

Oatly SWOT

Strengths

- **Credibility and Innovation:** Oatly is the originator of Oat Milk, which gives the brand credibility to its consumers along with the potential to innovate because of the strong food scientists behind its creation.
- **Market share:** As of 2022, Oatly was the second-largest Oat Milk company by sales, demonstrating its strong presence within the market.
- **Brand:** Oatly has a strong and unique brand within its voice, branding, and purpose that help it to resonate strongly with Gen Z and Millennials.
- **Market penetration:** Oatly can be found in many grocery stores making it easily accessible to many consumers.

Weaknesses

- **Product Recalls:** As with any CPG company relying on manufacturers for their products, Oatly is not recall-proof, and recalls can hurt Oatly's business and reduce its market share if it is taken off shelves and away from food service partners.
- **Product cost:** Oat milk is generally more expensive than dairy milk, making some consumers simply choose the cheaper option.
- **Investors:** Oatly needs to build stronger investor relations with better guidance for the company moving into the future.

Opportunities

- **Product range:** Oatly can expand the products it offers to bring more alternatives to traditional dairy products such as cheese and yogurt.
- **Brand Partnerships:** Get exclusivity in local restaurants and chains to expand brand presence. Cafés can include signs that say we proudly serve Oatly.

- Schools: Bringing oat milk into schools as a dairy alternative will allow more parents and young children to learn the health and environmental benefits of the brand.

Threats

- Competition: As oat milk grows in popularity, more companies may try and enter the market, growing the competition for Oatly to stay as a market leader.
- Sustainable Milk Practices: As the dairy industry works to become more sustainable it may encroach upon some of Oatly's existing customers who may prefer regular milk but made the switch due to environmental reasons.
- New Plant-based Milk: With milk alternatives being extremely popular, more and more options are arising including cashew milk and more. Just as oat milk has surpassed soy options, new milk can take over the plant-based milk market.
- Simple recipe: Ease of making oat milk means that consumers can choose to make it instead of buying it.