

MKT30016: MARKETING STRATEGY AND PLANNING
CASE STUDY PRESENTATION



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Introduction

This section of the assignment provides a detailed analysis of the case study provided in order to develop a profound understanding of the importance of control and implementation of the broad spectrum of corporate strategies (Ashley and Tuten, 2015). Additionally, the analysis of the case scenario attempts at highlighting the distinction in the contemporary and traditional concepts revolving around the structural aspects and enhance the strategic planning skills at organizational levels.

The case scenario of “ Social media impact on brand launch at PepsiCo” demonstrates the growing utilization of social media in corporate ventures of the company PepsiCo which is a multinational American company trading in food, snacks and beverage industries, founded back in 1898 (Pepsico.com, 2018). The company is famous worldwide for its soft drink product that goes by the name Pepsi. The case study illustrates that the company primarily deals in the energy drink section via AMP and requires accomplishing a competitive advantage over other competitors such as the RedBull and Monster.

Findings

From the provided case scenario, that the utilization of the social media has been observed to rise exponentially since the early 2000s. In addition, several market research have established that social networking site Facebook has surfaced as the major players in the respect of digital marketing via social media (Dijkmans *et al.* 2015). The case study also establishes that the social networks have access to the around 1.2 billion users and therefore, will be able to provide better exposure to the products and lesser cost of the marketing in comparison to the traditional marketing techniques.

Additionally, the case scenario provides substantiation for the fact that the users’ online activity predominantly constitutes the browsing of the social networks and blogs (Dunlop *et al.* 2016). This also validates that the rise in the adoption of the mobile devices among the users have resulted in increased social media usage of both the social networking sites and the blogs accounting for nearly 2 in every 5 access of the sites from mobile devices.

In addition, it has also been inferred from the case scenario that the demographic segmentation of the internet users highlight that the most active users are constituted of the female users, while

the men (of age-group 18-25) are among the fastest growing section of the social networking uses.

Discussion

The case scenario suggests that the social media has surfaced the most influential marketing medium in the past decade with a huge exposure to the brand and minimal cost (Felix *et al.* 2017). The social networking site provides the appropriate justification of this fact upon critically analyzing the official Facebook pages of Red Bull having a reach across 49 million users that accounts for 38.3% of the market share and that of Monster is about 26 Million followers with 26.6% market share (Facebook, 2018). These data about the competitors, gathered by the means of the social networking site may prove be helpful to PepsiCo in order to analyze the areas that may be improved and build a market-oriented marketing strategy for the energy drink.

Additionally, the case scenario establishes that younger lot of the world population are the most active users and are deemed as the most engaging audience in regards to energy drinks. Therefore, the utilization of brand building by targeting the younger lot as the target segments of the consumer base for the new energy drink may also add to the advantage of the digital marketing strategies of the brand (Godey *et al.* 2016). Analyzing the current positioning of the firm, the company may want to launch the product with under the product name of “Pepsi Energy” or anything that would establish a direct relation with the brand.

Furthermore, the social media corresponding to the contemporary digital marketing channel in comparison to the traditional marketing techniques (such as the TV, radios, newspapers, WoM, magazines, etc) prove to be superior in terms of exposure of the product and a cost effective medium. This is established via the case study that advertisements online via different social networking sites cost 1/10th of that of the traditional techniques for reaching 1000 consumers (Ngai *et al.* 2015). However, the brand building through social media also has various negative aspects in regards to the negative comments that may surface about the product and hamper the overall product’s development.

Therefore, PepsiCo needs to make a proper balance between the social media and the traditional marketing techniques.

Conclusion

The main points that have surfaced with the course of this discussion point towards the importance of accomplishing a competitive advantage in the marketplace by the means of a social media campaign in regards to the launch of the energy drink (Ottman, 2017). Upon analyzing the feasibility of the markets that correspond to the 64% gradual increase in the consumer demands for energy drinks, PepsiCo may wish to make the most out the advantageous situations and therefore come up with a marketing strategies taking into consideration the right amount of balance in the traditional and social media campaigns.

Additionally, with the thought of augmenting the existing brand value, PepsiCo may want to establish a direct trading with the consumers and build the consumer base of their new energy drink with appropriate brand communications strategies (Paniagua and Sapena, 2014).

Recommendations

As per the discussion sections, the most appropriate resolutions towards building the consumer base for the new energy drink, the marketers must involve with appropriate market segmentation and target the segments for proper positioning of the energy drink and establishing the competitive advantage over other energy beverage companies.

PepsiCo needs to adopt a market-oriented marketing strategy with maintaining a proper balance in the traditional and digital marketing strategies of the firm (Risselada *et al.* 2014). The reason behind the adoption of a market-oriented marketing strategy rests with the fact that such a marketing strategy is useful towards exhibiting flexibility towards adapting with the changing nature of the consumer demands and accordingly develops the product to meet the consumer expectations.

Additionally, the social media is an appropriate medium to assess the consumer behavior correctly by the means of the click transitions of the consumers' online activities (Schivinski and Dabrowski, 2016). This contributes largely at identifying the consumer needs and develops the product accordingly.

Implementation

The enhancement in the brand and the consumer base relationship in order to develop the product and the brand image may be established by the means a social media campaign by the brand managers of the firm.

- The company may want to launch the product under the same brand name for establishing the product's relevance such as "Pepsi Energy" or "Pepsi KickStart", etc
- This would also result in the conveyance of the authenticity of the new product among the consumers and will positively impact the products exposure (Tuten and Solomon, 2017)
- Segment the target audience most constituting of the younger lot of the population
- Proper positioning of the product with predetermined supply chain systems
- Furthermore, brand managers must be aligned towards the creation of a separate social networking pages across all the sites of the new product to assess the amount of reach of the product in terms of likes, shares, tweets, retweets and the corresponding hashtag campaigns (Xu *et al.* 2016)
- Employ effective brand communication strategies in accordance with the CRISP (Consistent, Relevant, Intimate, Simple, Persistent) model
- In addition, the social media campaigns must involve the creation of stories relevant to the topic that would also contribute to the traditional marketing strategies
- Increase in the WoM and traditional marketing techniques

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