

THE ORIGINAL

OATLY!

From Oats to Espresso: Oatly's Strategic Stir into Coffee Culture

Agency: OatBrew

-CMGT541 SU24-

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Brand Overview

- **Origin:** Swedish company committed to environmentally friendly, healthy, and lactose-free milk alternatives.
- **Initial Market:** Initially sold in health food stores and local markets in Sweden.
- **Market Expansion:** 2020: Rapid global growth with a 295% increase in sales during the pandemic.



Creative Strategy Funnel



Awareness

- OOH Ads
- Paid Social (Instagram and Tik Tok)
- Experiential Tasting Events
- CTV

Interests

- Online Video
- Website/ SEO
- Paid Social

Desire

- Social Media UGCs
- Website/ SEO
- Experiential Tasting Events

Action

- Social Media UGCs
- Email Marketing
- Experiential Tasting Events



Creative Brief

Objective



Challenge

- Differentiate from other well-established milk alternative brand
- Catching up with the **brand recognition** and trust of established brands

Opportunity

- Leverage Oatly's **superior taste** and compatibility with coffee
- Capture a larger share of the **coffee-drinking segment** in the United States Coffee Creamer Market

Strategy

- Collaborate with trendy local cafes to host **experiential tasting events** featuring **Oatly-based coffee**
- Promote Oatly's taste and texture benefits through targeted advertising

Positioning Statement



Oatly is the oat milk that elevates your coffee experience because of its naturally creamy texture and subtle sweetness, enhancing the richness of all kinds of coffee.

Campaign Goals



Increase brand awareness within the coffee-lover community



Generate social media buzz and position Oatly as a trendy lifestyle



Establish strong associations with coffee

Tone and Manner



**Humor, playful,
and witty tone**



**Use an inviting
and friendly tone
to connect with
coffee lovers**

Priority of Communications

Collaboration Announcements

- To preheat and sneak peek the event



Engagement Campaigns

- Encourage user-generated content, social media interactions, and participation in the experiential tasting event

Informational Content

- Educate consumers on how well Oatly pairs with coffee/ how to make a perfect coffee with Oatly

Unique Selling Proposition (USP)



"The Best Companion for Your Coffee"

Oatly is crafted to blend seamlessly with coffee, enhancing its flavor and texture, and making every cup richer, creamier, and more enjoyable with natural ingredients.

Reason To Believe (RTB)



1

Superior Taste

Creaminess and subtle sweetness

2

Barista-Approved

Excellent frothing capabilities and consistent performance

3

Health Benefits

Oatly made with natural ingredients

Consumer Research



Purchase Pattern



69% rated the quality of Oatly products as better than other milk alternatives.



Consumers predominantly enjoy milk alternatives in coffee (82%).



46/90 respondents ranked oat milk as their NO.1 go-to milk alternative for coffee.

**90% of respondents
expressed interest or
slight interest in a coffee
series featuring oat milk
as the base.**



Big Idea



Engaging Coffee Enthusiasts : Collaborating with Local Café

- Start in Los Angeles, New York, Chicago, Seattle, San Francisco and Boston, cities known for their vibrant coffee and trendsetting culture
- Launch an “Oat Coffee Tasting” event featuring a set of coffee consisting of 5 oat milk-based coffees



Prime Prospect

Target Customer



Primary Target

Coffee Drinkers who Use Additives

Demographic: Young white-collar workers and students.

Psychographic: Value quality and original taste of coffee.

Habits & Preferences: Prefer plant-based diet for taste, ethical and health considerations.

Motivations: Superior taste and texture, trendy fashion, health benefits and environmental impacts.



Secondary Target

Lactose Intolerant Consumers who Appreciate Good Taste

Demographic: Lactose-intolerant individuals of all ages.

Psychographic: Avoid lactose discomfort while maintaining a balanced, nutritious, and tasty diet.

Habits & Preferences: Use on various occasions such as coffee, baking and cooking.

Motivations: Good taste, digestive comfort, health benefits.

Current Marketing Strategy

Putting Content First

- Focus on Social Media
- Informative Content
- Humorous Engagement
- Challenging Industry Norms
- Unique Brand Identity

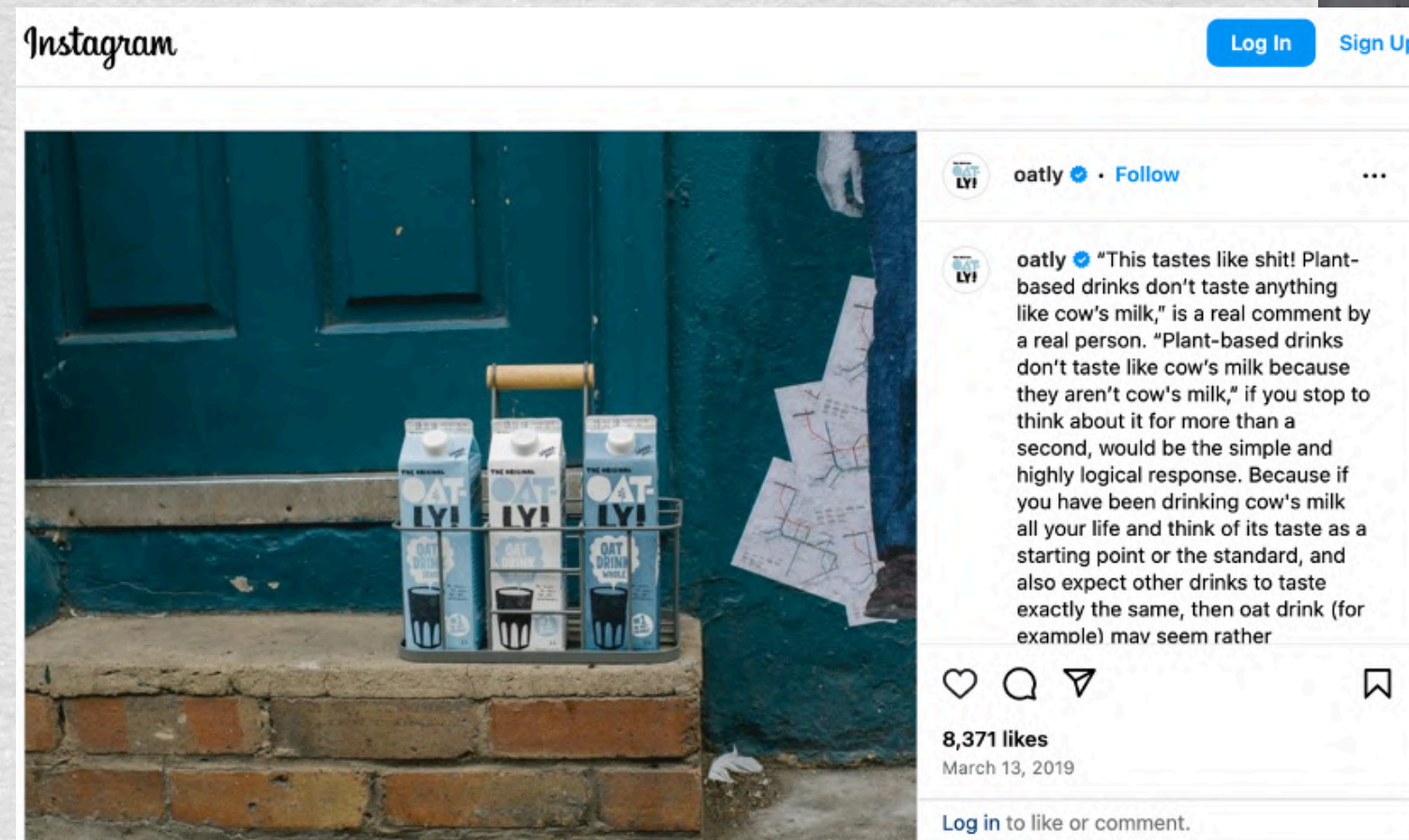


Current Marketing Strategy

Campaigning like Oat Punks

- Rebellious Brand Persona
- Innovative Campaigns
- Embracing Criticism
- Trendy and Humorous

Advertising



Current Marketing Strategy

Emphasis on Sustainability and Ethics

- Commitment to Sustainability
- Transparency and Responsibility
- Balanced Communication Way

The image shows a screenshot of the Oatly Sustainability Update 2023 webpage. The main heading is "OATLY SUSTAINABILITY UPDATE 2023" in large, bold, white letters on a dark background. A blue starburst callout next to the year says "OMG! IT'S ACTUALLY BETTER THIS TIME." To the right, a white box contains the text "SCROLL FOR BITE-SIZED STATS." with a right-pointing arrow. Below this are four white boxes with callouts: a hand icon pointing to a box that says "Click for a note regarding forward-looking statements"; a box that says "Click for full update written in detailed, legally correct language!"; a box labeled "Glossary"; and a box that says "Click to check out the sustainability update archive." A small blue box with the text "OLD!" is positioned to the right of the "Glossary" box.



Creative Executions

Paid Social (Instagram)



Paid Social (TikTok)



Connected TV

1



2



3



4



Out of Home Ad



Interactive Media



**Redirects to an informational video
"How to make a perfect coffee with Oatly?"**

Online Video

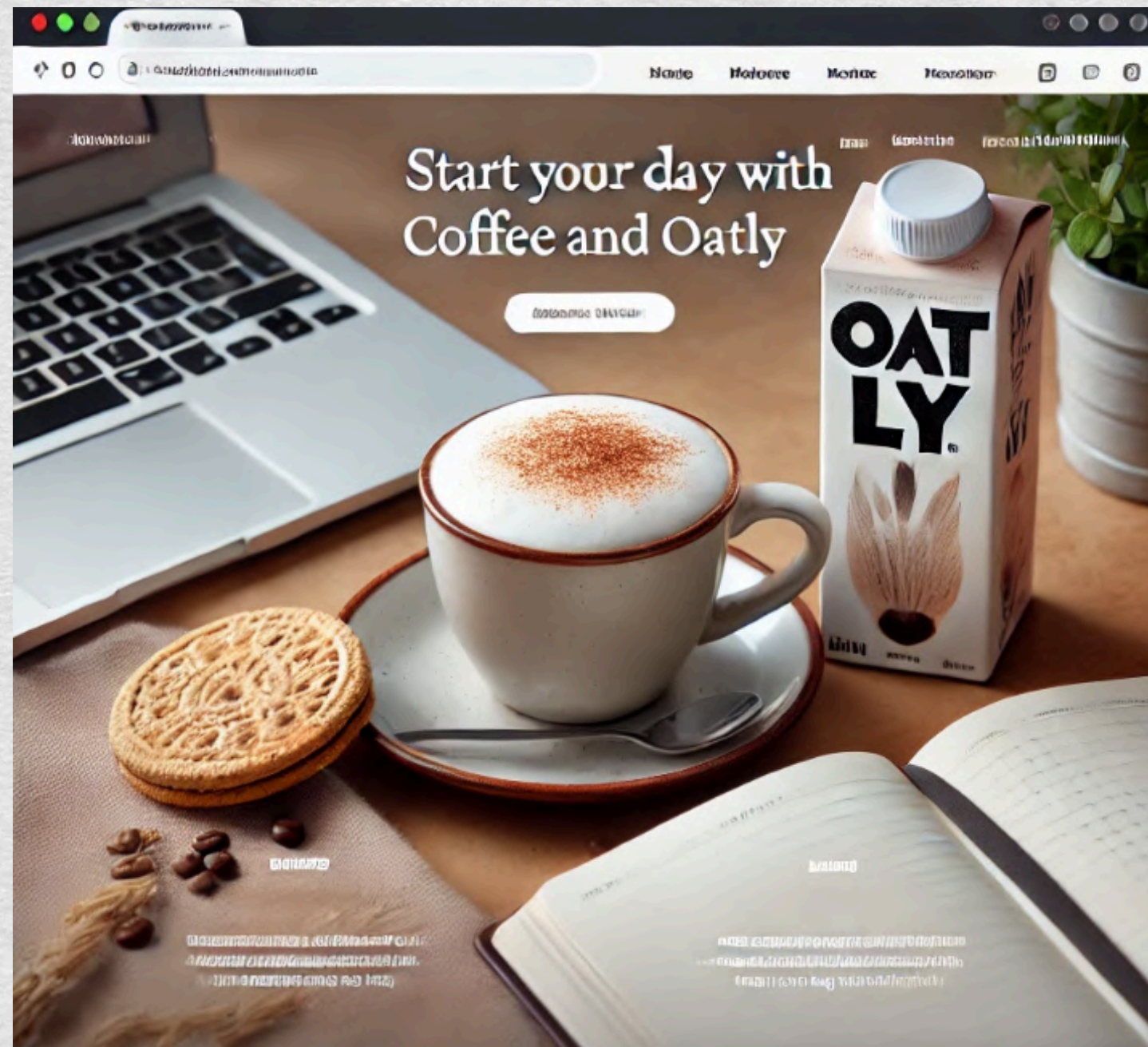


Experiential Event

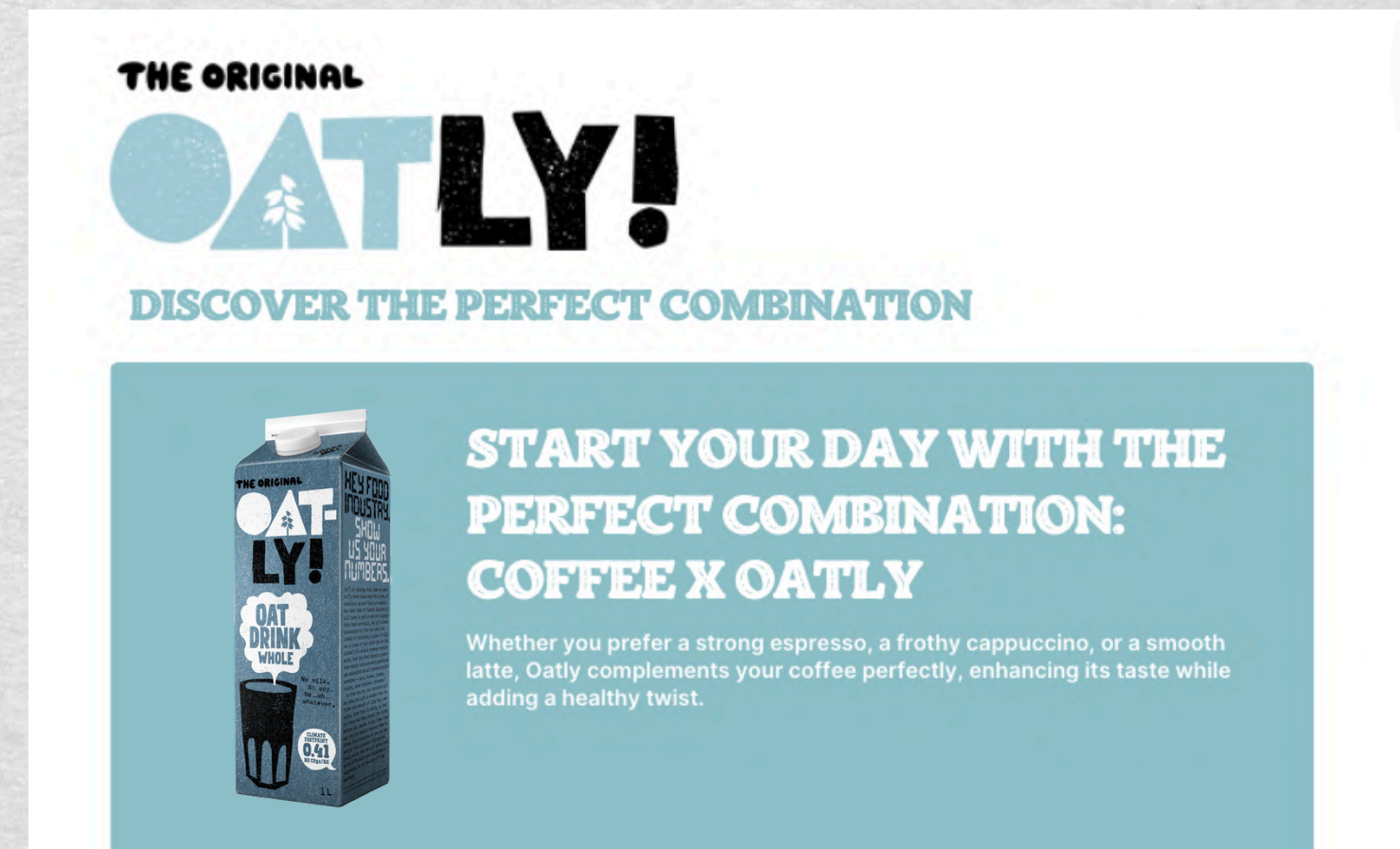


Digital Marketing

Website and SEO



Email Newsletter



Digital Marketing

Paid Search



- Q what is the best plant based milk for coffee
- Q what is the best plant based milk for coffee - Google Search
- Q Oatly
- Q Making a perfect coffee with Oatly
- Q Why does Oatly go well with coffee
- Q Healthy coffee creamer



Media plan & Budget

Coverage and Frequency Goals

Coverage Goal:

- According to research, about 60% of the U.S. population drinks coffee daily, so the potential target population for Oatly's campaign is 200 million.
- Reach at least 30% of this target population:
- $200,000,000 \times 30\% = 60,000,000$ (around 18% of the U.S. population).

Frequency Goal:

- Aim for an average frequency of 4-6 exposures per person to ensure the message is retained.



Campaign Period & budget

Campaign Period:

Sep 1, 2024 — Feb 28, 2025 (6 months)

Budget:

Based on the product revenue of **134.786 million** in the North American market in the first two quarters of 2024, we plan to spend 5% on marketing.

$$134.786 * 5\% = 6.74 \text{ million}$$

	Six months ended June 30,		
	2024	2023	As reported
Europe & International	215,948	199,264	215,948
North America	134,786	125,873	134,786
Greater China	50,616	66,495	50,616
Total revenue	<u>401,350</u>	<u>391,632</u>	<u>401,350</u>

[Oatly Reports Second Quarter 2024 Financial Results](#)



Budget Ratio & CPM

- CTV (Ad-Supported Streaming): **25%**
- Paid Social (TikTok/Instagram): **20%**
- Online Video (YouTube): **15%**
- OOH (Bus Stop Ads/Billboards): **10%**
- Experiential: **10%**
- Website and SEO: **10%**
- Email Marketing: **10%**
- Paid Search: **5%**

- CTV (Ad-Supported Streaming) CPM: **\$28**
- Paid Social (TikTok/Instagram) CPM: **\$10**
- Online Video (YouTube) CPM: **\$20**
- OOH (Bus Stop Ads/Billboards) CPM: **\$5**
- Experiential CPM: **N/A**



Media Budget & Impressions

Total budget= **\$6.74 million**, Target Audience=**60 million**, Frequency Goal: **4-6 exposures per person**, Total Impressions Needed: 60 million x 5 (average frequency) = **300 million impressions**

Chanel	Budget Allocation	CPM	Impressions
CTV (Ad-Supported Streaming)	25% = \$1,685,000	\$28	60,179,000
TikTok	20% = \$1,348,000	\$10	134,800,000
Instagram			
YouTube	15% = \$1,011,000	\$20	50,600,000
Bus Stop Ads	10% = \$674,000	\$5	134,800,000
Billboards			
Experiential	10% = \$674,000	/	/
Website & SEO	10% = \$674,000	/	/
Email Marketing	5% = \$337,000	/	/
Paid Search	5% = \$337,000	/	/
Total	\$6,740,000		380,379,000



Thanks for listening!

