# SWOT Analysis: Beyond Meat

**Audience:** customers

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<th>Strengths:</th>
<th>Weaknesses:</th>
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| - **Sufficient nutrition without GMO:** Beyond Meat products are built with proteins, fat, minerals, carbohydrates and water, the five components of meat, which provide greater or equal levels of nutrition than real meat. While Beyond Meat’s competitors use soy as proteins, the company is using peas and beans, which are GMO-free and reduce consumers’ hesitancy.  
- **Replication of meat:** Beyond Meat’s R&D team replicates their animal-based counterparts from all aspects to transfer customers from meat-eaters. The meat alternative imitates the appearance, flavor, texture and juiciness of meat.  
- **Partnership with retails and restaurants:** Beyond Meat teams up with well-established brands like KFC and Kroger which have a huge customer base. The partnership helps Beyond Meat reach a broad range of customers and establish brand recognition. | - **Health concern:** Beyond Meat uses coconut oil, which is a saturated fat associated with cardiovascular disease.  
- **Limited choices to meet customers’ need:** Beyond Meat develops only a few varieties of products, which can hardly satisfy customers’ need to a larger extent. For example, the company has not rolled out substitutes for lamp or seafood yet. |

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| - **Growing vegan trends:** An article published by the Food Revolution Organization reported a 600% increase in the population of vegans in United States over the last three years (Oberst 2018). According to the Good Food Institution, nearly 33.3% of the Americans consider themselves flexitarians, who are craving for more plant-based meals and the number of this population is still climbing (Cameron & O’Neill 2019).  
- **Focusing on obesity and health risks globally:** With obesity and other health issues attracting more attention, people are switching to healthier diets, showing more preference on organic and plant-based foods.  
- **Growing concerns of environment and animal welfare:** The meat-free products not only save animals but also significantly reduce Greenhouse Gas Emissions (GHGE) and the use of natural resources. According to an analysis published by the University of Michigan, a Beyond Burger uses 99% less water, 93% less land, 90% fewer GHGE and 46% less energy than a ¼ lb U.S. beef burger (Keoleian 2018).  
- **Bans on wildlife trade and consumption due to COVID:** Countries like China and Vietnam officially banned trading or eating wild since COVID-19 pandemic. Fear of diseases from animals, more and more people are considering vegan diets. | - **Stereotypes against vegan life:** Stereotypes like “only meat makes people stronger” are still popular in some areas especially China.  
- **Competitive alternative meat market:** Food tech companies like Impossible Foods and even traditional food brands like Tyson Foods are developing vegan offerings.  
- **Economic crisis triggered by COVID-19:** Retails and restaurants are forced to shut down after COVID-19 outbreak. March witnessed a trend of corporate credit rating downgrades followed by increasing unemployment, which is hurting consumption. |
**Strengths:**
- **Corporate social responsibility**
  The mission of the brand is to provide solutions for constraints on human healthy, animal welfare, natural resources and climate change, winning positive corporate reputation and more customers.
- **More investment after Beyond Meat’s IPO:**
  The company went public in 2019, making it easier to gather investment for company advancement from product development to marketing.
- **Global expansion**
  Beyond Meat is expanding to Europe and Asia, especially in China. Beyond Meat’s CEO made a commitment that the company will start produce in Asia by 2020 despite pandemics.

**Weaknesses:**
- **Supply chain and infrastructure:**
  It takes time for ingredient manufacturers to adapt their production line and supply chain to the requirement of plant-based meat. Costs on the expansion of supply chains will increase before the company makes profit, causing low net income in the short term.
- **Earnings below expectation:**
  Beyond Meat’s stock price dropped after it published its fourth-quarter earnings which missed expectations.
- **Lack of presence in global market especially in China:**
  Beyond Meat has not jumped into Chinese market yet which is reported to be about $910 million in 2018 while the US market size was $684 million according a report published by the Good Food Institute (Allen 2019).

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| - **Predicted hyper-growth of the plant-based meat market:**
  The global meat alternative market is expected to worth $27.9 billion by 2025 based on a report published by MarketsandMarkets in 2019. More investment will be attracted into this market. |
| - **Vegan food production is economical**
  Raw materials of vegan foods are much less expensive than real meat. The improvement of supply chain and production process will increase the efficiency and reduce costs for Beyond Meat, resulting larger profit margins. |
| - **Rise in demand for meat alternatives:**
  The market of meat substitute market is emerging rapidly with total plant-based retail hitting $5 billion in 2019. Over the past two years, dollar sales of plant-based foods climbed 29% according to an article published by the Good Food Institute (Gaan 2020). |
| - **Exit of investment:**
  Tyson Foods withdrew its investment on Beyond Meat in 2019 before Beyond Meat’s initial public offering and announced its new vegan-friendly brand Raised & Rooted, joining the stiff competition of meat alternative markets. |
| - **Global impacts of COVID-19 on production:**
  Several plant constructions have been suspended. Cross-broader shipment is also affected, causing delay of expansion plans and longer production cycle. |
| - **Unstable stock market:**
  March saw global stock market plunge due to COVID-19, affecting nearly all publicly traded stocks. |
References:


Keoleian, Martin C. HellerGregory A. “Beyond Meat's Beyond Burger Life Cycle Assessment: A Detailed Comparison between a Plant-Based and an Animal-Based Protein Source.” *Beyond Meat's Beyond*


Oberst, Lindsay. “Why the Global Rise in Vegan and Plant-Based Eating Isn’t A Fad (600% Increase in U.S. Vegans Other Astounding Stats).” Food Revolution Network, 18 Jan. 2018, foodrevolution.org/blog/vegan-statistics-global/.


