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COVER PAGE AND DECLARATION

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1- Introduction:

The purpose of this project is to develop a thorough Marketing management plan for Life water company in California for their new elite product, (Tranquil water) that will represent a new turning point that will help the company to improve and develop its current business and maximize its profit.

We will go to develop this strategy through analyzing the market and the business and choose the best fit set of strategies that help us achieve our aim.

The new project is mainly about the use of bioplastics in water bottling which will lead to a great impact on the company and on the environment as well.

Second: Executive Summary:

- 1- This is a Marketing plan for our new brand product Tranquil Water, that will use the bioplastics in its manufacturing.
- 2- We are providing a full research about the advantage of using the bioplastic material in our new product, and how it will increase the brand name in the market.
- 3- We are providing a complete analysis that supports our new business.
- 4- We are providing the pricing strategy for our new product.
- 5- And finally a full social media PR plan to promote the correct picture of our company and products.

Third: Bioplastics:

In recent years, bioplastics are becoming more and more important, mainly due to oil shortages and increased costs. Oil-based commodities and environmental concerns are related to non-biodegradable dumping of plastic in the landfill. In this article, we first discuss the definition, basic facts and main advantages of bioplastics, so briefly introduce the main differences between plastics and bioplastics in packaging reviewed. Finally, it looks forward to the possible future development of bioplastics.

A bioplastic may be a plastic that is formed partly or wholly from polymers derived from biological sources like sugarcane, potato starch or the cellulose from trees, straw and cotton. Bioplastics aren't only one single substance, they comprise of an entire family of materials with differing properties and applications. consistent with European

THE MAJOR ADVANTAGES OF BIOPLASTICS:

In this section we outline the main advantages of bioplastics as follows :

- Potentially a way lower carbon footprint. It should be acknowledged that the carbon footprint of a bioplastic is crucially hooked in to whether the plastic permanently stores the carbon extracted from the air by the growing plant.

A plastic made up of a biological source sequesters the CO₂ captured by the plant within the photosynthesis process. If the resulting bioplastic degrades back to CO₂ and water, this sequestration is reversed. But a permanent bioplastic, made to be almost like polyethylene or other conventional plastics, stores the CO₂ forever. albeit the plastic is recycled many times, the CO₂ initially taken from the atmosphere remains sequestered

- Lower energy costs in manufacturing. On the opposite hand, plastics are made up of ~4% of the oil that the planet uses per annum. With oil scarcity the manufacture of plastics becomes increasingly exposed to fluctuating prices.

- don't use scarce petroleum. In contrast, each kilogram of plastic typically requires 20 kilowatt hours of energy to manufacture, more than the quantity needed to form an equivalent weight of steel. Most of this comes from fossil sources.

Reduction in litter and improved compostability from using biodegradable bioplastics. The simplest understood advantage of biodegradable bioplastics lies within the reduction of permanent litter. Plastic single use shopping bags are the most obvious example of how plastics can pollute the environment with huge and unsightly persistence. A large fraction of the litter in our oceans is of disposable plastic bags. Cities and countries round the world are taking action against the litter, sometimes by banning non-degradable plastic bags entirely.

There also are some significant technical advantages to bioplastics, these depend upon the precise plastic used and the way it is made. Products characteristics useful can include :

- Improved printability, the ability to print a highly legible text or image on the plastic.
- A less oily feel. Bioplastics are often engineered to supply a way more acceptable surface feel than conventional plastics.
- Less likelihood of imparting a special taste to the merchandise contained during a plastic container. Milk, for example, will acquire a replacement taste during a styrene cup but the bioplastic alternative has no such effect.
- A bioplastic may have much greater water vapor permeability than a typical plastic. In some circumstances, such as sandwich packaging, this is often a disadvantage, but within the case of newly baked bread a bioplastic container will offer a big advantage in letting out excess vapour or steam.
- A bioplastic can feel softer and more tactile. For applications like cosmetics packaging, this will be a serious perceived consumer benefit.
- Bioplastics are often made clearer and more transparent.
- Plastics made up of biological sources still got to contain additives like plasticisers that give the merchandise its required characteristics.

In search of latest material solutions and keeping an eye fixed on the goal of sustainable production and consumption, bioplastics have several potential advantages. the utilization of renewable resources to supply bioplastics is that the key for :

- 1- increasing resource efficiency :
 - the resources are often cultivated on an annual basis.
 - the principle of cascade use, as biomass can first be used for materials then for energy generation.
- 2- a discount of the carbon footprint and GHG emissions of some materials and products ;
- 3- saving fossil resources and for substituting them step by step.

It is noteworthy that bioplastics are manufactured using biopolymers which supply a renewable and sustainable alternative to oil-based plastics (petroplastics).

Fourth :External Environmental Analysis

PESTLE analysis:

A- Political :

- Government policy: Water as food security, there is no toleration with anything that could affect the portion of individuals of water.
- Freedom of the press: may affect and arouse the people against the company, or can be used to elaborate the company's point of view.

B- Economic:

- The Economic recession due to corona virus might affect the new project of the company and its relaunch or fund sourcing to run the project.

C- Social:

- People Safety: the safety of society might be affected if they feel any threats to water availability.

D- Technological:

- The new launched project (Bio-plastic), will increase the production quality and revenue for the company.

E- Political:

- Stability: the political Stability of the countries increases the stability of the market and investments, which means less chances for recessions and business bankruptcy.

F- Legal:

- Health & Safety laws: the company has to take approval before using a new material in the production process to ensure the health & safety standards of the people.

G- Environmental:

- Climate: the drought phase of California definitely will lead to the company to double its production to meet the needs of the people.

SWOT Analysis:

<p>Strength:</p> <ol style="list-style-type: none">1- Stable type of business2- Financial stability and growth3- Necessary for life product4- Low prices.5- Quality products6- Good customer service.7- Applying New technology8- Good Marketing plan	<p>Opportunities:</p> <ol style="list-style-type: none">1- Seasonal draught2- Increasing population rate.3- The use of water in most of industries4- Wide opportunities for exporting.
<p>Weakness:</p> <ol style="list-style-type: none">1- The current negative fuss in the media	<p>Threats:</p> <ol style="list-style-type: none">1- Any possible economic recessions.2- Low economic level in many countries.3- Weak infrastructure in several countries4- High competition in online shopping

Fifth: Strategies:

1- Growth Strategies:

Product Development Strategy: we will use this strategy for “tranquil water” new product, as the risk is not high in this case because people will never stop using water, and with the right Marketing plan and awareness campaign of the new material (Bioplastics), people will definitely go to the new product without hesitation and this will maintain the sustainability of the business.

2- Porter’s Generic Strategy:

- ***Cost Leadership:*** Regardless the usage of any technology, the price of water bottles will still be affordable as a necessary product. However, the company will ensure at the same time to keep the price low and affordable as much as possible to gain the most possible market share available.
- ***Differentiation:*** the new product of the company (Tranquil water) will grab the attention in the market among people as the different material used (bioplastics) will be considered as a new technology among other competitors, and this will give competitive advantage to (Life Water) in the market.

3- BCG Growth Matrix:

A- Current Phase:

- ***Question mark:*** Since the product is still new, so the room for growth is very high but still the market share is not high, but in general there is a big opportunity for rising in the market.

B- Targeted phase:

- ***Star:*** within one year, our target for Tranquil water is to achieve 30% of the market share and maintain the growth rate increasing so that we can reach this phase and gain the desired net profit.

The 5 Forces of Porter Model Analysis:

- 1- **Competitive Rivalry**: the competition is considered very high as the nature of the product itself make it too hard for customers to differentiate between different brands and this hardens the brand loyalty a little bit. However, we do believe that the big advantage in our business will be the new material used in our products.
- 2- **The bargaining power of supplier**: will not represent a big problem, as the kind of product we operates in, is a natural resource; so its not costly and will always be available. No need to deal with suppliers except for the material of the bottling.
- 3- **The bargaining power of buyers**: will not represent a challenge to our business as our products is a very fast consumable product with cheap and close prices between competitors, so there will almost be no power for buyer
- 4- **Threat of new entry**: no doubt that this threat will be always existing as the kind of business is easy to invest in and take from the market share, but the best way to maintain the strength of the business and overcome this, is to build a strong brand in the market and increase the customer loyalty to our brand by providing the best in class services.
- 5- **Threat of substitution**: Nothing ever no matter what happens in the world or what technology they have reached or will reach, will represent a threat to the fact of the necessity of water for human beings.

Sixth: Marketing Strategy:

It is expected by marketing division of a corporation to style a marketing strategy for each target market of the merchandise or service, which incorporates the establishment of the marketing mix. The Marketing Mix consists of multiple aspects of the subsequent four elements: a product, its price, where is it placed and the way the corporate goes to market it? These four elements are intended to satisfy a target market's needs and on the opposite hand equally important marketing objectives for a corporation. The Company's strategy is guided by several fundamental principles. Life water's existing products grow through consistent creativity, innovation and renovation while maintaining a balance in several geographic events and company's other product lines. Life water's Long-term potential isn't sacrificed for pleasing short-term performance.

Marketing Objectives:

Life water is committed to the subsequent Business objectives altogether countries, taking into account local legislation, cultural and non secular practices:

- Life water's business objective is to manufacture and market the Company's products in such away on create value which will be sustained over the future for shareholders, employees, consumers, and business partners.
- Life water doesn't favor short-term profit at the expense of successful long-term business development.
- Life water recognizes that its consumers have a sincere and bonafide interest within the behavior, beliefs and actions of the corporate behind brands during which they place their trust, and that without its consumers the corporate wouldn't exist.
- Life water continues to take care of its commitment to follow and respect all applicable local laws in each of its markets

Seventh: STP:

Segmentation:

Life water Company divides the heterogeneous demanded peoples in homogeneous groups.

On the basis of various characteristics that are discussed as under:

1- Demographic Segmentation

- **Income Level:** Life water is producing pure filtered water, Life water adopted the “penetration strategy” i.e. the worth charged for products and services are set artificially low so as to acquire market share. this price is affordable for middle and lower middleclass.
- **Social Class:** Basically the corporate focus is on C socio economics class because this class represents large portion, it’s the biggest class compared to other classes mostly the peoples are unable to shop for costly filtered water. Life water is cheaper than other pure filtered waters.
- **Education:** Educated peoples are more sensitive about the health issues but in student life there's not enough power to shop for expensive waters so the company’s main target is schools offices and other educated people to fullfill their demand of pure filtered water at affordable price.

2- Geographic Segmentation: In this segment; company divide the market on the geographic basis that have homogeneous demand like the areas where available water is tap water which is harmful for health and it’s an enormous opportunity for us to return up with new idea to solve that problem of those citizens.

3- Psychographic Segmentation: Grouping supported class lifestyle and psychographic characteristics. In this segment, company divide the peoples that are from middle or lower bourgeoisie that have caring attitude for health. These peoples are trying to find safe pure filtered water at affordable price. The peoples of this segment think that water is extremely harmful for his or her health and for the health of their children. Especially Mothers are more sensitive about the health of their children so thru this segment company divide the purchasers on the idea of both Demographic and geographic characteristics. Sensitive peoples of these areas where available water is Tap water.

4- Benefit Sought Segmentation: In this segment company classify the purchasers that wants the same benefit from the product. Because of the tap water, peoples are suffering different diseases and waste their money on medicines. So In this segment those people starts to think that if they used pure filtered water, they will protect themselves from harmful diseases and save their money as well.

5- Situational Segmentation: In this segment, the company divides the society according to a specific characteristic like the Holy Month of Ramadan for example. The company in that case offers special discount for this segment because in Ramdan pure and safe water is important for maintaining the health of the body unlike Tap water.

- 6- Behavioral and Usage Segmentation: It's a special segment; during this segment, the company divides the heavy users like offices and house hold families because Life water's litter can is in very low price as compared to other companies and Life water have also good distribution network to the top customers. For this segment company provides a special offer of free delivery because this segment will ready to give 80% company revenue.

Targeting:

Undifferentiated Targeting: The whole market is extremely big it's hard to serve all the market, company has broad vision but at the beginning, Life Water is getting to target main areas where available water is Tap water which is harmful for health and it's an enormous opportunity for us to return up with new idea to end that problem of those citizens. They are facing a real problem and we are going to take the opportunity that we are launching our new brand with the name Tranquil water, its cheap, pure filtered water with natural minerals. Majority people during this area don't have high purchasing power and that they cannot afford the high price for drinking water. for this, we are coming up with the answer which is providing them pure filtered water at cheap prices in their homes, offices etc.

Positioning:

A position is that the way a firm's product, brand, or organization is viewed relative to the competition by current and prospective customers." When positioning a product the marketer wants to convey benefits most desired by the target market.

Tranquil water's Slogan is ***"If you are caring for your health, Tranquil is your wealth"***. The message, which is conveyed to the purchasers, is that Tranquil water will always keep you healthy instead of the other sources that may cause a lot of diseases. the aim of these slogans and messages is to establish the image of pure and quality water within the minds of the purchasers on which they will trust and may get the happiness and make their life different.

Eighth: Marketing Mix (the 4P's):

- **Product** are some things that's offered to the market. Life Water product strategy s show that they're positioning the product with reference to its attributes that Tranquil water is safe, pure, refreshing and healthy water. Its deals with different sizes to fulfill the different needs of customers.

- **Price**: Life Water will ensure that the cost of its product is competent among the other giants competitors like Nestle,.. etc. In order to gain the customers trust and increase the brand loyalty by time, until we reach the targeted market share.

- **Place**: Placement is that the distribution of the product to the customers at the right time, in the right quantity, with the right price and right place.

- **Promotion**: Several different methods would be used for the advertising effort e.g.

- TV Ads.
- Advertising billboards
- Outdoors
- Newspapers & Magazines
- Social Media & Internet.

Ninth: Pricing Strategy:

1- Pricing Objective:

- it will be identified thru 2 phases:

A- Survival: During the first year, our main objective will be to reach the break even point, and cover our operational costs in addition to the cost of the strong marketing campaign, that we are planning to implement.

B- Market Penetration Pricing: starting from the 2nd year, we will turn into the Market Penetration pricing strategy, this means we will penetrate the market with less prices than our competitors in order to acquire large market share and increase our brand loyalty.

2- Determining Demand: Since the Water is considered a vital and essential for human being, then the demand is considered inelastic here.

3- Estimating Cost: we will use a management consulting firm to provide us a study for the expected variable and fixed cost in order to easily set our marketing plan accordingly and reach out break-even point by the end of the first year.

4- Analyzing competitors: the competition in our industry is a pure competition, as it is not affected by the different inputs. We are going to use (the Trial Pricing) method, where we will enter the market with our new product in low prices temporarily which will give us a good chance to re-assess the whole situation and set our new strategy.

5- Selecting a pricing method: At the beginning, we are going to use the (perceived value pricing), which means that the main factor we are going to take into consideration while setting our pricing, will be the affordability of customers, as we are targeting to have our feet steady and solid in the market.

Break-even point:

Price Per Unit= 1.50\$, VC= 0.80\$, Contribution per unit= 0.70 \$, FC= 40,000\$

BE point= $40,000 / 0.70 = 57,142$ \$

Tenth: Social Media PR Campaign:



#Tranquil_For_The_Society

1- Press Release

Since Our Founder created this company, the first priority was always caring for the society, Each development step we take, the society is always on top of our consideration.

Even the main purpose behind our new product is keeping the society safe and healthy by using environment-friendly materials.

Thus, we feel very sorry to have been misunderstood by Ms.Leono's latest statement that was completely misinterpreted, even though she was clearly stating that Life Water company and its products would never be a cause for a harm of the society.

2- Social media influencers

Life Water will make deals with the influencers over the different platforms of social media, the content of this campaign is to use the influencers in entertainment competitions thru their accounts, where the winners in these competitions will have free samples of our new product **Tranquil Water** to promote for it and in the same time help people pass through the difficult situation of the drought.

3- #Tranquil For The Society Hashtag:

We will announce on our official social media platforms accounts, this hashtag, with an exciting competition;

- A- Buy our new product (**Tranquil Water**).
- B- Shoot a video for yourself while buying it.
- C- Post it to your social media account using the hashtag above.
- D- Show it to the cashier,AND GET ANOTHER ONE IMMEDIATELY FOR FREE.

Eleventh: Conclusion:

The marketing strategy for the new product tranquil water will target mainly the lower to mid level class thru producing the product with very affordable and competitive price among other famous brands in order to gain large market share.

A very distinctive media plan will be enforced, where we will make sure that the product will reach different categories of people, thru different channels and different attractive methods.

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