

Marketing strategy for water conservation in australia

[Business](#), [Marketing](#)



In the contemporary Australia, shortage of water has confronted not only the local governments, but also people from different groups and associations. Australia is the world's driest continent with high evaporation rate. If no effective and sustainable actions are taken, Australian residents may not have sufficient water for their daily usage in 20 years (Melbourne Water 2007). From the marketing point of view, segmentation is a tool which allows marketers to design and apply different marketing mixes in order to achieve the most desirable outcomes with limited resources. In this project, four segments arise including people aged 45-64, international students and immigrants, high-income earners and children. And various marketing strategies are developed for two of those segments.

Age group from 45-64 The dynamic age structure of the Australian population strongly affects the marketers' strategies regarding that people in different age groups vary in daily water usage. And, it appears to be worthwhile to pay attention to how people in different age groups influence their family members' perception of water conservation. Australia experienced a dramatic increase in birth rate after the World War II (Baby boom) between 1946 and 1964. This " bulge" in the age distribution constitutes the early to late middle age in Australian population and people in that age group account for 39. 3% of the entire population (Australian Bureau of Statistics 2006).

In their families, they are typical bread-winners who make purchasing decisions about purchasing services and products such as water saving devices and water bills. Besides, Women who are not employed are full-time

housewives doing housework including irrigating plants and washing clothes. What's more, they exert significant influence on the beliefs of their family members. As baby boomers have walked into the child-bearing age, their behaviours and beliefs do, in a certain degree, shape the attitudes of their children towards this issue. Therefore, targeting these people who dominate the Australian population and act as initiators, influencers, deciders as well as buyers in the buying process gives great value to strategies regarding water conservation.

International students and New immigrants According to AEI Market Indicator Data, in August 2006, there were 344, 815 international student enrolments onshore in Australia whereas 134, 759 are in New South Wales (IDP Education Pty Ltd 2006). The majority of these students choose to rent houses, apartments and stay in home stay families. In the Sydney rental market, a large number of contracts only require tenants to pay the rent. In many cases, some utility bills including water usage are excluded, namely, it is the landlords' responsibility to pay those bills. Therefore, international students who rent houses would not have considered much about daily water consumption.

Thus, the motivation of saving water may not exist in their minds. Apart from that, International students and immigrants that come from many different countries grow up in social and cultural backgrounds which may be completely different from Australian. As a result, some of these overseas comers probably do not realise the importance of saving water and how scarce water resource is in Australia. According to a census conducted by the

Australian Bureau of Statistics, the number of immigrants and international students are increasing dramatically (Overseas Arrivals and Departures, Australia, 2007). In the light of this foreseeable trend, this group of people will become an influential group among the residents in Australia in the future and their ways of living and attitudes towards the issue will directly impact on the fate of water resource in this country.

High income earners In Australia, the income distribution is relatively skewed and around 33%-38% of population falls into the definition being high income earners (above the seventh deciles of \$68040 per annum per household) (Australian Bureau of Statistics 2006). The average annual consumption for a single dwelling in Woollahra of 409, 000 liters puts it at the top of the list of water users for the third year in a row (Sydney Water 2006).

Yet the high-income group consume much higher than that. The largest portion of this consumption is for outdoors uses where over 25 per cent is used for gardening, operating swimming pools and washing cars (Sydney Water 2006). As they are financially capable, their spending patterns are less affected by factors such as expensive utility bills and they can afford living in a luxury lifestyle, which probably consists of some water consuming activities such as irrigating a big garden. Therefore, those factors might state the reason why the high-income group pays more in water usage. In a nutshell, most of the high-income groups have less motivation to save water, due to their high income and greater buying power.

The economic environment consists of factors that affect consumer buying power and spending patterns. The Australian economy, in particular, has grown strongly in the past twenty years, resulting in more Australians having experienced increased living standards, and this is reflected in their lifestyles (Kotler , et al, 2006). Despite the fluctuations in economic conditions during this period, incomes have risen in many important segments. The baby-boom generation is moving into its prime wage-earning years, the number of small families headed by dual-career couple is increasing and more people are reluctant to get married at an early age.

These factors create more people in upper socioeconomic class. Marketers must pay attention to those upper socioeconomic class consumers, whose spending patterns are less affected by current economic events. High-income earners are becoming more numerous, while at the other end of spectrum lower-income-earning households are becoming less numerous (households with incomes below the third deciles of \$29968 per annum). Therefore, the high-income group really should be considered in terms of water usage (Kotler , et al, 2006).