



Case Study

Consumer Packaged Goods

On Premise Growth Strategy: Identifying Customer Segments



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

Product Highlight



Tech-Enabled Services combines our powerful technology and analytics capabilities with our industry expertise to make a difference for our clients. By using the flexibility of our technology to tackle any business challenge, we can help customers in any industry shift to a customer-centric mindset and show them the impact of gathering, digesting, and implementing customer data in their strategy and practices.

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 **Dynamo, OSG's AI-driven big data 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:



1

Understanding the on-premise channel relative to other sales channels

2

Identifying & prioritizing the greatest sources of opportunity for the brand in the on-premise channel

3

Developing an appropriately resourced plan to capture these opportunities

Strategy

Knowledge Assessment

Information Audit: Internal & External Sources

Review information: from drink manufacturer and external sources: customer, sales, channel, market, competitive, category trends, and more

Rich Consumer Insights

Qualitative Research & Quant Input Design

90-minute focus groups: with on-premise Energy drinkers, 3 in Los Angeles and 3 in New York City

Workshop: to develop benefits quantitative evaluation

Provide Robust Results

Quantitative Research to Profile Behavior & Needs

Two 30-minute online surveys:

- 1001 responses from On-Premise drinkers, both occasional and regular
- 299 responses from On-Premise Non-Energy Drinkers

Actionable Strategy to Win

Analysis & Recommendations

Identify target consumer segments, as well as their top needs in a detailed profile

Actionable, distinct value propositions and strategy to win each segment of customers



Results

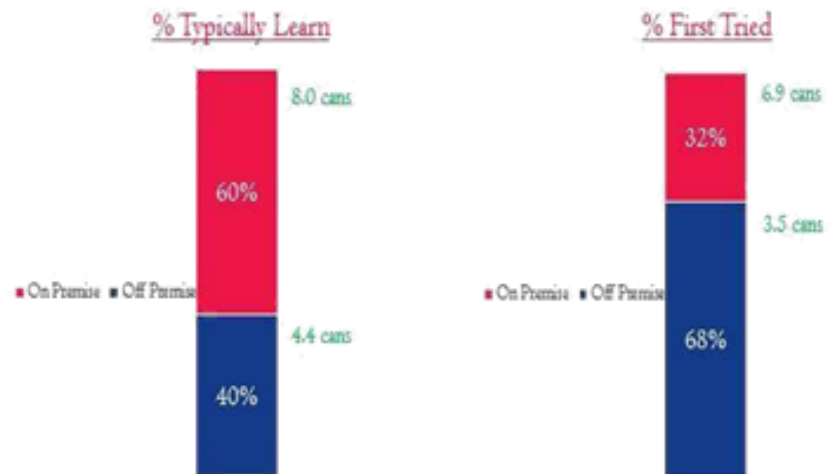
Improved Marketing Strategy to Target Key Customer Groups

By gathering data on their audience as a whole, our client was better able to understand needs that they could target with their marketing strategy, to reach new audiences, and retain current customers.

This graph shows the split between the customers who learn and first try energy drinks on-Premise versus Off-Premise

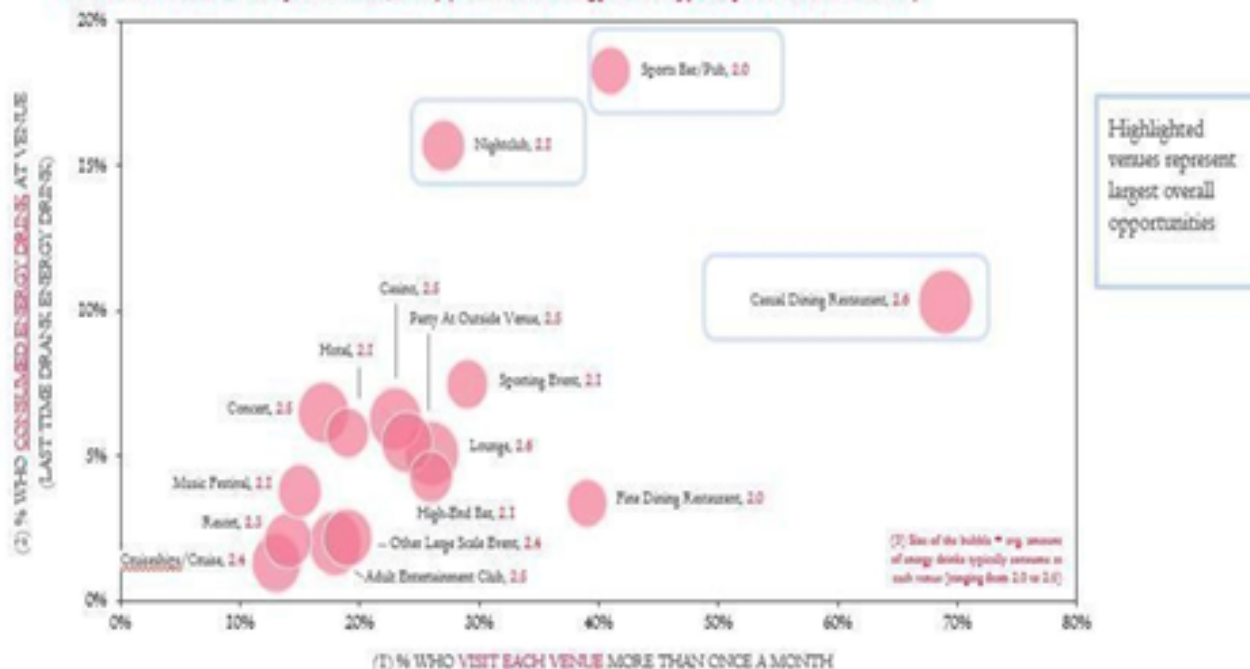
On-Premise Impact vs. other sales channels:

- 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



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)



Results



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 an 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)

The Power of OSG Analytics

OSG is a **global technology and analytics provider** that delivers outcomes on customer engagement to Fortune 500 clients with the help of leading analytical technologies and world-class global resources. OSG uniquely combines historical data with the future needs of patients, physicians, consumers, or customers of our clients by going beyond the “who” and the “what” and understanding the “**how**” and “**why**” **behind their decision-making**. OSG focuses on the 3E's, Behavioral Expectations, Superior Experiences, Guaranteed Engagement, to help drive growth through **customer-centricity**.

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