Activity 3

Your Name (First M. Last)

School or Institution Name (University at Place or Town, State)

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**Critically analyze the company’s current marketing communications strategy. Explain how the current approach/strategy has helped and/or hindered the company’s ability to grow revenue.**

**Company History**

Beyond Meat was founded by Ethan Brown in 2009 with a mission to create the future of protein. It is a Los Angeles based company manufacturing meat directly from plants with an intention to protect animals on this planet. Its products are currently available across America since 2013, and it launched its products internationally in 2016. Now Beyond Meat products are displayed in more than 35000 grocery stores, restaurants, shops, and hotels around the world. Its international market is rapidly growing, and now its products are available in more than 40 countries around the globe. The products are manufactured from plants, which are free of soy, gluten, and GMOs. It produces delicious juicy burgers, and sausages which are healthy, hygienic, sustainable, and friendly for both animal and plants. The company is listed with NASDAQ and its stock price is 169.96. Its initial public offering price of shares was $ 25 which has been tripled within three days of its offering in the stock market. The company offered its shares to the general public through NASDAQ on the 2nd of May 2019. It was considered as the best IPO of the year, as its value rose up to 3.8 billion USD. Beyond Meat has initially offered 9.625 million USD common shares. Its revenue in 2019 was recorded as $87.9 million and its net losses were $29.9 million.

**Marketing Communication Strategy**

The idea of Beyond Meat was an innovative and novel idea, which was successfully tested and launched in the market. Brown and his team had chosen the best way to communicate their message with its potential customers. The marketing strategy of the company was to produce a unique product which is worthy, and will benefit people to a great extent (Luxton et al., 2015). Some people are conscious about their health, some people prefer tasty foods, while others have concerns about the animal welfare and animal life on the planet. They initially placed their products next to the conventional meat and meat products in the grocery stores. Initially they had hurdles that grocery stores placed their products in the vegetarian section. According to Brown’s views, retailers didn’t believe in the mission of Beyond Meat. In marketing, Mix Placement is an important component, which has great influence on the success of a company. To address the concerns of these customers Brown meat has presented an innovative idea of producing meat directly from plants, with all the useful ingredients of protein, fibers and other components of animal meat, and free of many harmful ingredients which are found in animal meat. Here we will discuss the marketing communication strategy of Beyond Meat.

To enhance and elongate the product’s life cycle, a strong marketing communications strategy is required. During the introduction phase an aggressive marketing campaign is necessary to introduce the features and qualities of the product to its potential customers. After the success of the campaign’s initial stages, the product moves to the growth stage, where the sale of the product is boosted. At the third stage, the product becomes mature and its sale reaches peak levels. Finally the sale of the product declines because of the reduced marketing campaign, and lack of innovation and development in the features of the product (Gunitsky, 2015). Beyond Meat has to enter a new market with an effective and concrete communication strategy to increase the growth stage of the product. However, at the maturity stage, the company has to focus on innovation and bring some incremental innovation or changes in the product to revise the product life cycle. The maturity stage is basically an alarming situation, which signals a company to bring forward some innovative ideas, and avoid the decline stage.



Figure 1 Product Life Cycle

Marketing communication strategy is used by a business to reach its target customers through different sources of communication. It basically includes a message, the medium, and the target people (Killian & McManus, 2015). It is essential for a business to have a clear message for the people. The message is encoded by the company and conveyed through different channels or mediums. Market communication is basically the promotion part of the 4Ps of marketing strategy. The four Ps are product, price, place, and promotion. For instance, the company has a slogan of “Eat what you love” which represents its strong beliefs that using plant based meat is more delicious and healthy, and people are enjoying it more than animal based meat. The company has used all its sources to convey its message effectively and switch consumers from animal based meat to plant based meat. Its message contained strong evidence and references of laboratories which tested and certified that its better than the natural meat.

**The Message**

Message contains some facts and figures, and appealing statements which can grab the attention of potential customers. First of all the company has to understand its potential customers, and knows how to communicate with them. According to Valos et al., (2016) it is essential to know about the needs of the customers, and find a proper solution for the problem or needs of the people. All the marketing communication plans are based on the information regarding the target customers. Beyond Meat have its proper and attractive slogans which are effectively communicated with its potential customers. Due to its proper campaign and using right message people switched to their products which is an alternative for meat lovers, it also grabbed the attentions of non-vegetarians to eat the ‘Impossible Burger’. All its products are tested and found GMO, gluten, and soy free products. Its products are certified by Vegan Awareness Foundation as the real vegan products. The nutritional facts on the product’s packaging are a message for its users which is encoded there to get its benefits. A message must be clear, complete, and short, so that people can easily read or listen it. These messages are conveyed through different medium which to reach its potential customers.

**Medium**

A message is delivered through different medium such as social media, electronic, and print media. Social media is highly influential and effective, which can boost the sales of the products, and aware customers about the features of the products (Jiang, 2016). There are many sources or medium such as, online advertisement through social media, blogs, and company website. Other media is offline advertising such as print media, television, and billboards. Direct marketing and personal marketing is also a significant source of advertisement and marketing communication.

**Receivers**

Receivers are the customers of the product and other stakeholders of the business. People always look for new content, and new products, so the company should focus to produce innovative slogans and messages.

**Impact of Current Strategy**

The current marketing strategy is effective and has boosted its sales. The IPO of the company was one of the best offering of the year. The market shares of the company has expended in more than 40 countries around the globe.

**Q.2. Leveraging information in Module 6, (topic 10: Marketing Communication & Promotions; topic 11: Public Relations & Social Media), develop a brief marketing promotion mix plan that can help Beyond Meat drive sales.**

**Advertisement**

Advertisement is an essential tool of communication which can boost the revenue of the product. Advertisement is used to aware people and begins identification and description of the target audience (Aguirre et al., 2015). All the multinational enterprises and local companies spend huge budget on advertisement every year. There are certain methods of advertisement which are broadly used by the organizations through different medium such as print media, electronic media, and social media. Print media includes newspapers, magazines, sign boards etc. While electronic media has wider audience and greater impact, it includes radio, television, and other electronic sources. The most influential medial of the era is social media. Its scope is very high, and businesses use social media as an advertisement media and significantly enhance its revenue and profit.

Beyond Meat is actively using electronic media and social media to aware people about the products, its ingredients, and its uniqueness. Beyond Meat has approached some Hollywood stars for its video advertisements which are run on Television and social media. In social media Beyond Meat is using Youtube for its paid contents, Facebook, Instagram, and Twitter. The company is also using social media influencers to boost its sales. Social media influencing is a modern technique which has greater impact on the revenue of the business. Advertisement through social media and electronic media has boosted its revenue in the last few years. Through advertisement the company has conveyed its message to the potential customers in the best possible ways. The vegetarians and vegans are less than 5 percent of the total population of USA; therefore, the company has always issues with focusing on the niche opportunities. There are more than 1.2 million followers of Beyond Meat on the social media and newsletter, moreover, the company has more than 9.9 billion earned media impressions in the year 2018.

**Social Media Marketing**

 Articles on social media and internet using SEOs have spread the awareness messages among the people and the sale of the company has soared to its new heights. Though the idea was new and people were reluctant to adopt it, so the company’s revenue was below the expected or forecasted revenue. The company is using direct sales and the distribution channels; both are widely used around the world. Distribution channels are beneficial in a sense that risk is diverted and the company can focus more on its operations, and production. For direct sales and supply to the retailers need a proper supply chain and logistics network. This method is useful because the company is directly involved with it customers and gets their feedbacks. Furthermore, this method has greater margin of earnings because the distributor’s margin is cut off. The company has expended its distribution to more than 4000 grocery stores, and restaurants etc around the country by the end of 2018. According to the report of Good Food Institute (GFI), demand of plant based meat has increased up to 23 percent by the end of 2018. Social media marketing is growing rapidly because of its users are soaring around the globe. It has no boundaries and the company can easily target its potential customers around the planet. The use of social media influencers is also increased. The company has to increase its budget and invest more on social media advertisement. Social media influencers can be Hollywood stars, sportsmen, and other social media activists. They have millions of followers and having accounts and channels on social media, so the people are following them (Sobaih et al., 2016).

**Sales Promotion**

 This is the second most influential marketing communication strategy used by companies around the globe. A product doesn’t sell itself; it needs a proper plant to convince the distributors, retailers, and consumers. The way you communicate the features of your product and its brand to your potential customers is known as marketing communication strategy. It contains placement in the stores, offers and discounts and other packages that can attract its customers. There are some offers for customers such as buy one get one free, and 30 % or 50 % off. In case of distribution channels there are some extra margins in low selling products, which can enhance the sales of the company. Beyond Meat is also investing certain amount of marketing budget to get a proper placement in the stores which are more visible to the customers, and offers certain discounts which can grab the attention of the potential customers. The company has boosted its sale by offering different offers initially, that significantly attracted the attention of the customers, and switched to the plant based meat from the animal based proteins. According to the health experts plant based meat is more beneficial for health so the switching decision of the customers are reasonable and logical.

**Personal Selling**

It is the process through which the companies sell their products by convincing customers to purchase a product. The sales force of a company at the introduction stage of the product tries to convince customers to buy their products. It is effective method in case of introducing new product in a market. For Beyond Meat it will be helpful in the new market place, and when the company launch new product, this campaign will spread awareness. Its purpose is to meet the individual needs of all the potential customers, in order to demonstrate the ways in which our product will benefit them. Beyond Meat doesn’t use this strategy and it would not be very significant for the company at this stage. As the company has its strong distribution network, and the product has earn a good name and position in the market. Therefore, this strategy would not be recommended and beneficial for the company. This strategy is useful for gathering data from the market, and knowing the feedback of customers while testing the product.

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