

Powerade marketing flashcard



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It also has a long history, being the first sports drink on the market when it was introduced in 1965. More recently Gatorade has extended their product line to include Propel Fitness Water, which competes with the Powerade option. Both Gatorade and Powerade come in a wide variety of flavors and the two brands share comparable market share. Also, both are primarily sold in plastic bottles, but also offer a powder form. See Appendix A for a side-by-side comparison of the nutritional features of Powerade and Gatorade. Other competitors of Powerade include all sports.

Protein Ice and various other sports drinks. These products only make up 1% of the market. Various bottled water brands pose competition to Powerade. The bottled water industry was a \$9.1 billion dollar industry (domestic) in 2004 – a substantially larger market than sports drinks. The sports drinks market has been expanding in recent years. Ten years ago, sports drinks were typically consumed by serious athletes and body builders. The target market now includes people ranging in age from their teenage years to the old who have an interest in sports.

Note that these people do not necessarily play sports regularly. There are three common occasions for consumption of sports drinks: after sports activity, for breakfast, and “on-the-go.” As a result, companies are reducing their focus on sports in order to accommodate these consumption patterns. Sports drinks are generally viewed as a masculine product. The male to female ratio of the market is 4 to 1. Clearly males are targeted over females in this market, but data show that females also purchase the product regularly. Objectives: In recent years, Powerade has lost revenue.

Not because of fierce competition against Storage in the sports drink industry, but against enhanced water products like Vitamin Water, Smarter. So powered would like to gain consumers focus by reinvigorating the brand and generating buzz. Strategy: Reach more customers by broadening its demographics from athletes to any active consumer. Tactic: Refreshing and contemporaries the brand by renaming and repackaging its drinks. So bottles are now featuring a bigger size with the name powered appearing almost in fine print. And powered is embarking the boat of enhanced beverages.

Strategies and Positioning Powered is an energetic drink made by the Coca-Cola company. Its market is focused mainly in the sport world, because of the energy and mineral salts that it gives to supply the expensed ones during the exercise. Powered entered the market in 1992. A market dominated mainly by Storage because of the lack of competitors in the market. As it is well known Coca-cola and Pepsi are main competitors in their market; well Powered and Storage are their sport products respectively.

Because of the lack of competitors in this market, and the total dominance of Storage, Coca-cola Co.

Decided to enter De market although they were in clear disadvantage. The first year that Powered was in the market, it made a good hit to Storage, at least 10% of the sales, and this was because Pepsi Co was seeing Storage as a drink to have at home, just a beverage. Powered entered as a sports an drink, that's why it commenced to fight in this market. With a new competitor in the market, well, the only competitor in the market at the moment, and it was ' t no other that the worst enemy o Pepsi Co. , Coca-

cola, the company decided to commence a battle in marketing that still today is having place in our markets.

Innovations and New Products The Storage commenced its battle by projecting its product in every place relational with the product, as gyms, football fields, etc. But it was Coke Co. The one who took the initiative in this place, by entering the market after convincing various figures of sport to promote Powered. Pepsi got new ideas! It had to get to a wider market and not only as a healthy drink that moms could give to their children. It decided to enter more strongly in the sport market, then it launched a series of products to improve in the sport, like energy bars, more energetic drink, even a gel, that Olympic sportsmen use.

Anyway; as it wasn't new to Coke Co these strategies and they had new ways of enter this market and fight for the triumph too. Powered also got energy bars, or drinks, and even gels, like Storage did, but Coke Co had a new product to fight the competence; Powered zero, a drink with zero calories and zero sugars, made as a diet drink, so it entered not only the market of sport more deeply with this product; it also opened a great market to white fat drinks! And there are a lot of people that want to lose weight with few or no sport; this drink definitively would be perfect for those users.

Storage counter attacked making publicity and saying that an energy drinks, needs calories to supply the ones that you burn during exercise. Coke co was ready for that, and they argued that what you really needed during sport was just a drink to supply the mineral salts that you need, and with a good flavors; they got the help of some science studies to support their argument,

and it just made Powered to gain more sales, and then steal them from Storage. But battle wasn't won yet, and Powered knows that.

So they commenced a marketing campaign with famous basket and football stars to publicize its product, worthy, Coca Cola Co had just hired the ex-executive manager of science and sports of Storage. Obviously a great heat to Pepsi Co and even more if Coke co hired him in the R+D department, what would make a great amount of sales for Powered and lot less for Storage. And the impact was visible early. In 2010 Parade's sales raised to a 32% of the market in the third trimester, having in account that in 1990 the drink was launched at it got less than a 10%.

Great hit to Storage, but it was owning the market yet. With more than 60% of the sales Storage is clearly the leader, but more and more, year by year, Powered gets more buyers than Storage. Conclusion Coca-Cola co entered a market where it has clear disadvantage, sport world drinks, with Powered, and they had no more than a 10% of the sales in the market that was clearly governed by Coke's main rival; Pepsi Co and its Storage with at least 80% of the sales in the market of energy drinks. But Powered had a great future and they were ready to open at.

After Powered got the dominion of some great and famous athletes both competitors began a marketing battle by promoting their products in sport places. And Storage seeing the danger of this new competitor soon opened more strategies like new products. But Powered strategies weren't over yet and they launched new products to the market and opened a making it wider like the same products of even a diet drink. It is obvious that both companies

have great marketing strategies, but in my opinion Powered has the lead in that way, because year by year they are getting more sales and users from Storage.

Not going too far, I began consuming Storage, but now a days when I do some sport, I use Powered. Its benefits feel better than Storage ones.

Powered is an isotonic beverage/sports drink manufactured by “ The Coca-Cola Company’; it was first introduced to the market in the year 1988 and later released nationally on the United States on the year 1992. Parade’s primary competitor is Storage, which is manufactured by PepsiCo (Coca-Cola’s main competitor). By June 2007, Powered reached a 13. % of the market in its category, Storage being the leader of the market with an 84. %. Ingredients Powered is composed by water, high fructose corn syrup, salt, potassium citrate, phenylalanine, sucrose, sodium citrate, malice acid, potassium phosphate, vitamin 86, and vitamin 82. Flavors This product stands out by the numerous types of flavors it offers; currently there are eight types of flavors: Orange, Mountain Berry Blast (originally Mountain Blast), Fruit Punch, Grape, Lemon Lime, Sour Melon (originally Green Squall), White Cherry (originally Arctic Shatter), and Strawberry Lemonade.

Apart from this, there are six flavors of Powered zero, the zero calorie version of the product, this are: Mixed Berry, Grape, Lemon Lime, Orange, Fruit Punch and Strawberry. Sponsorship Powered is the official sports drink of teams like Wallabies, New Sealant’s All Blacks, River Plate from Argentina, the Australian Football League, Shinning F. C, Argentina’s national football team, Mexico national football team, the PEG Tour, Mascara, and the United

States Olympic team. Heat, and Wayne Rooney from Manchester United, are the three main sportsman sponsored by Powered. Product life cycle

The Product life cycle consist of four stages starting from introduction stage, growth stage, maturity stage and decline stage. At the introduction stage, the product is not popular and can't really make a lot of profit. Its marketing cost may be high in order to test a market and set up a distribution channel. At the growth stage, the product start making a profit, the sales increase rapidly with some cost on marketing especially brand building. Competitors enter the market, often in large number depending on how attractive the market is. When a profit starts to decline, it's the sign of ' Maturity stage'.

Powered was originally elaborated for athletes. Originally it had to be reformulated because of its bad taste and because of ingredients problems. The new formula offered better nutritional values, and this led to Powered being consumed as a common drink. Because of this, in its growth stage Powered started releasing different types of drinks for athletes, with the objective of hydrating them. Powered has tried to create more new products than Storage and the other competition, but this task is not easy since Storage products are more demanded.

As sales decline, the firm has several options like maintaining the product, sibyl rejuvenating it by adding new features and finding new uses; harvest the product reduce costs and continue to offer it, possibly to a loyal niche segment, or discontinuing the product. In Parade's case, it will continue offering its products, with the confident of continue growing and not to decline, and also changing features, like a new bottle which projects a new

and fresh image. Brand equity As a Performance Partner of the 'All Blacks', Powered has recorded some exceptional scores of late, having seen volume sales of its small bottles grow by 22. In supermarkets across New Zealand since 2009, confirming its status as the country's number one selling sports drink. Ahead of the launch of its latest campaign, the challenge therefore facing Powered was to grow its brand further than the 80% market share that it currently already occupies. Consumers in New Zealand, the brand wanted to become an integral part of daily training routines, and utilized its sponsorship of the Rugby team to achieve this through the launch of a multi-touch point campaign launched in late June that aimed to heighten anticipation ahead of the Rugby World Cup in September.

This was Powered's 'Black', which hit the supermarkets across New Zealand creating impact and patriotism among fans in what was a crucial year in the history of the nation from a Rugby perspective. Adding weight to the campaign was the launch of a TV, 'Train Like You're In The Game', that highlighted how the hard work on the training ground is replicated in a match situation, creating a direct link between high performance and the abilities of Powered to facilitate this by hydrating the body.

Online activation saw the launch of a Powered New Zealand Facebook page, where training tips and behind the scenes footage of the New Zealand Rugby team could be accessed, providing an insight into the lives of elite athletes by posing the question to members of the New Zealand Rugby Team, "what makes an 'All Black'?" The Powered NZ website took this idea to a new level, featuring tips and advice from NZ Rugby strength and conditioning coach,

Dry. Nice Gill, and provided a ‘hydration calculator’ tool that aggregated the amount of fluid lost from the body through sweat during exercise.

In addition, various training drills were shared by Dry. Gill targeted at improving endurance, speed, performance and strength whilst details of the ‘Powered Challenge’ were also provided. In order for consumers to test their fitness levels against those of the All Blacks players, Powered also launched the ‘Powered Challenge’ in July, creating a running course located on the Auckland waterfront integrated with RIFF technology so that runners could track their times.

Participants could register online to receive their free personalized Radio Frequency Identification (RIFF) bracelet, which could be activated by placing it on unique Powered vending machines located at various distances around the running route. All results were uploaded to the brand’s website. The integrated push from Powered highlights the desire of the brand to cement its status as the number one selling sports drink in New Zealand, building equity in the process and showcasing its innovative technologies during the Rugby World Cup, a time where the sport (already massive in the country) is at the forefront of consumers minds.