



Optimal Strategix Group

On Premise Growth Strategy: Identifying Customer Segments

How OSG helped a popular energy drink manufacturer understand consumer behaviour at on-premise and off-premise channels and identify opportunities to tap consumers in the on-premise channel

EXECUTIVE SUMMARY

Our client, a global manufacturer of energy drinks, wanted to improve their acquisition strategy for the segment that consumes their energy drink on-premise. They tasked OSG with understanding the drivers of their consumers' choice and behaviors. Using ASEMAP™, OSG's proprietary behavioural analytics platform, we undertook a qualitative and quantitative research to identify target consumer segments and come up with actionable, distinct value propositions to win each segment.

OBJECTIVES

Our client was interested in a deep understanding of on-premise consumers and the factors impacting their choice & behaviors, specifically:

- Understanding the on-premise channel relative to other sales channels
- Identifying & prioritizing the greatest sources of opportunity for the brand in the on-premise channel
- Developing an appropriately resourced plan to capture these opportunities

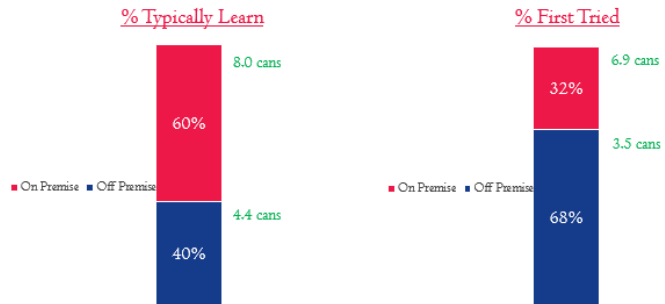
STRATEGY



RESULTS

On-Premise Impact v/s other sales channels:

- The On-Premise channel is a powerful source of awareness and initial trial, and provides a foundation to develop strong energy drink consumption with consumers
- On-premise helps support off-premise business



Brand Perceptions in the On-Premise Channel

- There is little differentiation among energy drink brands in the On-Premise channel
- The client does, however, differentiate on its ability to enhance energy while also appealing to more emotional benefits (especially when mixed with alcohol)

Consumer Needs

- While there is opportunity to differentiate across more emotional consumer needs, the client's brand equity is highly functional (energy) – the client should not stray from this central positioning
- Taste, the top universal driver, could present itself as an opportunity if the client can innovate to own this driver

Growth Opportunities

- Possibility for overall category expansion may be limited; instead more immediate growth opportunity lies among increasing consumption among current users
- Opportunities are highest in more frequently attended venues (e.g., sports bar/pub, nightclub, casual dining)

VENUE OPPORTUNITY ANALYSIS (taking into account (1) frequency visit venue, (2) where energy drinks are most commonly consumed, and (3) volume of energy drinks typically drink at each venue)

