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Introduction:

In today's competitive market, brand expansion has become a strategic approach to the company diversifying its products, strengthening its existence in the market, and increasing long -term growth. Brand expansion occurs when existing brands introduce new products in different or related categories using reputation and definition (Kotler & Keller, 2016). Successful expansion of brands not only reduces marketing costs from existing brand awareness but also provides greater value with familiar names by increasing customer trust and loyalty. This evaluation explores the expansion of the PUMA brand, a world-renowned sportswear brand, which is well-known worldwide in the sports beverage industry.

The goal is to introduce a new Sports drink that provides moisture and energy, gaining profits from Puma and sports results and powerful lifestyles.

PUMA baggage:

Puma baggage is looking for a drink that improves performance by providing services to health-related consumers and athletes.

Assessment Overview:

1) Development of a Brand Extension:

Introduction of Puma Hydrate, a dual-purpose sports drink for energy and hydration.

2) Segmentation, Targeting and positioning (STP)

Market segmentation and Identification of key target audiences.

Strategic positioning of Puma Hydrate in the sports drink market.

3) Customer Persona Development:

Creation of a detailed customer profile including demographics. Psychographics, and behavioral characteristics.

4) Marketing Mix (4'Ps)

Comprehensive planning across Product, Price, Place, Promotion, People, Process, and Physical Evidence to ensure a successful launch and market integration.

Together, these elements provide a structured and strategic framework for launching Puma's new product and expanding its brand footprint into a growing and relevant market.

History:



(<https://about.puma.com/en/this-is-puma/history>)

A Short Summary of Puma's history:

Puma was founded in 1948 in Herzogenaurach, Germany by Rudolf Dassler, after a split with his brother Adi Dassler, who went on to create Adidas. The company initially gained fame for its football boots and quickly became known for performance-oriented sportswear.

Puma's global recognition grew when athlete Usain Bolt wore its products while setting world records. Over time, Puma expanded into lifestyle fashion, collaborating with celebrities like Rihanna and designers to blend sport and street style.

Today, Puma is one of the world's leading sports brands, operating in over 120 countries, offering products in footwear, apparel, and accessories for performance and style. (Puma,2025)

Brand Extension:

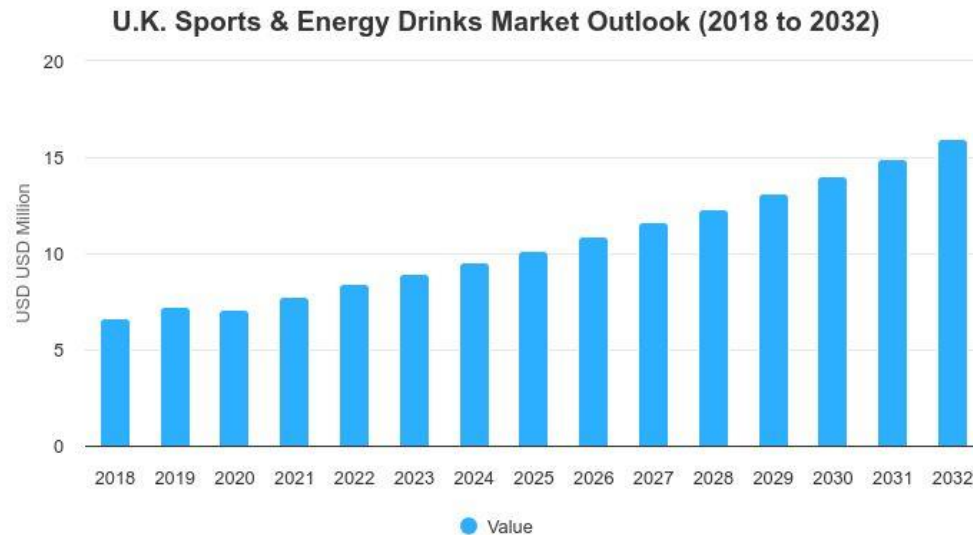
The expansion of this brand allows the company to cover the wider customer base and provide new products in the existing name. This marketing strategy is to expand the parent brand and increase the overall image of the brand. Understanding several types of brand expansion will help you manage your brand and find the right brands for your company. ("What Is Brand Extension and What Are the Different Types?", 2023) In short, Brand extension is a marketing strategy where a well-known brand is used to introduce a new product outside its original product line.

The Market for Sports (Energy) Drinks:

The UK Energy Drink Market experienced a notable increase in the years following the pandemic, but sales have plateaued in 2024. Consumers in the UK continue to favor vitamin fortification and high juice content as the most desirable features in sports and energy drinks. ("Mintel Reports | Global Consumer Market Research Reports")

The introduction of PRIME and ongoing new product development from major brands bolstered sales of sports and energy drinks in 2023, although volumes are expected to level off in 2024 as this surge subsides. Over the next five years, modest growth in volume is anticipated for the UK sports and energy drink market. While the need for energy boosts and improving household budgets will drive sales in this category, increasing health considerations, scrutiny on ultra-

processed foods, and concerns over caffeine pose significant challenges. (“UK Energy Drinks Market Size & Outlook, 2030”)



(<https://www.wantstats.com/uploads/chart/image/162802/uk-sports-amp-energy-dri.jpg>)

Segmentation, Targeting and Positioning:

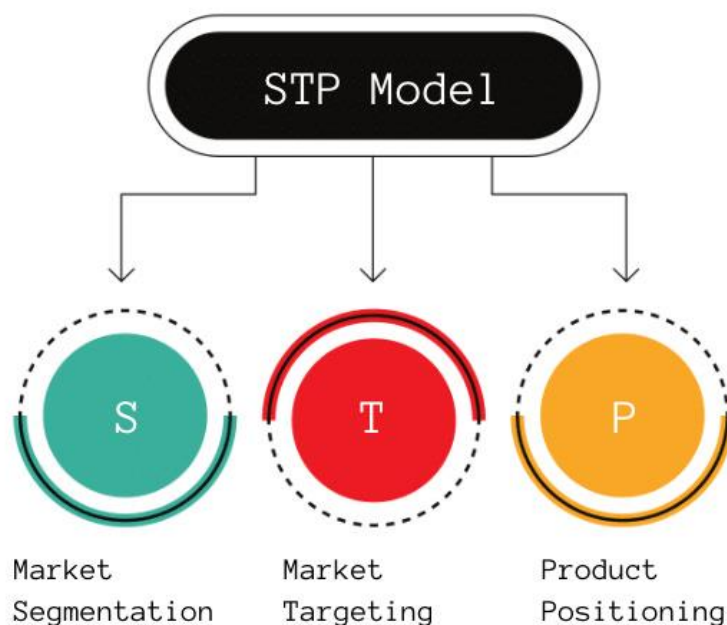
Identifying and choosing the most lucrative and profitable sectors and segments of a company is the goal of the target marketing strategy. company to provide catering. When businesses choose to produce and market their products it is quite different from mass marketing. One product is distributed to all its clients while a large market is offered a wide range of products. The feature of. A company's strategy is crucial. Targeting positioning and segmentation are the three components of strategy. For a business to attract and retain the right clients STP is crucial. It allows the business to know where. how it compares to its rivals. Targeted advertising and brand differentiation can also be greatly enhanced by it. and the creation of new products in an effort to gain a competitive advantage. It aids in the recognition of and as well. location of the different opportunities by accurately assessing and finding new clients in the market. While segmentation is based on the company's perspective it acknowledges that the entire market is equal and identical. market that could act as a point of differentiation for its different rivals. (Hanlon, 2024)

Segmentation helps the business. becomes more focused on creating a product and meeting the demands of the intended market. It is decided by the company. When it has completed classifying

segmenting and grouping the market into a set of its potential it will decide which segments to enter. consumers. At last positioning becomes relevant. after breaking into the market and modifying the business resources. Depending on the market the business needs to be able to establish a strong position. (Hanlon, 2024)

Its primary goal is to establish a sustainable competitive advantage so that consumers will hold the brand in high regard. people. Customers should value its products as significant and distinctive in order to accomplish this. The firm ought to. employ these tactics to impact and influence its clients' purchasing choices. (Hanlon, 2024)

The STP marketers work hard to draw attention to the markets and focus their marketing efforts on where they are most certain. their company that outperforms their rivals. Unlike the traditional marketing strategies which are more focused on the. STP strategies place greater emphasis on the products customers. The model is crucial and extremely helpful when we need to form. and create marketing communication strategies since it aids in the marketer's formation and prioritization of their plans. delivering messages that are tailored to each individual audience. (Hanlon, 2024)



(Mindset, “STP Model: Segmentation, Targeting & Positioning”)

Segmentation:

Segmentation divides a broad market into smaller groups with common characteristics, needs, or behaviors.

Variable of Puma Sports Drink,

Demographic:

Age (18-35), Gender (Male & Female), Income (Middle to High)

Based on demographic geographic psychographic and behavioral factors Puma Sports (Energy) Drinks segmentation strategy is meticulously crafted to target consumer groups. The demographic focus is on young adults (18–35 years old) with middle-class to upper-class incomes who are prepared to spend money on high-end fitness and health products.

Geographic:

Urban cities in the UK. (London, Manchester, Birmingham)

The drink is marketed to people in UK cities like London Manchester and Birmingham where active lifestyles and health-conscious trends are common.

Psychographic:

Health-conscious, fitness-oriented, trendsetters.

Psychologically people who are interested in fitness, conscious of current trends and looking for goods that fit their active lifestyles are drawn to Puma.

Behavioral:

Frequent exercisers, sports enthusiasts and energy seekers.

From a behavioral perspective the segmentation focuses on people who regularly engage in outdoor activities gym workouts and sports and who regularly drink energy and sports drinks to stay hydrated and improve their performance.

Through the use of this multi-variable approach Puma makes sure that its sports drink appeals to a demographic that places a high value on both wellness and performance.

Advantages of Segmentation:

Better Understanding of Customers' Needs and Wants.

More efficient marketing and product design and development.

Higher customer satisfaction and loyalty.

Disadvantages of Segmentation:

Can be expensive to research and implement.

Risk of missing opportunities outside chosen segments.

Over-segmentation can be a complicated strategy.

(Kotler & Armstrong, 2018)

Targeting:

Young fitness-conscious adults between the ages of 18 and 30 who reside in UK cities are the main target market for Puma Sports (Energy) Drink. Being continually active and health-conscious, this group is always looking for products that fit their active athletic lifestyles.



(<https://www.shiksha.com/online-courses/articles/target-marketing-strategies/>, Syed)

Additionally, these customers follow trends and identify with high-end brands that represent their dedication to performance and personal well-being. Because they care about brand image and product authenticity in addition to physical health and hydration Puma targets this market. Customers who actively seek out healthier substitutes for conventional sugar-heavy energy drinks and participate in sports gym sessions and outdoor activities are the brands primary target market.

Puma wants to establish a strong sense of brand loyalty with this particular demographic by employing a niche targeting strategy. This tactic enables Puma to position its energy drink as a reliable performance-boosting option in a cutthroat market where less health-conscious companies predominate.

Targeting Strategies:

There are three major Targeting Strategies could be used for Puma Sports Drink;

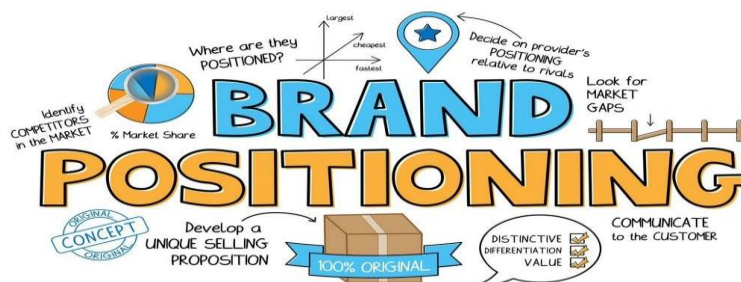
Strategy	Key Focus	Example	Benefit to Puma
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Niche Targeting	Urban fitness lovers	Selling in gyms first	Strong loyalty, premium image
Lifestyle-Based Targeting	Health and style enthusiasts	Partnering with fitness influencers	Builds emotional brand connection
Occasion-Based Targeting	Sport moments (before/during/after)	“Fuel Your Game” campaign	Encourages repeat usage

(Statista (2024). *Energy and Sports Drink Usage in the UK.*)

Positioning:

For young fitness-conscious consumers Puma Sports (Energy) Drink is marketed as a high-end performance-driven beverage. In keeping with Puma's well-known reputation for sports innovation and lifestyle branding it places an emphasis on natural hydration energy enhancement and athletic excellence. Puma Sports Drink offers cleaner healthier energy that enhances physical performance and general wellness in contrast to conventional energy drinks that frequently contain artificial ingredients and high sugar.



(<https://www.deskera.com/blog/brand-positioning-statement/>)

By appealing to the aspirational mindset of its target market consumers who see fitness as a lifestyle and seek out products that demonstrate their dedication to success and well-being the brand hopes to establish an emotional bond with its audience. Puma sets itself apart from

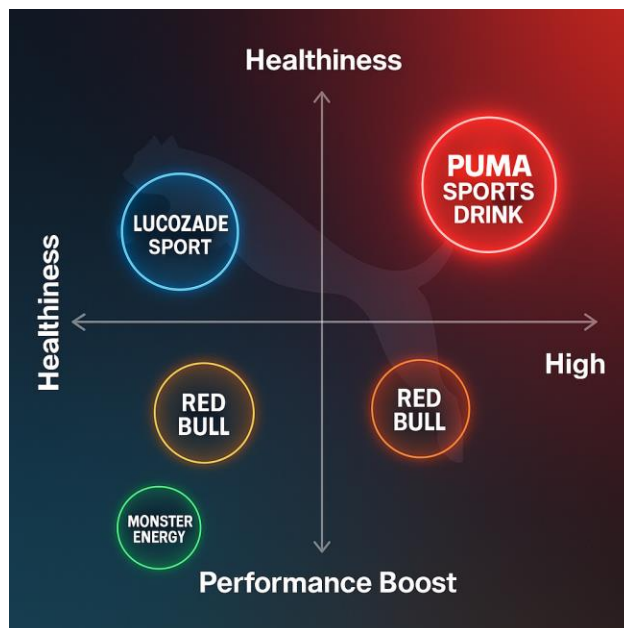
companies like Red Bull and Monster which concentrate primarily on energy boosts by balancing sports performance with natural wellness.

With this positioning Puma Sports Drink provides a reliable fashionable substitute that supports an active health-conscious lifestyle while energizing the body.

Positioning Statement:

“For active, health-conscious young adults who seek both performance and wellness, Puma Sports Drink offers a premium, natural energy solution inspired by Puma’s athletic legacy delivering hydration, endurance, and a lifestyle of excellence unlike traditional sugary energy drinks.”

Positioning Map for Sports Drink:



Customer Persona for Puma Sports Drinks:



PUMA SPORTS DRINKS CUSTOMER PERSONA



JORDAN REYES

AGE: 24

LOCATION: Austin, TX

OCCUPATION: Fitness Trainer / Student

About Jordan:

- 🏃 Urban athlete
- 🏃 Highly active, gym, running, basketball
- 🏆 Passionate about personal performance brands
- 🌱 Loyal to stylish, performance-driven brands

Pain Points:

- ♥ Too much sugar in sports drinks
- ♥ Needs healthier, more functional options

Goals:

- ✓ Maximize workout performance
- ✓ Recover faster after training
- ✓ Maintain an energetic, stylish lifestyle

Values:

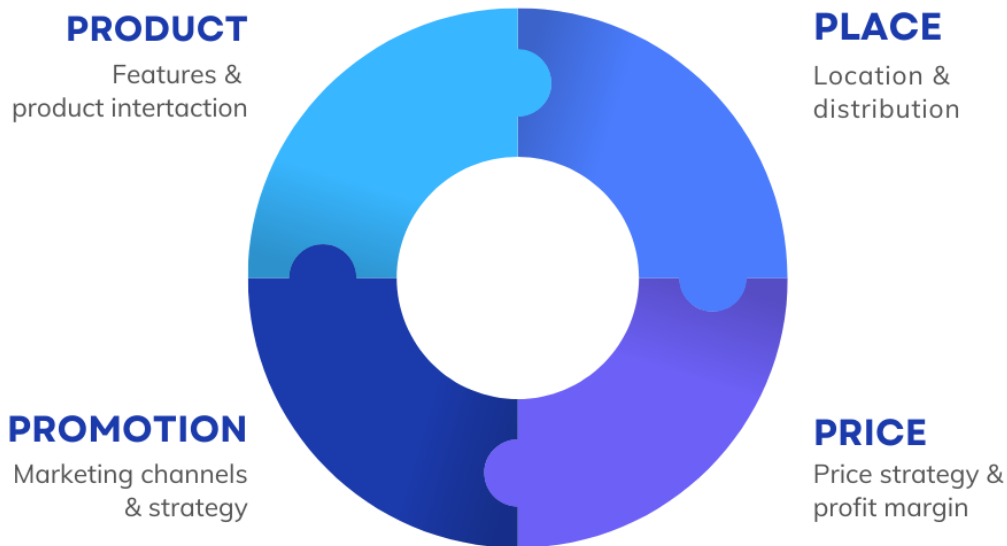
- 🌱 Authenticity
- ♥ Health & wellness
- 🌱 Sustainability
- 👥 Community and lifestyle
- 📷 📺 📺 Local sports events

"I need fuel that keeps up with my hustle — no compromises."

(<https://openai.com/index/chatgpt/>)

Marketing Mix (4'Ps):

MARKETING MIX



(<https://www.business.org/app/uploads/2022/10/Blue-Minimalist-Four-Steps-Infographic-1.png>, 2022)

The 4P Matrix's guiding principle is that marketing choices typically fall into four manageable categories: promotion price place and product. The best response from your target market will come from carefully placing your product in each category. Because it is straightforward and effective the 4P Matrix, which was first used in the 1960s is arguably the most widely used marketing mix matrix. Whether you are assessing an existing product or planning to launch a new one this marketing mix matrix can assist you in defining your options and identifying marketing strategies. (Pratt, 2022)

Product:

Puma Sports Drink is positioned as a premium, health-focused, performance-boosting beverage. It is designed with natural ingredients, low sugar, electrolytes, and plant-based energy boosters like green tea extract. The flavor range includes Citrus Rush, Berry Boost, and Tropical Charge appealing to different consumer taste preferences.



Product Features:

- Natural caffeine from plants (no synthetic stimulants).
- Enriched with B-vitamins for stamina and recovery.
- Eco-friendly, recyclable packaging aligned with Puma's sustainability goals.

Goal: Stand out by offering a healthy, effective, sustainably packaged alternative to traditional energy drinks (Kotler & Keller, 2016).

Price:

Puma will use a premium pricing strategy, aligning the product with its high-end fitness and sportswear brand image. The price per 500ml bottle will be approximately £2.50 to £2.99, slightly higher than Lucozade Sport and Red Bull.



Pricing Strategy:

- Value-Based Pricing: Customers pay for superior ingredients, brand prestige, and eco-conscious packaging.
- Psychological Pricing: Pricing products at £2.99 rather than £3.00 to appear more affordable.
- Premium Pricing: Increasing the price to represent superior ingredients, superior quality and an exclusive brand image. Selling for £2.99 a bottle for instance is comparable to high-end energy drinks like NOCCO or Vitamin Water.
- Bundle Pricing: selling multiple packs of the beverage (e. g. 3. four bottles for £10) or with Puma athletic gear like gym towels or water bottles. For instance, buy 6 Puma Sports Drinks + Get a Free Puma Gym Bottle on Amazon or at JD Sports.

Goal: Reflect high quality and enhance brand value, ensuring profitability without chasing volume over brand reputation (Armstrong & Kotler, 2018).

Place:

Puma Sports Drinks will be distributed through selective placement to maintain an exclusive and premium image.



[\(https://profiletree.com/place-third-p-in-marketing-mix/\)](https://profiletree.com/place-third-p-in-marketing-mix/)

Distribution Channels:

- High-end supermarkets:
 - Waitrose
 - Marks & Spencer (M&S Food Halls)
 - Sainsbury's Local (urban stores)
- Fitness and sports retail outlets:
 - Decathlon
 - JD Sports (flagship stores with health sections)
- Gyms and Fitness Centers:
 - Pure Gym
 - David Lloyd Clubs
- Online Platforms:
 - Amazon UK
 - Puma's own e-commerce store (puma.com)

Goal: Stay visible in fitness-focused and premium environments that match the active lifestyle image.

Promotion:

Puma will launch a multi-channel promotional campaign combining traditional and digital strategies.



Promotional Strategies:

- Celebrity Endorsements:
 - Collaborations with elite athletes like sprinter Usain Bolt (already a Puma ambassador) or rising UK fitness influencers like Joe Wicks ("The Body Coach").
- Social Media Campaigns:
 - Instagram, TikTok, and YouTube partnerships with fitness content creators.
- Sponsorships:
 - Sponsor local sports events like the Vitality London 10,000 race or British Universities Sports events.
- In-store Promotions:
 - Free samples at Waitrose and M&S stores.
- Digital Advertising:
 - Targeted ads promoting "Fuel Your Game" messaging across Spotify and YouTube.

Goal: Build strong brand awareness, credibility, and create an emotional connection with young, active audiences.

Conclusion:

In keeping with its core brand values of performance innovation and active lifestyle Puma's foray into the sports (energy) drink market is a daring and calculated move. Puma is well-positioned to launch a high-end health-conscious sports drink aimed at young adults who are fitness-driven by utilizing its strong brand equity in sportswear and footwear. By entering the rapidly expanding UK health and wellness market this extension enables Puma to expand its product line beyond apparel and accessories. To satisfy the modern consumers' desire for healthier performance products Puma Sports Drink sets itself apart from conventional energy drinks by emphasizing natural ingredients eco-friendly packaging and a high-end lifestyle image. The company's current alliances with international athletes and fitness influencers offer a reliable marketing and promotion platform boosting customer loyalty and trust. Despite obstacles like rivaling well-known beverage brands Puma has a major competitive edge thanks to its distinctive brand identity, creative marketing techniques and carefully chosen distribution networks. Overall, the move into sports drinks enhances Puma's standing as a comprehensive fitness brand by offering customers goods that support their active lifestyles in addition to clothing.

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