Force Factor

Along with five other Rotman Commerce students, I conducted marketing research on Force Factor for course RSM352. Force Factor is a health supplement brand founded in 2009, and the purpose of the research was to identify the challenges this company is encountering by collecting qualitative and quantitative data from the internet. It was a highly open-ended project because the analysis and advice were based entirely on our observations.

This case study is based on information up until Nov. 2023.

Keywords

industry report **data cleaning and analysis** **business strategy**

Industry Analysis

The supplement industry has been growing steadily over the past five years, and we anticipate a consistent or even slightly exponential growth trend in the future. Despite the sizable potential of the industry, Force Factor has relatively low market exposure compared to other supplement brands, according to a survey targeting customers of major drugstores and department stores in the U.S. Moreover, customers' preferences for natural and botanical ingredients in supplements appear to be increasing, presenting opportunities for Force Factor to capitalize on.

Additionally, the supplement industry is relatively poorly regulated. The FDA does not certify supplement products; instead, certification is handled by third-party organizations. It is also the companies' responsibility to indicate the efficacy of their products on packaging.

Market Analysis

- Personalized and plant-based products: There is a growing demand for supplements tailored to an individual's age, gender, and lifestyle. Gen Z also shows a preference for plant-based ingredients, such as sea moss and turmeric.
- Health focus of the population: Both Millennials and Gen Z represent a significant portion of the population prioritizing their health. They are willing to pay for supplements and other health products to enhance their well-being.
- Purchasing habits and household income: 68% of U.S. adults with incomes under $50K use dietary supplements, and over half of Americans earn less than $75K annually, highlighting untapped potential in lower-income markets. After COVID-19, immune-boosting supplements like Vitamin C and D have seen higher demand. Vitamin D is the most popular (66% of consumers), followed by magnesium.

Social Media Analysis

After studying Force Factor's Facebook and Instagram accounts, we noticed that although the company regularly posts content that follows industry or consumer preference trends, and the number of followers is high (192K followers on Instagram and 457K on Facebook) the engagement is quite low. Instagram and Facebook consider a 1% engagement rate positive, but the company always garners likes that are vastly less (only around 0.1%).

Recommendations

Target audience:

- Target individuals aged from 18 to 45
- Market to college students and working professionals with busy lifestyles who struggle to meet their nutritional needs due to their current diets.
- Accommodate the needs and wants of individuals who are either new to or in the process of becoming physically active and seeking supplements that effectively complement their lifestyle.

Product development

- Discontinue to products that don't fit the needs and wants of the defined target market, especially the ones with the lowest sales.
- Prioritize plant-based and high-protein products.
- Redesign its product packaging to highlight the purpose and flavour of the supplement.
- Implementing either a penetration pricing or economy pricing strategy, given that the supplement industry is dominated by a few established firms, and new entrants are attracted by the industry's profitability.

(some) Supporting Graphs