

AUTHORIZATION REQUEST FOR FY 2019

CBB Budget Category: **Consumer Information**

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.

Total Cost of the AR

Source of Funding	Direct Costs	Implementation	Total
CBB/BPOC Funding Request:	\$2,607,900	\$3,934,800	\$6,542,700
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	\$2,607,900	\$3,934,800	\$6,542,700

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: Key Opinion Leader Engagement

Tactic Description:

NCBA, on behalf of the beef checkoff, connects and builds relationships with key opinion leaders (KOL) or influencers that consumers trust. According to checkoff-funded research, millennials don't rely on just one single source of information – they want to hear from a variety of different people and sources to help them make an informed decision. Key topic market research has also showed that consumers are increasingly concerned about emerging topics, such as sustainable nutrition and alternative proteins, as well as more known topics like beef's nutritional value, beef's taste or how beef is raised. Therefore, building relationships and educating influencers that consumers trust the most is critical to the long-term success of the beef checkoff.

The target audience of this tactic includes health professionals, fitness professionals, credentialed nutrition experts and communicators, medical doctors, non-governmental organizations (NGOs), academics/third-party scientists, culinary leaders, bloggers and other experts with consumer influence on attitudes and perceptions about how beef is raised, its health value and its role as a meal solution. This program will continue to nurture the long-term KOL/influencer relationships that have been developed, while also identifying and engaging new "micro-influencers" who have smaller but highly targeted audiences of interest.

Historically, this program area has built strong and lasting relationships with a variety of consumer influencers using a variety of techniques including immersion experiences that facilitate first-hand exposure to beef's benefits from both a product and production standpoint, and addressing topics like how beef is raised, antibiotics and hormones and its role in a healthy sustainable diet. Experiences have also included training and engagement on preparing beef with food-focused culinarians, bloggers and other KOL/influencers.

The tactic will allow the beef checkoff to identify individuals, groups or even events that target a variety of influencer audiences on topics across nutrition, product, and production. The extending of speaker bureaus/seminar programs will provide experts for both national and state programs that consumer influencers attend. Additionally, content (such as the previously developed Rethink the Ranch content and assets, the updated BeefItsWhatsForDinner.com website, videos, fact sheets, reports, web content, etc.) will be leveraged with this influencer audience on-line and in person. As part of this tactic, future content will also be developed, including content on nutrition, product and production, to reach these influencers.

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

- Expand the beef experts network to include a minimum of three subject matter experts in food, health, and culinary influencer categories.
- Identify and execute three influencer campaigns utilizing key influencers in the culinary, nutrition and food space.
- Generate at least 250,000 beef or BIWFD brand impressions.

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

Consumer Reach Goal: 25,000,000
Consumer Engagement Goal: 110,000
Voice/KOL Reach Goal: 30,000
Voice/KOL Engagement Goal: 3,000

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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic B

Tactic Name: Supply Chain Outreach and Engagement

Tactic Description:

Today's consumer is always "shopping" – whether they're ordering dinner to be delivered to their door or walking into the supermarket, they never step out of the shopping mindset. This tactic proactively positions beef as the top protein during key food purchasing moments by working with supply chain operators – retail, foodservice, manufacturers, packers, processors and distributors – to have them extend the *Beef. It's What's For Dinner.* brand to their end customer, the consumer. Utilizing a variety of in-person experiences as well as platforms (such as digital asset management tools, artificial intelligence, e-commerce shopping and application program interfaces, and/or in-person touchpoints), the checkoff will extend valuable beef expertise and assets to critical supply chain partners. Working alongside state beef council partners, NCBA will focus efforts on key national accounts and work with states to extend programs and materials to their contacts at the local level to ensure a surround-sound approach.

NCBA, on behalf of the beef checkoff, has a rich history of success in helping market beef at the meat case, on the menu and through emerging shopping experiences. In the past, NCBA served as a catalyst to help the supply chain develop new products from scratch. After fulfilling that need, NCBA set sites on helping supply chain leaders better understand complex topics most important to their customers by hosting or sponsoring key educational events and creating educational content for the supply chain to help them understand how beef is raised, the strength that beef provides and the great taste of beef.

Most recently, NCBA saw the opportunity to revolutionize the meat shopping experience by exploring "new paths to purchase," such as e-commerce or on-line food shopping. Today, more than 95 percent of consumers eat beef. NCBA's goal through this tactic is to work with traditional, as well as rapidly growing and changing segments of the beef supply chain to find new and innovative ways to feature beef, such as through food and meal delivery and pick-up, meal kits, and supermarket foodservice/supermarket grocery. Existing content (such as photography, infographics, recipe inspiration, presentations, American Heart Association labeling and other shopper marketing tools and learnings) will continuously be shared with supply chain stakeholders at important meetings and digitally (through real-time emails, webinars, or even through paid marketing efforts) and will focus on motivating supply chain partners to showcase beef and *Beef. It's What's For Dinner.* more often.

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

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- Benchmark supply chain operator engagement with email newsletters.

- Benchmark supply chain operator engagement with business oriented social media (such as LinkedIn).
- Identify and execute one in-market test or content extensions (such as extending the artificial intelligence tool, Chuck Knows Beef) with supply chain partners to revolutionize the beef shopping experience.

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

Consumer Reach Goal: 0
Consumer Engagement Goal: 0
Voice/KOL Reach Goal: 46,000
Voice/KOL Engagement Goal: 6,000

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 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 type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic C

Tactic Name: Media & Media Relations Efforts

Tactic Description:

Today's 24-hour, always-on news cycle and the way that consumers get their "news" continues to evolve. This tactic positions beef as the top protein by ensuring that whether the beef news of the day is positive or negative that the beef checkoff can quickly and effectively reach out to a variety of news outlets – including broadcast, print publications, online news outlets, radio, podcasts and more – so that beef can be part of important stories and moments.

In the past two years, NCBA, on behalf of the beef checkoff, has focused efforts on pitching and placing articles on a variety of beef topics – from positioning subject matter experts in key stories about how beef is raised to placing stories about recently published checkoff-funded research in key publications to sharing recipes with leading food outlets. By being timely, creative and providing credentialed spokespeople, NCBA has helped increase positive media coverage around key beef moments ranging from National Jerky Day to National Hamburger Day. In addition, NCBA was able to garner substantial media attention about the relaunch of the *Beef. It's What's for Dinner.* brand to showcase the people

In 2019, NCBA will continue to drive an "always on" news engine to increase positive mentions of beef and beef production. NCBA will build on success of past years by engaging scientific and thought-leadership publications to share the latest news about beef nutrition, safety, quality or sustainability, and other topics to ensure that science- and research-focused publications have access to the latest checkoff-funded research. NCBA will also develop strong relationships with key media writing about food trends and beef recipes, as well as key media writing about contentious topics such as sustainability, beef production to ensure that beef can proactively share its story. Through both earned and select paid opportunities, NCBA will continue addressing myths and misinformation and continue reaching out regularly to top-tier consumer media, as well as supply chain/channel media and sharing content, such as the new, improved *Beef. It's What's For Dinner.* brand, the new *BeefItsWhatsForDinner.com* website, and provide access to experts and spokespeople. Working with the other tactics in the consumer information, industry information and promotion authorization requests, the team will push these media stories to the right audiences to further share and leverage.

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

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- Host or participate in one beef industry briefing, event, workshop or experience with at least five top-tier reporters covering the beef industry.
- Place at least two positive stories, including but not limited to features, op-eds, quotes, and/or key data about how beef is raised, beef safety, quality, nutrition or sustainability, and/or innovation in beef merchandising in a top-tier national consumer publication (e.g. *New York Times*).
- Place at least three positive stories, including but not limited to features, op-eds, quotes, and/or key data about how beef is raised, beef safety, quality, nutrition or

sustainability, and/or innovation in beef merchandising in a top-tier supply chain publication (ex. *Progressive Grocer*).

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

Consumer Reach Goal: 196,000,000
Consumer Engagement Goal: 0
Voice/KOL Goal: 2,197
Voice/KOL Engagement Goal: 1,076

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 checked="" type="checkbox"/> Develop crises management plans <input type="checkbox"/> Attract, develop & enable the next generation <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input checked="" type="checkbox"/> Measure & improve sustainability <input 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"/>					

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.

Certain events, meetings, or immersion experiences will be executed beyond end of fiscal 2019 to ensure those opportunities are optimized. For example, on-farm

immersion events typically take place in early summer and fall, when weather is optimal and schedules for attendees are open. Additionally, some meetings such as FNCE for dietitians take place in the fall.

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, VML, FoodMinds

4. Will all work with subcontractors be competitively bid?

No

If not, why not?

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

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 public relations programs, including the food and health Involved Influencer program and the supply chain and media relations programs, in October 2012. The contracts were competitively bid and Ketchum and FoodMinds were selected based on their strong relationships and expertise. VML, the checkoff's consumer advertising agency of record, may also support programs in this area.

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

All tactics in this AR build on previously funded ARs.

DETAILED BUDGET SUMMARY

CBB/BPOC Funding Request:

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Nutrition and Health</i>	A	Key Opinion Leader Engagement	BPOC	\$ 1,604,400	\$ 1,260,900	\$ 2,865,300
<i>Nutrition and Health</i>	B	Supply Chain Outreach and Engagement	BPOC	\$ 729,300	\$ 2,020,700	\$ 2,750,000
<i>Consumer Trust</i>	C	Media and Media Relations Efforts	BPOC	\$ 274,200	\$ 653,200	\$ 927,400
AR Totals				\$ 2,607,900	\$ 3,934,800	\$ 6,542,700

Federation of SBCs Funding Request: (Informational Only)

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Nutrition and Health</i>	A	Key Opinion Leader Engagement	Federation			\$ -
<i>Nutrition and Health</i>	B	Supply Chain Outreach and Engagement	Federation			\$ -
<i>Consumer Trust</i>	C	Media and Media Relations Efforts	Federation			\$ -
AR Totals				\$ -	\$ -	\$ -

Other Funding Source(s): (Informational Only)

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Nutrition and Health</i>	A	Key Opinion Leader Engagement				\$ -
<i>Nutrition and Health</i>	B	Supply Chain Outreach and Engagement				\$ -
<i>Consumer Trust</i>	C	Media and Media Relations Efforts				\$ -
AR Totals				\$ -	\$ -	\$ -

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

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Nutrition and Health</i>	A	Key Opinion Leader Engagement	All	\$ 1,604,400	\$ 1,260,900	\$ 2,865,300
<i>Nutrition and Health</i>	B	Supply Chain Outreach and Engagement	All	\$ 729,300	\$ 2,020,700	\$ 2,750,000
<i>Consumer Trust</i>	C	Media and Media Relations Efforts	All	\$ 274,200	\$ 653,200	\$ 927,400
AR Totals				\$ 2,607,900	\$ 3,934,800	\$ 6,542,700

Summary of Prior Year Budget:	FY 2018 Approved Budgets						
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Total	\$ 6,600,000	\$ 1,159,800	\$ -	\$ 7,759,800	\$ 4,279,000	\$ 3,480,800	\$ 7,759,800

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	\$ 2,007,080	\$ 352,938		\$ 2,360,018	\$ 695,447	\$ 1,664,571	\$ 2,360,018

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	\$ 8,129,200	\$	8,677,600	\$ 10,871,800	\$ 6,715,133	\$	8,300,726	\$ 10,740,191
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