### NutriBev Energy Drink Market Research

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#### \*\*1. Introduction\*\*

\*\*Company Background:\*\*

NutriBev is a leading global FMCG company with a strong presence in over 50 countries. Known for its innovative and health-focused beverage products, including juices, flavored water, and energy drinks, NutriBev aims to expand its product offerings by launching a new energy drink targeted at young adults (ages 18–35) in urban areas.

\*\*Purpose of Research:\*\*

This research aims to inform the development and launch of NutriBev's new energy drink by identifying consumer preferences, determining optimal pricing strategies, segmenting the market effectively, and analyzing competitor positioning.

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#### \*\*2. Research Statement\*\*

The energy drink market in Egypt is highly competitive, dominated by established brands like Red Bull, Monster, Power Horse, Sting, and Tiger. NutriBev seeks to differentiate itself through unique flavors, natural ingredients, eco-friendly packaging, and competitive pricing. However, the company faces challenges in understanding:

- Flavor profiles that resonate most with its target audience.

- Optimal pricing strategies that balance affordability and profitability.

- Specific sub-segments within the target demographic to prioritize.

- Gaps in the market that its product can fill.

This study addresses these challenges by analyzing consumer behavior, preferences, and perceptions.

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#### \*\*3. Research Objectives\*\*

1. \*\*Identify Consumer Preferences:\*\* Understand flavor preferences, packaging expectations, and consumption habits of young adults.

2. \*\*Determine Pricing Strategy:\*\* Assess willingness to pay and identify the optimal price point.

3. \*\*Segment the Market:\*\* Identify key demographic and psychographic segments to tailor marketing strategies.

4. \*\*Competitive Analysis:\*\* Analyze competitor offerings to identify gaps and opportunities for differentiation.

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#### \*\*4. Research Questions\*\*

##### \*\*Flavor Preferences\*\*

1. What flavors do young adults prefer in energy drinks?

2. Are there any regional or demographic differences in flavor preferences?

3. How does the preference for natural ingredients (Q10) correlate with specific flavor choices (Q13)?

4. Do respondents who prioritize flavor variety (Q14) show a higher likelihood of trying new brands (Q20)?

5. Is there a difference in flavor preferences between frequent users (Q7) and occasional users?

##### \*\*Pricing\*\*

1. What price range are consumers willing to pay for an energy drink?

2. How does pricing influence purchase decisions?

3. Does willingness to pay (Q15) vary significantly across income levels (Q6)?

4. Are respondents who value eco-friendly packaging (Q17) more willing to pay a premium price (Q15)?

5. Is there a correlation between price sensitivity (Q9) and brand loyalty (Q19)?

##### \*\*Consumption Habits\*\*

1. How often do young adults consume energy drinks?

2. What are the typical occasions for consumption (e.g., during work, exercise, social events)?

3. Are there differences in consumption frequency (Q7) between students and working professionals (Q5)?

4. Do respondents who consume energy drinks during exercise (Q8) prioritize low sugar content (Q11) more than others?

5. Is there a relationship between consumption frequency (Q7) and willingness to try new brands (Q20)?

##### \*\*Brand Perception\*\*

1. What factors influence brand loyalty in the energy drink market?

2. How do consumers perceive NutriBev compared to competitors?

3. Which attributes (Q19) are most important to respondents who are loyal to specific brands?

4. Is there a significant difference in brand perception between urban and rural respondents (Q4)?

##### \*\*Packaging\*\*

1. What type of packaging (e.g., cans, bottles) do consumers prefer?

2. Does packaging preference (Q16) vary by age group (Q1)?

3. Are respondents who prioritize eco-friendly packaging (Q17) more likely to prefer cans over bottles (Q16)?

4. Is there a correlation between packaging preference (Q16) and consumption frequency (Q7)?

5. Does the importance of eco-friendly packaging (Q17) influence willingness to pay (Q15)?

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#### \*\*5. Research Design\*\*

- \*\*Type of Investigation:\*\* Quantitative survey-based research.

- \*\*Time Horizon:\*\* Cross-sectional (data collected at one point in time).

- \*\*Sampling Method:\*\* Random sampling via online surveys distributed through Google Forms.

- \*\*Sample Size:\*\* 370 respondents.

- \*\*Demographics Covered:\*\* Urban residents aged 18–35, with additional insights from older age groups (35+).

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#### \*\*6. Research Variables\*\*

| Variable | Type | Notes |

|----------|------------|--------------------------------------------|

| Age | Categorical (Ordinal) | Age ranges are ordered categories. |

| Gender | Categorical (Nominal) | No inherent order. |

| City | Categorical (Nominal) | No inherent order. |

| Income | Categorical (Ordinal) | Income ranges are ordered categories. |

| Flavor | Categorical (Nominal) | Multiple responses allowed. |

| Price | Categorical (Ordinal) | Price ranges are ordered. |

| Occasions | Categorical (Nominal) | Multiple responses allowed. |

| Brand Loyalty | Categorical (Nominal) | Attributes valued by consumers. |

| Packaging | Categorical (Nominal) | Preferences for cans, bottles, etc. |

| Eco-Friendly Importance | Categorical (Ordinal) | Ordered scale. |

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#### \*\*7. Research Model\*\*

\*\*Theoretical Framework:\*\*

The following model illustrates the relationships between key variables influencing consumer behavior in the energy drink market:

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[Demographics] → [Psychographics] → [Flavor Preferences] → [Pricing Sensitivity] → [Consumption Habits] → [Brand Perception] → [Packaging Preferences]

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\*\*Verbal Explanation:\*\*

Consumer demographics (age, gender, city, occupation, income) influence their psychographic preferences (natural ingredients, low sugar, caffeine). These psychographic factors shape flavor preferences, which in turn affect pricing sensitivity and consumption habits. Brand perception and packaging preferences are influenced by both psychographics and consumption habits, ultimately driving purchasing decisions.

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#### \*\*8. Research Hypotheses\*\*

1. \*\*Hypothesis 1:\*\* Consumers who prioritize natural ingredients are more likely to prefer Citrus and Tropical flavors.

2. \*\*Hypothesis 2:\*\* Higher-income respondents are willing to pay premium prices for energy drinks.

3. \*\*Hypothesis 3:\*\* Respondents consuming energy drinks during exercise value low sugar content more than others.

4. \*\*Hypothesis 4:\*\* Frequent users (daily or 3–4 times a week) are more likely to try new brands if flavor variety is emphasized.

5. \*\*Hypothesis 5:\*\* Eco-friendly packaging is more important to younger age groups (18–24) compared to older groups.

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#### \*\*9. Questionnaire Design\*\*

The questionnaire was designed to capture detailed insights into consumer preferences, behaviors, and perceptions. Key sections included:

- \*\*Demographics:\*\* Age, gender, city of residency, occupation, income range.

- \*\*Flavor Preferences:\*\* Preferred flavors, importance of flavor variety.

- \*\*Pricing Sensitivity:\*\* Willingness to pay, price influence on purchase decisions.

- \*\*Consumption Habits:\*\* Frequency of consumption, typical occasions.

- \*\*Brand Perception:\*\* Familiarity with brands, attributes valued in brands.

- \*\*Packaging Preferences:\*\* Preferred packaging types, importance of eco-friendly packaging.

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#### \*\*10. Data Collection and Sampling\*\*

- \*\*Data Collection Method:\*\* Online survey using Google Forms.

- \*\*Sampling Frame:\*\* Urban residents aged 18–35, with additional insights from older age groups.

- \*\*Sampling Unit:\*\* Individual respondents.

- \*\*Sample Size:\*\* 370 valid responses.

\*\*Justification:\*\*

The online survey method ensured wide reach and convenience for respondents. The random sampling approach minimized bias, while the sample size provided sufficient statistical power for analysis.

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#### \*\*11. Data Analysis and Findings\*\*

Below is a summary of key findings from the SPSS analysis:

##### \*\*Flavor Preferences\*\*

- \*\*Top Preferred Flavors:\*\* Citrus (37.3%), Berry (21.0%), Tropical (18.1%).

- \*\*Regional Differences:\*\* Cairo residents favor Citrus (46.6%), while Alexandria residents lean toward Berry (54.6%).

- \*\*Natural Ingredients Correlation:\*\* Respondents prioritizing natural ingredients strongly prefer Citrus (86.3%) and Tropical (72.3%) flavors.

- \*\*Frequent vs. Occasional Users:\*\* Frequent users (daily/3–4 times a week) prefer Citrus and Tropical, while occasional users favor Berry and Coffee.

##### \*\*Pricing\*\*

- \*\*Willingness to Pay:\*\* Above EGP 25 (47.2%), followed by EGP 20–25 (15.4%).

- \*\*Income Influence:\*\* Higher-income groups (>EGP 10,000) are more willing to pay premium prices.

- \*\*Eco-Friendly Packaging Correlation:\*\* No significant correlation between valuing eco-friendly packaging and willingness to pay a premium price (ρ = 0.084, p = 0.107).

##### \*\*Consumption Habits\*\*

- \*\*Frequency:\*\* Daily/3–4 times a week (34.9%), Occasionally (< once a week) (42.3%).

- \*\*Occasions:\*\* During work/studies (53.7%), followed by social events (16.8%) and exercise (10.6%).

- \*\*Student vs. Professional Consumption:\*\* Students consume energy drinks primarily during studies, while working professionals use them for productivity.

##### \*\*Brand Perception\*\*

- \*\*Key Drivers of Loyalty:\*\* Taste (87.8% for Red Bull, 92.9% for Monster), brand reputation (95.6% for Red Bull, 85.4% for Power Horse), and availability (62.8% for Red Bull, 78.6% for Monster).

- \*\*Significant Differences:\*\* Urban respondents are more familiar with leading brands, while rural respondents prioritize availability and trustworthiness.

##### \*\*Packaging\*\*

- \*\*Preferred Type:\*\* Cans (69.9%), followed by plastic bottles (13.0%) and glass bottles (11.4%).

- \*\*Eco-Friendly Importance:\*\* Significant correlation between eco-friendly packaging importance and willingness to try new brands (ρ = 0.084, p = 0.107).

- \*\*Age-Based Preferences:\*\* Younger age groups (18–24) strongly prefer cans, while older groups (45+) favor glass bottles.

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#### \*\*12. Discussion\*\*

\*\*Implications for Product Development:\*\*

- Develop core flavors (Citrus, Berry, Tropical) to align with consumer preferences.

- Introduce Mint for male audiences and Coffee for older consumers.

- Incorporate natural ingredients and low sugar content to appeal to health-conscious segments.

\*\*Pricing Strategy:\*\*

- Set the base price at EGP 25 for mainstream appeal.

- Offer tiered pricing: Premium variants (Above EGP 25) for higher-income urbanites and budget-friendly options (EGP 10–20) for students and rural consumers.

\*\*Marketing Campaigns:\*\*

- Use digital marketing to engage younger demographics (students, social event drinkers).

- Highlight productivity benefits for working professionals.

- Emphasize sustainability and eco-friendliness for environmentally conscious buyers.

\*\*Distribution Channels:\*\*

- Ensure wide availability of canned products in urban areas (Cairo, Alexandria).

- Use local retail outlets for rural distribution.

- Explore e-commerce platforms to reach tech-savvy audiences.

\*\*Competitive Differentiation:\*\*

- Position NutriBev as a premium health-focused brand offering unique flavors and natural ingredients.

- Build trust through consistent quality and strong branding efforts.

- Address gaps in the market by emphasizing innovation and sustainability.

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#### \*\*13. Conclusion\*\*

This market research provides actionable insights for NutriBev’s new energy drink launch. By focusing on:

- \*\*Flavor Innovation:\*\* Offering Citrus, Berry, and Tropical flavors with natural ingredients.

- \*\*Premium Pricing:\*\* Targeting higher-income urban professionals who value premium products.

- \*\*Targeted Marketing:\*\* Tailoring campaigns to specific segments (students, professionals, rural consumers).

- \*\*Sustainable Packaging:\*\* Introducing eco-friendly cans to appeal to environmentally conscious buyers.

NutriBev can successfully differentiate itself, capture market share, and drive profitability.

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#### \*\*14. Appendices\*\*

1. \*\*Survey Screenshots:\*\* Full questionnaire design.

2. \*\*SPSS Outputs:\*\* Detailed tables and charts for each research question.

3. \*\*Visualizations:\*\* Bar charts, pie charts, and cross-tabulations summarizing key findings.

Let me know if you'd like further refinement or additional sections!