

# Muscle milk essay



**ASSIGN  
BUSTER**

Father and son; Mike and Greg Pickett, Founded Cytosport Inc. in 1988. The product with good taste targets bodybuilders and athletes. Muscle Milk is not only designed with athletes or body builders in mind, but can be beneficiary to a wide range of individuals seeking to be stronger, healthier, leaner, livelier or bigger. CytoSport just obtained its NSF Good Manufacturing Practices (GMP) for Sport Registration, showing credibility that it does not contain any substances on the banned list recognized by the World Anti-Doping Agency, the National Football League, Major League Baseball, etc. (Bloomberg Business Week, 2008).

Unlike other companies, Cytosport condemns the use of performance enhancing drugs, and through its efforts with IOC, NFL, and NCAA, will never include chemicals like steroids amongst their ingredients (article Base 2010). CytoSport, one of the company's best selling products, Muscle Milk, is designed to provide nutrients that will naturally build up bodily tissue. Muscle Milk has several extension brand, including powder products, pre-blends products and power bars. Muscle Milk RTD (Ready to Drink) which comes in five delicious flavors : Chocolate shake, Vanilla creme shake, Strawberry and creme, Banana creme shake, Chocolate malt.

Every bottle contains 25g of premium proteins for sustained energy including, Calcium and Sodium Caseinate, and Milk Protein Isolate (Cytosport 2010). The 14 oz. serving of Muscle Milk is gluten and lactose free and contains precisely 25 grams of protein to sustain energy, carbohydrates and functional fats for energy metabolism, and all essential amino acids in 20 vitamins and minerals. Combining science with performance Muscle Milk

allows for rapid muscle growth, high energy, and increased metabolism of fat.

The creators of Muscle Milk listen to the needs of their consumers and offer a variety of options for their product, such as Muscle Milk Light, their low calorie blend, or Muscle Milk Naturals which omits the use of artificial sweeteners (all business 2008). Competitive review, Muscle Milk is currently the leader in RTD protein shakes (Bloomberg Business week 2008). However there is a quickly rising competitor named Isopure, although at the moment it has not yet had as much sales as people who have been in the market for a while they have a formula which provides them with 100% all isolated natural protein (All Business 2008).

In All business week article explains the distribution review, the product can be found at stores such as GNC, 7 Eleven, Costco, Vitamin Shoppe, and Fitness First Gyms. It is also available in several popular online sites such as bodybuilding. com, prosource. net, keysupplements. com and several others. Partnered with Pepsi Beverages Co. to distribute the RTD line of Muscle Milk and Muscle Milk Light in its territories in the US and Canada. The strengths of the company are since, Established in 1998 Cytosport has valuable sales experience in performance enhancing market.

Our brand name is very well liked and recognized by bodybuilders and partners alike and is already being marketed via sports teams such as the Yahoo cycling team and the Under Armour Football Combines. There are over \$200 million in sales within the last accounting period (Article base 2010). It has the financial resources to study the market trends; thereby,

plan for the future, train sales personnel and to effectively market the brand. There are several weaknesses of our product, Brand recognition, even though Cytosport is an established and renowned by the gym population, the general public still doesn't know of their products.

Some people may experience diarrhea, abdominal cramps and nausea after the consumption of Muscle Milk (Livestrong 2010). Some of the opportunities of our product; we are currently proud to be supporting 24 colleges by improving over 125 athletic programs. We do this by providing our Muscle Milk line of products to assist in their strength training (Livestrong 2010). In March, CytoSport introduced Muscle Milk Protein H2O in GNC stores and Costco, two of their biggest partners. The Protein H2O comes in a variety of fruit flavors including Grape, Grapefruit, Orange and Raspberry.

The product contains 60 calories and is sugar-free. In today's gym obsessed world, Cytosport is utilizing this as an opportunity to promote muscle milk, thus increase its market share, whilst creating value for the customers.

Unfortunately there are several threats, Nestle USA is currently suing Muscle Milk saying that they do not have any actual milk in their product and that is "deceptively misdescriptive" (All Business 2008). A third party medical group may come out with research indicating that this type of product is unhealthy (All Business 2008).

There are also over fifty other competitors in this Market including CNP professional Proslam, Strength Systems USA Muscle Blast, and AllMax Nutrition ISOFLEX. Pepsi Co might start their own line of product if they see this as a good revenue line That can also be a threat. Future FDA regulations

on the product may cause us to cease operations. SO Strategy, we use strengths to take advantage of opportunities Use of their efficient R&D team to develop new products quickly to respond to new distribution channels demands. We also use of experience and knowledge to create and address the specific needs of new segments of the market.

Ex. Female athletes and children. WO Strategy, overcoming weaknesses by taking advantage of opportunities. Gaining brand recognition through the partnership with Pepsi Beverage Co. also improving their logistics specifically their product distribution. ST Strategy, use of strengths to avoid threats. Using the experience and product knowledge to successfully compete with any new competition entering the market. These are the TOWS analysis building strategies. Brand Positioning strategy, We currently have a benefits positioning strategy. Our product gives consumers a better way to quickly recuperate after a tough workout.

For example, while working out, drinking muscle milk helps promote nutrients in your body to gain energy. Another benefit for the consumers are since we target mainly body builders, They have to maintain a healthy diet to stay in good shape, muscle milk have all the proteins and vitamins for the body needs, and consumers can replace their meal by drinking muscle milk. Product Branding strategy, Muscle Milk is a co-brand product with Cytosport. Both companies work together to make this product the best for our consumers. Line Extensions, we have already made several changes to the formula to create a variety of RTD protein shakes such as Muscle Milk light and diet Muscle Milk.

For the pricing strategy, we reviewed the category performance and competitive items using Safeway SmartTraks, risk reports and the bump chart to show the price sensitivity for Muscle Milk and the competitive items. We then provided Safeway with an in depth data analysis which included a price market survey for all nine Safeway divisions versus the competition for the entire category to allow them to evaluate and consider a strategy change for sports nutrition in their stores on a national basis.

Our strategy was to move Muscle Milk from a high-low promotional program to an everyday low cost program. In order to do this, we needed to approach CytoSport to present our findings and see if they would be interested in providing funding based on our analysis that at a lower retail price, they would see an increase in product movement. This process also involved providing Safeway with projections to show them that the increased unit and dollar sales at a reduced retail price would increase their overall adjusted gross margins.

With the VP of Sales at CytoSport we successfully developed and presented a plan to Safeway where CytoSport would provide the incremental funding and Safeway would reduce their margins in order to bring Muscle Milk's retail price down. The Distribution strategy, we will reduce the cost of production, transportation and other costs associated in the process by creating a partnership with Pepsi. On the Marketing communication strategy, we used Shaq as an advertisement and created a limited edition bottle. Goal of this strategy: Muscle Milk is not only a good source for protein for your workouts, it can now make you feel like Shaquille O'Neal.

We plan on using this strategy in the future with other athletes such as Brandon Roy, Ryan Hall, and etc. (Promo Magazine 2009). Since college sports are very popular we started creating limited-edition bottles themed after some of the most famous college football teams such as Georgia Tech, University of Miami, UCLA and etc. For example in UCLA we created a bottle just for the theme of their football team using the colors of their school which are gold and blue. The 7, 500 bottles produced are expected to be on shelves in November (Promo Magazines 2009).

Creating value, We plan on improving our website so that we have a premium buyers page where you can get your product shipped faster the more you buy. Our partnership with Pepsi Co. makes this possible. These preferred will also be receiving special offers, such as if they pay their account balances within 15 days they get a 2% discount. Value proposition, Cytosport will provide quality product to its customers at low prices, Establish good customer relationship and loyalty, In turn maintain and/or increase the market share, and satisfying consumer needs with superior quality products, efficacy and reliability.

#### Reference

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