

Sydney O'Malley and Ava Olson

CMO Recommendations



Our Team



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Our Proposals

Recommendation #1

Increased Sustainability through Packaging and a Return Container Program

Recommendation #2

Increase Research and Development Funding To At Least 2% Of Annual Revenue

Addressing the Problem

The Problem

There is increased scrutiny by stakeholders to produce more sustainable products

Packaging waste can have a significant detrimental impact on the environment

In order to lower their ESG risk rating, they need to be innovative and differentiate themselves from their industry competitors

The Solution

An increase in sustainable products through the packaging process as well as a return container program

The Result

As a result, Kraft Heinz will be able to:

- Reduce their ESG Risk Rating
- Continue to create innovative packaging to decrease waste
- Foster customer relations
- Decrease operational costs

Recommendation #1

A Danger to the Environment

1

The amount of Kraft-Heinz's Product's that are completely, 100% recyclable (from start to finish)

Although plenty of the other products are partially recyclable, these are often thrown into waste bins together, leading to none of it being recycled

35.2

Kraft-Heinz's current ESG Risk Rating (High)

Recommendation

- ❑ Reduce plastic packaging (make products as thin as possible) + use alternative materials
- ❑ Fit the packaging more appropriately to the item/ product
- ❑ Create a deposit system that encourages consumers to bring empty items (such as bowls, caps or containers) back to their supermarket
- ❑ This 'reuse' method could be highly efficient, encouraging a sort of self sufficiency → lower operational costs



Addressing the Problem

The Problem

The food and beverage industry is a highly competitive industry. Kraft Heinz is finding it hard to differentiate themselves and find their .1%.

There is a lack of innovation and progress being made. One thing to blame for this is the lack of funding put toward Research and Development.

The Solution

Increase funding for Research and Development efforts

The Result

As a result, Kraft Heinz will be able to:

- Create new and improved products
- Evaluation of existing products
- Reevaluate their target market
- Branch out to different markets

Recommendation #2

2021 R&D Spending



Annual Revenue of \$26.042B

R&D Spending of \$140M

$\approx .54\%$



Annual Revenue of \$84.343B

R&D Spending of \$1.827B

$\approx .2.2\%$

Recommendation

We suggest that Kraft Heinz spends at least 2% of their annual revenue toward Research and Development within the fiscal year ending December 31, 2023. Doing so will undoubtedly show Kraft Heinz a new side of their business and help them differentiate themselves within this industry.



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Thank you for your
time.

Questions?

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