

# [Customer and established itself as a sports-performance](https://assignbuster.com/customer-and-established-itself-as-a-sports-performance/)

Customer relationship managementrefers to collecting customer data and strategies employed to recruit andretain satisfied customers (“ Principles of Marketing, 2015”).

Gatorade does nottreat their top tier customers differently than others. However, after Gatoradebegan flat-lining in 2007 due to market share, Gatorade compiled data from aCRM review that revealed 46% of sales were from athletes (Var, 2012). Giventhis data, Gatorade implemented a marketing strategy that marketed to strictlyathletes, and established itself as a sports-performance beverage. They veeredaway from their broad marketing campaign, and focused on small niche programsthat appealed to athletes, their most valuable customers (Var, 2012) .

Theysuccessfully gained a competitive advantage in doing so, and were effectivelyable to hone in on their most passionate customer. With regards to privacy, Gatorade clearly states their terms and conditions on their website. Thisapplies to customers who want to download their app, or sign up for an account.

CustomerRelationship Management and PrivacyGatorade does very little to offerways to provide feedback and reviews on their product that is available for thepublic to see. Social media pages seem to be the primary tool that they use forcustomers to provide feedback. (“ Principles of Marketing”, 2015) asserts thatasking detailed questions in a customer survey is an effective tool to measurecustomer satisfaction. They could encourage more customer feedback and providesurveys on preferred flavors, and what they may dislike about Gatorade. However, on their main website, they do provide information for customers to postquestions and contact them (“ Gatorade”, 2017).

CustomerEmpowerment and Satisfaction  Criteria Gatorade PowerAde BodyArmor Benefits 5 4 4 Price 4 3 2 Convenience 5 5 2 Although Gatorade is the marketleader in the sports drink industry, they have some competitors that offersimilar products. Two major competitors include PowerAde and BodyArmor sportsdrinks (“ Sports Drink Wars”, 2015). When customers are making their decision inchoosing a sports drink, they are looking at the specific benefits, price, andconvenience to meet their needs. The benefits of Gatorade outweigh the benefitsof its competitors. Gatorade has fewer calories and replaces lost sodium moreeffectively (Bryan, 2017). Also, even though the price fluctuates withdifferent promotions, Gatorade is typically cheaper and more accessible tocustomers. Gatorade ranks number one in the sports drink category with PowerAdefollowing closely behind. Gatorade should offer a value proposition in order todemonstrate that the benefits of their product are superior to its competitors(“ Principles of Marketing”, 2015).

CompetitiveAnalysisA SWOT analysis is a key componentin creating the foundation of a marketing strategy. It examines the strengths, weaknesses, opportunities, and threats of accompany in order to providecompetitive insight on positive and negative issues that impact the success ofthe company. Gatorade has numerous strengths that contribute to their successsince its inception.

This is largely due to their early entrance into thesports drink market. They have established a loyal customer base early on. Thiscoupled with a strong brand name, and science to back up their products claimsto maximize hydration and physical performance, has given them competitive edgeover other sports drinks. People will have more confidence and satisfactionwith this product after learning the benefits knowing that their productsclaims are validated. However, one of their weaknesses is that some of theirdrinks contain high amounts of sugar. This could deter some customers from choosingthis product since it could actually dehydrate them (Flaherty, et al., 2016).

An opportunity for Gatorade would be to introduce a new product such as avitamin hydration drink. This would target the Vitamin Water customer basewhich is one of their competitors. Some potential threats include other sportsdrinks and a relatively slow market. To combat these threats, Gatorade shouldadvertise more to inform customers specifically on the benefits of theirperformance enhancing drinks.

SWOTAnalysisThe mission statement of a companyprovides the purpose and why it exist (“ Principles of Marketing”, 2015). Gatorades mission statement is ” The Gatorade Company, a division ofPepsiCo (NYSE: PEP), provides sports performance innovations designed to meetthe needs of athletes at all competitive levels and across a broad range ofsports. Backed by more than a 40 year history of studying the best athletes inthe world and grounded in years of hydration and sports nutrition research atthe Gatorade Sports Science Institute, Gatorade provides scientificallyformulated products to meet the sports fueling needs of athletes in all phasesof athletic activity” (“ Gatorade”, 2017). Since Gatorade is a strategic businessunit owned by PepsiCo, Gatorade’s mission statement has a customer focusspecific to its targeted audience, athletes. It is supported by valuestatements such as “ designed to meet the needs of athletes”. Roleof the Customer in the Company’s Strategic PlanAccording to the course content, marketing is comprised of four components that are centered on customer value. These four components are creating, communicating, delivering, and exchanging. These four components of marketing that are centered on customer value aim tocreate a profitable or positive exchange for customers (“ Principles ofMarketing”, 2015).

In regards to marketing, value is determined by thecustomer, and determines if the benefits received from a product meet theirneeds. Essentially, it is what a customer gets or receives from a company’sofferings (“ Principles of Marketing”, 2015). It is important that marketerscreate a profitable exchange by creating offerings that have value to thecustomer. The customers of Gatorade are mainly comprised of high-schoolathletes, marathoners, and others who are involved in general sports.

Theyaccount for 46% of all sales (Feifer, 2012). Gatorade creates value for itscustomers by meeting their nutritional needs. Furthermore, they are deliveringand exchanging a hydration product that leaves consumers (mainly athletes)satisfied that rehydrates, refuels, and replenishes lost electrolytes andcarbohydrates during an event (Flaherty, Kelly, Najarian, Giannascoli,  & Midlige, 2016).