



EUROPEAN  
INTERNATIONAL  
UNIVERSITY



## COVER PAGE AND DECLARATION

	<b>Master of Business Administration (M.B.A.)</b>
<b>Specialisation:</b>	Project Management
<b>Affiliated Center:</b>	CEO Business school
<b>Module Code &amp; Module Title:</b>	MGT540: Marketing Management
<b>Student's Full Name:</b>	Ahmed Maher Moustafa Elmaghrabi
<b>Student ID:</b>	EIU2021182
<b>Word Count:</b>	4000
<b>Date of Submission:</b>	3 October 2024

**I confirm that this assignment is my own work, is not copied from any other person's work (published/unpublished), and has not been previously submitted for assessment elsewhere.**

**E-SIGNATURE:** Ahmed Maher Moustafa Elmaghrabi

**DATE:** 15 May 2023

**EIU Paris City Campus**

**Address:** 59 Rue Lamarck, 75018 Paris, France | **Tel:** +33 144 857 317 | **Mobile/WhatsApp:** +33607591197 | **Email:** [paris@eiu.ac](mailto:paris@eiu.ac)

**EIU Corporate Strategy & Operations Headquarter**

**Address:** 12th Fl. Amarin Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | **Tel:** +66(2)256923 & +66(2)2569908 | **Mobile/WhatsApp:** +33607591197 | **Email:** [info@eiu.ac](mailto:info@eiu.ac)

## Table of Content

INTRODUCTION .....	2
MARKETING PROPOSAL.....	2
EXCUTIVE SUMMARY .....	2
SITUATIONAL ANALYSIS.....	3
PESTEL ANALYSIS .....	4
POLITICAL FACTORS .....	4
ECONOMIC FACTORS.....	4
SOCIAL FACTOR.....	5
TECHNOLOGICAL FACTORS .....	5
LEGAL FACTORS .....	5
ENVIRONMENTAL FACTORS .....	5
SWOT ANALYSIS .....	6
Strength .....	6
Weakness.....	6
Opportunity .....	7
Threats.....	7
MARKETING OBJECTIVES .....	8
MARKETING STRATEGY .....	8
Market-STP .....	9
MARKETING MIX .....	10
CONCLUSION .....	12
References .....	13

## **Introduction**

Marketing Management is one of the most important tools within an organization, playing a crucial role from the inception of a product to its completion. It provides guidelines that help the organization achieve its vision, mission, and overall goals. Typically, Marketing Management begins with analytical processes to assess the current market situation and the company's status, considering various factors (such as PESTEL and SWOT analyses). Based on this evaluation, the company can define its goals and objectives by creating effective marketing strategies. This involves identifying market segments, target audiences, and positioning. Ultimately, Marketing Management has a unique role in implementing and controlling plans to achieve the company's objectives or to make necessary adjustments.

Moreover, Marketing Management can be defined as “the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value” (Philip Kotler, Suzan Burton, Kenneth Deans, Linen Brown, Gary Armstrong, 2015).

## **MARKETING PROPOSAL**

### EXECUTIVE SUMMARY

We can analyze our strengths, weaknesses, opportunities, and threats by understanding market conditions and identifying our competitors. Our primary advantage lies in adopting new technology, such as bioplastics, and transitioning to a greener company during seasonal droughts. However, we may face challenges related to societal perceptions stemming from the bottled water industry.

One of our weaknesses is in our PR system, but we see a significant opportunity to introduce a healthy choice as an alternative to soft drinks.

We plan to adopt a cost leadership strategy by offering products at competitive prices with differentiated sizes. Our campaign will feature an attractive logo and utilize various marketing channels to ensure we reach all our consumers effectively.

We will enhance our public relations through social media platforms by leveraging the influence of social media influencers, engaging in social events, interacting with consumers, and building our vision based on their feedback.

### SITUATIONAL ANALYSIS

The bottled water industry in California has a longstanding tradition of effectively managing vital resources. The demand for bottled water increases significantly during the dry season. From a business perspective, bottled water accounts for less than 0.01% of total water usage in the United States annually. However, in California, bottled water represents only 0.02% of the state's total water consumption each year.

Base in studying market we found Our Competitors are ;

<a href="#"><u>Associated Services Company</u></a>	Alta Bottled Waters	San Leandro	California
<a href="#"><u>Associated Services Company</u></a>	Alta Bottled Waters	San Leandro	California
<a href="#"><u>CRH California Water, Inc.</u></a>	Culligan of San Diego	San Diego	California
<a href="#"><u>Culligan San Paso Co.</u></a>	d/b/a Culligan Santa Maria	Santa Maria	California
<a href="#"><u>Earl Ising Inc</u></a>	Culligan Soft Water Service of Livermore	Livermore	California
<a href="#"><u>Walter C. Voigt, Inc.</u></a>	d/b/a Central Valley Culligan	Fresno	California

In fact, Los Angeles consumes the equivalent of all bottled water produced in California within less than a week of its tap water usage. (The total amount of water used for bottled water in California annually is 3.09 billion gallons, while Los Angeles uses 3.4 billion gallons of tap water each week.) To thoroughly analyze the various conditions and factors that will impact our product marketing, we will conduct a deeper analysis using both PESTEL and SWOT methods.

## PESTEL ANALYSIS

- POLITICAL FACTORS

California local governments typically support the development of industries and the economy, especially in transitioning to greener companies that produce environmentally friendly products. This creates a strong opportunity for our new product, Tranquil Water, to enter the market successfully.

The government plans to implement more regulations aimed at protecting nature and regulating industries that have harmful effects on the environment, in accordance with the SB-1703 California Certified Green Business Program (2003-2004) (Alarcon, 2004).

Globally, there is a movement against industries that increase carbon emissions in the atmosphere. Our new product, Tranquil Water, will benefit from using bioplastic bottling.

- ECONOMIC FACTORS

All bottling water companies pay fees to the California government for utilizing the natural resource of water. However, companies like Nestlé have reported significant sales, with approximately \$8.1 billion in 2018 and \$6.2 billion for the first nine months of 2019 within the local market.

The California government is increasingly restricting bottling firms from accessing local groundwater. This situation provides an opportunity to analyze the production of competing companies and assess any potential new products they may introduce.

The Los Angeles governor has imposed a tax on all water customers to fund projects in water-scarce areas (Daniels, 2019). This indicates that water bottling companies may face increased taxes or restrictions on their water usage in the future, potentially impacting our costs. Bottled water is often viewed as a healthier option compared to soft drinks, which may encourage customers to choose it more frequently.

- SOCIAL FACTOR

The situation in California regarding bottled water companies is highly critical, especially during drought seasons. Society is increasingly aware that the bottled water industry impacts natural water resources, which could negatively affect the market for still water.

After years of consuming soft drinks, Americans are now developing a preference for bottled water as a healthier beverage option. Today, people are consuming significantly more water than sugary drinks, presenting us with an opportunity to introduce our product as a healthy alternative, which is generally well-received in society.

- TECHNOLOGICAL FACTORS

Life Water invests \$5 million in environmentally friendly companies; this would greatly aid in presenting a favorable impression of the firm to the public, embracing greener technologies, and using bioplastic when bottling.

This technique is important in utilizing natural resources, particularly during droughts. Life Water may utilize it as a competitive edge in its marketing strategy.

- LEGAL FACTORS

Due to the negative effects of plastic use and the requirement to recycle plastic material, the government of California plans to implement several laws to discourage plastic use among the populace and to incentivize businesses to switch to more environmentally friendly practices (Kenneth A. Manaster, 1990). Based on these laws, Life Water will have a significant advantage over its rivals in the soft drink and water bottling industries.

- ENVIRONMENTAL FACTORS

The drought season may force the government to enact new regulations affecting the use of water resources. Drought-related demands will also likely drive up demand for water bottling and market water taps. The infrastructure network in California will assist Life Water in delivering its products everywhere it goes. Using bioplastic straws will protect the environment from any negative effects, and one of the main benefits of using bioplastic bottles is a reduction in carbon emissions.

## SWOT ANALYSIS

We will examine our SWOT analysis in further detail in the paragraphs that follow. SWOT analysis looks at our strengths, weaknesses, opportunities, and threats. All of these factors should be taken into account in our marketing plan since they directly affect our products.

- STRENGTH

- Greener Company: Life Water's \$5 million investment in the firm will help to improve its reputation.
- Bioplastic Bottles: By switching from typical plastic to a healthier option, we will have a greater competitive edge. In advance of rival bottling companies.
- Market experience; Life Water has been available in the California market for a considerable amount of time; customers are aware of our offerings; we already have a share of the market; and this support system will help us launch our new product, Tranquil Water.
- ways of distribution With our past experience in the market, we have a lot of ways to distribute our new product

- WEAKNESS

- New Technology: As this will be Life Water's first experience converting and investing in greener companies, we need to raise awareness of the significance and role of greener companies how they will impact our business, and how we can use this technology to our advantage in the water bottling industry.
- Handling and managing social media platforms, Since there is currently a backlash against our new company and all water bottling companies, we need to use social media to influence public opinion and modify the perception of the situation.
- R&D: To help us provide more innovation and developments for our product base in markets or client needs, we need to establish a research and development department.

- "This measure represents a production process where ordinary labor and capital are the inputs and R&D efforts are kept separate from it." It is then anticipated that the outcomes of R&D have an impact on the efficiency of these inputs. An alternative perspective holds that a company's performance is determined by its gross profit and that it integrates its knowledge generation.

- OPPORTUNITY

- A rise in the market for bottled water due to state-wide water scarcity, especially in Californian cities.

- Studies show that over the past ten years, the environmental market has grown at a 25% faster rate due to rising consumer demand for eco-friendly products (Statista, 2021).

- By manufacturing and bottling water in healthy bioplastic bottles, we have adopted an eco-friendly industry approach that has persuaded people who care about the environment to regularly purchase our products.

- THREATS

- Not because of clever marketing strategies, but rather because they prefer bottled water to less nutrient-dense packaged beverages. We don't mind if the great majority of individuals who drink bottled water also drink tap. It's no secret that water is the healthiest beverage on the market, and bottled water offers consumers a secure, reasonably priced, entertaining, and environmentally responsible substitute.

- California's regulatory structure, which applies to some other water users in the same class, has been and will remain to be followed by the bottled water sector.

- Furthermore, the majority of California's bottled water is consumed domestically. In fact, communities in the Central Valley and schools in Los Angeles are forced to buy water bottles on a regular basis because they lack access to clean drinking water.

- Because of the health conditions associated with Corona sickness, a significant incidence of unemployment has affected the financial situation of families struggling to make ends meet.



- We understand the risks that the recession and poor government policy bring. The emergence of a business that rebottled mineral water in fresh bottles at the same location poses an additional concern.
- Based on reports, there are nine companies in the US. Many people in California voiced complaints about the excessive use of water during the drought.

## **Marketing Objectives**

Mission Statement: Life Water aims to expand and prosper by employing contemporary technologies to extract water from wells and use meteorological factors. Making sure that staff members are dedicated to consuming mineral water and are aware of its advantages is also crucial.

1. The first year, the company's market share climbed by 20 percent in the next two years, 25 percent will be obtained.
2. A thirty percent geographic market expansion is intended, starting in California.
3. A guide to lodging options in California, including Los Angeles, San Francisco, Sacramento, and San Jose.
4. Now is the moment to build your social media profile.
5. Making calls to nearby companies. By forming connections and recommendations with well-known individuals in the community, networking enables you to expand your company.

## **Marketing Strategy**

The marketing divisions of LIFE WATER are in charge of formulating marketing plans for each targeted market, including designing the marketing mix for the relevant good or service. The marketing mix includes placement, price, promotion, and product. Nevertheless, these four components also heavily depend on an organization's marketing goals. The company strategy is guided by a number of fundamental ideas. Life Water intends to expand its business by consistent research and development, innovation, and balance in its different geographical locations and other product offerings. (Kotler, 2000).

## Market-STP

In the Model of STP 3 steps of analysis help us and guide us to achieve the marketing objectives, STP stands for:

### Segment Market

Market Segmentation here means we will be going to divide customers into different categories based on their needs and preferences, such as

#### Segmentation based on size

- |                      |                      |           |
|----------------------|----------------------|-----------|
| 1. 1501 ml and above | 3. 331 ml - 500ml    | 5. 330 ml |
| 2. 501 ml - 1000 ml  | 4. 1001 ml - 1500 ml |           |

#### Segmentation based on Customer Categories such as

1. Persons
2. Restaurants, Schools, and shops

#### Segmentation based on customer location Category

1. Inside California
2. Outside California

## Target Market

Life Water targets every customer in the market. However, key factors such as age, income and family size play a critical role in finding the perfect target group. In terms of age, Life Water targets young people aged between 20-30 years. These groups comprise professionals, athletes and university students. Positively with the elite product line: tranquil water, the brand also targets older adults of 40-70 years who are diet conscious and prefer safe and quality water to drink (Life Water International, 2021). Income is another aspect that Life Water considers while segmenting its target customers. Income directly relates to family size. The company has introduced a new healthier product that is a bit expensive than its traditional products but can serve as a drink for family members.

Geographically, Life Water distributes its products mainly in Los Angeles and California large. A significant percentage of customers are locals. Positively, with its new product, the company aims to expand to markets in other neighbouring states. The company has put in place marketing strategies to attract customers countrywide based on health preferences. In the United States today, consumers are vigilant about their health; therefore, what they eat or drink matters a lot. A majority prefer dietary and healthier products (Conway, 2021).

Life Water puts less consideration in segmenting its target customers based on gender. The company targets both male and female customers as its product has no difference in taste. Marketing strategies play a great role in attracting both male and female customers to increase product sales.

## **Marketing Mix**

In order to ascertain Life Water's entire marketing strategy, the 4Ps—product, pricing, placement, and promotion—are evaluated in the company's marketing mix. For instance, a variety of marketing strategies, including customer experience, marketing investment, and product/service innovation, will help the brand grow.

The Marketing Mix (4Ps) is a popular paradigm for identifying strategies that help businesses achieve their goals and objectives. Give detailed information regarding Life Water's product line, costs, marketing strategies, and distribution channels.

**Product:** We build a new production line to supplement the previous one, using bio-plastic to bottle tranquility water. In order to provide customers with the best drinking water possible, Life Water uses Hydro 7 filtration technology in their environmentally friendly bioplastic bottles.

The company's marketing mix focuses on offering pure water in different types and quantities as the main component of its product strategy. Life Water also provides carbonated, mineral-free, and sodium-free water.

**Price:** Since the bottled water market has little differences in product offerings, cost becomes an important factor. It is important for us to be aware that Life Water adheres to a very rigid pricing policy for its goods. Despite the fact that water is a free resource, the cost of bottled water is a significant revenue factor that targets customers. Life Water has an advantage over its rivals thanks to its eco-friendly bottles and higher product quality. The consumer market claims that Life Water charges different prices for its product in different countries. However, the target market for this product is middle-class individuals and those between the ages of 20 and 50 who are concerned about their health. Setting the product unit's price in accordance with available costs, including salary, office space, packing, bags, etc., so that a fixed margin profit is applied is a good example of I advise "life water" to use a pricing technique based on costs with price based on competition because the pricing method has certain weaknesses because it doesn't participate in the competition because many businesses offer the same things at different rates. This.

**Place:** Our product will be available in all of the markets, and shops and also can requested directly from our distributors, Life water will increase the Channels of distribution in the California market.

**Promotion:** We Will reach our audience by advertising online, in the press, on TV, on radio, and billboards.

We can use available social media forms to reach more customers and affect their opinion of bottled water companies.

**Slogan:** WATER, the DNA of life

**Logo:**



**Advertising Period:** Since many businesses offer the same products at different prices, the pricing technique has several drawbacks. As a result, I advise "life water" to combine pricing based on competition with a cost-based pricing procedure.

## **SOCIAL MEDIA PR CAMPAIGN**

Since almost everyone uses Facebook, YouTube, and Instagram, advertising campaigns can be established there and reach a huge audience. This makes it easier to market items and advertise to as many people as possible. We're using social media to inform people about the importance of water conservation and environmental protection. If you don't account for the scarcity and potential loss of water, there's no value in making money. The research and development group makes sure that all procedures and actions are done so as to prevent water waste. We want to be a more environmentally friendly company throughout the entire bottling, storage, and distribution process as a company full of water (Life water).

We can handle customers who were not pleased with Ms. Leono's remarks by keeping in constant contact with them, listening to their stories, and exchanging viewpoints.

This discussion is crucial to creating a collaborative culture within the company and integrating it into the community. We also make an effort to solve issues, support neighborhood improvement, and preserve water supplies. With the intention of providing wholesome products to all members of the community, the company has developed a new range of products called Tranquil Water, featuring a bottle composed of bioplastics that breaks down more easily in the soil and feeds plants.

## **CONCLUSION**

Every successful organization's marketing management is its lifeblood and its go-to resource in times of crisis. Marketing management is typically based on a thorough understanding of both internal and external conditions. A successful marketing plan serves as a conduit between your products and customers. Marketing management is also regarded as a control and monitoring tool for keeping an eye on our business and correcting any deviations from a successful path. A major role for marketing management

Through improved public relations and social responsibility, we can increase corporate awareness and, in my opinion, survive these challenging times with the help of a strong marketing team.

## References

- Al Badi, K. S. (2018). The impact of marketing mix on the competitive advantage of the SME sector in the Al Buraimi Governorate in Oman. *SAGE Open*, 8(3), 2158244018800838.  
<https://journals.sagepub.com/doi/full/10.1177/2158244018800838>
- Arikan, E. B., & Ozsoy, H. D. (2015). A review: investigation of bioplastics. *J. Civ. Eng. Arch*, 9, 188-192. <http://www.davidpublisher.com/index.php/Home/Article/index?id=116.html>
- Branson, E. (2013). Campaign in a Box: Creating a Universal Public Relations Plan for Community Success for any Small Business. <https://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.851.2492&rep=rep1&type=pdf>
- Cheong, Y., Kim, K., & Kim, H. (2013). Advertising and promotion budgeting during volatile economic conditions: Factors influencing decentralization in budgeting and its relations to budget size and allocation. *International Journal of Advertising*, 32(1), 143-162.  
<https://www.tandfonline.com/doi/abs/10.2501/IJA-32-1-143-162>
- International Bottled Water Association. (2021). Bottled water and California.  
<https://bottledwater.org/bottled-water-california/>
- Life Water International. (2021). The Life Water story: More than 40 years of service, sacrifice and safe water. <https://lifewater.org/lifewater-story/>
- Narancic, T., Cerrone, F., Beagan, N., & O'Connor, K. E. (2020). Recent advances in bioplastics: application and biodegradation. *Polymers*, 12(4), 920.  
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7240402/>
- Rupolia, M., Choudhary, R., & Purohit, H. (2013). A Study on Promotional Strategies Adopted by Apparel Street Vendors Influencing Customers shopping Decision. *IOSR Journal of Business and Management*, 20-27. <http://www.iosrjournals.org/iosr-jbm/papers/ies-mcrc-ibrc/volume-3/RC-29.pdf>