

## AUTHORIZATION REQUEST FOR FY 2022

CBB Budget Category: **Promotion**

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

Name of Organization Subcontracting:

Start Date: **10/01/2021**

End Date: **09/30/2022**

### AR OVERVIEW

#### **AR Purpose and Description:**

The new Beef Industry Long Range Plan (LRP) for 2021-2025 provides core strategies and initiatives with a vision for beef to be the protein of choice around the world; trusted and respected for the commitment to quality, safety and sustainability. The Authorization Requests (ARs) brought by the National Cattlemen’s Beef Association (NCBA), as a contractor to the Beef Checkoff, utilizes additional insights from consumer market research that shows what areas most directly drive consumer demand for beef: eating experience, nutrition, how food is raised/grown, convenience/versatility and price. The tactics in this AR outline programs and measurable objectives to drive and/or protect demand that ultimately work toward achieving the goals outlined in the LRP. Specifically, this Promotion AR outlines tactics to promote beef to consumers through mass media advertising and communication efforts.

Given our staff expertise, traveling to/from and attending key influencer/stakeholder/partner meetings may be required to provide or gain more strategic guidance and training, and to engage in briefings and/or educational sessions/events. Besides disseminating knowledge, the funds in this AR may be used to extend and leverage previously funded efforts. To accomplish this, it may be necessary for the Checkoff to fund international travel to/from the U.S. Also note that legal counsel may be sought for routine, day-to-day content development, program planning and contracting to ensure compliance with federal rules or regulations.

Funding	Direct Costs	Implementation	Total
<b>CBB/BPOC Funding Request:</b>	\$6,723,900	\$2,478,700	\$9,202,600

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

\*The Federation funds are placeholders only and are subject to change. The Federation Division of the NCBA Executive Committee will have jurisdiction and approval over how these funds will apply to Checkoff programs in FY 2022. For FY 2022, if the threat of legal challenges does not impact State Beef Council investments, approximately \$4-5 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.

### **Beef Industry Long Range Plan (LRP) Core Strategies Addressed by this AR**

Drive Growth in Beef Exports	Grow Consumer Trust in Beef Production	Develop & Implement Better Business Models & Value Distribution Across All Segments	Promote & Capitalize on the Multiple Advantage of Beef	Improve the Business & Political Climate of Beef	Safeguard & Cultivate Investment in Beef, Industry Research, Marketing & Innovation
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### **PROGRAM INFORMATION FOR THIS AR**

#### **Tactic A**

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

#### **Tactic Description:**

This tactic develops the *Beef. It's What's For Dinner.* marketing strategy; campaigns; and creative content and assets, such as videos, ads, audio ads, infographics, photography, web copy, web content and templates, banner ads and other creative digital content, including the beef virtual assistant, Chuck Knows Beef, in order to drive constant demand for beef. All of this content is proactively shared with state beef council partners, as well as other contractors, by request, via the Digital Asset Management system. This saves state beef councils thousands of dollars annually and allows them to leverage existing content and marketing resources, ensuring that beef messaging is synchronized across state and national programs. This tactic also allows NCBA to work closely with state beef council partners to provide counsel and develop state logos, digital ads, and custom content that can hyper-localize the *Beef. It's What's For Dinner.* brand on state websites and social media properties to ensure that the *Beef. It's What's For Dinner.* brand is carried through to the local level across the

country. Not only does this build a cohesive message, but it also makes the best use of all Checkoff resources.

The target audience for this tactic is primarily consumers, as well as beef industry stakeholders, to ensure that they can see their Checkoff dollars at work. Recognizing that over 90% of people eat beef, according to the Consumer Beef Tracker, this tactic aims to drive beef demand across audiences to ensure the most important messages reach a variety of audiences. This tactic utilizes key market research, specifically Beef Demand Drivers and Consumer Segmentation data, to help inform the type of content that is developed.

Since the *Beef. It's What's For Dinner.* relaunch in 2018, this tactic has evolved to ensure there is a steady drumbeat of positive information about beef being developed. From 2018 to 2021, *Beef. It's What's For Dinner.* developed and shared stories about all things beef: the people and production process of beef through campaigns such as Rethink The Ranch and the BQA Campaigns; the protein benefits of beef through campaigns like the Beef As a Food for Strength and the Beef in the Early Years; and the pleasurable eating experience of beef through campaigns such as the Beef Substitutes, Drool Log and Summer Grilling campaigns.

In FY 2022, this tactic will evolve to use new Beef Demand Drivers research by developing campaigns and content that meet the following demand drivers:

- **How Beef is Raised and Grown** – According to the Consumer Beef Tracker, 73% of consumers say that they sometimes, often, or always consider how a food was grown or raised when choosing a protein, yet only 30% of consumers have familiarity with how cattle are raised. This gap creates an opportunity for *Beef. It's What's For Dinner.* to continue to showcase how beef is grown and raised in order to further drive beef demand. Campaigns will showcase animal welfare, sustainability, and other beef production stories.
- **Beef's Nutritional Value** – According to the Consumer Beef Tracker, over 70% of consumers consider whether their food is nutritious or a healthy choice when choosing a protein. This creates an opportunity for *Beef. It's What's For Dinner.* to continue to showcase beef's nutritional value at a variety of ages, including the latest Dietary Guidelines for Americans which recommend introducing solid foods, like beef, to infants and toddlers, in order to pack every bite with protein, iron, zinc and choline. Campaigns will showcase how the high-quality protein, combined with essential nutrients, can help support health.
- **Beef's Eating Experience, Convenience & Versatility** – According to the Consumer Beef Tracker, the primary reason that consumers choose a protein is for taste, followed closely by attributes such as they know how to prepare the protein; the protein has a great eating experience; and the protein can fit with a variety of meals. This creates an opportunity for *Beef. It's What's For Dinner.* to continue to showcase the variety of beef meals, utilizing resources such as

recipes or cooking instructions on platforms such as BeefItsWhatsForDinner.com, Chuck Knows Beef, or even third-party recipes created by influencers and key opinion leaders.

**Measurable Objectives**

*(For tactics \$100,000 or less two measurable objectives are required and for tactics over \$100,000 at least three to five measurable objectives are required by the Checkoff Evaluation Committee):*

- Develop three marketing campaigns, based on Beef Demand Drivers and Consumer Segmentation, utilizing the *Beef. It's What's For Dinner.* brand and positively position beef.
- Develop 75 digital marketing assets per quarter, including but not limited to video, audio, photography, social and website content that drive demand for beef.
- Conduct at least two campaign planning sessions with stakeholders, such as state beef council partners, to get feedback and direction on what assets are needed.

**Performance Efficiency Measures**

**Consumer Reach Goal:** 1,650,000

**Consumer Engagement Goal:** 150,000

**Key Opinion Leader Reach Goal:** 375

**Key Opinion Leader Engagement Goal:** 575

**LRP Initiatives Addressed by this Tactic**

Drive Growth in Beef Exports	Grow Consumer Trust in Beef Production	Develop & Implement Better Business Models & Value Distribution Across All Segments	Promote & Capitalize on the Multiple Advantage of Beef	Improve the Business & Political Climate of Beef	Safeguard & Cultivate Investment in Beef, Industry Research, Marketing & Innovation
<ul style="list-style-type: none"> <li><input type="checkbox"/> Drive adoption of traceability</li> <li><input type="checkbox"/> Identify &amp; address export customer needs and values</li> <li><input type="checkbox"/> Collaborate with targeted partners to promote U.S. beef in foreign markets</li> <li><input type="checkbox"/> Invest in research, marketing &amp; education programs</li> </ul>	<ul style="list-style-type: none"> <li>■ Measure, document, improve &amp; communicate the net environment impact of beef production</li> <li><input type="checkbox"/> Educate medical, diet &amp; health professionals about beef &amp; beef production</li> <li>■ Align and collaborate with traditional &amp; nontraditional partners to tell the positive story of beef production</li> <li>■ Engage positively in the sustainable nutrition conversation</li> <li>■ Expand efforts in education the general public about BQA program &amp; it's impact on animal well-being</li> <li><input type="checkbox"/> Expand BQA program to include verification</li> <li><input type="checkbox"/> Develop a direct-to-consumer beef safety campaign</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Use innovative methods &amp; technologies to value carcasses based on eating satisfaction &amp; red meat yield</li> </ul>	<ul style="list-style-type: none"> <li>■ Promote the role of beef in a health &amp; sustainable diet</li> <li>■ Implement a marketing campaign that communicates beef's advantage compared to alternative proteins</li> <li>■ Develop targeted marketing programs focused on the highest opportunity market segments</li> <li>■ Cultivate collaborative promotion partnerships</li> <li>■ Promote innovative online marketing, packaging &amp; shipping solutions to enable the direct marketing of beef</li> <li>■ Engage consumers in a memorable beef eating experience</li> <li><input type="checkbox"/> Develop a more interactive &amp; exciting beef purchasing experience</li> <li><input type="checkbox"/> Promote underutilized beef cuts &amp; new variety meat product</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Demonstrate beef's positive sustainability message &amp; key role in regenerative agriculture</li> <li><input type="checkbox"/> Defend beef's product identity</li> <li><input type="checkbox"/> Ensure beef's inclusion in dietary recommendations</li> <li><input type="checkbox"/> Drive continuous improvement in food safety</li> <li><input type="checkbox"/> Develop crisis management plans</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Attract innovative &amp; intellectual capital into the beef industry</li> <li><input type="checkbox"/> Encourage the cooperation &amp; collaboration of existing industry advisory committees to identify &amp; prioritize research efforts</li> </ul>

**Committee(s) to Score this Tactic**

Consumer Trust	Domestic Marketing	International Marketing	Nutrition & Health	Safety & Product Innovation	Stakeholder Engagement
<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 Paid Advertising

**Tactic Description:**

This tactic manages the social media—organic (content that is posted to a social media timeline without a paid promotion) as well as paid social media (social media posts that reach beyond just the followers on the platform)—and other advertising platforms. This tactic ensures that *Beef. It's What's For Dinner.* is reaching more consumers, more frequently on the media platforms where consumers spend more time through video advertising, radio and audio advertising, paid search, social amplification, website/online advertising, native advertising, and even traditional advertising such as broadcast television. Specifically, this tactic manages the *Beef. It's What's For Dinner.* social media properties (1.025 MM+ Facebook fans, 37,900+ Twitter followers, 13,600+ Pinterest followers, 20,600+ Instagram followers, 6,900+ LinkedIn followers, 18,500+ YouTube subscribers and over 98 MM YouTube video views year-to-date) and all the paid media properties to ensure there is a steady, continual drumbeat of positive information about beef reaching consumers, as well as beef producers. A critical part of this tactic is the state/national partnership with state beef councils. This tactic allows NCBA to work as a digital consulting agency, providing state beef councils with social media counsel and “how-tos,” executing their online advertising, designing media plan approaches, and providing in-depth search engine optimization support for their individual state beef councils. On average, this saves state beef councils at least 15-20% by utilizing the in-house talent and counsel 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.

The target audience for this tactic is primarily consumers, as well as beef industry stakeholders, to ensure that they can see their Checkoff dollars at work. Recognizing that over 90% of people eat beef according to the Consumer Beef Tracker, this tactic aims to drive beef demand across audiences to ensure that the most important messages are reaching a variety of audiences on a variety of platforms. This tactic utilizes key market research, specifically Beef Demand Drivers and Consumer Segmentation data, to help inform the type of content that is shared with specific

audiences on specific channels. For example, based on market research data, parents of young children start to feed their children beef around 12 months of age. However, scientific research shows that starting at 6 months of age, foods like beef can be introduced to infants in purees or very finely chopped. Using consumer targeting on advertising platforms such as native platforms, *Beef. It's What's For Dinner.* can target parents that have popular baby apps such as Glow or Nurture on their smartphones by serving them articles about the importance of feeding beef in the early years.

In FY 2022, this tactic will evolve to utilize new Beef Demand Drivers research by targeting consumers on media platforms based on the following beef demand drivers:

- How Beef is Raised and Grown
- Beef's Nutritional Value
- Beef's Eating Experience, Convenience & Versatility

**Measurable Objectives**

*(For tactics \$100,000 or less two measurable objectives are required and for tactics over \$100,000 at least three to five measurable objectives are required by the Checkoff Evaluation Committee):*

- Distribute three paid media campaigns or event sponsorships, based on Beef Demand Drivers and Consumer Segmentation, utilizing the *Beef. It's What's For Dinner.* brand to positively position beef.
- Conduct a *Beef. It's What's For Dinner.* brand lift study following two media campaigns, with a brand lift goal of 3%.
- Conduct a market research analysis following one *Beef. It's What's For Dinner.* media campaign or one event sponsorship to measure if positive perceptions about beef increased on specific media platforms before/after the campaign. We'd anticipate an increase in positive perceptions of beef to rise approximately 3%.
- Work with a minimum of 15 state beef councils to conduct paid media campaigns on their behalf at the state level.

**Performance Efficiency Measures**

**Consumer Reach Goal:** 310,000,000

**Consumer Engagement Goal:** 1,650,000

**Key Opinion Leader Reach Goal:** 0

**Key Opinion Leader Engagement Goal:** 0

**LRP Initiatives Addressed by this Tactic**

Drive Growth in Beef Exports	Grow Consumer Trust in Beef Production	Develop & Implement Better Business Models & Value Distribution Across All Segments	Promote & Capitalize on the Multiple Advantage of Beef	Improve the Business & Political Climate of Beef	Safeguard & Cultivate Investment in Beef, Industry Research, Marketing & Innovation
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**Committee(s) to Score this Tactic**

Consumer Trust	Domestic Marketing	International Marketing	Nutrition & Health	Safety & Product Innovation	Stakeholder Engagement
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SUPPLEMENTAL INFORMATION FOR THIS AR****1. Please explain changes from FY 2021 approved AR:**

In FY 2022, NCBA will focus Promotions programs on key demand drivers and consumer audience segmentation market research results. This will continue to ensure a steady drumbeat of positive information reaches the audiences that most need to hear about these topics.

**2. List any proposed vendors/agencies that will be used to complete the work in this AR.**

NCBA will move away from the traditional agency of record for promotion work in FY 2022. Linhart PR and various freelancers or consultants will be used from time to time to support program work, as needed.

**3. Will all work with vendors/agencies be competitively bid?**

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

Yes, for new vendors/agencies.

Linhart PR is the public relations agency of record for NCBA and was selected in 2019 after a competitive bid process. They were selected based on their experience, media relationships and ability to secure positive media coverage on behalf of the Beef Checkoff. They have been retained due to their performance. The relationship is ongoing and contractual. They may support promotions work in FY 2022.

**4. Please list any relationships between this AR and projects previously funded by the Beef Promotion Operating Committee (BPOC):**

NCBA has directed the “*Beef. It’s What’s For Dinner.*” advertising campaign for over 29 years on behalf of the Beef Checkoff. Creative materials produced within the promotion AR are also leveraged by other contractors, national program outreach areas, and most of state beef councils.

**5. If applicable, explain how this AR can be extended by State Beef Councils.**

The Promotions program is highly utilized and leveraged by state beef councils. For example, all the content that is developed by NCBA’s Promotions AR is developed so that state partners have full rights to use the content (such as video, audio, website, display ads) in their own local marketing efforts. Additionally, Tactic B allows NCBA to work as a digital advertising agency to conduct paid advertising

buys on behalf of state beef councils. This utilizes the Checkoff dollars by ensuring synergy in content, as well as advertising placement and targeting, so that the state and national dollars are working together.

# DETAILED BUDGET SUMMARY

AR# 2202-P

## CBB/BPOC Funding Request:

Committee Name	Tactic	Tactic Name	Funding Source	Direct	Impl.	Total
Domestic Marketing	A	"Beef. It's What's For Dinner." Marketing	BPOC	\$ 2,775,000	\$ 1,018,300	\$ 3,793,300
Domestic Marketing	B	Social Media and Digital Advertising	BPOC	\$ 3,948,900	\$ 1,460,400	\$ 5,409,300
<b>AR Totals</b>				\$ 6,723,900	\$ 2,478,700	\$ 9,202,600

## Federation of SBCs Pledges/Other Funding: (Informational Only)

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

\*The Federation funds are placeholders only and are subject to change. The Federation Division of the NCBA Executive Committee will have jurisdiction and approval over how these funds will be applied to checkoff programs in FY2022. For FY 2022, if the threat of legal challenges does not impact State Beef Council investments, approximately \$4-5 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.\*

## Summary of Prior Year AR Budgets and Expenses:

FY 2021 Approved Budgets	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
	AR Totals	\$ 8,946,611	\$ 2,000,000		\$ 10,946,611	\$ 8,743,211	\$ 2,203,400

FY 2021 Actual Expenses (through June 30, 2021)	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
	AR Totals - BPOC	\$ 2,664,997			\$ 2,664,997	\$ 1,370,764	\$ 1,294,233
AR Totals - Federation of SBCs	\$ 152,730			\$ 152,730	\$ 152,730		\$ 152,730

\*NOTE: Financials are through Jun 30, 2021 are not yet available and the above are the most current financials available in advance of the BPOC Meeting in September

## Historical Summary of Budgets and Expense: (includes all funding sources listed in original AR)

	Total Approved Budgets			Total Actual Expenses		
	FY 2020	FY 2019	FY 2018	FY 2020	FY 2019	FY 2018
AR Totals - BPOC	\$ 12,409,706	\$ 12,539,500	\$ 10,934,400	\$ 10,299,183	\$ 12,260,546	\$ 10,908,880
AR Totals - Federation of SBCs	\$ -	\$ -	\$ -	\$ 2,916,623	\$ 2,687,111	\$ 1,631,432