

ROCKSTAR ENERGY DRINK

★ Section 1: Situation Analysis

The energy drink category, which account for about 5% of all non-alcoholic beverage sales, has been a growing for the past decade, acquiring over 14.8 million consumers from 2003 to 2008. With a current estimated market value of \$4.8 billion, it's no surprise that the top producers Red Bull, Monster and Rockstar are fighting to maintain their market share. Second only in cost to coffee (\$2.27 per 16fl.oz. in FDMx), energy drink consumers are willing to pay a premium to get their jolt (Mintel, 2008). The following situation analysis outlines both the current situation of the category, as well as where Rockstar established its position.

CATEGORY: Current trends of the category, distribution, and consumption

★ The Energy drink category experienced significant growth over the past several years

High-Caffeine soft drinks have existed in the United States since the 1980's beginning with Jolt Cola. The exclusive energy drink category began with the Austrian import Red Bull in 1997 (Marin, 2007). The category owes much of its current success to the introduction of Red Bull. Since Red Bull's inception, there are now over 300+ varieties in over 210 brands in North America alone (Agri-Food, 2008). The success and growth of the billion dollar energy drink market has been driven primarily by grassroots promotions (Agri-Food, 2008).

★ Convenience stores are currently the main point of purchase for energy drinks, which plays a role in consumers' brand perception

Convenience stores account for about 80% of total market sales in 2008. They are considered a sampling ground because consumers have such a wide variety to choose from without committing to a six pack. Due to the nature of the impulse purchase for immediate consumption, brands are also able to charge a premium through this type of distribution channel (Mintel, 2008). Distribution is an important factor in differentiation from competitors (Strenk, 2008). The presence of energy drinks in supermarkets has increased as this is an outlet where consumers can purchase a higher quantity for a greater value, yet with decreased variety (Mintel, 2008). Furthermore, teens, a key energy drink consumer, are more likely to shop in convenience stores accounting for the majority of sales.

★ Function (caffeine as an energy source) predominates product choice over taste

The majority of consumers drink energy drinks for their functional benefits—an energy boost or to stay awake, compared to using the beverage for refreshment. According to Mintel, 78% of users 18+ use energy drinks to get an energy boost, while a mere 31% use them for taste, and 22% for hydration. Poor taste is generally an assumed quality among consumers, although they do acknowledge it in purchase decisions (Agri-Food, 2008).

★ Aside from function and taste, price is significant in purchase decision (Gates, 2008)

Consumers are willing to pay more if they perceive a beverage to be a value-added product (Mintel, April 2008). However, due to the number of options in the energy drink category, those with lower prices that provide the same benefits are likely to be more favorable (Gates, 2008). Large cans are also an attractive attribute in purchase decisions because they allude to a greater value, as well as providing twice the energy (such as 23.5fl.oz cans) (Mintel,

2008). Multi-packs are expected to capture a greater share of the market in coming years due to consumers wanting more value for the price (Gates, 2008; Shrenk, 2008).

★ Hybrid extensions demonstrate that the category is diversifying. These extensions have enabled brand growth and the opportunity to gain market share

Energy drinks have truly become a ‘morning through night’ product. From the sunrise pick me up, to a mid-day boost all the way through late night drink mixers, their utility has shifted to offer a wide range of benefits to a wide range of consumers (Agri-Food, 2008).

Ingredients such as green tea and fruit juices are being added to capitalize on the better-for-you trend (Argi-Food, 2008). Hybrids include coffee derivatives (including Java Monster or Rockstar Roasted) and juice derivatives (such as Monster Mixed or Rockstar Juiced) to attract an audience for breakfast coffee/juice drinkers. Other derivatives have extended into the cola realm, such as Redbull- simply cola (Mintel,2008). Healthier options appeal to women who account for a smaller number of energy drink consumers (Langley, 2008). Energy shots are also gaining popularity amongst energy drink consumers (Gates, 2008; Shrenk, 2008).

COMPANY: Overview of company origins and current place in category

Rockstar (or ROCKST★R) energy drink was created in 2001, and is based in Las Vegas, Nevada. Founded by its CEO Russell Weiner, Rockstar is an international brand sold around the world. The company has experienced triple digit growth every year between its introduction in 2001 and 2005 (“Rockstar Inc Announces...“, 2005). They currently offer ten products from the regular energy drink, to versions which feature juice, coffee, sugar-free and energy shots. These include: Rockstar Energy, Rockstar Sugar Free, Rockstar Zero Carb,

Rockstar Juiced Mango, Rockstar Juiced Pomegranate, Rockstar Juiced Guava, Rockstar Punched, Rockstar Punched Citrus, Rockstar Roasted, and Rockstar Energy Shots in Tropical Punch and Wild Berry.

The company's website offers the following description of the Rockstar brand, "Bigger. Better. Faster. Stronger. Rockstar is the world's most powerful energy drink. Enhanced with the potent herbal blend of Guarana, Ginkgo, Ginseng and Milk Thistle, Rockstar is scientifically formulated to provide an incredible energy boost for those who lead active and exhausting lifestyles—from athletes to rock stars. Enjoy this fully refreshing lightly carbonated beverage super chilled."

★ Rockstar is viewed as innovative in the category ("Rockstar Inc Announces...", 2005)

Rockstar was the first energy drink brand to develop the 16-ounce diet energy drink, available in multi-packs, and the first brand to offer multiple package sizes of a brand favorite ("Rockstar Inc Announces...", 2005). According to Mintel, it is imperative for non-alcoholic beverages to remain innovative in order to fuel growth in the market (Mintel, April 2008). In 2006, 500 new products were introduced worldwide in the energy drink category, with more than \$3.2 billion revenue in the U.S (Langley, 2008).

★ Rockstar delivers on its claims

Known as a brand that fulfills its claim, Rockstar can create brand equity and trust. It is imperative that any new extensions live up to the standard of the other versions or it may have an adverse effect on already loyal customers (Mintel, April 2008).

★ The brand is perceived as socially responsible

Rockstar was applauded for discontinuing Rockstar 21, which was easily confused with the other non-alcoholic energy drinks (Drug Week, 2007). As youth and community groups rally behind the cause of eliminating energy drinks with alcohol content, this act resonated positively with consumers. Although the FDA and other food safety authorities have reiterated that there is no known health risk to consumers from the benzene levels found in soft drinks, in July 2006, Rockstar voluntarily reformulated its “Diet Rockstar” product to minimize the potential for formation of benzene (Rockstar Website).

CONSUMER: Who is purchasing energy drinks?

★ Teens and young adults are the biggest energy drink consumers

Sixty-five percent of energy drink consumers are between the ages of 13 and 35, with 65% of those are male. Teen consumption has grown rapidly since 2002, with an increase in ages 13-17 from 18% to 31% (Marin, 2007). In the U.S., 35% of all teens aged 12-17 drink energy drinks, vs. 15% of adults aged 18 and over (Mintel, 2008).

Young adults ages 18-24 are the key consumers in the market with 34% drinking energy drinks in 2008. However, during 2003-08, respondents ages 25-34 have also exhibited impressive growth in the incidence of consumption (14% in 2003, rising to 23% in 2008). Combined, these two demographic groups accounted for 45% of all energy drink users in 2008 (Mintel, 2008). Young adults are also typically more likely to try new beverages (Strenk, 2008).

★ College-age consumers are a large part of the energy drink category (Gates, 2008)

A large appeal of energy drinks is the ability to mix with alcoholic beverages. Approximately, 52% of adult internet users ages 21-34 used energy drinks to mix with alcohol

over a three month period. According to one study of college age consumers, the most common reasons for energy drink consumption were insufficient sleep (69%), studying (56%) and to mix with alcohol (57%) (Nutrition Journal, 2007).

★ Energy drinks are consumed overwhelmingly more by men than by women.

Currently men are the largest consumers of energy drinks. Use among women is unlikely to equal to that of men. As women grow older, they tend to become more conscious than men about their weight, and most energy drinks have a lot of sugar (Mintel, April 2008). Additionally, racy marketing, edgy slogans, and high amounts of caffeine are also likely to negatively influence women in choosing energy drinks. Perhaps the practice of targeting women through specialized advertisements and lower calorie options would cause the demographic of women to grow even more.

★ Hispanics and blacks exhibit higher than average incidence of energy drink consumption —27% and 21%, respectively, compared to 15% for all adults.

The biggest future growth indicator from these population groups is that a bigger proportion of their total population falls in the 18-34-year-old age group. In 2013, taking the entire adult population into account, 41% of Hispanics, 37% of blacks, and just 29% of all whites will be aged 18-34 years (Mintel, 2008).

CULTURE: Trends in society, economy and population Relating to Energy Drinks

★ Energy drinks are now on the health risk radar for Teens and Young Adults

Due to the high caffeine content in energy drinks some doctors, parents, schools and legislators are warning teens not to consume these potentially health hazardous beverages

(Mintel, 2008). The Virginia chapter of the American Academy of Pediatrics revealed, “There is no good reason for children and teenagers to consume these products” (Legge, 2008).

Additionally, children, ages 12-14, are sensitive to caffeine and may experience negative effects if they consume energy drinks. A few school authorities banned energy drinks on school premises and sent warning letters to parents in response to middle-school children feeling sick due to the consumption of energy drinks (Mintel, 2008) .

★ There is a distrust of energy drink ingredients by skeptics and natural food consumers

High amounts of sugar, caffeine and other stimulants, such as guarana, concern many skeptics, especially the growing number of consumers interested in holistic health (Mintel, 2008; Legge, 2008). A community columnist in Madison County, Virginia complained, “Monster- doesn’t even say on its label how much caffeine it contains. They hide it under a pseudo-ingredient ‘energy blend’”(Legge, 2008).

★ Risky behavior and drug addiction is associated with energy drink consumers

The journal of Drug and Alcohol Dependence published a paper that found “energy drinks could result in caffeine toxicity and addiction, plus increase a young person’s chances of abusing hard drugs” (Warlick, 2008). Another study by the American College of Health stated, “students who drank at least six energy drinks per month were three times as likely to have smoked cigarettes, abused prescription drugs and been involved in fights,” (Warlick, 2008).

Young consumers have reportedly abused energy drinks having multiple drinks one after another to provide a consistent boost of energy (Gates, 2008).

★ Teens and Young Adults continue to consume energy drinks through economic gloom

The retail market for energy drinks, according to Mintel, “has experienced a growth rate of over 400 percent from 2003.” Energy drink companies are experiencing steady growth in sales despite the difficult economic climate (Brand Strategy Magazine, 2008). Hansen Natural Corporation, maker of Monster energy drink, reported “record solid profits” in November 2008 (Katzanek, 2008).

★ Population projections for teenagers and minorities will change energy drink market significantly

The teen population, of which 35% consume energy drinks, is expected to decline significantly during the years 2008-2013. All teenagers, aged 12-17, will decrease by nearly one million (Mintel, 2008). Additionally, Mintel reports that the entire adult population, ages 18-34, will consist of more hispanics and blacks than whites in 2013.

COMPETITION: Category rankings and recent product responses to market changes

★ Red Bull remains the category leader and introduces an all-natural cola

Red Bull is the top brand choice among adults and teens. It has 57% penetration among adults and 47% among teens in 2007 and \$357 million in sales as of May 2008 (Mintel, 2008). In November 2008, Red Bull introduced Red Bull Cola. It’s made 100 percent from natural ingredients and with half the amount of caffeine in an average cup of coffee to deter the growing health concerns of energy drinks by natural food consumers and health conscious adults (Donovan, 2008). Despite being the category leader, Red Bull lost 0.1 market share to competitors from 2007-2008 (Mintel, 2008). Red Bull has two varieties, regular and sugar-free, available in a 8.3oz can and contains 80 milligrams of caffeine (Red Bull website) .

★ Monster energy drink, the number two brand, diversifies products and goes green

Monster energy drink, owned by Hansen Natural Corp., had \$184 million in sales as of May 2008, gained a total of 4.1 of the market share from 2007 and has 26% penetration among adult energy drinkers keeping them at number two in the energy drink category (Mintel, 2008). Monster introduced a line of energy- coffee hybrid drinks, called Monster Java, in June 2007 available in six new flavors (Wordpress, 2008). Monster's brand manager, Geoff Bremmer, announced in November the company intended to take category leadership responsibility and launch a major recycling campaign (Bremmer, 2008).

Monster, available in 15 varieties, includes a sugar-free option, juice versions, coffee blends and one energy shooter. All drinks, with the exception of the shooter, come in an 8.3oz, serving with 80 mg of caffeine, or a 16oz serving, with 160 mg of caffeine. The regular and sugar-free options are available in a 24oz can with 240mg of caffeine (Monster website).

★ Full Throttle, the number four brand, turns to segment marketing

Full Throttle, owned by Coca-Cola Company, has only 16% penetration among adult energy drinkers and is the current number four brand in the energy drink category, following Rockstar at number three. Full Throttle signed the rapper, Big Boi, as their new spokesperson for Full Throttle Fury to target the African American male demographic (Walsh, 2008). This move toward segment marketing indicates their strategy to stay ahead of the market when the black population surpasses the white in 2013 (Mintel, 2008).

Full Throttle is available in five varieties, including a sugar-free option and a hydration version that is non-carbonated and electrolyte infused. All drinks come in a 16 ounce can and contain 144mg of caffeine.

★ Coffee, natural smoothies and enhanced bottled water represent new competition for energy drinks

Starbucks and PepsiCo formed the North American Coffee Partnership (NACP) to lead the RTD coffee market and launched Doubleshot Energy + Coffee to target the 18-34 energy drinker. Natural smoothies, such as Naked, introduced Naked Energy for the consumer that was concerned with too many artificial ingredients. Naked Energy sales grew 61% during 2007-2008. The current consumer trend toward health and wellness also gave way for Glaceau to introduce Vitamanenergy, an energy enhanced bottled water, in 2007 and has since garnered \$2 million in sales during 2007-08 (Mintel, 2008).

COMMUNICATIONS: The tools used in the energy drink category

★ Energy Drinks typically skew towards non-traditional advertising

Street teams, sweepstakes, and social networking are more commonly utilized, as they promote a more grassroots and viral type of communication. According to MRI+ 2007, social networking has a high index for the energy drink consume, however, despite its medium, research has shown that Facebook users do not respond well to ad placements on the site, perhaps because of the context in which they use it. (Social Media Charity, 2008). Brands such as Monster and Red Bull and Rockstar all utilize cars to promote awareness and distribute samples (Martin Interview,2008). There are several sweepstakes that people can enter to win extreme sport attire or musician's instruments sponsored by Rockstar (Rockstar website; Martin Interview, 2008). Furthermore, Rockstar has an exclusive partnership with JetBlue airline, being the only energy drink currently offered onboard. Through the partnership, Rockstar ads are displayed on screens during take-off, landing, and on the JetBlue flight channel (Walker, 2008).

★ Traditional media

Red Bull and AMP are two brands which are currently utilizing traditional TV. The "Red Bull Gives You Wings", and Amp's "The walk of shame" campaigns, feature more racy content with sexual connotations, aimed at an older audience (Amp Website, 2008).

★ SWAT Marketing

SWAT Marketing works with nontraditional marketing strategies to attract a younger demographic. SWAT Rockstar is an integral part of Rockstar's current promotion initiatives. They attract their target market through entertainment, action sports, and travel (SWAT Rockstar website, 2008). Campus representatives are provided with cases of different Rockstar flavors and promotional items, and maintain a presence at college events and parties for consistent distribution among potential consumers (Martin Interview, 2008).

★ Music and extreme sport partnerships

Partnerships resonate with the target audience who already has an existing relationship with the culture. Rockstar sponsors music artists such as Gwar, Disturbed, As I Lay Dying, The Man Band, and Black President, featuring each on their site (Rockstar website, 2008). Monster also sponsors music artists such as Rob Zombie, Good Guys in Black, Chevelle, Buck Cherry, and StaticX (Monster Website, 2008). Full Throttle recently teamed up with rapper Big Boi in order to target the hip hop community.

BMX, boxing, drift, FMX, mixed martial arts (MMA) and UFC, PRIDE Fights, motorcross, mountain biking, NHRA drag racing, off road racing, paintball, rally, skateboarding, skiing, snowboarding, snowmobile, superbike, supermoto, surfing, Suzuki amateur, volleyball,

and wakeboarding (Rockstar, 2008). Rockstar is one of the biggest sponsors of the MMA and UFC (Modist, 2008). Rockstar not only sponsors athletes, but they set up booths at sporting events with free samples of Rockstar and promotional items (Rockstar website; Modist, 2008).

Rockstar is currently presenting the 2009 Vans Triple Crown of Surfing which began on November 12, 2008 in Hawaii. The event holds surfing contests for men and women to compete for cash and other prizes (such as diamond watches) (Triple Crown, 2008).

Red Bull holds an annual Flutag contest where contestants make homemade flying machines . They also host soapbox races, Hawaiian cliff-diving matches, street luge races, and free-skiing through the mountains of Alaska. Red Bull's events attracts tens of thousands of spectators (Denver Post, 2008). Red Bull's other sponsorships include: two and four-wheel motorsports, ice climbing, adventure racing, etc (Red Bull Website, 2008)

★ Section 2: SWOT Analysis

Strengths

- Rockstar is an innovative brand within the category. It was the first energy drink to introduce larger can size, and has the largest variety of flavors to choose from, including two diet options, zero carb and diet Rockstar, for the health conscious.
- Responsive to customer feedback and socially responsible in making product decisions and recalls before potential issues arise.
- Has established itself through grassroots marketing among the extreme sports subculture and has a strong consumer base among this sub-group.
- Has a reputation of delivering on its energy.
- The brand is extremely resonant with young adults and teens.
- Holds the 3rd highest share in the market, second to Redbull and Monster.
- Has an international presence.
- Has 10 varieties, including diet, juice, coffee and shooter options
- Cans now feature screw top allowing consumers to extend the beverage life.

Weaknesses

- Limited brand awareness among the general population.
- The current target is narrowly skewed towards alternative and extreme sport and music enthusiasts, and therefore the target may be too segmented for future growth.
- Lacks cohesive brand image despite loyal fan base.
- The brand's online presence lacks interactivity and captivation. The actual website is not user friendly and lacks purpose.

Opportunities

- Position product/flavor variety as a positive choice
- Incorporate traditional media back into marketing approach if appropriate
- Re-establish/re-define the brand image
- Restructure and enhance the online approach to include interactive elements
- Find a way to leverage social networks

Threats

- Overall health concerns, including sugar content is off-putting to more health conscious consumers
- The caffeinated beverage category is large, and diversifying, including an organic movement to more natural sources of caffeine
- The Economy is shifting and so are consumers spending habits
- Energy drinks seen as a 'gateway' to other substance abuse and destructive activity

★ Section 3: Target Audience Analysis and Definition

According to MRI + 2007, Rockstar consumers are mostly male (index 138). Currently, Rockstar has a much higher penetration among teens than it has among adults (40% to 23%). However, the teen population is projected to decline (Mintel, 2008). Given this information, Rockstar aims to attract a larger market share of adult men by appealing to the heavy users (someone who drinks at least five energy drinks in a 30-day period). Of adult men, those between the ages of 18-34 consume the most Rockstar energy drinks (index 295). Rockstar will continue to target men, but attempt to gain a larger market share of older consumers currently dominated by Redbull and Monster.

The most common occupations of heavy energy drink users are sales and office jobs (index 128) and occupations in construction or natural resources (index 178). The highest percentage of energy drink consumers make a household income of \$30,000-\$39,000 (index 120). However, there is an opportunity to target the next two tiers of significant users whose household incomes are \$40,000-\$49,999 (index 106) and \$50,000-\$59,999 (index 105). The West coast currently shows the densest populations of heavy energy drink users (index 153) but Rockstar will appeal to all geographic regions in the United States.

The energy drink consumer is independent and enjoys their free time. They consume these drinks because they are effective in providing an extra boost to ensure tasks are completed as an alternative to other caffeinated beverages. In the instances that the target will select to purchase an energy drink, they are depending on it to fulfill the advertised promises. The target appreciates options, therefore the size and flavor of the Rockstar product is appealing.

The category of race for “Other/Multiple Classifications” was the highest racial category with an index of 203. The classification of race also speaks to the resistance to conventional categories and confines. Out of the heavy users that did identify themselves, Asians are the largest consumer (index 149) followed by those that classify as Black/African American (index 118). As the Hispanic and Black population is projected to be larger than the white population by the year 2012 (Mintel, 2008), there is a need to attract a diverse user.

As a component of primary research, 36 people between the ages of 19-31 participated in an online survey. Although the results may not be representative of the overall energy drinking market, there are certain commonalities that should be highlighted. The majority of respondents (64%) drink energy drinks even though they perceive them to be expensive (70%). Sixty-four percent would not be more likely to buy an energy drink if it is on sale, which assumes consumers choose the brand they trust and perceive to have the highest value even if they will need to pay slightly more for it. Thirty out of 37 respondents do not watch extreme sports. Rockstar currently has an overwhelming presence in the extreme sports arena and going forward will expand the target beyond those directly involved in extreme sports.

The goal is to retain the demographic that associates with an alternative subculture but may not actively engage in it first-hand. Overwhelmingly, energy drink users that participated in the survey utilize the product to stay awake.

Based on above research and considering the online survey results, Rockstar will target a more diverse range of males, shifting to an older target market.

★ Section 4: The Problem to be Solved and Key Insight

★ **The problem to be solved is Rockstar needs to refine their brand image to appeal to a more diverse target market.**

Therefore, they will have to position themselves to resonate with young adults, ages 18-34, without alienating their current, loyal teen customer base.

★ **The key insight we uncovered was people consume energy drinks not for refreshment, but for an energy boost.**

Energy drink consumption is a functional choice for moments one might need to 'rise to the occasion' or 'go the extra mile'. It is going to help you perform at your best. Energy drinks serve an aspirational purpose, enabling the consumer, whoever it might be, to believe it is empowering them to take charge and get the job done.

★ Section 5: Brand Vision

Core Identity

- Brand Soul
 - Empowering individuality
- Brand Values
 - Authenticity, energy, motivation
- Point of Difference
 - Providing a consistent energy boost through unique options to match unique lifestyles. This is important because the brand should resonate with the lifestyle of the consumer and the number one reason consumers chose energy drinks is to get a boost in energy for a particular, crucial moment (Mintel, 2008).

Extended Identity

- Personality
 - Rockstar is an enthusiastic 26 year old male, with an athletic build, who finished college a little late, due to his busy social calendar. As an aspiring music producer, he knows the words to every song, attends concerts religiously and has over 3,000 songs, attesting to his eclectic taste, on his 120GB ipod. He's a free thinker, questions conventional norms and values individuality. Rockstar is invited to every party and has over 1,000 friends on Myspace. He believes himself to be original, passionate and motivated about what he loves in life. His mantra is, "First, stay true to yourself. Second, find out what you love and stop at nothing to get it. You can sleep when you're 40 and retired." Rockstar is a sucker for vintage Fedoras, although he says he wore them well before they were popular, sporadically sports a skinny tie and loves a good pair of great-fitting, comfortable jeans.
- Brand Positioning
 - The authentic energy drink for any lifestyle that requires a rockstar performance

Consumer Relationship

- Functional Benefits
 - The consumer believes he's getting a real energy boost from Rockstar
- Emotional Benefits
 - The consumer feels motivated, true to himself and empowered to conquer what lies ahead
- Consumer/ Brand Relationship
 - A lively, but dependable friend that wants to help you perform at your best. When you're finished with the task at hand, he's ready to celebrate.

★ Section 6: Advertising Objective

Advertising will convey that Rockstar supports the consumers' independence and resistance to mainstream, conservative ways of life. Rockstar will empower energy drink consumers to set new trends and be individuals. Through the freedom to choose which flavor and can size is right for them, consumers don't have to conform to conventional norms. The Rockstar advantage is that it has a functional benefit and fulfills its advertised promises. The variety of flavors and size options corresponds to the diverse user and their need for the product. Rockstar should convey that it is the brand to turn to when you need to go the extra mile and be better than your competition. Rockstar represents the freedom to choose who you want to be and how you want to live and still be the best "you."

★ Section 7: Creative Brief

Creative Brief

Client: Rockstar

Date: December 11, 2008

Business Challenge: To appeal to a more diverse target market without alienating our loyal consumer base. Currently, Rockstar lacks a cohesive brand image, and resonates mainly among teen males who identify with the extreme sport and punk music subculture. Brand perception is inconsistent among consumers. Rockstar needs to define itself among the new target market.

Communication Objectives:

- 1) Refine current brand image and product message to resonate with M18-34, specifically increasing awareness and appeal among current users of competitors, specifically Redbull and Monster
- 2) Increase overall brand awareness and highlight product benefits to potential consumers.
- 3) Promote brand trial among current energy drink users

Brand Essence: Empowering Individuality

- Rational: Rockstar provides you with an authentic energy boost to get the job done.
- Emotional: Rockstar enables you to perform at your personal best. Feel confident, ready, and empowered to rise to the occasion, whatever it might be. (There is an aspirational tone that sets Rockstar apart from other brands)

Target Audience: M 18-34, AAM 18-34, and HM 18-34 who see themselves as edgy and alternative, yet worldly and open minded.

Brand Personality: He's a free thinker, questions conventional norms and values individuality. He believes himself to be original, passionate and motivated when it comes to the things he enjoys in life.

The target Rockstar consumers are young adults, either in college or starting their careers. They lead a busy, on the go lifestyle, but also make 'me' time a priority, whether it's playing guitar, or watching their favorite show on Comedy Central. Their iPhones keep their life in check, from the songs they listen to while commuting on the train, or checking the latest sport scores. They feel the pressure to deliver when they need to be their personal best, whether it's pulling an all-nighter to finish a paper, having the energy to play in a big game, or a huge presentation at the office. They enjoy having a social life, knowing the newest spots to go, the most up and coming bands, and are looked to as leaders among their peers. Loyalty is important to them, and therefore they are sure to follow up on their word as well.

Key Insight: People consume energy drinks not for refreshment, but for the energy boost. Energy drink consumption is therefore a functional choice that provides the consumer, whoever it might be, with the belief that it is enabling them to perform their best at a moment of truth.

The Big Idea: Your favorite Rockstar beverage gives you the power to be the best version of you.

Motivating Support Points:

- Rockstar is the alternative energy drink for any lifestyle that requires a 'Rockstar' performance.
- Our consumer is motivated by music and it plays a big role in their life
- Our consumer is choosing an energy drink for the functional boost, doesn't want to take the risk of any standard energy drink experience.
- Each consumer has unique reasons for needing that boost, and the variety of Rockstar caters to that

Current Response: "Rockstar is just another energy drink." "All energy drinks taste the same. I might as well just buy the one that is cheapest or the one I'm most familiar with."

Desired Response: "Rockstar is different. It has something unique for me, and it works."

Executional Considerations: Traditional TV, Print, Online, Radio, as well as more alternative extensions online, including leveraging social networking platforms, web/iphone applications, or widgets.

Also, Rockstar has several partnership possibilities which would benefit from leveraging online and outdoor media, including Jet Blue Airlines, The MTV Music awards, or Rock The Vote.

★ Section 8: Advertising Concept

Advertising Concept:

The Rockstar ad concept will feature the variety of flavors Rockstar energy drinks offer. With this, our ads will also feature a variety of 'heros' to correspond with the different beverage choices. A black and white tone will contrast the color of Rockstar, and often, the beverage will bring color to life and to the characters of the ads. The overall image is Rockstar Energy Drinks enable you to be the best version of you. Music will play a significant role in differentiating our consumers as well as motivating them. Similar to the many genres of music, there are different Rockstar personalities, all willing to empower you to overcome your challenge. Like your favorite song, your favorite Rockstar will help you rise to the occasion.

Slogan Ideas:

The Variety of Rockstar. For the variety of moments you need to shine.

Rockstar. When an average performance is not enough.

Your Life. Sarring You. Rockstar.

***See rough creative attached; examples include TV, print and online**

★ Section 9: Media Plan

In order to convey the improved brand image to energy drink consumers, Rockstar will meet the target where they currently enjoy spending time. Rockstar will continue to advertise year-round but peak during the spring months (approximately March – May) in preparation for the summer which is the season of the highest energy drink consumption (Ziarul Financiar, 2007). By linking enjoyable experiences to our brand, Rockstar hopes to resonate and remind consumers that they are the brand that fits their lifestyle and the brand they identify with.

Print (Magazines)

The traditional medium of magazines is the most consumed advertising portal for heavy energy drinkers (MRI+, 2007). Of adult men over the age of 18, 72% indicated that they pay attention to advertisements in magazines and newspapers (Mintel, 2005). There are certain types of magazines that are popular among our target audience including men's magazines (index 173), music magazines (index 158) and video game/PC magazine's (213). With that in mind, Rockstar will advertise in Blender Magazine (index 278) because of their focus on music and their accessible male audience of 6,021,000 through its parent company Maxim (Maxim Media Kit, 2008). ESPN Magazine (index 213) also has a high male audience and appeals within the context of sports which men engage in often (Mintel, 2007). Rockstar will also advertise in GamePro (index 265) to coincide with the popular gaming magazines.

Online

Studies show there is a transition of males ages 18-24 away from TV towards the internet. The internet may have been the lowest amount within the consumed media by the heavy user but it is still significant (index 106). There is also a transition occurring onto more time spent online (Schwartz, 2004). MRI+ indicates that energy drink users log onto mostly movie and music websites such as IMDB.com, YouTube, Real.com, MSN Movies, Ticket Master, and Myspace. Online ads will differentiate in banner, skyscraper, and companion ads. Rockstar will specifically avoid pop-up banner ads due to the fact that the target does not enjoy them or pay attention to them (Intel, 2007). The content of the ads placed on the sites will correspond to their media placement. On movie sites Rockstar will place commercials before movie trailers. On other types of websites such as Real.com where users are downloading shorter content such as music or short videos from YouTube, there will be a 10-second introduction sponsored by Rockstar. Rockstar will be the sponsor of the content and therefore allow the consumer to view or hear music prior to public release dates.

It is important for Rockstar to place advertising on social networking sites and to maintain its current profile. Over half of 18-24 year-olds maintain a social networking profile (Intel, 2007). Sixty-four percent of the Rockstar target thinks it's cool if a company creates a profile to promote its products (Intel, 2007). Although MySpace and Facebook attract the same amount of energy drink consumers, research has shown that Facebook users utilize social networking for different reasons and therefore don't engage in advertising as much as MySpace

users (Social Media Charity, 2008). Rockstar's brand presence online will include both video ads as well as interactive point and click placement to direct users to the Rockstar website.

Outdoor

The Rockstar target market is typically on the move and therefore will be accessible through different outdoor locations. Male college students have been significantly increasing (Mintel, 2007) and justify college campuses as a viable place to market to the target audience. Student centers, word-of-mouth generators and special promotional giveaways on campus will all put Rockstar where the male college students are. Sporting events at major Division I universities will also be opportunities to use sampling as an introduction to the product.

With young men using public transportation in major cities around the country, Rockstar will use subway billboards. On a given day in New York City 5,042,263 people use the subway (MTA, 2007). Noting that outdoor media is a significant means to reach the heavy user (index 110), Rockstar will also find unique locations to post the branded star and abbreviated logo. Rockstar will continue to utilize extreme sporting event sponsorships and athlete sponsorships since the expanded Rockstar target continues to express an interest in these sports (Mintel, 2007).

Television

In a survey conducted with 244 adult men ages 18-24, television was voted the most enjoyable medium (Mintel, 2007). Additionally, 25% of this same group watches 16 or more hours of television per week (Mintel, 2007). Despite new technologies such as TiVo and DVR

that would allow viewers to bypass ads while viewing television, 64% of men within this age group do not utilize those services (Mintel, 2007). This provides a great opportunity to reach our demographic.

According to MRI+, energy drink users mostly watch late network television, feature films, and syndicated adult shows. The channels that they watch the most are AdultSwim, BET, Comedy Central, Cartoon Network, and Fuse (MRI+ Index ranging from 152-245). Rockstar commercials will flight advertising most heavily in the spring and summer months because it corresponds with the seasonality of students' finals (Mintel, 2007) and the social activities that come with warm weather and consuming energy drinks (Ziarul Financiar, 2007). Rockstar will prioritize the late day part to advertise their thirty second spot because this is when the energy drink consumer is watching television (Index 122) (MRI +, 2007) and as well as consuming the highest amount of energy drinks (Mintel, 2007). Although TV is not overwhelmingly watched by energy drinkers as of Fall 2007, (MRI+, 2007) Rockstar deems it a valuable medium to be a part of considering our top competitors are currently occupying it. Television was also voted the medium where the Rockstar target market enjoys advertising the most (Mintel, 2007).

Radio

According to Mintel, listening to music is among the most desirable activities for men ages 18-24 (Mintel, 2007). For the heavy energy drink consumer, radio between the hours of 7pm – midnight (index 147) are high peak listening times. Radio is the second most popular medium within the Rockstar target (MRI+, 2007). Rockstar will advertise on alternative/rock,

hip-hop and hispanice radio stations that are nationally broadcast as well as local niche radio stations.

Video Games

Due to the high level of involvement of Rockstar's target market in video games and the gaming society (MRI+, 2007; Mintel, 2007), they will benefit from having a presence there.

Rockstar will buy space within video games such as Grand Theft Auto IV, Arena Football League from EA Sports and NBA 2K9 due to their popularity and top ratings amongst the target demographic (Gamespot.com, 2008). Within the games there will be ads purchased for spots and mini-commercials throughout.

Mobile Phones

Taking an interactive approach, cell phones are a new opportunity for Rockstar to engage with consumers. According to Mintel, consumer electronics play a vital role in the lives of young adult males (Mintel, 2007). The target consumer values the latest trends in technology and would likely appreciate a new cell phone application. By installing a Rockstar widget for iPhone applications, consumers would be able to locate the nearest Rockstar. Another widget possibility would allow consumers to create their own music from their cell phone and upload it onto a microsite where others can listen, vote and comment on their song. This provides a new type of relationship between the consumer and the brand that puts control in the user's hands and on the user's terms.

Partnerships

JetBlue

Rockstar already has a standing relationship with JetBlue airways. Rockstar and JetBlue will have a contest titled “Travel Like a Rockstar.” Contestants must create a thirty-second television commercial and load it onto the Rockstar website.

The winner of the contest will receive two free airplane tickets to any destination in the continental U.S. that JetBlue flies to. The contest will run from March 1, 2008- May 15, 2008 to generate buzz prior to key seasonality of energy drinks (Ziarul Financiar, 2007).

Contestants will be able to use their tickets during the summer months from June 1, 2008- August 31, 2008.

MTV

As avid supporters of all types of musical genres and as music videos continue to inspire a generation, Rockstar will be the official main sponsor of the MTV Video Music Awards. With the breadth of 12 million viewers at its peak (Martin, 2008), the MTV VMA’s are a positive association Rockstar would like to make and retain with the viewers.

With a booming reality show television market, Rockstar will create a “Making the Rockstar Band.” The band will not exclusively feature rock groups but instead it will be a competition for the group that knows how to “Rock out” the best. The show would air on MTV and MTV2 Networks, which attracts a high population of energy drinkers (indices of 181 and 245 respectively).

Other

“Party Like a Rockstar” Hip Hop Tour will travel to 10 major cities throughout the US on a summer tour with the biggest names in Hip Hop and R&B. The tour will be branded with Rockstar paraphernalia and the first 100 people to every show will receive a free Rockstar. This will attract a diverse consumer and provide people with the opportunity to taste the product.

★ Section 10: References

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- **Interview with Chris Martin on November 17th 2008**
 - Boston University Campus Representative
- **FreeOnlineSurveys.com**
 - Submitted questions for participants to input their energy drinking habits via an online survey (see appendix)

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