## Free reflective statement case study example

Business, Company



## - Executive Summary

Quench is a brand leader in the bottled water sector. The company was founded in 1998 and has steadily expanded operations to become a global multi million pound company. Its main strengths have been competitive pricing, strong advertising campaigns and a positive brand image. Their main market sector consists primarily of customers with sporty, healthy, clean-living lifestyle aspirations. It sponsors several sporting events not only in Britain but worldwide. The Quench brand is associated with trust and reliability. With increased competition and economic recession, the company has registered low sales volumes and reduced profit margins.

This report provides an analysis and evaluation of problems that faced Quench in the year ended 2012/2013 and provides solutions to those

Quench in the year ended 2012/2013 and provides solutions to those problems. A number of problems were identified to be the reason behind the poor performance which includes: Increased environmental awareness by the consumers, Consumers growing awareness on the risks of plastics to public health, Government's campaign guaranteeing safety of tap water, Media promotion of anti-bottled water films and a wider variety of soft drinks entering the market. The report further proposes solutions to these problems that would aid Quench regain its market position. The solutions proposed include recycling options for the plastic bottles, employment of a quality and safety system in the company and carrying out effective marketing strategies (advertising, competitive pricing and positive brand image).

## - Problem Identification

Different factors are responsible for decline in sales in a business. The strong competition and the economic recession in 2012/2013 led to Quench's

bottled water sales to drop significantly. A number of reasons have been identified to lead to this drastic drop in sales which include:

- A raised awareness of environmental issues

The dangers of plastics have presented a challenge to many water bottling companies. According to Sullivan et al. (pp. 10, 2008) many lobby groups, civil societies, non-governmental organization and environmental protection agencies are feeding customers with information regarding the dangers of plastics. They have cited the facts that plastic bottles production requires millions of barrels of oil, many plastic bottles end up as garbage and the incineration of plastic bottles leads to emission of toxic gases to the atmosphere (Riverkeeper, 2014). The plastic menace is now a global challenge and many governments are working towards eliminating plastics. The challenge that this raises is that many customers would shun away from the buying of plastic bottled water that Quench offers. This would greatly affect the company's sales and profitability margins.

Transportation of the bottled water to markets has been found out to cause air pollution and release emissions to the atmosphere causing global warming and climate change (Sullivan et al. 2008). The transportation industry contributes heavily to global warming. The central concern here is that road transport of bottled water to consumers generates more carbon emissions to the atmosphere than tap water. This would make consumers to opt for tap water resulting in a declining market for bottled water.

- Growing Awareness on the Risks of Plastics to our Health
Research has found out that chemicals from the plastic bottles can leach into
the water hence putting the lives of consumers at risk. Phthalates like DEP

used to make plastic bottles is also a potential cancer agent to humans (United States & Stephenson, 2009). There is also the risk of bacterial, chemical, physical or radiological contamination of the plastic bottles that may result to health related problems among consumers. An increased awareness of the of the health risks posed by bottled water has led to many people shying away from bottled water which has led to reduction in sales volumes (Geiger, 2009). The challenge that this raises is that the more people become aware of the health risks carried by plastic water bottles; they are more likely to avoid purchasing and using them. This would greatly affect sales of Quench.

- Government Campaign Guaranteeing the Safety of Tap Water

  Tap water is slowly gaining ground. Given the growing concerns over the manufacturing, purchasing, transport and disposal of the plastic bottles, there has been a significant decline in popularity of bottled water. Gleick (pp. 10, 2010) states that current pro-tap water campaigns by the government are informing consumers about the safe, cost effective and environmental friendly practice of drinking tap water. The challenge that this pro-tap government campaigns raises is that more people would embrace tap water which would result in a low demand for bottled water. This has led to reduced sales volumes for Quench.
- The Media Promotion of Anti-Bottled Water films such as 'Tapped'
  The promotion of anti-bottled water films has had a negative impact on the bottling water industry. For example, the film tapped by Stephanie Soechtig exposes the bottling water industry's role in suckering public funds, accelerating climate change, causing pollution and increasing a country's

dependence of fossil fuels. The film caught the attention of various media outlets that promoted it. Promotion of such films by the media has led to a drastic drop in the number of consumers of the bottled water. The situation represents a major obstacle in the promotion of bottled water usage among consumers. This is a major setback to the company as its customer base would be greatly reduced resulting in low sales volumes and reduced profitability.

- A Wider Variety of Soft Drinks Entering the Market

The main customer base of Quench comprise of individuals who are into sports and those aspiring to live clean and healthy lives. With the entry of soft drinks into the market, competition would be much stiffer. Soft drinks such as Monster energy, Alvaro and Novida among many others are giving water bottling companies the run of their money. Rather than compare bottled water with soft drinks, many people would prefer comparing them with cheap and responsible. The soft drinks entry to the market would present an obstacle in that many customers would be absorbed by them resulting in fewer customers for bottled water. Soft drinks would offer a tough competition to bottled water. The question that remains to be answered is how to make sure the soft drinks entry to the market does not compromise the company's main market.

- Generation and Evaluation of Solutions

Environmental concerns are continually being a concern for many businesses and the water bottling industry has not been left behind. Currently, much emphasis is being placed on shifting to greener technologies that would not only reduce the operating costs (costs of fuel) but also contribute to

environmental conservation as a result of fewer carbon emissions.

Environmental awareness among consumers presents a major obstacle to the company's main market. The most effective way to remedy the situation was found to be recycling of the used plastic bottles. Through recycling, Quench would greatly reduce its carbon footprint and partly solve the growing plastic problem. Consumers should also be educated on the need of recycling of those plastic bottles to avoid them having to end up in landfills and incinerators. In future, the company would have to invest in sustainable bottles for packaging rather than use plastic bottles. This would seem expensive at the moment but would pay off in the long run. In order to resolve the problem with regards to the potential risks plastics offer to public health outlined previously, Quench should invest in quality and safety techniques that would ensure the plastic bottles being used are free off contamination. Newer technologies should be employed in the screening of the bottles to detect the slightest of contaminations whether by bacteria, physical objects or chemicals (Mackey, 2003). With a system in place to ensure quality and safety, the consumers can be assured of the

## - References

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safety of usage of bottled water that would in turn lead to increased sales

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I have written case studies before but this offered a more exciting challenge.

The case study was an insight into the company Quench, which had lost its

market position as a result of a number of factors. At first I thought it was going to be a walk in the park but after a careful understanding of the requirements, I found it to be more than just a normal case study. The case study demanded having a look at the background of the company, identification of problems and, the generation and evaluation of solutions. Identification of problems were the much easier tasks but coming up with solutions and their evaluations offered a new challenge. Solutions had to be arrived at after a careful analysis of secondary data based on evidence. I had to refer to other case studies that had been done on similar topics in order to have a better position. This demanded critical thinking and a thorough research on all the available options. However, the phrases used to describe problems and solutions discussed in earlier classes came in handy in the proposing and evaluation of solutions. This case study has made expounded my creative and critical thinking abilities. In future, I would not only write case studies based on the data presented but also take a closer look on all the available data found on secondary sources.