



MEMORANDUM

DATE: October 31, 2018

TO: ASMI Domestic Marketing Committee

FROM: Victoria Parr, Domestic Marketing Director

SUBJECT: **Domestic Marketing Program Highlights**

Following, please find the Domestic Marketing Program update for FY18 and FY19 highlighting program activities from July 1, 2017 to date.

The food business is experiencing great disruption. In both the foodservice and retail, pressures on our B2B partners are dramatically increasing. These pressures include, e-commerce demands, mergers and acquisitions, labor shortages, and the cost waves of automation.

Retailers integrating with 3rd party delivery companies like Instacart, and Shipt presents their own challenges.

Foodservice has always been a high-risk, high-stress business, but now with the added demands of 3rd party delivery like Postmates, Door Dash, and Grub Hub, the pressure is rising.

Hiring is a huge challenge, so much so that Starbucks has created a program to cover college tuition for part time and full time employees to the tune of \$250MM and McDonalds has automated its ordering with kiosks all across the US.

The other challenges in the space include, all the new eating trends out there. According to Hartman Group, 44% of Americans have experimented with some kind of diet or eating program in the past year. There are so many: gluten free, plant-forward, vegan, Mediterranean, plant-paradox, keto, paleo, and on and on...

ASMI's challenge is how to stay relevant in this noisy environment. Our partners need our help to reach customers, and don't have time or interest in another set of demands that they have to meet.

We have taken the time to break down our research findings and turn them into pitches in retail and in foodservice. We talk about who the seafood super consumer is, how Alaska seafood can attract them, inspire confidence in consumers that the values of their retailer or foodservice provider are in line with their own, and help to establish our partners as the places to go when you want premium quality seafood and everything that goes with that.

Just as a reminder, five seafood eater segments were identified in ASMI's consumer research. The top two, "Originator" and "Optimizer" that represent 55% of the seafood spend in both foodservice and retail, representing roughly \$50B (2016).

Seafood Consumer Research

Who are the Alaska Seafood Super Consumers?

The Originator:

The Originator is always talking to someone, in person or digitally. Originators are adventurous and are tuned into current trends. They are purposeful in their purchasing decisions and are the most likely to explore new products across consumer categories.

This group, responsible for 24% of all consumer seafood spend, is the first to try the new restaurant on the block and isn't nervous about trying to make the same dish at-home.

This group is interested in eating healthy, wholesome foods and views increased consumption of seafood as a way to continue to improve their diet.

Eating isn't just about the food itself, however. The social aspects of dining out and cooking for others at-home are equally important as the health content or taste & flavor.

Keys to the Segment:

- Accounts for 24% of seafood spend
- 44% are eating more seafood than two years ago
- Restaurants are entertainment best enjoyed with friends and family
- Enjoys cooking for others and puts thought into meals
- Experimental in the kitchen
- Concerned about climate change
- Talks about food online and in-person
- 62% have made a recent purchase just to try something new



The Optimizer:

The Optimizer is on-the-run, using food as fuel to get them through their busy day. They need food solutions they can count on to be convenient and reliable. Optimizers depend on previous experiences and other inputs to minimize the risk something that will throw off the flow of their day.

Optimizers use a wider variety of foodservice locations than the average consumer for a wider variety of occasions. On the retail side, they are ecommerce pioneers, leveraging a number of retail channels to meet their needs.

Health and wholesome ingredients are less of a priority for this group than convenience and cost. They are brand sticky, relying on familiar labels to minimize time and effort in the purchasing decision.

Outside of sourcing, this group does not drive food trends, instead picking them up once they have already matured. This tends to result in a thinner understanding of where their food comes from and other food related topics.

Keys to the Segment:

- Accounts for 31% of seafood spend
- 30% are eating more seafood than two years ago
- Hectic lifestyle drives need for convenient meal solutions
- Active on social media and other digital channels
- Views food as a tool to get them through the day
- Less likely to experiment with new products for the sake of it



FOODSERVICE

Operator Promotions

Total units partnered in FY18: 18,410 Partnered chains for FY18: 28 New Partners: 6

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| ampm | Market Broiler | New Partnerships |
| Ocean Prime | McGuire Management Co. | B Restaurants |
| Captain D's | Morrison's Healthcare | Club Corp |
| CKE (Carl's Jr. and Hardees) | Nordstrom | Dairy Queen International |
| Dairy Queen Texas | Oceanaire Seafood Room | IHOP |
| Del Taco | Rockfish Seafood Grill | Saltwater Restaurants |
| Denny's | Rubio's | San Pedro Fish Market |
| Duke's Chowder House | Season's 52 (Darden) | |
| Freddy's | Sonic Drive-In | |
| Jack in the Box | Wienerschnitzel | |
| Macy's | White Castle | |

Captain D's: Fast casual chain of 515 units. The promotion included a television ad, in-store POP, e-blasts, website and social channels and resulted in 69K items sold.

Freddy's Frozen Custard & Steakburgers: 294 units fast casual chain ran a Lenten LTO. The promotion included a TV commercial, POP materials, social channels, e-blasts, website and SMS text. Overall the promotion resulted in 2.97% of total combos sold.

Season's 52 (Darden): Full service chain strategically located in growth-projected urban areas. They ran a fresh season promotion 42 units nationwide. Marketing vehicles included e-blasts, a website landing page, social channels and waitstaff training via in-house app featuring messaging provided by ASMI. Total items sold 29K halibut and 87K salmon.

Morrison's Healthcare: Their slogan is: "We believe in the power of food to heal." Hospital dining and patient service ran a promotion on their Patient Menu Rotation and three items in the Fish Market (within the Hospital Café) during Lent. Promotional materials for 800 units included in-store POP and signage throughout hospitals resulting in more than 68.5K lbs. sold.

Long-time ASMI partner **University of Massachusetts – Amherst; Westfield University:** Chef John Ash prepared a variety of seafood dishes, offering students the chance to sample unique recipes. ASMI coordinated social media promotion and giveaways to encourage student engagement with more than 1,500 student participants.

Tradeshows and Conferences

International Foodservice Editorial Council (IFEC): The conference brings editors and PR/marketing communications professionals together to exchange ideas in foodservice and retail. Last year ASMI conducted a successful Activity Station sponsorship and this year we have been chosen for a Learning Session. We pitched several ideas and the council loved the Ugly Crab idea. We are sending a biologist and a fisherman along with our PR agency and getting some help from Trident for the product as well.

National Restaurant Association (NRA) – Marketing Executive Group (MEG): May 2018 Chicago, IL. ASMI was a meal sponsor of the MEG conference which brings together marketing professionals from the top national and regional chains in the U.S. The theme of the meal dish, "Get Ugly," further built on the grassroots campaign introduced at the Boston Seafood Show. For the dish, Chef Lionel Uddipa was commissioned to create a street food inspired tostada recipe, incorporating kelp salsa from 2018 Symphony of Seafood winner, Barnacle. This a great opportunity to make new industry relationships. A number of Alaska seafood promotions have resulted from this sponsorship over the years.

International Corporate Chefs Association (ICCA) and Global Culinary Innovators Association (GCIA): ASMI returned as a founding sponsor of the ICCA and GCIA in 2018. These organizations are designed exclusively for corporate chefs from the nation's top 200 and second tier 200 chains operations. This year ASMI was one of the sponsors of the ICCA annual immersion tour, this time in Alaska. Chefs from Sizzler, Chick Fil A, Buffalo Wild Wings, Captain Ds, and more attended and got to experience the Alaska seafood brand from the inside.

Foodservice Trade Support

Careers through Culinary Arts Program (C-CAP): ASMI continued to sponsor multiple C-CAP events this year, donating Alaska seafood for their Annual Benefit, Annual Harvest Moon, and Full Circle Winter Benefit. C-CAP educates 17,000 culinary students who are enrolled across the U.S.

Foodable TV: The number one media organization for foodservice professionals. ASMI sponsored three custom episodes: Philadelphia: Chef Sylva, San Pedro: Chef Dustin, Miami: Chef Tomas. ASMI's Technical Program Director, Michael Kohan, supported the program by appearing in the videos with frozen fresh messaging.

Media Analytics from June 2017 – March 2018:

- 225K unique page views (web/Apple News)
- 232K overall video views (web, social, iTunes)
- 2.5M social media impressions (Facebook, Twitter, LinkedIn, Instagram)

ASMI's status as an approved vendor and longtime partner with Foodable TV, lead us into an eight-episode series, 50% subsidized by Amazon that will be released and binge-able in October for National Seafood Month.

Also with Foodable TV we are sponsoring foodable.io in Seattle in October. More about that later.

Heritage Radio Network (HRN): An independent member-supported, web-based radio station (podcaster) and media organization targeted primarily at foodservice. We worked with Edelman on this one in concert with their event in NY.

- Listeners in over 150 countries
- Typical monthly listens: 800,000 – 1M
- 540K social media followers across networks
- 30-60% work in hospitality industry
- ASMI featuring 3 interviews with Chef Maya Wilson (Author: Alaska from Scratch), Fishermen Nelly Hand, and Chef Laura Cole
- Pre-roll, mid-roll advertising included, as well as digital ads on the website

DISTRIBUTOR PROMOTIONS

Gordon Foodservice - Wyoming, MI (GFS): Ran a social campaign incorporating four short videos and showcasing during Lent. The campaign ran through spring. ASMI tapped Edelman to help to amplify the videos on ASMI's own social channels, in addition to the banner ads and customer coupons from GFS.

- Sales Associates: 950
- Operating Divisions: 12
- Customers: 40K

Samuels & Son Seafood: Our best specialty partner: Summer email blast campaign, social media campaign, quarterly sales competition spiffs with a fresh and frozen sales competition. Magazine ad – May edition, featured on their website, training sessions.

Sysco Corporation – Houston, TX: Returned with their annual spring “Sea of Success” Alaska Seafood promotion. This national promotion featured 350 private label Portico Brand products across U.S. and Canada. Sysco offered division/sales incentives for incremental sales lifts. The promotion included custom flyers, sales sheets, recipe cards and direct-to-customer e-mail blasts.

- Marketing Associates: 10K
- Operating Companies: 80
- Customers: 400K

TRADE RELATIONS

5.6MM Impressions, 44 placements

- ***National Culinary Review: Alaska Salmon with Thea Thomas:*** This article is an impactful and educational piece from a highly regarded publication read by chefs & industry professionals alike. It gives readers an inside view into the life of an Alaska fisherman and tells the story of sustainability and the “why” behind the importance of what she does. It also sheds light on Thea’s role as a mentor to female fishermen and why chefs should care about serving wild caught salmon from Alaska to their customers.
- ***Food Management– “[Style your salmon: Trendy and Timeless ideas make waves](#)”***
This piece of coverage is important because it shows how ASMI is creating events to bring awareness of the benefits and applications in recipes of wild caught Alaska seafood to the next generation of seafood consumers. On-campus events are critical in educating and getting students excited to make their own food. The article included images from ASMI events at United Tribes Technical College ND and Bucknell University in PA.
- ***Nation’s Restaurant News– “[Restaurant operators double down on seafood sustainability](#)”***
This article features a quote from Chef Drew Johnson from Kincaid Grill in Anchorage on the growing number of operators and chefs taking action around sustainability.
- ***Quick Service Restaurant – “[Fresh Ideas: Swimming Upstream – Alaska Catch](#)”***
This article talked about how seafood has made progress in ending up on more fast casual menus. It listed all Alaska seafood species, but gave facts for operators to become more familiar with a few lesser known species including flavor & texture points on Flounder/Sole, Rockfish, Surimi.

TRADE ADVERTISING

- For two of the Full Service Restaurant (FSR) magazine custom email blasts via SmartBrief, we had a click through rate that was 145% and 121% higher than their average click through rates. The messaging focused on supporting the American fisherman, that resonates with the Seafood Super Consumer.

- For both CIA and NRA Smartbriefs - highest performing pieces of creative include twists on classics — crab Mac and cheese and seafood charcuterie (seacuterie). The titles of the people clicking through to our ads are decision makers - chef, executive chef, owner, president, and manager. Our dedicated send eblasts generated an average click through rate of over 5%!

RETAIL

SPECIAL PROJECTS/CO-OP PROMOTIONS

lbotta

ASMI ran three successful promotions on the popular shopping app lbotta, an app-based digital coupon platform that handles both the coupon offer and redemption.

- 1) The first launched in January themed around the FEED YOUR FITNESS campaign, spotlight on functional nutrition messaging.
 - 12M impressions, 171K coupon unlocks, and 16K rebates redeemed (packages sold).
- 2) The second occurred over Lent in partnership with Columbia Crest H3, a portfolio brand of (SMWE)
 - 19M impressions, 103K coupon unlocks, and 16K rebates redeemed (packages sold).
- 3) The third launched at the beginning of June featuring \$2 off fresh or frozen salmon and halibut, After being live in the app only three days, the offer received exceptional movement, having already reached 70% of the total budget, garnered over 5MM impressions, and moved over 9K units. In order to extend the life of the offer decreased to \$1 off and continued to run at high performance.
 - 26M impressions, 444K coupon unlocks, 36K rebates redeemed (packages sold).

Shoppable Recipes on Serious Eats & Simply Recipes

With explosive growth in online grocery, Alaska Seafood is leveraging its way into the path-to-purchase for the 63 million existing Amazon Prime members (100MM members) to offer engaging, shoppable recipes with Serious Eats and Simply Recipes through Fexy Media.

ASMI developed 12 custom recipes with Serious Eats and Simply Recipes to be featured on their websites, with clickable ingredients that are added to customer’s Amazon Prime carts (now via instacart and clicklist) and can be delivered in as soon as two hours.

Serious Eats and Simply recipes each sent out two email newsletters driving to the recipe pages, scheduled several social media posts, and created custom native ads promoting the hub pages that showcase the recipes.

The campaign launched on June 15 and showed impressive results:

- Page views: 30K +
- Average time on recipe pages: 7 minutes, 36 seconds
- “Buy Now” button Click Through Rate: 1.40%

- Printable page view rate: 3.71%
- Top performing recipes:
 - Serious Eats: Ghee-seared wild Alaska salmon
 - Simply Recipes: Moroccan-spiced wild Alaska salmon

As a partner in the collaboration, Chateau Ste. Michelle wines is also promoting these recipes over social media and through POS in-store.

These same 12 recipes have been approved by American Institute for Cancer Research (AICR) and ASMI is sponsoring them on their site. Four of the recipes will be featured throughout the year with links to three more on the AICR site and e-newsletters.

Blue Apron (720,000 subscribers)

ASMI partnered with Blue Apron for the full 2018 calendar year.

- ASMI is supporting in areas of print (in-box booklet), blog posts, emails, social media, digital, supplier page and recipe content (print/digital).
- Latest results show that the brand is projecting to ship approximately 450K lbs. of wild Alaska pollock in 2018, compared to less than 100K lbs. in 2017, despite a big decrease in subscribers.

TRADE PROMOTIONS

Returning Partnerships: 15

New Partners: 8

Total stores: 7050

Returning

- Jewel-Osco (185 IL stores)
- H.E.B. (235 TX stores)
- Publix (1,192 stores)
- DeMoulas Market Basket (76 stores)
- Kroger (2782 stores)
- Giant Eagle (235 stores)
- Hy-Vee (185 Midwest stores)
- Lunds & Byerlys (26 MN stores)
- Quality Food Center (QFC) (63 Pacific NW stores)
- Earth Fare (46 stores)
- Central Market (9 TX stores)

- King Soopers (147 stores)
- Meijer (242 stores)
- Albertons/Safeway (162 TX stores)
- Heinen’s (22 stores)

New

- Amazon (online)
- Blue Apron (online)
- Dierbergs Markets (25 stores)
- Costco (514 clubs nationwide)
- Save-On-Foods Canada (162 stores)
- Mariano’s (35 stores)
- SAM’s Club (655 stores)
- Whole Foods (52 mid-Atlantic stores)

Save-On-Foods Canada (162 stores) Jan 2018 - ASMI’s first-ever Canadian partnership throughout western Canada, including custom signage and multiple displays in each store, and social media. Employees wore ASMI-branded t-shirts and displays were jazzed up with balloons and even some digital content. The promotion resulted in a very impressive 87% sales lift over an average week at the stores. This is the original “paint the store with Alaska”

In June 2018, Save-On-Foods executed another promotion with custom signage and displays featuring multiple displays in each store, as well as print and digital ads promoting the product. The promotion resulted in 100,000 lbs. of product sold, with an impressive 75% sales lift.

Costco (514 clubs nationwide): ASMI was very excited to support Costco a new program in 53 locations nationwide, with Alaska COOL labels throughout March-April. A total of 275,000 lbs. were sold, all new businesses and 264,000 ASMI stickers were used.

During May, Costco held 214 demos, resulting in a sales lift of 27.8%.

H.E.B. (235 TX stores) 252 Showtime-Fresh Cart Demos in March 2018. Each store displayed and distributed Alaska POS and recipes, supported with social media ads developed and funded by ASMI. The events and samples were so well loved that several stores sold out.

In June 2018, HEB executed 315 chef demos in Texas division stores (235). The promotion resulted in a 20% sales lift, doubling what had previously been trending. H.E.B.'s Seafood Business Development Manager told ASMI staff, "These promotions grow our sales!"

Quality Food Center (QFC) (63 Pacific NW stores) partnered with ASMI's preferred wine partner Chateau Ste. Michelle to showcase wine displays in the seafood department, promoting ASMI's Ibotta campaign bundling Alaska seafood with H3 wines. The retailer also implemented a sales contest highlighting the Ibotta promotion, with cash sales incentives offered to the top three stores per district with the highest percent increase of Alaska seafood sales, as well as district prizes for the top performing employees. The promotion resulted in a 4.4% sales lift, with \$1.2MM in Alaska seafood sold.

Publix featured large in-store signage with fisherman images on a freestanding cardboard display in July 2018. The ASMI logo was used next to signage in the seafood case, and SMWE wine displays featured bottle neckers with the Raise a Glass to Wild coupon offer. The retailer also sent out two email blasts in July proudly featuring the Alaska seafood story.

In August 2018, Publix showcased wild Alaska seafood both in-store and online. More than 3,000 demos were executed the week of August 12 at approximately 1,000 Publix stores across FL, GA, AL, TN, SC, NC and VA. There was no cost to ASMI to promote, as Publix led the effort themselves. The retailer also featured a delicious recipe in its weekly ad, accompanied by wine pairings to create the perfect meal.

TRADE SHOWS AND CONFERENCES

Food & Nutrition Conference & Expo (FNCE)

Each fall, the Academy of Nutrition and Dietetics sponsors the world's largest meeting of food and nutrition experts — more than 10,000 registered dietitian nutritionists, nutrition science researchers, policy makers, health-care providers and industry leaders attend the annual meeting — and address key issues affecting the health of all Americans.

ASMI exhibited at the 2017, serving samples with the FEED YOUR FITNESS recipe cards, and a variety of recipes and informational collateral. The event was well attended, this being the conference's 100-year anniversary. This year we will exhibit again and have samples as well as partnering with Omega Quant omega 3 testing kits that will let the attendee have a real look at their levels and responding risks for heart attack.

Seafood Expo North America (SENA)

In 2017, ASMI featured a new case layout featuring whole fish and some underutilized species as well. The center case was set with urchins, geoducks, and an octopus "battling" various "ugly" crab. It was an effective show stopper and created lots of conversations on the show floor. Also, Seafood Source, host of SENA, sent out a daily email newsletter highlighting stories from the show floor. The ASMI booth was highlighted on the second day in the article *ASMI shines light on "ugly" crab problem at SENA*. Multiple ASMI staff were quoted while discussing the campaign, aimed at raising awareness around the quality of "ugly" crab, which have all the same benefits of the bright orange shell consumers are more inclined to purchase.

TRADE RELATIONS

Retail:

- ***Winsight Grocery Business***– ["Retailers Hook Seafood Shoppers with Alaska Seafood Promotions"](#)
This article showcases what the ASMI team achieved in 2017 by covering different retail promotions at a variety of retailers, including HEB, Walmart, Kroger, Hy Vee and discussed different cross-merchandising promotions. The editor also touched on the timing of the different promotions including successes surrounding the Lenten season and National Seafood Month.
- ***Progressive Grocer*** – March 2018 – ["Sea Change"](#)
This article is a great representation of research backed positive change that retailers are looking to make and how labeling wild caught, sustainably sourced seafood as a point of differentiation is imperative to the shift in consumer perceptions and purchasing habits. ASMI makes sure that retailers are equipped with what they need by providing POS materials, and ASMI is also at the forefront of industry trends including in-store promotions and testing new formats such as meal kits featuring Alaska seafood to boost consumer confidence for cooking seafood at home.
- ***Winsight Grocery Business*** – April 2018 – ["Retailers Reel In Sales with Seafood Promotions"](#)
This coverage shows the continued interest & success of in-store promotions in 2018 to gain consumer interest and features great quotes from retail partners (inserted below) to show the value these promotions bring to them and how it continues the conversation on the importance of sourcing sustainably caught seafood.

TRADE ADVERTISING

- With FMI dailyLead SmartBrief our “paint the store” with the faces and places of Alaska’s American fisherman and sustainability messaging resonated with retailers with impressive click through rates that were well above averages.
- For Progressive Grocer digital SmartBrief campaign - more than 700K impressions in our run-of-site banner ads featuring the support Alaska, USA Fisherman messaging. We achieved ad click-through-rates twice that of the average click through rate for progressive grocer.