

Perfect Day

Cultivated Cream Cheese

External Analysis	1
Internal Analysis	5
Present Day Current Strategy	9
Future Strategies and Recommendations	11
References	19

External Analysis

America's love of cream cheese became apparent in December 2021, when widespread cream cheese shortages made some consumers so desperate they resorted to concocting up their own recipes at home¹. The shortage even brought the Kraft Philadelphia Cream Cheese brand to give 18,000 consumers a \$20 gift card for choosing to forgo their Christmas cheesecake plans².

Porter's 5 Forces

Threat of New Entrants

The cream cheese market is thriving and is expected to grow at a compound annual growth rate of 4.27% from 2019-2024, which is an increase compared to the growth of 3.62% per year seen between 2014 and 2018³. Furthermore, the average cream cheese consumption per capita continues to rise³. This makes it a promising industry for new entrants.

The cream cheese market is dominated by traditional cream cheese with the Philadelphia brand leading sales in the U.S. with 37.64 million units sold in 2020⁴. Other players in the field aside from traditional dairy cream cheese include vegan plant-based alternatives as well as animal-free dairy-based cream cheese. These "alternative" products fall far below the traditional dairy brands such as Kraft Philadelphia. The dairy free brand Kite Hill had 3.47 million dollars in sales in 2020 compared to Kraft which had 170.36 million dollars in sales that year⁴. However, Kite Hill had the largest growth in sales that year with a 39.7% increase, indicating that customer preference for alternative cream cheese products is on the rise⁴.

¹ A. Walansky, "Feeling The Cream Cheese Shortage? Here's How To Make Your Own At Home," *Forbes*, Dec. 28, 2021.

<https://www.forbes.com/sites/alywalansky/2021/12/28/feeling-the-cream-cheese-shortage-heres-how-to-make-your-own-at-home/> (accessed Feb. 01, 2022).

² K. Tyko, "Cream cheese shortage? Kraft's Philadelphia Cream Cheese to pay \$20 to replace Christmas cheesecake," *USA Today*, Dec. 15, 2021.
<https://www.usatoday.com/story/money/shopping/2021/12/15/cream-cheese-shortage-philadelphia/8894180002/> (accessed Feb. 01, 2022).

³ "Global Cream Cheese Market Forecast to Reach \$54.04 Billion (in retail prices), Increasing at a CAGR of 4.27% Per Annum from 2019-2024 (COVID-19 Adjusted Forecasts) - ResearchAndMarkets.com." *Business Wire*, 20 May 2020. *Gale OneFile: Health and Medicine*, link.gale.com/apps/doc/A624442549/HRCA?u=cornell&sid=ebsco&xid=2d87feb5. Accessed 24 Jan. 2022.

⁴ M. Shahbandeh, "U.S. cream cheese market - statistics & facts," *Statista*, May 20, 2021.
<https://www.statista.com/topics/3109/cream-cheese-market/> (accessed Feb. 01, 2022).

In recent years there has been a rise in consumers that prefer vegan and non-dairy products⁵. The U.S. non-dairy cream cheese market is projected to grow at a rate of 24.47% in 2022-2025⁵. This shift is due to consumers wanting to avoid animal products to prevent animal cruelty as well as an increased incidence of lactose intolerance⁵. Animal-free dairy is a relatively new category of cream cheese which may change the way we look at our definition of veganism. Animal-free dairy products are made through a process known as precision fermentation to produce the same animal proteins, whey or casein, but without the direct use of animals⁶. Microorganisms such as yeast or fungi, are genetically engineered to produce these animal proteins naturally found in cow's milk. These animal proteins are then isolated and filtered to be used in a variety of dairy products including our beloved cream cheese.

The cream cheese industry as a whole is at a life cycle stage of strong growth given the continued increase in the compound annual growth rate. There does seem to be a shift in the market with dairy-free brands such as Kite Hill far exceeding the traditional Philadelphia cream cheese brand in growth in recent years. This suggests that some of these alternative plant-based cream cheese brands are in the growth period of their life cycle. Animal-free cream cheese brands such as Perfect Day are in the introductory period of their life cycle. Current consumer trends away towards these alternative products suggests that these animal-free cream cheese brands may quickly enter into a strong growth period.

Bargaining Power of Buyers: Moderate

The buyer power in the cream cheese industry is relatively low due to the fact that a large population consumes cream cheese and the order size is relatively low per customer. This means that individual customers cannot have a large influence on the industry. However, because each unit of cream cheese has a relatively low cost, there is a low switching cost, providing the buyer with some power. While there is a substantial price difference between standard dairy cream cheese and animal-free dairy cream cheese, many consumers say they are willing to pay more for products which align with their values of sustainability and animal-free. However, only a small percentage (5.3%) of buyers we surveyed were willing to

⁵ "Key Growth Opportunities in the United States Non Dairy Cream Cheese Market to 2025." *PR Newswire*, 5 Jan. 2021, p. NA. *Gale Academic OneFile*, link.gale.com/apps/doc/A647501570/AONE?u=nysl_sc_cornl&sid=ebsco&xid=2eec36f0. Accessed 24 Jan. 2022.

⁶ "What is 'animal-free dairy'? Change Foods explains," *Food Frontier*, May 14, 2021. <https://www.foodfrontier.org/what-is-animal-free-dairy/> (accessed Feb. 01, 2022).

spend more than 16% on these features. More recently, individual buyers have increasingly more power due to social media usage and the power of “influencers”.

Threat of Substitute Products: Low/Moderate

There are currently no other animal-free cream cheese products on the market besides Perfect Day’s Partnering Brand, Modern Kitchen. Therefore, a consumer hoping to try animal-free cream cheese will turn to Modern Kitchen. However, there is a threat that the growing number of animal-free dairy protein companies will enter the cream cheese space. Many seem to be focused on cheese and could easily enter the cream cheese space. However, we think that other cheese products have more consumers which may keep these competitors focused on those markets.

Bargaining Power of Suppliers

Perfect Day is the supplier of animal-free dairy proteins for partnering companies making animal-free cream cheese such as Modern Kitchen. There are several other companies beginning to make animal-free dairy proteins, however Perfect Day appears to be the most established. This gives Perfect Day high power as a supplier with partnering companies hoping to establish an animal-free dairy product. However, as competing animal-free dairy protein brands become more established in this space, supplier bargaining power will decrease.

Competition

Traditional Dairy Cream Cheese Brands

The main threat to Perfect Day is traditional dairy cream cheese brands which currently control the market, such as Kraft Philadelphia, which currently occupies 68 percent market share in the U.S.⁷. Even with growing awareness of the ethical and environmental downsides of traditional dairy, research has shown that consumers prefer to continue eating animal products due to convenience, price, and taste⁷. Furthermore, when consumers look to reduce their animal product consumption, they are least likely to give up dairy and eggs compared to other products⁷. Philadelphia has also grown so popular amongst consumers due to brand recognition and has gained tremendous backing from trusted chefs⁸. Many chefs say they won’t use

⁷ Zollman Thomas, O. & Bryant, C. Don’t Have a Cow, Man: Consumer Acceptance of Animal-Free Dairy Products in Five Countries. *Front. Sustain. Food Syst.* **5**, 1–14 (2021).

⁸ P. Krishna, “How Philadelphia Cream Cheese Took Over the World,” *Bon Appétit*, Jan. 14, 2020. <https://www.bonappetit.com/story/philadelphia-cream-cheese> (accessed Feb. 01, 2022).

anything else, however others say they don't really notice a difference in quality with other brands and have noticed that people just stick with what they know⁸. This highlights the tremendous challenge of any brand trying to sway customers away from the popular Philadelphia brand.

Plant-based Cream Cheese Brands

Plant-based cream cheese is made from various sources such as soy, almond, cashew, and others⁹. There has been a rise in consumers that prefer vegan products due to animal welfare, environmental, and health benefits. It is reported that 2-6% of the U.S. population is vegan⁹. Some of the leading plant-based brands include Kite Hill, Tofutti, and Daiya⁴. One of the biggest challenges of the plant-based cream cheese market is the high cost of these products compared to dairy products⁹. Another major challenge is taste. As mentioned previously, data found that 49% of people found dairy to be the hardest food group to give up when trying to reduce animal product consumption⁷. It was found that only four in ten consumers are satisfied with the taste of plant-based alternatives¹⁰. Interestingly, it is the 'mainstream' and flexitarian consumer driving the growth in plant-based foods, not only the vegan consumer¹⁰.

Animal-free Dairy Brands via precision fermentation

There are a growing number of companies creating animal-free dairy proteins through a process known as precision fermentation. This technology allows companies to produce the exact same dairy proteins found in traditional cow's milk, whey or casein, but without needing the cow⁶. Instead of using the cow to make these proteins, they use microorganisms such as yeast or fungi. The whey or casein protein both have a unique "code" or sequence of amino acids. The DNA sequence that codes for the whey or casein protein are integrated into the DNA of the microorganisms. Once this happens, these microorganisms can make the whey or casein proteins, the same way that a cow's cells make these proteins. Finally, the dairy proteins are separated from the microorganisms through filtration and used in the final dairy product¹¹.

⁹ "U.S. Non Dairy Cream Cheese Market," *Research and Markets*, Nov. 2020.

<https://www.researchandmarkets.com/reports/5157048/u-s-non-dairy-cream-cheese-market> (accessed Feb. 01, 2022).

¹⁰ L. Kelly, "The rise of the non-dairy consumer," *New Food Magazine*, Jun. 15, 2021.

<https://www.newfoodmagazine.com/article/150352/the-rise-of-the-non-dairy-consumer/> (accessed Feb. 01, 2022).

¹¹ M. Godoy, "Dairy Ice Cream, No Cow Needed: These Egg And Milk Proteins Are Made Without Animals," *NPR*, Aug. 02, 2019. Accessed: Feb. 01, 2022. [Online]. Available:

There are several companies besides Perfect Day using precision fermentation to make different proteins. These companies along with their existing products can be seen in Table 1. Perfect Day positioned itself strongly as the front-runner in this animal-free dairy protein space and has garnered substantial media coverage being the first product of its kind. Similarly to how Philadelphia was the first cream cheese in the U.S., Perfect Day partner-brand Modern Kitchen is the first animal-free cream cheese on the market.

Table 1.

Company	Products
Perfect Day	Ice cream, cream cheese, protein powder
Formo	Artisanal cheese
New Culture	Mozzarella cheese
Remilk	Dairy
Change Foods	Cheese
Those Vegan Cowboys	Not available yet
Nobell Foods	Cheese
The EVERY Company	Egg white protein, egg white, pepsin

<https://www.npr.org/sections/thesalt/2019/08/02/747026144/dairy-ice-cream-no-cow-needed-these-egg-and-milk-proteins-are-made-without-animal>

Internal Analysis

Value Proposition

Inspired by a concern for the future of our planet, Perfect Day was created to reshape the way we eat. Perfect Day provides high-quality, great-tasting cream cheese to consumers without the costs associated with conventional dairy or plant-based products.

Perfect Day has found a way to replicate the great taste, texture, and consistency of milk products, using the same protein found within cow's milk. While conventional milk production requires the use of live cows, resulting in greater greenhouse gas emissions and mistreatment of animals, Perfect Day does not. Rather, Perfect Day's process is so animal friendly that it only requires a *replicated* version of the protein found in cow's milk, not the original milk itself.

Since Perfect Day does not contain animal milk but does have the positive characteristics of milk, it makes for a great choice for dairy lovers and plant-based enthusiasts alike. Perfect Day takes environmental degradation, animal mistreatment, poor texture, and lactose out of the equation completely! As such, Perfect Day welcomes foodies of all types to try its product.

Perfect Day is the premier milk protein alternative and aims to be recognized as the gold standard in cream cheese. However, because of its complexity, Perfect Day strives to expand its strategic relationships with restaurants and other vendors to find ways to better communicate these values to foodies of all types in order to develop brand recognition and consumer trust. It is in this way that Perfect Day plans to reshape the future of our planet, one cream cheese shmear at a time!

Target Market

Perfect Day plans to use the momentum created by other cultivated food companies, like Beyond Meat, to accelerate the success of Perfect Day's unique product offering. Like Beyond Meat's early-stage marketing strategy, Perfect Day aims to promote its products within a variety of consumer segments, understanding that its target audience should be more than vegetarians and vegans.¹² Rather, Perfect Day aims to cater to a target market that includes the following:

¹² Besserve, E. (2020, September 4). *Beyond Meat: Analysis of a Successful Marketing Strategy*. Marketing Agency for Plant-Based and Sustainable Brands. <https://quinoamarketing.com/beyond-meat-analysis-of-a-successful-marketing-strategy/>.

Ages: 18 - 34
Predominantly Female
Flexitarian diet but definitely still consumes dairy

This target market was selected because it encapsulates a range of dietary types, including consumers that want an occasional, premium cream cheese. As proven by Beyond Meat's success, targeting dairy-eaters and flexitarians and modeling products after similar dairy offerings will make Perfect Day more approachable to the "everyday" eater.¹³ Based on our own real-life experiences as consumers in a range of geographical areas, we hypothesize that the following sub-groups of people are crucial to Perfect Day's advertising strategy.

1. The Thrifty College Student



It is no surprise that college students experience substantial change when beginning higher education. Research indicates that this transitional period is critical to the development of eating habits that last a lifetime.¹⁴ Interestingly enough, this market segment is also more likely to try new things because of increased exposure to new foods – through classmates, new restaurant options, and especially campus dining. Additionally, research suggests that the college segment aligns itself with “less-meat to meatless spectrum” and has an interest in both the health of themselves and the planet.¹⁵ However, typical barriers to healthy eating on college campuses include “time constraints, unhealthy snacking, convenience high-calorie food, stress, high prices of healthy food, and easy access to junk food.”¹⁶ In contrast, healthy eating is increased with “knowledge and education, meal planning,

¹³ Besserve, E. (2020, September 4). *Beyond Meat: Analysis of a Successful Marketing Strategy*. Marketing Agency for Plant-Based and Sustainable Brands. <https://quinoamarketing.com/beyond-meat-analysis-of-a-successful-marketing-strategy>.

¹⁴ *Collegiate Gen Y Eating: Culinary Trend Mapping Report: Market Research Report*. <https://www.packagedfacts.com/Collegiate-Gen-Eating-6576735/>.

¹⁵ *Collegiate Gen Y Eating: Culinary Trend Mapping Report: Market Research Report*. <https://www.packagedfacts.com/Collegiate-Gen-Eating-6576735/>.

¹⁶ Sogari, Giovanni, et al. (2018, November). *College Students and Eating Habits: A Study Using An Ecological Model for Healthy Behavior*. *Nutrients*, vol. 10, no. 12, p. 1823. PubMed Central, <https://doi.org/10.3390/nu10121823>.

[and] involvement in food preparation.”¹⁷ Market research also suggests that college students prioritize “speed and convenience” when selecting food.¹⁸ So, the question becomes: how can Perfect Day improve its campus product offering, product convenience, and campus awareness, to improve the health of students and their planet?

2. The Clean Eating Influencer



Not all those that purchase vegan or plant-based products adhere to strict vegan or plant-based diets. Rather, “90% of meat analogue products are eaten by consumers who are also eating meat.”¹⁹ This is largely because the general consumer associates meat alternatives with “healthy eating,” as indicated by fitness or health conscious instagram influencer accounts. The relationship between food and Instagram is undeniable. In fact, the hashtags, “#food, #foodporn, #instafood, and #yummy” are amongst the top 100 most popular hashtags used on Instagram, with nearly 438,921,588 photos associated with those hashtags.²⁰ Research also shows that “[s]eeing other people’s photos of ‘healthy’ food can trick us into believing that it’s delicious” too!²¹ Recognizing this, we believe Perfect Day is well positioned to utilize social media strategies to improve its general perception of “healthy” and “great taste” by partnering with clean eating and fitness instagram accounts.

3. The Family Shopper

¹⁷ Sogari, Giovanni, et al. (2018, November). *College Students and Eating Habits: A Study Using An Ecological Model for Healthy Behavior*. Nutrients, vol. 10, no. 12, p. 1823. PubMed Central, <https://doi.org/10.3390/nu10121823>.

¹⁸ *Collegiate Gen Y Eating: Culinary Trend Mapping Report : Market Research Report*. <https://www.packagedfacts.com/Collegiate-Gen-Eating-6576735/>.

¹⁹ The Food Navigator. *Five Types of Consumer Make up the ‘Unbelievable’ Plant-Based Trend*: Givaudan. Foodnavigator.com, <https://www.foodnavigator.com/Article/2019/06/21/Five-types-of-consumer-make-up-the-unbelievable-plant-based-trend-Givaudan>.

²⁰ Social Media Today. *The Psychology of Foodstagramming*. <https://www.socialmediatoday.com/social-networks/psychology-foodstagramming>.

²¹ Social Media Today. *The Psychology of Foodstagramming*. <https://www.socialmediatoday.com/social-networks/psychology-foodstagramming>.

When walking through the grocery store or any restaurant, you will inevitably see young families, or the “family shopper.” These young, multi-person households are the backbone of the U.S. food economy, bolstering grocery and restaurant sales. This is partly because family households buy in bulk for the rest of their family members. Because of this, the family shopper can influence the eating habits of more than just themselves. Family also plays a critical role in the eating habits of consumers. In 2017, 70% of consumers reported that their ability to stay healthy is improved by their family.²² Further, 55% of households without children reported “eating meals at home with family” is very important to them, whereas a staggering 85% of households with children reported the same. Interestingly enough, the importance of the “family shopper” grew dramatically during the pandemic, with 36% of shoppers making changes in how they shop for their family.²³ Of those shoppers, the majority of surveyees indicated that this change included limiting their family shopping in the store to one person.²⁴ This presents an opportunity for Perfect Day to provide tutorials, guides and other mechanisms to influence the family shopper in order to have a broader impact on household diets.



4. The Sustainable Shopper



Today, there is a great concern surrounding the sustainability of food. Consumption is at the heart of a national shift towards a more sustainable food system and more than just plant-based consumers are playing a part. In light of this, research has shown that “many consumers express environmental concern but do not consistently act on it.”²⁵ Further, only 3% of plant-based consumers identified themselves as “eco-warriors.”²⁶ This 3% isn’t going anywhere, but with the combination of great taste and flavor,

²² FMI. (2017) <https://www.fmi.org/docs/default-source/webinars/trends-2017-webinar-7-18-2017.pdf>.

²³ MorganMyers. (2020, July 24). *Evolution of the 2020 Shopper: Grocery Shopping Behavior*. <https://morganmyers.com/blog/2020/07/24/evolution-of-the-2020-shopper-grocery-shopping-behavior/>.

²⁴ MorganMyers. (2020, July 24). *Evolution of the 2020 Shopper: Grocery Shopping Behavior*. <https://morganmyers.com/blog/2020/07/24/evolution-of-the-2020-shopper-grocery-shopping-behavior/>.

²⁵ Vermeir, Iris, et al. *Environmentally Sustainable Food Consumption: A Review and Research Agenda From a Goal-Directed Perspective*. *Frontiers in Psychology*, vol. 11, 2020. *Frontiers*, <https://www.frontiersin.org/article/10.3389/fpsyg.2020.01603>.

²⁶ The Food Navigator. *Five Types of Consumer Make up the ‘Unbelievable’ Plant-Based Trend*: Givaudan. *Foodnavigator.com*, <https://www.foodnavigator.com/Article/2019/06/21/Five-types-of-consumer-make-up-the-unbelievable-plant-based-trend-Givaudan>.

Perfect Day can capture the attention of the general public interested in making a bigger, more sustainable, impact on their food system.

Present Day Current Strategy

Superior Taste and Texture

In comparison to their plant-based competitors, the Perfect Day ice creams were reported to have a taste and texture similar to regular ice cream with the benefits of being lactose free and better for the environment ²⁷(Lamb, 2019).

Rebranding

As of 2019, the company began describing their products as “flora-based” dairy, in addition to labeling their ice cream as “frozen dairy dessert” on the packaging²³(Lamb, 2019). In 2022 the transformation of the Perfect Day website was underway with the goal of making it more consumer friendly and emotionally appealing in contrast to the previous design which presented the Perfect Day products in a more scientific light.

Partnerships and the International Market

Partnerships with other brands such as N!ck’s, and Graeter’s in addition to the Brave Robot ice cream launch with the Urgent Company have allowed Perfect Day’s products to be widely available in the US ²⁸. The company has also begun to expand into the international market, particularly in Hong Kong where Ice Age has used Perfect Day’s protein for its ice cream.²⁵ Furthermore, the company’s initiation into the food service industry was substantiated with a recent partnership with Villa Dolce for products such as gelato and bakery items.²⁹

Financials

²⁷ “Perfect Day Launches Ice Cream Made from Cow-Free Milk, and We Tried It,” The Spoon, Jul. 11, 2019. <https://thespoon.tech/perfect-day-launches-ice-cream-made-from-cow-free-milk-and-we-tried-it/> (accessed Feb. 01, 2022).

²⁸ Business CNN, “This startup is creating ‘real’ dairy, without cows,” CNN. <https://www.cnn.com/2021/08/12/business/perfect-day-dairy-protein-hnk-intl-spc/index.html> (accessed Feb. 01, 2022).

²⁹ “Partners Using Perfect Day Dairy Protein,” *Perfect Day*. <https://perfectday.com/made-with-perfect-day/> (accessed Feb. 01, 2022).

Financial Summary

Perfect Day has raised \$361.6 million in total funding³⁰. In 2020, 51% of the \$590 million that was invested in alternative proteins was invested in Perfect Day²¹.

Future Strategies and Recommendations

A Focus on Social Media

Social media plays a large role in the food culture of today, as 69% of millennials take a photo or video of their food to post on the internet. This age group of 18 to 34 year olds were more likely to be interested in cooking as well³¹. Therefore, promotion on social media will be important in targeting this age group. Cultured cream cheese could become a new trend for food posts on social media, especially if sustainability is emphasized, i.e., cultured cream cheese as the solution to sustainable dairy.

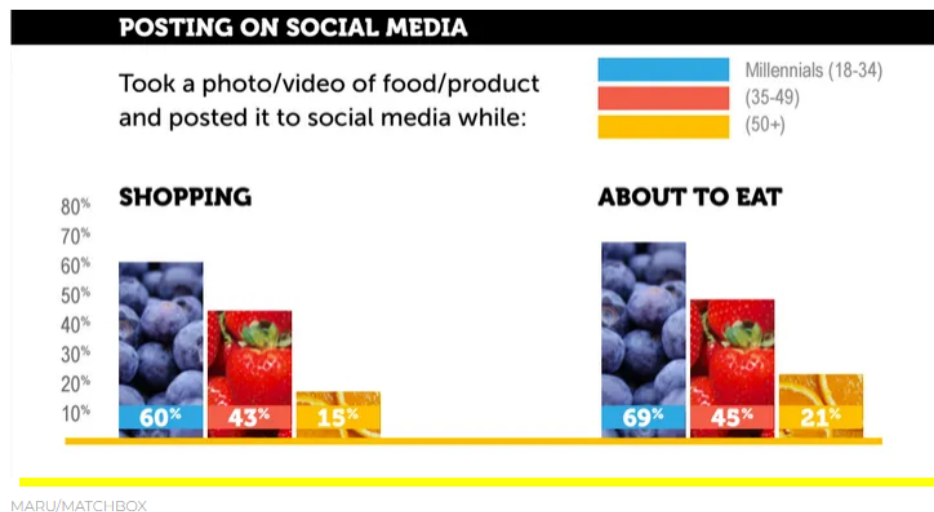


Figure 1. Food posts on social media, a large percentage by millennials.

³⁰ "Perfect Day Company Profile - Office Locations, Competitors, Revenue, Financials, Employees, Key People, Subsidiaries | Craft.co." <https://craft.co/perfect-day> (accessed Feb. 01, 2022).

³¹ Amatulli, J. "An Obnoxious 69 Percent Of Millennials Take Photos Of Food Before Eating," HuffPost, Mar. 01, 2017. https://www.huffpost.com/entry/study-says-69-of-millennials-take-photos-of-their-food-before-eating_n_58b73078e4b0284854b39105 (accessed Feb. 01, 2022).

Smartphone and tablet devices are increasingly becoming the first object that people interact with in the day. In a consumer behavior review by Reviews.org³², 71% of Americans check their phone first thing in the morning right after they wake up.

The prevalence of smartphones and tablets has also made social media a new primary way of news and information consumption. This is particularly true for people within the age range of 18-34. A majority of users between the ages 18-34 first come in contact with news sources through smartphones³³.

Besides social media, on-demand audio like podcasts have also skyrocketed in popularity, with a projected YoY growth of 6% to a total of 125 million active listeners in the USA. Further research has shown 39% of USA adults aged 18-34 listen to podcasts on a monthly basis³⁴.

Based on our own survey data, 85.7% of respondents use Instagram on a regular basis. Our own market data validates the assumption that a strong social media presence is an effective way to generate awareness amongst the 18-34 year old demographic.

Previous market research has shown that acceptance of cultivated dairy products has a high degree of acceptance contingent on consumers being sufficiently educated or exposed to the concept of cultivated food. Based on research by Legendairy, there is a significant interest in sustainable dairy products⁷. Our own preliminary market research also shows that there is significant interest in sustainability of cream cheese products however there is very little awareness of cultivated cream cheese, furthermore there are few resources that easily explain the concept to uninformed consumers.

³² "2022 Cell Phone Usage Statistics: How Obsessed Are We?," Reviews.org, Jan. 24, 2022. <https://www.reviews.org/mobile/cell-phone-addiction/> (accessed Jan. 29, 2022).

³³ "How Younger Generations Consume News Differently," Reuters Institute Digital News Report, May 24, 2019. <https://www.digitalnewsreport.org/survey/2019/how-younger-generations-consume-news-differently/> (accessed Jan. 29, 2022)

³⁴ "Podcast Industry Report: Market Growth and Advertising Statistics in 2022," Insider Intelligence. <https://www.insiderintelligence.com/insights/the-podcast-industry-report-statistics/> (accessed Jan. 29, 2022).

Which of the following social media platforms do you use on a regular basis?

37 responses

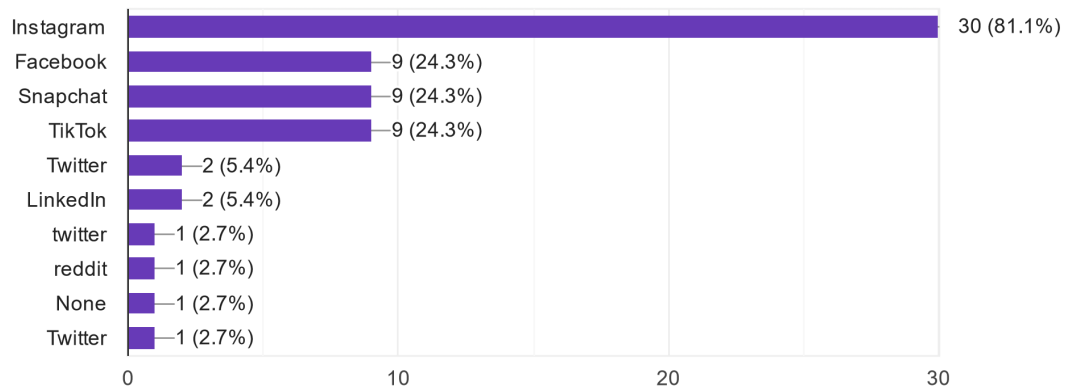


Figure 2. Social Media Usage, original market research.

The situation of the market can be summed up as follows: Uninformed, unsure but open to the choice if given. Our proposed market advertising strategy consists of four main goals:

1. To increase awareness of the consumer of what cultivated foods are.
2. To educate the consumer about who Perfect Day is.
3. To generate interest in the consumer.
4. To convert consumer interest into action.

Though Perfect Day is a leader in cultivated dairy product technology, the entire cultivated dairy industry as a whole is still very underdeveloped. Therefore the focus of our campaign is to increase awareness within our target demographic and also provide clear education messages and access to more information.

The focus of our online digital campaign is to create awareness of Perfect Day, which currently doesn't have any existing brand image or identity amongst the public. We would like to bring the concept of Perfect Day and the related products into the mainstream consciousness through 3-main avenues:

1. Increase Social Media presence:
 - a. Revitalize social media presence with a focus on Instagram:

Instagram was listed as one of the top social media platforms used on a regular basis in our own primary market research. A comparison of Perfect Day's current social media presence compared with other competitors amongst the cultivated cheese space and other cultivated food brands such as Wildtype show a distinct difference in brand impressions. There are less product specific posts as compared to other firms, there are also less "statement posts" that highlight specific product attributes such as "animal-free", "hormone-free", "lactose-free".

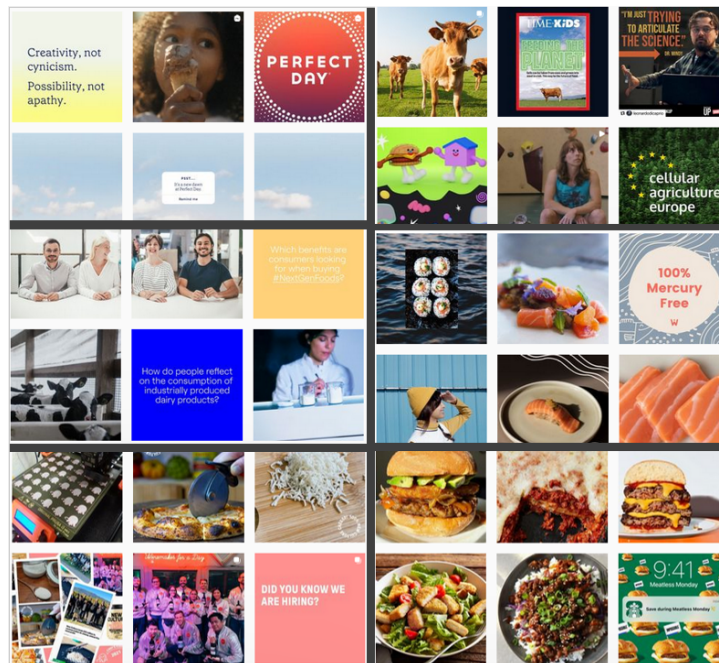


Figure 3. Most Recent 6 Instagram posts. Clockwise from top-left, Perfect Day, Mosa Meats, WildType, Impossible Foods, New Culture, Formo.

Moving forward, we suggest that Perfect Day create a series of individual posts that highlight the product benefits. There should also be a series of posts that highlight the functionality and taste of each product with an accompanying link to further online digital content where followers and users can further explore the precision fermentation process or see how the product can be used.

b. Engage with established food content YouTube channels to drive awareness

A 2014 study found that while nearly half of all adults watch food videos on YouTube, millennials (ages 18 to 34) view the most food content, watching 30% more food content on

YouTube, on average, than other demographics³⁵. The number of food-related viewing hours has only increased, particularly during the COVID-19 pandemic which has seen recipes and cooking video views increase 31% in 2020 compared to March 2019³⁶. The same 2014 study identified four main reasons that attract viewers to YouTube food videos, these include entertainment, exploration, expertise or ease. YouTube food videos fulfill multiple different functions for the viewer, standing in as an educator and guide to learn about new food items and recipes. This is particularly important for next generation food products like the animal-free dairy of Perfect Day. Videos are a perfect medium that can communicate the texture, taste, and functionality and broaden the appeal of ingredients. Such content can deliver inspiration and creative action directly to individual consumers. Leveraging creator-driven branded content has allowed brands to drive purchase intent by 22%³⁷. YouTube creators have already developed a strong sense for how to develop content that speaks most with their following, providing an ideal way to drive organic reach. We've identified the following YouTube channels in Table.2 , all which have a focus on food and cooking. The proposed partnership would be to do a product specific taste review test to demonstrate functionality and taste of Perfect Day cream cheese.

Table 2. Potential YouTube Collaborators

Channel	Total Subscribers	Content Focus	Areas for Collaboration
Babish Culinary Universe	9.48M	Movie food recreation and fundamental basics to cooking	Specific episode using Perfect Day cream cheese or product placement
Claire Saffitz x Dessert Person	908K	Dessert recipes at home	Specific episode using Perfect Day cream cheese in dessert recipes to demonstrate functionality

³⁵ "Millennials Eat Up YouTube Food Videos," Think with Google.
<https://www.thinkwithgoogle.com/marketing-strategies/video/millennials-eat-up-youtube-food-videos/>
 (accessed Jan. 29, 2022).

³⁶ "COVID-19 YouTube Trends," Think with Google.
<https://www.thinkwithgoogle.com/marketing-strategies/video/corona-virus-video-trends/> (accessed Jan. 29, 2022).

³⁷ "Collaborating with YouTube Creators," Think with Google.
<https://www.thinkwithgoogle.com/marketing-strategies/video/youtube-creator-collaboration/> (accessed Jan. 29, 2022).

Pro Home Cook	3.09M	How to make quality food at home	Taste review
J. Kenji López-Alt	1.11M	POV cooking videos with high education focus on fundamental basics	Use of cream cheese in 1 home cooking video to demonstrate functionality
Carla Lalli Music	145K	Approachable home cooking	

2. Leverage the rocketing demand for on-demand audio content:

Besides social media, on-demand audio like podcasts have also skyrocketed in popularity, with a projected YoY growth of 6% to a total of 125 million active listeners in the USA. Further research has shown 39% of USA adults aged 18-34 listen to podcasts on a monthly basis. Taking conservative estimates, the 18-34 female age range is roughly 10% of total USA population, about 33 million. Through podcasts we could expect to reach a total audience of 12.87 million.³⁸

One main benefit of podcasts is that the main driver of podcast choice is not dictated by dietary preferences, but by original interest about the themes covered by the podcast, whether it is technology, futurism, food culture, or sustainability. This allows Perfect Day a direct channel to communicate with multiple user profiles across our given 18-34 year old demographic, which will build awareness and exposure regardless of their existing dietary habits.

For short length podcasts (less than 15mins), Perfect Day can either simply promote the product and emphasize aspects relevant to specific shows. Long form podcasts (>30min) can be used for in-depth interviews with Perfect Day leadership or product team to communicate with consumers directly and address any misgivings or misconceptions. This will help to humanize the Perfect Day image and establish authenticity by establishing genuine consumer interaction.

Based on different consumer profiles, we believe that three groups, the “eco-warriors”, the “healthy hardcores”, and the “trendy trialists” would be most likely to be positively influenced

³⁸ “U.S. population by age and gender 2019,” Statista.
<http://www.statista.com/statistics/241488/population-of-the-us-by-sex-and-age/> (accessed Jan. 29, 2022).

by podcast content due to more intangible conceptual ideas being the main drivers of their consumer behavior. Precision fermentation and its application to creating food products can create connections to multiple different concepts such as emerging technology, food and sustainability, innovation and disruption, and evolution of food culture. Based on criteria for podcast selection listed in Table 3, we've identified existing podcasts that would speak to at least one of these three target groups, optimizing for the largest audience reach possible.

Table 3. Podcast Selection Criteria

Podcast Selection Criteria	Reason
1. Has established credibility with existing audience	Perfect Day will be able to leverage the podcast host brand name to engage with a wider audience.
2. Consistent quality and upload schedule	Lends credibility to Perfect Day content and ensures continued engagement through the podcast audience.
3. Focus on learning about new ideas in their field	Openness and genuine curiosity will drive good-faith conversations that will create positive impressions.

Table 4. Potential Podcast Collaborators

Channel	Content Focus
Gastropod	Food with a side of science and history
Future Food	New technologies and food products playing a key role in shaping food system change
The Splendid Table	Changes in food culture and food technologies

3. Collaboration with Chefs & brands through physical product events and launches

Though the COVID-19 pandemic has severely disrupted existing dine-out habits and patterns, there has been increased emphasis on sustainability throughout the dining industry. Notable examples include Michelin-star & food sustainability advocate chef Dominique Crenn who just added UPSIDE Meat's cultivated chicken meat to her restaurants in San Francisco. Besides individual chefs taking greater strides toward sustainability, the Michelin Guides unveiled a new star category, the Michelin Green Star, in 2020. The Michelin Green Star award "highlight[s] the restaurants in its selection that stand at the forefront of a more sustainable

gastronomy.”³⁹ There are a total of 8 Michelin Green Star restaurants in the USA as of 2022. Based on their individual sustainability focus areas and cuisine types, we have identified 6 potential collaboration opportunities with Michelin Green Star restaurants such as Bar Crenn, Atelier Crenn, Osteria Mozza, and Chi Spacca. Incorporating Perfect Day animal-free cream cheese into these restaurant menus would allow Perfect Day to gain immediate exposure through the Michelin Guide. In particular, these partnerships can also capitalize on the broad working knowledge of individual chefs to create new dishes that highlight the taste and flavor of Perfect Day animal-free cream cheese that will build continued exposure of Perfect Day to the wider food culture community.

Besides upscale fine dining, other food technology brands that have achieved mainstream success could also be potential partners for physical product partners and product collaborations. Impossible Foods and Beyond Meat are both brands that have successfully taken plant-based meats into the mainstream consumer consciousness and further established credible reputations as meat alternatives that are just as flavorful and functional as the original meat and have proven additional sustainability benefits. Both brands have developed plant-based products for hamburger patties, chicken nuggets, and sausages. All foods that are distinctly American fast food culture items that resonate across demographics. The stereotypical image of a fast food meal often includes a burger and fries paired with either a soft drink or milk shake. We propose that Perfect Day focus on developing an animal-free milk shake that is based on animal-free cream cheese. This milkshake could then be co-promoted with Impossible Foods or Beyond Meat products as the next-generation of the quintessential American combo meal of burger and milkshake.

By collaborating with established next-generation food brands like Impossible Foods and Beyond Meat for co-promotion. Perfect Day can immediately gain access to the existing massive followings of these brands. Impossible Foods has 330K followers on Instagram, while Beyond Meat has 1M followers. The total aggregate reach of such a campaign would easily reach upwards of 1.5 million people online just based on the existing follower numbers of just Impossible Foods and Beyond Meat. The range and reach of these two brand audiences combined with the higher chance of these two brand audiences to resonate with Perfect Day’s

³⁹ “What is a MICHELIN Green Star?,” MICHELIN Guide.
<https://guide.michelin.com/us/en/california/article/features/what-is-a-michelin-green-star> (accessed Jan. 29, 2022).

sustainability mission, and easily create interest and awareness for Perfect Day product offerings.



Figure 4. The traditional trifecta of a fast food meal: Burger, fries, and drink.