



# **COVER PAGE AND DECLARATION**

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# 1. Introduction.

Life water is a water bottling company located in the state of California, 150 KM outside of Los Angeles city. It's specialized in green and environmental innovative solution.

Currently Los Angeles facing hard drought seasons and high temperatures rate with lower rain falls than baselines, and this create higher pressure on manufacturing companies using water in their production. With local community questioning and complaining life water bottling company assuming they are the reason behind water wastage and scarcity.

Due to lack of knowledge among local community in other beverage manufacturing processes and how much water they use makes, all fingers pointing only on life water. The company is about to launch new product in their portfolio and need marketing campaign showing the environmental importance of new product.

A marking plan and public relation proposal required highlighting the new innovative bioplastic bottling technology and solving problematic post on social media received critics.

### 2. Executive summary:

A marketing plan intended for the relaunch the new elite product line (tranquil water) with environmentally friendly bottles, bioplastic bottles.

The plan preparing for the max market penetration in short time assuming competitors would follow and develop a similar product to go through with new coming and expected regulations concerning the use of plastic in food and bottling industries. This plan includes details on:

- The marketing strategy follow ANSOFF product development strategy
- A PESTEL and SWOT analysis for understanding the surrounding situation
- The pricing calculated based on skimming strategy
- Achieving high ROI for one year and considering the market will be monopolistic competition.
- The promotion for the new product follows emotional advertising.
- An STP plan summarize the targeted market, and planning to be the product of elite/ luxurious lifestyle and environmental sensitive clients.
- To ensure the max market penetration and follow the skimming pricing strategy, the marketing budget plan to be the highest as 'ALL YOU CAN AFFORD' strategy during the monopolistic period.
- A PR plan with associating and cooperating with local medial and agencies to reflect the green approach in the new product.
- A recovery PR plan to manage the backlash from Miss Leano's comment.

# 3. Situational analysis

Understanding the current market and product situation will help in developing a proper and solid marketing plan.

The water life manufacturing facility located in a highly sensitive area. Its in outside of LA city by around 150KM, small town with very socially connected and knows each other. Simple and single person situation can quickly be all town situations. With that, extra care and attention procedure must be followed in marketing the company to the local community, if any bad impression spread like a wildfire among a group of local citizens, then will be all town concern and the company must deal with all of them to calm down. Due to this social concern, the company faced a backlash as a result to Ms. Liza statement.

Currently also, the LA city along with the California state are struggling with the huge amount of waste generated especially the single time use plastic bottles. The city planning to host the 2028 world Olympic games (Olympic official webpage) and trying urgently to find a solution to avoid the environmental disaster which will results after the games over and the huge amount of undecomposable waste.

# A PESTEL analysis to

- visualize current situation
- Help in analyzing the best solution for marketing plan
- How to solve current problematic issues in the bottled water market
- Define expected regulations concerning the plastic bottles
- And competitors' current position in the market.

PESTEL					
P: Political	E: Economic	S: Social	T: Technology	E: Environmental	L: Legal
international agreement to ban the export of waste to developing countries	the cost of bioplastic bottles is almost double the cost for PET plastic	overuse of existing water resources	the current technology used for bottle manufacturing all based on PET plastic	drought season	LA regulation for water consumption
china and India stopped importing plastic waste from USA	high income rate	increasing number of populations	water transport system is decades old and doesn't prevent water leaks and evaporation in aqueducts	80% of rainfall get dumped into ocean	single use water bottle banning law by 2030
	No competitors for bioplastic bottles	the high elderly age rate in LA	only around 10% of plastic bottles are recycled		
	2028 world Olympic games	Closed and interconnected society, with news spread very fast	lack for advanced and efficient recycling technologies		

# SWAT analysis:

<ul> <li>Strength</li> <li>Life water the biggest bottled water supplier in LA</li> <li>The only manufacturer acquiring Quality Mark</li> <li>Operating the factory on suburbs town with most work from around, so lower transportation and accommodation cost (lower fixed cost</li> <li>Excellent partnership with LA most popular football team</li> <li>No competitor for bioplastic bottles</li> </ul>	<ul> <li>Weaknesses</li> <li>Bottled water market strongly relies on price</li> <li>Bioplastic bottles raw material long lead supplier delivery</li> <li>Bioplastic raw material supplier limited to one supplier only and located on the east US coast</li> <li>Bioplastic raw material short shelf life, so no big stock inventory is possible.</li> <li>The type of machine and investment needed is special and very costly.</li> </ul>
<ul> <li>Opportunity</li> <li>New regulation supporting eco-friendly alternatives for single time use plastic bottles</li> <li>Luxurious lifestyle and sport team ready to accept the new bioplastic bottles with higher cost</li> <li>Airlines ready to replace and offer only bioplastic bottled water in their flights.</li> <li>Relatively Big market represent around 4 million customer.</li> </ul>	<ul> <li>Threats</li> <li>Market non-acceptance due to bioplastic bottles originally coming from a plant which need water/ land and resources to rise.</li> <li>Expected to be very competitive market within 5 years, due to new regulations banning use of single time use plastic bottles</li> </ul>

Understanding the PESTEL and SWOT analysis shows the marketing plan must work and focus on social attributes and trying to use the opportunities to eliminate the weaknesses AND the strength to minimize the effects of the threats. With bellow matrix shows how to empower the marketing plan

Decision in on marketing plan should be:

- more oriented on the impact on environment/ living /healthy life /sea life saving and moving far from using price comparison in the marketing.
- Promoting the concept of total value (which relies on purity of water in the bottle, ecofriendly of bottles containers, the informative value on the labeling with information promoting general awareness about bioplastic.

- Using a bioplastic raw material which doesn't consume a lot of resources and which already coming naturally in the surrounding environment
- Start marketing the product on a differentiated segment of the market which cost of the bioplastic water will be not truly a concern for the end user. (i.e., in air flight the meal and water and beverage which served for passenger all and counted as lump sum with the other service and the passenger will pay overall total value of ticket including all subservices provided, the same can be sued for Olympic games tickets to includes a bioplastic water bottle.

#### 4. Marketing plan objectives

Life water aims to increase its market share by attracting new customer. Customers with concern on environment protection and valuing the companies who deliver environment friendly solutions.

Also taking advance steps ahead of new expected regulations, California AB 793 law, concerning ban of one-time use bottles and the use of recycled bottles only (government of California, 2020).

The company decided to launch a new bioplastic product which 100% degradable within short periods of time. A short and middle strategical objective planned to insure to success and acceptance for the new product in the market for the coming years as bellow:

 Increase Brand awareness for the new bioplastic product through social media channels with 95% of positive reaction/comments through the year. Shifting the consumer traditional approach of thinking on water as just only a regular product doesn't require hard thinking to buy into understanding the hidden principle of manufacturing which aiming on sustainable solutions and saving the surrounding environment which in-turn will be valued by the customer by selecting a product manufactured and use bioplastic bottling system.

- Increase Market share for the bioplastic bottled water to represent 10% of the total consumed in the market and be at least 50% of the total life water sold water bottles during the year

The new product to be the preferred 1<sup>st</sup> option in schools, universities and environmental NGO's. also, to be regulated and mandated to be the only used water inside governmental facilities.

- Launch at least 3 different types/sizes of bottled water using bioplastic bottles during the year.

With the aim of wider spreading and covering most of the market with different use and applications, a bottled water should be suitable for water dispenser's, sporters and students.

- Attracting new customers by 5% valuing eco-friendly products

With the power of social networks in the recent days and the importance of attracting social influencers followers by partnership with 2 social influencers.

- Increase sales by 10% over the last year.

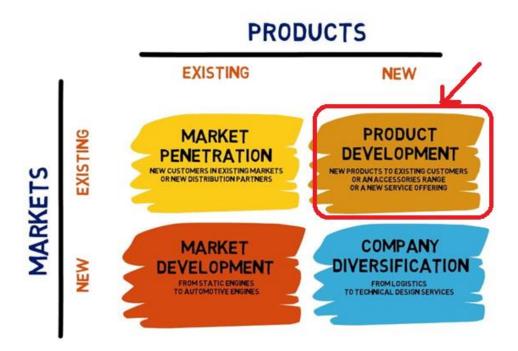
# 5. Marketing Strategy

Using ANSOFF matrix strategy and considering the case of developing new product to serve the same existing market. So, a **product development strategy** used for planning.

Understanding the current market concerns and problems will help considering which best option to consider for the company growth. With the evaluation of risk/benefits associated with each approach leads to following product development approach and creating a new product can have distinctive value and aligned with current and new coming polices and regulations about pollutions generated from single use plastic bottles. With the new bioplastic bottles design and highlighting the social and society beneficial value over other competitors will support the new product penetration and acceptance for the slightly higher price. The main risk coming threatening the new product is the higher price. Which can be easily managed by:

- social behavior toward the surrounding environment is changed and became more ecofriendly,
- also, with enforcing new laws and regulations by the official authorities supporting green product and adding extra restrictions on manufacturing and use of single-use bottles.
- And collaborating with social and NGO's associations concerned with environment protections

With Los Angeles working on developing their waste policy for food service (as one of the major consumers for single-use plastics) sector to achieve more sustainable solutions and practices. Building marketing strategy supporting the new initiatives and vision for LA county will highly be encouraged and welcomed officially and popularly. Life water advertising and PR campaign should be built on these highly public beneficial advantages and its impact on environment and living.



# 6. STP

# Segmentation:

To effectively and efficiently build a marketing plan and properly utilize the marketing resources on more meaningful and cost effective. The overall market divided to define the most serviceable obtainable market SOM.

The market for the new bioplastic bottled water, segmented into Behavioral and Psychographic segments.

**Behavioral segments**: finding audience with environmental interest and concerns. Customers who continuously preferring and selecting ecofriendly product. Bellow types of audience segmented.

- Customers who select ecofriendly products in their purchase over other regular product
- Customer who searches on environment concerned topis
- Who actively interacting with post on social media talking about pollutions, especially the plastic type pollution.

**Psychographic segment**: audience with healthy lifestyle and luxurious, Customer who looking to be distinguished and highlighted as a person saves the earth, generally people whose looking for their own physical and mental health will be more attracted to product. Bellow types of audience to be segmented:

- Sportive events and audience
- Luxurious lifestyle personal
- Hollywood events
- Business and first-class airflights passengers

# Targeting:

With the lack of competition for the new product in the market, as no companies offering bioplastic bottled water, it would be so meaningful to follow differentiated targeting tactics by offering different type of packaging, bottling, labeling, shapes, size bottled water with each



designed to target and focus on a unique part of the audience, so the market will be **monopolistic competition**. The Tranquil water aims to focus on a special and profitable differentiated sectors on the markets. It mainly looking after the:

- Environmental concerned people/ groups
- Luxurious and elite audience

# Positioning

To enable the life water company from clearly define itself in a unique place within the market, a positioning plan conducted to identify the unique features found in tranquil water which lacking or not present with other competitors. The tranquil water was developed basically to solve an increasing worldwide pollution issue that most of the countries suffering from, the sing-time use plastic bottles, all current and available competitors currently in the market focusing only on the content of the bottles, only the water, (which they assume is the product which client paying for) and they ignoring the bottle (which again they assume the customer is not ready to pay for), so they all going with the straight forward option which offering a low quality/non environmental friendly bottle solutions. From here come the value of tranquil water, as many clients if became aware how badly this type of bottle impacting the environment then they will be ready to go with more green and eco-friendly solutions and understand that the product is a combination of water/bottle/packaging.

Analyzing competitors revels they all focus on:

- The water purity, taste, grades, solid contents.
- The shape of the bottles
- The labeling
- The packaging
- AND THEY ALL NEGLECT INTENTIALY THE ENVIRONMENATL IMPACT OF THE BOTTLE

Life water with the new tranquil water focus on:

- The water purity, taste, grades, solid contents

- The shape of the bottles
- The labeling
- The packaging
- AND THE ENVIRONMENT IMPACT OF THEIR BOTTLES

So, the unique feature life water will use to position the new product is the environmentally friendly TOTAL product.

The tranquil water positioning **statement** would highlight this extremely unique feature which missing among ALL other competitors.

A water that keeps the customer and his surrounding and society in the heart of the product development and insure a secure and clean-living environment, that the optimal sip of water.

A positioning statement and promise created to give the trust and confidence on our new tranquil water with the bioplastic bottles.

Proposed slogan:

"Drink and save, be the true hero"

Building a self-stem for the targeted audience about how you unique you are, and the great impact you are doing to society, environment and earth in total will make them feel differentiated.

To secure this slogan, a statistical number must be printed on the packing and labeling showing:

- what disastrous situation we have because of the traditional plastic water bottles, bellow facts to be printed on the packaging and labeling:
  - L.A County creates about 24 million tons of solid waste each year (Tobie Mitchell & Coby Skye, 2012)
  - Nearly 1 in 5 pieces of trash nationwide is a single-use plastic item. (County of LA, chief executive office, 2020)
  - Less than 10% of all single-use plastics is recycled.
  - Increasing probability of cancer.
  - Energy saving, the corn-based plastic polymer PLA uses 65 percent less energy than creating a similar polymer from raw petroleum
- what benefits attained from using the bioplastic bottles
  - reduced use of fossil fuel resources
  - faster decomposition
  - less toxic

# positioning Map:

# 7. Marketing mix

Due to the type and nature of the product, a unique tool must be used to support the new product success in the market, marketing Mix between product/price/please/promotion presented taking into consideration the PESTEL/SWOT analysis.

Product marketing mix					
<u>Product</u>	Price				
- Tranquil water					
- bioplastic bottled eco-friendly containers with less					
than 60 day's decomposition rates.	DOI time loss them 1 years				
- Product launch date: 2022 summer	- ROI time less than 1 year				
- Product projected customers: environmental	- Skimming pricing strategy				
activist/ luxurious lifestyle/ sport teams/ airflight					
companies/ Hollywood market					
<u>Place</u>	Promotion				
- Airports					
- Governmental facilities	- Advertising				
- Environmental NGO's	- Sales promotion				
- Sport stadiums	- Public relation				
- Hollywood studious	- Point of sale display				
- Press releases	- Push strategy				
- Destitution: manufacturer $\rightarrow$ retailer $\rightarrow$ consumer					

# 7.1. Price

The market is lacking for the competitors in the bioplastic bottling for water. A chance to catch and use it to skim the market benefits which expected to be very competitive within 5 years. And opportunity must be catch and return new investment in short time rather on long time. A plan prepared to ROI within 1 years, which mean a 5 million \$ net profit for the first year of launching the new product as minimum.

# 7.2. Place

The new product, tranquil water, should never be placed in a position competing with the traditional plastic bottled water. It must be considered as totally different product and marketed differently. normal water usually placed on display cold cabinet next and side by side with other type beverages. For the tranquil water must be placed uniquely in a special display cabinet.

Tranquil water aims to focus on specialized customers who have a shared interest in enhancing eco-friendly visions and who are benefited from such practices.

- Air flight
- Sport teams
- Sport stadiums
- Press releases
- Luxurious gathering and parties
- 5 start Hotels
- Environmental NGO's
- Governmental facilities
- Hollywood studios

## 7.3. Product

The product must be coming in different shapes and sizes to serve the projected clients, From

15mL to 1 liter bottle. And, in convenient shape usable with the water dispensers.

With product special LOGO mixing between purity and environment beauty



Fig.1 Tranquil water LOGO

With a **labeling** promoting awareness in environment main concerns and disastrous effect of traditional plastic bottles on living with photos touching their emotions as bellow example:



Fig.2 plastic water disastrous effect on living labeling.

Proposed slogan:

"Drink and save, be the true hero"

# 7.4. Promotion

#### 7.4.1. Sales promotion: cash refunds

Governmental authorities are under pressure of managing the reducing the increasingly amount of waste generated from consumers and using a major amount of the LA city budget for waste disposal/ management, 102914000 USD yearly (LA county public works, budget, 2021-22). With such huge amount of Taxpayers money, the city can build school, hospitals and other facilities which more critical and enhancing the quality of life. Proposing a system were suggesting cash refunds as Tax reduction for personals/companies using biolistic product will encourage the use of such eco-friendly.

# 7.4.2. POS, Point of sale display:

The tranquil water must be distinguished and placed in a special type of cold display cabinet with a deep emotional picture and poster enhancing the understanding of disastrous effect of traditional plastic bottles.

## 7.4.3. Advertising:

a. Follow the concept of **Emotional advertising** strategy. By promoting the environmental and health impact of both, bioplastic and plastic,

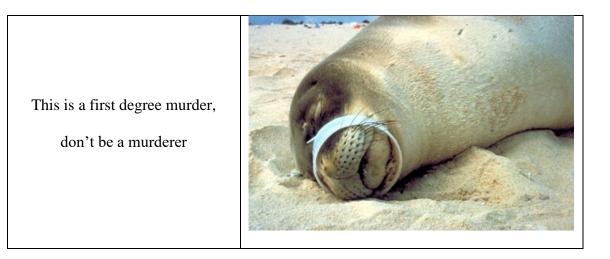
bottles

Impact on sea animal, as 90% of the plastic waste end up in oceans (LAURA PARKER, 2021), so many of the sea animal suffering and dyeing as result of eating such plastic waste.

Using such pictures with appropriate emotional and scientific approved statement will encourage more audience to respect the new product and assume the increase in price will accept.

Bellow emotional picture matrix and example for what could be used:





Impact on human health, different type of cancers developed as a result of misusing of plastic bottles and containers. And from the process of recycling which involve heating and burning. Using of different monthly updated picture on the social media advertising campaign with the use of different statement (such as, <u>Human crises coming if we don't react now</u>) to touch the consumer emotion and raising his dis-acceptance and rejection to plastic bottles.



Fig. 4 human crises

- b. Partnering with LA football and basketball team to print the tranquil water logo and slogan on the uniform
- c. Using social media advertisement and to target more the users who reacting to environmental topics.

# 7.4.4. Public relation:

The tranquil water with the new engineered bioplastic bottles can't be competing on price bases, it must never be on price comparison with other products, it will lose the market. It must build its name and reputation as new different **Green** product with a solution to worldwide problem. A public relation programs established to enable the life water company from reaching the public and make them aware with what solution to environment we offer.

<u>Media relation</u>: to spread company thoughts and aim behind the new product, a continues in touch with local media for announcement and new developments and the saving it hiding to environment and society. Focusing on social medial new media.

**Influencer relation:** teaming famous social media influencer targeted to luxurious lifestyle.

**Sponsorships:** teaming with first football and basketball team, and Hollywood press to enhance and promote the elite style of tranquil water.

Award program:

#### **Corporate social responsibility:**

- Donating for hospitals fighting cancers generated from plastic.

- participating in award program with schools and universities targeting student to highlight the impact of plastic waste on living and environment
- starting an initiative on quarterly shore and ocean cleaning from the plastic wastes and publicize it through national media by inviting them to join the activity a long with social media influencers.

a monthly updated PR plan with timing and story with message must be updated to match with the new dynamic market and regulations, as bellow:

PR plan						
Date	story	Brand element	Audience	Key Message	Channel	Frequency
with the new product launch date in summer	bioplastic emits fewer greenhouse gases and uses less energy than other plastic bottles. It's also recyclable and compostable.	tranquil water	environm antal acitivist	Green product	podcast	monthly
daily after the lunch of new product	2000 animal species are known to die from plastic, or be affected by it	tranquil water	general	the environment is suffering	social media	weekly
weekly from now	compostable within limited short time, so from nature to produce and to nature after decompose	general	general	what is bioplastic bottles	social media and partners websites	weekly
water saving	using less water	general	general	saving the resources	Exhabitions	semi- annual

Recently, the life water company faced a major backlash due to misunderstanding from Ms. Leano's statement. Even though its true statement but lacking the proper presenting to public. Extra pressure was put to enhance the company image especially marketing the new product is all bases on emotional advertising. A recovery plan needed, with facts and numbers, and fast spreading and can reach most local citizens.

PR recovery plan for Ms. Leono statement				
	statistics showing how much less water consumed in			
messge to send	water bottling consumption than any other bottleing			
	manufacturing			
audience	local citizins			
channels	social media, local TV, direct reaching local comunities			
frequency	twice a week			
by who	R&D and public relation manager			

# 8. Schedules and budgets

Starting with new product and aiming to penetrate the market as quick as possible before the other competitors come on the stage.

With the aim of ROI in one years, skimming pricing concept, targeting luxurious clients, their must be a strong promotional and PR with highest budget possible. So the marketing plan financing and budgeting will be based on ALL YOU CAN AFFORD strategy.

The marketing plan scheduling must be started immediately after placing the product in market.

# 9. Implementation

An implementation task force with members from different departments lead by marketing manager in the company to insure the proper plan communication.

A periodic monthly review with plan amendment when necessary, depending on the:

- sales volume as planned
- marketing plan effectiveness
- customer reaction
- competitor's actions
- spent budget till date
- deviations

# 10. Control

A KPI action plan with countable SMART measures to be prepared with timing and

responsibilities.

KPI action plan					
objective	Indicators	Metric	target		
Increased sales volume with 10% monthly	Sales volume	Monthly sales volume = previous month sales x 1.1%	1 million bottle first month		
95% Positive react with social media posts	Number like vs dislike	# dislikes/#likes	0.05%		
Monthly ROI higher than 9%	Profits	profits/cost	9%		

# 11. Conclusion

A well-prepared marketing plan enable the companies to be cutting through the market and finding a place for their new business or product in the market among all other competitors, if exist, and building a positive perspective among audience. Selecting the most suitable price and promotional strategy is always a key point in the success of the new offered product, which takes into consideration many markets variables and assumptions.

Building a PR plan to control the market reaction and avoid backlash is essential in any marketing plan.

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