

## SWOT Analysis

### **INTERNAL**

- **Strengths:**

- Proven patented ingredient formula potency compared to competitors.
  - The patented “MetaPlus” blend differentiates the beverage from other competitors. Backed by multiple clinical studies, the Thermogenic properties incorporated in the MetaPlus blend cannot be found in competing energy beverages (Celsius, 2025).
- Strong brand recognition & awareness in Gen Z audiences.
  - As of 2024, brand awareness and engagement in Celsius by Gen Z consumers surged by 110% over two years, doubling from 20.9% to 43.9%. This statistic is significant because Gen Z is one of the key audiences Celsius targets, demonstrating the company’s dominate share of awareness in this core audience segment (Pincus, 2025).
- Industry leader in sales growth.
  - In 2024, Celsius led the energy beverage market in sales growth, reporting a 101.4% increase in sales in comparison to 2023. This significant momentum demonstrates the brand’s rapidly growing market share and fiscal promise (Ridder, 2025).

- **Weaknesses:**

- Limited total market share in the energy beverage industry.
  - In comparison to its main competitors Monster Energy and Red Bull, Celsius lags in total market share by over \$5B (Ridder, 2025). While it’s still positioned at the third spot of leading energy drink brands in the U.S.,

Celsius' current market share is far behind the lead competitors and must continue to dramatically increase sales to overtake Monster Energy or Red Bull.

- Tainted reputation from shared media controversy surrounding product-related health complications.
  - While Celsius promotes its natural ingredients, the company's brand image has sustained negative attention after several viral posts on social media claimed that long-term consumption of Celsius caused liver failure (McCloud, 2022). This mass amount of negative press has damaged the brand's reputation as a healthy energy beverage.
- Supply chain misalignment from heavy reliance on PepsiCo.
  - In 2022 Celsius entered a distribution agreement with PepsiCo., allowing the product to have more inventory resources. However, because of PepsiCo's recent supply chain management practices, Celsius suffered inventory disruptions that had negatively impacted investor confidence in the brand (Quast, 2025).

## **EXTERNAL**

- **Opportunities:**

- Rising popularity of health-conscious diet & lifestyle in Gen Z & Millennials.
  - A health-conscious diet & lifestyle, including only consuming products free from artificial flavors and dyes, has become a dominant trend for Gen Z and Millennials. About 60% of health-conscious consumer are Millennials and Gen Z, meaning that brands must align their messaging to this value to break into this audience segment (Ridder, 2024).

- Emerging trend of boutique fitness studios & fitness-focused lifestyle by Gen Z and Millennials.
  - According to 2025 industry research, the boutique fitness studio industry has continued to grow by 7.6% annually, aligning with the fitness-focused values of Gen Z and Millennials (Recibas, 2025). This means that the demand by these audiences for healthy sports energy beverages will continue to increase as the boutique fitness studio industry soars in popularity.
- Popularity of sober-curious lifestyle in Gen Z.
  - Sober-curious lifestyle has become a popular trend among Gen Z, with over 61% of Gen Z consumers stating that they plan to cut back on their alcohol consumption in 2024 (NCSolutions, 2024). This decline in demand of alcohol products creates a new appeal and demand for energy beverages as non-alcoholic replacements in social settings.
- **Threats:**
  - Various emerging competitors entering the energy beverage market.
    - Over the next five years, the energy drink category is projected to grow 10% (Tronco, 2025) meaning that additional competitors will threaten to absorb market share. These new brands are also employing innovative appeals to the health-conscious consumer, making established brands that fail to innovate vulnerable to losing market share.
  - Rising inflation & economic volatility causing a decrease in consumer spending in beverages market.
    - Rising inflation and incoming tariffs have created significant challenges for the energy beverage industry, including increases in aluminum and freight prices (Garcia, 2024). Coupled with an unstable economy, these external

economic pressures could impact net revenue earned from the energy beverage industry.

- Heightened federal regulatory scrutiny on synthetic ingredients consumed by minors under the 2025 Trump administration.
  - HHS Secretary Kennedy has signaled a commitment to established harsher restrictions on food and beverages that contain artificial ingredients or pose health risks to children (Bendix, 2025). Energy beverages fall under this scrutiny because of the potential health risks posed to high amount of caffeine intake in teens (Ridder, 2025). Therefore, energy beverage brands are vulnerable to distributing their products under new, strict regulations.

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