

AUTHORIZATION REQUEST FOR FY 2020

CBB Budget Category: **Promotion**

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

Name of Organization Subcontracting:

Start Date: **10/1/2019**

End Date: **9/30/2021**

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 and FY2019.

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

- 1) Positioning beef as the number one protein.
- 2) Track brand awareness of the checkoff's iconic brand, *Beef. It's What's For Dinner.*

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 FY2020, 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 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. Sharing program results with a variety of audiences from stakeholders (including state beef councils and producers) to influencers to consumers is critical to demonstrate the beef checkoff's contributions to the beef industry's success. 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.

Funding	Direct Costs	Implementation	Total
CBB/BPOC Funding Request:	\$7,439,554	\$1,987,500	\$9,427,054

Other Potential Funding	Direct Costs	Implementation	Total
Federation of SBCs Pledges: (Informational Only)	\$2,000,000	\$0	\$2,000,000
Other Funding: (Informational Only)	\$0	\$0	\$0

NOTE: The Federation funds are placeholders only and subject to change. The NCBA Executive Committee will have jurisdiction and approval over how these funds will be applied to checkoff programs in FY2020.

NOTE: For fiscal year 2020, if the threat of legal challenge does not impact State Beef Council investments, approximately \$5 million will be voluntarily invested by SBCs to supplement NCBA's ARs. This assumes the underlying ARs are funded at a sufficient level to execute the core elements of the program. The supplemental funding will be used consistent with the principles outlined in the AR and deliverables for the industry will increase accordingly.

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 Partners:

- BeefItsWhatsForDinner.com
- BeefItsWhatsForDinner Instagram account
- *Beef. It's What's For Dinner.* Facebook
- *Beef. It's What's For Dinner.* YouTube channel
- *Beef. It's What's For Dinner.* Pinterest page
- *Beef. It's What's For Dinner.* LinkedIn page
- Beef So Simple
- BeefResearch.org
- Beef News Now
- Beef.widencollective.com
- BIFSCo.org
- Beef News Now
- @Beef Twitter handle
- Team Beef Facebook page
- Masters of Beef Advocacy Facebook page

PROGRAM INFORMATION FOR THIS AR**Tactic A**

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

Tactic Description:

For more than 26 years, NCBA, on behalf of the beef checkoff, has helped slow a decades long decline in per capita consumption of beef that began in the 1970s. And now, with increases in beef supplies and per capita beef consumption on the rise, the iconic *Beef. It's What's For Dinner.* brand is more important than ever before to remind consumers that beef will always be what's for dinner—along with breakfast, lunch and snacks. In fact, the Consumer Beef Tracker shows that when consumers are aware of the *Beef. It's What's For Dinner.* brand, they are more likely to feel positive about beef and are more likely to eat beef more often, proving that the Checkoff's number one brand plays a pivotal role in driving beef demand. With more protein options than ever before for consumers to choose from, *Beef. It's What's For Dinner.* must continue to stay relevant to the ever-changing, and always connected, consumer –specifically, as the bullseye target, the older millennial parent. This tactic develops the *Beef. It's What's For Dinner.* marketing strategy and all of the *Beef. It's What's For Dinner.* creative content and assets, such as videos, ads, infographics, photography, web copy, website templates, banner ads and other creative digital content that is aimed at positioning beef as the top protein. All of this content is shared proactively with state beef council partners to use 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.

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 creative slogan— “Nicely done, beef.” which focused on promoting beef's greatest strengths: the pleasurable eating experience of beef, the amazing people that raise beef today and the powerful protein that beef provides—in fact, people, protein, and pleasure have become the core pillars of the *Beef. It's What's For Dinner.* brand identity. At the same time, the BeefItsWhatsForDinner.com website was consolidated from eight different websites into one cohesive website that has become the heartbeat of all things beef. In FY2019, the first all-knowing beef virtual assistant, Chuck Knows Beef, was built based on technology that allowed content to be pulled from the BeefItsWhatsForDinner.com website to help consumers around the country choose beef by sharing recipe inspiration and beef education through smart speakers and audio skills—a growing technology that is rapidly being adopted by Older Millennial parents. The relaunch of *Beef. It's What's For Dinner.* brand marketing and assets have been met with enthusiasm from consumers, as well as the beef industry.

Today, beef's brand story will continue to blend old and new assets and focus on promoting beef's greatest strengths and build content that connects with consumers during peak "beef" moments or seasonal moments in time. The Consumer Beef Tracker and ongoing data analysis suggests that there is a key opportunity to continue to drive beef demand and consumption by strongly utilizing the *Beef. It's What's For Dinner.* brand in all content and assets. NCBA will also work 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 counseling and developing state logos, digital ads and content that can help the states hyper localize the *Beef. It's What's For Dinner.* brand through their websites, social media properties so that across the country, state and national programs are all utilizing the *Beef. It's What's For Dinner.* brand to make the best use of all Checkoff resources. Content developed through this tactic is also shared with other state partners.

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

- Maintain Chuck Knows Beef, the beef virtual assistant to answer questions about beef.
- Develop a minimum of 20 digital marketing assets, including but not limited to video, audio, and photography, that support favorable awareness of *Beef. It's What's For Dinner.* brand with consumers.
- Based on FY2019 use, increase the reach of *Beef. It's What's For Dinner.* brand assets and content with stakeholders, such as state beef council partners.

Performance Efficiency Measures

Consumer Reach Goal: 1,500,000

Consumer Engagement Goal: 225,000

Voice/KOL Reach Goal: 200

Voice/KOL Engagement Goal: 500

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 animal I.D. 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 checked="" type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input checked="" type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

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

Consumer Trust	Export Growth	Innovation	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, according to a 2017 Asurion study, people check their phones on average 80 times per day. In the next several years, consumers will always be connected, but no longer by their phones—by wearables and other devices that are literally attached to them. The brands, companies and products that will continue to be most successful and survive this increasingly connected world are the brands that are constantly connecting with consumers throughout their day. This tactic allows *Beef. It's What's For Dinner.* to constantly connect with consumers throughout their day and throughout the digital platforms that they spend time on— whether that's when they're at home watching online videos, listening to digital radio at work, searching the web for information, reading an article online or connecting with friends through social media. As mentioned above, market research shows that when consumers are aware of the *Beef. It's What's For Dinner.* brand, they are more likely to feel positive about beef and are more likely to eat beef more often, proving that the Checkoff's number one brand plays a pivotal role in driving beef demand.

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. In FY2018, NCBA got beef back on television by working with Lance Pekus, a cattle rancher and the Cowboy Ninja who competes on the popular NBC program, *American Ninja Warrior*. Lance proudly wore his *Beef. It's What's For Ninjas.* shirt, funded by the Beef Checkoff, while competing on a show that draws more than 6 million viewers each episode. In FY2019, thanks to the state national partnership and state beef council funding, *Beef. It's What's For Dinner.* was able to be part of two national broadcast integrations on *Master Chef* and *Master Chef, Jr.*, which draws nearly 4 million viewers per episode.

In FY2020, 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 manages the *Beef. It's What's For Dinner.* social media properties (1MM+ Facebook fans, 25,000+ Twitter followers, 9,000+ Pinterest followers, 11,000+ Instagram followers, 14,000+ YouTube subscribers and more than

66 MM YouTube video views and counting year-to-date) and brings to life stories about people, protein and pleasure through a fully integrated digital media strategy including but not limited to online banner ads, video advertising, digital radio advertising, paid search and social amplification. Throughout the year, this tactic will allow *Beef. It's What's For Dinner.* to proactively share beef's positive story with millions of consumers nationwide.

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. On average, this saves state beef councils 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 and stretches Checkoff resources further to ensure that the states can use more financial resources to reach consumers in their local areas.

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

- Maintain a paid media campaign ensuring favorable beef messaging and resources are present on the digital platforms most relevant to target consumers
- Benchmark engagement of individual content pieces and platforms to ensure the strongest return on investment.
- Track awareness of the *Beef. It's What's For Dinner.* Brand.

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

Consumer Reach Goal: 450,000,000

Consumer Engagement Goal: 2,500,000

Voice/KOL Reach Goal: 0

Voice/KOL Engagement Goal: 0

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 checked="" 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	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 2019 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.

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.

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 26 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:

Source of Funding	Direct Costs	Implementation	Total
CBB/BPOC Funding Request:	\$7,439,554	\$1,987,500	\$9,427,054

Other Potential Funding	Direct Costs	Implementation	Total
Federation of SBCs Pledges: (Informational Only)	\$2,000,000	\$0	\$2,000,000
Other Funding: (Informational Only)	\$0	\$0	\$0

NOTE: The Federation funds are placeholders only and subject to change. The NCBA Executive Committee will have jurisdiction and approval over how these funds will be applied to checkoff programs in FY2020.

NOTE: For fiscal year 2020, if the threat of legal challenge does not impact State Beef Council investments, approximately \$5 million will be voluntarily invested by SBCs to supplement NCBA's ARs. This assumes the underlying ARs are funded at a sufficient level to execute the core elements of the program. The supplemental funding will be used consistent with the principles outlined in the AR and deliverables for the industry will increase accordingly.

CBB/BPOC Funding Request:

Committee Name	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Innovation</i>	A	"Beef. It's What's For Dinner." Marketing	BPOC	\$ 2,975,821	\$ 903,400	\$ 3,879,221
<i>Innovation & Safety</i>	B	Social Media and Digital Advertising	BPOC	\$ 4,463,733	\$ 1,084,100	\$ 5,547,833
AR Totals				\$ 7,439,554	\$ 1,987,500	\$ 9,427,054

Federation of SBCs Pledges: (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>Innovation & Safety</i>	B	Social Media and Digital Advertising	Federation	\$ -		\$ -
AR Totals				\$ 2,000,000	\$ -	\$ 2,000,000

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NOTE: For fiscal year 2020, if the threat of legal challenge does not impact State Beef Council investments, approximately \$5 million will be voluntarily invested by SBCs to supplement NCBA's ARs. This assumes the underlying ARs are funded at a sufficient level to execute the core elements of the program. The supplemental funding will be used consistent with the principles outlined in the AR and deliverables for the industry will increase accordingly.

Other Funding: (Informational Only)

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

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	\$ 2,975,821	\$ 903,400	\$ 3,879,221
<i>Innovation & Safety</i>	B	Social Media and Digital Advertising	All	\$ 4,463,733	\$ 1,084,100	\$ 5,547,833
AR Totals				\$ 7,439,554	\$ 1,987,500	\$ 9,427,054

Summary of Prior Year Budget:	FY 2019 Approved Budget						
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Totals	\$ 9,600,000			\$ 9,600,000	\$ 7,770,600	\$ 1,829,400	\$ 9,600,000

FY 2019 Actual Expenses (through June 30, 2019)	FY 2019 Actual Expenses						
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Totals	\$ 5,752,816	\$ 44,926	\$ -	\$ 5,797,742	\$ 4,532,821	\$ 1,219,995	\$ 5,752,816

Historical Summary of Budgets and Expense:	Total Approved Budgets			Total Actual Expenses		
	FY 2018	FY 2017	FY 2016	FY 2018	FY 2017	FY 2016
AR Totals	\$ 9,300,000	\$ 7,839,246	\$ 9,943,000	\$ 9,246,654	\$ 7,816,222	\$ 9,704,043