Your Dairy Checkoff Check-In

first quarter 2022

Real Dairy
REAL DELICIOUS
Insulate & Innovate to Drive Incremental Dairy

Milk Breaks into the Metaverse to Reach Consumers

Last year MilkPEP launched their “You’re Gonna Need Milk For That” campaign with measurable success, but where does it go now? With a sharper focus and an optimized marketing strategy, it can go from “good” to “great”!

Looking back to 2021, milk broke into the metaverse with a custom-created, immersive experience game on Roblox. The platform, with 200MM+ average monthly users as of April 2021, allows users to create their own games and online experiences - a feature brands are just beginning to explore. Milk is at the cutting edge of capitalizing on this platform, allowing MilkPEP to get in the door before it becomes overrun with marketing.

The partnership with the gaming platform included a KidsLift Study comprised of surveys pre-, during-, and post-campaign to gauge tweens’ and teens’ shift in perception of milk. Overall, the campaign successfully drove positive perceptions about milk, which, in return, drove purchase intent.

To keep the momentum going, MilkPEP is taking lessons learned from 2021 and developing exciting marketing campaigns for this year and beyond. A strong focus will be placed on updated and unexpected messaging that makes milk modern, relevant and connects culturally.

The “right partners” make everything better,” according to Al Dejewski, Vice President Marketing with MilkPEP, “which is why we are thrilled to have The Dairy Alliance as a strategic collaborator with us.”

Consumer Trends Provide Successful LTOs

The Dairy Alliance’s 2021 partnered restaurant initiatives with 12 chains produced an estimated 32,778,942 pounds of incremental milk volume.

“We love partnering with The Dairy Alliance to bring our LTOs to life. We are fortunate to have an amazing partner that works with us every step of the way. From collaborative concepting of ideas, to trends and insights, to promotional support, our new menu items are sure to be successful and boost sales thanks to The Dairy Alliance.”

− Kaitlin Stoehr, Director of Marketing, Krystal Restaurants, LLC

Foodservice distributor initiatives resulted in 745,500 pounds of incremental milk volume.

The Why Behind Promoting a Variety of Dairy Foods for Lactose Intolerance

February is Lactose Intolerance Awareness Month. During this time and throughout the year, The Dairy Alliance shares tips for including lactose friendly dairy foods like hard cheeses, lactose-free milk or Greek yogurt in the diet. Lactose intolerance is more common among Black, Hispanic, Native American and Asian populations. In fact, 1 in 3 households in our Southeast region have someone with a dairy sensitivity, and just under 1 in 3 households have someone who consumes lactose-free products. Currently 56% of Black consumers in our region do not choose lactose-free products, this is an area of opportunity to convert them to lactose-free milk buyers.

Our ongoing research shows that Black populations within our 8-state region are more likely to enjoy dairy foods as part of the diet than in more urban regions. The severity of lactose intolerance can range from slight discomfort to severe discomfort after consuming dairy, making the decision to cut out milk—if not all dairy—in favor of plant-based alternatives seem a necessity. The average Black consumer links dairy to lactose, not specific dairy foods.

Though lactose-free milk is now commonly available, we need to highlight all dairy foods that fall within the lactose-free category to improve sales across all channels. Although fluid milk is often replaced with plant-based alternatives, there is a growth of interest in dairy products like cheese, butter and yogurt.

In a continuing survey, Black respondents view dairy differently and less positively than other consumers. Since they are more likely to have a dairy sensitivity, they tend to consume more plant-based products; and are less likely to view dairy as healthier than alternatives. Recognizing their different viewpoints, we must focus on improving their perceptions of dairy as healthy and safe to consume by highlighting dairy products of interest as lactose-friendly foods.

Lactose Intolerance Awareness Month - FNO Campaign Results

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<tr>
<th>Impressions</th>
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A Note From CEO, Geri Berdak

In late February, I attended Dairy Management Inc’s (DMI) winter board meeting, with newly named CEO Barbara O’Brien. To say the meeting was energizing is an understatement. My key takeaway, there is a renewed focus on collaboration among the dairy industry and with its partners.

Optimizing your local checkoff investment through collaboration with DMI, MilkPEP and others aligns with The Dairy Alliance’s strategic priorities. By leveraging our collective strengths, abilities, and investments as dairy organizations at a local, national, and global level - particularly in science, research and technology - our ability to modernize the fluid milk category and shape future consumers (Gen Z) and their millennial moms’ opinions of milk increases significantly.

The Dairy Alliance is now a member of the Fluid Milk Advisory Committee which serves as the forum for strategic planning across this collaboration.

Our Strategic Priorities:

**Drive Fluid Milk Volume/Usage - The “end game”**
• Preserve 93% household penetration of traditional fluid milk
• Grow milk volume sales in targeted value-added programs
• Facilitate new product and/or infrastructure innovations in the Southeast dairy category

**Build Trust & Reputation For the Dairy Industry - Critical for category growth**
• Improve perception of dairy & the dairy industry among Gen Z and Millennial moms
• Implement Dairy Sustainability plan for the Southeast

**Strengthen Local Relationships and Maximize Organizational Impact - Needed for transformation**
• Build support and value of local checkoff
• Build High performance team culture
• Reduce operational costs

Some of you might be asking yourselves why does this matter? The answer is — alignment and impact. Those two simple words will help improve the fluid milk category for the dairy farmers in the Southeast. The Dairy Alliance is committed to building on this momentum and driving results, positioning us to deliver long-term sustained growth and profitability for the dairy industry.

Check the connection ahead of time.
A strong internet connection is important for virtual tours. Call a friend before starting a tour to identify trouble areas on the farm. Avoid locations where the signal is weak, like milking parlors. Pre-record in those locations and share the recording at the end of the tour.

Know your technology. All you need is a fully charged smartphone and your preferred livestream platform, like Zoom or Facebook Live. If you want to be seen on screen during the tour, have someone hold the phone while recording. Use headsets to improve sound and lower background noises.

Plan a simple tour route. You don’t want to take five minutes between each stop. If needed, set up props along your route to keep viewers’ attention, like a table displaying feed or a calf that likes the camera.

Consider your audience. What is the message you want to convey? What age group are you targeting and how will that impact your story? Consider your audience and customize each virtual tour.

Consider tour times and dates. Think of what you want to show visitors and what days work best for tours on your farm. Visitors learn more by having a visual example along with your explanations.

Practice your tour. Have a dress rehearsal and invite family or friends to act as viewers who can ask a variety of questions. Virtual tours allow for an audience of all ages, so questions can range from “Why do dairy cows produce milk?” to “Do dairy cows make chocolate milk?” on live events. Though it may feel awkward, practice will build confidence for the first tour.

For help beginning your own virtual or in-person tours, reach out to your Farmer Relations Manager or go online to thedairyalliance.com to download a dairy tour scavenger hunt and other fun handouts, or to order coloring books, pencils and more on our online store.

The Dairy Alliance’s virtual farm tours return this March.
Wellness isn’t confined to physical health. Wellness relates to healthy habits that help consumers achieve their best through improved physical and mental health. This connects the physical benefits of milk with the abstract. Much like how nutrition affects physical health, it also impacts mental wellbeing, or the “calm” of the Reset Yourself campaign.

Selenium, one of the 13 nutrients found in milk, may improve mood by reducing inflammation, which is often at heightened levels when someone has a mood disorder, such as anxiety. Studies show that yogurt and other dairy foods may also produce an anti-inflammatory effect on the body. Some research suggests that chronic inflammation may be partly responsible for anxiety, stress, and depression. Using dairy foods to promote calm in the campaign provides unique opportunities to encourage stress management and overall health through dairy-based recipes. This relates to the campaign’s key messaging and other 3 areas of focus: Dairy’s simple nutrition is good for your body.

Giving consumers the power to create moments of calm, aid digestion and immunity or provide energy through milk provides an attractive habit towards overall wellness. Promoting dairy foods or our recipes through media appearances and blog posts for these four important wellness areas strengthens milk’s role to young consumers.

Building Trust with New Fitness Influencers

Building on the influencer strategy of 2021, The Dairy Alliance is proud to partner with Emily Shaw of Dairy Girl Fitness and George Lockhart of LockLoadedMMA in 2022. Dairy Girl Fitness is a multi-platform influencer that promotes the consumption of dairy and exercise to young adult females and women. Currently on TikTok and Instagram, Emily is sharing fun, short videos and messaging on the benefits of dairy products, especially lactose-free and low-lactose foods, to her over 30,000 followers.

George Lockhart of LockLoadedMMA joined The Dairy Alliance for an online campaign after participating in a virtual farm tour at Sparkman Farms last fall. After attending the tour and learning more about dairy, George became excited to highlight milk’s benefits on social media to his over 50,000 followers. George’s current messaging focuses on using milk as a cost-effective alternative to the almond alternative and whey powder.

The introduction of these influencers is notable, as they will focus on dairy’s role in fitness, not recipes, to encourage their health-conscious followers to consume more dairy for their lifestyle. The content developed by George and Emily not only allows us to build awareness among new audiences while promoting their content to our followers. These partnerships also positively impact healthy consumers’ perception of dairy. Their followers look to these individuals as trustworthy sources of information in their efforts to achieve a healthy lifestyle. Giving influencers the creative freedom to promote milk in authentic, unscripted videos creates a level of trust in the product to those who view it.
Blueberry Oatmeal Cookie Ice Cream Sandwiches

Prep Time: 15 minutes  
Cook Time: 15 minutes  
Total Time: 30 minutes  
Easy | Servings:

Ingredients:
- 1/2 cup butter, unsalted, room temp.
- 1/2 cup sugar, light brown
- 1/3 cup sugar, granulated white
- 1 egg, whole, lightly beaten
- 1 tbs honey
- 3/4 cup flour, all-purpose
- 1 1/2 tsp cornstarch
- 1/2 tsp salt
- 1/2 tsp baking soda
- 1 1/2 cup oats, rolled
- 1/2 tsp cinnamon
- 1/4 tsp nutmeg
- 1 cup dried blueberries
- 1 cup chopped white chocolate
- 1-2 pints ice cream

Instructions: Pre-heat oven to 350 F. Prepare a baking sheet with parchment paper and set aside. Combine the butter and sugars into a mixer with a paddle attachment. Mix at medium speed until well-creamed (light and smooth) for 5 minutes. Add the egg and honey, mixing briefly until combined. In a bowl, whisk together the flour, cornstarch, salt, baking soda, oats, cinnamon, nutmeg. Add a third of this dry mix to the creamed butter. Mix on low until just incorporated. Add the remaining dry mix and mix until just combined. Do not overmix. Add the dried blueberries and chocolate. Mix briefly. Place dough portions on prepared baking sheet. Bake for 15 minutes, turning pan halfway through. Remove and allow to cool completely before removing from pan. Scoop your favorite ice cream between two cookies for the best ice cream sandwich ever!

Working with influencers like the Southern Fatty’s Phillip Fryman, The Dairy Alliance reaches new audiences eager to try recipes made by their favorite online profiles. Phillip created the Blueberry Oatmeal Cookie Ice Cream Sandwiches recipe after visiting Nash Creamery, he also blogs about farm visit. Not only does this promote dairy foods, but it gathers interest for local dairy farms and their products.

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