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Strategic Marketing Plan for
Nestle Malaysia Milo

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EXECUTIVE SUMMARY



This report provides an insight of the marketing plan for Nestle Malaysia's Milo by investigating their target market and recommending marketing objectives, understanding their current market program positioning and strategies, and lastly suggesting implementation and control to further improve their marketing plan. Nestle Malaysia's Milo has first been well-known as a chocolate flavoured drink with malt. Throughout the years, it has broadened its spectrum by providing different products such as beverages, prepared foods, ice cream, cereals and chocolates whilst retaining the nutritional value and taste within the product itself.

Strategic situation analysis is performed via The Marketing Mix, PEST analysis, Porter's Five Forces and SWOT Analysis. Throughout the years, Milo has gained popularity by having a variety of products to meet the needs of consumers. Besides, Milo is well known internationally and has a wide distribution channel. Their promotion strategy has been successful through different channels such as marketing tools, public relation and advertising. Not only that, the product line of Milo is set at a relatively low price to ensure affordability by the mass market.

Milo which has been in existence for 70 years has engraved their brand awareness in most Malaysians' daily life. Milo is targeting a range of market segments that requires separated marketing strategies to be developed. The segmented market targeting can provide a better understanding of consumers who have different responses towards Milo's product line. Milo's market segmentation is identified based on four factors: demographic, geographic, psychographic and behavioral.

Milo places children as their main targeted audiences by having competitions and roadshows at different places to play games and give hampers, which can motivate them to join and have fun while challenging themselves to go beyond the limit. Other than that, Milo has expanded their advertisement to other target groups such as sports athletes by organizing sports programmes or building up a new protein formula to attract the sport enthusiast group. Other than children and athletes, Milo is targeting groups of adults who opt for fast food by having new Milo products at different fast food restaurants that sparked consumers' intention to try new products. Recently, Milo has also been targeting mothers who shop for groceries and pregnant women who require enough nutrition to give birth to a healthy child. Apart from that, Milo can potentially target elderly as well by offering sufficient nutrients for them with just a cup of Milo. In order to meet the requirements of their targeted audiences, Milo is recommended to conduct surveys and studies to continuously develop products or readjust their formulation to fit the taste of Malaysians.

Marketing positioning demonstrates how a product is to be positioned in the target market. Milo has positioned itself as one of the chocolate beverages which offer low sugar content while possessing high nutritional value. Furthermore, Milo is situated at a low level of price compared to its competitors. Specific strategies are identified based on four areas, namely product, distribution, price and promotion. Milo offers a wide variety of products ranging from pre-mixed beverages, to snack bars and protein bars, and to breakfast cereals. It has focused on producing consumer-focused products as well by reducing sugar and sweetness levels to cater for individual taste and preferences. Product differentiation strategy has also been recommended to distinguish Milo from their competitors.

Besides, Milo uses multiple distributions by placing their products in multiple retail locations, collaborating with fast food restaurants and appearing in online stores to widen their target audiences. It is suggested to add a new distribution channel by placing Milo products at different places by either owning a Milo concept shop or having their own vending machine everywhere. Milo can use value-based pricing strategy on Milo products as they have gained enough popularity and brand awareness throughout the years. Nestle has used different kinds of advertising mediums to increase their brand awareness through both traditional mass media and innovative ways. It can consider their promotion strategy by working with influencers as the best word of mouth marketing strategy through the digital landscape.

The implementation processes of Milo marketing include rewards and incentives, design aids and online advertising and coordination with other business functions. Milo has successfully increased its activity participation rate by providing details of rewards and incentives to the consumers. Besides, Milo advertisements are designed with background colours of green and brown to emphasise its core corporate value in conserving nature. Online portals have been explored and utilised by Milo to ensure wider information access by the public. To outreach a greater proportion of the public, Milo has taken a step further to coordinate with other business functions such as the World's Marathons Group. In addition, its products have been incorporated into massive fast food chains in Malaysia such as McDonald's as an effort to implement its marketing strategy.



Clear marketing objectives of the Milo company should be constantly conveyed, monitored, and upheld by all staff, rendering the need for a control. In fact, the marketing managers need to reassess their strategic approach with reference to the market environment on a regular basis whilst the marketing executives can designate performance standards to measure the effectiveness of the marketing plan. The control process should be done by creating monthly or quarterly checklists to identify whether the company's current marketing strategy is on the right track early in the marketing process. Milo relies on sales forecasting to manage their supply chain and operating management. In order to maximise the value of consumer demand, the company has resorted to the strategies of pricing discrimination. From this, Milo is recommended to have profitability control to conduct marketing campaigns analysis to determine where the organization is gaining and losing profits. As such, marketing budget should be developed by reviewing the annual revenue sheets of the company and setting a percentage aside.

Milo has developed contingency plans such as sponsoring major events, using traditional promotion media or electronic media, and printing attractive packaging on Milo products not only to attract more customers, but also to address problems resulting from deviations of the marketing plan. Milo utilises Qualifo, known to be a customer relationships management (CRM) system, to deliver a higher quality of customer service.

In conclusion, Milo, as one of the leaders in the food nutrition industry, should create and analyze multiple marketing strategies to differentiate itself from other products. From this, Milo can increase their brand awareness at the same time benefiting the society and achieve their main purpose of changing peoples' lives and generate significant value for their shareholders and stakeholders.

STRATEGIC SITUATION ANALYSIS

THE MARKETING MIX

Figure 1: The Elements of Marketing Mix



Source: McCarthy (1960).

PRODUCT

Milo is a popular chocolate malt beverage brand that is owned by Nestle company (Nestle, 2021b). Milo was developed by an Australian industrial chemist, Thomas Mayne in 1934 (Nguyen, 2019). Milo has been introduced into many countries such as Malaysia, Singapore, Japan and Thailand. Milo has gained the pride of Asia Pacific Effie Awards in 2019 for its efficient advertising efforts (Nguyen, 2019).

Product Design and Packaging

The iconic logo of Milo brand is mainly in green and brown with the portray of an active athlete engaging in vigorous movements. It is believed that the design of the logo is to illustrate the nutritional benefits that the chocolate malt powder can provide for children and athletes. Different wordings have been used on the packaging to influence the consumers’ perception on the brand including “Crossing the winning line”, “Contain vitamins and minerals” , and “Champion energy nutrients”. Packaging for Milo products can be found from powder pack, stick-pack and ready-to-drink to meet the needs of different consumers. For instance, Milo Powder is available in various tin sizes such as 200g, 400g, 1kg, 1.5kg, and 2kg to cater the needs of households with different sizes. Besides, stick-pack and ready-to-drink products such as Milo 3-in-1, Milo Can and Milo Original Bottle come in on-the-go packaging to offer a better option for consumers who are opting for convenience and portability.

Figure 2: Design and Packaging of Milo



Source: Milo Malaysia (2021).

Product Variety

In order to map with different consumers' preferences, Milo has launched a wide range of products to target consumers from different demographics and backgrounds. For example, healthier product choices of Milo which are higher in nutritional values target consumers who are more health conscious. For example, Milo with 25% less sugar are designed for certain customers who prefer unsweetened beverages whereas Milo Activ-Go Plus Fibre can be an option for individuals who are actively looking for drinks containing high fibre (Nestle, 2021a). Moreover, Nestle has introduced the Milo Nutri Pluz in Malaysia that provides double calcium and vitamin D compared to Milo UHT. Milo Nutri Pluz is less sweet with a milkier taste compared to Milo UHT to meet different consumers' taste preferences (Tan, 2019). In addition, Milo with whole grain cereal is introduced to target potential consumers who purchase cereals for their breakfast. Products containing different combination flavours of Milo with other ingredients such as banana and almond are also released into the market to regain the attention of existing customers and attract more potential customers, leading to an overall increase of the company's revenue.

Figure 3: Product Variety of Milo



Source: Nestle (2021a).

Product Life Cycle

According to Armstrong and Kotler (2014), product life cycle means the period between the introduction of a product to the market and removal from the shelves. There are four stages in the product life cycle, which include the stage of introduction, growth stage, maturity stage, and finally the decline stage. For Malaysia, Milo was started in 1912 in Penang as the Anglo Swiss Condensed Milk Co. (Innovation Drives Nestle, 2011). As Milo is in the maturity stage, the product sales will reach the peak and other competitors who enter into the market will face intense competition and difficulty to survive (Armstrong & Kotler, 2014). Hence, instead of waiting for an opportunity to gain their sales, competitors will resort to alternative solutions to develop and promote new products (Armstrong & Kotler, 2014).

To increase the sales and the market share, Milo has introduced many flavours for the Milo products. This has led to the launching of a variety of products such as new Milo Sejuk, Milo Cereal Bar, Milo Fuze, and so forth to compete with their existing competitors such as Ovaltine and Vico (Innovation Drives Nestle, 2011). This example can demonstrate that Milo is trying to differentiate their product from being selling the similarity product with their competitors to maintain the leadership status and market shares in the market.

However, the long-term maturity stage will lower the recognition of the brand through the familiarity of the product and consumer taste and preference. Hence, Milo has proposed a variety of advertisements on their product to remind their customers of the availability of Milo products. Milo has also extended their product life cycle by producing new products such as Milo Nuggets to attract the customers to buy their products. Lee (2012) reported that Milo is currently holding 25% of the consumption of all adults, and about 50% of all consumption of children from 6 to 12 years old. As a result, variety products stimulate an increasing number of Milo users.

Product Labelling

It is easier to identify that Milo is one of the low glycemic index (GI) products due to there being a GI symbol stated on Milo packaging. With the GI symbol stated on the product packaging, consumers can easily choose low GI foods when they are shopping (Nestle, 2021c). The GI is a rating system for products containing carbohydrates. All necessary requirements of the Milo such as nutrition facts label, contact information, and so on are provided on the packaging. The Nestle company complies with the Halal certification of its product as regulated by the Department of Islamic Development Malaysia (JAKIM). Therefore, the Halal symbol is clearly labelled on Milo packaging to give assurance of the company's commitment to the religious and legal requirements. Then, the labelling of "Sumber Protein" and "2X Kalsium" also stated on the Milo Nutri Pluz packaging. This Milo Nutri Pluz is aimed at children to make sure they have adequate amounts of energy to get through their daily life and address calcium and vitamin D deficiency.



PLACE

Address of Headquarters and Number of Factories

Nestle produces Milo in Malaysia and the location of the head office is in Mutiara Damansara, Selangor (Nestle, 2021d). With six factories in Malaysia, the presence of Nestle is not only in West Malaysia, but also available in East Malaysia. There are two factories in Shah Alam, two factories in Negeri Sembilan, one factory in Perak, and one factory in Sarawak (Nestle, 2021d). Nestle also has one national distribution centre based in Selangor (Nestle, 2021d). This national distribution centre acts as a warehouse to store products like Milo, Nescafe, and other Nestle products.

Location and Retail Strategy

The products of Nestle are distributed to convenience stores, mini markets, supermarkets, and hypermarkets in Malaysia. The marketers of Milo choose these Hypermarkets such as Village Grocer, Jaya Grocer, Tesco, and LePaPa as distributors because they have their loyal customers with them. Nestle also distributes its product to supermarkets such as Choice Premier, Fresh and Pay, and Upwell. In Malaysia, Nestle products also can be found in convenience stores such as 7-Eleven and Alfamy. It is very convenient for the residents to purchase groceries at convenience stores or mini markets. Since convenience stores in Malaysia are operating 24 hours, consumers can get Nestle products such as Milo at any time.

Marketing System and Distribution Channel

Vertical Marketing System (VMS) is used by Milo. VMS serves the consumer needs by consolidating the main partners to work together such as the producers, the wholesalers, and the retailers. For example, Milo and Sunway Pyramid, Kuala Lumpur signed contracts to use the venue of Sunway Pyramid to have an event there. Besides, Milo uses a multichannel distribution system which involves an indirect and direct marketing system. For example, Milo has a sales force and meets McDonald's as a business market. McDonald's used Milo to have many products such as Milo McFlurry, Ice Blended Milo, Ice Blended Milo Latte, and some beverages. Moreover, Nestle also provides Milo to other wholesalers, retailers, or third parties to sell their products to consumers. For example, Milo has launched official stores in Lazada, Shopee, and 11 street. Consumers can get their Milo in just a click.

PROMOTION

Direct Marketing Tools

In this era of technology advancement, the use of the internet plays a very important role in our life. It is common to see people nowadays scrolling their phones anywhere and anytime. Therefore, it allows Nestle to promote its products by involving the brand Milo into social media for instance Facebook, Twitter, Instagram, and YouTube.

The YouTube channel of Nestle Milo has around 71,500 subscribers (Milo Malaysia, 2021). The channel contains healthy recipe videos such as Milo Bento Box and videos of Malaysia young athletes such as #StrongerTogether with Welson Sim which matches with their mission, to fulfill their consumers with physical energy not only to get through active and busy days but also to do their best in daily lives (Nestle, 2021a). All these videos are believed to create a positive image in which consumers will think about Milo when it comes to staying active and maintaining a healthy lifestyle.

In addition, the Champions Clinic is one of the activities conducted by Milo to encourage children aged between 7 to 12-years-old to be actively involved in sports for the overall development of children (Nestle, 2021e). Milo lists out all the main ingredients and nutrition facts and how these products benefit the consumer on their website. Consumers are emphasizing a healthy diet and lifestyle, the company website helps to persuade and even increase their consumers' belief that Milo is the chocolate-based beverage that is made with good ingredients. It is essential to have a cup of Milo every morning for breakfast. Therefore, it builds customer equity where Milo gains more loyal and profitable customers.

Sales Promotion

Milo is involved in event marketing by sponsoring a walk or marathons such as Anak-Anak Malaysia Walk 2018 at Shah Alam (Malaysia Walk, 2018). On that day, the iconic Milo truck is stationed there for the participants. Milo sponsored this event which can further increase its image of getting active as well as achieving its mission of getting five million Malaysians to get active. Apart from that, Milo also partnered with Unimas Run 2016, Kuching with the mission of encouraging the local youth community of all races and backgrounds to unite in a healthy activity (Umpang, 2016). Milo has held marathons in many states of Malaysia, for example, Milo Malaysia Breakfast Run 2019 (Runnerific, 2019). According to Ramlan (2014), Milo Malaysia Breakfast Run has been held annually since 2013 to create awareness among Malaysians about the importance of breakfast and adopt a healthy lifestyle. But Milo has not held any huge event since the year 2020 due to Covid-19 pandemic. Next, Milo also holds a contest to attract its customers, for instance, "Gol ke Barcelona Di Petronas 2019", where the participants need to buy two Milo cans and answer a simple question to stance an opportunity to win a trip to Camp NOU, Barcelona and other prizes like Fitbit and vouchers. Milo interacts with their customers by inviting them to join their "Up Your Game Challenge", this challenge requires the participants to film themselves doing selected basic moves with creativity and increased difficulty and one of the Milo products must be in the film. This can help Milo to advertise their products as well as to achieve their mission by getting more Malaysians to be more active with the help of social media. All these are Milo's short-term incentives to encourage people to buy their products.

Figure 4: The CAREton Project



Source: Priya (2019).

Public Relations

Apart from advertising and promoting their products, Milo incorporates sustainable development through participation in the corporate social activities. It has a positive impact on social, economic, and environmental factors. Milo held a recycling awareness campaign, known as the CAREton project, that aims to collect used cartons of drink packs and recycle it into panel boards and tiles for the 'Orang Asli' community (Nestle, 2021f). Everyone can take part in this campaign by sending drink Milo packs into Milo recycling centers of which they are located all around the world. Then, the recycled Milo drink packs will be processed into poly Aluminum (polyAl) panel boards and roofing tiles. The Milo drink packs are made of 100% recyclable materials which are paper, aluminum, and plastic which makes them able to be processed into roof tiles. This recycling awareness campaign is Milo's effort to preserve the environment and lend a helping hand to provide a roof over the heads of those in need. Petaling Jaya City Council has received 1000 pieces of polyAl panel boards from the CAREton project, it might be a small step in this project, but it is a sign that Malaysians are more aware of recycling and are preserving the environment (Priya, 2019). In short, the CAREton project helps Milo to build up a good corporate image where they emphasize educating and encouraging the society to reduce waste, recycle, and preserve the environment for the future generation.

Figure 5: Advertisement of the CAREton Project



Source: Tan (2020).

Figure 6: Advertisement of Milo at Airport



Source: Authors' Illustration.

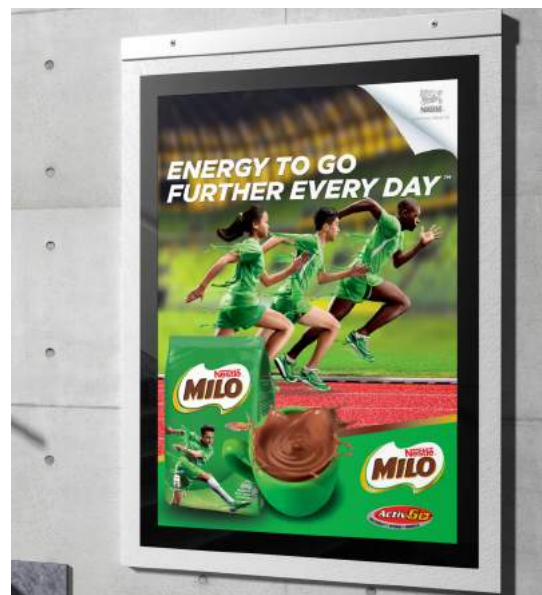
Nowadays, the rapid changes in the technological environment cause a change in people's lifestyle. Instead of watching a television program after work, people tend to use their smartphones or tablets (Ley et al., 2014). Therefore, it reduces the advertisement of Milo on both local and international TV channels. However, the advertisement of Milo is considered a success in promoting their products if back to the years where the internet plays a less important role in our daily lives. Milo Relay (2015) is an advertisement of Milo on YouTube that conveys a message, where drinking a cup of Milo at breakfast can bring out the best of a person and Milo is able to provide an individual with sufficient energy that he or she needs to take on the day. This advertisement drew the attention of parents to purchase Milo for their children as their breakfast daily. Therefore, a cup of Milo for breakfast has become an essential part of most Malaysians. In addition, Milo also used to advertise on radio frequently. The radio advertisement always ends with a tune and slogan energy to go further. People are familiar with tunes and slogans. In Malaysia, public transport stations such as the LRT and MRT are the best location to use printed media for example billboards and posters as most of the West Malaysian population is using this public transportation.

Figure 7: Advertisement of McCafe with Milo Beverages



Source: Authors' Illustration.

Figure 8: Advertisement of Milo at Railway Station



Source: Authors' Illustration.

PRICE

Price is an important element of the marketing mix as it involves generating revenue. In Malaysia, Nestle sets a relatively low price for Milo initially to reach the mass market. Milo also has lower prices compared to its competitors such as Cadbury, Ovaltine, Vico, and so forth in the Shopee e-Commerce platform. Marketers need to decide and make a good pricing strategy to meet market expectations. Manufacturers are expected to produce high quality Milo as market competition will influence the pricing strategy if the manufacturers set a higher price for Milo. Loyal customers purchase the products and services based on its brand and quality has very little to do with prices (Mirabi et al., 2015). Therefore, the changes on the price does not exert a great impact on the demand, in which the product demand is relatively inelastic.

There are a huge number of competitors of Milo in the market. Milo could be easily forced out of the market by its competitors such as Vico and Ovaltine if the manufacturers are unable to perform a right pricing strategy on the product. The pricing strategy is to set the product's initial price and the desired price movements across the product life cycle. In this situation, seasonal pricing is one of the smart choices to set up prices for Milo as there are more potential customers who are likely to purchase Milo cans when it is closer to school's Sport Day. Furthermore, Milo can organise seasonal discounts during festivals and celebrations, for example, event organizers or consumers are entitled for 5% to 10% discount on every purchase of a carton of Milo cans. According to Kotler and Keller (2012), the overall pricing method employed is the perceived value price in which it is made up of the buyer's perceived image of the product performance, channel deliverables, customer support and attributes that can involve the supplier's trustworthiness and esteem.

Figure 9: Seasonal Discounts for Milo's Products

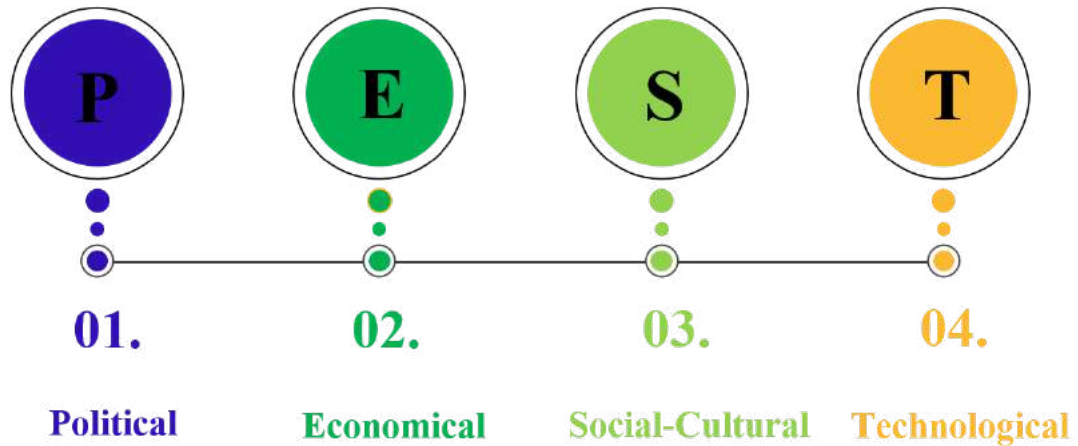


Source: Authors' Illustration.



PEST ANALYSIS

Figure 10: The Elements of PEST Analysis



Source: Sammut-Bonnici and Galea (2015).

The PEST Analysis analyzes political, economic, social-cultural, and technological perspectives of the macroeconomic environment (Sammut-Bonnici & Galea, 2015).

The political factors consisted of governmental affairs such as political stability, government leadership, level of corruption and others. According to Rastogi and Trivedi (2016), the legal factors are the legislation that the organization must abide by in all aspects of their businesses. Milo has been involved in numerous activities to support government decisions such as striving to obtain Healthier Choice Logo, joined as partner in organizing Malaysian Healthy Plate Campaign and to be in favor of motivating the young generation to take part in physical activities.

The economic factors refer to the decisive elements on the status of the economy and its outcomes will have a long-term impact on the businesses (Rastogi & Trivedi, 2016). Milo contributes to Malaysia's economy by generating national income through its exports business and creating job opportunities to reduce the rate of unemployment.

The social factors are the considerations by the organization on benefits and consequences of the events towards the society (Rastogi & Trivedi, 2016). Milo has improved people's knowledge on health diet through its product labelling and the provided portion guidance on the product packaging. Nestle also organized Milo Malaysia Breakfast Day 2017 to encourage a healthy lifestyle. Furthermore, Nestle also hosted Grassroots Sport Development and Milo Champions Clinic 2017 to devote in building sporting culture within Malaysia (Nestle, 2021e).

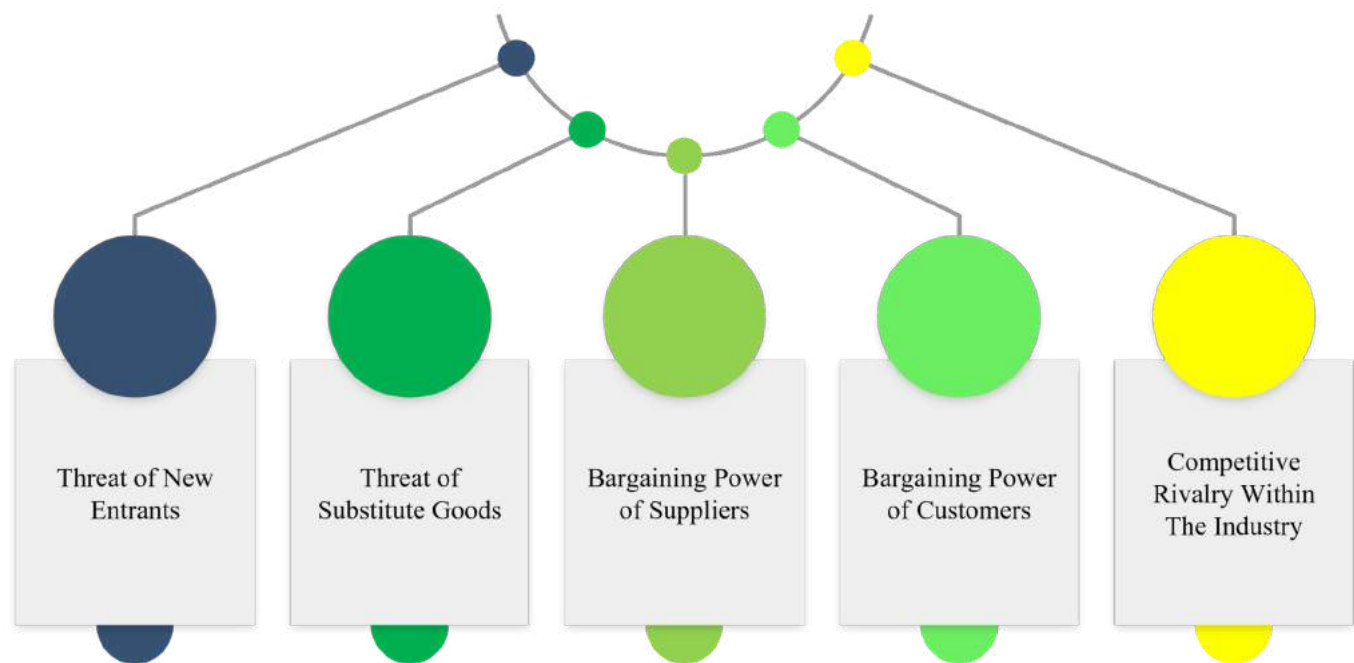
Rastogi and Trivedi (2016) stated that the technology factors are concerning technological innovation which might lead to an enhancement on the efficiency in operations or become a barrier for an organization. Milo perseveres in research and development to boost their innovation. The company of Nestle also expanded its business scope by involving in e-Commerce platforms (E-Commerce Platform, 2017). Milo appeared on various e-Commerce platforms such as 11 street, Lazada, and Shopee to allow this product reach to the potential customers that often purchase goods through these digital avenues (E-Commerce Platform, 2017).



PORTER'S FIVE FORCES

Figure 11: The Elements of Porter’s Five Forces Model

Milo Porter’s Five Forces



Source: Porter (1985).

The Porter’s Five Forces analyses the company’s competitors, customers, suppliers, potential new entrants to the market, and substitutes of products that influence the company’s profitability. It is used to develop the company’s strategies and these five factors would be deliberated in light of Milo's market.

THREAT OF NEW ENTRANTS

With an attractive chocolate beverage market, this would encourage new entrants to enter the market and eventually pose a threat to Milo. Although Milo has been a strong brand in the market, the food industry has so many companies that have already entered in the market even though the company’s competitors are still unable to match Nestle's market share. Across industries, capital requirements, absolute cost advantages, economies of scale, product differentiation, access to distribution channels, government, and legal requirements are major barriers to market entry. For a century, Nestle Milo has been the leader of the market. Milo is persistently on the board, and hence the new entrants are not really posing any threats. Instead, the new entrants are facing a big challenge as they not only have to work on their quality but also to cut the share of Nestle. (Nestle, 2021g).

THREAT OF SUBSTITUTE GOODS

Substitutes are goods that can be used in lieu of another, hence creating threat to a company. In the chocolate beverage industry, there are a number of substitutes, resulting in a great extent of competition. Therefore, Milo has to innovate its products in order to stay relevant in the market, and to remove the threat of its substitutes. For example, Milo has produced Milo cereal bars and Milo Activ-Go Plus Fibre recently to cater more options to avoid customers shifting to the substitute products. Nevertheless, the health and wellness factors have always been considered and maintained in all products of Nestle, including Milo. The outcome is with such initiatives Milo is able to outshine others, hence influencing people to purchase Milo instead of the substitutes.

BARGAINING POWER OF SUPPLIERS

In any industry, the suppliers' bargaining power is an important consideration. Milo has a strong relationship with the suppliers around the globe. This is because of its strong buying power, and also because of the fact that in dairy and agricultural products, quality is key. To ensure stronger ongoing quality, Nestle has always emphasised on robust business relationships. Additionally, to lower redundant expenses, Nestle has provided guidance to its suppliers on how to work more proficiently. More so, being one of the biggest foods and beverage companies in the world, Nestle is able to acquire goods from its suppliers at low costs, thus resulting in increased profit margins.

BARGAINING POWER OF CUSTOMERS

The customers' bargaining power is also an important consideration. Factors such as cost, ease of purchasing products and services from competitors, and also buyer information regarding prices of foods and drinks in the market are the main concerns of the customers. The needs of the customers have always been the priorities of Nestle Milo to ensure high satisfaction. This is clearly reflected in Milo's active participation in health and wellness programs as well as the creation of new products such as Milo Kosong, Milo Less Sugar, and Milo Fibre. Even with substitute products and competitors, the quality maintained by Milo has successfully attracted the consumers.

COMPETITIVE RIVALRY WITHIN THE INDUSTRY

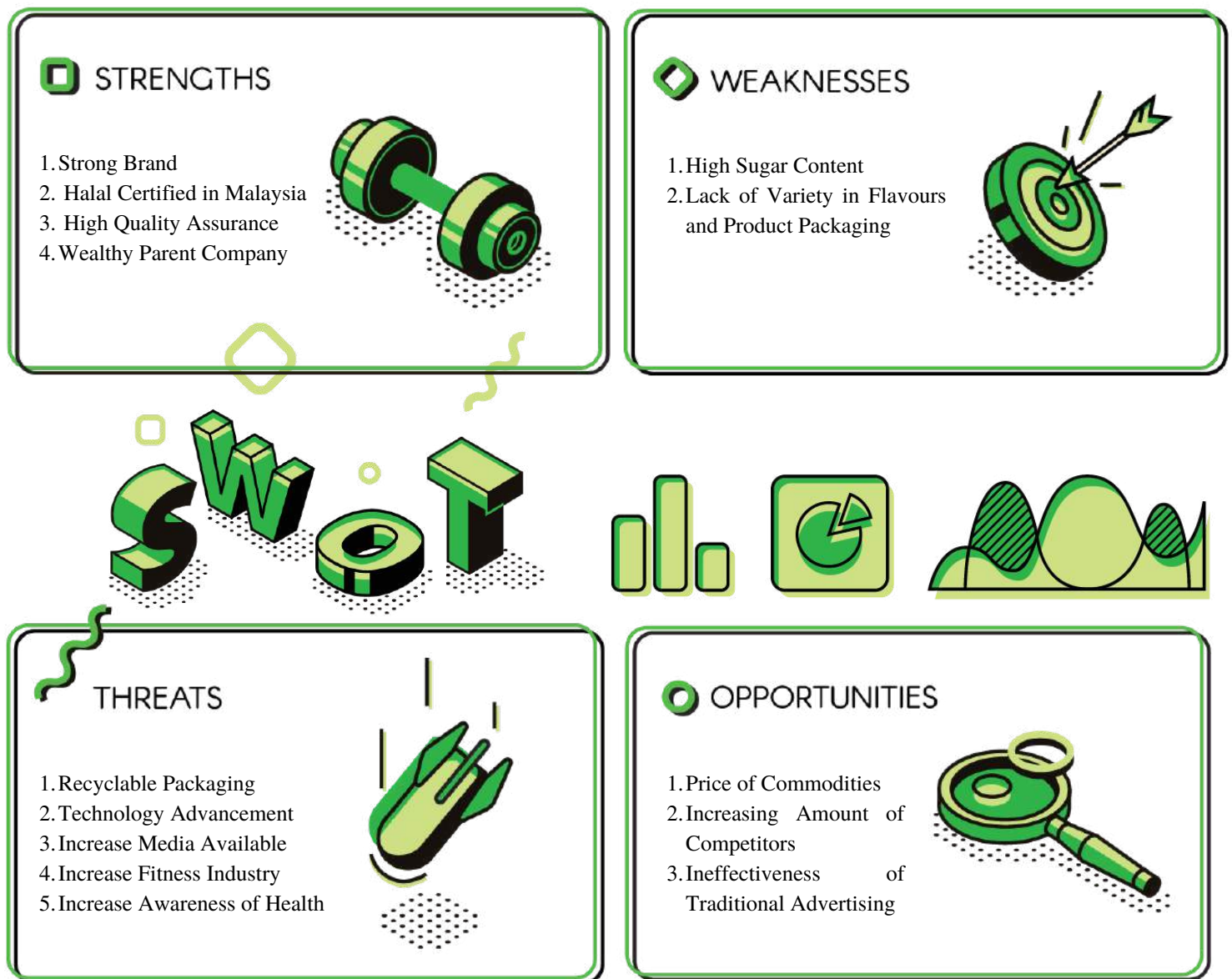
Milo, as one of the biggest players in the industry, faces strong competition from other food and beverage brands such as Vico, Ovaltine, and Dutch Lady. Like for breakfast cereal, the specific competitor is Kellogg's. The competition is not just for price, but also for product variety, creativity, promotional offers, and others. All other firms also spend large amounts on marketing and advertising, especially during the product launches. All the players in the industry are striving to retain their market share, hence the competition facing Milo is high.



SWOT ANALYSIS

SWOT Analysis is useful in strategic management of which it is essential to assess how the organisation achieved its business objectives. The analysis consists of four components, which include 'strengths', 'weaknesses', 'opportunities', and 'threats'. Internal analysis is performed by identifying the strengths and weaknesses. Meanwhile, an external analysis allows the identification of critical threats and opportunities in its competitive environment. In other words, the nature of the competition as well as how competition in this environment is likely to evolve and the implications would be critically discovered (Gürel, 2017). The SWOT analysis provides an opportunity for an organization to assess its available resources and potentials which could be utilised as competitive advantage as well as identify the disadvantages (Gürel, 2017). As such, business organizations can formulate strategy around the determined opportunities to excel in the market. Note that the analytical results may alter with time, thereby requiring the company to act actively (Gürel, 2017).

Figure 12: The Elements of SWOT Analysis



Source: Gürel (2017).

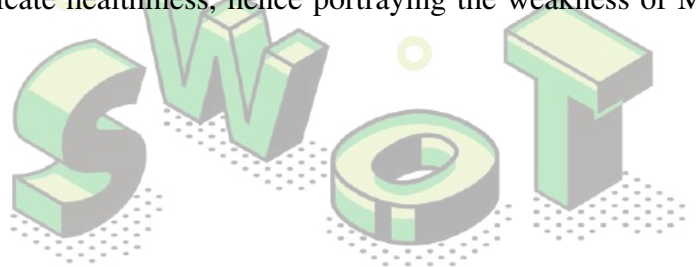
STRENGTHS

Headquartered in Switzerland, Nestle, being the parent company of Milo, is established in about 190 countries, and is currently employing more than 300,000 staff to work towards the company's vision to boost the quality of life, thus contributing to a healthier generation (Nestle, 2018). The company direction is guided by Nutrition, Health and Wellness Strategy for which all Nestle products are assured to meet satisfactory nutritional requirements. This indirectly builds up the confidence of consumers to purchase the product. Furthermore, the brand awareness of Milo is so strong that it has contributed to world-class reputation in the chocolate-flavoured beverages market at the international level. Besides, there is good adherence to Nestle products with all Islamic and legal requirements set by JAKIM to maintain their Halal certification since 1994 (Nestle, 2014). With that the company implements a stringent internal control in a consistent manner towards products (Nestle, 2014). As the percentage of citizens by ethnic groups for Malays are as high as 70%, this enables Milo to dive into the largest market in Malaysia (Mahidin, 2020). Given the fact that Nestle has been continuously growing, it has sufficient experience to understand, predict and produce products such as Milo in bulk without compromising their quality to meet the demand of the general population in Malaysia, hence increasing sales and bringing maximum profit to the company. As such, the objectives of both internal and external stakeholders are mutually met, leading to effective communication and integrated relationships. (Nestle, 2018).

WEAKNESSES

The health perspective on Milo remains doubtful by some. In 2018, criticism was made on Nestle for marketing Milo as healthy and beneficial to a child's growth (Deceiving Food Labels in Malaysia, 2021). Besides, the inappropriate behaviour of the Malaysian nutritionists who received incentives from the beverages company Malaysia to approve misleading labels on Milo was made into a video, which further diminish the consumer confidence level on the products. (Deceiving Food Labels in Malaysia, 2021). Despite Nestle defending itself by claiming that half of the sugar originated from milk and malt, another commentary was made on Nestle regarding cherry-picking such that the ingredients used in its other products do not represent the health benefits as advertised (Deceiving Food Labels in Malaysia, 2021).

Moreover, the product lines of Milo do not vary much throughout their existence, resulting in a drawback when compared to its rival competitors. Its primitive beliefs have largely limited the exploration of opportunities to bring out different flavours and product packaging to grab the attention of existing loyal customers, or even attract new markets. Additionally, Flomo (2019) surveyed that the packaging appearance of Milo product featuring a guy attempting to strike a soccer ball was not enough to indicate healthiness, hence portraying the weakness of Milo packaging.

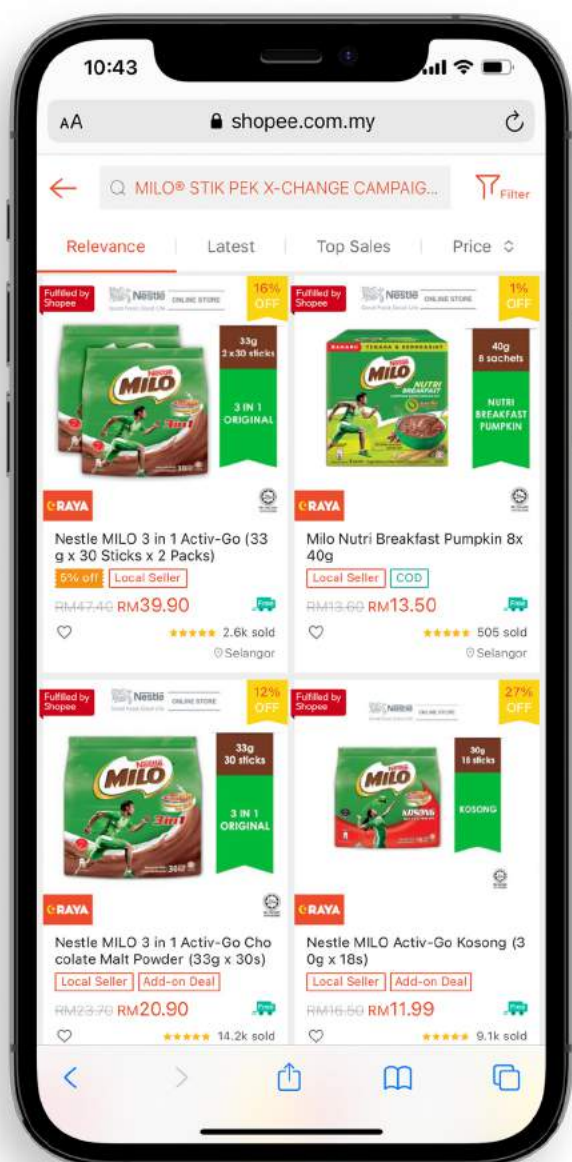


STRENGTHS WEAKNESSES OPPORTUNITIES THREATS

OPPORTUNITIES

The consumers nowadays are increasingly concerned about environmental challenges and are more actively seeking out brands that play a positive role in environmental preservation. As the world's largest food and beverage company, Nestle has deeply committed to address pressing environmental issues. Nestle is driven by the two global ambitions: to make 100% of the packaging recyclable or reusable by 2025; and to achieve zero net emissions by 2050. A key area which Nestle has accelerated is the war against plastic waste, which is particularly challenging in food manufacturing, given the need to ensure product quality and safety throughout the value chain. In this context, Nestle has undertaken several initiatives to tackle challenges of plastic waste from different angles (Nestle, n.d.).

In the journey towards Industry 4.0, Milo continues to incorporate emerging technologies such as the collaborative robots introduced at Shah Alam manufacturing facility. This enables Milo to scale up automation and human-machine interaction in the factory processes. The advancement of technology has enabled Nestle to enhance their research and development, providing the opportunity to accelerate production and manufacturing operations.



Besides, from the e-Commerce perspective, Nestle claimed that its sales have doubled on Shopee Malaysia e-Commerce space within a year of its partnership with the online marketplace (Nestle Double Sales, 2019). The progressive business approach is a demonstration of the company's foresight and versatility in embracing technology to enable healthier and happier lives for Malaysian individuals and families. Therefore, the revenue of Milo could be maximised by promoting its products through online media platforms.

Nestle Malaysia's Milo could also proactively sponsor the fitness industry such as gyms. This idea is derived from the targeting of gym-goers with post workout recovery drinks by Milo in Australia (Lucio, 2020). The double calcium and vitamin D provided in 200ml of Milo Nutri Pluz play an important role in an athlete's health, training, and performance. Another opportunity arises following the trend of consumers in Asia is starting to include more dairy alternatives in their diet. According to a recent survey by GlobalData, more than 40% of consumers in the Asia region are shifting to more plant-based diets, with 11% opting for vegetarian and vegan food, and a third moving to a 'flexitarian' diet that is lighter on meat and dairy products. As a result, plant-based versions of Milo are being launched in the region (Cornall, 2021). The new version replaces the milk in the original recipe with almond and soy. Each bottle offers 6.5g of protein and is also low in sugar, with a combination of vitamins and minerals to support effective energy release.



THREATS

Inflation negatively impacts Milo's sales as it causes the increase in price of commodities which would subsequently affect the price of its final products (Nestle, 2018). The price hike may ultimately reduce the taste and preference of consumers, thereby shifting their demands away from Milo. In view of the increasing number of rival brands lately, Milo's market is further threatened as consumers may opt for cheaper alternatives (Nestle, 2018).

Milo advertisements communicated through traditional methods such as radio or television are less influential these days (Nestle, 2018). The continuance of traditional advertising may constitute a threat towards the company performance as less audience was targeted. According to Canning (2020), advertisements should shift from television to platforms like YouTube, Facebook and so on that can help drive better results for business as most of the people nowadays are no longer watching television.



MARKET SEGMENTATION

Market segmentation is a practice of categorizing the customers into different groups that react differently to the same marketing programme. Based on this marketing philosophy, all customers can be divided into smaller groups with different needs and requirements. Hence, market segmentation effectively identifies the differences among customers. These differences provide the basis for the company to design their products and services, capable of fulfilling and satisfying the different needs of the customers. The market segmentation of Milo is analysed based on four variables, namely demographic segmentation, behavioural segmentation, psychographic segmentation and geographic segmentation.



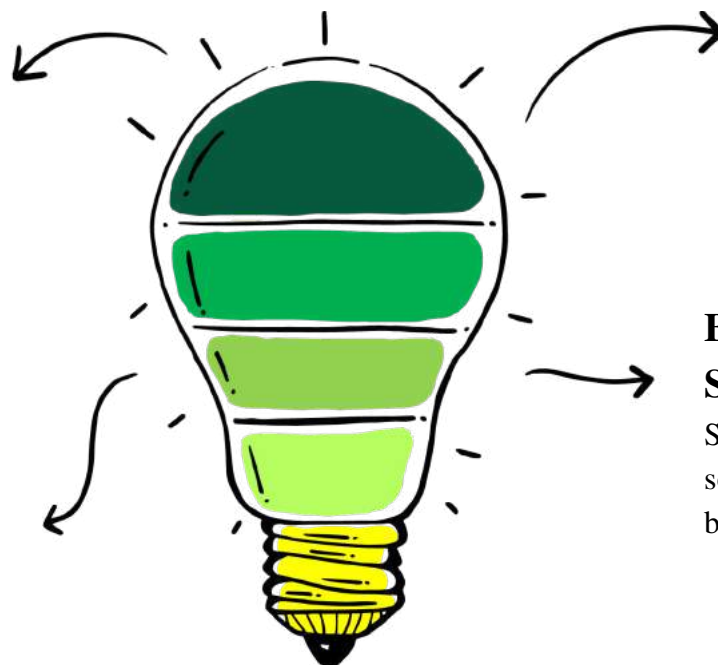
Figure 13: The Elements of Market Segmentation

DEMOGRAPHIC SEGMENTATION

Selling to the kids and sports athletes who are the major buyers.

PSYCHOGRAPHIC SEGMENTATION

Milo's products offer to develop sportsmanship behaviour.



GEOGRAPHIC SEGMENTATION

Selling in many countries which are easily available.

BEHAVIORAL SEGMENTATION

Selling to people who need a source of energy and perform better in life.

Source: Smith (1956).

DEMOGRAPHIC SEGMENTATION

Demographic segmentation divides the market according to age, gender, family size, income level, and education level (White, 2021). For Milo to stay ahead of its competitors, the company is relying on demographic segmentation to target the specific needs of their consumers more accurately (Nestle Annual Review, 2019). With the target groups based on age such as children, the company is able to predict and respond more effectively to the changes in this segmented market (Nestle Annual Review, 2019). The advertisement of the company which shows a young kid competing in a sports contest is iconic that the company nourishes and strengthens the ambitions of children who consume Milo (Nestle, 2021k). Children that are between 6 to 12-years old have unique nutrient needs, which are important for them to grow up strong and healthy. One serving of Milo Nutri Pluz (200ml) can meet the daily calcium and daily vitamin D requirement of children that are between 6 to 12-years old. Generally, the consumption of Milo is higher in urban areas compared to rural areas (Kabii, 2018). Although the price of Milo is marginally higher than its rivals such as Vico, Cadbury and Ovaltine, the demand of Milo in the urban market is not affected (Kabii, 2018). This can be attributed to higher income and education levels of the cities than the villages.

Women are the main grocery shopper as they constitute a higher proportion of customers using e-payment transactions (Statista, 2020). Hence, it is crucial for the company to ensure that women have positive perception on the benefits of Milo as this will have a positive influence on their purchasing preference. In this regard, the company has strengthened the nutrition credentials of Milo amongst the consumers (Nestle Annual Review, 2020). More so, the company has been promoting Milo to contain the natural goodness of malt, skimmed milk, cocoa and Actigen-E, for optimum release of food energy (Nestle, 2021k). The Milo Goodness campaign which was launched in 2020 has reinforced the brand relevance (Nestle, 2021k). By convincing Milo is good for their families, this would increase the likelihood for women to purchase the product. Parents who adopt a healthy lifestyle would be concerned about the nutrition needs of their children and will provide the best source of nutrients for their kids. This can be inferred as the website of Milo provides nutrition information on the typical breakfast against calories required daily of a child.

In addition, Milo can target gym-goers and athletes with post workout recovery drinks as it can help replenish exhausted muscles. Both gym-goers and athletes adopt an extremely active and sporty lifestyle due to regular training which often requires quick energy recharge to maintain or boost their performance. Milo products contain ProtoMalt and Actigen-E that can help in the optimal release of energy (Nestle, 2021k). The selection of gym-goers and athletes as the target market of Milo could also be inferred from Milo's sports program. There was a study that showed that consuming Milo after exercising appears to be optimal for exercise recovery and may lower the extent of muscle damage (Lucio, 2020).

With the target groups based on gender such as women who are pregnant women and breastfeeding mothers, the company is able to predict and respond more effectively to the changes in this segmented market (Nestle Annual Review, 2019). Milo Nutri Pluz that provides double calcium and vitamin D are good for pregnant women and breastfeeding mothers. Both pregnant women and their baby need calcium for strong bones and teeth. On the other hand, vitamin D helps with calcium absorption. If pregnant women who are underweight during pregnancy and unable to eat more food, they can also increase their weight by consuming 1 to 2 cups of Milo on top of plain water. Milo is also promoted as having a low GI as mentioned before, so it promotes a slower rise in blood glucose which sustains energy for longer for both pregnant women and breastfeeding mothers.

Nevertheless, Milo can also target senior citizens who are concerned about their nutrition. Milo has launched the malt-based health drink Milo in less sugar and kosong for senior citizens who have health-related issues such as diabetes. Milo can be restorative products for the senior citizens as it is a very good energy source because the malt in Milo is packed full of vitamins, minerals, starch, protein, and trace elements. Malt-based beverages such as Milo which naturally have a nutty-sweet taste is therefore an ideal source of energy for mental and physical activity. There is also research reported that consuming just two cups of hot chocolate beverages a day can help senior citizens keep their brains healthy and their minds sharp to prevent Alzheimer by boosting the blood flow to their brains (McDermott, 2013).

BEHAVIORAL SEGMENTATION

Behavioural segmentation allows marketers to pinpoint the demands, motivations, and mindset of their customers (Jones, 2020). In this regard, it is crucial for the company to know and understand the attitude of people towards their products. By performing four-week Facebook poll ads, the company takes into account feedback of the customers to improve the Milo products (Facebook, 2021). Besides, the brand awareness has been successfully increased, allowing the company to figure out the stage of readiness of their segmented customers in nutritional health.

The company has been actively involved in giving explanation and clarification to people about the benefits that are associated with the consumption of Milo. Milo associated products such as Milo Activ-Go, Milo Activ-Go Plus Fibre, and Milo Nutri Pluz are targeting the elementary schoolers who are in their growth stage and they are typically interested in athletics (Nestle, 2021h). These products contain a special mix of ProtoMalt, which is a malt extract from barley, with other vitamins and minerals, that overall gives the body energy and nutrients (Nestle, 2021h). It explains that Milo gives an individual the “STRENGTH TO GO AHEAD” (Nestle, 2021h). The company further posits that Milo provides a good taste especially to chocoholic people. Moreover, an added benefit associated with Milo is Protomalt, which is a natural ingredient that helps the company to earn a relative edge over its competitors who are not using natural ingredients.

PSYCHOGRAPHIC SEGMENTATION

Psychographic segmentation aims to capture the motivation behind the actions of a prospective consumer which includes character attributes, social status, behaviours, lifestyles, and desires (White, 2021). This powerful tool has helped the company to boost its market share, retain existing customers and attract new customers. By focusing on how an individual lives, the company aims to target the people who belong to the elite class or the ones who are willing to spend on luxuries (White, 2021). Milo has strong linkage to people who have sporty personalities and who value sports a lot. These are the people who are very conscious about their diet and health.

In 2020, Milo Nutri Breakfast was introduced to provide the option for busy people and also helps them be more alert in working (Nestle, 2020). In addition, a 3-in-1 Milo stick can be beneficial for those who opt for convenience. Apart from serving the purpose as beverages, Milo has been used with several other products such as ice cream, cereals, snack bars as well as nuggets to cater for everyone's needs (Nestle, 2021a). With greater knowledge and awareness about the benefits of Milo, people would therefore want to purchase and consume the product.

The advertisement depicts Milo as an enthusiastic brand in traditional mass media such as the use of radio and newspaper. Besides that, the promotions are also delivered through non-media communication such as sponsorship of sports activities and sales promotion with giving of free Milo on occasions. Through extensive advertisement that the company takes on, the message is that Milo can improve the performance of the individuals who consume it. Hence, Milo is highly involved in sports such as football or badminton as well as outdoor recreation (Nestle, 2021h). As such, not only the adventurous group is being segmented, but also the general public who wishes to live a healthy lifestyle.

GEOGRAPHICAL SEGMENTATION

Geographical segmentation refers to the division of markets by location, market size, market density, and environment (White, 2021). The company has been successful for which Milo is manufactured, marketed and sold globally without geographical barriers (Nestle, 2021g). It is common to see Milo-related products being sold at the supermarkets, grocery stores, coffee shops and convenience stores. As a result, Milo products are readily available in many countries both in urban and rural areas. Moreover, the access to Milo products is made easier via e-Commerce where people can shop online and get the products delivered to their doorstep (Nestle, 2021g).

In Malaysia, consumers tend to drink Milo throughout the year. Being similar to countries having tropical climate throughout the year, Malaysia segmented its Milo market according to the regional temperature such as warm, hot, and cold, for Milo (Chaitanya, 2016). For example, the younger generation love to consume their Milo to add freshness to their body with a natural, chilled, or cold-water mix with ice-cube, or even ice-cream. During the rainy season, the intake of hot Milo increases as individuals tend to warm up themselves.

MARKET TARGETING AND OBJECTIVES

According to Yesbeck (n.d.), market targeting is a strategy that puts strong emphasis on a specific group of customers by dividing a large market into smaller segments. In other words, the targeted customers are uniquely identified and focused based on their characteristics of which the company would develop something solely to meet the demand within that group.



The awareness of Nestle Milo in Malaysia is strong where it was deemed as the leading chocolate malt drink in Malaysia (Tabitha, 2019). Malaysians grow up with Milo made known to them from a young age when it was introduced in the Malaysia market in 1950 and initially invented by Thomas Mayne 1934 in Australia with intention to provide an affordable nutritional beverage to childrens who suffer from poor diets (Jen,2020).

Alongside with advantages of research and development, increasing population and emerging of new and improved products and formulas, the existence of substitutes products were now in the market providing alternatives for Milo. For instance, some of the alternatives for chocolate malt beverages include brands like Vico, Ovaltine, Oligococo, Nutrigold, or private label brands from major supermarkets such as e-Mart, Giant, Tesco etc.

Figure 14: The Product Life Cycle



Source: Authors' Illustration.

Milo products with more than 70 years of market existence have engraved its brand awareness in most Malaysians daily life. According to the product life cycle stages and the current market situation observation, we can observe that Nestle Milo products have reached the maturity stage. Kopp (2020) explained that brands or products that landed on the maturity stage are in the most profitable stage since its introduction with low cost of production and marketing effort at lowest due to its brand visibility and awareness within the society. The existence of alternatives and substitute products would be a great threat to Nestle Milo and a greater multiplier effect would kick in with reference and effect from consumer behaviour and purchase intention factor.

Private label brands such as retailer's own brands (Giant, e-Mart, Tesco, etc.) have started to attract and compete in the market with not only Nestle Milo but also other existing brands with lower pricing strategy and value packs promotion. The phenomenon of inflation and coping with a lower spending power of the public has drawn consumer intention to purchase private label brands at a lower price and survey has shown that about 25% who chose deemed and felt that the quality of both private label and premier brands products has no difference (Malay Mail, 2015).

The marketing objectives that we would like to deliver are:

- To ensure Nestle Milo is able to maintain or heighten its competitive advantages through product extension and strategic marketing
- To develop an extensive marketing strategy to promote and boost Nestle Milo in the Malaysia market and maintain its status quo in the market
- To analyze potential expansion and reach of Nestle Milo current and existing product to new target market and retaining existing customer base
- To review, reassess and redesign strategic marketing and control process continuously to adapt to the fast changing environment

Milo is targeting a range of market segments that requires separate marketing strategies to be developed. The segmented market targeting provides better understanding of the consumers who have different responses to the available product line offered by Nestle Milo. With adequate understanding of the target markets, Milo has become more distinctively featured and focused (Future Market Insights, n.d.). As a result, the customers have more loyalty to Milo, as opposed to the brand that offers the same things as every other company.

One of the main target audiences of Milo and its promotional campaign are children. To effectively target children, the advertisement of Milo is played on channels mostly watched by children after school times (Spike Malaysia, n.d.). In addition, Milo has been actively organising small competitions and roadshows in shopping malls or supermarkets where children are invited to play games and gift hampers are given away. Through these initiatives, Milo can be psychologically associated with fun and energy by children as they could go beyond their limits to win a competition, and get through any sort of endeavors (Spike Malaysia, n.d.).

Besides, the effort of Nestle Milo marketing strategy can be seen through its deployment of Milo truck in most of school's sports day and first day of school term has leave a long time and nostalgic remembrance, thus increasing its brand awareness, exposure and loyalty to this target audience which further influence purchase intention as the students would be highlighting and remembering the taste of the chocolate malt beverage. The secret message and marketing tactics in deploying Milo trucks were to promote and emphasize on practicing a healthy diet and lifestyle and cultivate the habit of eating breakfast with nutritious food (Musa, 2018).

Figure 15: Milo Truck Visits School



Source: Musa (2018).

Other than children, Milo targets sports athletes. Milo promotes itself by building champions in life through its sports programmes such as “Champ” and “Nestle Milo Marathon”, where sports athletes and children of different age groups run in a marathon and the winner gets a prize (Nestle, n.d.a). Whether it be a Marathon racer or a football player, Milo offers to give the energy to get ahead of his rivals. With the popularity and increasing trend of signing up for gym membership, Milo has expanded their advertisement to this sport enthusiast group especially the gym goers and muscle builders (Nestle, n.d.a). In this regard, Milo has catered this group of sport enthusiasts with a new protein formula known as Milo Protein Up (Nestle, n.d.b).

In addition to children and athletes, Milo is taking steps to perform segmented targeting to groups of adults who usually opt for fast food while bearing with the hustle of the city. The collaboration of Milo with McDonald's and Kentucky Fried Chicken has come up with new menus or beverages, for example, Milo McFlurry or Milo Ice Blended drinks (McDonald's, 2021; Kentucky Fried Chicken, n.d.). This has not only sparked the customers' intention to try on the new product, but also provided convenience.

Figure 16: The Collaboration of Milo with McDonald's



Source: McDonald's (2021).

Based on Milo's recent advertisements, mothers are also targeted as they are the ones who shop for groceries and make decisions in households, so Milo tries to grab their confidence and wants them to choose the best for their family (Milo Malaysia, 2018). Within this target group, a specific prospective target of Milo can be the pregnant women as they need energy in order to give birth to a healthy child. Therefore, more pregnant women should be included in the Milo adverts to deliver the message regarding the nutritional value of Milo.

Apart from women, children and sports athletes, Milo can potentially target the older population, especially those who are toothless and face issues with chewing food (Nestle, n.d.c). Thus, Milo can target this niche by offering sufficient nutrition with just a cup of Milo. With increasing health literacy status in Malaysia that has resulted in lower mortality rate, this means that everyone, especially the elderlies, are concerned about their own health. This serves as a good opportunity for Milo to devise a new formula or modify the existing product to provide these people with the recommended nutrients to ensure better functioning in life.

Thus, in order to better gather the demand and needs from its current existing and potential consumer, a thorough survey should be crafted and gathered to understand and study to develop products or readjust its formulation to fit the taste of Malaysians and it should be a continuous effort due to the fast changing market environment. Some other approaches include deep analysis on existing customer's consumer behaviour, analysing competitors and their own products or services, understanding the psychographic of the target audience, as well as evaluating decisions implemented in a timely manner to determine the effectiveness of decisions made (Porta, 2021).





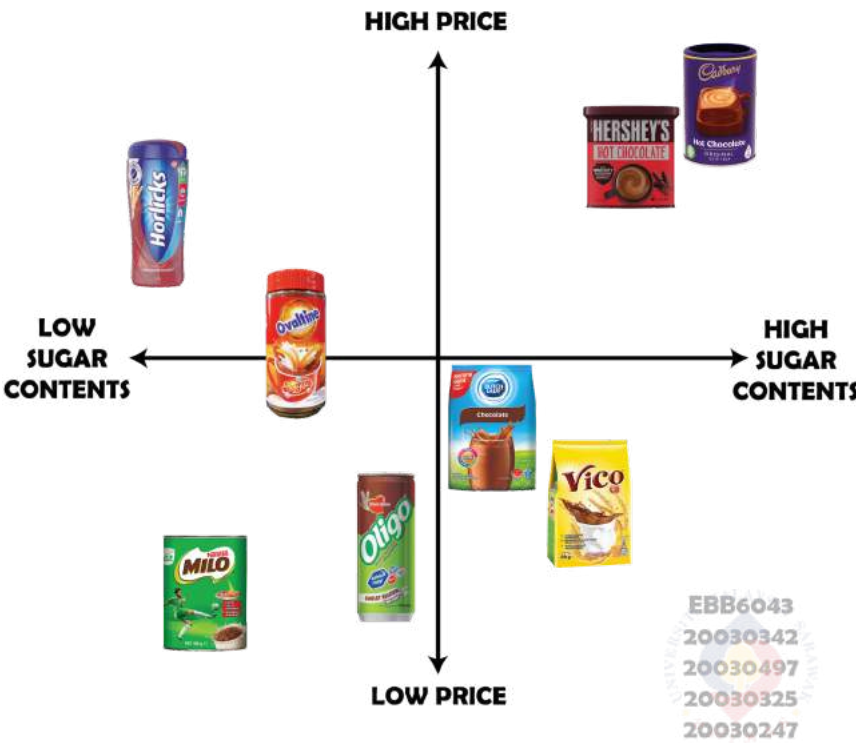
MARKET PROGRAM POSITIONING STRATEGY

The marketing positioning of a product occurs when a company’s marketers create an image for the product based on their targeted customers. According to Hatch (2018), positioning a brand includes marketing the product in different ways and letting customers have a good impression on the products. The positioning strategy shows how the product is to be positioned in the target market. The specific strategies include product strategy, distribution strategy, price strategy and promotion strategy will be explained in this part.



Milo positions itself as an energy and nutrition drink. The brand mantra of Milo, known as “Energy Food Drink”, aligns with global positioning in providing sustenance and can be used as a filler snack between meals. Milo is positioned as a high-quality nutritional product at an affordable price range for everyone. Furthermore, Milo has successfully made this originally international brand a Malaysian’s favourite. Milo’s positioning is generally uniform around the world throughout the years and firmly building up it’s popularity in the world of sport. The positioning of Milo has been successfully creating a customer focused proposition in which sport attracts and unites a huge cross section of consumers especially for those actively involved in sport. Therefore, the ‘growing children’ who aged between 6 to 12 years old are the primary target market for Milo. Most of the parents will purchase Milo for their children to grow up strong and healthy. Currently Milo is being sold in over 60 countries and it has been marketed as a tonic food drink that focuses on its health properties.

Figure 17: The Perceptual Mapping for Chocolate and Malt Beverages



Source: Authors’ Illustration.

A perceptual map is useful to illustrate the positioning of Milo among its rivals. The main competitors of Milo in Malaysia include Ovaltine, Horlicks (chocolate-flavoured), Vico, Dutch Lady (chocolate-flavoured), Hershey, and Cadbury. In the positioning map shown in Figure 16, levels of sugar content and price are compared between each chocolate drink. It was found that Milo is positioned as a lower sugar content compared to Ovaltine, Dutch Lady (chocolate-flavoured), Vico, Hershey, and Cadbury. As such, Milo has positioned itself as one of the chocolate beverages which offer low sugar content while possessing high nutritional value.

In Malaysia, Milo actively supports sports events by sponsoring teams or athletes as well as organizing sports events (Nestle, 2021e). This has significantly contributed to sports development and is in line with its effort to promote a healthy lifestyle among Malaysians. Nestle (2018) stated that Milo had their mission in creating different events and campaigns to motivate 5 million Malaysians to be active throughout the year of 2018 and sending help to 50 million children around the world to promote healthy lifestyles. Therefore, consumers would generally perceive Nestle Milo as a healthy beverage.

Furthermore, Milo is situated at the low level of price compared to its competitors based on the positioning map. The ready-to-drink Milo beverage has delivered the desired benefits to new and existing busy consumers, especially for working parents with young children (Nestle, 2021a). On the other hand, the innovation in packaging and branding set Milo apart from competitors. For example, the consistency of Milo bright green packaging has helped to form a strong identity and brand awareness for the consumers of Milo (Nestle, 2018). Moreover, the nutrition of Milo is one of the proof of delivery that can differentiate its product with others which the current formulation of Actigen-E with Protomalt is well-placed to fuel all the young generation.

PRODUCT STRATEGY

Product strategy is important to describe at which level the company wishes to achieve with its products and how they plan to do so. Nestle tends to gain customers' confidence and preference and fulfill consumer needs and demands for its products. Nestle has been developing their business internationally and aware of the fact that food products most likely depend on diverse cultures and traditions.

Milo is well-known for providing a variety of product items under the same brand. Other than Milo beverages in different packaging, flavours, and functions, Milo consists of other main aspects which are prepared food, ice cream, cereals and chocolates, which shows that Nestle has been making use of Milo to produce different kinds of products to follow the current market trends. For example, Milo Nuggets, which was produced in 1994 has successfully captured the hearts of teens and mothers, comes with a convenient pack and different sizes that provides teens energy to go further. According to Lam (2016), the launching of Milo Ice Cream in the year of 2016 shows that Milo has been taking initiative to produce varieties products, which includes the best-tasting ice cream in different sizes and forms for their consumers which sets them apart from their competitors.

Furthermore, Nestle is on their way implementing policies and actions to continue producing consumer-focused products, their policies are focusing on reducing sugars, sodium, saturated fats and trans fat in their products which by eating too much all of these can contribute to health problems. In 2020, Nestle has developed a new patented technology that reduces sugar while enriching products with healthy fibres and this was introduced in Milo products in Southeast Asia (Nestle, n.d.). Milo has reduced sugar and sweetness level to satisfy the changing taste and needs of consumers, offering new product Milo Less Sugar with 25% less sugar that provide health benefits such as high nutrient and protein, providing more convenient packages such as 10 sticks in one package, to help people control sugar and provide easy-to-find nutrient information. It is also high in calcium and acts as a source of protein for the consumers. This product strategy is believed to give people the low sugar and high nutrient milo drink that they want without giving up the great tastes that consumers love. According to CEO of Nestle (Malaysia) Berhad, Mr. Juan Aronols, they were motivated to launch more products recently to provide a better and healthier lives for millions of families (Nestle, n.d.).

Milo has been a good example and expanding their businesses until today with its superior quality and selling directly to consumers. It has always been Malaysian favourite chocolate malt drink throughout decades to everyone and Malaysia has been devoted as the world's largest consumers of Milo. Besides, Milo is a common choice for drinks in food stalls, which will always be ordered by consumers at different ages. At first, the drink will be served hot or cold, but now there are more choices of Milo such as Neslo (Milo & Nescafe), 'Milo Tabur' or Milo Dinosaur. Other than beverages, Milo has also been expanded to foods, such as Milo powder spread and milo muffins.

Product differentiation strategy can be used to distinguish products from the competition (Kopp, 2021). Product differentiation mainly based on the product's objective features or perceived features such as taste, appearance, brand image, novelty and so forth, which are related to the product. It can help to create a competitive advantage for product's sellers and establish brand awareness. Milo has been transformed to use the faces of national athletes and adding more colours to attract buyers as compared to years ago by only having their brand name on packaging. Throughout the years, Milo tends to stick to very direct visuals of people doing sports to advertise their energy drink. As such, Milo is suggested to create differentiation in terms of their products' creativity and packaging designs.

In our opinion, creating differentiation requires creativity on products and packaging designs. Milo can create a fresh redesign of their logo and add a lively new pattern with depth and bright colour to emphasise the energetic feel of the drink. Consumers may be attracted and convinced by the uniqueness of the product if Milo takes the initiative to redesign their packaging. Furthermore, Milo can consider designing their products following Malaysia's festivals such as Chinese New Year, Hari Raya, Christmas for consumers to purchase during their celebration. From the transformation, Milo will be more up to date and can gain customers' loyalty and differentiate themselves from their competitors such as Oligo Coco with the same brand colour.

DISTRIBUTION STRATEGY

Distribution strategy is a method of distributing goods or services to consumers. Companies will always consider carrying out an efficient distribution method for their business to obtain revenue and gain customers' loyalty. Besides, companies will also run different kinds of distribution methods to meet different customers requirements and identify new niches to stay competitive in the same market. One of the distribution strategies is by choosing a place as the production channel of distribution. This placement strategy shows the ways of product circulation to the last consumers. Choosing a right distribution channel is critical to the success of an organization by either selling through a middle person or directly to the consumer.

The distribution channel of grocery products is considered well established and can be found easily everywhere. According to Farooq (2019), Nestle uses multichannel distribution system with various distributors and retailers to make their products available around the world. Nestle has distributed Milo products to convenience stores, mini markets, supermarkets and hypermarkets in Malaysia due to their loyal consumers and they can always get their favourite Milo products anywhere and anytime. According to Jenkins (n.d.), an indirect distribution is best to reach customers by placing a large number of products in multiple retail locations.

Milo products such as ice cream and beverages are available at fast food restaurants as well such as KFC and McDonald's. For example, Milo has met McDonald as a business market to promote their products especially these two products are Malaysian's favourites which can benefit both businesses at the same time. Moreover, Milo can recently be found and purchased from different online stores such as Lazada, Shopee and 11 street, which shows the convenience provided for the consumers to get their favourite Milo products by just a click. This shows Milo opts uses a more modern approach and an e-commerce website where consumers can just make purchases online. In addition, Nestle has partnered with Grab to let their consumers just receive their orders delivered within a minute instead of days for packages to arrive. There are some discounts and rewards provided to consumers as well by using GrabMart to order products.

Milo is suggested to add a new distribution channel by using free messaging and VoIP services, such as WhatsApp, for their consumers to place orders for any Milo products. It is believed that by selling through WhatsApp offers extra convenience to consumers without having to shop online and make payment through insecure online bank transfer. This method is applicable to both youngsters or elderly, which makes it possible for consumers to order Milo products. Nestle can offer special promotions to consumers who order from WhatsApp, with no delivery charges for Home Delivery Service while reaching a fixed amount and accept cash on delivery. According to Puri (2015), people find it easy to engage with people by using WhatsApp, providing product information and asking questions, and even agreeing payment and delivery terms. Furthermore, consumers can get the latest information about promotions and new launching products in pictures and videos through WhatsApp conversation. This distribution channel might be new to most brands but due to the recent pandemic and people mostly going online, different online channels might be a new opportunity to reach out more consumers.

Besides, for the recommendation of place, Nestle can consider to own a Milo concept shop similar to KitKat “Chocolatory” in a mall or any strategic place that sells only Milo’s products, such as special beverages, ice cream, cakes and so forth. Milo can sell various milo related products such as a unique mug, key chain and school stationeries for children, or a special backpack for sports lovers. The concept shop can also give Milo lovers the opportunity to create their own favourite-beverages with their preferred ingredients. In addition, Milo can also have their own vending machine at different places that are full of people such as shopping malls, hospitals, schools and sports centres.

PRICE STRATEGY

Product’s price reflects a product’s perceived value for the consumer. Consumers will consider purchasing more expensive products when the perceived value is greater. In this competitive market, consumers will remain loyal to a familiar product and continue to buy it when the switching cost to another brand is high. Marketers are advised to always visit stores and view the current market competition, note prices and and price relation to package size. Marketers can conduct market research either by their own, by third party toolkits or applications or by hiring a market research firm to understand the current market price (“Pricing”, n.d.).

Nestle Malaysia is practicing penetration pricing to promote Milo products by charging a relatively low price to satisfy the current market (“Promotional”, 2016). Penetration pricing can attract consumers by offering lower prices on products than competitors (QuickBooks, 2020). This strategy may cause initial loss on sale but increase brand awareness and loyalty, which is good for a business in the long run. This can gain profits at the same time help business to stand out from the crowd, and may consider increasing prices in the future to reflect products' position in the market. After Nestle set the pricing goals for Milo, they have to estimate demand, costs and profit. Once they understand the cost for every product, they can estimate the profit and market share that they can get. From this, a good pricing strategy decides their movements in a Product Life Cycle.

It is suggested that Nestle can use value-based pricing strategy on Milo products as they have gained enough popularity and brand awareness throughout the years. Milo has been Malaysian’s favourite and people are willing to buy any products related to Milo that have acquired higher popularity as compared to other chocolate drinks. As loyal customers will purchase products based on brand and quality, Milo has the power to set their own prices (“Promotional”, 2016). By referring to UKEssays (2018), Nestle used value-based pricing by setting neither lowest nor highest price in the market, coherent with benefits and costs of the products. However, purchasing Milo and other chocolate drinks from a grocery store can be an impulsive decision, consumers may always switch their products preference from one to other. Nestle has to know the current market price before deciding to set a higher price as they have to produce a good quality of Milo products to maintain their current popularity. For example when Milo has decided to introduce a new similar product with competitors, it has to be unique to differentiate themselves from other products only they can set a higher price.

PROMOTION STRATEGY

Promotional strategy is a plan of using different kinds of promotions to introduce Milo to consumers. There were few promotions that needed to be done in order to sustain the popularity of Milo all over the country. Companies can reach out to the right audience and convert them to their customers by using the right promotion strategy.

In Malaysia, Milo is very popular with 90% market share, and Malaysians were said to be the world's largest consumers of Milo. Milo has first gained its popularity by having milo vans/lorries commercialized to their customers. They usually appear in major sports events and school sports day which is free and everyone is willing to line up and get a cup of it. After that, it has been a brand icon for Milo. Besides, Milo has always been advertised with visuals and messaging as being good for kids as it can provide enough energy for them which leads to an active and sporty lifestyle. According to Whitehead (2018), Milo is appearing everywhere in Malaysia due to the branding of the drink, especially since it is a heavy sponsor of Malaysian sport. According to the Managing Director of Nestle (M) Bhd, Mr. Peter R Vogt, Milo uses their money to show support to school activities which allows them to do business and do good at the same time (The Edge Markets, 2010).

Nestle used different kinds of advertising mediums to increase their brand awareness through both traditional mass media and innovative ways, such television, outdoor media, internet, printed media and free gifts. By using both traditional and innovative ways can reach out to a wider target audience, from youngsters to the elderly. Other than usual tv and newspaper promotion, Milo has recently been promoted into social media such as Facebook, Twitter, Instagram and Youtube to reach out to a more targeted audience around the world. Nestle Milo Youtube Channel with different informative videos creates a positive image of Milo by bringing the message of the importance of staying active and maintaining a healthy lifestyle.

In terms of promotion, Nestle has also used non-media communication methods, such as running special promotions or sales to attract both new and old consumers and create excitement, which can increase their sales as well during promotion. At the same time, they do provide sampling of Milo products which is the best and most convincing way to let consumers taste and be attracted by their products. For example, some supermarkets will launch a special promotion program where the price of Milo products will be cheaper than usual together with some free gifts provided. Promotional pricing is a kind of strategy that lowers the price of a product by using discount coupons or offering special deals such as buy one free one offers. This can create a sense of excitement and urgency for the consumers to purchase and build customers' relationships with their products.

Nestle Milo is recommended to make promotions that are not similar with the promotions that they have done before. Milo can consider widen their promotion strategy by working with influencers as the best word of mouth marketing strategy through the digital landscape. Through influencer marketing, marketers can actually measure their product performance through likes, shares, social media engagement of the products through hired influencers. According to Claudia (2020), 71% of influencer marketing can actually bring them quality leads and better traffic. For example, Milo can consider working with Malaysia athletes such as Pandlela Rinong Pamg and Welson Sim that match their campaigns or turning them into brand ambassadors. Milo can develop a partnership with the athletes by sending them products to promote and review. From this, Milo can build a trustworthy brand quickly and reach out to a more target audience fast.



IMPLEMENTATION AND CONTROL



IMPLEMENTATION PROCESS

Marketing implementation is the process of translating marketing strategy into real-life actions: tasks and projects, people responsible for them, and deadlines (Marketing Strategies, n.d.). Proper implementation plan is essential to identify and keep track of the efficiency of each strategy being executed. Based on the available parameters and results, the marketing plan can be further analysed if it is successful or the other way round.

The implementation process should take the purpose of marketing into account. Demands of the customers shall be satisfied to ensure high customer satisfaction, which is greatly associated with greater repurchase intention of a particular service or product. The marketing department can ensure good customer satisfaction in several ways which include developing new products, modifying existing products, and placing the product at the right time and at the right place. Furthermore, the department also helps in setting prices with respect to competitors and to satisfy customers as well (Marketing Strategies, n.d.).

REWARDS AND INCENTIVES

Rewards and incentives positively impacts and motivates the consumer behaviour in purchasing products and services as they would earn something from their own action (Subramanian, 2017). These could be done through proper organisation and management of lucky draws as well as competitions. In the case of Milo, it is obliged to provide clear yet simple instructions to encourage participants to join the competition. To encourage Malaysians to join the Milo Stik Pek X-Change in effort to handle plastic waste issues as well as fulfill corporate social responsibility, Milo has organised the Milo Stik Pek X-Change Campaign (Nestle, 2021i) by providing the consumers detailed steps to participate as below:

- Step 1 : Collect any Milo stick packs, one point each for Milo 3 in 1 and Milo Kosong stick pack; two points each for Milo Less Sugar, Milo with Whole Grain Cereal or Milo Breakfast stick points, to earn fifty points cumulatively.
- Step 2 : Ensure the contents within the stick packs are emptied, washed and dried.
- Step 3 : Fill the redemption form which can be downloaded from the Milo website or obtained from any participating outlets.
- Step 4 : Send the stick packs along with the redemption form via post to: Program Milo Stik Pek X-Change, Omniteam Sdn Bhd, 16, Jalan SS25/35, Taman Mayang, 47301 Petaling Jaya, Selangor.

In addition, the details of the rewards and incentives should be made known to the consumers so that they know what to expect. In the Milo Stik Pek X-Change Campaign, consumers are encouraged to participate over a period of three months to collect all designs of the Sports Bag. This strikes the urge of the participants to be greatly involved in this campaign. Milo has also taken initiative to offer a unique handicraft collection without revealing the actual item or gift to selected lucky winners. As a result, consumers may feel eager and look forward to receiving the handicraft, hence increasing their participation rate in the campaign.

Figure 18: The Milo Stik Pek X-Change Campaign



Source: Nestle, 2021i

DESIGN AIDS AND ONLINE ADVERTISING

Organisational design aids play an important role in ensuring effective implementation of marketing plans. This is because design aids carry core information regarding a particular product and may affect the first impression of the consumers who view them. The design aids are mainly responsible for the product managers and multifunctional coordination teams. Design and colour of advertisement should match the objectives of any campaign that has been organised. For example, all Milo advertisements have a background colour of green and brown which symbolise nature. Furthermore, the packaging designer team should be informed at least one month before a festive season to allow time for creation and revision of designs which match both the festivals and the marketing objectives.

Also, it may be useful to implement the marketing strategy by advertising the ongoing campaign on online portals for easier access. Furthermore, it may be wise to place competition entry form at major supermarkets in view of high customer turnover rate to boost the recognition of the marketing campaign. Also, this provides convenience for the customers to obtain it while selecting the products; in the meantime, creating awareness of the marketing objectives of Milo among them.

COORDINATION WITH OTHER BUSINESS FUNCTIONS

From the internal marketing perspective, each business unit and department has specific roles and responsibilities for implementing the marketing plan. It is crucial to organise rapid and accurate communications through meetings, status reports and informal discussions, computerised information and decision-support systems. It is important that an organisation's competitive and marketing strategy is compatible with the internal structure of the business and its policies, procedures and resources. In Milo, its promotion in health conscious facilities such as gym and sports centre are in line with its main objective in marketing its high nutritional content. Furthermore, Milo can consider implementing communications-based co-branding to exercise its marketing strategy. For instance, Milo in Manila and Philippines, had utilised communications-based co-branding to organise The National Milo Marathon in which two main organisations, namely Milo and World's Marathons, were contributing towards the same goal of bringing greater attention to the branded event. As a result, The National Milo Marathon has successfully popularised running as a sport, thus indirectly creating association between Milo and marathon in the public. (Vander Schee et al., 2011).

Furthermore, external marketing is important such that it targets key customers and other external influencers. Following the rumour of its high sugar content, Milo is constantly attempting to regain the confidence of consumers by sending its products to be accredited by certified nutritionists and dieticians. In some countries like Australia, health rating scores are labelled on the Milo product packaging. In Malaysia, Milo has developed products with "Less Sugar" and highlight the label in blue colour on the packaging to demonstrate its effort in producing healthy products for the consumers. Moreover, Milo has taken a step further to approach big food supply chains like McDonald's and e-Commerce portals to implement its marketing strategy. A solid written proposal as well as meetings with constant monitoring are crucial to ensure a smooth implementation process.





CONTROL PROCESS

Marketing strategy control is a process where company management or executives analyse and assess their marketing activities and programs. Then, company management uses the results to undergo necessary adjustments or changes to their marketing plans. In order to control the proposed marketing plan as well as evaluate the efficiency of the plan itself, it is essential to perform a strategic marketing audit on a period basis. Clear marketing objectives should also be specified and made known to each employee involved in the marketing plan. Some part of the control process involves ensuring the marketing efforts are generating results at a reasonable progress. Besides, create monthly or quarterly checklists that may include improved customer responses on surveys, increased distribution of the product or service, and improved brand recognition as measured by surveys when building controls into the plan. The monthly checklists show the company management whether the marketing strategy is on the right track early in the marketing process.

SALES FORECASTS AND MARKETING BUDGETS

Sales forecasting is essential to estimate costs and revenue based on prediction of short-term and long-term performance, which is subsequently used to guide marketing budgets. Since Milo uses geocentric pricing policy, its selling pricing range is set to meet the buying power of low-and-middle-income social classes for which the revenue could be forecasted. The sales growth of the industry is largely driven by the growth of population as well as the number of advertising and product innovation taking place within the industry. In order to maximise the value of consumer demand, the company has resorted to the strategies of pricing discrimination. Given the fact that Milo has already penetrated the market, its sales are less likely to be affected by price changes from its competitors. Furthermore, the innovation of launching products based on the shifting of taste or preferences has strengthened its position in the chocolate beverage industry. For instance, plant-based versions of Milo are set to be launched as 40% of consumers in the Asia region are shifting towards more plant-based diets while the products also reduce the carbon footprint across the supply chain, hence killing two birds with one stone (Nestle (Malaysia) Berhad, 2021).

Figure 19: Plant-based Versions of Milo



Source: Nestle (Malaysia) Berhad (2021).

The profitability control is one of the marketing controls where an organization measures its products, regions, customer segments, and order sizes to help determine if the organization needs to expand, reduce, or eliminate any products, services, or territories. The marketing managers can use it to accomplish the analysis of marketing campaigns to determine where the organization is earning profits and where the organization is losing money. The marketing profitability analysis is an instrument used to determine the profitability measurements. In short, an organization needs to analyze the processes and make adjustments to create efficient processes that yield business results. The business of an organization may lose sales and profits if without a marketing control process and the analysis tools that analyze the strategic marketing plan.

Marketing budget involves money allocation, after thorough analysis and evaluation, for expenses related to any promotional activities of goods or services before their occurrence. The key to gauge the success of a business is tracking the marketing budget of its company. A quarterly or an annual marketing budget can be developed by taking into account all marketing projects. By reviewing the annual revenue sheets of the company and setting a percentage aside is one of the ways to determine the marketing budget. Most companies at maturity phase like Milo often allocate between 6.5% to 8.5% of the revenue for marketing expenses. Moreover, there is a trend for companies to use goal-driven budgeting in which the management and marketing determine goals and set a budget that can help achieve the goals. For example, the company sets one goal may be to increase “X” number of followers on social media and another goal may be to gain “X” number of conversions online through the company’s website. Depending on the nature of the marketing strategy and preference of the Board of Director, Milo could employ either one of the budgeting methods.

CONTINGENCY PLANS

The marketing managers need to reassess their strategic approach based on the market environment from time to time and be prepared to initiate contingency plans whenever necessary. Marketing audit can often aid the development of contingency plans as it considers the challenges of a strategic plan developed by the company.

Contingency plan surrounding the promotional strategy should be developed. The plan involves alternate switching of push or pull marketing. In pull marketing, Milo promotes the product by sponsoring major or rural sport events or advertising in mass media. If unsuccessful, push marketing such as offering sales incentives to department stores should be considered to enable immediate sales uplift.

The post-marketing surveillance on the strategy of converting Milo packaging and straw into environmentally friendly materials should be assessed for its functionality and consumers’ acceptability. Despite the newly developed paper straw of Milo Nutri Pluz guarantees freshness, safety, and environmental-friendly, Milo may be forced into a situation where traditional straws have to be reintroduced into the market, particularly if there are product complaints or the drinking experience of the consumers has been negatively impacted due to the paper straw.

The roles of both raw materials and finished goods departments are equally important to produce Milo products. If there is a sudden increase in one of the raw materials within the product, for example, the cocoa powder, then Milo company has to go for another company to obtain the sources at the same price a previous, while retaining the original taste and quality of the product to avoid consumers shifting from Milo to another brand of chocolate-based beverages such as Ovaltine, Oligo, and Vico. Similarly, if the finished goods failed to pass the food quality and safety assessment, then the whole batch of products would need to be discarded and replaced by a new batch.

CUSTOMER RELATIONSHIP MANAGEMENT FOR MILO

The adoption of CRM systems enables the collection of customer data from different sources, data consolidation and analysis as well as result distribution to various systems and customer touch points across the organization (Cravens & Piercy, 2006). In a business, CRM systems are useful in improving sales, marketing, and customer service. According to Vossen (2019), Nestle invests in a better customer relationships management system via Qualifio. Through the adoption of Qualifio, Milo has been able to deliver top-line growth and higher level customer service.

The adoption of Qualifio application has allowed for conversion of former disparate sales systems into an integrated Internet application solution, a 360 degree view of the entire customer base, accurate and timely deliveries, and simplification of the resolution process. The telemarketers of Milo are able to obtain up-to-date information on any issues encountered by the customers in real time. By using the real-time information, Milo's company can improve customer interaction and satisfaction through the use of help desks, customer service representatives, and allowing customers themselves access to real-time information. In short, Nestle uses Qualifio application to determine profitable customers, uncover potential sales opportunities, improve customer interactions and relations, and provide the company with up-to-date customer information.

From the adoption of Qualifio application, Nestle developed a new vending machine to dispense its wide range of drinks (Nestle, 2021j). The machine allows customers to choose their own drinks from a choice of up to 5 flavours such as Milo, Nescafe, Nestea, and so forth. Besides, the vending machines come with a built-in ice maker and water heater to ensure that the beverages are always served either chilled or hot and also have a fully programmable dispensing system that allows customers to mix-and-match coffee, creamer, and sugar levels. The self-service vending machine will be set up around public places. Besides vending machines, Nestle also developed a new dispenser which will be set up in fast-food restaurants, convenience stores, and grocery stores. With the system, Nestle and Milo can forecast demand based on past usage and order new stock accordingly.

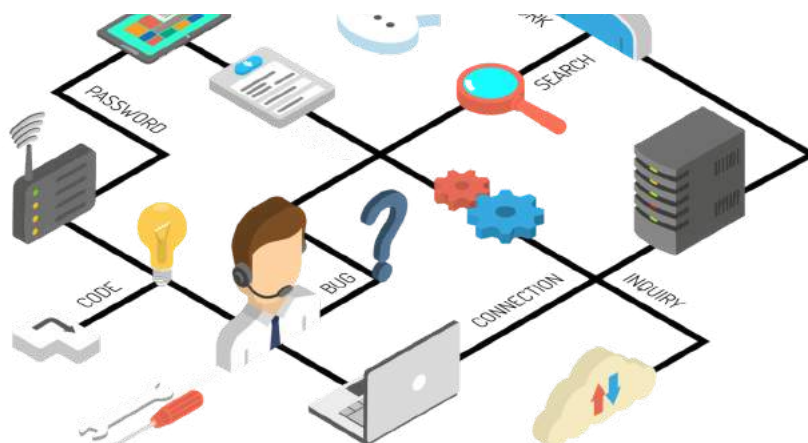


Figure 20: Vending Machine of Nestle in Malaysia



Source: Ventaserv (2020).

MARKETING PERFORMANCE ASSESSMENT

Marketing performance assessment is an external activity that helps to understand the perception of the customer and the position of competitors in the related industry. As such, marketing executives are responsible for setting standards used in measuring effectiveness of the marketing plan. This is crucial to detect any possible disruptions towards the marketing plan at an early stage and to react in time. In this report, the Milo marketing strategy performance are to be assessed and evaluated using the balanced scorecard method as below:



Table 1: Performance Measurement Standards and Targets

Vision and Strategy	Objectives	Measures	Targets	Initiatives
Customer	To ensure Nestle Milo's vision is continuously met whilst understanding consumers' demand.	<ul style="list-style-type: none"> • Quarterly sales revenue(separated for each Milo Product.) • Customer satisfaction feedback from on the new product introduced to the market. 	<p>Higher values compared to previous quarter.</p> <p>Positive feedback while acknowledging any negative feedback that arises.</p>	Introduce Milo Less Sugar with 25% less sugar to cater for groups that are more concerned with health.
Financial	To provide confidence to existing investors and promote greater influx of investment.	<ul style="list-style-type: none"> • Quarterly operating cash flow. • Quarterly net profit. • Earnings per share. 	Higher positive values compared to previous year.	Through the above mentioned marketing strategies.
Internal Business Processes	To satisfy both shareholders and customers by ensuring.	<ul style="list-style-type: none"> • Time taken to manufacture one unit of Milo product per machine. • Time taken to deliver Milo products from distribution centre to selling points by land or by air. 	Less amount of time required while ensuring quality of the product is not compromised.	Weekly reports to be represented to top management by the Manager from both manufacturing and distribution department.
Learning and Growth	To measure the level of understanding of employees on the marketing plan and marketing objectives.	<ul style="list-style-type: none"> • Score of post-training marketing quizzes. • Feedback form from peer review session. 	<p>Achieve at least 80% in the post-training quizea to be involved in the marketing plan.</p> <p>Provides constructive feedback to motivate each other in achieving mutual marketing objectives.</p>	<p>Detailed training with fortnightly follow- up.</p> <p>Peer review session.</p>

Source: Authors' Illustration.

CONCLUSION



It is undeniable that Milo is a well-known and established global brand since its introduction by Thomas Wayne in 1950 with its presence in multiple countries. The success of the company to stand out in the competitive market is a result of its variety of products to adapt to its consumer preferences alongside strong and effective marketing efforts. Over the years, Milo has developed innovative and attractive marketing strategies to strengthen and increase its brand awareness and visibility which brings positive impact towards profit maximisation and robust growth towards the brand and company as whole.

The objective of this strategic marketing was to ensure Nestle Milo is able to maintain or its competitive advantages through product extension, developing an extensive marketing strategy to promote and boost Nestle Milo in the Malaysia market and maintain its status quo in the market, analyzing potential expansion and reach to new target market and retaining existing customer base, and review, reassess and redesign strategic marketing and control process continuously to adapt to the fast changing environment.

Milo is in a maturity stage in a product life cycle. It has developed extensive marketing efforts with focus to emphasize on consumer's nutritional and psychological needs. PEST analysis is carried out to analyse the effect of each factor including political, economical, social-cultural and technological impact towards Milo. Besides, Porter's five forces further analyse the effect of competitors, substitute goods, bargaining power of both suppliers and customers. SWOT analysis adds up assess and review the four components (strength, weaknesses, opportunities and threats) to maintain and heighten its competitive advantages against its rival.

The marketing efforts of Milo emphasise on the consumers' nutritional and psychological needs. These are facilitated by the advancement of the technology to advertise Milo as a healthier drink option compared to other drinks in the market. With the growing health-consciousness of the consumers, Milo has the potential to reach these consumers as they tend to have an increased awareness of selecting healthier food choices. Additionally, Milo can utilise its current leading position in this sector to provide greater value products to enhance marketability and further market penetration of its products.

As Milo positions itself as a nutritional and energy beverage as its brand mantra, taking into consideration its SWOT allows Milo to take advantage of its strength and opportunities to screw down and further secure its competitive advantages and the weaknesses and threats can be transformed positively to drive out its rival. The product strategy such as introducing a variety of products, packaging size and serving styles with consumer-centric approaches and endless possibilities has strengthened its position as Malaysians favorite. In addition, Nestle Milo has a wide and broad distribution strategy where product is accessible and reachable easily from small convenience stores to big hypermarkets, e-Commerce platforms, collaboration with food-chain or restaurants and to explore modern telesales and individual stand alone concept stores.

The fast changing environment has constantly been a challenge to Milo and all of its competitors in the current existing market. A thorough and detailed implementation process framework would serve as an evaluation and moderating channel on any implementation of change or new strategy for the company. Few of the suggested marketing strategies proposed include reward and incentive programs to retain its current and new consumer and a well and direct digital advertising strategy to successfully and clearly deliver its message through the use of marketing tools.

An effective and efficient coordination with all business functions whole roundedly, critical and detailed forecast and budgeting as well as developing contingency plan to react based on any possible hiccups and changes in the business and market change is important for a smooth operation and business development for the company. Information retrieved from a well maintained CRM system aids in the analysis and forecasting the trend based on the set of data that can be collected from multiple sources. Performance assessment framework would allow the management to determine and assess the effectiveness and potential improvement on the implementation of strategy based on the expected achievement with sets of achievable and measurable criterias.

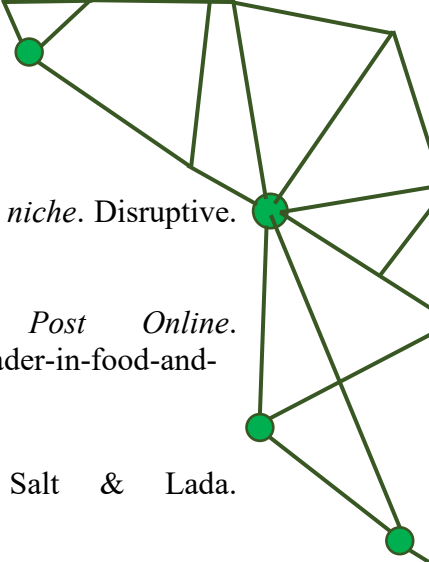
Offering sustainable value for consumers and the society as a whole, Milo is seen to have improved the lives of the population both through their products, and through the various corporate social responsibility initiatives undertaken within the society. By offering the product that is both nutritional and reasonably priced along with the effective marketing strategies, this will bring Milo to new heights across the entire world.

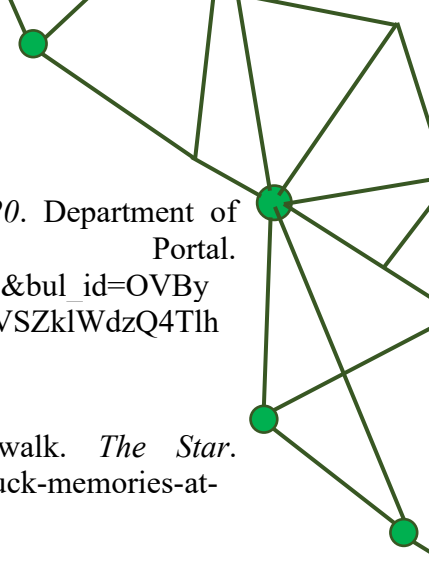




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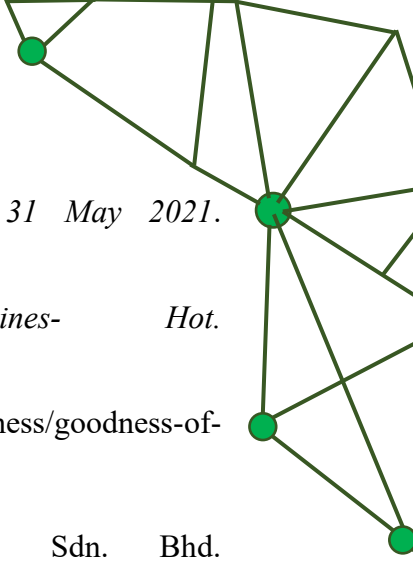
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