.com

**Other Influencers:**

- BeefResearch.org
- @BeefFacts Twitter handle
- BeefFacts Instagram account

State Partner and Checkoff Payer target audiences:

- BeefResearch.org
- Extranet for state partners
- Team Beef Facebook page
- Masters of Beef Advocacy Facebook page
- Beef.widencollective.com

**PROGRAM INFORMATION FOR THIS AR**

**Tactic A**

**Tactic Name:** *Beef. It's What's For Dinner.* Marketing

**Tactic Description:**

For more than 25 years, NCBA, on behalf of the beef checkoff, has managed the iconic *Beef. It's What's For Dinner.* brand and continues to educate consumers and inspire them to purchase, prepare and enjoy beef. The success and effectiveness of the beef checkoff's number one brand heavily depends on its ability to evolve and stay relevant for the ever-changing, and always connected, consumer – millennials and specifically, as the bullseye, the older millennial parent.

From checkoff market research, we know that consumers are continuing to evolve. Today's consumers are not an "or" generation – they're an "and" generation, meaning that they don't just eat one protein, they eat a variety of proteins. While chicken remains beef's primary competition, other proteins from fish to "alternative meats" are growing in availability. Consumers no longer see production issues, such as sustainability or animal care, as being separate from beef, the finished product. They expect and want to know more about all things beef.

In FY2018, NCBA on behalf of the beef checkoff, reintroduced the brand *Beef. It's What's For Dinner.* to a new generation of consumers. Utilizing assets from the long-loved brand – including the famous Aaron Copland "Rodeo" music and the famous tagline and blending new creative and creative assets that were edgier and broke through the clutter, *Beef. It's What's For Dinner.* was relaunched, complete with a new BeefItsWhatsForDinner.com website that has become the heartbeat of all things beef.

Today, beef's brand story blends old and new assets and focuses on promoting beef's greatest strengths: the unbeatable taste of beef, the people and the production process behind beef, and the nutritional strength that beef provides. These unique attributes position beef as the top protein to today's consumer. NCBA also works with state beef council partners heavily to ensure that the *Beef. It's What's For Dinner.* brand was carried through at the local level by synching up the logo and other content development, providing website templates and website audits to help state partners update their websites and materials to mirror the updated *Beef. It's What's For Dinner.* brand.

This tactic also actively looks for opportunities to utilize new technologies, such as artificial intelligence (machine or computer applications that imitate intelligent human behavior) to reach consumers with beef messaging. Utilizing the latest advancements in machine learning, the team will launch "Chuck Knows Beef," a beef virtual assistant that can help consumers choose beef by sharing recipe inspiration and education on how they can prepare beef to help facilitate more beef purchases. NCBA will maintain the foundation of Chuck Knows Beef, launched in FY2018.

A critical piece of success is the state/national collaboration and partnership. This program develops and provides assets that state beef councils can use, including the Rodeo music, as well as videos, infographics, photography, web copy, website templates, banner ads and other creative digital content via the Digital Asset Management system. This saves state beef councils thousands of dollars annually so that they can utilize existing content and marketing resources and ensures that beef messaging is synchronized across state and national programs.

**Measurable Objectives** (*List at least three outcome-based objectives for this tactic*):

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- Reach a minimum of 1.5 million consumers through cutting edge artificial intelligence tools to help revolutionize the meat shopping experience.
- Track previously established benchmarks (based on FY2018 benchmark) for BeefItsWhatsForDinner.com, gauging the success of updated website consolidation (visits, visitors, page views, asset downloads) and continue to track, analyze and optimize performance in real-time and year-over-year.
- Track perceptions of beef as the number one protein in the United States based on FY2018 benchmark.

**Performance Efficiency Measures** *(PEM are not required for research ARs)*

**Consumer Reach Goal:** 1,500,000

**Consumer Engagement Goal:** 124,000

**Voice/KOL Reach Goal:** 4,300

**Voice/KOL Engagement Goal:** 2,150

**LRP Strategic Initiatives Addressed by this Tactic** *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
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- Adopt traceability systems
- Increase market access
- Promote unique attributes of U.S. beef

- Ensure antibiotic stewardship
- Certify & verify production practices
- Ensure beef safety
- Protect beef's image
- Engage beef advocates

- Research & innovate new production tech.
- Ensure beef's inclusion in dietary recommendations
- Motivate producers & stakeholders to engage
- Develop crises management plans
- Attract, develop & enable the next generation
- Defend beef's product identity

- Revolutionize beef marketing & merchandising
- Measure & improve sustainability
- Research & communicate beef's nutritional benefits
- Connect & comm. with consumers
- Improve product & production efficiency

**Committee(s) to Score this Tactic** *(Check all that apply)*

Consumer Trust	Export Growth	Innovations	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Tactic B**

**Tactic Name:** Social Media and Digital Advertising

**Tactic Description:**

Today's consumers are "always connected," using multiple screens, devices, and social media platforms to engage and communicate. In fact, millennials now spend an average of 53 hours per week online. The brands, companies and products that are most successful are the ones that connect with consumers and provide inspiration, information and solutions at every critical point to the consumer – whether that's when they're at home watching online videos, listening to digital radio at work, or searching the web for information.

In FY2018, NCBA, relaunched the *Beef. It's What's For Dinner.* brand and, for the first time, focused digital and social media advertising efforts on three key messaging areas: the unbeatable taste of beef, the people and the production process behind beef, and the nutritional strength that beef provides. By doing this and targeting consumers with a variety of storytelling opportunities on different platforms, NCBA increased the *Beef. It's What's For Dinner.* brand presence on a variety of social media and digital platforms and reached more consumers more often with positive beef messaging. *Beef. It's What's For Dinner.* reaches consumers through digital platforms, such as YouTube and digital radio, such as Pandora. Thanks to emerging technologies, the team also targets people based on their social media conversations or what previous content they viewed to serve them *Beef. It's What's For Dinner.* ads and messaging on their mobile apps and website browsers.

In FY2019, this tactic will continue to manage the *Beef. It's What's For Dinner.* online and digital presence to ensure that messaging about beef's greatest strengths: the great taste, the nutritional powerhouse and the amazing stories of the people who raise beef reaches consumers. This program will manage the *Beef. It's What's For Dinner.* social media properties (1MM+ Facebook fans, 20,000+ Twitter followers, 5,000+ Pinterest followers, 5,000+ Instagram followers and 40 MM YouTube views and counting) and the BeefFacts social media properties (8,000+ Twitter followers, 3,000+ Instagram followers, and 290,000+ YouTube views). NCBA will bring to life these attributes through an integrated digital media strategy including but not limited to online banner ads, video advertising, digital radio advertising, paid search and social amplification . Evaluating the analytics throughout the year also ensure these efforts are optimized in real-time to build upon success.

A critical part of this tactic is the state/national partnership with state beef councils. This tactic allows NCBA to work as a "free" digital consulting agency, providing state beef councils with social media counsel and "how-to's," executing their online advertising, designing media plan approaches and providing in-depth search engine optimization support. According to several partnerships with state beef councils, the team saves states at least 15-20% by utilizing the in-house talent and counsel that NCBA provides. Not only is this a cost-savings for state partners and producers, but it ensures alignment and synchronization of beef messaging and content assets.

**Measurable Objectives** *(List at least three outcome-based objectives for this tactic):*

- Maintain an “always on” media campaign ensuring favorable beef messaging, and resources are present year-round, reaching an average of 20 million people within the 20-44 age group on a quarterly basis.
- Generate more than 2 million content engagements on *Beef. It’s What’s For Dinner.* and partner social media platforms (includes video views, shares, re-pins, comments).
- Measure and benchmark the effectiveness of consumer messaging in building brand awareness and purchase intent, in partnership with market research.

**Performance Efficiency Measures** *(PEM are not required for research ARs)*

**Consumer Reach Goal:** 378,000,000

**Consumer Engagement Goal:** 2,711,111

**Voice/KOL Reach Goal:** 4,300

**Voice/KOL Engagement Goal:** 2,150

**LRP Strategic Initiatives Addressed by this Tactic** (Check all that apply)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt traceability systems <input type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production tech. <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Attract, develop & enable the next generation <input checked="" type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input checked="" type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & comm. with consumers <input type="checkbox"/> Improve product & production efficiency

**Committee(s) to Score this Tactic** (Check all that apply)

Consumer Trust	Export Growth	Innovations	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SUPPLEMENTAL INFORMATION FOR THIS AR**

1. Will all work detailed in this AR be completed by the end of the fiscal year?

No

*If not, please provide an explanation.*

All work will be completed by end of fiscal year 2020. This will include certain seasonal efforts that cross over FY2019 like back-to-school or tailgating promotions.

2. Please explain changes from FY 2018 approved AR:

There will be no changes in direction in FY2019. The focused strategy established in FY2018 will be maintained (people, pleasure and protein).

3. List any proposed subcontractor/agencies that will be used to complete the work in this AR.

Ketchum, Foodminds, VML

4. Will all work with subcontractors be competitively bid?

No



***If not, why not?***

A variety of specific projects and work, such as video production, will be competitively bid to ensure that beef producers are getting their best return on investment. VML, the current digital agency of record, was chosen in FY18 based on their performance developing the consolidated Beef. It's What's For Dinner.com website as well as their background, experience and expertise in the area of digital advertising creative development and execution. The relationship is ongoing and contractual.

Ketchum and Foodminds, two agencies that have supported the beef checkoff for many years, were chosen as the principal agencies to work with the beef checkoff's consumer communications and influencer programming. The contracts were competitively bid and Ketchum and Foodminds were determined based on their strong relationships and expertise.

Contract and fees are also reviewed every year. Agencies are reviewed annually and must meet or exceed expectations to continue work. Nutritionists and consultants will be contracted on an as-needed basis.

**5. Please list any relationships between this AR and projects previously funded by the Operating Committee:**

NCBA has been directing the "Beef. It's What's For Dinner." advertising campaign for more than 25 years on behalf of the beef checkoff. Creative materials produced within the promotion AR are also leveraged by other contractors, national program outreach areas as well as the majority of state beef councils.

**DETAILED BUDGET SUMMARY**

**CBB/BPOC Funding Request:**

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Innovation</i>	A	"Beef. It's What's For Dinner." Marketing	BPOC	\$ 2,732,000	\$ 1,061,700	\$ 3,793,700
<i>Consumer Trust</i>	B	Social Media and Digital Advertising	BPOC	\$ 5,038,600	\$ 767,700	\$ 5,806,300
<b>AR Totals</b>				\$ 7,770,600	\$ 1,829,400	\$ 9,600,000

**Federation of SBCs Funding Request: (Informational Only)**

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Innovation</i>	A	"Beef. It's What's For Dinner." Marketing	Federation			\$ -
<i>Consumer Trust</i>	B	Social Media and Digital Advertising	Federation			\$ -
<b>AR Totals</b>				\$ -	\$ -	\$ -

**Other Funding Source(s): (Informational Only)**

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Innovation</i>	A	"Beef. It's What's For Dinner." Marketing				\$ -
<i>Consumer Trust</i>	B	Social Media and Digital Advertising				\$ -
<b>AR Totals</b>				\$ -	\$ -	\$ -

**Total Cost Summary for All Funding Sources: (Informational only)**

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Innovation</i>	A	"Beef. It's What's For Dinner." Marketing	All	\$ 2,732,000	\$ 1,061,700	\$ 3,793,700
<i>Consumer Trust</i>	B	Social Media and Digital Advertising	All	\$ 5,038,600	\$ 767,700	\$ 5,806,300
<b>AR Totals</b>				\$ 7,770,600	\$ 1,829,400	\$ 9,600,000

Summary of Prior Year Budget:	FY 2018 Approved Budgets						
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Total	\$ 9,300,000	\$ 1,634,400	\$ -	\$ 10,934,400	\$ 9,534,900	\$ 1,399,500	\$ 10,934,400

Summary of Prior Year Actual Expenses:	FY 2018 Actual Expenses (through May 30, 2018)						
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Total	\$ 3,230,902	\$ 568,097	\$ -	\$ 3,798,999	\$ 2,965,479	\$ 833,520	\$ 3,798,999

Historical Summary of Budgets and Expenses	Total Approved Budgets			Total Actual Expenses		
	FY 2017	FY 2016	FY 2015	FY 2017	FY 2016	FY 2015
	AR Total	\$ 9,292,421	\$ 9,943,000	\$ 8,454,000	\$ 7,838,862	\$ 9,704,043