

5-hour
ENERGY®

5-Hour Energy

Living Essentials

Beat the 2:30 a.m. Feeling

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Background

5-Hour Energy is currently marketing to the work force. Differentiation from other energy drinks is an important aspect of their campaign because they are targeting working adults as opposed to the usual market of sports enthusiasts and teenage male gamers. Their simple and informative ad campaigns featuring white collar workers have proven to be effective. 5-Hour Energy wants to maintain this differentiation but market the product to a younger college demographic. It will still target those with a strong work effort who need more energy to get through their demanding workload, just at a slightly younger age. By targeting this younger population it will increase awareness and comprehension which will gradually be incorporated into the traditional 5-Hour Energy market. 5-Hour Energy currently maintains a 70% share of the energy shot market. However, with traditional energy drink brands such as Red Bull and Monster creating their own energy shots, 5-Hour Energy should expand their target public to include college-age students in order to maintain control of the market.



Situational Analysis

- Lack of information about 5-Hour Energy must be addressed before we break into that market.
- Comparison to coffee and competing energy drinks will allow students to see what they are consuming when they drink other energy sources.
- If 5-Hour Energy can be addressed to the hardworking students in a college market then there is a stronger chance of brand loyalty in the future.

Problems

It is often difficult to break through the clutter of advertising to demonstrate the benefits of a new product to students because they generally do not have the time or the desire to listen.

Among the college market, price is always an issue along with distribution methods. Many students on campus may not have the capabilities or resources to purchase this product.

Students are somewhat reluctant to try 5-Hour Energy due to varied effects. The quality and taste of 5-Hour Energy depends on the individual's preference.

Opportunities

5-Hour Energy is very well known and has established a professional image that will be applied to the hard-workers of the college atmosphere.

Designed in a two ounce bottle with zero sugar and only four calories, 5 Hour Energy can appeal to college students who are looking for something quick and easy to take, without bloating or crash symptoms.

5-Hour Energy is different from the rest of the energy products, therefore the product becomes more memorable. This is an opportunity for brand recognition and behavioral intent to purchase among college students.



Target Market

18-24 Year Old College Students
Low Disposable Income
Motivated by Grades, Social Life, and Future Careers

Creative Brief

Our consumers are hard working college students with low disposable incomes and restricted schedules. They already use cheap alternatives to stay awake and study to receive high marks. They are influenced largely by their peers and their families. Cost is the leading decision factor in what they purchase. Online reviews play a large role in this market, and contacting them via social media is cheap and effective.

Sydney



Sydney plans to stand for an hour before class in line at Starbucks. She cannot get through the day without her fancy sugary drink. The thought of an eight a.m. makes her cringe; she would say without her coffee her GPA would suffer.

Chad



Chad is a hard working albeit disorganized student who owes his A and B average to a refrigerator stocked full of energy drinks. He does not go to the library until 10 p.m. to begin studying the day before and frequently pulls all nighters.



Goals and Objectives

Goal:

To launch 5-Hour Energy into the college student market.

Objectives:

Awareness: To increase awareness of this product to 75% at James Madison University by the end of the 2010-2011 school year.

Attitude: To convince 50% of the comprehending market that 5-Hour Energy will be useful to them by the end of the 2010-2011 school year.

Behavior: To have 25% of the comprehending market purchase 5-Hour Energy by the end of the 2010-2011 school year.



Strategies

The intention of the company is to help 5-Hour Energy grow by expanding the target market and creating product variation through labeling.

Extending the market to include college-age students establishes new distribution outlets and enters new geographic markets, including both urban and suburban areas.

The company is helping the product achieve variation through the labeling of 5-Hour Energy, making it more appealing to college students through their school colors.

5-Hour Energy wants to maintain its status as the leading energy shot by not deterring from its current integrity, but by using re-marketing to further offset threats from competitors.

With energy drinks such as Monster and Red Bull also producing energy shots already targeted to college students, the spotlight should offset those threats by having more of an appeal to college students than the other brands.

Since the target market is expanding to college students, knowing the college students' mind is vital. Price is the most important factor for this age group. Therefore, in order to succeed in this market and maximize profit, the concentration will be on harvesting and keeping costs down. Efficient spending is important to reach the goal of spending the least amount possible to market 5-Hour Energy.

The focus should be on competitors and lifestyle. College students are exposed to advertising frequently, and well known brands have already established themselves in this particular market. By relating 5-Hour Energy to the hectic lifestyle of a college student, as well as appeal to their interests through their school, the campaign can outdo the competitors and differentiate itself from other energy shots.



Budget

\$10 million

35% Promotion/Sponsorship (\$3.5 million)

- Taste Testing/Trials \$2.99/bottle
- Sponsored Study Nights
- Representatives coming to campus

25% Print (\$2.5 million)

- Bus Ads: 6 months longevity 2 ICS Buses \$200 (\$2,400 total)
In Bus Poster \$20/month 30 Buses (\$3,600 total)
- Newspaper: Breeze 10 30/in color \$80
- Flyers/Posters: 47/cents/8.5X10 \$1000
- Mailbox Stuffing: 3,000 10 cents/Mailbox (\$300 total)

13% Social Media

- Existing Twitter, Facebook, Myspace Page
- Phone Application to gauge remaining energy
- Blog Featuring Energy Guy

15% Broadcast Oriented Media (\$1.5 million)

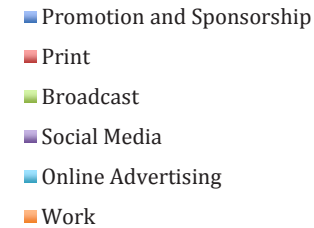
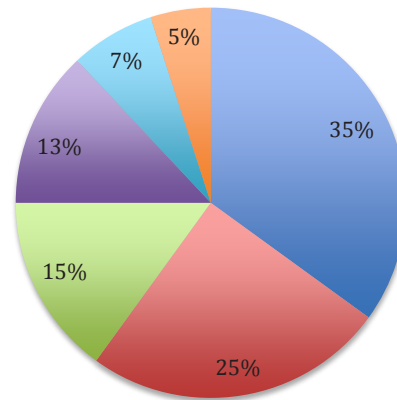
- Grafton Slide: 5-10sec (\$750 total)
- 30 sec Commercials on Video Streaming Sites

7% Online Advertising (\$700,000)

- Breeze.com: Banner Ad \$775/Semester; Tile Ad \$500/Semester;
Homepage Banner ad \$1500/Semester
- GoogleAd Words
- Search Engine Optimization

5% Work

- Representatives
- Copywriters
- Designers
- Site Maintenance



Tactics

Promotion and Sponsorship:

- 5-Hour Energy sponsored Study Nights during finals and midterm weeks in the libraries on campus
- 5-Hour Energy student representative on campus
- Free trials/taste testing on campus

Print Media:

- Queen-sized advertisements on the side of the two inter-campus shuttles for 6 month periods
- Posters inside all 30 Harrisonburg buses for 6 month periods
- Black and white advertisements in the Breeze every Monday
- Small flyer placement inside campus mailboxes three times a semester: the very start, during midterms, and during finals week
- Posters placed around campus, heavily concentrated in libraries and academic buildings

Social Media

- Existing Facebook page
- Existing Twitter for the 5-Hour Energy Guy
- All print advertisements directing readers to the social media pages
- Paid employee to update and maintain online pages
- Cell phone application

Broadcast Oriented Media

- Grafton slide for the semester shown before every movie
- 15-30 second commercial to be shown on online video sites such as Youtube.com and Hulu.com

Online Advertising

- Home page banner advertisement on thebreeze.com, the online version of the student newspaper, for the entire semester
- GoogleAd Words



Evaluation

Survey 1 (Administered in Common Areas to Students Fall 2010)

Have you ever taken an energy shot?

Are you familiar with 5-Hour Energy? Have you used it?

What alternatives do you prefer to help you stay awake?

What's a good price for an energy drink/shot?

Survey 2 (Administered in Common Areas to Students Mid-Spring 2011)

Have you ever taken 5-Hour Energy? When? How many?

Are you familiar with 5-Hour Energy? Have you noticed their ads on campus? Where?

What alternatives do you prefer to help you stay awake?

On a scale of one to ten, how likely are you to use an 5-Hour Energy to aid studying for your next exam? Why?

The first survey was given verbally on the quad to random students going to class at about eleven a.m. The second survey will be given the same time to the same sort of student half-way through the semester. This will gauge how well the campaign is going. Fortunately for 5-Hour Energy, awareness is not an issue. All 178 participants knew of the energy shot and their current informational campaign.

At the end of the semester a third survey will be given to see how well the overall campaign was received. This survey will be through email and gauge the advertisements and events on a Likert scale rather than nominal data for more statistical significance. This will yield better results when the campaign moves to other colleges.



Female Comparison Ad Based on Calories

**CREAM, SUGAR,
SYRUP?**



ZERO SUGAR

HOURS OF ENERGY NOW. NO CRASH LATER.



5hourenergy.com

Male Comparison Ad Based on Ease

**1 SIP IS ALWAYS BETTER
THAN 100.**



SAME ENERGY, SMALLER BOTTLE, LESS EFFORT.



5hourenergy.com

Female Comparison Ad Based on Calories

**BE SMART.
DON'T WASTE CALORIES.**



140 CALORIES

4 CALORIES



Male Comparison Ad Based on Size

SIZE MATTERS.



SAME ENERGY, SMALLER BOTTLE, LESS EFFORT.



Female Comparison Ad Based on Ease

DO YOU REALLY WANT TO WAIT IN LINE?



HOURS OF ENERGY NOW, NO CRASH LATER.




[5hourenergy.com](https://www.5hourenergy.com)

Facebook and Twitter social media icons are also present.

Product Placement on Campus



Queen Size Bus Ad and Online Banner Ad

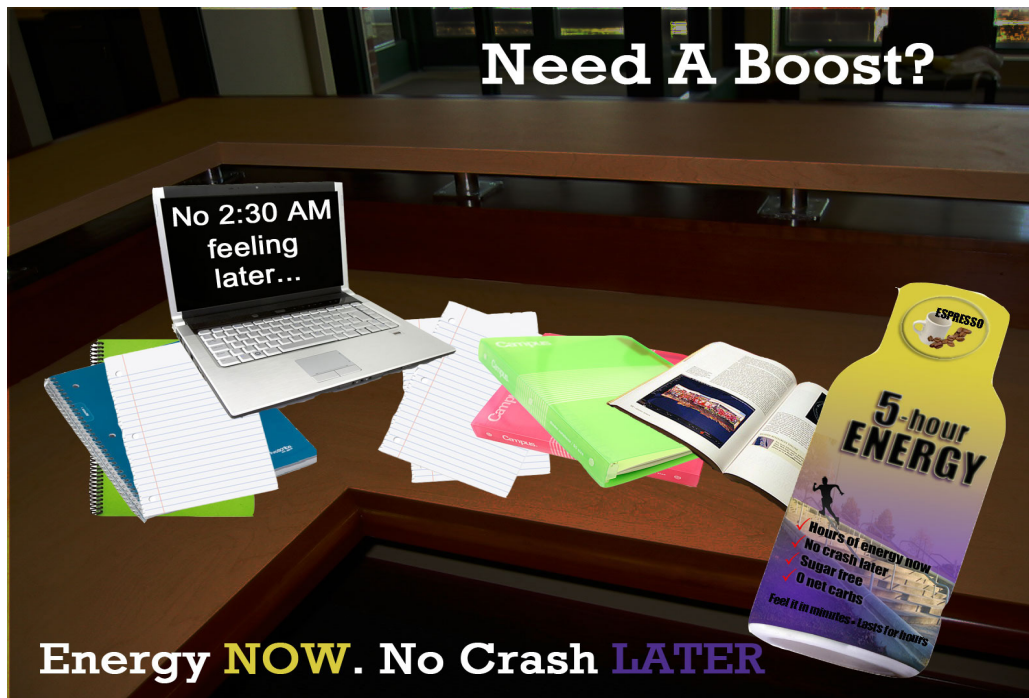


Test Tomorrow?
drink 5-hour Energy

- hours of energy now
- no 2:30 a.m. feeling later

Print or Theatre Ad Based on New Slogan

Need A Boost?



Energy NOW. No Crash LATER

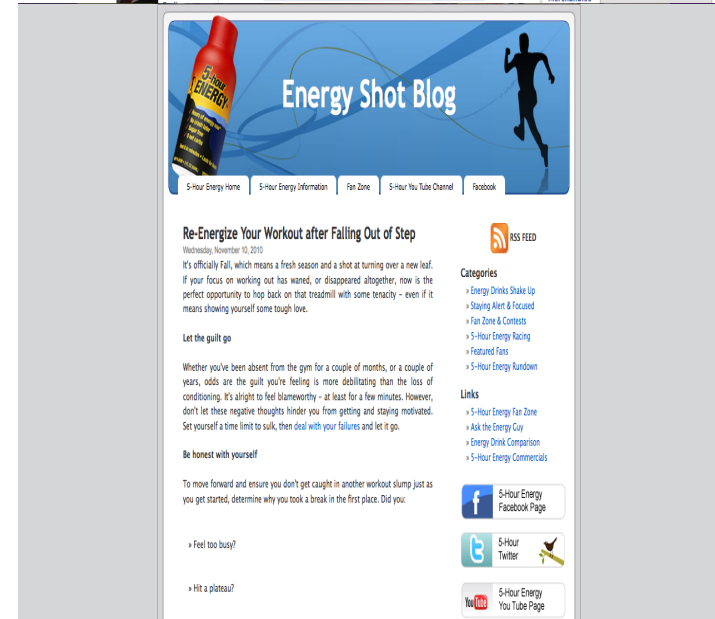
Phone Application to Measure Remaining Energy



Social Media Pages to Maintain



Social Media Pages to Maintain



Graphs from Surveys

