



COVER PAGE AND DECLARATION

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Introduction:

Tranquil Water is a **Drink To Thrive**, it doesn't only quench you till you reach the goal of your journey, but also it helps the earth to strive against drought and the plants to thrive.

Thanks to the bottle made of high quality bio-based and biodegradable material, it is friendly to the environment. By drinking **Tranquil Water** we help humanity to live on a greener earth.

Researches proved that biodegradable plastic Mulches could be used to preserve soil moisture and increase yields.(Mustafa Saglam and Henry Sintim 2017), Unlike the Poly Ethylene plastic mulches researches proved that the biodegradable plastic Mulches showed no significant declines in soil C pools, an important part of soil health.(Marie E. English, 2019).

Tranquil Water will be offered to the market as a premium drink that is suits luxury restaurants and first class members of the society then another version from it will target the athletics and healthy life supporters, and then a final stage will be in variety of sparkling and flavored water.

Market Analysis

The state of California is a market with great potentials for Tranquil Water; a PESTEL analysis is done on California showing that potential.

Political

California is a liberal state leans towards the Democratic Party, though people have differing political views.

Economic

California's GDP in 2020 was around \$3.09 trillion (Statista, 2021). It is the largest state economy in the USA. If it were an independent country, it would have been the 5th largest GDP in the world staying ahead of the UK, and only behind the USA, China, Japan, and Germany.

Social

California is a liberal and multi-cultural state. Its population is around 40 million and many people have different ethnic roots.

California has a massive entertainment industry with Hollywood being the center of focus.

Ageing population could be a challenge for California, The number of those over 65 is forecast to reach around 8.4 million in 2030.

Technology

The state houses Silicon Valley, which is a great center of global technological innovation, and provides job opportunities for hundreds thousands of people in the Valley and in Los Angeles .

Environment

California has all types of landscape attractions, forests, mountains, beaches, lakes, and theme parks, but the state is often affected by storms, drought, earthquake, and other natural disasters.

Legal

The state has comprehensive labor laws that ensure employee welfare and penalties for those employers who are found in breach of the laws.

SWOT ANALYSIS

Strengths:		Weak	Weaknesses:	
1. Using high quality biodegradable materials		1.	Previous backlash on Miss Leono's statement	
2.	Scientific proof that the bottles can	2.	Life Water doesn't have its own	
	be recycled to mulches which can be		recycling facility for biodegradable	
	used to fight drought		plastic bottles	
3.	Life Water Factory is near the		-	
	market in Los Angeles			
Opportunities :		Threa	ds:	
1-	The rich market of California	1.	Competition exist from	
2-	California Bill to Cut Single-Use		2011(Canadian packaging staff, 2011)	
	Plastics (Susanne Rust , April 2022)	2.	All big companies like Coca-Cola and	
3-	Growing Bottled water market size as		Pepsi-co started their own version of	
	US market alone is 39.3 Billion USD		recyclable PET bottles (Gina Roos,	
	with compound annual growth rate		2010)	
	(CAGR) of 6% (Bottled Water Market	3.	COVE is the only competitor offering	
	Size & Share Report, 2022-2030)		a 100% biodegradable PHA water	
4-	The global market of premium bottled		bottle(Paul Ridden,2019)	
	water is valued at USD 17.32 Billion	4.	Other competitors like green planet	
	in 2020 and growing		offering100% bio-plastic PLA water	
5-	Growing market of biodegradable		bottles that takes more time for	
	plastic recycling Industry (can make		degrading (80 days) and needs special	
	partnership with one of the famous		recycling facility to do the process,	
	companies)		(Gina Roos, 2010)	

Marketing Objectives:

1. Achieve 5% of global market share of premium bottled water by end of 2030

- 2. Achieve full Return ON Investment (ROI) by end of 2025
- 3. Be in the top 10 list of best bottled water according to **Greener Choices organization** (Joe appelton,2020)
- 4. Become best seller premium water bottle in California by end of 2025
- 5. Become best seller premium water bottle in Online market by end of 2025
- 6. Achieve 100% recycling of sold bottles in approved recycling facilities by end of 2025
- 7. Become sponsor of at least one Major sport event in USA every year.

Marketing strategy:

the premium bottled water in biodegradable, recyclable bottles already exist in the market but not in large scale compared to normal plastic bottles .Tranquil water is a new brand and product for Life Water company which will need development to penetrate this existing market .

We will use Ansoff Product Development Strategy combined with porter's Focus the Differentiation strategies to achieve this Goal.

We divide the marketing and distribution strategy plan into three phases each phase is planned to take 3 years to implement:

Phase one: Develop Tranquil bottle to focus on the requirement of niche market including Luxury Restaurants, specialty stores, coffee shops, clubs, and airports outlets and lounges.

Phase two: Develop Tranquil bottle to focus on the requirement of wider market segment including celebrities, athletics, eco-friendly, healthy lifestyle supporters, and practical executives. Using online Market and branded vending machines in gyms, theaters, hotels, cinemas and health clubs

Phase Three: Develop Tranquil bottle to focus on the requirement of larger market segment by adding variety of choices to the product like sparkling water and flavored water.

Open more distribution channels in supermarkets and hypermarkets, but always Tranquil water bottles have to be in a special branded section to keep the image of the premium product.

STP: Segmentation, Targeting, and Positioning:

Segmentation:

As we described in the strategy we are targeting multiple segments of the market but not all in the same time, trying to reach saturation during each phase to maximize the brand awareness and to prepare the next segment to be ready and waiting for the product.

The first phase is very important because while focusing on elite customers brand awareness will target all the market segments

The brand awareness must include the followings:

- Tranquil is a healthy drink not just a water (try to avoid the word "water" and replace it with "drink")
- Tranquil is the drink of successful people
- Tranquil is a highly purified drink in an eco-friendly bottle for people who care about environment
- Tranquil fights the drought of your body and of California because its bottle is made of biodegradable and recyclable material designed to be recycled as a mulch used in preserving soil moisture and fight the drought. (try to avoid the word "plastic" and replace it with "material")

The segment of the first phase have very elite customers and usually put high profit margin over the original price of the water bottle; in return, they require elegant and interesting design (they design that make you want to take the bottle home as a souvenir) also, the quality facts will be important for them. A QR code can be a good tool to make the bottle explain the drink purification and bottle recycling processes when the consumer scan it , creating another customer touch point to encourage brand loyalty.

The segment of the second phase are very practical, they require Tranquil bottle to be practical in size and shape, Example: comfortable for holding in hand and suitable for cup holders in Bicycles and cars with enhanced material and design that makes the bottle preserve cooling better than other brands. Over all this, Tranquil needs to be easy find and easy to be recycled through branded vending machines and recycle bins in the places where this segment of people exist.

The segment of the third phase want a premium product with affordable price, they want to feel belong to a premium level of society by buying a premium water bottle.

Tranquil will still be branded as a drink not as a water and exist in supermarkets and hypermarkets in branded sections and in form of variety of flavors, sparkling and non-sparking drinks, and with different sizes.

This differentiation is to target larger segment of the market with different ages and tastes and to justify the higher price of the drink compared to other water brands.

The bottle in this phase does not need to be with fancy design or to hold the cooling better; it just needs to have the essential characteristics, good quality drink and biodegradable material.

Targeting:

In the first Phase, we are targeting_Luxury Restaurants, specialty stores, coffee shops, clubs, and airports outlets and lounges. Concentrated Marketing Method should be used to focus on this segment of the market; the clients of those places usually offered multiple brands of premium water bottles for choosing , our marketing should be positioned to make Tranquil their first pick.

In the second and third phases; the market segments are larger but still considering Tranquil as a premium drink, differentiated marketing should be the correct method for targeting those segments. The marketing should be positioned to maximize the competitive advantages of Tranquil into the mind of the target segment.

Positioning: (is the Art to Influence the customer mind toward the product)

In the first phase Tranquil will be offered in an elegant bottle Exclusive in luxurious places the bottle should not be big or small, it will be in the range of 750 ml to 1Litre.

The slogan on the bottle "Drink To Thrive" combined with the logo of thriving tree will give the promise to the consumer that Tranquil is a drink not only makes him thrive but also helps the environment to Thrive.

A QR code on the bottle will explain the evidence of that promise directing the consumer to Tranquil webpage that contain easy explanation of the water purification process and the recycling process of Biodegradable bottle to mulch that is used in soil moisture preservation to fight drought.



Example of Luxury bottle

With agreement with the places which display and distribute Tranquil, it will be mentioned in their menus that Tranquil bottle is plant based biodegradable and recycble and they will offer the consumer to take empty bottles to handed over to our facility for recycling. The consumer must feel our commitment to our promise.

As part Marketing campaign, it will be good to make agreement with a celebrity as Actor and musician Jeff Goldblum to support Tranquil as a solution to minimize plastic waste, as he is one of the celebrities supporting to pass California Bill to cut single use plastic. (CUNEYT DIL, 2020).

In second Phase, Tranquil will be offered in a double walled practical bottle that can preserve the cooling of drink better than competitors bottles. The bottle should be in the size of 0.5 Liter

The bottle will not be only practical but it will be colorful and stylish to match the healthy and practical lifestyle of the consumers .

The QR code on the bottle explains the double wall insulation technology and the recycling process .

Branded vending machines and branded recycle bins will be available in the places and outlets where the targeted segment exist such as gyms, theaters, hotels, cinemas, health clubs and business centers.



Concept of the Bottles can be used in second Phase

As part of the product development, a partnership with a recycling company such as Full Cycle Bioplastics can help Tranquil to deliver a strong message about the promise of being eco-friendly and greener product. Also Tranquil can use the voice of "Full Cycle Bioplastics" famous athletes investors, ice hockey players, to acquire customers loyalty.(Lauren Manning, 2016)

In Third Phase, Tranquil will be offered in the supermarkets and hypermarkets in multiple size bottles and as sparkling or still drink.



Example of bottles can be used.

Tranquil will be also in form of flavored drink in bottles with funny drawings to attract younger consumers and teenagers, and will be limited to 0.5 Liter



Example of bottles can be used for flavored drink

Tranquil will be displayed in special branded section in the supermarket and other outlets.

Special edition with California landmarks drawings will be displayed in outlet located in touristic places and theme parks.

The QR code on the bottles will explain the cool information about California and the landmark drawn on the bottle, also about the recycling process and how Tranquil bottle helps to fight the drought.

The Aim is to build connection and engagement between the customers and Tranquil .

To strengthen this connection the customers will be encouraged to recycle Tranquil bottles using Electronic recycling bins that will give reward points for each Tranquil bottles recycled depending on the type and size of the bottle.

The rewarding system will be through mobile application and the prizes can be points to buy Tranquil drinks for free or tickets to sports events or theme parks.

Branding:

Family branding strategy will be used to brand all developed Tranquil products through the 3 phases of market penetration.

Tranquil Logo: the logo concept is a thriving tree taking the water it needs from Tranquil drink, it represent the recycling process which help the soil to keep its moisture for the trees and other plants to grow and thrive.





Examples of concept logos

Tranquil slogan:

"Drink To Thrive" is a phrase targeting the customer mind to send the message that drinking Tranquil will make a big positive difference on the customer and on the environment.

Brand touch points:

- **Packaging:** the benefit of Tranquil to the customer comes from the drink and the bottle together as one unit, high quality unique design of the bottles is very important.
- Easy Access and easy recycling: Providing branded vending machines and recycle bins prove to the customers, that Tranquil brand is committed to its promises.
- Mobile application, QR, and rewarding system: using mobile technology as a tool provide easy access to information about Tranquil, another way of distribution as online market, and improve the brand loyalty.

Pricing:

Luxury brands bottled water price can reach very high prices and targeting very small niche segment of the market. And every brand has a story (svalbardi,2022)

Tranquil is positioned as premium product and it needs a lot of development to produce high quality drink and sustainable Biodegradable bottle plus the cost of recycling.

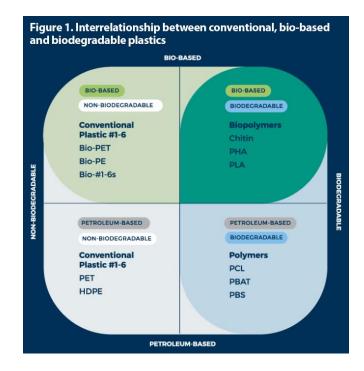
As Tranquil bottles manufacturing uses new technology makes it 100% biodegradable and recyclable, it will be priced for maximum market skimming in the first phase of distribution.

Tranquil will be marketed and distributed in the first phase as:

- Highly purified drink for high-end restaurants and luxury places
- The bottle is made of PHA, a 100% relatively fast biodegradable material.



Emily Wu, 2021



Nora Goldstein, 2020

As the premium bottled water has pure competition market, with many brands and sources of water.

In the first phase, using perceived value pricing method, Tranquil water price will consider the high cost of development and the luxury target market .

The price will around be 8 \$ for 1 liter bottle when pre-ordered directly from the company or through the mobile application and expected to be in the range of 10\$ to 15 \$ in the luxury restaurants, special pricing for restaurants and distributors orders giving enough profit margin.

The price of competitor brand COVE is 2 \$ per 500ml bottle Targeting Average Californians (Paul Ridden, 2019), with purified and blue bottle with a basic look (cove).

Tranquil competitive advantage over COVE :

- The only drink in Biodegradable PHA bottle targeting the luxury segment of the market
- Life Water the parent company of Tranquil has more experience and distribution network in the bottled water market than the packaging materials company COVE.
- Tranquil is already developed product and ready for distribution

• Tranquil strategy to recycle the bottles into mulch to actively fight the drought in California

In the second and third phase, using value pricing method, the price of Tranquil will be 4 \$ per liter with competitive advantage of variety of sizes and flavors and unique double walled practical design of the bottle of the second phase of distribution.

The pricing objective of Tranquil is to keep maximum market skimming while market penetration and acquiring more market share.

Marketing Budget

To achieve the marketing objectives of Tranquil penetrating the market of luxury water and acquire high market share, the initial budget method will be (Task based marketing), it will be relatively high budget, as the objectives require expensive tasks.

• Celebrity marketing to offer endorsement for Tranquil and create product awareness in the target segment.

Celebrity speakers will aim to create an exciting story about Tranquil bottle recycling process Saving the Environment.

• Event sponsorship marketing, supporting sports events, Hollywood events, and luxury restaurants opening.

Offering Tranquil bottles to VIPs attending and speakers at the event, creating brand prestige, direct engagement and media exposure.

- Complementary products marketing, giving branded water glasses and cup Coasters To restaurants putting Tranquil in their menu and to online buyers to build personal brand relationship.
- Support farmers to use mulch from recycled Tranquil bottles and show that to the media, showing that Tranquil promise is real.
- Control distribution during the first phase:
 Distribution of Tranquil inside California as commitment to Californians that water is used inside that state and not causing more drought.
- Getting chefs recommendation for Tranquil as Luxury product to be available in best hotels and resorts with controlled distribution will create high demand.

• Apply conservative mass media and online advertising before the sponsored events and prior the launch of each type of Tranquil Bottles.

Planning a budget for each task and evaluating the effectiveness results by:

- Calculating the re-invest rate to evaluate customers loyalty to the brand
- Sales Feedback to evaluate the return on investment
- Customers' feedback by running surveys and evaluate customer satisfaction.

Distribution:

Tranquil controlled distribution is using combination of strategies according to the type bottle and the phase of distribution.

- Exclusive strategy limiting the distribution to best hotels, resorts, and luxury restaurants for the luxury bottle released in the first phase of distribution.
- Selective strategy for the bottles released in the second and third phases of distribution

Distribution channels:

- Business to business (B To B): luxury water special stores, restaurants, hotels, health clubs, and selected brands of supermarkets and hypermarkets.
- Business to Customer (B to C): Online shopping and branded vending machines.

Using **Administrated Vertical Marketing system** to provide informal agreement among distribution channel members and Tranquil to ensure that only one marketing plan is applied and preserve the prestige image of the product.

Marketing communication mix:

- **Design:** using unique design suitable for each phase of the distribution and for the targeted segment of the market
- **Price:** pricing Tranquil to keep the prestige image of the product as a luxury drink and to cover the cost of eco-friendly product development, allowing good profit margin for the company and distributors
- **Outlets:** Distribution and retail places are carefully selected adding to the brand's feel of exclusivity.

- Advertising: Smart advertising prior product launch and special events targeting luxury society, environment friendly and healthy life supporters.
 Focusing on the message of fighting the drought in California by drinking the only drink that has a plan of recycling its bottles to mulch saving the soil water.
- **Promotion:** Encouraging the recycling by providing points based online rewarding program that gives the benefit to the customers when they recycle the bottles through the branded recycling bins that will open only by scanning the QR code on Tranquil bottles. This promotion strategy focus on the sustainable approach of Tranquil.
- **Public relation:** apply general PR plan to promote the greener plans of Life Water and manage the Backlash of Miss Leono's comments.

The plan will focus on building strategic personal relationship and smart brand placement using the following tools.

- Celebrity endorsement: associate Tranquil with the elite community, and get celebrities to speak in favor of Tranquil and chefs to recommend the brand to top hotels, restaurants and health clubs.
- **Sponsorship:** Tranquil sponsoring sports, musical events, and film festivals can place the brand as market icon and strengthen its prestige image.
- Donation: donate and running donation campaigns through the elite society to Californian farmers and businesses affected by the drought and climate change will show Life Water contribution to the society and makes the people loves the brand.
- **Supporting farmers** with recycled mulch from Tranquil bottles and show the effective results will prove the green concept behind the brand.
- Exhibitions : support environment related art exhibitions like
 - Endangered: Exploring California's Changing Ecosystems
 - Climate Exhibitions Look Beyond Declarations of Calamity
 - 2022 Themed Art Exhibition "Environmental Awareness"
- Social Media is very important as it is the gateway for all previous tools to reach the public, next section will discuss the social media PR plan for Tranquil.

Social Media PR Plan.

Tranquil social media plan will focus on the following goals

- Offering strong customer service
- Engage the audience
- Show the honesty and transparency of the company
- Create memorable contents
- Having distinct personality

The social media is a very strong tool because it can monitor and quantify the public relation impact and help the company to build KPIs based on data.

• **Views:** number of views is very important index that evaluate the reach of the content to the target segment of the market.

Being on many platforms like Facebook, Instagram, LinkedIn and Tweeter to maximize the views.

Monitor the CTR (click through rate) =number of clicks/ number of views to evaluate number of people interested in the content

• **Following:** not only the number of follower matters, who is following is very important, tranquil plan must work to include celebrities, chefs, and other influencers as followers to social media pages to lead the audience toward the product.

Get 1 million followers every year. Monitor the Fan Growth Rate of social media account and add more valuable and engaging contents.

• **Engagement:** it includes more than number of likes and shares, also asking questions, giving comments, and participate to social media challenges are the type of engagement needed to collect data and to improve customer loyalty

Monitor the EER and ER (engagement rate by reach and by post) to evaluate how attractive and memorable are the contents

- Social media content: valuable and engaging social media content is very important to build the fan base who will repost this content and add more followers to Tranquil social media pages, the loyal fan base can form a lobby that defend the product in case of any backlash.
- Content posted by Tranquil and Life Water :

- Interviews with scientists and farmers speaking about the recycling process helping the land to thrive and fight the drought.
- Videos bottles recycling process starting from the smart recycling machines ending with soil mulches.
- Releasing News on social media and Tranquil website about Tranquil story, and continuous development
- Releasing news about events and exhibitions supported by Tranquil
- Apply Q&A section for customers interaction and feedback in the website and social media pages and actively answer and reply.
- Content posted by Influencers and celebrities and reposted on Tranquil social media:
 - Videos and photos of celebrities drinking Tranquil and appreciating the quality of the product and the effort of Life Water to save the environment.
 - Social media influencers reviews supporting the quality of Tranquil and appreciating the usage of biodegradable material
 - Make a video challenge showing celebrities using Tranquil recycle bins and getting points on Tranquil mobile application.
 - Videos of celebrity endorsements and chef recommendations

Conclusion:

For Tranquil to achieve iconic position in the market, it needs marketing strategy focusing on smart product placement and building relationship with the customer.

This strategy is telling the story of a high quality, luxury, eco-friendly drink and with every bottle the customer drink and recycle; he is helping to fight the drought in California.

With the growth of premium water market and the growth of Tranquil market share, Tranquil can be Life Water Cash Cow.

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