

Strategic Analysis of Beyond Meat, Inc.: 2021

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Abstract: Beyond Meat, Inc. is a food processing company that produces a meat alternative for consumers looking for a delicious plant-based food. This analysis of the firm in 2021 includes a background of Beyond Meat's origins as a food processing company, its mission and objectives, the firm's overall strategy, an internal and external analysis of its products when compared to its goals and recommendations to realign its product strategy to meet the challenges of 2021's market landscape. Analytical tools include PESTLE, five forces, VRIO, value chain and SWOT analyses.

Keywords: strategic analysis, case study, sustainability, plant-based meat alternative

INTRODUCTION TO BEYOND MEAT

Beyond Meat was founded in 2009 by now-Chief Executive Officer Ethan Brown (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 84-85). Brown began his career in the energy sector, seeing the growing need for renewable fuel sources to combat the climate crisis. However, after a decade of work in energy, Brown found that innovation to reduce greenhouse gas emissions sorely lacked in other sectors of the economy—notably the livestock and agriculture industries, which can account for over 50% of CO₂ emissions.

By 2009, Brown decided reducing greenhouse gas emissions by developing sustainable, plant-based alternative food products. That same year, Beyond Meat was opened as a small commercial kitchen in Maryland and began selling plant-based meat alternatives to Whole Foods Market Prepared Foods in the Mid-Atlantic region.

By 2010, the company opened a manufacturing plant facility to develop new products. Brown worked with researchers from the University of Missouri's Bioengineer and Food Science Department at the College of Agriculture and Natural Resources with faculty and students at the University of Maryland's Nutrition & Food Science Department to develop innovative solutions to animal meat.

Brown and his team began licensing products that combined plant protein and other ingredients mimicking animal meat (*Beyond Meat Opens Doors of New State-of-the-Art Innovation Center in Los Angeles, Expanding Research Footprint and Fueling Progress Toward a Perfect Build of Meat Directly from Plants*). By understanding the primary components of meat, including lipids, trace minerals, and water, Brown discovered it was possible to create meat alternatives without using animal-based products.

In 2018, Beyond Meat opened a 100-employee research and development facility called the Manhattan Beach Project Innovation Center in El Segundo, California. The center is tasked with using Beyond Meat's "highly iterative and rapid style of innovation" to develop and improve plant-based meat alternatives to the marketplace.

As of the first quarter of 2019, Beyond Meat was projected to have a three-month range of total net revenues between \$38 million to \$40 million (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 8-9). By April 22, 2019, Beyond Meat reported to the Securities and Exchange Commission its initial public offering plans, including issuing 8,750,000 shares of common stock between \$19.00 and \$21.00 per

share. As of March 31, 2021, Beyond Meat was trading at \$13.12 a share with a market capitalization of \$8.19 billion (BYND:US).



Figure 1. Beyond Steak

<https://www.beyondmeat.com/en-US/products/beyond-steak?variant=beyond-steak>

Corporate Mission and Objectives

Beyond Meat's mission is to provide consumers with a plant-based alternative to animal meat (*The Future of Protein Made from Plants*). Beyond Meat believes that “by combining expert innovation with simple, non GMO ingredients, [it] deliver[s] the meaty experience [consumers] crave with the compromise.” (<https://www.beyondmeat.com/en-US/mission/>, 12/26/2022)

The company believes its products satisfy the demand consumers' demand for meat while also supporting four global issues:

- Positively impacting human health;
- Addressing climate change;
- Conserving strained natural resources; and
- Preservation of animal welfare.

The University of Michigan's Center for Sustainable Systems assessed the sustainability of Beyond Meat's products and found it generated 90% fewer greenhouse gases, required 46% less energy, impacted 99% less on water scarcity, and had a 93% less impact on land use compared to a fourth of a pound of U.S. beef (Heller, M. C. & Keoleian, G. A.).

Corporate (Generic) Business Strategy

Beyond Meat claims to have created what they claim is a “paradigm shift” (Beyond Meat 2021 Annual Report, p. 17) by offering plant-based foods that are indistinguishable from meat. In fact their products are sold in the meat section of supermarkets rather than the vegan section which would include competitor products such as Boca Burger, Morningstar Farms and Dr. Praeger's. They target their sustainable meatless products not at vegans but rather at meat consumers who might want to eat a healthy meatless alternative (“Eat What You Love”, Ibid) that looks and tastes like the “real thing.”

Beyond Meat sells at a big premium for its products, not only relative to animal protein (beef) but also to competitive plant-based products. Barron's found at a local Amazon-owned Whole Foods that the Beyond Burger was selling for about \$12 a pound (two 4-ounce patties retail for \$5.99) while Whole Foods 365 brand vegetable burger patties sold for \$6.40 a pound and ground beef \$5.00 a pound. (Root, June 3, 2019)

Beyond Meat's generic strategy (Sherman et. al., 2007) could then be characterized as a broad differentiation strategy. They sell specialty meatless products that are pitched to a wide consumer base of both vegan and meat eaters and are priced above competitor and substitute products.



Figure 2. Beyond Burger

<https://www.beyondmeat.com/en-US/products/>

EXTERNAL ANALYSIS

Understanding the dynamics of the external environment is crucial to strategic analysis of a firm because these dynamics represent one of the major forces for change. The interactive forces in the external environment have the ability to support the operations of the firm or to detract from it; either they can create market opportunities or threaten the very existence of the firm.

First, we analyze the Macro Environment, a set of external forces that encompass literally everything that is going on anywhere in the world. Second, we identify the Industry Environment, a set of driving forces that are much more concentrated in the operating arena where a firm does business.

Macro Environment – PESTLE Analysis

As we suggested above, the Marco Environment contains the world at large - most of these elements, trends, and forces do not necessarily have the potential ability to either help or harm a given organization. However, there are some global trends and factors that do have the ability to positively or negatively impact a business and these are the ones that the strategic managers of a firm must be familiar with, monitor, and be prepared to respond to if the change in the factors become strong enough to affect the firm's operations. It is useful to segment these factors into common areas so that when a strategic decision-maker begins an analysis of the external environment she/he can start by looking at specific categories and then begin to examine each category of factors to determine possible impacts on the organization. It is important to note, however, that these segments are not mutually exclusive and do interact with one another.

Political/Regulatory Factors:

As a food producer and distributor, Beyond Meat faces some of the most stringent regulatory hurdles than firms in other industries. Primarily, Beyond Meat's regulators include the U.S. Food and Drug Administration (FDA), U.S. Federal Trade Commission (FTC), and the U.S. Department of Agriculture (USDA) (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 31-32).

Specifically, the FDA and USDA pose the most significant regulatory risks. FDA guidelines oversee requirements regarding product consumption, manufacturing, and branding. FDA regulations allow mandate nutritional requirements placed on product packaging, and regulators can inspect facilities. Further, industry leaders

petitioned the USDA not to consider plant-based meat alternatives as traditional “meat” or “beef” because those products do not come from animals.

Many state agricultural departments also regulate the sale, production, and branding of food products, including meat alternatives, which Beyond Meat must comply with to sell its products in their states.

Economic Factors:

Barring longstanding supply-chain issues, the recent COVID-19 Global Pandemic created a unique opportunity for Beyond Meat. While the foodservice industry suffered because of government closures, the distribution of Beyond Meat’s products favored growth. As restaurant sales fell as much as 60% during the second quarter of 2020, grocery store sales skyrocketed by almost 200% (Reeth, M.) During the pandemic, Beyond Burger’s dual business model may have hurt its growth by declining sales in foodservice, but it is likely they shored-up losses with booming retail sales.

Sociocultural Factors:

Consumption trends, especially in packaged goods and fashion, have begun to shift from producing—just—quality products to also providing consumers with products that reflect their values (Rosmarin, R.). A 2019 study found that 47% of online shoppers stopped purchasing products that did not comport with their values, especially on the environment. Growing awareness regarding the environment and human health allows a company like Beyond Meat to capitalize off this consumer trend, while it dually embrace’s the company’s founding values (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 3)

One limitation are historical prejudices found globally about the use of plant-based protein products substituting meat. Elaine Siu, the managing director of the Good Food Institute Asia Pacific, told CNBC that new forms of plant-based protein foods face prejudice throughout Asia because of Buddhism’s longstanding use of cheap, less-popular alternatives (Ng, A.).

Technological Factors:

With Beyond Meat’s constant focus on investment in innovation, it should see continued growth in the next few years. First, Beyond Meat currently has a 63-member team of scientists, researchers, and engineers working on various projects. Already, the company reports to have made several plant-based meat breakthroughs (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 97). Further, by opening the Manhattan Beach Project Innovation Center in El Segundo, California, Beyond Meat has shown its interest in using new technologies to constantly innovate and improve its projects.

Legal Factors:

Because Beyond Meat produces food products, it is regulated by various regulatory agencies listed above. This subjects the firm to various lawsuits and government-led investigations regarding its procurement and manufacturing processes (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 26-27).

Since 2017, Beyond Meat has been defending a lawsuit by Don Lee Farms, a co-founder of the company, after Beyond Meat terminated a manufacturing agreement with the firm and allegedly misappropriated trade secrets regarding the production of Beyond Meat’s products. Further claims include fraud and misrepresentation. Don Lee Farms claims it is owed compensatory and punitive damages.

Regardless of a claim’s merit, or if the investigation yields no wrongdoing, Beyond Meat feels extensive litigation or regulatory penalties take away valuable time and recourses from its executive leadership and hurt its overall brand image.

Environmental Factors:

Climate change poses one of the greatest risks to Beyond Meat's business model—as it does many companies and industries. Expert analysis of climate change's impact on global supply chains and crop yields shows a bleak picture in the next few decades. Some experts conclude that by 2100, global vegetable and legume yields may fall as much as 35% because of water scarcity and high concentrations of salinity and ozone (Cho, R.).

Further, the agricultural industry may face issues during crop growing and harvesting months as higher moisture content in the air and rising sea levels cause harsher storm systems and inland flooding. Without a dramatic public and private investment in climate change prevention, food production companies like Beyond Meat can face ever-rising costs for raw materials and shipping.

Industry Analysis – Five Forces Model

Every organization belongs to an industry. An industry can be defined as a group of firms that provide similar goods or services. Therefore, in making the decision to begin a business, or to continue to operate a business in a given industry, the firm is subject to the specific characteristics, patterns of acceptable activity, competitors, and other industry forces that impact firm performance. Some industries are better, and more attractive than others.

Writer Michael Porter (1985) provides us with a generally accepted schema for determining industry attractiveness. He does this by identifying five different forces that characterize various industry elements and then provides us with a way of viewing that industry to determine if it is, in fact, the optimal industry in which a firm can sustain a healthy growth pattern and achieve better than average profits. The stronger these competitive forces are within the industry, the greater the overall competitive nature of the industry will be and thus the lower the profitability of that industry and the attractiveness of that industry. Below is a comprehensive industry-based analysis of Beyond Meat used to assess the company's competitive strategies in the marketplace.

Industry Competition & Substitute Products

Beyond Meat's overall industrial competition remains traditional animal-protein companies, including Cargill, Hormel, JBS, Tyson, and WH Group. Based on the Meat Global Industry Almanac 2015-2024, the global meat market reached total revenues of \$1,223.4bn in 2019, seeing a compound annual growth rate (CARG) of 2.4% between 2015-2019 (*Global Meat Industry Almanac 2020: Market Value and Volume 2015-2019 and Forecast to 2024 - Researchandmarkets.com*).

While the alternative meat industry is gaining popularity, it is still in its infancy. As of 2020, the global meat substitutes sector was worth an estimated \$20.7 billion but is projected to grow to \$23.2 billion by 2024 (Ng, A.). Because of the massive discrepancy between new plant-based meat protein alternatives and traditional animal-based meat protein, Beyond Meat's—and the entirety of the alternative meat industry—must compete with the status quo of protein products.

New Industry Players (Entrant Barriers) & Plant-Based Competitors

Although Beyond Meat's direct competitors would normally fall under its industrial meat competition, plant-based meat alternative products are a relatively new offset of the industry. Thus, direct competitors now include Boca Foods, Field Roast Grain Meat Co., Gardein, Impossible Foods, Lightlife, Morningstar Farms and Tofurky (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 19).

As mentioned above, Beyond Meat faces a litany of direct competitors from brands designed to sell plant-based meat alternatives. However, more established food-processing companies including Tyson Foods, Kellogg, Kroger, Nestle, and Conagra Brands either have made announcements or already launched new plant-based meat alternatives (Reinicke, C.). Tyson Foods, for example, sold all of its Beyond Meat shares (6.25%) in 2019 and launched a meat alternative product line—Raised & Rooted.

Competitive factors amongst Beyond Meat's competitors fall under various categories outlined in the table below:

Categories	Competitive Factors
Product Components	Taste; nutritional profile; ingredients; texture; integration into consumer diet; low-carbohydrates, low-sugar, high fiber and protein-based; and lack of soy, gluten, and genetically modified organisms (GMOs).
Consumer Accessibility	Convenience; cost; access to retailer shelf space and locations; access to restaurant chains and menu integration.
Product Investment	Product variety, brand awareness, commitment to advertising, and structural innovation of product lines, and intellectual property protection.

Figure 3. Beyond Meat’s Competitive Factors by Category

An issue facing Beyond Meat is the sheer number of competitors that have entered the market in the last few years. Because of a growing demand for plant-based alternatives to animal meat, traditional and direct competitors see the value in launching the same or similar products. However, even though several consumer brands offer the same services, Beyond Meat positioned itself to maximize consumer exposure.

Beyond Meat offers several product lines, including their signature Beyond Burger, a pre-made Beyond Beef patty and has 20 grams of protein and three grams of fiber per serving (Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT, 90-92). Further, Beyond Meat sells Beyond Beef that can be used as tacos, burgers, or meatballs. The company also sells ready-to-cook sausages and minced Beyond Meat crumbles.



Figure 4. Beyond Sausage

<https://www.beyondmeat.com/en-US/products/beyond-sausage?variant=hot-italian>

Beyond Meats sells its products in both major retailers and restaurants. Major retailers include Ahold, Kroger, Safeway, Shop Rite, Starter Brothers, Target, Wegmans, and Whole Foods Market, which accounts for 58% of net revenues as of 2018. Restaurants include A&W (Canada), Bareburger, BurgerFi, TGI Fridays, and Veggie; Beyond Burger’s foodservice and hospitality partners include Cermak Theatres, Disney World, Hilton, Hyatt, LEGOLAND, and Marriot. As of 2018, both restaurant and foodservice sales accounted for 42% of net revenues.

Although retail sales hold a slightly higher majority than the foodservice, the relatively equal distribution of sales provides Beyond Burger a competitive advantage.

Buyer Power

Data shows a large number of consumers are willing to pay for Beyond Meat’s price (\$11 to \$12 per pound) versus traditional animal-based meat products at roughly \$3 per pound (Reinicke, C.). While animal meat products

saw a sales increase of less than 2% over a 52-week period, Beyond Meat saw a 107.5% increase over the same time. Consumer interest in plant-based alternatives—even at a higher cost—provides Beyond Meat a unique opportunity, especially if they can slowly decrease the price of products overtime.

Supplier Power

The current supplies used by Beyond Meat are agricultural based-products, products that are considered commodity items and therefore price is an outcome of purely supply/demand variables. Improved communication technology has taken away the power of many local farm suppliers. The recent mergers of suppliers and the consolidation of input technologies, such as seeds and pesticides, have increased the suppliers' bargaining power with farmer-customers, as well as changed the competitive pressures within the input industries. (Olson and Boehlje, 2010)

In general, because of the competitiveness of the industry, the emergence of new but highly established entrants into the meatless market and the fact that Beyond Meat is competing in both the meat and meatless market as the "high price" competitor, the industry is considered as competitive and hence less profitable overall for less established firms like Beyond Meat.

INTERNAL ANALYSIS

While reviewing the external factors that gauge the success of Beyond Meat's strategies for growth, it is also best to look at internal factors that would allow the firm to leverage its growth opportunities. This section will use a VRIO Analysis and Value Chain Analysis to assess Beyond Meat's internal processes to gauge competitive advantage in the marketplace.

VRIO Analysis

The quality of a firm's resource base is one of the key considerations in conducting a strategic internal analysis. Barney (1977) has suggested that there is a way of looking at resources that will tell strategic decision-makers whether their resources are of high or lesser quality and value. When a strategic decision-maker is able to answer "yes" to all of these characteristics of a given resource, then he or she can conclude that that particular resource is one that should be protected and grown, one that will help the firm reach its strategic objectives. If, on the other hand, the strategic decision-maker answers "no" to one or more of these characteristics, then another set of decisions needs to be made.

Value

Based on current market trends and the growing demand for plant-based or meatless protein alternatives, Beyond Meat's products offer value in a competitive marketplace. According to the Plant Based Foods Association, plant-based foods saw a 18.4% increase in sales in 2019, while animal-based foods only saw a 2.7% increase in sales (*Retail Sales Date 2019*). Thus, Beyond Meat offers products of value that meet the growing demands of consumers for plant-based alternatives to traditional animal meat. In terms of value, Beyond Meat maintains a competitive advantage in the marketplace.

Rarity

At the moment, any form of rare resources comes from its proprietary technology in plant food processing and protection of intellectual property. Beyond Meat admits that it maintains a competitive advantage over its competition so long as it maintains intellectual property protection over its proprietary technology (*Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*, 33).

Currently, Beyond Meat has one patent issued by the U.S. Patent and Trademark Office (USPTO) with another 21 patents pending (eight in the United States and 13 globally). Because patent applications can up to 18 months to process and require extensive investigations and supporting legal document, the process can be cumbersome and costly. Beyond Meat also uses copyright, trademark, and other intellectual property licensing protection.

Without intellectual property protection, the extensive financial resources poured into innovative protect and manufacturing design can be severely undercut by domestic and international competition.

Imitability

As stated in previous sections, Beyond Meat also faces stiff competition from other companies that either have longstanding experience and market control in food processing or are relatively new but offer similar products.

Impossible Foods, for instance, is planning a 20% price reduction for its Impossible Burger products—a plant-based alternative to beef (Woodside, D.). In 2020, Impossible Foods reports a dramatic increase in the sale of its Impossible Burger product line from 150 grocery stores to nearly 17,000 in just one year. The company states the Impossible Burger uses about 90% less water and energy and 96% less land than traditional livestock. Capitalizing off of the growing demand for meat alternatives, Impossible Foods directly competes with Beyond Meat’s central product line. Based on field research conducted at a local Target, Beyond Burger Patties, which retailed as a two-pack of 4-ounce patties at \$5.29 was placed directly next to Impossible Burger Patties retailing as a two-pack of 8-ounce patties at \$5.99.

Although Beyond Meat offers consumers a range of options, it has to compete with other brands offering similar products. An overly saturated market of plant-based animal meat alternatives hinders Beyond Meat’s competitive advantage.

Organization

Beyond Meat’s competitive advantage arguably exists today because of its methodical approach to product development based on innovation with roots to its core values. As a relatively young sub-set of a longstanding industry, Beyond Meat and other plant-based protein producers must find ways to make their products easier to manufacture and cheaper for consumers.

By reinvesting profits into expanding current infrastructure—like it has with its El Segundo facility—and continuing its focus on improving human health, combatting climate change, conserving natural resources, and advocating for animal welfare, the company is poised to remain competitive.

Value Chain Analysis

Value chain analysis is another good way of analyzing the internal environment of an organization because it looks at the ability of a firm to add value to its products or services as it converts raw material (or new ideas) into finished goods and delivers them to the customer. Value chain analysis has been refined by Michael Porter (1985) to include not only the primary activities involved in the development of a product or service (which he defines as inbound logistics, operations, outbound logistics, marketing and sales, and after sales service) but to also include the support activities that assist manufacturing and service delivery. See Figure 4 below.

Beyond Meat (“BY”)¹

Firm Infrastructure: BY does not own any real property. The company leases its headquarters in El Segundo, CA, which has approximately 17,600 square feet. BY also leases its 30,000-square foot Manhattan Beach Project Innovation Center. BY also leases two manufacturing plants in Missouri with a combined total of nearly 100,000 square feet of space.

¹ All information was provided by the following citation: *Beyond Meat, Inc. Amendment No. 5 to FORM S-1 REGISTRATION STATEMENT*. (2019, April 22). United States Securities and Exchange Commission. <https://www.sec.gov/Archives/edgar/data/1655210/000162828019004543/beyondmeats-1a5.htm#:~:text=Our%20mission%20is%20to%20create,provided%20by%20animal%2Dbased%20meats.&text=We%20operate%20in%20the%20large,based%20meats%20for%20human%20consumption.>

<p>HR Management: BY outsourced all of its human resources management to a professional employer organization (PEO), which performs all HR functions like administering payroll and employee benefits. One downside of using a PEO is that its clients—in this case BY—may be liable for its mistakes if violates state of federal employment law.</p>				
<p>Technology Development: BY’s research and innovation team tests and refines development products at its El Segunda innovation center. BY currently employs over 60 researchers, scientists, and engineers developing new products.</p>				
<p>Procurement: As of 2019, BY has engaged in two supply agreements, which include Roquette America, Inc. and PURIS Proteins, LLC. Based in France, Roquette sells pea protein derived from yellow peas grown in France as the basis of BY’s products. Roquette ships products to the U.S., which arrive in Chicago, IL. PURIS domestically sources pea protein.</p>				
<p>Inbound Logistics: BY is supplied pea protein from France, Canada, and the U.S., which is then shipped to its manufacturing plant for processing.</p>	<p>Operations: BY uses a robust manufacturing process including extruding the dry blend of pea protein with steam and water. The product is then woven with other ingredients, and is cut, frozen, and packaged by co-manufacturers.</p>	<p>Outbound Logistics: Once processed, BY’s co-manufacturers ship products to foodservice and retail purchasers for commercial sale.</p>	<p>Marketing & Sales: BY insists retailers that its products be placed next to animal-based protein products to attract animal meat consumers. Along with traditional media, BY has sought celebrity endorsements from athletes and entertainers.</p>	<p>Services: BY dually focuses cementing partnerships in retail, foodservice, and hospitality chains, while expanding partnerships globally.</p>

Figure 4. Value Chain Analysis Beyond Meat

Putting it All Together – SWOT Analysis Matrix

We have examined how the external environment and Beyond Meat’s internal environment act as pushing and pulling forces on the corporation’s missions, goals and objectives. These forces help to shape the role that the organization plays in the marketplace and help determine what would be the best strategy for the firm to follow given market opportunities and threats as well as the firm’s strengths and weaknesses (SWOT).

More specifically, changes in the external and internal environments require that the organization recognize that something is different. At this point decision makers must determine the impact of those changes on the organization’s key stakeholders; take measures that would prepare the key stakeholders for change (intervene in the current plan and pattern of actions to facilitate change); and then evaluate whether the interventions taken by the firm have effectively dealt with the internal and external changes. How well an organization employs its knowledge (or how it learns) to solve problems brought on by these changes will help it determine, create, and implement its business strategy.

By examining a firm’s strengths, weaknesses, opportunities and threats, the firm can determine their overall success in fulfilling their mission and achieving their objectives. The basic question for any firm to answer is, do their strengths outweigh their weaknesses and do their opportunities outweigh their threats?

Given their assessment of their situation, the firm should then take actions that would either stimulate growth (O>T; S>W), maintain the status quo (O>T; W>S), shrink the operation in the short-term (T>O; S>W), or divest the operation in part or in whole (T>O; W>S). These four alternatives represent the strategic goals of the firm with the understanding that these goals may change given changes in market and organizational conditions.

Below is our simplified SWOT analysis of the firm.

STRENGTHS	WEAKNESSES
Unique focus on innovation and improving product lines. Commitment to core values of improving human health, supporting environmental best practices, and supporting animal welfare. Brand alignment with current market trends. Diversification of points of sale.	Lack of identifying qualities compared to other brands, for example product differentiation between Beyond Beef and Impossible Burger. Little procurement diversity from pea protein suppliers. Value Chain subject to disruptions given their reliance on at least one international supplier.
OPPORTUNITIES	THREATS
Projected exponential growth of new industry. Intellectual property protection for innovative product design. International expansion of products in new and emerging markets.	Oversaturation of market by other producers of plant-based protein products. Disruption of global supply chain by external environmental and market factors. Market dominance by traditional animal-based protein suppliers.

Figure 5. SWOT Analysis of Beyond Meat

RECOMMENDATIONS

Beyond Meat’s success as an industry leader of plant-based protein alternative gives it a competitive edge against existing and up-in-coming suppliers of similar products. Even with many of its strengths and market opportunities, Beyond Meat can better position itself by focusing on seeking more domestic supply partners and finding ways to distinguish itself from its competitors. Beyond Meat needs to strengthen their supply chain, a critical factor given the impact of COVID-19 on international shipping and off boarding of goods at international ports.

By innovating its manufacturing process, Beyond Meat sets itself apart from direct non-meat competitors. However, it needs to diversify its stream of raw materials as climate change threatens global food production. Furthermore, as one of a growing number of plant-based protein producers, Beyond Meat lacks substantial brand differentiation between companies like Impossible Foods. Thus, Beyond Meat should distinguish itself from companies trying to capitalize on the growing demand for animal meat alternatives.

We believe Beyond Meat would be an excellent acquisition for one of the more established conglomerate food operations – i.e. Tyson Foods, Kellogg, Kroger, Nestle, and Conagra Brands. More specifically, we feel that Beyond Meat would fit very well into the Whole Foods family given its sustainable mission and would be an excellent addition to the Amazon family of goods and services.

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