

# [Target marketing in bottle water assignment](https://assignbuster.com/target-marketing-in-bottle-water-assignment/)

[Art & Culture](https://assignbuster.com/essay-subjects/art-n-culture/)

1. Target marketing and market segmentation of Bling H20 Bling H2O crystal-encrusted of Beverly Hills is the inspiration of Kevin G. Boyd, a Hollywood writer-producer. While working on various studio lots where image is, well, everything, he noticed that you could tell a lot about a person by the bottled water he/she carried. So just like any other savvy business person, he decided to capitalize on his finding. “ Our product is strategically positioned to target the expanding super-luxury consumer market. ” Target marketing

Kotler(2004)Here, the seller identifies market segments, selects one or more of them, and develops products and marketing mixes tailored to each. For example, if the Bling H20 were available in Australia, the marketer would only select super-luxury consumers as target marketing. There are three main steps in target marketing. The first is market segmentation ??? dividing a market into distinct groups of buyers with different needs, characteristics or behavior who might require separate products or marketing mixes. The company identifies different ways to segment the market and develops profiles of the resulting market segments.

There are four variables that used in analyzing consumer market segments ??? geographic, demographic, and psychographic and behavior variables. Today, I take the Bling H20 as example to apply those variables to help me to understand more deeply about the market segmentation. According to Kotler, Adam and Brown et al. (2004, p216-226) ??? Geographic segmentation calls for identifying and analyzing the different geographical units that make up a market ??? nations, regions, states, municipalities, cities or neighborhoods.

For example, Bling H20 targets the super ??? luxury consumer market then this product should match the location where the consumers who have the purchase power for this product. New South Wales like Mosman, Woollahra or Hunters Hill, Kuringai, North Sydney. ??? Demographic segmentation consists of identifying which variables ??? such as age, gender, family size, family life-cycle stage, income, occupation, education, religion, race and nationality. For example, Bling H2O may more focus on the income segmentation.

Bling H2O targets the affluent consumers with luxury goods. ??? Psychographic segmentation, buyers are divided into different groups based on socioeconomic status, lifestyle, or personality characteristic. The Bling H2O may focus on those have high socioeconomic status. Boyd said In Hollywood it seemed as if people flaunted their bottled water like it was part of their presentation. ??? Behavior segmentation enables buyers to be grouped on the basis of their knowledge of the product, their attitude toward it, the way they use it and their responses to it.

Occasions: When a product is consumed or purchased. For example, selling Bling water in the upscale restaurants. Loyalty: Loyal consumers – those who buy one brand all or most of the time – are valuable customers. For example Paris Hilton buys Bling H2O for her dog. 2. Bottled water industry in Australia An overview of bottled water industry was provided in Australian Beverage organisation show the bottled water market has continued its strong growth pattern – now in its sixth year.

The Australian market is primarily a spring water market – Australians showing a marked bias for a natural great tasting product of consistent quality. Near waters include such products as flavoured natural spring water without sugar, or vitaminised waters that may contain low levels of sugars or other sweeteners. Lee (2008) describes the bottled water market is expected to grow 9. 1 per cent to $460 million this financial year, according to a forecast by the market researcher IBIS World, and Australia lags other developed countries in consumption.

In the next year Australians are expected to drink 242 megalitres of bottled water, the equivalent of 19 600-millilitre bottles each. IBIS World predicts a boom in “ premium” water as manufacturers claw back the higher costs of producing the plastic bottles from a crude oil derivative. The broadcast of the World Today (2004) interviewed Tony Gentile, chief executive of the Australian Beverages Council as well as the Australasian Bottled Water Institute, which acts as an industry association and a certifying agency. One issue facing the industry is that we don’t know what sort of impact a broad economic slowdown might have. Australians like their water low in mineral salts, compared to, say, Europeans,” Gentile says. “ There is sometimes a perception that bottled water competes with tap water, but it is just not the case, except with those drinkers who drink it because they don’t like the fluoride or chlorine associated with tap water. Aside from that, the competition is with other bottled drinks, especially carbonates. He also said bottled water has the advantage, of course, in ompetition with other commercial beverages of being calorie free, and a lot of people especially like the taste of spring water, because it doesn’t contain chlorine ‘ Australia’s Manufacturing and Industrial Directory’ website (2004) has details of Consumer trends, Food and beverage manufacturers are also changing their strategy in how they are marketing products, according to Stanton, who points to a trend towards not only communicating more information about a product, but explaining the benefits of the product’s contents.

Consumers are also becoming more environmentally conscious with a preference for simple packaging. INDUSTRY REGULATIONS The Food Standards Australia New Zealand’ website (2010) sets the minimum standards for all types of bottled water. These regulations are set out in the Food Standards Code. The primary standard is 2. 6. 2 “ Non-alcoholic Beverages and Brewed Soft Drinks” Bottlers must comply with this and all other requirements of the code.

Also the ABWI is the peak industry council and certifying organisation for water bottlers in Australasia. Bottled water produced by ABWI members must meet standards that are in some cases stricter than the FSANZ standards. ABWI has developed a quality assurance program called the Model Code, which is a strict set of standards for the safe processing of bottled water about the Model Code. 3. Ethical concerns and defend the marketing strategy Waste of resource

Too much needless consumption, too much unnecessary waste, and too much advertising to convince us we will be happier or better off if we just had this sort of “ ego” product, actually, most of people don’t like this product at all. Some comments like we have starving people all over the world but some celebrities still want to show how stupid they waste on the money which they can do some else to help communities and it is a bit like the emperor’s new clothes really from the TMZ bling water: say what ? Consumerist concern

This kind of product may resulted in the worship of consumerism and gave rise to the dominance of new egoism and gave birth to a new generation of upper class consumers Businesses have realized that wealthy consumers are the most attractive targets for marketing their products. The upper class’ tastes, lifestyles, and preferences trickle down to become the standard which all consumers seek to emulate. The not so wealthy consumers can purchase something new that will speak of their place in the tradition of affluence.

A consumer can have the instant gratification of purchasing an expensive item that will help improve their social status. Environmental concern 24 April, 2007A number of organizations connected with environment, social justice and religion have come down heavily upon America’s obsession with drinking the costly, bottled ‘ natural’ water, instead of consuming water from the tap, since the practice adds to global warming, besides being ‘ unethical. ‘ Bling h2o Marketing strategy Status symbols were certainly at the height of celebrities concern.

One article after another questioned the product’s price point or deemed it the sample of conspicuous consumption. But that is the strategy which makes the product stands out. By itself, the water is sourced from a natural spring in Dandridge, TN, where it undergoes a nine-step purification process. Strategically, distribute this product to right person in right place. Image proved to be the driving force behind the success of Bling H20. Meanwhile, brand manager can expanding the product line with a new drink target different market by market segmentation. . References

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