

Marketing
communications plan
to launch a new
brand marketing
essay



**ASSIGN
BUSTER**

DESCRIPTION

Hydra is to be launched as a premium brand for still unflavored and flavored water. It would be available in two sizes of 750ml and 330 ml each. The bigger bottle is to be made available in sports pack and the smaller in a screw cap. Along with unflavored water, Hydra offers four 'water plus' flavors which are orange n cherry, ginger n lemon, mint n herbs and just grape. The flavored bottles would be available as 'Hydra!' to differentiate them from unflavored.

COMPETITION ANALYSIS

The bottled water industry is essentially a part of the soft drinks sector which also includes carbonated drinks, still drinks, juices and other dilatable; representing a total customer value worth £219 billion (Leijh, 2006). The image of carbonates, the biggest player of this sector, has been on a decline due to growing health concerns and the manufactures consequently try to reinvent their offerings in order to attract the consumers. Thus the traditional boundaries between carbonated drinks, water and juices and being dropped as newer blends hit the shelves every day.

The competition therefore in this industry is immense and proactive. Offerings in the market which provide the value of quenching thirst must be regarded as indirect competition. These will include carbonated drinks, juices, milk, energy drinks, still drinks and even sparkling water; across all flavors. Some of the indirect competitors identified are Pepsi, Coca Cola, Dr. Pepper, Britvic, Cresta, Tango, Sunkist, Lucozade, Tropicana, Nesquik and Scheweppes Tonic. The direct competition comes from other bottled water

brands which target the same market as Hydra. These brands provide almost the same value that is, still unflavored and flavored water to the same market segments. The brands identified as direct competition for further analysis are Vittel and Aqua Pura. The Vittel brand belongs to the Perrier family owned by Nestle while Aqua Pura is an own label production from Well Well. Both these brands offer still flavored and unflavored water.

MARKET SEGMENTATION

The bottled water market in the UK posted strong positive growth and total value of £ 1. 4 billion in 2007 (Data Monitor Industry Profile, 2008). The volume of sales has also been constantly increasing at a compound annual growth rate of 5. 7% from 2 billion liters in 2003 to 2. 5 billion in 2007. Data monitor study also reveals that still unflavored water consists of 48. 4% of total sales in this industry and still unflavored consists of 12. 2%. A study of 24000 samples by Livingstone (2004) reemphasizes the large number of still water drinkers over sparkling. Figure 1 shows the dominance of still water in this market.

Figure : Changing youth drinking habits

Figure : Dominance of Still waterThe youth market segment in this industry has also been increasing in importance for the brands. Livingstone (2004) charts an almost 20% increase in use of bottled water in 11-19 years old over 1997 to 2004. This is shown in Figure 2. The communication strategies of the brands also reflect responding to this. Nestle Waters launched Vittel Red, aimed at young men and women through an edgy branding approach (Haymarket Publication, 2006). Aqua Pura's Activa and Revive are two sub

brands aimed at targeting the youth. Salazar (2007) states how demographics affect the usage of bottled water across UK. Women constitute the majority of bottled water drinkers. Around 45% of 18 to 34 year old women and 44.6% of 35 to 54 year old women consume bottled water. Men's percentages of the 18 – 34 age groups drank 35.3% and those in the age group from 35 to 54 consumed 34.5%. In addition, according to WQA surveys (cited in Salazar, 2007), some 47% of 18 to 34 year olds do not think that their water is safe; therefore 41.4% of them consume bottled water regularly.

TARGET MARKETING

In the value exchange approach to marketing, Gabbott (2004), states that the brand should identify target segments based on the meaning and viability of the product for the target. Targeting includes identifying specific group of consumers with similar preferences for whom the product is most meaningful and appropriate. This analysis identifies three target segments for the bottled water brands in study.

Sports Active Both Aqua Pura and Vittel have sports cap available and are leading sponsors of sporting events. While Aqua Pura sponsors the UK Athletics and the great run programme; Vittel has been a sponsor of London marathon since the past 8 years. It would be interesting to note that Vittel even has marathon training and hydration tips from expert Jamie Baird on its web site. Vittel also launched a new drink Vittel +Energy with performance enhancing ingredients (refer to Figure 3)

Go For It Guys/Girls Livingstone (2004) identifies lifestyle and fashion driven drinkers as Go-For-It target. These are active young males and females who are heavy internet users and fast food consumers. Both the brands provide sleek bottle options for this group. To target this group, Vittel operates as a lifestyle water option with edgy branding. Its David Bowie commercial was primarily targeted at this target group. Aqua Pura on the other hand attracts this group through its sub brands Activa and Revive.

Figure : Vittel +energy Source: food manufacture(2003), ebsco

publishingChildren Both the companies target children as one of the important target groups. With smaller bottles available which can fit into the school lunch boxes, to tie ups with Warner Bros and Looney Toones; Vittel strives to create a full fledging division for child consumers only. Aqua Pura's Champions programme (Aqua Pura, 2008) is again a children specific programme through which it spreads the message of everyday healthy hydration along with the help of school teachers.

MARKET POSITIONING

To study the market positioning of the bottled water industry, it is essential to identify the broad values that the consumer demands and the values that are provided by the existing market players. The basic value demanded and supplied in this industry is that of quenching the thirst. As King (2002) points out, there has been a lot of weight placed on research and development to enhance this value supplied. Lots of research and marketing has been focused into development of 'water +' options from vitamins to oxygen to new flavors being introduced. As the basic value is served by all the market

players, differentiation is possible only through value additions and brand development.

To develop a brand positioning map for this study, the brand appeal (premium, sophisticated – urban, young) and the value differentiation (regular – flavored) are chosen as the attributes. The positioning map thus developed is shown as Figure 4.

URBAN

TESCO

VOLVIC VITTEL HYDRA

FLAVORED

REGULAR AQUAPURA

HIGHLAND SPRING

PERRIER

SOPHISTICATED EVIAN

FIGURE 4: MARKET POSITIONING MAP OF LEADING BRANDS

MARKETING COMMUNICATIONS PLAN

OBJECTIVES

The objectives of this plan are identified below.

To create brand awareness.

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The target market has to be made aware of the existence of the brand. This is to be achieved through a mix of both above and below the line activities. Seventy five percent of the target market is to be made aware over the time plan.

To achieve market penetration.

This is to be done through a combination of aggressive below the line and pricing strategies. Fifty percent of the target market is to be penetrated over the time plan.

To create brand promotion.

Hydra is to be promoted aggressively and to be established as an active and urban brand of bottled water. Establishment of Hydra! as a definitive sub-brand.

TIME PLAN

Exploratory Research - 3 weeks

Concept Development and Creative Idea - 4 weeks

Market Tests - 1 week

Integrated Communications

Above-the-line Strategies - 12 weeks

Below -the-line Strategies - 26 weeks

Exploratory Research

Focus group interviews to be for product development and buyer behavior research.

Concept Development and Creative Idea

The brand's communication concepts are developed internally, media planning and budgeting is carried out. External services are hired to create communications.

Market Tests

Tests are carried to check the response, validity and effects of communications designed.

Integrated Communications

Validated communications are issued through above-the-line and below-the line.

Monitor and Evaluation

The feedbacks generated by the communications are to be monitored consistently. Evaluation of the plan is to be done constantly and tight control is to be maintained.

TARGET SEGMENTS

The broad target market for this brand is everyone who wants to quench its thirst. But through the segmentation process, a few segments have been identified to which this communication plan is to be targeted. These are identified below –

Young urban professionals. Below 35 years of age, city dwellers male or female.

Sports enthusiasts.

Children from the age 8-16

Age group 16-22.

Market influence leaders

Through behavioral segmentation, target segments identified include 'Experiences', 'Innovators' and 'Early Adopters'.

ABOVE-THE-LINE STRATEGIES

The brand Hydra will be launched through an aggressive above-the-line communications campaign. A strong 'pull' and 'profile' strategy is to be realized through above-the-line. The advertisements to be used for the campaign must be first used to introduce and recall the brand, differentiate it from the competition, inform the consumers of the values in exchange and persuade their buying decision.

Media Planning

Keeping in mind the huge size of target audience and relative concentration in certain centers, the media to be used to deliver the communications has been decided. It is only after this that communications are developed to be broadcast through these sources. The media selected for Above-the-line communications are Television, Print, Outdoor, In Store, and Internet.

Television

Television is the most common medium for mass advertising. For Hydra's launch two TV commercials are to be created. It is aimed to promote Hydra as an individualistic, stylized and aspirational sports and lifestyle brand through these commercials. The first TV ad should kick start the campaign and to be followed by other mediums. The second TV ad is to be launched after two weeks of the first commercial. Spots to be bought include lifestyle and sports channels at prime time and evening.

Print

The print campaign for Hydra will begin simultaneously with the television commercial appearing. The print ads will be complementary to the message of the television ads. The print media to be used is newspapers (The Sun, Guardian) magazines (Men's Health, Women's Health, OK!) and tabloids (Daily Mirror, The London paper). Full back page advertisements in daily tabloids twice a week for first four weeks and medium sized ads three days a week thereafter, are to be placed. Medium sized advertisements in newspapers are to be placed five days a week for the first two weeks; each day for a new flavor (regular plus four). The burst at the launch is to be followed by two ads a week. The magazines ad is to be accompanied with a reader competition as well.

Outdoor and In Store

Banners, logo and ads are to be placed in public transport systems, high streets, shopping centers and inside the store at points of sale.

Internet

Internet is to be very strategically used in order to communicate with the target. The market influencers of the World Wide Web are to be targeted through community web sites, blogs, interactive gaming and social networking sites. The web site of Hydra is to include an interactive game where the player would need to keep his level of Hydra high. The game would also be linked to facebook as one of its applications. Video blogging and YouTube channels are also to be used to promote the brand. Hydra ads on the internet would be seen in portals, news and lifestyle sites.

BELOW-THE-LINE STRATEGIES

It is imperative too design relevant below-the-line communication strategies for the success of the launch of Hydra. Below-the-line communications of Hydra would be a mix of ' pull' and ' push' strategies. These are to be carried over a period of 26 weeks and then reassessed. Sales promotion, organizing and sponsoring events, effective public relations, effective distribution and personal selling are effective techniques used.

Sales Promotion

In the initial period of launch, sales promotion activities are essential. The aim of aggressive sales promotion would be to make the target market try the product. It is planned that discount coupons offering fifty percent discount to be accompanied in the print ads. It is also planned to have discount coupons for every individual flavor on different days. This would help promote each flavor equally. Different discounts are also planned for department stores and convenience stores. Also, bulk buys in six packs

would attract discounts. Through sales promotion, Hydra is to be 'pushed' to the consumers.

Events

The profile strategy calls for sponsoring events as it helps establish and sustain the brand. It is worthwhile to sponsor only if the brand identifies with the event. With Hydra being an active lifestyle and sports brand, sponsorships of sports and other events would come naturally. It is planned to start with sponsoring corporate sports meets and move on to sponsor international sporting events and other events such as a music festival. Sponsorships and events are a part of the 'pull' strategy.

Public Relations

Effective PR has to be maintained while launching the brand. It would require liaisons with different press and news agencies. News releases for the brand should be prominently featured. The influence leaders of the society need to be targeted. Print articles regarding health, hydration and fitness are to be released in different publications.

Personal Selling

The largest buyers of the bottled water industry are the departmental stores. Water is also sold through other merchandisers, convenience stores, news agents, tobacconists, some restaurants, kiosks and vending machines. Personal selling is required to effectively create and maintain strategic relationship with the channels. It is a classic part of the 'push' strategy. Although the sales person would not be selling directly to the end user, its

job would be all the more important as it would be dealing in larger quantities with larger parties.

INTERNATIONAL LAUNCH

LOCATION

After the launch of Hydra in the United Kingdom, it is to be launched in the international market as well. It would be done after closely monitoring the performance of the brand in the UK. To launch the brand internationally, the first step is to decide on the new market.

Hydra would look to venture into different European markets keeping in mind the proximity to the UK, geographically and culturally. It would look forward to launch the brand in Ireland and France first and then expand to Germany, Spain and Poland.

OBJECTIVE

After establishing the brand in the UK, the objective of Hydra would be to repeat its local success in the international market as well. In the Irish and the French markets, Hydra would still be an unknown entity. Therefore the first objective is to introduce the brand and create brand awareness. The second objective is to establish Hydra and Hydra! as lifestyle brands. Overall the objective is to culturally fit in the new market.

STRATEGIES

Ireland and France have been chosen as markets for international launch because they do not differ much from the UK in terms of culture. In terms of market segmentation, the target segments for Hydra are the same as that in

UK and so will be the positioning of the brand. Therefore it is planned to go forward with the same communications plan tuned out with local language.